

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jun 7, 2016) - Otis Gold Corp. ("Otis" or the "Company") (TSX VENTURE:OOO) (OTC PINK:OGLDF) is pleased to provide the following update. Since the release of the Company's news detailing results from our Fall 2015 drill program (see Otis News Release dated January 14, 2016), where bulk-tonnage intercepts ranging from 50.3 to 100.5 (m) thick and grading from 0.57 to 4.24 grams per tonne (g/t Au) were intersected at the Kilgore Gold Project ("Kilgore"), Otis has focused on:

- updating the geological model at Kilgore to reflect the new results and our understanding of the geology;
- developing a drill program targeted at capitalizing on promising opportunities to potentially increase the size and grade of the Kilgore Deposit; and
- initiating various corporate development initiatives to create better awareness of Otis in the market amongst investors and potential partners.

Our geologic review has resulted in a significantly better understanding of the Fall 2015 drill results and their importance for the potential expansion of both the size and grade of the Kilgore Gold Deposit. As background, in the Fall of 2015 Otis conducted a 3,267 m drill program consisting of 19 holes designed to test the northern extension of the existing Kilgore Deposit, where step out drilling in 2011 and 2012 encountered multiple drill intercepts ranging from 82.3 to 118.3 m in thickness and having grades ranging from 0.57 to 1.12 g/t Au.

The Fall 2015 drill program, which was designed to follow up on the successful 2011 and 2012 drill programs, successfully encountered bulk-tonnage intercepts in what is referred to as the Crab Claw, a large and previously untested gap on the west end of the Kilgore Deposit. Noteworthy intercepts of significant thickness and grade include:

• 56.4 m of 2.05 g/t Au in hole 15 OKR-304 (ended in mineralization)

• 59.5 m of 3.79 g/t Au in hole 15 OKR-305

• 50.3 m of 4.24 g/t Au in hole 15 OKR-308 (ended in mineralization)

• 94.5 m of 4.21 g/t Au in hole 15 OKR-309 (ended in mineralization)

Other similarly thick, but lower-grade intercepts, include:

• 100.5 m of 0.60 g/t Au in hole 15 OKR-296

• 100.0 m of 0.57 g/t Au in hole 15 OKR-302 (ended in mineralization)

• 51.8 m of 0.64 g/t Au in hole 15 OKR-309 (ended in mineralization)

A critical part of this review entailed updating cross sections and long sections over the entire Kilgore Deposit. Three representative cross sections and one long section have been posted to the technical section of the Otis Gold website. For example, Kilgore Cross Section 12,600N, which cuts across the Crab Claw at the north end of the Kilgore Deposit, reveals that mineralization remains open both on strike and, just as importantly, at depth where open-ended mineralization was encountered in five holes that bottomed in the Cretaceous Aspen Formation basement sedimentary host rocks. These rocks are mostly siltstones, sandstones and shales with calcareous and carbonaceous matrix material and, as such, are highly reactive to mineralizing fluids and therefore contain significant potential to expand the Kilgore resource with further drilling.

Additionally, Kilgore Long Section LS-1, which cuts lengthwise from southeast to northwest along the deposit, indicates a clear potential to expand the size of the resource by stepping out on various open-ended intercepts drilled by Otis and prior operators that bottomed in the aforementioned Aspen Formation sedimentary unit. Further, the long section displays a previously unrecognized doming feature directly below the main part and core of the deposit that could possibly indicate the presence of a buried intrusive center or rhyolite dome at depth. This finding is significant as this centre could be the source of the mineralizing fluids for the deposit and could indicate additional potential for further gold mineralization at depth.

To capitalize on and test this deeper, open-ended Aspen Formation-hosted potential in the Crab Claw area and in similar recently recognized nearby areas underlying parts of the known deposit, Otis geologists are in the process of developing a drilling program to test these concepts, with the ultimate goal of potentially expanding the size and grade of the resource. Details of this program will be announced in the near future, with the drilling planned to begin this summer.

Otis' initiatives to increase awareness of the Company include various cost-effective online marketing programs and investor presentations in Europe (where Otis has developed a strong investor base in the United Kingdom and elsewhere), Canada and the USA (where Otis presented at an investor conference in April). While the institutional market continues to take a cautious

approach to the junior mining sector, retail interest, particularly amongst higher net worth investors and seasoned natural resource investors, continues to grow. Additionally, various merger, acquisition and investment transactions in the gold exploration and development sector demonstrate a growing interest amongst mid-tier and senior gold producers in achieving exposure to growing gold deposits in safer jurisdictions.

Otis President & CEO Craig Lindsay states: "We remain very optimistic about the prospects for growing the size of the Kilgore Deposit, and, in the future, beginning the process, on a parallel basis, of exploring the many other geologic targets that exist at Kilgore. This is one of the most exciting times we have experienced at Otis, and the entire team is energized about capitalizing on this potential that we see emerging at Kilgore. I want to take this opportunity to thank our shareholders for their continued support and enthusiasm for the Company."

About the Company

Otis is a resource company focused on the acquisition, exploration, and development of precious metal deposits in Idaho, USA. Otis is currently developing its flagship property, the Kilgore Gold Project, located in Clark County, Idaho.

ON BEHALF OF THE BOARD

"Craig T. Lindsay"

President and CEO

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