

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Nov 29, 2016) - Otis Gold Corp. ("Otis" or the "Company") (TSX VENTURE:OOO)(OTC PINK:OGLDF) is pleased to announce that it has intersected 85.4 meters (m) grading 2.50 grams per tonne gold (g/t Au) in hole 16 OKR-338, 69.1m grading 2.07 g/t Au in hole 16 OKR-348 and 50.3m grading 2.04 g/t in hole 16 OKR-330 at its Kilgore Gold Project drill program, Clark County, Idaho. Drilling associated with the 2016 field program is now complete and totaled 10,300 metres spread among a combination of 40 core and reverse circulation (RC) drill holes. The final 12 holes of the 2016 drill program are currently being logged and assayed, and intercepts for these holes will be released as they become available.

Assay results for the 13 drill holes announced in this release, along with those for the first fifteen holes previously announced (see Otis News Releases dated September 26, 2016 and October 31, 2016), continue to indicate that 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	From - To (m)	Intercept ¹ (m)	Au Grade (g/t)	Primary Host Rock Unit(s)
16 OKR-330	RC	225.6	230°/-50°	65.5 - 115.8	50.3	2.04	Lithic Tuff
16 OKC-331	Core	304.8	-/-90°	123.4 - 139.6	16.2	0.69	Lithic Tuff
				164.6 - 169.2	4.6	0.92	Tertiary Sill
16 OKC-332	Core	335.5	50°/-70°	53.3 - 103.6	50.3	0.63	Lithic Tuff
				131.1 - 141.7	10.6	0.91	Lithic Tuff
				285.0 - 319.4	34.4	1.28	Aspen Formation
16 OKR-336	RC	198.1	50°/-75°	No significant intercepts			
16 OKR-338	RC	198.1	50°/-70°	45.7 - 131.1	85.4	2.50	Tertiary Sill and Aspen
				176.8 - 195.1	18.3	0.83	Aspen Formation
16 OKR-339	RC	182.9	50°/-75°	4.5 - 33.5	29.0	1.17	Lithic Tuff
				96.0 - 114.3	18.3	0.75	Tertiary Sill
				153.9 - 158.5	4.6	0.95	Tertiary Sill
16 OKC-340	Core	305.7	50°/-65°	No significant intercepts			
16 OKR-342	RC	213.4	-/-90°	67.1 - 76.2	9.1	0.69	Lithic Tuff
				189.0 - 205.7	16.7	0.91	Aspen Formation
16 OKR-343	RC	198.1	50°/-75°	No significant intercepts			
16 OKC-344	Core	298.7	50°/-65°	108.2 - 171.3	63.1	0.66	Tertiary Sill and Aspen
16 OKR-346	RC	243.8	230°/-61°	41.1 - 45.7	4.6	0.51	Tertiary Sill
				77.7 - 109.7	32.0	0.89	Aspen Formation
				134.1 - 138.7	4.6	0.57	Aspen Formation
				172.2 - 189.0	16.8	0.79	Aspen Formation
16 OKR-347	RC	222.5	230°/-72°	120.4 - 170.7	50.3	0.97	Aspen Formation
16 OKR-348	RC	174.7 ²	230°/-75°	80.8 - 97.5	16.7	0.43	Tertiary Sill
				105.2 - 174.3	69.1	2.07 ²	Aspen Formation

Notes:

1. True widths are estimated at between 80% and 100% of the drilled interval based on their dip, association with diking and the orientation of sedimentary bedding, and continuity of mineralization between drill holes.
2. Hole OKR-348 was lost in Aspen Sandstone and ended in rock containing 5.63 g/t Au.

Drill Program Highlights

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

- 1) Results of Otis' 2016 drill campaign continue to support the premise that gold mineralization in the Aspen Formation is more extensive than indicated by the previous drill testing and appears to lie along a northwesterly-trending belt or corridor in the northern half of the deposit, much of which remains open for further drilling.
- 2) Results of drill holes targeting basement Aspen Formation sedimentary host rocks continue to reveal the presence of significant open-ended mineralization that is typically higher-grade and displays thicker mineralized intercepts than those comprising the current bulk of the deposit in the overlying volcanic host rocks.
- 3) In addition to having an intercept of 69.1m grading 2.07 g/t Au, hole 16 OKR-348 bottomed in basement Aspen Formation rocks grading 5.63 g/t Au. It should be noted that this hole is the fifth hole drilled in 2016 that bottomed in open-ended mineralization in the Aspen Formation (the others being holes 16 OKR-315, 316, 319 and 324, respectively). Management believes this is a strong indication that additional deposit growth potential exists within this host rock unit.

- 4) Holes that targeted the basement Aspen Formation along the Segment 1 Road (holes 16 OKR-346, 347, and 348) all reveal significant intercepts of mineralization that indicate a strong potential to expand the size of the current Kilgore resource. Further drilling is required to fully evaluate the open-ended nature of the mineralization in the area.
- 5) Reported intercepts in basement Aspen Formation sedimentary rocks demonstrate that mineralization exists to depths of up to 250-meters below the surface of the deposit, with some intercepts remaining open at depth.
- 6) The Tertiary intrusive sill (Tct), which directly overlies the Aspen Formation and locally intrudes the upper portion of it, has been proven to host significant mineralization and the extensive contact between the two rock types is an important locus for locating additional mineralization in the basement. Significant intercepts can and do exist in both the Aspen Formation and the Tct, and in many cases straddle the contact between them to occur continuously throughout both units.
- 7) Results of drilling conducted along the North and "B" Roads continue to further define the mineralized horst block in the area (Table 1, hole 16 OKC-344) and show that the mineralization, which is still partly open, trends more northeasterly of where it was previously projected to occur at the ends of both roads (Table 1, holes 16 OKR-338 and 339).
- 8) Intercepts drilled in Aspen Formation rocks along the Segment 1 Road contain coarse-grained visible gold indicative of potential bonanza grades at depth.
- 9) Next steps at the Kilgore Gold Project include producing an updated set of geologic cross-sections reflecting the 2016 drill results, permitting next year's and beyond drilling activities, preparing an updated resource estimate and developing a project-wide reconnaissance program.

Drill Program Background and Details of Drilling Results

The 40-hole 2016 drill program was designed from an updated set of geologic cross sections and long sections containing all historic Kilgore drill results through 2015. Based on these sections, drill holes were selected to target mineralization at depth in the Aspen Formation and to infill and define the limits of the current 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 News Release dated January 14, 2016 News). Drill holes in this area were selected to infill and define the limits of the resource and are mostly located in the southwestern part of the deposit where historic drilling is sparse.

Craig Lindsay, Otis President and CEO states: "We continue to be encouraged by the excellent results we are encountering in both the Lithic Tuff horizon, host to a majority of the existing mineralization at Kilgore, and the Aspen Formation, a rapidly-emerging gold host that is becoming better understood by Otis with each successive drill hole. It is very clear to us that the Aspen Formation sedimentary unit is a critically important feature of gold mineralization at Kilgore and for the potential expansion of the deposit. Lastly, we are pleased to have completed the expanded 40 hole drill program on budget and on time."

The 13 drill holes reported in this news release, and assays and drill intercepts from the 15 holes announced on September 26 and October 31, 2016, are presented in a drill-hole location map available on the [Otis Gold Corp.](#) website here.

Analysis and Otis QA/QC Program

All assay work is being performed by ALS Chemex Labs located in Reno, Nevada and Vancouver, British Columbia, 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 was 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 was conducted by Timberline Drilling of Hayden, Idaho employing two rigs, a DE-140 NQ core rig and an LF-90 HQ core rig. 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 hydrothermal system hosted in Tertiary volcanic rocks and basement Aspen Formation calcareous siltstone, shale, and sandstone of Late Cretaceous age. Gold mineralization is of the traditional 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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