OSISKO MINING INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2020

This management's discussion and analysis (this "MD&A") reflects the assessment by management of the results and financial condition of Osisko Mining Inc. ("Osisko" or the "Corporation") and should be read in conjunction with the Corporation's audited financial statements for the years ended December 31, 2020 and 2019 and the notes thereto (the "Financial Statements"). Management is responsible for the preparation of the Financial Statements and this MD&A. The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB"). This MD&A and the Financial Statements are available on SEDAR (www.sedar.com) under Osisko's issuer profile and on Osisko's website (www.osiskomining.com).

This MD&A has been prepared as of March 11, 2021. All dollar figures in this MD&A are expressed in Canadian dollars, unless stated otherwise.

DESCRIPTION OF BUSINESS

The Corporation was incorporated on February 26, 2010 and exists under the *Business Corporations Act* (Ontario). The Corporation's focus is the exploration and development of gold resource properties in Canada. Currently, the Corporation is exploring in Québec, and looking for new opportunities to enhance shareholder value.

Exploration Strategy

Osisko's flagship project is the high-grade world class Windfall Gold Deposit located between Val-d'Or and Chibougamau in Québec, Canada. The Windfall Gold Deposit is currently one of the highest-grade undeveloped gold projects in the world. Osisko also holds a 100% undivided interest in a large area of claims in the Urban-Barry area and in the Quévillon area that includes the Osborne-Bell Gold Deposit totaling 266,409 hectares.

Osisko's strategy is to advance and develop the Windfall Gold Deposit towards a production decision while continuing to explore for additional deposits in the emerging districts of Urban-Barry and Quévillon. To execute the strategy, Osisko is currently undertaking a 1,500,000-metre drill program to accelerate the advancement of the Windfall Gold Deposit towards the feasibility stage and, following positive results, its subsequent construction and operation. In addition, advancement of an exploration ramp allowed the completion of bulk samples in Zone 27 and in the Main Lynx zone, as well as the development of underground drilling bays to accelerate the drilling program. All the information collected from the bulk samples will be included in the feasibility study. Finally, additional underground drill bays are being developed in preparation of a third bulk sample in the Triple Lynx Zone.

The focus of drilling activities is infill drilling in the upper portion of Lynx, Triple Lynx, Lynx 4, Main zones, and Underdog while continuing the expansion of the deposit footprint through new discoveries.

UPDATES DURING THE YEAR AND SUBSEQUENT TO THE YEAR

COVID-19

During the year ended December 31, 2020, the Corporation added a COVID-19 testing facility to its Windfall camp infrastructure. The COVID-19 laboratory provides a safer environment at site to protect the workers and their families along with local and First Nation communities where the Corporation operates. Osisko has also provided teleworking for office workers since the beginning of the pandemic. The Corporation will continue to closely monitor all developments regarding COVID-19 to ensure a safe working environment for its employees and stakeholders.

- On August 12, 2020, the Cree Nation Government noted publicly that Osisko is a role model for natural resource development during COVID-19 (https://www.cngov.ca/press-release-osiski/).

- On May 15, 2020, Osisko resumed operations at Windfall in accordance with permission from the Government of Québec and in close collaboration with the Cree First Nation of Waswanipi and the Cree Nation Government.

- On March 23, 2020, Osisko suspended operations at Windfall in response to an order from the Government of Québec requiring the closure of all non-essential businesses. During the suspension, the Corporation developed on-site pre-screening protocols and other precautionary measures respecting industry standards and guidelines from the public health department, in consultation with Osisko's Cree partners, to facilitate a gradual re-opening at Windfall.

Corporate Development and Acquisitions:

- On March 9, 2021 Osisko announced placement of an order for grinding equipment and ancillaries from FLSmidth, a leading technology and equipment supply company, for the Windfall Project.

- On December 30, 2020, Osisko announced renewal of its normal course issuer bid program to purchase for cancellation, from time to time over a 12-month period, common shares of the Corporation ("Common Shares") listed on the Toronto Stock Exchange in an aggregate amount of up to 28,304,260 Common Shares.

- On September 16, 2020, Osisko appointed Mr. John Burzynski as Chairman of the Board of Directors of the Corporation and promoted Mr. Mathieu Savard to President of the Corporation. Mr. Sean Roosen stepped down from his role as non-executive Chairman of the Board of Directors of the Corporation and remains in his role as a director of the Corporation.

- On May 29, 2020, Osisko appointed Ms. Cathy Singer to the Board of Directors of the Corporation.

- On March 13, 2020, Osisko appointed Ms. Andrée St-Germain to the Board of Directors of the Corporation.

Financings:

- On February 12, 2021, Osisko completed a "bought deal" brokered private placement of an aggregate of 13,085,000 "flow-through shares" of the Corporation for total proceeds of approximately $70 million.

- On December 16, 2020, Osisko completed a "bought deal" brokered private placement of an aggregate of 2,447,576 "flow-through shares" of the Corporation for total proceeds of approximately $12 million in two tranches as follows:

    - Tranche One: 1,071,429 "flow-through shares" at an issue price of $5.60 per share for aggregate gross proceeds of approximately $6 million.

    - Tranche Two: 1,376,147"flow-through shares" at an issue price of $4.36 per share for aggregate gross proceeds of approximately $6 million.

- On June 23, 2020, Osisko completed a "bought deal" brokered private placement financing of 48,500,000 units of the Corporation at a price of $3.65 per unit for gross proceeds of approximately $177 million. Each unit consists of one Common Share and one-half of one Common Share purchase warrant. Each warrant entitles the holder to acquire one Common Share for a period of 18 months from the closing of the offering at a price of $5.25, subject to adjustment in certain circumstances.

- On February 11, 2020, Osisko entered into a total return equity swap (the "TRES") with National Bank of Canada ("National Bank"). Under the TRES, Osisko sold 1,600,000 common shares of Osisko Gold Royalties Ltd ("Osisko GR") to National Bank in exchange for $21.9 million in cash. The TRES matures in one year. Prior to maturity, National Bank receives interest payment at the rate of CDOR plus 3.75% from Osisko, and Osisko is entitled to cash payments equal to quarterly dividends of Osisko GR which is $0.05 per common share currently. On February 11, 2021, the TRES matured and Osisko received $1,000,000 from National Bank for the difference between National Bank's proceeds of disposition from the 1,600,000 common shares of Osisko GR and $21.9 million, after paying remaining unpaid interest on the TRES. The TRES matured on February 11, 2021.

- On February 7, 2020, Osisko disposed of 6,200,000 common shares of O3 Mining Inc. ("O3 Mining") at a price of $2.35 per share for aggregate gross proceeds of $14.6 million. On August 21, 2020, Osisko disposed of an additional 500,000 common shares of O3 Mining at a price of $2.30 per share for aggregate gross proceeds of $1.1 million. Immediately following the disposition, the Corporation determined that O3 Mining was no longer controlled by Osisko, for purposes of IFRS, due to the dilution of its interest in O3 Mining to approximately 30%.

Exploration Highlights:

- During the year and subsequent to the year, Osisko provided several results from the ongoing drilling program. Drill highlights have included the following*:

  - 35.7 g/t Au over 9.8 metres at Underdog and 65.6 g/t Au over 4.2 meters at Caribou announced on March 3, 2021
  - 342 g/t Au over 2.5 metres at Lynx on March 1, 2021
  - 141 g/t Au over 3.5 metres at Lynx, 29.2 g/t au over 2.1 metres at Caribou, and 31.4 g/t Au over 2.4 metres at F51 announced on February 23, 2021
  - 108 g/t Au over 10.5 metres at Triple Lynx announced January 26, 2021
  - 90.5 g/t Au over 9.7 metres at Triple Lynx announced January 18, 2021
  - 344 g/t Au over 2.2 metres at Triple Lynx announced January 11, 2021
  - 206 g/t Au over 2.0 metres at Lynx SW announced January 6, 2021
  - 13,634 g/t Au over 2.0 metres at Lynx announced December 1, 2020
  - 86.2 g/t Au over 14.5 metres and 327 g/t Au over 2.2 metres at Triple Lynx and Lynx, respectively, announced November 24, 2020
  - 75.7 g/t Au over 12.3 metres and 193 g/t Au over 2.3 metres at Lynx and Triple Lynx, respectively, announced November 17, 2020
  - 395 g/t Au over 2.3 metres and 61.5 g/t Au over 9.2 metres at Triple Lynx announced November 5, 2020
  - 22.3 g/t Au over 15.9 metres at Triple Lynx announced October 8, 2020
  - 391 g/t Au over 2.4 metres at Triple Lynx announced October 7, 2020
  - 115 g/t Au over 5.6 metres at Triple Lynx announced September 1, 2020
  - 202 g/t Au over 9.0 metres at Lynx announced August 10, 2020
  - 34.8 g/t Au over 10.4 metres and 26.1 g/t Au over 5.3 metres at Triple Lynx announced July 16, 2020
  - 199 g/t Au over 5.0 metres and 31.0 g/t Au over 6.2 metres at Lynx and Triple Lynx, respectively, announced July 14, 2020
  - 376 g/t Au over 2.0 metres and 35.2 g/t Au over 4.3 metres at Lynx and Triple Lynx, respectively, announced June 23, 2020
  - 35.3 g/t Au over 2.7 metres at Triple Lynx announced April 29, 2020
  - 153 g/t Au over 3.4 metres at Lynx announced April 14, 2020
  - 415 g/t Au over 2.0 metres and 149 g/t Au over 5.6 metres at Lynx announced March 31, 2020
  - 948 g/t Au over 2.4 metres and 360 g/t over 2.1 metres at Lynx and Triple Lynx, respectively, announced March 9, 2020
  - 1.04 g/t Au over 191 metres at Windfall announced February 25, 2020
  - 106 g/t Au over 4.0 metres at Triple Lynx announced January 9, 2020

** True width determinations are estimated at 55-80% of the reported core length intervals for most of the zones. The full set of drill results are available electronically on SEDAR (www.sedar.com) under Osisko's issuer profile and Osisko's website (www.osiskomining.com).*

On February 17, 2021, Osisko announced an updated mineral resource estimate (the "MRE") for its 100% owned world-class Windfall Gold Deposit, located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec. The MRE contains 6.02Mt averaging 9.6 g/t Au for 1.86M oz Au of Measured and Indicated resource and 16.4Mt grading 8.0 g/t for 4.24M oz Au of Inferred resource. Osisko filed a NI 43-101 technical report entitled "Mineral Resource Estimate Update for the Windfall Project" for the MRE, with an effective date of November 30, 2020, on SEDAR (www.sedar.com) on March 8, 2021 under Osisko's issuer profile.

Overall Performance:

During the year ended December 31, 2020, the Corporation spent approximately $121.7 million of exploration and evaluation expenditures on the Windfall and Urban-Barry properties, and $13.3 million on general and administration expenses (including salaries and benefits). The Corporation has active ongoing drill programs that began in 2015 and have evolved in scope over time, resulting in Osisko completing (i) 1,260,216 metres of drilling on the Windfall Property, (ii) 69,490 metres of drilling on the Urban-Barry Property, and (iii) 76,373 metres of drilling on the Quévillon Osborne-Bell Property for a combined total drilling campaign of 1,406,079 metres. Management believes these fundamental elements provide a solid base necessary to build a mining company that will provide growing value to its shareholders over time. See the table in Section 2 – *"Mineral Resources"* of this MD&A for the grade and quantity of each category of mineral resources included in the foregoing disclosure.

During the year ended December 31, 2020, the Corporation drilled 281,618 metres on the Windfall Property and 12,738 metres on the Urban-Barry Property. Surface exploration program was conducted on the on the Urban-Barry and the Quévillon Osborne-Bell Properties.

Several milestones have been reached at the Windfall Property, including the MRE updates released on February 17, 2021 and February 19, 2020, respectively, the successful completion of two approximately 5,000-tonne bulk samples with positive grade reconciliation to the resource block model from both Lynx (89% higher than model prediction) and Zone 27 (26% higher than model) and the completion of the longest surface diamond drillhole ever performed in Canada (3,467 metres). During the year ended December 31, 2020 – in which only 10 months of work was conducted due to COVID-19 – the exploration ramp was advanced by 2,130 metres, with total advancement now at 6,289 metres. As at December 31, 2020, the Lynx underground exploration ramp was at a vertical depth of 440 metres below surface. Overall, advancement of the exploration ramp is behind schedule due to a 2-month suspension of activities as a result of the COVID-19 pandemic; however, ramp development is currently advancing at a normal rate of approximately 240 metres per month. During the year ended December 31, 2020, Osisko completed an additional underground refuge station, three electrical substations, and two underground dewatering stations, as well as the expansion of the surface waste pad and the construction of an additional water pond for the water treatment facility. The expansion to the existing waste dump increased the total waste capacity to 1.4 million tonnes. In preparation for future hydroelectric power, the existing power line at Windfall was extended to the ventilation raise currently being built in the Lynx Zone, and fibre optic cable has been installed to support future infrastructure.

Osisko's core asset, the Windfall Project, continues to advance with the intensive infill drill program and the ramp advancement towards a third bulk sample in the Triple Lynx Zone. The ramp continues with a single heading towards the Triple Lynx Zone for which all permits have been obtained.

1. SUMMARY OF MINERAL PROPERTIES

The Corporation's various gold mineral properties in Canada are summarized below:

Continuing Exploration Properties	Location	Status
Windfall	Québec	Owned 100%
Quévillon Osborne-Bell	Québec	Owned 100%
Urban-Barry	Québec	Owned 100%
Urban Duke	Québec	Owned 100%(1)

Note:
(1) Bonterra Resources Inc. ("Bonterra") has an earn-in right of up to 70% of the property.

2. MINERAL RESOURCES

Updated Windfall Mineral Resource Estimate

On February 17, 2021, Osisko announced the MRE for its 100% owned world-class Windfall gold deposit, located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec. This MRE is based on drilling completed as of September 2020, and includes analytical results received as of November 30, 2020. An additional 100,000 metres have been completed since November 30, 2020 and another 200,000 metres are currently in progress. The infill drilling program is expected to be completed in the second half of 2021 which will be followed by a year-end mineral resource estimate supporting the subsequent Windfall feasibility study. Highlights are as follows:

- **M&I ounces average 9.6 g/t Au and have increased by 54% to 1.87M oz**

- **Lynx represents 60% of the total MRE ounces with grades of 11.3 g/t Au Measured; 11.0 g/t Au Indicated; and 9.9 g/t Au Inferred**
- **50% of MRE contained in 22 wireframes; 75% of MRE contained in 62 wireframes**
- **Discovery and definition cost averages US$38/oz[(1)]**
- **Deposit average of 4.5 oz Au defined per metre drilled[(2)]**
- **Significant Lynx high-grade zones remain open to expansion**

Notes:

(1) Non-audited estimation using projected exploration expenditures as of December 31, 2020, the amount of meters drilled by Osisko since 2015 and considering Québec tax exploration credit returns.

(2) Considering MRE global ounces divided by 1,343,593 metres of core drilled in the area of the MRE.

Table 1: Windfall Gold Deposit Mineral Resource Estimate Sensitivity Table

Cut-off Grade (g/t Au)	Measured + Indicated					Inferred				
	Tonnes (000 t)	Grade Au (g/t)	Grade Ag (g/t)	Ounces Au (000 oz)	Ounces Ag (000 oz)	Tonnes (000 t)	Grade Au (g/t)	Grade Ag (g/t)	Ounces Au (000 oz)	Ounces Ag (000 oz)
5.00	4,214	11.9	6.8	1,614	918	10,525	10.2	3.3	3,454	1,133
4.50	4,721	11.1	6.5	1,692	981	12,090	9.5	3.1	3,693	1,215
4.00	5,304	10.4	6.2	1,771	1,059	14,045	8.8	2.9	3,960	1,319
3.50	6,023	9.6	5.9	1,857	1,149	16,401	8.0	2.7	4,244	1,446
3.00	6,882	8.8	5.7	1,947	1,257	19,561	7.3	2.6	4,574	1,604
2.50	7,971	8.0	5.4	2,043	1,381	23,676	6.5	2.4	4,937	1,806

Note:

** The MRE uses a cut-off grade of 3.5 g/t AU.*

Table 2: Windfall Gold Deposit Mineral Resource Estimate by Area (3.5 g/t Au cut-off)

Area	Measured					Indicated					Inferred				
	Tonnes[(1)] (000 t)	Grade Au (g/t)	Grade Ag (g/t)	Ounces Au[(1)] (000 oz)	Ounces Ag[(1)] (000 oz)	Tonne[(1)] (000 t)	Grade Au (g/t)	Grade Ag (g/t)	Ounces Au[(1)] (000 oz)	Ounces Ag[(1)] (000 oz)	Tonne[(1)] (000 t)	Grade Au (g/t)	Grade Ag (g/t)	Ounces Au[(1)] (000 oz)	Ounces Ag[(1)] (000 oz)
Lynx[(2)]	521	11.3	8.1	189	135	3 075	11.0	6.6	1 088	655	7 418	9.9	3.5	2 355	833
Underdog	-	-	-	-	-	562	8.0	1.1	145	20	4 788	6.9	0.9	1 068	139
Main[(3)]	-	-	-	-	-	1 865	7.3	5.7	436	339	3 540	5.9	3.3	673	375
Triple 8	-	-	-	-	-	-	-	-	-	-	655	7.1	4.7	149	99
Total	521	11.3	8.1	189	135	5 502	9.4	5.7	1 668	1 013	16 401	8.0	2.7	4 244	1 446

Notes:

(3) Values are rounded to nearest thousand which may cause apparent discrepancies.

(4) Lynx area includes: Lynx Main, Lynx HW, Lynx SW, Lynx 4, and Triple Lynx.

(5) Main area includes: Zone 27, Caribou, Mallard, Windfall Nord, and F-Zones.

** See the MRE notes further below.*

This MRE is the result of 3,612 drill holes (1,343,593 metres of core) in the resource area, including 2,959 drill holes (1,161,872 metres of core) completed by Osisko from October 2015 to September 15, 2020 with assays up to November 30, 2020. The MRE with an effective date of November 30, 2020 was prepared by Osisko and reviewed and audited by BBA Inc., Montréal, Québec. The full technical report, which was prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") and titled "Mineral Resource Estimate Update on the Windfall Project", is available on SEDAR (www.sedar.com) under the Corporation's issuer profile.

This MRE reflects the current status of the geological interpretation supported by infill drilling, underground mapping, and bulk sample results. Most mineralized envelopes in the Main area are associated with pyritic stringers occurring near contacts between volcanic rocks and younger intrusive rocks. The Lynx mineralized zones form an extensive anastomosed network of quartz-rich and pyrite-rich veins hosted within strongly silicified volcanic rocks. This system is located on the southern limb of an open fold plunging at 40 degrees towards ENE along the Bank fault-shear zone.

The resource estimation includes a total of 374 mineralized zones defined by individual wireframes with a minimum true thickness of 2.0 metres. Interestingly, 50% of the MRE is contained within 22 wireframes while 75% of the MRE is contained within 62 wireframes. The MRE reports grade blocks inside volumes potentially mineable by underground methods at a cut-off grade of 3.5 g/t Au. The cut-off calculation below has been rounded up to 3.5 g/t Au to better represent a future mining cut-off.

Table 4: Parameters used to estimate the underground cut-off grade for the MRE

Parameters	Unit	Value
Gold Price	USD/oz	$1,485
Exchange Rate	USD/CAD	1.3
Mill Recovery	%	94
Payability	%	99.95
Sell Cost	USD/oz	$5
Net Smelter Returns ("NSR") Royalties	%	2
Mining Cost	CAD/T milled	$100
G&A Cost	CAD/T milled	$30
Processing Cost	CAD/T milled	$40
Transportation	CAD/T milled	$2
Environment	CAD/T milled	$10
Calculated Cut-off Grade	g/t Au	3.2
MRE Cut-off Grade	**g/t Au**	**3.5**

Notes:

(1) *The independent qualified person for the 2021 MRE, as defined by NI 43-101 guidelines, is Pierre-Luc Richard, P.Geo.(OGQ#1119), of BBA Inc. The effective date of the MRE is November 30, 2020.*

(2) *The MRE is compliant with the November 29, 2019 CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines.*

(3) *These mineral resources are not mineral reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred mineral resources in this MD&A are uncertain in nature and there has been insufficient exploration to define these resources as Indicated or Measured; however, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.*

(4) *Resources are presented undiluted and in situ and are considered to have reasonable prospects for economic extraction. Isolated and discontinuous blocks above the stated cut-off grade are excluded from the mineral resource estimate. Must-take material, i.e. isolated blocks below cut-off grade located within a potentially mineable volume, was included in the mineral resource estimate.*

(5) *As of November 30, 2020, the database comprises a total of 3,612 drill holes for 1,343,593 metres of drilling in the area extent of the MRE, of which 2,959 drill holes (1,161,872 metres) were completed and assayed by Osisko. The drill hole grid spacing is approximately 12.5 metre x 12.5 metre for definition drilling, 25 metre x 25 metre for infill drilling and larger for extension drilling.*

(6) *All core assays reported by Osisko were obtained by analytical methods described below under "Quality Control and Reporting Protocols".*

(7) *Geological interpretation of the deposit is based on lithologies, mineralization style, alteration, and structural features. Most mineralization envelopes are subvertical, striking NE-SW and plunging approximately 40 degrees towards the North-East. The 3D wireframing was generated in Leapfrog Geo, a modelling software, from hand selections of mineralization intervals. The mineral resource estimate includes a total of 374 tabular, mostly sub-vertical domains defined by individual wireframes with a minimum true thickness of 2.0 metres.*

(8) *Assays were composited within the mineralization domains into 2.0 metres length composites. A value of 0.00125 g/t Au and 0.0025 g/t Ag (¼ of the detection limit) was applied to unassayed core intervals.*

(9) *High-grade composites were capped. Cappings were determined in each area from statistical studies on groups of zones sharing similar mineralization characteristics. Cappings vary from 10 g/t Au to 200 g/t Au and from 5 g/t Ag to 150 g/t Ag. A multiple capping strategy defined by capping values decreasing as interpolation search distances increase was used in the grade estimations.*

(10) *Block models were produced using Datamine™ Studio RM Software. The models are defined by parent cell sizes of 5 metres NE, 2 meters NW and 5 metres height, and sublocked to minimum subcell sizes of 1.25 meters NE, 0.5 metres NW and 1.25 metres height.*

(11) *Ordinary Kriging (OK) based interpolations were produced for gold estimations in each area of the Windfall deposit, while silver grade estimations were produced using Ordinary Kriging (OK) or Inverse Distance Squared (ID^2) interpolations. Gold estimation parameters are based on composite variography analyses. The gold estimation parameters were used for the silver estimation.*

(12) *Density values of 2.8 were applied to the mineralized zones.*

(13) *The MRE is categorized as measured, indicated, and inferred mineral resource as follows:*

- a. *The measured mineral resource category is manually defined and encloses areas where:*
  - i. *drill spacing is less than 12.5 metres,*
  - ii. *blocks are informed by a minimum of four drill holes,*
  - iii. *geological evidence is sufficient to confirm geological and grade continuity.*
  - iv. *zones have been accessed by underground workings.*
- b. *The indicated mineral resource category is manually defined and encloses areas where:*
  - i. *drill spacing is generally less than 25 metres,*
  - ii. *blocks are informed by a minimum of two drill holes,*
  - iii. *geological evidence is sufficient to assume geological and grade continuity.*
- c. *The inferred mineral resource category is manually defined and encloses areas where:*
  - i. *drill spacing is less than 100 metres,*
  - ii. *blocks are informed by a minimum of two drill holes,*
  - iii. *geological evidence is sufficient to imply, but not verify geological and grade continuity.*

(14) *The mineral resource is reported at 3.5 g/t Au cut-off. The cut-off grade is based on the following economic parameters: gold price at $1,485 USD/oz, exchange rate at 1.30 USD/CAD, 94% mill recovery; payability of 99.95%; selling cost at $5 USD/oz, 2% NSR royalties, mining cost at $100 CAD/t milled, G&A cost at $30 CAD/t milled, processing cost at $40 CAD/t, transportation cost at $2 CAD/t considering mill at site, and environment cost at $10 CAD/t. A cut-off grade of 3.5 g/t Au was selected over the calculated cut-off grade of 3.2 g/t Au to better reflect a realistic mining cut-off.*

(15) *Estimates use metric units (metres, tonnes and g/t). Metal contents are presented in troy ounces (metric tonne x grade / 31.10348).*

(16) *The independent qualified person,), is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political or marketing issues, or any other relevant issue, that could materially affect the mineral resource estimate.*

(17) *Values in tonnes and ounces are rounded to nearest thousand which may cause apparent discrepancies.*

Quévillon Mineral Resource Estimate

Cut-off grade	Tonnes (T)[9]	Grade (g/t)	Ounces Au[12]
> 6.00 g/t Au	883,000	9.77	277,000
> 5.00 g/t Au	1,273,000	8.44	346,000
> 4.00 g/t Au	1,816,000	7.26	424,000
> 3.50 g/t Au	2,156,000	6.70	465,000
> 3.00 g/t Au	2,587,000	6.13	510,000
> 2.50 g/t Au	3,166,000	5.51	560,000

Notes:

(1) Resources are presented undiluted and in situ and are considered to have reasonable prospects for economic extraction.
(2) The estimate encompasses nine tabular gold-bearing zones each defined by individual wireframes with a minimum true thickness of 2 metres.
(3) High-grade capping was done on composite data and established on a per zone basis for gold. It varies from 25 g/t Au to 55 g/t Au.
(4) Density values were applied on the following lithological basis (g/cm3): volcanic host rocks = 2.80; late barren dykes and Beehler stock = 2.78; Zebra felsic unit = 2.72.
(5) Grade model resource estimation was evaluated from drill hole data using an Ordinary Kriging interpolation method on a block model using a block size of 2.5 metres x 2.5 metres x 2.5 metres.
(6) The mineral resources presented herein are categorized as inferred. The inferred category is only defined within the areas where drill spacing is less than 100 metres and shows reasonable geological and grade continuity.
(7) The resource was estimated using Geovia GEMS 6.8. The estimate is based on 931 surface diamond drill holes. A minimum true thickness of 2.0 metres was applied, using the grade of the adjacent material when assayed, or a value of zero when not assayed.
(8) Estimates use metric units (metres, tonnes, and g/t). Metal contents are presented in troy ounces (metric tonne x grade / 31.10348).
(9) The number of metric tonnes was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding errors.
(10) InnovExplo Inc. is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political or marketing issues, or any other relevant issue not reported in the Quévillon Resource Estimate that could materially affect the mineral resource estimate.
(11) These mineral resources are not mineral reserves as they do not have demonstrated economic viability. The quantity and grade of reported inferred resources in this mineral resource estimate are uncertain in nature and there has been insufficient exploration to define these inferred resources as indicated or measured, and it is uncertain if further exploration will result in upgrading them to these categories.
(12) The number of ounces was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding errors.

The Corporation's global mineral resources are summarized below:

CATEGORY	TONNES (MT)	AU GRADE (G/T)	AU (M OZ)
TOTAL MEASURED			
WINDFALL [1]	0.5	11.3	0.19
	0.5	11.3	0.19
TOTAL INDICATED			
WINDFALL [1]	5.5	9.4	1.67
	5.5	9.4	1.67
TOTAL MEASURED & INDICATED			
WINDFALL [1]	6.0	9.6	1.86
	6.0	9.6	1.86
TOTAL INFERRED			
WINDFALL[1,2]	16.4	8.1	4.24
OSBORNE-BELL[2,3]	2.6	6.13	0.51
	19.0	7.79	4.75

Notes:

(1) Information relating to the MRE is supported by the NI 43-101 Technical Report dated March 8, 2021 and entitled "Mineral Resource Estimate Update for the Windfall Project", with an effective date of November 30, 2020, which is available on SEDAR (www.sedar.com) under Osisko's issuer profile. A cut-off grade of 3.5 g/t Au was used.
(2) Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to a higher category. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
(3) Information relating to the Osborne-Bell Gold Deposit is supported by the Quévillon Resource Estimate Technical Report titled "NI 43-101 Technical Report and Mineral Resource Estimate – Osborne-Bell Gold Deposit, Quévillon Property", which is available on SEDAR (www.sedar.com) under Osisko's issuer profile. A cut-off grade of 3.0 g/t Au was used.

3. MINERAL PROPERTY ACTIVITIES

As of December 31, 2020, the Corporation held a significant claims position in the Urban-Barry and Quévillon area of Québec.

The Windfall Property contains 286 claims covering 12,523 hectares and includes the Windfall Gold Deposit. The Urban-Barry Property comprises 1,835 claims covering 100,188 hectares and is adjacent to the Windfall Property. Both projects are located within the Urban-Barry volcano-sedimentary belt. Adjacent to the Urban-Barry Project, the Urban Duke Property contains 81 claims covering 3,590 hectares, Bonterra, the operator of the Urban Duke Property, has an earn-in right of up to 70% of the property. The Quévillon Osborne-Bell property, which includes the Osborne-Bell Gold deposit, contains 2,814 claims covering more than 150,107 hectares. Overall, Osisko's properties cover more than 266,408 hectares in the Urban-Barry and Quévillon area of Québec.

The exploration expenditures on the properties were for drilling, exploration ramp advancement, prospecting, geochemical survey, till surveys, IP geophysical surveys, and claims acquisition.

a) Windfall Property

The Windfall Property is 100% owned by the Corporation and located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec, Canada. The Windfall Property is subject to NSR royalties varying from 1.5% to 3.0%. However, the majority of the deposit as it currently stands in the MRE is covered by a 2% NSR royalty owned by Osisko GR. The descriptions and details of the different royalties are provided in the MRE technical report available on SEDAR under Osisko's issuer profile as well as on Osisko's website.

During the year ended December 31, 2020, the Corporation acquired one claim through an agreement completed with Globex Mining Enterprises Inc. ("Globex") that also included 5 other claims that were assigned to the Urban-Barry Property. In exchange, Osisko paid Globex $100,000 and Globex retained a 2% gross metal royalty on the six claims.

Exploration Activities

During the year ended December 31, 2020, an aggregate of 281,618 metres has been drilled at the Windfall Property, including 86,025 metres performed using underground drills. As the result, Osisko completed 1,260,216 metres of the current 1,500,000-metre drill program on the Windfall Property. Following the recent mineral resource estimation update released on February 17, 2021, Osisko will complete the infill program in support of a year-end mineral resource estimation and the subsequent feasibility study. Drilling will also aim to expand the Triple Lynx Zone up and down plunge, the Main Lynx Zone down plunge and continues to expand the Lynx 4 Zone down plunge and towards Southwest. The Corporation continues to obtain drill results from the drill program on the Windfall Property.

The table below presents the previously released 2020 top 20 drill intercepts from the Lynx Zone:

Hole No.	From (m)	To (m)	Interval (m)	Au (g/t) uncut	g*metres uncut	Zone
WST-20-0543	**74.0**	**76.0**	**2.0**	**13,634**	**27,268**	**LYNX_323**
OSK-W-19-1731-W2	882.7	887.3	4.6	1,475	6,785	Lynx_348
OSK-W-20-2059-W4	1038.1	1066.1	28.0	202	5,643	Lynx_348
OSK-W-19-2226	55.7	58.1	2.4	948	2,275	Lynx_311
OSK-W-20-2256-W5	858.5	873.0	14.5	86	1,250	Lynx_361
WST-20-0312	105.0	110.0	5.0	199	993	Lynx_304
OSK-W-20-2260-W1	843.0	846.0	3.0	314	941	Lynx_361
OSK-W-20-2133-W2	783.6	786	2.4	391	939	Lynx_361
OSK-W-20-2264	766.5	778.8	12.3	76	931	Lynx_334
OSK-W-20-2133-W4	928.8	939.6	10.8	85	918	Triple Lynx
OSK-W-20-2292-W1	1040.7	1043.0	2.3	395	909	Lynx_374
OSK-W-20-2170-W2	971	976.6	5.6	149	835	Lynx_363
OSK-W-20-2100-W7	933.0	935.0	2.0	415	830	Lynx_361
WST-20-0310	63.7	65.7	2.0	376	751	Lynx_311
WST-20-0569	310.5	312.7	2.2	327	719	Lynx_356
WST-20-0295	142.0	144.0	2.0	337	675	Lynx_304
OSK-W-20-2256-W2	874.7	880.3	5.6	115	642	Lynx_361
OSK-W-20-2256-W4	862.0	871.2	9.2	62	566	Lynx_361
WST-19-0234	69.2	72.6	3.4	153	520	Lynx_311
WST-20-0295	134.0	136.0	2.0	243	485	Lynx_304

The Windfall deposit remains open down plunge and at depth as well as towards the north portion of the syncline fold encompassing most of the Lynx mineralized system.

The current drilling program is designed to define the existing mineralized zones within the main deposit area and the Lynx zones. Osisko continues to work advancing the exploration ramp towards the mineralized zones of Triple Lynx and continues to develop underground drilling stations in order to accelerate the infill drilling process. The 5,500-tonne bulk sample excavation of Zone 27 (October 2018 to June 2019) and the second 5,716 tonnes bulk sample in the Lynx Zone (September to December 2019) allowed for a better understanding of geology, structure, controls of mineralization, metallurgy, and mining method that will support the feasibility study. Permits have been obtained for the extraction of a third bulk sample located in the new Triple Lynx Zone which is expected to begin at the end of 2021. Moreover, authorization for electro-oxidation water treatment was received from the Ministère de l'Environnement et de la Lutte contre les changements climatiques on December 1, 2020.

Additional information regarding drilling results, maps and table are available on SEDAR (www.sedar.com) under Osisko's issuer profile and on Osisko's website (www.osiskomining.com).

b) Urban-Barry Property

The Urban-Barry Property is 100% owned by the Corporation. The property is mostly constituted by claims that were acquired through designation at different periods from 2015 to 2017 as well as the claims from the acquisition of Beaufield Resources Inc. ("Beaufield"). The claims are subject to different NSR royalties which are described in the MRE available on SEDAR (www.sedar.com) under Osisko's issuer profile. During the year, the Corporation added seven claims to the project from two agreements.

The first agreement with Globex for the acquisition of five cell claims that included one other claim that was assigned to the Windfall Property. Osisko paid Globex $100,000 in cash for the six claims and Globex retained a 2% gross metal royalty on the six claims. Osisko kept a right of first refusal with respect to any sale, lease, transfer, assignment of the royalty by Globex.

Two claims were acquired in Urban-Barry from Silverwater Capital Corp. ("Silverwater") in exchange for a cash payment of $15,000 to Silverwater. Silverwater retained a 1% NSR royalty over the two claims that have a buy-back right in favor of Osisko.

Exploration Activity

During the year ended December 31, 2020, the Corporation drilled 12,738 metres on the Urban-Barry Property, mostly focusing on the Fox SW area and testing regional stratigraphic sequences. Drilling in the Fox SW area (OSK-UB-19-132 returned 16.7 g/t Au over 2.8 metres) completed during 2020 returned anomalous values of 2.71 g/t Au over 2 metres in OSK-UB-20-165 and 1.03 g/t Au over 7.7 metres in drill hole OSK-UB-20-168. During the year ended December 31, 2020, the Corporation completed geochemical soil survey towards the NE extension of the Windfall Gold Deposit.

c) Urban Duke Property

The Corporation acquired the Urban Duke Property through the acquisition of Beaufield, which was completed on October 19, 2018, and amalgamated into Osisko on January 1, 2019. The Urban Duke Property is 100% owned by the Corporation and located within the Urban-Barry Greenstone Belt, Québec. On July 6, 2018, Beaufield entered into a binding agreement with Bonterra which sets forth the terms of an exploration earn-in on the property. In order to earn a 70% interest on the Urban Duke Property, Bonterra must commit: (i) $4.5 million in work expenditures over a three-year period, subject to certain annual work expenditure thresholds, including a guaranteed expenditure threshold of $1.5 million in the first year; and (ii) $750,000 in cash payments over a two-year period, with $250,000 due upon signing, $250,000 due in the first year, and the remaining $250,000 due in the second year. Upon signing on July 6, 2018, and as further consideration for the granting of the exploration earn-in, Bonterra issued 4 million common shares of Bonterra to Beaufield.

Following the completion of the exploration earn-in, Osisko and Bonterra will enter into a joint venture agreement in respect of the property with Bonterra maintaining a 70% interest and Osisko maintaining a 30% interest.

Exploration Activity

During the year ended December 31, 2020, a total of 14,805 metres were drilled over the Urban Duke Property by Bonterra. Results from the till sampling and drilling campaign in the fourth quarter of 2020 are still pending. The best results from the campaign so far were obtained from drill hole DK-20-22 that returned 5.1 g/t Au over 6 metres, including 12.1 g/t over one metre that constitutes a twin hole of historical drill hole 87-51 over the Rouleau deposit.

d) Quévillon Osborne-Bell Project

The Quévillon Osborne-Bell Project is located 17 kilometres northwest of the town of Lebel-sur-Quévillon and 112 kilometres west of the Windfall Gold Deposit. The Osborne-Bell Gold Deposit has been the object of significant historical drilling over the past 30 years. The project was initially acquired on April 27, 2017, through the acquisition of a property package in the Lebel-sur-Quévillon area of Québec for cash consideration of $1 million and the issuance of 100,000 Common Shares. Expansion of the property was completed mostly through claims staking acquisition but also through different purchase agreements from individuals or companies since 2017. There is no existing royalty covering the Osborne-Bell Gold Deposit while a few claims are subject to different NSR royalties varying from 1-3% (see the Osborne-Bell Mineral Resource Estimate Technical Report dated April 23, 2018 with an effective date of March 2, 2018, available on SEDAR (www.sedar.com) under Osisko's issuer profile, for details on royalties affecting the property).

The land position of the Quévillon area covers volcano-sedimentary Archean greenstones that hosts several known gold showings and porphyry igneous intrusions that are of strong exploration interest to the Corporation.

Exploration Activity

Field work including prospecting, soil geochemical survey and mapping was completed on the project during the year ended December 31, 2020. A few gold values returning up to 4.3 g/t Au were collected from a 1.5-metre-wide quartz vein hosted within mafic volcanic rock during the prospecting phase in the Toussaint area, located 30km to the East of the Osborne-Bell Gold Deposit. No drilling was performed over the Quévillon Osborne-Bell Property in 2020.

e) Other Properties

On December 21, 2020, the Corporation completed the acquisition of properties located in Belleterre in Temiscamingue from Pershimex Resources Corporation ("Pershimex"). The Corporation acquired 50% of the Blondeau Guillet Property and 100% of the Chevrier Property in exchange for $125,000 in cash.

On January 8, 2021, the Corporation acquired 50% of the Blondeau-Guillet property from O3 Mining in exchange for $100,000 in cash.

4. EXPLORATION AND EVALUATION ASSETS EXPENDITURES

The Corporation's expenditures on exploration and evaluation assets for the year ended December 31, 2020, were as follows (in thousands of Canadian dollars):

	December 31, 2019	Acquisitions	Disposals	Additions	Deconsolidation of O3 Mining	December 31, 2020
Windfall Lake	$ 308,437	$ -	$ -	$ 94,840	$ -	$ 403,277
Quévillon Osborne	18,518	-	-	554	-	$ 19,072
Urban-Barry	23,293	-	-	2,153	-	$ 25,446
Urban Duke	1,896	-	-	(250)	-	$ 1,646
Other	-	125	-	-	-	$ 125
O3 Mining	135,154	156	(1,174)	8,885	(143,021)	$ -
Total exploration and evaluation assets	**$ 487,298**	**$ 281**	**$ (1,174)**	**$ 106,182**	**$ (143,021)**	**$ 449,566**

Significant additions during the year ended December 31, 2020 are described by category in the following table (in thousands of Canadian dollars):

For the year ended December 31, 2020	Windfall Lake	Quévillon Osborne	Urban-Barry	Urban Duke	O3 Mining	Total
Property costs	$ 217	$ 11	$ 20	$ (250)	$ 428	**$ 426**
Camp costs	17,595	57	99	-	99	**17,850**
Office costs	63	1	3	-	70	**137**
Project management	3,690	10	99	-	257	**4,056**
Drilling	60,564	60	2,420	-	6,570	**69,614**
Geochemical survey	-	18	37	-	4	**59**
Permitting	193	-	-	-	78	**271**
Geophysical survey	219	-	4	-	95	**318**
Geology	2,039	346	12	-	682	**3,079**
Feasibility study and preliminary economic assessment	2,909	50	-	-	466	**3,425**
Ramp	26,070	-	-	-	-	**26,070**
Community relations	618	-	-	-	6	**624**
Environmental	4,540	-	-	-	69	**4,609**
Health and safety	2,363	1	1	-	1	**2,366**
Québec exploration mining duties	(26,240)	-	(542)	-	60	**(26,722)**
Total additions	**$ 94,840**	**$ 554**	**$ 2,153**	**$ (250)**	**$ 8,885**	**$ 106,182**

During the year ended December 31, 2020, the majority of the exploration spending took place on the Windfall Property, which is the subject of an ongoing drill program of 1,500,000 metres. As of December 31, 2020, the Corporation had drilled 1,260,251 metres on the Windfall Property (including 281,618 metres in 2020), 76,373 metres on the Quévillon Osborne-Bell Property, and 69,490 metres on the Urban-Barry area (including 12,738 metres in 2020) since 2015. In addition, the Corporation advanced 6,289 metres (including 2,130 metres in 2020) of the Windfall exploration ramp, and two bulk samples (one in Zone 27 and one in the Lynx Zone) were completed on the project. Management expects the exploration ramp to be advanced at the rate of approximately 240 metres per month. Underground mapping will continue on the exploration ramp as well as underground infill drilling.

5. OUTLOOK

The operational outlook below and described herein reflects the Corporation's current operations.

On March 23, 2020, the Government of Québec mandated all non-essential businesses to suspend operations until further notice. This included Osisko and its operations at all the sites in Québec. In accordance with the directive, workers were demobilized from the sites on March 24, 2020.

On May 15, 2020, Osisko resumed operations at Windfall in accordance with permission from the Government of Québec and in close collaboration with the Cree First Nation of Waswanipi and the Cree Nation Government.

Through pre-screening processes and on-site precautionary measures respecting industry standards and guidelines from the public health department, and in consultation with the Corporation's Cree partners, the Corporation has made possible a re-opening at Windfall.

On July 7, 2020, the Department of Finance proposed an extension of the flow-through funds spend period and the look-back rule by a year, including a proposed suspension of the Part XII.6 tax for the same period. On December 16, 2020, the Department of Finance released draft legislative proposals to implement the proposals announced in July 2020. Based on the draft legislation, as of December 31, 2020, the Corporation would be required to spend $12 million of flow-through funds by December 31, 2022. If the extension is not enacted by the Department of Finance, the date for the flow-through spend requirements will remain at December 31, 2021. However, since exploration activities have resumed on May 15, 2020, the Corporation does not foresee any issues in spending flow-through funds raised in 2020 prior to the original deadline unless another forced stoppage takes place during 2021.

The Corporation is planning to spend $14.3 million per month on exploration activities on all of Osisko's properties, $260,000 per month on general and administration expenses and $476,000 per month on salaries and benefits for the 2021 year. These budgeted cash outflows are mainly discretionary and can be managed by the Corporation based on available cash. The

Corporation has raised $772 million since January 1, 2017 which include the $70-million flow-through financing that was closed on February 12, 2021. The proceeds from these financings have been or will be used, directly or indirectly, to fund "Canadian exploration expenditures" and "Canadian development expenditures" on the Corporation's properties and for general working capital.

The 1,500,000-drilling program completion is expected in the second half of 2021, which will be followed by a mineral resource update, expected by year-end. A feasibility study is expected to be delivered in the first half of 2022. The Corporation continues to advance the existing exploration ramp towards the Triple Lynx Zone in order to prepare for a third bulk sample but also to further advance exploration with underground drilling stations. The Corporation continues surface drilling, mostly focusing on the Lynx, Lynx Extension and Triple Lynx zones, while advancing the infill drill program on existing, and newly discovered zones. In the Lynx Zone, the Corporation has begun the construction of a new 240 metres deep ventilation raise, including a secondary escapeway from surface.

6. INVESTMENTS

The Corporation's assets include a portfolio of investments in public companies as of December 31, 2020. From time to time, the Corporation invests in other corporations for either investment purposes or strategic reasons. From time to time, the Corporation may decide to take a more active role in the investee, including providing management personnel, technical and/or administrative support, as well as nominating individuals to the investee's board of directors.

For accounting purposes, the Corporation's position in Barkerville Gold Mines Ltd. ("Barkerville") was reflected as "Investment in associates" in the financial statements of the Corporation up to November 21, 2019. On August 8, 2016, the Corporation acquired 50 million common shares of Barkerville, and immediately classified this investment as "Investment in associates" for accounting purposes. Subsequent to this initial investment, Osisko acquired a further 41,439,028 common shares of Barkerville for $22,662,000 in cash. Prior to November 21, 2019, the Corporation's Chairman, Sean Roosen, acted as Chairman of the board of directors of Barkerville, and the Corporation's CFO, Blair Zaritsky, acted as a director of Barkerville.

On November 21, 2019, Osisko GR acquired all of the issued and outstanding common shares of Barkerville that it did not already own by way of a plan of arrangement under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the "Barkerville Acquisition"). Under the terms of the Barkerville Acquisition, each shareholder of Barkerville (excluding Osisko GR and any dissenting shareholders) received 0.0357 of a common share of Osisko GR in exchange for each common share of Barkerville held at the effective time of the Barkerville Acquisition. For the year ended December 31, 2019, the Corporation recorded an impairment of $22.4 million in the category of "Investment in associates", reflecting the fair market value of common shares of Barkerville, which was $38.7 million, based on the exchange ratio of 0.0357 and the value of common shares of Osisko GR. The Osisko GR position is now held under marketable securities and is being marked to market every quarter-end.

On February 11, 2020, Osisko entered into a TRES with National Bank. Under the TRES, Osisko sold 1,600,000 common shares of Osisko GR to National Bank in exchange for $21.9 million in cash. Prior to maturity, National Bank receives interest payment at the rate of Canadian Dollar Offered Rate plus 3.75% from Osisko, and Osisko is entitled to quarterly cash payments equal to quarterly dividends of Osisko GR. On February 11, 2021, the TRES matured and Osisko received $1,000,000 from National Bank for the difference between National Bank's proceeds of disposition from the 1,600,000 common shares of Osisko GR and $21.9 million, after paying remaining unpaid interest on the TRES.

During the year ended December 31, 2020, after Osisko entered into the TRES, the fair value of the common shares of Osisko GR under the TRES has increased by $3,920,000.

The Corporation has retained the investment on the balance sheet through the period of the agreement and has recorded a financial liability for $21.9 million. Both the investment and financial liability were derecognized on February 11, 2021.

As of August 21, 2020, Osisko no longer controls O3 Mining under IFRS, and therefore is no longer consolidating the subsidiary for the purposes of its financial statements. Osisko retains influence over O3 Mining and has recorded the investment as an investment in associate. The Corporation owns 18,277,898 common shares of O3 Mining which represents approximately 30.3% of the issued and outstanding common shares of O3 Mining. Mr. John Burzynski, the Executive Chairman, Chief Executive Officer and Director of the Corporation is the Chairman of O3 Mining, and Mr. Blair Zaritsky, the CFO of the Corporation, is the CFO of O3 Mining. On August 21, 2020, the Corporation recorded its 18,277,898 common shares of O3 Mining, or 30.3% stake, at fair value as an investment in associate at $44,050,000.

O3 Mining is a mineral resource company focused on the exploration and development of its gold properties located in Québec and Ontario. O3 Mining's head office is located in Canada and it is a public company listed on the TSX Venture Exchange. The trading price of O3 Mining's common shares on December 31, 2020 was $3.17 per share which corresponds to a quoted market value of $57,941,000 for the Corporation's investment in O3 Mining. The equity accounting for O3 Mining is based on the results to December 31, 2020.

6.1 Marketable Securities

The following table summarizes information regarding the Corporation's marketable securities as at December 31, 2020 and 2019 (in thousands of Canadian dollars):

As at	December 31, 2020	December 31, 2019
Balance, beginning of year	**$ 55,256**	**$ 14,200**
Additions	87,785	7,693
Common shares of Osisko GR from disposal of investment in associate	-	38,650
Share considerations from disposition of exploration and evaluation assets	2,146	-
Acquisitions	-	12
Disposals	(76,782)	(6,107)
Deconsolidation of O3 Mining	(20,065)	-
Realized gain/(loss)	5,430	(3,252)
Unrealized gain	21,168	4,060
Balance, end of year	**$ 74,938**	**$ 55,256**

During the year ended December 31, 2020, these shares and warrants were fair valued, and this resulted in an unrealized gain $21,168,000 (2019 – $4,060,000). The Corporation sold shares during the year ended December 31, 2020 which resulted in a realized gain of $5,430,000 (2019 – loss of $3,252,000).

6.2 Investments in Associates

The following table summarizes information regarding the Corporation's investment in associate as at December 31, 2020 and 2019 (in thousands of Canadian dollars):

	Barkerville	O3 Mining Inc.	Total
Balance, January 1, 2019	**$ 56,998**	**$ -**	**$ 56,998**
Cash investment in associates	3,253	-	3,253
Share of gain for the year	805	-	805
Impairment on investment in associate	(22,406)	-	(22,406)
Disposal of investment in associate	(38,650)	-	(38,650)
Balance, December 31, 2019	**$ -**	**$ -**	**$ -**
Deconsolidation of O3 Mining	-	44,050	44,050
Share of loss for the year	-	(1,875)	(1,875)
Balance, December 31, 2020	**$ -**	**$ 42,175**	**$ 42,175**

The fair market value of the O3 Mining investment as at December 31, 2020 was $57,941,000. If the Corporation were to have sold the O3 investment on December 31, 2020, the Corporation would have realized a gain of $15.8 million.

7. RESULTS OF OPERATIONS

The following table summarizes the Corporation's statements of income/loss and comprehensive income/loss for the year ended December 31, 2020 (in thousands of Canadian dollars):

	Three months ended		Year ended	
	December 31, 2020	December 31, 2019	**December 31, 2020**	December 31, 2019
Expenses/(income)				
Compensation expenses	$ 5,359	$ 5,067	$ 22,309	$ 16,358
General and administration expenses	798	1,803	4,583	5,610
General exploration expenses	-	3	44	92
Exploration and evaluation assets impairment loss	-	-	-	24,635
Loss from deconsolidation	-	-	15,195	-
Gain from disposition of exploration and evaluation assets	-	-	(1,739)	-
Flow-through premium income	(1,846)	(8,661)	(19,400)	(14,531)
Gain from marketable securities	(2,459)	(2,840)	(26,598)	(808)
Loss from disposition of property, plant and equipment	-	8	25	8
Other income	(6)	(7)	(34)	(254)
Operating loss/(income)	**1,846**	**(4,627)**	**(5,615)**	**31,110**
Finance income	(630)	(709)	(2,660)	(1,863)
Finance costs	342	62	1,881	639
Net finance income	**(288)**	**(647)**	**(779)**	**(1,224)**
Share of (gain)/loss of associate	214	-	1,875	(805)
Impairment loss on investment in associate	-	669	-	22,406
Loss /(income) before tax	**1,772**	**(4,605)**	**(4,519)**	**51,487**
Deferred income tax expense	2,596	6,809	17,506	27,356
Loss and comprehensive loss	**$ 4,368**	**$ 2,204**	**$ 12,987**	**$ 78,843**

7.1 Three-Month Period Ended December 31, 2020 as Compared to Three-Month Period Ended December 31, 2019

Loss and comprehensive loss increased by $2.2 million from $2.2 million for the three-month period ended December 31, 2019, compared with $4.4 million for the three-month period ended December 31, 2020 mainly due to a decrease in flow-through premium income of $6.8 million (non-cash income), partially offset by a decrease in deferred tax expense of $4.2 million (non-cash expense), and a decrease in general and administration expenses of $1.0 million.

Compensation expenses increased by $292,000 to $5.4 million for the three-month period ended December 31, 2020, compared with $5.1 million for the same period in 2019. This increase was mostly due to by an increase in salaries of $504,000 as a result of an increase in staff, and compensation, offset partially by a decrease in stock-based compensation of $212,000.

General and administration expenses decreased by $1.0 million to $798,000 for the three-month period ended December 31, 2020, compared with $1.8 million for the same period in 2019. This decrease was mostly due to the COVID-19 restrictions and cost saving efforts.

Flow-through premium income was $1.8 million during the three-month period ended December 31, 2020, compared to $8.7 million during the same period in 2019. This income was derived from flow-through offerings that took place, combined with the amount of "Canadian exploration expenditures" that were spent. On the issuance of flow-through shares, a flow-through share premium liability is recognized. Upon the Corporation incurring flow-through eligible expenditures, the Corporation recognizes flow-through premium income and decreases the flow-through premium liability.

During the three-month period ended December 31, 2020, the Corporation maintained a portfolio of securities that were strategically invested in the marketable securities of exploration and development companies. As a result, the Corporation recognized an unrealized gain of $1.6 million and realized gain of $810,000 in the period. The realized gain was from the sale of several investments and the unrealized gain was a result of the Corporation marking to market its investments at year end. The Corporation had a fair market value of $74.9 million in marketable securities as at December 31, 2020, compared to $55.3 million as at December 31, 2019.

The Corporation recorded an impairment of $669,000 during the three-month period ended December 31, 2019, in respect of its ownership in Barkerville in the category of "Investment in associates", reflecting the terms of the Barkerville Acquisition.

Net finance income during the three-month period ended December 31, 2020 decreased by $359,000 to $288,000, compared with $647,000 for the same period in 2019 due to interest expense incurred on financial liabilities.

Share of loss of associates recognized during the three-month period ended December 31, 2020 was $214,000. Management determined that, for accounting purposes, the Corporation held significant influence over the decision-making process of O3 Mining during the three-month period ended December 31, 2020, and as such recognized its share of net loss.

7.2 Year Ended December 31, 2020 as Compared to Year Ended December 31, 2019

Loss and comprehensive loss decreased by $65.9 million from $78.8 million for the year ended December 31, 2019, compared with $13.0 million for the year ended December 31, 2020 mainly due to a decrease in the impairment of the exploration assets of $24.6 million (non-cash expense), an increase in flow-through premium income of $4.9 million (non-cash income), an increase in gain from marketable securities of $25.8 million ($17.1 million was non-cash income), a decrease in deferred tax expense of $9.9 million (non-cash expense), a decrease in general and administration expenses of $1.0 million, a decrease in impairment on investment in associate of $22.4 million (non-cash expense), and an increase in gain from disposition of exploration and evaluation assets of $1.7 million, partially offset by a loss from deconsolidation of O3 Mining of $15.2 million (non-cash expense), an increase in compensation expenses of $6.0 million ($4.0 million was non-cash expense) and an increase in share of loss of associate of $2.7 million (non-cash loss).

Compensation expenses increased by $6.0 million to $22.3 million for the year ended December 31, 2020, compared with $16.4 million for the same period in 2019. This increase was mostly due to an increase in stock-based compensation of $4.0 million as well as an increase in salaries and benefits of $1.9 million as result of the inclusion of O3 Mining's salaries and benefits expense prior to deconsolidation on August 21, 2020.

General and administration expenses decreased by $1.0 million to $4.6 million for the year ended December 31, 2020, compared with $5.6 million for the same period in 2019. This decrease was mostly due to due to COVID-19 restrictions and cost saving efforts.

Flow-through premium income was $19.4 million during the year ended December 31, 2020, compared to $14.5 million during the same period in 2019. This income was derived from flow-through offerings that took place, combined with the amount of "Canadian exploration expenditures" that were spent. On the issuance of flow-through shares, a flow-through share premium liability is recognized. Upon the Corporation incurring flow-through eligible expenditures, the Corporation recognizes flow-through premium income and decreases the flow-through premium liability.

During the year ended December 31, 2020, the Corporation maintained a portfolio of securities that were strategically invested in the marketable securities of exploration and development companies. As a result, the Corporation recognized an unrealized gain and realized gain in the period of $21.2 million and $5.4 million, respectively. The realized gain was from the sale of several investments and the unrealized gain was a result of the Corporation marking to market its investments at period end. The Corporation had a fair market value of $74.9 million in marketable securities as at December 31, 2020, compared to $55.3 million as at December 31, 2019.

The Corporation recorded an impairment of $22.4 million during the year ended December 31, 2019, in respect of its ownership in Barkerville in the category of "Investment in associates", reflecting the terms of the Barkerville Acquisition.

The Corporation recorded a loss from consolidation of $15.2 million during the year ended December 31, 2020 as result of the deconsolidation of O3 Mining. Management had written down its ownership in O3 Mining to fair market value, which was $40.1 million based on the price of common shares of O3 Mining as at August 21, 2020.

Net finance income during the year ended December 31, 2020 decreased by $445,000 to $779,000, compared with $1.2 million for the same period in 2019 due to interest expense incurred on financial liabilities.

Share of loss of associates recognized during the year ended December 31, 2020 was $1.9 million compared to of an income of $805,000 for the same period in 2019. Management determined that, for accounting purposes, the Corporation held significant influence over the decision-making process of O3 Mining during the year ended December 31, 2020, and as such recognized its share of net losses. The income recognized in 2019 was from the Corporation's former associate, Barkerville.

The Corporation recorded an impairment loss totaling $24.6 million for the properties that were transfer to O3 Mining during the year ended December 31, 2019. On July 5, 2019, the Corporation transferred the Éléonore Opinaca, Tortigny, Luannay, Marban Block, Garrison Block, Hemlo and James Bay projects to O3 Mining in exchange for common shares of O3 Mining. The transaction stipulated the sales prices of the individual assets and when compared to their respective carrying amounts it was determined that the full carrying value of these assets will not be recovered through sale or further development.

The Corporation recorded a gain from disposition of exploration and evaluation assets totaling $1.7 million during the year ended December 31, 2020 in respect of the exploration and evaluation assets sold by its former subsidiary, O3 Mining, prior to the deconsolidation of O3 Mining on August 21, 2020.

7.3 Cash Flow

The Corporation is dependent upon raising funds in order to fund future exploration programs. See *"Liquidity and Capital Resources"* and *"Risks and Uncertainties"*.

Operating Activities

Cash provided by operating activities for the year ended December 31, 2020 totaled $14.8 million, compared to cash used of $3.6 million for the same period in 2019. The increase in cash flow were primarily attributable to the changes in items of working capital of $28.4 million for the year ended December 31, 2020, compared to a change of $8.8 million for the same period in 2019.

Investing Activities

Cash used by investing activities for the year ended December 31, 2020 totaled $169.2 million compared with $118.5 million for the same period in 2019. In the year ended December 31, 2020, this outflow is primarily attributable to exploration and evaluation expenditures of $121.7 million, acquisition of marketable securities of $87.8 million, net cash outflow from deconsolidation of O3 Mining of $47.1 million, and acquisition of property, plant and equipment of $7.6 million, partially offset by proceeds on disposition of marketable securities of $76.8 million and proceeds on disposition of common shares of O3 Mining of $15.7 million.

Financing Activities

Cash provided by financing activities was $232.1 million for the year ended December 31, 2020, compared with $136.1 million for the same period in 2019. The increase in cash flow was primarily attributable to $219.7 million raised from private placements, $21.9 million from the TRES, and $7.5 million from the exercise of stock options, partially offset by increase in restricted cash of $12.6 million and repayment of the lease liabilities of $2.6 million.

In management's view, the Corporation has sufficient financial resources to fund current planned exploration programs and ongoing operating expenses. As of December 31, 2020, the Corporation had cash of $180.0 million, compared to $102.3 million as at December 31, 2019. The Corporation will continue to be dependent on raising equity or other capital as required unless and until it reaches the production stage and generates cash flow from operations. See *"Risks and Uncertainties" and "Cautionary Note Regarding Forward-Looking Information"*.

8. SUMMARY OF QUARTERLY RESULTS

(in thousands of Canadian dollars)

For the period ended	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
Financial results:				
Finance income	$ (630)	$ (781)	$ (363)	$ (886)
Loss/(Income)	$ 4,368	$ 5,362	$ (7,675)	$ 10,932
Loss/(earnings) per share*:				
Basic and diluted	$ 0.01	$ 0.03	$ (0.02)	$ 0.03
Financial position:				
Working capital (non-IFRS measurement)**	$ 276,806	$ 283,081	$ 371,533	$ 165,634
Exploration and evaluation assets	$ 449,566	$ 431,331	$ 536,454	$ 518,040
Total assets	$ 829,111	$ 813,055	$ 958,484	$ 735,475
Share capital	$ 850,579	$ 841,196	$ 837,021	$ 677,005
Deficit	$ (225,267)	$ (220,899)	$ (209,588)	$ (210,074)
Number of shares issued and outstanding	344,207,806	341,648,564	340,738,183	291,070,027

(in thousands of Canadian dollars)

For the period ended	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Financial results:				
Finance income	$ (709)	$ (413)	$ (286)	$ (455)
Loss	$ 2,204	$ 32,221	$ 6,941	$ 37,476
Loss per share*:				
Basic and diluted	$ 0.01	$ 0.11	$ 0.03	$ 0.14
Financial position:				
Working capital (non-IFRS measurement)**	$ 191,199	$ 104,662	$ 76,981	$ 104,253
Exploration and evaluation assets	$ 487,298	$ 474,092	$ 396,281	$ 370,282
Total assets	$ 719,169	$ 657,421	$ 562,878	$ 559,806
Share capital	$ 673,163	$ 618,578	$ 595,301	$ 592,689
Deficit	$ (194,405)	$ (183,161)	$ (152,184)	$ (145,243)
Number of shares issued and outstanding	290,025,274	274,533,517	263,931,089	262,712,888

** Basic and diluted loss per share is calculated based on the weighted-average number of Common Shares outstanding.*
*** Working Capital is a non-IFRS measurement with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see section 18.*

9. LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2020, the Corporation had a cash balance of $180.0 million (December 31, 2019 - $102.3 million) and working capital of $276.8 million (December 31, 2019 - $191.2 million). The majority of the Corporation's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. Based on the draft legislation, as of December 31, 2020, the Corporation would be required to spend $12.0 million of flow-through funds by December 31, 2022. If the extension is not enacted by the Department of Finance, the date for the flow-through spend requirements will remain at December 31, 2021.

The Corporation has no history of revenues from its operating activities. The Corporation is not in commercial production on any of its mineral properties and accordingly does not generate cash from operations. The Corporation anticipates it will have negative cash flow from operating activities in future periods.

The Corporation has, in the past, financed its activities by raising capital through equity issuances. Until Osisko can generate a positive cash flow position in order to finance its exploration programs, the Corporation will remain reliant on the equity markets for raising capital, in addition to adjusting spending, disposing of assets, and obtaining other non-equity sources of financing.

The Corporation believes it has sufficient cash resources and the ability to raise funds to meet its exploration and administrative overhead expenses and maintain its planned exploration activities for the next 12 months. However, there is no guarantee that the Corporation will be able to maintain sufficient working capital in the future due to market, economic and commodity price fluctuations. See *"Risks and Uncertainties"*.

10. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The Corporation has the following commitments as at December 31, 2020 (in thousands of Canadian dollars):

	Total	2021	2022	2023	2024	2025	2026
Office equipment leases	$ 75	$ 16	$ 16	$ 16	$ 16	$ 11	$ -
Camp trailers and equipment leases	**221**	221	-	-	-	-	-
Total	**$ 296**	**$ 237**	**$ 16**	**$ 16**	**$ 16**	**$ 11**	**$ -**

On June 5, 2020, a one-year letter credit for $2.0 million was arranged with National Bank. The letter of credit is secured by the Corporation's restricted cash.

On July 7, 2020, the Department of Finance proposed to extend the flow-through funds spend period and the look-back rule by one year for financing completed in 2019 and 2020, including suspending the Part XII.6 tax for one year. On December 16, 2020, the draft legislation to implement the proposals was published. Based on the draft legislation, as of December 31, 2020, the Corporation would be required to spend $12.0 million of flow-through funds by December 31, 2022. If the extension is not enacted by the Department of Finance, the date for the flow-through spend requirements will remain at December 31, 2021:

Closing Date of Financing	Province	Deadline for spending	Remaining Flow-through Funds
December 16, 2020	Québec	December 31, 2022	$ 12,000
Total			**$ 12,000**

The Corporation is subject to Part XII.6 taxes on any unspent flow-through expenditures after February 1, 2022 for flow-through funds raised in 2020. If the extension is not enacted by the Department of Finance, the dates to incur Part XII.6 taxes will be moved up by one year and the Corporation would currently owe $453,000 in Part XII.6 taxes.

11. OFF-BALANCE SHEET ARRANGEMENTS

The Corporation does not have any off-balance sheet arrangements.

12. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Corporation and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Corporation and other related parties are disclosed below.

During the year ended December 31, 2020, management fees, geological services, rent and administration fees of $336,000 (2019 – $800,000) were incurred with Osisko GR, a related company of the Corporation by virtue of Osisko GR owning or controlling, directly or indirectly, greater than 10% of the issued and outstanding common shares of the Corporation. Also, Mr. John Burzynski, the Chief Executive Officer and Chairman of the Board of Director of the Corporation, as well as Mr. Sean Roosen, Director of the Corporation, serve as directors of Osisko GR. Accounts payable to Osisko GR as at December 31, 2020 were $94,000 (2019 – $106,000). During the year ended December 31, 2020, management fees, geological services, rent and administration fees of $107,000 (2019 – $23,000) were charged to Osisko GR by the Corporation. Accounts receivable from Osisko GR as at December 31, 2020 was $13,000 (2019 – $66,000).

During the year ended December 31, 2020, management fees, geological services, rent and administration fees of $431,000 (2019 – $nil) were charged to the Corporation's associate, O3 Mining, by the Corporation, after the deconsolidation of O3 Mining on August 21, 2020. Accounts receivable from O3 Mining as at December 31, 2020 was $262,000 (2019 – $nil).

During the year ended December 31, 2020, management fees, geological services, rent and administration fees of $nil (2019 – $136,000) were charged to the Corporation's former associate, Barkerville, by the Corporation, prior to Osisko GR's acquisition of Barkerville.

The following table summarizes remuneration attributable to key management personnel for the years ended December 31, 2020 and 2019:

For the year ended		December 31, 2020		December 31, 2019
Salaries expense of key management	$	3,384	$	2,073
Directors' fees		427		329
Stock-based compensation		10,133		5,761
Total	**$**	**13,944**	**$**	**8,163**

13 OUTSTANDING SHARE DATA

As at March 11, 2021 the Corporation had the following securities outstanding: (i) 357,690,339 Common Shares; (ii) 20,986,176 stock options to purchase Common Shares at a weighted average exercise price of $3.26 per option; (iii) 24,250,000 warrants; (iv) 4,000,000 restricted share units (the "RSU"); and (v) 2,393,869 deferred share units (the "DSU"). On a fully diluted basis, the Corporation would have 409,320,384 Common Shares issued and outstanding, after giving effect to the exercise and vesting of the options, warrants, RSUs, and DSUs of the Corporation that are outstanding.

The following table summarizes the options outstanding and exercisable as at December 31, 2020:

	Options outstanding			Options exercisable		
Range of exercise prices per share ($)	Weighted-average remaining years of contractual Life	Number of stock options outstanding	Weighted average exercise price ($)	Weighted-average remaining years of contractual life	Number of stock options exercisable	Weighted average exercise price ($)
1.00 to 2.00	0.2	1,083,435	$1.08	0.2	1,083,435	$1.08
2.01 to 3.00	3.6	6,656,106	$2.64	3.5	2,249,433	$2.60
3.01 to 4.00	3.0	11,644,168	$3.49	1.5	6,329,168	$3.41
4.01 to 5.00	1.4	2,025,000	$4.79	1.4	2,025,000	$4.79
1.00 to 5.00	**2.9**	**21,408,709**	**$3.22**	**1.7**	**11,687,036**	**$3.28**

The following table summarizes the warrants outstanding and exercisable as at December 31, 2020:

	Number of warrants		Weighted-average exercise price
Outstanding at December 31, 2019	**-**	**$**	**-**
Issued	24,250,000		5.25
Outstanding at December 31, 2020	**24,250,000**	**$**	**5.25**

On June 23, 2020, the Corporation completed a "bought deal" brokered private placement of 48,500,000 units of the Corporation at a price of $3.65 per unit. Each unit consists of one Common Share and one-half of one Common Share purchase warrant. Each Common Share purchase warrant is exercisable into one Common Share until December 23, 2021, at an exercise price of $5.25.

The following table summarizes the DSU and RSU of Osisko outstanding as at December 31, 2020:

	Number of DSUs	Number of RSUs
Oustanding at December 31, 2019	**695,809**	**1,575,000**
Granted	1,223,060	1,700,000
Oustanding at December 31, 2020	**1,918,869**	**3,275,000**

In June 2017, the Corporation's shareholders approved and adopted the DSU plan. The DSU plan was established to enhance the Corporation's ability to attract and retain talented individuals to serve as Board members and to increase the proprietary interests of non-executive directors in the Corporation and to align their interests with the Corporation's shareholders generally. DSUs are granted at the discretion of the Board or have been elected as payment for director fees by certain non-executive directors. DSUs are settled upon the termination of the mandate of the non-executive director as a board member for any reason, including death or resignation. DSUs may be paid out in cash, Common Shares, or a combination. Each DSU represents one Common Share. If DSUs are paid out in cash, the settlement value is determined by multiplying the number of DSUs vested on the payout date by the five-day volume weighted average price of the closing price of Common Shares on the day prior to payout.

In June 2017, the Corporation's shareholders approved and adopted the RSU plan. The RSU plan was established to assist the Corporation in attracting and retaining individuals with experience and ability, to allow certain employees to participate in the long-term success of the Corporation and to promote greater alignment of interests between executive officers and key employees of the Corporation and those of its shareholders. Upon vesting, RSUs may be paid out in cash, Common Shares, or a combination. Each RSU represents one Common Share. If RSUs are paid out in cash, the settlement value is determined by multiplying the number of RSUs vested on the payout date by the five-day volume weighted average price of the closing price of Common Shares on the day prior to payout.

14. CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements for the years ended December 31, 2020 and 2019 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed by management on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year if the revision affects both current and future year.

i) Significant judgments in applying accounting policies

The areas that require management to make significant judgments in applying the Corporation's accounting policies in determining carrying values include:

Novel coronavirus ("COVID-19"):

The outbreak of COVID-19 has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The Corporation suspended its operations in Québec due to COVID-19 on March 23, 2020 and resumed operations on May 15, 2020. The duration and impact of the COVID-19 pandemic is unclear at this time and as a result it is not possible for management to estimate the severity of the impact it may have on the financial results and operations of the Corporation in future periods. It is management's assumption that the Corporation will continue to operate as a going concern.

On July 7, 2020, the Department of Finance proposed to extend the flow-through funds spend period and the look-back rule by one year for financing completed in 2019 and 2020, including suspending the Part XII.6 tax for one year. On December 16, 2020, the Department of Finance released draft legislative proposals to implement the proposals announced in July 2020.

Based on the draft legislation as of December 31, 2020, the Corporation is required to spend $12.0 million of flow-through funds by December 31, 2022. If the extension is not enacted by the Department of Finance, the dates for the flow-through spend requirements will remain at December 31, 2021.

Income taxes:

The Corporation is subject to income taxes in various jurisdictions. Significant judgment is required in determining the provision for income taxes, due to the complexity of legislation, including the judgments around the use of flow-through share financing. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.

Determination of significant influence over equity investments:

Judgment is needed to assess whether the Corporation's interest in a marketable security meets the definition of significant influence and therefore would be accounted for under the equity method as opposed to fair value through profit and loss. Management makes this determination based on its legal ownership interest, board representation and through an analysis of the Corporation's participation in entities' policy making process.

Management determined it was able to exert significant influence over Barkerville up to November 21, 2019, and accounted for this investment as associates under the equity method. On November 21, 2019, Osisko GR, acquired 100% of the outstanding common shares of Barkerville which it did not already own, pursuant to which the Corporation lost significant influence and no longer account for the investment as an investment in associate. The position held in Osisko GR by the Corporation was classified as a marketable security as at December 31, 2020 and 2019.

Immediately after the Corporation lost control of O3 Mining on August 21, 2020 under IFRS, management determined it was able to exert significant influence over O3 Mining and accounted for this investment as an associate under the equity method.

Impairment of investments in associate:

The Corporation follows the guidance of IAS 28, Investments in Associates and Joint Ventures to assess whether there are impairment indicators which may lead to the recognition of an impairment loss with respect to its net investment in an associate. This determination requires significant judgement in evaluating if a decline in fair value is significant or prolonged, which triggers a formal impairment test. In making this judgement, the Corporation's management evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its carrying amount, the volatility of the investment and the financial health and business outlook for the investee, including factors such as the current and expected status of the investee's exploration projects and changes in financing cash flows.

ii) Significant accounting estimates and assumptions

The areas that require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

Impairment of non-financial assets:

The Corporation assesses its cash-generating units at each reporting date to determine whether any indication of impairment exists. Where an indicator of impairment exists, an estimate of the recoverable amount is made, which is the higher of the fair value less costs of disposal and value in use. The determination of the recoverable amount requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and future operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.

Fair value of stock options and warrants:

Determining the fair value of stock options and warrants involves estimates of interest rates, expected life of options and warrants, expected forfeiture rate, share price volatility and the application of the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires the input of highly subjective assumptions that can materially affect the fair value estimate. Stock options granted vest in accordance with the stock option plan. The valuation of stock-based compensation is subjective and can impact profit and loss significantly.

The following variables are used when determining the value of stock options and warrants using the Black-Scholes valuation model:

- **Risk-free interest rate:** The Corporation uses the interest rate available for government securities of an equivalent expected term as at the date of the grant of the stock options and warrants. The risk-free interest rate will vary depending on the date of the grant of the stock options and warrants and their expected term.
- **Expected life:** The Corporation uses historical lifespan information of similar stock-based compensation instruments granted by the Corporation to determine expected life.
- **Forfeiture rate:** The Corporation has applied a forfeiture rate in arriving at the fair value of stock-based compensation to be recognized, reflecting historical experience. Historical experience may not be representative of actual forfeiture rates incurred.
- **Volatility:** The Corporation uses historical information on the market price of peer companies to determine the degree of volatility at the date when the stock options are granted. Therefore, depending on when the stock options and warrants were granted and the year of historical information examined, the degree of volatility can be different when calculating the value of different stock options and warrants.

15. CHANGES IN IFRS ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee that are mandatory for accounting years ended after December 31, 2020. Many are not applicable or do not have a significant impact to the Corporation and have been excluded from the summary below.

a) New Accounting Standards Issued and Effective

IFRS 3, "Business Combinations" ("IFRS 3")

In October 2018, the IASB issued amendments to the guidance in IFRS 3, that revises the definition of a business. The revised guidance introduces an optional concentration test that, if met, eliminates the need for further assessment. To be considered a business, an acquisition would have to include an input and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present. It is also no longer necessary to assess whether market participants are capable of replacing missing elements or integrating the acquired activities and assets. These amendments are effective and shall be applied to business combinations for which the acquisition date is on or after the beginning of the first annual reporting periods beginning on or after January 1, 2020 and to asset acquisitions that occur on or after the beginning of that period.

The corporation applied the revised definition of a business to determine accounting for all asset acquisitions during the year ended December 31, 2020.

b) Future Accounting Pronouncements

IAS 16, “Property, Plant and Equipment” (“IAS 16”)

In 2020, the IASB issued amendments to IAS 16, prohibiting an entity from deducting from the carrying amount of an asset any proceeds received from selling items produced while the entity is preparing the asset for its intended use. Instead, these proceeds should be included in the statement of comprehensive income. The amendments to IAS 16 are effective for annual reporting periods beginning on or after January 1, 2022, with early adoption permitted.

The Company is currently evaluating the impact that these amendments will have on its financial statements.

16. CORPORATE GOVERNANCE

Management and the Board recognizes the value of good corporate governance and the need to adopt best practices. The Corporation is committed to continuing to improve its corporate governance practices in light of its stage of development and evolving best practices and regulatory guidance.

The Board has adopted a board mandate outlining its responsibilities and defining its duties. The Board has five committees: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, Investment Committee, and the Sustainable Development Committee. Each Committee has a committee charter, which outlines the committee's mandate, procedures for calling a meeting, and provides access to outside resources.

The Board has also adopted a code of ethics, which governs the ethical behavior of all employees, management, and directors. Separate trading blackout and disclosure policies are also in place. For more details on the Corporation's corporate governance practices, please refer to Osisko's website (www.osiskomining.com) and the statement of Corporate Governance contained in Osisko's Management Information Circular dated April 16, 2020.

The Corporation's directors have expertise in exploration, metallurgy, mining, accounting, legal, banking, financing, and the securities industry. The Board and each Committee meets at least four times per year.

17. INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure controls and procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Corporation's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal controls over financial reporting

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. Management is also responsible for the design of the Corporation's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Corporation's internal controls over financial reporting include policies and procedures that: pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Corporation; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

As at December 31, 2020, there has not been any material change to internal controls over financial reporting for the year. Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Corporation's internal controls over financial reporting. As of December 31, 2020, the Chief Executive Officer and Chief Financial Officer have each concluded that the Corporation's internal controls over financial reporting, as defined in National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, are effective to achieve the purpose for which they have been designed. Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. The control framework used to evaluate the effectiveness of the design and operation of the Corporation's internal controls over financial reporting is the 2013 Internal Control – *Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission.

18. NON-IFRS MEASURES

The Corporation has included a non-IFRS measure for "working capital" in this MD&A to supplement its financial statements, which are presented in accordance with IFRS. The Corporation believes that this measure provides investors with an improved ability to evaluate the performance of the Corporation. Non-IFRS measures do not have any standardized meaning prescribed under IFRS. Therefore, such measures may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The Corporation determines working capital as follows (in thousands of Canadian dollars):

Reconciliation for the period ended	**December 31, 2020**	**September 30, 2020**	**June 30, 2020**	**March 31, 2020**
Current assets	321,791	326,563	409,134	204,908
Less current liabilities	44,985	43,482	37,601	39,274
Working capital	**276,806**	**283,081**	**371,533**	**165,634**
Reconciliation for the period ended	**December 31, 2019**	**September 30, 2019**	**June 30, 2019**	**March 31, 2019**
Current assets	218,785	130,495	93,833	120,401
Less current liabilities	27,586	25,833	16,852	16,148
Working capital	**191,199**	**104,662**	**76,981**	**104,253**

19. RISKS AND UNCERTAINTIES

The Corporation's business, being the acquisition, exploration, and development of mineral properties in Canada, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below, could materially affect the Corporation's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward looking statements made by or relating to the Corporation. See *"Cautionary Note Regarding Forward-Looking Information"*. The reader should carefully consider these risks as well as the information disclosed in the Corporation's financial statements, the Corporation's annual information form dated March 11, 2021, and other publicly filed disclosure regarding the Corporation, available on SEDAR (www.sedar.com) under Osisko's issuer profile.

COVID-19

The corporation faces risks related to health epidemics and other outbreaks of communicable diseases, which could significantly disrupt its operations and may materially and adversely affect its business and financial conditions.

In December 2019, a novel strain of the coronavirus emerged in China and has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures which include the implementation of travel bans, self-imposed quarantine periods, and physical distancing have caused material disruptions to businesses globally resulting in an economic slowdown. Infections have been reported globally resulting in a global pandemic with more than 2.6 million confirmed deaths and 118.2 million confirmed cases of COVID-19 to date. The extent to which COVID-19 will continue to impact the Corporation's business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. In particular, the continued spread of COVID-19 globally could materially and adversely impact the Corporation's business including without limitation, employee health, workforce productivity, obligations regarding flow-through shares, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, restrictions to its drill program and/or the timing to process drill and other metallurgical testing, and other factors that will depend on future developments beyond the Corporation's control, which may have a material and adverse effect on the its business, financial condition and results of operations.

There can be no assurance that the Corporation's personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased medical costs / insurance premiums as a result of these health risks. Further, there can be no assurances that the remaining balance of the gross proceeds from the sale by the Corporation of flow-through shares in 2019 and 2020 ($12 million) will be used by the Corporation to incur "Canadian exploration expenses" that qualify as "flow-through mining expenditures" (as both terms are defined in the *Income Tax Act* (Canada)), and such other applicable Québec provincial obligations will be satisfied, by the deadlines if the COVID-19 pandemic continues and/or the Government of Québec mandates that the Corporation's business continue to be suspended.

In addition, the continued spread of COVID-19 could adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the demand for precious metals and the Corporation's future prospects.

Nature of Mineral Exploration and Mining

The Corporation's future is dependent on its exploration and development programs. The exploration and development of mineral deposits involves significant financial risks over a prolonged period of time, which may not be eliminated even through a combination of careful evaluation, experience, and knowledge. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Corporation's exploration properties may be required to construct mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary or full feasibility studies on the Corporation's projects, or the current or proposed exploration programs on any of the properties in which the Corporation has exploration rights, will result in any profitable commercial mining operations. The Corporation cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing mineral reserves.

Estimates of mineral resources and any potential determination as to whether a mineral deposit will be commercially viable can also be affected by such factors as: the particular attributes of the deposit, such as its size and grade; unusual or unexpected geological formations and metallurgy; proximity to infrastructure; financing costs; precious metal prices, which are highly volatile; and governmental regulations, including those relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of metal concentrates, exchange controls and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of any or all of these factors may result in the Corporation not receiving an adequate return on its invested capital or suffering material adverse effects to its business and financial condition. Exploration and development projects also face significant operational risks including but not limited to an inability to obtain access rights to properties, accidents, equipment breakdowns, labour disputes (including work stoppages and strikes), and other unanticipated interruptions.

Exploration, Development and Operations

The long term profitability of the Corporation's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors, including the Corporation's ability to extend the permitted term of exploration granted by the underlying concession contracts. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that any such deposit will be commercially viable or that the funds required for development can be obtained on a timely basis.

Liquidity and Additional Financing

The Corporation's ability to continue its business operations is dependent on management's ability to secure additional financing. The Corporation's only source of liquidity is its cash and cash equivalent balances. Liquidity requirements are managed based upon forecasted cash flows to ensure that there is sufficient working capital to meet the Corporation's obligations.

The advancement, exploration, and development of the Corporation's properties, including continuing exploration and development projects, and, if warranted, construction of mining facilities and the commencement of mining operations, will require substantial additional financing. As a result, the Corporation may be required to seek additional sources of equity financing in the near future. While the Corporation has been successful in raising such financing in the past, its ability to raise additional equity financing may be affected by numerous factors beyond its control including, but not limited to, adverse market conditions, commodity price changes and economic downturns. There can be no assurance that the Corporation will be successful in obtaining any additional financing required to continue its business operations and/or to maintain its property interests, or that such financing will be sufficient to meet the Corporation's objectives or obtained on terms favourable to the Corporation. Failure to obtain sufficient financing as and when required may result in the delay or indefinite postponement of exploration and/or development on any or all of the Corporation's properties, or even a loss of property interest, which would have a material adverse effect on the Corporation's business, financial condition, and results of operations.

No Earnings and History of Losses

The business of developing and exploring resource properties involves a high degree of risk and, therefore, there is no assurance that current exploration programs will result in profitable operations. The Corporation has not determined whether any of its properties contains economically recoverable reserves of mineralized material and currently has not earned any revenue from its projects; therefore, the Corporation does not generate cash flow from its operations. There can be no assurance that significant additional losses will not occur in the future. The Corporation's operating expenses and capital expenditures may increase in future years with advancing exploration, development and/or production from the Corporation's properties. The Corporation does not expect to receive revenues from operations in the foreseeable future and expects to incur losses until such time as one or more of its properties enters into commercial production and generates sufficient revenue to fund continuing operations. There is no assurance that any of the Corporation's properties will eventually enter commercial operation. There is also no assurance that new capital will become available, and if it is not, the Corporation may be forced to substantially curtail or cease operations.

Market Price of the Common Shares

The common shares trade on the TSX under the symbol "OSK". The market price of securities of many companies, particularly exploration and development stage mining companies, experience wide fluctuations that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that an active market for the common shares will be sustained, or that fluctuations in the price of the common shares will not occur. The market price of the common shares at any given point in time may not accurately reflect the Corporation's long-term value. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Volatility of Commodity Prices

The development of the Corporation's properties is dependent on the future prices of minerals and metals. As well, should any of the Corporation's properties eventually enter commercial production, the Corporation's profitability will be significantly affected by changes in the market prices of minerals and metals.

Precious metals prices are subject to volatile price movements, which can be material and occur over short periods of time and which are affected by numerous factors, all of which are beyond the Corporation's control. Such factors include, but are not limited to, interest and exchange rates, inflation or deflation, fluctuations in the value of the U.S. dollar and foreign currencies, global and regional supply and demand, speculative trading, the costs of and levels of precious metals production, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the U.S. dollar (the currency in which the prices of precious metals are generally quoted), and political developments.

The effect of these factors on the prices of precious metals, and therefore the economic viability of any of the Corporation's exploration projects, cannot be accurately determined. The prices of commodities have historically fluctuated widely, and future price declines could cause the development of (and any future commercial production from) the Corporation's properties to be impracticable or uneconomical. As such, the Corporation may determine that it is not economically feasible to commence commercial production at some or all of its properties, which could have a material adverse impact on the Corporation's financial performance and results of operations. In such a circumstance, the Corporation may also curtail or suspend some or all of its exploration activities.

Acquiring Title

The acquisition of title to mineral properties is a very detailed and time-consuming process. The Corporation may not be the registered holder of some or all of the claims and concessions comprising the Windfall Project or any of the mineral projects of the Corporation. These claims or concessions may currently be registered in the names of other individuals or entities, which may make it difficult for the Corporation to enforce its rights with respect to such claims or concessions. There can be no assurance that proposed or pending transfers will be effected as contemplated. Failure to acquire title to any of the claims or concessions at one or more of the Corporation's projects may have a material adverse impact on the financial condition and results of operation of the Corporation.

Title Matters

Once acquired, title to, and the area of, mineral properties may be disputed. There is no guarantee that title to one or more claims or concessions at the Corporation's projects will not be challenged or impugned. There may be challenges to any of the Corporation's titles which, if successful, could result in the loss or reduction of the Corporation's interest in such titles. The Corporation's properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Corporation may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes or to carry out and file assessment work, can lead to the unilateral termination of concessions by mining authorities or other governmental entities.

Uncertainty and Inherent Sample Variability

Although the Corporation believes that the estimated mineral resources and mineral reserves at the Windfall Project have been delineated with appropriately spaced drilling, there exists inherent variability between duplicate samples taken adjacent to each other and between sampling points that cannot be reasonably eliminated. There also may be unknown geologic details that have not been identified or correctly appreciated at the current level of delineation. This results in uncertainties that cannot be reasonably eliminated from the estimation process. Some of the resulting variances can have a positive effect and others can have a negative effect on mining and processing operations.

Reliability of Mineral Resources Estimates

Mineral resources are estimates only, and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Mineral resource estimates may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, and other relevant issues. There are numerous uncertainties inherent in estimating mineral resources, including many factors beyond the Corporation's control. Such estimation is a subjective process, and the accuracy of any mineral resource estimate is a function of the quantity and quality of available data, the nature of the mineralized body and of the assumptions made and judgments used in engineering and geological interpretation. These estimates may require adjustments or downward revisions based upon further exploration or development work or actual production experience.

Fluctuations in gold or silver prices, results of drilling, metallurgical testing and production, the evaluation of mine plans after the date of any estimate, permitting requirements or unforeseen technical or operational difficulties, may require revision of mineral resource estimates. Should reductions in mineral resources occur, the Corporation may be required to take a material write-down of its investment in mining properties, reduce the carrying value of one or more of its assets or delay or discontinue production or the development of new projects, resulting in increased net losses and reduced cash flow. Mineral resources should not be interpreted as assurances of mine life or of the profitability of current or future operations. Any material reductions in estimates of mineral resources could have a material adverse effect on the Corporation's results of operations and financial condition.

Mineral resources are not mineral reserves and have a greater degree of uncertainty as to their existence and feasibility. There is no assurance that mineral resources will be upgraded to proven or probable mineral reserves.

Uncertainty Relating to Inferred Mineral Resources

Inferred mineral resources are not mineral reserves and do not have demonstrated economic viability. However, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Term and Extension of Concession Contracts

Non-compliance with concession contracts may lead to their early termination by the relevant mining authorities or other governmental entities. A company whose concession contracts were subject to termination could be prevented from being issued new concessions or from keeping the concessions that it already held. The Corporation is not aware of any cause for termination or any investigation or procedure aimed at the termination of any of its concession contracts.

Governmental Regulation

The mineral exploration and development activities of the Corporation are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters in local areas of operation. Although the Corporation's exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development, or production. Amendments to current laws and regulations governing the Corporation's operations, or more stringent implementation thereof, could have an adverse impact on the Corporation's business and financial condition.

The Corporation's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers, and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of the Corporation's future operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities that could cause operations to cease or be curtailed. Other enforcement actions may include corrective measures requiring capital expenditures, the installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of such mining activities and may have civil or criminal fines or penalties imposed upon them for violations of applicable laws or regulations.

Permitting

The operations of the Corporation require licenses and permits from various governmental authorities. The Corporation will use its best efforts to obtain all necessary licenses and permits to carry on the activities which it intends to conduct, and it intends to comply in all material respects with the terms of such licenses and permits. However, there can be no guarantee that the Corporation will be able to obtain and maintain, at all times, all necessary licenses and permits required to undertake its proposed exploration and development, or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce imposition of fines or penalties as well as criminal charges against the Corporation for violations of applicable laws or regulations.

Surface Rights

The Corporation does not own all of the surface rights at its properties and there is no assurance that surface rights owned by the government or third parties will be granted, nor that they will be on reasonable terms if granted. Failure to acquire surface rights may impact the Corporation's ability to access its properties, as well as its ability to commence and/or complete construction or production, any of which would have a material adverse effect on the profitability of the Corporation's future operations.

Dependence on Key Personnel

The Corporation's future growth and its ability to develop depend, to a significant extent, on its ability to attract and retain highly qualified personnel. The Corporation relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Corporation will be able to retain such personnel. The loss of one or more key employees, consultants, or members of senior management, if such persons are not replaced, could have a material adverse effect on the Corporation's business, financial condition, and prospects.

To operate successfully and manage its potential future growth, the Corporation must attract and retain highly qualified engineering, managerial and financial personnel. The Corporation faces intense competition for qualified personnel in these areas, and there can be no certainty that the Corporation will be able to attract and retain qualified personnel. If the Corporation is unable to hire and retain additional qualified personnel in the future to develop its properties, its business, financial condition, and operating results could be adversely affected.

Uninsurable Risks

Mining operations generally involve a high degree of risk. Exploration, development and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, seismic activity, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the shipment of precious metal concentrates or ore bars, and political and social instability, any of which could result in damage to, or destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although the Corporation believes that appropriate precautions to mitigate these risks are being taken, operations are subject to hazards such as equipment failure or failure of structures, which may result in environmental pollution and consequent liability. It is not always possible to obtain insurance against all such risks and the Corporation may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate the Corporation's future profitability and result in increasing costs and a decline in the value of the Common Shares. The Corporation does not maintain insurance against title, political or environmental risks.

While the Corporation may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks is such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting the Corporation's business and financial condition.

Global Financial Conditions

Current global financial conditions have been subject to increased volatility, and access to public financing, particularly for junior resource companies, has been negatively impacted. These factors may impact the ability of the Corporation to obtain equity or debt financing in the future and, if obtained, such financing may not be on terms favourable to the Corporation. If increased levels of volatility and market turmoil continue, the Corporation's operations could be adversely impacted and the value and price of the Common Shares could be adversely affected.

Information Systems Security Threats

The Corporation's operations depend upon information technology systems which may be subject to disruption, damage, or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks, and defects in design.

Although to date the Corporation has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Corporation will not incur such losses in the future. The Corporation's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attach, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Corporation may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Competition

The mineral exploration and mining business is competitive in all of its phases. In the search for and acquisition of attractive mineral properties, the Corporation competes with numerous other companies and individuals, including competitors with greater financial, technical, and other resources. The Corporation's ability to acquire properties in the future will depend on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that the Corporation will continue to be able to compete successfully with its competitors in acquiring such properties or prospects, nor that it will be able to develop any market for the raw materials that may be produced from its properties. Any such inability could have a material adverse effect on the Corporation's business and financial condition.

Option and Joint Venture Agreements

The Corporation has and may continue to enter into option agreements and/or joint ventures as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Corporation or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Corporation. Pursuant to the terms of certain of the Corporation's existing option agreements, the Corporation is required to comply with exploration and community relations obligations, among others, any of which may adversely affect the Corporation's business, financial results, and condition.

Under the terms of such option agreements the Corporation may be required to comply with applicable laws, which may require the payment of maintenance fees and corresponding royalties in the event of exploitation/production. The costs of complying with option agreements are difficult to predict with any degree of certainty; however, were the Corporation forced to suspend operations on any of its concessions or pay any material fees, royalties, or taxes, it could result in a material adverse effect to the Corporation's business, financial results, and condition.

The Corporation may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying concessions.

Community Relationships

The Corporation's relationships with the communities in which it operates are critical to ensure the future success of its existing operations and the construction and development of its projects.

Osisko understands that First Nations people have protected constitutional rights and can offer a unique understanding of the environment based on their special connection to the land. The Windfall Project is located on Category III lands as described in the James Bay and Northern Québec Agreement (JBNQA). The Windfall Project site falls within the Traditional Territory of the Waswanipi Cree First Nation. The Corporation is honoring the existing Advanced Exploration Agreement in place with the Cree First Nation of Waswanipi, the Grand Council of the Crees Eeyou Istchee, and the Cree Regional Authority. Upon receipt of the Windfall Project description, the Crown identified two other Aboriginal communities that may have an interest in the project: the Algonquin Anishinabeg Nation of Lac Simon and the Obedjiwan community of the Atikamekw Nation. Numerous information sessions have been held, commencing in 2017 and continuing today to inform and consult the three First Nation communities and the public on the Windfall Project activities and to address their concerns and to collect their comments. As the Windfall Project progresses, agreements may have to be negotiated with the First Nations.

While the Corporation is committed to operating in a socially responsible manner and working towards entering into agreements in satisfaction of such requirements, there is no guarantee that its efforts will be successful, in which case interventions by third parties could have a material adverse effect on the Corporation's business, financial position and operations.

Conflicts of Interest

Certain of the directors and officers of the Corporation also serve as directors and/or officers of other companies involved in natural resource exploration, development, and mining operations. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation, and to disclose any interest they may have in any project or opportunity of the Corporation. In addition, each of the directors is required by law to declare his or her interest in and refrain from voting on any matter in which he or she may have a conflict of interest, in accordance with applicable laws.

Infrastructure

Mining, processing, development, and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies, as well as the location of population centres and pools of labour, are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could impact the Corporation's ability to explore its properties, thereby adversely affecting its business and financial condition.

The Outstanding Common Shares Could be Subject to Dilution

The exercise of stock options, warrants, the DSUs and the RSUs already issued by the Corporation and the issuance of additional equity securities in the future could result in dilution in the equity interests of holders of Common Shares.

No Dividends Policy

The Corporation has not declared a dividend since incorporation and does not anticipate doing so in the foreseeable future. Any future determination as to the payment of dividends will be at the discretion of the Board and will depend on the availability of profit, operating results, the financial position of the Corporation, future capital requirements and general business and other factors considered relevant by the directors of the Corporation. No assurances in relation to the payment of dividends can be given.

20. CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"), including, but not limited to, statements relating to the future financial or operating performance of the Corporation, the Corporation's mineral projects, the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production (if any), capital, operating and exploration expenditures, the impact of COVID-19 on the Corporation's business or prospects, costs and timing of the development of new deposits, costs and timing of future exploration, use of proceeds from financings, proposed extensions regarding the flow-through funds spend period, the ability of the Corporation to obtain any outstanding permits or approvals required for its operations on the timing described herein (if at all), requirements for additional capital, government regulation of mining operations and mineral exploration activities, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, development of the Windfall Project, timing to complete a feasibility study on the Windfall Project (if at all), advancement of the exploration ramp, underground drilling, as well as exploration activities with drill rigs being reduced. Often, but not always, forward-looking information can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events, or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information reflects the Corporation's beliefs and assumptions based on information available at the time such statements were made. Actual results or events may differ from those predicted in forward-looking information. All of the Corporation's forward-looking information is qualified by (i) the assumptions that are stated or inherent in such forward-looking information, including the assumptions listed below, and (ii) the risks described in the section entitled *"Risks and Uncertainties"* in this MD&A, the financial statements of the Corporation, and the sections entitled *"Risk Factors"* and *"Cautionary Statement Regarding Forward-Looking Information"* in the annual information form of the Corporation for the fiscal year ended December 31, 2020, dated March 11, 2021, which are available electronically on SEDAR (www.sedar.com) under Osisko's issuer profile.

Although the Corporation believes that the assumptions underlying the forward-looking information contained in this MD&A are reasonable, this list is not exhaustive of the factors that may affect any forward-looking information. The key assumptions that have been made in connection with forward-looking information include the following: the significance of drill results and ongoing exploration activities; timing to obtain assay results from labs; ability of exploration activities (including drill results) to accurately predict mineralization; the predictability of geological modelling; the accuracy of the Corporation's records of its property interests; the global economic climate; the impact of COVID-19 on the Corporation's business and prospects; metal prices; environmental risks; community and non-governmental actions; that permits required for the Corporation's operations will be obtained on a timely basis in order to permit the Corporation to proceed on schedule with its planned drilling programs; that skilled personnel and contractors will be available as the Corporation's operations continue to grow; that the price of gold will exceed levels that will render the project of the Corporation economical; the relevance of the assumptions, estimates and projections in technical reports; the timing and results of a feasibility study on the Windfall Project; and that the Corporation will be able to continue raising the necessary capital to finance its operations and realize on its mineral resource estimates.

Forward-looking information involves known and unknown risks, future events, conditions, uncertainties, and other factors which may cause the actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; public health crises; the actual results of current exploration activities; errors in geological modelling; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations of grade or recovery rates; failure of plant and equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Corporation disclaims any obligation to update any forward-looking information, whether as a result of new information, future events, or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information 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 information.

21. TECHNICAL INFORMATION

Technical Information

On February 17, 2021, Osisko published the MRE on the Windfall Project, which was prepared by Judith St Laurent, P Geo. (OGQ #1023) and reviewed and approved by Pierre-Luc Richard, P.Geo. and M.Sc. (OGQ No. 1119) from BBA Inc. Scientific and technical information relating to the MRE and the press release published on February 17, 2021 is supported by the Windfall NI 43-101 technical report titled *"Mineral Resource Estimate Update for the Windfall Project"* dated March 8, 2021 (effective date of November 30, 2020), which was prepared, reviewed and approved by Mr. Richard, Charlotte Athurion, P.Geo., M.Sc. (OGQ No. 1784) and Martin Houde P.Eng. (OIQ No. 106814), each of whom is a "qualified person" for purposes of NI 43-101. Mr. Richard, Mrs. Athurion and Mr. Houde are employee of BBA Inc. and are considered to be "independent" of Osisko for purposes of Section 1.5 of NI 43-101.

Reference should be made to the full text of the MRE, which is available electronically on SEDAR (www.sedar.com) under Osisko's issuer profile.

Scientific and technical information relating to the Quévillon Osborne-Bell Project is supported by the technical report entitled *"Technical Report and Mineral Resource Estimate – Osborne-Bell Gold Deposit, Quévillon Property"* and dated April 23, 2018 (with an effective date of March 2, 2018) (the "Quévillon Resource Estimate") prepared by Pierre-Luc Richard, M.Sc., P.Geo (OGQ No. 1119, APGO No. 1174) and Stéphane Faure, PhD, P.Geo (OGQ No. 306, APGO No. 2662, NAPEG No. L3536) from InnovExplo Inc. Each of Mr. Richard and Ms. Faure is a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of Osisko for purposes of Section 1.5 of NI 43-101. Reference should be made to the full text of the Quévillon Resource Estimate, which is available electronically on SEDAR (www.sedar.com) under Osisko's issuer profile. As of the date of this MD&A, the Corporation does not deem the Quévillon Osborne-Bell Project to be a material mineral property of the Corporation.

This MD&A uses the terms measured, indicated, and inferred mineral resources as a relative measure of the level of confidence in the resource estimate. Readers are cautioned that mineral resources are not economic mineral reserves and that the economic viability of mineral resources that are not mineral reserves has not been demonstrated. The estimate of mineral resources may be materially affected by geology, environmental, permitting, legal, title, socio-political, marketing, or other relevant issues. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to an indicated or measured mineral resource category. The mineral resource estimate is classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum's *"CIM Definition Standards on Mineral Resources and Mineral Reserves"* incorporated by reference into NI 43-101. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for a preliminary economic assessment as defined under NI 43-101. Readers are cautioned not to assume that further work on the stated resources will lead to mineral reserves that can be mined economically.

The scientific and technical content in this MD&A has been reviewed and approved by Mr. Mathieu Savard, P.Geo (OGQ #510), President of Osisko, who is a "qualified person" within the meaning of NI 43-101.

Additional Information

Additional information regarding the Corporation can be found in the annual information form of the Corporation dated March 11, 2021 for the financial year ended December 31, 2020, which is available electronically on SEDAR (www.sedar.com) under Osisko's issuer profile.

True width determinations are estimated at 55-80% of the reported core length intervals for most of the zones. Assays are uncut except where indicated. Intercepts occur within geological confines of major zones but have not been correlated to individual vein domains at this time. Reported intervals include minimum weighted averages of 3.0 g/t Au diluted over core lengths of at least 2.0 metres. All assays reported were obtained by either one-kilogram screen fire assay or standard 50-gram fire-assaying-AA finish or gravimetric finish by: (i) ALS Laboratories in Val-d'Or, Québec, Thunder Bay and Sudbury, Ontario, Vancouver, British Columbia, Lima, Peru or Vientiane, Laos; or (ii) Bureau Veritas in Timmins, Ontario and Vancouver, British Columbia. The one-kilogram screen assay method is selected by the geologist when samples contain coarse gold or present a higher percentage of pyrite than surrounding intervals. Selected samples are also analyzed for multi-elements, including silver, using an Aqua Regia-ICP-AES method at ALS Laboratories. Drill program design, Quality Assurance/Quality Control ("QA/QC") and interpretation of results is performed by a "qualified person" employing a QA/QC program consistent with NI 43-101 and industry best practices. Standards and blanks are included with every 20 samples for QA/QC purposes by the Corporation as well as the lab. Approximately 5% of sample pulps are sent to secondary laboratories for assay checks.