June 16, 2016

VANCOUVER, B.C. – Pilot Gold Inc. (PLG - TSX) ("Pilot Gold" or the "Company") is pleased to announce the acquisition of 100% of the Mineral Gulch Property, from Western Pacific Resources Corporation ("Western Pacific"). Mineral Gulch is the past-producing Black Pine heap leach gold mine located in southeastern Idaho. The purchase price consisted of US $800,000 cash, 300,000 common shares of Pilot Gold and a grant of a 0.5% NSR to Western Pacific.

Pilot Gold's goal is to advance a portfolio of past producing Carlin-style oxide gold mines (Goldstrike, Kinsley, Mineral Gulch) and high grade gold projects (Kinsley, Baxter Springs) in the western US. Mineral Gulch has the potential to match our current success at Goldstrike. The Company will continue to search for additional acquisitions.

Mineral Gulch contains a large, shallow, oxidized Carlin-style gold system, similar in nature and target size to Pilot Gold's Kinsley, Nevada and Goldstrike, Utah projects.

Key Points:

- Large property: 345 federal lode claims, aggregate 26.3 km^2.
- **Past Producer: 435,000 ounces of gold mined from 7 small shallow pits within a 12 km^2 area defined as the priority exploration target.**
  - Run of mine oxide/heap leach operation from 1992 to 1997.
  - Head grades averaged 0.7 g/t gold with reported historical recovery of 65%.

- **Data-rich environment:** data for 520 shallow drill holes are currently in Pilot Gold's possession.
  - Oxide gold is present in historic (unmined) drill holes, pit walls and outcrop samples and extensive grid soil surveys.
  - 485 historic drill holes averaged only 96 metres in length; 35 recent holes drilled by Western Pacific averaged 206 metres in length.
  - A large number of holes contain unmined gold intercepts, including:
    - 12.2m grading 1.24 g/t Au and 6.1m grading 0.48 g/t Au
    - 24.4m grading 1.59 g/t Au
    - 4.6m grading 2.17 g/t Au and 10.7m grading 2.60 g/t Au
  - 27,000 assay intervals, of which 4,100 intervals returned >0.5 g/t Au and 1,800 intervals returned >1.0 g/t Au.
  - Over 400 holes still unaccounted for but may be recoverable.

For more details about the Mineral Gulch Property, including location, geology and soil geochemistry maps, please click here: http://www.pilotgold.com/images/PilotGold/PLG-Mineral-Gulch-Section-June-2016.pdf

Pilot Gold will use the same detailed data compilation approach to the Mineral Gulch Property as was completed at the Goldstrike and Kinsley projects. The historical database will be digitized and matched with surface mapping and sampling results to generate a 3D interpretive model before a first-phase RC infill and step-out drill program is initiated. Preliminary

Phoca PDF

interpretation suggests that gold is hosted within a low angle thrust fault system superimposed on receptive Pennsylvanian silty limestones.

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 and validated that the information contained in the release is accurate.

About Mineral Gulch

The Mineral Gulch property is located in southeastern Idaho northwest of Snowville, Utah, between Utah State highway 30 and Interstate highway 15. It hosts a large, Carlin-style sediment-hosted gold system, the surface footprint of which extends over an approximately 12 square kilometre area. The mineralized zone was extensively drilled in the immediate pit areas, with mining carried out by Pegasus Gold Corp. from 7 shallow pits over a 6-year period from 1992 to 1997 in a run of mine heap leach operation. Mineralization consists of finely disseminated gold hosted in Pennsylvanian decalcified and jasperoidized calcareous siltstone correlative with the Oquirrh Formation. These rocks are present within a system of interleaved, low-angle thrust faults that is well-exposed in many parts of the property. In other areas, the prospective host horizon is believed to be present under the shallow cover of an overlying thrust plate; these areas are significantly underexplored.

Mineral Gulch 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 any of the targets disclosed herein. Further information on Mineral Gulch is available in the technical report entitled "*Technical Report on the Mineral Gulch Project, Cassia County, Idaho, USA*", dated May 29, 2013, prepared by David Shaddrick. M.Sc., P.Geo., and filed under Western Pacific's SEDAR profile. As at the date of the Report, Mr. Shaddrick was a "Qualified Person" as defined by NI 43-101.

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 two core projects are Goldstrike in Utah 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.

For more information, visit www.pilotgold.com or contact:

Evelyn Cox, Director Corporate Communications
Phone: 604-632-4677 or Toll Free 1-877-632-4677
info@pilotgold.com

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

Phoca PDF

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. 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, receipt of final approval of the TSX, 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, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, accuracy of any mineral resources, 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, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, 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; delays in obtaining governmental approvals, financing or in the completion of exploration as well as those factors discussed in the Annual Information Form of the Company dated Mai in 6, 2016 in the section entitled "Risk Factors", under Pilot Gold's SEDAR profile at www.sedar.com*.*

The existence of similar features as at Kinsley and at Goldstrike does not mean that exploration results at Mineral Gulch will be of similar grade or quantity to that which is found at those other properties. Closing of the transaction is subject to receipt of the approval of the Toronto Stock Exchange for the listing of the common shares.

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.

Phoca PDF