

July 27, 2017

PANCON GOLD PROVIDES STRATEGIC UPDATE

The Board of Directors of Pancontinental Gold Corporation (TSX-V: PUC) (“Pancon Gold”, “Pancon” or the “Company”) is pleased to provide an update on the Company’s progress over the last two years, and an overview of its strategic plan going forward.

During the past year, Pancon Gold has successfully transitioned from a uranium/rare earths exploration company focused in Australia into a gold exploration company focused in the southeastern United States.

In Q4 of 2015, the Company sold its joint venture interest in a rare earths discovery for cash plus a 1% gross overriding royalty on production from 100% of the project. In Q3 of 2016, Pancon Gold acquired a 100% interest in the Jefferson Gold Project in Chesterfield County, South Carolina. The Jefferson Gold Project is adjacent to the former Brewer Gold Mine and 10 km northeast of the producing Haile Gold Mine on trend along the historically gold-rich Carolina Gold Belt.

Subsequent to the acquisition of the Jefferson Project, Pancon Gold completed a C\$1 million dollar financing in September 2016, and then graduated to the Toronto Stock Exchange’s Venture Exchange (TSX-V) on October 24, 2016.

Pancon Gold restructured its management and established a technical team, appointing Dr. Dennis LaPoint as Vice President of Exploration and Dr. Laurence (Laurie) Curtis as Chairman of the Technical Advisory Committee, with an oversight role of the Company’s exploration programs and activities. Mr. Layton Croft was appointed a director of the Company in March 2017 and then its President/CEO in April 2017. Layton previously joined the Pancon Gold team in October 2016, and since then has used his executive leadership skills to make a significant contribution to the successful evolution of Pancon Gold with its new gold focus. Layton has spent 15 years in executive and strategic advisory roles in the minerals exploration and energy sectors in North America, Asia and Africa, with companies including Ivanhoe Mines, Rio Tinto, Duke Energy and Erdene Resource Development. Layton has deep roots in the Carolinas and his home base is Charlotte, North Carolina.

Earlier this year, Pancon Gold completed a six-hole diamond drilling program at our flagship Jefferson Gold Project, as a follow up to the four core holes drilled by the previous owner in 2011 (see Pancon’s news release from April 4, 2017). These holes have been focused on one target, Anomaly A. All four of the 2011 holes encountered gold mineralization, with the best hole averaging 1.27 grams of gold per tonne over a core length of 164.3 meters (from depth of 25.9 meters to 190.2 meters). Our technical analysis indicates that the best 2011 hole was drilled down-plunge on a sub-vertical zone that defines a fluid pathway containing breccia, gold and sulfides (fine-grained pyrite) with structural control, and with an estimated width for the gold mineralization of between 10 and 25 meters. Anomaly A has geologic similarities to mined zones within the adjacent former Brewer gold mine.

In the recent drill program (2016/2017), five of the six Pancon-drilled holes intersected anomalous mineralization, with the two best being:

- JEF-108 which intersected 22.9 meters averaging 1.3 grams per tonne, including 8.5 meters of 1.8

- grams per tonne (from depth of 100.6 meters to 123.4 meters); and,
- JEF-109 which intersected 12.2 meters of 1.55 grams per tonne (from depth of 79.2 meters to 91.4 meters).

As a result of our 2016-17 drilling to date, Pancon is better positioned to vector these structurally controlled targets and now has a better sense of the chemistry and mineralogy of the system. For instance, drilling indicates a previously unrecognized northwest-trending mineralized zone, and more detailed drilling will be required to define its exact dimensions and true width. In all, multiple targets have been identified, and will now be prioritized and expanded based on this knowledge.

In late April 2017, our Pancon Technical Advisory Committee, together with additional technical experts, convened in South Carolina to review drilling and to discuss the area geology and structures. Our team members participated in a site trip to the Haile Gold Mine, owned by OceanaGold Corporation. They gained valuable insights into the mode of occurrence at that excellent gold mine, and into the striking geological similarities between Haile core and Jefferson Project core. They also visited the former Brewer Gold Mine, adjacent to the Jefferson Project.

During the last few months, the Pancon Gold technical team has been dedicated to researching historical data and reprocessing existing geophysical data using proprietary techniques to enhance our understanding of the exploration potential within our current land package, as well as to identify prospective new properties for acquisition.

To date, drilling at the Jefferson Gold Project has been focused on only one target, Anomaly A, out of multiple targets. Pancon Gold's strategic plan, going forward, is to:

- utilize geophysics to better define existing targets, including Pipeline, Taylor Hill, Anomaly B and Anomaly C, as well as to define new targets beneath shallow sand cover;
- acquire exploration rights on additional land where good potential is indicated; and,
- drill the best targets as funding permits.

Pancon Gold CEO, Layton Croft, said: "Pancon's team of exploration geologists, technical experts and seasoned business veterans have demonstrated their ability, for more than three decades, to discover gold deposits and develop gold mines in North America and around the world. At Pancon Gold, we believe that a new bull market in gold has begun, and that the historically gold-rich and under-explored Carolina Gold Belt is a premier, low-risk jurisdiction for new gold discoveries and mines. Pancon Gold's management and directors, together with their families, own in excess of 20% of the Company's issued common shares, and have a strong vested interest in seeing Pancon Gold succeed."

Qualified Person

Dr. Dennis LaPoint, PhD, LGeo, is a Qualified Person (QP) under National Instrument 43-101 "Standards of Disclosure for Mineral Projects" and has approved the technical information contained in this news release. Dr. LaPoint is not independent of Pancon Gold, as he is Pancon's Vice President of Exploration. Dr. LaPoint has verified all the technical data in this release.

About Pancontinental Gold Corporation

Pancontinental Gold Corporation (www.pancongold.com) is a Canadian-based mining company focused on the exploration and development of the Jefferson Gold Project in South Carolina, USA, and on acquiring additional prospective properties. The Company's shares are listed on the TSX Venture Exchange, trading under the symbol PUC. In 2015, Pancon Gold 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

Layton Croft

For further information, please contact:

Layton Croft

President and CEO

1-416-293-8437 or laytoncroft@pancongold.com

For additional information please visit our web site: www.pancongold.com, and our Twitter feed: @PanconGold.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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.