

VANCOUVER, British Columbia (PLG - TSX) ("Pilot Gold" or the "Company") is pleased to announce preliminary financial and operating results for the nine months ended September 30, 2016. All dollar amounts are in United States dollars unless otherwise stated.

Company Performance Subsequent to September 30, 2016:

• Financing of up to C\$14.42 million (the "Bought-Deal"), the completion of which is expected in or about November 16, 2016, and is subject to a number of conditions.

• The release of preliminary drill results from the Goldstrike Gold Mine. The primary target is shallow Carlin-style, oxide gold overlying a long, 2 km-wide "Historic Mine Trend". A second Reverse Circulation drill hole was completed to the project in early September 2016. Drill results to date include: ^[2]

• Intersecting **3.22 g/t** gold over **32.0 m** in PGS048, **41.4 m** in PGS051C, **58.8 m** in PGS054C, **2.77 g/t** gold over **36.2 m** in PGS058, **6.1 m** in PGS076, **45.7 m** in PGS097, and **67.1 m** in PGS104. (0% owned)0.000000 w ET BT 29

• The discovery of mineralization with significant width and grade over an east-west distance up to 400 m and a north-south distance up to 400 m.

• The **Black Pine heap leach gold mine** (formerly referred to as the "Black Pine" mine) from Western Pacific Resources Corporation as part of our strategy to develop secure oxidized Carlin-style gold systems, similar in style to the Goldstrike and Goldstrike.^[3]

• The **agreement with Logan Resources Ltd.** ("Logan") under which the Company has an interest in up to four of Pilot Gold's 9 portfolio properties including the Drum, Griffon, Antelope, Sandy, Easter, Brik, and Logan properties.^[4]

Pilot Gold's focus to date represents less than 10% of the total prospective area for gold mineralization in the 7 km-long Historic Mine Trend.

The 2016 drill program is expected to continue through mid-December with two RC drill rigs, with an average of 10 drill holes completed per week. Key target areas for drilling along the Historic Mine Trend include the 1.5 km-long x 250 m-wide Peg Leg Graben zone, and the 2 km² Dip Slope zone, host to several historically-mined open pits. A field program continues at the project with mapping and target generation focused on three newly-staked blocks of claims to the west, north and east of the Goldstrike property. Metallurgical testing, using material recovered from 10 large-diameter core holes drilled earlier in the year, is underway. Metallurgical testing will encompass bottle rolls, column testing and comminution test work, in order to provide sufficient data for modeling and prediction of gold recovery over a wide range of mineralization types and feed sizes. Receipt of the final report is expected by early 2017.

For the nine months ended September 30, 2016, expenditures capitalized to Goldstrike were \$3.17 million, including: drilling and assaying (\$1.61 million), lease and claims fees (\$0.38 million), salaries (\$0.55 million) and analyses and surveys (\$0.30 million). In July 2016, the 2016 Budget was increased from \$2.16 million to \$4.77 million to allow for further RC drilling and initial metallurgical studies at Goldstrike. Forecast expenditures at Goldstrike through year end amount to \$0.61 million, including the completion of an expected 6,000 m of RC drilling. Initial data review and compilation will also begin toward year end on a project-first mineral resource estimate, the completion of which is expected early in the following year.

SELECTED FINANCIAL DATA

The following selected financial data is derived from the unaudited condensed interim consolidated financial statements and related notes thereto for the nine months ended September 30, 2016 (the "Interim Financial Statements"), as prepared in accordance with International Financial Reporting Standards. Details of these results are described in the Interim Financial Statements and related Management's Discussion and Analysis. These documents can be found on the Company's website (www.pilotgold.com) or at www.sedar.com.

	As at	
	September 30, 2016 (In 000s)	December 31, 2015 (In 000s)
Cash and short-term investments	\$ 3,860	\$ 7,912
Working capital	\$ 4,103	\$ 8,215
Total assets	\$ 95,952	\$ 93,730
Current liabilities	\$ 648	\$ 477
Non-current liabilities	\$ 662	\$ 604

Shareholders' equity	\$ 71,423	\$ 69,609
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	Three months ended September 30,		Nine months ended September 30,	
	(In 000s except per share data)			
Attributable to shareholders:	2016	2015	2016	2015
Loss for the period	\$ 759	\$ 1,592	\$ 3,379	\$ 5,365
Loss and comprehensive loss (income) for the year	\$ 5	\$ 1,719	\$(1,136)	\$ 5,706
Basic and diluted loss per share	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.05

Total assets comprise primarily exploration properties and deferred exploration expenditures of \$81.76 million and cash, cash equivalents and short term investments of \$3.86 million. Total assets also include \$0.89 million in receivables and prepayments, and \$5.56 million in value recorded for the Company's 40% interest in the Halilaga copper-gold project in Turkey. The 40% share of TV Tower owned by Teck Resources Limited, and the 20.9% share of Kinsley owned by Nevada Sunrise Gold Corporation included in the total balance of deferred exploration expenditures (in aggregate \$23.22 million), are accounted for as a non-controlling interest on the Company's statement of financial position.

The decrease in working capital since year end 2015 reflects the costs incurred toward the 2016 exploration programs of \$4.44 million and cash outflows for operating expenditures of \$3.00 million, including the acquisition of the Black Pine property in June 2016. The decrease is offset by the \$3.30 million net proceeds raised in a private placement completed on March 4, 2016, and the positive impact of foreign exchange rates of \$0.29 million.

Total liabilities at September 30, 2016 and December 31, 2015, primarily reflect accounts payable and accruals recorded at period end arising from ongoing drilling activities, and also includes a deferred tax liability (\$0.56 million as at September 30, 2016) arising from the impact of foreign exchange on the carrying value of TV Tower, which is \$0.10 million higher than as at December 31, 2015.

The most significant contributors to the losses in the three and nine months ended September 30, 2016 were the cost of wages and benefits of \$0.34 million and \$1.33 million, respectively;

office and general costs of \$0.26 million and \$0.89 million, respectively; as well as non-cash stock based compensation of \$0.05 million and \$0.40 million, respectively.

Severance costs and recruitment fees for a new CEO led to a slight increase in wages and salaries, and office and general costs, over the comparative nine-month period. Professional fees and the cost of property investigation have increased as a result of additional corporate activities. Costs incurred for investor relations activities are higher due to increased efforts to advance and market the Company's business and results.

The loss per share remained consistent over the three months ended September 30, 2015 and 2016 at \$0.01 and decreased by \$0.02 over the nine months ended September 30, 2016 to \$0.03 from the comparative period in 2015.

The net other comprehensive loss (income) attributable to shareholders for the three and nine months ended September 30, 2016, was a \$0.05 million loss and a \$1.14 million gain, respectively, compared to losses of \$1.72 million and \$5.71 million in the three and nine months ended September 30, 2015, respectively. In 2016, this change is driven by net fair value gains on our available-for-sale financial assets of \$0.47 million in the nine months ended September 30, 2016 compared to losses of \$0.03 million over the same period in 2015. Exchange differences on translation of foreign currency subsidiaries also contribute to the year on year differences. The impact from exchange differences will vary from period to period depending on the rate of exchange; in the period between January 1, 2016 and September 30, 2016, the United States dollar depreciated 6.5% relative to the Canadian dollar (2015: 12.4% appreciation).

Moira Smith, Ph.D., P.Geo., Vice President Exploration and Geoscience, Pilot Gold, 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, approved and verified that the scientific and technical information contained in this release is accurate.

Goldstrike is an early stage exploration project; the potential quantities and grades disclosed herein are conceptual in nature; there has been insufficient exploration to define a mineral resource for other targets disclosed herein. The potential to define a mineral resource at Goldstrike is conceptual in nature and there has been insufficient exploration to define a mineral resource thereat. It is uncertain if further exploration will yield any additional mineral resources at the Company's mineral property interests.

ABOUT PILOT GOLD

Pilot Gold is led by a proven technical and capital markets team that continues to discover and define high-quality assets. Our core projects are Goldstrike in Utah, Black Pine in Idaho and Kinsley Mountain in Nevada. The Company also holds important interests in two Turkish assets, Halilaga and TV Tower, and has a pipeline of Western US projects characterized by large land positions and district-wide potential that can meet our growth needs for years to come.

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All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to Pilot Gold within the meaning of applicable securities laws, including statements with respect to those that address potential quantity and/or grade of minerals, potential size and expansion of a mineralized zone, proposed timing of exploration and development plans, the expected closing of the Bought-Deal, or the release of an initial resource report at Goldstrike, and the successful delivery of results of metallurgical testing and positive results thereof. 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. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions about future prices of gold, copper, silver and other metal prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, the anticipated size, timing and closing of the 2016 Bought-Deal; anticipated use of proceeds of the 2016 Bought-Deal; future issuances of Common Shares and Warrants; obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market and geo-political conditions, availability of equipment, accuracy of any mineral resources, the amenability of mineralization to produce a grade or quality of concentrate sufficient to be economic (as there can be no assurances as to the results of the metallurgical testing and no inferences should be drawn therefrom), the accuracy of any metallurgical testing completed to date, successful resolution of disputes and anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of Pilot Gold and there is no assurance they will prove to be correct.

Such forward-looking information involves known and unknown risks and uncertainties, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, the need to satisfy legal and regulatory requirements with respect to the 2016 Bought-Deal; the timely receipt of regulatory approvals; risks related to the interpretation of results and/or the reliance on technical information provided by our joint venture partner or other third parties as related to the Company's mineral property interests; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; the costs and timing of the development of new deposits; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; the timing and success of exploration activities generally; delays in permitting; possible claims against the Company or its joint venture partners; labour disputes and other risks of the mining industry; the uncertainty of negotiating with foreign governments, expropriation or nationalization of property without fair compensation, adverse determination or rulings by governmental authorities delays in obtaining governmental approvals, government regulation of exploration and mining operations, and the application thereof in accordance with the rule of law, financing or in the completion of exploration as well as those factors discussed in the Annual Information Form of the Company dated March 17, 2016 in the section entitled "Risk Factors", 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. 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 unless required by law.

[1] See press release of October 27, 2016; Total dollar amount includes the exercise of the over-allotment option; Conditions by which Closing is subject include, but are not limited to, receipt of all necessary approvals including the approval of the Toronto Stock Exchange and applicable

securities regulatory authorities

[2] See press releases of August 10, 2016, August 31, 2016 and October 6, 2016

[3] See press release of June 16, 2016

[4] See press release of July 7, 2016

[5] See press release of August 31, 2016