
OTIS

GOLD CORP

(an Exploration Stage Company)

Interim Consolidated Financial Statements

For the nine months ended March 31, 2011

(Unaudited - Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of Otis Gold Corp. for the nine months ended March 31, 2011 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

Under National Instruments 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Otis Gold Corp.

(an Exploration Stage Company)

Interim Consolidated Balance Sheet
As at March 31, 2011 and June 30, 2010
(Unaudited - Prepared by Management)

	March 31, 2011	June 30, 2010
ASSETS		
CURRENT ASSETS		
Cash	\$ 5,784,323	\$ 3,458,450
Amounts receivable	51,903	7,878
Prepaid expenses and deposits	32,828	48,504
	5,869,054	3,514,832
RECLAMATION DEPOSITS	11,925	9,119
PROPERTY AND EQUIPMENT (Note 3)	30,507	16,849
UNPROVEN MINERAL INTERESTS (Note 4)	10,620,974	5,054,708
	\$ 16,532,460	\$ 8,595,508
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 64,463	\$ 206,015
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 5)	18,405,820	9,533,962
CONTRIBUTED SURPLUS (Note 11)	1,016,540	577,453
RETAINED EARNINGS (DEFICIT)	(2,954,363)	(1,721,922)
	16,467,997	8,389,493
	\$ 16,532,460	\$ 8,595,508

See accompanying summary of accounting policies and notes to the financial statements.

Approved by the Board “Craig T. Lindsay” Director “Sean Mitchell” Director

Otis Gold Corp.

(an Exploration Stage Company)

Interim Consolidated Statement of Earnings and Deficit For the nine months ended March 31st (Unaudited - Prepared by Management)

	Nine months Mar. 2011	Nine months Mar. 2010	Three months Mar. 2011	Three months Mar. 2010
EXPENSES				
Stock-based compensation	\$ 472,051	\$ 512,930	\$ 361,101	\$ 337,157
Investor relations and advertising	215,412	104,836	75,176	25,896
Management fees	130,956	121,751	50,162	38,457
Office expenses	114,527	87,178	39,976	29,854
Professional fees	77,484	64,521	13,723	12,109
Travel	64,270	70,737	22,814	34,845
Regulatory costs	36,609	27,675	16,557	9,610
Foreign exchange loss (gain)	8,189	(16,155)	(63,365)	13,743
Amortization	3,978	1,861	1,909	713
Bank charges	2,148	2,114	870	418
Property investigations	2,038	697	1,060	-
TOTAL EXPENSES	1,127,662	991,890	519,982	502,802
LOSS	(1,127,662)	(991,890)	(519,982)	(502,802)
OTHER ITEM				
Unproven mineral interests written off	(121,274)	-	-	-
Interest income	16,495	7,688	6,729	917
NET LOSS FOR THE PERIOD	\$ (1,232,441)	\$ (984,202)	\$ (513,253)	\$ (501,885)
DEFICIT, beginning of period	(1,721,922)	(590,397)	(2,441,110)	(1,072,714)
DEFICIT, end of period	\$ (2,954,363)	\$ (1,574,599)	\$ (2,954,363)	\$ (1,574,599)
NET INCOME (LOSS) PER SHARE, basic and diluted (Note 9)	\$ (0.04)	\$ (0.05)	\$ (0.01)	\$ (0.02)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	31,490,345	19,405,556	37,347,041	25,625,606

See accompanying summary of accounting policies and notes to the financial statements.

Otis Gold Corp.

(an Exploration Stage Company)

Interim Consolidated Statements of Cash Flow

For the nine months ended March 31st
(Unaudited - Prepared by Management)

	Nine months Mar. 2011	Nine months Mar. 2010	Three months Mar. 2011	Three months Mar. 2010
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES				
Net income (loss) for the period	\$ (1,232,441)	\$ (984,202)	\$ (513,253)	\$ (501,885)
Adjustments to reconcile net cash provided by operating activities				
Stock-based compensation	472,051	512,930	361,101	337,157
Amortization	3,978	1,861	1,909	713
Unproven mineral interests written off	121,274			
Decrease (increase) in				
Amounts receivable	(44,025)	27,086	39	5,513
Share subscription receivables	-	-	-	-
Prepaid expenses	15,677	35,717	25,165	9,247
Increase (decrease) in				
Accounts payable and accrued liabilities	(141,551)	(51,784)	(122,474)	2,073
	(805,037)	(13,391)	(247,514)	(147,181)
CASH FLOW FROM INVESTING ACTIVITIES				
Expenditures on unproven mineral interests	(3,319,040)	(1,512,503)	(1,058,930)	(249,743)
Reclamation deposits	(2,806)	-	-	-
Acquisition of property & equipment	(17,637)	(10,854)	(8,684)	(1,985)
	(3,339,483)	(1,523,357)	(1,067,614)	(251,728)
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES				
Issue of common shares for cash	6,900,840	4,135,030	4,363,471	7,000
Share subscriptions	-	-	(231,000)	-
Share issue costs paid	(430,447)	(143,766)	(260,675)	(1,017)
	6,470,393	3,991,264	3,871,796	5,983
INCREASE (DECREASE) IN CASH DURING THE PERIOD	2,325,873	2,454,516	2,556,668	(392,926)
CASH, beginning of period	3,458,450	1,427,495	3,227,655	4,274,937
CASH, end of period	\$ 5,784,323	\$ 3,882,011	\$ 5,784,323	\$ 3,882,011

See accompanying summary of accounting policies and notes to the financial statements.

Otis Gold Corp.

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Interim Consolidated Schedule of Unproven Mineral Interests For the nine months ended March 31, 2011 (Unaudited - Prepared by Management)

	Oakley Idaho	Kilgore Idaho	Buckhorn Idaho	Red Nevada	Total Mar. 31, 2011	June 30, 2010
BALANCE, June 30, 2010	\$ 1,872,616	\$ 2,983,008	\$ 93,110	\$ 105,974	\$ 5,054,708	\$ 2,394,944
ACQUISITION COSTS	851,760	2,222,000	93,652	-	3,167,412	827,118
EXPLORATION COSTS						
Drilling and assays	-	1,561,957	81,729	0	1,643,686	910,217
Geologists & subcontractors	12,161	530,404	49,413	546	592,524	641,727
Travel	1,595	110,620	7,384	-	119,599	133,411
Mapping and surveying	-	9,592	-	-	9,592	13,835
Annual maintenance fees	5,138	26,581	-	14,754	46,473	53,275
Environmental studies	-	53,269	-	-	53,269	-
Site office and field supplies	101	54,847	37	0	54,986	80,181
	<u>18,996</u>	<u>2,347,270</u>	<u>138,563</u>	<u>15,300</u>	<u>2,520,129</u>	<u>1,832,646</u>
Amounts written off	<u>-</u>	<u>-</u>	<u>-</u>	<u>(121,274)</u>	<u>(121,274)</u>	
BALANCE, Mar. 31, 2011	<u>\$ 2,743,372</u>	<u>\$ 7,489,366</u>	<u>\$ 325,325</u>	<u>\$ -</u>	<u>\$ 10,620,975</u>	<u>\$ 5,054,708</u>

See accompanying summary of accounting policies and notes to the financial statements.

1. OPERATIONS

Otis Gold Corp. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on April 24, 2007 and changed its name to Otis Gold Corp. on January 14, 2009. The Company's common shares are listed on the TSX Venture Exchange (the "Exchange") under the trading symbol OOO.

The Company presently has no proven or probable reserves and, on the basis of information to date, has not yet determined whether its unproven mineral interests contain economically recoverable reserves. Consequently, the Company considers itself to be an exploration stage company. The amounts shown as unproven mineral interests and deferred costs represent costs incurred to date, less amounts amortized, written off or recovered under option agreements, and do not necessarily represent present or future values. The underlying value of the unproven mineral interests is entirely dependent on the existence of economically recoverable reserves, securing and maintaining title and beneficial interest, the ability of the Company and its optionees to obtain the necessary financing to complete development, and future profitable production or sale of the interests.

The Company's ability to continue exploring its unproven mineral interests is dependent upon its ability to raise additional capital to fund its exploration expenditures as described in Note 4. Additional capital may be sought from the sale of additional common shares or other equity or debt instruments. There is no assurance such additional capital will be available to the Company on acceptable terms or at all.

These consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") appropriate for a going concern. The going concern basis of accounting assumes the Company will continue to realize the value of its assets and discharge its liabilities and other obligations in the ordinary course of business. Should the Company be required to realize the value of its assets in other than the ordinary course of business, the net realizable value of its assets may be materially less than the amounts shown in the consolidated financial statements. These consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that may be necessary should the Company be unable to repay its liabilities and meet its other obligations in the ordinary course of business or continue operations.

2. ACCOUNTING POLICIES

Basis of presentation

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the interim consolidated financial statements and accompanying notes. Actual results could differ from those estimates. These interim consolidated financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality. These interim consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements for the year ended June 30, 2010; the significant accounting policies follow that of the annual consolidated financial statements for the year ended June 30, 2010.

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2. **ACCOUNTING POLICIES** – continued

New accounting standards

In January 2009, the CICA issued Section 1582 “Business Combinations” to replace Section 1581. Prospective application of the standard is effective January 1, 2011, with early adoption permitted. This new standard effectively harmonizes the business combinations standard under Canadian GAAP with International Financial Reporting Standards (“IFRS”). The new standard revises guidance on the determination of the carrying amount of the assets acquired and liabilities assumed, goodwill and accounting for non-controlling interests at the time of a business combination. The CICA concurrently issued Section 1601 “Consolidated Financial Statements” and Section 1602 “Non-Controlling Interests,” which replace Section 1600 “Consolidated Financial Statements.”

Section 1601 provides revised guidance on the preparation of consolidated financial statements and Section 1602 addresses accounting for non-controlling interests in consolidated financial statements subsequent to a business combination. These standards are effective January 1, 2011, unless they are early adopted at the same time as Section 1582 “Business Combinations.” The adoption of this standard is not expected to have a material impact on the Company’s financial statements.

3. PROPERTY AND EQUIPMENT	March 31, 2011			June 30, 2010	
	Cost	Accumulated amortization	Net		
Office and field equipment	\$ 26,609	\$ 4,572	\$ 22,037	\$	13,964
Computer equipment	11,048	2,578	8,470		2,885
	<u>\$ 37,657</u>	<u>\$ 7,150</u>	<u>\$ 30,507</u>	<u>\$</u>	<u>16,849</u>

4. **UNPROVEN MINERAL INTERESTS**

Kilgore Gold Project

In July 2008, the Company entered into a joint venture whereby it could earn up to a 75% interest on the Kilgore Gold Project located in Clark County, Idaho and the Hai and Gold Bug properties located in Lemhi County, Idaho. The Kilgore property is covered by 162 federal lode mining claims and the Hai and Gold Bug properties are covered by 16 federal lode mining claims. Under the joint venture, the Company had paid US \$200,000, issued 1,300,000 common shares and completed over US \$3,000,000 in exploration expenditures.

In December 2010, the Company entered into a purchase agreement to acquire a 100% interest in the Kilgore Gold Project, replacing all future requirements of the joint venture and eliminating a 2% NSR in favour of the vendor. The Company issued 2 million shares (at their estimated fair value of \$1,320,000), paid US \$750,000 in January 2011, and must pay US \$750,000 in April 2011 (see Note 13) and US \$250,000 in December 2011.

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4. **UNPROVEN MINERAL INTERESTS** – continued

Oakley Project – The Oakley Project consists of 2 properties, known as Blue Hill Creek and Cold Creek, which are adjacent to each other.

a) Blue Hill Creek (“Blue Hill Creek” or “BHC”)

On June 11, 2008, the Company entered into an option agreement to acquire a 100% interest in the Blue Hill Creek option located in Cassia County, Idaho; the property consists of 33 unpatented federal lode mining claims and an adjacent 80 acre Idaho State lease.

The Company has paid a total of US\$80,000 and has issued 2,250,000 common shares to acquire an undivided 20% interest in BHC. To maintain its option the Company shall do the following:

- a) on or before July 15, 2009, pay US\$ 50,000 (paid) and issue 750,000 common shares (issued) on or before January 15, 2010 to acquire an aggregate 30% interest;
- b) issue 750,000 common shares (issued) on or before January 15, 2010 to acquire an aggregate 40% interest;
- c) on or before July 15, 2010, pay US\$ 18,000 (paid) and issue 750,000 common shares (issued) to acquire an aggregate 50% interest;
- d) issue 750,000 common shares on or before January 15, 2011 (issued) to acquire an aggregate 60% interest ;
- e) on or before July 15, 2011, pay US\$ 70,000 and issue 750,000 common shares to acquire an aggregate 70% interest;
- f) on or before July 15, 2012, pay US\$ 80,000 to acquire an aggregate 85% interest; and
- g) on or before July 15, 2013, pay US\$ 100,000 to acquire an aggregate 100% interest.

The BHC option payments may be accelerated at any time at the option of the Company. In addition to the foregoing, the Company will be responsible for filing and paying all annual assessments and fees relating to BHC.

The 2,250,000 common shares issued during the year ended June 30, 2009 were accounted for at their estimated fair value of \$742,500, the 1,500,000 common shares issued during the year ended June 30, 2010 were accounted for at their estimated fair value of \$ 652,500, and the 1,500,000 common shares issued during the nine months ended March 31, 2011 were accounted for at their estimated fair value of \$ 832,500.

A 2.5% net smelter returns royalty (“NSR”) will be paid to the vendors on production of gold from BHC. At any time, the Company may buy the NSR, or a portion thereof, for US\$ 1,000,000 per percentage point (i.e. \$ 2,500,000 for the entire NSR).

b) Cold Creek Gold

The Cold Creek property, located in Cassia County, Idaho, consists of 53 unpatented federal lode mining claims. The Company acquired a 100% ownership interest in the claims in exchange for payment of the costs associated with staking the property.

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4. **UNPROVEN MINERAL INTERESTS** – continued

Buckhorn Property

The Buckhorn property, located in Lemhi County, Idaho, consists of 20 unpatented lode mining claims.

Under the agreement with the owner, the Company may earn a 100% interest by paying US \$36,000 (paid), issue 100,000 shares (issued and valued at \$64,000), and incur US \$110,000 of exploration expenditures by July 31, 2011. In addition, the Company must pay the owner an Advanced Minimum Royalty (“AMR”) of US \$25,000 in 2011, US \$30,000 per year thereafter, and a 3.5% Net Smelter Royalty if the property goes into production.

Other properties

During the nine months ended March 31, 2011, the Company abandoned its interest in the Red Property in Nevada and wrote off its costs of \$121,274. The Company has two other early stage exploration projects located in Idaho.

5. **SHARE CAPITAL**

a) Authorized

Unlimited common shares without par value

	Nine months ended March 31, 2011		Twelve months ended June 30, 2010	
	Shares	Amount	Shares	Amount
Issued				
Balance, beginning of period	27,175,439	\$ 9,533,962	16,558,750	\$ 4,705,964
Common shares issued for cash	9,824,843	6,790,389	3,744,539	2,433,950
Common shares issued for unproven mineral interests	4,000,000	2,368,500	1,900,000	800,500
Warrants exercised	-	-	4,897,150	1,704,319
Options exercised	241,000	179,074	75,000	32,995
	41,241,282	18,871,925	27,175,439	9,677,728
Less: Share issue costs paid	-	466,105	-	143,766
Balance, end of period	<u>41,241,282</u>	<u>\$ 18,405,820</u>	<u>27,175,439</u>	<u>\$ 9,533,962</u>

b) In June 2009, the Company completed a non-brokered private placement of 4,702,000 units at \$0.25 for gross proceeds of \$ 1,175,500, of which \$ 445,000 was received in July 2009. Each unit consisted of one common share and one common share purchase warrant exercisable at \$ 0.35 in the first year and at \$ 0.55 in the second year. Finder's fees of \$ 10,000 cash were paid and 127,000 share purchase warrants were issued; the warrants are exercisable at \$ 0.25 for eighteen months. The share purchase warrants were accounted for at their estimated fair value, determined using the Black-Scholes option pricing model of \$ 8,847.

In November 2009, the Company completed a non-brokered private placement of 3,744,539 units at a price of \$0.65 per unit, for gross proceeds of \$2,433,950. Each unit consisted of one common share and one half of one share purchase warrant; each full warrant is exercisable at \$0.90 in year one and at \$1.25 in year two. Finders' fees of \$114,863 were paid on the private placement.

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5. **SHARE CAPITAL** – continued

In November 2010, the Company completed the first tranche of a non-brokered private placement of 4,530,000 units at \$0.55 for gross proceeds of \$2,491,500. Each unit consists of one common share and one share purchase warrant exercisable at \$0.80 for 18 months. In March 2011, the Company completed the second tranche \$253,000 for an additional 460,000 units on the same terms. Finders' fees of \$148,296 were paid on the private placement.

In February 2011, the Company completed a non-brokered private placement of 5,779,843 units at \$0.70 for gross proceeds of \$4,045,890. Each unit consists of one common share and one-half a share purchase warrant exercisable at \$1.10 for 18 months. Finder's fees of \$209,985 were paid and 131,186 finder's warrants were issued, exercisable at \$1.10 for 18 months.

- c) Pursuant to an escrow agreement, 840,000 common shares are being held in escrow and with the final release scheduled for July 2011. The escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities.
- d) Details of share purchase warrant transactions during the periods ended March 31, 2011 and June 30, 2010 are as follows:

	Nine months ended March 31, 2011	Year ended June 30, 2010
Outstanding, beginning of period	5,647,270	8,672,250
Issued	8,011,108	1,872,270
Exercised	(3,775,000)	(4,897,150)
Expired		(100)
Outstanding, end of period	<u>9,883,378</u>	<u>5,647,270</u>

As at March 31, 2011, the Company has outstanding share purchase warrants as follows:

Number	Exercise price	Expiry date
1,872,270	\$ 1.25	November 2011
4,990,000	\$ 0.80	April 2012
2,889,922	\$ 1.10	August 2012

6. **STOCK-BASED COMPENSATION**

The Company has an incentive stock option plan (the "Plan"). Under the Plan, the Company may issue options to purchase common shares, at prices determined by the Board of Directors on the date of award, for periods of not more than five years. Stock options awarded under the Plan vest immediately upon issue. The total number of common shares that may be reserved for issue under the Plan is limited to 10% of the number of issued common shares.

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6. **STOCK-BASED COMPENSATION** - continued

The following is a summary of the stock option transactions during the periods ended March 31, 2011 and June 30, 2010:

	Options Outstanding	Weighted average exercise price
Outstanding, June 30, 2009	1,100,000	\$ 0.42
Awarded	1,350,000	0.44
Exercised	<u>(75,000)</u>	<u>0.27</u>
Outstanding, June 30, 2010	2,375,000	0.43
Awarded	1,175,000	0.64
Exercised	<u>(241,000)</u>	<u>0.46</u>
Balance, March 31, 2011	<u>3,309,000</u>	<u>\$ 0.58</u>

The following is a summary of stock options outstanding at March 31, 2011:

Exercise price	Number of stock options outstanding	Number of stock options exercisable	Expiry dates
\$ 0.20	260,000	260,000	November 2012
\$ 0.50	710,000	710,000	September 2013
\$ 0.40	335,000	335,000	August 2014
\$ 0.45	729,000	779,000	March 2015
\$ 0.50	100,000	100,000	March 2015
\$ 0.50	25,000	25,000	August 2015
\$ 0.52	200,000	200,000	September 2012
\$ 0.50	150,000	150,000	September 2012
\$ 0.70	<u>800,000</u>	<u>800,000</u>	February 2016
	<u>3,309,000</u>	<u>3,309,000</u>	

The fair value of stock-based compensation awarded was estimated using the Black-Scholes option pricing model with the following assumptions:

	Nine months ended March 31, 2011	Year ended June 30, 2010
Risk-free interest rate:	2.07%	2.43%
Expected volatility	80%	89%
Expected lives:	4.1 years	5 years
Estimated Forfeiture rate	-	-

The average fair value of stock options awarded during the year ended June 30, 2010 was \$0.36 and during the nine months ended March 31, 2011 was \$0.40.

The Black-Scholes option pricing model was developed for use in estimating the fair value of stock options that have no vesting provisions and are fully transferable. Also, option-pricing models require the use of estimates and assumptions including the expected volatility. The Company uses expected volatility rate that are based upon historical volatility rates. Changes in the underlying assumptions can materially affect the fair value estimates.

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7. FINANCIAL INSTRUMENTS

a) **Fair value**

The fair value of financial instruments at March 31, 2011 and June 30, 2010 are summarized in the following table. Fair value estimates are made at the balance sheet date, based on relevant quoted market and other information about the financial instruments.

	March 31, 2011		June 30, 2010	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
<i>Held for trading</i>				
Cash	\$ 5,784,323	\$ 5,784,323	\$ 3,458,450	\$ 3,458,450
<i>Loans and receivables</i>				
Accounts receivable	51,903	51,903	7,878	7,878
Financial liabilities				
<i>Other financial liabilities</i>				
Accounts payable and accrued liabilities	64,463	64,463	206,015	206,015

b) **Financial risk management**

The Company's activities potentially expose it to a variety of financial risks, including credit risk, liquidity risk and foreign exchange risk.

Credit risk

Credit risk arises due to the potential to one party to a financial instrument to fail to discharge its obligations and cause the other party to suffer a loss. Financial instruments that potentially subject the Company to credit risk consist of cash and accounts receivable. The maximum credit risk represented by the Company's financial assets is represented by their carrying amounts. The Company holds its cash with financial institutions that are believed to be creditworthy.

Liquidity risk

Liquidity risk arises when adequate funds cannot be raised to settle liabilities and commitments when they become payable. The Company manages its liquidity by maintaining adequate cash to meet anticipated cash needs.

Foreign currency risk

The Company is subject to foreign exchange rate risk as the Company enters into transactions and has assets and liabilities denominated in a currency other than the Company's functional currency, which is the Canadian dollar.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to explore its unproven mineral interests. The Company manages the components of shareholders' equity and its cash as capital, and makes adjustments to these components in response to the Company's business objectives and the economic climate. To maintain or adjust its capital structure, the Company may attempt to issue new common shares from treasury, issue debt instruments or borrow money or acquire or dispose of other assets. The Company does not anticipate the payment of dividends in the foreseeable future.

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9. RELATED PARTY TRANSACTIONS

Unless otherwise states, related party transactions are measured at the exchange amount, being the amount of consideration established and agreed to by the related parties.

During the nine months ended March 31, 2011, the Company incurred management fees of \$99,000 (2010: \$90,000) to a corporation controlled by a director, consulting fees of \$25,875 (2010: \$16,825) for accounting services to an officer, and business consulting services of \$6,000 (2010: Nil) to a corporation controlled by a director. At March 31, 2011, \$Nil (2010: \$1,375) of these fees remained outstanding and are included in accounts payable and accrued liabilities, and \$24,500 (2010: \$10,000) were prepaid and are included in prepaid expenses.

10. SUPPLEMENTAL CASH FLOW INFORMATION

Non-cash financing and investing transactions were as follows:

	<u>Nine months ended March 31, 2011</u>	<u>Year ended June 30, 2010</u>
Financing activities		
Common shares issued for unproven mineral interests	\$ <u>2,368,500</u>	\$ <u>800,500</u>
Investing activities		
Unproven mineral interest purchased through share issue	\$ <u>(2,368,500)</u>	\$ <u>(800,500)</u>

11. CONTRIBUTED SURPLUS

	<u>March, 2011</u>	<u>June, 2010</u>
Balance, beginning of period	\$ 577,453	\$ 117,237
Fair value of stock-based compensation	507,710	486,450
Reclassified on exercise of options	(68,623)	(12,995)
Reclassified on exercise of agents options	<u>-</u>	<u>(13,239)</u>
	\$ <u>1,016,540</u>	\$ <u>577,453</u>

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12. SEGMENTED INFORMATION

The Company operates in a single business segment and in two geographic segments. The accounting policies for these segments are the same as those described in Note 2 to the consolidated financial statements.

Geographic distribution of operating results in the two geographic segments is as follows:

	March 31, 2011		
	Canada	United States	Total
Total assets	\$ 5,872,240	\$ 10,660,220	\$ 16,532,460
Unproven mineral interests	-	10,620,975	10,620,975
Net income (loss)	(1,035,129)	(197,312)	(1,232,441)
Property and equipment additions	6,315	11,321	17,636
Amortization of property and equipment	769	3,209	3,978

	March 31, 2010		
	Canada	United States	Total
Total assets	\$ 1,141,022	\$ 2,107,978	\$ 3,249,000
Unproven mineral interests	-	2,097,286	2,097,286
Net income (loss)	(329,935)	(39,680)	(369,613)
Property and equipment additions	-	3,051	3,051
Amortization of property and equipment	-	114	114

13. SUBSEQUENT EVENTS

Subsequent to March 31, 2011, the Company

- a) made the second payment of US \$750,000 in connection with the purchase of the Kilgore Property, referred to in Note 4; and
- b) listed its shares for trading on the OTCQX International. ("OTCQX") under the trading symbol OGLDF.