PILOT GOLD INC.
(AN EXPLORATION STAGE COMPANY)

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three months ended March 31, 2014

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This Management's Discussion and Analysis, dated as of May 8, 2014, is for the three months ended March 31, 2014 (the "MD&A"), and should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three months ended March 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 "Interim Financial Statements"), and other corporate filings, including our Annual Information Form for the year ended December 31, 2013, dated March 14, 2014 (the "AIF"), available under Pilot Gold's company profile on SEDAR at www.sedar.com.

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 March 31, 2014, the value of C$1.00 was $0.90[1].

HIGHLIGHTS AND SIGNIFICANT SUBSEQUENT EVENTS

- Raised C$20 million from the issuance of 13,072,000 common shares of the Company pursuant to the closing of a bought deal financing led by National Bank Financial Inc. and Scotiabank.
- Reported multiple high grade gold results from the initial 2014 drill program at Kinsley including:
    - 6.85 g/t Au over 41.7 m in PK127C, including16.3 g/t Au over 8.5 m, and, 20.5 g/t Au over 3.6 m;
    - 10.5 g/t Au over 42.7 m in PK131C, including 18.3 g/t Au over 22.9 m;
    - 7.53 g/t Au over 53.3 m in PK132C, including 14.9 g/t Au over 22.9 m;
    - 10.6 g/t Au over 30.0 m in PK133C, including 16.1 g/t Au over 16.5 m;
    - 21.3 g/t Au over 29.0 m in PK137C[2], including 46.4 g/t Au over 4.9 m, and, 32.7 g/t Au over 11.4 m; and,
    - 15.6 g/t Au over 38.7 m in PK137CA[3], including 26.2 g/t Au over 21.9 m.
- Commenced the second phase of the 2014 drill campaign at Kinsley with one core drill and two reverse circulation ("RC") drills focused on the Western Flank, Right Spot and Secret Spot target areas.
- Launched the 2014 drill campaign at TV Tower, with an initial focus on the copper-gold porphyry targets at the Kayalı and Karaayı ("K2") targets.
- Hired Mr. Ken Engquist, as VP Project Development and Engineering to lead the transition of the Company's project interests from advanced exploration through resource definition, economic analyses, and development.
- Completed an initial independent resource estimate for the KCD gold-silver-copper deposit at TV Tower. On a gold equivalence basis, the KCD resource estimate delineates an Indicated Mineral Resource of 996,000 gold equivalent "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)[3].
- Received approved "exploitation/operations" status on five of the exploration licenses that comprise TV Tower and seven of the exploration licenses that comprise Halilağa[4].

The written disclosure of technical information in the MD&A has been approved by Moira Smith, Ph.D., P.Geo, Pilot Gold Chief Geologist, and a Qualified Person ("QP") for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Readers are directed to the section "Scientific and Technical Disclosure" included within this MD&A.

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.

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[1] Nominal noon rate as per the Bank of Canada. Canadian dollars herein expressed as "C$".
[2] PK137C was lost in the mineralized zone due to poor ground conditions higher in the hole, and does not represent a complete intercept of the zone. PK137CA was wedged off the same hole from above the mineralized zone using NQ tools and was completed through the mineralized zone in a location immediately adjacent to PK137C, effectively representing a twin of PK137C and a complete intercept of the mineralized zone.
[3] See footnote at page 4 for detailed disclosure relating to estimate
[4] Registration of the respective license numbers is in process / pending.

OUTLOOK

Pilot Gold is focused on advancing high quality assets that host the key traits of mines: grade, scope and access to infrastructure in a mining-friendly jurisdiction. Our key exploration assets include interests in the Kinsley project in Nevada, and the TV Tower project in Turkey. With the capital available and the management and technical teams committed to advance each project, we expect to continue executing exploration programs and delivering results through 2014. We also hold an interest in the Halilağa copper-gold porphyry deposit ("Halilağa") in Turkey and a portfolio of exploration projects in Nevada and Utah.

Although we have no revenue-producing operations, we do not believe that ongoing capital challenges for many exploration-stage companies or the generally adverse market conditions for companies in our sector are having a significant effect on our ability to fund and operate our projects. In some cases the current environment and our relative capital strength may allow us to respond more quickly to opportunities that may be presented. Our team regularly reviews projects and properties of interest to maximize the exploration prospects available to the Company.

Our treasury is sufficient to satisfy planned expenditures, assuming similar programs and budgets, well into 2016. During the three months ended March 31, 2014, we incurred $3.27 million in cash exploration and administration expenditures (2014 annual budget: $13.42 million). At the end of 2014, absent an acquisition or other initiatives, we expect to have approximately $24.5 million in cash, cash equivalents and short term deposits, compared with approximately $32.85 million as at the date of this MD&A.

Through the remainder of 2014, we anticipate completing the following at Kinsley, TV Tower and Halilağa:

Kinsley

The Kinsley property hosts a past-producing gold mine, and was permitted in August 2013 to allow extensive exploration in and around the historic pits, and further out into the property's Western Flank target.

The newly-discovered Western Flank zone continues to grow with multiple high grade gold intercepts in drilling. The Western Flank remains open in all directions suggesting district-scale potential. As a result of exploration successes in early 2014, we have significantly increased the current year exploration program by $1.57 million and 8,600 additional metres of drilling. Accordingly, our amended 2014 exploration program includes 25,600 metres of core and RC drilling and a budget of $5.80 million (our share of which is $4.77 million).

We expect the 2014 program to continue with drilling at the Western Flank, Right Spot and Secret Spot targets with tests of priority exploration targets on outlying areas. Drilling resumed on May 7, 2014 with one core drill and two RC drills. We expect the 2014 drill program to continue through November 2014. Areas to the south of the Right Spot target are currently undergoing detailed surface mapping, sampling and target refinement.

Upon receipt of an amendment to our Plan of Operations, we expect to begin an active program on the northern claim blocks ("Kinsley North"), which have never been drilled, and may seek to further increase the 2014 budget.

TV Tower

The TV Tower project is an evolving gold-silver-copper district located in northwestern Turkey. Following a successful 2013 drill program culminating in an initial resource estimate at the Küçükdağ ("KCD") deposit and the discovery of several porphyry targets at K2, the first quarter of 2014 was dedicated to completing mapping, sampling and surface work in order to refine targets for the current year's exploration program.

We began the 2014 drill program on April 10, 2014, with an initial focus on the porphyry targets and the oxide gold, supergene copper blanket at Karaayı. This initial drilling will occur under our existing drill permits while we await approval of additional forestry permits. Specific objectives for the year include establishing the presence of two or more copper-gold porphyry systems and expanding the footprint of high-sulphidation epithermal gold oxide mineralization and associated supergene copper mineralization at K2. We expect also to undertake focused metallurgical testing to enhance our understanding of recovery potential at the KCD deposit, and will continue to focus on the identification and development of additional high quality targets across the 90 km^2 district-scale property.

As of the date of this MD&A, there is approximately $4.36 million remaining to satisfy the total $21 million expenditure requirement. With a successful program in 2014, including the receipt of additional drill permits, we anticipate completing the earn-in before year end, which will provide us an additional 20% interest in, and control of, the project.

Halilağa

We plan to continue ongoing strategic studies including economic, metallurgical, hydrological, environmental and engineering analyses to validate and refine the conceptual economics and potential of this copper-gold porphyry project. We expect to continue working with Teck Madencilik Sanayi Ticaret A.Ş. ("TMST"), a subsidiary of Teck Resources Limited ("Teck"), our 60% joint venture partner at, and operator of, Halilağa to enhance the value-potential and opportunity of Halilağa. We believe there are multiple outcomes available, all of which involve advancing the asset toward the next stage.

With the exception of the Kestane deposit at Halilağa and the KCD deposit at TV Tower: (i) the Company's exploration projects are early stage and do not contain any mineral resource estimates as defined by 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 can be viewed at SEDAR at www.sedar.com.

Actual expenditures to the end of Q1 2014 and Pilot Gold's share of the 2014 budgeted cash exploration and development expenditures for our material property interests are summarized in the following table (in $000s):

Project	Minerals	Actual cash expenditures during Q1 2014	Budgeted expenditures for 2014	Pilot Gold ownership
TV Tower	gold, silver, copper	$ 455	$ 4,064	40% (1)
Kinsley	gold	$ 1,305	$ 4,777	79%
Halilağa	copper, gold, molybdenum	$ 78	$ 289	40% (2)
Total		**$ 1,838**	**$ 9,130**	

(1) Pilot Gold is currently working to increase its ownership interest at TV Tower to 60% (from 40%) in accordance with an option agreement. The Company is responsible for 100% of expenditures at TV Tower while earning-in and as of the date of this MD&A, must incur an additional $4.36 million (net of VAT receivable) prior to June 2015 to satisfy the minimum total expenditure requirement. TV Tower is held by Orta Truva Madencilik Sanayi ve Ticaret Anonim Şirketi ("Orta Truva") a Turkish Joint Stock Company. Our joint venture partner at Orta Truva is TMST.

(2) Amounts budgeted for 2014 at Halilağa include Pilot Gold's share for the economic, metallurgical, hydrological, environmental and engineering analyses undertaken by Truva Bakır Maden İşletmeleri Anonim Şirketi ("Truva Bakır"), the joint venture entity 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 legal costs associated with the Environmental Impact Assessment matter described in this MD&A.

MATERIAL EXPLORATION AND DEVELOPMENT PROJECTS – OVERALL PERFORMANCE

Kinsley (79.1% owner and operator)

Kinsley Mountain ("Kinsley") is a sediment-hosted gold property hosting a past-producing mine along the Long Canyon Trend. Comprised of 446 claims (3,387 hectares), Kinsley has a stratigraphic, structural and mineralization-style common to other sediment-hosted gold systems in northeast Nevada.

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.

A $6.04 million, 25,600 m drill program is currently underway. Pursuant to Intor's election to participate in, and fund its pro rata share of the program, our share is $4.78 million.

Phase I of the 2014 drill program included 4,230 m in 12 holes. Activity at Kinsley during the winter also focused on geological mapping and the construction of drill roads to access areas between the Western Flank and the Right Spot and Secret Spot target areas, as well as areas between the Western Flank and the historic Upper Pit, located 550 m to the southeast of the Western Flank. Initial results, released in February and March 2014, further illustrate that gold at the Western Flank is hosted in multiple units.

In the three months ended March 31, 2014 approximately $1.36 million in direct expenditures were capitalized at Kinsley (year ended December 31, 2013, $3.85 million). Pilot Gold's share of expenditures included: drilling and assaying ($0.88 million), salaries ($0.15 million) and road construction ($0.12 million).

Further information relating to Kinsley is available in the technical report entitled: "*Technical Report on the Kinsley Project, Elko County, Nevada, U.S.A.*", dated March 26, 2012, effective February 15, 2012 and prepared by Michael M. Gustin, CPG, Moira Smith, Ph.D., P.Geo., and Kent Samuelson, available on SEDAR under Pilot Gold's issuer profile at SEDAR at www.sedar.com.

***TV Tower* (40% owner and operator)**

The 9,065 hectare TV Tower gold-silver-copper property ("TV Tower") comprises nine contiguous licences and is located close to established infrastructure in northwestern Turkey. TV Tower boasts two gold discoveries to date, a large silver-gold resource and multiple epithermal-type targets including KCD, Kayalı and Karaayı, each of which was drilled in 2013. In addition to remaining drill permits at KCD, Kayalı, Karaayı, Sarp and Columbaz, we have several applications pending for additional drill permits on the property. In January 2014, we received approved "exploitation/operations" status on five of the exploration licenses that comprise TV Tower.

Our current 40% interest in TV Tower is held through a shareholding in Orta Truva, the legal entity that holds the licenses that comprise the property. TMST, a subsidiary of Teck is our joint venture partner at TV Tower. Pursuant to a joint venture and earn-in agreement (the "TV Tower Agreement"), we have 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"). Pilot Gold is the project operator of TV Tower; however, our interest in Orta Truva will remain unchanged at 40% until we complete the earn-in requirements. Upon satisfaction of the TV Tower Earn-in we will remain the operator so long as we remain the majority owner.

To acquire the additional 20% interest, Pilot Gold must incur $21 million in eligible exploration expenditures ("Eligible Expenditures") over three years from June 20, 2012. The Company may be required to make a one-time cash payment to TMST upon completing the $21 million expenditure requirement (the "Additional Consideration") depending upon the size of the then delineated gold resource at TV Tower outlined by a NI 43-101 technical report. As of the date of this MD&A, the Company has approximately $4.36 million remaining to complete the final expenditure requirement.

From January 1, 2014 to March 31, 2014, we incurred $0.46 million in Eligible Expenditures at TV Tower (year ended December 31, 2013: $10.2 million, including management fees and the value of consideration to acquire Karaayı of $1.6 million). Expenditures during the three months ended March 31, 2014 included: salaries of $0.15 million and consultant's costs of $0.08 million, with the remainder being mostly camp costs and transportation.

Targets at TV Tower identified to date include Kayalı, Karaayı, KCD, Sarp, Columbaz, Gümüşlük, Kartaldağ West and Kestanecik.

Küçükdağ (KCD)

In January 2014 we published an initial independent resource for estimate for the KCD deposit that delineates an Indicated Mineral Resource of 996,000 gold ("AuEq") equivalent 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). Based on results from 37,860 metres of drilling in 169 drill holes through 2013, and with an effective date of November 6, 2013, the initial KCD resource estimate[5] comprises:

		Tonnes ($x10^6$)	Au (g/t)	Ag (g/t)	Cu (%)	AuEq (g/t)	Metal ($x10^3$) Au(oz)	Ag(oz)	Cu(lb)
Gold Zone	Indicated	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	Indicated	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	**Indicated**	**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**

[5] 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 metre-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 metres. A total of 26,173 individual assay intervals averaging 1.4 metres in length were composited into a total of 12,981 composite intervals of 3 metre 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 metres or three holes within 36 m. Indicated classification for the Silver Zone is based on a minimum of two holes within 35 metres or three holes within 50 metres. 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 KCD gold mineralized rock unit averages 2.38 tonnes/m3.

This analysis shows that the deposit is comprised of discrete gold-rich and silver-rich zones. The Silver Zone measures 600 x 600 metres at surface and remains open for expansion to the north and northwest.

Preliminary metallurgical testing, encompassing leach and concentrate tests of oxide and sulphide material, is ongoing and preliminary in nature. To date, this testing shows a wide range of recoveries by material type. In 2014, KCD will continue to progress through ongoing metallurgical testing and preliminary engineering in 2014.

Kayalı-Karaayı (K2)

The Karaayı license, acquired from Batı Anadolu Madencilik Sanayi ve Ticaret A.Ş. ("Batı Anadolu"), a Turkish subsidiary of Chesser Resources Limited ("Chesser"), is on trend with the Kayalı target[6]. Initial infill mapping and soil and rock sampling by Pilot Gold, between Kayalı and Karaayı, demonstrated the presence of a largely contiguous oxide gold-mineralized system stretching four kilometres, linking the two targets and providing a significant extension to the mineralized zones at Kayalı.

Results from the drill programs completed in November 2013 at K2 demonstrate strong continuity of oxide gold mineralization, and revealed the presence of an extensive blanket of supergene copper mineralization underlying the gold oxide zones, likely derived from copper minerals originally deposited with, and subsequently leached from, the gold mineralization. The supergene copper zone at Kayalı is up to 300 metres wide and 60 metres thick, and appears, based on limited drilling, to extend intermittently over the length of the K2 gold zone. Drilling and surface work also identified two or more copper-gold porphyry occurrences at Karaayı.

After a brief weather-related pause, drilling resumed on April 10, 2014 at K2 with an initial focus on the supergene copper zone and the copper-gold porphyry targets.

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 at SEDAR at www.sedar.com.

Environmental Impact Assessment (update)

For detailed discussion of the legal challenge raised against the appropriateness of the approval of the Environmental Impact Assessment ("EIA") report submitted for Karaayı by the Turkish Ministry of Environment and Urban Planning (the "Ministry") see discussion in the Annual MD&A for the year ended December 31, 2013 (the "Annual MD&A") and the AIF, filed under the Company’s profile on SEDAR at www.sedar.com.

The petition filed with the Çanakkale Administrative Court (the "Court") names the Ministry as the respondent and does not name any of Orta Truva, Chesser, Batı Anadolu or Pilot Gold. The petition also requested suspension of any activities contemplated in the EIA.

Following judicial discovery, on November 20, 2013, the Court upheld the validity of the Ministry’s approval of the EIA report, pending an administrative hearing (the "Hearing"). The Court also awarded a temporary stay of execution suspending the EIA and thus also any activities contemplated therein (being a test-production scenario), pending a ruling at the Hearing. In a two-to-one decision, the Court has also concluded that notwithstanding the validity of the (temporarily suspended) EIA report, certain additional analyses must be included in an amended EIA report, including an analysis of the cumulative environmental impact of the Karaayı test pit when examined along with all other contemplated activities summarized in EIA reports submitted in the greater Çanakkale area.

The Hearing took place on March 7, 2014, and as of the date of this MD&A the Company awaits the initial findings. A ruling to deny the Plaintiffs’ claim would likely see the lifting of the temporary stay of execution, and formal recognition of the validity of the EIA. A ruling to require a revised EIA may require the inclusion of a “cumulative impact assessment”, and would effectively annul the existing EIA.

Because the temporary stay of execution relates only to the designated area contemplated by the EIA, there has been, and is no impact or restriction on Pilot Gold to continue planned exploration activities at Karaayı outside of the area contemplated in the EIA. Pilot Gold does not believe there to be any threat to the validity of tenure. There is no legal impediment to prevent ongoing exploration activities outside of the EIA-contemplated area; even if successful and the EIA is annulled, Orta Truva and Batı Anadolu would jointly submit a new EIA in conformity with the revised requirements.

[6] Formal transfer of the Karaayı license from Batı Anadolu to Orta Truva is pending as of the date of this MD&A.

Halilağa (40% owner, and non-operator)

Halilağa is located 20 kilometres southeast of TV Tower, with a preliminary economic assessment (the "Halilağa PEA") illustrating, within the very preliminary parameters of a PEA, that conceptually Halilağa may support a straightforward open pit mine utilizing conventional milling and flotation for recovery of copper and gold[7]. Although preliminary in nature and derived from broad factored assumptions, management believes that Halilağa has the potential to be a compelling development project, demonstrating the possible economic benefits derived from:

a) higher grades of copper and gold at surface, and
b) available and proximate infrastructure for mine development.

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. TMST has proposed a program to Pilot Gold that includes ongoing community and social relations activities and certain field and desk top analyses. The Company expects to continues its own analyses and planning to optimize the illustrative project economics of the Halilağa PEA.

Since the release of the Halilağa PEA, Truva Bakır has engaged engineering, metallurgical and financial consultants to perform desktop analyses of potential economic benefits that could be derived from alternative inputs and estimates to those illustrated in the Halilağa PEA. From January 1, 2014 to March 31, 2014, our share of expenditures at Halilağa was $0.08 million (year ended December 31, 2013: $0.28 million). Expenditures incurred 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. Our share of the currently planned budget at Halilağa for 2014 is $0.29 million.

For further details on the Halilağa PEA, refer to the Company's AIF, and the NI 43-101 technical report, entitled "*Preliminary Economic Assessment Technical Report for the Halilağa Project, Turkey*", dated August 27, 2012, prepared by Gordon Doerksen, P. Eng of JDS Energy and Mining Inc.; Dino Pilotto, P.Eng and Maritz Rykaart, P.Eng of SRK; Kevin Scott, P.Eng of Ausenco Solutions Canada Inc.; Garth Kirkham, P.Geo. of Kirkham Geosystems Ltd.; and James Gray, P.Geo. of Advantage Geoservices Ltd. A copy of the Halilağa PEA is available on Pilot Gold's website at www.pilotgold.com and under the Company's profile on SEDAR at www.sedar.com.

Environmental Impact Assessment (update)

For detailed discussion of the legal challenge raised against the appropriateness of the approval of the EIA reports submitted for Halilağa by the Ministry see discussion in the Annual MD&A and the AIF, filed under the Company's profile on SEDAR at www.sedar.com.

The petition filed with the Court names the Ministry as the respondent and does not name any of Truva Bakır, TMST or Pilot Gold. The petition also requested suspension of any activities contemplated in the EIA.

Following judicial discovery, on November 20, 2013, the Court upheld the validity of the Ministry's approval of the EIA report, pending a Hearing. The Court also awarded a temporary stay of execution suspending the EIA and thus also any activities contemplated therein, pending a ruling at the Hearing. In a two-to-one decision, the Court has also concluded that notwithstanding the validity of the (temporarily suspended) EIA report, certain additional analyses must be included in an amended EIA report, including an analysis of the cumulative environmental impact of the contemplated Halilağa adit when examined along with all other contemplated activities summarized in EIA reports submitted in the greater Çanakkale area.

The Hearing took place on March 7, 2014, and as of the date of this MD&A the Company awaits the initial findings. A ruling to deny the Plaintiffs' claim would likely see the lifting of the temporary stay of execution, and formal recognition of the validity of the EIA. A ruling to require a revised EIA may require the inclusion of a "cumulative impact assessment", and would effectively annul the existing EIA.

Because the temporary stay of execution relates only to the designated area contemplated by the EIA, there has been, and is no impact or restriction on Pilot Gold to continue planned exploration activities at Halilağa outside of the area contemplated in the EIA.

Pilot Gold does not believe there to be any threat to the validity of tenure. There is no legal impediment to prevent ongoing exploration activities outside of the EIA-contemplated area; even if successful and the EIA is annulled, the Company expects that Truva Bakır would submit a new EIA in conformity with the revised requirements. We furthermore note that the revised EIA report would also be expected to contemplate the project outlined in Halilağa PEA, or some other optimized illustrative mine plan.

[7] The Base Case described in the Halilağa PEA was prepared based on a gold price of $1,200 / oz and a copper price of $ 2.90 / lb.

SELECTED FINANCIAL INFORMATION

Management is responsible for the Interim Financial Statements referred to in this MD&A, and provides officers' disclosure certifications filed with the Canadian provincial securities commissions. The Audit Committee of the Company's Board of Directors (the "Board") has been delegated the responsibility to review and approve the Interim Financial Statements and MD&A.

The Interim Financial Statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*, and should be read in conjunction with Pilot Gold's audited consolidated financial statements for the year ended December 31, 2013 (the "Annual Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Our significant accounting policies are presented in Note 3 of the Annual Financial Statements. 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 3 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.

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 March 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 condensed interim consolidated financial statements for the three months ended March 31, 2014 and 2013, respectively:

	March 31, 2014	March 31 2013
Total revenues	$ -nil	$ -nil
Net loss for the year and attributable to shareholders	$2.15	$2.51
Basic and diluted loss per share and attributable to shareholders	$0.02	$0.03

Three months ended March 31, 2014 vs. three months ended March 31, 2013

For the three months ended March 31, 2014, the loss attributable to shareholders was $2.15 million or $0.02 per share, compared to a loss of $2.51 million or $0.03 per share for the same period in the prior year.

Operating expenses totaled $1.96 million for the three months ended March 31, 2014, down 18% from $2.40 million a year earlier. The principal reason for the decrease was lower non-cash stock based compensation expenses of $0.45 million (as compared to $1.11 million in the comparative period). Wages and benefits, and office and general expenses were generally consistent with the amounts incurred in the comparative period. A write-down of $0.14 million in deferred exploration expenditures ($0.09 million in the comparative period) and increases in professional fees and expenses for property investigation and a small increase in costs for investor relations, promotion and advertising activities offset the comparative decrease in operation expenses.

Stock-based compensation

Stock based compensation expense, arising from the vesting of granted employee stock options ("Options") to purchase Pilot Gold common shares ("Common Shares") for the three months ended March 31, 2014, totaled $0.45 million (March 31, 2013: $1.11 million). This total does not include amounts recorded as part of property investigation expense or capitalized to mineral properties ($0.08 million collectively for the three months ended March 31, 2014, and $0.04 million in the comparative period). The expense is lower in the current period as compared to 2013 as (i) a Company-wide grant of Options in January 2014 had a lower fair value than a similar grant that was made in January 2013, and (ii) vested Options granted in prior periods that are 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.

Wages and benefits

Consistent with our accounting policies relating to the capitalization of exploration expenditures, a significant portion of our remuneration costs are capitalized to our exploration properties 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. The balance of wages and benefits is higher than in the comparative period in part as a reflection of the level of activity underway at our property interests and thus attributable to deferred exploration, and is also reflective of the addition of a new vice-president of Project Development and Engineering in January 2014 and small salary increases to our employees.

During the three months ended March 31, 2014, we capitalized $0.16 million (March 31, 2013: $0.10 million) in wages and benefits to our property interests and attributed $0.06 to property investigation (March 31, 2013: $0.01 million). $0.15 million in wages relating to the TV Tower property was capitalised to the Earn-in Option and our investment in associates (March 31, 2013: $0.19 million).

Office and general

Office and general expenditures incurred in Canada are largely incurred through an administration and technical services agreement (the "Oxygen Agreement") with Oxygen Capital Corporation ("Oxygen"), a related party. Services are provided by Oxygen to the Company at cost. Total expenditures of $0.35 million at our offices in Canada, Turkey and the United States were similar during the comparative three month periods.

Property investigation

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, which include the costs of due diligence and exploration of projects under investigation for acquisition, increased to $0.08 million in the three months ended March 31, 2014 (three months ended March 31, 2013: $0.02 million). Project investigation and generative exploration are a core part of our business and growth strategy and although we began to reduce our efforts in 2013, we remain active in identifying projects that will enhance our growth pipeline.

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 prioritisation of the Company's portfolio of mineral property assets. In the comparative period, the Buckskin North property in Nevada was written-down ($0.09 million). Arasanlı had previously been classified as held-for-sale. There were no indicators of impairment on the Company's other assets.

Other income (expenses)

Other income (expenses) which consisted primarily of (i) impairments on our available-for-sale financial assets consisting mainly of 1,666,133 shares of TriMetals Mining Inc.("TriMetals"), (ii) foreign exchange gains or losses, (iii) the income (loss) pick-up from our associates, and (iv) finance income, generated a $0.19 million loss for the three months ended March 31, 2014 as compared to $0.11 million for the same period in 2013. We realized a $0.07 million foreign exchange gain for the three months ended March 31, 2014 compared to a foreign exchange gain of $0.15 million for the same period in 2013. The foreign exchange gains result from the translation cash, receivable and payable balances in our foreign currency entities at closing rates. Finance income decreased as compare to 2013, as a result of the decreased average cash balances resulting further to operating, financing and investing cash outflows. There were no losses attributable to the non-controlling interest.

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 three months ended March 31, 2014 the impact of foreign exchange was a loss of $1.88 million (three months ended March 31, 2013: $1.08 million loss). 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 March 31, 2014, there was a 3.8% decrease in the United States dollar against the Canadian dollar.

Financial Position

The following financial data are derived from our financial statements as at March 31, 2014, and as at December 31, 2013:

	March 31, 2014	December 31, 2013
Total assets	$68.14 million	$71.37 million
Non-current liabilities	$0.08 million	$0.07 million
Cash dividends declared	$nil	$nil

Total assets

Total assets have decreased since December 31, 2013 by $3.24 million to $68.14 million, further to the impact of foreign currency translation of assets held in subsidiaries with a Canadian dollar functional currency as well as from an asset impairment recognized during the period. 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. The market value of our investments is subject to fluctuation from one period to another dependent upon market prices and trading activities of those entities.

As the Company earns-in to an increased interest in Orta Truva (and therefore TV Tower), 40% of Eligible Expenditures are capitalized to the value of the Company's interest in Orta Truva, and 60% of Eligible Expenditures are deferred to the "Earn-in Option" intangible asset. The bifurcation of the expenditure in each period permits the Company to fund 100% of activity at TV Tower while maintaining our proportionate interest in Orta Truva until the earn-in has been completed. The majority of Eligible Expenditures are incurred by our wholly owned Turkish subsidiary in accordance with a technical services agreement. Our subsidiary invoices Orta Truva for services performed, and we fund Orta Truva through capital advances, such that it can settle the amount due. At March 31, 2014, $0.52 million was due from Orta Truva pursuant to invoices issued prior to period end relating to the Company's activities at TV Tower (outstanding at the date of this MD&A). 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 Bakir are provided in the Interim Financial Statements at notes 8 and 9.

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 the property proceeds to development, these costs become part of pre-production and development costs of the mine. 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 March 31, 2014 and December 31, 2013, our non-current liabilities comprise (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

The weighted average fair value of Options granted during 2014 determined using Black-Scholes was C$0.71 per Option. The weighted average significant inputs into the model were share price of C$1.08 at the grant date, exercise price C$1.12, volatility of 72%, dividend yield of 0%, an expected Option life of 5 years and an annual risk-free interest rate of 1.62%. A 2.72% forfeiture rate is applied to the Option expense.

Refer also to discussion in this MD&A under heading, "Outstanding Share Data". The Company has not declared any dividends since incorporation.

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 unaudited condensed interim consolidated financial statements for each of the past eight quarters, as well as the Annual Financial Statements. 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 consolidated in the Annual Financial Statements.

Condensed consolidated statements of loss and comprehensive income (loss)

	Mar 31 2014	Dec 31 2013	Sep 30 2013	Jun 30 2013	Mar 31 2013	Dec 31 2012	Sep 30 2012	Jun 30 2012
Continuing operations and attributable to the shareholders								
Loss for the period before discontinued operations after tax	(2,152)	(1,572)	(1,215)	(3,845)	(2,510)	(3,361)	(1,814)	(1,383)
Other comprehensive income and attributable to the shareholders								
Exchange differences on translating foreign operations	(1,880)	(1,655)	650	(1,756)	(1,084)	(121)	809	(464)
Net value gain (loss) on financial assets	440	117	(151)	132	14	917	(322)	(516)
Loss per share from continuing operations and attributable to the shareholders								
Basic and diluted	(0.02)	(0.02)	(0.01)	(0.04)	(0.03)	(0.03)	(0.03)	(0.02)

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 at our projects 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 $0.27 million in foreign exchange gains recorded in the period arising from the relatively change in the USD and C$. 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. (formerly South American Silver Corp.).

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 exploration expenditures relating to the New Boston property. A further $1.12 million loss was recognized on our 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 GRCL, 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.

In the quarter ended December 31, 2012, our loss from operations of $3.06 million includes $0.98 million for the write down of the Regent property to net realisable value and $0.63 million relating to 2012 bonuses to employees and service providers paid in 2013. An additional $0.73 million in losses recognized on impairment of certain of available-for-sale investments previously recognized in other comprehensive income.

In the quarter ended September 30, 2012, our loss from operations of $2.05 million included $0.54 million in the write-down of deferred exploration expenditures. This was offset by the reversal of the write down of the balance of Value Added Tax receivable previously recorded by our Turkish subsidiary of $0.31 million.

In the three month period ended June 30, 2012, our loss from operations of $1.33 million includes the reversal of the write-down of a property option relating to mineral property rights in Peru (the "RW Option") held at the time by Rae-Wallace. This was offset by exchange gains relating to our US dollar cash balances held in Canada ($0.12 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.

Pursuant to the closing of the financing on April 2, 2014 (the "2014 Bought-Deal"), three related and concurrent financings (the "2012 Bought-Deal", the "Newmont Subscription" and the "Teck Subscription", together, the "2012 Offering", each as defined and described in our Management's Discussion and Analysis, dated as of March 27, 2013, for the year ended December 31, 2012), the balance of existing treasury and net of expenditures incurred, as at the date of this MD&A, the Company has approximately $31.85 million available in cash and short-term investments.

The receipt of proceeds from 2014 Bought-Deal, positions the Company to advance our material properties without the need to raise additional capital in the medium-term. 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. With no debt, the Company's working capital balance as at this date of this MD&A is approximately $32.72 million. 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 2014, is $12.16 million. We currently anticipate spending approximately $4.06 million at TV Tower, $4.78 million at Kinsley, $0.29 million at Halilağa, and $0.13 million on other exploration property interests. Budgeted general and administrative costs of $3.97 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 (the "Prospectus"), predicated on the base financing amount contemplated in the 2014 Bought-Deal is as follows:.

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

Our approved budget for 2014, as described in this MD&A is in line with table above. The determination of the use of proceeds contemplated the balance of cash and short term investments prior to closing the 2014 Bought-Deal.

In 2012, we successfully closed the 2012 Offering, providing net proceeds of $37.5 million to the Company, with share issue costs of approximately $2.0 million. For a summary of our planned use of proceeds relating to the 2012 Offering see our MD&A for the year ended December 31, 2012. Expenditures relating to our material properties have to date been in line with anticipated use of proceeds from the 2012 Offering.

Pilot Gold manages and adjusts its capital structure based on available funds in order to support the acquisition, exploration and development of mineral properties.

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 $1.04 million, and includes (i) 625,000 NEV Shares valued at $0.67 million and (ii) securities in other exploration companies with a total value of $0.37 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.

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). The Company has also agreed to a program and budget at Kinsley and is incurring expenditures pursuant to the TV Tower Agreement. Additional detail on advance royalty payments ("ARPs") and minimum expenditure obligations are detailed in the AIF and Annual MD&A.

As described in our AIF and in this MD&A, the Company has certain minimum expenditures to complete on Gold Bug by the end of the second year of the related agreement to maintain the Gold Bug lease in good standing, with any shortfall to be paid to the lessor in cash. The Company has incurred $0.27 million at the date of this MD&A.

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 three months ended March 31, 2014 is $0.07 million.

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

Year	
2014	$0.27 Million
2015	$0.17 Million
2016	$0.15 Million
2017	$0.15 Million
2018+	$1.07 Million
	$1.81 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 of March 31, 2014.

RELATED PARTY TRANSACTIONS

Administration and Technical Services Agreement - Oxygen Capital Corporation

As described in the Annual MD&A, the Company has 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:

- 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 a number of other private and public companies all of whom have a similar arrangement with Oxygen. Oxygen allocates the costs of personnel (plus tax and applicable benefits) assets and infrastructure to the various companies based upon the estimated time spent by personnel on company activities. Oxygen allocates all expenses at cost and exists to consolidate employees and office infrastructure in one entity so that expenses may be more efficiently allocated; there is no mark-up or additional direct charge to the Company from Oxygen or its owners under the Oxygen Agreement.

Employees of Oxygen providing services to the Company do so pursuant to secondment agreements, 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 three months ended March 31, 2014 total $0.19 million in expenses and an immaterial amount in deferred exploration expenditures relating to mineral properties reflected in the Annual Financial Statements. As at March 31, 2014 the Company held a payable to Oxygen of $0.07 million. Amounts payable were settled subsequent to March 31, 2014. The Company also has a deposit of $0.39 million with Oxygen to be used against the final three months of service with that company upon termination of the Oxygen Agreement. Although Oxygen does not charge a management fee or mark-up on cost of its services, from time to time direct costs invoiced to Oxygen by an owner of that company may be passed along to the Company.

Associates

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

	Three-months ended March 31, 2014	2013
Truva Bakır	$0.05 million	$0.07 million
Orta Truva	$0.36 million	$2.00 million
Total	**$0.41 million**	**$2.07 million**

As at March 31, 2014, we had outstanding receivables due from Orta Truva of $0.52 million of which $0.31 million was attributable to the Earn-in Option and $0.21 million to Investment in Associates. A $0.03 million receivable was outstanding from Truva Bakır at March 31, 2014. The amounts due from our Associates are outstanding as of the date of this MD&A.

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 in each geographic location in which the Company undertakes exploration activities. The aggregate compensation paid, or payable to key management for employee services directly or via Oxygen is shown below:

	Quarter ended March 31, 2014	Year ended December 31, 2013
Salaries and other short-term employee benefits	$0.32 million	$1.19 million
Share-based payments	$0.47 million	$1.34 million
Total	**$0.79 million**	**$2.53 million**

OFF BALANCE SHEET ARRANGEMENTS

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 ("Arrangement Agreement") 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 Arrangement Agreement) for a period of six years following the effective date of the Fronteer Arrangement.

Teck Resources Limited

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.

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 4.

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. There were no assumptions deemed highly uncertain underlying management's estimate of recoverability of these assets.

iii) Exploration and evaluation expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure 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.

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.

At March 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 prioritisation 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 and Earn-in Option

Recoverability of the carrying amount of Pilot Gold's interest in associates in Turkey is dependent on successful development and commercial exploitation, or alternatively, sale of the respective assets. Recoverability of the carrying amount of the Earn-in Option is dependent on upon successfully meeting the earn-in requirements of the TV Tower Agreement. 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 future and other key sources of estimation uncertainty at the reporting date that have 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, however, 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.

i) 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 resource per NI 43-101 technical report, 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 expenditure 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.

Management believes that the estimates and assumptions are reasonable.

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. Our accounting policy for each category of financial instrument is summarized below:

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, Pilot Gold classifies its 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. The instruments held by the Company classified in this category are share purchase warrants.

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' 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).

(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 each of TV Tower and Halilağa, 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, primarily general and administrative costs are incurred in Canadian dollars, we record our assets located in Vancouver 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 $0.11 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 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.

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 and in the Annual MD&A, each 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. So long as the increased volatility of the prices of gold, copper, other precious and base metals and other minerals persist, companies at a similar stage and in the same industry as Pilot Gold, will face challenges raising capital to conduct operations.

The specific risks noted in our AIF dated March 14, 2014, 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.

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.

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.

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 ongoing reviews of opportunities to expand our property portfolio in the United States, including a relatively advanced review of an acquisition opportunity, 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 three 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 89,945,333 Common Shares and 14,362,524 Warrants to purchase Common Shares issued and outstanding as at March 31, 2014. At the date of this MD&A there are 103,017,333 Common Shares and 14,362,524 Warrants to purchase Common Shares issued and outstanding.

As at March 31, 2014 there were 8,985,000 Options outstanding issued to directors, officers, employees, and key consultants. At the date of this MD&A there are 8,885,000 Options.

The Company adopted a Deferred Share Unit plan ("DSU") and a Restricted Unit ("RSU") plan on March 31, 2014, pending approval by the Shareholders at the Company's Annual and Special Meeting on May 12, 2014. There are no units issued under either the DSU plan or the RSU plan as of the date of this MD&A.

The Company has not declared any dividends since incorporation.

SUBSEQUENT EVENTS NOT OTHERWISE DESCRIBED HEREIN

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

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 three months ended March 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 March 31, 2014, that the disclosure controls and procedures are effective to provide 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 period ended March 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 Audit Committee 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
May 8, 2014

(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.

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:

- "Technical Report on the Kinsley Project, Elko County, Nevada, U.S.A.", effective February 15, 2012, and dated March 26, 2012;
- "Independent Technical Report for the TV Tower Exploration Property, Çanakkale, Western Turkey", effective January 21, 2014, and dated February 20, 2014; "Technical Report on the Kinsley Project, Elko County, Nevada, U.S.A.", effective February 15, 2012, and dated March 26, 2012; and
- "Preliminary Economic Assessment Technical Report for the Halilağa Project, Turkey", effective August 27, 2012, and dated October 10, 2012,

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 QP. Readers are encouraged to review the full text of the Disclosure Documents which qualifies 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 the one indicated by drilling results and the difference may be material. Although there has been no economic analysis summarized in this MD&A relating to the Halilağa PEA, readers are cautioned that the 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 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 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 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 related to the Halilağa PEA is consistent with that provided by the QPs responsible for the Halilağa PEA, and has verified the technical data disclosed in this document relating to those projects in which the Company holds an interest. Dr. Smith has also reviewed and validated that the scientific or technical information contained in this MD&A related to TV Tower (post- effective date of the TV Tower Agreement) is accurate. 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, which include, but are not limited to, statements or information concerning, future financial or operating performance of Pilot Gold and its business, operations, properties and condition, anticipated use of proceeds of the 2014 Bought-Deal, the future price of gold, silver, copper, molybdenum and other metal prices, 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, the timing and amount of estimated future production, 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, requirements for additional capital, Pilot Gold's ability to fully fund cash-calls made by its joint venture partner for ongoing expenditure at Halilağa; completion of expenditure obligations under the option and 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; environmental risks, including satisfaction of requirements relating to the submissions and successful defence of EIA reports and other claims or existing, pending or threatened litigation or other proceedings, limitations of insurance coverage, future issuances of Common Shares to satisfy earn-in obligations or the acquisition of exploration properties and the timing and possible outcome of regulatory and permitting matters and any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements, and involve known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of Pilot Gold to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements and information. Except for statements of historical fact, information contained herein or incorporated by reference herein constitutes forward-looking statements and forward-looking information. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "will", "projects", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events, results or conditions "may", "could", "would", "might" or "will" be taken, occur or be achieved.

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 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, molybdenum 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 and mineral reserves, successful resolution of the challenges to the EIAs described in this MD&A, 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.

Furthermore, such 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; 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; the Company is an exploration and development stage company with no history of pre-tax profit and no income from its operations and there can be no assurance that the Company's operations will be profitable in the future; 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, cave-ins, pitwall failures, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions and losses; political instability, hostilities, insurrection or acts of war or terrorism; 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; fluctuations in commodity prices; requirements for future funding to satisfy contractual obligations and additional capital needs generally; changes or disruptions in market conditions; market price volatility; 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 Company has limited operating history and no history of earnings; reliance on a finite number of properties; limits of insurance coverage and uninsurable risk; contests over title to properties; environmental risks and hazards; regulation of State Forest Land in Turkey; limitations on the use of community water sources; the need to obtain and maintain licences and permits and comply with laws and regulations or other regulatory requirements; competitive conditions in mineral exploration and mining business; the ability of the Company to retain its key management employees and shortages of skilled personnel and contractors; potential acquisitions and their integration with the Company's current business; influence of third party stakeholders; risks of litigation; the Company's designation as a "passive foreign investment company"; the Company's system of internal controls; conflicts of interest; credit and/or liquidity risks; fluctuations in the value of Canadian and United States dollars relative to each other; changes to the Company's dividend policy; 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. All forward-looking statements and forward-looking information attributable to us is expressly qualified by these cautionary 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, except as required by applicable law. Readers should not place undue reliance on forward-looking information.

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.