

12-10

Pilot Gold (PLG – TSX) (“Pilot Gold” or “the Company”) is pleased to report strong intervals of gold mineralization in step-out holes at the Kinsley Mountain project, including 5.48 grams per tonne gold over 20.4 metres in hole PK014C, located 150 metres northeast of hole PK002 which returned 6.23 g/t gold over 8.7 metres in 2011 drilling.

“These results from the core drilling portion of our 2012 program demonstrate Kinsley’s ability to host gold mineralization to the north of the mined pits and previously identified gold trend. Future drilling will continue to target frontier areas to the northeast and southwest of the mine to further expand the gold mineralized footprint and identify the high grade structures we are beginning to see,” said Moira Smith, Chief Geologist for Pilot Gold.

Assays from the 14 hole diamond core drilling program returned mineralization in step-out holes 100 metres to 150 metres north of the historic main pit area, where Pilot Gold’s 2011 drilling was focused.

Highlights from the 2012 core drilling program include:

- 5.48 g/t gold over 20.4 metres, including 16.43 g/t gold over 5.5 metres in PK014C;
- 1.40 g/t gold over 10.5 metres in PK019C; and,
- 0.92 g/t gold over 28.8 metres in PK031C.

All true widths are 60-90% of reported widths unless otherwise stated. All intervals of no sampling have been assigned zero grade for the purposes of compositing.

For a comprehensive table of drill results to date, including new and non-reportable intercepts, please click: [http://www.pilotgold.com/sites/default/files/KinsleyDrillResults\\_1210.pdf](http://www.pilotgold.com/sites/default/files/KinsleyDrillResults_1210.pdf)

For a map highlighting recent drilling, please click:  
<http://www.pilotgold.com/sites/default/files/KinsleyDrillMap1210.pdf>

Detailed mapping over the entire Kinsley Mountain claim block has identified a number of north, northeast and northwest-trending high-angle faults with jasperoid alteration up to 7 km north of the mine. Jasperoids are an important structural and alteration marker of Carlin-style sediment-hosted deposits, as they are often indicative of deep hydrothermal mineralizing systems. Rock samples from the Kinsley jasperoids have returned up to 2.8 g/t Au and highly anomalous pathfinder elements consistent with the presence of sediment-hosted gold mineralization at depth.

The 2012, 12,000-metre drill program commenced on March 20th, with one diamond core drill and one RC drill. Drilling is primarily focused on expanding the mineralized footprint identified by previous operators in the 1980s and 1990s, and following up on the high grade intercepts from Pilot Gold’s initial drill program in late 2011. The majority of holes drilled to date by Pilot Gold have encountered gold mineralization, with deeper RC holes targeting gold in deeper

stratigraphic intervals than were previously tested.

In conjunction with the 2012 drill program, regional exploration, data compilation and modeling, and environmental studies are underway. Activities include rock chip sampling, detailed geologic mapping and digitizing and 3D modeling of historic data including over 1,100 drill holes and 72,000 blast hole samples leading to the first comprehensive 3D model for the project. The model allows for more accurate targeting of mineralization and potential high-grade structures beyond the limit of historic workings. Additionally, a Plan of Operations permit application was submitted to U.S. Bureau of Land Management (BLM) which will allow for expanded exploration activities beyond the previously disturbed areas.

Exploration continues with one reverse circulation drill, operating over a wider area along the northern margin of the previously-defined zone of gold mineralization. Results from the RC portion of the program are currently pending.

Kinsley Mountain is a sediment-hosted gold system and past-producing mine. Stratigraphic and structural controls are similar to those at the nearby Long Canyon project (Newmont Mining Corp.) and Bald Mountain mine (Barrick Gold Corp.). Kinsley is being advanced by the same technical and management team that defined the Long Canyon project under Fronteer Gold.

Nevada Sunrise Gold Corporation is Pilot Gold's 49% joint venture partner on Kinsley Mountain. Pilot Gold is currently earning up to 65% of the project from its current 51% ownership.

Moira Smith, P. Geo., Pilot Gold Chief Geologist, is the company's designated Qualified Person for this news release within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and has reviewed and validated that the information contained in the release accurate. Drill composites were calculated using a cut-off of 0.30 g/t. Drill intersections are reported as drilled thicknesses. True widths of the mineralized intervals are interpreted to be between 30-100% of the reported lengths. Drill samples were assayed by ALS Chemex (ISO9001:2000) in Reno, Nevada for gold by Fire Assay of a 30 gram (1 assay ton) charge with an AA finish, or if over 5.0 g/t were re-assayed and completed with a gravimetric finish. For these samples, the gravimetric data were utilized in calculating gold intersections. QA/QC included the insertion and continual monitoring of numerous standards and blanks into the sample stream, and the collection of duplicate samples at random intervals within each batch. Selected holes are also analyzed for a 72-element geochemical suite by ICP-MS. Data citing ounces mined from historical production is attributed to [www.metalseconomics.com](http://www.metalseconomics.com)

## 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 and meaningful size in mining-friendly addresses. Our three key assets include interests in the Halilaga and TV Tower projects in Turkey, and the Kinsley Mountain project, a past-producing sediment-hosted gold system in Nevada, each of which has the ability to become a foundational asset. 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:

Matt Lennox-King, President & CEO  
Patrick Reid, VP Corporate Affairs  
Phone 604-632-4677 or Toll Free 1-877-632-4677  
[info@pilotgold.com](mailto:info@pilotgold.com)

For more detailed information on the Kinsley Mountain project, please refer to the recently published NI 43-101 technical report dated March 26, 2012, entitled Technical Report on the Kinsley Project, Elko County, Nevada, U.S.A. available on SEDAR at [www.sedar.com](http://www.sedar.com).

All statements in this 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 price of gold, 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, or other study, proposed exploration and development of our exploration properties and the estimation of mineral resources. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue",

"estimate", "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, completion of expenditure obligations under the Kinsley Mountain Option Agreement, proposed exploration and development of the Kinsley Mountain property, future issuances of Common Shares as consideration to complete the acquisition of the Kinsley Mountain Option Agreement from Animas Resources Ltd.; estimated future working capital, funds available, uses of funds, future capital expenditures, exploration expenditures and other expenses for specific operations; information with respect to exploration results, the timing and success of exploration activities generally, 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 Kinsley Mountain, reliance on technical information provided by third parties on any of our exploration properties, including access to historical information on the Kinsley Mountain property as well as specific historic data associated with and drill results from the property, information from Nevada Sunrise LLC and Nevada Sunrise Gold Corporation, the license and lease owners respectively on the Kinsley Mountain property, current exploration and development activities; 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 the Company's Annual Information Form for the year ended December 31, 2011 dated March 28, 2012, which is available under 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.

Forward-looking statements are made as of the date hereof and accordingly are subject to change after such date. Except as otherwise indicated by Pilot Gold, these statements do not reflect the potential impact of any non-recurring or other special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after the date hereof. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of our operating environment. Pilot Gold does not undertake to update any forward-looking statements that are included in this document, except in accordance with applicable securities laws.