



OTSO GOLD

MANAGED BY LIONSBRIDGE

Toronto, ON, January 23, 2020

Trading Symbol: TSX-V: OTSO

NEWS RELEASE

UPDATE ON DRILLING

Toronto, ON – Otso Gold Corp. (“**Otso**” or the “**Company**”, TSX.V:OTSO) is pleased to announce initial drill results from the infill drill program currently being completed to increase confidence in the mineralization and form a basis for a restart plan.

The first phase of the 10-15,000 m infill drill programme at the Otso Gold Mine in Finland was completed with over 1,900 metres of diamond drilling over 20 holes. The majority of the core is currently being cut and sent for testing.

Initial results have included 2.00 metres @ 10.90 g/t Au and 8.10 metres @ 1.99 g/t Au. True widths and other significant intercepts are given in Table 1 below.

Table 1: Significant intercepts table of PAL1000 assay results

Hole ID	From (m)	To (m)	Interval (m)	True Width (m)	Azimuth (degrees)	Dip (degrees)	Grade Au (g/t)
19LV0035	118.15	122.15	4.00	3.107	360	50	2.01
	139.20	141.20	2.00	1.552	360	50	10.90
19LV0058	27.15	29.15	2.00	1.552	360	50	5.37
19LV0066	96.00	99.00	3.00	2.328	360	50	2.06
	115.00	121.00	6.00	4.656	360	50	1.71
19LV0067	41.30	44.30	3.00	2.328	360	50	1.58
	122.35	130.45	8.10	6.285	360	50	1.99
19LV0068	35.70	37.70	2.00	1.552	360	50	7.56
19LV0081	48.05	53.05	5.00	3.88	360	50	1.76
	96.80	99.80	3.00	2.328	360	50	1.06
19LV0082	93.65	97.65	4.00	3.104	360	50	2.00

Otso Gold Corp.

TD Canada Trust Tower, 161 Bay Street, 27th Floor, PO Box 508,
Toronto, Ontario, M5J 2S1, Canada
E- info@otsogold.com W- www.otsogold.com

Note: some results are still pending, only significant results are shown. This table will be extended with the next phase of drilling results.

Brian Wesson stated "the infill drill program is focused on closing the drill spacing in the mining areas to 25m, providing the basis for detailed mine planning and optimization. This is the key milestone on the road back to sustainable production for the Otso Gold Mine. These limited results are correlating well with previous wide space drilling, demonstrating significant ore at significant grades in the existing pits and contemplated extensions. These limited results have demonstrated significant ore at significant grades in the pits and pit extensions. As previously announced, we are running a real time model to drive the drill program as results are received. Defining the resources and reserves are the key to moving back to production and unlocking the significant value of the operation".

Important Notes

Sampling and assaying procedures are as described below.

Samples from this drilling program were from half core of 57.5 mm diameter, oriented diamond drill core. Samples and duplicates were taken as 1-meter samples and cut with a core saw on site. Intervals of interest were identified by logging and were submitted in batches to the CRS Laboratory in Oulu, Finland according to Otso's quality control procedures. A total of 757 samples have been submitted to date (including 87 QA/QC samples) to the CRS Laboratory for interim gold analysis by PAL1000 method whilst fire assay samples are being processed.

PAL1000 analyses are based on cyanide extractable gold and generally understate the gold content, but they are suitable for making changes to the drill plan to prioritize drilling. However, future resource estimates and grade calculations will be based on fire assays.

Disclosures

The technical disclosure in this news release has been reviewed and approved by EUR ING Andrew Carter BSc, CEng, MIMMM, MSAIMM, SME and a Qualified Person as defined by National Instrument 43-101.

The Company cautions that it has not defined or delineated any proven or probable reserves for its Otso Property and mineralization estimates may therefore require adjustment or downward revision based upon further exploration or development work or actual production experience. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The Company also cautions that the decision by the Company to proceed to develop the Otso Mine Project and extract mineralization proceeded without the Company first establishing reserves supported by a technical report and completing a pre-feasibility or feasibility study. Accordingly, there is a higher risk of technical and economic failure at

Otso Gold Corp.

TD Canada Trust Tower, 161 Bay Street, 27th Floor, PO Box 508,
Toronto, Ontario, M5J 2S1, Canada
E- info@otsogold.com W- www.otsogold.com

Otso because development proceeded without first establishing reserves supported by a technical report and completing a feasibility study. This is particularly relevant as the Company has proceeded with development at Otso on indicated and inferred resources without first completing a preliminary economic report.

Revocation of TSX Venture Exchange Submission #490700 dated November 11, 2019

The Company confirms that it has withdrawn its submission to the TSX Venture Exchange in connection with a planned common share equity financing.

For further information, please contact:

Clyde Wesson
Vice President
1 416 572 2214

info@otsogold.com
www.otsogold.com

About the Company

Otso Gold Corp. wholly owns the Otso Gold Mine near the town of Raahel in Finland. The Otso Gold Mine is fully built, fully permitted, has all infrastructure in place, two open pits and is progressing towards a July 2020 restart of 2 million tonnes per annum operations.

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.

38636143.2

Otso Gold Corp.

TD Canada Trust Tower, 161 Bay Street, 27th Floor, PO Box 508,
Toronto, Ontario, M5J 2S1, Canada
E- info@otsogold.com W- www.otsogold.com