

Pilot Gold reports results from follow-up drilling at Peg Leg and Covington Pit areas Goldstrike Oxide Gold Project - Utah

**PGS179: 29.0 m grading 1.78 g/t Au, PG187: 18.3 m grading 1.33 g/t Au and
PGS 191: 6.1 m grading 1.57 g/t Au and 7.6 m grading 4.10 g/t Au**

VANCOUVER, B.C. – Pilot Gold Inc. (PLG - TSX) ("Pilot Gold" or the "Company") is pleased to announce additional drill results from 17 drill holes in the Peg Leg and Covington Pit areas, located south and west respectively, of the Main Zone, at the 100% controlled Goldstrike Project in southwestern Utah. The primary target is shallow Carlin-style, oxide gold mineralization within the 14 km² "Historic Mine Trend", between and down-dip of historic open pits.

Highlights from the Peg Leg Zone (5 drill holes) include:

- **1.78 grams per tonne gold (g/t Au) over 29.0 metres (m) including 3.54 g/t over 12.2 m** in PGS179
- **0.90 g/t Au over 6.1 m and 0.76 g/t Au over 33.5 m including 1.47 g/t over 6.1 m** in PGS183
- **1.33 g/t Au over 18.3 m** in PGS187
- One of the remaining two drill holes intercepted 0.41 g/t Au over 12.2 m (PGS186), with 1 hole missing the target.

Following the widely-spaced proof-of-concept drill holes released last month, including 0.51 g/t Au over 41.1 m in PGS142 and 0.54 g/t Au over 25.9 m and 0.75 g/t Au over 10.7 m in PGS149 (refer to news release dated January 10, 2017), these additional results from the new 1.5 km-long Peg Leg area continue to demonstrate that additional drilling is warranted.

Highlights from the Covington Pit area (12 drill holes) include:

- **1.57 g/t Au over 6.1 m and 4.10 g/t Au over 7.6 m including 6.32 g/t Au over 4.6 m** in PGS191
- **1.15 g/t Au over 10.7 m** in PGS182
- **0.83 g/t Au over 3.0 m and 7.36 g/t Au over 1.5 m** in PGS178
- **0.74 g/t Au over 6.1 m** in PGS 185
- Three of the remaining eight drill holes intercepted narrow widths including 0.23 g/t Au over 4.6 m and 0.83 g/t Au 3.0 m. Five drill holes were lost due to ground conditions or crossed the south graben-bounding fault before intersecting the target basal Claron Formation. New drilling will be carried out at steeper angles in order to intercept the target.
- Four of the holes confirmed that higher grade mineralization is hosted in an east-west striking mafic dike located immediately north of the Covington Pit.

There are currently two drills operating on the project in the Aggie area and on the new Warrior Zone target. All 2016 drill results have been released.

For a complete table of drill results for the current holes, please click here:

http://pilotgold.com/sites/default/files/GS_Intercepts08022017.pdf

For a complete table of results for all drilling by Pilot Gold at Goldstrike in 2015 and to date in 2016, please click here: http://pilotgold.com/sites/default/files/GS_Intercepts2015to08022017.pdf

For a map of drill collars and traces for the current release, please click here:

http://pilotgold.com/sites/default/files/GoldStrike_PR2017-03.jpg

For a map showing the areas of new drilling and the location of historic pits at Goldstrike, please click here:

<http://pilotgold.com/sites/default/files/GoldstrikeFutureDrilling.jpg>

Goldstrike is located in the eastern Great Basin, immediately adjacent to the Utah/Nevada border, and is a Carlin-style gold system, similar in many ways to the prolific deposits located along Nevada's Carlin trend. Like Kinsley Mountain and Newmont's Long Canyon deposit, Goldstrike represents part of a growing number of Carlin-style gold systems located off the main Carlin and Cortez trends in underexplored parts of the Great Basin. The historic Goldstrike Mine operated from 1988 to 1994, with 209,000 ounces of gold produced from 12 shallow pits, at an average grade of 1.2 g/t Au.

Moira Smith, Ph.D., P.Geo., Vice-President Exploration and Geoscience, Pilot Gold, is the Company's designated Qualified Person for this news release within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and has reviewed and validated that the information contained in the release is accurate. Drill composites were calculated using a cut-off of 0.20 g/t. Drill intersections are reported as drilled thicknesses. True widths of the mineralized intervals vary between 30 and 100% of the reported lengths due to varying drill hole orientations, but are typically in the range of 60 to 80% of true width. Drill samples were assayed by ALS Limited in Reno, Nevada for gold by Fire Assay of a 30 gram (1 assay ton) charge with an AA finish, or if over 5.0 g/t were re-assayed and completed with a gravimetric finish. For these samples, the gravimetric data were utilized in calculating gold intersections. For any samples assaying over 0.200 ppm an additional cyanide leach analysis is done where the sample is treated with a 0.25% NaCN solution and rolled for an hour. An aliquot of the final leach solution is then centrifuged and analyzed by AAS. Metallic screen techniques may be employed where the presence of coarse free gold is suspected. Approximately 1000 grams of coarse reject material are pulverized and screened. Two splits of the fine fraction are assayed, as well as all material that does not pass through the screen (the coarse fraction). The final gold assay reported is a weighted average of the coarse and fine fractions. QA/QC for all drill samples consists of the insertion and continual monitoring of numerous standards and blanks into the sample stream, and the collection of duplicate samples at random intervals within each batch. Selected holes are also analyzed for a 51 multi-element geochemical suite by ICP-MS. ALS Geochemistry-Reno is ISO 17025:2005 Accredited, with the Elko prep lab listed on the scope of accreditation.

Goldstrike is an early-stage exploration project and does not contain any mineral resource estimates as defined by NI 43-101. The potential quantities and grades disclosed herein are conceptual in nature and there has been insufficient exploration to define a mineral resource for the targets disclosed herein. It is uncertain if further exploration will result in these targets being delineated as a mineral resource. Further information on Goldstrike is available in the technical report entitled "Technical Report on the Goldstrike Project, Washington County, Utah, U.S.A.", effective April 1, 2016 and dated October 7, 2016, prepared by Michael M. Gustin, C.P.G. and Moira Smith, Ph.D., P.Geo. found at the top of this page or under Pilot Gold's issuer profile in SEDAR (www.sedar.com).

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.

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All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to Pilot Gold within the meaning of applicable securities laws, including statements that address potential quantity and/or grade of minerals, potential size and expansion of a mineralized zone, proposed timing of exploration and development plans. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions about future prices of gold, and other metal prices, currency exchange rates and interest rates, favourable operating conditions, political stability, obtaining governmental approvals and financing on time, obtaining renewals for existing licences and permits and obtaining required licences and permits, labour stability, stability in market conditions, availability of equipment, accuracy of any mineral resources, timing and likelihood of deployment of additional drill rigs, successful delivery of results of metallurgical testing, the release of an initial resource report, successful resolution of disputes and anticipated costs and expenditures. Many assumptions are based on factors and events that are not within the control of Pilot Gold and there is no assurance they will prove to be correct.

Such forward-looking information, involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to the interpretation of results and/or the reliance on technical information provided by third parties as related to the Company's mineral property interests; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; the costs and timing of the development of new deposits; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; the timing and success of exploration activities generally; delays in permitting; possible claims against the Company; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals, financing or in the completion of exploration as well as those factors discussed in the Annual Information Form of the Company dated 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. Pilot Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.