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NEWS RELEASE

May 3, 2016

Vancouver, British Columbia

Otterburn Provides Update on Financing and Meeting

Private Placement

Otterburn Resources Corp. (“**Otterburn**”) announces that, further to news releases of July 28, 2015, October 28, 2015, March 8, 2016 and March 11, 2016, Otterburn and K92 Mining International Limited (“**K92**”) have closed the sixth and seventh tranches of the interim financing pending closing of their previously announced RTO.

To date, Otterburn has raised an aggregate of C\$1,270,126 through the sale of 3,628,931 subscription receipts at \$0.35 (“**Subscription Receipts**”) via the sixth and seventh tranche closings and anticipates closing a final eighth tranche of the interim financing of \$150,500 through the sale of 430,000 Subscription Receipts.

Otterburn issued 2,639,302 Subscription Receipts (\$923,756) in the sixth tranche closing and 989,629 Subscription Receipts (\$346,370) in the seventh tranche closing. Otterburn anticipates issuing 430,000 Subscription Receipts (\$150,500) in a final eighth tranche closing expected to close on or about May 6, 2016..

Otterburn is undertaking the financing in conjunction with its proposed acquisition of K92 Mining International Limited (“**K92**”), (the “**RTO**”). Otterburn is raising private placement funding through the sale of Subscription Receipts, at \$0.35 per receipt. Otterburn has and will advance the net subscription proceeds realized from the sale of majority of the Subscription Receipts to K92 as loans for financing its operations in Papua New Guinea pending closing of the RTO.

Each Subscription Receipt entitles the holder to automatically receive either:

- (i) one unit of Otterburn following closing of the RTO (“**Units**”); each Unit consisting of one common share of Otterburn, and one common share purchase warrant exercisable at C\$0.50 for a period of 18 months from the date of issue; or
- (ii) should the RTO fail to close by July 1, 2016, then either a return of the subscription proceeds or an interest in the loans made by Otterburn to K92.

Aggregate finder’s fees of \$10,412, 83,075 common shares and 112,825 finders’ warrants have

been paid in connection with the sixth and seventh tranche closings of the interim financing. Each finder's warrant is exercisable into one additional common share of Otterburn at a price of \$0.50 for a period of 18 months after the closing of the Company's RTO.

Upon the closing of eighth tranche of the interim financing, aggregate finder's fees of 30,100 common shares and 30,100 finders' warrants will be paid having the same terms as the finders warrants issued in connection with the sixth and seventh tranche closings.

The securities issued in relation to the sixth tranche closing are subject to a regulatory four-month hold period expiring August 16, 2016. The securities issued in relation to the seventh tranche closing are subject to a regulatory four-month hold period expiring August 30, 2016. The eighth tranche of the interim financing is expected to close on or about May 6, 2016 and the securities issued thereunder will include a hold period expiring 4 months and one day from the date of issue of the securities.

The private placement is in addition to the financing entered into by K92 with CRH Funding II Pte. Ltd., involving a US\$4.8 million gold prepayment investment and a C\$3.5 million equity investment (the "**CRH Financing**") as announced February 4, 2016.

Information Circular

The Company's Information Circular dated April 15, 2016 (the "**Circular**") was SEDAR filed on April 19, 2016. As a result of the increased private placement referred to above assuming the completion of the eighth tranche of the interim financing, and other developments, the Company advises that certain information in the Circular is hereby updated as follows:

1. all references to the Company having raised \$6,991,476 through the distribution of 19,973,976 Subscription Receipts under the Private Placement are replaced with \$7,487,763 having been raised through the distribution of 21,393,605 Subscription Receipts;
2. all references to the aggregate finders' fees paid in connection with the Private Placement are revised to be: \$112,161, 592,703 Resulting Issuer Shares, and 741,815 Compensation Warrants;
3. the additional funds realized under the Private Placement will increase the Resulting Issuer's unallocated working capital;
4. the Resulting Issuer's fully diluted share capital table is updated as follows:

	Number of Resulting Issuer Shares	Percentage of Fully Diluted
OBN Shares of the Company outstanding as of the date of this Information Circular	4,459,778	3.32%
Resulting Issuer Shares to be issued to K92 Holdings Shareholders	49,126,666	36.59%

	Number of Resulting Issuer Shares	Percentage of Fully Diluted
Resulting Issuer Shares issuable upon conversion of the Subscription Receipts issued under the Private Placement ²	21,393,605	15.93%
Resulting Issuer Shares issuable to finders under the Private Placement	592,703	0.44%
Sub-total	75,572,752	56.28%
Resulting Issuer Shares issuable upon exercise of the PP Warrants issuable upon conversion of the Subscription Receipts ²	21,393,605	15.93%
Resulting Issuer Shares issuable upon exercise of Resulting Issuer Warrants issuable to CRH	10,000,000	7.44%
Resulting Issuer Shares issuable upon exercise of Compensation Warrants	741,815	0.55%
Sub-total	107,708,172	80.22%
Resulting Issuer Shares issuable upon conversion of Resulting Issuer Preferred Shares issuable to CRH	19,007,324	14.16%
Resulting Issuer Shares issuable upon exercise of Stock Options (maximum available – 10%)	7,557,275	5.63%
Total	134,272,771	100%

5. The number of Resulting Issuer Shares subject to escrow will increase from 15,330,333 contemplated in the Circular to 32,305,333, having included all of the Payment Shares to be issued to K92 Holdings Shareholders who paid less than \$0.05 for their K92 Ordinary Shares.
6. Appendix D – Amended Articles of the Company, is revised to include the following section 28.1(d)(12)(iii), reflective of other disclosure in the Circular:

“(iii) Provided the RTO has closed, if the number of Common Shares issuable upon conversion of all outstanding Preferred Shares would result in the Conversion Shareholders holding less than 15% of all the issued and outstanding Common Shares in the Company as of the date of closing the RTO, on a fully diluted basis (excluding Common Shares issuable upon the exercise of options granted to consultants, employees or directors of the Company, but including Common Shares issuable pursuant to all other convertible securities), the Company shall adjust the conversion terms hereunder so that the Conversion Shareholders shall, upon conversion of all outstanding Preferred Shares, be entitled to receive Common Shares in respect thereof that will be equal to 15% of all of the issued and outstanding Common Shares in the capital of the Company calculated on the aforesaid basis.”

ON BEHALF OF THE BOARD

“Brian Lueck”
President & CEO

Completion of the Company's acquisition of K92 is subject to a number of conditions, including but not limited to, Exchange acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Filing Statement or Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the reverse take-over may not be accurate or complete and should not be relied upon. Trading in the securities of Otterburn Resources Corp. should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

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.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to: the terms and conditions of the proposed financing. Specifically, there is no assurance that Otterburn will be able to complete the eighth tranche of the interim financing; its acquisition of K92 or raise additional financing, on the terms contemplated, or at all. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Otterburn disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.