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**Pilot Gold Raises \$14.42 Million Through Bought Deal Financing
Including Full Exercise of the Over-Allotment Option**

VANCOUVER, B.C. – Pilot Gold Inc. ("Pilot Gold" or the "Company") (TSX: PLG) is pleased to announce that it has closed its previously announced bought deal financing for aggregate gross proceeds of C\$14,421,000 (the "Offering").

Co-lead underwriters RBC Capital Markets and National Bank Financial Inc., along with Canaccord Genuity Corp, CIBC World Markets Inc., Haywood Securities Inc. and Macquarie Capital Markets Canada Ltd. (collectively, the "Underwriters") purchased, on a bought deal basis, 20,900,000 units of the Company (the "Units") at a price of C\$0.60 per Unit (the "Issue Price") for gross proceeds to the Company of C\$12,540,000. The underwriters also exercised the over-allotment option in full and purchased an additional 3,135,000 Units to cover over-allotments for additional gross proceeds to the Company of C\$1,881,000. Each Unit consists of one common share of Pilot Gold (each, a "Common Share") and one half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant entitles the holder to acquire one Common Share at a price of C\$0.90 at any time prior to May 16, 2019.

The net proceeds of the Offering will be used to fund exploration and development of Pilot Gold's southwest United States gold and precious metal exploration portfolio, focused on the Goldstrike project in Utah, as well as the Black Pine project in Idaho, the Kinsley deposit in Nevada and for general working capital purposes.

THIS NEWS RELEASE IS NOT AN OFFER OF SECURITIES FOR SALE AND IS NOT AN OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OF PILOT GOLD, NOR SHALL IT FORM THE BASIS OF, OR BE RELIED UPON IN CONNECTION WITH ANY CONTRACT FOR PURCHASE OR SUBSCRIPTION. THE COMMON SHARES OF PILOT GOLD WILL ONLY BE OFFERED IN ALL PROVINCES OF CANADA BY MEANS OF THE PROSPECTUS REFERRED TO ABOVE. THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS, AND THESE SECURITIES MAY NOT BE OFFERED OR SOLD TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS IN THE UNITED STATES OR "U.S. PERSONS" (AS SUCH TERM IS DEFINED IN REGULATIONS PROMULGATED UNDER THE U.S. SECURITIES ACT), NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES ABSENT REGISTRATION UNDER THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION FROM REGISTRATION THEREUNDER.

ABOUT PILOT GOLD

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

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

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Except for statements of historical fact relating to Pilot Gold Inc., certain information contained herein constitutes "forward-looking statements". Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "considers", "intends", "targets", or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could". The Company provides forward-looking statements for the purpose of conveying information about current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct, that objectives, strategic goals and priorities will not be achieved, and the performance generally of Pilot Gold will differ materially from those anticipated in such forward-looking information.

Such forward-looking information, including, but not limited to, anticipated use of proceeds of the Offering and future issuances of Common Shares, and current and proposed exploration and development, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of Pilot Gold to be materially different from any future results, performance or achievements expressed or implied by such forward looking information.

These risks and uncertainties include but are not limited to; risks related to the interpretation and actual results of historical production at certain of our exploration properties; reliance on technical information provided by our joint venture partners or other third parties as related to any of our other exploration properties; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals, the uncertainty of negotiating with foreign governments, the potential for expropriation or nationalization of property without fair compensation, adverse determination or rulings by governmental authorities delays in obtaining governmental approvals, government regulation of exploration and mining operations, and the application thereof in accordance with the rule of law, financing or in the completion of exploration as well as those factors discussed in our Annual Information Form ("AIF") for the year ended December 31, 2015, dated March 17, 2016, in the section entitled "Risk Factors", under Pilot Gold's SEDAR profile at www.sedar.com.

Although Pilot Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as specifically required by law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events, results or otherwise. Accordingly, readers should not place undue reliance on forward-looking information. Further details relating to Pilot Gold are also available in our AIF, available under Pilot Gold's SEDAR profile at <http://www.sedar.com>.