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JOINT PRESS RELEASE
PISTOL EXECUTES DEFINITIVE AGREEMENT TO ACQUIRE CONFEDERATION LAKE PROPERTY IN RED LAKE, ONTARIO FROM AURCREST GOLD

November 1, 2016: Pistol Bay Mining Inc. (TSX-V - PST; Frankfurt - OQS2) (“**Pistol Bay**” or the “**Company**”) and AurCrest Gold Inc. (“**AurCrest**”) (TSX-V: AGO) are pleased to announce that Pistol Bay has executed a Definitive Option Agreement (the “**Agreement**”) with AurCrest to acquire all the mining claims held by AurCrest in the Confederation Lake greenstone belt southeast of Red Lake, Ontario.

The AurCrest property comprises 108 mining claims with a total of 321 claim units with an area of 5,136 hectares (12,700 acres), being the Confederation Lake Property and the Fredart Lake Property. It covers a 31 kilometre length of the Confederation Lake greenstone belt. It includes two substantial mineral deposits and a number of mineralized drill intersections that are in need of follow-up drill testing. Mineralization on the property is all of Volcanogenic Massive Sulphide (VMS) type, dominated by zinc, copper and silver, with occasional associated gold values. In combination with the 100 percent optioned Dixie and Dixie 3 properties, the Company now controls 7,050 hectares (17,400 acres) containing most of the significant mineral occurrences over 43 kilometres of the total 60 kilometre length of the belt.

Mr. Desjardins, President of Pistol Bay, stated, “Upon completion of this acquisition, Pistol Bay is a major land holder in a very prolifically mineralized VMS-rich belt. Our holdings include the largest zinc-copper-silver deposit in the area, the second-largest VMS deposit remaining (Fredart Lake Property), and a portfolio of exploration targets ready for follow up drilling. Pistol Bay anticipates commencing an ambitious exploration program in November 2016 that will not only pursue existing targets and known VMS deposits, but will use the latest airborne geophysical survey technologies to explore the whole area to a greater depth than was possible in the past.”

The **Arrow Zone** has a 43-101 compatible mineral resources as follows:

3% Zn equivalent cutoff:

Indicated Resource 2,071,000 tonnes @ 5.92% Zn, 0.75% Cu, 21.1 g/t Ag and 0.58 g/t Au
Plus Inferred Resource 120,550 tonnes @ 2.60% Zn, 0.56% Cu, 18.6 g/t Ag and 0.40 g/t Au

5% Zn equivalent cutoff:

Indicated Resource 1,762,000 tonnes @ 6.75% Zn, 0.79% Cu, 22.3 g/t Ag and 0.61 g/t Au
Plus Inferred Resource 51,630 tonnes @ 3.86% Zn, 0.79% Cu, 23.9 g/t Ag and 0.58 g/t Au

10% Zn equivalent cutoff:

Indicated Resource 633,000 tonnes @ 14.3% Zn, 1.11% Cu, 31.7 g/t Ag and 0.85 g/t Au

The other substantial deposit is the **Copperlode “A” or Fredart Zone**. It has a historical mineral resource of 425,000 tonnes grading 1.56% copper. This historical resource estimate does not comply with the standards of National Instrument 43-101 and has not been reviewed by a Qualified Person. The zone

was drill-tested to a depth of approximately 200 metres over a length of 350 metres, and was reported as being open at depth. The area was also explored for molybdenum in the 1970s, and samples containing up to 1.46% Mo were reported. A diamond drilling program was carried out by AurCrest in 2010, in an attempt to expand the resource base by drilling down a possible easterly plunge in the area of an IP anomaly. A fence of five holes was drilled, without intersecting any significant mineralization. A borehole EM survey carried out on those drill holes in 2010 identified a strong off-hole conductor in two adjacent holes, with an interpreted conductive zone lying between the two holes. It is anticipated that this anomaly may represent the down-plunge extension of the Copperlode "A" zone, or possibly a new zone.

The following is a partial list of diamond drill intercepts in the Joy-Caravelle area, which occupies a separate claim group west of the main AurCrest holdings:

Joy Zone: DDH 3.35 metres @ 0.17% Zn, 4.01% Cu
Diamond Willow: DDH 4.2 metres @ 1.8% Zn, 2.3% Cu
Caravelle Zone: DDH 1.1 metres @ 4.4% Zn, 0.2% Cu
Joy South: DDH 0.6 metre @ 17.7% Zn, 0.28% Cu
Creek Zone: DDH 0.95 metre @ 0.16% Zn, 1.37% Cu

Pistol Bay is engaged in compiling data and re-appraising the AurCrest property with a view to planning an aggressive exploration program in November 2016 that will generate new drill targets, as well as follow up existing target areas and known deposits.

Under the terms of the Agreement, Pistol Bay has the option to acquire a 100% interest in the AurCrest properties by paying AurCrest an aggregate of \$250,000 and issuing an aggregate of 5 million common shares over four years with an initial payment of \$25,000 and the issuance of 1 million common shares on closing, the payment of a further \$25,000 within 90 days following closing and the payment of \$50,000 and the issuance of 1 million common shares on each of the four anniversaries following closing. Each of the AurCrest properties is subject to a 2% net smelter returns royalty in favour of third parties. The transaction is also subject to TSX Venture Exchange approval.

Technical material in this news release has been prepared and/or reviewed and approved 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 precious and base metal properties in North America. For additional information please contact Charles Desjardins – pistolbaymining@gmail.com - at Pistol Bay Mining Inc.

About AurCrest Gold Inc.

AurCrest is a mineral exploration company focused on the acquisition, exploration, and development of gold properties. AurCrest has a portfolio of properties in Ontario, which include the Richardson Lake and Bridget Lake gold properties. For additional information please contact Ian Brodie-Brown, President and C.E.O. of AurCrest at (416) 844-9969 or ianbrodiebrown@gmail.com.

On Behalf of the Board of Directors
PISTOL BAY MINING INC.

"Charles Desjardins"

Charles Desjardins,

President and Director

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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.