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Pilot Gold Inc. (PLG-TSX) ("Pilot Gold" or the "Company") announces financial results and company highlights for the year ended December 31, 2011, and provides an update on company activities at our three key projects: Kinsley Mountain in Nevada, and TV Tower and Halilaga in Turkey.

### OVERVIEW

Pilot Gold was formed following the successful acquisition of Fronteer Gold Inc. ("Fronteer Gold") by Newmont Mining Corporation ("Newmont") on April 6, 2011. We are focused on advancing high-quality assets that host the key traits of mines, namely: grade, scope, size potential and access to infrastructure in mining friendly jurisdictions. We have a solid cash position of approximately \$15.5 million, and marketable securities valued at \$1.8 million, giving us the resources to execute on our current exploration plans, and the financial flexibility to react to additional opportunities if, and when, they present themselves.

Our key project in Nevada is Kinsley Mountain, a sediment-hosted, past producing gold system sharing common stratigraphy, structural setting and alteration to other key gold deposits in northeastern Nevada.

In Turkey, our portfolio is underpinned by two near-contiguous projects located in northwest Turkey:

- TV Tower, a large gold system; and,
- Halilaga, a copper-gold porphyry deposit.

Teck Resources Limited's ("Teck") Turkish subsidiary, TMST is currently Pilot Gold's joint venture partner and operator for each of these projects. Our technical teams have played a key role in establishing the prospectivity and gold endowment of this district.

"In our first year we have set the foundation for strong growth in 2012 and the long-term. We have three projects with significant value yet to be unlocked. We aim to create significant shareholder value in 2012 through advancing exploration and drill programs on the Kinsley Mountain and TV Tower projects, and by building on the success of the project-first resource estimate at the Halilaga Project," said Matt Lennox-King, Pilot Gold President and CEO.

### HIGHLIGHTS FOR THE YEAR and events subsequent to December 31, 2011:

#### Kinsley Mountain Project

- We acquired an advanced exploration project with great geology and an existing gold endowment. On September 21, 2011, we purchased an option agreement on Kinsley Mountain, a sediment-hosted gold property located 90 kilometres southeast of the Long Canyon deposit. The option agreement gives us the right to earn-in to a 65% interest in the property. Through 2011, we staked a further 2,596 acres, almost doubling the size

of the project. We anticipate earning-in to the initial 51% interest before May, 2012.

- Our initial drill program returned impressive intervals of gold mineralization. In November, 2011, we completed a Phase One 1,267 metre six-hole confirmation drill program. Subsequent to year end, we released drill results highlighting the potential of this well-mineralized sediment hosted gold system. Most significantly drill hole PK-04 returned 5.91 grams per tonne gold over 18.4 metres, including 11.93 g/t gold over 7.8 metres (see February 10th, 2011 press release).
- On March 23, 2012 we subscribed to 6,250,000 common shares and 3,125,000 share purchase warrants of Nevada Sunrise Gold Corporation ("NSGC"). A subsidiary of NSGC will be our partner at the Kinsley Mountain Project following the initial earn-in. The market value of our equity holdings of NSGC at the date of this release is approximately \$1.42 million.
- Through the year ended December 31, 2011, we incurred \$1.13 million in expenditures at Kinsley Mountain, including \$0.45 million in costs associated with the acquisition of the option.

### TV Tower Project

- In May, 2011, we announced final results from the 2010 Phase One drill program, which highlighted new gold discoveries at the Kucukdag (northern) target, and Kayali (southern) target. Both new discoveries are marked by long intervals of continuous gold mineralization starting at surface in both areas, with discovery holes returning 4.28 g/t gold, 0.68% copper, and 15.82 g/t silver over 136.2 metres in drill hole KCD-02 at Kucukdag, and 0.87 g/t gold over 114.5 metres in hole KYD-01 at Kayali (see May 10th, 2011 press release).
- In August, 2011, we reported that ongoing drilling intersected additional gold-silver mineralization at the Kucukdag target. The mineralized footprint of this gold-silver target has been expanded by 100 metres to the northeast and successfully testing targets outside the main target area, with drill hole KCD-15 returning 1.87 g/t gold, 0.19% copper, and 7.26 g/t silver over 48 metres (see August 10th, 2011 press release).
- In October, 2011, we reported that step-out core drilling had intersected thick intervals of high-grade near-surface silver mineralization at the Kucukdag target. This drilling expanded the footprint of the system by an additional 100 metres to the north, demonstrating the strong multi-element nature of the Kucukdag target-area, and greatly enhancing the overall grade potential. Drill hole KCD -19, a PQ-core twin of the KCD-02 discovery hole (drilled to improve recoveries and supply material for future metallurgical work) returned 3.80 g/t gold, 0.82% copper, and 20.06 g/t silver over 131.80 metres and KCD-18 returned 171.00 g/t silver over 47.5 metres (see October 4th, 2011 press release).
- A Phase One, 4,184 metre drill program was completed in January 2011, and a Phase Two, 14,876 metre drill program concluded in December 2011. Through the year ended

December 31, 2011, our share of expenditures at TV Tower was \$2.0 million. A \$3.0 million development and exploration program (funded 60% by our joint venture partner) is currently planned for 2012. The 2012 work-program will include detailed mining and engineering studies, as well as approximately 10,000-12,000 metres of core drilling. In 2012, we are also planning to continue detailed geological mapping and undertake geochemical sampling, ground geophysics, and reconnaissance in the western areas of the property.

### Halilaga Project

- In February, 2012, we reported an initial resource estimate for the Halilaga copper-gold porphyry. The mineral resource estimate, calculated as of October 17, 2011, included the results of 30,004 metres of drilling in 72 drill holes, and consists of:
  - an Indicated sulphide resource of 1.665 million ounces gold at an average grade of 0.31 g/t gold, and 1.112 billion pounds of copper at an average grade of 0.30% copper (168,167,000 tonnes);
  - an Inferred sulphide resource of 1.661 million ounces gold at an average grade of 0.26 g/t gold, and 1.007 billion pounds of copper at an average grade of 0.23% copper (198,668,000 tonnes); and,
  - an Inferred oxide resource of 95,000 ounces of gold at an average grade of 0.60 g/t gold (4,914,000 tonnes).

Using a strip ratio of 2.5 : 1, the sulphide resource was calculated at a 0.2% copper equivalent cut-off grade; the oxide resource was calculated at a 0.2 g/t gold cut-off grade. For more details, see February 8th, 2011 press release. The related technical report, effective March 23, 2012, entitled 'Resource Estimate for the Halilaga Copper-Gold Property NI 43-101 Technical Report' was filed on SEDAR on March 26, 2012.

- Through the year ended December 31, 2011, our share of expenditures at Halilaga was \$2.35 million. A \$4.87 million development and exploration program (funded 60% by our joint venture partner) is planned for 2012. The 2012 work-program will include detailed mining and engineering studies, as well as approximately 15,000 metres of infill and exploration drilling.

### FINANCIAL DATA

The following selected financial data is derived from our consolidated financial statements for the years ended December 31, 2011 and 2010, as prepared in accordance with International Financial Reporting Standards ("IFRS"). As described in our audited consolidated financial statements, the comparative periods and a portion of the current year, reflect the application of continuity of interest accounting.

Twelve months ended December 31

|  | 2011              | 2010        |                   |
|--|-------------------|-------------|-------------------|
| Loss for the period                      | (\$11,840,930)    |             | (\$1,507,202)     |
| Loss and comprehensive loss for the year | (\$13,420,480)    |             | (\$1,463,261)     |
| Basic and diluted loss per share         | (\$0.21)          |             | (\$0.03)          |
|  | As at             |             |                   |
|  | December 31, 2011 |             | December 31, 2010 |
| Cash and short-term investments          | \$18,420,354      | \$86,966    |                   |
| Working capital                          | \$17,845,526      | \$326,385   |                   |
| Total assets                             | \$37,493,262      | \$7,905,170 |                   |
| Current liabilities                      | \$1,049,986       | \$74,807    |                   |
| Non-current liabilities                  | \$73,673          | \$2,550     |                   |
| Shareholder's equity                     | \$36,369,603      | \$7,827,813 |                   |

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- For the year ended December 31, 2011, we reported a net loss of \$11.84 million compared to a net loss of \$1.51 million for the year ended December 31, 2010. The most significant contributors to the loss for the year ended December 31, 2011 were the non-cash impact of stock based compensation expense (\$5.9 million), and costs associated with property investigation (\$1.71 million).
- Current assets increased significantly to \$18.90 million as at December 31, 2011 (December 31, 2010: \$0.4 million), and comprise primarily cash and short term investments of \$18.42 million (December 2010: \$0.09 million). The increase reflects the receipt of \$24.4 million cash pursuant to the closing on June 14, 2011, of a bought-deal offering, and the receipt of \$9.8 million upon the close of the Fronteer Arrangement on April 4, 2011, off-set by those cash outflows and liabilities recorded at period end related to exploration and corporate activities through the twelve-months ended December 31, 2011.

This press release should be read in conjunction with Pilot Gold's audited consolidated financial statements and Management's Discussion and Analysis for the year ended December 31, 2011. These documents can be found on the Company's website ([www.pilotgold.com](http://www.pilotgold.com)) or on SEDAR at [www.sedar.com](http://www.sedar.com). The Company's Annual Information Form has also been filed on SEDAR. Shareholders may receive a printed copy of the audited consolidated financial statements, free of charge, upon request. All amounts are presented in United States dollars unless otherwise stated. Pilot Gold will be hosting its annual general meeting on May 10, 2011, in Vancouver, British Columbia.

## ABOUT PILOT GOLD

Pilot Gold is a gold exploration company led by a proven technical team that continues to discover and define high-quality projects featuring strong grades, meaningful size and mining-friendly addresses. Our three key assets include interests in the Halilaga and TV Tower projects in Turkey, each of which alone has the ability to drive the company forward, and the Kinsley Mountain Project in Nevada, a past producing sediment hosted gold system. We also have a pipeline of projects, characterized by large land positions and district-wide potential, that can meet our growth needs for years to come. For more information, visit [www.pilotgold.com](http://www.pilotgold.com) or contact:

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Details on the adoption and application of IFRS are provided in the Company's Management's Discussion and Analysis and in the notes to our audited consolidated financial statements for the year ended December 31, 2011.

The mineral resources for the Halilaga Property were estimated by Mr. James N. Gray, P.Geo., of Advantage Geoservices Ltd., in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves, adopted by CIM Council, as amended. Block grades were estimated by inverse distance weighting to the second power (ID2) within domains based on the interpretation of geologic parameters logged in 72 drill holes. Sections spaced at 50 to 100 metres were used for the basic interpretations. Quality-control data, generated during the various drill programs conducted at Halilaga, were independently verified by Mr. Garth Kirkham, P.Geo., of Kirkham Geosystems Ltd., as part of the project review. The mineral resources are confined within an optimized Lerchs-Grossman (LG) pit shell to ensure reasonable prospects of economic extraction. The pit shell was generated using a copper price of US\$4.00/lb, applied to copper equivalent grade, and an overall pit slope of 45°. Copper equivalence (CuEq) was calculated using a ratio of Cu : Au : Mo of 1 : 370 : 5, and recoveries of 90%, 70% and 50%, respectively. At a 0.2% CuEq cut-off, the strip ratio within the LG shell is 2.5:1. Tonnage estimates are based on 2,466 bulk density measurements which were used to assign average values to lithologic domains of the block model. Bulk density for the main Halilaga mineralised rock averages 2.61 tonnes/m<sup>3</sup>. Due to the differing metallurgical characteristics and anticipated metal extraction methods, the oxide resources are reported separately. Although the gold resources are extractable, it is not expected that the base metals within the oxide zone will be recoverable.

The National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") technical report authored by James Gray, P.Geo. of Advantage Geoservices Ltd., And Garth Kirkham, P.Geo., of Kirkham Geosystems Ltd., entitled "Resource Estimate for the Halilaga Copper-Gold Property NI 43-101 Technical Report" dated March 23, 2012, which includes the project-first resource on the Halilaga Project, is available under Pilot Gold's SEDAR profile at <http://www.sedar.com>. The mineral resources estimates contained therein are only estimates and no assurance can be given that any particular level of recovery of minerals will be realized or that an identified resource will ever qualify as a commercially mineable or viable deposit which can be legally and economically exploited. In addition, the grade of mineralization

ultimately mined may differ from the one indicated by drilling results and the difference may be material. The estimated resources described herein should not be interpreted as assurances of mine life or of the profitability of future operations.

Ian Cunningham-Dunlop, P. Eng., VP Exploration and Chief Operating Officer for Pilot Gold, and a "Qualified Person" within the meaning of NI 43-101, is responsible for compiling the technical information contained in this release.

All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to Pilot Gold Inc. ("Pilot Gold") within the meaning of applicable Canadian securities laws, including statements that address future mineral production, reserve potential, exploration drilling, the future prices of gold, copper and molybdenum, potential quantity and/or grade of minerals, potential size of a mineralized zone, potential expansion of mineralization, the timing and results of future resource estimates, the timing of a preliminary economic assessment or other study, proposed exploration and development of our exploration properties and the estimation of mineral reserves and resources. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of Pilot Gold to differ materially from those anticipated in such forward-looking information. Such forward-looking information, including, but not limited to, Pilot Gold's ability to fund cash-calls made by Teck Madencilik Sanayi Ticaret A.S. for ongoing expenditure on the Halilaga Project and the TV Tower Project; current and proposed exploration activities and the development of the Halilaga Project and the TV Tower Project; estimated future working capital, uses of funds, future capital expenditures; information with respect to exploration results, the timing and success of exploration activities generally; the costs and timing of the development of new deposits, potential quantity and/or grade of minerals, potential size of mineralized zone, potential expansion of mineralization, potential type of mining operation; the timing, timeline and possible outcome of permitting or license renewal applications; the ability to maintain or convert the underlying licenses in accordance with the requirements of the Turkish Mining Law, government regulation of exploration and mining operations, environmental risks, including satisfaction of Turkish requirements relating to the periodic submissions of Environmental Impact Assessments, title disputes or claims, and limitations on insurance coverage involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of Pilot Gold to be materially different from any future results, performance or achievements expressed or implied by such forward looking information. Such factors include, among others, risks related to the interpretation and actual results of historical production at certain of our exploration properties, reliance on technical information provided by TMST or Teck at the Halilaga Project and the TV Tower Project, or other third parties as related to any of our other exploration properties; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals, financing or in the completion of exploration as well as those

factors discussed in the section entitled "Risk Factors" in Pilot Gold's SEDAR profile at [www.sedar.com](http://www.sedar.com).

Although Pilot Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Pilot Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. Accordingly, readers should not place undue reliance on forward-looking information

### Cautionary notes to United States investors

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied. The mineral resource estimates referenced in this press release use the terms "Indicated Mineral Resources" and "Inferred Mineral Resources." While these terms are defined in and required by Canadian regulations (under NI 43-101), these terms are not recognized by the U.S. Securities and Exchange Commission ("SEC"). "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. Pilot Gold is not an SEC registered company.

Further details relating to Pilot Gold are also available in the Company's Annual Information Form ("AIF") for the year ended December 31, 2011 dated March 28, 2012, available under Pilot Gold's SEDAR profile at <http://www.sedar.com>.