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**OSISKO MINING INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE THREE AND SIX-MONTH PERIODS ENDED JUNE 30, 2020 AND 2019**

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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 unaudited interim consolidated financial statements for the three and six-month periods ended June 30, 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"), applicable to the preparation of interim financial statements in accordance with IAS 34, Interim Financial Reporting. This MD&A and the Financial Statements are available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Osisko's issuer profile and on Osisko's website ([www.osiskomining.com](http://www.osiskomining.com)), and should be read in conjunction with the audited consolidated financial statements of the Corporation for the years ended December 31, 2019 and 2018.

This MD&A has been prepared as of August 11, 2020. All dollar figures in this MD&A are expressed in Canadian dollars, unless stated otherwise.

### **Technical Information**

Scientific and technical information relating to the updated mineral resource estimate for Windfall is supported by the technical report entitled *"An updated mineral resource estimate for the Windfall Lake Project, Located in the Abitibi Greenstone Belt, Urban Township, Eeyou Istchee James Bay, Québec, Canada"* and dated April 3, 2020 (with an effective date of January 3, 2020) (the "Updated Windfall Mineral Resource Estimate") prepared by Micon International Limited ("Micon") and BBA Inc. ("BBA"). The Updated Windfall Mineral Resource Estimate was (i) prepared by Charley Murahwi, M.Sc., P.Geo., FAusIMM, of Micon, and Jorge Torrealba, P. Eng., Ph.D. (APEGNB no. M7957) of BBA, and (ii) prepared under the direction of Judith St-Laurent, P.Geo (OGQ #1023), B.Sc., Senior Resource Geologist of Osisko. Each of Mr. Murahwi and Mr. Torrealba is a "qualified person" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Mr. Murahwi is an employee of Micon and Mr. Torrealba is an employee of BBA, and both 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 Updated Windfall Mineral Resource Estimate, which is available electronically on SEDAR ([www.sedar.com](http://www.sedar.com)) under Osisko's issuer profile.

Scientific and technical information relating bulk samples in Zone 27 and in Lynx Zone were supervised by Kim-Quyên Nguyễn, MBA., P.Eng. (OIQ 146014), Project Manager of Osisko for Windfall Project Technical Studies, who is a "qualified person" within the meaning of NI 43-101. The infill block model in the bulk sample area from Zone 27, with an effective date of January 31, 2019, and the infill block model in the bulk sample area from Lynx Zone, with an effective date of June 10, 2019, for the Windfall deposit were prepared by Judith St-Laurent, P.Geo (OGQ #1023), B.Sc., Senior Resource Geologist of Osisko.

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. Reference should be made to the full text of the Quévillon Resource Estimate, which is available electronically on SEDAR ([www.sedar.com](http://www.sedar.com)) under Osisko's issuer profile.

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), Senior Vice President Exploration of Osisko, who is a "qualified person" within the meaning of NI 43-101.

## 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 precious metals resource properties in Canada. Currently, the Corporation is exploring in Québec, and looking for new opportunities to enhance shareholder value.

## UPDATES DURING THE PERIOD AND SUBSEQUENT TO THE PERIOD

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### *Corporate Development and Acquisitions:*

- On May 29, 2020, Osisko appointed Ms. Cathy Singer to the board of directors of the Corporation.
  - 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 of the Government of Québec requiring the closure of all non-essential businesses. During the suspension, the Corporation developed on-site pre-screening processes 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.
  - On March 13, 2020, Osisko appointed Ms. Andrée St-Germain to the board of directors of the Corporation.
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### *Financings:*

- 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 C\$177,025,000. Each unit consists of one common share of the corporation ("Common Share") and one-half of one Common Share purchase warrant. Each warrant entitles the holder to acquire one Common Share for 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 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 approximately \$14.6 million. Osisko held 18,777,898 common shares of O3 Mining as at June 30, 2020, and retained control of O3 Mining as it continued to own approximately 31% of the issued and outstanding common shares of O3 Mining and share common directors and officers.
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### *Exploration Highlights:*

- On February 19, 2020, Osisko released the Updated Windfall Mineral Resource Estimate. Windfall is estimated to contain 4,127,000 tonnes at 9.1 g/t Au for 1,206,000 ounces of gold in the indicated category and 14,532,000 tonnes at 8.4 g/t Au for 3,938,000 ounces of gold in the inferred category assuming a 3.5 g/t Au cut-off grade. As a result, Windfall has expanded to a world-class scale in terms of size and grade. Drilling completed in 2019 increased indicated mineral resource by 60%, which added 452,000 ounces, while also increasing the inferred mineral resource by 66%, which added 1,572,000 ounces. A technical report in respect of the Updated Windfall Mineral Resource Estimate was filed on SEDAR ([www.sedar.com](http://www.sedar.com)) under Osisko's issuer profile on April 3, 2020.
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### *Overall Performance:*

During the six-month period ended June 30, 2020, the Corporation spent approximately \$43.8 million of exploration and evaluation expenditures on the Windfall and Urban Barry properties, and \$7.0 million on general and administration expenses (including salaries and benefits). For the six-month period ended June 30, 2020, the Corporation drilled approximately 81,386

metres on the Windfall Property and 5,301 metres on the Urban Barry Property. There was no activity on the Quévillon Osborne-Bell Property. The underground exploration ramp continues to advance with approximately 826 metres advanced during the six-month period ended June 30, 2020, and a total of 5,452 metres of advancement to date. The ramp continues with a single heading towards the Lynx Zone.

On December 11, 2019, the Corporation completed its second 5,716 tonnes bulk sample from the Lynx Zone. Results from processing the tonnes mined from the bulk sample exceeded expectations, returning an average grade of 17.8 g/t Au. The bulk sample average grade is 89% higher than the 9.40 g/t Au predicted by infill drilling on the Lynx zone 311 resource block model wireframe. Mining of the bulk sample successfully confirmed the presence of mineralization predicted in the resource model, and the analytical results have confirmed the visual mineralization encountered along the stope. Highlights and full results are presented below.

- Recorded average grade of 17.8 g/t Au for the bulk sample, being 89% higher than predicted in the 12.5-metre infill drilling block model.
- Achieved higher than anticipated average Au recovery of 97.2%.
- Recovered 66.7% Au in the gravity concentrate.
- Sample contained 3,271 ounces Au and 2,176 ounces of Ag.

TONNES (DRY)	HEAD GRADE		CONTAINED OUNCES		GRAVITY CONCENTRATE		FLOTATION CONCENTRATE		OVERALL RECOVERY		RECOVERED OUNCES	
	Au (g/t)	Ag (g/t)	Au	Ag	tonnes (dry)	Au Rec (%)	tonnes (dry)	Au Rec (%)	Au Recovery (%)	Ag Recovery (%)	Au	Ag
5,716	17.8	11.8	3,271	2,176	9.7	66.7	284.4	91.7	97.2	94.3	3,181	2,052

On January 29, 2020, Osisko completed the Discovery 1 (OSK-W-19-1970) drill hole with a final length of Discovery 1 reaching 3,467 metres, becoming the longest diamond drill hole in Canada, and achieving a vertical depth of 2,700 metres from surface.

Results from Discovery 1 include the successful intersection of the targeted Underdog Zone (500-metre extension: 14.1 g/t Au over 2.1 metres) and the Triple 8 Zone (100-metre extension: 9.58 g/t Au over 7.6 metres) (see *Osisko news release dated September 11, 2019*), and the intersection of several wide zones of anomalous gold mineralization ranging up to 1.04 g/t Au over 191 metres, including a high-grade intersection of 10.1 g/t Au over 2.5 metres (see *Osisko news release dated January 29, 2020*). The intersection begins at 3,139 metres down hole and now ends at 3,330 metres. All analytical results for Discovery 1 have been received by the Corporation.

The Corporation has active ongoing drill programs that began in 2015 and have evolved in scope over time, resulting in Osisko completing approximately (i) 1,059,992 metres of drilling at the Windfall Property, (ii) 76,373 metres of drilling on the Quévillon Osborne-Bell Property, and (iii) 62,054 metres on Urban Barry Property, for a combined total drilling campaign of 1,198,419 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.

#### a) Windfall, Urban Barry, and Quévillon Osborne-Bell Properties

The Windfall Gold Deposit is located between Val-d'Or and Chibougamau in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec. The Windfall Gold Deposit is currently one of the highest-grade resource-stage gold projects in Canada. The bulk of the mineralization occurs in several southwest/northeast trending zones occurring approximately within a corridor 600 metres wide and approximately 3,000 metres long. The deposit has been traced from surface to a depth of 1,800 metres and remains open along strike and at depth.

## Mineral Resource Estimates

### Updated Windfall Mineral Resource Estimate

On February 19, 2020, the Corporation released the Updated Windfall Mineral Resource Estimate, which included results disclosed by Osisko up to January 3, 2020. On April 3, 2020, Osisko announced that it had filed a technical report in respect of the Updated Windfall Mineral Resource Estimate, in accordance with NI 43-101, to update the mineral resource estimate on its 100% owned Windfall gold deposit. The technical report in respect of the Updated Windfall Mineral Resource Estimate is available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Osisko's issuer profile. Certain highlights of the Updated Windfall Mineral Resource Estimate as well as the sensitivity table are described in the table below:

**Table 1: Updated Windfall Mineral Resource Estimate Sensitivity Table**

Cut-off Grade (Au)	Indicated			Inferred		
	Tonnes <sup>(1)</sup> (000 t)	Grade (g/t)	Ounces Au <sup>(1)</sup> (000 oz)	Tonnes <sup>(1)</sup> (000 t)	Grade (g/t)	Ounces Au <sup>(1)</sup> (000 oz)
5.00 g/t	2,792	11.4	1,026	9,495	10.7	3,258
4.50 g/t	3,150	10.7	1,081	10,844	9.9	3,464
4.00 g/t	3,586	9.9	1,141	12,566	9.2	3,701
3.50 g/t	4,127	9.1	1,206	14,532	8.4	3,938
3.00 g/t	4,773	8.3	1,274	17,213	7.6	4,218

Note:

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

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

Area	Indicated			Inferred		
	Tonnes (000 t) <sup>(1)</sup>	Grade (g/t)	Ounces Au <sup>(1)</sup> (000 oz)	Tonnes <sup>(1)</sup> (000 t)	Grade (g/t)	Ounces Au <sup>(1)</sup> (000 oz)
Lynx <sup>(2)</sup>	1,817	11.3	661	6,349	10.9	2,233
Underdog	561	8.0	145	4,776	6.9	1,067
Main <sup>(3)</sup>	1,749	7.1	401	3,407	5.8	638
Total <sup>(4)</sup>	4,127	9.1	1,206	14,532	8.4	3,938

Notes:

- (1) Values are rounded to nearest thousand which may cause apparent discrepancies.  
(2) Lynx area includes: Lynx Main, Lynx HW, Lynx SW and Lynx 4, Triple Lynx.  
(3) Main area includes: Zone 27, Caribou, Mallard, Windfall Nord, and F-Zones.  
(4) See "Updated Windfall Mineral Resource Estimate Notes" below.

#### Updated Windfall Mineral Resource Estimate notes:

- The Updated Windfall Mineral Resource Estimate has been prepared in accordance with the November 29, 2019 CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines.
- 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) were included in the mineral resource estimate.
- As of January 3, 2020, the database comprises a total of 2,941 drill holes for 1,101,008 metres of drilling in the area extent of the mineral resource estimate, of which 2,280 drill holes (918,273 metres) were completed and assayed by Osisko. The drill hole grid spacing is approximately 25 metre x 25 metre for infill drilling and larger for extension drilling.
- All core assays reported by Osisko were obtained by analytical methods described below under "Quality Control and Reporting Protocols".
- 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 292 tabular, sub-vertical gold-bearing domains defined by individual wireframes with a minimum true thickness of 2.0 metres.
- Assays were composited within the mineralization domains into 2.0 metres length composites. A value of 0.00125 g/t Au (¼ of the detection limit) was applied to unassayed core intervals.

7. 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 15 g/t Au to 130 g/t Au and are applied using a three-step capping strategy where the capping value decreases as interpolation search distances increase.
8. Five (5) block models were produced using Datamine™ Studio RM Software. The models are defined by parent cell sizes of 5 metres NE, 2 metres NW and 5 metres height, and subblocked to minimum subcell sizes of 1.25 metres NE, 0.5 metres NW and 1.25 metres height.
9. Ordinary Kriging (OK) based interpolations were produced for each area of the Windfall gold deposit. Estimation parameters are based on composite variography analyses.
10. Density values of 2.8 were applied to the mineralized zones.
11. The Updated Windfall Mineral Resource Estimate is categorized as indicated and inferred mineral resource as follows:
  - a. The indicated mineral resource category is manually defined and encloses areas where drill spacing is generally less than 25 metres, blocks are informed by a minimum of two drill holes, and reasonable geological and grade continuity is shown.
  - b. The inferred mineral resource category is manually defined and encloses areas where drill spacing is less than 100 metres, blocks are informed by a minimum of two drill holes, and reasonable, but not verified, geological and grade continuity is observed.
12. The mineral resource is reported at 3.5 g/t Au cut-off. The cut-off grade is calculated using the following economic parameters: gold price at US\$1,325/oz, exchange rate at 1.30 USD/CAD, 93% mill recovery; selling cost at CAD\$5/oz, 2% NSR royalties, mining cost at CAD\$100/t milled, G&A cost at CAD\$30/t milled, processing cost at CAD\$40/t, transportation cost at CAD\$2/t considering mill at site, and environment cost at C\$4/t.
13. Estimates use metric units (metres, tonnes, and g/t). Metal contents are presented in troy ounces (metric tonne x grade / 31.10348).
14. Micon 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.
15. 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 news release are uncertain in nature and there has been insufficient exploration to define these inferred mineral resources as indicated or measured mineral resources, and it is uncertain if further exploration will result in upgrading them to these categories.

### Quévillon Mineral Resource Estimate

Cut-off grade	Tonnes (T) <sup>(1)</sup>	Grade (g/t)	Ounces Au <sup>(2)</sup>
> 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) The number of metric tonnes was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding errors.
- (2) The number of ounces was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding errors.

#### Quévillon Mineral Resource Estimate 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/cm<sup>3</sup>): 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.

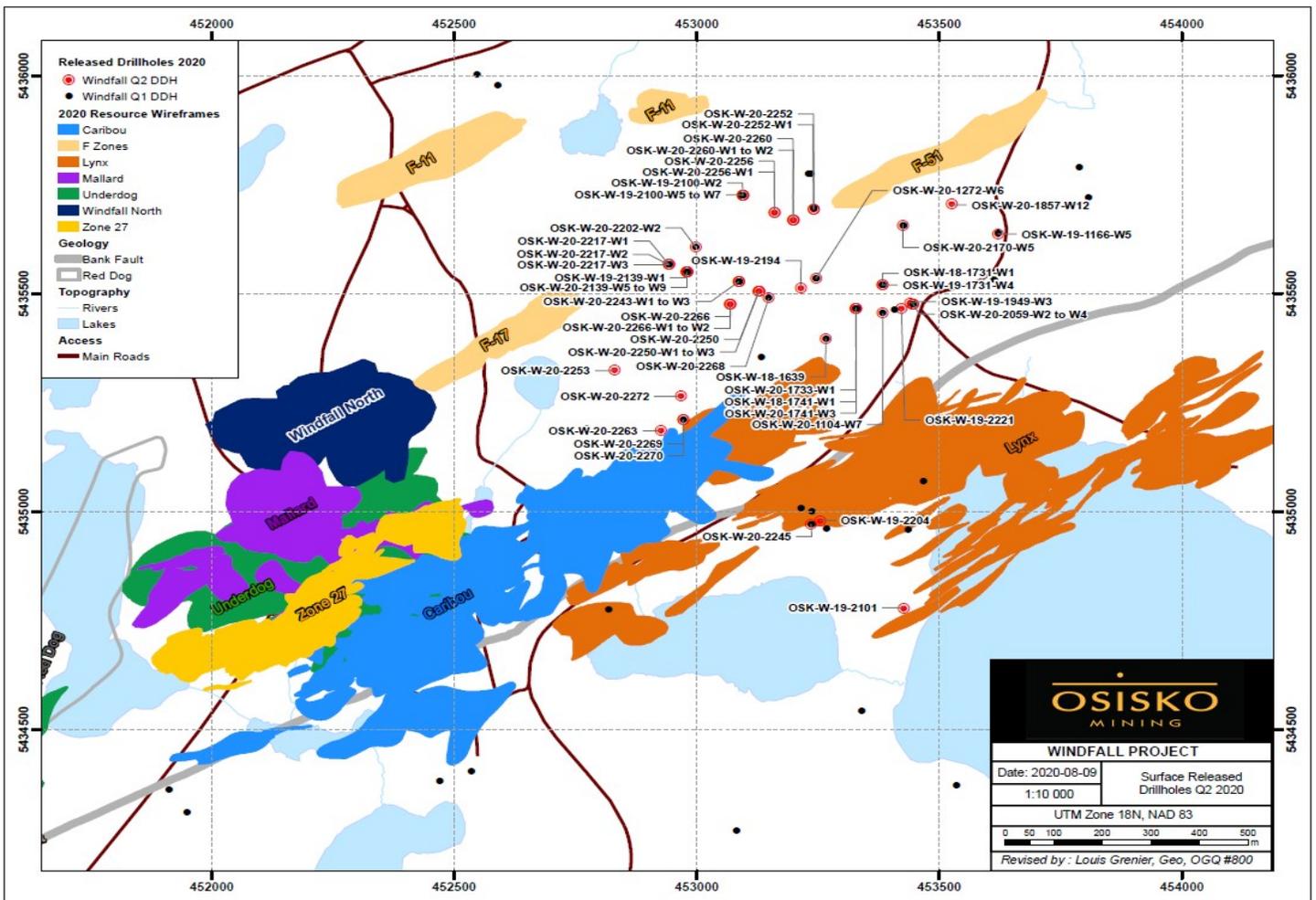
Based on the Updated Windfall Mineral Resource Estimate (assuming a cut-off grade of 3.5 g/t Au) and the Quévillon Osborne-Bell Deposit Mineral Resource Estimate (assuming a cut-off grade of 3.0 g/t Au), the Corporation has two main deposits that contain an aggregate of 4.1 million tonnes at 9.10 g/t Au for a total of 1.21 million ounces of global resources in indicated mineral resource categories and an aggregate 17.1 million tonnes at 8.1 g/t Au for 4.45 million ounces of global resources in the inferred mineral resource category.

## Exploration

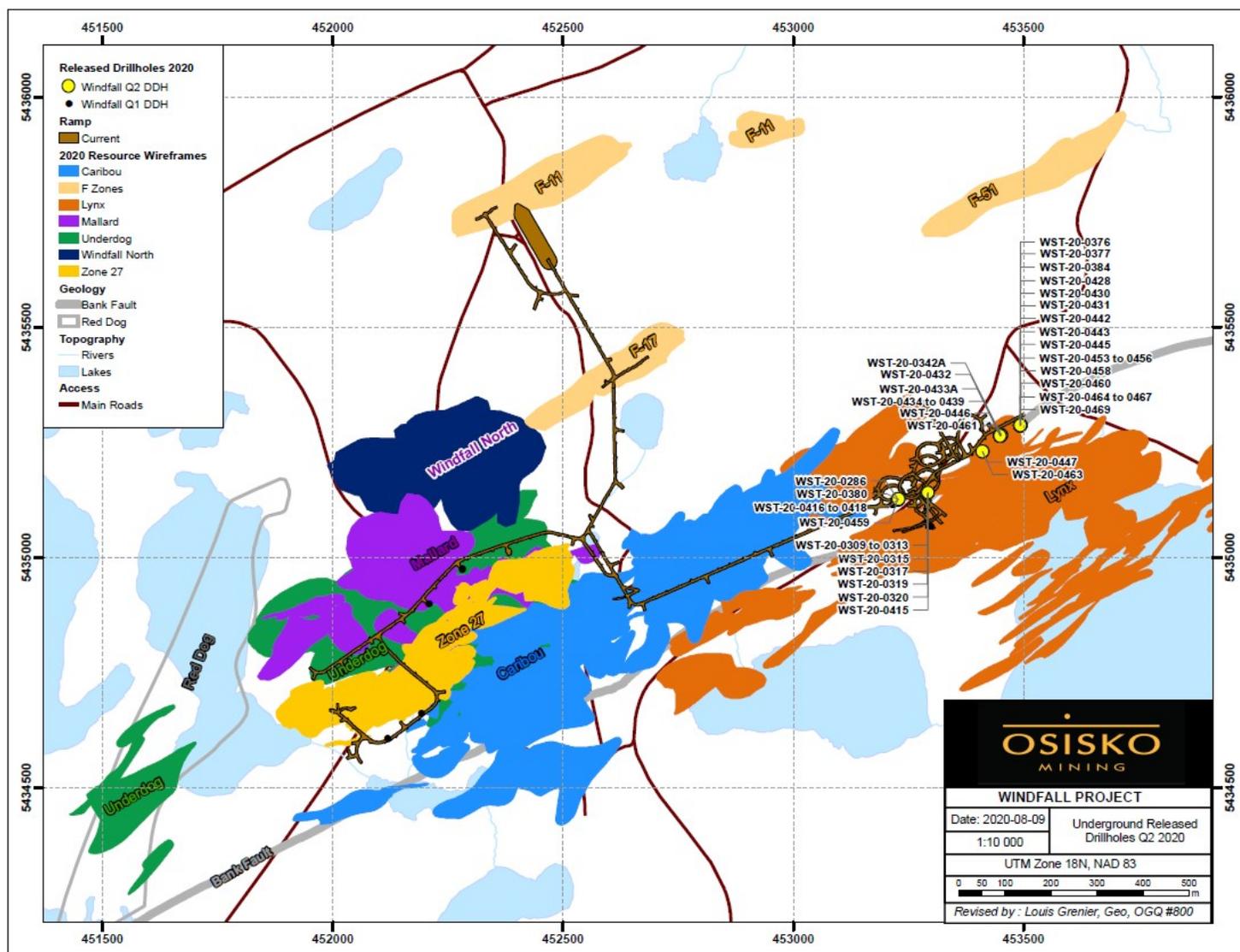
### Exploration Strategy

Osisko is a mineral exploration company focused on the acquisition, exploration, and development of precious metal resource properties in Canada. Osisko's flagship project is the high-grade Windfall Gold Deposit located between Val-d'Or and Chibougamau in Québec, Canada. Osisko also holds a 100% undivided interest in a large area of claims in the Urban Barry area and a 100% interest in large claim package in the Quévillon area that includes the Osborne-Bell Gold Deposit totaling 265,676 hectares.

The Corporation announced the following results from the ongoing drill program at the Windfall Property located in the Urban Township, Québec in the surface and underground maps below:



Above is a map of the material surface drill holes that were completed during the six-month period ended June 30, 2020, as well as the current holes to the date of this MD&A on the Windfall Property.



Above is a map of the material underground drill holes that were completed during the six-month period ended June 30, 2020, as well as the current holes to the date of this MD&A on the Windfall Property.

The Corporation began the period continuing its ongoing drill program with 19 drill rigs. At the end of the period, the drill rig count had increased to 22 (16 drill rigs on surface and 6 drill rigs underground) at the Windfall Property. The main focus of drilling activities is infill drilling in the upper portion of Lynx and Triple Lynx and expanding the footprint of the deposit through new discoveries. The Corporation is focusing on different areas of Lynx and Triple Lynx. Four underground drill rigs were focusing on Lynx.

**Drill highlights have included the following:**

- 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 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 announced July 14, 2020
- 376 g/t Au over 2.0 metres and 35.2 g/t Au over 4.3 metres at Lynx announced June 23, 2020
- 35.3 g/t Au over 2.7 metres at 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 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 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](http://www.sedar.com)) under Osisko's issuer profile and Osisko's website ([www.osiskomining.com](http://www.osiskomining.com)).

### Exploration Ramp Advancement

In 2007, construction of an underground exploration ramp was commenced at the Windfall Property by a previous operator, which attained a vertical depth of approximately 110 metres and length of approximately 1.2 kilometres, with an additional 230 metres of exploration drifts. The exploration ramp was terminated by the previous operator prior to completion of the bulk sample collection and was flooded with water. All permits required to dewater the ramp and proceed with collection of a bulk sample from Zone 27 and Caribou were granted to Osisko in 2017 and dewatering of the ramp was completed. Following exploration ramp rehabilitation, advancement continued at a rate of approximately 206 metres per month towards the mineralized zones. During the six-month period ended June 30, 2020 – in which only 4 months of work was conducted due to COVID-19 – the exploration ramp was advanced by 826 metres, representing total advancement of 5,452 metres. In 2018, all permits required to obtain two additional bulk samples were requested and received. The Bulk Sample took place in Zone 27 in 2018 and was finished in the first quarter of 2019. The ore was transferred to the Northern Sun mill site near Timmins, Ontario, where it was processed during the second quarter of 2019. Mining of the second bulk sample area in the Lynx zone began in September of 2019 and was completed on December 11, 2019. Underground work included bulk sampling (for metallurgical testing and grade confirmation), underground mapping, and underground exploration drilling. During the six-month period ended June 30, 2020 all permits required to obtain a bulk sample from Triple Lynx, to enlarge the waste rock stockpile and to construct an additional basin for water treatment were requested. All permits with the exception of the authorization to collect and process the bulk sample have been received. Osisko expects the outstanding authorization to be approved in the coming months.

## 1. SUMMARY OF MINERAL PROPERTIES

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

Continuing Exploration Properties	Location	Transaction location status	Status
Windfall Lake	Québec	Osisko	Owned 100%
Quévillon Osborne-Bell	Québec	Osisko	Owned 100%
Urban Barry	Québec	Osisko	Owned 100%
Urban Duke	Québec	Osisko	Owned 100% <sup>(1)(2)</sup>
O3 Mining Properties	Québec/Ontario	O3 Mining	Owned and Earn-in <sup>(3)</sup>

#### Notes:

- (1) The Duke Property was acquired upon the acquisition of Beaufield Resources Inc. ("Beaufield") on October 19, 2018.
- (2) Bonterra Resources Inc. ("Bonterra") has an earn-in right of up to 70% of the property.
- (3) Please see the financial statements, and the management's discussion and analysis of O3 Mining for further information

## 2. MINERAL RESOURCES

The Corporation's global mineral resources are summarized below:

CATEGORY	TONNES (MT)	AU GRADE (G/T)	AU (M OZ)
<b>TOTAL INDICATED</b>			
WINDFALL <sup>(1)</sup>	4.1	9.1	1.21
	<b>4.1</b>	<b>9.10</b>	<b>1.21</b>
<b>TOTAL INFERRED<sup>(2)</sup></b>			
WINDFALL <sup>(1)</sup>	14.5	8.4	3.94
OSBORNE-BELL <sup>(3)</sup>	2.6	6.13	0.51
	<b>17.1</b>	<b>8.1</b>	<b>4.45</b>

**Notes:**

- (1) Information relating to the Windfall Project is supported by the Updated Windfall Mineral Resource Estimate, the full text of which is available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Osisko's issuer profile. A cut-off grade of 3.5 g/t Au was used in the Updated Windfall Mineral Resource Estimate.
- (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 Quévillon Osborne-Bell Gold Deposit is supported by the Quévillon Mineral Resource Estimate, the full text of which is available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Osisko's issuer profile. A cut-off grade of 3.0 g/t Au was used in the Quévillon Mineral Resource Estimate.

## 3. MINERAL PROPERTY ACTIVITIES

### a) Urban Barry District

As of June 30, 2020, the Corporation held a significant claims position in the Urban Barry area of Québec. The Windfall Project contains 285 claims covering 12,467 hectares and includes the Windfall Gold Deposit. Adjacent to the Windfall Property, the Urban Barry Project contains 1,832 claims, including the Black Dog Property (formerly Souart Property) and the former Urban Macho acquired as part of the acquisition of Beaufield and covers more than 100,019 hectares (1,000 square kilometres). Both projects are located within the Urban Barry volcano-sedimentary belt. The exploration expenditures on the properties were for drilling, prospecting, till surveys follow-up, IP geophysical surveys and claims acquisition. As at June 30, 2020, there were 22 drill rigs at the Windfall Property. As of June 30, 2020, an aggregate of 81,386 metres had been drilled at the Windfall Property during 2020, which has resulted in Osisko completing an aggregate of 1,059,992 metres of the current 1,200,000-metre drill program on the Windfall Property. As of June 30, 2020, an aggregate of 5,301 metres had been drilled at the Urban Barry Property during 2020. Adjacent to the Urban Barry Project, the Urban Duke Property contains 81 claims covering 3,590 hectares and Bonterra has an earn-in right of up to 70% of the property inherited from a previous agreement with Beaufield, where Bonterra is the operator. As of June 30, 2020, 10,531 metres were drilled over the Duke Property during 2020.

## i) Windfall Property

The Windfall Property is 100% owned by the Corporation and covers approximately 12,467 hectares located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec, Canada. The property consists of 285 contiguous mining claims.

The Windfall Property is subject to the following net smelter returns ("NSR") royalties:

Location	Approximate Area	NSR	Buyback Rights
Centre of property, hosting the majority of the mineral resource	3,151 acres (1,275 ha)	2.0% <sup>(1)</sup>	N/A
Southwest of the majority of the mineral resource	1,985 acres (803 ha)	1.5% <sup>(2)</sup>	N/A
North of the majority of the mineral resource, hosting small portion of the mineral resource	2,342 acres (948 ha)	2% <sup>(3)</sup>	N/A
Northern part of property	19,531 acres (7,904 ha)	3% <sup>(3)</sup>	N/A
Southeast of the mineral resource	706 acres (286 ha)	3%	Subject to a 1% NSR royalty buy-back for \$500,000.
Eastern edge of property	2,507 acres (1,015 ha)	3%	Subject to a 1% NSR royalty buy-back for \$1 million in favor of Osisko and a right of first refusal for another 1% NSR royalty in favor of O3 Mining Inc.
Southwestern part and northeastern part of property	1,060 acres (429 ha)	1% <sup>(4)</sup>	N/A

### Notes:

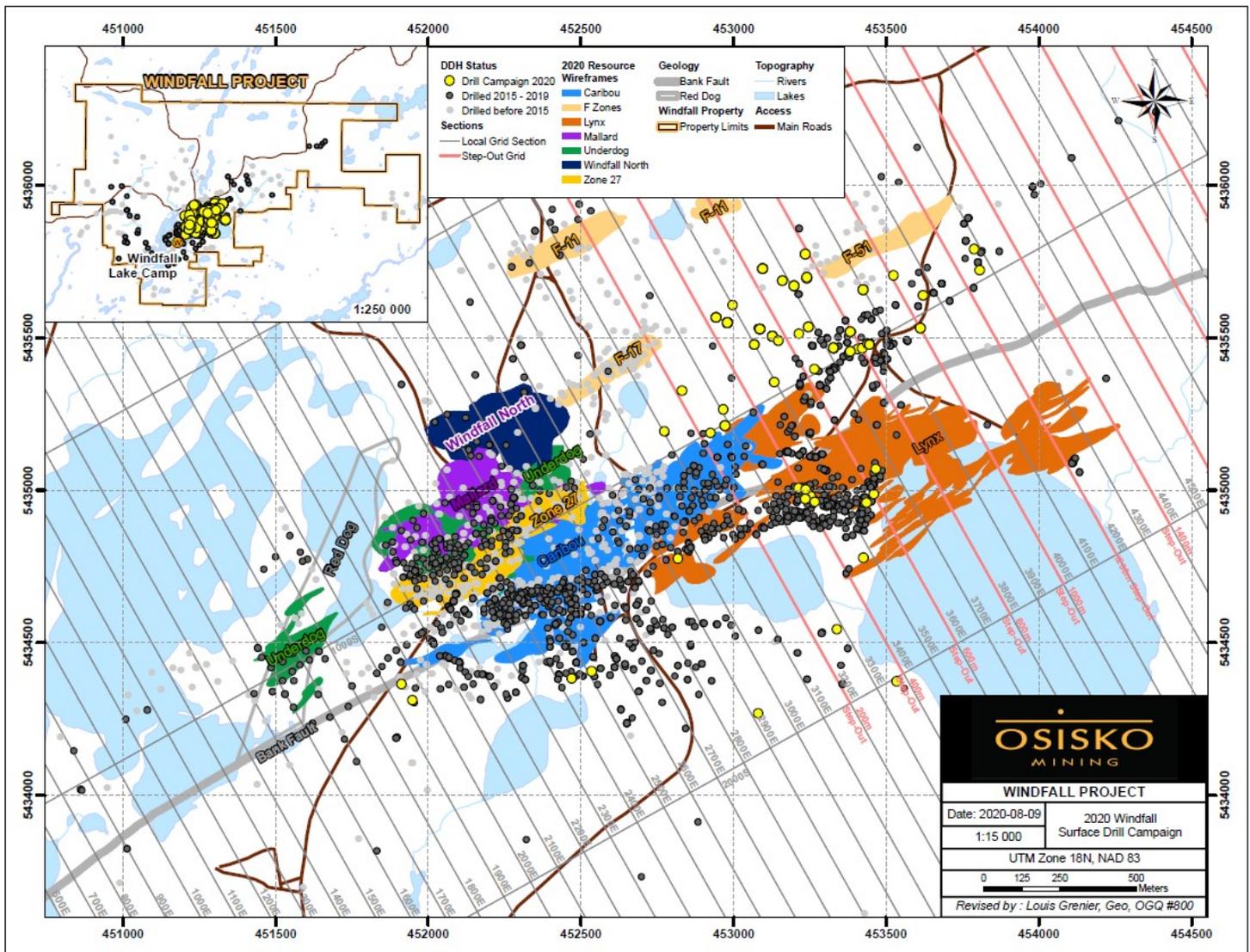
- (1) Osisko GR holds a 2.0% NSR royalty on these claims as follows: (i) a 0.5% NSR royalty was granted to Alto Ventures Ltd. on July 26, 2004, which was subsequently acquired by Virginia Gold Mines Inc. on April 7, 2014 and assigned to Osisko GR on December 31, 2015; (ii) a 1% NSR royalty was granted by Osisko to Osisko GR under a royalty agreement dated October 4, 2016 in connection with certain first financing rights held by Osisko GR under the investment agreement dated August 25, 2015 between Osisko and Osisko GR; and (iii) a 0.5% NSR royalty was granted by Osisko to Osisko GR under a royalty agreement dated January 16, 2020 in connection with buy-back rights held by Osisko GR under the investment dated August 25, 2015 between Osisko and Osisko GR. Further to (iii), Osisko bought-back and re-granted to Osisko GR the 0.5% NSR royalty granted by Noront Resources Ltd. to Fury Explorations Ltd. under a letter agreement dated June 9, 2004.
- (2) Osisko GR holds a 1.5% NSR royalty on these claims as follows: (i) a 0.5% NSR royalty was granted to Alto Ventures Ltd. on July 26, 2004, which was subsequently acquired by Virginia Gold Mines Inc. on April 7, 2014 and assigned to Osisko GR on December 31, 2015; and (ii) a 1% NSR royalty was granted by Osisko to Osisko GR under a royalty agreement dated October 4, 2016 in connection with certain first financing rights held by Osisko GR under the investment agreement dated August 25, 2015 between Osisko and Osisko GR.
- (3) Osisko GR holds a 2.0-3.0% NSR royalty on these claims as follows: (i) a 1% NSR royalty was granted by Osisko to Osisko GR under a royalty agreement dated October 4, 2016 in connection with certain first financing rights held by Osisko GR under the investment agreement dated August 25, 2015 between Osisko and Osisko GR; (ii) a 0.5-1.0% NSR royalty was granted by Osisko to Osisko GR under a royalty agreement dated November 16, 2018 in connection with buy-back rights held by Osisko GR under the investment dated August 25, 2015 between Osisko and Osisko GR; and (iii) a 0.5-1.0% NSR royalty was granted by Osisko to Osisko GR under a royalty agreement dated November 16, 2018 in connection with buy-back rights held by Osisko GR under the investment dated August 25, 2015 between Osisko and Osisko GR. Further to (ii), Osisko bought-back and re-granted to Osisko GR the 0.5-1.0% NSR royalty granted by Eagle Hill Exploration Corporation to Cliffs Chromite Ontario Inc. under a royalty agreement dated March 18, 2014. Further to (iii), Osisko bought-back and re-granted to Osisko GR the 0.5-1.0% NSR royalty granted by Eagle Hill Exploration Corporation to Murgor Resources Inc. under a royalty agreement dated March 18, 2014.
- (4) Osisko GR holds a 1.0% NSR royalty on these claims as follows: a 1% NSR royalty was granted by Osisko to Osisko GR under a royalty agreement dated October 4, 2016 in connection with certain first financing rights held by Osisko GR under the investment agreement dated August 25, 2015 between Osisko and Osisko GR.

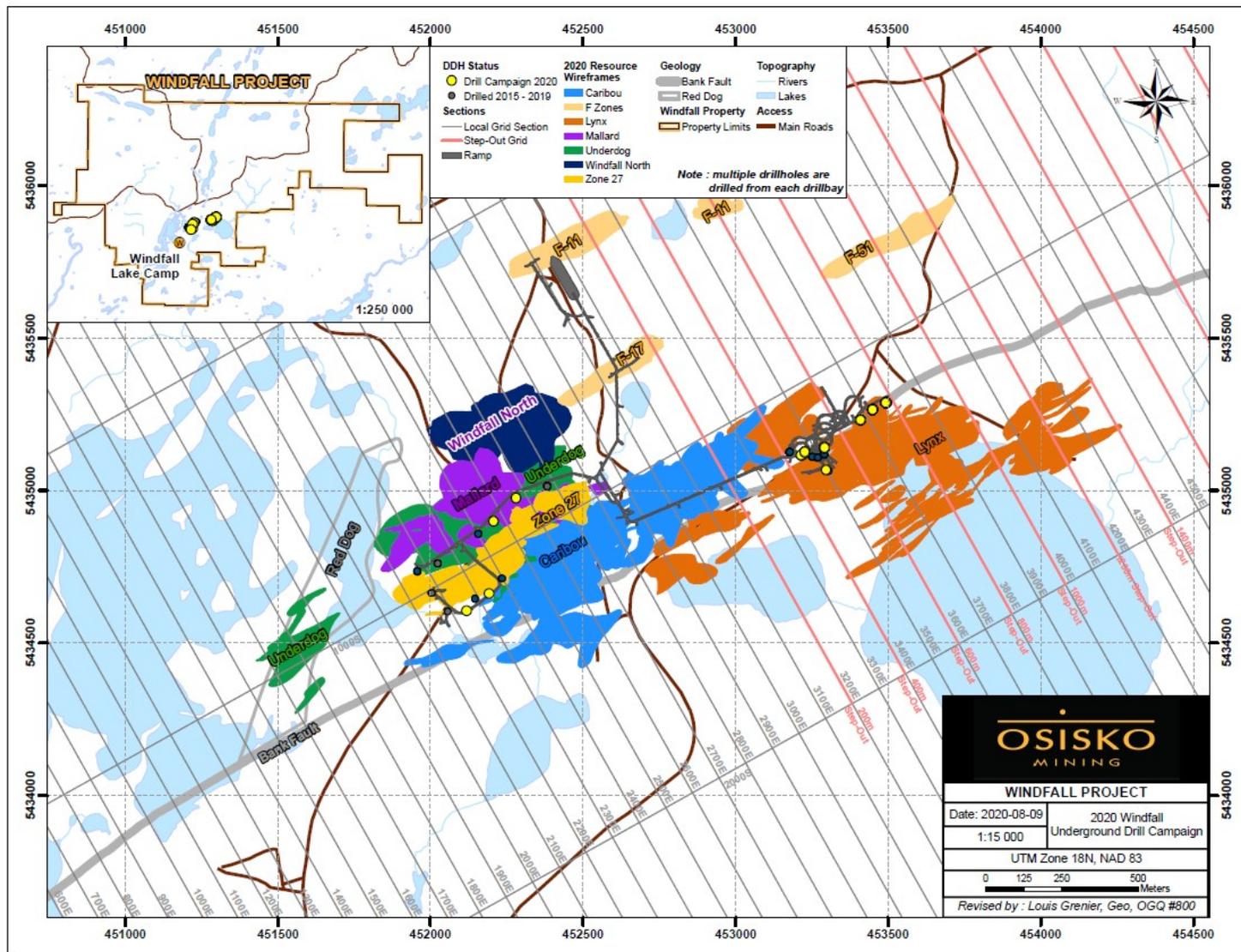
## Exploration Activities

The current 1,200,000-metre drilling program has been designed to assist the Corporation in further exploring and defining the known mineralization within the main deposit area, the Lynx and Triple Lynx Zones, the North East Extension, and Triple 8. Osisko continues to work towards extending the exploration ramp into the mineralized zones and continues with the underground drill program with six rigs that started in during 2019. The 5,500-tonne bulk sample excavation on Zone 27 began on October 11, 2018 and was completed on June 11, 2019 and the second 5,716 tonnes bulk sample in the Lynx Zone which began in September 2019 and was completed on December 11, 2019. For both samples, the ore was transferred to the Northern Sun mill site in Timmins, Ontario, where the samples were processed. Permits have been requested to allow for the collection of a bulk sample from Triple Lynx.

## Drilling

The Corporation continues to obtain drill results from its 1,200,000-metre drill program on the Windfall Property. The Corporation's drill plan surface and underground maps are presented below:





## Quality Control

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, and Vancouver, British Columbia; or (ii) Bureau Veritas in Timmins, Ontario. 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.

## ii) Urban-Barry Property

The Urban-Barry Property is 100% owned by the Corporation. As of June 30, 2020, the property comprises 1,828 individual claims covering an aggregate area of approximately 99,793 hectares. The property is mostly constituted by claims that were acquired at different periods from 2015 to 2017 as well as the claims from the acquisition of Beaufield and are subject to various NSR royalties.

### **Exploration Activity**

During the six-month period ended June 30, 2020, the Corporation drilled approximately 5,301 metres on the Urban Barry Property, mostly focusing in the Fox SW 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) realized 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.

#### **iii) 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, consisting of 81 claims and 3,590 hectares, is 100% owned by the Corporation and is 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 six months period ended June 30, 2020, a total of 10,531 metres were drilled over the Duke Property by Bonterra. The best results from the campaign were obtained from drill hole DK-20-22 that returned 5.1 g/t Au over 6 meters, including 12.1 g/t over 1 meter that constitutes a twin hole of historical drill hole 87-51 over the Rouleau deposit.

#### **b) Quévillon Osborne-Bell Project**

On April 27, 2017, the Corporation acquired ownership over 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. 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.

On February 26, 2018, Osisko purchased from Globex Mining Enterprises Inc ("Globex"), the Certac Property at Le Tac Township, Québec for \$250,000 and gross metal royalty payable to Globex on all metal production. The gross metal royalty payable will be 2.5% at a gold price below USD \$1,000 per ounce or 3% at a gold price equal to or greater than USD \$1,000 per ounce. Osisko has retained a first right of refusal should Globex sell its gross metal royalty as well as a right to buy back 1.5% of the gross metal royalty for \$1.5 million. The Certac Property has been included in the Quévillon Osborne-Bell Project.

The Quévillon Osborne-Bell Project now covers more than 149,825 hectares (1,497 square kilometres) and is constituted by 2,809 claims. The land position of the Quévillon area covers volcano-sedimentary Archean greenstones that host a number of known gold showings and porphyry igneous intrusions that are of strong exploration interest to the Corporation.

### **Exploration Activity**

Summer field work including prospecting, soil geochemistry and mapping were realized on the Quévillon project during the second quarter ending on June 30, 2020. Results are still pending.

#### **c) O3 Mining Properties**

On July 5, 2019, the Corporation completed a reverse takeover of O3 Mining (then named "Chantrell Ventures Corp."). The reverse take-over was implemented by way of a statutory plan of arrangement under Section 182 of the *Business Corporations Act* (Ontario), which resulted in the following assets of the Corporation being transferred from Osisko to O3 Mining: (i) the Malartic Deposit (located in Québec's Abitibi gold mining district between Val-d'Or and Malartic); (ii) the Garrison Deposit (located in the Larder Lake Mining Division in north east Ontario); (iii) certain other exploration properties and earn-in rights; and (iv) a portfolio of selected marketable securities.

On February 7, 2020, Osisko disposed of 6,200,000 common shares of O3 Mining at a price of \$2.35 per share for gross proceeds of approximately \$14.6 million. Osisko held 18,777,898 common shares of O3 Mining as at June 30, 2020, and retained control of O3 Mining as it continued to own approximately 31% of the issued and outstanding common shares of O3 Mining and share common directors and officers as at June 30, 2020.

None of the properties owned by O3 Mining are considered to be material mineral properties for Osisko Mining. For further information regarding the O3 Mining and its properties, please see SEDAR ([www.sedar.com](http://www.sedar.com)) under O3 Mining's issuer profile and O3 Mining's website ([www.O3mining.ca](http://www.O3mining.ca)).

#### 4. EXPLORATION AND EVALUATION ASSETS EXPENDITURES

The Corporation's expenditures on exploration and evaluation assets for the six-month period ended June 30, 2020, were as follows (in thousands of Canadian dollars):

	December 31,				June 30,
	2019	Acquisitions	Disposals	Additions	2020
Windfall Lake	\$ 308,437	\$ -	\$ -	\$ 42,748	\$ 351,185
Quévillon Osborne	18,518	-	-	231	18,749
Urban Barry	23,293	-	-	1,003	24,296
Urban Duke	1,896	-	-	-	1,896
O3 Mining	135,154	156	(1,174)	6,192	140,328
<b>Total exploration and evaluation assets</b>	<b>\$ 487,298</b>	<b>\$ 156</b>	<b>\$ (1,174)</b>	<b>\$ 50,174</b>	<b>\$ 536,454</b>

Significant additions during the six-month period ended June 30, 2020 are described by category in the following table (in thousands of Canadian dollars):

For the period ended June 30, 2020	Quévillon				Total
	Windfall Lake	Osborne	Urban Barry	O3 Mining	
Property costs	\$ 7	\$ 9	\$ 7	\$ 419	\$ 442
Camp costs	6,448	25	2	72	6,547
Office costs	31	-	2	39	72
Project management	1,741	5	45	13	1,804
Drilling	20,148	30	936	4,938	26,052
Geochemical survey	-	11	-	4	15
Permitting	66	-	-	44	110
Geophysical survey	70	-	4	95	169
Geology	999	102	6	326	1,433
Feasibility study and preliminary economic assessment	574	49	-	123	746
Ramp	9,777	-	-	-	9,777
Community relations	359	-	-	6	365
Environmental	1,388	-	-	53	1,441
Health and safety	1,140	-	1	-	1,141
Québec exploration mining duties	-	-	-	60	60
<b>Total additions</b>	<b>\$ 42,748</b>	<b>\$ 231</b>	<b>\$ 1,003</b>	<b>\$ 6,192</b>	<b>\$ 50,174</b>

During the six-month period ended June 30, 2020, the preponderance of the exploration spending took place on the Windfall Property, which is the subject of an ongoing drill program of 1,200,000 metres. As of June 30, 2020, the Corporation had drilled since 2015 approximately 1,059,992 metres on the Windfall Property (including 81,386 meters in 2020), 75,000 metres on the Quévillon Osborne-Bell Property (none in 2020), and 62,054 metres on the Urban Barry area (including 5,301 metres in 2020). In addition, the Corporation advanced 826 metres at the Windfall exploration ramp in 2020 and completed two bulk samples: one in Zone 27 and the other in the Lynx Zone. Management expects the exploration ramp to be advanced at the rate of

approximately 200 metres per month. Underground mapping will continue on the exploration ramp as well as underground infill drilling.

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## 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 Mining 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. Assuming the extension will be enacted, as at June 30, 2020, the Corporation is required to spend \$43.6 million of flow-through funds by December 31, 2021. If the extension is not finalized by the Department of Finance, the dates for the flow-through spend requirements will be moved up by one year. However, since exploration activities have resumed on May 15, 2020, the Corporation does not foresee any issues in spending flow-through funds raised in 2019 prior to the original deadline unless another forced stoppage takes place during 2020.

The Corporation is planning to spend approximately \$11 million per month on exploration activities on all of Osisko's properties, \$289,000 per month on general and administration expenses and \$390,000 per month on salaries and benefits, excluding non-cash items and O3 Mining's expenses, for the remainder of the 2020 year. These budgeted cash outflows are mainly discretionary and can be managed by the Corporation based on available cash. The Corporation has raised approximately \$690 million since January 1, 2017 which includes the \$177 million equity financing that closed on June 23, 2020. 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. A 1,200,000-metre drill campaign continues with approximately 22 drill rigs on the Windfall Property (6 rigs underground). The Corporation had advanced the existing exploration ramp towards the Lynx Zone in order to further advance exploration with underground drilling. The Corporation continues surface drilling, mostly focusing on the Lynx, Lynx Extension and Triple Lynx zones, while advancing the infilling drilling program on existing, and newly discovered zones. The Corporation has also begun the construction of a ventilation raise to surface, an additional underground refuge as well as an extension of the waste pad and construction of an additional water pond for the water treatment facility.

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## 6. INVESTMENTS

The Corporation's assets include a portfolio of investments in public companies as at June 30, 2020. A portion of the investments were transferred to O3 Mining in connection with the reverse take-over of O3 Mining, completed by Osisko on July 5, 2019. 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.

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. 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 quarterly cash payments equal to quarterly dividends of Osisko GR. On maturity, Osisko will either receive from or pay to National Bank the difference between National Bank's proceeds of disposition on the common shares of Osisko GR and \$21.9 million, dependent on whether the share price of Osisko GR appreciates or depreciates. In addition, Osisko has the right to acquire the common shares of Osisko GR back for \$21.9 million in cash at any time during the period of the TRES.

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, expected to be on February 11, 2021, unless extended by mutual agreement by both parties.

During the period ended June 30, 2020, the value of the OGR investment has decreased by \$192,000 since the transaction took place on February 11, 2020. The decrease in fair value has been recorded through profit and loss.

The following table summarizes information regarding the Corporation's marketable securities as at June 30, 2020 and December 31, 2019 (in thousands of Canadian dollars):

<i>As at</i>	June 30, 2020	December 31, 2019
<b>Balance, beginning of period</b>	<b>\$ 55,256</b>	<b>\$ 14,200</b>
Additions	37,392	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	(35,912)	(6,107)
Realized gain/(loss)	485	(3,252)
Unrealized gain	6,846	4,060
<b>Balance, end of period</b>	<b>\$ 66,213</b>	<b>\$ 55,256</b>

During the six-month period ended June 30, 2020, these shares and warrants were fair valued, and this resulted in an unrealized gain \$6.8 million (2019 – \$1,635,000). The Corporation sold shares during the six-month period ended June 30, 2020 which resulted in a realized gain of \$485,000 (2019 – loss of \$1,959,000).

## 7. RESULTS OF OPERATIONS

The following table summarizes the Corporation's Statements of (Income)/Loss and Comprehensive (Income)/Loss for the three and six-month periods ended June 30, 2020 and 2019 (in thousands of Canadian dollars):

<i>For the period ended</i>	Three months ended		Six months ended	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
<b>Expenses/(income)</b>				
Compensation expenses	\$ 8,845	\$ 3,145	\$ 13,691	\$ 7,324
General and administration expenses	1,347	1,115	2,620	2,501
General exploration expenses	-	13	44	40
Exploration and evaluation assets impairment (loss reversal)/loss	-	(2,155)	-	24,935
Gain from disposition of exploration and evaluation assets	(1,680)	-	(1,680)	-
Flow-through premium income	(3,465)	(755)	(10,582)	(2,560)
(Gain)/loss from marketable securities	(15,721)	(559)	(7,331)	324
Realized gain from sale of property, plant and equipment	(2)	-	(2)	-
Other income	(9)	(84)	(10)	(126)
<b>Operating (income)/loss</b>	<b>(10,685)</b>	<b>720</b>	<b>(3,250)</b>	<b>32,438</b>
Finance income	(363)	(286)	(1,249)	(741)
Finance costs	304	147	1,182	359
<b>Net finance income</b>	<b>(59)</b>	<b>(139)</b>	<b>(67)</b>	<b>(382)</b>
Share of gain of associate	-	(386)	-	(1,154)
<b>(Income)/loss before tax</b>	<b>(10,744)</b>	<b>195</b>	<b>(3,317)</b>	<b>30,902</b>
Deferred income tax expense	3,069	6,746	6,574	13,515
<b>(Income)/loss and comprehensive (income)/loss</b>	<b>\$ (7,675)</b>	<b>\$ 6,941</b>	<b>\$ 3,257</b>	<b>\$ 44,417</b>

## 7.1 Three-Month Period Ended June 30, 2020 as Compared to Three-Month Period Ended June 30, 2019

**(Note: All expenses are consolidated with O3 Mining as Osisko controls O3 Mining. Therefore, all of O3 Mining's income and expenses are included in the table above and the explanations below. This is the main reason for most of the expenses being higher when compared to prior year)**

Income and comprehensive income increased by \$14.6 million from a loss of \$6.9 million for the three-month period ended June 30, 2019, to an income of \$7.7 million for the three-month period ended June 30, 2020 mainly due to an increase in gain from marketable securities of \$15.2 million, an increase in flow-through premium income of \$2.7 million (non-cash income), a decrease in deferred tax expense of \$3.7 million (non-cash expense), and an increase in gain from disposition of exploration and evaluation assets of \$1.7 million, partially offset by an increase in compensation expenses of \$5.7 million and a decrease in the impairment loss reversal of the exploration assets of \$2.2 million (non-cash loss reversal).

Compensation expenses increased by \$5.7 million to \$8.8 million for the three-month period ended June 30, 2020, compared with \$3.1 million for the same period in 2019. This increase was mostly due to an increase in stock-based compensation of \$5.1 million due to the increased stock price for both Osisko and O3 Mining during the period as well as an increase in salaries of \$592,000 as result of the inclusion of O3 Mining's salaries and benefits expense.

General and administration expenses increased by \$232,000 to \$1.3 million for the three-month period ended June 30, 2020, compared with \$1.1 million for the same period in 2019. This increase was mostly due to an increase in shareholder and regulatory expenses of \$89,000 due to holding two AGMs compared to one, as well as an increase in professional fees of \$353,000 which related mainly to the divestment of properties in O3 Mining, partially offset by a decrease in office expenses and travel of \$143,000 and \$67,000 respectively due to the COVID-19 pandemic.

Flow-through premium income was \$3.5 million during the three-month period ended June 30, 2020, compared to \$755,000 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 June 30, 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 \$16.2 million and realized loss of \$431,000 in the period. The realized loss 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 sector significantly rebounded after March 31, 2020 resulting in a large gain on most of the investments still held at period end. The Corporation had a fair market value of \$66.2 million in marketable securities as at June 30, 2020, compared to \$14.3 million as at June 30, 2019.

Net finance income during the three-month period ended June 30, 2020 decreased by \$80,000 to \$59,000, compared with \$139,000 for the same period in 2019 due to interest expense incurred on financial liabilities.

## 7.2 Six-Month Period Ended June 30, 2020 as Compared to Six-Month Period Ended June 30, 2019

**(Note: All expenses are consolidated with O3 Mining as Osisko controls O3 Mining. Therefore, all of O3 Mining's income and expenses are included in the table above and the explanations below. This is the main reason for most of the expenses being higher when compared to prior year)**

Loss and comprehensive loss decreased by \$41.2 million from \$44.4 million for the six-month period ended June 30, 2019, compared with \$3.3 million for the six-month period ended June 30, 2020 mainly due to a decrease in the impairment of the exploration assets of \$24.9 million (non-cash expense), an increase in flow-through premium income of \$8.0 million (non-cash income), an increase in gain from marketable securities of \$7.7 million, a decrease in deferred tax expense of \$6.9 million (non-cash expense), and an increase in gain from disposition of exploration and evaluation assets of \$1.7 million, partially offset by an increase in compensation expense of \$6.4 million.

Compensation expenses increased by \$6.4 million to \$8.8 million for the six-month period ended June 30, 2020, compared with \$3.1 million for the same period in 2019. This increase was mostly due to an increase in stock-based compensation of \$5.1 million due to the increased stock price for both Osisko and O3 Mining during the period as well as an increase in salaries of \$1.2 million as result of the inclusion of O3 Mining's salaries and benefits expense

General and administration expenses increased by \$119,000 to \$1.3 million for the six-month period ended June 30, 2020, compared with \$1.1 million for the same period in 2019. This increase was mostly due to an increase in professional fees of \$401,000, which related mainly to the activities of O3 Mining, offset by a decrease in office expenses and travel of \$73,000 and \$61,000 respectively due to the COVID-19 pandemic.

Flow-through premium income was \$10.6 million during the six-month period ended June 30, 2020, compared to \$2.6 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 six-month period ended June 30, 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 \$6.8 million and \$485,000, 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 \$66.2 million in marketable securities as at June 30, 2020, compared to \$14.3 million as at June 30, 2019.

Net finance income during the six-month period ended June 30, 2020 decreased by \$315,000 to \$67,000, compared with \$382,000 for the same period in 2019 due to interest expense incurred on financial liabilities.

### **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 in operating activities for the six-month period ended June 30, 2020 totaled \$20.7 million, compared to cash used of \$10.3 million for the same period in 2019. The increase in cash flow were primarily attributable to the changes in items of working capital of \$28.1 million for the six-month period ended June 30, 2020, compared to \$4.6 million for the same period in 2019.

#### ***Investing Activities***

Cash used by investing activities for the six-month period ended June 30, 2020 totaled \$40.6 million, compared with \$54.4 million for the same period in 2019. In the six-month period ended June 30, 2020, this outflow is primarily attributable to exploration and evaluation expenditures of \$52.5 million, and acquisition of marketable securities of \$37.4 million, and partially offset by proceeds on disposition of marketable securities of \$35.9 million and proceeds on disposition of common shares of O3 Mining of \$14.6 million.

#### ***Financing Activities***

Cash provided by financing activities was \$219.6 million for the six-month period ended June 30, 2020, compared with \$8.4 million for the same period in 2019. The increase in cash flow were primarily attributable to \$208.4 million raised from private placements, \$21.9 million from TRES, and \$4.9 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 \$1.7 million.

In management's view, the Corporation has sufficient financial resources to fund current planned exploration programs and ongoing operating expenses. As at June 30, 2020, the Corporation had cash of \$302.0 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)

<i>For the period ended</i>	<b>June 30, 2020</b>	<b>March 31, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
<b>Financial results:</b>				
Finance income	\$ (363)	\$ (886)	\$ (709)	\$ (413)
(Income)/loss	\$ (7,675)	\$ 10,932	\$ 2,204	\$ 32,220
<b>(Earnings)/loss per share*:</b>				
Basic and diluted	\$ (0.03)	\$ 0.04	\$ 0.01	\$ 0.12
<b>Financial position:</b>				
Working capital (non-IFRS measurement)**	\$ 371,533	\$ 165,634	\$ 191,199	\$ 104,662
Exploration and evaluation assets	\$ 536,454	\$ 518,040	\$ 487,298	\$ 474,092
Total assets	\$ 958,484	\$ 735,475	\$ 719,169	\$ 657,421
Share capital	\$ 837,021	\$ 677,005	\$ 673,163	\$ 618,578
Deficit	\$ (209,588)	\$ (210,074)	\$ (194,405)	\$ (183,161)
Number of shares issued and outstanding	340,738,183	291,070,027	290,025,274	274,533,517

\* Basic and diluted (earnings)/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.

(in thousands of Canadian dollars)

<i>For the period ended</i>	<b>June 30, 2019</b>	<b>March 31, 2019</b>	<b>December 31, 2018</b>	<b>September 30, 2018</b>
<b>Financial results:</b>				
Finance income	\$ (286)	\$ (455)	\$ (512)	\$ (199)
Loss	\$ 6,941	\$ 37,476	\$ 11,613	\$ 4,822
<b>Loss per share*:</b>				
Basic and diluted	\$ 0.03	\$ 0.14	\$ 0.05	\$ 0.02
<b>Financial position:</b>				
Working capital (non-IFRS measurement)**	\$ 76,981	\$ 104,253	\$ 128,182	\$ 107,884
Exploration and evaluation assets	\$ 396,281	\$ 370,282	\$ 368,902	\$ 344,032
Total assets	\$ 562,878	\$ 559,806	\$ 572,868	\$ 532,972
Share capital	\$ 595,301	\$ 592,689	\$ 580,616	\$ 530,204
Deficit	\$ (152,184)	\$ (145,243)	\$ (107,767)	\$ (96,154)
Number of shares issued and outstanding	263,931,089	262,712,888	257,201,331	239,867,438

\* 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 at June 30, 2020, the Corporation had a cash balance of \$302.0 million (December 31, 2019 - \$102.3 million) and working capital of \$371.5 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 recent proposal announced by the Federal and Provincial Governments, as of June 30, 2020, the Corporation is required to spend \$43.6 million of flow-through

funds by December 31, 2021 and \$19.8 million of flow-through funds by December 31, 2022. If the extension is not finalized by the Department of Finance, the dates for the flow-through spend requirements will be moved up by one year.

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 June 30, 2020 (in thousands of Canadian dollars):

	Total	2020	2021	2022	2023	2024	2025
Office equipment leases	\$ 355	\$ 66	\$ 132	\$ 129	\$ 10	\$ 10	\$ 8
Office leases	638	58	116	116	116	116	116
Camp trailers and equipment leases	154	154	-	-	-	-	-
<b>Total</b>	<b>\$ 1,147</b>	<b>\$ 278</b>	<b>\$ 248</b>	<b>\$ 245</b>	<b>\$ 126</b>	<b>\$ 126</b>	<b>\$ 124</b>

On June 5, 2020, a one-year letter credit for approximately \$2 million was arranged with National Bank. The letter of credit is secured by the Corporation's restricted cash.

As of June 30, 2020, the Corporation has the following flow-through funds to be spent (in thousands of Canadian dollars):

Closing Date of Financing	Province	Deadline for spending	Remaining Flow-through Funds
September 26, 2019 - O3 Mining	Québec	December 31, 2021	\$ 3,366
December 5, 2019 - Osisko	Québec	December 31, 2021	40,250
June 19, 2020 - O3 Mining	Québec	December 31, 2022	19,838
<b>Total</b>			<b>\$ 63,454</b>

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. If the extension is not finalized by the Department of Finance, the dates for the flow-through spend requirements will be moved up by one year.

O3 Mining is committed to an annual \$25,000 advanced royalty payment on its Gold Pike Project.

## 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 three and six-month period ended June 30, 2020, management fees, geological services, rent and administration fees of \$28,000 and \$186,000 (2019 – \$177,000 and \$460,000) 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. Also, Mr. John Burzynski, President and Chief Executive Officer of the Corporation, as well as Mr. Sean Roosen, Chairman of the Board of Directors, serve as directors and/or senior officers of Osisko GR. Accounts payable to Osisko GR as at June 30, 2020 were \$75,000 (2019 - \$27,000). During the three and six-month period ended June 30, 2020, management fees, geological services, rent and administration fees of \$23,000 and \$41,000 (2019 - \$14,000 and \$18,000) were charged to Osisko GR by the Corporation. Accounts receivable from Osisko GR as at June 30, 2020 were \$9,000 (2019 - \$15,000).

The following table summarizes remuneration attributable to key management personnel for the three and six-month period ended June 30, 2020 and 2019:

<i>For the period ended</i>	Three months ended		Six months ended	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Salaries expense of key management	\$ 291	\$ 240	\$ 583	\$ 474
Directors' fees	104	73	199	145
Stock-based compensation	5,149	1,061	6,898	3,015
<b>Total</b>	<b>\$ 5,544</b>	<b>\$ 1,374</b>	<b>\$ 7,680</b>	<b>\$ 3,634</b>

### 13 OUTSTANDING SHARE DATA

As at August 11, 2020 the Corporation had the following securities outstanding: (i) 341,625,230 Common Shares; (ii) 16,745,376 stock options to purchase Common Shares at a weighted average exercise price of \$3.12 per option; (iii) 24,250,000 warrants; (iv) 3,175,000 restricted share units (the "RSU"); and (v) 1,881,915 deferred share units (the "DSU"). On a fully diluted basis, the Corporation would have 387,677,521 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 June 30, 2020:

Range of exercise prices per share (\$)	Options outstanding			Options exercisable		
	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	0.7	1,352,635	\$1.08	0.7	1,352,635	\$1.08
2.01 to 3.00	4.1	6,919,786	\$2.64	3.4	738,099	\$2.63
3.01 to 4.00	2.1	7,335,002	\$3.42	2.0	6,835,002	\$3.40
4.01 to 5.00	1.9	2,025,000	\$4.79	1.9	2,025,000	\$4.79
<b>1.00 to 5.00</b>	<b>2.7</b>	<b>17,632,423</b>	<b>\$3.09</b>	<b>1.9</b>	<b>10,950,736</b>	<b>\$3.32</b>

The following table summarizes the warrants outstanding and exercisable as at June 30, 2020:

	Number of warrants	Weighted-average exercise price
<b>Outstanding at December 31, 2019</b>	-	\$ -
Issued	24,250,000	5.25
<b>Outstanding at June 30, 2020</b>	<b>24,250,000</b>	<b>\$ 5.25</b>

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 June 30, 2020:

	Number of DSUs	Number of RSUs
<b>Outstanding at December 31, 2019</b>	<b>695,809</b>	<b>1,575,000</b>
Granted	1,186,106	1,600,000
<b>Outstanding at June 30, 2020</b>	<b>1,881,915</b>	<b>3,175,000</b>

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 Financial Statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of income and expenses for the reporting period. The Corporation also makes estimates and assumptions concerning the future. The determination of estimates and associated assumptions are based on various assumptions including historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Please refer to the Financial Statements for information on the Corporation's significant judgements in applying accounting policies as well as significant accounting estimates and assumptions.

#### 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, 2019. Please refer to the Financial Statements for information on future accounting pronouncements as well as new accounting standards issued and effective.

#### 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.osiskominer.com](http://www.osiskominer.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.

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## 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 June 30, 2020 there has not been any material change to internal controls over financial reporting for the period. 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 June 30, 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.

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## 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):

<i>Reconciliation for the period ended</i>	<b>June 30, 2020</b>	<b>March 31, 2020</b>	<b>December 31, 2019</b>	<b>September 30, 2019</b>
Current assets	409,134	204,908	218,785	130,495
Less current liabilities	37,601	39,274	27,586	25,833
<b>Working capital</b>	<b>371,533</b>	<b>165,634</b>	<b>191,199</b>	<b>104,662</b>

<i>Reconciliation for the period ended</i>	<b>June 30, 2019</b>	<b>March 31, 2019</b>	<b>December 31, 2018</b>	<b>September 30, 2018</b>
Current assets	93,833	120,401	138,442	121,424
Less current liabilities	16,852	16,148	10,260	13,540
<b>Working capital</b>	<b>76,981</b>	<b>104,253</b>	<b>128,182</b>	<b>107,884</b>

## 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 described in management's discussion and analysis dated March 12, 2020 for the year ended December 31, 2019, 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 12, 2020, and other publicly filed disclosure regarding the Corporation, available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Osisko's issuer profile.

### COVID-19

In particular, the Corporation wishes to highlight that it continues to face risks related to COVID-19, which could continue to 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 735,000 confirmed deaths and 20 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 (being approximately \$63.5 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.

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## 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, 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 (if at all) to complete a feasibility study on the Windfall Project, 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, 2019, dated March 12, 2020, which are available electronically on SEDAR ([www.sedar.com](http://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.

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**21. ADDITIONAL INFORMATION**

Additional information regarding the Corporation can be found in the annual information form of the Corporation dated March 12, 2020 for the financial year ended December 31, 2019, which is available electronically on SEDAR ([www.sedar.com](http://www.sedar.com)) under Osisko's issuer profile.