Pancon Gold

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PANCONTINENTAL GOLD ANNOUNCES UP TO $1,000,000 NON-BROKERED PRIVATE PLACEMENT

NOT FOR DISSEMINATION INTO THE UNITED STATES

September 12, 2016

Pancontinental Gold Corporation (TSX-V:PUC.H) ("Pancon Gold" or the "Company") is pleased to announce that it intends to complete a non-brokered private placement financing of up to 12,500,000 units (each, a "Unit") at a price of $0.08 per Unit for gross proceeds of up to $1,000,000 (the "Offering").

Each Unit consists of one common share of the Company (a "Common Share"), and one Common Share purchase warrant (a "Warrant") entitling the holder thereof to purchase one Common Share at an exercise price of $0.12 for eighteen (18) months from the date of issuance, provided that the expiry date can be accelerated in the event the Common Shares trade at $0.20 or more for at least twenty (20) consecutive trading days following the expiry of the statutory four month and one day resale restriction. The Company may pay certain finder's fees with respect to gross proceeds raised.

The Common Shares and Warrants comprising the Units will be subject to a resale restriction for four months and a day from the date of issuance.

The Company intends to use the net proceeds from the Offering to explore and advance its recently acquired Jefferson Gold Project, located in South Carolina, and for working capital purposes.

About Pancontinental Gold Corporation

Pancontinental Gold Corporation is a Canadian-based mining company focused on the exploration and development of the Jefferson Gold Project and on acquiring additional, prospective gold properties. The Company's shares are listed on the NEX Board of the TSX Venture Exchange, trading under the symbol PUC.H. In 2015, Pancon sold its interest in its Australian rare earth element (REE) and uranium properties, formerly held through a joint venture, and retains a 1% gross overriding royalty on 100% of future production.

ON BEHALF OF THE BOARD OF DIRECTORS

Rick Mark
President and Chief Executive Officer

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Cautionary Language and Forward Looking Statements

This news release contains forward-looking information which is not comprised of historical facts. Forward-looking information is characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, and opportunities to differ materially from those expressed or implied by such forward-looking information. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, changes in the state of equity and debt markets, fluctuations in commodity prices, delays in obtaining required regulatory or governmental approvals, and other risks involved in the mineral exploration and development industry, including those risks set out in the Company's management's discussion and analysis as filed under the Company's profile at www.sedar.com. Forward-looking information in this news release is based on the opinions and assumptions of management considered reasonable as of the date hereof, including that all necessary governmental and regulatory approvals will be received as and when expected. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information. The Company disclaims any intention or obligation to update or revise any forward-looking information, other than as required by applicable securities laws.