Pancon Reports 9.8 g/t Gold with Average of 0.37 g/t Gold from First Two Sonic Drill Holes in Brewer Backfill Waste and Pit Floor Bedrock

08.06.2021 | Newsfile

Toronto, June 8, 2021 - Pancontinental Resources Corp. (TSXV: PUC) (OTCQB: PUCCF) ("Pancon" or the "Company"), further to its news releases of March 2 and April 27, 2021, reports gold assay and multielement geochemistry results for the remaining two sonic and two diamond drill holes drilled in Phase 1 of the Company's fully funded 10,000-meter (m) maiden diamond drill program at its flagship Brewer Gold & Copper Project. The Brewer Project, on the gold-rich Carolina Slate Belt in South Carolina, is where the former shallow Brewer Gold Mine produced 178,000 ounces of oxide gold between 1987-1995, and is located 12 kilometers along trend from the producing Haile Gold Mine.

Highlights:

- First two sonic holes through the backfill waste material and former mined pit floor bedrock produced 242 large samples averaging about 35 kilograms (kg) per sample (see Table 1).
- One pit floor bedrock sonic sample contains 9.81 g/t Au; one backfill waste sample contains 5.67 g/t Au.
- Average gold value of all 242 sonic samples is 0.37 g/t Au; average value of all samples excluding the surface clay cap and pit floor bedrock is 0.34 g/t Au (see Table 2).
- All sonic samples but one contain detectable gold (>0.025g/t Au); 30 samples contain >0.5 g/t Au and 11 samples contain >1 g/t Au (see Table 3).

Pancon President and CEO, Layton Croft, stated: "Brewer's backfill waste material and former pit floor contain compelling gold values and strong gold continuity (see Table 1). The previous operator reclaimed 6.8 million tonnes of waste rock and sulphide ore they couldn't process with heap leaching, filling up two of the three mined pits to surface. The reclamation was well engineered, resulting in homogenous layers of material (see Figure 3). Our maiden sonic drill results are very encouraging, suggesting there could be enough gold in the former pits to be economic, especially since the loose material doesn't require blasting and crushing. Further, removing and monetizing the backfill is likely to reduce Brewer's ongoing environmental management needs, as we believe the waste material is exacerbating acidity in groundwater currently being extracted and treated. Additionally, removing and monetizing the backfill waste could reduce construction and production costs of a potential future mining operation beneath the former mine."

Table 1: Average of All Samples from Sonic Holes 1-2 (B20S-001 and B20S-002)

Hole ID	Length (m)	# Samples	Total Sample Weight (Kg)	Au (g/t)		
				Min.	Max.	Avg.
B20S-001	55.49	121	1928.6	0.055	3.229	0.318
B20S-002	65.85	121	1608.9	<0.025	9.811	0.431

Table 2: Average of Sonic Samples Excluding Clay Cap and Pit Floor Material

Hole ID	Length (m)	# Samples	Total Sample Weight (Kg)	Au (g/t)		
				Min.	Max.	Avg.
B20S-001	49.73	110	1798.7	0.055	3.229	0.316
B20S-002	60.75	116	1540.8	0.031	5.666	0.354

Table 3: Average of Sonic Samples with Respect to Material Type

Hole ID	Backfill Type	From (m)	To (m)	Length (m)	# Samples	Total Sample Weight (Kg)	Au (g/t)		
							Min.	Max.	Avg.
B20S-001	Clay cap	0.00	0.88	0.88	3	39.1	0.055	0.096	0.076
	HLP	0.88	20.12	19.25	46	853.4	0.066	3.103	0.316

	Waste	20.12	24.51	4.39	7	88.9	0.167	3.229	1.030
	HLP	24.51	50.61	26.10	57	856.5	0.055	1.274	0.228
	Pit floor	50.61	55.49	4.88	8	89.9	0.121	1.539	0.435
B20S-002	Clay cap	0.00	0.46	0.46	2	15.9	<0.025	0.175	0.094
	HLP	0.46	16.87	16.41	48	721.0	0.138	1.346	0.338
	Waste	16.87	40.01	23.14	20	239.4	0.102	5.666	0.676
	HLP	40.01	61.21	21.10	48	580.5	0.031	0.776	0.237
	Pit floor	61.21	65.85	4.64	3	52.3	0.512	9.811	3.623

HLP = heap leach pads

See Quality Assurance and Quality Control Statement below regarding sampling and assaying techniques.

Croft continued: "Diamond holes 6 and 7 were the two step-out holes in our Phase 1 diamond drill program, with Hole 6 located about 250 m south of the former mine and Hole 7 located about 500 m northwest of the former mine (see Figure 1). Neither of these holes contain notable gold or copper values, but both holes provide valuable geochemical and mineralogical information on the structurally complex Brewer system. This information has already informed our Phase 2 exploration decisions and actions, and will help de-risk our targeting of mineralization below the former mine as well as what we believe is a nearby intrusive complex and the source of the mineralizing fluids."

Diamond hole 7 contains anomalous gold in most of the hole, which seems to correlate with strong presence and continuity of topaz and prospective alteration north and northwest of the former mine. Diamond hole 6 missed its target associated with the 3.6 g/t Au assay from vertical rotary air blast (RAB) hole 60. Diamond hole 6 was collared near RAB hole 60 and drilled due south at a 65-degree angle over 286.8 m.

The Company has posted on its website the Certificates of Analysis with complete results for gold assays and multielement geochemistry for diamond drill Holes 1-7 and sonic drill Hole 1, and gold assays for sonic drill Hole 2 (see here). The Company cautions that the mineralization at the former Brewer Gold Mine is not necessarily indicative of the mineralization that may be identified by the Company's ongoing and upcoming exploration work.

Figure 1: Plan Maps with Phase 1 and Planned Phase 2 RAB Holes (left panel) and Phase 1 and Completed, In Progress and Planned Phase 2 Diamond Holes (right panel)

To view an enhanced version of Figure 1, please visit:
https://orders.newsfilecorp.com/files/5156/86814_ba5c5ed0c4cdc9e5_003full.jpg

Figure 2: Updated Cross Section of Sonic Holes 1, 2, 3 and 5 and Diamond Holes 4, 5, 8, 9 and 11

To view an enhanced version of Figure 2, please visit:
https://orders.newsfilecorp.com/files/5156/86814_ba5c5ed0c4cdc9e5_004full.jpg

Figure 3: Historic Cross Section of Waste Backfill Schematic of Former Brewer Gold Mine

To view an enhanced version of Figure 3, please visit:
https://orders.newsfilecorp.com/files/5156/86814_ba5c5ed0c4cdc9e5_005full.jpg

Phase 2 Drilling Update

Pancon commenced Phase 2 drilling on April 6, 2021, and to date has completed four new vertical sonic drill holes (sonic holes 3-6) through the backfill waste material and pit floor in the former main and adjacent B6 mined pits, for a total of 246 large sonic samples over a total 222 meters (see Figure 1). Below those new sonic holes, Pancon has completed three new vertical diamond drill holes (diamond holes 8-10) over a total 422.75 m of core, and is currently drilling one additional new vertical diamond drill hole (diamond hole 11) immediately north of the former main pit. Gold assay and multielement geochemistry results for these initial Phase 2 sonic and diamond holes are expected from SGS lab in Ontario within the next month.

In addition, on June 14 Pancon will commence Phase 2 of shallow rotary air blast (RAB) drilling, following up to the Company's 90-hole RAB drill program conducted in August-September 2020 (see news release of November 16, 2020). The Company plans to drill more than 75 new RAB holes, averaging about 20 meters per hole, in order to produce more valuable geological, geochemical and mineralogical data to inform future diamond drill targeting (see Figure 1).

Quality Assurance and Quality Control Statement, Notes and Assumptions

Phase 1 exploration diamond core drilling was HQ/HQ3 and NQ/NQ3 size. The core was logged and marked for sampling and assaying by geologists contracted by Pancon. Samples, typically 1.5 meters in length, were sawn in half using a diamond core saw and one-half of the core was placed in sample bags and tagged with unique sample numbers, while the remaining half was kept in the core box for storage. Each bagged core sample was shipped to Minerals Processing Corporation's (MPC) ISO/IEC 17025 Certified sample preparation and assay laboratory in Carney, Michigan where it was dried, crushed and pulverized to >80% passing -200 mesh. For sonic drilling, each complete sonic sample was crushed and split.

Gold was analyzed by fire assay (30 g) with an AA (atomic absorption) finish at ALS Laboratories (Holes 1-3) and MPC (Holes 4-7) with detection limits of 0.005 g/t gold (ALS) and 0.025 g/t gold (MPC). Samples containing greater than 3.0 g/t gold were analyzed by fire assay with a gravimetric finish. Multielement analyses, including base metals and rare earth elements, were analyzed at ALS with ICP-MS (inductively coupled argon plasma mass spectrometry). Strict sampling and QA/QC protocols are followed, and assay integrity is monitored internally with a quality control program including the insertion of standards, blanks, and duplicates in the sample stream on a regular basis.

Qualified Person

The technical information in this news release has been prepared in accordance with Canadian regulatory requirements as set out in NI 43-101 and reviewed and approved by Richard "Criss" Capps, PhD, RPG, SME REG GEO, a Qualified Person as defined by NI 43-101.

About Pancon

Pancon is a Canadian junior mining company focused on exploring the prolific and underexplored Carolina Slate Belt in Chesterfield County, South Carolina, USA. In January 2020, Pancon won the exclusive right to explore the former Brewer Gold Mine property. Between 1987-1995, Brewer produced 178,000 ounces of oxide gold from open pits that extended to 65-meter depths, where copper and gold-rich sulphides were exposed but could not be processed by the oxide heap leach processing facility (Zwaschka, M. and Scheetz J.W., 1995, Detailed Mine Geology of the Brewer Gold Mine, Jefferson, South Carolina, Society of Economic Geologists). Brewer hasn't been explored since 1997, and most of the tools used previously to explore the property have since been updated with more advanced technologies. Brewer is a high sulphidation system driven by a sub-volcanic intrusive and possibly connected to a large copper-gold porphyry system at depth, as indicated by: widely known prospective geology, including diatreme breccias; associated high sulphidation alteration; gold and copper mineralization; and geophysics (Schmidt, R.G., 1978, The Potential for Porphyry Copper-Molybdenum Deposits in the Eastern United States, U.S. Geological Survey). Pancon's 100%-owned, 1,500-acre Jefferson Gold Project nearly completely surrounds the 1,000-acre former Brewer Gold Mine property, and both Jefferson and Brewer are located 12 kilometers northeast along trend from the producing Haile Gold Mine, which produced 137,413 ounces of gold in 2020 (https://oceanagold.com/operation/haile/).

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