PANCONTINENTAL GOLD CORPORATION
(formerly, Pancontinental Uranium Corporation)

MANAGEMENT'S DISCUSSION AND ANALYSIS
(for the three month period ended March 31, 2017)

May 25, 2017

INTRODUCTION

This management's discussion and analysis ("MD&A") has been prepared by Pancontinental Gold Corporation's ("Pancontinental" or the "Company") management and provides an analysis of the Company's operating and financial performance for the three month period ended March 31, 2017, as well as a view of future prospects. The MD&A should be read in conjunction with Pancontinental's: unaudited condensed interim consolidated financial statements for the three month periods ended March 31, 2017 and 2016; and, the audited consolidated financial statements and related MD&A for the year ended December 31, 2016. Additional information related to the Company is filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) and is available online at www.sedar.com.

Basis of presentation
Pancontinental's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are expressed in Canadian dollars, unless otherwise noted.

This MD&A may contain forward-looking statements, which are described in the "Cautionary Statements" section of the MD&A. The "Risks and Uncertainties" section of this MD&A further describes other factors that could cause results or events to differ from expectations.

CORPORATE PROFILE

Pancontinental is an exploration-stage company involved in the business of acquiring, exploring and developing gold properties. In 2016, with the encouraging outlook for the gold sector, the Company transitioned from a rare earth element (REE) and uranium explorer into a gold explorer through the acquisition of the Jefferson Gold Project, as described below, and concurrently changed its name to reflect this new direction.

Previously, the Company had participated in REE and uranium exploration activities in Australia, through a joint venture with Crossland Strategic Metals Limited. On November 26, 2015, the Company completed the sale of its interest in the joint venture and the Company retained a 1% gross overriding royalty on sales of production from 100% of the joint venture properties held at closing.

Executive leadership changes
On April 7, 2017, Thomas Layton Croft was appointed as President and Chief Executive Officer of Pancontinental Gold Corporation (CEO), replacing Rick Mark. Mr. Mark will continue to act as a Director of the Company. On March 13, 2017, Mr. Croft was appointed to the Company's Board of Directors. Previously, on February 8, 2017, Mr. Croft was appointed President and CEO of Palmetto Mining Corporation, the Company's wholly owned South Carolina subsidiary. As well, on January 26, 2017, Mr. Croft was appointed Pancontinental's Vice President of Corporate Development. Mr. Croft began consulting for the Company in November 2016.

HIGHLIGHT

During the quarter, the Company completed its inaugural drill program of 912 metres (approximately 3,000 feet) at the Jefferson Gold Project. Results from the initial six holes were released on April 4, 2017.

JEFFERSON GOLD PROJECT ("JEFFERSON" or the "JEFFERSON PROJECT")

Property description
The Jefferson Gold Project is an exploration-stage gold project located in Chesterfield County, South Carolina, within one of the most historically significant gold trends in the United States. This trend hosts OceanaGold Corporation's open pit Haile Gold Mine, which commenced production in 2017 and is located less than 10 kilometres from Jefferson. The region also includes: the former Ridgeway Gold Mine, approximately 55 kilometres from Jefferson, a former 15,000 tons per day open pit mine, which produced over 1.6 million ounces of gold from 1988 to 1999; and, the former open pit Brewer Gold Mine, which forms the western border of the Jefferson Project and was mined for over 12 million tons of ore from 1987 to 1995.

Jefferson is comprised of approximately 1,508 acres under 14 leases from private landowners, who own the surface and sub-surface mineral rights. Jefferson is along a northeast-striking structural trend of hydrothermal alteration and gold mineralization extending from the Haile and Brewer Mines. The Jefferson Project contains multiple drill targets within a mineralized trend based on historic exploration.

In 2011, Firebird Resources Inc. ("Firebird") and Pageland Minerals Ltd. ("Pageland") drilled a total of four holes at Jefferson with very positive results, providing evidence of potential for a significant gold resource. All four holes encountered gold mineralization, with the best hole averaging 1.27 grams per tonne over 164.3 metres (539 feet - true width unknown). Please refer to Pancontinental's press release of May 25, 2016 for assay details on all four drill holes.

Acquisition
On August 17, 2016, the Company completed the acquisition of the Jefferson Project pursuant to an asset purchase agreement (the "APA"), which was entered into on May 20, 2016 with Firebird Resources Inc. ("Firebird"), Pageland Minerals Ltd. ("Pageland") and Appalachian Resources LLC ("Appalachian"). As consideration for acquiring 100% ownership in the Jefferson Project, along with all exploration and property information, Pancontinental paid and issued to:

- Firebird and Pageland, in the aggregate: cash totalling $100,000, of which $30,000 was paid on execution of the APA with the balance of $70,000 paid on closing; and, 1,000,000 common shares issued on closing.
- Appalachian, 1,000,000 common shares issued on closing.

To bring the acquired property leases into good standing the Company expected to pay approximately USD $182,000 (approximately USD $178,000 paid to date) to settle lease arrears existing as at the acquisition date. Of the fourteen property leases acquired only one lease, representing approximately 52 acres, remains to be confirmed. The Company is diligently working on the confirmation process. Pre-acquisition and current arrears for this one property amount to approximately USD $8,000.

A production royalty of 3.5% (the" Royalty") is payable to the landowner that owns the property from which minerals are produced. Advanced royalty payments are non-refundable and will be credited towards the Royalties payable from production.

Exploration plans and strategy
The implementation of the Company's exploration strategy at Jefferson included producing an initial NI43-101 technical report (*which has been filed on SEDAR*) and compiling and reviewing historic exploration data to lead into a staged drilling program, which commenced on November 14, 2016. To strengthen the Company's ability to implement a successful exploration strategy, a technical advisory committee was established. The committee is led by Dr. Laurie Curtis, PhD, a senior advisor to the Company and also includes Mr. David Mosher, a Company director.

Since the 1980s, Dr. Dennis LaPoint, PhD, the Company's Vice-President of Exploration, has personally explored and examined regions in the Carolinas that include the Haile and Ridgeway mine areas and has made several gold discoveries, often under sand cover, like Jefferson. Dr. LaPoint notes that the age, deformation and lithologies identified at the Jefferson Project are comparable to host rocks at the Haile and Brewer mines, as well as at the Ridgeway mine. Dr. LaPoint was actively exploring near Ridgeway when it was discovered and developed in the 1980s. The Ridgeway mine was discovered in a region with minimal historic prospects that lies near the edge of sand cover, like at Haile and at Jefferson (LaPoint, D.J., 1995, SEG Guidebook, pp. 21-52).

Drill program

On November 2016, the initial stage of a diamond drill program began, and a total 912 metres over six (6) holes has been drilled to date. The drill program has focused on an area referred to as Anomaly A, stepping out from the 2011 drill hole fence in both directions along the east-west gold trend. Dr. Margaret Venable, PhD, an exploration geologist with more than 30 years of experience managing and directing projects around the world, supervised the initial stage of the drill program.

Anomaly A highlights and drill results:

- 5 out of 6 holes intersected anomalous gold grades indicative of a focused gold system;
- JEF-108 intersected 22.9 m averaging 1.3 g/t, including 8.5 m of 1.8 g/t;
- JEF-109 intersected 12.2 m of 1.55 g/t; and
- Drilling verified a northwest trending mineralized zone previously unrecognized.

DH	From (m)	To (m)	Interval (m)	grade (g/t)
JEF-104	30.8	34.4	3.7	0.96
JEF-104	56.7	57.9	1.2	1.55
JEF-104	68.9	72.5	3.7	1.96
JEF-104	178.6	180.1	1.5	1.31
JEF-106	28.4	36.6	8.2	0.93
JEF-106	49.7	60.4	10.7	0.81
JEF-106	99.8	100.6	0.8	1.09
JEF-107	31	40.3	9.3	1.3
JEF-108	100.6	123.4	22.9	1.3
including				
JEF-108	113.1	121.6	8.5	1.8
JEF-109	51.2	54.9	3.7	0.9
JEF-109	79.2	91.4	12.2	1.55

All intercept widths reported are core intervals and not true widths, which are unknown.

Samples were shipped to ALS Chemex in Arizona by truck for preparation and then to ALS Chemex in Vancouver for fire assay gold analysis and four acid digestion 33 element ICP-AES analysis. Standard QA/QC procedures are followed including, blanks, duplicates and standards.

Pancontinental believes this drill program was quite positive and did result in significant gold intersections in the fifth and sixth holes (JEF-108 and JEF-109), which were drilled in a new orientation. Drilling was focused on defining ore controls and understanding the trend of mineralization in a poorly exposed gold system partially covered by sand. These results provide useful data and knowledge further to the 2011 drilling at Anomaly A.

Gold mineralization at the Jefferson Project is controlled by intersecting trends of structure and folding. The core from Jefferson is hosted in felsic volcanic rock, which in the mineralized areas is commonly described as fragmental tuff or breccia near sedimentary contacts as seen in holes 104 and 105. Typically, better gold values are in more deformed or sheared altered host rock. This resembles the Haile gold mine, located less than 10 kilometres to the southwest of the Jefferson Project, where "the deposits are primarily volcanic-rock hosted, massive sulfide, and disseminated gold-sulfide deposits, which formed along the stratigraphic boundary between the metavolcanics and overlying metasedimentary rocks (Mobley and others, 2014, *Economic Geology,* v. 109, pp. 1863)."

A strong and distinctive chloritic alteration is commonly associated with the strongest mineralization. Silicification and a higher percentage of pyrite correlate with gold. Mineralization often follows a steep west-southwest foliation as well zones of shearing, which may follow a more northwest orientation. Higher grades are often associated with breccia zones that are deformed.

Within one small area of drilling at the Jefferson Project there are multiple mineralization styles and orientations. For instance, although hole JEF-105 intersected little gold, it is very important geologically and structurally, as it suggests untested potential. The initial part of hole JEF-105 was in banded pyritic sediments, similar to those encountered at the Haile and Ridgeway gold mines.

Pancontinental believes that the multiple styles of mineralization greatly enhances the value potential of the Jefferson Project. Drilling at Jefferson will resume following review data, geophysical surveying and upon funding being obtained. The potential to expand its land holdings is also under consideration.

Qualified person

Dr. Dennis LaPoint, PhD, the Company's Vice-President of Exploration and President and owner of Appalachian, originally assembled the Jefferson property package and oversaw Firebird's and Pageland's 2011 drill program and was their identified Qualified Person when the assay results were originally released in Firebird's March 1, 2012 press release. Dr. LaPoint is a qualified person under National Instrument 43-101 "Standards of Disclosure for Mineral Projects". Dr. LaPoint has verified all the technical data presented in this MD&A as it relates to Jefferson. In addition, Dr. LaPoint has over 40 years of experience in project generation and was instrumental in the discovery of Newmont's multi-million ounce Merian Gold deposit in Suriname.

GROSS OVERRIDING ROYALTY ("GOR")

Australian Joint Venture

On February 8, 2007, Pancontinental formed a joint venture (the "Joint Venture") with Crossland Strategic Metals Limited and subsequently earned an initial 50% interest in a number of Australian properties prospective for rare earth elements (REE) and uranium. On November 26, 2015 (the "Effective Date") the Company completed the sale of its entire interest to Essential Mining Resources Pty Ltd. ("EMR"), a private Australian-domiciled company, wholly-owned by EMMCO Mining Sdn Bhd, a private Malaysian company.

Properties held by Joint Venture on the Effective Date (the "JV Properties")

- Charley Creek - nineteen (19) tenements; and,
- Charley Creek - an 80% interest in a joint venture with Western Desert Resources, which consists of one (1) granted tenement.
- Chilling – two (2) tenements
- Bloodwood/Highland Rocks – four (4) tenements under application.
- Mount Stafford – two (2) tenements, one of which was under application

As part of the consideration received from the sale of its interest to EMR, the Company retained a gross overriding royalty of one percent (1%) on sales of production from 100% of the JV Properties. The gross overriding royalty provides for an annual non-refundable advance royalty payment of AUD $50,000, payable by EMR and due on each anniversary of the Effective Date. In April 2017, the Company received payment of the 2016 advanced royalty. Advance royalty payments are subject to adjustment for reductions in the size of the JV Properties and such payments are to be deducted from gross overriding royalties on future production. In addition, the gross overriding royalty is registered against title of the JV. The Company has not been advised if and when production is expected to begin.

Charley Creek – Northern Territory

The Charley Creek project is located in central Australia, approximately 100 kilometres northwest of Alice Springs and is situated on the southern margin of the North Australian Craton, in a geological setting that is the core of an ancient mountain chain. The tenements potentially contain elements necessary for the formation of sediment-hosted uranium deposits, as well as additional potential for nickel-platinum and REE deposits.

Exploration activity conducted in 2011 and 2012 demonstrated the existence of very extensive deposits of REE-bearing alluvium. With the discovery at Charley Creek of REE-bearing alluvium, the emphasis shifted from uranium exploration to the assessment of the REE deposits and their advancement through resource development to possible mining. The economic potential of the REE deposits was instrumental in EMR's decision to acquire Pancontinental's interest.

INVESTMENT IN TORTUGA RESOURCES INC.

Pursuant to an equity offering by Tortuga Resources Inc. ("Tortuga"), the Company acquired 666,667 common shares for USD $200,000 (CAD $220,760). Tortuga is a private company engaged in the acquisition, exploration and development of oil and gas properties. The investment was made to gain exposure to a gas exploration opportunity in the United States. The Company is not involved in the management or directorship of Tortuga.

In 2015, due to the continued weakness in the natural gas sector the Company lowered its outlook for recovering its investment in Tortuga and wrote down its investment to a nominal value.

SUMMARY OF QUARTERLY RESULTS

		Royalty revenue	Discontinued operations	Net income (loss)	Net income (loss) per share
Fiscal 2017		$	$	$	$
Q1	March 31	-	-	(514,151)	(0.005)
Fiscal 2016					
Q4	December 31	50,000	-	(461,860)	(0.005)
Q3	September 30	-	-	(984,806)	(0.011)
Q2	June 30	-	-	(174,742)	(0.002)
Q1	March 31	-	-	(6,078)	0.000
Fiscal 2015					
Q4	December 31	-	821,666	612,543	0.007
Q3	September 30	-	556,614	496,319	0.006
Q2	June 30	-	778	(70,138)	(0.001)

For 2016, continuing operations quarterly variances were influenced by the amount of: (1) royalty revenue recognized from the inaugural non-refundable advance royalty payment pertaining to the Australian JV GOR; (2) corporate and administrative expenses, which were impacted by - costs associated with the Jefferson Project in Q3 and Q4 - the accrual of annual audit and tax services fees in Q4 - satisfying TSX-V Tier 2 listing requirements in Q3 - the Company's annual shareholder meeting in Q2 - the evaluation of business opportunities in Q1 and Q2; (3) exploration and evaluation expenditures related to the Jefferson Project in Q2, Q3 and Q4; (4) share-based payments attributable to the grant of stock options in Q3 and Q4; (5) and, a gain on debt settlement through the issuance of shares in Q1.

For 2015, continued operations quarterly variances were influenced by the amount of: (1) corporate and administrative expenses, which were impacted by - the sale of the Company's interest in the Australian Joint Venture - shareholder meetings held in Q2 and Q4 - changes in management compensation in Q4 - the accrual of annual audit and tax services fees in Q4 - and, the evaluation of a potential business development opportunity in Q3; (2) the impairment of the Company's investment in Tortuga in Q4; (3) a gain on debt settlement in Q4, as certain trade creditors agreed to a reduction in the amounts owed. Discontinued operations were impacted by - the sale of the Company's interest in the Australian Joint Venture, as proceeds from the sale were realized in Q3 and Q4 - a gain from the settlement of debt with Crossland in Q3 – a reduction in the Australian Joint Venture stamp duty provision in Q3 - and, foreign exchange gains or losses related to quarterly fluctuations in the Australian dollar.

RESULTS OF OPERATIONS

For further information, please refer to the Consolidated Statement of Operations and accompanying notes in Pancontinental's unaudited condensed interim consolidated financial statements for the three month period ended March 31, 2017.

The net loss for quarter ended March 31, 2017 was $514,151 versus a net loss of $6,078 for the comparable quarter of 2016, representing an increase of $508,073. The increase in the loss was primarily attributable to the incurrence of costs related to the Jefferson Project and the grant of stock options.

Corporate and administrative expenditures experienced an increase of $96,578 (2017 - $141,058 vs 2016 - $44,480) through increases in:

- consulting fees (2017 - $6,406 vs 2016 - $nil) for corporate development services to support activities in the Carolinas:
- insurance (2017 - $6,555 vs 2016 - $3,090) for coverage of operations in the Carolinas;
- management fees (2017 - $70,729 vs 2016 - $25,500) due to the addition of two Vice-President positions;
- office costs (2017 - $2,535 vs 2016 - $539) attributable to supporting activity in the Carolinas;
- professional fees (2017 - $11,955 vs 2016 - $6,035) which were impacted by higher legal costs related to the Jefferson Project and increased corporate activity;
- rent (2017 - $2,692 vs 2016 - $1,500) due to the Company maintaining an office in Chapel Hill, North Carolina;
- salaries and benefits (2017 - $13,752 vs 2016 - $nil) due to personnel costs to support administration activities in the Carolinas;
- shareholder relations and promotion costs (2017 - $15,144 vs 2016 - $976) attributable to the revamping of the Company web site and development of marketing materials; and,
- travel costs (2017 - $7,893 vs 2016 - $2,548) due to management meetings and an industry trade show.

Exploration and evaluation expenditures (2017 - $349,176 vs 2016 - $nil) are attributable to the Jefferson Project and consists of property costs comprised of current and prior year lease payments to landowners and exploration costs attributable to the Company's drill program.

Share-based payments (2017 - $27,050 vs 2016 - $nil) are non-cash and represent the fair value assigned to 500,000 stock options granted to a director/officer and a consultant.

LIQUIDITY AND CAPITAL RESOURCES

Working capital

As at March 31, 2017, Pancontinental had working capital deficiency of $62,735. Pancontinental's cash is primarily held on deposit at Canadian and United States banking institutions. Sales tax receivables represents amounts to be refunded by the Canadian government and the royalty revenue receivable was collected from Essential Mining Resources Pty Ltd. in April 2017. Prepaid expenses are comprised of insurance premiums, TSX Venture Exchange fees and a Jefferson Project property payment.

As of the date of the MD&A, one Jefferson Project property lease remains to be confirmed and has pre-acquisition and current arrears amounting to USD $8,000. These arrears have not been accrued. In addition to these arrears, the annual aggregate lease payments for 2017 amount to approximately USD $135,000, of which approximately $60,000 has been paid.

The Company's does not have sufficient working capital to fund its current level of activity. The Company will need to obtain financing eliminate its working capital deficiency and fund its 2017 operating expenditures and Jefferson Project property payments and exploration activities. A significant portion of expenditures for the Jefferson Project will be denominated in United States dollars, giving rise to market risk from changes in foreign exchange rates, which may negatively impact the Company's working capital.

The Company prefers to obtain funds through private placements, though it may consider raising funds through the divesture of non-core assets. The Company's ability to continue is highly dependent on its working capital and its ability to obtain additional funds in the capital/equity markets to: finance its activities; and, meet its obligations and pay its liabilities. There is a risk that the Company will be unable to raise sufficient funds, thus jeopardizing the Company's ability to achieve its objectives and continue as a going-concern.

Given the nature of the Company's operations, which consist of exploration, development, evaluation and acquisition of resource properties or projects, the Company believes that the most meaningful financial information relates primarily to current liquidity and solvency.

SHARE CAPITAL

As of the date of this MD&A, Pancontinental has the following securities outstanding:

Security	**Number**
Common shares	99,510,354
Warrants	12,726,250
Options	8,250,000

RELATED PARTY TRANSACTIONS

Management fees of $70,729 (2016 - $25,500) for the current quarter were paid or became payable to a Company officer and to companies controlled by or associated with Company officers.

Share-based compensation (non-cash) of $19,650 (2016 - $nil) represents the fair value of 400,000 stock options granted to a director/officer on March 16, 2017. These options vested immediately and each option has an exercise price of $0.12 and a five year term.

Loans from related parties of $100,000 (December 31, 2016 - $105,000) represents cash advances provided by directors. These loans are unsecured, payable on demand and non-interest bearing.

Accounts payable and accrued liabilities includes $33,485 (December 31, 2016 - $12,397) payable to directors/officers or companies controlled by or associated with directors/officers.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Disclosure on the Company's financial instruments and related risks may be found in Notes 20 of Pancontinental's audited consolidated financial statements for the year ended December 31, 2016.

The Company's exposure to liquidity risk has increased significantly with the acquisition of the Jefferson Gold Projected, as the Company needs to obtain financing to fund property payments, operating expenditures and future exploration activities. In addition, a significant portion of expenditures will be denominated in United States dollars, giving rise to market risk from changes in foreign exchange rates.

The Company does not have a risk management committee or written risk management policies. The Company has not entered into any specialized financial agreements to minimize its credit or foreign currency risks. There are no off-balance sheet arrangements.

CAUTIONARY NOTES

This MD&A may contain forward-looking statements relating to, but not limited to, Pancontinental's assumptions, estimates, expectations and statements that describe Pancontinental's future plans, intentions, beliefs, objectives or goals, that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or anticipated by such forward-looking statements. Statements that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements or forward-looking information, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Examples of such forward-looking statements, without limiting the generality of the foregoing, include:

- acquiring mineral properties or projects;
- outlook for gold and/or mining sector;
- potential of exploration properties;
- establishing economic deposits or resources;
- potential for future benefits from its Joint Venture gross overriding royalty or investment in Tortuga;
- possibility to dispose non-core assets;
- ability to continue as a going concern;
- capital requirements and ability to obtain funding;
- condition of financial or capital markets.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and forward-looking information. Such factors include, but are not limited to:

- condition of underlying commodity markets and prices;
- ability to raise necessary capital;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- receipt or retention of necessary permits or approvals;
- access to properties and contests over title to properties;
- timing of commencement of exploration or development activities;
- geological and exploration results and conditions;
- geological, technical, drilling and operating difficulties;
- establishment of sufficient and economic resources or reserves;
- obtaining environmental and mining approvals;
- availability and cost of contractors, equipment, supplies, labour and insurance;
- the speculative nature of exploration and development and investor sentiment;
- competition for, among other things, capital, acquisitions of resources and/or reserves, undeveloped lands and skilled personnel;
- changes in national and local government legislation, taxation, controls, regulations and political or economic developments in which the Company conducts or may conduct business;
- business opportunities that may be presented to or pursued by the Company;
- our ability to correctly value and successfully complete acquisitions;
- effectiveness of corporate relations;

Although Pancontinental believes that the assumptions, estimates and expectations reflected in our forward-looking statements are reasonable, results may vary, and we cannot guarantee future results, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements due to the inherent uncertainty. Pancontinental disclaims any intent or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or other such factors which affect this information, except as required by law.

RISKS AND UNCERTAINTIES

Pancontinental is in the business of exploring for minerals and, if successful, ultimately mining them. The mining sector is by its nature, cyclical, competitive and risky. Many of these risks are beyond the Company's control. Investment in the mining sector in general and the exploration sector, in particular, involves a great deal of risk and uncertainty and Pancontinental's common shares should be considered as a highly speculative investment. Current and potential investors should give special consideration to the risk factors involved.

Acquisition risk
Pancontinental uses its best judgment in the acquisition of mineral properties or an alternative business venture and, in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including agreements to finance the acquisition and development of the mineral properties or business venture. The Company cannot provide assurance that it can complete any acquisition that it pursues, on favourable terms, or that any acquisition will ultimately benefit the Company.

Competition risk
Pancontinental must compete with a number of other companies that possess greater financial and technical resources. Competition in the mining and business sectors could adversely affect the Company's ability to acquire mineral properties or projects.

Conflicts of interest
Certain directors and officers of Pancontinental, in their personal capacities or as directors or officers of other companies, are engaged or have interests in mineral exploration and development activities outside of the Company. Accordingly, exploration opportunities or prospects of which they become aware of may not necessarily be made available to the Company.

Dependence on management and consultants/contractors
Pancontinental is very dependent upon the efforts and commitment of its directors, management and consultants/contractors to the extent that if the services of the directors, management or consultants/contractors were not available, a disruption in the Company's operations may occur.

Counterparty risk
Counterparty risk is the risk that each party to a contract will not fulfill its contractual obligations. The Company's Jefferson Gold Project's property leases and the Australian Joint Venture gross overriding royalty are exposed to this risk.

Third party performance risk
For the Company to realize benefits from its Australian Joint Venture gross overriding royalty or its investment in Tortuga, the Company is dependent upon the evolution and success of the underlying project's exploration and development, which could be impacted by: the management of the particular project and execution of planned objectives; the participants ability to raise necessary capital and remain solvent; environmental approvals and regulations; government and mining policies and regulations; establishment of sufficient and economic resources or reserves; condition of underlying commodity markets and prices; access to properties; receipt or retention of necessary permits or approvals; timing of commencement of exploration or development activities; geological and exploration results; exploration and development conditions; and, the disclosure of technical reports and other

information. As the Company is not involved in the management of either entity or participates in the oversight of either entity's projects, there is a risk that significant or material information may not be disclosed to the Company, on a timely basis, or at all.

Environmental risk
The exploration and development activities conducted on Pancontinental's mineral properties are subject to the environmental laws and regulations of the country in which the activities take place. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties, more stringent environmental assessments and a heightened degree of responsibility for companies and their officers, directors and employees. Although the Company undertakes to comply with current environmental laws and regulations, there is no assurance that future changes in environmental laws or regulations will not adversely affect the Company's operations.

Exploration risk
There is no assurance that the activities of Pancontinental will be successful and result in economic deposits being discovered and in fact, most companies are unsuccessful due to the low probability of discovering an economic deposit. Once mineralization is discovered, it may take several years until production is possible during which time the economics of a project may change. Substantial expenditures are required to establish reserves through drilling. Pancontinental's ability to establish a profitable mining operation is subject to a host of variables, such as technical and economic factors and regulatory issues. Exploration activities involve risks which even a combination of experience, knowledge and prudence may not be able to overcome. Exploration activities are subject to hazards which could result in injury or death, property damage, adverse environmental conditions and legal liability.

Financing and liquidity risk
Pancontinental's future profitability and ability to finance its exploration and development activities and make acquisitions is highly dependent upon its ability to raise capital in the financial markets, which is strongly related to: the market price of the primary minerals identified in its mineral properties; market price of the Company's equities; and, general commodity and investor sentiment. The Company does not have production income or a regular source of cash flow to fund its operating activities. Pancontinental will require significant capital to finance its overall objectives and there is no assurance that the Company will be able to raise the capital required and continue as a going concern. In addition, Pancontinental's financial success is dependent on the extent to which it can discover mineralization in economic quantities and the economic viability of developing its properties or projects.

Property title risk
Although Pancontinental takes reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged, impugned or renounced.