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Pistol Bay Updates 2018 Drilling Program and Announces Financing and Consolidation

Vancouver, B.C. – May 17, 2018: Pistol Bay Mining Inc. (TSX-V - PST; Frankfurt - OQS2, OTC/Pink Sheet symbol SLTFF) (“Pistol Bay” or the “Company”) is pleased to give a further update on its 2018 drilling program at Confederation Lake in Ontario.

Drill hole GL18-03 was drilled to test a possible extension of the Arrow Zone down a 45 degree plunge to the southwest. It successfully intersected the main sulphide zone, but approximately 65 metres earlier in the hole than anticipated. The main sulphide zone was 26 metres thick (core length), which included much more interbedded tuff than in other holes. It was preceded by approximately 40 metres of “Upper Chert”, which was in turn preceded by 16 metres of felsic tuff with a few percent of disseminated sulphides.

Most of the intercepts of the Arrow Zone in historical drill holes were in a “valley”, a depression in the upper surface of a thick quartz-feldspar porphyry (QFP) sill, which represents the paleo-seafloor on which the VMS mineralization was deposited. The “valley” has a consistent plunge of about 45° to the southwest, and it was the downward continuation of this plunge that was targeted by GL18-03. Gravitational settling of the “smoke” (clouds of fine sulphide particles) from undersea hydrothermal vents, would naturally explain why the mineralization tends to be in a topographic low.

The intersection in GL18-03 appears not to be in the “valley”, but sits on what was an elevated part of the QFP upper surface. It may be a direct continuation of the main part of the Arrow Zone, or it may be a physically separate sub-zone with its own trend that may differ from the 45° plunge. Alternatively, it may be a faulted-off part of the Arrow Zone. These possibilities may be resolved when surveying of the historical drill collars on the Arrow Zone with differential GPS, now under way, is completed, allowing a more precise reconstruction of the Arrow Zone.

Most commercially exploitable VMS deposits in the Canadian Shield actually comprise multiple zones, which are physically separate from each other, but are close enough to be developed as a single mine. Consequently, the existence of a separate sub-zone of the Arrow Zone, possibly with its own distinct morphology, would not be in any way surprising or unusual.

Assays of cut core from GL18-03 are expected on or about May 25th, 2018.

In 2017, a 43-101 resources estimate was made for the Arrow Zone: an Inferred Mineral Resource of 2,100,000 tonnes averaging 5.78% Zn, 0.72% Cu, 0.60 g/t Au and 19.5 g/t Ag. (**8.42 Zn Eq.**) By improving the reliability of survey data for historical holes and including new drill holes, the Company hopes to be able to upgrade part or all of the Inferred Mineral Resource into the Indicated category. Charles Desjardins, President and CEO of Pistol Bay states that “The company is encouraged and excited by this discovery at The Arrow Zone. The consolidation and financing will allow the company to continue

drilling and other exploration. We **strongly** believe in Confederation Lake and these steps are necessary and enhance shareholder value.

Pistol Bay will also like to report that the Company's Board of Directors has approved, subject to the approval of the TSX Venture Exchange (the "Exchange"), a consolidation of the Company's common shares on the basis of one (1) post-consolidated share for every two (2) pre-consolidated shares (the "Consolidation").

Currently, the Company has 48,347,648 common shares issued and outstanding. Following the Consolidation, the Company will have approximately 24,173,824 common shares issued and outstanding. No fractional shares will be issued but will instead be rounded as provided for in section 83(1) of the Business Corporations Act (British Columbia). There will be no name or trading symbol change in conjunction with the Consolidation.

The Company further announces that it has arranged, subject to Exchange approval, a non-brokered private placement of up to 10,000,000 post-Consolidation units (the "Units") for total proceeds of up to \$760,000 (the "Offering"). Up to 4,000,000 units will be issued as non-flow-through units at a price of \$0.07 per unit consisting of one common share and one whole warrant. Each whole warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.12 per share for 18 months from the date of closing. Up to 6,000,000 units will be issued as flow-through units at a price of \$0.08 per unit consisting of one common share and one-half of one whole warrant. Each whole warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.15 per share for 18 months from the date of closing. Finder's fees, as allowed pursuant to the policies of the TSX Venture Exchange, may be payable in connection with the offering. The proceeds of the Offering will be used for general working capital.

The technical information in this news release was prepared and/or reviewed by Colin Bowdidge, Ph.D., P.Geo., a Qualified Person as defined in National Instrument 43-101.

About Pistol Bay Mining Inc.

Pistol Bay Mining Inc. is a diversified Junior Canadian Mineral Exploration Company with a focus on zinc and base metal properties in North America. For additional information please visit the Company website at www.pistolbaymininginc.com or contact Charles Desjardins at pistolbaymining@gmail.com.

On Behalf of the Board of Directors

PISTOL BAY MINING INC.

"Charles Desjardins"

Charles Desjardins,

President and Director

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary note:

This report contains forward looking statements. Resource estimates, unless specifically noted, are considered speculative. Any and all other resource or reserve estimates are historical in nature and should not be relied upon. By their nature, forward looking statements involve risk and uncertainties because they relate to events and depend on factors that will or may occur in the future. Actual results may vary depending upon exploration activities, industry production, commodity demand and pricing, currency exchange rates, and, but not limited to, general economic factors. Cautionary Note to US investors: The U.S. Securities and Exchange Commission specifically prohibits the use of certain terms, such as "reserves" unless such figures are based upon actual production or formation tests and can be shown to be economically and legally producible under existing economic and operating conditions.