

ESSENTIAL MINERALS

TO POWER THE NEW ENERGY ECONOMY



PUC Battery Metals Report

March 2019

INCLUDED IN THIS REPORT

Battery Metals Performance & Insights

- MoM exploration, developer and producer charts
- PDAC highlights from Pancon

Industry News

- Inside Nor-nickel: the drive to target the battery metal boom
- Key junior resource themes in 2019
- Sherritt reports higher nickel production at MOA JV and stronger balance sheet
- Glencore to cut production at major copper, cobalt mine
- Pancon consolidates position as the green energy boom intensifies

Battery Metals Supply & Demand News

- Ford says carmakers may need to invest in cobalt mines soon
- Nickel tipped to be fastest growing battery metal in EV boom
- Cobalt price crash bottoming out, stocks to hinder quick rally
- China's electric vehicles could outrun those in the US, Japan & Germany
- A lack of minerals is threatening America's future
- The world is now running on a 10-day supply of copper

+++ lots more news inside



2019 EXHIBITOR

VISIT PANCON'S BOOTH

3010

MARCH 2 - 6, 2019

COMMODITY PRICES (in US\$ per tonne)

	Nickel (Ni)	Cobalt (Co)	Copper (Cu)	Gold* (Au)
January 31, 2019	\$12,240.00	\$34,000.00	\$6,076.00	\$1,310.90
February 28, 2019	\$13,030.00	\$33,000.00	\$6,532.00	\$1,314.90
Change (+ -)	\$790.00 ↑	\$1,000.00 ↓	\$459.00 ↑	\$4.00 ↑

Source: The London Metal Exchange
* Gold price per ounce

PANCON FOCUSES ON ETHICAL, CLEAN ENERGY



Kevin Filo, P.Geo., Project Advisor, left, and Todd Keast, P.Geo., Project Manager & Consulting Geologist examine diamond drill core from the Montcalm Project near Timmins, NE Ontario.

Source: Resource World
February/March 2019 - Volume 17 Issue 2

PANCONTINENTAL RESOURCES CORP. [PUC-TSXV], formerly Pancontinental Gold, is a Canadian mineral exploration company now "exploring for clean energy" by concentrating on strategic nickel-cobalt-copper projects in Ontario. Resource World interviewed Layton Croft in December 2018, President and CEO of Pancontinental ("Pancon" for short).

Croft said that "a low-carbon energy economy won't work without mining" – whether solar or electrical energy, metals and materials used in collecting and storing of alternative

CONTINUED ON PG 4

PANCON RESOURCES (TSXV:PUC)

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

- Four early stage projects near Timmins: Montcalm, Nova, Gambler and Strachan Projects, and

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 has an option to acquire up to 76% of the McBride Ni-Cu-Co Project in Bancroft, Ontario, Canada and a 100% interest in the Jefferson Gold Project in South Carolina, USA.

MONTHLY 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 WITH PANCON

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

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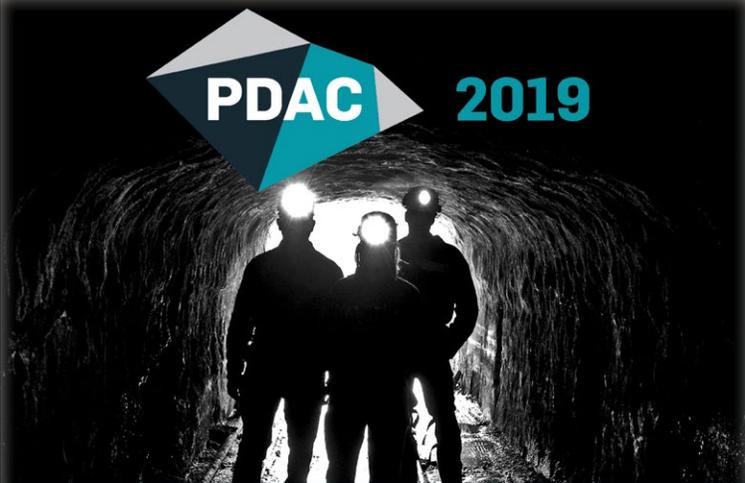
PDAC 2019 CONVENTION

The annual PDAC Convention is the world's premier international event for the minerals and mining industry. It has attracted more than 25,000 people from 135 countries in recent years and will be March 3-6, 2019 at the Metro Toronto Convention Centre in Toronto.

If you are attending PDAC this year, make sure to drop by PANCON'S booth # 3010 at the Investor Exchange.

Pancon is also proud to co-sponsor a fun reception on Sunday, March 2nd at the Strathcona Hotel with live music, featuring Toronto classic rock/blues band "The Moving Violation" with the Bay Street Horns.

For more information on how to attend the event, please contact: info@panconresources.com



PDAC 2019

Join THE MOVING VIOLATIONS
a classic Rock 'n Roll and Blues Band

When: Sunday, March 3, 2019
Where: York Street Cafe (Strathcona Hotel)
60 York Street
Time: 5:30 pm to 10 pm

Bring your business card in exchange for a free drink at the bar

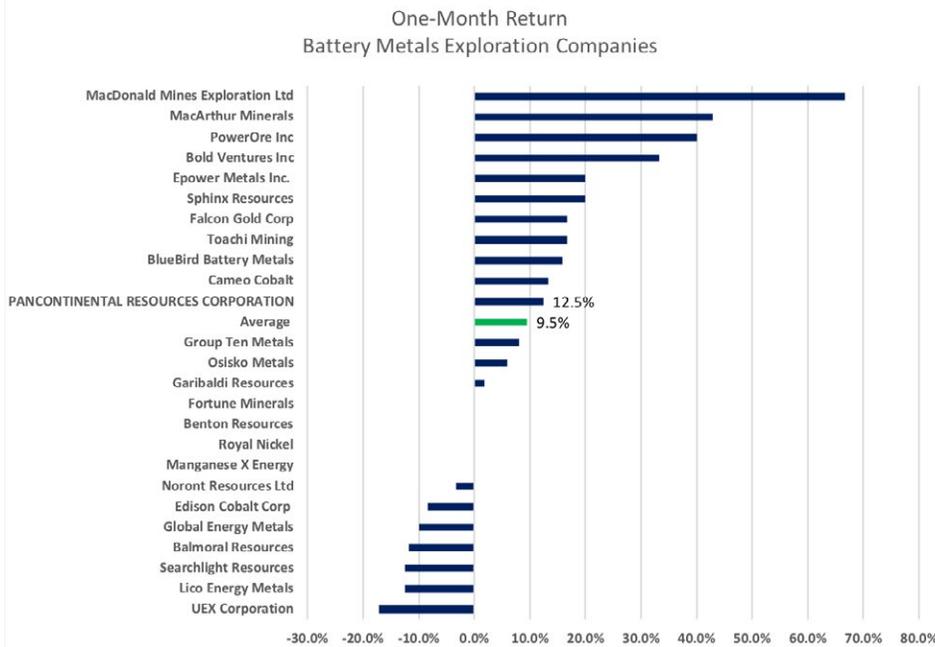
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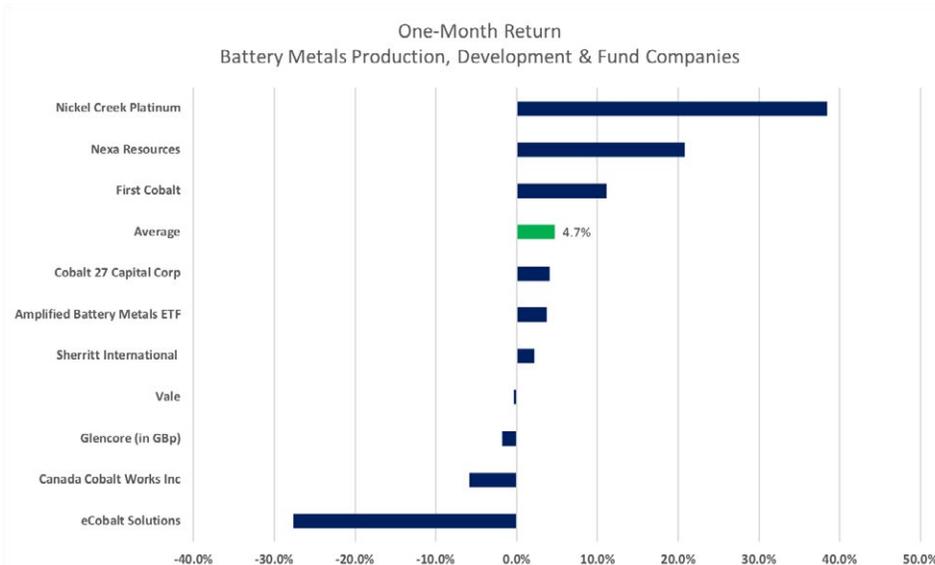


BATTERY METALS MONTH-OVER-MONTH STOCK PERFORMANCE

Battery Metals & Energy Explorers



Battery Metals & Energy Producers/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.

STRACHAN PROJECT

Strachan is Pancon's fourth early stage Ni-Co-Cu exploration project in the emerging Montcalm battery metals district and covers 2,280 hectares (22.8 square kilometres) of the Strachan Gabbro Complex in the Montcalm Greenstone Belt.

OTHER EXPLORATION PROJECTS

- McBride Ni-Cu-Co Project in Bancroft, Ontario, Canada
- Jefferson Gold Project, South Carolina, USA

PANCON FOCUSES ON ETHICAL, CLEAN ENERGY (CONT'D)

energy resources have to be mined.

Recent media buzz about electrical vehicle batteries stresses the need for ethical cobalt sources in favourable mining jurisdictions. Both lithium and cobalt are used in the latest mobile phones and electric car batteries, and more supplies are required in this booming field.

A laptop computer might contain an ounce (some 30 g) of cobalt, whereas an electric car battery contains some 30 lbs. Even if less cobalt is used, more nickel will be required and copper is always essential. One issue with cobalt is that most of the world's cobalt (some 70%) is mined under problematic conditions in African countries. Finding a reasonable nickel-cobalt source in a good jurisdiction like Canada would be ideal.

Like other junior explorers, Pancon has evolved through a long history of trying to find the perfect mining scenario, ranging from promoting good deposits in international places with difficult political situations, to exploring for commodities that have changed price, to properties close to home with excellent potential but hampered by local unpopularity, and so on.

For example, Pancon's relatively advanced McBride Project in the Bancroft uranium region about halfway between Toronto and Ottawa, hosting some 5 million tons of historic resources in two ore zones (the North with 3.9 million tons grading 0.82% nickel, 0.054% cobalt, and 0.25% copper, and the South with 1.2 million tons grading 0.30% nickel, 0.03% cobalt, and 0.14% copper), is conveniently near infrastructure in southern Ontario. However, it might be too close to cottage country to get permitted easily in the face of social opposition, despite its known potential resources.

This is why the Pancon's land position of nearly 16,000 hectares around Glencore's former nickel-cobalt-copper Montcalm Mine near Timmins, northern Ontario, is so attractive. As a traditional mining district, it is a more favourable jurisdiction than southern Ontario. Pancon maintains four projects across the Montcalm Greenstone Belt: Montcalm, Gambler, Nova and Strachan, together making up their number one priority.

In the interview, Croft said that it was better to have a nickel focused cobalt play than a silver-cobalt prospect, as nickel demand in the new energy economy is poised for long-term growth. Long-term expertise is provided by Project Advisor at Montcalm, Kevin Filo, PGeo, who has lived in Timmins for 30 years and is familiar with its mining history. They already have a MOU with local First Nations.

Around the old producing Montcalm Mine, Pancon's Montcalm and Gambler Ni-Co-Cu properties are contiguous and cover similar geological areas underlain by gabbro, which was known to host the sulphide-bearing ore bodies at Montcalm. Before closing in 2011, Glencore mined 3.9 million tonnes at 1.24% nickel, 0.051% cobalt, and 0.67% copper (about 4 million lbs cobalt). Pancon believes there is more ore to be mined.

Nearby, but with different geology, the Nova Project was targeted due to geophysical indicators and previous geochemical work done by Teck in 1991, when Kevin Filo worked on the prospect, with values in gold as well as cobalt, copper, and zinc. In 2019, the primary activity for Pancon will be continuing its field exploration at Montcalm. Having done geophysical surveys such as airborne gravity and VTEM, with additional specific IP studies, in early January 2019 they began a 4,500-metre drill program with 11 targets identified so far.

Pancon also retains its stake in the Jefferson Gold Project abutting the now-closed Brewer gold mine in the Carolina slate belt; where 12 million tonnes of gold ore was mined from 1987 to 1995. The company expects that sooner or later any lingering environmental issues there would be outweighed by a state economy that craves jobs and the eventual return of a robust gold market. The Jefferson Gold Project, not far from the Pancontinental Resources North Carolina office, is about a 20-minute drive along strike from the Oceana Gold's producing Haile Gold Mine, visited by this Resource World writer in 2018.●

INDUSTRY NEWS

[Inside Nornickel: the drive to target the battery metal boom](#)
February 7, 2019

[Pancontinental consolidates position as the green energy boom intensifies](#)
February 11, 2019

[Key junior resource themes in 2019](#)
February 12, 2019

[Sherritt reports higher nickel production at MOA JV and stronger balance sheet for Q4 2018](#)
February 13, 2019

[Glencore to cut production at major copper, cobalt mine](#)
February 19, 2019

[Pancon provides corporate update to shareholders](#)
February 19, 2019

SUPPLY & DEMAND NEWS

[Ford says carmakers may need to invest in cobalt mines soon](#)
February 5, 2019

[Nickel tipped to be fastest growing battery metal in EV boom](#)
February 6, 2019

[It's a long way from the lab to the market](#)
February 6, 2019

[Nickel rally fades, electric vehicle buzz doesn't](#)
February 12, 2019

[Cobalt's price crash bottoming out, stocks to hinder quick rally](#)
February 12, 2019

[China's electric vehicles could outrun those in the US, Japan and Germany](#)
February 13, 2019

[A lack of minerals is threatening America's energy future](#)
February 14, 2019

[Supply disruptions are piling up... so why are cobalt prices so depressed?](#)
February 18, 2019

PANCON CONSOLIDATES ITS POSITION AS THE GREEN ENERGY BOOM INTENSIFIES



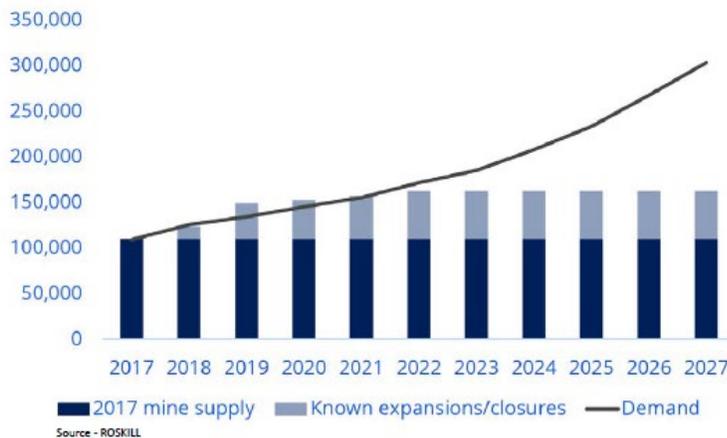
Source: [InvestorIntel](#)
February 11, 2019

Cobalt is primarily mined as a by-product of nickel and copper and is important as a key input for most lithium-ion batteries, and thus electric vehicles. While 2018 saw a retreat in cobalt prices as a result in new supply, many analyst firms are forecasting a strong recovery for cobalt prices boosted by the electric vehicle (EV) boom. Many see the cobalt crunch (deficits) starting in 2022/2023 and beyond, as electric car sales are forecast to dramatically ramp up from then. Nickel sulphate, which is also used in lithium-ion batteries, is also expected to go into deficit about the same time if not earlier. Copper is also expected to have possible deficits beyond 2020, as the green energy boom intensifies.

Roskill cobalt supply vs demand forecast to 2027

Projected Supply/Demand Deficit

Outlook for cobalt mine supply (t Co)



Robust growth in production of electric vehicles is forecast to result in a net deficit in the cobalt supply of over 20,000 mt/yr by 2025 (~10% of estimated supply)

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. Pancontinental has five exploration stage projects focused on nickel (Ni), cobalt (Co), copper (Cu), and some gold (Au), all in Ontario Canada.

CONTINUED ON PG 6

SUPPLY & DEMAND NEWS (CONT'D)

[BOOM: Fossil fuel sales are officially now decreasing in China, Europe & USA](#)
February 16, 2019

[The world is now running on a 10-day supply of copper. Here's why shortages are the new outages](#)
February 19, 2019

ELECTRIC VEHICLE NEWS

[Monthly Plug-In EV sales scorecard](#)
February 1, 2019

[China is winning the electric vehicle race](#)
February 4, 2019

[Putting electric vehicle on the fast track](#)
February 4, 2019

[Volkswagen will use Tesla batteries at US car-charging stations](#)
February 4, 2019

[CATL boosts battery cell factory in Germany to 10 GWh](#)
February 4, 2019

[The ultra capacitors, electrodes & battery manufacturing tech Tesla gets with Maxwell Technologies](#)
February 4, 2019

[Tesla buys battery technology company](#)
February 4, 2019

[China's CATL, Honda plan to cooperate on EV battery development](#)
February 5, 2019

[In EV100 initiative, 31 companies join drive to switch to electric vehicle](#)
February 5, 2019

[Bet everything on electric: Inside Volkswagen's radical strategy shift](#)
February 6, 2019

[Daimler & Tesla consider electric van cooperation](#)
February 7, 2019

PANCON CONSOLIDATES ITS POSITION AS THE GREEN ENERGY BOOM INTENSIFIES (CONT'D)

2019 maiden drilling program has commenced at the nickel-cobalt-copper Montcalm Project

In what's turning out to be a busy year so far for Pancontinental they have commenced their maiden diamond drill program on their nickel-cobalt-copper Montcalm Project, located 65 km northwest of the historical mining district of Timmins Ontario. Pancontinental's objective for the initial phase is to drill a minimum of 4,500 m to test a series of new conductor targets. Pancontinental's maiden drill program at Montcalm is the result of extensive preparation and geological analyses of historic work and advanced geophysical technology that was not available to previous operators.

Layton Croft, President and CEO, said: "We spent 2018 re-positioning Pancon for the global battery metals bull market we believe is just beginning. Today our seasoned team has amassed a strong exploration portfolio of nickel-cobalt-copper projects in the world's safest, best endowed, and most prospective mining jurisdiction."

Pancontinental Resources to acquire up to a 75% interest in the Strachan Ni-Co-Cu Project near Timmins

In late January 2019, Pancontinental announced they plan to acquire a new Ni-Co-Cu Project near Timmins, thus consolidating their dominant position in emerging Montcalm battery & energy metals district.

The Company has entered into a binding letter of intent (LOI) with Pelangio Exploration Inc. (TSXV: PX) to acquire up to a 75% interest in the Strachan Project, covering 2,280 hectares 65 km northwest of Timmins, Ontario.

Strachan is Pancon's fourth early stage Ni-Co-Cu exploration project and it consolidates 15,760 hectares of control over most of the highly prospective gabbro intrusives. The Strachan Project binding letter of intent (LOI) forms the basis for an option for a future Joint Venture Agreement.

CEO Layton Croft added: "Pancon now controls more than 157 square km in a proven nickel-cobalt-copper mining location west of Timmins. Pancon is the dominant player in an emerging battery and energy metals exploration district. Pelangio is an excellent company led by high quality exploration and mining professionals, and we are excited to be their partner."

By now the world is realizing the next green evolution is upon us in all things electric. The Electric Vehicle metals sector alone is predicted to create a huge demand in the very near future as globally we head further away from human dependence on fossil fuels for energy. Pancontinental Resources is now advancing 5 prospective Ni-Co-Cu (and some Au) projects in Ontario with access to excellent infrastructure.

Near term catalysts will include drill results from the current drilling campaign at Montcalm, along with other exploration activity results in 2019. The recent option to acquire 75% of the Strachan Ni-Co-Cu Project near Timmins offers further exploration upside. •

ELECTRIC VEHICLE NEWS (CONT'D)

[EV battery systems able to kick-start large power](#)

February 7, 2019

[Electrify America presents details for phase 2](#)

February 8, 2019

[Nikola to release BEV version of their H² trucks](#)

February 10, 2019

[Tesla's electric vehicle dominance is about to have 'serious competition,' Morgan Stanley says](#)

February 11, 2019

[EU releases new EV quotas](#)

February 12, 2019

[Amazon, GM in talks to invest in electric pickup truck maker Rivian](#)

February 12, 2019

[Global commercial electric vehicle market to 2025](#)

February 13, 2019

[Electric vehicle cheaper to own than petrol or diesel cars](#)

February 13, 2019

[Petro-Canada to equip fuel stations with fast chargers](#)

February 14, 2019

[Mercedes-Benz reveals the EQC SUV, its first electric vehicle](#)

February 14, 2019

[As more electric cars arrive, what's the future for gas-powered engines?](#)

February 16, 2019

[3 myths you should know about electric vehicles in the US](#)

February 18, 2019

CANADA & THE GREEN ECONOMY EVOLUTION

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](#)



2019 EXHIBITOR

VISIT PANCON'S BOOTH
3010

MARCH 2 - 6, 2019

Metro Toronto Convention Centre

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: 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: 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 (02-28-19)	\$0.045
52 Week Range	\$0.09 / \$0.02
Average Daily Volume	100,000
Options	11,500,000
Warrants	25,786,075
Fully Diluted	201,415,365
Insider Ownership	35%
Cash on Hand (02-15-18)	\$1,300,000

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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