

12-17

Pilot Gold Inc. (PLG - TSX) is pleased to report that the first two drill holes of the 2012 program at the Kucukdag (KCD) target at the TV Tower project in Turkey have returned long intervals of high grade gold, silver and copper. Highlighted is drill hole KCD-39, which returned 5.94 grams per tonne gold, 12.6 g/t silver and 0.53% copper over 137.1 metres, which extends the high-grade gold/silver/copper breccia zone in discovery hole KCD-02 over 50 metres to the south. Pilot Gold assumed operatorship of the project in July, 2012 (see press release dated June 21, 2012).

“We are thrilled with the fact that this is the highest gram x metre gold interval ever drilled by our team on any of our projects over the years,” stated Matt Lennox-King, President & CEO of Pilot Gold. “These first holes drilled by Pilot Gold reinforce TV Tower as the premier exploration project in northwest Turkey.”

Drill Highlights include:

- 5.94 g/t gold, 12.6 g/t silver, and 0.53% copper over 137.1 metres in KCD-39, including
 - 18.88 g/t gold, 13.1 g/t silver and 1.36% copper over 27.0 metres, including
 - 55.75 g/t gold, 30.7 g/t silver and 3.33% copper over 3.0 metres.
- 0.93 g/t gold, 7.0 g/t silver, and 0.51% copper over 69.0 metres in KCD-38.

For a full table of 2012 drill results, please click:

<http://www.pilotgold.com/sites/default/files/TVTowerDrillResults1217.pdf>

For a map highlighting recent drilling, please click:

<http://www.pilotgold.com/sites/default/files/TVTowerDrillMap1217.pdf>

These results mark the start of an aggressive exploration program consisting of 16,000 metres of diamond core drilling, property-wide airborne geophysics and ongoing surface mapping and geochemical sampling.

Nine thousand metres of drilling will be focused on the KCD target and is designed to infill and expand the mineralized footprint. Approximately 2,500 metres comprising 12 holes have been completed to date, with assays pending for 10 holes. A third drill was recently added to the project, with a fourth rig anticipated to arrive by the end of September. All drilling for the remainder of 2012 will focus on infill and step-out drilling in the KCD (northern) target area, followed by systematic testing of other high-priority targets in early 2013.

Past drilling at the KCD zone has returned some of the highest-grade gold, silver and copper drilling intervals in northwestern Turkey, including:

- 4.28 g/t gold, 15.82 g/t silver and 0.68% copper over 136.2 metres, including 9.51 g/t gold, 34.54 g/t silver and 1.51% copper over 57.8 metres in KCD-02;
- 1.87 g/t gold, 7.26 g/t silver and 0.19% copper over 48.0 metres, including 13.83 g/t,

- 25.29 g/t silver and 0.31% copper gold over 5.4 metres in KCD-15;
- 171.00 g/t silver over 47.5 metres, including 259.67 g/t silver over 27.9 metres in KCD-18; and,
- 50.25 g/t silver over 114.9 metres, including 132.60 g/t silver over 7.5 metres in KCD-28.

See May 10, 2011, October 4, 2011 and May 18, 2012 press releases. All true widths are 30-90% 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 previous drill results, including non-reportable intercepts, please click:

<http://www.pilotgold.com/sites/default/files/TVTowerDrillResults1209.pdf>

About TV Tower:

Located on the Biga Peninsula of northwest Turkey, TV Tower encompasses 71 km² containing a large number of targets ranging from high- and low-sulphidation epithermal gold-silver to porphyry gold-copper. The project is road accessible, and is located immediately west of the Kirazli gold project (Alamos Gold) and approximately 10 kilometres northwest of the Halilaga copper-gold project (Teck/Pilot Gold). Drilling in 2010 resulted in new discoveries at the KCD high grade breccia and Kayali oxide gold targets. Ongoing exploration by Pilot Gold continues to uncover robust new targets, including the bonanza-grade Columbaz epithermal vein system that returned 39 g/t gold and 290 g/t silver in recent rock chip sampling.

Pilot Gold is project operator at TV Tower and can increase its interest in the project to 60%, through sole funding of exploration over a three year period. TV Tower is a joint venture between Pilot Gold (40%) and Teck Madencilik Sanayi Ticaret A.S. ("TMST") (60%), a Turkish subsidiary of Teck Resources Limited ("Teck").

The TV Tower project is an early stage exploration project and does not contain any mineral resource estimates as defined by NI 43-101. The potential quantities and grades disclosed herein are conceptual in nature and there has been insufficient exploration to define a mineral resource for the targets disclosed herein.

It is uncertain if further exploration will result in these targets being delineated as a mineral resource. Further information is available in the technical report entitled "Updated Technical Report on the TV Tower Exploration Property, Çanakkale, Western Turkey", effective July 15, 2012 and dated August 3, 2012, prepared by Paul Gribble, B.Sc., C.Eng., FIMMM, UK Manager, Geology of Tetra Tech WEI Inc., under Pilot Gold's Issuer Profile on SEDAR (www.sedar.com).

Moir Smith, Ph.D., 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 is accurate. Drill composites were calculated using cut-offs of 0.30, 3.0 and 10.0 g/t Au. 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 AcmeLabs in Vancouver, B.C. for gold by Fire Assay of a 30 gram (1 assay ton) charge by ICP-ES, or if over 10.0 g/t were re-assayed and completed with a gravimetric finish. Ag and Cu were determined by ICP-MS, with overlimits (>100 ppm Ag or

>10,000 ppm Cu) completed by fire assay with gravimetric finish (Ag) or 4-acid digestion with ICP-ES finish (Cu). 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.

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 the TV Tower and Kinsley gold projects and a 40% interest in the Halilaga copper gold porphyry project, each of which alone has the ability to drive the Company forward. For more information, visit www.pilotgold.com or contact:

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For further details on TV Tower, please view the NI 43-101 technical report entitled "Updated Technical Report on the TV Tower Exploration Property, Çanakkale, Western Turkey", effective July 15, 2012 and dated August 3, 2012, prepared by Paul Gribble, B.Sc., C.Eng., FIMMM, UK Manager, Geology of Tetra Tech WEI Inc., under Pilot Gold's Issuer Profile on SEDAR (www.sedar.com).

All 2012 assay data presented herein have been verified by Moira Smith, Ph.D., P.Geo. a Qualified Person and Chief Geoscientist for Pilot Gold. Drill samples and analytical data for TV Tower prior to 2012 reported in this release were collected under the supervision of Teck Madencilik Sanayi Ticaret A.Ş. ("TMST"), using industry standard QA-QC protocols. Pilot Gold has not verified all of the assay data generated by TMST. However, the grades and widths previously reported agreed well with the Company's past results at TV Tower and TMST gave Pilot Gold no reason to doubt their authenticity.

Except for the statements of historical fact contained herein, certain information presented constitutes "forward-looking information" concerning the business, operations and financial performance and condition of Pilot Gold Inc. ("Pilot Gold") within the meaning of applicable Canadian securities laws. 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 statements 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 statements that address future mineral production, reserve potential, exploration drilling, 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, proposed exploration and development of our exploration properties, potential quantity and/or grade of minerals, potential type(s) of mining operation and the

estimation of mineral reserves and resources, Pilot Gold's ability to fund cash-calls made by TMST for ongoing expenditure on the Halilaga property, successfully completing the earn-in on the TV Tower project, including the ability to incur the minimum annual Expenditure Requirements, estimated future working capital, 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; achievement of identified tangible project milestones on the Kinsley Mountain, TV Tower or Halilaga properties, the costs and timing of the development of new deposits; the timing and possible outcome of any pending litigation, permitting timelines, the ability to maintain or convert the underlying licenses that comprise TV Tower and Halilaga 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, limitations on insurance coverage and the results of any future development programs 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 exploration at the TV Tower property, reliance on technical information provided by TMST at the TV Tower property; changes in project parameters as plans continue to be refined; current economic conditions; the future prices of gold, silver and copper, fluctuations in currency exchange rates; 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 the completion of exploration as well as those factors discussed in the section entitled "Risk Factors" in Pilot Gold'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. 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.