

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Oct 31, 2016) - Otis Gold Corp. ("Otis" or the "Company") (TSX VENTURE:OOO)(OTC PINK: OGLDF) is pleased to announce that it has intersected 30.5 meters (m) grading 5.37 grams per tonne gold (g/t Au) in hole 16 OKR-315 and 114.3m grading 1.00 g/t Au in hole 16 OKR-327 at its Kilgore Gold Project drill program, Clark County, Idaho. The 2016 drill program, currently in its final stages of completion, has been expanded to 10,300 metres over 40 holes.

The mineralization in drillhole 16 OKR-315 is hosted primarily in a Tertiary Sill and the Aspen Formation, the sedimentary unit underlying the existing Kilgore Gold Deposit and a primary focus of the 2016 drill program. In 2015, Otis' drilling identified significant gold mineralization in the pre-dominantly untested Aspen Formation sedimentary rocks. This mineralization is defined by intervals of significant thicknesses and grades that remain open-ended throughout much of the deposit (see Otis January 14, 2016 News Release). Otis' 2016 drilling is targeted to further drill test this Formation that underlies and serves as the basement to the Tertiary volcanic and hypabyssal rock package that currently hosts the majority of the known gold mineralization at Kilgore.

Assay results for the nine drill holes announced in this release, along with those for the first six holes previously announced (see Otis September 26, 2016 News Release), continue to indicate the Aspen Formation has the potential to host significant additional gold mineralization.

TABLE 1: DRILL RESULTS, KILGORE GOLD PROJECT, CLARK COUNTY, IDAHO

Hole Number	Hole Type	TD (m)	Azimuth/ Angle (degrees)	From - To (m)	Intercept (m)	Au Grade (g/t)	Primary Host Rock Unit(s)
16 OKR-315	RC	126.5	-90	96.0 - 126.5	30.5	5.37 ⁽¹⁾	Tertiary Sill and Aspen Formation
16 OKR-320	RC	283.5	-90	65.5 - 76.2	10.7	0.31	Lithic Tuff
				266.7 - 275.8	9.1	0.57	Aspen Formation
16 OKC-322	Core	314.9	50/-70	79.2 - 86.9	7.6	0.54	Lithic Tuff and Tertiary Sill
				100.6 - 111.3	10.7	0.52	
				165.5 - 180.7	15.2	0.65	
				207.3 - 219.5	12.2	0.92	
16 OKR-324	RC	182.9	-90	93.0 - 158.5	65.5	0.69	Aspen Formation (Hole ended in 4.00 g/t Au @ 182.9m)
				181.4 - 182.9	1.5	4.00	
16 OKR-325	RC	219.5	-90	96.0 - 117.3	21.3	1.27	All in Aspen Formation
				138.7 - 185.9	47.2	0.81	
16 OKC-326	Core	331.6	-90	89.9 - 105.2	15.2	0.68	All in Aspen Formation
				112.8 - 125.0	12.2	0.51	
				129.5 - 146.3	16.8	0.53	
				160.0 - 198.1	38.1	0.81	
16 OKC-327	Core	307.2	50/-80	57.9 - 172.2	114.3	1.00	Lithic Tuff
				185.0 - 211.8	26.8	0.67	Tertiary Sill
				257.6 - 277.4	19.8	1.09	Tertiary Sill
16 OKR -328	RC	213.4	230/-73	96.0 - 109.7	13.7	0.80	Lithic Tuff
				120.4 - 128.0	7.6	0.40	
16 OKR-329	RC	213.4	230/-55	103.6 - 149.4	45.7	0.67	Lithic Tuff

Notes:

1. Includes 13.7 metres @ 8.71 g/t Au. This drill hole has been capped at 34.28 g/t Au (or 1.0 oz/ton Au avdp).
2. True widths are estimated at between 80% and 100% of the drilled interval, based on their estimated dip, association with dike and the orientation of sedimentary bedding, and continuity of mineralization between drill holes.

Highlights of the drill results to date and of importance to the future development of the Kilgore Gold Deposit (or the "Kilgore Deposit") include:

- 16 OKR-315, targeting the Aspen Formation, encountered open-ended mineralization at depth and indicates the need for additional drilling throughout the length of the deposit;
- The majority of intercepts reported in this release contain mineralization hosted in the Aspen Formation, the primary target of the 2016 drill program;
- The grade and thickness of drill intercepts at depth in the Aspen Formation continue to demonstrate excellent potential to expand the size and grade of the current Kilgore resource;
- Results of the 2015 and 2016 drilling support the premise that mineralization in the Aspen Formation sedimentary basement rocks is more extensive than indicated by previous drilling that mainly targeted the overlying volcanic package and dike swarm, which prior to this drill program had been the primary target of drilling efforts;

- The Tertiary intrusive sill, which directly overlies the Aspen Formation and also locally intrudes the upper part of it, is also a host to gold mineralization and may be a potential mineralizer to the deposit;
- Intercepts drilled in the Aspen Formation along the Main Road contain coarse-grained visible gold indicative of potential bonanza grades at depth; and
- Hole 16 OKC-327, which was oriented to the northeast, filled in a previously untested gap in the lithic tuff, which is host to the majority of the existing resource at Kilgore).

Drill Program Background and Details of Drilling Results

The ongoing 40-hole program was designed from an updated set of geological cross sections and long sections containing all historic Kilgore drilling results through 2015. Based on these sections, drill holes have been chosen to target mineralization at depth in the Aspen Formation and to infill and define the limits of the resource. Selected hole locations targeting the Aspen Formation at depth are focused along the Main Road, Segment 1 Road, North Road and "B" Road areas (the location of the Crab Claw drilling completed in 2015 and reported in early 2016 - see Otis January 14, 2016 News Release). Drill holes chosen to infill and define the limits of the resource are located in the southwestern part of the deposit where historic drilling is sparse.

Craig Lindsay, Otis President and CEO states: "We are extremely encouraged by the assay results in hole 16 OKR-315. The grades are greater than that achieved at the Crab Claw in 2015, and continue to support the potential to increase the grade and size of the Kilgore Deposit at depth. Just as importantly, the majority of the other drill holes reported in this release are located in the target Aspen Formation beneath the existing deposit, and the majority of the drill holes report grades higher than the current resource grade of both the Indicated and Inferred mineralization contained in our current Kilgore NI 43-101 Resource Estimate."

The drill holes reported in this news release, as well as assays and drill intercepts from the first six holes announced on September 26, 2016, are presented in a drill-hole location map available on the [Otis Gold Corp.](#) website here.

Analysis and Otis Q/QC Program

All assay work is being performed by ALS Chemex Labs, which has quality management system certification and technical capability accreditation. A 50-gram pulp of all samples is assayed for gold by Fire Assay/AA finish methods. Certified reference materials, duplicates, and blanks are inserted into the sample stream for quality control.

Intercepts reported in Table 1 are calculated using a 0.25 g/t Au cutoff grade and may include a few internal waste intervals less than this cutoff. The RC drilling reported in this release is being conducted by O'Keefe Drilling, Inc., Butte, Montana, employing a Foremost 650 Reverse Circulation drill rig outfitted with a circulating wet splitter. The core drilling is being performed by Timberline Drilling of Hayden, Idaho employing two rigs, a DE-140 NQ core rig and a LF-90 HQ core rig.

True widths are estimated at between 80% and 100% of the drilled interval, based on their estimated dip, association with diking and the orientation of sedimentary bedding, and continuity of mineralization between drill holes.

The Qualified Person under National Instrument (NI 43-101) Standards of Disclosure for Mineral Projects for this News Release is Paul D. Gray, P. Geo, who has reviewed and approved its technical content.

About the Kilgore Gold Project

The Kilgore Gold Project contains a current (dated September 12, 2012) NI 43-101 Indicated Resource of 520,000 ounces (oz) Au in 27.4 million tonnes at a grade of 0.59 g/t Au and an Inferred Resource of 300,000 oz Au in 20.2 million tonnes at a grade of 0.46 g/t Au (the "Deposit"). The Deposit is part of an extensive low-sulfidation quartz-adularia epithermal hot-spring system hosted in volcanic rocks of late Miocene age and basement Aspen Formation calcareous siltstone, shale, and sandstone of Late Cretaceous age. Gold mineralization is of the classic disseminated, bulk-tonnage type similar to that comprising the classic volcanic-hosted gold deposits at Round Mountain, Nevada and McDonald Meadows, Montana. The deposit features very attractive metallurgy with excellent gold recovery averaging greater than 80% at 1.5" crush size based on column leach test results (see Otis News Release dated June 5, 2012).

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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