



Condensed Interim Consolidated Financial Statements
For the three and six-month periods ended June 30, 2022 and 2021
Presented in Canadian dollars
(Unaudited)



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Condensed Interim Consolidated Statements of Financial Position
(Tabular amounts express in thousands of Canadian dollars)
(Unaudited)

<i>As at</i>	June 30, 2022	December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	\$ 150,973	\$ 213,088
Restricted cash (note 15)	6,729	6,729
Tax recoverable (note 3)	37,343	33,257
Marketable securities (note 4)	23,790	20,527
Other assets	3,156	2,524
Total current assets	221,991	276,125
Non-current assets		
Long-term receivables	2,549	-
Investment in associate (note 5)	40,790	42,563
Property, plant and equipment (note 6)	29,673	23,353
Exploration and evaluation assets (note 7)	681,019	641,166
Total non-current assets	754,031	707,082
Total assets	\$ 976,022	\$ 983,207
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 27,896	\$ 26,707
Current lease liabilities	123	134
Total current liabilities	28,019	26,841
Non-current liabilities		
Flow-through premium liability (note 12(a))	3,588	-
Non-current lease liabilities	1,175	87
Share-based payment liability (note 8)	14,362	18,506
Convertible debenture (note 9)	93,367	132,710
Asset retirement obligation (note 10)	8,570	9,519
Deferred tax liability (note 11)	107,555	95,738
Total non-current liabilities	228,617	256,560
Total liabilities	256,636	283,401
Equity		
Share capital (note 12(a))	870,016	854,439
Contributed surplus (note 12(d))	67,407	63,192
Warrants (note 12(e))	-	14,498
Equity component of convertible debenture	15,852	15,852
Accumulated other comprehensive income	3,706	-
Accumulated deficit	(237,595)	(248,175)
Total equity attributed to equity owners of the Corporation	719,386	699,806
Total liabilities and equity	\$ 976,022	\$ 983,207

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

Commitments (note 15)
Subsequent events (note 16)

Condensed Interim Consolidated Statements of Comprehensive (Income)/Loss
(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)
(Unaudited)

<i>For the period ended</i>	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Expenses/(income)				
Compensation (recovery)/expenses (note 13 and 14)	\$ (1,169)	\$ 5,052	\$ 5,345	\$ 8,612
General and administration expenses (note 13 and 14)	1,509	732	2,997	1,650
General exploration expenses	-	-	20	20
Flow-through premium income (note 12(a))	(4,449)	(13,227)	(4,449)	(20,166)
Loss/(gain) from marketable securities (note 4 and note 13)	4,948	(2,622)	4,786	1,556
Fair value loss/(gain) on convertible debenture (note 9)	607	-	(34,301)	-
(Gain)/loss from disposition of property, plant and equipment (note 6)	(10)	2	(10)	2
Other income	(5)	(14)	(15)	(20)
Operating loss/(income)	1,431	(10,077)	(25,627)	(8,346)
Finance income	(807)	(462)	(1,305)	(985)
Finance costs	2,047	163	4,086	391
Net finance expense/(income)	1,240	(299)	2,781	(594)
Share of loss/(gain) of associates (note 5)	630	164	1,773	(7,667)
Loss/(income) before tax	3,301	(10,212)	(21,073)	(16,607)
Deferred income tax expense (note 11)	3,494	11,949	10,493	18,824
Net loss/(income)	\$ 6,795	\$ 1,737	\$ (10,580)	\$ 2,217
Change in fair value of convertible debenture attributable to the change in credit risk (note 9)	(5,616)	-	(5,042)	-
Income tax effect	1,488	-	1,336	-
Other comprehensive income	(4,128)	-	(3,706)	-
Comprehensive (income)/loss	\$ 2,667	\$ 1,737	\$ (14,286)	\$ 2,217
Basic and diluted loss/(earnings) per share (note 12(b) and (c))	\$ 0.02	\$ -	\$ (0.03)	\$ 0.01
Weighted average number of shares (note 12(b))	349,377,309	356,640,418	348,734,686	353,181,895
Diluted weighted average number of shares (note 12(c))	349,377,309	356,640,418	354,776,855	353,181,895

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



Condensed Interim Consolidated Statements of Changes in Equity
(Tabular amounts express in thousands of Canadian dollars)
(Unaudited)

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Equity Component of Convertible Debenture	Accumulated Other Comprehensive Income	Deficit and Accumulated Deficit	Total
Balance January 1, 2022	346,279,008	\$ 854,439	\$ 14,498	\$ 63,192	\$ 15,852	\$ -	\$ (248,175)	\$ 699,806
Income for the period	-	-	-	-	-	-	10,580	10,580
Other comprehensive income for the period	-	-	-	-	-	3,706	-	3,706
Stock-based compensation (note 12(d) and 13)	-	-	-	1,075	-	-	-	1,075
Issuance of shares upon exercise of stock options (note 12(a) and (d))	4,107,004	25,721	-	(11,358)	-	-	-	14,363
Expiry of warrants (note 12(e))	-	-	(14,498)	14,498	-	-	-	-
Private Placement (note 12(a))	2,891,088	11,923	-	-	-	-	-	11,923
Shares repurchased under normal course issuer bid (note 12(a))	(5,463,820)	(22,079)	-	-	-	-	-	(22,079)
Deferred tax asset (note 11)	-	12	-	-	-	-	-	12
Balance June 30, 2022	347,813,280	\$ 870,016	\$ -	\$ 67,407	\$ 15,852	\$ 3,706	\$ (237,595)	\$ 719,386

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Equity Component of Convertible Debenture	Accumulated Other Comprehensive Income	Deficit and Accumulated Deficit	Total
Balance January 1, 2021	344,207,806	\$ 850,579	\$ 15,909	\$ 55,611	\$ -	\$ -	\$ (225,267)	\$ 696,832
Loss for the period	-	-	-	-	-	-	(2,217)	(2,217)
Stock-based compensation (note 12(d) and 13)	-	-	-	4,567	-	-	-	4,567
Issuance of shares upon exercise of stock options	1,122,201	2,292	-	(1,017)	-	-	-	1,275
Private Placement	13,085,000	37,894	-	-	-	-	-	37,894
Shares repurchased under normal course issuer bid	(6,346,500)	(20,389)	-	-	-	-	-	(20,389)
Deferred tax asset on share issue cost	-	1,020	-	-	-	-	-	1,020
Balance June 30, 2021	352,068,507	\$ 871,396	\$ 15,909	\$ 59,161	\$ -	\$ -	\$ (227,484)	\$ 718,982

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



Condensed Interim Consolidated Statements of Cash Flows
(Tabular amounts express in thousands of Canadian dollars)
(Unaudited)

<i>For the period ended</i>	June 30, 2022	June 30, 2021
Cash flows provided by/(used in) operating activities		
Income/(loss) for the period	\$ 10,580	\$ (2,217)
Adjustments for:		
Loss from marketable securities (note 4 and 13)	4,786	1,556
Share of loss/(gain) of associates (note 5)	1,773	(7,667)
Depreciation (note 6)	162	168
Accretion on asset retirement obligation (note 10)	120	45
(Gain)/loss from disposition of property, plant and equipment (note 6)	(10)	2
Flow-through premium income (note 12(a))	(4,449)	(20,166)
Stock-based compensation (note 8, 12(d) and 13)	1,326	4,752
Deferred income tax expense (note 11)	10,493	18,824
Fair value gain on convertible debentures (note 9)	(34,301)	-
Interest expense on lease liabilities and convertible debenture (note 9)	3,657	44
Interest expense on financial liabilities	-	120
Finance income	(1,305)	(985)
	(7,168)	(5,524)
Change in items of working capital:		
Change in taxes recoverable	27,853	(462)
Change in other assets	(632)	281
Change in accounts payable and accrued liabilities	(1,082)	3,320
Net cash provided by/(used in) operating activities	18,971	(2,385)
Cash flows provided by/(used in) investing activities		
Finance income	1,305	985
Acquisition of marketable securities (note 4)	(35,919)	(21,414)
Proceeds on disposition of marketable securities (note 4)	27,870	28,841
Investment in long-term receivable	(2,549)	-
Acquisition of property, plant and equipment (note 6)	(7,298)	(5,375)
Proceeds on disposition of property, plant and equipment (note 6)	13	1
Addition to exploration and evaluation assets (note 7)	(68,664)	(89,388)
Net cash paid on asset acquisitions	-	(100)
Net cash used in investing activities	(85,242)	(86,450)
Cash flows provided by/(used in) financing activities		
Repayment of lease liabilities	(107)	(925)
Vesting of restricted share units (note 8)	(4,354)	(78)
Interest expense on convertible debenture	(3,627)	-
Interest expense on financial liabilities	-	(120)
Changes in restricted cash (note 15)	-	8,072
Net cash received from private placements (note 12(a))	19,960	66,158
Cash received from exercise of stock options (note 12(d))	14,363	1,275
Net cash used in repurchasing shares under normal course issuer bid (note 12(a))	(22,079)	(20,389)
Net cash provided by financing activities	4,156	53,993
Decrease in cash and cash equivalents	(62,115)	(34,842)
Cash and cash equivalents, beginning of period	213,088	180,027
Cash and cash equivalents, end of period	\$ 150,973	\$ 145,185

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



**Notes to Condensed Interim Consolidated Financial Statements
For the three and six-month periods ended June 30, 2022 and 2021
(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)
(Unaudited)**

1) Reporting entity

Osisko Mining Inc. (“Osisko” or the “Corporation”) is a Canadian Corporation domiciled in Canada and was incorporated on February 26, 2010 under the Ontario Business Corporations Act. The address of the Corporation’s registered office is 155 University Ave, Suite 1440, Toronto, Ontario, Canada. The Corporation is primarily in the business of acquiring, exploring, and developing precious mineral deposits in Canada. The condensed interim consolidated financial statements of the Corporation for the three and six-month periods ended June 30, 2022 and 2021 include the Corporation and its wholly-owned subsidiary, Osisko Green Sponsor Corp. (“Osisko Green Sponsor”).

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

2) Basis of preparation

a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements including IAS 34, Interim Financial Reporting and are presented in thousands of Canadian dollars.

These condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with the Corporation’s audited annual consolidated financial statements and notes thereto for the year ended December 31, 2021.

These condensed interim consolidated financial statements were authorized for issuance by the Corporation’s board of directors (the “Board of Directors”) on August 10, 2022.

b) Significant accounting policies

The significant accounting policies followed in these condensed interim consolidated financial statements are consistent with those applied in the Corporation’s audited annual consolidated financial statements for the year ended December 31, 2021.

c) 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 beginning on or after January 1, 2022. They are not applicable or do not have a significant impact on the Corporation.



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2) Basis of preparation (continued)

d) Use of critical estimates and judgements

The preparation of these condensed interim consolidated financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses.

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

In preparing these condensed interim consolidated financial statements, the significant judgements and estimates made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended December 31, 2021.

e) Functional and presentation currency

These financial statements are presented in Canadian dollars (tables in thousands of Canadian dollars), which is Osisko's functional currency.

3) Tax recoverable

As at June 30, 2022, tax recoverable consists of sales tax recoverable and refundable tax credits. Sales tax recoverable consists of harmonized sales taxes, goods and services tax, and Québec sales tax receivable from Canadian taxation authorities. The refundable tax credits relate to eligible exploration and evaluation expenditures (note 7) incurred in the Province of Québec.

4) Marketable securities

The Corporation holds shares and warrants in various public and private companies. During the three and six-month period ended June 30, 2022, these shares and warrants were fair valued, and this resulted in an unrealized loss of \$5,122,000 and \$5,644,000, respectively (2021 – gain of \$268,000 and loss of \$8,250,000). The Corporation sold shares during the three and six-month period ended June 30, 2022, which resulted in a realized gain of \$174,000 and \$858,000, respectively (2021 – \$2,354,000 and \$6,694,000).

The shares in the various public companies are classified as FVTPL and are recorded at fair value using the quoted market price as at June 30, 2022, and are therefore classified as level 1 within the fair value hierarchy. The warrants in the various public companies are classified as FVTPL and are recorded at fair value using a Black-Scholes option pricing model using observable inputs and are therefore classified as level 2 within the fair value hierarchy.



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4) Marketable securities (continued)

The following table summarizes information regarding the Corporation's marketable securities as at June 30, 2022:

<i>As at</i>	June 30, 2022
Balance, beginning of period	\$ 20,527
Additions	35,919
Disposals	(27,870)
Realized gain	858
Unrealized loss	(5,644)
Balance, end of period	\$ 23,790

5) Investment in associate

O3 Mining is a mineral resource company focused on the exploration and development of its gold properties located in Canada. O3 Mining's head office is located in Canada and it is a public company listed on the TSX Venture Exchange. The trading price of O3 Mining's common shares on June 30, 2022 was \$1.97 per share which corresponds to a quoted market value of \$31,247,000 for the Corporation's investment in O3 Mining. The equity accounting for O3 Mining is based on the results to June 30, 2022.

The Corporation's investment relating to its associate as at June 30, 2022 are detailed as follows:

	O3 Mining Inc.
Balance, December 31, 2021	\$ 42,563
Share of loss for the period	(1,773)
Balance, June 30, 2022	\$ 40,790

6) Property, plant and equipment

The following table summarizes information regarding the Corporation's property, plant and equipment as at June 30, 2022:

Class	June 30, 2022							
	Cost				Accumulated depreciation			
	Opening balance	Additions/ transfers	Write-off / disposals	Closing balance	Opening balance	Depreciation	Closing balance	Net book value
Computer Equipment	\$ 2,377	\$ 117	\$ -	\$ 2,494	\$ 1,429	\$ 98	\$ 1,527	\$ 967
Office Equipment	200	-	-	200	139	7	146	54
Office Buildings	896	1,154	-	2,050	729	131	860	1,190
Exploration Equipment	34,733	7,140	(3)	41,870	12,787	1,848	14,635	27,235
Automobiles	475	41	-	516	244	45	289	227
Total	\$ 38,681	\$ 8,452	\$ (3)	\$ 47,130	\$ 15,328	\$ 2,129	\$ 17,457	\$ 29,673



Notes to Condensed Interim Consolidated Financial Statements
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7) Exploration and evaluation assets

The following table summarizes information regarding the Corporation's exploration and evaluation assets as at June 30, 2022:

	December 31, 2021		Additions	June 30, 2022
Windfall Lake	\$ 589,628	\$ 40,508	\$	630,136
Quévillon Osborne	19,654	137	\$	19,791
Urban-Barry	30,012	(792)	\$	29,220
Urban Duke	1,646	-	\$	1,646
Other	226	-	\$	226
Total exploration and evaluation assets	\$ 641,166	\$ 39,853	\$	681,019

8) Deferred share unit and restricted share unit plans

In April 2017, Osisko established a deferred share unit ("DSU") plan and a restricted share unit ("RSU") plan. Under the plans, the DSUs can be granted to non-executive directors and the RSUs can be granted to executive officers and key employees, as part of their long-term compensation package, entitling them to receive the payout in cash, shares, or a combination of both. Should the payout be in cash, the cash value of the payout would be determined by multiplying the number of DSUs and the RSUs vested at the payout date by the five-day volume-weighted average price from the closing price of the Corporation's shares on the day prior to the payout date. Should the payout be in shares, each RSU and each DSU represents an entitlement to one common share of the Corporation.

The following table summarizes information regarding the Corporation's outstanding and exercisable DSUs and RSUs as at June 30, 2022:

	Number of DSUs	Number of RSUs
Outstanding at December 31, 2021	2,507,391	3,550,000
Granted	502,715	2,030,000
Vested	-	(1,125,000)
Forfeited	-	(545,000)
Outstanding at June 30, 2022	3,010,106	3,910,000

During the period ended June 30, 2022, 502,715 DSUs were issued to directors, 27,715 of which were issued in lieu of directors' fees. The weighted average fair value of the DSUs granted was \$3.94 per DSU initially at the closing price of the common shares of the Corporation on the date of grant. The DSUs vest immediately on the date of grant.

During the period ended June 30, 2022, 2,030,000 RSUs were issued to management and consultants. The weighted average fair value of the RSUs granted was \$3.96 per RSU initially at the closing price of the common shares of the Corporation on the date of grant. The RSUs vest on the third anniversary date from the date of grant.

On June 30, 2022, the share-based payment liability related to each DSU and RSU of the Corporation was re-measured to fair value at the Corporation's closing share price of \$3.06.

The combined total expense recovery for RSUs and DSUs for the three and six-month period ended June 30, 2022 was \$3,762,000 and expense of \$210,000, respectively (2021 – expense of \$1,751,000 and \$1,569,000), from which a net amount of \$587,000 and \$114,000, which was previously capitalized to exploration and evaluation assets, respectively, was reversed (2021 – \$357,000 and \$341,000).



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9) Convertible debenture

The following table summarizes information regarding the Corporation's convertible debenture as at June 30, 2022:

	Amount
Balance December 31, 2021	\$ 132,710
Change in fair value in the period	(39,343)
Balance June 30, 2022	\$ 93,367

The fair value of the debt component of the convertible debenture decreased from \$132,710,000 on December 31, 2021 to \$93,367,000 on June 30, 2022, resulting in a fair value gain of \$34,301,000 for the period (2021 – nil). The decrease in fair value was due to the termination of joint venture negotiations with respect to Osisko's Windfall Project with Northern Star Resource Limited as well as an increase in the credit spread. The exclusivity period for negotiation of the joint venture and associated rights of converting the convertible debenture into a joint venture interest expired on March 1, 2022.

The change in the fair value due to credit risk for the period, which is presented in the other comprehensive loss, was \$5,042,000 (2021 – nil). As at June 30, 2022, the accrued interest payable included in accounts payable and accrued liabilities was \$621,000.

The following table summarizes the assumptions used for the valuation of the convertible debenture as at June 30, 2022:

<i>As at</i>	June 30, 2022
Time to maturity	3.4 years
Share price	\$ 3.06
Volatility	56.30%
Risk-free interest rate (based on government bonds)	3.13%
Credit spread	19.62%

10) Asset retirement obligation

The obligation is estimated based on the Corporation's site remediation and restoration plan and the estimated timing of the costs to be paid in future years. The following table summarizes the Corporation's asset retirement obligation:

	Amount
Balance December 31, 2021	\$ 9,519
Accretion	120
Change in estimate	(1,069)
Balance June 30, 2022	\$ 8,570

The following are the assumptions used to estimate the provision for the asset retirement obligation:

<i>For the period ended June 30,</i>	2022
Total undiscounted value of payments	\$ 7,341
Weighted average discount rate	3.14%
Weighted average expected life	20 years
Inflation rate	4.00%



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11) Income taxes

The following table outlines the composition of the deferred income tax expense between income and mining tax:

<i>For the years ended</i>	June 30, 2022	June 30, 2021
Deferred income tax expense	\$ 8,716	\$ 9,940
Deferred mining taxes	1,777	8,884
Deferred tax expense	\$ 10,493	\$ 18,824

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Corporation has the legal right and intent to offset. Deferred tax assets are recognized when the Corporation concludes that sufficient positive evidence exists to demonstrate that it is probable that a deferred tax asset will be realized.

The following table provides the components of the deferred income and mining tax assets and liabilities:

<i>As at</i>	June 30, 2022	December 31, 2021
Deferred tax assets		
Losses	\$ 36,379	\$ 32,913
Mining tax deductible for income tax purposes	16,152	15,682
Share issue costs	10,246	10,234
Investment tax credits	622	622
Other net deductible temporary differences	3,913	4,928
Total deferred tax assets	\$ 67,312	\$ 64,379
Deferred tax liability		
Exploration and evaluation assets	\$ (97,846)	\$ (95,299)
Convertible Debenture - Northern Star	(16,068)	(5,642)
Deferred mining tax liability	(60,953)	(59,176)
Total deferred tax liability	\$ (174,867)	\$ (160,117)
Net deferred tax liability	\$ (107,555)	\$ (95,738)

12) Capital and other components of equity

a) Share capital – authorized

	Number of Common Shares	Amount
Balance, December 31, 2021	346,279,008	\$ 854,439
Issuance of shares upon exercise of stock options (note 12(d))	4,107,004	25,721
Shares repurchased under normal course issuer bid	(5,463,820)	(22,079)
Private placement (net of transaction costs (\$46,000))	2,891,088	11,923
Deferred tax asset on share issue cost (note 11)	-	12
Balance, June 30, 2022	347,813,280	\$ 870,016

The authorized capital of Osisko consists of an unlimited number of common shares having no par value. The holders of common shares are entitled to one vote per share at shareholder meetings of the Corporation. All shares rank equally with regard to the Corporation's residual assets.



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12) Capital and other components of equity (continued)

a) Share capital – authorized (continued)

On April 5, 2022, the Corporation completed a private placement of 2,891,088 common shares of the Corporation at a price of \$6.92 per common share issued as flow-through shares for aggregate gross proceeds of \$20,006,000. The flow-through shares were issued at a premium of \$2.78 to the closing market price of the Corporation's common shares at the day of issue. The premium was recognized as a long-term liability for \$8,037,000 with a subsequent pro-rata reduction of the liability recognized as flow-through premium income as the required expenditures are incurred. The transaction costs amounted to \$46,000 and have been netted against the gross proceeds on closing.

During the three and six-month period ended June 30, 2022, flow-through premium income of \$4,449,000 and \$4,449,000, respectively, (2021 – \$13,227,000 and \$20,166,000) was recognized relating to the flow-through shares issued.

During the six-month period ended June 30, 2022, Osisko repurchased and canceled 5,463,820 common shares of the Corporation at an average price of \$4.04 for a total cost of \$22,079,000.

b) Basic loss/(earnings) per share

The calculation of basic loss/(earnings) per share for the three and six-month periods ended June 30, 2022 and 2021 was based on the loss/(income) attributable to common shareholders and a basic weighted average number of common shares outstanding, calculated as follows:

<i>For the period ended</i>	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Common shares outstanding, at beginning of the period	348,019,703	358,384,174	346,279,008	344,207,806
Common shares issued/(repurchased) during the period	1,357,606	(1,743,756)	2,455,678	8,974,089
Basic weighted average number of common shares	349,377,309	356,640,418	348,734,686	353,181,895
Loss/(income)	\$ 6,795	\$ 1,737	\$ (10,580)	\$ 2,217
Basic loss/(earnings) per share	\$ 0.02	\$ -	\$ (0.03)	\$ 0.01

c) Diluted loss/(earnings) per share

For the three and six-month periods ended June 30, 2021 and the three-month period ended June 30, 2022, the Corporation incurred net losses, therefore all outstanding convertible debenture, stock options, and DSUs have been excluded from the calculation of diluted loss per share since the effect would be anti-dilutive.

<i>For the period ended</i>	Three months ended		Three months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Basic weighted average number of common shares (note 11(b))	349,377,309	356,640,418	348,734,686	353,181,895
Effect of dilutive convertible debenture	-	-	286,600	-
Effect of dilutive stock options	-	-	2,800,761	-
Effect of dilutive DSUs	-	-	2,954,808	-
Diluted weighted average number of common shares	349,377,309	356,640,418	354,776,855	353,181,895
Loss/(income)	\$ 6,795	\$ 1,737	\$ (10,580)	\$ 2,217
Diluted loss/(earnings) per share	\$ 0.02	\$ -	\$ (0.03)	\$ 0.01



Notes to Condensed Interim Consolidated Financial Statements
For the three and six-month periods ended June 30, 2022 and 2021
 (Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)
 (Unaudited)

12) Capital and other components of equity (continued)

d) Contributed surplus

The following table summarizes the stock option transactions for the period ended June 30, 2022:

	Number of stock options	Weighted-average exercise price
Outstanding at December 31, 2021	19,061,571	\$ 3.35
Exercised	(4,107,004)	3.50
Forfeited	(2,148,332)	4.26
Outstanding at June 30, 2022	12,806,235	\$ 3.15

During the six-month period ended June 30, 2022, a total of 4,107,004 stock options were exercised for gross proceeds of \$14,363,000 in exchange for the issuance of 4,107,004 common shares of the Corporation.

The total recognized expense for stock options for the three and six-month period ended June 30, 2022 was \$39,000 and \$1,075,000, respectively, (2021 – \$2,313,000 and \$4,567,000) from which \$127,000, which was previously capitalized to the Canadian projects, was reversed in the three-month period ended June 30, 2022 (2021 – expense of \$533,000) and \$73,000 (2021 – \$1,043,000) was capitalized to the Canadian projects in the six-month period ended June 30, 2022.

The following table summarizes information regarding the Corporation's outstanding and exercisable stock options as at June 30, 2022:

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 (\$)
2.23 to 3.00	2.1	5,682,901	\$2.65	2.0	4,391,237	\$2.66
3.01 to 4.00	2.3	7,098,334	\$3.54	1.6	4,248,330	\$3.52
4.01 to 4.79	0.1	25,000	\$4.75	0.1	25,000	\$4.75
2.23 to 4.79	2.2	12,806,235	\$3.15	1.8	8,664,567	\$3.09

e) Warrants

The following table summarizes the transactions pertaining to the Corporation's outstanding standard warrants for the six-month period ended June 30, 2022. These warrants were exercisable at one warrant for one common share of the Corporation.

	Number of warrants	Weighted-average exercise price
Outstanding at December 31, 2021	22,099,400	\$ 5.25
Expired	(22,099,400)	5.25
Outstanding at June 30, 2022	-	\$ -



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(Unaudited)

13) Expenses

The following table summarizes information regarding the Corporation's expenses for the three and six-month periods ended June 30, 2022 and 2021:

<i>For the period ended</i>	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Compensation (recovery)/expenses				
Stock-based compensation (recovery)/expense (note 8 and 12(d))	\$ (3,009)	\$ 3,175	\$ 1,326	\$ 4,752
Salaries and benefits (note 14)	1,840	1,877	4,019	3,860
Total compensation (recovery)/expenses	\$ (1,169)	\$ 5,052	\$ 5,345	\$ 8,612
General and administration expenses				
Shareholder and regulatory expense	\$ 263	\$ 103	\$ 170	\$ 184
Travel expense	152	19	200	25
Professional fees	364	183	1,027	552
Office expense (note 14)	730	427	1,600	889
Total general and administration expenses	\$ 1,509	\$ 732	\$ 2,997	\$ 1,650
Marketable securities				
Realized gain from marketable securities (note 4)	\$ (174)	\$ (2,354)	\$ (858)	\$ (6,694)
Unrealized loss/(gain) from marketable securities (note 4)	5,122	(268)	5,644	8,250
Total marketable securities loss/(gain)	\$ 4,948	\$ (2,622)	\$ 4,786	\$ 1,556

14) Related party transactions

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

During the three and six-month period ended June 30, 2022, management fees, geological services, rent, and administration fees of \$36,000 and \$57,000, respectively, (2021 – \$31,000 and \$59,000) were incurred with Osisko GR, a related company of the Corporation by virtue of Osisko GR owning or controlling, directly or indirectly, greater than 10% of the issued and outstanding common shares of the Corporation.

During the three and six-month period ended June 30, 2022, management fees, geological services, rent, and administration fees of \$17,000 and \$33,000 respectively, (2021 – \$20,000 and \$41,000) were charged to Osisko GR by the Corporation. Accounts receivable from Osisko GR as at June 30, 2022 was \$17,000.

During the three and six-month period ended June 30, 2022, management fees, geological services, rent, and administration fees of \$171,000 and \$493,000 respectively, (2021 – \$162,000 and \$343,000) were charged to the Corporation's associate, O3 Mining, by the Corporation. Accounts receivable from O3 Mining as at June 30, 2022 was \$65,000.

The following table summarizes remuneration attributable to key management personnel for the three and six-month periods ended June 30, 2022 and 2021:

<i>For the period ended</i>	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Salaries expense of key management	\$ 549	\$ 555	\$ 1,104	\$ 1,032
Directors' fees	118	95	246	190
Stock-based compensation (recovery)/expense	(5,428)	3,279	(1,007)	4,861
Total	\$ (4,761)	\$ 3,929	\$ 343	\$ 6,083



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(Unaudited)

15) Commitments

The Corporation has the following commitments as at June 30, 2022:

	Total	2022	2023	2024	2025
Office leases	\$ 51	\$ 8	\$ 16	\$ 16	\$ 11
Camp trailers and equipment leases	627	627	-	-	-
Total	\$ 678	\$ 635	\$ 16	\$ 16	\$ 11

On August 17, 2021, the Corporation increased the letter of credit previously arranged with National Bank from \$4.5 million to \$6.5 million. The letter of credit is secured by the Corporation's restricted cash.

As of June 30, 2022, the Corporation has the following flow-through funds to be spent by December 31, 2023:

Closing Date of Financing	Province	Deadline for spending	Remaining Flow-through Funds
April 5, 2022	Québec	December 31, 2023	\$ 8,931
Total			\$ 8,931

16) Subsequent events

From July 1, 2022 to July 26, 2022, Osisko repurchased and canceled 388,845 common shares of the Corporation at an average price of \$2.91 for a total cost of \$1,131,000.