

AMENDED ANNUAL INFORMATION FORM

OF

PilotGOLD

Pilot Gold Inc.

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For the fiscal year ended December 31, 2010

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TABLE OF CONTENTS

PRELIMINARY NOTES	1
Currency	1
Measurements	1
Standard Resource and Reserve Reporting System.....	1
CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS.....	2
CORPORATE STRUCTURE OF THE CORPORATION	3
Name and Incorporation.....	3
Intercorporate Relationships.....	3
Three Year History.....	5
DESCRIPTION OF THE BUSINESS.....	6
Employees	7
Specialized Skill and Knowledge.....	7
Competitive Conditions.....	7
Area of Interest Limitations on the Business.....	8
RISK FACTORS	9
MINERAL PROPERTIES	22
The Regent Property, Nevada	22
The Halilağa Property, Turkey	32
The TV Tower Property, Turkey.....	42
Other Exploration Projects	54
DIVIDENDS	57
DESCRIPTION OF CAPITAL STRUCTURE	57
MARKET FOR SECURITIES	57
PRIOR SALES	58
PRINCIPAL SHAREHOLDERS OF PILOT GOLD.....	58
DIRECTORS AND OFFICERS.....	59
Name, Address, Position and Occupation	59
Aggregate Ownership of Securities.....	61
CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS.....	61
CONFLICTS OF INTEREST.....	62
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	62
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	62
REGISTRAR AND TRANSFER AGENT.....	62
MATERIAL CONTRACTS.....	62
INTERESTS OF EXPERTS.....	64
PROMOTERS	64
AUDIT COMMITTEE INFORMATION	65
Audit Committee Charter	65
Composition of the Audit Committee	65
Relevant Education And Experience.....	65

Audit Committee Oversight	66
Pre-Approval Policies and Procedure.....	66
External Auditor Service Fees.....	66
ADDITIONAL INFORMATION	67
SCHEDULE "A"	68

PRELIMINARY NOTES

Throughout this Annual Information Form (“AIF”), Pilot Gold Inc. is referred to as “Pilot Gold” or the “Corporation”. All information contained in this AIF is given as of December 31, 2010, unless otherwise stated.

Currency

All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian dollars. The noon rate of exchange on May 12, 2011, as reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars (“US\$”) was CAD\$1.00 equals US\$0.9658

Measurements

Conversion of metric units into imperial equivalents is as follows:

Metric Units	Multiplied by	Imperial Units
hectares	2.471	= acres
metres	3.281	= feet
kilometres	0.621	= miles (5,280 feet)
grams	0.032	= ounces (troy)
tonnes	1.102	= tons (short) (2,000 lbs)
grams/tonne	0.029	= ounces (troy)/ton

Standard Resource and Reserve Reporting System

National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“NI 43-101”) is a rule developed by the Canadian Securities Administrators, which has established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all scientific and technical information of Pilot Gold contained in this AIF, including any information contained in certain documents referenced in this AIF, has been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Classification System.

The individuals named throughout this AIF are the “Qualified Persons”, as defined in NI 43-101, who supervised the preparation of the scientific and technical information contained in the applicable technical reports referenced in this AIF, which form the basis for the scientific and technical information reproduced in this AIF, as applicable.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This AIF contains “forward-looking information” and “forward-looking statements” which include, but are not limited to, statements or information concerning the future financial or operating performance of the Corporation and its business, operations, properties and condition, the future price of copper, gold and other metal prices, the estimation of mineral resources or potential expansion of mineralization, the realization of mineral resource estimates, the timing and amount of estimated future production, costs of production and mine life of the various mineral projects of Pilot Gold, the timing and amount of estimated capital, operating and exploration expenditures, costs and timing of the development of new deposits and of future exploration and development activities, estimated exploration budgets and timing of expenditures and community relations activities, requirements for additional capital, government regulation of mining operations, environmental risks and reclamation expenses, title disputes and other claims or existing, pending or threatened litigation or other proceedings, limitations of insurance coverage and the timing and possible outcome of regulatory and permitting matters and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements, and involve known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of Pilot Gold to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements and information. Except for statements of historical fact, information contained herein or incorporated by reference herein constitutes forward- looking statements and forward-looking information. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “will”, “projects”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements and forward-looking information are based upon a number of estimates and assumptions of management at the date the statements are made, and are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements and forward-looking information. 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 factors include, among others: general business, economic, competitive, political, regulatory and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; fluctuations in the value of Canadian and United States dollars relative to each other; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; future prices of copper, gold and other metal prices; changes in the worldwide price of other commodities such as coal, fuel, electricity and fluctuations in resource prices, currency exchange rates and interest rates; possible variations of mineral grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental risks and hazards, cave- ins, pit-wall failures, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions and losses; political instability, hostilities, insurrection or acts of war or terrorism; delays in obtaining governmental approvals or financing or in the completion of exploration, development or construction activities; changes in government legislation and regulation; changes in ownership interest in any project; increased infrastructure and/or operating costs; Pilot Gold's ability to renew existing licenses and permits or obtain required licenses and permits; changes or disruptions in market conditions; variations in ore grade or recovery rates; risks relating to international operations and joint ventures; changes in project parameters; disruptions or changes in the credit or securities markets and market fluctuations in prices for Pilot Gold's securities; inflationary or deflationary pressures; the need to obtain and maintain licenses and permits and comply with laws and regulations or other regulatory requirements;

the speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; contests over title to properties; operating or technical difficulties in connection with mining or development activities; employee relations and shortages of skilled personnel and contractors; the risks involved in the exploration, development and mining business generally; and the factors discussed in the section entitled “Risk Factors” in this AIF. Although the Corporation has attempted to identify important factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those described in forward-looking statements or forward-looking information, there may be other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended.

Forward-looking statements and forward-looking information contained herein are made as of the date of this AIF and the Corporation disclaims any obligation to update any forward-looking statements or forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information.

CORPORATE STRUCTURE OF THE CORPORATION

Name and Incorporation

Pilot Gold was incorporated as “7703627 Canada Inc.” under the Canada Business Corporations Act (“CBCA”) on November 18, 2010. Articles of amendment were subsequently filed on November 29, 2010 to change the name of the Corporation to “Pilot Gold Inc.”

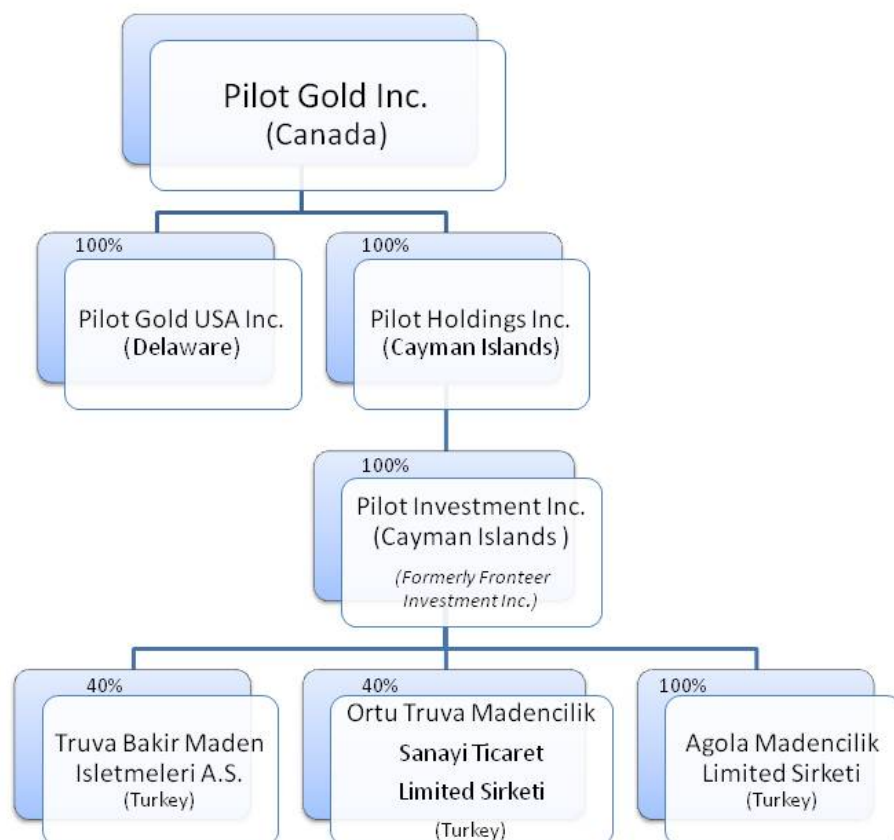
The registered office and principal place of business of the Corporation is located at Suite 1650, 1055 West Hastings Street, Vancouver, British Columbia V6E 2E9. The Corporation also has subsidiaries doing business at offices in Elko, Nevada, USA and Ankara, Turkey for its projects located in these respective jurisdictions.

Pilot Gold is a reporting issuer in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador. The common shares of Pilot Gold (the “Common Shares”) are listed and posted for trading on the Toronto Stock Exchange (the “TSX”) under the symbol “PLG”.

For further information regarding Pilot Gold, reference is made to Pilot Gold's filings with the Canadian securities regulatory authorities available on SEDAR at www.sedar.com.

Intercorporate Relationships

The following chart sets forth the names of the significant subsidiaries and investments under significant influence of the Corporation as at the date of this AIF, the percentage of ownership of each such company by the Corporation (directly or indirectly) and the respective jurisdictions of incorporation of each such company:



- (1) As at December 31, 2010, the significant subsidiaries and investments under significant influence of the Corporation only included the Corporation's 100% interest in Pilot Gold USA Inc. During the first quarter of 2011, in anticipation of the plan of arrangement involving the Corporation, its former parent company Fronteer Gold Inc. ("Fronteer"), and Newmont Mining Corporation ("Newmont"), the Corporation incorporated Pilot Holdings Inc. ("PHI"), a Cayman Islands company. PHI subsequently acquired all the issued and outstanding shares of Fronteer Investment Inc. ("FII") (renamed Pilot Investment Inc. on May 6, 2011, ("PII")), a Cayman Islands company that holds: (a) a 40% participating interest in two Turkish joint venture companies (60% owned by Teck Madencilik Sanayi Ticaret A.S. ("TMST"), an indirect subsidiary of Teck Resources Limited ("Teck")) which, in turn, hold the Halilağa copper-gold project (the "Halilağa Property"), the TV Tower gold project (the "TV Tower Property" and, together with the Halilağa Property the "Turkish Properties"); a 40% beneficial interest in the Dededagi exploration property in Turkey and several other early-stage exploration properties in north-western Turkey; and (b) through Agola Madencilik Limited Sirketi ("Agola"), a wholly-owned Turkish subsidiary three other early-stage exploration properties in Turkey.
- (2) Ownership of Agola is subject to nominal share or unit holdings required to meet the statutory number of shareholders or unitholders under Turkish law. Ownership of Truva Bakir Maden Isletmeleri A.S. ("Truva Bakir") and of Ortu Truva Madencilik Sanayi Ticaret ("Ortu Truva"), respectively, are also subject to the same nominal share or unit holding requirements. Such nominal shares and units are held by directors and officers of the Corporation, for the benefit of the Corporation in the case of Agola, and by the Corporation and TMST for the benefit of the Corporation and TMST in the case of Truva Bakir and Ortu Truva.

GENERAL DEVELOPMENT OF THE BUSINESS

Pilot Gold has not carried on any active business since incorporation other than entering into a series of agreements to acquire a portfolio of exploration properties and assets (the “Pilot Gold Properties”) from its former parent company, Fronteer.

Three Year History

Pilot Gold was incorporated by Fronteer on November 18, 2010.

Pursuant to an agreement dated December 30, 2010 (the “First Nevada Eagle Agreement”), Nevada Eagle Resources LLC (“Nevada Eagle”), an indirect wholly-owned subsidiary of Fronteer, sold to Pilot Gold USA Inc. (“Pilot USA”), a wholly-owned subsidiary of Pilot Gold, various unpatented mining claims situated in the Mineral, Douglas, Lincoln and Churchill Counties of Nevada, United States for a purchase price of US\$1,095,000. These claims are more commonly known as the Regent, North Buckskin, Brik and Cold Springs projects. Pursuant to an agreement dated December 30, 2010 (the “First Fronteer USA Agreement”), Pilot USA purchased from Fronteer Development (USA) Inc. (“Fronteer USA”) some additional mining claims located in Nye County, Nevada known as the South Monitor project for a purchase price of US\$120,000. The purchase price for these mining claims was funded by the issuance by the Corporation of 10,000,000 Common Shares to Fronteer for aggregate proceeds of US\$1,215,000 and the subsequent issuance by Pilot USA of common shares to Pilot Gold for the same amount.

On February 3, 2011, Fronteer, the Corporation and Newmont entered into an arrangement agreement (“Arrangement Agreement”) pursuant to which Newmont acquired all of the outstanding common shares of Fronteer by way of a plan of arrangement (the “Fronteer Arrangement”), which became effective on April 6, 2011 (the “Effective Date”). Pursuant to the Fronteer Arrangement, Fronteer shareholders received \$14.00 in cash and one Common Share, for each common share of Fronteer. The Common Shares were subsequently consolidated on a one-for-four basis, such that each former Fronteer shareholder held one Common Share for every four common shares of Fronteer previously held. On the Effective Date, Pilot Gold ceased to be a wholly-owned subsidiary of Fronteer, and Fronteer became an indirect, wholly-owned subsidiary of Newmont.

In connection with the Fronteer Arrangement, the following transfers of properties and assets (the “Fronteer Properties”) occurred:

- On April 4, 2011, Nevada Eagle, a wholly-owned subsidiary of Fronteer, and Pilot USA entered into an agreement (the “Second Nevada Eagle Agreement”) pursuant to which, Nevada Eagle sold to Pilot USA several unpatented mining claims known as the Anchor, Baxter Springs, New Boston, Stateline, Easter and Gold Springs projects, located in the Eureka, Nye and Lincoln Counties of Nevada and Iron County, Utah (collectively, the “Additional Nevada Eagle Assets”). The purchase price paid for the Additional Nevada Eagle Assets was Fronteer’s cost for such assets (which Fronteer and Pilot Gold agreed to be equal to their fair market value) and consisted of (i) a cash payment by Pilot USA of approximately US\$1.1 million, and (ii) the transfer by way of assignment to Nevada Eagle of all mining claims held by Pilot USA in respect of the South Monitor project.

In connection with the sale of the Additional Nevada Eagle Assets to Pilot USA, Nevada Eagle assigned all the relevant contracts related to such assets and Pilot USA assumed the obligations under such contracts. Nevada Eagle also transferred to Pilot USA certain exploration and administrative assets relating to the Additional Nevada Eagle Assets and Pilot USA entered into an assignment and assumption agreement pursuant to which it assigned its interest in the South Monitor Project to Nevada Eagle.

- On April 4, 2011, Fronteer USA, a wholly-owned subsidiary of Fronteer, and Pilot USA entered into an agreement (the “Second Fronteer USA Agreement”) pursuant to which Fronteer USA sold to Pilot USA various unpatented mining claims and private mineral rights comprising the Viper project, situated in Elko County, Nevada, together with certain exploration and administrative assets relating to the Viper project (including an office lease in Elko County, Nevada, office equipment and furniture, fixed assets associated with the Viper project and all relevant technical information, reports, data and studies associated with the Viper project) (collectively, the “Viper Assets”). The purchase price paid for the Viper Assets was Fronteer’s cost for such assets (which Fronteer and Pilot Gold agreed to be equal to their fair market value) and consisted of a cash payment by Pilot USA to Fronteer USA of US\$795,632.66. In connection with the sale of the Viper Assets to Pilot USA, Fronteer USA also assigned to Pilot USA all contracts related to such assets and Pilot USA assumed the obligations thereunder.
- On April 4, 2011, Fronteer Holdings Inc. (“FHI”), a wholly-owned subsidiary of Fronteer and PHI entered into a share purchase agreement (the “FII Share Purchase Agreement pursuant to which FHI sold to PHI, all of the issued and outstanding shares of FII. The purchase price for the FII shares (which Fronteer and Pilot Gold determined was the fair market value such shares) consisted of a cash payment by PHI to FHI of \$52,250,000. As a result of such purchase, PHI indirectly acquired all of the issued and outstanding shares of FII, a Cayman Islands company that holds: (a) a 40% participating interest in two Turkish joint venture companies (each respectively 60% owned by TMST, an indirect subsidiary of Teck) which, in turn, hold Turkish Properties; a 40% beneficial interest in the Dededagi exploration property in Turkey and several other early-stage exploration properties in north-western Turkey; and (b) through Agola, a wholly-owned Turkish subsidiary, three other early-stage exploration properties in Turkey.
- On April 4, 2011, Fronteer and Pilot Gold entered into an additional agreement pursuant to which Fronteer transferred to Pilot the following: (i) 2,000,000 common shares and 1,000,000 share purchase warrants of Rae Wallace Mining Company (“Rae Wallace”) and an option agreement with Rae Wallace pursuant to which Pilot Gold acquired a right to earn a 51% interest in up to two properties that Rae Wallace currently owns or may acquire within a 25,300 km² area of interest; (ii) cash in the amount of \$9,584,714, representing the agreed amount to be funded to Pilot Gold under the Arrangement Agreement (after deducting certain payments made by Fronteer in respect of the Turkish Properties); (iii) additional cash required by Pilot Gold to fund the purchase of the Additional Nevada Eagle Assets, the Viper Assets and the FII shares as described above; and (iv) additional assets of Fronteer, including an office lease in Vancouver, British Columbia, office equipment and furniture, and the fixed assets and technical information, reports, data and studies related to those exploration properties transferred to Pilot Gold in accordance with the Arrangement Agreement. In addition, Fronteer assigned to Pilot Gold the contracts entered into with respect to those assets acquired from Fronteer. In consideration for the foregoing, Pilot Gold issued Common Shares to Fronteer that resulted in Newmont holding an indirect 19.9% interest in Pilot Gold following the completion of Newmont’s acquisition of Fronteer pursuant to the Fronteer Arrangement, and assumed certain liabilities relating to the assets acquired by Pilot Gold.

Pilot Gold’s objective is to achieve rapid growth and build value through the advancement of its three key exploration assets located in Turkey and Nevada, United States. These projects provide a strong foundation both for discovery and building new gold resources.

DESCRIPTION OF THE BUSINESS

The Corporation is principally engaged in the acquisition, exploration and development of mineral properties or interests in corporations controlling mineral properties of interest to the Corporation. Pilot Gold’s strategy will be to create shareholder value through the exploration, advancement and development of its mineral properties.

In particular, Pilot Gold has an interest in several exploration-stage gold projects throughout Nevada, United States and copper-gold projects in northwest Turkey. Among its portfolio of precious metal mineral rights in Nevada, Pilot Gold's key projects include a 100% interest in the Regent property in Mineral County, Nevada, comprised of 263 unpatented mining claims covering approximately 1,801 hectares located in Nevada, USA (the "Regent Property") and several other gold exploration properties covering approximately 8,100 hectares in the states of Nevada and Utah (known as the Brik, Buckskin North, Cold Springs, Anchor, Baxter Springs, New Boston, Stateline, Gold Springs 2 and the Easter properties). In Turkey, as part of a joint venture with a subsidiary of Teck, Pilot Gold acquired a 40% interest in the Halilağa Property that includes a copper-gold porphyry deposit and several other early-stage exploration properties, the TV Tower Property, an emerging gold system, and three other early-stage exploration properties all located in north-western Turkey's Biğa District.

Of Pilot Gold's properties, management of the Corporation considers the Regent Property, the Halilağa Property and the TV Tower Property to be material for the purposes of NI 43-101. The remaining properties are in their very preliminary stages and exploration to date by the Corporation and its affiliates has been minimal. For further details concerning the Corporation's material properties, please see "*Mineral Properties*" below.

As none of Pilot Gold's properties are currently in production, it is not currently distributing any minerals in the market. If one or more of Pilot Gold's properties move into production, it is anticipated that gold and other metals can be readily sold on numerous markets throughout the world and it would not be difficult to ascertain the market price of such metals at any particular time.

Employees

As at May 12, 2011, the Corporation and its subsidiaries had 21 employees. With the exception of the Corporation's Chief Financial Officer, all Pilot Gold employees are either former employees or long-time contractors of Fronteer. Pilot Gold believes that its success is dependent on the performance of its management and key employees, many of whom have specialized knowledge and skills relating to the precious metals exploration business. Pilot Gold believes it will have adequate personnel with the specialized skills required to successfully carry out its operations. See in this AIF, "*Risk Factors*".

Specialized Skill and Knowledge

Various aspects of the Corporation's business require specialized skills and knowledge. Such skills and knowledge include the areas of permitting, geology, drilling, metallurgy, logistical planning and implementation of exploration programs as well as finance and accounting. The Corporation has found that it can locate and retain such employees and consultants and believes it will continue to be able to do so; however no assurances can be made in that regard. For more information, please see "*Risk Factors*" below.

Competitive Conditions

The mineral exploration and mining business is competitive in all phases of exploration, development and production. The Corporation competes with a number of other entities in the search for and the acquisition of potentially productive mineral properties. In particular, there is a high degree of competition faced by the Corporation in Canada and elsewhere for desirable mining property interests, suitable prospects for drilling operations and necessary mining equipment, and many of these companies have greater financial resources, operational experience and/or more advanced properties than the Corporation. As a result of this competition, the majority of which is with companies with greater financial resources than the Corporation, the Corporation may be unable to acquire attractive properties in

the future on terms it considers acceptable. The Corporation also competes with other resource companies, many of whom have greater financial resources and/or more advanced properties, in attracting equity and other capital necessary for the Corporation to advance the exploration and development of its mineral properties.

The ability of the Corporation to acquire additional properties depends on, among other things, its available working capital, its ability to explore and develop its existing properties, its ability to attract and retain highly-skilled employees, and on its ability to select, acquire and bring to production suitable properties or prospects for mineral exploration and development. Factors beyond the control of the Corporation may affect the marketability of minerals mined or discovered by the Corporation. Mineral prices have historically been subject to fluctuations and are affected by numerous factors beyond the control of the Corporation. See "*Risk Factors*" for further details concerning various factors that may cause Pilot Gold's actual performance, achievements, actions, events, results or conditions to differ materially from those anticipated, estimated or intended.

Area of Interest Limitations on the Business

Pilot Gold has also made certain covenants in the Arrangement Agreement that affect its ability to acquire and explore additional properties. Until the fifth anniversary of the Effective Date, none of Pilot Gold or its subsidiaries is permitted to, without Newmont's prior written consent, stake, lease or otherwise purchase or acquire or become entitled to acquire, directly or indirectly, alone or in concert with any other Person, any interest whatsoever in real property, land rights, surface rights, water rights or any mineral concessions, leases, claims or other form of mineral rights whatsoever, any part of which lies within the boundary of, or within five miles of the perimeter of the Long Canyon Property, the Sandman Property and the Northumberland Property (which properties were acquired by Newmont pursuant to the Fronteer Arrangement), and if Pilot Gold or any of its subsidiaries acquires any such interest in contravention of the foregoing, Pilot Gold is required to notify Newmont and to hold such interest in trust for Newmont and promptly convey such interest to Newmont at no cost.

Pilot Gold has also covenanted and agreed that, until the first anniversary of the Effective Date, none of Pilot Gold or its subsidiaries will, without Newmont's prior written consent, stake, lease or otherwise purchase or acquire or become entitled to acquire, directly or indirectly, alone or in concert with any other Person, any interest whatsoever in real property, land rights, surface rights, water rights or any mineral concessions, leases, claims or other form of mineral rights whatsoever, any part of which lies within the boundary of, or within two miles of the perimeter of, any of the Fronteer mining properties acquired by Newmont (other than the Long Canyon Property, the Sandman Property or the Northumberland Property which are governed by the more onerous restriction described above), and if Pilot Gold or any of its subsidiaries acquires any such interest in contravention of the foregoing, Pilot Gold will notify Newmont and will hold such interest in trust for Newmont and promptly convey such interest to Newmont at no cost.

RISK FACTORS

An investment in securities of the Corporation involves a significant degree of risk and should be considered highly speculative due to the nature of the Corporation's business and the present stage of its development. There are a number of risks that may have a material and adverse impact on the future operating and financial performance of Pilot Gold and could cause the Corporation's operating and financial performance to differ materially from the estimates described in forward-looking statements related to the Corporation. These include widespread risks associated with any form of business and specific risks associated with Pilot Gold's business and its involvement in the gold exploration and development industry. Shareholders of Pilot Gold may lose their entire investment.

In addition to the other information set forth elsewhere in this AIF, the following risk factors should be carefully reviewed by prospective investors. These risks may not be the only risks faced by Pilot Gold. Risks and uncertainties not presently known by Pilot Gold or which are presently considered immaterial may also adversely affect Pilot Gold's business, properties, results of operations and/or condition (financial or otherwise). If any of the following risks actually occur, Pilot Gold's business, financial condition, operating results and prospects could be adversely affected.

All references to "Pilot Gold" or the "Corporation" in this section entitled "Risk Factors" include Pilot Gold and its subsidiaries and joint ventures, except where the context otherwise requires.

Exploration, Development and Operating Risks

Mining operations generally involve a high degree of risk. The Corporation's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, precious metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. The financing, exploration, development and mining of any of the Corporation's properties is furthermore subject to a number of macroeconomic, legal and social factors, including the price of gold and copper, laws and regulations, political conditions, currency fluctuations, the ability to hire and retain qualified people, the ability to obtain suitable machinery, equipment or labour and the ability to obtain necessary services in jurisdictions in which the Corporation operates. Unfavourable changes to these and other factors have the potential to negatively affect the Corporation's operations and business.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate or even mitigate. While the discovery of a mineral-bearing structure may result in an increase in value for shareholders, few properties which are explored are ultimately developed into producing mines.

Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Corporation will result in a profitable commercial mining operation. Whether a gold or other precious or base metal or mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; mineral prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes,

royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but could have a material adverse effect upon the Corporation's properties and investments.

There is no certainty that the expenditures made by the Corporation towards the exploration and evaluation of gold, copper or other minerals will result in discoveries or production of commercial quantities of gold or other minerals.

In addition, once in production, mineral reserves are finite and there can be no assurance that the Corporation will be able to locate additional reserves as its existing reserves are depleted.

Early Stage Status and Nature of Exploration

The terms "Resource(s)" or "Reserve(s)" cannot be used to describe any of the Pilot Gold Properties due to the early stage of exploration at this time. Any reference to potential quantities and/or grade is conceptual in nature, as there has been insufficient exploration to define any mineral resource and it is uncertain if further exploration will result in the determination of any mineral resource. Quantities and/or grade described in this AIF should not be interpreted as assurances of a potential resource or reserve, or of potential future mine life or of the profitability of future operations.

Few properties that are explored are ultimately developed into producing mines. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

The economics of exploring and developing mineral properties is affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of mining and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection.

No assurance can be given that any particular level of recovery of minerals will be realized or that any potential quantities and/or grade will ever qualify as a resource, or that any such resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited.

Where expenditures on a property have not led to the discovery of mineral reserves, incurred expenditures will generally not be recoverable.

Permits and Licenses

The Corporation cannot be certain that it will receive the necessary permits and licenses at all or on acceptable terms required to conduct further exploration and to develop its properties and bring them into production. The failure to obtain such permits or licenses, or delays in obtaining such permits or licenses, could increase the Corporation's costs and delay its activities, and could adversely affect the properties, business or operations of the Corporation.

Government approvals, approval of aboriginal people and other members of surrounding communities and permits and licenses are currently and will in the future be required in connection with the operations of the Corporation. To the extent such approvals are required and not obtained, the Corporation may be curtailed or prohibited from continuing its mining operations or from proceeding with planned exploration or development of mineral properties.

The Corporation (Fronteer) has experienced past permitting delays on the Halilağa Property in Turkey. Mining legislation in Turkey has also been subject to changes in the past couple of years. There is no certainty that further changes to the legislation will not be introduced that may make permitting a project more difficult.

Commodity Prices

The price of the Common Shares, the Corporation's financial results and exploration, and development and mining activities may in the future be significantly and adversely affected by declines in the price of gold or other minerals. The price of gold or other minerals fluctuates widely and is affected by numerous factors beyond the Corporation's control, including but not limited to the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future price declines in the market value of gold or other minerals could cause continued development of and commercial production from the Corporation's properties to be impracticable. Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient and the Corporation could be forced to discontinue production and may lose its interest in, or may be forced to sell, some of its properties. Economic viability of future production from the Corporation's mining properties, if any, is dependent upon the prices of gold and other minerals being adequate to make the properties economic.

In addition to adversely affecting any resource estimates of the Corporation and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Risks Associated the Corporation's Material Mineral Properties

As at the date of this AIF, the Corporation holds an interest in three mineral properties that are considered to be material within the meaning of applicable Canadian securities laws (the "Material Properties") (see "*Mineral Properties*" in this AIF). The Corporation's Material Properties are of high risk, and are considered to be speculative in nature. There is no certainty that the expenditures made by the Corporation towards the search for and evaluation of gold or other minerals with regard to the Material Properties, or otherwise, will result in discoveries of commercial quantities of gold or other minerals.

In addition, even in the event of the successful completion by the Corporation or its joint venture partner of those programs underway on the individual Material Properties, there is no assurance that the results of such exploration will warrant undertaking, or result in, the completion of further exploration programmes or activities on any particular Material Property. In such circumstances, the Corporation may be required to reallocate its resources and focus its operations on other mineral properties. There can be no assurance that any such additional mineral properties will be available for acquisition by the Corporation or that, if available, the terms of acquisition will be favourable to the Corporation.

Lack of Funding to Satisfy Contractual Obligations

The Corporation may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and the Corporation may have its property interests subject to such

agreements reduced as a result or even face termination of such agreements. The Corporation has joint venture agreements in Turkey with respect to the Turkish Properties. The joint venture agreements with Teck call for adjustments to the interests of the parties in the Halılağa and TV Tower properties where either party fails to fund cash calls within certain specified periods. If the Corporation fails to fund cash calls, it risks having its interest reduced, may lose its effective veto power over certain decisions and ultimately could have its interest in the Turkish Properties diluted or terminated. Teck is a much larger entity with far greater access to financial resources than the Corporation.

Additional Capital

The exploration and development of the Corporation's properties will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production on any or all of the Corporation's properties or even a loss of property interest. In particular, if the Corporation completes Phase 2 of the recommended program on the Regent Property and further exploration with respect thereto is warranted, or if capital calls are made by Teck in respect of the Turkish Properties or the Corporation acquires additional mineral properties which necessitate exploration expenditures, the Corporation may not have sufficient funds to finance such operations. The primary source of funding available to the Corporation consists of equity financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be on terms that are favourable to the Corporation. In addition, any future financing may be dilutive to existing shareholders of the Corporation.

Dilution to Common Shares

There are currently 50,701,952 Common Shares issued and outstanding. The increase in the number of Common Shares issued and outstanding through further issuances may have a depressive effect on the price of the Common Shares and will dilute the voting power of the Corporation's existing shareholders.

Current Economic Conditions

There are significant uncertainties regarding the price of gold, copper, other precious and base metals and other minerals and the availability of equity financing for the purposes of mineral exploration and development. Currently, prices of certain commodities such as gold and copper have shown steady, though not necessarily linear, price increases which has had a positive impact on the Corporation and the mining industry in general as capital has been attracted to the industry making it somewhat easier for corporations exploring for commodities to raise financing. The Corporation's future performance is largely tied to the development of its current mineral properties and the commodity and financial markets. There can be no certainty that commodity prices will continue to show the same level of strength. Current financial markets are likely to continue to be volatile in Canada potentially through 2011 and beyond, reflecting ongoing concerns about the stability of the global economy and weakening global growth prospects. Unprecedented uncertainty in the credit markets has also led to increased difficulties in financing activities. As a result, the Corporation may have difficulty raising debt or equity financing for the purposes of mineral exploration and development, and, if obtained, on terms favourable to the Corporation and/or without excessively diluting present shareholders of the Corporation. These economic trends may limit the Corporation's ability to develop and/or further explore its mineral property interests and may limit the ability of the Corporation to meet capital calls with respect to the Turkish Properties.

Price and Volatility of Public Stock

The market price of securities of Pilot Gold has experienced wide fluctuations which may not necessarily be related to the financial condition, operating performance, underlying asset values or prospects of Pilot Gold. Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in gold, copper or other mineral prices. Other factors unrelated to the Corporation's performance that may have an effect on the price of the Common Shares include the following: (i) the extent of analytical coverage available to investors concerning the Corporation's business may be limited if investment banks with research capabilities do not follow the Corporation's Common Shares; (ii) lessening in trading volume and general market interest in the Corporation's Common Shares may affect an investor's ability to trade significant numbers of Common Shares; (iii) the size of the Corporation's public float may limit the ability of some institutions to invest in the Corporation's Common Shares; and (iv) a substantial decline in the price the Common Shares that persists for a significant period of time could cause the Corporation's Common Shares to be delisted from the TSX or from any other exchange upon which the Corporation's Common Shares may trade from time to time, further reducing market liquidity.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the Corporation's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Major Shareholder with 19.9% Holding

Newmont indirectly holds approximately 19.9% of the Corporation's issued and outstanding Common Shares and is Pilot Gold's single largest shareholder. As a result, Newmont may have the ability to influence the outcome of matters submitted to the Pilot Gold shareholders for approval, which could include the election and removal of directors, amendments to Pilot Gold's corporate governance documents and business combinations. Pilot Gold's interests and those of Newmont may at times conflict, and this conflict might be resolved against Pilot Gold's interests. The concentration of approximately 19.9% of Pilot Gold's issued and outstanding shares in the hands of a single shareholder may discourage an unsolicited bid for the Common Shares, and this may adversely impact the value and trading price of the Common Shares.

Furthermore, if at any time prior to the second anniversary of the Effective Date of the Frontier Arrangement, should the Corporation propose to issue or sell Common Shares or securities convertible into or exchangeable for Common Shares (collectively, "Additional Pilot Gold Securities"), other than (i) under any stock option plan of Pilot Gold, (ii) on the exercise or conversion of convertible securities, or (iii) for property other than money, Newmont has the right to subscribe for and purchase (directly or through an affiliate) Additional Pilot Gold Securities at the price at which such Additional Pilot Gold Securities are offered for sale to other purchasers, up to the lesser of 19.9% of the Additional Pilot Gold Securities and its pro rata interest in the Corporation, in each case, prior to giving effect to the issuance or sale of such Additional Pilot Gold Securities. Newmont's participation in, or failure to participate in any issuance of Additional Pilot Gold Securities may have a material impact on the value and trading price of the Common Shares.

Minority Interests in the Turkish Properties

The terms of the joint venture agreement governing the exploration of the Turkish Properties provides effective control to Teck over many of the activities conducted on those properties since it holds a majority (60%) of the shares of the joint venture companies that hold the mining rights in respect of the Turkish Properties. While a limited number of decisions regarding these properties require unanimous approval, giving the Corporation a veto over any such decisions, the Corporation has only a minority interest in these properties and is dependent upon Teck to manage and oversee the operations on these properties.

Subsidiaries and Joint Ventures

The Corporation owns its 40% interest in the Halilağa Property and TV Tower Property through a joint venture with Teck and it operates some of its properties through subsidiaries. The Corporation is therefore subject to the typical risks associated with joint ventures, including disagreement on how to develop, operate or finance the project and contractual and legal remedies of the Corporation's partners in the event of such disagreements. In addition, any limitation on the transfer of cash or other assets between the Corporation and such entities, or among such entities, could restrict the Corporation's ability to fund its operations efficiently. Any such limitations or the perception that such limitations may exist now or in the future, could have an adverse impact on the Corporation's value and stock price.

Foreign Operations Risk

Some of Pilot Gold's operations will be conducted in Turkey and Pilot Gold may acquire or invest in additional properties located in less stable jurisdictions in the future and, as such, its operations are and may increasingly be exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary from country to country and include, but are not limited to: terrorism; hostage taking; military repression; fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; changes in taxation policies; and changing political conditions and governmental regulations, including changing environmental legislation.

Turkey is seeking membership to the European Union ("EU") and is progressing to conform to EU standards and develop greater political and economic stability. However, Turkey has historically, and to some degree continues to experience heightened levels of political and economic instability due to regional geopolitical instability. These conditions may be exacerbated by current global economic conditions. This instability may cause changes to existing governmental regulations affecting mineral exploration and mining activities and/or may have a material adverse effect on the Corporation's properties, business and results of operations.

Changes, if any, in mining or investment policies or shifts in political attitudes in Turkey or other jurisdictions in which Pilot Gold holds properties or assets may adversely affect its operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on operations, income taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the properties, business, operations or financial condition of the Corporation.

In addition, in the event of a dispute arising from foreign operations, Pilot Gold may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. Pilot Gold also may be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for Pilot Gold to accurately predict such developments or changes in laws or policy or to the extent to which any such developments or changes may have a material adverse effect on Pilot Gold's operations.

Indemnified Liability Risk

Pursuant to the Arrangement Agreement, Pilot Gold has covenanted and agreed that, following the Effective Date, it will indemnify Newmont, Fronteer and its subsidiaries from all losses suffered or incurred by them as a result of or arising directly or indirectly out of or in connection with an Indemnified Liability (as such term is defined in the Arrangement Agreement), which includes (i) a liability or obligation that, following the Effective Date, Fronteer or any of its subsidiaries is legally obliged to pay but which was incurred or accrued prior to the Effective Date in respect of the Fronteer Exploration Properties (including the operations or activities in connection therewith and any liabilities or obligations for taxes in connection with the transfer of the Fronteer Exploration Properties to Pilot Gold), and (ii) the amount of any tax payable by Fronteer in respect of the disposition of Common Shares to the former Fronteer securityholders. Pilot Gold will remain liable under this indemnity for six years following the Effective Date, or until 60 days after the end of the relevant statutory limitation period in respect of claims for taxes. Because of Pilot Gold's limited financial resources, any requirement to indemnify under these provisions could have a material adverse effect on the ability of Pilot Gold to carry out its business plan.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable roads, bridges, power sources, fuel and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Corporation's operations, financial condition and results of operations.

Costs of Land Reclamation

It is difficult to determine the exact amounts which will be required to complete all land reclamation activities in connection with the Corporation's properties. Reclamation bonds and other forms of financial assurance represent only a portion of the total amount of money that will be spent on reclamation activities over the life of a mine. Accordingly, it may be necessary to revise planned expenditures and operating plans in order to fund reclamation activities. Such costs may have a material adverse impact upon the business, financial condition and results of operations of the Corporation.

Limited Operating History

Other than entering into a series of agreements to acquire a portfolio of exploration properties from Fronteer, the Corporation has no history of operations or earnings. As such, the Corporation is

subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that the Corporation will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

Reliance on a Limited Number of Properties

The only material property interest of the Corporation are its 100% interest in the Regent Property in Nevada, and its 40% minority interests in the Turkish Properties in Turkey. As a result, unless the Corporation acquires additional property interests, any adverse developments affecting any one of these properties could have a material adverse effect upon the Corporation and would materially and adversely affect the potential mineral resource production, profitability, financial performance and results of operations of the Corporation. While the Corporation may seek to acquire additional mineral properties that are consistent with its business objectives, there can be no assurance that the Corporation will be able to identify suitable additional mineral properties or, if it does identify suitable properties, that it will have sufficient financial resources to acquire such properties or that such properties will be available on terms acceptable to the Corporation or at all. See "*Mineral Properties*" in this AIF.

Insurance and Uninsured Risks

The Corporation's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment, natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Corporation's properties or the properties of others, delays in the ability to undertake exploration, monetary losses and possible legal liability.

Although the Corporation maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Corporation may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Corporation or to other companies in the mining industry on acceptable terms. The Corporation might also become subject to liability for pollution or other hazards which it may not be insured against or which the Corporation may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Corporation to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Land Title

The acquisition of the right to explore and/or exploit mineral properties is a detailed and time-consuming process. Although the Corporation is satisfied it has taken reasonable measures to acquire unencumbered rights to explore its mineral properties in the United States, no assurance can be given that such claims are not subject to prior unregistered agreements or interests or to undetected or other claims or interests which could be material or adverse to the Corporation. The Corporation's mineral properties in the United States (including the Regent Property) are unpatented mining claims to which the Corporation has only possessory title. Because title to unpatented mining claims is subject to inherent uncertainties, it is difficult to determine conclusively the ownership of such claims. These uncertainties relate to such things as sufficiency of mineral discovery, proper posting and marking of boundaries and

possible conflicts with other claims not determinable from descriptions of record. Since a substantial portion of all mineral exploration, development and mining in the United States now occurs on unpatented mining claims, this uncertainty is inherent in the mining industry.

The present status of the Corporation's unpatented mining claims located on public lands provides the Corporation with the exclusive right to mine and remove valuable minerals, such as precious and base metals. The Corporation is also allowed to use the surface of the land solely for purposes related to exploration, mining and processing the mineral-bearing ores. However, legal ownership of the land remains with the United States government. The Corporation remains at risk that the mining claims may be forfeited either to the United States government or to rival private claimants due to failure to comply with statutory requirements.

The Corporation may need to enter into negotiations with landowners and other groups in the local community in Turkey in order to conduct future exploration and development work on the Turkish Properties. There is no assurance that future discussions and negotiations will result in agreements with landowners and other local community groups in Turkey or if such agreements will be on terms acceptable to the Corporation so that the Corporation can continue to conduct exploration and development work on these properties.

Environmental Risks and Hazards

The Corporation currently has no known financial obligations relating to environmental protection. However, all phases of the Corporation's operations are subject to environmental regulation (including environmental impact assessments and permitting) in the jurisdictions in which it operates. The Regent Property, in particular, has undergone significant surface disturbance for over 100 years (see "*Mineral Properties Regent Project*" in this AIF). These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation and international standards are evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation and standards, if any, will not adversely affect the Corporation's business, condition or operations. Environmental hazards may exist on the properties on which the Corporation holds interests which are unknown to the Corporation at present and which have been caused by previous or existing owners or operators of the properties.

Pilot Gold cannot give any assurances that breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially and adversely affect its financial condition. There is no assurance that any future changes to environmental regulation, if any, will not adversely affect Pilot Gold.

State Forest Land in Turkey

In order to conduct drilling or other potentially disruptive exploration activities on concessions within State Forest land in Turkey, valid permits are required from the Turkish General Directorate of Forestry of the Ministry of Environment and Forestry. There have recently been several changes in regulation governing the use of forestry lands for mining activities in Turkey. The potential for continuing change in Turkey as it relates to undertaking exploration activities on concessions within State Forest land, or as it relates to other areas determined to be protected or otherwise deemed to be of national interest is elevated. It is thus uncertain if the Corporation's existing permits may be affected in the future

or if the Corporation will have difficulties in obtaining all necessary forest permitting it requires for its mining and exploration activities to continue if any new regulations are adopted.

Water Sources

Community water sources occur in the region of the Corporation's interest in its properties in Turkey, and in the United States. The Corporation will have to ensure that exploration activities do not impact community water sources. Future operations may require that alternate water sources be provided to potentially affected communities.

Government Regulation

The mineral exploration activities (as well as the potential for eventual mining, processing and development activities) of the Corporation are subject to extensive laws and regulations governing prospecting, exploration, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, waste disposal, water use, land claims of local people, protection of historic and archaeological sites, mine development, protection of endangered and protected species and other matters.

Government approvals, approval of aboriginal peoples and permits are currently, and may in the future be required in connection with the Corporation's operations. To the extent such approvals are required and not obtained, the Corporation may be curtailed or prohibited from continuing its exploration or mining operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Regulators in the United States and Turkey have broad authority to shut down and/or levy fines against facilities that do not comply with regulations or standards.

The Corporation's mineral exploration and mining activities in the countries in which it operates, including the United States and Turkey, may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase royalties payable or the costs related to the Corporation's activities or maintaining its properties. Operations may also be affected in varying degrees by government regulations with respect to restrictions on production, price controls, government imposed royalties, claim fees, export controls, income taxes, and expropriation of property, environmental legislation and mine safety. The effect of these factors cannot be accurately predicted. Although the Corporation's exploration and development activities are currently carried out in material compliance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Furthermore, any shift in political attitudes, or amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof are beyond the control of the Corporation and could have a substantial adverse impact on the Corporation.

Most recently, in the State of Nevada, where the Corporation has its United States properties, section 47 of Assembly Bill 6 enacted by the Special Session of the Nevada Legislature increased the fee payable by the owner of an unpatented mining claim on the recording of a notice of intent to hold the mining claim. At the federal level, the most recent United States Federal budget proposes to levy a 5% royalty on the gross proceeds of hardrock minerals mined on public lands including silver, gold and copper extracted from all new projects on public lands like those managed by the United States Interior Department's Bureau of Land Management or the United States Forest Service. These and other changes to legislation and regulation in the United States, as well as similar changes in other jurisdictions may indicate an increasing risk for companies operating in the exploration and production stage of the mining industry to be subject to increasing taxes on operations. The Corporation's activities and financial results may be adversely impacted by these and other changes.

Competition

The mining industry is competitive in all of its phases. The Corporation faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Corporation. As a result of this competition, the Corporation may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the Corporation's operations and financial condition could be materially adversely affected.

In addition, the Corporation is subject to certain covenants in the Arrangement Agreement that affect its ability to acquire and explore additional properties in a prescribed area of interest in Nevada. The management, employees and directors of Pilot Gold have significant expertise, experience and history working in the State of Nevada. These covenants and restrictions will prevent Pilot Gold from entering into, or undertaking activities in this area of interest for a specified period of time which may reduce the Corporation's potential and ability to benefit from and maximize the collective experience of its management, employees and directors.

Acquisitions and Integration

From time to time, it can be expected that the Corporation will examine opportunities to acquire additional exploration and/or mining assets and businesses. Any acquisition that the Corporation may choose to complete may be of a significant size, may change the scale of the Corporation's business and operations, and may expose the Corporation to new geographic, political, operating, financial and geological risks. The Corporation's success in its acquisition activities depends upon its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of the Corporation. Any acquisitions would be accompanied by risks. If the Corporation chooses to raise debt capital to finance any such acquisitions, the Corporation's leverage will be increased. If the Corporation chooses to use equity as consideration for such acquisitions, existing shareholders may suffer dilution. Alternatively, the Corporation may choose to finance any such acquisitions with its existing resources. There can be no assurance that the Corporation would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Influence of Third Party Stakeholders

Some of the lands in which Pilot Gold holds an interest, or the exploration equipment and roads or other means of access which Pilot Gold intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies.

If such third parties assert any claims, Pilot Gold's work programs may be delayed even if such claims are without merit. Such delays may result in significant financial loss and loss of opportunity for Pilot Gold.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Corporation's ability to raise capital through future sales of Common Shares. In particular, Newmont indirectly owns approximately 19.9% of the issued and outstanding Common Shares. If Newmont decides to liquidate all or a significant portion of its position, it could adversely affect the price of the Common Shares.

Risk of Litigation

Pilot Gold may become involved in disputes with third parties in the future which may result in litigation. The results of litigation cannot be predicted with certainty and defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. If Pilot Gold is unable to resolve these disputes favourably or if the cost of the resolution is substantial, such events may have a material adverse impact on the ability of Pilot Gold to carry out its business plan.

Passive Foreign Investment Corporation ("PFIC")

It is likely that Pilot Gold will be classified as a PFIC within the meaning of Section 1291 through 1298 of the US Internal Revenue Code of 1986, as amended, for the 2011 tax year. A US shareholder who holds stock in a foreign corporation during any year in which such corporation qualifies as a PFIC is subject to special US federal income taxation rules, which may have adverse tax consequences to such shareholder. Additionally, a United States shareholder may be eligible to make certain elections under two alternative tax regimes. A US shareholder should consult its own US tax advisor with respect to an investment in the Common Shares and to ascertain which elections, if any, might be beneficial to the United States shareholder's own facts and circumstances.

Change in Accounting or Financial Reporting Standards

Changes in accounting or financial reporting standards may adversely impact the financial performance reported by us in the future. Pilot Gold currently reports its financial performance in Canadian Generally Accepted Accounting Principles ("Canadian GAAP"). The Canadian Accounting Standards Board announced that International Financial Reporting Standards ("IFRS") will become applicable to Canadian public entities for financial years beginning on or after January 1, 2011. The Corporation's first period of IFRS reporting will be for the quarter ending March 31, 2011. Management has started the transition process from Canadian GAAP to IFRS and is in the process of completing its assessment and determination of the potential impact of the Corporation's transition to IFRS. Based on the review to date, it is anticipated that there may be material differences in accounting treatment between Canadian GAAP and IFRS.

Key Executives

The Corporation is dependent on the services of key executives, including the directors of the Corporation and a small number of highly skilled and experienced executives and personnel. The Corporation strongly depends on the business and technical expertise of its board, its management and key personnel. Due to the relatively small size of the Corporation, the loss of any of these individuals or the Corporation's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. Although Pilot Gold has a very limited history of operations, the Corporation has undertaken to put into place a system of internal controls appropriate for its size, and reflective of its level of operations. The Corporation's certifying officers have assessed internal control over financial reporting to be effective as at December 31, 2010.

Conflicts of Interest

Certain of the directors and officers of the Corporation also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Corporation should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Corporation and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the CBCA and other applicable laws.

Credit Risk

Credit risk arises from cash and cash equivalents held with banks and financial institutions, and amounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Corporation's objective in managing liquidity risk will be to maintain sufficient readily available cash reserves and credit in order to meet its liquidity requirements at any point in time. The total cost and planned timing of acquisitions and/or other development or construction projects is not currently determinable and it is not currently known precisely when the Corporation will require external financing in future periods.

Currency Rate Risk

The Corporation's reporting currency is the Canadian dollar, which is exposed to fluctuations against other currencies. The Corporation's primary operations are located in the United States and Turkey and many of its expenditures and obligations are denominated in United States dollars, and Turkish lira. It can be anticipated that obligations will also arise in Euros and other currencies should the Corporation expand its operations into additional countries. The Corporation maintains its principal office in Canada, maintains cash accounts in United States dollars, Turkish lira, and Canadian dollars and has monetary assets and liabilities in United States and Canadian dollars, and Turkish lira. As such, the Corporation's results of operations are subject to foreign currency fluctuation risks and such fluctuations may adversely affect the financial position and operating results of the Corporation. The Corporation has not undertaken to mitigate transactional volatility in the United States dollar, Turkish lira, or the Canadian dollar at this time. The Corporation may, however, enter into foreign currency forward contracts in order to match or partially offset existing currency exposures.

Dividend Policy

No dividends on the Common Shares have been paid by the Corporation to date. Payment of any future dividends will be at the discretion of the Corporation's board of directors after taking into account many factors, including the Corporation's operating results, financial condition and current and anticipated cash needs. At this time, the Corporation has no source of cash flow and anticipates using all available cash resources towards its stated business objectives and retaining all earnings, if any, to finance its business operations.

MINERAL PROPERTIES

As at May 12, 2011, the Corporation holds an interest in three mineral properties that are considered to be material within the meaning of applicable Canadian securities laws: (i) the Regent Property; (ii) the Halilađa Property; and (iii) the TV Tower Property. The Corporation also holds a number of non-material exploration properties in Turkey and Nevada. These properties are discussed in more detail below.

The Regent Property, Nevada

Except as otherwise stated herein, the following disclosure relating to the Regent Property is based on information derived from the technical report dated January 4, 2011 pertaining to the Regent Property (the "Regent Technical Report") that was commissioned by and prepared for Pilot Gold by Paul Klipfel Ph.D, Consulting Economic Geologist, CPG# 10821, in compliance with NI 43-101. Dr. Klipfel visited the Regent Property on October 18, 2010 and had previously visited the property on March 13, 2005 for a field visit for the purpose of preparing a NI 43-101 report for Keegan Resources Inc. ("Keegan"). Dr. Klipfel is a "Qualified Person" and considered "independent" as both those terms are defined in NI 43-101. See in this AIF, "*Interests of Experts*". He is referred to below as the "author" of the Regent Technical Report upon which the scientific and technical information reproduced in this AIF is based. See in this AIF, "*Interests of Experts*".

Readers are directed to and encouraged to review the entire Regent Technical Report, which can be reviewed in its entirety on SEDAR at www.sedar.com and which qualifies the following disclosure. The following summary is not exhaustive. The Regent Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The Regent Technical Report contains the expression of the professional opinion of the Qualified Person based upon information available at the time of preparation of the Regent Technical Report. The following disclosure, which is derived from the Regent Technical Report, is subject to the assumptions and qualifications contained in such report.

Area and Location

The Regent Gold Project is located in Mineral County Nevada, approximately 60 kilometre southeast of Fallon, Nevada at 39° 02'00"N, 118° 25'10"W (Zone 11S, 377100, 4321500) . The property consisted of 110 unpatented mining claims held by Pilot Gold, as acquired from Fronteer through its wholly owned subsidiary company, Nevada Eagle, covering 2,272 acres (919.74 ha). Subsequently and through to the date of this AIF, an additional 153 claims have been staked; the Regent Gold Project currently covers 4,450 acres (1,780.66 ha). The property is under the jurisdiction of the United States Bureau of Land Management ("BLM"). The regional office of the BLM responsible for the Regent Property is located in Carson City, Nevada. For the purposes of this AIF, unless otherwise stated, the Regent Property refers to the initial 110 unpatented mining claims comprising the Regent Property at the date of the Regent Technical Report.

The property is part of the greater Rawhide District which used to be known as the Regent District as gold-silver mineralization was first discovered in the area at the Regent Property (Black, et al., 1991; Tingley, 1998)¹. With the discovery and development of more extensive gold-silver mineralization at Rawhide in the early 1900's, the name shifted to Rawhide District. The property lies 3 kilometre northwest of the Rawhide Mine open pit gold-silver mine that was operated by Kennecott Rawhide Mining Company ("KRMC") from 1990 to 2003.

The claims cover a semi-rectangular area with widespread silicification, quartz-sericite and argillic alteration, brecciation and quartz veining in volcanic rocks. Numerous past workings ranging from exploration pits to substantial shafts are scattered across the property. The claim block straddles exposed bedrock in the property's southern half and gives way to alluvial cover in the northern part.

Claims and Agreements

All 263 claims that comprise the Regent Property are owned by Pilot Gold, through its wholly owned subsidiary Pilot USA. The initial 110 of these claims were obtained from Fronteer ("Fronteer") in December 2010 through a series of transactions by which 5 properties including the Regent Property were transferred to Pilot USA in exchange for an equity stake in Pilot Gold. The additional 153 unpatented lode claims were staked in April 2011 by the Corporation in the name of Pilot USA, to cover additional potential targets and prospective areas.

Fronteer obtained the initial 110 claim block in April 2010, among others, through the acquisition of Nevada Eagle, a wholly owned subsidiary of Gryphon Gold Corp. (Gryphon Gold), in April, 2010 through a purchase agreement with Gryphon Gold. Nevada Eagle, the holder of record for the Regent claims, transferred the Regent claims to Pilot USA in connection with the Fronteer Arrangement. The claims are unencumbered and there are no royalties or other encumbrances outstanding.

Unpatented federal mining claims require initial location with a discovery monument along with corner and side center posts to demarcate the claim. Claim documentation is filed with the BLM and with the county. A maintenance fee of US\$140 per claim is required annually by September 1 each year along with recordation at the BLM and Mineral County recorders office. All claims are current and remain valid until September 1, 2011. Holding costs for 2010 through 2012 are estimated to be approximately US\$39,586. Although independent verification and validation of all claims, filings and ground location was not undertaken by the author in respect of any of the 263 claims, spot checks in the field for the presence of claim and discovery posts relating to the initial 110 claim block, revealed their presence and accurate location for numerous corners and location monuments. No spot checks or other verification was undertaken by the author in respect of the additional 153 claims staked after the date of the Regent Technical Report.

Under the Mining Law of 1872, claim holders have the right to explore, develop, and mine minerals subject to surface management regulations of the BLM.

¹ Black, J.E., Mancuso, T.K., and Gant, J.L., 1991, Geology and mineralization at the Rawhide Au-Ag deposit, Mineral County, Nevada, in Raines, G.L., Lisle, R.E., Schafer, R.W., and Wilkinson, W.H., eds., Geology and ore deposits of the Great Basin: Symposium Proceedings, Geological Society of Nevada, p. 957-978.

Tingley, J.V., 1998, Mining Districts of Nevada, Nevada Bureau of Mines and Geology Report 47 second edition, 128p.

Permits and Environmental Requirements

The Regent Property has undergone significant surface disturbance for over 100 years. Features include historic exploration pits, shallow prospecting shafts, inclined shafts, underground workings from the early to mid-1900's, extensive reclaimed drill roads and pads (~1986 — present), numerous dirt tracks and a small heap leach pile with accompanying lined catchment and settling ponds. There is no information available concerning the leach pile and associated ponds, but they are thought to be pre-1980s based on verbal reports that they were there when KRMC began work at Rawhide in the early 1980s. Pilot Gold is not responsible for reclamation of past disturbance.

New exploration activity in excess of five acres of surface disturbance by Pilot Gold will require a bond for reclamation assurance and a detailed plan of operation submitted to and approved by the BLM if mechanized earth moving equipment and drill rigs are used and more than 5 acres is disturbed in the course of constructing drill roads and pads.

Notification of operations is required for work that disturbs less than 5 acres. All ground disturbed by Pilot Gold must be reclaimed. Approval for notice level work typically takes not less than 4 weeks. Pilot Gold is currently operating under a Notice of Intent to construct 37 drill sites and access roads to them, and has posted a reclamation bond for the Regent Property in the amount of US\$14,473.

The author is not aware of any other permits that Pilot Gold needs or is in progress of obtaining at this time. If future work requires surface disturbance in excess of 5 acres, BLM permission will require environmental and cultural assessment.

There are no known environmental liabilities on the Regent Property other than reclamation of ground disturbed by Pilot Gold as part of planned exploration.

Accessibility, Climate, Infrastructure and Physiography

Access to the Regent Property is via paved highway along US 50 for 51 kilometre from the regional community of Fallon, and then south 32 kilometre along state route 839. Local access from the highway is via 6 kilometre of northwest travel along an all weather graded dirt road past the Rawhide Mine. There are alternate access routes along poor quality dirt tracks. Access is also via paved state route 839 from Hawthorne 65 kilometre to the south.

The Regent Property lies in desert country. Climate is dry and hot in the summer and cold in the winter. Temperatures range from -15°C to 40°C, with daytime temperatures ranging from -5°C in the winter to 40°C in the summer. Annual precipitation is 12 - 17 centimetre, falling predominantly in December through April. Major mines in the region operate 365 days per year.

There is no infrastructure at the Regent Property. Past infrastructure at the former Rawhide mine site has been largely decommissioned and removed. A 200 kV (kilovolt) power line passes within 10 kilometre of the property.

The regional towns of Fallon (population ~10,000) and Hawthorne (population ~4,000) are the nearest population centers and both offer basic services and supplies. Hawthorne is the county seat for Mineral County and to a large extent is supported by the nearby Hawthorne Army Depot. Fallon is a local agricultural center and also hosts the United States Naval air station for pilot training.

Access to the region is via regular air service to Reno, Nevada and then via paved highway to Fallon (~100 km) or Hawthorne (~220 km).

The Regent Property is situated along a gentle to moderate north sloping area with gentle to moderate topographic relief at elevations of 1650-1800m (5600'). A series of north-northeast-trending knobs appears to be the locus of alteration and brecciation and are approximately at the center of the claim block. These knobs rise 50-60m (~200') above the gently to moderately north-sloping surrounding erosional surface and alluvial plain. Slopes within the property are covered in shallow to moderate talus which grades down slope to alluvium. Where alluvium is shallow, underlying rocks outcrop in the bottom of washes

The countryside is dotted with sparse to moderate density sage and other desert type salt brush. Pinion pine and juniper are common trees at higher elevations, but there are no trees on the Regent Property. Wildlife consists of rabbits, small rodents, lizards, snakes, assorted birds such as quail, chukar, and a few birds of prey. There are no streams or surface water on the property.

No assessment of the sufficiency of surface rights for mining operations, the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, heap leach pad areas and potential processing plant sites has been undertaken as part of the Regent Technical Report.

History

Early prospectors discovered gold-silver veins in the Regent area in the late 1870's but the area came to be known as the Rawhide District following the discovery of mineralization on Christmas day in 1906 at "Rawhide", 2.5 kilometre to the southeast. Within a few years, up to 10,000 people occupied the historical town of Rawhide southeast of Regent. Most of the historical mining in both the Rawhide and Regent areas took place during this time, by means of underground mining methods typical of this era. Mineshafts and adits from this period still exist on the Regent Property and were sunk on veins, some of which hosted high-grade gold and silver mineralization. By 1909, most of the easily accessible veins had been mined. By 1910, the population had dropped significantly and the final resident left in 1966. A total of 80,000 ounces of gold and 600,000 ounces of silver were mined in the district throughout these years. Only minor activity took place until the 1980's. KRMC acquired the Rawhide property in 1982 (located 2.5 kilometre southeast of the Regent Property) and began operations in 1990, pouring the first gold/silver doré bar in April of that same year. By the end of 2010, additional 1.56 millionoz gold and 11.5 million oz silver had been recovered by traditional open pit — heap leach methods from the Rawhide deposit. Average life of mine grades for gold and silver at Rawhide are reported to be 0.96 g/t Au and 16.4 g/t Ag (Metals Economics Group — Mine Search). Gold and silver production continued after the close of active mining through residual heap leaching at Rawhide.

Exploration on the Regent Property during the 1980's through 2000, was performed by Newmont Exploration Company ("Newmont Exploration") and then KRMC. Both companies sought a bulk tonnage resource by drilling a total of 580 mostly shallow, vertical reverse circulation holes. Both Newmont Exploration and KRMC delineated small, open-pittable resources (non-NI 43-101 compliant) during their respective exploration tenures. KRMC dropped its Regent leases in 2001 due to low gold prices and its corporate decision to cease gold exploration in Nevada. Available drill hole data from these operators shows strong continuity of gold and silver mineralization in the subsurface both at depth and along strike, particularly in the area of the Regent Hill deposit where the programs were focused.

Regent Project Drill Hole Intercepts with ≥ 5 feet ≥ 5 g/t Au*

<u>Hole</u>	<u>From</u> <u>(ft)</u>	<u>To</u> <u>(ft)</u>	<u>Width</u> <u>(ft)</u>	<u>Au</u> <u>g/t</u>	<u>Ag</u> <u>g/t</u>	<u>Hole</u>	<u>From</u> <u>(ft)</u>	<u>To</u> <u>(ft)</u>	<u>Width</u> <u>(ft)</u>	<u>Au</u> <u>g/t</u>	<u>Ag</u> <u>g/t</u>
NRE-054.....	260	285	25	5.7	33.7	RK-2155	410	415	5	9.6	6.4
RK-2557.....	540	560	20	9.1	168.3	RK-2525	205	210	5	9.5	5.1
RK-1918.....	395	410	15	10.7	14.4	NRE-063	310	315	5	9.4	17.6
RK-2712.....	550	565	15	8.4	19.5	RK-2355	10	15	5	8.9	5.1
NRE-080.....	305	315	10	12.0	115.7	NRE-063	225	230	5	7.9	57.6
RK-2411.....	165	175	10	12.2	35.8	RK-1914	570	575	5	7.8	489.0
RK-2549.....	485	490	5	49.9	490.9	RK-1906	475	480	5	7.0	4.5
RK-2421.....	390	395	5	29.8	15.4	NRE-058	40	45	5	7.0	20.2
RK-1937.....	20	25	5	29.6	36.5	RK-2794	545	550	5	7.0	196.5
RK-2207.....	65	70	5	28.1	188.5	NRE-040	75	80	5	6.8	2.6
NRE-054.....	200	205	5	23.8	28.2	RK-2435	95	100	5	6.7	8.0
RK-2220.....	380	385	5	22.1	19.8	RK-1970	205	210	5	6.6	2.0
RK-2551.....	15	20	5	18.4	121.6	RK-2445	465	470	5	6.2	5.1
RK-2167.....	335	340	5	14.1	16.6	RK-2477	45	50	5	6.2	5.4
RK-1952.....	170	175	5	12.0	3.8	RE-002	25	30	5	5.9	24.3
RK-2196.....	150	155	5	11.2	34.0	RK-2201	10	15	5	5.5	2.2
RK-1914.....	15	20	5	10.4	9.3	RK-2194	110	115	5	5.3	6.4
RK-2434.....	280	285	5	10.0	6.1	RK-2550	25	30	5	5.2	86.4
RK-2431.....	265	270	5	9.8	15.7	RK-2045	20	25	5	5.1	14.1

Drill hole data that of Newmont Exploration and KRMC further to exploration activity during the 1980s through 2000.

* The true widths cannot be reliably estimated until oriented core is drilled and the orientation of the veins better understood.

In 2002, Great Basin Gold Limited (“Great Basin”) examined the property and confirmed to their satisfaction the presence of high-grade mineralization in gold-silver, epithermal quartz veins. These veins were thought by Great Basin Gold to continue to depth based on high-grade gold-silver drill intercepts in the Newmont and KRMC databases. Based on this interpretation, Keegan took an option on the property in 2005 and drilled four angled diamond drill holes to test for steep high-grade veins that might have been missed by vertical holes drilled by Newmont and KRMC. Keegan discontinued work on Regent in 2006 in favour of work on other properties.

In 2010, Fronteer acquired the Regent Property from the claim holder as part of a larger package of Nevada properties. In December 2010, Pilot Gold acquired the Regent Property as described above.

Geological Setting

The Regent Property is located along the northeast margin of the northwest trending Walker Lane lithologic, structural, and metallogenic belt that forms the western margin of the Basin and Range physiographic province. The Walker Lane is a zone of dextral deformation which absorbs and accounts for up to 25% of the deformation induced by westward movement of the North American Plate and northward movement of the Pacific Plate. The other 75% of deformation is accommodated along the San Andreas Fault system in California. Northwest-trending dextral faults are a hallmark of the Walker Lane. Basin and Range normal faults also overprint and complexly interact with the northwest dextral structures.

The primary lithologic units of the Walker Lane are mid Miocene volcanic rocks approximately 15 m.y. in age. These rocks formed when the current western margin of the Basin and Range Province was a volcanic arc analogous to the Cascade volcanic belt of current central Oregon. The Miocene volcanic belt is bounded to the west by the Sierra Nevada mountain range, which is mostly underlain by the Mesozoic age Sierra Nevada Batholith, and to the east by a series of progressively older sedimentary allochthons that constitute the host rocks for the sediment hosted gold deposits in the Eureka-Battle Mountain and Carlin trends.

The Walker Lane is also known as the host for prolific Au-Ag epithermal deposits of both low and high sulfidation type, the former being most common in the north and the latter most common to the south. Among these deposits are the giant and well-known Round Mountain and Comstock Lodes with >13M and 8 million ounces of Au production respectively. Other multimillion ounce gold and silver deposits of the Walker Lane include Paradise Peak, Manhattan, Tonopah, Bullfrog, Silver Peak and Goldfield.

The Regent Property is underlain by a series of ~15 m.y. intermediate composition volcanic flows, pyroclastic sequences, and volcanoclastic sediments intruded by related dacite to rhyolite flow-dome complexes. The entire assemblage has undergone extensive hydrothermal alteration, brecciation, and mineralization. Local breccia bodies and faults appear to have provided conduits for mineralizing hydrothermal fluids. Later Basin and Range normal faults have cut and offset portions of the system.

The most common fault and vein orientations on the property, as indicated by Great Basin and Keegan mapping, are NNE, NNW and ENE with dips predominantly steep and to the northwest, northeast, and north respectively. Field relations indicate down-dip normal movement along these faults. Strike-slip offset has not been observed at Regent, but north-south right lateral strike-slip faults are documented at Rawhide (Gray, 1996)² 2.5 kilometre to the southeast. Higher grade zones and veins in the Rawhide deposit strike north and northeast (Black et al., 1991). Veins and low-grade mineralization at Regent displays NNW, NE and ENE trends and are interpreted to be associated with the most common structural orientations as described above.

² Gray, D.S., 1996, Structural controls of precious metal mineralization and the Denton-Rawhide Mine, Rawhide, Nevada, in Coyner, A.R., and Fahey, P.L., eds., *Geology and Ore Deposits of the American Cordillera: Geological Society of Nevada Symposium Proceedings*, Reno/Sparks, Nevada, April 1995, p. 263-281.

Mineralization

Gold mineralization at Regent is of the low-sulfidation epithermal type as described by Cooke and Simmons (2000)³ and occurs in stockwork and discreet veins and disseminated through porous tuffaceous rocks. Known gold mineralization at Regent is associated with chalcedonic, quartz, breccia, and quartz-adularia veins and veinlets, as at Rawhide. The sulfide content associated with gold mineralization is typically < 5% by volume and consists mostly of pyrite, but arsenopyrite and stibnite may be present in minor amounts. No ore petrography studies have been done for Regent. However, gold at Rawhide reportedly occurs as electrum and silver occurs in electrum and as chloride, sulfide and selenide compounds (Black et al., 1991). This is typical in low-sulfidation epithermal systems and by analogy, is likely to be the case at Regent also. Examination of the Ag: Au ratio in surface samples collected by Great Basin indicates an approximate 10:1 abundance of silver over gold, which is characteristic of epithermal systems.

Extensive quartz-sericite and argillic alteration along with silicification and brecciation are present throughout the Regent area, and are key alteration types associated with low-sulfidation epithermal mineralization. Gold mineralization is closely related to smaller areas of silicification, some of which appear to be concealed by overlying intense argillization. The extent of argillic alteration decreases with depth and propylitic alteration becomes more common, resulting in more competent host rocks ideal for vein propagation. This pattern is consistent with low-sulfidation epithermal systems.

Auriferous veins at Regent trend NNW, NNE, and ENE along prominent structures with common orientation. ENE normal faults cut the Regent Property with down-to-the-north post mineral 'stair step' offsets. Along the northern portion of the Regent Property, up to 150m of post-mineral gravels overlie volcanic rocks and gold mineralization intersected in past drilling. Alteration patterning supports an interpretation that deeper portions of the system occur in fault blocks that sit at structurally higher levels to the south. Exposed quartz veins with restricted alteration selvages are exposed to the south (deep) and extensive high level advanced argillic alteration is present in the north.

Gold-bearing, banded and bladed quartz vein boulders are present in alluvium in the north-central portion of the Regent Property. Samples of these vein boulders by Great Basin, Craig Bow, (geological consultant to Fronteer), and the author yielded gold values up to 128 g/t Au. Some of these quartz vein boulders have been stockpiled by past prospectors, but others appear to be in their natural location in the alluvium. Their source is not known, but inferred to be derived from the southern part of the Regent Property.

In an effort to understand the subsurface distribution and continuity of mineralization, Pilot Gold has used historic drill data to construct isotropic shells using Leapfrog software for drill intercepts = 0.01 ounces per ton Au (~0.34 g/t Au). The results indicate two possible components to the architecture of mineralization: 1) low angle stratabound disseminated mineralization near the surface, and 2) shallow to moderate north-plunging and west-dipping, possible stratabound vein mineralization in underlying strata. Pilot Gold intends to use this information to assist in selecting drill targets.

At the property scale, gold and silver mineralization is strongly tied to a series of north, northwest and northeast trending faults. At the deposit scale, these structures exert variable degrees of local control on the mineralization and complement or compete with stratigraphic controls that show different orientations in different host rocks.

³ Cooke, DR. and Simmons, S.F. 2000: Characteristics and genesis of epithermal gold deposits, in Hagemann, S.G., and Brown, P.E., eds., Gold in 2000: Reviews in Economic Geology, Volume 13, pages 221-244.

In Tertiary andesites, mineralized zones can be correlated from drill hole to drill hole, and generally show a moderate (~45 degrees) dip to the west, parallel to the volcanic stratigraphy. This orientation predominates north of Regent Hill and at depth beneath Regent Hill.

Where mineralization is hosted within the overlying Tertiary tuffs and intrusive felsic porphyritic units, mineralized zones do not exhibit a tight structural control with a preferred orientation, rather mineralization is disseminated throughout the host rocks, with an overall tabular to irregular and shallow dipping outline.

Exploration

As at the date of the Regent Technical Report, Pilot Gold had not conducted any exploration activities on the Regent Property. Subsequently, Pilot Gold has conducted only limited mapping, geophysics, and data compilation on the Regent Property. Pilot Gold's exploration program at the Regent Property commenced in February 2011 with the collection of 142 line kilometres of ground magnetics and 780 gravity stations over the project. Pilot Gold has also acquired the majority of historic data on the Regent Project. Relogging of core and available RC chips was completed and a set of geological cross-sections interpreted through the main resource area.

Five Keegan holes that had only been assayed selectively were photographed, split into half core and assayed at ALS Chemex. The remaining intervals of half core from the selective Keegan drilling were consumed during this exercise. During the cross-sectional interpretation, high priority drill targets were selected, and a Notice of Intent to drill targets from 37 drill sites was submitted to the BLM. Approval was granted on April 11, 2011 after the bond for US\$14,473 was posted. Additional data was obtained from the Rawhide mine and Newmont and is being integrated into the existing digital data set. Drill Targets were selected and drilling is underway with one reverse circulation and one core rig.

Prior to Pilot Gold's involvement, the Corporation's former parent company, Fronteer conducted data compilation and review activities along with initial soil and rock sampling.

Drilling

As at the date of the Regent Technical Report, Pilot Gold had not conducted any drilling on the Regent Property. The Corporation's Phase 1 drill program commenced on April 20, 2011, with 10,000 metres of reverse circulation and core drilling planned. A total of 37 drill sites are currently permitted in five target areas. No results have been reported from the Phase 1 program as at the date of this AIF.

Sampling Method and Approach

The sampling procedures of Newmont and KRMC are not known as data on their exploration activities is not available. However, both companies are reputable international mining and exploration companies known for their industry standard practices. Sampling of core by Newmont as examined by the author is consistent with standard industry practices for sample tagging, interval selection, and sawing of core. Samples were collected at 5 foot intervals for the entire length of the two holes observed by the author (NRE 97 and 98). QA/QC samples or results of any such samples are not known as no data for this part of their work is available.

Surface and core sample procedures for Keegan are not known. It is understood by the author that no QA/QC protocols were adopted by Keegan for their initial work at Regent. Core drilled by Keegan has been split and only selectively sampled at geologic intervals up to five feet based on visual estimation of possible mineralization present in macroscopic veins (personal communication; former Keegan staff). In

some cases, composite intervals reported in data made available to the author by Pilot Gold did not match the sampled intervals in the core box. This observation has been reported to Pilot Gold and the recommendation made that they resample and reanalyze this core. As at the date of the Regent Technical Report, Pilot Gold had not undertaken any sampling on the Regent Property. Since the date of the Regent Technical Report, Pilot Gold has reanalyzed the core.

The Corporation reports that it uses ALS-Chemex Labs of Reno, NV with sample prep being done in either Elko, Winnemucca or Reno (depending on project location) and final analysis in Reno or Vancouver. Pilot Gold uses a standard package at Regent of preparation of a 1 kg pulp followed by two assay ton Fire Assay for gold + a 51 element ICP-MS. Any samples that have an initial gold value above 200 ppb are then rerun for a Cyanide soluble gold analysis. Samples that are greater than five ppm gold are re-run with a gravimetric finish. At the Regent Property, some metallic screen assays are planned early in the 2011 drill program to determine if a significant nugget effect may exist. If a nugget effect is recognized, all significant mineralized intervals will be re-assayed using a metallic screen gold assay.

Core samples are controlled on site by the geologist and logged and sampled in a secure trailer on site at intervals between 2 and 10 feet (0.61 – 3.05 m). Samples are given a random ID number matching a footage so that QA/QC controls can be inserted. Core samples are secured on site until being transported to the Corporation's Elko office for photographing and cutting with ½ cut for samples to be assayed, and ½ being stored in the secure Elko warehouse. Core is photographed with a digital camera. Both a wet and dry picture are taken and copied to a main server for safe storage.

A similar protocol is used for RC samples but they are logged on site and submitted directly to the lab as a hole is completed or in regular intervals. At the end of the drill shift, when no Pilot Gold personnel will be on site, all the samples are secured in the logging trailer or submitted to the lab.

Sample Preparation, Analyses QA/QC and Security

The sample preparation, analysis, and security performed on samples by Newmont, KRMC, Great Basin, and Keegan are not known and information on this matter is not available. It is known that KRMC assayed their drill samples at the KRMC Assay Lab and at Rocky Mountain Laboratories, both accredited labs at the time they performed the assays. In all cases, samples were analyzed for gold and in some cases, other elements also. The nature of the results indicates that gold analyses were by fire assay (as opposed to AAS, or MS techniques) although the exact assay procedures are not known.

As at the date of the Regent Technical Report, there were no sampling procedures to report for Pilot Gold, as no samples had been collected by Pilot Gold.

Since the date of the Regent Technical Report, Pilot Gold has implemented a rigorous Quality Assurance / Quality Control ("QA/QC") program for its drill samples consisting of one standard, rig duplicate, lab prep duplicate and a blank approximately every 40 samples, to ensure that each lab batch has adequate QA/QC controls.

The standards used are a combination of certified Rocklabs standards as well as non-certified standards purchased from Shea Clark Smith. They vary from low to high grade, with oxide standards of 0.416, 2.366, 7.706, and 14.920 ppm Au, and sulphide standards of 0.597 and 2.604 ppm Au. Based on visual observation, the high grade standards are inserted into suspected high-grade mineralized intervals. Each standard result is tracked and if one sample falls outside of three standard deviations or two consecutive samples fall outside of two standard deviations, it is considered a failure. If the standard has failed within or outside of a mineralized zone, a rerun of 10 samples above and 10 samples below is demanded from the lab.

The rig duplicate is taken at the rig for an RC sample and as a ¼ cut sample from core. Lab prep duplicates are a protocol requested of the lab to take a split of a random sample before crushing begins. These duplicates are tracked and any significant variance in the duplicate will trigger a lab investigation.

Blanks are a combination of certified material purchased through Rocklabs and Shea Clark Smith. The Shea Clark Smith blanks consist of ½ - 1" coarse rhyolite material and resemble the common rocktype at Regent. Blanks are inserted into the sample stream regularly. Any blank samples that fall above 24 ppb are considered a failure and a re-run is requested from the lab for 10 samples above and 10 below.

Data Verification

The author collected 12 samples from the field and of core observed in core storage in Elko NV. Three field samples (PKR 1-3) do not duplicate past sampling, but instead were collected to test the possible tenor of mineralization that can be obtained on past mine dumps and in exposures in historic exploration pits. Three samples is a limited test of the Regent system, but does demonstrate that gold is present in veins that were mined historically. Two samples were collected (PKR 4 and 5) to test the reproducibility of samples collected by Fronteer consultant C. Bow. Seven samples were collected from core from two Keegan drill holes and one Newmont drill hole.

Results for these samples indicate that gold is present in dump samples and outcrop verifying the presence of gold in vein material at Regent at grades described by previous workers. One sample that repeats Fronteer sampling concurs well (PKR-4). The other sample (PKR-5) does not, but this may be easily explained by the collection of rock material different to that in the original sample. Three samples of core demonstrate good reproducibility, one of which shows reasonable reproducibility and three samples show very poor reproducibility in both positive and negative directions, a characteristic of variance common to gold deposits. No systematic error is observed.

Mineral Processing And Metallurgical Testing

KRMC undertook preliminary metallurgical testing in 1997. PQ core from the Regent Property was crushed and two rock types tested in bottle roll and column tests. Overall, recoveries were similar with 68% gold and 30% Ag recovered. Test and Tlp lithologies were crushed to ¾" and 3/8", results were relatively insensitive to crush size and rock type, with recoveries ranging from 58% to 73% for gold and 25% to 41% for silver. Arsenic and mercury were found to be present, but were deemed unlikely to interfere with metallurgical processes. Information is historic and at the time of testing was preliminary in nature. A Qualified Person has not reviewed the testing methods or results. This information is presented as historic data for the project.

Pilot Gold has done no mineral processing or metallurgical testing work.

Mineral Resource and Mineral Reserve Estimates

Pilot Gold has done no exploration work that could be used as the basis for resource or reserve estimation.

Interpretations and Conclusions

Exploration at Regent should aim to improve geologic understanding of lithologic and structural relations and how they have interacted with hydrothermal fluids and to host mineralization. The nature of breccia bodies and spatial association with interpreted flow-dome complexes suggests that a search for

diatremes within the volcanic strata could be fruitful as these features commonly host mineralization. East-northeast striking faults appear to have rotated blocks of mineralization and host lithologies to a northerly or north-westerly dipping configuration. Geophysical work in conjunction with 3-dimensional modeling of the base of alluvium and lithologic units will likely provide a solid framework for targeting new drill holes.

Pilot Gold plans to undertake an aggressive two-phase exploration program in the search for both low-grade bulk-mineable and high-grade vein mineralization. This work will be funded by proposed expenditure of US\$1.93 million for a Phase 1 program followed by proposed expenditure of US\$3.33 million for a Phase 2 program, as warranted from the results gained during Phase 1 work (Table 1). The Phase 1 program will consist of geologic and alteration mapping, ground geophysics (magnetic, IP, and possibly EM), RC drilling (2,000m) and diamond core drilling (3,000m), and initial metallurgical work. A Phase 2 program will build on results and increase RC and diamond core drilling by an additional 6,000m and 6,000m, respectively.

Mapping and geophysical work will help define structural controls on mineralization and locate areas of sulfide-bearing mineralization. The RC and diamond drilling will be used for exploration purposes and for resource and in-fill drilling. This drilling will test new targets as well as validate previous drilling. It is intended that drilling will be sufficient to enable a NI 43-101 compliant resource estimation using new data and validated existing data. Assessment of historic data by a Qualified Person and conducting tests that will validate past data should be a priority. Initial metallurgical test work consisting of bottle rolls and column leach testing will be incorporated into the program.

In the Phase 1 program, Pilot Gold intends to test the main Regent Hill area, the high grade gold intervals to the North of Regent Hill along the Broadway structural corridor, and the West Basin target, defined by the high grade results in drill holes RK-2557, RK-2712 and RK-2794. Of the Phase 1 meterage, it is anticipated that approximately 75% will be dedicated to Regent Hill and the Broadway zone, with the remaining 25% being dedicated to the West Basin area.

The Phase 2 program will commence in 2012 pending positive Phase 1 results. The Phase 2 program will consist primarily of an expanded RC exploration drilling (6,000m) program and an aggressive infill diamond core drilling (6,000m) program to advance any resource identified in Phase 1. It is anticipated that some drilling could be dedicated to testing high grade vein mineralization at depths greater than 300m. Given favourable results, Pilot Gold should endeavour to produce a resource estimate in Q3-Q4 2012.

Pilot Gold plans to conduct hydrological and environmental baseline studies as a basis for any potential future economic and permitting assessments.

The Halilağa Property, Turkey

Except as otherwise stated herein, the following disclosure relating to the Halilağa Property is based on information derived from the updated technical report entitled "*Technical Report on the Halilağa Exploration Property, Çanakkale, Western Turkey*", dated February 15, 2011, as amended on June 7, 2011, prepared by Ian Cunningham-Dunlop (the "Halilağa Technical Report").

Ian Cunningham-Dunlop, P. Eng., VP Exploration and Chief Operating Officer, Pilot Gold (formerly Vice-President, Exploration of Fronteer), is the designated "Qualified Person" (as defined under NI 43-101) for the Halilağa Technical Report upon which the scientific and technical information reproduced in this AIF is based. Readers are directed to and encouraged to review the Halilağa Technical Report, which can be reviewed in its entirety under the Corporation's profile on SEDAR at

www.sedar.com and which qualifies the following disclosure. The following summary is not exhaustive. The Halilağa Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The Halilağa Technical Report contains the expression of the professional opinion of the Qualified Person based upon information available at the time of preparation of the Halilağa Technical Report. The following disclosure, which is derived from the Halilağa Technical Report, is subject to the assumptions and qualifications contained in such report.

Property Description and Location

Pilot Gold maintains numerous properties held in joint venture partnership with TMST in the Biğa Peninsula area of north-western Turkey. The Halilağa Technical Report is limited to the Halilağa group of tenements. The main area of interest, the Kestane porphyry Cu-Au zone is located at 483200E 4419200N UTM Central meridian 27 (ED50 datum) in the central part of the tenement group.

The Halilağa Property consists of 15 licences totalling 7,230.17 hectares. Three licences (AR-83814, AR-84288, and AR-84289) reached their five year limit as exploration licences in November 2007. Applications were submitted by TMST at that time to convert them into exploitation licenses. Government inspectors from the Turkish Mining Bureau visited the site on March 14, 2009 to collect rock samples and start the conversion process. TMST expects the new licenses to be in hand in Q3-2011. The author of the Halilağa Technical Report is not aware that the properties have been surveyed, or that there is a requirement to do so. Mineralised zones are shown on figures and maps accompanying the Halilağa Technical Report. There are no known mineral resources, mineral reserves, mine workings, existing tailing ponds, waste deposits or important natural features and improvements.

The author of the Halilağa Technical Report is not aware that the properties are subject to environmental liabilities other than those attached to drill site permits that have been, or may be issued in the future.

As background, Pilot Gold (and previously, Fronteer) has provided the following information on the requirements to provide an Environmental Impact Assessment (“EIA”). An EIA must be filed for mining operations at Operation Stage Licenses within the following classes of land: forestry areas, hunting areas, special protection areas, national parks, agricultural areas, cultural protection areas, coastal areas, and tourism areas. The Halilağa Property lies within forestry land and an EIA is not required to be lodged until after the drilling stage. Drilling, as defined by the relevant environmental regulations, does not require EIA reporting.

Upon grant of the forestry permits for drilling, the author is not aware of other permits that must be acquired to conduct the work proposed for the property.

As a result of the Arrangement Agreement, Pilot Gold owns 40% of the share capital of Truva Bakir, which is the legal joint venture entity holding the Halilağa Property. TMST owns the remaining 60%.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Halilağa Property is located 40 kilometres southeast of the city of Çanakkale between the villages of Halilağa and Muratlar on the Biğa Peninsula, North-western Turkey. Access to the property is afforded by a series of good forestry roads from both these neighbouring villages.

The property is situated on a topographic high trending in an E-W direction for a distance of 4 kilometres with the Kestane porphyry located on the northern flank of the hill. The highest elevations on the property are around 550 metres with the Kestane zone occurring at an elevation of around 350 metres.

The Biğa Peninsula has fertile soils and a Mediterranean climate with mild, wet winters and hot, dry summers. Temperatures range from 15 to 35 degrees Celsius in the summer season and -10 to 10 degrees Celsius in the winter months. The annual rainfall is approximately 30 centimetres, generally falling as mixed rain and snow in late fall and winter. Year-round access to the properties for field exploration is unrestricted due to weather; however, snow falls during winter may restrict vehicle movement.

The region is well-serviced with electricity, transmission lines and generating facilities, the most significant being a large coal-fired power plant outside the Town of Çan. Population and agricultural activity is concentrated in the valleys, while most areas of active exploration are located in highlands which are predominantly forested and owned by the state.

Local labour is employed from nearby villages. There is no exploration infrastructure located within the properties.

No assessment of the sufficiency of surface rights for mining operations, the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, heap leach pad areas and potential processing plant sites has been undertaken.

History

The government General Directorate of Mineral Research and Exploration of Turkey (MTA) conducted a regional scale exploration program over the Biğa Peninsula between 1988 — 1991. In the vicinity of the Halılağa village, MTA located zones of silicification and argillic alteration north of Halılağa (Halılağa North). Samples returned gold values (> 0.5 g/t gold in rock). MTA drilled 2 core holes:

- MJTC-16 intersected 0.58 g/t gold over 13.85 metres.
- MJTC-17 did not intersect any significant mineralization.

In 1997, TMST collected several rock chip samples from silicified outcrops at Halılağa North and at Kumlucedik Hill. The highest grade sample from Halılağa North returned 1.17 g/t gold and the highest grade sample from Kumlucedik contained 2.2 g/t gold.

In 1998, a total of 293 soil samples were collected from the Kunk-Kumlucedik lithocap. The anomalous gold in soil results highlight zones east of Kumlucedik and Guventasi Hills.

The author is not aware of any previous mineral resource or reserve estimates or mineral production from the property.

Geological Setting

The Halılağa Property is located in the south central part of the Biğa Peninsula in north-western Turkey. Basement rocks of the Biğa Peninsula consist of Paleozoic metamorphic rocks and Mesozoic mélanges of eclogites, clastic and carbonate lithologies. Examples of these lithologies occur within, or immediately outside, the mapped areas. Granitic and granodiorite intrusives cut the basement rocks and are overlain by calc-alkaline and alkaline volcanics ranging in age from 45 to 20.3 Ma. The region is

dominated by a Miocene andesitic volcanic suite, which includes andesite, latite, dacite, rhyodacite lava dome facies, and volcanoclastic sequences, including ignimbrites, all related to partial melting of the crust during north-south compression and crustal thickening, and later extension. At Halılađa, the andesites are interpreted to be volcanic to sub-volcanic, with an overlying and intercalated sheet, or sheets, of varying tuff units, now present only as silicified cap remnants at higher elevations.

The Halılađa area is mainly underlain by post-basement volcano-sedimentary sequences of Oligo-Miocene age. The basement consisting of schists and carbonates outcrop in the southeast of Bakrlk area. The grandioritic batholith intrudes into the basement rocks including carbonates and generates metasomatism and skarnification. Kestane porphyry emplaced into volcano-sedimentary sequence meanwhile causes hornfels halos around the Kestane area. Geological units detected on the Halılađa Property include colluvium, polymict-conglomerates, quartz porphyry, volcanics/sub-volcanics, andesitic tuffs, quartzites and carbonates, and schistose basic volcanics and sediments. Alteration on the site includes propylitic/sub-propylitic, argillic, advanced argillic (quartz-alunite), silica-pyrite, silicic, phyllic and potassic.

Three major structural trends for the region are: Northeast-Southwest, East-West, and Northwest-Southeast. Northeast-Southwest fault zones are horsetail splays of the right lateral North Anatolian Fault System. In the Biđa region, the splays also exhibit a component of vertical movement and form Horst and Graben features. East-West and Northwest-Southeast faults appear to have the dominant structural control on the Halılađa mineralization.

The Halılađa Property is interpreted to be a single widespread mineralized system containing porphyry-related high-sulphidation style gold and copper-gold mineralization. The key feature of the property is an 8-kilometre long arcuate magnetic high anomaly with coincident gold/copper in soil/rock anomalies and IP/Resistivity anomalies. This magnetic feature is host to the Kestane Porphyry target (an outcropping mineralized Cu-Au porphyry identified by Frontier geologists in 2005 following up on surface soil anomalies), along with the Bakrlk, Kumlugedik, Kunk Tepe and Madendere targets. At Kunk Tepe, east-northeast and east-southeast trending ridges are capped by extensive areas of silicified volcanic rocks. These "lithocaps" are formed by massive to vuggy silica (quartz alunite), extensive areas of strong limonitic breccias, and argillic to advanced argillic alteration, which are the host for high sulphidation gold mineralization. At Bakrlk, copper-bearing garnet skarn is present. It occurs in carbonaceous limestone near the contact with a quartz monzonite intrusion.

The Cu-Au porphyry mineralization at Kestane was validated in discovery hole HD-01 in November 2006, which returned 0.50 g/t Au and 0.53% copper ("Cu") over its entire length of 298.2 metres, including 1.03 g/t Au and 1.03% Cu over 105.4 metres (both intervals start from surface). HD-01 was collared in the central part of the Kestane target in a stockwork veined porphyritic quartz monzonite. Alteration and mineralization is consistent with that of typical porphyry deposits with mineralization occurring as chalcopyrite associated with pyrite and magnetite in quartz stock works and as disseminations in the wall rock. The zone is also characterized by an enriched supergene zone overlying the primary sulphide mineralization, a peripheral biotite-magnetite hornfels zone developed in the sedimentary rocks and the andesite, which is partially overprinted by a barren pyritic halo. Mineralized calcic skarn is also locally developed in the north-eastern part of the Kestane target.

Mineralization

The Halılađa Property is interpreted to be a single widespread mineralised system containing porphyry related copper-gold mineralisation, skarn and related high-sulphidation style gold mineralisation.

Magmatic-hydrothermal processes related to hypabyssal quartz diorite to quartz monzonite intrusions have resulted in a) porphyry copper-gold (proximal, Kestane), b) epithermal gold (distal, Kunk Hill) and c) skarn gold-silver+/-base metal mineralization (Bakirlik) in and near Halılađa.

At Kestane, most quartz veins are B-type, averaging 5% of the rock by volume, but locally up to 20%, and A veinlets are rare or difficult to recognize on outcrops. The fact that B-veins, shreddy biotite, and D-veins can be recognized in outcrop is significant because these indicate the presence of moderately intense potassic alteration with a moderate sericitic overprint. Given the tendency for the best grades in porphyry Cu-Au deposits to be associated with potassic alteration associated with abundant quartz veins, the possibility of high primary grades in chalcopyrite or chalcopyrite-bornite (\pm magnetite) assemblages can be inferred from these outcrops. Additionally, the moderate degree of sericitic alteration suggests that chalcocite enrichment below the leached cap might be present because acidic conditions at the water table favour chalcocite rather than Cu-oxides, silicates and carbonates (Einaudi, 2007)⁴.

The drilled foot print of gold mineralization at Kestane is approximately 800 x 1600 metres in the east west direction. Porphyry style gold and copper mineralization has been intersected in drilling to a depth of approximately 500 metres.

At Kunk Hill, ENE- and ESE- trending ridges are capped by extensive areas of silicified volcanic rocks. These "lithocaps" are formed by massive to vuggy silica (quartz and alunite), extensive areas of strong limonitic breccias, and argillic to advanced argillic alteration, which are the host for high sulphidation gold mineralization.

At Bakirlik, (4 kilometres ESE of Kestane) copper-bearing garnet skarn is present. It occurs in carbonaceous limestone near the contact with a quartz monzonite intrusion. Whether the Bakirlik occurrence is the same age as Kestane remains to be determined.

Exploration

Historic Work

In 2005-2006, Fronteer-TMST conducted an exploration program consisting of mapping, surface geochemical sampling, a pole-dipole IP survey and a ground magnetic survey. A drill program was initiated at Halılađa on November 15, 2006 under the supervision of Fronteer staff. Since January 2007 the program has been operated by TMST.

The soil and rock chip sample results highlight the porphyry related mineralization of the Kestane zone. Rock chip sampling of oxidised and leached outcrops in the Kestane Zone area returned 19 samples (out of 40 collected) with gold values greater than 1.0 g/t gold.

At Halılađa 39.5 line kilometres of IP Chargeability /Resistivity and 43.5 line kilometres of ground magnetic surveying were also conducted. These surveys identified a coincident high chargeability and high magnetic anomaly associated with the Kestane Zone.

In 2007, geological mapping of the Central zone to both the northwest and to the southeast to include the Bakirlik Hill area was completed at a scale of 1/10,000. In addition, extensive soil, rock chip and silt orientation sampling programs were carried out during 2007. The soil results show that strong surface geochemical anomalies are not only restricted to the Kestane area, but also occur to the southeast at Bakirlik and in the central and southern parts of the property.

⁴ Einaudi, M., 2007 Report on Visit to Halılađa District Çanakkale province, Western Anatolia, Turkey with Emphasis on Kestane Porphyry Cu-Au Prospect, December 2007.

In 2007, an extensive pole-dipole IP survey and ground magnetics survey was carried out. A total of 63.45 line kilometres of IP and 263.2 line kilometres of ground magnetics were completed.

A coincident high chargeability and high magnetic anomalies associated with the Kestane Zone porphyry copper-gold mineralization was identified.

Twenty diamond holes (including 4 abandoned holes) totalling 5950 metres and three reverse circulation holes totalling 396 metres were completed during 2007.

A total of seventeen holes (15 diamond, 2 RC) totalling 4756.1 metres were drilled at Kestane. Almost all 2007 drill holes at Kestane zone intersected porphyry style gold-copper mineralization with economic grades e.g. HD-01: 1.03 g/t gold and 1.03 % copper over 105.4 metres. A 25 metre thick chalcocite blanket (grading about 2% copper) was intersected close to the surface in holes HD-01, HD-02, HD-04, and HD-14 that were drilled in 2007.

A total of six holes (5 diamond, 1 RC) totalling 1589.9 metres were drilled at the Kunk-Kumlugedik zone. The holes intersected either narrow low grade gold mineralization (HD-09, HD10) or no significant mineralization (HD-11, HD-12, HD-12A, and HRC-01).

A total of 566 rock samples were collected from selected areas.

The 2008 rock geochemical sampling highlighted three new targets:

- Kunk North (>0.5 g/t gold) is part of the Kunk Hill lithocap where strongly silicified, locally vuggy and brecciated volcanics.
- Kumlugedik Hill (>1.0 g/t gold) has numerous float samples of silicified and quartz veined (more epithermal- low temperature) meta-sediments, volcano sediments.
- Madendere (>0.2 g/t gold) has porphyry style alteration characterized by strong quartz sericitic sub-volcanics with a few millimetre thick quartz veins (B-type?). The size of the selectively sampled area is 2 kilometre by ~200m.

In addition to these areas, additional gold-copper rock geochemistry at Kizilciktasi, Osmaniye and Yaniklar were identified (Ceyhan et al., 2009)⁵.

Drilling in 2008 consisted of twenty diamond holes (including 1 abandoned hole) totalling 4,051 metres were completed during that period. A total of nine samples from the holes drilled at Kestane and Bakirlik zones were petrographically and mineralogically analyzed by G. Kuscu (Kuscu, 2008)⁶.

In March 2009, a target potential exercise was completed on the Kestane zone. At that time, 28 drill holes had intersected significant widths of mineralized material. 16 of these holes, in the shallow supergene enrichment zone, graded up to 1 g/t gold and 1% copper over 100 metres. These drill holes defined a zone of mineralization of approximately 1000 x 400 x 300 metres that dips gently to the east. A loosely defined Leapfrog grade shell of this mineralization at a 0.2% copper cut-off shows the approximate shape of the currently known mineralized zone.

⁵ Ceyhan, N., Boran, H., Özcan, M., and Kızıltepe, U., 2009 Halilağa Property Exploration 2008 Year-end report. Teck Cominco Arama ve Madencilik SAN. TIC. A.S.

⁶ Kuscu, G., 2008 Petrographical Analysis and Interpretation of the samples 708975, 708977, 708983, 708984, 708985, 708989, 708991, 708997, 708998.

Fronteer reported that while there was clearly not enough data to define a Mineral Resource, the consistency and strong continuity of the data over significant extents allowed for a conceptual estimate of the target potential. Using this Leapfrog grade shell as a rough guide, the drilling from 2007 to 2009 gave a potential range of tonnages from 250,000,000 to 350,000,000 tonnes of mineralized material, which remains open and untested to the north, south and east (Grieve, 2009)⁷.

At the time the target potential was estimated, the mean grade of all (4,728) samples taken from the Kestane zone was 0.24 g/t gold and 0.22% copper. Two metre composites within the Leapfrog grade shell average 0.32 g/t gold and 0.32% copper at zero cut-off and, at 0.3 g/t gold and 0.2% copper cut-offs, the de-clustered mean grades increase to 0.57 g/t gold and 0.45% copper.

Such a range of tonnages and grade suggest that the conceptual target potential of the Kestane zone could exceed 2 to 3 billion pounds of copper and 3 to 4 million ounces of gold.

This target range is expressly not to be represented or misconstrued as an estimate of Mineral Resources or Ore Reserves. The terms Resource(s) or Reserve(s) cannot be used for the Kestane target potential due to the early stage of exploration at this time. The statements above that refer to potential quantity and grade of the target have been expressed as ranges and have included a detailed explanation of the basis for the statement. Further, it is stated that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Recent Exploration

5,774 metres of drilling were completed on the Halılağa Property in 2009. Drilling focused on further defining the limits of the Kestane target with step outs to both the north, south and east. The 2009 drilling foot print increased the extent of the known Kestane mineralization to 1200 metres x 450 metres x 195 metres. Significant intersections were encountered in HD-41: 159.5m @ 0.59 g/t Au, 0.50% Cu, HD-45: 308.1 @ 0.34 g/t Au, 0.30% Cu and HD-38: 103.0m @ 0.40 g/t Au, 0.70% Cu, other significant drill intervals are found in table 5. The near surface chalcocite blanket encountered in HD-01 was also encountered ~800m to the east. An E-W trending 21 line kilometre IP survey was undertaken to provide further guidance to the drilling. A chargeability high with consistent readings over 20mV/V is mirrors the MAG high and increases the strike of the target area to 1.7 kilometre (E-W)

A total of 8,058 metres of drilling were completed in 2010 (cut-off date for the purposes of the Halılağa Technical Report was December 10, 2010). This drilling continued to delineate the extent of the Cu-Au porphyry mineralization. Drill hole HD-54 returned an intercept of 646.5 metres @ 0.26 g/t Au & 0.33% Cu representing the longest interval of copper-gold mineralization to date at Halılağa. The hole collared in a high-grade, near-surface blanket of chalcocite with a moderate to high-grade Cu and Au mineralization before passing into low to moderate-grade Cu and Au mineralization for the remainder of its length. The drill hole tested an area where the QFP intrusive was 20.9 metres below surface and was interpreted to represent an up-thrust block related to the general regional, ENE-WSW transtensional structures of the North Anatolian Fault System. Local transpression has been interpreted for the Kestane area producing the exhumation of the porphyry and older stratigraphy (Grieve, 2009). HD-54 successfully tested the northern margin of the intrusive and passed into a down-dropped block of QFP intrusive at depth. The southern margin of this same up-thrusted block was tested with HD-57 which returned 348.80 metres @ 0.28 g/t and 0.31 Cu. Holes HD-56, HD-60 and HD-61 drilled into the hornfels aureole on the north and west side of the Kestane Zone also intersected anomalous molybdenum over long widths.

⁷ Grieve, P. L. NI43-101 Technical Report on the Halılağa Exploration Property, Çanakkale, Western Turkey, March 2009

Regional exploration work undertaken in 2010 included a 50 line-kilometre IP survey conducted over the southern half of the property. It was proposed as a follow-up to three rock samples which returned Au values between 500 ppb and 1000 ppb (the results of the survey were not available for the Halilağa Technical Report).

Ongoing metallurgical sampling tested the hornfels unit of holes HD-40 and HD-49. Acid Rock Drainage tests were performed on the pulps from holes: HD-05, HD-09 and HD-48A). Petrographic samples were taken from; HD-40, HD-48A, HD-49, HD-54.

Drilling

A total of 85 drill holes (including re-drills) totalling 25,124.7 metres had been drilled as of date of the Halilağa Technical Report.

Through to the date of this AIF, the current 2011 Phase 1 10,000 metre infill drill program by TMST on the Central Zone at Kestane is now 75% complete, utilizing four diamond core rigs. This includes 21 additional drill holes (including abandoned holes, re-drills, and holes in progress) totalling 7,557.2 metres. Assays for these holes are pending.

Results

Since the date of the Halilağa Technical Report final assays for six additional drill holes were received from TMST and released by Pilot Gold on May 6, 2011. Highlights include

- 0.34 grams per tonne gold and 0.22% copper over 466.7 metres in HD-76, including
 - 0.68 g/t gold and 0.37% copper over 90.4 metres
- 0.26 g/t gold and 0.33% copper over 253.2 metres starting from surface in HD-60, including:
 - 0.39 g/t gold and 1.58% copper over 14.9 metres starting from 33.9 metres
- 0.33 g/t gold and 0.26% copper over 196.4 metres in HD-67A
- 0.20 g/t gold and 0.23% copper over 146.5 metres in HD-61
- 0.75 g/t gold and 0.63% copper over 73.0 metres starting from 2.0 metres in HRC-68, including:
 - 0.87 g/t gold and 0.88% copper over 34.5 metres
- 0.25 g/t gold and 0.20% copper over 51.6 metres in HD-62

Recent exploration drilling to the north, west and south of the Kestane porphyry has also intersected anomalous levels of molybdenum, including:

- 0.26 g/t gold, 0.37% copper and 0.03% molybdenum over 40.0 metres in HD-60
- 0.11 g/t gold, 0.15% copper, and 0.02% molybdenum over 468.20 metres in HD-61, including
 - 0.24 g/t gold, 0.25% copper and 0.05% molybdenum over 49.40 metres

Sampling Method and Approach

All drill samples collected were subjected to quality control procedures that ensured best practice in the handling, sampling, analysis and storage of the drill core. All drill holes were sampled and assayed

continuously. Sample intervals were selected on a geological basis and were most typically around 2.0 metres in length. Core was cut length-wise with half the core being submitted for assaying.

No factors related to drilling, sampling or recoveries are known that would materially impact the accuracy and reliability of the results.

Grade distribution and intervals of higher grade are discussed in “Mineralization”. To date, 16 drill holes have intersected significant widths of mineralized porphyry intrusive material at grades up to 1 g/t gold and 1% copper over 100 metres, in the shallow supergene enrichment zone. Typical intercepts in the main zone of mineralization (8 holes) range from 250 to 300 metres long, carrying grades of 0.3 to 0.5 g/t gold and 0.3 to 0.5 % copper. These drill holes define a zone of mineralization with dimensions of approximately 1000 x 400 x 300 metres that dips gently to the east.

Sample Preparation, Analyses and Security

All samples collected by Fronteer/TMST during drill programs on Halilağa were subjected to a quality control procedure that ensured best practice in the handling, sampling, analysis and storage of the drill core. All drill holes were sampled and assayed continuously. Sample intervals were selected on a geological basis and were typically approximately 2.0 metres in length. Core was split length-wise, with one half of the samples being submitted for assaying. A detailed summary of the sampling and drilling protocols used by Fronteer/TMST is provided as an appendix to the Halilağa Technical Report.

Fronteer/TMST have employed the use of purchased standards, blanks and duplicate samples to test the accuracy of assay results and to monitor the consistency of those external laboratories relied upon to analyze samples from Halilağa. Any anomalous results generated in respect of these standards and blanks have been investigated to the satisfaction of Pilot Gold (Fronteer).

A protocol was initiated in 2005 to send 5% of all assayed sample pulps to a second laboratory for analysis. Check samples were sent to ACME Laboratories for analysis (the laboratory analysis report has not been verified by the technical report author). Au was determined by fire assay fusion with atomic absorption spectrometry. ICP analysis has also been conducted. This practice has changed in 2010 to the use of ACME Laboratories as the primary laboratory and ALS Chemex as the secondary laboratory for check analysis.

Pilot Gold believes that all measures taken with respect to sample transport and security with respect to samples obtained from the Halilağa Property conform to industry-accepted standards. Exploration activities at Halilağa are subject to numerous environmental guidelines relating to exploration activities generally. To its knowledge, Pilot Gold is in compliance with applicable regulations, and no material environmental liabilities over and above those generally applicable to a gold exploration property have been discovered to date.

Interpretation and Conclusions

Halilağa is a district with significant potential for both porphyry copper-gold and high-sulfidation style gold deposits.

56 diamond holes totalling 18,866 metres (cut-off date December 10, 2010) and three reverse circulation holes totalling 398 metres have been drilled to date to test porphyry-style mineralization at the Central Zone at Kestane. Additional drilling has also tested for high-sulphidation gold at and around Kunk Hill lithocap (eight holes totalling 2,264.3 metres) and skarn mineralization at the Bakirlik (12 holes totalling 2,348.8 metres).

The Kestane copper-gold porphyry target is dominated by potassic alteration, whereas sericitic alteration appears to be a lesser component. The highest gold and copper grades in core are associated with the potassic zone with early biotite + magnetite + chalcopyrite associated with A- and B-quartz veins. Chalcopyrite, in some cases accompanied by trace amounts of pyrite, is the dominant sulphide associated with the potassic alteration. Magnetite is abundant (5-8%) in zones of high copper and gold grades. Ground magnetics define the magnet alteration zone over an area of about 1,800 x 650 metres with a depth extent of approximately 450 metres.

The Kestane target is at a very early stage of exploration with significant untested potential. Extensive lengths of mineralized material of grades up to 1 g/t gold and 1% copper over 100 metres; in the shallow supergene enrichment zone have been identified. Typical intercepts in the main zone of mineralization range from 250 to 300 metres long, carrying grades of 0.3 to 0.5 g/t gold and 0.3 to 0.5 % copper. Recent drill holes now define a zone of copper-gold mineralization with dimensions of approximately 1,200 x 750x600 metres at the Central Zone at Kestane.

Further work is strongly recommended to fully define the limits of the Central Zone at the Kestane copper-gold porphyry and to bring it to resource stage through sufficient drilling.

Recommendations

The following recommendations and budget as proposed by TMST for the 2011 programme have been reviewed by the author, and are deemed appropriate for the project:

- Continued environmental Baseline work.
- Continued metallurgy testing.
- Two phase infill and drill program (200 metres centres):
 - 1) Phase 1: 10,000 metres, January – June
 - 2) Phase 2: 10,000 metres, June – December
- 30 line kilometre IP survey over the south eastern portion of the property.

The total budget for the above programme is US\$4,600,000. Pilot Gold's share of this budget will be US\$2,060,800 (40% of US\$4,600,000 plus Pilot Gold's share of a 12% management fee on the total).

Through to the date of this AIF, this program is estimated to be 75% complete, with 21 additional drill holes (including abandoned holes, re-drills, and holes in progress) totalling 7,557.2 metres completed. Assays results for these 21 new holes are currently pending.

The TV Tower Property, Turkey

Except as otherwise stated herein, the following disclosure relating to the TV Tower Property (“TV Tower”) is based on information derived from the updated technical report entitled “*Technical Report on the TV Tower Exploration Property, Çanakkale, Western Turkey*”, dated February 15, 2011, as amended on June 7, 2011, prepared by Ian Cunningham-Dunlop (the “TV Tower Technical Report”). Ian Cunningham-Dunlop, P. Eng., VP Exploration and Chief Operating Officer, Pilot Gold (formerly Vice-President, Exploration of Fronteer), is the designated “Qualified Person” (as defined under NI 43-101) for the TV Tower Technical Report upon which the scientific and technical information reproduced in this AIF is based. Readers are directed to and encouraged to review the TV Tower Technical Report, which can be reviewed in its entirety under the Corporation’s profile on SEDAR at www.sedar.com and which qualifies the following disclosure. The following summary is not exhaustive. The TV Tower Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The TV Tower Technical Report contains the expression of the professional opinion of the Qualified Person based upon information available at the time of preparation of the TV Tower Technical Report. The following disclosure, which is derived from the TV Tower Technical Report, is subject to the assumptions and qualifications contained in such report.

Project Description and Location

TV Tower is located in the Çanakkale Province on the Biğa Peninsula of north-western Turkey. It is situated 27 kilometres Southeast of the city of Çanakkale (population 96,000) and 2.6 kilometres north of the village of Kusçayir. The TV Tower Property consists of 6,744.26 hectares of mineral tenures in six contiguous licenses. Four of the six licenses are valid until November 7, 2011. The remaining two licenses are pending conversion to operations licenses and have no current expiration time.

TV Tower is a 60%-40% joint venture between TMST and Pilot Gold with TMST as the operator. The licenses relating to TV Tower are held by Ortu Truva, which is the legal joint venture entity. Pursuant to the Fronteer Arrangement, Fronteer’s 40% interest in Ortu Truva was transferred to Pilot Gold, giving Pilot Gold a 40% ownership in TV Tower, as well as a 40% interest in other individual licenses and groups of licenses within the surrounding area. TMST owns 60% with the option to elect to earn an additional 10% (which it has waived). The TV Tower group of licenses is situated at 465,870E, 4,423,580N UTM Central meridian 27 (ED50 datum).

Fronteer’s interest in TV Tower was initiated in 2004 when Fronteer signed a letter of intent with TMST, to acquire a 100% interest in all TMST’s properties in the Biğa region (excluding the Agi Dagi and Kirazli properties which were covered by separate agreements). Fronteer completed its technical due diligence and October 19, 2004 and signed Letters of Agreement on the Biğa Properties.

To earn a 100% interest, Fronteer was required to spend US\$2,000,000 from the date of the agreement to November 1, 2008 as follows:

- A total of US\$200,000 before November 1, 2005
- A further US\$300,000 before November 1, 2006
- A further US\$500,000 before November 1, 2007
- And, a further US\$1,000,000 before November 1, 2008 for a cumulative total of US\$2,000,000.

Fronteer also issued \$105,000 worth of Fronteer shares which equated to 111,930 Fronteer shares at that time.

TMST retained the right to earn-back a 60% interest in any project that the two parties designated as a “Designated Property” by spending 3.5 times Fronteer’s expenditures on the Designated Property. Halılağa, TV Tower, Degedagi and Pirentepe were all projects that became Designated Properties under this agreement. Fronteer began spending its funds on the broad property package, eventually discovering copper-gold porphyry mineralization at Halılağa, where the bulk of its expenditures were made, followed second by Pirentepe. There was very little expenditure at TV Tower or Degedagi.

Based on the positive news from Halılağa, TMST exercised its back-in right on all four of the Designated Properties (including TV Tower) on November 30, 2006, prior to Fronteer completing its US\$2,000,000 earn-in. This deemed Fronteer to own the Designated Properties 100% and TMST had to now spend 3.5 times Fronteer’s expenditures. TMST accomplished this in 2007 and the property became a 60%-40% joint venture between TMST and Fronteer. TMST also waived its rights to increase its interest to 70%.

The author of the TV Tower Technical Report is not aware that TV Tower has been surveyed, or that there is a requirement to do so.

The author of the TV Tower Technical Report is not aware that the properties are subject to environmental liabilities other than those attached to drill site permits that have been, or may be issued in the future. There has been no active mining or extensive bulk sampling conducted at TV Tower and therefore, there are limited workings and no existing tailing ponds, waste deposits or other disturbances which could be classified as environmental liabilities on the current TV Tower licences.

As background, Pilot Gold (and previously, Fronteer) has provided the following information on the requirements to provide an EIA. An EIA must be filed for mining operations at Operation Stage Licenses within the following classes of land: forestry areas, hunting areas, special protection areas, national parks, agricultural areas, cultural protection areas, coastal areas, and tourism areas. The TV Tower property does not lay within any of these special permit areas, therefore an EIA is not required to be lodged until after the drilling stage. Drilling, as defined by the relevant environmental regulations, does not require EIA reporting.

Other than the standard drilling permits, the author is not aware of other any other permits that must be acquired to conduct work proposed on the property.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The TV Tower Property can be accessed by a series of well maintained local and forestry roads. The property is situated on a topographic high trending in an E-W direction for a distance of 4.5 kilometres. The highest elevations on the property are approximately 700 metres.

The Biğa Peninsula has fertile soils and a Mediterranean climate with mild, wet winters and hot, dry summers. Temperatures range from 15 to 35 degrees Celsius in the summer season and -10 to 10 degrees Celsius in the winter months. The annual rainfall is approximately 30 centimetres, generally falling as mixed rain and snow in late fall and winter. Year-round access to the properties for field exploration is unrestricted due to weather; however, snow fall during winter may restrict vehicle movement.

The region is well serviced with electricity, transmission lines and generating facilities, the most significant being a large coal-fired power plant outside the Town of Çan. Population and agricultural activity is concentrated in the valleys, while most areas of active exploration are located in highlands which are predominantly forested.

Local labour is employed from nearby villages. There is no exploration infrastructure located within the properties, with the exception of dirt drill roads.

No assessment of the sufficiency of surface rights for mining operations, the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, heap leach pad areas and potential processing plant sites has been undertaken as part of the TV Tower Technical Report.

History

Other international mining companies have worked on the TV Tower ground previously. Several holes were drilled on Sarp Dag/Columbaz Tepe in the north-eastern part of the property. Further details regarding this exploration or results from the drilling are not known.

The government General Directorate of Mineral Research and Exploration of Turkey (“MTA”) conducted a regional scale exploration programme over the Biğa Peninsula between 1988 — 1991.

In 1996 and 1997, TMST collected 36 rock samples from silicified and argillicly altered outcrops. Six silt samples were also taken from the TV Tower claims. The highest grade rock samples returned 1900 ppb and 510 ppb Au at Sarp and the highest silt sample returned 241ppb Au from the south eastern portion of the property. These anomalous results highlighted the potential of the area.

The author is not aware of any previous Mineral Resource or Reserve estimates or mineral production from the property.

Geological Setting

Regional Bedrock Geology

The TV Tower property is located in the central part of the Biğa Peninsula in Western Turkey. The geology of the peninsula is complex and characterized by various lithological associations made up of (i) basement metamorphic rocks, (ii) Permian and Mesozoic rock units, (iii) ophiolitic rocks, (iv) Tertiary (Eocene) units, (v) Neogene sediments, and (vi) collisional to extensional Tertiary granitoids and associated volcanic rocks.

Metamorphic rocks occur in three distinct associations:

- (1) The Çamlca metamorphics. These occur as a NE-SW-trending strip of quartz-mica schists (Kemer unit) with calc-schist, quartzite and amphibolite horizons.
- (2) Kazdag Massif. The second group of metamorphic rocks is exposed in the Kazdag mountain range and consists of high-grade metamorphic rocks (amphibole-bearing gneisses with marble intercalations, meta-ophiolite, marble and gneiss).
- (3) Karakaya Complex. This group comprises two distinct lithologic associations: (a) a strongly deformed greenschist-facies metamorphic sequence of metabasites intercalated with phyllite and marble accompanied by minor amounts of metachert, meta-gabbro and serpentinite; and (b) a thick series of low grade metamorphic rocks.

These rocks are, in turn, uncomfortably overlain by weakly deformed Jurassic-Lower Cretaceous sandstones and limestones. The sequence includes: (i) Triassic terrigenous to shallow marine clastic

sedimentary rocks; (ii) Middle to Upper Jurassic platform-type neritic limestones; (iii) Lower Cretaceous pelagic limestones; and (iv) Upper Cretaceous-Palaeocene volcanic and sedimentary rocks.

West of the Kazdag Massif, Late Cretaceous to Palaeocene oceanic accretionary melange tectonically overlies the Kazdag metamorphic rocks along a low-angle detachment fault /shear zone. The Kazdag Massif, the shear zone and the accretionary melange are intruded by a late Oligocene pluton. The Çetmi Melange, the Karakaya Complex, the Kazdag Massif and Jurassic-Lower Cretaceous are overlain by the Miocene lacustrine sediments and volcanic rocks. All these rocks are overlain by the fluvial and alluvial sediments of Plio-Quaternary age.

Neogene calc-alkaline plutonic and associated volcanic rocks form the most widespread rock units in the Biğa Peninsula. The field relations, geochemical and geochronological data suggests that magmatic activity commenced with intrusion(s) of granitoids, coeval with an initial phase of volcanic activity, and continued with a second phase of volcanism. Apart from large plutonic bodies, there are several small-scale granitoid rocks in the region. They were emplaced mostly into the basement metamorphic rocks and associated volcanics and generated well-developed high temperature metamorphic aureoles. The available geochronological data (K-Ar and Rb-Sr ages on mica) suggest that the age of these plutonic rocks ranges from 20.3 to 45.3 Ma, but with a tight cluster between 20.3 and 25.0 Ma.

The volcanic rocks appear to be associated with plutonic rocks both in space and time. K-Ar and Rb-Sr ages of the volcanic rocks range from 15 Ma to 34 Ma. The Neogene volcanics display two distinct associations which are commonly considered as lower and upper volcanic associations. The lower volcanic association is composed mainly of andesite and dacite lavas, and associated pyroclastic rocks. They are intercalated with the sedimentary rocks. The upper volcanic association is represented by a sequence of andesite, latite, rhyolite, basaltic andesite, basaltic trachyandesite lavas and the associated pyroclastic rocks that alternate with (coal-bearing) lacustrine sediments. The rhyolite occurs as small domes and lavas.

The upper sequence of volcanic rocks is overlain by coarse- to fine-grained clastic rocks, and lacustrine limestones and mudstones that were deposited within E-W-trending fault bounded basins.

Regional Structural Geology

The structural geology of the Biğa Peninsula is complex and poorly understood. One of the main difficulties arises from the fact that the region is subject to active dextral strike-slip faulting and a N-S continental extension. In fact, the region forms a transition between two active tectonic structural styles and many of the active structures reflect the interaction between strike-slip and normal faulting. Nevertheless, the active geological structures of the region falls, based on their orientation, into three distinct groups: NW-SE faults, NE-SW faults, and E-W faults.

Among these, the most prominent faults are a number of NE-SW-trending dextral strike-slip fault systems that represent the branches of the North Anatolian Fault Zone in the Biğa Peninsula. The second group of prominent structures are approximately E-W-trending normal faults. They commonly occur along the northern margin of the Gulf of Edremit and along the southern margin of Lake Manyas. There are less prominent NW-SE-trending faults which are interpreted as synthetic Riedel shears of the North Anatolian Fault Zone.

NE-SW-trending faults controlled both the sedimentation and volcanic activity during the Oligocene-Early Miocene period when the so-called lower volcanic association and coeval sediments

were deposited. It is suggested that Late Miocene Ezine alkaline basalts are common along E-W-trending normal faults, thus suggesting a possible feeder relationship.

Geology of the TV Tower Property

TV Tower comprises Cretaceous-aged metamorphic basement rocks on the western and eastern edges and Eocene-sediments, which are intruded by Tertiary-aged intrusives at the southern parts, and overlain by dominantly Neogene-aged calc-alkaline volcanic rocks. These volcanic rocks are typically volcanoclastics (ash-lapilli tuff) which are enveloped by more coherent feldspar porphyritic units. They are variably altered, brecciated and mineralized and display a range of intensities of brittle deformation.

A variety of breccias are present at TV Tower. These can be split into numerous categories based on: a) the modes of the fragments; b) the nature of the matrix/cement; and c) the abundance of matrix/cement considered together with the fit of the fragments. There are basically four types of breccia; the distinction based on the composition and diversity of fragments and matrix.

One of the most important characteristics of these breccias is the occurrence of dickite veins or vein-like bodies. This reflects at least two phases of hydrothermal alteration. The first phase is characterized by those dickite vein-like structures isolated within the clasts; it suggests fracturing and hydrothermal alteration prior to brecciation. The second phase follows brecciation and is represented by dickite veins crossing through the clasts and/or the matrix of the breccia.

Alteration

Approximately 2,780 core samples were analysed with PIMA and the alteration sections were updated. The surface alteration map was prepared by using data obtained from PIMA rock-soil sample studies. Alteration characteristics of the Kayal and Kucukdag target areas can be summarized as follows:

- Pervasive silicification; massive, vuggy, granular textured
- Silicic alteration; quartz+/-alunite
- Advance argillic alteration; dickite+alunite+/-kaolinite +pyrophyllite
- Argillic alteration; illite +/- smectite +/-sericite+/- kaolinite+/-gypsum
- Propylitic alteration; chlorite +/- illite

The rocks of TV Tower typically display moderate to intense epithermal style alteration. The silicification and advance argillic alteration (alunite, dickite and pyrophyllite) are the dominant alteration types.

Structure

The TV Tower area is highly influenced by the presence of structures which relate to or which are part of the North Anatolian Fault System. The general architecture of the faults appears highly controlled by major ENE-WSW trans-tensional structures. Local transpression has been interpreted for the TV Tower area producing the exhumation of the porphyry and older stratigraphy. The ongoing transtensive kinematics have reactivated pre-existing extensional structures. Within this regional transtension regime local restraining and releasing bends and oblique extensional relay ramps could represent key elements which increase structural permeability controlling the emplacement of porphyry, meso- and epithermal mineral deposits (Grieve, 2009).

Mineralization

The TV Tower exploration property is interpreted to contain multiple zones of gold mineralization nested within what appears to be a large, highly altered volcanic centre. Many of these target areas have wide-spread epithermal alteration with supporting geophysical and geochemical signatures typical of those seen at other high-sulphidation gold (Kirazli, Agi Dagi) and porphyry copper-gold deposits (Halilağa) within the Biğa Peninsula.

TV Tower is underlain by volcanoclastics (ash-lapilli tuff) which is intercalated by more coherent feldspar porphyritic unit. The volcanoclastics (ash-lapilli tuff) has high permeability which makes it more favourable unit for gold mineralization. Post-mineralization normal faulting also controls the geometry of the volcanoclastics (ash+lapilli tuff) unit.

To date, seven targets have been defined by a combination of geophysical, geochemical and geological methods. Of the seven targets, four targets are epithermal: Küçükdag, Kayali, Sarp and Kestancilik; and three are porphyry: Nacak, Tesbihcukuru and Kiraz. At present, the focus of activity for TMST is the Küçükdag and Kayali/Nacak targets as described below.

The Küçükdag target is located in the northern part of TV Tower property. The area is underlain by a sequence of gently north-dipping agglomerate to fine volcanoclastics that are overlain by intensely silicified felsic ash tuff and ash-lapilli tuff, with ignimbritic volcanics at higher elevations and more coherent feldspar porphyry at lower elevations. Rare laminated tuffaceous volcanic rocks are intercalated with coherent feldspar porphyries, particularly on the upper part of the Küçükdag,

A broad 750 metre x 100 metre zone of strong silicification is present at the Küçükdag target. The geochemical sampling suggests that the gold mineralization is related to multi-phase breccias which cut through the volcanoclastic sequence. The extent and dimensions of this breccia development is unknown at this time. Surface rock sampling has returned a high of ~50 g/t Au and also up to 100 ppm Ag. The pathfinder elements are indicative of an epithermal gold system and are anomalous in Ba, Sb, As and Ga.

The Kayali/Nacak target is situated in the southern portion of the TV Tower property. Two different sequences of lapilli tuffaceous units were defined during the geology-alteration mapping: a coherent feldspar porphyritic unit intercalated with the lapilli tuff; and a highly silicified lapilli tuff unit which is well-exposed at Kayali hill.

The Kayali target includes extensive outcropping high-sulphidation-type silicification and a strong advance argillic-argillic alteration pattern over a 2 kilometre x 1.5 kilometre area. Gold mineralization is hosted mainly by an E-W trending structure zone within the highly silicified lapilli tuff unit and rock sample results have returned highly encouraging values in the range of 1 to ~10 g/t Au with rock channel samples.

The Nacak target is located 2 kilometre to the north-east of Kayali with a similar lithology-alteration and mineralization pattern and anomalous surface rock sampling to 2.3 g/t Au over 3.8 metres.

Exploration

Initial target evaluation was conducted by Fronteer in early 2008 prior to the acquisition of four of the six licenses from government auction in September 2008. The initial data collected by Fronteer is consistent with NI 43-101. The 2008-2010 exploration work was conducted by TMST and the author has relied on data and information relating to exploration work and results conducted during 2009 and 2010

supplied by TMST, and is satisfied that the data and information was collected in a proper manner and collated into appropriate databases. This work includes:

2008

- Reconnaissance mapping and prospecting
- Geochemistry surveying: 316 Rock samples, 96 silt samples

2009

- 1:5,000 and 1:10,000 scale detailed geological mapping
- 25 line-kilometres of ground magnetics (Kayali and Küçükdag targets)
- 1315 soil samples
- 485 rock-saw channel samples (1.5 kilometre total length); sampling defined significant outcropping gold mineralization including 74m @ 1.3 g/t Au at Kayali and 1.9m @ 11 g/t Au at Nacak
- 1300 PIMA samples.
- 650 Hand specimens for magnetic susceptibility measurements
- Seven targets were defined by geochemical results and mapping (Küçükdag, Kayali, Sarp, Kestancilik, Nacak, Tesbihcukuru and Kiraz)

2010

- Detailed geological/alteration/mineralization mapping (Küçükdag, Sarp, Kayali, and Nacak)
- 132 line-kilometres detailed ground magnetics (Kayali, Sarp, and Küçükdag)
- 14.6 line-kilometres IP (Kayali, Küçükdag and Sarp)
- 228 Soil samples
- 485 rock samples
- Three targets at the drill testing stage (Kayali, Nacak and Küçükdag)
- 19 diamond drill holes totalling 4,184 metres

Geochemistry

A total of 1,543 soil samples were collected on 250 metre spaced lines and 50 metre spaced stations. The soil and rock sampling on the TV Tower Property serves to highlight a number of zones of anomalism which were corroborated by follow-up mapping. The detailed soil grids also highlight the relative impermeable nature of the silica cap at Kayali with stronger gold anomalies around the edges of the cap.

Geophysical Surveys

14.6 line kilometres of IP Chargeability/Resistivity and 157 line kilometres of ground magnetic surveying were conducted at TV Tower from 2009 to 2010.

The IP survey highlights a number of pre-existing showings. Currently the most significant targets are Küçükdag and Kayali; both have strong chargeability highs with adjacent resistivity highs.

Küçükdag contains a higher percentage of sulphides and has been less weathered (oxidized) than Kayali and has a strong ~300m wide chargeability and an adjacent — but offset, resistivity high which correlates to the silica alteration.

Magnetics

The historic airborne surveying and recent follow-up ground magnetic surveying have identified several “bulls-eye” magnetic highs which have a general NE trend and seem to follow the regional structural fabric. Although rotated to the north these large scale structures likely reflect the transtensional structures during the Oligocene-Early Miocene of the North Anatolian Fault system. The less prominent NW-SE-trending faults, e.g. the valley and break in the magnetic feature between Kiraz and Nacak, are interpreted as minor splays of synthetic Riedel shears related to the North Anatolian Fault Zone. The NW-SE features may play an important function as dilation zones and therefore locus of magmatic activity. Each “bulls-eye” features in conjunction with the surface geology and geochemistry constitutes a potential porphyry target. Presently only Küçükdag, Sarp and Kayali have had in-depth follow-up work completed

Drilling

The Phase 1 drill programme commenced at the TV Tower property on August 23, 2010, and was completed on January 5, 2011. 19 holes (including 2 abandoned holes) totalling 4,183.60 metres were completed during the 2010 season (of which 183.3 metres pertain to the two abandoned holes).

The main objective of the 2010 drilling program was to test the coincident geophysical anomalies and anomalous gold values in both the rock and soil samples at the Kayali, Nacak and Küçükdag targets. These are described in the following sections.

Küçükdag

A total of 11 diamond drill holes totalling 2,352.60 metres were drilled at Küçükdag. Six holes were southerly-directed into the shallow north-dipping volcanoclastic sequence and were designed to follow-up on strong anomalous surface rock sample results (up to 50 g/t Au). The remaining five holes were testing a strong gold-in-soil anomaly a further 500 metres to the southeast.

Three of the six holes directed towards the northern target returned very encouraging intercepts. The mineralization is hosted within ash and lithic tuff and is characterized by intense silicification (massive and vuggy) with local dickite/alunite/barite cut by sulphidized fractures, faults, and heterolithic breccia zones and/or diatremes. Sulphides occur within 10-20 metres of surface and consist of locally up to 10% pyrite with 5-10% chalcocite and possible enargite.

Three of the six holes directed towards the northern target returned very encouraging intercepts. The mineralization is hosted within ash and lithic tuff and is characterized by intense silicification (massive and vuggy) with local dickite/alunite/barite cut by sulphidized fractures, faults, and heterolithic breccia zones and/or diatremes. Sulphides occur within 10-20 metres of surface and consist of locally up to 10% pyrite with 5-10% chalcocite and possible enargite. As of the date of the TV Tower Technical Report, the results for drill holes KCD-05 to KCD-09 were still pending receipt from TMST.

Kayali

A total of four diamond drill holes totalling 977.90 metres were drilled at Kayali. The holes were designed to strong outcropping silicification with anomalous rock sampling to 10 g/t Au. Results have

been returned for holes KYD-01 and KYD-02 and both returned long runs of promising mineralization starting at or near surface. Mineralization is hosted within intensely silicified (massive and vuggy) ash and lithic tuff cut by narrow iron-stained fractures and faults. Oxidation depth is deep and averages 100-200 metres. As of the date of the TV Tower Technical Report, results for drill holes KYD-03 and KYD-04 were still pending receipt from TMST.

Nacak

A total of four diamond drill holes totalling 853.10 metres were drilled at Nacak. The holes were designed to test outcropping silification and anomalous surface rock sampling to 2.3 g/t Au over 3.8 metres. As of the date of the TV Tower Technical Report, results for drill holes KYD-05 to KYD-09 were still pending receipt from TMST.

Results

At the date of the TV Tower Technical Report, preliminary gold assay results had been received from TMST for five drill holes. Preliminary results for holes KCD-02/03/04 and KYD-02/03, as presented in the TV Tower Technical Report, can be found in the table below.

**Significant intercepts from the TV Tower property
(Estimated true widths are 60% to 90% of intersected widths)**

<u>Hole No.</u>	<u>Zone</u>	<u>From (m)</u>	<u>To (m)</u>	<u>Interval (m)</u>	<u>Au (g/t)</u>
KCD-02	Küçükdag	12.3	148.5	136.2	4.26
KCD-03	Küçükdag	44.4	51.7	7.3	0.52
KCD-04	Küçükdag	48.5	56	7.5	1.28
And		135.9	139.8	3.9	1.99
And		155	163.2	8.2	4.09
And		200.6	213.6	13	4.54
KYD-01	Kayali	4.5	119	114.5	0.87
KYD-02	Kayali	0.4	89	88.6	0.78

Since the date of the TV Tower Technical Report, all final gold, copper and silver assay results for 19 drill holes were received from TMST and released by Pilot Gold on May 10, 2011. Assay highlights from the Küçükdag and Kayali targets include:

Küçükdag target

- 4.28 grams per tonne gold, 0.68% copper, and 15.82 grams per tonne silver over 136.2 metres and starting from 12.3 metres depth in hole KCD-02, including:
 - o 9.51 g/t gold, 1.51% copper, and 34.54 g/t silver over 57.8 metres, including:
 - 30.59 g/t gold, 3.77% copper, and 91.74 g/t silver over 4.7 metres.
- 16.62 g/t gold, 2.49% copper, and 55.21 g/t silver over 24.2 metres and starting from 78.2 metres depth in hole KCD-03 (located 100 metres northwest of KCD-02), including:
 - o 39.54 g/t gold, 5.91% copper, and 142.59 g/t silver over 5.3 metres.

Kayali target

- 0.87 g/t gold over 114.5 metres starting from 4.5 metres depth in hole KYD-01, including:
 - o 2.83 g/t gold over 15.4 metres.
- 0.78 g/t gold over 88.6 metres starting from 0.4 metres depth in hole KYD-02 (located 200 metres northwest of KYD-01), including:
 - o 1.98 g/t gold over 22.5 metres.

Nacak

2010 Drilling at the Nacak target did not return significant grades and widths of mineralization.

Following the date of the TV Tower Technical Report, and through to the date of this AIF, the current 2011 15,000 metre drill program by TMST is approximately 10% complete, utilizing three diamond core rigs. This includes eight additional drill holes (including holes in progress) totalling 1,677 metres. Assays for these eight new holes are pending as at the date of this AIF.

Sampling Method & Approach

All drill samples collected were subjected to quality control procedures that ensured best practice in the handling, sampling, analysis and storage of the drill core. All drill holes were sampled and assayed continuously. Sample intervals were selected on a geological basis. Core was cut length-wise with half the core being submitted for assaying.

No factors related to drilling, sampling or recoveries are known that would materially impact the accuracy and reliability of the results.

Sample Preparation, Analyses and Security

Core Drilling and Logging

Spektra Jeoteck Sanayi Ve Ticaret Anonim Sirketi of Turkey was contracted for the drilling. Drilling commenced at TV Tower on August 23, 2010 and was completed on January 5, 2011. 19 diamond holes totalling 4,183.60 metres were completed during that period. All proposed drill collars were surveyed using a theodolite total station. Control was relative to established survey points across the property. Drills were set up under the direct supervision of TMST staff. Drill holes were collared in HQ diameter core (63.5 millimetres). The holes were reduced to NQ (47.6 millimetres) when problems were encountered due to bad ground conditions/thick fault zones. Core was placed in plastic boxes with depth markers every drill run (up to 3 metres). Boxes were securely sealed and brought to the core facility at the Etili camp once a day by the drilling company. Reflex survey tests were taken generally at 50 metres intervals down-hole to provide control.

Drill Core Sampling

All samples collected were subjected to a quality control procedure that ensured a best practice in the handling, sampling, analysis and storage of the drill core. All drill holes were sampled and assayed continuously. Sample intervals were selected on a geological basis. Core was cut length-wise with half the core being submitted for assaying.

Drill Core Sample Preparation and Security

Samples of drill core were cut by a diamond blade rock saw, with half of the sawn core placed in individual sealed cloth bags and half placed back in the original core box. The retained core is stored in the same facility in the town of Etili.

Shipping

Samples were sent to the Acme Analytical Laboratories Ltd. prep lab in Izmir, Turkey for sample preparation. The coarse reject material was bagged and stored. After these samples were processed, the pulps were sent by an independent transport to Acme Analytical Laboratories Ltd., Canada. Rejects and pulps are stored at on site at the Etili camp core shack. Notification of receipt of sample shipments by the laboratory is confirmed by electronic mail. No problems were encountered in transport during the program.

Sample Preparation

Sample preparation occurred at the Acme Analytical Laboratories Ltd. facility in Izmir, Turkey. Sample prep method R200-1000 which includes the coarse crushing of the entire core sample, riffle splitting to approximately 1000 grams, and pulverization of this material in a LM-2 disk mill. An approximately 100 gram pulp packet will be forwarded to Acme Analytical Laboratories Ltd. (Vancouver) for analysis and assaying, with the remaining 'master pulp' material for each sample remaining in Ankara.

Sample Analyses

Sample analysis occurred at the Acme Analytical Laboratories Ltd. facility in Vancouver, B.C., Canada by the following methods:

Geochemical Analysis — Group 1DX 01 suite (aqua regia digestion/ICP-MS)

Gold Fire Assay — Group 3B01 method

Base Metal Assay — Group 7TD02 method

Base Metal Assay — Sequential Cu Leach — Group 9 04 Sequential Cu leach

Acme Analytical Laboratories Ltd. operates according to the guidelines set out in ISO/IEC Guide 25 — "General requirements for the competence of calibration and testing laboratories".

Data Verification

Quality control measures and data verification procedures applied to the acquisition of drill data including alteration, assay, collar, lithologies, magnetics, mineralization, recovery, and surveying is contained in Appendix III of the TV Tower Technical Report.

The author has relied on data and information relating to quality assurance and control that has been prepared by a person who is a Qualified Person as defined in NI 43-101. This data was prepared by in-house technical personnel for Teck in Vancouver, B.C., Canada.

Commercial standards sourced from CDN Resource Laboratories Ltd were used to test the accuracy of the assays and to monitor the consistency of the laboratory. These standards were inserted into the sample sequences approximately every 20 samples. A total of 109 standards for Au were analyzed during the 2010 drill program. CDN — gold standards were chosen to use in data verification.

There were five failed standards or 4.5%. This is a higher than normal failure rate in the standards and the field duplicates. TMST is talking to the lab to be more rigorous with cleaning in the prep lab and their Chief Geochemist is looking into other more suitable methods for analysis for coarse gold (i.e. pulp/metallic screening methods) to help reduce failure levels. The five failed batches were re-run on the existing pulp and passed on the second try.

Non-mineralized limestone and commercial CDN blank BL-03 were inserted into the sample series every 20 samples. All results fell within acceptable limits.

Duplicate samples are used to monitor sample batches for potential mix-ups and monitor the data variability as a function of both laboratory error and sample homogeneity. The duplicate samples are 1/4 split cores done on site before the samples leave camp. Duplicate field samples are taken every 20 samples within the sample series. All results fell within acceptable limits.

Given the early stage of exploration on the TV Tower project, TMST has not yet initiated a protocol to send 5% of all assayed sample pulps to a second laboratory for analysis.

Most of the diamond drill holes were completed using HQ size core and recovery was not an issue except in fault zones. Standards and blanks were checked upon receipt of each job and included in an Acquire database from which QA/QC plots were generated to ensure they were within limits. Any failures were recorded and the lab requested to re-run the batch. The author considers the adequacy of sampling, security and analytical procedures carried out by TMST as satisfactory with the exception of a lack of check assays being conducted as per the sampling protocol.

Other Relevant Data and Information

In Turkey, underground resources are subject to the exclusive ownership and disposition of the State and are not considered part of the land where they are located. Under the mining legislation, the state delegates its right to explore and operate mines to individuals or companies for specific periods by issuing licenses subject to payment of a royalty to the State.

Interpretation and Conclusions

The results of the field exploration program carried out by TMST in 2008-2009 and culminating in the Phase 1 drilling program in 2010 are very encouraging and point to the presence of at least two significant high-sulphidation epithermal gold systems on the TV Tower Property.

The results from holes KYD-01 and KYD-02 at the Kayali target demonstrate long widths of epithermal gold mineralization starting from surface (0.87 g/t Au over 114.5 metres in hole KYD-01 and 0.78 g/t Au over 88.6 metres in hole KYD-02), which are consistent with the gold values returned from the preliminary rock saw channel sampling in the same vicinity (1.3 g/t Au over 74.00 metre in channels). The association of this mineralization with an extensive massive to vuggy silicification lithocap suggests a high-sulphidation style of mineralization. Of particular note, is the deep level of oxidation at Kayali averaging 100-200 metres in thickness.

More importantly, the results from KCD-0 and KCD-/03 at Küçükdag demonstrate the potential for high-grade mineralization at TV Tower. Hole KCD-02 returned 4.28 g/t Au over 136.20 metres, including 30.59 g/t Au over 4.70 metres, while KCD-03 returned 16.62 g/t Au over 24.20 metres. This mineralization is hosted within a shallow dipping sequence of highly silicified ash and lithic tuffs similar to the Kayali target but the presence of possible diatreme-related sulphidized heterolithic breccias with associated dickite/alunite/barite alteration is particularly significant. Additional field work will have to be carried out in order gain a structural framework for the Küçükdag target and an understanding of the possible orientation and extent of the breccias.

Other targets on the TV Tower exploration property are equally as compelling for both high-sulphidation gold epithermal mineralization and possible copper-gold porphyry systems; consequently, an aggressive campaign is recommended to fully investigate the property.

Recommendations

The following recommendations have been proposed by TMST, the project operator, for the 2011 programme (TMST, 2010) and have been reviewed and are supported by the author. The majority of the work is focused on the high priority targets (Küçükdag, Sarp, Kiraz and Kayali) and includes:

- Detailed geological mapping of the TV Tower Licence area, with an emphasis on the structural controls of the mineralization at Küçükdag, Sarp, Kiraz and Kayali.
- Infill soil geochemistry on 125 metre spaced lines with detailed 62.5 metre spaced lines over target areas.
- Infill IP surveying on 125 metres spaced lines over high priority targets (total of 50 line-km).
- 15,000 metres of diamond drilling.
- Continued prospecting and geochemical sampling over the remainder of licences.

The total budget for the above programme is US\$3,500,000. Pilot Gold's share of this budget will be US\$1,568,000 (40% of US\$3,500,000 plus Pilot Gold's share of a 12% management fee on the total).

In April 2011, as of the date of the TV Tower Technical Report, a follow-up 15,000 metre, Phase 2 drill program was launched with three core drills. The program is focused on expanding the results from Küçükdag and Kayali, with exploration on two additional targets. As of the date of this AIF, this program is approximately 10% complete with eight additional drill holes (including holes in progress) totalling 1,677 metres. As of the date of this AIF, assays for these eight new holes are currently pending.

Other Exploration Projects

As at the date of this AIF, Pilot Gold also has an interest in the following exploration projects, of which the Brik, Cold Springs, and Buckskin were held at December 31, 2010, with the remainder acquired in connection with the Fronteer Arrangement. None of these properties have any known body of commercial ore or any established economic deposit; and all are currently in the exploration stage.

Nevada

Brik

The Brik Property is located in the Little Mountain Mining District, situated in low lying hills north of the Cedar Range, southeast of Panaca, in east-central Lincoln County, Nevada. The Brik Property consists of 225 unpatented lode claims on BLM land.

Cold Springs

The Cold Springs property is a high-level, low-sulfidation epithermal gold-silver system situated on the western flank of the Desatoya Mountains, approximately 176 kilometres east of Reno, Nevada. The project consists of 72 contiguous unpatented lode claims on land managed by the BLM.

Buckskin

The Buckskin property is located on the eastern flank of the Buckskin Range, Lyon County, Nevada, approximately 16 kilometres north-northwest of the Yerington, Nevada. The project consists of 20 unpatented lode claims on land managed by the BLM.

Viper

The Viper project is located in Elko County, Nevada, approximately 70 kilometres northeast of the hamlet of Montello, Nevada and consists of 163 unpatented lode claims and 990 hectares (2,450 acres) of private mineral rights held 75% by Pilot Gold; 21.25% by the underlying Lessor; and 3.75% by an unrelated third party.

Easter

The Easter Property is situated on the east flank of the Delamar Mountains, approximately 13 kilometres southwest of Caliente, Nevada and 12 kilometres east-northeast of the Delamar mine in Lincoln County, Nevada. It consists of 20 unpatented lode claims on BLM land, and an additional 50 claims staked by La Quinta Resources Corp. ("La Quinta"), within the project area of interest.

The property is subject to an earn-in joint venture with La Quinta, whereby La Quinta can earn 65% by expending \$2 million on exploration prior to January 4, 2015. La Quinta must maintain the claims, make annual cash payments totalling \$190,000 over the 5 year term of the agreement, and issue 500,000 La Quinta common shares to Pilot Gold. The Corporation retains a net smelter royalty of 2.5% - 4% depending upon the price of gold.

Anchor

The Anchor property lies within the southern portion of the Eureka-Battle Mountain Mineral Trend and is located about 4.8 kilometres northwest of the Archimedes deposit. The property consists of 72 fully owned unpatented lode claims on BLM land.

Stateline

The Stateline Property is situated on the east flank of the Paradise Mountains, approximately 37 kilometres east of Panaca, Nevada and 88 kilometres northwest of Cedar City, Utah in Iron County, Utah.

From 2008 to 2010, the property was a joint venture earn-in with Newmont. It consists of approximately 48 unpatented lode claims, along with an additional 3 Utah state leases and 113 unpatented claims staked by Newmont within the area of influence of the agreement with Newmont.

Significant historic mining took place on the Stateline Property, however, production figures are not known.

Baxter Springs

Baxter Springs is located in the Toquima Range, approximately 29 kilometres south of Round Mountain, Nevada and 10 kilometres south of the Manhattan Mine, formerly operated by Echo Bay. The project consists of 36 unpatented mining claims.

Gold Springs 2

The Gold Springs 2 Property is situated on the west flank of the Paradise Mountains, approximately 30 kilometres northeast of Panaca, Nevada and 90 kilometres northwest of Cedar City, Utah. The property straddles the state line, and is half in Lincoln County, Nevada, and half in Iron County, Utah. It consists of approximately 129 unpatented lode claims on BLM land.

The Gold Springs 2 Property is under option to High Desert Gold Inc. ("HDG") whereby HDG can earn 60% interest in the project by spending \$1,000,000 in aggregate by January 10, 2015 in addition to making cash payments to Pilot Gold which escalate from \$20,000 to \$40,000 per year. At earn-in, the Corporation can either elect to participate at 40% or less, or revert to a \$40,000 per year payment plus a sliding scale NSR, which is based on the price of gold. Pilot Gold retains a net smelter royalty of 2.5% - 4% depending upon the price of gold. A 4% royalty on four claims is payable to a third party.

New Boston

The New Boston project is a Copper-Molybdenum porphyry target, subject to historic exploration, located on the northern margin of the Walker Lane structural and metallogenic belt, in Nevada. The project consists of 135 fully-owned unpatented mining claims on BLM land.

Turkey

Yunt Dag

The Yunt Dag gold property, a high sulphidation gold epithermal system, is located 35 kilometre southeast of the Ovacik Gold Deposit and 50 kilometre north of the City of Izmir in Western Turkey. The property is 100% owned by Pilot Gold through its subsidiary company Agola and consists of three exploration stage licenses totalling 4,276 hectares acquired through the application process in December 2007.

The project was acquired and developed through grassroots work and has no prior history of exploration or mining. Agola completed silt, soil, and rock sampling in early 2008 at Yunt Dag and subsequently optioned the project to Newmont Mining in 2009. The option agreement was terminated by Newmont prior to drilling.

Other

The Corporation also holds an interest in other properties in Nevada and Turkey, as well as an option to acquire interests in projects in Peru, all of which are not considered to be material.

DIVIDENDS

There are no restrictions that prevent the Corporation from paying dividends. However, the Corporation has not paid any dividends on its Common Shares since incorporation. At present, all available funds are invested to finance the growth of the Corporation and the exploration and development of its mineral properties. Any decision to pay dividends on its Common Shares in the future will be made by the board of directors of the Corporation from time to time, in its discretion, on the basis of many factors, including Pilot Gold's earnings, operating results, financial condition and anticipated cash needs and other conditions existing at such time.

DESCRIPTION OF CAPITAL STRUCTURE

The Corporation is authorized to issue an unlimited number of Common Shares. There are 50,701,952 Common Shares issued and outstanding as of May 12, 2011. Holders of Common Shares of the Corporation are entitled to receive notice of any meetings of shareholders of the Corporation, and to attend and to cast one vote per Common Share at all such meetings. Holders of Common Shares of the Corporation are entitled to receive on a pro rata basis such dividends on such Common Shares, if any, as and when declared by the Corporation's board of directors at its discretion from funds legally available therefor, and, upon the liquidation, dissolution or winding up of the Corporation, are entitled to receive on a pro rata basis the net assets of the Corporation after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro rata basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares of the Corporation do not carry any pre-emptive, subscription, redemption, retraction, surrender or conversion or exchange rights, nor do they contain any sinking or purchase fund provisions.

MARKET FOR SECURITIES

As at the date of this AIF, the Common Shares are listed for trading on the TSX under the symbol "PLG".

As at December 31, 2010, the issued and outstanding Common Shares were wholly-owned by Fronteer, were not listed and did not trade on any exchange or market. There is thus no reported high or low daily trading during the year ended December 31, 2010. There was similarly no volume traded on the TSX.

The Common Shares began trading on the TSX on April 11, 2011. The reported high and low daily trading prices and aggregate volume of trading of the Common Shares on the TSX since listing through to the date of this AIF are illustrated in the following table:

Period	High (\$)	Low (\$)	Volume
April 11 – 29	\$3.74	\$3.19	11,848,633
May 2 – 12	\$3.45	\$2.97	5,693,245

Source: TMX Datalinx

PRIOR SALES

Since its incorporation, Pilot Gold issued 50,701,952 Common Shares which were not listed or traded on any exchange or market until April 11, 2011¹.

The Corporation issued the following non-trading securities (stock options to acquire Common Shares) during the period subsequent to December 31, 2010 to the date of this AIF:

<u>Date of Grant</u>	<u>Number of Stock Options</u>	<u>Exercise Price (\$)</u>	<u>Expiry Date</u>
April 13, 2011	3,787,500	\$3.45	April 12, 2021

PRINCIPAL SHAREHOLDERS OF PILOT GOLD

As at December 31, 2010, Fronteer held 10,000,001 Common Shares representing 100% of the then outstanding Common Shares. Upon completion of the Fronteer Arrangement, on April 6, 2011, approximately 80.1% of the Common Shares were owned by the former Fronteer securityholders. Newmont indirectly held the remaining approximately 19.9% of the then issued outstanding Common Shares. As at the date of this AIF, there are 50,701,952 Common Shares issued and outstanding.

As at the date of this AIF, to the knowledge of Pilot Gold's directors and officers, no person beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding Common Shares other than:

<u>Name</u>	<u>Type of Ownership</u>	<u>Number of Common Shares⁽¹⁾</u>	<u>Percentage of Common Shares</u>
Newmont Holdings ULC ⁽²⁾	Direct	10,089,688	19.9%

(1) Information as to holdings of Common Shares has been taken from insider reports or other disclosure documents electronically filed with regulators and publicly available through the Internet at the website for the Canadian System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca or SEDAR at www.sedar.com.

(2) An affiliate of Newmont.

¹ One Common Share was issued to Fronteer on November 18, 2010 to facilitate the initial organization of Pilot Gold. On December 30, 2010, 10,000,000 Common Shares were issued to Fronteer in connection with the purchase under the First Nevada Eagle Purchase Agreement described above. On April 4, 2011, 100 Common Shares were issued to Fronteer in connection with capitalization of certain debt prior to the completion of the Fronteer Arrangement. On April 6, 2011, 40,701,851 Common Shares were issued to the former Fronteer securityholders in accordance with the Fronteer Arrangement. The Common Shares, when issued, were non-trading. Pilot Gold became a reporting issuer in each province of Canada on April 6, 2011, the Effective Date of the Fronteer Arrangement. The Common Shares began trading on the TSX on April 11, 2011 under the stock symbol "PLG".

Rights and Obligations of Newmont Regarding Common Shares

Pursuant to the Fronteer Arrangement, Newmont has covenanted in favour of Pilot Gold that, prior to the second anniversary of the Effective Date, it and its affiliates will not, without the express advance written approval of the board of directors of Pilot Gold, acquire or propose to acquire or otherwise obtain or propose to obtain a right to acquire or to control any securities of Pilot Gold in excess of a 19.9% interest in the then outstanding Common Shares, which covenant survives the termination of the Fronteer Arrangement. However, this covenant will cease to apply if Pilot Gold publicly announces its intention to agree to certain merger, amalgamation, arrangement, or sale of assets or enters into an agreement to support or recommend certain take-over bid transactions.

If at any time during the first two years following the Effective Date, Pilot Gold proposes to issue any Additional Pilot Gold Securities other than (i) under any stock option plan of Pilot Gold, (ii) on the exercise, exchange or conversion of securities exchangeable or convertible into Common Shares, or (iii) for property other than money, Newmont shall have the right to subscribe for and purchase (directly or through an affiliate) Additional Pilot Gold Securities, at the price at which such Additional Pilot Gold Securities are offered for sale to other purchasers, up to the lesser of 19.9% of the Additional Pilot Gold Securities and its then existing pro rata ownership interest in Pilot Gold, in each case, prior to giving effect to the issuance or sale of such Additional Pilot Gold Securities.

DIRECTORS AND OFFICERS

Name, Address, Position and Occupation

The name, province or state and country of residence, position or office held with the Corporation and principal occupation for the immediately preceding five years of each of the directors and executive officers of the Corporation are as follows:

Name and Residence	Position with Corporation	Principal Occupation for Five Preceding Years ⁽¹⁾	Director Since
Mark O'Dea ^{(3) (5) (6)} British Columbia, Canada	Chairman and Director	President and Chief Executive Officer of Fronteer (2001 to April 2011) President and Chief Executive Officer of Aurora Energy Resources Inc., a mineral exploration company (June 2005 to April 2009) Director, Laurentian Goldfields Ltd., a mineral exploration company (January 2010 to present) Director, XDM Resources (February 2011 to present)	April 4, 2011
Donald McInnes ^{(2) (3) (4)} British Columbia, Canada	Director	Vice Chairman and Chief Executive Officer and former President of Plutonic Power Corporation, an emerging power producer (June 1999 to present) President of Blackstone Ventures Inc., a mineral exploration company (June 1993 to March 2008) President of Western Keltic Mines Inc., a mineral exploration company (June 1993 to April 2006)	April 4, 2011

Name and Residence	Position with Corporation	Principal Occupation for Five Preceding Years ⁽¹⁾	Director Since
John Dorward ⁽²⁾ Melbourne, NSW, Australia	Director	Vice-President, Business Development of Fronteer (November 2009 to April 2011) Chief Financial Officer of Mineral Deposits Limited, an Australian mining company (November 2006 to June 2009) Chief Financial Officer and Company Secretary of Leviathan Resources Limited, an Australian mining company (October 2004 to November 2006)	April 4, 2011
Sean Tetzlaff ^{(2) (3) (4)} British Columbia, Canada	Director	Chief Financial Officer, Vice President, Finance and Corporate Secretary of Fronteer (January 2005 to April 2011) Chief Financial Officer, Vice-President, Finance, and Corporate Secretary, Aurora Energy Resources Inc., a mineral exploration company (March 2006 to February 2008)	February 17, 2011
Robert Pease ^{(1) (4) (5)} British Columbia, Canada	Director	Director, President and Chief Executive officer of Terrane Metals Corp., a mining company (April 2006 to October 2010) President of R. Pease Consulting Inc. (December 2010 to present) Director and Advisor of Richfield Ventures Corp., a mineral exploration company (November 2010 to present) General Manager, Canada Exploration and Global Major Projects of Placer Dome Inc., a mining company (2002 to 2006)	April 4, 2011
Matthew Lennox-King ^{(5) (6)} British Columbia, Canada	President, Chief Executive Officer and Director	Senior Geologist of Fronteer (May 2008 to April 2011) Manager-CMB Project, Aurora Energy Resources Inc., a mineral exploration company (April 2006 to April 2008) Project Geologist, Fronteer (January 2004 to March 2006)	November 18, 2010
John Wenger British Columbia, Canada	Chief Financial, Officer and Corporate Secretary	Professional Practice Manager, Ernst & Young LLP (February 2009 to February 2011) Audit and Assurance Manager (July 2007 to February 2009) Audit and Assurance Staff, Ernst & Young LLP (September 2003 to July 2007)	N/A
Ian Cunningham-Dunlop British Columbia, Canada	VP Exploration and Chief Operating Officer	Vice President, Exploration of Pilot (2004 to April 2011). Vice President, Exploration of Aurora Energy Resources Inc., a mineral exploration company (2006 to 2008).	N/A

Notes:

- (1) All companies noted are still carrying on business as of the date of hereof unless otherwise noted.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Corporate Governance and Nominating Committee.
- (5) Member of the Health, Safety and Environment Committee.
- (6) Mr. Lennox-King is also a director of Pilot Holdings Inc., and Pilot Investment Inc., each a wholly owned subsidiary of the Corporation.

The term of office of each of the Corporation's directors expires at the Corporation's next annual general meeting at which directors are elected for the upcoming year or until his successor is duly elected or earlier in accordance with the by-laws of the Corporation.

Aggregate Ownership of Securities

As at December 31, 2010, none of the directors and executive officers of the Corporation, as a group, beneficially owned, or exercised control or direction over, directly or indirectly any Common Shares, since the Corporation was at that time a wholly-owned subsidiary of Frontier.

As at the date hereof, the directors and executive officers of the Corporation, as a group, beneficially owned, or exercised control or direction over, directly or indirectly, an aggregate of 1,662,523 Common Shares of the Corporation representing approximately 3.28% of the issued and outstanding Common Shares of the Corporation as of such date. On a fully-diluted basis, assuming the exercise of all stock-options, the directors and executive officers of the Corporation, as a group, beneficially owned, or exercised control or direction over, directly or indirectly, an aggregate of 4,412,523 Common Shares representing approximately 8.10% of the issued and outstanding Common Shares of the Corporation as of such date.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

No director or executive officer of Pilot Gold is, as at the date of this AIF, or has been, within 10 years before the date of this AIF, a director, chief financial officer or chief executive officer of any company that:

- (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (any such order, an "Order") that was issued while that person was acting in that capacity; or
- (b) was subject to an Order that was issued after that person ceased to act in such capacity and which Order resulted from an event that occurred while that person was acting in that capacity; and

No director, executive officer or shareholder of the Corporation holding a sufficient number of securities of the Corporation to materially affect its control (a "Significant Shareholder"):

- (a) is, at the date of this AIF, or has been within 10 years before the date of this AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets; and

No director, executive officer or Significant Shareholder of the Corporation has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

The information contained in this AIF as to ownership of securities of the Corporation, corporate cease trade orders, bankruptcies, penalties or sanctions, and existing or potential conflicts of interest, not being within the knowledge of the Corporation, has been provided by each insider of the Corporation individually.

CONFLICTS OF INTEREST

Except as disclosed herein, to the knowledge of management of the Corporation, there are no existing or potential material conflicts of interest between the Corporation or any of its subsidiaries and any director or officer of the Corporation. Directors and officers of the Corporation may serve as directors and/or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Corporation or any of its subsidiaries may participate, the directors of the Corporation may have a conflict of interest in negotiating and conducting terms in respect of such participation. If such conflict of interest arises at a meeting of the Corporation's board of directors, a director who has such a conflict is required to disclose such conflict and abstain from voting for or against the approval of such participation or such terms.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Corporation is not currently, and has not at any time during its most recently completed financial year, been a party to, nor has any of its property been the subject of, any material legal proceedings or regulatory actions. The Corporation is not aware of any such proceedings or actions threatened or known to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this AIF, no director, executive officer, or shareholder beneficially owning or exercising control or direction over, directly or indirectly, more than 10% of the Common Shares, and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the beginning of the Corporation's last completed fiscal year or in any proposed transaction which, in either such case, has materially affected or will materially affect the Corporation.

REGISTRAR AND TRANSFER AGENT

The Corporation's transfer agent and registrar for the Common Shares is Computershare Investor Services Inc., 510 Burrard Street, 2nd Floor, Vancouver, British Columbia.

MATERIAL CONTRACTS

The only material contracts entered into by the Corporation, other than in the ordinary course of business, since the date of incorporation until the date hereof or before the most recently completed financial year of the Corporation but which are still in effect, are as follows:

1. Arrangement Agreement dated February 3, 2011, pursuant to which Newmont acquired all of the outstanding common shares of Fronteer by way of a plan of arrangement. Pursuant to the Fronteer Arrangement, Fronteer shareholders received \$14.00 in cash and 0.25 of a Common Share for each common share of Fronteer previously held.
2. An agreement dated October 19, 2004 between Fronteer and TMST pursuant to which Fronteer, was granted an option to acquire a 100% interest in a group of properties known as the Biġa Properties (which includes the Halilaġa Property) and TMST was granted certain back-in rights. Under the terms of the Option Agreement, TMST and Fronteer earned a 60% and 40% interest, respectively, in the Halilaġa Property and four other designated properties. Fronteer's rights in the agreement were acquired by the Corporation in connection with the acquisition of the shares of PII, as described in this AIF.
3. The First Nevada Eagle Agreement, dated December 30, 2011, pursuant to which Nevada Eagle, an indirect wholly-owned subsidiary of Fronteer, sold to Pilot USA, a wholly-owned subsidiary of Pilot Gold, various unpatented mining claims situated in the Mineral, Douglas, Lincoln and Churchill Counties of Nevada for a purchase price of US\$1,095,000.
4. The First Fronteer USA Agreement, dated December 30, 2011, pursuant to which Pilot USA purchased from Fronteer USA some additional mining claims located in Nye County, Nevada known as the South Monitor project for a purchase price of US\$120,000.
5. The Second Nevada Eagle Agreement, dated April 4, 2011, pursuant to which Nevada Eagle sold to Pilot USA the Additional Nevada Eagle Assets. The purchase price paid for the Additional Nevada Eagle Assets was Fronteer's cost for such assets (which Fronteer and Pilot Gold agreed to be equal to their fair market value) and consisted of (i) a cash payment of approximately US\$1.1 million, and (ii) the transfer by way of assignment to Nevada Eagle of all mining claims held by Pilot USA in respect of the South Monitor project.
6. The Second Fronteer USA Agreement, dated April 4, 2011, pursuant to which Fronteer USA sold to Pilot USA the Viper Assets. The purchase price paid for the Viper Assets was Fronteer's cost for such assets (which Fronteer and Pilot Gold agreed to be equal to their fair market value) and consisted of a cash payment by Pilot USA to Fronteer USA of US\$318,150. In connection with the sale of the Viper Assets to Pilot USA, Fronteer USA assigned to Pilot USA all contracts related to such assets and Pilot USA assumed the obligations thereunder.
7. The FII Share Purchase Agreement, dated April 4, 2011, pursuant to which FHI sold to PHI, a wholly-owned subsidiary of Pilot Gold, all of the issued and outstanding shares of FII for a purchase price of \$52,250,000 (which the parties determined to be equal to the fair market value of the FII shares). As a result of such purchase, PHI indirectly acquired all of FII's 40% interest in the Turkish Properties and a 100% interest in three other prospective properties in Turkey.
8. An agreement dated April 4, 2011 between Fronteer and Pilot Gold pursuant to which Fronteer transferred to Pilot the following: (i) 2,000,000 common shares and 1,000,000 share purchase warrants of Rae Wallace and an option agreement with Rae Wallace pursuant to which Pilot Gold acquired a right to earn a 51% interest in up to two properties that Rae Wallace currently owns or may acquire within a 25,300 km² area of interest; (ii) \$9,584,714, representing the agreed amount to be funded to Pilot Gold under the Arrangement Agreement (after deducting certain payments made by Fronteer in respect of the Turkish Properties); (iii) additional cash required by Pilot Gold to fund the purchase of the Additional Nevada Eagle Assets, the Viper Assets and the FII shares described above; and (iv) additional assets of Fronteer, including an office lease in Vancouver,

British Columbia, office equipment and furniture, and the fixed assets and technical information, reports, data and studies related to those exploration properties transferred to Pilot Gold in accordance with the Arrangement Agreement. In addition, Fronteer assigned to Pilot Gold the contracts entered into with respect to those assets acquired from Fronteer. In consideration for the foregoing, Pilot Gold issued Common Shares to Fronteer that resulted in Newmont holding an indirect 19.9% interest in Pilot Gold following the completion of the Fronteer Arrangement, and assumed certain liabilities relating to the assets acquired by Pilot Gold.

Copies of each of the material contracts described above have been filed with the applicable Canadian securities regulatory authorities and are available on SEDAR at www.sedar.com.

INTERESTS OF EXPERTS

The following individuals are the qualified persons responsible for the preparation of the technical reports with respect to the Corporation's mineral properties referenced in this AIF, and in the case of Ian Cunningham-Dunlop for the news releases issued by the Corporation on May 6, 2011 and May 10, 2011 (available under the Corporation's profile on SEDAR at www.sedar.com), from which certain scientific and technical information contained in this AIF has been derived:

- (a) Dr. Paul Klipfel prepared a report in accordance with NI 43-101 for Pilot Gold entitled "Summary Technical Report — Regent Gold Project, Mineral County, Nevada" dated January 4, 2011;
- (b) Ian Cunningham-Dunlop prepared a report in accordance with NI 43-101 for Pilot Gold entitled "Technical Report on the Halilağa Exploration Property, Çanakkale, Western Turkey" dated February 15, 2011, as amended June 7, 2011; and
- (c) Ian Cunningham-Dunlop prepared a report in accordance with NI 43-101 for Pilot Gold entitled "Technical Report on the TV Tower Exploration Property, Çanakkale, Western Turkey" dated February 15, 2011, as amended June 7, 2011.

Other than as described below, based on information provided by the experts as at May 12, 2011, the experts named above did not have any registered or beneficial interest, direct or indirect, in any securities or other property of the Corporation or one of its associates or affiliates, when the experts prepared their respective reports, and no securities or other property of the Corporation or one of its associates or affiliates were subsequently received or are to be received by such experts.

Mr. Cunningham-Dunlop is an officer of Pilot Gold and holds Common Shares and stock options to purchase Common Shares. As of the date hereof, the Common Shares and options held by Mr. Cunningham-Dunlop represent less than 1% of the issued and outstanding Common Shares.

The Corporation's auditors, PricewaterhouseCoopers LLP, Chartered Accountants, has advised the Corporation that it is independent of the Corporation in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

PROMOTERS

Each of Mark O'Dea, Chairman of the board of directors of the Corporation, Sean Tetzlaff, Chairman of the audit committee of the board of directors, John Dorward, director, and Matthew Lennox-King, director, President and Chief Executive Officer were involved in the founding and organizing of Pilot Gold, and, accordingly, are considered "promoters" pursuant to applicable Canadian securities laws.

Mr. O'Dea beneficially owns, or controls and directs, 929,539 Common Shares representing approximately 1.83% of the issued and outstanding Common Shares. Mr. Tetzlaff beneficially owns, or controls and directs, 250,465 Common Shares representing approximately 0.49% of the issued and outstanding Common Shares. Mr. Dorward beneficially owns, or controls and directs, 62,750 Common Shares representing approximately 0.12% of the issued and outstanding Common Shares. Mr. Lennox-King beneficially owns, or controls and directs, 53,884 Common Shares representing approximately 0.10% of the issued and outstanding Common Shares.

During the current fiscal year, Messrs. O'Dea, Tetzlaff and Dorward will receive fees in the amount of \$40,000, \$30,000 and \$25,000, respectively, from the Corporation as compensation for their service on the board of directors of the Corporation. Mr. Lennox-King will receive a base salary of \$185,000 and may receive additional bonus compensation, as determined by the board of directors of the Corporation, for his service as President and Chief Executive Officer of Pilot Gold. Mr. Lennox-King does not receive any additional compensation for his service as a director of the Corporation. Mr. O'Dea, Mr. Tetzlaff and Mr. Lennox-King are each also members of the Corporation's extended benefits plan for executives of the Corporation. The extended benefits plan for executives includes premiums paid by the Corporation related to extended medical and dental coverage, premiums paid for participation in the provincial medical services plan of British Columbia, and premiums providing each with \$500,000 in life insurance coverage. The Corporation pays premiums associated with certain levels of directors' and officers' insurance for each of Messrs. O'Dea, Tetzlaff, Dorward and Lennox-King on the same basis as is provided for those other directors and officers of the Corporation. Each of Messrs. O'Dea, Tetzlaff, Dorward and Lennox-King are also eligible participants under the Corporation's stock option plan and may receive grants of stock options from time to time, as determined by the board of directors of the Corporation. As at the date of this AIF, Messrs. O'Dea, Tetzlaff, Dorward and Lennox-King hold 550,000, 400,000, 400,000 and 550,000 options, respectively, to purchase Common Shares.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The Corporation's Audit Committee has a written charter (the "Audit Committee Charter"), a copy of which is attached to this AIF as Schedule "A".

Composition of the Audit Committee

The Audit Committee was constituted on April 3, 2011 by resolution of the board of directors of the Corporation. The members of the Audit Committee are Sean Tetzlaff (Chairman), Donald McInnes and John Dorward, each of whom is "independent" and "financially literate" for the purposes of National Instrument 52-110 – *Audit Committees* ("NI 52-110").

Relevant Education And Experience

The following is a description of the education and experience of each Audit Committee member that is relevant to the performance of his or her responsibilities as an Audit Committee member:

Sean Tetzlaff

Mr. Tetzlaff served as Chief Financial Officer, Vice-President, Finance and Corporate Secretary of Fronteer from 2005 to April 2011. At Fronteer, Mr. Tetzlaff had oversight of financial, legal and contractual matters for all of Fronteer operations and international subsidiaries, and was responsible for the successful execution of numerous equity investments, asset divestitures and M&A transactions.

Mr. Tetzlaff also served as Chief Financial Officer of Aurora Energy Resources Inc, from 2006 to 2008, helping that company grow from its initial public offering to become the owner of one of the world's largest undeveloped uranium deposits. Mr. Tetzlaff's financial and tax experience also stems from his previous roles as a Senior Manager, Tax at KPMG LLP (1999 to 2004) and Chief Financial Officer of Valerie Gold Resources Ltd. and Emgold Mining Corporation (1996 to 1999). Mr. Tetzlaff is a Chartered Accountant and holds a Bachelor of Commerce in Finance from the University of British Columbia.

Donald McInnes

Mr. McInnes has over 20 years experience in the mineral exploration industry. Since 1993, Mr. McInnes has been the founder, president and a director of a number of publicly traded mineral exploration companies. Mr. McInnes is currently chairman of the board of directors of Blackstone Ventures Inc., an exploration and development stage company focused on Scandinavian exploration, and was a director of Fronteer from 2001 to April 2011. He was also the founder of Kutcho Copper Corp. (formerly Western Keltic Mines Inc.). Mr. McInnes is a director of the Independent Power Producers Association of British Columbia, a Governor of the Business Council of British Columbia and is a past President and Director of the Association for Mineral Exploration British Columbia and a past director of the Prospectors and Developers Association of Canada. He is currently the Vice Chairman and Chief Executive Officer of Plutonic Power Corporation, an independent power producer.

John Dorward

Mr. Dorward has a considerable background in finance, corporate transactions and investment banking on both sides of the table — he has been both Chief Financial Officer and bank lender to several mining companies. Most recently Mr. Dorward was employed by Fronteer as Vice President, Business Development (2009 to April 2011) and was instrumental in the negotiation of Fronteer's acquisition by Newmont, the acquisition of AuEx Ventures Inc. by Fronteer, and in the sale of Fronteer's uranium assets to Paladin Energy Ltd. Mr. Dorward was previously Chief Financial Officer of Mineral Deposits Limited (November 2006 to June 2009), and Chief Financial Officer and company secretary of Leviathan Resources Limited, a gold mining company listed on the Australian Stock Exchange (October 2004 to November 2006). Mr. Dorward holds a Bachelor of Commerce (Honours) from Melbourne University.

Audit Committee Oversight

At no time during the fiscal year ended December 31, 2010 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the board of directors of the Corporation.

Pre-Approval Policies and Procedure

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter attached as Schedule "A" hereto.

External Auditor Service Fees

There were no reportable fees billed by the Corporation's external auditors in the period ended December 31, 2010.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR under the Corporation's profile at www.sedar.com.

Additional financial information is provided in Audited Consolidated Financial Statements of Pilot Gold Inc. for the period ended December 31, 2010 and the related Management's Discussion and Analysis, and the Audited Consolidated Financial Statements of Pilot Gold in Respect of the Exploration Properties Business of Fronteer Gold Inc. to be Acquired by Pilot Gold for the year ended December 31, and its related Management's Discussion and Analysis.

A copy of such documents and of this Annual Information Form may be obtained upon request from the Corporate Secretary of the Corporation. The Corporation may require payment of a reasonable charge if the request is made by a person who is not a holder of securities of the Corporation.

SCHEDULE “A”

Charter of the Audit Committee of the Board of Directors of Pilot Gold Inc.

The Corporation's audit committee will be governed by an audit committee charter, the text of which is set forth below.

I. PURPOSE

The Audit Committee (the “Committee”) is appointed by and reports to the board of directors (the “Board”) of Pilot Gold Inc. (the “Corporation”). The Committee assists the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Corporation. The Committee's primary duties and responsibilities are to:

- conduct such reviews and discussions with management and the external auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures;
- ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel;
- review the quarterly and annual financial statements and management's discussion and analysis of the Corporation's financial position and operating results and report thereon to the Board for approval of same;
- recommend to the Board for approval by shareholders, the Corporation's external auditors (the “Independent Auditors”);
- select and monitor the independence and performance of the Corporation's Independent Auditors, including attending private meetings with the Independent Auditors and reviewing and approving all renewals or dismissals of the Independent Auditors and their remuneration; and
- provide oversight of related party transactions entered into by the Corporation.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the Independent Auditors as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee's duties.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in this Charter.

II. AUTHORITY OF THE AUDIT COMMITTEE

1. The Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for advisors employed by the Committee; and
- (c) communicate directly with the internal and external auditors.

III. COMPOSITION AND MEETINGS

1. The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of any stock exchange on which the Corporation's shares are listed, the *Canada Business Corporations Act*, the Ontario Securities Commission (the "OS C") and all applicable securities regulatory authorities.
2. The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of shareholders.
3. The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as Chair.
4. Each member of the Committee shall be "independent" and financially literate (as such terms are defined under applicable securities laws and exchange requirements for audit committee purposes). Each member of the Committee shall be able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement.
5. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two of the members of the Committee present either in person or by telephone shall constitute a quorum.
6. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
7. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
8. The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by, the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.

9. Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
10. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
11. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries, and other persons, as it may see fit, from time to time, to attend at meetings of the Committee.
12. The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.
13. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.

IV. CHAIR

1. The Chair of the Committee:
 - (a) provides leadership to the Committee with respect to its functions as described in this Charter and as otherwise may be appropriate, including overseeing the logistics of the operations of the Committee;
 - (b) chairs meetings of the Committee, unless not present (including in camera sessions), and reports to the Board of Directors following each meeting of the Committee on the findings, activities and any recommendations of the Committee;
 - (c) ensures that the Committee meets on a regular basis and at least four times per year;
 - (d) in consultation with the Lead Director (if an individual other than the Chair) and the Committee members, establishes a calendar for holding meetings of the Committee;
 - (e) establishes the agenda for each meeting of the Committee, with input from other Committee members, the Lead Director (if an individual other than the Chair) and any other parties, as applicable;
 - (f) ensures that Committee materials are available to any Director on request;
 - (g) acts as liaison and maintains communication with the Lead Director (if an individual other than the Chair) and the Board to optimize and coordinate input

from Board members, and to optimize the effectiveness of the Committee. This includes reporting to the full Board on all proceedings and deliberations of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;

- (h) reports annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the objectives and responsibilities of the Board as a whole;
- (i) ensures that the members of the Committee understand and discharge their duties and obligations;
- (j) fosters ethical and responsible decision making by the Committee and its individual members;
- (k) ensures that resources and expertise are available to the Committee so that it may conduct its work effectively and efficiently and pre-approves work to be done for the Committee by consultants;
- (l) facilitates effective communication between members of the Committee and management;
- (m) attends each meeting of shareholders to respond to any questions from shareholders as may be put to the Chair; and
- (n) performs such other duties and responsibilities as may be delegated to the Chair by the Board from time to time.

V. RESPONSIBILITIES

A. Financial Accounting and Reporting Process and Internal Controls

1. The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable Canadian accounting standards and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review and approve the interim financial statements prior to their being filed with the appropriate regulatory authorities. The Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the Independent Auditors as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
2. The Committee shall review management's internal control report and the evaluation of such report by the Independent Auditors, together with management's response. The Committee shall assess the integrity of internal controls and financial reporting procedures and ensure implementation of such controls and procedures.
3. The Committee shall review the financial statements, management's discussion and analysis relating to annual and interim financial statements, annual and interim earnings

press releases and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws before the Corporation publicly discloses this information.

4. The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and periodically assess the adequacy of these procedures.
5. The Committee shall meet no less frequently than annually with the Independent Auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, deems appropriate.
6. The Committee shall inquire of management and the Independent Auditors about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.
7. The Committee shall review the post-audit or management letter containing the recommendations of the Independent Auditors and management's response and subsequent follow-up to any identified weaknesses.
8. The Committee shall oversee the Corporation's plans to adopt changes to accounting standards and related disclosure obligations.
9. The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel.
10. The Committee shall establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
11. The Committee shall provide oversight to related party transactions entered into by the Corporation.

B. Independent Auditors

1. The Committee shall be directly responsible for the selection, appointment, compensation and oversight of the Independent Auditors and the Independent Auditors shall report directly to the Committee.
2. The Committee shall ensure that in compliance with applicable law, the lead audit partner at the Independent Auditor is replaced every five years.

3. The Committee shall be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
4. The Committee shall pre-approve all audit and non-audit services not prohibited by law to be provided by the Independent Auditors.
5. The Committee shall monitor and assess the relationship between management and the Independent Auditors and monitor, confirm, support and assure the independence and objectivity of the Independent Auditors. The Committee shall establish procedures to receive and respond to complaints with respect to accounting, internal accounting controls and auditing matters.
6. The Committee shall review the Independent Auditor's audit plan, including scope, procedures, timing and staffing of the audit.
7. The Committee shall review the results of the annual audit with the Independent Auditors, including matters related to the conduct of the audit, and receive and review the auditor's interim review reports.
8. The Committee shall obtain timely reports from the Independent Auditors describing critical accounting policies and practices, alternative treatments of information within applicable Canadian accounting principles that were discussed with management, their ramifications, and the Independent Auditors' preferred treatment and material written communications between the Corporation and the Independent Auditors.
9. The Committee shall review fees paid by the Corporation to the Independent Auditors and other professionals in respect of audit and non-audit services on an annual basis.
10. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.

C. *Other Responsibilities*

1. The Committee shall:
 - (a) perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate; and
 - (b) review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board of Directors for approval.