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Progress Report for Charley Creek REE Project, NT, Australia

Vancouver, B.C., October 5, 2011. Pancontinental Uranium Corporation (TSX-V: PUC) ("Pancon") and its 50:50 Joint Venture partner, Crossland Uranium Mines Limited (ASX: CUX) ("Crossland") are pleased to update shareholders on progress on the Charley Creek REE project.

- The completion of the initial resource estimate for the Cockroach Dam Rare Earth (REE) deposit has been temporarily delayed pending the inclusion of additional assay results. The Resource report will be compliant with Australia's Joint Ore Reserves Committee ("JORC") guidelines and will be non NI 43-101 compliant.
- Bulk samples for process flowsheet and mineralogical studies of Cockroach Dam alluvium have been prepared.
- The alluvial samples from reconnaissance drilling of the first of three large alluvial fans at Charley Creek have now been processed and are being dispatched for analysis.

JORC Resource Estimate Update

The initial JORC compliant Resource estimate for the Cockroach Dam alluvial REE deposit is waiting on the processing of final assays. The JORC compliant Resource estimate will be released as soon as these are received and are incorporated into the Resource model, which is now expected to be completed during October.

Process Flowsheet Development

Approximately 67 kg of heavy mineral concentrate containing valuable REE minerals, extracted from 12 small test pits at the Cockroach alluvial deposit, have now been prepared for dispatch to mineral dressing laboratories in Perth, where initial test work to develop a flow sheet for separation of the various valuable components of the concentrate will be undertaken.

Test work planned for these samples will include the production of separate concentrates of "monazite" and "xenotime". Based on completed mineralogical studies of Charley Creek gravity concentrates, the pure monazite product is expected to contain approximately 58% Total REE oxide (TREO), while the pure xenotime product will have an average TREO content of approximately 67%, of which over 62% (by weight) are the valuable heavy REE. The xenotime contains 6.3%, by weight, of dysprosium oxide, the REE in most critical supply shortage.

Based upon our experience in producing heavy mineral concentrates from the Charley Creek samples, and the excellent natural mineral grain liberation observed in the mineralogical studies, Crossland and Pancon expect that techniques and cost regimes that apply in the mineral sands industry will apply to

alluvial fan deposits. These typically have mining, wet processing, and rehabilitation costs of a few dollars per ton, and the companies expect that similar costs will apply to the production of high-value monazite and xenotime concentrates. Other valuable heavy minerals, notably zircon, but also ilmenite and rutile, will be produced from any alluvial development.

Cattle Creek Alluvial Fan Sampling

All alluvial material from the April-May aircore drill program at the Cattle Creek Alluvial Fan has now been processed on site, and the first 286 samples of a total 680 have been forwarded for off-site processing and analysis. Cattle Creek is the largest of three large alluvial fans (Cattle Creek, Western Dam and Dad's Dam) tested during the aircore program. Work completed to date on these alluvial fans indicates that the volumes of REE-bearing alluvium in these fans are likely to be many times larger than at the Cockroach prospect.

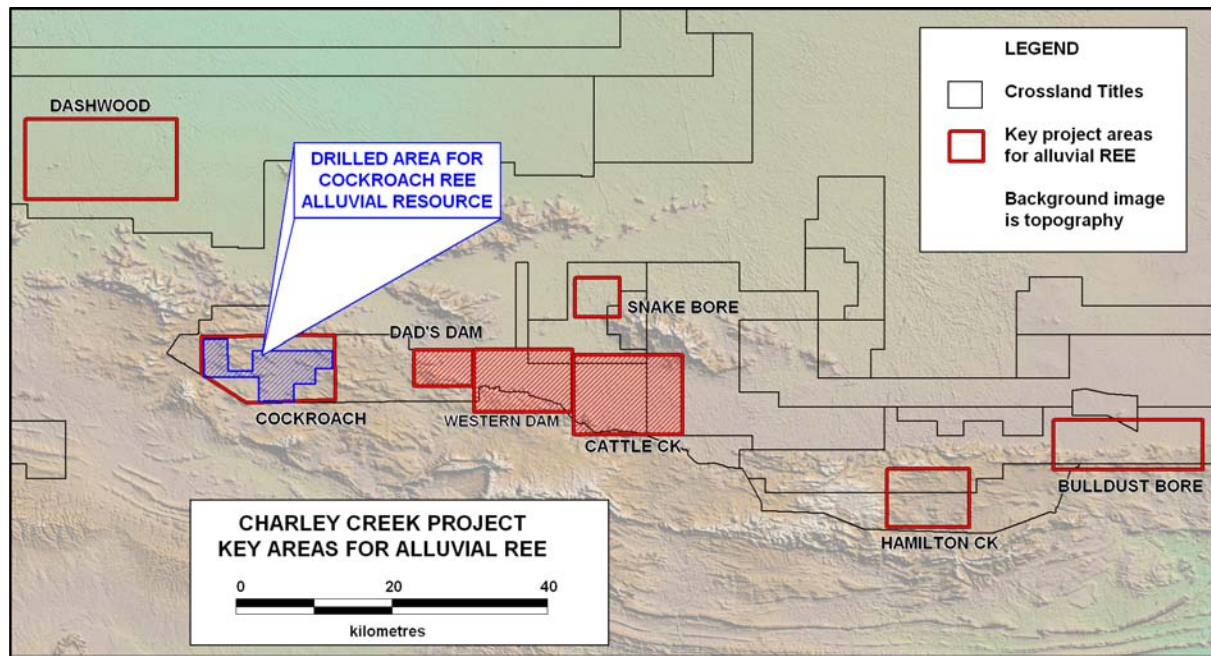


Figure 1 - Shows key areas for alluvial REE deposits

All technical information in this release has been reviewed by Geoff Eupene, Qualified Person for Crossland and Pancon.

About Pancontinental Uranium Corporation

Pancontinental Uranium Corporation ("Pancon") is a Canadian-based company focused on uranium and REE discovery and development. Through a 50:50 joint venture with Crossland Uranium Mines Limited ("Crossland") of Australia, Pancon has established one of the strongest management teams in the uranium industry. This management and operating team has unparalleled experience from exploration, through development to operations, and includes people who were instrumental in the discovery of two of the largest uranium deposits in the world. Pancon and Crossland hold an impressive uranium and REE exploration portfolio with projects in prolific, mining friendly districts.

Active exploration is ongoing at three Australian projects which include Chilling, Charley Creek, and Kalabity. The Chilling project has the potential to host a mirror image of a portion of the renowned Alligator Rivers Uranium Field containing the large Jabiluka, Ranger and Koongarra deposits. Charley Creek has the potential for large, lower-grade, Rossing-type, granite-hosted uranium deposits and REE.

The Kalabity project lies in a district of historic uranium/radium mining that contains a variety of known uranium deposit styles.

Pancon has earned a 50% interest in this significant uranium and REE project portfolio with Crossland through the expenditure of AUD\$8 million. Pancon and Crossland are also pursuing exploration beyond Australia through an international subsidiary company, Crosscontinental Uranium Limited, and plans include formulating an exploration program in Burkina Faso.

ON BEHALF OF THE BOARD OF DIRECTORS

Rick Mark
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For additional information, please visit our website at www.PanconU.com.

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