PILOT GOLD INC.
(AN EXPLORATION STAGE COMPANY)

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended December 31, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year ended December 31, 2014

This Management's Discussion and Analysis, dated as of March 24, 2015, is for the year ended December 31, 2014 (the "**MD&A**"), and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2014 of Pilot Gold Inc. (in this MD&A, also referred to as "**Pilot Gold**", or the "**Company**", or "**we**", or "**our**", or "**us**"), the related notes thereto (together, the "**Annual Financial Statements**"), and other corporate filings, including our Annual Information Form for the year ended December 31, 2014, dated March 24, 2015 (the "**AIF**"), available under Pilot Gold's company profile on SEDAR at www.sedar.com.

HIGHLIGHTS AND SIGNIFICANT SUBSEQUENT EVENTS

TV Tower

- Increased our interest in TV Tower to 60% after having satisfied the earn-in requirements.
- Advanced multiple targets and made several discoveries at the +90km^2 TV Tower project, including two gold-copper porphyries: Valley and Columbaz. Highlights from drilling include[1]:
  - Valley: 1.59 grams/tonne ("**g/t**") gold ("**Au**") and 0.48% copper ("**Cu**"), or 2.41 g/t gold-equivalent ("**AuEq**"[2]), over 130.9 metres in KRD014, including 3.12 g/t Au and 0.85% Cu (4.57 g/t AuEq[2]) over 49.9 m;
  - Hilltop: 0.22 g/t Au and 0.26% Cu, or 0.67 g/t AuEq[2], over 261.3 m in KRD006, including, 0.54 g/t Au and 0.36% Cu over 57.8 m.
  - Columbaz: 0.60 g/t Au and 0.11% Cu (0.80 g/t AuEq[2]), over 357.7 m in CD008C, including, 8.41 g/t Au over 7.8 m.
- Completed an initial independent resource estimate for the KCD gold-silver-copper deposit at TV Tower.
- Launched a $7.59 million 2015 exploration program, funded pro-rata by Teck and Pilot Gold.

Kinsley

- Reported results of metallurgical testing, illustrating gold recoveries of up to 95% with concentrate grades up to 312 g/t gold at Kinsley's Western Flank, suggesting that sulphide mineralization is amenable to flotation processing and the potential production of a marketable gold concentrate.
- Reported high-grade gold results from the Western Flank target, including: 10.1 g/t gold over 39.6 m in PK186C; 6.19 g/t Au over 45.7 m in PK175CA, and 21.3 g/t Au over 29.0 m in PK 137[2].
- Received approval to extend the Plan of Operations at Kinsley, allowing an additional 20.5 acres of exploration disturbance on the unexplored northern claims, bringing the total allowable disturbance to 91.97 acres.
- Launched a $2.0 million 2015 drilling campaign, with a focus on exploration drilling at new targets on the original and recently-permitted northern claims.

Halilağa

- Released a revised PEA for the Halilağa copper-gold porphyry deposit that demonstrates a $474 million after-tax $NPV_{7\%}$, provides a 43% after-tax IRR and generates after-tax cash flows of $802.9 million life of mine. The project, as outlined in the Revised Halilağa PEA, requires $346 million in pre-production capital expenditures (including a 25%, $65.4 million contingency); and a payback period (after-tax) of 1.3 years[3].

Corporate

- Raised C$20 million by way of a bought-deal equity financing through a syndicate of underwriters led by National Bank Financial Inc. and Scotiabank (the "**2014 Bought-Deal**").
- Completed the acquisition of Cadillac Mining Corporation ("**Cadillac**") and its Goldstrike-Utah project, pursuant to which the Company acquired all of the issued and outstanding shares of Cadillac by way of a court-approved plan of arrangement.
- Completed the year with $17.8 million in working capital.

This MD&A contains forward-looking statements that involve numerous risks and uncertainties. The Company continually seeks to minimize its exposure to business risks, but by the nature of its business and exploration activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, or those described under the heading "*Risk Factors*" in our AIF, which can be found on Pilot Gold's SEDAR profile at www.sedar.com, and those set forth in this MD&A under the headings *"Cautionary Notes Regarding Forward-Looking Statements*" and "*Industry and Economic Factors that May Affect our Business"* materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

[1] See press releases dated June 19, 2014, and October 22, 2014 in the case of TV Tower, and December 9, 2014 in the case of Kinsley
[2] AuEq calculated using $1,200/oz Au and $3.00/lb Cu and assuming 100% recovery.
[3] See NI 43-101 technical report, entitled "Revised Preliminary Economic Assessment Technical Report Halilaga Project, Turkey," effective December 20, 2014

OUTLOOK

With a proven technical team and strong treasury, Pilot Gold continues to discover and upgrade high quality projects featuring strong grades, meaningful size and mining-friendly locales. Our cornerstone assets include the:

- past-producing Kinsley Mountain project in Nevada, at which our team has demonstrated a new geologic model pointing to new high-grade zones of mineralization;
- TV Tower project in Turkey, the centre of a highly-prospective district has delivered multiple gold, silver and copper-gold discoveries over the past 4 years, and hosts numerous untested targets; and the nearby,
- Halilağa copper-gold porphyry project, in Turkey at which we have illustrated in an updated preliminary economic analysis ("**PEA**") that smaller-scale, copper-gold porphyries can be designed to be low capital cost, provide high returns and a rapid payback.

Pilot Gold remains in a strong position with high-quality projects in two jurisdictions and the capital to advance each while global exploration activities continue to be reduced by many companies, and in some cases are altogether curtailed. Despite challenging market conditions, the relatively stagnant gold price, a declining silver price, and the ongoing volatility in the price of copper, our conviction in the importance of executing well-planned, efficient exploration and development programs designed to advance high-quality projects remains unchanged.

Pilot Gold's budget for the remainder of 2015 is fully funded. The anticipated focus of our 2015 programs will be as follows.

Through 2015, we expect to complete:

- A 21,000 metre drill program at TV Tower, with a focus on infill and exploration drilling at the project's porphyry copper-gold and oxidized high sulphidation epithermal gold targets, and on receipt of additional permits, testing new exploration targets on the rest of the property. Underpinned by the Küçükdağ ("KCD") gold-silver deposit in the northern part of the project, the recognition of three porphyry systems to date provides the Company with multiple opportunities to carry out exploration and resource definition drilling. A large area of the property displays extensive epithermal and porphyry-related alteration and remains relatively unexplored. The budget for the 2015 exploration program at TV Tower is $7.59 million (our share of which is $4.54 million). The 2015 exploration program is expected to begin early in the second quarter.

- An 11,000 metre drill program at Kinsley focused on testing high-priority targets in the recently permitted Kinsley North area and in the area between the Western Flank zone and the historic pits. The current year program is designed to capitalize on our understanding of the stratigraphy and controls on mineralization, primarily defined by intersections of NW and NNE-trending structures with favourable stratigraphy. Based on results to date, we believe it is very unlikely that the Western Flank is the only high-grade zone and consequently we hope 2015 will be another year of discovery at Kinsley. Drilling at Kinsley resumed on March 8, 2015 with one reverse circulation ("**RC**") drill rig. The budget for the 2015 exploration program at Kinsley is $2.0 million (our share of which is $1.58 million).

- Continued strategic studies at the Halilağa copper-gold porphyry deposit, located 15 kilometres southeast of the Valley and Hilltop porphyry discoveries at TV Tower. As summarized in this MD&A, the 2012 PEA and the Revised Halilağa PEA both demonstrate a flexible project providing rapid payback, high returns, and strong cash flows. Pilot Gold expects to continue discussing alternatives with Teck Resources Limited ("**Teck**") and various third-parties a process to unlock the value and potential of this robust development opportunity.

As at the date of this MD&A we have $14.12 cash, cash equivalents and short term deposits. In absence of an acquisition or other significant initiatives, at the end of 2015 we expect to hold approximately $8.5 million.

Our reporting currency is the United States dollar ("**$**", or "**USD**"). All dollar figures in this MD&A are expressed in USD unless otherwise stated. As at December 31, 2014, the value of C$1.00 was $0.86[4].

[4] Nominal noon rate as per the Bank of Canada. Canadian dollars herein expressed as "C$".

MATERIAL EXPLORATION AND DEVELOPMENT PROJECTS – OVERALL PERFORMANCE

With the exception of the Kestane copper-gold deposit at Halilağa and the KCD gold-silver deposit at TV Tower: (i) the Company's exploration projects are early stage and do not contain any mineral resource estimates as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"); (ii) the potential quantities and grades disclosed in this MD&A are conceptual in nature, and (iii) there has been insufficient exploration to define a mineral resource for the targets disclosed herein. It is uncertain if further exploration will result in these targets being delineated as a mineral resource. Additional information about each of our material projects is also summarized in our AIF and the respective NI 43-101 Technical Reports, each of which can be viewed on SEDAR at www.sedar.com.

Pilot Gold's share of expenditures to the end of 2014 as compared to our share of the 2014 budgeted cash exploration and development expenditures, and those planned for 2015 on our material property interests are summarized in the following table (in 000s):

Project	Minerals	Actual cash expenditures in 2014	Budgeted expenditures for 2014(1)	Budgeted expenditures for 2015	Pilot Gold ownership
TV Tower	gold, silver, copper	**$ 4,597**	$ 4,678	$ 4,553	60% (1)
Kinsley	gold	**$ 5,170**	$ 5,109	$ 2,008	79%
Halilağa	copper, gold, molybdenum	**$ 586**	$ 602	$ 329	40% (2)
Total		**$ 10,353**	$ 10,389	$ 6,890	

(1) Pilot Gold has increased its beneficial interest at TV Tower to 60% (from 40%) in accordance with an option agreement. Formal conveyance of the incremental 20% interest is in progress as of the date of this MD&A. After having sole-funded the program and budget on the property from 2012-2014, the Company will be responsible for only 60% of expenditures at TV Tower in 2015. TV Tower is held by Orta Truva Madencilik Sanayi ve Ticaret Anonim Şirketi ("**Orta Truva**") a Turkish Joint Stock Company. Our partner at Orta Truva is Teck Madencilik Sanayi Ticaret A.Ş. ("**TMST**"), a subsidiary of Teck.

(2) Amounts budgeted for 2014 at Halilağa included Pilot Gold's share for certain economic, metallurgical, hydrological, environmental and engineering analyses undertaken by Truva Bakır Maden İşletmeleri Anonim Şirketi ("**Truva Bakır**"), the Joint Stock Company that owns Halilağa. TMST is the 60% owner of Truva Bakır and operator of Halilağa. Each shareholder of Truva Bakır is also funding its proportionate share of costs associated with the Environmental Impact Assessment ("**EIA**") matter described in this MD&A.

During the year ended December 31, 2014, we incurred $16.0 million in cash exploration and administration expenditures (2014 amended annual budget: $16.20 million). Our treasury is sufficient to satisfy planned expenditures, for 2015 (see discussion under "Liquidity and Capital Resources" in this MD&A).

TV Tower (60% owner and operator)

The 9,065 hectare (+90 km^2) TV Tower gold-silver-copper property comprises nine contiguous licences and is located close to established infrastructure in northwestern Turkey. Discoveries to date include: three copper-gold porphyry systems (Hilltop, Valley, and Columbaz), and three epithermal gold systems (KCD, Kayalı and Yumrudağ). Early in 2014 we defined a large silver-gold resource (KCD) on the project.

Our interest in TV Tower is held through a shareholding in Orta Truva, the legal entity that holds title and beneficial interest in the licenses that comprise the property. TMST is our joint venture partner at TV Tower. Pursuant to a joint venture and earn-in agreement (the "**TV Tower Agreement**"), we satisfied the right to acquire an additional 20% interest (to an aggregate of 60%) in Orta Truva, and thus indirectly, a further 20% of TV Tower (the "**TV Tower Earn-in**") on March 12, 2015[5].

Pilot Gold will remain the project operator of TV Tower so long as we remain the majority owner. To acquire the additional 20% interest, Pilot Gold incurred $21 million in eligible exploration expenditures ("**Eligible Expenditures**") over a 3 year period and issued 6,550,000 Common Shares and 3,000,000 Warrants to TMST. There was no additional cash payment due to TMST relating to the Additional Consideration described in the TV Tower Agreement. The completion of the earn-in marks a significant milestone in the evolution of Pilot Gold, formalizing legal control of TV Tower and increasing our interest in the project by 20%. Completion of the TV Tower Earn-in also concludes a period of sole-funding exploration at the project, with each partner now obligated to fund its pro-rata share of future programs. Teck's participation means we will be able to complete significantly more drilling at a lower cost to the Company than in previous years.

Satisfaction of the TV Tower Earn-in will be accounted for as a consolidation of TV Tower concurrent with the wind-up of the Earn-in Option asset and the value attributed to our former 40% holding in Orta Truva. Pilot Gold will also begin to recognize a non-controlling interest on its financial statements for the 40% interest held by TMST. The allocation of consideration to the total assets acquired and liabilities assumed has not yet been determined as of the date of this MD&A.

[5] Administrative transfer of the additional 20% is underway as of the date of this MD&A.

To date, we have identified a contiguous area greater than 50km^2 of epithermal and porphyry-related alteration across this prospective gold-silver-copper district. The principal focus of the Company at TV Tower has been on three areas of the tenure:

Kayalı-Karaayı (K2)

The Karaayı license hosts two confirmed porphyry targets and has become the cornerstone of a growing mineralized district. Karaayı was acquired from, and is held in a trust pending formal registration of transfer, by Batı Anadolu Madencilik Sanayi ve Ticaret A.Ş. ("**Batı Anadolu**"), which was at the time a Turkish subsidiary of Chesser Resources Limited[6]. Consideration paid to acquire Karaayı was treated as an Eligible Expenditure.

Drilling as well as geological mapping and soil and rock sampling, demonstrated the existence of a largely contiguous, oxidized epithermal gold system stretching over four km, linking the Kayalı and Karaayı (collectively, "**K2**") gold targets. Drilling also revealed the presence of a blanket of supergene copper mineralization (up to 300 m wide and 60 m thick) underlying the gold oxide zones, and demonstrated the presence of at least two porphyry systems: Valley Porphyry and Hilltop Porphyry (each on the Karaayı license).

Although additional drilling is required, the long runs of gold and copper mineralization starting at surface noted in drill holes KRD010 and KRD014 are encouraging and yield gold grades superior to typical grades of mineralization in many copper-gold porphyries. We completed 9,158 m of drilling as part of the 2014 program at Karaayı. Preliminary metallurgical flotation testing of material from the Valley Porphyry is underway.

The close proximity of the Valley, Hilltop and Columbaz copper-gold porphyries and the relatively short distance to Halilağa highlight the prospectivity of TV Tower, and lays the foundation for a potentially large copper-gold porphyry district in northwest Turkey. The process leading to discovery of the porphyries led to development of a geochemical and geophysical "fingerprint", and from it, recognition of several compelling targets for further investigation in 2015.

Columbaz

On October 22, 2014, we announced the Columbaz porphyry discovery at TV Tower, seven km north of the Hilltop and Valley porphyries. Drill results from follow-up drilling were reported in February 2015 with highlights including 0.36 g/t Au and 0.13% Cu over 499.1 m (0.59 g/t AuEq), including 0.48 g/t Au and 0.18% Cu over 234.3 m (0.79 g/t AuEq) in hole CD0012C[7]. We drilled 3,390 m as part of the 2014 program at Columbaz.

Küçükdağ (KCD)

In January 2014, we published an initial independent resource estimate for the KCD gold-silver deposit that delineates an Indicated Mineral Resource of 996,000 AuEq ounces (23.06 Mt at 1.34 g/t AuEq) and an Inferred Mineral Resource of 351,000 AuEq ounces (10.77 Mt at 1.01 g/t AuEq). The initial resource at KCD is based on results from 37,860 m of drilling in 169 drill holes through 2013, with an effective date of November 6, 2013. The resource estimate shows that the deposit is comprised of discrete gold-rich and silver-rich zones. The Silver Zone measures 600 x 600 m at surface and remains open for expansion to the north and northwest.

Metallurgical testing was carried out in 2014 on silver-bearing composites from KCD encompassing (i) flotation of the sulfides to investigate the potential for making a high-grade Ag concentrate, and (ii) oxidative treatment of flotation concentrates to enhance Ag extraction and improve overall Ag recovery. The result of this testing demonstrated that silver recovery from rougher plus scavenger flotation, followed by oxidative treatment, could achieve recoveries of up to 89% under certain conditions.

[6] Batı Anadolu was subsequently acquired by Nurol Holdings A.Ş. ("**Nurol**"), a Turkish entity. Nurol has since conveyed its interest in Batı Anadolu to a subsidiary, Tümad Madencilik A.Ş. Registration of transfer awaits approval of the Ministry of Energy and Natural Resources.

[7] See press release dated February 6, 2015

The initial KCD resource estimate[8] is comprised of:

		Tonnes ($x10^6$)	Au (g/t)	Ag (g/t)	Cu (%)	AuEq (g/t)	Metal ($x10^3$) Au(oz)	Ag(oz)	Cu(lb)
Gold Zone	Indicate	11.62	1.22	8.8	0.23	1.74	456	3,298	59,470
	Inferred	1.70	0.85	8.5	0.15	1.23	46	464	5,591
Silver Zone	Indicate	11.44	0.04	46.7	0.08	0.94	14	17,182	19,388
	Inferred	9.08	0.02	52.7	0.05	0.97	6	15,367	9,292
Total	**Indicate**	**23.06**	**0.63**	**27.6**	**0.16**	**1.34**	**470**	**20,479**	**78,859**
	Inferred	**10.77**	**0.15**	**45.7**	**0.06**	**1.01**	**53**	**15,831**	**14,883**

The budget for the 2014 exploration program at TV Tower was $4.68 million. From January 1, 2014 to December 31, 2014, we incurred $4.60 million at TV Tower (year ended December 31, 2013: $10.20 million). Expenditures during the year ended December 31, 2014 included: drilling and assaying of $1.65 million, salaries of $1.82 million and consultant's costs of $0.54 million, with the remainder including camp costs and transportation.

Further information relating to TV Tower is available in the technical report entitled "*Independent Technical Report for the TV Tower Exploration Property, Çanakkale, Western Turkey*", effective January 21, 2014 and dated February 20, 2014, prepared by Casey M. Hetman, P.Geo. with SRK Consulting (Canada) Inc. ("**SRK**"), James N. Gray, P. Geo. of Advantage Geoservices Ltd., and Gary Simmons, BSc, Metallurgical Engineering, of G L Simmons Consulting, LLC. The Updated Technical Report on the TV Tower Exploration Property and the TV Tower Agreement are each available under Pilot Gold's issuer profile on SEDAR at www.sedar.com.

Kinsley (79.1% owner and operator)

Kinsley is a sediment-hosted gold property hosting a past-producing mine located along the Long Canyon Trend in northeastern Nevada. Comprised of 480 claims (~3,875 hectares), Kinsley has a stratigraphic, structural, and mineralization style similar to other sediment-hosted gold systems of the eastern Great Basin.

In August 2013 a 60-acre Plan of Operations ("**PoO**") was received permitting extensive exploration disturbance on the main claim block, including areas in and around the historic pits and the Western Flank target. We received approval of a 20-acre amendment to the PoO encompassing the property's northern claims on October 28, 2014, permitting exploration over the northern two-thirds of the Kinsley Mountain range and paving the way for a geographically expanded program in 2015.

The year ended December 31, 2014 was pivotal for the project, with results demonstrating that gold is concentrated at the intersections of NW and NNE-trending structures with favourable stratigraphy, and that the largely untested Secret Canyon Shale horizon, host to the high-grade mineralization in the Western Flank, is a viable target over the entire property. The 2014 drill program comprised 26,244 m of drilling in 38 core holes and 45 RC holes, and discovered gold mineralization in the Secret Canyon Shale horizon at the Right Spot, Secret Spot, and Silica Knob targets along a 3.5 km-long NNE-SSW corridor including the Western Flank high-grade gold zone. The Western Flank currently measures approximately 150 x 200 m.

Drilling at the Western Flank has not encountered any groundwater to date, which may simplify permitting in a development scenario.

In 2014, samples of Secret Canyon Shale-hosted sulphide mineralization underwent initial metallurgical testing with results suggesting that production of a high-grade concentrate may be feasible. Testing of four composite samples yielded up to 95% total recovery (with flotation and cyanidation of the tails) and

[8] See TV Tower Technical Report for details relating to the KCD deposit. The resource estimate was completed by James N. Gray, P.Geo. of Advantage Geoservices Ltd., an Independent Qualified Person as defined by NI 43-101 in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended. Quality-control data generated during the various drill programs conducted at KCD were independently verified by SRK, as part of the project review. The resource model consists of a detailed three-dimensional geological model including lithological domains and structural domains derived from 25 m-spaced sections. These, in turn, were used to constrain the interpolation of gold, silver and copper grades. Block grades were estimated by ordinary kriging. Blocks measure 10 x 10 x 5 m. A total of 26,173 individual assay intervals averaging 1.4 m in length were composited into a total of 12,981 composite intervals of 3 m length. Gold, silver and copper assay data were reviewed statistically to determine appropriate grade capping levels by domain. A total of 71 gold assays, 48 silver assays and 33 copper assays were capped prior to compositing based on the evaluation of probability plots by major rock type. In addition to the capping of assay data, the impact of anomalously high gold values was controlled by restricting their range of influence in the estimation process. For mineralization in the Gold Zone to be classified as Indicated the following criteria were used: two holes within 25 m or three holes within 36 m. Indicated classification for the Silver Zone is based on a minimum of two holes within 35 m or three holes within 50 m. All other material within the pit shell was classified as Inferred. The mineral resources are confined within a Whittle pit shell generated by SRK to ensure reasonable prospects of economic extraction. The pit shell was based on the following parameters: Au: $1,335/oz; Ag: $22/oz; Cu: $3.60/lb; Mining: $2.00/t; Milling, General and Administrative and sustaining CapEx: $15/t milled; Recovery: Au and Ag = 75%; Cu = 70%; Overall pit slope: 50°. At a 0.5 g/t AuEq cut-off, the strip ratio is 1.47:1. Tonnage estimates are based on 6,027 density measurements which were used to assign average values to lithologic domains of the block model. Bulk density for the main gold mineralized rock unit averages 2.38 tonnes/m^3.

concentrate grades up to 312 g/t gold. A process flow-sheet has been developed and studies of the potential marketability of a gold concentrate to commercial smelters or to Nevada mine owners of refractory processing facilities will follow. Additional metallurgical testing is underway.

During 2014, the Company secured 1,080 acre feet of water rights to support planned and future exploration and development at Kinsley, leased five patented claims to the south of the historic mine, and added additional federal lode claims to the Kinsley tenure.

Pilot Gold's interest in Kinsley is approximately 79.1%. Intor Resources Corporation ("**Intor**"), a subsidiary of Nevada Sunrise Gold Corporation ("**NEV**") and our partner at Kinsley, holds the remaining 20.9% interest. Pursuant to Intor's election to participate in the program and budget, each of Intor and Pilot Gold must fund its pro rata share of expenditures at the project.

In the year ended December 31, 2014 approximately $6.32 million in direct expenditures were capitalized at Kinsley (year ended December 31, 2013, $3.85 million), including Intor's share. Expenditures and activity through the year included: drilling and assaying ($4.25 million), salaries ($0.79 million) and road construction ($0.38 million).

Further information relating to Kinsley is available in the technical report entitled: "*Updated Technical Report on the Kinsley Project, Elko and White Pine Counties, Nevada, U.S.A.*", effective March 1, 2015, dated March 19, 2015 and prepared by Michael M. Gustin, CPG, Moira Smith, Ph.D., P.Geo. and Gary Simmons, B.Sc. MMSA available on SEDAR under Pilot Gold's issuer profile at SEDAR at www.sedar.com.

***Halilağa* (40% owner, non-operator)**

Halilağa is located 15 km southeast of the Valley and Hilltop porphyries at TV Tower. The Halilağa property is located in northwestern Turkey in a regional industrialized zone that includes large open pit coal mines, a major power plant, ceramics factories, and deep water ports. The 8,866 hectare Halilağa site has road access and electrical grid power. Labour, supply centers and industrial service providers are available in the region. The deposit is characterized by high grades at surface in copper and gold, little-to-no overburden and favourable terrain.

The Company's interest in Halilağa is held through a 40% shareholding in Truva Bakır. TMST is project operator and holds the remaining 60% of this Turkish entity.

An economic assessment (the "**Revised Halilağa PEA**") was published in January 2015 as a revision to the preliminary economic assessment published in 2012 (the "**2012 PEA**").

Within the preliminary parameters of a PEA, the Revised Halilağa PEA illustrates a robust, low strip, technically simple and scalable open-pit mine, utilizing conventional milling and flotation methods. It requires modest up-front capital, has a rapid payback, low cash costs, and generates a strong after-tax IRR, and cash flow.

Highlights of Revised Halilağa PEA *(after-tax, based on $1,200/oz gold, $2.90/lb copper)*:

- NPV7% of $474 million, 43.1% IRR and 1.3 year payback;
- Cumulative Free-Cash-Flow of $802.9 million;
- Copper cash cost of $1.08/lb (net of by-products);
- Mine plan of 25,000 tonnes per day over 13.6 years with strip ratio of 1.3:1;
- Life-of-mine ("**LOM**") payable production of 780 million pounds copper and 924 thousand ounces gold;
- Pre-production capital costs of $346 million (including a 25% contingency of $65.4 million).

Although preliminary in nature and derived from broadly factored assumptions, the conceptual project was designed to demonstrate the optimal project for the deposit in the context of today's capital market conditions. Management believes that Halilağa has the potential to be a compelling development project, demonstrating the possible economic benefits derived from:

- higher grades of copper and gold at surface;
- low capital and operating cost;
- rapid payback;
- flexible development options to allow multiple mining scenarios with varying timeframes;
- a conventional open-pit mine with standard milling & flotation to produce a clean, high-grade copper-gold concentrate and gold doré; and
- available and proximate infrastructure for mine development.

The Revised Halilağa PEA, prepared by JDS Mining & Energy Inc. ("**JDS**"), is based on an updated mineral resource estimate (the "**Updated Resource**")[9]. The Updated Resource outlines an Indicated Mineral Resource of 182.7 million tonnes, grading 0.30 g/t gold (1.762 million ounces) and 0.27% copper (1.09 billion pounds or 493.3 tonnes), and an Inferred Mineral Resource of 178.7 million tonnes, grading 0.24 g/t gold (1.379 million ounces) and 0.23% copper (906.3 million pounds), using a 0.43 g/t gold-equivalent cut-off[10]. The Updated Resource is an update of the resource estimate documented in a Technical Report, dated March 23, 2012, prepared by Garth Kirkham, P.Geo. of Kirkham Geosystems Ltd., and James Gray, P.Geo. of Advantage Geoservices Ltd. (the "2012 Resource"). The Updated Resource is based on assay data available as of July 4, 2013. The geologic model used for the Updated Resource was prepared by Teck and is conceptually the same as that used for the 2012 Resource. All mineralized material classified as Indicated (69%) and Inferred (31%) Mineral Resources was considered in the optimization and mine plan.

Variance of the Revised Halilağa PEA (2015) to the 2012 PEA:

Parameter	2012 PEA	Revised Halilağa PEA
After-tax IRR	20%	43%
After-tax $NPV_{7\%}$	$474 million	$474 million
After-tax Payback	2.7 years	1.3 years
Initial CAPEX *(including contingency)*	$888.8 million	$346.0 million
Total CAPEX *(including contingency)*	$1,168.7 million	$558.5 million

Changes from previously released PEA:

The Revised Halilağa PEA represents an update of the project's previous PEA (October 2012) which included an initial resource estimate (February 2012) and contemplated a 50,000 tonnes per day operation. The Revised Halilağa PEA contemplates a smaller, optimized 25,000 tonnes per day mine. The base case in the revised PEA and the 2012 PEA both used a $1,200/oz gold price and a $2.90/lb copper price.

Optimization enhancements incorporated to the Revised Halilağa PEA:

- an optimized mine plan: a smaller mine size and a reduced throughput tonnage resulted in increased grade over the LOM;
- the use of contract mining: eliminated capital expenditures ("CAPEX") related to owner-operator mining fleet which is partially offset by a small increase in operating expenditures ("OPEX");
- reduced pre-production CAPEX: as a result of the optimization of the mine plan and the contemplation of contract mining, pre-production CAPEX was reduced by $542.8 million to $346 million from $888.8 million. CAPEX savings were partially offset by the addition of a tailings liner for improved environmental regard.
- increased gold recoveries: added a carbon-in-leach plant to improve gold recovery; increasing overall gold recovery from 60.8% to 73.4%;
- the application of various government incentives: after reviewing various Turkish tax investment incentives, the effective corporate tax rate was reduced to 4%. Additional investment incentives such as value-added-taxes and customs duties exceptions, social security premium relief and interest relief on third-party debt are not modelled and may be available upon application.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. The Revised Halilağa PEA is preliminary in nature as it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be characterized as mineral reserves, and there is no certainty that the preliminary assessment and economics set forth in the PEA will be realized. For further details on the Revised Halilağa PEA, refer to the NI 43-101 technical report, entitled "*Revised Preliminary Economic Assessment Technical Report Halilaga Project, Turkey,*" effective December 20, 2014 and dated February 16, 2015, prepared by Gordon Doerksen, P. Eng, Dino Pilotto, P.Eng and Stacy Freudigmann, P.Eng. of JDS Energy and Mining Inc.; Greg Abrahams, P.Geo and Maritz Rykaart, P.Eng of SRK; Gary Simmons of GL Simmons Consulting LLC.; Garth Kirkham, P.Geo. of Kirkham Geosystems Ltd.; and James Gray, P.Geo. of Advantage Geoservices Ltd. A copy of the Revised Halilağa PEA is available under Pilot Gold's issuer profile on SEDAR at www.sedar.com.

[9] The Updated Resource estimate for Halilağa was completed by James N. Gray, P.Geo. of Advantage Geoservices Ltd., an Independent Qualified Person as defined by NI 43-101 in accordance with CIM Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended. The revised resource estimate is based on assays from 115 drill holes (112 core and three RC). Quality-control data generated during the various drill programs conducted at Halilağa were independently verified by JDS, as part of the project review. Geologic control for estimation of the Updated Halilağa Resource was based on an update of the 2012 model of same rock type and structural zonation on the flanks of a porphyry unit. The 2012 Resource was estimated by inverse distance interpolation; the Updated Resource was estimated by ordinary kriging. Copper, gold and molybdenum grades were estimated using 2.0 m composited drill data. The Updated Resource is tabulated within the same optimized pit shell as was generated for the 2012 Resource as the optimization assumptions are still valid. The impact of drilling since the 2012 Resource has been to increase confidence as reflected by the increase in Indicated mineral resources as a portion of the total resource estimate.

[10] AuEq calculated using $1,200/oz Au and $3.00/lb Cu and assuming 100% recovery.

From the year ended December 31, 2014, our share of expenditures jointly incurred at Halilağa was $0.59 million (year ended December 31, 2013: $0.28 million). Expenditures reflect costs associated with the ongoing strategic studies and legal costs relating to the matter described under "*Environmental Impact Assessment (Update)*", in this MD&A, ongoing community and social relations activities and certain field and desktop analyses at Halilağa. Costs associated with the completion of the Revised Halilağa PEA totalled $0.39 million and have been included as Property Investigation and Technical Studies on the Company's consolidated statement of loss and comprehensive loss, and we're sole-funded by the Company.

Environmental Impact Assessments - Halilağa and TV Tower (update)

Subsequent to the receipt of approved EIA reports from the Ministry of Environment and Urban Planning in Turkey (the "**Ministry**"), the governmental department responsible for approving such reports, the Ministry was served with legal petitions by certain claimants in Turkey to annul its approval of the EIAs issued on a designated areas. Each EIA contemplated opening a small adit for test mining purposes. The designated areas included: i) one of the licenses that comprises the overall Halilağa property; and ii) the Karaayı license, part of TV Tower.

The respective petitions filed with the local Çanakkale Administrative Court (the "**Court**") name the Ministry as the respondent and do not name any of Truva Bakır, TMST, Orta Truva, Batı Anadolu or Pilot Gold. The petitions each requested annulment of the respective EIA Reports and suspension of any activities contemplated thereunder. The plaintiffs reportedly raised a number of challenges in the region on a similar basis, several of which have been evaluated by the Court in parallel to the hearings regarding Halilağa and TV Tower.

Following judicial discovery (the "**Hearing**"), in a two-to-one decision, the Court overturned the validity of the EIA Reports, and concluded that certain additional analyses must be included in an amended EIA for each of the projects in order to allow proposed test mining activities to proceed. An EIA, the Court determined, must include analyses of the potential cumulative environmental impacts (a "**CIA**") of any contemplated disturbance at a particular project when examined along with all other activities planned for a particular region[11].

The Ministry subsequently applied to the Turkish Council of State, the highest administrative court in the Republic of Turkey, requesting that it i) hear an appeal of the findings at the Hearing, ii) overturn the Court-mandated inclusion of a CIA in an EIA, and iii) reinstate the EIAs. As of the date of this MD&A the Company awaits a response from the Council of State.

Because the determination of the Court relates only to the designated areas contemplated by the (presently annulled) EIAs, there has not been, and is no current impact or restriction on Pilot Gold to continue planned exploration activities at Halilağa and at TV Tower, outside of the areas contemplated in the respective EIAs. Pilot Gold does not believe there to be any threat to the validity of tenure, nor any legal impediment to prevent ongoing exploration activities outside of the EIA-contemplated areas. Even if successful and the annulment of the EIAs is ultimately upheld, the Company expects that it would either revise or submit new EIAs for each project in conformity with the revised requirements. We furthermore note that the revised EIA report for Halilağa would also likely contemplate the project outlined in Revised Halilağa PEA, or some other illustrative mine plan.

ACQUISITION OF CADILLAC MINING CORPORATION

On August 29, 2014, the Company completed the acquisition of Cadillac, and its 100%-owned Goldstrike-Utah past-producing gold project located in the State of Utah, pursuant to a court-approved plan of arrangement (the "**Arrangement**"). Under the Arrangement, shareholders of Cadillac received (i) 0.12195 of a Pilot Gold common share ("**Common Share**"), and (ii) 0.12195 of a warrant to purchase a Common Share ("**Warrant**") for each common share of Cadillac held; representing a total of 4,218,164 Common Shares and 4,218,164 Warrants respectively. Each Warrant entitles the holder to acquire one Common Share at an exercise price of C$2.00 with a two-year term. Existing Cadillac warrants ("**Cadillac Warrants**") and stock options ("**Cadillac Options**") assumed are exercisable for a Common Share, adjusted in respect of exercise price and number, based on the 0.12195 exchange ratio.

Through the acquisition of Cadillac we added another past-producing sediment-hosted gold project to our portfolio of exploration assets. Goldstrike-Utah features a large land position and extensive historic databases, while sharing geologic and historical similarities with Kinsley.

[11] In the case of Karaayı, a test pit and in the case of Halilağa, an adit for a small bulk sample. The EIAs at TV Tower contemplate 6.9 hectares for operations, and at Halilağa, 17 hectares, representing only a small portion of area of the overall tenure.

The transaction was accounted for as an acquisition of an asset. Accordingly the acquisition has been recorded at cost, including transaction costs of $0.56 million. Total consideration in connection with the transaction was $7.16 million, including the fair value of the Common Shares and Warrants issued under the Arrangement, transaction costs, and the fair value of the Cadillac Warrants and Cadillac Options assumed (the "**Consideration**"). The fair value of the Common Shares issued on the Acquisition Date was $5.05 million. The fair value of each Warrant issued was determined using the Black Scholes valuation model; the significant inputs into the model were share price of C$1.30, exercise price of C$2.00, volatility of 68%, determined on the Company's historical data over an expected life of 2 years, and an annual risk-free interest rate of 1.10%, resulting in a total fair value of $1.24 million. Fair value of the Cadillac Warrants and Cadillac shares assumed was determined to be $48,747.

Consideration was allocated to the assets acquired and obligations assumed based on relative fair values, with the exception of all financial assets acquired, which were recorded at fair value on the date of acquisition. The presumption in IFRS 2, *Share Based Payments*, that the fair value of the assets acquired can be reliably measured, has been rebutted and it has been determined that the fair value of the equity instruments granted in an arm's length transaction, is the measure of the fair value of the assets received:

Assets acquired and liabilities assumed:		
Cash	$	53,343
Available for sale investments		17,960
Reclamation deposit		13,740
Goldstrike mineral property		8,336,985
Net current liabilities		(1,250,123)
Accrued asset retirement obligation		(8,000)
	$	7,163,905
Consideration paid:		
Issuance of Common Shares		5,050,408
Issuance of Warrants		1,243,177
Transaction costs		562,920
Drawdown on loan to Cadillac		258,653
Common Shares made issuable upon exercise of Cadillac Options and Cadillac Warrants		48,747
	$	7,163,905

The Goldstrike-Utah project is located in southwestern Utah. The property totals 4,642 hectares, contained in 520 federal lode claims, two Utah State leases and 41 patented claims. The property reportedly produced over 200,000 ounces of gold between 1988 and 1996. The Company acquired the project and an extensive database of historic information, including assay and lithological data pertaining to over 1,500 shallow drill holes, surface geological and geochemical maps, and historic blast-hole data for 12 shallow pits. The Company is working to compile and digitize the data, and complete basic mapping and sampling. Permitting for additional activity is also planned.

SELECTED FINANCIAL INFORMATION

Management is responsible for the financial statements referred to in this MD&A, and provides officers' disclosure certifications filed with the Canadian provincial securities commissions. The Company's Board approved the Annual Financial Statements and MD&A.

The Annual Financial Statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the International Financial Reporting Interpretations Committee. Our significant accounting policies are presented in Note 3 of the Annual Financial Statements; we followed these accounting policies consistently throughout the year. Details of new accounting standards, effective the reporting period beginning January 1, 2014, and their effect on the financial information can be found in Note 5 of the Annual Financial Statements. No material changes were noted. We have elected to defer all exploration and evaluation expenditures relating to our mineral exploration property interests that qualify for deferral.

The financial data presented below for the current and comparative periods was prepared in accordance with IFRS. Because Pilot Gold Inc. raises its financing and incurs head office expenses in Canadian dollars, it has been determined to have a Canadian dollar functional currency. In order to enhance comparability with our peers and as a better representation of the principal currency used by the mining and mineral exploration industry, the presentation currency of our consolidated financial statements is USD.

The Company's operations are in one industry – the exploration for gold, copper, and other precious and base metals. At December 31, 2014, Pilot Gold has three geographic locations: Canada, the USA, and Turkey. Information discussed herein reflects the Company as a consolidated entity, consistent with our determination that the one industry in which we operate provides the most meaningful information to a user.

The selected period information and summary of financial results in this MD&A should be read in conjunction with the Annual Financial Statements.

Results of Operations

The following financial data (in $ millions, except per share data) are derived from our consolidated financial statements for the years ended December 31, 2014, 2013 and 2012 respectively:

	2014	2013	2012
Total revenues	-$nil	-$nil	-$nil
Net loss for the year and attributable to shareholders	$6.71	$9.14	$8.02
Basic and diluted loss per share and attributable to shareholders	$0.07	$0.10	$0.12

Fiscal year ended December 31, 2014 vs. fiscal year ended December 31, 2013

Losses from operations totaled $6.05 million for the year ended December 31, 2014, down 26% from $8.15 million a year earlier. The overall reduction is due in the most part to lower non-cash stock based compensation and fewer write-downs of deferred exploration expenditures in 2014. These reductions are offset by increased wages and benefits and investor relations costs, reflecting salary increases, increases to our complement of personnel and a small increase in our participation in conferences and marketing-related activities. A significant portion of our remuneration costs are capitalized to our exploration property interests based on the nature of work undertaken in that period. Wages and benefits included in our statement of loss reflect only those costs not attributable to either exploration on specific projects, or property investigation. Office and general expenditures incurred in Canada are largely incurred on a cost-recovery basis through an administration and technical services agreement (the "**Oxygen Agreement**") with Oxygen Capital Corporation ("**Oxygen**"), a related party.

The comparative difference in the overall net loss over the years ended December 31, 2014 and 2013 reflects smaller losses recorded on the fair value of financial instruments for the year ended December 31, 2014 compared to the prior year. There were no losses attributable to the non-controlling interest.

Stock-based compensation

Stock-based compensation expense for the year ended December 31, 2014, totaled $1.22 million (December 31, 2013: $2.28 million). This total does not include amounts recorded as part of property investigation expense or capitalized to mineral properties ($0.30 million collectively for the year ended December 31, 2014, and $0.14 million in the comparative period). The expense is lower in the current period as compared to 2013 due to (i) a Company-wide grant of employee stock options ("**Options**") to purchase Common Shares in January 2014 that had a lower fair value than a similar grant that was made in January 2013, and (ii) the diminishing impact of Options granted in prior periods as they become fully expensed. Generally, stock-based compensation expense should be expected to vary from period to period depending on several factors, including whether Options are granted in a period and whether Options have fully vested or are cancelled in a period. It is expected that Options will typically be granted once each year, resulting in a higher stock-based compensation expense in the particular quarter of the grant, as opposed to those other quarters of the year due to Options that vest immediately.

In determining the fair market value of stock-based compensation granted to employees and non-employees, management make significant assumptions and estimates. These estimates have an effect on the stock-based compensation expense recognized and the contributed surplus balance on our statements of financial position. Management has made estimates of the life of the Options, the expected volatility, and the expected dividend yields that could materially affect the fair market value of this type of security. The estimates were chosen after reviewing the historical life of the Options and analyzing share price history and that of a peer group to determine volatility.

Property investigation and technical studies

Property investigation related expenditures are expensed until a new project is acquired or the rights to explore the property have been established. Property investigation costs for the year ended December 31, 2014 of $0.60 million include $0.40 million in costs relating to the Revised Halilağa PEA that were incurred and expensed by the Company. In the previous year the total of $0.18 million only included property investigation expenditures.

Write-down of mineral property interest

At March 31, 2014, the Company wrote down the value of deferred exploration expenditures relating to the Arasanlı exploration property in Turkey ($0.14 million), further to a review and prioritization of the Company's portfolio of mineral property assets. In the comparative period, the Buckskin North and New Boston properties in Nevada were written-down ($1.37 million). Arasanlı had previously been classified as held-for-sale. There were no indicators of impairment on the Company's other assets in the year ended December 31, 2014.

Other income (expenses)

Other income (expenses) consisted primarily of (i) impairments and fair value losses on our available-for-sale financial assets, (ii) foreign exchange gains or losses, (iii) income (loss) pick-up from our associates, and (iv) finance income, amounting to a loss of $0.66 million for the year ended December 31, 2014 as compared to $0.99 million in 2013. The overall decrease primarily reflects losses recorded on our available-for-sale financial assets of $1.58 million for the year ended December 31, 2013, compared to losses of only $0.89 million in the current year.

Other comprehensive loss

The net balance of other comprehensive loss consists of the impact of exchange gains and losses from the exchange differences on the translation of our foreign operations with a non-USD functional currency as well as the fair value gains and losses on our unimpaired available-for-sale financial assets.

For the year ended December 31, 2014 the impact of foreign exchange were losses of $4.42 million (year ended December 31, 2013: $3.49 million). The impact from exchange differences will vary from period to period depending on the rate of exchange. In the period between January 1, 2014 and December 31, 2014, there was an 8.3% increase in the relative value of the United States dollar against the Canadian dollar, leading to large foreign exchange losses.

Fiscal year ended December 31, 2013 vs. fiscal year ended December 31, 2012

The most significant contributors to the loss for the year ended December 31, 2013, were (i) non-cash stock-based compensation expenses of $2.28 million, (ii) wages and benefits of $1.73 million, (iii) a write down of the deferred exploration expenses relating to the New Boston property of $1.28 million, (iv) a decline in the fair value of financial instruments of $1.58 million and (v) office and general expenses of $1.28 million. Expenses for the year ended December 31, 2013 were offset by finance income of $0.36 million and foreign exchange gains of $0.24 million. There were no losses attributable to the non-controlling interest.

The most significant contributors to the loss for the year ended December 31, 2012 were the cost of wages and benefits of $2.13 million, stock based compensation $1.72 million and office and general expenses of $1.34 million. Expenses for the year ended December 31, 2012 were offset by the reversal of a previous impairment of the VAT receivable in Turkey ($0.31 million).

Stock-based compensation

Stock based compensation expense, arising from the vesting of Options for the year ended December 31, 2013, totaled $2.28 million (December 31, 2012: $1.72 million). This total does not include amounts recorded as part of property investigation expense or capitalized to mineral properties ($0.14 million collectively for the year ended December 31, 2013) (December 31, 2012: $0.47 million). The expense is higher in the current year as compared to 2012 as a reflection of a Company-wide grant of Options in January 2013, whereas a similar such grant was made in June 2012. Generally, stock-based compensation expense should be expected to vary from period to period depending on several factors, including whether Options are granted in a period and whether Options have fully vested or are cancelled in a period.

In determining the fair market value of stock-based compensation granted to employees and non-employees, management make significant assumptions and estimates. These estimates have an effect on the stock-based compensation expense recognized and the contributed surplus balance on our statements of financial position. Management has made estimates of the life of the Options, the expected volatility and the expected dividend yields that could materially affect the fair market value of this type of security. The estimates were chosen after reviewing the historical life of the Options and analyzing share price history and that of a peer group to determine volatility.

Wages and benefits

In the year ended December 31, 2013, Pilot Gold recorded $1.73 million (December 31, 2012: $2.13 million) to wages and benefits expense. The balance of wages and benefits is lower than in the comparative period, despite salary increases to our employees, in part because, effective August, 1 2012, a portion of the cost of personnel providing services to the Company was allocated amongst a group of companies pursuant to the Oxygen Agreement (see also in this MD&A, "Related Party Transactions"). The expense through December 31, 2013 is consequentially also lower than the amount budgeted for wages and benefits for the year not attributable to deferred exploration ($2.16 million).

Consistent with our accounting policies relating to the capitalization of exploration expenditures, in any period a significant portion of our remuneration costs are capitalized to our exploration properties based on the nature of work undertaken. Wages and benefits included on our statement of loss reflect costs not attributable to exploration on specific projects. During the year ended December 31, 2013, we capitalized $0.48 million (December 31, 2012: $0.73 million) in wages and benefits to our property interests and $0.07 million to property investigation (December 31, 2012: $0.18 million) with $1.28 million in wages relating to the TV Tower property capitalised to the Earn-in Option and investment in associates.

Write-down of mineral property interest

During the year ended December 31, 2013, the Company wrote down the value of deferred exploration expenditures relating to the New Boston ($1.28 million), and Buckskin North ($0.09 million) properties further to a review and prioritisation of the Company's portfolio of mineral property assets. Buckskin North had been classified as an asset held for sale on our statement of financial position as at December 31, 2012. During the comparative year, five of the Company's mineral properties were written down to an aggregate of $1.52 million. There were no indicators of impairment on the Company's other assets at December 31, 2013.

Property investigation and technical studies

Property investigation costs, which include the costs of due diligence and exploration of projects under investigation for acquisition, decreased by 68% to $0.18 million in the year ended December 31, 2013 (2012: $0.56 million). Project investigation and generative exploration are a core part of our business and growth strategy and although we reduced our efforts in 2013, we remained active in identifying projects that would enhance our growth pipeline in 2013 and 2012. The completion of the TV Tower Agreement, effective June 20, 2012, and the earn-in at Kinsley provided us with the opportunity to shift our focus to our existing projects, reducing the cost attributable to property investigation.

Financial instruments

The balance of our derivative financial instruments includes 1,000,000 share purchase warrants of Rae-Wallace Mining Corporation ("RWMC") and 312,500 warrants to purchase shares of NEV, both determined to be $nil.

In the year ended December 31, 2013 the fair value of our investments in the shares of RWMC and of Global Resources Corporation Ltd. were determined to be -$nil resulting in a write down to the statement of loss. Our 17.5% interest in Gold Springs LLC was also written down to realisable value prior to being disposed of in exchange for 6,058,667 shares in High Desert Gold Corporation ("HDGC"). The shares in HDGC were subsequently exchanged for 1,668,058 shares in South American Silver Corporation ("SASC") subsequent to a plan of arrangement between HDGC and SASC. The receipt of the SASC shares led to a $0.19 million gain, recognised in our statement of loss. During the year ended December 31, 2012, the impairment of our available-for-sale financial assets consisting of 625,000 common shares of NEV, and 3,895,100 shares of RWMC were recognized in the statement of loss.

Changes to the fair value of our derivative and impaired available-for-sale financial instruments are recorded to income (loss) in each period. The value of share purchase warrants is determined using the Black-Scholes option-pricing model. In estimating the value of the warrants, we make assumptions about the volatility of underlying share prices of the shares and warrants held and the expected life of these warrants. These estimates affect the warrant value recognized and the underlying gain or loss recorded as mark-to-market adjustments. The estimates are chosen after analyzing the share price history and management's intentions about holding the investment. The fair value of our impaired available-for-sale financial instruments is determined through their quoted price on the exchanges on which they are listed. Losses recognized to date arising from impairments were recognized in the statement of loss rather than as a component of other comprehensive loss.

Other comprehensive loss

The net balance of other comprehensive loss consists of the impact of exchange gains and losses from the exchange differences on the translation of our foreign operations with a non-USD functional currency as well as the fair value gains and losses on our unimpaired available-for-sale financial assets.

For the year ended December 31, 2013 the impact of foreign exchange was a loss of $3.49 million (2012: $0.69 million gain). The impact from exchange differences will vary from period to period depending on the rate of exchange. In the period between January 1, 2013 and December 31, 2013, there was a 7.31% increase in the United States dollar against the Canadian dollar.

Financial Position

The following financial data are derived from our consolidated financial statements as at the years ended December 31, 2014, 2013 and 2012:

	December 31, 2014	December 31, 2013	December 31, 2012
Total assets	$86.85 million	$71.37 million	$72.39 million
Non-current liabilities	$0.12 million	$0.07 million	$0.04 million
Cash dividends declared	$nil	$nil	$nil

Total assets

The $15.48 million increase in total assets reflects the acquisition of Cadillac and the receipt of cash raised in the 2014 Bought-Deal. Notwithstanding periodic or one-time transactions and any changes to the value of our portfolio of investment holdings, and subject to changes in foreign exchange, total assets will generally remain constant from one period to the next, less the cost of expenditures on activities not eligible for capitalization.

As the Company earned-in to an increased interest in Orta Truva (and therefore TV Tower), 40% of Eligible Expenditures were capitalized to the value of the Company's interest in Orta Truva, and 60% of Eligible Expenditures were deferred to the "Earn-in Option" intangible asset. The bifurcation of the expenditure in each period permitted the Company to fund 100% of activity at TV Tower while maintaining our proportionate interest in Orta Truva until the earn-in had been completed.

The majority of Eligible Expenditures were incurred by our wholly-owned Turkish subsidiary in accordance with a technical services agreement. Our subsidiary invoiced Orta Truva for services performed, and we funded Orta Truva through capital advances, such that it could settle the amount due. At December 31, 2014, $1.3 million was due from Orta Truva relating to the Company's activities at TV Tower.

Summary financial information of Orta Truva and Truva Bakır and a reconciliation of the Earn-in Option to Orta Truva, as well as our investment in Truva Bakır, are provided in the Annual Financial Statements.

We have not yet completed feasibility studies to determine whether any of our exploration properties contain resources that are economically recoverable. All direct costs associated with exploration of these properties are capitalized as incurred. If a property is abandoned or continued exploration is not deemed appropriate in the foreseeable future, the related deferred expenditures are written-off.

Non-current liabilities

At each of December 31, 2014, 2013 and 2012, our non-current liabilities are comprised of (i) liabilities recorded in recognition of a legal obligation in Turkey to accrue, for lump-sum termination payments, for employees when their employment is terminated due to retirement or for reasons other than resignation or misconduct, and (ii) reclamation work to be performed on exploration properties.

Shareholders' equity

On March 12, 2014, we closed an agreement with a syndicate of underwriters (the "Underwriters"), whereby the Underwriters purchased 13,072,000 Common Shares, on a bought deal basis, at a price of C$1.53 per Common Share for gross proceeds of C$20,000,160.

As consideration in the acquisition of Cadillac, the Company issued 4,218,164 Common Shares with a fair value of $5.05 million and 4,218,164 Warrants with a fair value of $1.24 million, to the former shareholders of Cadillac.

Refer also to the discussion in this MD&A under heading, "Outstanding Share Data" and under heading "Acquisition of Cadillac Mining Corporation".

SUMMARY OF QUARTERLY RESULTS

The following information (in thousands of $, except per share amounts) is prepared in accordance with IFRS and is derived from and should be read in conjunction with our Annual Financial Statements and the consolidated financial statements for each of the past eight quarters. Consistent with the preparation and presentation in our Annual Financial Statements, these unaudited quarterly results are presented in USD. The determination of functional currency for the Company and each of its subsidiaries and associates is unchanged from that which is disclosed in the consolidated in the Annual Financial Statements.

Condensed consolidated statements of loss and comprehensive income (loss)

	Dec 31 2014	Sep 30 2014	June 30 2014	Mar 31 2014	Dec 31 2013	Sep 30 2013	Jun 30 2013	Mar 31 2013
Loss for the period before discontinued operations after tax	(1,977)	(1,321)	(1,263)	(2,152)	(1,572)	(1,215)	(3,845)	(2,510)
Other comprehensive income and attributable to the shareholders								
Exchange differences on translating foreign operations	(1,823)	(2,829)	2,108	(1,880)	(1,655)	650	(1,756)	(1,084)
Net value gain (loss) on financial assets	(18)	51	124	440	117	(151)	132	14
Loss per share from continuing operations and attributable to the shareholders								
Basic and diluted	(0.02)	(0.01)	(0.01)	(0.02)	(0.02)	(0.01)	(0.04)	(0.03)

The most significant contributors to the loss for the quarter ended December 31, 2014 are wages and benefits of $0.64 million, property investigation of $0.31 million, office and general costs of $0.30 million, and non-cash stock based compensation costs of $0.29 million. The greater loss for the three months ended December 31, 2014 over the previous quarter is driven by additional wages and benefits costs relating to the accrual of the 2014 bonus, as well as costs incurred for the Revised Halilağa PEA not capitalized to the project itself or accounted for by Truva Bakır.

The loss for the three months ended September 30, 2014 was overall higher than the prior quarter due in the most part to a decrease in the fair value of our available-for-sale financial instruments of $0.38 million. These losses were offset by lower wages and benefits, and office and general expenditures, in aggregate $0.57 million, in the quarter ended September 30, 2014 as compared to $0.60 million in the preceding quarter.

The most significant contributors to the loss for the quarter ended June 30, 2014 were wages and benefits and office and general expenses, collectively $0.91 million as well as non-cash stock-based compensation of $0.22 million. The overall loss this quarter is lower than the previous quarter due to a number of factors; our non-allocated wages expenditures are lower by $0.10 million this period than in the previous quarter due to greater continuing work qualifying for capitalisation. Stock-based compensation is also lower than the previous quarter by $0.23 million due to a grant of Options in the previous quarter that included Options that vested immediately. Additionally, fair value losses related to our available-for-sale financial instruments were also significantly higher (by $0.27 million) in the quarter ended March 31, 2014 than at June 30, 2014.

The most significant contributors to the loss for the quarter ended March 31, 2014 were salaries and office and general expenses and non-cash stock-based compensation expenditures, collectively $1.30 million. The quarter ended March 31, 2014 has higher losses compared to the previous quarter due mostly to a $0.14 million write-down of Arasanlı and fair value losses relating to our impaired available-for-sale financial instruments ($0.28 million), offset by lower wages and salary costs ($0.17 million less than in the previous period) arising from somewhat lower activity at our projects during the first quarter of 2014 as compared to that of the fourth quarter of 2013. Cash outflows from operations for the period were relatively comparable to those of preceding quarters. Exchange differences on translating foreign operations are reflective of the difference between historical rates used to translate the equity accounts on the balance sheets of the non-US dollar functional currency entities, and the period end rates used to translate the assets and liabilities.

The loss for the quarter ended December 31, 2013, consists mostly of cash outflows related to salaries and office and general expenses and non-cash stock-based compensation expenditures, collectively $1.03 million. Salaries for the quarter are higher than in previous periods reflecting the accrual of the 2013 bonus to employees (paid in 2014). Other cash outflows include investor relations expenditures, property investigation and professional fees totalling $0.19 million. Additionally there was $0.27 million in foreign exchange gains recorded in the period arising from the change in the USD versus the C$. Net cash outflow for operating activities is $0.51 million for the quarter. There were no losses attributable to the non-controlling interest. The increase in net value gain on financial assets compared to the previous quarter is due to the gain on receipt of shares of TriMetals Mining Inc.

The loss for the quarter ended September 30, 2013, includes cash flows relating to operating expenditures of $0.69 million, consisting mostly of salaries and office and general expenses. The loss includes non-cash stock-based compensation expenditures of $0.35 million which was lower than in previous periods due to the vesting of certain Options granted in the previous year. Consistent with previous quarters, net cash outflows were primarily directed to the exploration and development of the Company's exploration properties, and in funding paid to our associates. Other comprehensive income includes the fair value losses on our available-for-sale financial assets.

In the quarter ended June 30, 2013, loss from operations included a $1.28 million write-down of deferred expenditures at the New Boston property. A $1.12 million loss was also recognized on impaired available-for-sale financial instruments, offset by interest income of $0.12 million. The net fair value gain on financial assets includes the reclassification of fair value losses to date of our investment in certain securities, to the statement of loss.

In the quarter ended March 31, 2013, loss from operations was $2.47 million with a further $0.39 million in losses recognized on our derivative and impaired available-for-sale financial instruments. These losses were offset by $0.12 million in interest income and $0.11 million in foreign exchange gains.

FOURTH QUARTER

Consistent with previous quarters, net cash outflows were primarily directed to the exploration and development of the Company's exploration properties, and in funding paid to our associates. Of primary focus through the fourth quarter, was the exploration program at TV Tower, and at Kinsley.

In the quarter ended December 31, 2014, our loss from continuing operations of $1.98 million includes $1.76 million in operating losses; the total loss is offset by $0.06 million in finance income and foreign exchange gains of $0.02 million.

LIQUIDITY AND CAPITAL RESOURCES

We have no revenue-producing operations, and earn only minimal income through investment income on treasury, management fees from joint venture projects at which we are the operator, the proceeds from property option agreements, or as a result of the disposal of an exploration asset.

As at the date of this MD&A the Company has approximately $14.12 million available in cash and short-term investments. With no debt, the Company's working capital balance as at the date of this MD&A is approximately $15.19 million.

The receipt of proceeds from the 2014 Bought-Deal positions the Company to advance our material properties without the need to raise additional capital in the next year. On an ongoing basis, management evaluates and adjusts its planned level of activities, including planned exploration, development, permitting activities, and committed administrative costs, to ensure that adequate levels of working capital are maintained. We believe that this approach, given the relative size of Pilot Gold, is reasonable. There are no known restrictions on the ability of our subsidiaries to transfer or return funds to the parent company in Canada.

Our global budget, including exploration and administration for 2015, is $10.9 million. We currently anticipate spending approximately $4.5 million at TV Tower, $2.0 million at Kinsley, $0.3 million at Halilağa, and $0.3 million on other exploration property interests including $0.3 million at the recently acquired Goldstrike-Utah project. Budgeted general and administrative costs of $3.7 million include salaries, professional fees and those costs associated with running the Company's offices in Vancouver, Nevada and Turkey as well as for investment in capital equipment and review of new opportunities. Management believes that the available funds are sufficient for current operations and will enable Pilot Gold to execute its planned exploration and development program on its material properties for at least one year, assuming no other factors change.

A summary of the planned use of proceeds detailed in the Company's short form prospectus dated March 26, 2014, predicated on the base financing amount in the 2014 Bought-Deal, and with reference to the balance of cash and short term investments at the time, is as follows:

Activity or Nature of Expenditure (through the end of 2015)	**Approximate Use of Net Proceeds (C$)**
Exploration & Development of Kinsley	7.79 million
Exploration & Development of TV Tower	5.47 million
Exploration & Development on portfolio of other mineral property interests	2.60 million
Working Capital	2.72 million
Total	**18.58 million**

Although our budget for 2015, as described in this MD&A, remains generally in line with the forecast above, exploration successes at Kinsley and TV Tower in 2014 resulted in an acceleration of activity and expenditure at each of those properties. Cash expenditures at Kinsley for the year ended December 31, 2014 total $5.17 million, and at TV Tower for the same period expenditures total $4.60 million. The Company's intentions to undertake more detailed analyses of the illustrative economics of Halilağa in a revised PEA was not previously contemplated, nor were the costs associated with the proposed acquisition of Cadillac. Treasury designated for Working Capital and the portfolio properties will be reallocated to satisfy these incremental planned expenditures.

The generally adverse market conditions for other companies in our sector have not significantly affected our ability to fund and operate our projects, even though we have no revenue-producing operations. Our relative capital strength and the current environment may allow us to respond more quickly to opportunities that may be presented.

The properties in which we currently have an interest are in the exploration and development stage. Accordingly, we are dependent on external financing, including the proceeds of future equity issuances or debt financing, to fund our activities. Circumstances that could impair our ability to raise additional funds, or our ability to undertake transactions, are discussed in our AIF under the heading "*Risk Factors.*" There is no assurance that we will be able to raise the necessary funds through capital raisings in the future.

We have not issued any dividends and management does not expect this will change in the near future.

Investments

At the effective date of this MD&A, the market value of our portfolio of investment holdings is approximately $0.42 million, and includes (i) 625,000 NEV Shares valued at $0.17 million, and (ii) securities in other exploration companies with a total value of $0.25 million as at the date of this MD&A.

Contractual obligations

Mineral Properties and Capital Expenditures

We have obligations in connection with certain of our mineral property interests that require either:

i) cash payments to be made to the government or underlying land or mineral interest owners; or

ii) minimum expenditure requirements in order to maintain our rights to such mineral interests.

Although most of our property obligations are not firm commitments (with such obligations being eliminated should we choose to no longer invest funds exploring the property), we have certain notable obligations relating to TV Tower, Kinsley, Drum, Antelope and Gold Bug:

Kinsley and TV Tower: Pursuant to the respective operating agreements and the elections by members to participate in funding the 2015 Program and Budget for each project, the Company must incur its pro rata share of the budget of: Kinsley $2.01 million, and TV Tower $4.56 million.

Drum: Effective January 1, 2013, the Company signed a mining lease for the Drum property, an early stage, sediment hosted target in western Utah. In addition to the advance royalty payments ("ARPs") described in this MD&A under "*Advance Royalty Payments,*" Pilot Gold is required to make certain annual exploration expenditures (2015: $0.3 million, 2016: $0.5 million, and 2017+: $0.75 million), in order to maintain the lease agreement in good standing. The Company has incurred $0.22 million at the date of this MD&A.

Pilot Gold had no other commitments for material capital expenditures as of December 31, 2014.

Advance Royalty Payments

In accordance with the underlying lease agreements at Kinsley and at our Drum and Antelope projects, we will be required to make ARPs to the respective underlying property holders as follows:

Total future ARPs, as at December 31, 2014 are as follows.

Year	Kinsley‡	Drum	Antelope
2015	$ 50,000	$ 45,000	$ 40,000
2016	50,000	60,000	50,000
2017	75,000	75,000	60,000
2018	100,000	100,000	60,000
2019	150,000	100,000	60,000
2020 and beyond	200,000	100,000	60,000

‡ Payable to Nevada Sunrise, LLC ("NSL"), a private Nevada-based company, unrelated to Intor

The aggregate advance ARPs on each respective property will subsequently be credited against future NSR payments payable from production at the respective property. Although the annual payments are commitments to the Company, as long as we continue to hold these properties, it is not currently possible to make a reliable estimate of the obligation such that a provision can be made. Pursuant to the underlying lease agreements the Company has the right to terminate the lease by giving thirty days advance notice and returning the Company's interest in the property to underlying property holder.

Leases

The Company has entered into operating leases for premises in the United States and Turkey. The lease terms are between two and four years; each lease is renewable at the end of the lease period at market rate. Office premises and other operating leases in Canada are paid to Oxygen, pursuant to the Oxygen Agreement. Upon termination of the Oxygen Agreement, the Company is required to indemnify Oxygen for costs associated with those agreements or obligations that had been executed or incurred by Oxygen in connection with, or related to the services provided to the Company by Oxygen. These amounts, as pertaining to non-cancellable leases, are included in the table below. The aggregate lease expenditure related to Pilot Gold's office premises charged to the statement of loss for the year ended December 31, 2014 is $0.28 million.

Total future minimum lease payments, under non-cancellable operating leases as at December 31, 2014 are:

Year	
2015	$ 0.16 million
2016	0.14 million
2017	0.14 million
2018	0.11 million
2019+	0.76 million
	$ 1.31 million

The Company is also responsible for its share of property taxes and operating costs on office premises leases in Canada, Turkey, and the United States.

Pilot Gold had no other commitments for material capital expenditures as at December 31, 2014.

RELATED PARTY TRANSACTIONS

Administration and Technical Services Agreement - Oxygen Capital Corporation

In 2013 the Company entered into an administration and technical services agreement with Oxygen, a private company owned by three directors and an officer of the Company. Pursuant to the Oxygen Agreement, and without limiting or abrogating the duties of Pilot Gold's President and Chief Executive Officer or its Chief Financial Officer and Corporate Secretary, Oxygen provides the Company on a no-fee (cost-recovery) basis:

- technical and administrative services, staff and expertise on an as-needed basis that would not necessarily otherwise be available to Pilot Gold at this stage of the Company's development, and
- access to and the use of the assets including IT infrastructure contained in head office space leased by Oxygen.

Pilot Gold shares a head office with other private and public companies all of whom have a similar arrangement with Oxygen. Oxygen allocates the costs of personnel (plus applicable benefits), assets and infrastructure to the various companies based upon the estimated time spent by personnel on Company activities. Oxygen does not charge a fee to the Company, allocating all expenses at cost. Oxygen exists to consolidate employees and office infrastructure in one entity so that expenses may be more efficiently allocated.

Employees of Oxygen providing services to the Company do so pursuant to a secondment agreement, and take direction from the President & Chief Executive Officer and Chief Financial Officer of the Company. Oxygen has no management role in Pilot Gold.

Transactions with Oxygen during the year ended December 31, 2014 total $0.81 million are reflected in the Annual Financial Statements. As at December 31, 2014, the Company held a payable to Oxygen of $0.06 million. Amounts payable were settled subsequent to December 31, 2014. The Company also has a deposit of $0.27 million with Oxygen to be used against the final three months of service with that company upon termination of the Oxygen Agreement.

Compensation of key management personnel

Key management includes members of the Board, the President and CEO, the VP Exploration (and United States country manager), the Chief Financial Officer & Corporate Secretary, and the Turkish country manager. The aggregate compensation paid, or payable to key management for employee services is:

	Year ended December 31,	
	2014	2013
Salaries and other short-term employee benefits	$ 1.05 million	$ 1.19 million
Share-based payments	0.85 million	1.34 million
Total	**$1.90 million**	**$2.53 million**

Associates

The Company's associates are also related parties. Cash paid to each in the comparative periods is shown below:

	Year ended December 31, 2014	2013
Truva Bakır	$0.22 million	$1.19 million
Orta Truva	$1.61 million	$1.34 million
Total	**$1.83 million**	**$2.53 million**

As at December 31, 2014, we had outstanding receivables due from Orta Truva of $1.30 million of which $0.20 million relates to costs not yet cash called from Orta Truva to its shareholders, and of which $0.52 was attributable to the Earn-in Option and $0.78 million to Investment in Associates. The majority of amounts due at December 31, 2014 from our Associates had been collected as of the date of this MD&A.

OFF BALANCE SHEET ARRANGEMENTS AND INDEMNIFICATIONS

The Company has no off-balance sheet arrangements.

Indemnifications

Newmont Mining Corporation

As described in our AIF, Pilot Gold ceased to be a wholly owned subsidiary of Fronteer on April 6, 2011, pursuant to an arrangement agreement ("**Newmont Arrangement**") between Newmont Mining Corporation ("**Newmont**"), Fronteer and Pilot Gold, whereby Newmont acquired all the outstanding common shares of Fronteer by way of a plan of arrangement (the "Fronteer Arrangement"). The effective date of the Fronteer Arrangement was determined to be March 30, 2011. The Fronteer Arrangement provides that Pilot Gold is required to indemnify Newmont and Fronteer and Fronteer's subsidiaries from all losses suffered or incurred by Newmont, Fronteer or Fronteer's subsidiaries 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 Newmont Arrangement) for a period of six years following the effective date of that Arrangement.

TMST

The TV Tower Agreement also provides for certain indemnifications between TMST and Pilot Gold. Such indemnifications relate to actions of Pilot Gold, as the operator of TV Tower during and after the period of earn-in, as well as to indemnifications between each of the shareholders of Orta Truva and between Orta Truva and the respective shareholders.

Oxygen Capital Corporation

Upon termination of the Oxygen Agreement, Pilot Gold is required to indemnify Oxygen for costs associated with those agreements or obligations which had been executed or incurred by Oxygen in connection with or related to the services provided to the Company by Oxygen. The associated commitment, relating to the discharge of non-cancellable leases, is included in the summary of contractual obligations in this MD&A.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates, and assumptions that affect the reported amounts of assets, liabilities, and expenses. Factors that could affect these estimates are discussed in our AIF, under the heading, "*Risk Factors*". Subject to the impact of such risks, the carrying value of Pilot Gold's financial assets and liabilities approximates their estimated fair value.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

i) Functional currency

The functional currency for the parent entity, each of its subsidiaries and joint ventures, is the currency of the primary economic environment in which the entity operates. The parent entity and its holding company subsidiaries in the Cayman Islands have a Canadian dollar functional currency while the remaining subsidiaries have a US dollar functional currency. Determination of functional currency may involve certain judgements to determine the primary economic environment and the parent entity reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

ii) Review of asset carrying values and impairment assessment

In accordance with the Company's accounting policy, each asset is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at the higher of value in use and fair value less costs to sell. The most significant assets assessed for impairment include the value of the Company's investment interests in associates, the carrying value of its exploration property interests and deferred exploration expenditures and the carrying value of the earn-in option intangible asset.

iii) Exploration and evaluation expenditure

The application of the Company's accounting policy for exploration expenditures requires judgement to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

Recoverability of the carrying amount of Pilot Gold's exploration property interests is dependent on successful development and commercial exploitation or, alternatively, sale of the respective assets. Changes in any of the assumptions used to determine impairment testing could materially affect the result of this analysis.

Resource exploration is a speculative business and involves a high degree of risk. There is no certainty that the expenditures made by the Company in the exploration of its property interests will result in discoveries of commercial quantities of minerals. Exploration for mineral deposits involves risks which even a combination of professional evaluation and management experience may not eliminate. Significant expenditures are required to locate and estimate ore reserves, and further the development of a property. Capital expenditures to bring a property to a commercial production stage are also significant. There is no assurance the Company has, or will have, commercially viable ore bodies. There is no assurance that the Company will be able to arrange sufficient financing to bring ore bodies into production.

During the year ended December 31, 2014, the Company wrote down the value of deferred exploration expenditures relating to the Arasanlı exploration property in Turkey, further to a review and prioritization of the Company's portfolio of mineral property assets. Arasanlı had previously been classified as held-for-sale. There were no indicators of impairment on the Company's other assets.

iv) Investment in associates

Recoverability of the carrying amount of Pilot Gold's interest in its associate in Turkey is dependent on successful development and commercial exploitation, or alternatively, sale of the respective assets. Changes in any of the assumptions used to determine impairment testing could materially affect the result of this analysis.

v) Deferred tax assets and liabilities

The determination of the Company's tax expense for the period and deferred tax liabilities involves significant estimation and judgment by management. In determining these amounts, management interprets tax legislation in a variety of jurisdictions and makes estimates of the expected timing of the reversal of deferred tax assets and liabilities. The Company is subject to assessments by various taxation authorities, which may interpret legislation differently. These differences may affect the final amount or the timing of the payment of taxes.

Estimates and assumptions

The key assumption concerning the estimation uncertainty that is inherent in forecasting future events at a particular reporting date that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is described below. The Company bases its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Exploration and evaluation expenditure

In addition to applying judgement to determine whether future economic benefits are likely to arise from the Company's exploration and evaluation assets, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company has to apply a number of estimates and assumptions. The publication of a NI 43-101 compliant mineral resource is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e. measured, indicated or inferred). The estimates directly impact when the Company defers exploration and evaluation expenditure. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditures is unlikely, the relevant capitalised amount is written-off in the statement of profit or loss and other comprehensive income in the period when the new information becomes available.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Financial assets and liabilities are recognized when Pilot Gold becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and Pilot Gold has transferred substantially all risks and rewards of ownership.

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, we classify financial instruments in the following categories depending on the purpose for which the instruments were acquired:

(i) Financial assets and liabilities at fair value through profit or loss: A financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short-term. Derivatives are also included in this category unless they are designated as hedges.

Financial instruments in this category are recognized initially and subsequently at fair value. Transaction costs are expensed in the statement of loss. Gains and losses arising from changes in fair value are presented in the statement of loss within other gains and losses in the period in which they arise. Financial assets and liabilities at fair value through profit or loss are classified as current except for the portion expected to be realized or paid beyond 12 months of the balance sheet date, which is classified as non-current.

(ii) Available-for-sale investments: Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any of the other categories. Pilot Gold has classified certain of its long-term investments in this category.

Available-for-sale investments are recognized initially at fair value plus transaction costs and are subsequently carried at fair value. Gains or losses arising from changes in fair value are recognized in other comprehensive income (loss). Available-for-sale investments are classified as non-current, unless the investment matures within 12 months, or management expects to dispose of them within 12 months.

Interest on available-for-sale investments, calculated using the effective interest method, is recognized in the statement of loss as part of interest income. Dividends on available-for-sale equity instruments are recognized in the statement of loss as part of other gains and losses when Pilot Gold's right to receive payment is established. When an available-for-sale investment is sold or impaired, the accumulated gains or losses are moved from accumulated other comprehensive income (loss) to the statement of loss and included in other gains and losses.

(iii) Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Pilot Gold's loans and receivables are comprised of 'Receivables', 'Deposits' and 'Cash', and are included in current assets due to their short-term nature. Loans and receivables are initially recognized at the amount expected to be received less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortized cost using the effective interest method less a provision for impairment.

(iv) Held to maturity: Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. They are measured at amortized cost less any allowance for impairment. Amortization of premiums or discounts and losses due to impairment are included in current period income (loss). Pilot Gold's short term investments are in this category.

(v) Financial liabilities at amortized cost: Financial liabilities at amortized cost include trade payables and accrued liabilities. Trade payables and accrued liabilities are initially recognized at the amount required to be paid less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortized cost using the effective interest method. Financial liabilities are classified as current liabilities if payment is due within 12 months. Otherwise, they are presented as non-current liabilities.

Risks Associated With Financial Instruments

We are exposed in varying degrees to a variety of financial instrument related risks. The Board provides oversight of our risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. We manage our capital in order to meet short term business requirements, after taking into account cash flows from operations, expected capital expenditures and our holdings of cash and cash equivalents. We may from time to time have to issue additional Common Shares to ensure there is sufficient capital to meet our long-term objectives. Our financial liabilities of trade payables and accrued liabilities are payable within a 90-day period and are expected to be funded from the available balance of cash and short term investments.

Market Risk

The significant market risk to which we are exposed is foreign exchange risk. The results of our operations are exposed to currency fluctuations. To date, we have raised funds entirely in Canadian dollars. The majority of our mineral property expenditures, including cash calls from our 60% partner on Halilağa and those on TV Tower during the period of the earn-in, are incurred in USD. The fluctuation of the Canadian dollar in relation to the USD and the Turkish lira will have an impact on Pilot Gold's financial results.

Further, although only a portion of our expenditures, general and administrative costs are primarily incurred in Canadian dollars, we record our assets located in Canada in Canadian dollars. As the operating results and financial position of Pilot Gold are reported in USD in our financial statements, there may also be an impact to the value of Pilot Gold's assets, liabilities, and shareholders' equity as a result of the fluctuation of the Canadian dollars in relation to the USD.

A 1% increase or decrease in the exchange rate of the USD relative to the Canadian dollar would result in a $0.16 million increase or decrease respectively in the Company's cash and short-term investment balance. Although our exposure relating to operating activity in Turkey from fluctuations of the Turkish lira remains minimal given the nature, type, and currency (USD) of expenditure, recent volatility in that currency relative to the USD has increased the potential for an impact on the Company's cash and short-term investment balance. A significant strengthening in the value of the Turkish lira compared to the USD could adversely impact the economics associated with Halilağa.

We have not entered into any derivative contracts to manage foreign exchange risk at this time.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Pilot Gold's credit risk is primarily attributable to its liquid financial assets. We limit exposure to credit risk and liquid financial assets through maintaining our cash and cash equivalents with Canadian Chartered or other national banks, our reclamation deposits with A+ or higher rated United States financial institutions or the United States Bureau of Land Management (the BLM).

Interest Rate Risk

We are subject to interest rate risk with respect to our investments in cash and cash equivalents. Our current policy is to invest cash at floating rates of interest and cash reserves are to be maintained in cash and cash equivalents in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when cash and cash equivalents mature impact interest income earned.

CHANGES IN ACCOUNTING POLICES AND NEW ACCOUNTING PRONOUNCEMENTS

For information on the Company's accounting policies and new accounting pronouncements, please refer to our disclosure in our Annual Financial Statements at Note 3.

LEGAL MATTERS

Pilot Gold is not currently, and has not at any time during our most recently completed financial year, been a party to, nor has any of its property interests been the subject of, any material legal proceedings or regulatory actions.

SUBSEQUENT EVENTS NOT OTHERWISE DESCRIBED HEREIN

With the exception of transactions and activities described in this MD&A, there were no subsequent events.

INDUSTRY AND ECONOMIC FACTORS THAT MAY AFFECT OUR BUSINESS

Economic and industry risk factors that may affect our business, in particular those that could affect our liquidity and capital resources, are substantially unchanged from those described under the heading "*Risk Factors*" in our AIF, available on Pilot Gold's SEDAR profile at www.sedar.com. In particular, there remain significant uncertainties in capital markets impacting the availability of equity financing for the purposes of mineral exploration and development. There are also significant uncertainties and increased volitility in the prices of gold, copper, other precious and base metals and other minerals and increasing volatility in the foreign currency exchange markets as assets continue to be repriced against a backdrop of uncertainty relating to the foreign exchange rate. Volitility is incrased as well with lack of certainty as to whether the

United States Federal Reserves Qualitative Easing programs will continue to be tapered, the impact of the ongoing budget issues in the United States, and the general rebalancing of the global growth forecast.

While the decrease in the price of gold during 2014 and ongoing uncertainties in capital markets do not have a direct impact on the Company's ability to carry out exploration, the Company may be impacted should it become more difficult to gain access to capital (e.g. debt or equity financing for the purposes of mineral exploration and development) when and if needed. Difficulty in accessing capital on favourable terms may limit the Company's ability to develop and/or further explore the mineral properties in which we have an interest and may limit our ability to meet capital calls with respect to our associates. Further, the recent strengthening of the USD (the currency in which the Company incurs the majority of its operating costs) against the Canadian dollar (the currency in which Pilot Gold has historically raised capital) will impact the rate at which the Company's treasury is consumed.

The specific risks noted in our AIF dated March 24, 2015, and others in particular relating to permitting for operations, may limit the Company's ability to develop and/or further explore its mineral property interests and may limit the ability of the Company to satisfy earn-in expenditure requirements on our material projects.

PROPOSED TRANSACTIONS

As is typical of the mineral exploration and development industry, we are continually reviewing potential merger, acquisition, investment, and joint venture transactions and opportunities that could enhance shareholder value. We are also continually reviewing and discussing opportunities with third parties regarding the sale of non-strategic properties in our portfolio. There is no guarantee that any contemplated transaction will be concluded.

With the exception of an ongoing review of opportunities to expand our property portfolio in the United States, and our continuing discussions with Teck as to maximizing the value of Halilağa, there are no proposed asset or business acquisitions or dispositions before the Board for consideration, other than those discussed in this MD&A and those in the ordinary course. While we remain focused on our plans to continue exploration and development on our material properties, should we enter into agreements in the future on new properties, we may be required to make cash payments and complete work expenditure commitments under those agreements.

OUTSTANDING SHARE DATA

There are 107,235,497 Common Shares and 7,218,164 Warrants issued and outstanding as at December 31, 2014 and 107,284,277 Common Shares and an unchanged number of Warrants issued and outstanding as at the date of this MD&A.

As at December 31, 2014 there were 8,939,877 Options outstanding issued to directors, officers, employees, and key consultants. This balance includes the 54,877 Options issued pursuant to the Arrangement to former option holders of Cadillac. A further 957,000 Options were granted on February 3, 2015. Of the total number of Options granted, 5,753,210 are exercisable as at December 31, 2014 and 6,751,097 as at the date of this MD&A. 53,780 have been exercised as of the date of this MD&A.

The Company' Deferred Share Unit plan ("**DSU**") and Restricted Unit ("**RSU**") plan were approved by the Company's shareholders at the Company's Annual and Special Meeting on May 12, 2014. On February 3 2015, 315,000 units were issued pursuant to the DSU plan and 406,910 units were issued pursuant to the RSU plan.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for the design of Pilot Gold's internal controls over financial reporting ("ICFR") as required by National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109").* ICFR is intended to provide reasonable assurance regarding the preparation and presentation of material financial information for external purposes in accordance with applicable generally accepted accounting principles. Internal control systems, no matter how well designed, have inherent limitations.

Based on a review of its internal control procedures at the end of the period covered by this MD&A, management has determined that the Company's internal controls over financial reporting have been effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. There were no changes in Pilot Gold's internal controls over financial reporting that occurred during the year ended December 31, 2014 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness in future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Disclosure Controls and Procedures

Disclosure controls and processes have been designed to ensure that information required to be disclosed by Pilot Gold is compiled and reported to management as appropriate to allow timely decisions regarding required disclosure. Pilot Gold's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation as of December 31, 2014, that the disclosure controls and procedures are effective in providing reasonable assurance that material information related to Pilot Gold is made known to them by employees and third-party consultants working for Pilot Gold and its subsidiaries. There have been no significant changes in our disclosure controls and procedures during the year ended December 31, 2014.

While Pilot Gold's Chief Executive Officer and Chief Financial Officer believe that our disclosure controls and processes will provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and processes will prevent all errors and frauds. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

ADDITIONAL INFORMATION

For further information regarding Pilot Gold, refer to Pilot Gold's AIF and other continuous disclosure filings with the Canadian securities regulatory authorities available under Pilot Gold's company profile on SEDAR at www.sedar.com

APPROVAL

The Board has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it of us, and will be posted to our website at www.pilotgold.com.

(signed) "Matthew Lennox-King"
Matthew Lennox-King

President and Chief Executive Officer
March 24, 2015

(signed) "John Wenger"
John Wenger

Chief Financial Officer and Corporate Secretary

SCIENTIFIC AND TECHNICAL DISCLOSURE

With the exception of Halilağa and TV Tower, the Company's material exploration projects and those in which we have an interest are early stage and do not contain any mineral resource estimates as defined by NI 43-101. The potential quantities and grades disclosed herein relating to targets at Kinsley are conceptual in nature and there has been insufficient exploration to define a mineral resource for the targets disclosed in this MD&A. It is uncertain if further exploration will result in these targets being delineated as a mineral resource.

The existence of similar features at TV Tower's porphyry targets as those at the Halilağa deposit do not mean that another mineral resource will be found to exist at TV Tower or, if found to exist, that it will be of similar grade or quantity that is found at Halilağa.

Unless otherwise indicated, Pilot Gold has prepared the technical information in this MD&A ("**Technical Information**") based on information contained in the following technical reports:

- "Updated Technical Report on the Kinsley Project, Elko and White Pine Counties, Nevada, U.S.A.", effective March 1, 2015, and dated March 19, 2015;
- "Independent Technical Report for the TV Tower Exploration Property, Çanakkale, Western Turkey", effective January 21, 2014, and dated February 20, 2014;
- "Revised Preliminary Economic Assessment Technical Report for the Halilağa Project, Turkey", effective December 20, 2015 and dated February 16, 2015;

and news releases (collectively the "**Disclosure Documents**") available under Pilot Gold's company profile on SEDAR at www.sedar.com. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents.

Our Disclosure Documents were prepared by or under the supervision of an independent Qualified Person ("**QP**") as that term is defined by NI 43-101. Readers are encouraged to review the full text of the Disclosure Documents qualifying the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability.

Mineral resource estimates relating to Halilağa and TV Tower are only estimates and no assurance can be given that any particular level of recovery of minerals will be realized or that an identified resource will ever qualify as a commercially mineable or viable deposit which can be legally and economically exploited. In addition, the grade of mineralization ultimately mined at Halilağa and TV Tower may differ from that which is indicated by drilling results, and the difference may be material. Furthermore, readers are cautioned that the Revised Halilağa PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the Revised Halilağa PEA will be realized. Further studies, including engineering and economics, are required (typically as a Pre-Feasibility Study) with regards to infrastructure and operational methodologies. Moreover, the illustrative mine plan and economic model detailed in the Revised Halilağa PEA include the use of a significant portion of Inferred Resources, which are considered to be too speculative geologically to be used in an economic analysis, except as permitted by NI 43-101 for use in PEAs. Additional disclosure and cautionary notes relating to the Revised Halilağa PEA are summarized in the AIF.

Moira Smith, Ph.D., P.Geo, Pilot Gold Chief Geologist, is the Company's designated QP for the purposes of NI 43-101, and has reviewed and validated that the scientific or technical information contained in this MD&A is consistent with that provided by the QPs responsible for the NI 43-101 Technical Reports for the respective projects, and has verified the technical data disclosed in this document relating to those projects in which the Company holds an interest. Dr. Smith has consented to the inclusion of the Technical Information in the form and context in which it appears in this MD&A.

As to Halilağa and for TV Tower through to the effective date of the TV Tower Agreement, all drill samples and analytical data were collected under the supervision of TMST, using industry standard QA-QC protocols. Dr. Smith is responsible for compiling the technical information contained in this MD&A but she has not verified all the assay data generated by TMST as project operator at Halilağa, or as previous operator at TV Tower, and has not necessarily had access to individual assay certificates. However, the grades and widths reported here agree with the Company's past results on the projects and TMST has given her no reason to doubt their authenticity. Dr. Smith also visits Halilağa and TV Tower regularly during the active drilling season and during those visits is given complete freedom to review drill core and technical data on site, and to discuss the ongoing program and results at Halilağa with TMST staff. She is satisfied that TMST is meeting industry standards for all levels of exploration work being carried out at Halilağa.

Cautionary Notes Regarding Forward-Looking Statements

This MD&A, contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, including statements or information concerning, future financial or operating performance of Pilot Gold and its business, operations, properties and condition; the potential quantity and/or grade of minerals, the potential size of a mineralized zone or potential expansion of mineralization, proposed exploration and development of Pilot Gold's exploration property interests and the Corporation's anticipated expenditures.

Forward-looking statements and forward-looking information is often, but not always, 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 not guarantees of future performance and are based upon a number of estimates and assumptions of management at the date the statements are made including among other things, assumptions about future prices of gold, copper, silver, and other metal prices, changes in the worldwide price of other commodities such as coal, fuel and electricity fluctuations in resource prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, accuracy of any mineral resources; the timing and amount of estimated future production, illustrative costs of production and mine life of the various mineral projects of Pilot Gold, the interpretation and actual results of historical production at certain of our exploration properties, as well as specific historic data associated with and drill results from those properties, and the reliance on technical information provided by our joint venture partners or other third-parties; the timing and amount of estimated capital, operating and exploration expenditures, costs and timing of the development of new deposits and of future exploration, acquisition and development activities, estimated exploration budgets and timing of expenditures and community relations activities; Pilot Gold's ability to fully fund cash-calls made by its joint venture partner for ongoing expenditure at Halilağa; satisfaction of expenditure obligations under earn-in agreements to which the Company is a party, government regulation of mining operations, environmental risks and reclamation expenses, title disputes, the ability to maintain or convert the underlying licences for Halilağa and TV Tower in accordance with the requirements of applicable mining laws in Turkey; government regulation of exploration and mining operations; the timing and possible outcome of regulatory and permitting matters; an inability to finalize the conveyance of the Karaayı license; successful resolution of the challenges to the EIAs described in this MD&A, the impact of archaeological, cultural or environmental studies within the property areas, anticipated costs and expenditures and our ability to achieve our goals. While we consider these assumptions to be reasonable, the assumptions 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.

Statements relating to mineral reserves and resources are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral reserves and resources described exist in the quantities predicted or estimated and may be profitably produced in the future. Estimated values of future net revenue do not represent fair market value. There is no certainty that it will be commercially viable to produce any portion of the resources.

Forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or forward-looking information. Such factors include, among others: general business, economic, competitive, political, regulatory and social uncertainties; fluctuations in and the future price of gold, copper, silver and other metal prices; disruptions or changes in the credit or securities markets and market fluctuations in prices for Pilot Gold's securities; judgement of management when exercising discretion in their use of proceeds from the 2014 Bought-Deal; potential dilution of Common Share voting power or earnings per share as a result of the exercise of Options or Warrants, future financings or future acquisitions financed by the issuance of equity; discrepancies between actual and estimated mineral reserves and resources; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; 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, 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; the speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; Pilot Gold's ability to renew existing licences and permits or obtain required licences and permits; changes in government legislation and regulation; requirements for future funding to satisfy contractual obligations and additional capital needs generally; uncertainties associated with minority interests and joint venture operations;

risks arising from having the majority of the Company's operations occur in foreign jurisdictions, those associated with the Company's indemnified liabilities and the potential for increased infrastructure and/or operating costs or reclamation costs; the risks involved in the exploration, development and mining business generally; and the factors discussed in the section entitled "*Risk Factors*" in the AIF. Although we have 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 MD&A and we disclaim any obligation to update or revise 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 or forward-looking information 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.

Except for statements of historical fact, information contained herein or incorporated by reference herein constitutes forward-looking statements and forward-looking information. Pilot Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. Readers should not place undue reliance on forward-looking information. All forward-looking statements and forward-looking information attributable to us is expressly qualified by these cautionary statements.

Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. There is also no certainty that these inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied. The mineral resource estimates referenced in this press release use the terms "**Indicated Mineral Resources**" and "**Inferred Mineral Resources**". While these terms are defined in and required by Canadian regulations (under NI 43-101), these terms are not recognized by the U.S. Securities and Exchange Commission ("**SEC**"). "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. The SEC normally only permits issuers to report mineralization that does not constitute SEC Industry Guide 7 compliant "reserves" as in-place tonnage and grade without reference to unit measures. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. Pilot Gold is not an SEC registered company.