

EXPLORING FOR CLEAN ENERGY

PUC Battery Metals Report

January 2019

INCLUDED IN THIS REPORT

Battery metals stock performance

- MoM and YTD exploration, developer and producer charts

Exploration News

- Brazil's Vale to pump \$500 million into nickel mine
- Cobalt 27 is ready to ride the EV revolution
- Pancontinental positions for rising demands for commodities from a clean energy revolution
- Pancon announces private placement of up to \$1.8 million
- Pancon closes \$1.7 million private placement

Battery Metals Supply & Demand News

- Congo declares cobalt "strategic", near tripling royalty rate
- The value of cobalt production outside the DRC
- The EV Metal Miners rout should end soon
- The battery industry is blowing up and its changing everything, from cars to phones
- The age of electric car? Not before we talk about metals
- China's dominance in Rare Earths threatens European electric-car industry

Electric Vehicle News

- Audi takes on Tesla with pledge to spend £12.5bn on electric and self-driving cars
- Hyundai to leapfrog Tesla with world's largest battery
- Elon Musk wants the world to embrace electric cars, even if Tesla goes bankrupt
- The electric car of the future could be recharged in 15 minutes
- 1st Chinese exotic electric car to hit US roads
- California bus agencies ordered to make fleets emission-free

COMMODITY PRICES (in US\$ per tonne)

	Nickel (Ni)	Cobalt (Co)	Copper (Cu)	Gold* (Au)
November 30, 2018	\$11,010.00	\$54,750.00	\$6,237.00	\$1,220.60
December 31, 2018	\$10,590.00	\$54,500.00	\$5,964.00	\$1,279.80
Change (+ -)	\$420.00 ↓	\$250.00 ↓	\$273.00 ↓	\$59.20 ↑

Source: The London Metal Exchange

* Gold price per ounce

PANCONTINENTAL POSITIONS FOR RISING DEMAND FOR COMMODITIES FROM A CLEAN ENERGY REVOLUTION

Source: [InvestorIntel](#)
December 13, 2018

Canada is primed and ready for the growing demand of commodities required for the clean energy revolution. Canada is a key energy metals location with copper, lithium, cobalt, graphite, nickel, and rare earth elements. These commodities are crucial in the production of solar panels, high energy density lithium-ion batteries, and electric motors. The Canadian minerals sector directly and indirectly contributed \$97 billion or 5% to the nation's total nominal GDP in 2017, and accounted for 634,000 jobs throughout the country in 2017.

Pancontinental Resources Corporation (TSXV: PUC) ("Pancon") is a Canadian based mining company focused on strategic battery metals projects, with a particular focus on prospective nickel-cobalt-copper properties in proven mining districts with excellent infrastructure. Pancon is advancing 4 prospective Ni-Co-Cu projects in Ontario.

The Montcalm, Nova, and Gambler nickel-cobalt-copper projects

The camp land size and position cover 13,480 ha in the Porcupine Mining Division in Ontario and is adjacent to Glencore's former Montcalm Mine located within the prospective Montcalm Gabbro Complex, 65 kilometres northwest of Timmins, Ontario. The Montcalm Mine has previously mined 3,931,610 tonnes of ore grading 1.25% nickel, 0.67% copper, and 0.051% cobalt, producing in excess of 4 million pounds of cobalt.

By the end of 2018, Pancon expects to have a strategic drilling plan for the most prospective targets with a diamond drill program of 5,000 to 10,000 meters for the 2018-2019 winter season.

Pancon President and CEO, Layton Croft, stated: "We have taken a methodical, scientific approach to crafting our initial drill program for the Montcalm Project. Our team has compiled

PANCONTINENTAL RESOURCES CORPORATION (TSXV: PUC)

Pancontinental Resources Corporation ("Pancon" or the "Company") (TSXV: PUC) is a Canadian-based mining company focused on exploring and developing 4 nickel-cobalt-copper projects in Ontario :

- Three early stage projects near Timmins: Montcalm, Nova and Gambler Projects, and
- The advanced stage McBride Project near Bancroft

Pancon's purpose is generating value through responsible exploration. Our strategy is to create value from prospective assets in areas with existing resources and/or in proximity to producing or former mines.

The Company also holds a 100% interest in the Jefferson Gold Project in South Carolina, USA. 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 REE production.

MONTHLY PUC BATTERY METALS REPORT

Presented by Pancon, the monthly Battery Metals Report highlights the latest news on the Battery Metals space.

It includes news that affects the market as well as companies that are exploring, developing and producing essential minerals and materials that will lead a clean energy revolution.

BE IN THE KNOW

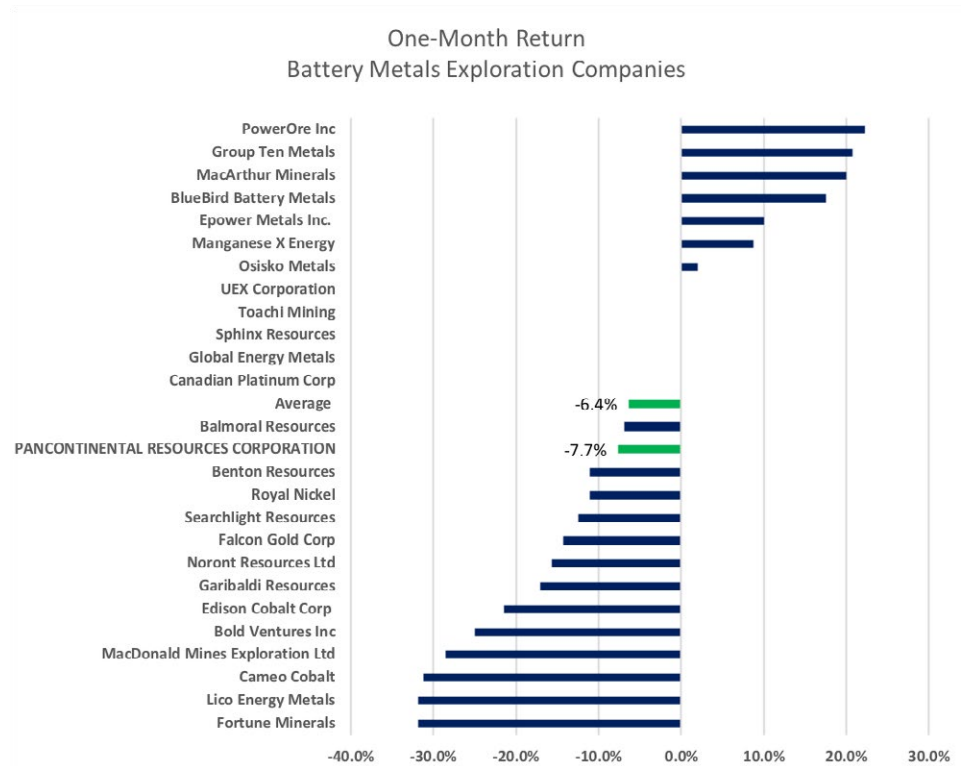
[Click here to sign-up to get the monthly PUC Battery Metals Report and Pancon updates right on your inbox](#)

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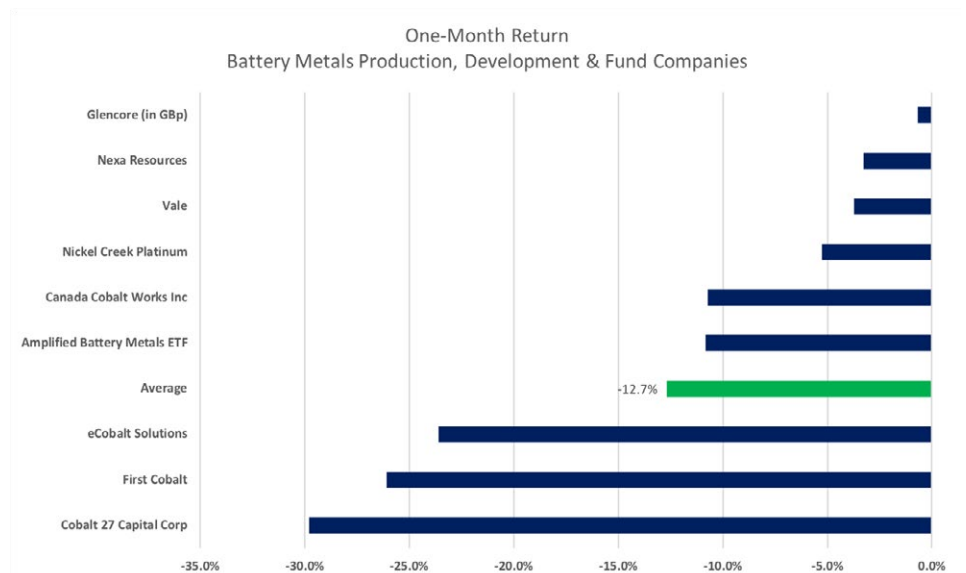
[@PanconResources](#)

BATTERY METALS MONTH-OVER-MONTH STOCK PERFORMANCE

Battery Metals Explorers

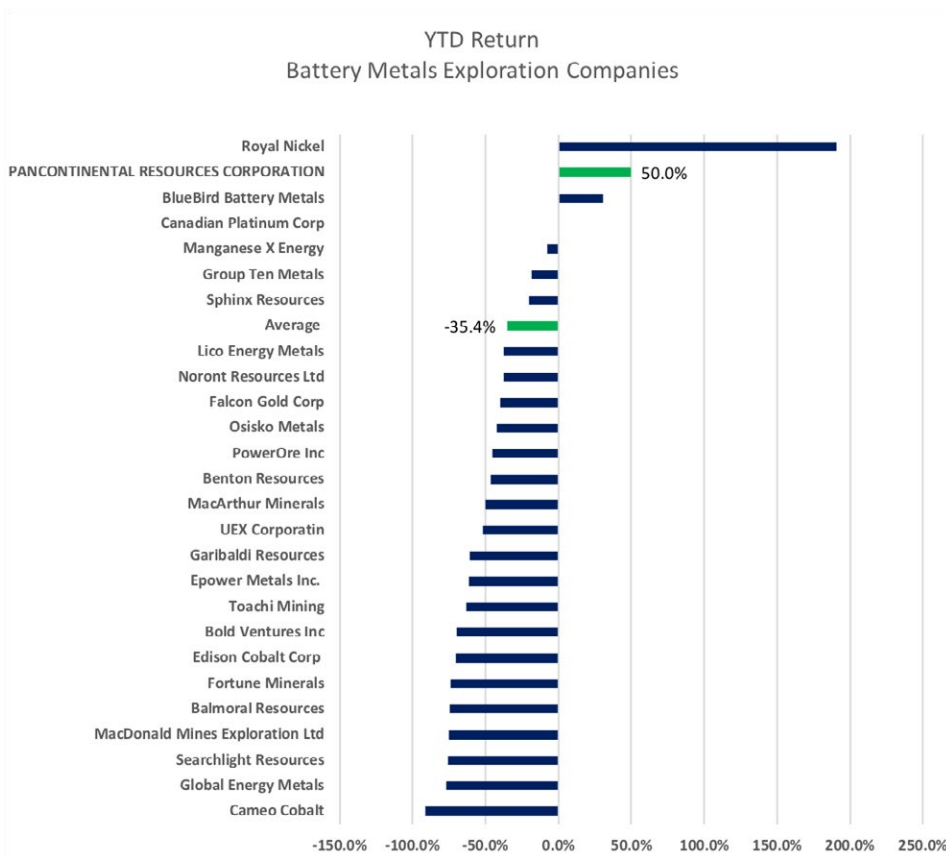


Battery Metals Producer/Developers and Funds

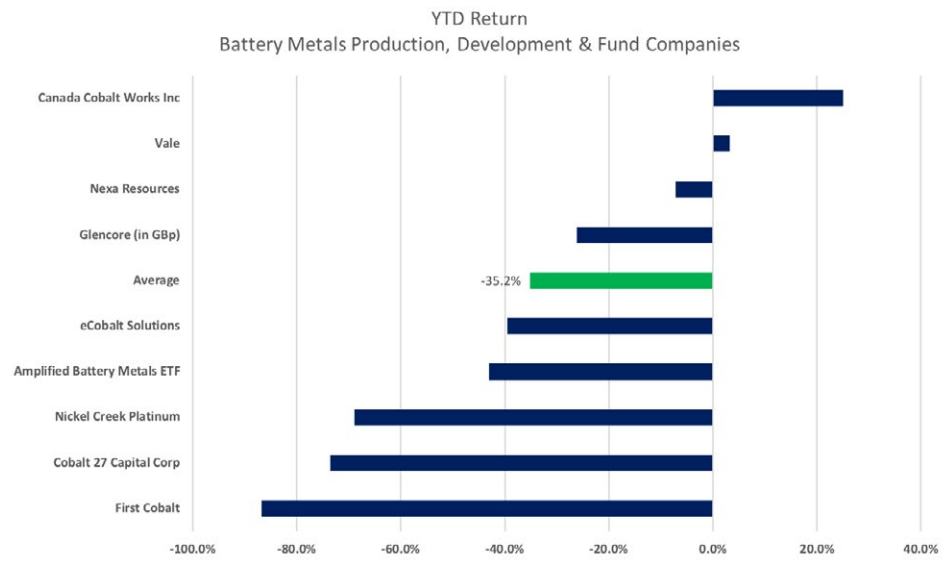


BATTERY METALS YEAR-TO-DATE STOCK PERFORMANCE

Battery Metals Explorers



Battery Metals Producer/Developers and Funds



MONTCALM PROJECT

The Montcalm Project (3,780 hectares, 37.8 square kilometres) is located within the prospective Montcalm Gabbro Complex in the Montcalm Greenstone Belt, 65 kilometres northwest of Timmins, Ontario. The Project is contiguous to and surrounds the western, northwestern and southwestern portion of the former Montcalm Mine, which was discovered and developed based on a single airborne electromagnetic anomaly identified in the 1970s and previously mined 3,931,610 tonnes of ore grading 1.25% nickel (Ni), 0.67% copper (Cu), and 0.051% cobalt (Co), producing in excess of 4 million pounds of Co (Ontario Geological Survey, Atkinson, 2011).

NOVA PROJECT

Also located in the Montcalm Greenstone Belt, the Nova Project (2,080 hectares) is located 19 kilometres southwest of Glencore's former Montcalm Mine.

Regionally, the Nova Project covers a portion of the eastern boundary of a major regional structure known as the Kapuskasing High (also known as the Kap High).

Very little exploration has been conducted on this structure until recently, leading up to Goldcorp's recent announcement of plans to develop its Borden Lake Gold Mine, located in the Kap High.

GAMBLER PROJECT

The Gambler Project is adjacent to the Montcalm Project and covers 7,620 hectares (76.2 square kilometres) of the Montcalm Gabbro Complex in the Montcalm Greenstone Belt.

MCBRIDE PROJECT

The McBride Project is an advanced-stage nickel-cobalt-copper project, covering 880 hectares of patented mining land located in Limerick Township, 25 km south of Bancroft, Ontario. The project contains Historical Resources of an estimated 5.1 million tons of near-surface nickel-cobalt-copper mineralization that includes the North Zone deposit, the South Zone deposit, and the South Extension prospect [Reno Pressacco, Micon International Limited ("Micon"), 2004, NI 43-101 Technical Report].

PANCONTINENTAL POSITIONS FOR RISING DEMAND FOR COMMODITIES FROM A CLEAN ENERGY REVOLUTION (CONT'D)

a wealth of historic and modern geophysical and drilling data, regarding both our Project and the adjacent former mine.”

Why battery metals, and why now?

With global electric car sales expected to exceed 2 million in 2018 the need for battery metals is growing rapidly each year. Of course this is most likely just the first innings. For example, Bloomberg forecasts 30 million electric vehicle sales pa by 2030 and 60 million pa by 2040. Added to this will be battery metals demand from conventional sources such as electronic devices, and the rapidly emerging energy storage sector. Pancon has the potential to grow with the industry. ■

PANCON ANNOUNCES PRIVATE PLACEMENT OF UP TO \$1.8 MILLION

December 13, 2018

Pancon announced that it intends to complete a non-brokered private placement financing of up to 12,000,000 units (each, a "Unit") at a price of \$0.07 per Unit, and up to 12,500,000 "flow-through" units (each, a "FT Unit") at a price of \$0.08 per unit, for gross proceeds of up to \$1.8 million (the "Offering").

Each Unit and FT Unit will include a one-half Common Share Purchase Warrant. Each Full Warrant will entitle the holder to purchase a Common Share at an exercise price of \$0.12 for eighteen (18) months from the date of issuance. Following the closing of the Offering, provided that if, at any time after the date that is more than four months and one day following the closing of the Offering, the Common Shares trade on a stock exchange at a volume weighted average trading price of \$0.20 or greater per Common Share for a period of 20 consecutive trading days, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof, and in such case the Warrants will expire on the 30th day after the date on which such notice is given by the Company. The Company may pay certain finder's fees with respect to gross proceeds raised. The Common Shares and Warrants comprising the Units and FT Units will be subject to a resale restriction for four months and a day from the date of issuance.

Pancon intends to use the net proceeds from the Offering to explore and advance its nickel-cobalt-copper projects and for working capital purposes.

Pancon President and CEO, Layton Croft, states: ***"This has been a transformative year for Pancon. We made the strategic shift to battery and energy metals - nickel, cobalt and copper - by securing four projects in one of the safest and most geologically prospective jurisdictions on earth: Ontario. We built a camp-size land position across the underexplored Ni-Co-Cu Montcalm Gabbro Complex in the Porcupine Mining Division west of Timmins. We established positive working relations with Flying Post First Nation and local regulatory agencies. We generated encouraging results from state-of-the-art geophysical surveys and compilation analyses. Proceeds of this offering will help fund our maiden Montcalm Project drill program, scheduled to commence the first week of January."***

The Montcalm Project (3,780 hectares) is one of three Pancon projects in the Montcalm Greenstone Belt. It is located within the prospective Montcalm Gabbro Complex, 65 kilometres northwest of Timmins, Ontario. The project is contiguous to and surrounds the western, northwestern and southwestern boundaries of the former Montcalm Mine, currently owned by Glencore plc. The former Montcalm Mine was discovered and developed based on a single airborne electromagnetic anomaly identified in 1970s by Teck Corporation. The Montcalm Mine previously mined 3,931,610 tonnes of ore grading 1.25% nickel, 0.67% copper and 0.051% cobalt, and producing in excess of 4 million pounds of cobalt (Ontario Geological Survey, Atkinson, 2011). Pancon cautions that the mineralization on the adjacent former Montcalm Mine is not necessarily indicative of the mineralization that may be identified on the Company's Montcalm Project. In January 2018, Pancon acquired an option to earn a 100% interest in the Montcalm Project, as well as in the nearby Nova Project, as detailed in its January 10, 2018 news release. ■

EXPLORATION NEWS

[Brazil's Vale to pump \\$500 million into nickel mine](#)

December 4, 2018

[Cobalt 27 is ready to ride the EV revolution](#)

December 6, 2018

[Pancontinental positions for rising demands for commodities from a clean energy revolution](#)

December 13, 2018

[Pancon announces private placement of up to \\$1.8 million](#)

December 13, 2018

[Pancon announces close of first tranche of private placement for \\$1.5M](#)

December 20, 2018

[Pancon closes \\$1.7 million private placement](#)

December 31, 2018

BATTERY METALS SUPPLY & DEMAND NEWS

[Congo declares cobalt "strategic", nearly tripling royalty rate](#)

December 3, 2018

[The value of Cobalt production outside of the DRC](#)

December 3, 2018

[The EV Metal Miners rout should end soon](#)

December 5, 2018

[The battery industry is blowing up and its's changing everything, from cars to phones](#)

December 5, 2018

[The age of the electric car? Not before we talk about metals](#)

December 17, 2018

[China's dominance in Rare Earths threatens European Electric-Car Industry](#)

December 16, 2018

[Nickel in the global automotive space to reach \\$13.4 billion by 2023](#)

December 20, 2018

[Sumitomo Metals sees nickel deficit halving](#)

December 27, 2018

[Electric vehicle manufacturing in China drives metal demand](#)

December 30, 2018

PANCON ANNOUNCES CLOSING OF FIRST TRANCHE OF PRIVATE PLACEMENT FOR \$1.5 MILLION

December 20, 2018

Pancon announced that it closed the first tranche of its previously announced non-brokered private placement through the issuance of 10,526,436 units ("Units") at a price of \$0.07 per Unit and 10,125,000 Flow-Through Units (FT Units) through the issuance of 10,125,000 units (FT Units) at a price of \$0.08 per FT Unit for a gross proceeds of \$1,546,850.52 (the "Offering").

Each Unit and FT Unit include a one-half Common Share Purchase Warrant. Each Full Warrant will entitle the holder to purchase a Common Share at an exercise price of \$0.12 for eighteen (18) months from the date of issuance. If at any time after the date that is more than four months and one day following the closing of the Offering, the Common Shares trade on a stock exchange at a volume weighted average trading price of \$0.20 or greater per Common Share for a period of 20 consecutive trading days, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof, and in such case the Warrants will expire on the 30th day after the date on which such notice is given by the Company. 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.

Closing of the Offering is subject to receipt of all necessary corporate and regulatory approvals, including the approval of TSX Venture Exchange. All securities issued in connection with the Offering will be subject to a hold period of four months plus a day from the date of issuance and the resale rules of applicable security legislation. ■

PANCON CLOSES \$1.7 MILLION PRIVATE PLACEMENT

December 31, 2018

Pancon announced that it closed the final tranche of its previously announced non-brokered private placement through the issuance of 60,000 units ("Units") at a price of \$0.07 per Unit and the issuance of 1,875,000 units (FT Units) at a price of \$0.08 per FT Unit for total gross proceeds of \$154,200.00, with combined gross proceeds from the first and final tranche of \$1,701,050.52 (the "Offering").

Pancon President and CEO, Layton Croft, stated: ***"We are pleased with the interest in our private placement. Pancon is now poised for success as a battery metals explorer with a camp-sized land position on most of the Gabbro Complex in the underexplored Montcalm Greenstone Belt. We are focused on our nickel-cobalt-copper Montcalm Project, which surrounds the former Montcalm Mine owned by Glencore plc and located 65 kilometres northwest of Timmins, Ontario. In 2019 and beyond, we aim to generate shareholder value through responsible exploration of battery metals essential to powering our world's low-carbon energy economy."***

Each Unit and FT Unit include a one-half Common Share Purchase Warrant. Each Full Warrant will entitle the holder to purchase a Common Share at an exercise price of \$0.12 for eighteen (18) months from the date of issuance. If at any time after the date that is more than four months and one day following the closing of the Offering, the Common Shares trade on a stock exchange at a volume weighted average trading price of \$0.20 or greater per Common Share for a period of 20 consecutive trading days, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof, and in such case the Warrants will expire on the 30th day after the date on which such notice is given by the Company. 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.

In connection with the Offering, the Company issued a total of 657,857 finder's warrants, equal to 6% of the Units and FT Units issued to subscribers introduced to the Company by finders and paid a cash commission of \$52,200, equal to 6% of the gross proceeds raised from subscribers introduced to the Company by finders. ■

ELECTRIC VEHICLE NEWS

[Audi takes on Tesla with pledge to spend £12.5bn on electric and self-driving cars](#)
December 4, 2018

[Hyundai to leapfrog Tesla with world's largest battery](#)
December 5, 2018

[Elon Musk wants the world to embrace electric cars, even if Tesla goes bankrupt](#)
December 8, 2018

[The electric car of the future could be re-charged in 15 minutes](#)
December 13, 2018

[1st Chinese exotic electric car to hit US roads](#)
December 15, 2018

[California bus agencies ordered to make fleets emission-free](#)
December 17, 2018

[How electric cars are moving from niche to something people want to buy](#)
December 23, 2018

[The Best Selling Electric Vehicles, & When Will Tesla Model 3 Be #1?](#)
December 25, 2018

[Will electric cars dominate the market?](#)
December 26, 2018

[In a big EV push, Finance Ministry Directs All Govt Bodies To Prefer Electric Vehicles For Official Use](#)
December 26, 2018

[South Korea's SK Innovation bets on Europe, China electric vehicle demand](#)
December 26, 2018

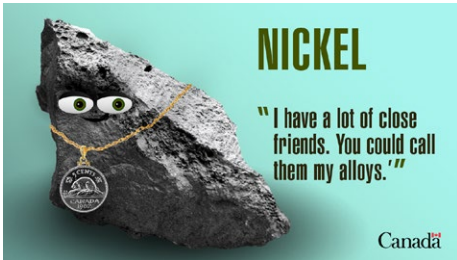
[Panasonic plans to almost double its electric vehicle battery production in China](#)
December 26, 2018

[Think Electric Vehicles Are Great Now? Just Wait...](#)
December 26, 2018

[13 electric cars to get excited about in 2019](#)
December 28, 2018

[Volkswagen presents a mobile electric vehicle charging station](#)
December 29, 2018

EVERY MINERAL HAS A TALE TO TELL



I have a lot of close friends. You could call them my alloys. I used to worry that they only stuck around for the money, but that just does not make cents.

Source: [The Canadian Minerals and Metals Plan](#)

CANADA & THE GREEN ECONOMY REVOLUTION

How Canada's mining sector impacts the economy

Canada is primed to respond to growing global demand for commodities required in clean energy technologies.

Canada is a key global producer of copper, nickel and cobalt, and hosts advanced mineral projects for rare earth elements, lithium and graphite. These commodities are crucial in the production of solar cells, high-density batteries and wind turbines.

In 2017, the minerals sector directly and indirectly contributed \$97 billion or 5% to Canada's total nominal GDP.

The minerals sector directly and indirectly accounted for 634,000 jobs throughout the country in urban, rural and remote regions in 2017.

The minerals industry is an important employer of Indigenous peoples, providing jobs to over 16,500 individuals in 2017.

Source: [Natural Resources Canada](#)

Disclaimer: All information provided in this newsletter is based upon sources that Pancontinental Resources Corporation ("Pancon") believes to be reliable. Pancon does not guarantee their accuracy or completeness. Any and all statements as of the date of this newsletter are subject to change without notice. All information provided on this newsletter must be understood as information presented for discussion only and not investment advice. Pancon advises all readers and subscribers to seek advice from a registered professional securities representative before deciding to trade in stocks featured on this newsletter or any stocks for that matter. All statements and expressions of the companies featured are not meant to be a solicitation or recommendation to buy, sell, or hold securities. Pancon expressly disclaims any obligation to update or revise any such forward-looking statements.

Qualified Person: The technical information in this newsletter has been prepared in accordance with Canadian regulatory requirements as set out in NI 43-101 and reviewed and approved by J. Kevin Filo, PGeo, a Qualified Person as defined by NI 43-101, a member of Pancon's Technical Advisory Committee, and Pancon's Project Manager for the Montcalm, Nova and Gambler Projects. Certain technical information within this newsletter is historical in nature and pre-dates NI 43-101 standards, this information is believed to be reliable however the Company has not verified this material.

MANAGEMENT TEAM

Layton Croft, President & CEO: More than 25 years of leadership and management experience in North America, Asia, Europe, Africa and Latin America, including executive and strategic advisory roles with Ivanhoe Mines, Rio Tinto, Peabody Energy and Duke Energy. Director of Erdene Resource Development (TSX: ERD) since 2015.

Kevin Filo, P.Geo., Project Advisor for Montcalm, Nova & Gambler Projects: Exploration geologist, mining geologist and project generator with nearly 40 years of experience, including 30 years in the Abitibi Greenstone Belt region, Ontario. Former VP Exploration for acquisition team which acquired the Detour Gold Mine from Placer Dome, now one of the largest gold mines in Canada.

Todd Keast, P.Geo., Project Manager for Montcalm, Nova and Gambler Projects: Exploration and project geologist with nearly 30 years of experience in a diverse field of commodities. With an active approach to exploration, has advanced projects from grassroots target generation and evaluation through to deposit discovery, delineation, environmental permitting and PEA.

Mark McMurdie, CFO: Chartered Professional Accountant with more than 30 years of senior leadership experience in public and private companies. Currently serving as CFO for Roscan Minerals (TSX-V: ROS), as well as Director of Finance for franchisor H&S Massage Spa Canada.

Jeanny So, Manager, External Relations: More than 15 years of investor relations, public relations, corporate affairs, corporate development and communications experience in the natural resource sector. She also serves as a consultant to Purepoint Uranium Group (TSXV: PTU) and is a member of Prospector and Developers Association of Canada (PDAC) and Women In Mining.

CAPITAL STRUCTURE

Shares Outstanding	164,129,290
Share Price (12-31-18)	\$0.06
52 Week Range	\$0.09 / \$0.02
Average Daily Volume	45,000
Options	11,500,000
Warrants	25,786,075
Fully Diluted	201,415,365
Insider Ownership	10%
Institutional Ownership (CMP, Dundee, Ninepoint, Marquest)	30%
Cash on Hand (12-31-18)	\$1,850,000

BOARD OF DIRECTORS

- Donald Whalen (Chairman)
- Layton Croft
- Rick Mark
- David Mosher
- David Petroff

TECHNICAL ADVISORY COMMITTEE

- David Mosher (Chairman)
- Kevin Filo, P.Geo.
- Todd Keast, P. Geo.

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