OSISKO MINING

(formerly Oban Mining Corporation)

Condensed Interim Consolidated Financial Statements

For the three and six-month periods ended June 30, 2016 and 2015

Presented in Canadian dollars

(Unaudited)

(formerly Oban Mining Corporation)

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(formerly Oban Mining Corporation)

Condensed Interim Consolidated Statements of Financial Position
(In Canadian dollars)
(Unaudited)

As at,		**June 30, 2016**		**December 31, 2015**
Assets				
Current assets				
Cash and cash equivalents	$	54,358,058	$	55,985,912
Other receivables		13,442		364,070
Advances and prepaid expense		136,643		199,485
Taxes recoverable		1,622,584		1,109,197
Marketable securities (note 5)		15,950,443		8,707,396
Current assets		72,081,170		66,366,059
Non-current assets				
Reclamation deposit		968,023		968,023
Long-term investment		300,000		300,000
Investment in associate (note 7)		1,149,050		-
Non-current asset held for sale		-		647,000
Plant and equipment		397,895		1,001,117
Exploration and evaluation assets (note 8)		124,399,923		50,056,191
Total non-current assets		127,214,891		52,972,331
Total assets	$	199,296,061	$	119,338,390
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	$	3,627,495	$	2,696,819
Total current liabilities		3,627,495		2,696,819
Non-current liabilities				
Flow-through premium liability (note 9(a))		420,774		2,091,975
Asset retirement obligation		863,876		873,341
Total non-current liabilities		1,284,650		2,965,316
Total liabilities		4,912,145		5,662,135
Equity				
Share capital (note 9(a))		216,539,040		150,989,118
Contributed surplus (note 9(d))		9,794,293		5,759,370
Warrants (note 9(e))		14,291,717		6,787,186
Accumulated other comprehensive income		610,533		649,395
Accumulated deficit		(46,851,667)		(50,508,813)
Total equity attributed to equity holders of the Corporation		194,383,916		113,676,256
Total liabilities and equity	$	199,296,061	$	119,338,390

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Commitments (note 12)
Subsequent Events (note 13)

(formerly Oban Mining Corporation)

Condensed Interim Consolidated Statements of (Income) Loss and Comprehensive (Income) Loss
(In Canadian dollars)
(Unaudited)

	Three months ended		Six months ended	
For the period ended,	**June 30, 2016**	June 30, 2015	**June 30, 2016**	June 30, 2015
Expenses from continuing operations				
Compensation (note 6)	**2,086,186**	$ 229,296	**5,329,648**	$ 594,337
General and administration expenses (note 6)	**738,135**	157,900	**1,433,637**	349,253
General exploration (note 6)	**32,577**	27,389	**114,843**	76,862
Exploration and evaluation assets written off (note 8)	**15,750**	-	**33,160**	-
Flow-through premium income (note 9(a))	**(750,431)**	-	**(1,671,201)**	-
Unrealized gain from marketable securities (note 5)	**(4,831,018)**	(71,445)	**(8,183,164)**	(78,804)
Realized (gain)/loss from marketable securities (note 5)	**(55,154)**	3,010	**(1,062,319)**	(45,766)
Realized loss from sale of equipment	**327,136**	-	**327,136**	-
Foreign currency exchange loss/(gain) (note 6)	**(8,312)**	27,301	**202,148**	(53,119)
Other income	**(194)**	-	**(288,195)**	-
Operating (income)/loss from continuing operations	**(2,445,325)**	373,451	**(3,764,307)**	842,763
Finance income	**(151,277)**	(14,289)	**(300,722)**	(31,499)
Finance costs	**143,747**	1,966	**308,933**	4,578
Net finance income from continuing operations	**(7,530)**	(12,323)	**8,211**	(26,921)
Share of loss of associate (note 7)	**88,171**	-	**98,950**	-
(Income)/loss for the period from continuing operations	**(2,364,684)**	361,128	**(3,657,146)**	815,842
Loss for the period from discontinued operations	**-**	(125,919)	**-**	7,695,395
Total (income)/loss for the period	**$ (2,364,684)**	$ 235,209	**$ (3,657,146)**	$ 8,511,236
Other comprehensive (income)/loss				
Items that may be reclassified subsequently to profit and loss: foreign currency translation	**$ (46,183)**	$ 6,296	**$ 38,862**	$ (299,086)
Comprehensive (income) for the period	**(46,183)**	6,296	**38,862**	(299,086)
Total comprehensive (income)/loss	**$ (2,410,867)**	$ 241,505	**$ (3,618,284)**	$ 8,212,150
Basic (earnings)/loss per share (note 9(b))				
From continuing operations	**$ (0.02)**	$ 0.06	**$ (0.04)**	$ 0.15
From discontinued operations	**-**	(0.02)	**-**	1.43
Total basic (earnings)/loss per share	**$ (0.02)**	$ 0.04	**$ (0.04)**	$ 1.58
Basic weighted average number of shares (note 9(b))	**125,135,043**	5,730,342	**99,508,314**	5,366,300
Diluted (earnings)/loss per share (note 9(c))				
From continuing operations	**$ (0.02)**	$ -	**$ (0.03)**	$ -
From discontinued operations	**-**	-	**-**	-
Total diluted (earnings)/loss per share	**$ (0.02)**	$ -	**$ (0.03)**	$ -
Diluted weighted average number of shares (note 9(c))	**141,172,600**	5,730,342	**106,300,049**	5,366,300

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

(formerly Oban Mining Corporation)

Condensed Interim Consolidated Statements of Changes in Equity
(In Canadian dollars)
(Unaudited)

Attributable equity to owners of the Corporation

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Accumulated other comprehensive income	Deficit and Accumulated Deficit	Total
Balance January 1, 2015	99,881,561	$ 52,139,580	$ -	$ 3,444,416	$ 253,805	$ (37,506,099)	$ 18,331,702
Loss for the period from continuing operations	-	-	-	-	-	(815,842)	(815,842)
Loss for the period from discontinued operations	-	-	-	-	-	(7,695,395)	(7,695,395)
Foreign currency translation adjustment	-	-	-	-	299,086	-	299,086
Stock-based compensation (note 9(d))	-	-	-	211,173	-	-	211,173
Private placements (note 10(a))	20,000,000	1,906,620	-	-	-	-	1,906,620
Balance June 30, 2015	119,881,561	$ 54,046,200	$ -	$ 3,655,589	$ 552,891	$ (46,017,336)	$ 12,237,344

Attributable equity to owners of the Corporation

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Accumulated other comprehensive income	Deficit and Accumulated Deficit	Total
Balance January 1, 2016	**58,694,202**	**$ 150,989,118**	**$ 6,787,186**	**$ 5,759,370**	**$ 649,395**	**$ (50,508,813)**	**$ 113,676,256**
Income for the period from continuing operations	**-**	**-**	**-**	**-**	**-**	**3,657,146**	**3,657,146**
Foreign currency translation adjustment	**-**	**-**	**-**	**-**	**(38,862)**	**-**	**(38,862)**
Stock-based compensation (note 9(d))	**-**	**-**	**-**	**3,259,159**	**-**	**-**	**3,259,159**
Issuance of stock options on acquisition of Niogold (note 4)	**-**	**-**	**-**	**1,014,581**	**-**	**-**	**1,014,581**
Issuance of warrants on acquisition of Niogold (note 4)	**-**	**-**	**473,957**	**-**	**-**	**-**	**473,957**
Issuance of shares on acquisition of Niogold (note 4)	**54,544,247**	**58,907,787**	**-**	**-**	**-**	**-**	**58,907,787**
Issuance of shares on acquisition of exploration and evaluation assets	**729,600**	**1,018,640**	**-**	**-**	**-**	**-**	**1,018,640**
Issuance of shares on conversion of subscription receipts	**10,521,700**	**4,350,599**	**-**	**-**	**-**	**-**	**4,350,599**
Issuance of warrants on conversion of subscription receipts	**-**	**-**	**7,374,617**	**-**	**-**	**-**	**7,374,617**
Issuance of shares upon exercise of stock options	**820,394**	**1,123,460**	**-**	**(556,425)**	**-**	**-**	**567,035**
Issuance of shares upon exercise of warrants	**52,087**	**88,936**	**(26,435)**	**-**	**-**	**-**	**62,501**
Issuance of shares - Matachewan	**50,000**	**60,500**	**-**	**-**	**-**	**-**	**60,500**
Expiry of warrants	**-**	**-**	**(317,608)**	**317,608**	**-**	**-**	**-**
Balance June 30, 2016	**125,412,230**	**$ 216,539,040**	**$ 14,291,717**	**$ 9,794,293**	**$ 610,533**	**$ (46,851,667)**	**$ 194,383,916**

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

(formerly Oban Mining Corporation)

Condensed Interim Consolidated Statements of Cash Flows
(In Canadian dollars)
(Unaudited)

For the period ended	**June 30, 2016**	June 30, 2015
Cash flows used in operating activities		
Income(loss) from continuing operations for the period	**$ 3,657,146**	$ (815,842)
Adjustments for:		
Stock-based compensation (note 9(d))	**3,107,464**	184,406
Exploration and evaluation of assets write off (note 8)	**33,160**	-
Gain from collection of VAT receivable	**-**	(41,599)
Depreciation	**76,013**	6,340
Realized loss from sale of equipment	**327,136**	-
Flow-through premium income (note 9(a))	**(1,671,201)**	-
Unrealized gain from marketable securities (note 5)	**(8,183,164)**	(78,804)
Share of loss of associates (note 7)	**98,950**	-
Accretion on asset retirement obligation	**(4,320)**	-
Change in estimate of asset retirement obligation	**(5,145)**	-
Interest income	**(150,877)**	(31,498)
	(2,714,838)	(776,997)
Proceeds from collection of VAT receivable	**-**	41,599
Change in items of working capital:		
Change in other receivables	**12,428**	30,645
Change in prepaid expenses and advances	**101,321**	(807,912)
Change in accounts payable and accrued liabilities	**(1,195,696)**	610,122
Change in taxes recoverable	**(280,355)**	(180,610)
Change in restricted cash	**-**	43,167
Net cash used in operating activities from continuing operations	**(4,077,141)**	(1,039,986)
Cash flows used in investing activities		
Interest received	**150,877**	31,498
Addition to exploration and evaluation expenditures (note 8)	**(9,915,913)**	(899,190)
Acquistion of plant and equipment	**(152,655)**	-
Proceeds on disposition of plant and equipment	**400,000**	-
Proceeds on disposition of marketable securities (note 5)	**3,866,806**	35,570
Net cash and cash equivalents received from acqusitions (note 4(a))	**(560,835)**	-
Acquisition of long-term investment	**-**	(300,000)
Acquisiton of marketable securities (note 5)	**(3,693,744)**	(92,165)
Restricted cash held in escrow	**-**	(881,182)
Net cash used in investing activities from continuing operations	**(9,905,464)**	(2,105,469)
Cash flows provided by financing activities		
Cash provided to Eagle Hill	**-**	(1,000,000)
Cash received from private placement	**-**	1,906,620
Cash received from subscription receipt issuance (note 9)	**11,725,216**	-
Cash received from exercise of warrants (note 9)	**62,500**	-
Cash received from exercise of stock options (note 9)	**567,035**	-
Net cash provided by financing activities from continuing operations	**12,354,751**	906,620
Decrease in cash and cash equivalents from continuing operations	**(1,627,854)**	(2,238,835)
Decrease in cash and cash equivalents from discontinued operations	**-**	(406,844)
Decrease in cash and cash equivalents	**(1,627,854)**	**(2,645,679)**
Cash and cash equivalents, beginning of period	**55,985,912**	**10,998,647**
Cash and cash equivalents, end of period	**$ 54,358,058**	**$ 8,352,968**
Interest income received	**$ 150,877**	$ 31,498

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1) Reporting entity

Osisko Mining Inc (“**Osisko**” or the “**Corporation**”), formerly Oban Mining Corporation, is a Canadian Corporation domiciled in Canada and was incorporated on February 26, 2010 under the Ontario Business Corporations Act. The address of the Corporation’s registered office is 155 University Ave, Suite 1440, Toronto, Ontario, Canada. On June 14, 2016 the Corporation changed its name from Oban Mining Corporation to Osisko Mining Inc. The consolidated financial statements of the Corporation at June 30, 2016 include the Corporation and its subsidiaries, Braeval Peru S.A.C, Oban Peru S.A.C, Eagle Hill Exploration Corporation, Ryan Gold Corp., Ryan Gold USA Inc., Minera Valdez Gold S.A. de C.V. 45127 Yukon Inc, Corona Gold Corporation, Northern Gold Mining Inc. and Niogold Mining Corporation (together the “Group” and individually as “Group entities”). The Corporation is primarily in the business of acquiring, exploring and developing mineral deposits in Canada.

The business of exploring and mining for minerals involves a high degree of risk. Osisko is in the exploration stage and is subject to risks and challenges similar to companies in a comparable stage. These risks include, but are not limited to, the challenges of securing adequate capital, exploration, development and operational risks inherent in the mining industry; changes in government policies and regulations; the ability to obtain the necessary environmental permitting; challenges in future profitable production or, alternatively Osisko’s ability to dispose of its interest on an advantageous basis; as well as global economic and commodity price volatility; all of which are uncertain. There is no assurance that Osisko’s funding initiatives will continue to be successful. The underlying value of the mineral properties is dependent upon the existence and economic recovery of mineral reserves and is subject to, but not limited to, the risks and challenges identified above. Changes in future conditions could require material write-downs of the carrying value of mineral properties and deferred exploration.

2) Basis of preparation

a) Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and interpretations as approved by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34 “*Interim Financial Reporting*”.

These unaudited condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with the Corporation’s audited annual consolidated financial statements and notes thereto for the year ended December 31, 2015.

These consolidated financial statements were authorized for issuance by the Corporation’s Board of Directors on August 10, 2016.

b) Significant accounting policies

The significant accounting policies followed in these condensed interim consolidated financial statements are consistent with those applied in the Corporation’s audited annual consolidated financial statements for the year ended December 31, 2015.

c) Use of estimates and judgements

The preparation of these consolidated financial statements 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.

2) Basis of preparation (continued)

c) Use of estimates and judgements (continued)

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.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2015, except for those noted below.

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 is of the view at December 31, 2015 that for each of the investments held they did not meet the criteria to exert significant influence over the investee and therefore have recorded the investment at fair value through profit and loss. In the six-month period ended June 30, 2016, management determined it was able to exert significant influence over Kilo Goldmines Ltd. and started to account for this investment as an associate under the equity method.

3) 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, 2016. Many are not applicable or do not have a significant impact to the Corporation and have been excluded from the summary below.

International Financial Reporting Standard 2, "Share-based Payments" ("IFRS 2")

In June 2016, the IASB issued amendments to IFRS 2, clarifying how to account for certain types of share-based payment transactions, including the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, accounting for share-based payment transactions with a net settlement feature for withholding tax obligations, and accounting for modifications to the terms and conditions of a share-based payment that changes the classification of the share-based payment transaction from cash-settled to equity-settled. The IFRS 2 amendments are effective for annual periods beginning on or after January 1, 2018. The Corporation is in the process of evaluating the impact of adopting these amendments to its consolidated financial statements.

International Financial Reporting Standard 15, "Revenue from Contracts with Customers" ("IFRS 15")

In May 2015, the IASB issued IFRS 15. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements. This standard is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. The Corporation is in the process of evaluating the impact of adopting these amendments to its consolidated financial statements.

3) Changes in IFRS accounting policies and future accounting pronouncements (continued)

International Financial Reporting Standard 15, "Revenue from Contracts with Customers" ("IFRS 15") (continued)

In April 2016, the IASB issued amendments to IFRS 15, clarifying the application of certain of its underlying principles, including the identification of a performance obligation, and the determination of whether a company is a principal or is acting as an agent in the provision of a good or service. The amendments will become effective concurrent with the effective date of IFRS 15 on January 1, 2018. The Corporation is in the process of evaluating the impact of adopting these amendments to its consolidated financial statements.

International Financial Reporting Standard 9, "Financial Instruments" ("IFRS 9")

In July 2015, the IASB issued IFRS 9 to replace IAS 39 'Financial Instruments: Recognition and Measurement' ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. A new hedge accounting model is introduced and represents a substantial overhaul of hedge accounting which will allow entities to better reflect their risk management activities in the financial statements.

The most significant improvements apply to those that hedge non-financial risk, and so these improvements are expected to be of particular interest to non-financial institutions. This standard is effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted. The Corporation is in the process of evaluating the impact of adopting these amendments to its consolidated financial statements.

International Financial Reporting Standard 16, "Leases" ("IFRS 16")

In January 2016, the IASB issued IFRS 16. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. This standard is effective for annual reporting periods on or after January 1, 2019. Early adoption is permitted if IFRS 15 has also been adopted. The Corporation is in the process of evaluating the impact of adopting these amendments to its consolidated financial statements.

IAS 7, "Statement of Cash Flows" ("IAS 7")

In January 2016, the IASB issued amendments to IAS 7 pursuant to which entities will be required to provide enhanced information about changes in their financial liabilities, including changes from cash flows and non-cash changes. The IAS 7 amendments are effective for annual periods beginning on or after January 1, 2017. The Corporation is in the process of evaluating the impact of adopting these amendments to its consolidated financial statements.

IAS 12, "Income Taxes" ("IAS 12")

In January 2016, the IASB issued amendments to IAS 12, which clarify guidance on the recognition of deferred tax assets related to unrealized losses resulting from debt instruments that are measured at their fair value. The IAS 12 amendments are effective for annual periods beginning on or after January 1, 2017. The Corporation does not currently measure any of its debt instruments at fair value. Therefore, the implementation of IFRS 12 is not expected to have a material impact to the Corporation's financial statements.

(In Canadian dollars)

4) Acquisitions

On March 11, 2016 the Corporation completed the acquisition (the "Arrangement Agreement") of Niogold Mining Corporation ("Niogold") by way of a court approved plan of arrangement.

Under the terms of the Arrangement Agreement, Osisko acquired all of the common shares of each of Niogold ("Niogold Shares") under Division 5 of Part 9 of the Business Corporations Act (British Columbia). Under the Arrangement, each holder of Niogold Shares (each a "Niogold Shareholder") received 0.4167 common shares of Osisko ("Common Shares") in exchange for each Niogold Share held.

This Arrangement Agreement has been accounted for as an acquisition of assets and liabilities as Niogold does not meet the definition of a business under IFRS 3. The acquisition of the net assets of Niogold were recorded at the fair value of the consideration paid of $62,040,853.

Consideration Paid		
Share consideration	**$**	**58,907,787**
Transaction costs		**1,644,528**
Stock options		**1,014,581**
Warrants		**473,957**
	$	**62,040,853**

Net assets acquired		
Cash	**$**	**1,083,694**
Current assets		**449,710**
Plant and equipment		**47,274**
Exploration and evaluation assets		**61,629,374**
Current liabilities		**(1,169,199)**
Total net assets acquired	**$**	**62,040,853**

5) Marketable Securities

The Corporation holds shares and warrants in various public companies, the majority of which were acquired as part of the acquisition of Eagle Hill, Corona Gold Corporation and Ryan Gold Corp. that took place on August 25, 2015. During the three and six-month period ended June 30, 2016, these shares and warrants were mark to marketed and this resulted in unrealized gains of $4,831,018 and $8,183,164, respectively (2015 - $71,445 and $78,804). The Corporation sold shares during the three and six-month period ended June 30, 2016 which resulted in a realized gain of $55,154 and $1,062,319 (2015 – loss of $3,010 and gain of $45,766).

The following table summarizes information regarding the Corporation's marketable securities as at June 30, 2016 and December 31, 2015:

As at	**June 30, 2016**	December 31, 2015
Balance, beginning of period	**$ 8,707,396**	$ 31,820
Additions	**4,679,080**	2,935,307
Acquisitions (note 4)	**178,199**	5,705,278
Transfer to investments in associates (note 7)	**(1,248,000)**	-
Disposals	**(5,611,715)**	(1,341,398)
Realized gain on disposals	**1,062,319**	742,350
Unrealized gain on mark-to-market	**8,183,164**	634,039
Balance, end of period	**$ 15,950,443**	$ 8,707,396

(In Canadian dollars)

6) Expenses from continuing operations

The following table summarizes information regarding the Corporation's expenses from continuing operations for the three and six-month period ended June 30, 2016 and 2015:

For the period ended	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
Compensation expense				
Stock-based compensation (note 9(d))	**$ 1,228,005**	$ 59,787	**$ 3,107,464**	$ 184,406
Salaries and benefits	**858,181**	169,509	**2,222,184**	409,931
Total compensation expenses	**$ 2,086,186**	$ 229,296	**$ 5,329,648**	$ 594,337
General and administration expense				
Shareholder and regulatory expense	**$ 206,169**	$ 7,265	**$ 420,482**	$ 15,265
Administrative services (note 10)	**99,250**	3,645	**185,198**	3,645
Travel expense	**130,754**	21,174	**211,526**	37,309
Professional fees	**52,876**	89,714	**204,515**	189,924
Office expense	**249,086**	36,102	**411,916**	103,110
Total general and administration expenses	**$ 738,135**	$ 157,900	**$ 1,433,637**	$ 349,253
General exploration				
Canada	**$ 32,577**	$ 27,389	**$ 114,843**	$ 76,862
Total exploration expenses	**$ 32,577**	$ 27,389	**$ 114,843**	$ 76,862
Marketable securities (gain)/loss				
Realized (gain)/loss from marketable securities (note 5)	**$ (55,154)**	$ 3,010	**$ (1,062,319)**	$ (45,766)
Unrealized gain from marketable securities (note 5)	**(4,831,018)**	(71,445)	**(8,183,164)**	(78,804)
Total marketable securities gain	**$ (4,886,172)**	$ (68,435)	**$ (9,245,483)**	$ (124,570)
Foreign currency exchange				
Realized Foreign currency exchange (gain)/loss	**$ (8,157)**	$ -	**$ 201,105**	$ 1,174
Unrealized Foreign currency exchange (gain)/loss	**(155)**	27,301	**1,043**	(54,293)
Total foreign exchange (gain)/loss	**$ (8,312)**	$ 27,301	**$ 202,148**	$ (53,119)

7) Investment in Associate

On March 8, 2016, Osisko filed an early warning report in respect of its holdings in Kilo Goldmines Ltd ("Kilo"). Management has determined that Osisko has significant influence over the decision making process of Kilo and has therefore classified its investment in Kilo using the equity basis of accounting.

The Corporation's investment relating to its interest in Kilo is detailed as follows:

As at	June 30, 2016	December 31, 2015
Balance, beginning of period	**$ -**	$ -
Transfers from marketable securities	**1,248,000**	-
Share of loss for the period	**(98,950)**	-
Balance, end of period	**$ 1,149,050**	$ -

(In Canadian dollars)

8) Exploration and evaluation assets

	December 31, 2015	Acquisitions in the period	Additions in the period	Write offs in the period	June 30, 2016
Canadian properties					
Urban Barry	$ 472,146	$ -	$ 1,261,840	$ -	$ 1,733,986
Windfall Lake	39,103,702	-	7,748,446	-	46,852,148
Ogima - Catharine Fault	893,815	-	547,568	-	1,441,383
Garrcon - Garrison	9,582,004	-	332,163	-	9,914,167
Gold Pike - Garrison	-	-	41,640	-	41,640
Buffonta - Garrison	4,524	-	70,558	-	75,082
Northstar Miller - Catharine Fault	-	-	33,160	(33,160)	-
DeSantis Property	-	-	1,231,141	-	1,231,141
Souart Property	-	-	774,923	-	774,923
Marban - Marban Block	-	21,369,785	242,630	-	21,612,415
Malarctic - Marban Block	-	37,097,294	328,469	-	37,425,763
Siscoe East - Marban Block	-	2,486,901	7,361	-	2,494,262
Héva - Marban Block	-	675,393	127,620	-	803,013
Total exploration and evaluation assets	$ 50,056,191	$ 61,629,374	$ 12,747,518	$ (33,160)	$ 124,399,923

	December 31, 2014	Acquisitions in the year	Additions in the year	Write offs in the year	December 31, 2015
Canadian properties					
Urban Barry	$ 98,420	$ -	$ 373,726	$ -	$ 472,146
Windfall Lake	-	36,638,816	2,464,886	-	39,103,702
Ogima - Catharine Fault	123,611	-	770,204	-	893,815
Garrcon - Garrison	-	9,547,578	34,426	-	9,582,004
Gold Pike - Garrison	-	-	-	-	-
Buffonta - Garrison	-	-	4,524	-	4,524
Northstar Miller - Catharine Fault	-	-	1,073,071	(1,073,071)	-
Golden Dawn - Catharine Fault	-	-	83,288	(83,288)	-
Ashley Gold - Catharine Fault	-	-	38,049	(38,049)	-
Peru properties					
Arcopunco	330,157	-	66,650	(396,807)	-
Marcahui	6,463,933	-	14,316	(6,478,249)	-
Magdalena	224,175	-	31,243	(255,418)	-
Generative properties					
Peru - Lithocaps	99,677	-	129,732	(229,409)	-
Peru - Low Capex	114,351	-	19,209	(133,560)	-
Total exploration and evaluation assets	$ 7,454,324	$ 46,186,394	$ 5,103,324	$ (8,687,851)	$ 50,056,191

(In Canadian dollars)

8) Exploration and evaluation assets (continued)

Canadian properties

a) Urban Barry

As of June 30, 2016, the Corporation had staked claims in the Urban Barry area of Quebec. The exploration expenditures on the property were for the cost of staking the land and geological mapping. In order to maintain the claims, the Corporation was required to spend $1,504,800 within two years from the date of staking of which has been spent as of June 30, 2016.

b) Windfall Lake Property

The Corporation acquired the Windfall Lake Property through the acquisition of Eagle Hill Exploration Corporation ("Eagle Hill" or "EAG"), which took place on August 25, 2015. The Windfall Lake Property is 100% owned is located in the prolific Abitibi Greenstone Belt in Quebec, Canada. The majority of the property is subject to the following residual net smelter royalties ("NSR").

Location	NSR	Buyback option
Centre of property, hosting the majority of the mineral resource	1.5%	Buyback 1% NSR for $1 million
North of the majority of the mineral resource, hosting small portion of the mineral resource	1%	Buyback 1% NSR for $1 million ($500,000 for each 0.5% NSR)
Northern part of property	2%	Buyback 2% NSR for $1 million ($500,000 for each 1% NSR)
Southeast of the mineral resource	2%	Buyback 1% NSR for $500,000
Eastern edge of property	2%	Buyback 1% NSR for $1 million, right of first refusal for remaining 1% NSR

c) Souart Property

The Corporation acquired 100% of the Souart Property on February 3, 2016, located in the Urban Barry greenstone belt, in Souart and Barry Townships, Québec. The Corporation issued 500,000 Common Shares (note 9(a)) and a cash payment of $200,000 for 100% of the property. The property consists of 33 claims comprising of 1,286 hectare. The Souart Property is subject to a 2% NSR which can be purchased at any time for $2,000,000.

d) Garrison Properties

i) Garrcon Project

The Corporation acquired the Garrcon Project through the acquisition of Northern Gold Mining Inc. ("Northern Gold" or "NGM"), which took place on December 22, 2015. The Garrcon Project is 100% owned is located in the prolific Abitibi Greenstone Belt in Quebec, Canada. The property consists of 66 contiguous mining claims with NSR's ranging from 1% to 2%. On 20 of the mining claims, the vendor retains a back-in-right for up to 51% interest in these claims should a resource totalling 4 million ounces be identified on the claims. Such a back-in-right would trigger a cash reimbursement to the Corporation equal to double the exploration costs incurred since the date of the arrangement.

8) Exploration and evaluation assets (continued)

d) Garrison Properties (continued)

ii) Jonpol Project

The Corporation acquired the Jonpol Project through the acquisition of Northern Gold which was completed on December 22, 2015. The Jonpol Project is 100% owned and is located on the same property as the Garcon Project in the prolific Abitibi Greenstone Belt in Ontario, Canada.

iii) Buffonta Project

The Corporation acquired the Buffonta Project through the acquisition of Northern Gold which was completed on December 22, 2015. The Buffonta Project is 87.5-100% owned and is located in the prolific Abitibi Greenstone Belt in Ontario, Canada. The property consists of 120 contiguous mining claims. The Buffonta Project is subject to a 3% NSR of which 0.5% can be purchased for $1,000,000.

e) Marban Block Properties

i) Marban Project

The Corporation acquired the Marban property through the acquisition of Niogold. The Marban project is 100% owned and is the result of an amalgamation of the former Marban, First Canadian, Norlartic and Gold Hawk claims.

ii) Malarctic Project

The Corporation acquired the Malartic property through the acquisition of Niogold. The Malartic Block property includes the Camflo West, the Malartic Hygrade, the Malartic Hygrade-NSM and the Malartic H properties. The Camflo West claims are subject to various NSR's ranging from 1.5% to 3.0%, certain of which, or portions thereof, can be repurchased for payments ranging from $200,000 to $1,500,000. The Malartic H claims are 85% owned and the remaining 15% can be purchased by paying $25,000.

iii) Siscoe East Project

The Corporation acquired the Siscoe East property through the acquisition of Niogold. NioGold owns a 50% interest in the claims covering the Siscoe East property, the remaining 50% interest being held by another company. Some claims are subject to NSR's of 2.0%. Half of the NSR's may be repurchase for a total of $2,750,000.

iv) Hêva Project

The Corporation acquired the Héva property through the acquisition of Niogold. Some of the claims of the Héva property are subject to a 1.5% NSR of which half may be repurchased for $200,000.

f) DeSantis Property

The Corporation acquired the DeSantis Property in the Porcupine Mining Division in Ogden Township, Ontario, from Excellon Resources Inc., in exchange for Common Shares (note 9(a)). The transfer of the mining leases comprising the remainder of the DeSantis Property will be completed upon receipt of the ordinary course consent of the Ministry of Northern Development and Mines.

(In Canadian dollars)

9) Capital and other components of equity

a) Share capital – Authorized

	Number of Common Shares		Amount
Balance, January 1, 2015	99,881,561		52,139,580
Private placement (net of transaction costs $93,380)	20,000,000		1,906,620
Issuance of shares on acquisition of EAG, RYG and CRG	643,701,492		64,977,410
Private placement - Osisko Gold Royalties	161,750,984		17,677,346
Consolidation of shares	(879,067,335)		-
Private placement (net of transaction costs $766,213)	8,427,500		9,768,162
Issuance of shares on acquisition of NGM	4,000,000		4,520,000
Balance December 31, 2015	**58,694,202**	**$**	**150,989,118**
Issuance of shares on acquisition of Souart property	500,000		525,000
Issuance of shares on acquisition of Niogold (note 4)	54,544,247		58,907,787
Conversion of subscription receipts (net of transaction costs $900,824)	10,521,700		4,350,599
Issuance of shares - Matachewan	50,000		60,500
Issuance of shares on acquisition of DeSantis property	229,600		493,640
Issuance of shares upon exercise of warrants	52,087		88,936
Issuance of shares upon exercise of stock options	820,394		1,123,460
Balance June 30, 2016	**125,412,230**	**$**	**216,539,040**

The authorized capital of Osisko consists of an unlimited number of common shares. The holders of common shares are entitled to one vote per share at shareholder meetings of the Corporation. All shares rank equally with regard to the Corporation's residual assets.

On September 30, 2015, the Corporation completed a private placement of 8,427,500 post-consolidation common shares of the Corporation at a price of $1.55 per Common Share issued as flow-through shares for aggregate gross proceeds of $13,062,625. The flow-through shares were issued at a $0.30 premium to the current market price of the Corporations shares at the day of issue. The premium was recognized as a long-term liability for $2,528,250 with a subsequent pro-rata reduction of the liability recognized as flow-through premium income as the required expenditures are incurred. Flow-through premium income of $672,491 and $1,593,261 was recognized for the three and six-month period ended June 30, 2016 (2015 - $nil). The transaction costs amounted to $766,213 and have been netted against the gross proceeds on closing.

On March 8, 2016, the Corporation acquired the Souart property in exchange for a cash payment of $200,000 as well as the issuance of 500,000 Common Shares.

On March 11, 2016, as described in note 4, the Corporation acquired Niogold. In consideration for the acquisition of Niogold, the Corporation issued 0.4167 Common Shares for each common share of Niogold so held, for an aggregate of 54,544,247 Common Shares.

(In Canadian dollars)

9) Capital and other components of equity

a) Share capital – Authorized (continued)

On February 3, 2016, the Corporation completed an offering of subscription receipts pursuant to which it issued and sold 10,521,700 subscription receipts at a price of $1.20 per subscription receipt for gross proceeds of $12,626,040. The transaction costs amounted to $900,824 and have been netted against the gross proceeds on closing. In conjunction with the completion of the Arrangement Agreement on March 11, 2016, each subscription receipt was converted into one Common Share and one Common Share purchase warrant. Each Common Share purchase warrant is exercisable into one Common Share until February 3, 2019, at an exercise price of $1.44. The fair value of the Common Share purchase warrants upon conversion was $7,374,617 and this fair value has been netted against the gross proceeds on closing.

On April 14, 2016, 50,000 shares were issued to Matachewan First Nation as part of a Memorandum of Understanding entered into on March 21, 2016 between Matachewan First Nation and Osisko.

On June 3, 2016, the Corporation acquired the DeSantis property in exchange for the issuance of 229,600 Common Shares.

During the six-month period ended June 30, 2016, a total of 52,087 warrants were exercised for gross proceeds of $62,500 in exchange for the issuance of 52,087 Common Shares.

During the six-month period ended June 30, 2016, a total of 820,394 stock options were exercised for gross proceeds of $567,035 in exchange for the issuance of 820,394 Common Shares.

b) Basic (earnings)/loss per share

The calculation of basic (earnings)/loss per share for the three and six-month period ended June 30, 2016 and 2015 was based on the (income)/loss attributable to common shareholders and a basic weighted average number of common shares outstanding, calculated as follows (prior period numbers have been adjusted to reflect the share consolidation of 20:1 on August 25, 2015):

For the period ended	**Three months ended**		**Six months ended**	
	June 30, 2016	June 30, 2015	**June 30, 2016**	June 30, 2015
Common Shares outstanding, at beginning of the period	**124,676,849**	4,994,078	**58,694,202**	4,994,078
Common Shares issued during the period	**458,194**	736,264	**40,814,112**	372,222
Basic weighted average number of Common Shares	**125,135,043**	5,730,342	**99,508,314**	5,366,300
Net (income)/loss for the period from continuing operations	**$ (2,364,684)**	$ 361,128	**$ (3,657,146)**	$ 815,842
Net (income)/loss for the period from discontinued operations	**-**	(125,919)	**-**	7,695,395
Net (income)/loss for the period	**$ (2,364,684)**	$ 235,209	**$ (3,657,146)**	$ 8,511,237
Basic (earnings)/loss per share from continuing operations	**$ (0.02)**	$ 0.06	**$ (0.04)**	$ 0.15
Basic (earnings)/loss per share from discontinued operations	**-**	(0.02)	**-**	1.43
Basic (earnings)/loss per share for the period	**$ (0.02)**	$ 0.04	**$ (0.04)**	$ 1.58

(In Canadian dollars)

9) Capital and other components of equity

c) Diluted (earnings)/loss per share

The calculation of diluted (earnings)/loss per share for the three and six-month period ended June 30, 2016 and 2015 was based on the (income)/loss attributable to common shareholders and a diluted weighted average number of common shares outstanding, calculated as follows:

For the period ended	Three months ended				Six months ended			
		June 30, 2016		June 30, 2015		**June 30, 2016**		June 30, 2015
Basic weighted average number of Common Shares (note 9(b))		**125,135,043**		5,730,342		**99,508,314**		5,366,300
Effect of dilutive stock options		**6,619,667**		-		**6,307,080**		-
Effect of dilutive warrants		**9,417,890**		-		**484,655**		-
Diluted weighted average number of Common Shares		**141,172,600**		5,730,342		**106,300,049**		5,366,300
Net (income)/loss for the period from continuing operations	**$**	**(2,364,684)**	$	361,128	**$**	**(3,657,146)**	$	815,842
Net loss (income) for the period from discontinued operations		**-**		(125,919)		**-**		7,695,395
Net (income)/loss for the period	**$**	**(2,364,684)**	$	235,209	**$**	**(3,657,146)**	$	8,511,237
Diluted (earnings)/loss per share from continuing operations	**$**	**(0.02)**	$	-	**$**	**(0.03)**	$	-
Diluted loss per share from discontinued operations		**-**		-		**-**		-
Diluted (earnings)/loss per share for the period	**$**	**(0.02)**	$	-	**$**	**(0.03)**	$	-

d) Contributed surplus

The following table summarizes the stock option transactions for the period:

	Number of stock options		Weighted-average exercise price
Outstanding at December 31, 2014	**7,040,000**	**$**	**0.22**
Forfeited (pre-consolidation)	(7,500)		0.22
Cancelled (pre-consolidation)	(6,688,000)		0.22
Balance post-consolidation	344,500		4.40
Granted	4,525,000		1.19
Outstanding at December 31, 2015	**4,869,500**	**$**	**1.42**
Issuance of stock options on acquisition of Niogold	1,391,772		0.68
Granted	5,100,000		1.17
Exercised	(820,394)		0.69
Expired	(16,668)		0.89
Outstanding at June 30, 2016	**10,524,210**	**$**	**1.26**

(In Canadian dollars)

9) Capital and other components of equity (continued)

d) Contributed surplus (continued)

In connection with the Arrangement Agreement (note 4(c)), consent was received from each Niogold stock option holder that, subsequent to the Arrangement Agreement, each Niogold stock option will be exercisable into 0.4167 Common Shares for each Niogold Share the holder would have otherwise been entitled to acquire. On March 11, 2016, a total of 1,391,772 stock options were issued in connection with the Arrangement Agreement.

On March 11, 2016, 4,700,000 stock options were issued to directors, management and employees, at an exercise price of $1.08 for a period of 5 years. The options have been fair valued at $0.87 per option using the Black-Scholes option-pricing model. One third of these options vest immediately with the remaining thirds each vesting on the first and second anniversaries from the date of grant.

On June 21, 2016, 400,000 stock options were issued to management at an exercise price of $2.22 for a period of 5 years. The options have been fair valued at $1.81 per option using the Black-Scholes option-pricing model. One third of these options vest immediately with the remaining thirds each vesting on the first and second anniversaries from the date of grant.

During the six-month period ended June 30, 2016, a total of 820,394 stock options were exercised for gross proceeds of $567,035 in exchange for the issuance of 820,394 Common Shares.

The total recognized expense for stock options for the three and six-month period ended June 30, 2016 was $1,282,151 and $3,259,159 (2015 - $69,669 and $211,173) from which $54,146 and $151,695 (2015 - $9,882 and $26,767) was capitalized to the Canadian projects.

The following table summarizes the assumptions used for the valuation of the replacement Niogold stock options issued during the period:

For the period ended June 30,		**2016**
Fair value at grant date	$	0.73
Forfeiture rate		0.0%
Share price at grant date	$	1.08
Exercise price	$	0.68
Expected volatility		112%
Dividend yield		0.0%
Option life (weighted average life)		2.2 years
Risk-free interest rate (based on government bonds)		0.60%

The following table summarizes the weighted average assumptions used for the valuation of the 5,100,000 stock options issued during the period:

For the period ended June 30,		**2016**
Fair value at grant date	$	0.94
Forfeiture rate		0.0%
Share price at grant date	$	1.17
Exercise price	$	1.17
Expected volatility		115%
Dividend yield		0.0%
Option life (weighted average life)		5 years
Risk-free interest rate (based on government bonds)		0.73%

(In Canadian dollars)

9) Capital and other components of equity (continued)

d) Contributed surplus (continued)

The following table summarizes information regarding the Corporation's outstanding and exercisable stock options as at June 30, 2016:

		Options Outstanding		Options Exercisable	
Range of exercise prices per share	Weighted-Average Remaining periods of Contractual Life	Number of Stock Options Outstanding	Weighted Average Exercise Price	Number of Stock Options Exercisable	Weighted Average Exercise Price
0.48 to 0.89	2.8	502,623	0.61	440,118	0.61
1.01 to 1.08	4.7	4,760,420	1.08	1,627,082	1.08
1.16	4.4	600,000	1.16	199,998	1.16
1.20	4.2	3,916,667	1.20	1,299,996	1.20
1.21 to 4.4	4.0	744,500	3.23	477,833	3.79
$ 1.26	4.3	10,524,210	$ 1.26	4,045,027	$ 1.39

e) Warrants

The following table summarizes information regarding the Corporation's outstanding warrants as at June 30, 2016:

	Number of warrants	Weighted-average exercise price
Outstanding at December 31, 2014	-	$ -
Former Eagle Hill warrants assumed	7,120,692	1.85
Issuance of warrants on acquisition of Eagle Hill ("Osisko Warrants")	130,636,320	0.15
Former Northern Gold warrants assumed	696,048	5.27
Outstanding at December 31, 2015	138,453,060	$ 0.26
Issuance of warrants on conversion of subscription receipts	10,521,700	1.44
Former Niogold warrants assumed	1,010,477	1.15
Exercised	(52,087)	1.20
Expired	(1,021,505)	2.75
Outstanding at June 30, 2016	148,911,645	$ 0.33

In connection with the acquisition of EAG, consent was received from each EAG warrant holder that, subsequent to the acquisition, each Eagle Hill warrant will be exercisable into 0.5 post-consolidation Common Shares for each Eagle Hill common share the holder would have otherwise been entitled to acquire. On August 25, 2015, a total of 7,120,692 warrants were issued in connection with this acquisition.

(In Canadian dollars)

9) Capital and other components of equity (continued)

e) Warrants (continued)

130,636,320 Osisko Warrants were created and issued to Eagle Hill shareholders pursuant to acquisition of Eagle Hill by Osisko on August 25, 2015. The Osisko Warrants are governed by the terms of a warrant indenture dated August 24, 2015 between Osisko and Equity Financial Trust Company, as warrant agent, which warrant indenture is available under Osisko's issuer profile on SEDAR at www.sedar.com. The Osisko Warrants are listed and posted for trading on the Toronto Stock Exchange under the symbol "OSK.WT". As a result of a share consolidation by Osisko which was effected on August 25, 2015 after the effective time of the acquisition, each Osisko Warrant is exercisable until August 25, 2018 and, upon exercise of 20 Osisko Warrants and the payment of $3.00, a holder of such Osisko Warrant is entitled to receive one Common Share.

In connection with the acquisition of Northern Gold on December 22, 2015, consent was received from each NGM warrant holder that, subsequent to the acquisition of Northern Gold by Osisko, each warrant will be exercisable for 1 Common Share upon payment of the historical exercise price. On December 22, 2015, a total of 696,048 warrants were issued in connection with the acquisition.

On February 3, 2016, the Corporation completed an offering of subscription receipts pursuant to which it issued and sold 10,521,700 subscription receipts. In conjunction with the completion of the Arrangement Agreement on March 11, 2016, each subscription receipt was converted into one Common Share and one Common Share purchase warrant. Each Common Share purchase warrant is exercisable into one Common Share until February 3, 2019, at an exercise price of $1.44.

In connection with the Arrangement Agreement (note 4), consent was received from each Niogold warrant holder that, subsequent to the Arrangement Agreement, each Niogold warrant will be exercisable into 0.4167 Common Shares for each Niogold Share the holder would have otherwise been entitled to acquire. On March 11, 2016, a total of 1,010,477 warrants were issued in connection with the Arrangement Agreement.

During the six-month period ended June 30, 2016, a total of 52,087 warrants were exercised for gross proceeds of $62,500 in exchange for the issuance of 52,087 Common Shares.

During the six-month period ended June 30, 2016, a total of 1,021,505 warrants expired.

The following table summarizes the assumptions used for the valuation of the 10,521,700 warrants issued in conjunction with the conversion of the subscription receipts:

For the period ended June 30,		**2016**
Fair value at grant date	**$**	**0.70**
Forfeiture rate		**0.0%**
Share price at grant date	**$**	**1.08**
Exercise price	**$**	**1.44**
Expected volatility		**120%**
Dividend yield		**0.0%**
Warrant life (weighted average life)		**2.9 years**
Risk-free interest rate (based on government bonds)		**0.56%**

(In Canadian dollars)

9) Capital and other components of equity (continued)

e) Warrants (continued)

The following table summarizes the assumptions used for the valuation of the 1,010,477 warrants replaced during the period:

For the period ended June 30,		**2016**
Fair value at grant date	**$**	**0.43**
Forfeiture rate		**0.0%**
Share price at grant date	**$**	**1.08**
Exercise price	**$**	**1.15**
Expected volatility		**112%**
Dividend yield		**0.0%**
Warrant life (weighted average life)		**1.03 years**
Risk-free interest rate (based on government bonds)		**0.58%**

10) Related party transactions

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 three and six-month period ended June 30, 2016, management fees, geological services, rent and administration fees of $798,453 and $1,443,365, respectively (2015 - $nil and $nil) were incurred with Osisko Gold Royalties (“Osisko GR”), a company related to Mr. John Burzynski, President and CEO of the Corporation, as well as Mr. Sean Roosen, Chairman of the Board. Osisko GR has a one-time right, should the Corporation seek financing in debt or equity markets, to provide first financing to the Corporation equal to $5 million in exchange for the granting by the Corporation of a 1% NSR over such properties wholly-owned by the Corporation. Additionally, as long as Osisko GR holds Common Shares equal to at least 10% of the issued and outstanding Common Shares on a non-diluted basis, Osisko GR will have the right to a) participate in future equity financings by the Corporation on a pro rata basis to its non-diluted shareholding immediately prior to any such financing; b) nominate three directors to the Board; c) refuse any agreement involving the sale of a similar interest in products; d) provide management services to the Corporation and e) cause the Corporation to exercise its rights of repurchase over any existing royalty, purchase any royalty held over properties of the Corporation and to sell to Osisko GR any royalties from properties owned by third parties that the Corporation may hold. These services and rights were provided as part of the private placement agreement that was entered into with Osisko GR on August 25, 2015.

During the three and six-month period ended June 30, 2016, financial advisory service fees of $84,000 and $168,000, respectively, were incurred with Dundee Capital Markets (“Dundee”), a company related to a Director (note 6). On October 1, 2015, the Corporation signed an agreement with Dundee whereas Dundee will provide financial advisory services for the Corporation at a cost of $28,000 per month plus a non-refundable retainer fee of $500,000. The agreement expires September 1, 2017.

Accrued directors’ fees for the three and six-month period ended June 30, 2016 are $nil (2015 - $30,000 and $60,000, respectively).

(In Canadian dollars)

10) Related party transactions (continued)

The following table summarizes remuneration attributable to key management personnel for the three and six-month period ended June 30, 2015 and 2016:

For the period ended	**Three months ended** **June 30, 2016**	June 30, 2015	**Six months ended** **June 30, 2016**	June 30, 2015
Salaries expense of key management	**$ 282,080**	$ 119,110	**$ 1,384,910**	$ 273,831
Directors' fees	**92,335**	30,000	**279,335**	60,000
Stock-based compensation	**1,145,899**	58,330	**1,983,692**	179,962
	$ 1,520,314	$ 207,440	**$ 3,647,936**	$ 513,793

11) Segmented information

The Corporation is involved in the exploration and development of mineral deposits. Segmented information is provided on the basis of geographical segments as the Corporation manages its business and exploration activities through geographical regions which in 2016 consist of Canada. However, during the three and six-month period ended June 30, 2015, the Corporation decided to leave Peru which as at June 30, 2015 has been classified as discontinued operations.

The business segments presented reflect the management structure of the Corporation and the way in which the Corporation's management reviews business performance.

The Corporation evaluates performance of its operating segments as follows:

For the period ended June 30, 2016	**Assets**	**Income for the period**
Canada	**$ 199,296,061**	**$ 3,657,146**
Total	**$ 199,296,061**	**$ 3,657,146**

For the period ended June 30, 2015	Assets	Loss for the period
Canada	$ 12,998,664	$ 815,842
Discontinued operations	22,012	7,695,394
Total	$ 13,020,676	$ 8,511,236

12) Commitments

The Corporation has the following exploration commitments as at June 30, 2016:

	Total	**2016**	**2017**	**2018**
Catharine Fault - Ogima Project	$ 400,000	$ 160,000	$ 100,000	$ 140,000
Total	**$ 400,000**	**$ 160,000**	**$ 100,000**	**$ 140,000**

** Quebec Prospects minimum exploration commitment of $1,200 per claim (1,254 ha) to be made within two years from the date of grant.*

12) Commitments (continued)

On October 1, 2015, the Corporation signed an agreement with Dundee whereas Dundee will provide financial advisory services for the Corporation at a cost of $28,000 per month. The agreement expires September 1, 2017.

As of June 30, 2016, the Corporation has a total of $2,174,000 remaining to be spent on the Quebec flow through funds raised in September 2015.

The Corporation is also committed to an annual $25,000 advanced royalty payment on the Gold Pike Project.

13) Subsequent events

On July 27, 2016, Osisko completed a bought deal private placement financing of 7.57 million flow-through Common Shares, at an average price of approximately $3.33 per flow-through Common Share, for total gross proceeds of $25,010,800.

On August 2, 2016, Osisko completed the acquisition of the mining claims comprising of the Swayze Property in the Swayze Greenstone Belt area in Ontario. The mining claims were purchased for $250,000 from an arms length party.

On August 9, 2016, Osisko announced its acquisition of 50,000,000 shares in Barkerville Gold Mines Ltd. (“Barkerville”), or a 17% stake, from 2176423 Ontario Ltd. for $20,000,000 cash and 8,097,166 Common Shares at $2.47 per Common Share. The common shares in the capital of Barkerville (the “Barkerville Shares”) were acquired at $0.80 per Barkerville Share.