Pilot Gold Inc.
Term Sheet
October 27, 2016

A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the securities regulatory authorities in each of the provinces of Canada other than Québec. A copy of the preliminary short form prospectus, and any amendment, is required to be delivered to any investor that received this document and expressed an interest in acquiring the offered securities.

There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, the final short form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

Issuer:	Pilot Gold Inc. ("Pilot Gold" or the "Company").
Offering:	20,900,000 Units of the Company. Each Unit is comprised of one common share (a "Common Share") of Pilot Gold and one half of one common share purchase warrant (a "Warrant") of Pilot Gold. The Common Shares and the Warrants will be separable immediately upon closing of the offering.
Offering Size:	C$12,540,000
Offering Price:	C$0.60 per Unit.
Over-Allotment Option:	The Company has granted the underwriters of the Offering (the "Underwriters") an option (the "Over-Allotment Option"), exercisable in whole or in part at the Underwriters' sole discretion, at any time beginning on the closing of the Offering until 30 days following the closing of the Offering, to purchase that number of additional Units, Common Shares or Warrants, or any combination thereof, as is equal to 15% of the aggregate number of Units purchased in the Offering to cover over-allotments, if any, and for market stabilization purposes.
Warrants:	Each full Warrant will entitle the holder to acquire, at any time up to 30 months following closing of the offering, one common share of Pilot Gold at an exercise price of C$0.90.
Use of Proceeds:	The net proceeds of the offering will be used to fund exploration and development of Pilot Gold's southwest United States precious metal exploration portfolio, focused on the Goldstrike project in Utah, as well as the Black Pine project in Idaho, and the Kinsley deposit in Nevada and for general working capital purposes.
Offering Type:	Public offering, eligible for sale in all provinces of Canada, except Quebec, pursuant to a short form prospectus and offered in the United States on a private placement basis pursuant to Rule 144A under the United States Securities Act of 1933, as amended, and/or pursuant to other available exemptions from registration under U.S. securities laws.
Underwriting Basis:	"Bought deal" subject to conventional bought deal termination provisions and closing conditions to be included in a definitive underwriting agreement.
Listing:	Application will be made to list the Common Shares and the Warrants on the Toronto Stock Exchange. The existing common shares of the Company are listed on the Toronto Stock Exchange under the symbol "PLG".
Eligibility for Investment:	The Units will be eligible investments under all usual statutes including RRSPs, RRIFs, DPSPs, RESPs, RDSPs and TFSAs.
Joint Bookrunners:	RBC Capital Markets and National Bank Financial Inc.
Commission:	5.0%.
Closing:	On or about November 16, 2016.