OSISKO MINING INC.
(*formerly Oban Mining Corporation*)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED DECEMBER 31, 2016 and 2015

(formerly Oban Mining Corporation)

This discussion and analysis (this “MD&A”) is management’s assessment of the results and financial condition of Osisko Mining Inc., formerly Oban Mining Corporation (“Osisko” or the “Corporation”) and should be read in conjunction with the Corporation’s audited financial statements for the years ended December 31, 2016 and 2015 and the notes thereto. The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board. This MD&A and the related financial statements are available under the Corporation's issuer profile on SEDAR at www.sedar.com and on the Corporation's website at www.osiskomining.com.

Management is responsible for the preparation of the financial statements and this MD&A. The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board. All dollar figures in this MD&A are expressed in Canadian dollars, unless stated otherwise.

Information relating to Marban Block Project is supported by the technical report titled "Updated Mineral Resource Technical Report, Marban Block Project, Québec, Canada" dated August 15, 2013 with an effective date of June 1, 2013 prepared by or under the supervision of Michael M. Gustin, Ph.D., CPG, of Mine Development Associates and Peter Ronning, P.Eng, of New Caledonian Geological Consulting (the "Marban Block Technical Report"). Reference should be made to the full text of the Marban Block Technical Report, which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under NioGold Mining Corp.'s issuer profile on SEDAR at www.sedar.com.

Mr. Elzéar Belzile, Eng. of Belzile Solutions Inc. (global resource estimate) is an independent “Qualified Person” (as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101")), responsible for the technical information reported herein, including verification of the data disclosed. Mr. Thomas L. Dyer, P.E. of Mine Development Associates is also an independent “Qualified Person” and is responsible for Whittle pit optimizations for the Marban Block Project.

Mr. Jean-Philippe Desrochers, Ph.D., P.Geo. Senior Project Manager of the Windfall Lake gold project and Mr. Gernot Wober, B.Sc., P.Geol. Vice President, Exploration of the Corporation. are the "Qualified Persons" as defined in NI 43-101 and has reviewed and approved the technical information in this MD&A with respect to all the Corporation's properties including the Windfall Lake Property and the Marban Block Project.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in the “Risks and uncertainties” and “Cautionary statement on forward-looking information” sections at the end of this MD&A.

This MD&A has been prepared as of March 16, 2017.

DESCRIPTION OF BUSINESS

The Corporation was incorporated on February 26, 2010, under the *Business Corporations Act* (Ontario) (the “OBCA”). The Corporation's focus is the exploration and development of precious metals resource properties in Canada. Currently, the Corporation is exploring in Ontario and Québec, and looking for new opportunities.

UPDATES DURING THE YEAR

Corporate Development and Acquisitions:

- On March 15, 2017, Osisko announced that it has entered into a binding letter of intent with Deloitte Restructuring, acting as trustee in bankruptcy for the Maudore Minerals Ltd., to acquire ownership over an additional property package in the Lebel-sur Quévillon area in consideration of a cash payment of $1 million and issuance of 100,000 Common Shares of the Company. The purchase will add 1,205 claims to the acquisition announced on March 6, 2017 through staking in the same area, giving Osisko a total of 4,147 claims covering a 216,000-hectare land package.

- On March 6, 2017, Osisko announced that it has acquired though staking a significant land position in the Lebel-sur Quévillon area of the Abibiti Greenstone Belt of Quebec, located approximately 110 kilometers west of the

Windfall Lake project. Map staking of 2,942 claims was recently completed and resulted in the acquisition of a large land package covering 157,000 hectares.

- On January 10, 2017, Osisko announced that it has entered into a binding agreement with Barrick Gold Corporation ("Barrick"), which sets forth the terms of an exploration earn-in (the "Exploration Earn-In") on the Kan Property ("Kan") located in northern Québec. Under the Exploration Earn-In, Barrick must commit $15 million in work expenditures over a four-year period to earn a 70% interest on Kan, subject to certain annual work expenditure thresholds, including a guaranteed expenditure threshold of $6 million in the first two years. Following the completion of the Exploration Earn-In, Kan will be transferred to a new joint venture entity to be owned 30% by Osisko and 70% by Barrick. Osisko and Barrick will then enter into a joint venture agreement in respect of Kan. In addition, Barrick may earn a further 5% interest in the joint venture entity (for a total interest of 75%) by electing to fund an additional $5 million of project level expenditures (such as a preliminary economic assessment or pre-feasibility study).

- On October 5, 2016, Osisko announced that it had closed the earn-in transaction with Osisko Gold Royalties Ltd ("Osisko Royalties" or "Osisko GR"), a related party, as announced by the Corporation on August 16, 2016. Under the terms of the earn-in agreement, the Corporation may earn a 100% interest in Osisko Royalties' interest in 28 exploration properties located in the James Bay area, Québec and the Labrador Trough area (the "Properties") upon incurring exploration expenditures totalling $32 million over the 7-year term of the earn-in agreement; the Corporation will earn a 50% interest upon completing expenditures totalling $19.2 million. Osisko Royalties will retain an escalating net smelter return ("NSR") royalty ranging from 1.5% to a maximum of 3.5% on precious metals and a 2% NSR royalty on other metals and minerals produced from the properties. Additionally, any new properties acquired by the Corporation in the designated area during the seven-year term of the earn-in agreement may also be subject to a royalty agreement in favour of Osisko Royalties with similar terms and subject to certain conditions. In connection with the transaction, Osisko Royalties has covenanted not to participate in any exploration activities and not to compete with the Corporation in the areas covered by the earn-in agreement; provided, however, that Osisko Royalties may continue its existing activities in respect of the Coulon copper-zinc project held by Osisko Royalties and other Québec institutional shareholders and on four other exploration properties.

- On October 5, 2016, Osisko announced that it had appointed three new executive officers. Mr. Robert Wares has been appointed Executive Vice President of Exploration and Resource Development; Mr. Mathieu Savard has been appointed Vice President of Exploration for Québec; and Ms. Alexandra Drapack has been appointed Vice President of Environment Services and Sustainable Development.

- On August 9, 2016, Osisko announced its acquisition of 50,000,000 shares in Barkerville Gold Mines Ltd. ("Barkerville"), representing an approximate 17% interest in Barkerville, from 2176423 Ontario Ltd. for $20,000,000 in cash and the issue of 8,097,166 Common Shares of the Company. The shares of Barkerville (the "Barkerville Shares") were acquired at $0.80 per Barkerville Share.

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

- On June 22, 2016, Osisko announced the addition to its senior management team of Mr. John Hayes, who was appointed Senior Vice President, Corporate Development. As well, Mr. Jose Vizquerra Benavides, formerly the Senior Vice President of Corporate Development and Chief Operating Officer, will now serve as Osisko's Executive Vice President of Strategic Development.

- On June 14, 2016, Osisko changed its name from "Oban Mining Corporation" to "Osisko Mining Inc." (the "Name Change") and, on June 22, 2016, the Common Shares and warrants that previously traded on the Toronto Stock Exchange ("TSX") under the symbols "OBM" and "OBM.WT" commenced trading under the symbols "OSK" and "OSK.WT".

- On April 8, 2016, Osisko announced the closing of the acquisition of the mining claims comprising part of the DeSantis Property in the Porcupine Mining Division in Ogden Township, Ontario, from Excellon Resources Inc. The

Corporation delivered 620,400 Common Shares in exchange for the mining claims and expects to issue a further 229,600 Common Shares upon completion of the transfer of the mining leases. The transfer of the mining leases comprising the remainder of the DeSantis Property will be completed upon receipt of the ordinary course consent of the Ministry of Northern Development and Mines.

- On March 11, 2016, Osisko completed the acquisition (the “Niogold Arrangement”) of Niogold Mining Corp (“Niogold”), pursuant to which Osisko acquired all of the issued and outstanding common shares of NioGold ("NioGold Shares") by way of a court approved plan of arrangement. Under the terms of the arrangement, each former shareholder of Niogold received 0.4167 Common Shares in exchange for each Niogold Share, and holders of options and warrants to acquire Niogold Shares received replacement options and warrants, respectively, entitling the holder thereof to receive Common Shares, based on the terms of such options and warrants of Niogold, as adjusted by the plan of arrangement.

- On February 3, 2016, Osisko announced that the Corporation had signed a binding letter of intent to acquire 100% of the Souart property from Multi-Ressources Boréal. The Souart property is located in the Urban Barry greenstone belt, in Souart and Barry Townships, Québec.

- On February 1, 2016, Osisko announced that it had completed the Transaction with IDM Mining Ltd. (“IDM”). Pursuant to the Transaction, Osisko acquired ownership of 18,300,000 common shares in the capital of IDM (in exchange for consideration of $1,000,000 in cash and 100% of Osisko's Yukon properties). In addition, Osisko has been granted a 1% NSR over the Yukon properties transferred to IDM pursuant to the property transfer.

Financings:

- On February 28, 2017, Osisko has completed a "bought deal" private placement financing that was announced on February 6, 2017 of 5,450,000 flow-through common shares of the Corporation (the "Flow-Through Shares") at a price of $5.52 per Flow-Through Share for aggregate gross proceeds of $30,084,000 (the "February 2017 Offering"). The Corporation has concurrently completed a "bought deal" private placement of 15,327,000 units of the Corporation (the "Units") at a price of $3.40 per Unit for aggregate gross proceeds of approximately $52 million, with each Unit comprised of one common share of the Corporation and one whole common share purchase warrant of the Corporation.

- On December 13, 2016, Osisko Mining Inc. announced, further to its announcements on November 21, 2016 and November 18, 2016, that the Corporation has completed a private placement financing of 4,431,136 Flow-Through Shares, at a price of $3.15 per Flow-Through Share for total gross proceeds of approximately $14 million (the "December 2016 Offering").

- On October 5, 2016, Osisko GR exercised its option to acquire 1% NSR royalty on the Corporations’ Windfall Lake and Urban Barry Properties for $5 million.

- On September 27, 2016, Osisko completed a “bought deal” private placement financing that was announced on September 9, 2016 of 11,750,000 Common Shares at a price of $2.75 per Common Share for total gross proceeds of $32,312,500 (the "September 2016 Offering"). The September 2016 Offering included the issuance by the Corporation of 1,750,000 Common Shares pursuant to the exercise in full of the option granted to the underwriters. The September 2016 Offering was underwritten by a syndicate of underwriters led by BMO Capital Markets.

- On July 27, 2016, Osisko completed a "bought deal" private placement financing that was announced on June 27, 2016 of 7,570,000 Flow-Through Shares at an average price of $3.30 per Flow-Through Share (representing a 45% premium to the closing price of the Common Shares on the TSX on June 24, 2016), for gross proceeds of $25,010,800 (the “July 2016 Offering”).

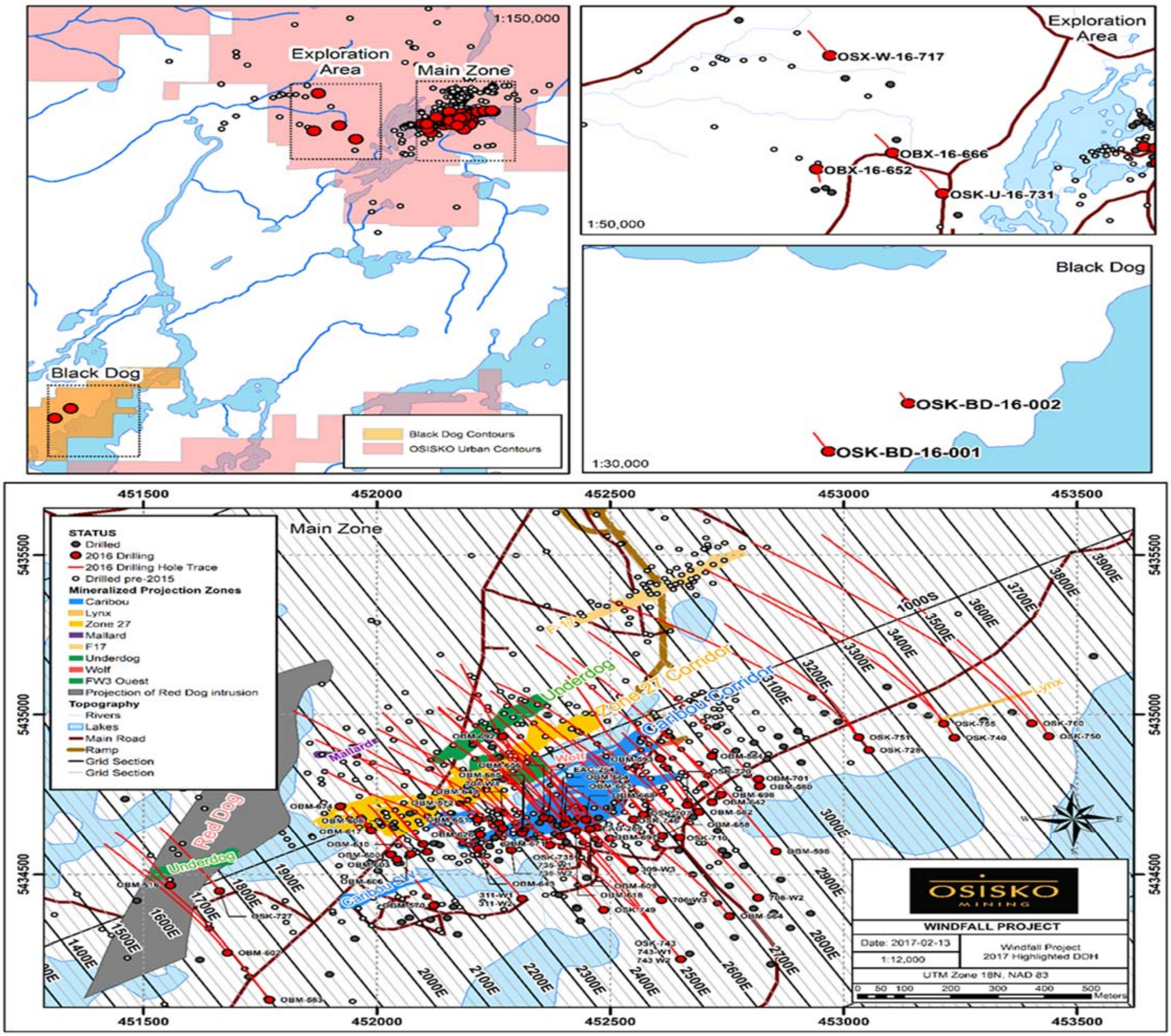
- On February 3, 2016, Osisko announced that it had completed the February 2016 Offering (which included the partial exercise of the over-allotment option), pursuant to which it issued and sold 10,521,700 Osisko SRs at a subscription price of $1.20 per Osisko SR for gross proceeds of $12,626,040. On completion of the acquisition by

Osisko of Niogold, each Osisko SR automatically converted into one Common Share and one common share purchase warrant entitling the holder thereof to acquire an additional Common Share, at an exercise price of $1.40 at any time prior to February 3, 2019, subject to early expiry in certain circumstances.

Exploration Highlights:

a) Windfall Lake and Urban Barry Properties

The Corporation announced the following results from the ongoing drill program at its 100% owned Windfall Lake and Urban Barry Projects located in the Urban Township, Québec in the following table and map below:



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Drill Hole	Section	Zone	Length (m)	UTM E	UTM N	Azimuth (°)	Dip (°)	From	To	Length (m)	Au (g/t)
EAG-11-269ext	2575	FW3	997.5	452471	5434647	325	53	737.10	744.00	6.90	7.71
			including					739.70	740.70	1.00	42.1
EAG-11-254 ext	2500	FW3	754.5	452369	5434676	323	56	684.10	690.90	6.80	24.7
			including					686.50	688.70	2.20	59.7
OBM-15-564	2675	Potential new lens	1528.5	452755	5434370	330	60	436.60	439.90	3.30	22.3
			including					439.50	439.90	0.40	171
OBM-15-564	2675	Caribou S1	1528.5	452755	5434370	330	60	666.70	674.10	7.40	5.59
			including					666.70	668.80	2.10	17.9
OBM-15-564	2675	New potential lens	1528.5	452755	5434370	330	60	947.00	954.00	7.00	7.49
			including					948.80	949.30	0.50	85.4
OBM-16-570	2150	Caribou W2	202.0	452122	5434403	331	50	107.00	109.60	2.60	31.1
			including					107.90	108.60	0.70	111
OBM-16-572	2400	Upper Zone 27	262.5	452262	5434661	331	49	101.50	103.50	2.00	97.3
			including					101.50	102.50	1.00	194
OBM-16-580	2950	FW4	1272.5	452820	5434777	333	63	1162.20	1168.20	6.00	19.6
			including					1162.20	1162.80	0.60	150
			and					1167.90	1168.20	0.30	97.7
OBM-16-582	2775	-	511.0	452690	5434696	332	51	216.00	218.80	2.80	15.9
OBM-16-583	1700	-	802.5	451770	5434110	332	55	774.00	777.00	3.00	19.0
			including					776.00	777.00	1.00	55.0
OBM-16-584	2900	Vein	84.0	452718	5434871	330	65	57.00	59.00	2.00	287
			including					57.00	58.00	1.00	566
OBM-16-593	2800	Crustiform vein	78.0	452607	5434863	150	72	46.40	48.60	2.20	5.17
OBM-16-593	2800	Crustiform vein	78.0	452607	5434863	150	72	53.00	57.60	4.60	8.43
			including					55.30	55.60	0.30	230
OBM-16-598	2875	Caribou S1	1383.5	452855	5434572	333	60	504.70	508.00	3.30	9.44
			including					507.00	508.00	1.00	25.1
OBM-16-600	2150	Zone 27 hanging wall	253.5	452030	5434562	331	48	166.60	170.80	4.20	12.9
			including					166.60	167.70	1.10	18.9
			and					169.70	170.80	1.10	23.5
OBM-16-602	1700	-	760.5	451680	5434257	330	55	193.50	196.50	3.00	14.1
			including					194.50	195.10	0.60	68.2
OBM-16-603	2150	Zone 27	250.5	452043	5434547	331	50	188.00	207.90	19.90	11.4
			including					188.00	189.40	1.40	54.1
			and					**200.40**	**207.90**	**7.50**	**20.3**
			and					206.00	207.90	1.90	71.6
			and					206.70	207.00	0.30	142
OBM-16-606	2175	Zone 27	280.5	452073	5434564	331	50	192.10	197.10	5.00	13.8
			including					196.00	196.80	0.80	76.9
OBM-16-608	2225	Zone 27	250.5	452099	5434595	331	50	177.30	186.60	9.30	10.3
			including					179.50	181.50	2.00	12.9
			including					183.00	183.50	0.50	232
			including					183.80	184.20	0.40	13.7
OBM-16-609	2550	Zone 27	552.5	452457	5434643	332	50	426.50	437.70	11.20	5.21
OBM-16-610	2225	Footwall of Zone 27	271.5	452108	5434571	331	50	221.00	226.00	5.00	24.2
			including					223.50	224.50	1.00	419
OBM-16-616	1675	FW3	403.5	451558	5434466	330	60	122.40	124.80	2.40	18.9
			including					123.80	124.50	0.70	37.3
OBM-16-617	2150	Zone 27	97.5	451988	5434638	330	73	44.30	50.00	5.70	6.94
OBM-16-618	2525	footwall Zone 27	489.5	452426	5434636	333	51	433.50	436.30	2.80	8.96
			including					435.50	436.30	0.80	23.6

Drill Hole	Section	Zone	Length (m)	UTM E	UTM N	Azimuth (°)	Dip (°)	From	To	Length (m)	Au (g/t)
OBM-16-626	**2350**	**Caribou (upper extension)**	**82.5**	**452221**	**5434625**	**150**	**68**	**40.50**	**43.00**	**2.50**	**41.8**
			including					40.50	41.40	0.90	136
OBM-16-626	**2350**	**Crustiform vein**	**82.5**	**452221**	**5434625**	**150**	**68**	**60.90**	**63.30**	**2.40**	**23.3**
			including					60.90	61.20	0.30	69.6
			including					62.60	63.30	0.70	40.3
OBM-16-642	**2825**	**New underdog corridor**	**1091.3**	**452718**	**5434727**	**330**	**60**	**934.00**	**937.90**	**3.90**	**17.2**
			including					934.00	934.30	0.30	264
OBM-16-643	**2325**	**Zone 27**	**301.5**	**452217**	**5434581**	**330**	**50**	**245.60**	**247.90**	**2.30**	**25.2**
			including					245.60	246.10	0.50	254
OBM-16-649	**2400**	**Caribou**	**127.5**	**452270**	**5434646**	**150**	**77**	**48.60**	**51.00**	**2.40**	**9.55**
OBM-16-651	**2350**	**Zone 27 footwall**	**187.5**	**452216**	**5434672**	**320**	**44**	**158.50**	**163.80**	**5.30**	**8.94**
			including					163.30	163.80	0.50	30.5
OBX-16-652	**Explo**	**Crustiform vein**	**235.5**	**448639**	**5434175**	**167**	**44**	**208.70**	**210.20**	**1.50**	**12.7**
OBM-16-656	**2500**	**Hanging wall of Zone 27**	**337.5**	**452358**	**5434679**	**329**	**48**	**255.20**	**261.00**	**5.80**	**9.04**
			including					260.00	260.50	0.50	73.8
OBM-16-656	**2500**	**Zone 27**	**337.5**	**452358**	**5434679**	**329**	**48**	**273.30**	**276.40**	**3.10**	**30.6**
			including					274.20	275.30	1.10	70.8
OBM-16-656	**2500**	**Zone 27**	**337.5**	**452358**	**5434679**	**329**	**48**	**296.00**	**299.00**	**3.00**	**8.30**
			including					296.00	297.00	1.00	22.2
OBM-16-658	**2650**	**Caribou South 1**	**925.5**	**452612**	**5434621**	**333**	**60**	**380.00**	**382.00**	**2.00**	**45.8**
			including					380.00	381.00	1.00	90.0
OBM-16-658	**2650**	**New zone**	**925.5**	**452612**	**5434621**	**333**	**60**	**519.00**	**527.00**	**8.00**	**8.90**
			including					521.00	521.80	0.80	18.8
			and					522.40	523.40	1.00	37.1
OBM-16-663	**2525**	**New zone**	**451.5**	**452402**	**5434658**	**330**	**53**	**233.70**	**236.10**	**2.40**	**30.2**
			including					233.70	234.40	0.70	169
OBM-16-663	**2525**	**Zone 27**	**451.5**	**452402**	**5434658**	**330**	**53**	**383.50**	**395.20**	**11.70**	**5.38**
			including					384.30	388.50	4.20	10.9
OBM-16-664	**2500**	**Caribou**	**499.5**	**452394**	**5434619**	**330**	**54**	**172.90**	**175.90**	**3.00**	**7.34**
			including					173.70	174.60	0.90	17.8
OBM-16-664	**2500**	**Zone 27**	**499.5**	**452394**	**5434619**	**330**	**54**	**439.30**	**449.50**	**10.20**	**4.64**
			including					439.30	440.00	0.70	29.7
			and					449.00	449.50	0.50	19.1
OBM-16-664	**2500**	**Crustiform vein**	**499.5**	**452394**	**5434619**	**330**	**54**	**453.00**	**453.30**	**0.30**	**178**
OBX-16-666	**Explo**	**Sheared vein**	**421.5**	**449316**	**5434385**	**335**	**48**	**284.00**	**284.30**	**0.30**	**184**
OBM-16-668	**2575**	**New Zone**	**442.5**	**452448**	**5434673**	**330**	**45**	**220.50**	**223.00**	**2.50**	**29.3**
			including					222.10	223.00	0.90	76.1
OBM-16-671	**2450**	**Crustiform vein**	**490.5**	**452370**	**5434591**	**330**	**57**	**339.40**	**342.00**	**2.60**	**15.9**
			including					339.40	339.80	0.40	152
OBM-16-674	**2125**	**Zone 27**	**172.5**	**451922**	**5434714**	**150**	**60**	**106.30**	**113.00**	**6.70**	**16.6**
			including					106.30	107.00	0.70	47.0
			and					110.40	111.80	1.40	45.7
OBM-16-685	**2425**	**Zone 27**	**385.5**	**452314**	**5434637**	**332**	**53**	**321.70**	**333.40**	**11.70**	**5.40**
			including					321.70	325.00	3.30	9.63
OBM-16-692	**2525**	**Crustiform vein**	**183.5**	**452270**	**5434933**	**150**	**54**	**42.60**	**47.00**	**4.40**	**13.2**
			including					42.60	44.90	2.30	23.9
			including					43.00	44.00	1.00	27.9
			and					44.60	44.90	0.30	81.1
OBM-16-697	**2575**	**Quartz tourmaline vein**	**421.5**	**452500**	**5434612**	**330**	**54**	**228.70**	**230.70**	**2.00**	**16.0**
			including					228.70	229.20	0.50	63.5

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OBM-16-698	**2850**	**New zone**	**685.5**	**452737**	**5434750**	**332.1**	**59.8**	**156.50**	**159.00**	**2.50**	**8.06**
including								156.50	157.50	1.00	19.0
OBM-16-701	**2950**	**Extension of Caribou North 2**	**700.5**	**452818**	**5434800**	**327.7**	**62.5**	**551.10**	**558.00**	**6.90**	**8.86**
including								557.00	558.00	1.00	47.7
OBX-16-652		**Exploration**	**235.5**	**448639**	**5434175**	**166.5**	**-44**	**208.70**	**210.20**	**1.50**	**12.70**
OBX-16-666		**Exploration**	**421.5**	**449316**	**5434385**	**335**	**-48**	**284.00**	**284.30**	**0.30**	**184.00**
OSK-BD-16-001		**Black Dog**	**288**	**441704**	**5422936**	**330**	**-56**	199.90	200.80	0.90	5.8
OSK-BD-16-002		**Black Dog**	**196.5**	**442131**	**5423313**	**332**	**-61**	**93.20**	**125.30**	**32.10**	**3.42**
including								97.20	11.60	14.40	6.14
OSK-U-16-734		**Fox**	**560.5**	**448759**	**5435644**	**302**	**-45.9**	**406.00**	**409.10**	3.10	27.6
OSK-U-16-732		**Fox**	**421.5**	**448759**	**5435644**	**330.7**	**-55.8**	**65.50**	**68.50**	3.00	8.04
OSK-U-16-731		**Exploration**	**499.5**	**449764**	**5433851**	**330.4**	**-42.6**	**358.50**	**360.50**	**2.00**	**6.78**
OSK-U-16-736		**Fox**	**590.5**	**448759**	**5435644**	**302.1**	**-60.3**	260.60	262.70	2.10	5.14
OSK-W-16-704-W1	**2425**	**FW3**	**853.5**	**452311**	**5434629**	**328.7**	**-57.0**	**649.60**	**652.50**	**2.90**	**15.5**
including								649.60	650.30	0.70	63.6
OSK-W-16-704-W1	**2425**	**FW4**	**853.5**	**452311**	**5434629**	**328.7**	**-57.0**	**797.00**	**799.00**	**2.00**	**25.1**
including								797.50	798.10	0.60	50.5
OSK-W-16-309-W3	**2575**	**New Zone - Caribou**	**1174**	**452548**	**5434514**	**325.8**	**63.2**	**539.20**	**543.80**	**4.60**	**11.8**
including								542.00	543.00	1.00	47.9
OSK-W-16-706-W1	**2525**	**Caribou South 1**	**1276.5**	**452610**	**5434420**	**329.61**	**58.4**	**546.50**	**563.00**	**16.50**	**5.75**
OSK-W-16-706-W1	**2525**	**FW3**	**1276.5**	**452610**	**5434420**	**329.61**	**58.4**	**1033.00**	**1041.90**	**8.90**	**15.9**
including								1033.50	1034.30	0.80	93.6
including								1041.00	1041.40	0.40	117
OSK-W-16-706-W3	**2575**	**FW1**	**970.5**	**452610**	**5434420**	**329.6**	**58.4**	**944.80**	**952.50**	**7.70**	**7.57**
including								944.80	945.90	1.10	9.15
and								949.00	950.10	1.10	30.0
OSK-W-16-707	**2675**	**Caribou South 2**	**361.5**	**452571**	**5434688**	**331**	**52**	**247.30**	**249.50**	**2.20**	**11.3**
including								248.30	248.70	0.40	58.6
OSK-W-16-708-W1	**2775**	**Wolf hanging wall**	**1258.5**	**452816**	**5434427**	**331**	**54**	**765.50**	**769.50**	**4.00**	**12.2**
OSK-W-16-708-W1	**2775**	**Wolf**	**1258.5**	**452816**	**5434427**	**331**	**54**	**816.50**	**820.30**	**3.80**	**12.5**
OSK-W-16-708-W1	**2775**	**Wolf footwall**	**1258.5**	**452816**	**5434427**	**331**	**54**	**834.00**	**836.40**	**2.40**	**4.79**
including								835.60	836.40	0.80	13.9
OSK-W-16-708-W1	**2775**	**New**	**1258.5**	**452816**	**5434427**	**331**	**54**	**838.10**	**844.50**	**6.40**	**15.4**
including								840.50	843.40	2.90	31.5
OSK-W-16-708-W2	**2775**	**New zone - Underdog**	**1408.5**	**452816.9**	**5434427**	**331.0**	**54.0**	**1135.50**	**1142.10**	**6.60**	**13.8**
including								**1136.10**	**1138.50**	**2.40**	**36.1**
OSK-W-16-710	**2700**	**New zone**	**705.5**	**452649**	**5434615**	**331**	**60**	**531.00**	**534.00**	**3.00**	**8.32**
including								532.50	534.00	1.50	15.5
OSK-W-16-710	**2700**	**Wolf**	**705.5**	**452649**	**5434615**	**331**	**60**	**562.00**	**568.70**	**6.70**	**11.8**
including								565.90	566.60	0.70	212
OSK-W-16-710	**2700**	**New zone**	**705.5**	**452649**	**5434615**	**331**	**60**	**586.00**	**588.30**	**2.30**	**16.2**
including								586.00	587.90	1.90	19.6
OSX-W-16-717	**Explo**	**New discovery - Fox**	**526.5**	**448759**	**5435644**	**331**	**45**	**243.90**	**255.50**	**11.60**	**3.22**
OSK-W-16-720	**2775**	**Caribou**	**460.5**	**452665**	**5434718**	**332.0**	**56.0**	**260.00**	**265.70**	**5.70**	**34.4 (uncut)**
OSK-W-16-720	**2775**	**Caribou**	**460.5**	**452665**	**5434718**	**332.0**	**56.0**	**260.00**	**265.70**	**5.70**	**20.9[3]**
including								262.00	262.50	0.50	45.9
and								263.10	263.60	0.50	105
and								264.30	264.60	0.30	348
OSK-W-16-727	**1775**	**FW3 Underdog**	**382.5**	**451663**	**5434448**	**330.2**	**52.5**	**274.40**	**276.50**	**2.10**	**9.45**
including								274.90	276.00	1.10	17.2
OSK-W-16-728	**3200**	**Crustiform vein**	**1420.5**	**453054**	**5434890**	**330.8**	**65.2**	**363**	**365.4**	**2.4**	**42.2 (uncut)**
OSK-W-16-728	**3200**	**Crustiform vein Cut to 100g/t Au**	**1420.5**	**453054**	**5434890**	**330.8**	**65.2**	**363**	**365.4**	**2.4**	**17.2[3]**
including								363.6	364	0.4	250

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Drill Hole	Section	Zone	Length (m)	UTM E	UTM N	Azimuth (°)	Dip (°)	From	To	Length (m)	Au (g/t)
OSK-W-16-728	**3200**	**Caribou Zone extension**	**1420.5**	**453054**	**5434890**	**330.8**	**65.2**	**478.10**	**481.20**	**3.10**	**391**
OSK-W-16-311-W1	**2325**	**FW4 Hangingwall**	**1155**	**452311**	**5434424**	**330.3**	**-62.4**	**1118.00**	**1120.00**	**2.00**	**15.7**
OSK-W-16-311-W2	**2325**	**FW3 hanging wall**	**1181**	**452311**	**5434424**	**330.3**	**-62.4**	**918.80**	**921.00**	**2.20**	**13.0**
			including					919.30	919.60	0.30	88.3
OSK-W-16-735	**2375**	**Caribou**	**1111.5**	**452288**	**5434576**	**330.1**	**-63.8**	**101.8**	**137.2**	**35.4**	**17.0**
OSK-W-16-735	**2375**	**Caribou Cut to 100g/t Au**	**1111.5**	**452288**	**5434576**	**330.1**	**-63.8**	**101.8**	**137.2**	**35.4**	**6.1** [3]
			including					103	103.5	0.5	10.1
			and					112	113.7	1.7	318
			including					112	113	1	486
			and					113	113.7	0.7	79.2
OSK-W-16-735	**2375**	**FW4**	**1111.5**	**452288**	**5434576**	**330.1**	**-63.8**	**824.2**	**828.4**	**4.2**	**33.6 (uncut)**
OSK-W-16-735	**2375**	**FW4 Cut to 100 g/t Au**	**1111.5**	**452288**	**5434576**	**330.1**	**-63.8**	**824.2**	**828.4**	**4.2**	**24.4** [3]
			including					824.2	824.5	0.3	228
			and					826.8	828.4	1.6	36.8
OSK-W-16-735-W1	**2375**	**FW1**	**1072.5**	**452288**	**5434576**	**330.1**	**-63.8**	**520.5**	**527.3**	**6.8**	**11.6 (uncut)**
OSK-W-16-735-W1	**2375**	**FW1 Cut to 100 g/t Au**	**1072.5**	**452288**	**5434576**	**330.1**	**-63.8**	**520.5**	**527.3**	**6.8**	**8.7** [3]
			including					521.5	522	0.5	140 (uncut)
OSK-W-16-735-W2	**2375**	**FW1**	**1072.5**	**452288**	**5434576**	**330.1**	**-63.8**	**532.2**	**535.7**	**3.5**	**12.2**
OSK-W-16-735-W2	**2375**	**FW3**	**1072.5**	**452288**	**5434576**	**330.1**	**-63.8**	**808.5**	**818.3**	**9.8**	**7.92**
OSK-W-16-735-W2	**2375**	**FW3**	**1072.5**	**452288**	**5434576**	**330.1**	**-63.8**	**822.7**	**828**	**5.3**	**11.7**
			including					825	825.5	0.5	54.1
OSK-W-16-740	**3375**	**Vein**	**1465.5**	**453237**	**5434929**	**340.0**	**-65.6**	**137.4**	**140**	**2.6**	**7.21**
			including					138.7	139.2	0.5	23.60
OSK-W-16-740	**3375**	**CN2**	**1465.5**	**453237**	**5434929**	**340.0**	**-65.6**	**720.5**	**722.8**	**2.3**	**9.66**
			including					720.5	721.5	1	19.5
OSK-W-16-743	**2525**	**FW2**	**1561.5**	**452651**	**5434237**	**334.2**	**-64.3**	**1233.7**	**1236.3**	**2.6**	**303 (uncut)**
OSK-W-16-743	**2525**	**FW2 Cut to 100 g/t Au**	**1561.5**	**452651**	**5434237**	**334.2**	**-64.3**	**1233.7**	**1236.3**	**2.6**	**47.0** [3]
			including					1233.7	1235.8	2.1	375 (uncut)
			including					1233.7	1235.8	2.1	57.7 [3]
OSK-W-16-743-W1	**2528**	**FW2**	**1489.5**	**452651**	**5434237**	**333.3**	**-64.1**	**1251.8**	**1254.4**	**2.6**	**8.1**
			including					1252.1	1252.9	0.8	24.0
OSK-W-16-743 W2	**2528**	**CS1**	**1626.7**	**452651**	**5434237**	**333.3**	**-64.1**	**748.0**	**751.0**	**3.0**	**10.3**
			including					749.6	751.0	1.4	21.5
OSK-W-16-746	**2650**	**Vein**	**874.5**	**452550**	**5434673**	**330.5**	**57.1**	**603**	**606.7**	**3.7**	**16.5**
OSK-W-16-749	**2458**	**CS1**	**553**	**452486**	**5434389**	**332.0**	**-57.0**	**504.6**	**510**	**5.4**	**12.7**
			including					504.6	505.3	0.7	35.2
			including					506	510	4	10.7
OSK-W-16-750	**3557**	**rustiform vei**	**1580**	**453439**	**5434933**	**332.0**	**-65.0**	**418.2**	**420.5**	**2.3**	**17.0**
OSK-W-16-750	**3557**	**Caribou**	**1580**	**453439**	**5434933**	**332.0**	**-65.0**	**709**	**711**	**2**	**41.8**
OSK-W-16-751	**3200**	**CN2**	**943.5**	**453032**	**5434930**	**335.0**	**-63.7**	**519.2**	**521.5**	**2.3**	**6.57**
OSK-W-16-755	**3379**	**Lynx**	**1078.5**	**453214**	**5434971**	**335.0**	**-64.0**	**63**	**69**	**6**	**11.8**
			including					64	64.9	0.9	67.1
OSK-W-16-755	**3379**	**Lynx Footwall**	**1078.5**	**453214**	**5434971**	**335.0**	**-64.0**	**147**	**149**	**2**	**8.12**
			including					147.4	147.9	0.5	30.4
OSK-W-16-760	**3544**	**Lynx HW**	**1561.5**	**453403**	**5434972**	**332.0**	**-65.0**	**208**	**211**	**3**	**14.1**
			including					208.5	211	2.5	16.7
OSK-W-16-760	**3544**	**Lynx**	**1561.5**	**453403**	**5434972**	**332.0**	**-65.0**	**223**	**232**	**9**	**95.3 (uncut)**
OSK-W-16-760	**3544**	**Lynx**	**1561.5**	**453403**	**5434972**	**332.0**	**-65.0**	**223**	**232**	**9**	**42.7** [3]
			including					226.3	232	5.7	148 (uncut)
			including					226.3	232	5.7	65.0 [3]
OSK-W-16-760	**3544**	**Crustiform vein**	**1561.5**	**453403**	**5434972**	**332.0**	**-65.0**	**250.5**	**255**	**4.5**	**7.79**
OSX-W-16-717		**Fox**	**526.5**	**448759**	**5435644**	**331.0**	**-45.0**	**243.9**	**255.5**	**11.6**	**3.22**

b) Garrison Property

The Corporation announced the following results from the ongoing drill program at its 100% owned Garrison Property located in the Garrison Township, Ontario below:

- On March 15, 2017, significant new results include: 10.9 grams per tonne (g/t) gold over 3.9 metres in OSK-G17-331; 13.8 g/t gold over two metres in OSK-G17-324; 1.07 g/t gold over 32.4 metres in OSK-G17-328; 1.38 g/t gold over 26 metres in OSK-G16-317.

- On February 1, 2017, significant new results include: 16.7 g/t Au over 16.4 metres (8.52 g/t Au over 16.4 metres cut) and 7.62 g/t Au over 2.6 metres in OSK-G17-326.

- On January 16, 2017, Osisko announced new significant results. The current 35,000 metre drill program (increased from 20,000 metres) is designed to further test the known Jonpol and Garrcon gold zones, with six drill rigs currently active on the property. A total of 22 new holes are reported in this release, with significant assay results presented in the table below. Significant new results include: 2.27 g/t Au over 46.4 metres in OSK-G16-213X; 2.85 g/t Au over 19.6 metres in OSK-G16-318; 6.66 g/t Au over 6.8 metres in OSK-G16-319; 3.1 g/t Au over 12.0 metres (4.96 g/t Au over 12.0 metres uncut) in OSK-G16-314A; and 3.57 g/t Au over 8.0 metres in OSK-G16-209X.

- On September 28, 2016, Osisko announced significant new results. Three drills are currently active on site. Significant new results include: 14.9 g/t Au over 7.7 metres (uncut) in DDH OSK-G16-300 (8.70 g/t Au over 7.7 metres cut); and 1.02 g/t Au over 63.3 metres in DDH OSK-G16-296.

- On July 13, 2016, Osisko announced that it has commenced a 20,000 metre drill program. The current work program will focus on the Garrcon and Jonpol deposits defined by previous operators on the property. The new drilling is designed to confirm the previous work and follow-up on potential for higher grade underground zones at the bulk tonnage Garrcon deposit. Drilling will also be directed to further exploring the underground resource potential which remains open at depth on the Jonpol deposit.

c) Other projects

- On July 6, 2016 Osisko announced that it has commenced exploration on its 100% owned Black Dog (formally "Souart") Property situated 15 kilometres to the south west of the Windfall Lake Project. The program will be carried out in parallel to ongoing work at the Windfall Lake Project and will include trenching and drilling designed to confirm and expand upon historic work on Souart.

The full set of drill results are available under the Corporation's issuer profile on SEDAR at www.sedar.com and on the Corporation's website at www.osiskomining.com

Overall Performance:

The Corporation completed over thirty transactions since reorganizing in August 2015 and raised approximately $91-million during the same time period. The Corporation has spent approximately $33M in exploration and evaluation assets mostly on the Windfall Lake and Urban Barry properties and approximately $8.6-million in general and admin excluding non-cash items. During the year ended December 31, 2016, the Corporation acquired the Black Dog (formally "Souart") Property, the DeSantis Property, the James Bay portfolio of properties as well as the Marban Property, through its acquisition of Niogold. The Corporation raised approximately $83-million via multiple financings and has had continued success on its 150,000 metre and 250,000 metre drill program at Windfall Lake and Urban Barry with over 24 positive press releases expanding the resource both at depth and along strike with the step-out holes. Osisko has a strong shareholder base, with over 33% of Common Shares held by four funds and one corporation (Osisko Gold Royalties Ltd). The Corporation announced that it drilled approximately 115,000 metres and spent approximately $23-million during the 2016 year as part of an originally announced 50,000 metre program (expanded twice to the current 150,000 metre drilling campaign) on the Windfall Lake gold deposit and surrounding exploration targets in Urban and Barry Townships

The Corporation has grown at a rapid rate from June 2015 when Osisko had no defined mineral resources, $10 million in cash and a market capitalization of less than $10 million. As at December 31, 2016, the Corporation had approximately $95 million in cash, cash equivalents and marketable securities and a market capitalization of $395 million.

The Corporation has four main deposits that contain an aggregate of 3.42 million ounces of global resources in the measured mineral resource and the indicated mineral resource categories and an aggregate of 1.8 million ounces of global resources in the inferred mineral resource category. Additionally, the Corporation has active ongoing drill programs for which began in 2016 and will continue into 2017 consisting of approximately 250,000 metres for a combined total drilling campaign of 400,000 metres. Management believes these fundamental elements provide the solid base necessary to build a mining company that will provide growing value to its shareholders over time. Please see the table on Page 13 for the grade and quantity of each category of mineral resources included in the foregoing disclosure.

Acquisition of Niogold Mining Corp.

On March 11, 2016, the Corporation completed the acquisition of Niogold by way of a court approved plan of arrangement.

Under the terms of the Niogold Arrangement, Osisko acquired all Niogold Shares and each holder of a Niogold Share received 0.4167 Common Shares in exchange for each Niogold Share held.

This Niogold Arrangement has been accounted for as an acquisition of net assets as Niogold did not meet the definition of a business under IFRS 3. The acquisition of the net assets of Niogold were recorded at the fair value of the consideration paid of $62,042,000.

(in thousands of Canadian dollars)

Consideration paid		
Share consideration	$	**58,908**
Transaction costs		**1,645**
Stock options		**1,015**
Warrants		**474**
	$	**62,042**

Net assets acquired		
Cash	$	**1,085**
Current assets		**450**
Plant and equipment		**47**
Exploration and evaluation assets		**61,629**
Current liabilities		**(1,169)**
Total net assets acquired	$	**62,042**

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 Lake 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 (70,000 hectares) of Québec, 100% interest in the Garrison project east of Matheson, Ontario, as well as additional projects in the Timmins area of Ontario, the James Bay Labrador area of Québec and the Marban block Properties from the Niogold acquisition which is located 15 kilometres west of the town of Val-d’Or in the Abitibi region of Québec, Canada.

(formerly Oban Mining Corporation)

1. SUMMARY OF MINERAL PROPERTIES

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

Continuing Exploration Properties	Location	Status
Windfall Lake Project	Québec	Owned 100%
Urban Barry Project	Québec	Owned 100%
Souart Project (Blackdog)	Québec	Owned 100%
Catherine Fault – Ogima Project	Ontario	Claims under option
Garrison – Garrcon Project	Ontario	Owned 100%
Garrison – Buffonta Project	Ontario	Owned 100%
Garrison – Jonpol Project	Ontario	Owned 100%
Garrison – Gold Pike Project	Ontario	Owned 100%
Marban Block Project	Québec	Owned 100%
Malartic Block Project	Québec	Owned 100%
Siscoe East Project	Québec	Owned 50%
Héva Project	Québec	Owned 100%
Kan Project – James Bay	Québec	Earn-in
Éléonore – James Bay	Québec	Earn-in
Éléonore JV – James Bay	Québec	Earn-in
Other – James Bay	Québec	Earn-in
Swayze Project	Ontario	Owned 100%
DeSantis Project	Ontario	Owned 100%

2. MINERAL PROPERTY RESOURCES

The Corporation's global mineral resources are summarized below:

CATEGORY	TONNES (MT)	AU GRADE (G/T)	AU (M OZ)
MEASURED			
MARBAN(2)	7.70	1.47	0.36
GARRISON	15.1	1.07	0.51
	22.8	**1.20**	**0.88**
INDICATED			
MARBAN(2)	29.4	1.18	1.12
WINDFALL	2.76	8.42	0.75
GARRISON	15.0	1.40	0.68
	47.2	**1.68**	**2.55**
TOTAL M&I			
MARBAN(2)	37.0	1.24	1.48
WINDFALL	2.76	8.42	0.75
GARRISON	30.1	1.24	1.20
	69.9	**1.53**	**3.43**
INFERRED			
MARBAN(2)	3.60	1.15	0.13
WINDFALL	3.51	7.62	0.86
GARRISON	7.87	3.19	0.81
	14.98	**3.74**	**1.80**

1 See "Cautionary Statements Regarding Technical Information – Mineral Resources".
2 Global mineral inventories are not pit-constrained

Note: Inferred 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. MINERAL PROPERTY ACTIVITIES

3.1 Urban Barry

As of December 31, 2016, the Corporation had staked claims in the Urban Barry area of Québec. The exploration expenditures on the property were for the cost of staking the land and data compilation. In order to maintain the claims, the Corporation was required to spend $1,505,000 within two years from the date of staking of which has been spent as of December 31, 2016. During the year, Osisko completed two airborne surveys covering the entire property. The magnetic survey was completed in March 2016 and the electromagnetic survey was completed in April 2016. Drilling has commenced on this area using four rigs to test the identified anomalies identified in the surveys and till sampling programs.

i) Windfall Lake Property

The Corporation acquired the Windfall Lake Property through the Corporation's acquisition of Eagle Hill Exploration Corporation ("Eagle Hill") which was completed on August 25, 2015. The Windfall Lake Property is 100% owned by the Corporation and covers approximately 12,400 hectares in the prolific Abitibi Greenstone Belt in Québec, Canada. The property consists of 285 contiguous mining claims.

The majority of the property is subject to the following residual NSRs:

Location	Approximate Area	NSR	Buyback Option
Centre of property, hosting the majority of the mineral resource	3,151 acres (1,275 ha)	1.5%	Buyback 1% NSR for $1 million
North of the majority of the mineral resource, hosting small portion of the mineral resource	2,342 acres (948 ha)	1%	Buyback 1% NSR for $1 million ($500,000 for each 0.5% NSR)
Northern part of property	19,531 acres (7,904 ha)	2%	Buyback 2% NSR for $1 million ($500,000 for each 1% NSR)
Southeast of the mineral resource	706 acres (286 ha)	2%	Buyback 1% NSR for $500,000
Eastern edge of property	2,507 acres (1,015 ha)	2%	Buyback 1% NSR for $1 million, right of first refusal for remaining 1% NSR

On October 5, 2016, Osisko GR exercised its option to acquire 1% NSR royalty on the Corporations' Windfall Lake and Urban Barry Properties for $5 million.

Exploration Activities

On December 19, 2016, the Corporation announced that it drilled approximately 115,000 metres as part of an originally announced 50,000 metre program (expanded twice to the current 150,000 metre drilling campaign) on the Windfall Lake gold deposit and surrounding exploration targets in Urban and Barry Townships. Exploration success in the initial 150,000 metre program has included:

- An upgraded geological interpretation of the Windfall deposit which has led to a significantly expanded and still growing footprint for the previously known area of mineralization;

- the discovery of several significant new zones of mineralization (including Wolf Zone and the recently announced new shallow high-grade zone (known as the Lynx Zone) discovered on the 600 metre extension fence);

- the recently announced 600 metre NE extension of the main corridors of mineralization (Caribou, Zone 27, Wolf and Underdog); and

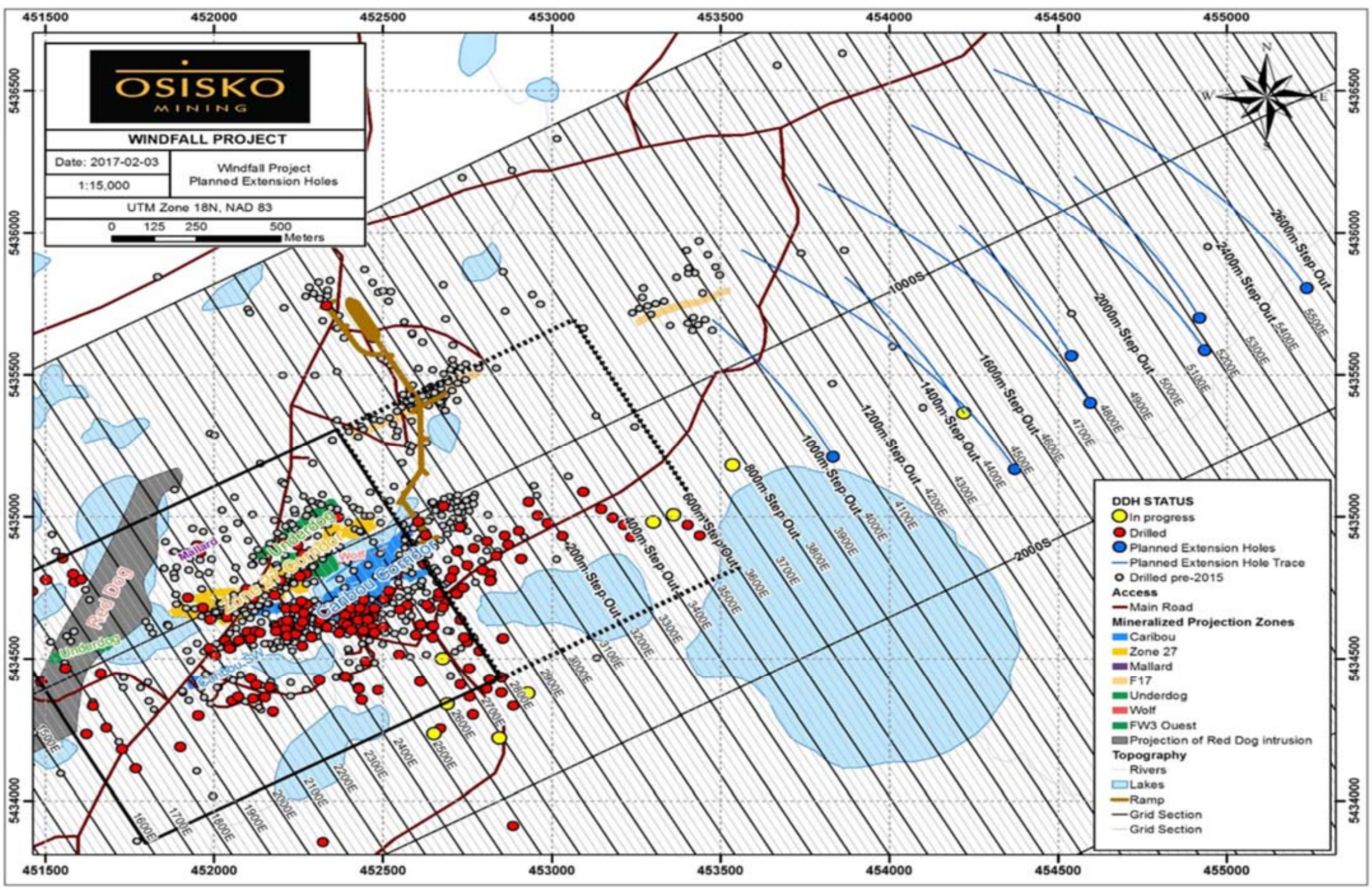
- two new discoveries in the surrounding area (Fox and Black Dog).

Additional drills have been working on the regional exploration which were developed from grass-roots exploration over the past year. The new 250,000 metres of drilling will assist the Corporation in further exploring and defining the known mineralization within the main deposit area and the recently discovered NE extension area. The Corporation's objective is to maximize the level of information to be included in an anticipated 2017 resource update. Osisko continues to work towards permitting for extension of the ramp into the Windfall deposit, with an outlook of starting underground exploration in the second half of 2017.

The Windfall Camp expansion has also been recently completed, with new accommodations, core logging areas and other facilities for the approximately 100 individuals currently working at site, with an expectation of expanding the camp to over 200 occupants. Results to date have been positive, providing verification and correlation with historic drilling performed by previous operators on the property. The deposit remains open at depth below the Red Dog intrusion, and is open at both the eastern and western ends.

Drilling

The Corporation continues to obtain positive drill results from its 400,000 metre drill program at Windfall Lake. The Corporation's drill plan map is presented below:



Quality Control

True widths are estimated at 65-80% of the reported core length intervals. 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 individual assays of 3.0 g/t Au and minimum weighted averages of 3.0 g/t Au diluted over core lengths of at least 2.0 metres. All NQ core assays reported were obtained by either 1-kilogram screen fire assay or standard 50-gram fire-assaying-AA finish or gravimetric finish at ALS Laboratories in Val d'Or, Québec or Sudbury, Ontario. The 1-kilogram screen assay method is selected by the geologist when samples contain coarse gold or present a higher percentage of pyrite than surrounding intervals. All 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 qualified persons 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 check assay.

ii) Black Dog (formally "Souart") Property

The Corporation acquired 100% of the Black Dog Property on February 3, 2016. The property is located in the Urban Barry greenstone belt, in Souart and Barry Townships, Québec. The Corporation issued 500,000 Common Shares and a cash payment of $200,000 for 100% of the property. The property consists of 33 claims comprising of 1,286 hectares. The Black Dog Property is subject to a 2% NSR which can be purchased at any time for $2,000,000. Drilling commenced on the property in September 2016 and on December 6, 2016 the Corporation intersected 6.14 g/t Au Over 14.4 Metres in drill hole DDH OSK-BD-16-002. DDH OSK-BD-16-002 was collared 150 metres to the east of an outcropping alteration zone (dubbed "Tourmaline Hill"). This new hole intersected 6.14 g/t Au and 34.1 g/t Ag over 14.4 metres, including 15.6 g/t Au and 93.5 g/t Ag over 2.8 metres in a mineralized tourmaline breccia containing 2-15% coarse pyrite and 10% chalcopyrite. This intersection is part of a wider intercept that averaged 3.42 g/t Au and 23.2 g/t Ag over the entire intersected length of 32.1 metres. DDH OSK-BD-16-001 was collared 600 metres to the SW of OSK-BD-16-002 and intersected 5.76 g/t Au and 34.8 g/t Ag over 0.9 metres in a tourmaline breccia. Further drilling is currently in progress and is directed at determining the extent, continuity and geometry of the new polymetallic gold mineralization discovered at Black Dog. Further downhole electromagnetic (EM) surveys are planned to assist in targeting, and a second drill rig will be assigned to the project in the coming month.

3.2 Catherine Fault

i) Ogima Project

On November 28, 2014, the Corporation signed a letter of agreement with a non-related titleholder to acquire the undivided 100% interest of the Cote Property, located in northern Ontario. The definitive option agreement was executed on December 23, 2014, with an option payment of $60,000 paid on signing, $75,000 paid on December 23, 2015 and $85,000 paid on December 23, 2016. Additional option payments of $100,000 and $140,000 are due upon the third and fourth anniversary date after signing. The agreement is also subject to a 2% NSR, which can be purchased for $1,000,000 per 1% NSR.

On February 23, 2015, the Corporation signed an agreement with a non-related corporation to acquire the undivided 100% interest of the Olsen Property, located in northern Ontario, for an aggregate payment of $50,000, which was completed upon signing. The agreement is also subject to a 1% NSR, which can be purchased for $500,000 for each of the patented land that conforms the property. Given the geographical location of this project, the Olsen property has been grouped in the Ogima project.

On March 10, 2015, the Corporation signed a purchase agreement with a non-related private individual for 100% of a 64-hectare patent lot referred to as the Roach Property, for a single payment of $45,000. The patent lot is on the Catharine Township, south of Kirkland Lake with a legal description of PIN 61250-0087, Parcel 3653 SEC NND, N ½ Lot 12 Con 4, Township of Catharine, District of Timiskaming.

Exploration Activity

During the year ended December 31, 2016, the Corporation completed a 2,000 metre drill campaign to follow up the drill targets that were identified from the magnetic geophysical survey that was completed in the previous year. Drilling results from the program were immaterial to follow-up and the Corporation is currently in the process of looking at other alternatives for the property.

3.3 Garrison Properties

i) Garrcon Project

The Corporation acquired the Garrcon Project through its acquisition of Northern Gold Mining Inc. ("Northern Gold") which was completed on December 22, 2015. The Garrcon Project is 100% owned by the Corporation and covers approximately 788 hectares in the prolific Abitibi Greenstone Belt in Ontario, Canada. The property consists of 66 contiguous mining claims. Of the 66 claims, 35 patented mining claims are subject to a 2% NSR. The Corporation can purchase a 50% reduction in the NSR for a payment of $10,000,000 at any time upon the earlier of May 13, 2017 and the commencement of commercial production. In addition, 12 of the 35 patented claims acquired, are subject to a prior NSR of 1.5% from mineralized material mined above 400 feet vertically, and a 2% NSR from mineralized material mined below that elevation. Additionally, two of the unpatented mining claims are subject to a 1% NSR, of which the Corporation shall have the right to purchase 1.0% for $250,000. A further single unpatented mining claim is subject to a 1% NSR, of which the Corporation shall have the right to purchase 0.5% for $250,000. An additional 20 patented claims are subject to a 2% NSR, of which the Corporation has the right and option to purchase 0.5% for $1,000,000. The vendor retains a back-in right for up to 51% interest in the claims should a resource totalling 4 million ounces be identified on the claims. Such back-in right would trigger a cash reimbursement to the Corporation equal to double the exploration costs incurred since the date of the arrangement. Some of the claims are subject to an additional 1.5% NSR under previous option agreements entered into by the vendor. The remaining eight patented claims are subject to a 1% NSR.

ii) Jonpol Project

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

iii) Buffonta Project

The Corporation acquired the Buffonta Project through its acquisition of Northern Gold which was completed on December 22, 2015. The Buffonta Project is 87.5-100% owned and covers approximately 2359 hectares in the prolific Abitibi Greenstone Belt in Ontario, Canada. The property consists of 120 contiguous mining claims. The Buffonta Project is subject to a 3% NSR of which 0.5% can be purchased for $1,000,000.

iv) Gold Pike Project

The Corporation acquired the Gold Pike Project through its acquisition of Northern Gold which was completed on December 22, 2015. The Gold Pike Project is 40-60% owned and covers approximately 468 hectares in the prolific Abitibi Greenstone Belt in Ontario, Canada. The property consists of 26 contiguous mining claims. The Gold Pike Project has 10 claims under two separate agreements in which each are subject to a 2% NSR of which 1% can be purchased for $1,000,000. The property has an annual $25,000 advance royalty payment.

Exploration Activity

The Corporation began a 20,000 metre drill campaign in August 2016 which has recently expanded to 35,000 metres. The drill program is designed to increase confidence in the historical resource estimates on the Garrcon deposits, as well as exploring for possible extensions of the known mineralized zones. The current results demonstrate there is good potential to increase the known mineral inventory at Jonpol through continued definition and exploratory drilling, specifically in the depth extensions of the main deposit. Historic drilling at Jonpol was limited to areas from surface to 600 metres depth with much of the drilling targeting above 350 metres depth. The current 35,000 metre drill program (recently increased from 20,000 metres) is designed to further test the known Jonpol and Garrcon gold zones, with six drill rigs currently active on the property. Significant new results include: 2.27 g/t Au over 46.4 metres in OSK-G16-213X; 2.85 g/t Au over 19.6 metres in OSK-G16-318; 6.66 g/t Au over 6.8 metres in OSK-G16-319; 3.1 g/t Au over 12.0 metres (4.96 g/t Au over 12.0 metres uncut) in OSK-G16-314A; 16.7 g/t Au over 16.4 metres (8.52 g/t Au over 16.4 metres cut) and 7.62 g/t Au over 2.6 metres in OSK-G17-326.and 3.57 g/t Au over 8.0 metres in OSK-G16-209X.

3.4 Marban Block Properties

i) Marban Project

The Corporation acquired the Marban Project through the acquisition of Niogold. The Marban Project is 100% owned and is the result of an amalgamation of the former Marban, First Canadian, Norlartic and Gold Hawk claims. The Marban Block Properties are located about 15 kilometers west of the town of Val-d'Or in the Abitibi region of Québec, Canada and consists of 30 mining claims and 3 mining concessions covering 1,023 hectares.

The Marban claims are subject to a NSR of 1% to 1.5%. The First Canadian claims are subject to a 10% net profits interest. The vendor retained a 0.5% NSR on the Marban claims, a 1% NSR on the First Canadian claims and a 2% NSR on the Norlartic claims. The property also has two mining claims known as the Gold Hawk claims which are subject to a 2% NSR.

Exploration Activity

The Corporation completed an updated mineral resource estimate during the year ended December 31, 2016. This update includes 92,900 metres of infill drilling and historical core re-sampling executed since the last published resource estimates on the Marban and Norlartic deposits. The new estimate has produced an increase in the overall gold resource and an upgrading of the bulk of the resources to robust M&I, pit-constrained categories. This updated estimate was prepared by Belzile Solutions Inc. based in Rouyn-Noranda, Québec. Mine Development Associates based in Reno, Nevada previously estimated the Marban project resources in 2007, 2010 and 2013.

Highlights:

- The in-pit measured and indicated ("M&I") resource estimate (total of both Marban and Norlartic) now stands at approximately 1.48 million ounces gold in 37.0 M tonnes at an undiluted grade of 1.24 g/t Au, with in-pit inferred resource adding approximately 0.13 million ounces gold in 3.6 M tonnes at an undiluted grade of 1.15 g/t Au. Pit-constrained resources are based on a Whittle-optimized pit shell using a gold price of US$1,250 per ounce and an external lower cut-off of 0.4 g/t Au (see table below).

- At a higher cut-off grade of 1.0 g/t Au, the in-pit M&I resources stand at approximately 1.04 million ounces gold in 16.5 M tonnes at an undiluted grade of 1.97 g/t Au, representing 70% of the overall pit-constrained M&I ounces.

- The new global M&I mineral resource estimate currently stands at 1.83 million ounces gold in 47.6 M tonnes with an average grade of 1.20 g/t Au and the global inferred mineral resource estimate stands at 0.41 million ounces gold in 12.2 M tonnes at an average grade of 1.03 g/t Au (based on 0.40 g/t Au lower cut-off; see table below).

- Both Marban and Norlartic are open at depth and further drilling is planned to establish the potential for additional resources that may be mined by underground methods.

Undiluted resource estimates within US$1,250
Whittle pit shell

Deposit	Category	Grade (g/t)	Tonnes (M)[2]	Oz Au[3]
Norlartic	Measured	-	-	-
Norlartic	Indicated	1.30	8.6	358,000
Norlartic	M&I	1.30	8.6	358,000
Norlartic	Inferred	-	-	-
Marban	Measured	1.47	7.7	363,000
Marban	Indicated	1.13	20.8	758,000
Marban	M&I	1.23	28.4	1,121,000
Marban	Inferred	1.15	3.6	134,000
All	Measured	1.47	7.7	363,000
All	Indicated	1.18	29.4	1,117,000
All	M&I	1.24	37.0	1,479,000
All	Inferred	1.15	3.6	134,000

(1) Cut-off grade of 0.40 g/t Au and average strip ratio of 6.29 (excluding overburden).
(2) Rounded to nearest 1 million, which may cause apparent discrepancies.
(3) Rounded to nearest 1 thousand, which may cause apparent discrepancies.

Details on the parameters of the resource estimates are as follows:

- The database comprised a total of 723 holes for 221,200 metres of drilling completed and assayed by Osisko (Niogold) as of the end of November 2015 on a 25 metre x 25 metre grid to 25 metre x 50 metre grid. Another 379,440 metres of the database were from 3,855 historical holes and 9,183 metres from 1,356 channels from the Marban mine compiled from previous operators.

- The present estimates were done using Inverse Distance Cubed (ID3) interpolation as the geostatistical method based on 2.0 metre analytical composites. ID2 and Ordinary kriging interpolation have also been used for comparison with no significant variations in results.

- All estimates are based on a block dimension of 10 metres E, 5 metres N and 5 metres height with estimation parameters determined by variography.

- Geological interpretation based on lithologies, folds and mineralized shears, made from cross-sections at 6 to 12.5-metre intervals, identified, for the Marban deposit, a total of 94 mineralized low domains, of which 40 include higher-grade sub-domains, for a total of 134 distinct domains. The domains comprise stacked mineralized shears that strike east-west and dip 45 to 50 degrees north. Minimum width was set to three metres.

- Estimates are based on original samples within mineralized domains capped to a maximum of 30 g/t Au for all low-grade domains and to a maximum of 45 to 80 g/t Au for the high-grade domains. Globally, about 0.25% of the population has been capped representing an apparent gold loss varying between 5% and 15% depending of the domains. All 2-metres composites are estimated based on cut data. In addition to the assay capping, restrictions were placed during grade interpolation on the influence of high-grade composites in low grade mineral domains.

- Tonnage estimates are based on average densities ranging from 2.70 to 2.86 t/m3 with a 2.80 t/m3 density for the basalt (the principal ore host), based on a total of 902 specific gravity measurements (624 for Marban and 278 for Kierens-Norlartic).

- The resources estimated into the modeled workings of the past-producing Marban and Norlartic mines were removed from the mineral resources;

- The Norlartic potential pit has the Keriens Creek flowing over a portion of it. Current baseline environmental studies will assess the possibility of deviating it.

- Pit optimization parameters are summarized in the table below:

Parameter	Unit	Value
Gold price	US$/oz	1250
Royalties	%	3.0%
Refining cost	US$/oz	3.75
Milling Rate	tpd	10,000
Processing cost	US$/t milled	10.60
Administration	US$/t milled	0.75
Sustaining capital	US$/t milled	0.94
Total ore cost	US$/t milled	12.29
Recovery	%	89.0%
Cut-off grade	g/t Au	0.40
Base mining cost rock	US$/t mined	1.88
Incr. bench cost	US$/bench	0.02
Mining cost overburden	US$/t mined	1.50
Density overburden	t/m3	2.0
Pit slopes N-E-W walls	degrees	50
Pit slopes south walls	degrees	45

ii) Malartic Project

The Corporation acquired the Malartic Project through the acquisition of Niogold. The Malartic Project includes the Camflo West, the Malartic Hygrade, the Malartic Hygrade-NSM and the Malartic H Properties. The properties are located to the northeast of the town of Malartic, in the Abitibi region of Québec, Canada. The Malartic Project consists of 139 mining claims and 1 mining concession covering 6,263 hectares. The Camflo West claims are subject to various NSR's ranging from 1.5% to 3.0%, certain of which, or portions thereof, can be repurchased for payments ranging from $200,000 to $1,500,000. The Malartic H claims are 85% owned by the Corporation and the remaining 15% can be purchased by paying $25,000.

Exploration Activity

During the year ended December 31, 2016, Osisko commenced exploration drilling on the Malartic Project. The drill program is designed to test new targets outside of the existing Marban, Kierens and Norlartic deposit resource areas.

The initial program will consist of over 5,000 metres and includes 7 holes on the Héva Property along the Norbenite shear zone, and 15 holes on the Malartic Project to investigate a regional fold hinge. Drilling will also be conducted between the Marban and Norlartic deposits to verify the continuity of the "Stellar Zone" (19.21 g/t Au over 5.6 metres, NioGold press release dated August 15, 2012).

iii) Siscoe East Project

The Corporation acquired the Siscoe East Property through the acquisition of Niogold. The Siscoe East Property is located in the Vassan Township in the Abitibi region of Québec, Canada. NioGold owns a 50% interest in the claims covering the Siscoe East Property, the remaining 50% interest being held by another company. Some claims are subject to NSRs of 2.0%. Half of the NSRs may be repurchased for a total of $2,750,000.

Exploration Activity

No exploration activity has occurred on the project since its acquisition took place on March 11, 2016.

iv) Héva Project

The Corporation acquired the Héva Property through the acquisition of Niogold. The Héva Property, located 42 kilometers northwest of the city of Val-d'Or, and the Val-d'Or Property, located south of the limit of the town of Val-d'Or, in the Abitibi region of Québec, Canada. Some of the claims of the Héva Property are subject to a 1.5% NSR of which half may be repurchased for $200,000.

Exploration Activity

Exploration has yet to occur on the project after acquisition of the project on March 11, 2016.

3.5 DeSantis Property

The Corporation acquired the DeSantis Property in the Porcupine Mining Division in Ogden Township, Ontario, from Excellon Resources Inc. in exchange for Common Shares.

Exploration Activity

The Corporation has begun a till sampling program in August 2016 to define drill targets for further exploration work.

3.6 Swayze Property

The Corporation acquired the Swayze Property located in the Greenstone Belt of Ontario on August 2, 2016. The claims were purchased for a cash payment of $250,000.

Exploration Activity

In January 2017, the Corporation began line cutting so that it can begin its geophysics come the spring.

3.7 James Bay Properties

On October 5, 2016, Osisko announced that it has finalized the earn-in transaction with Osisko GR. Under the terms of the earn-in agreement, the Corporation may earn a 100% interest in Osisko GR interest in 28 exploration properties located in the James Bay area, Québec and the Labrador Trough area (the "Properties") upon incurring exploration expenditures totalling $32 million over the 7-year term of the earn-in agreement; the Corporation will earn a 50% interest upon completing expenditures totalling $19.2 million. Osisko GR will retain an escalating NSR royalty ranging from 1.5% to a maximum of 3.5% on precious metals and a 2% NSR royalty on other metals and minerals produced from the Properties. Additionally, any new properties acquired by the Corporation in the designated area during the 7-year term of the earn-in agreement may also be subject to a royalty agreement in favour of Osisko GR with similar terms and subject to certain conditions.

i) Kan Project

The Kan Project is located within the Labrador Trough, approximately 80 kilometres southwest of Kuujjuuaq, Quebec. It covers approximately 40 kilometres of favorable stratigraphy that includes silicate-carbonate iron formations, thick metal-rich black shales units, gabbros and turbidites. 652 claims (30,156 ha.) and located 80 kilometres southwest of the Kuujuuaq in North Québec, 209 of the claims are subject to a 2% NSR in favor of Les Ressources Tectonic Inc. The NSR may be purchased at any time, 0.5% NSR for $750,000. The buy-back of the other 0.5% NSR for $750,000 is retained by Altius Resources Inc.

On January 10, 2017, Osisko announced that it has entered into a binding agreement with Barrick, which sets forth the terms of an Exploration Earn-In on the Property. Under the Exploration Earn-In, Barrick must commit $15 million in work expenditures over a four-year period to earn a 70% interest on Kan, subject to certain annual work expenditure thresholds, including a guaranteed expenditure threshold of $6 million in the first two years.

Following the completion of the Exploration Earn-In, the Property will be transferred to a new joint venture entity to be owned 30% by Osisko and 70% by Barrick. Osisko and Barrick will then enter into a joint venture agreement in respect of the Property. In addition, Barrick may earn a further 5% interest in the joint venture entity (for a total interest of 75%) by electing to fund an additional $5 million of project level expenditures (such as a preliminary economic assessment or pre-feasibility study).

Exploration Activity

The exploration activity that has occurred on the project since its acquisition took place on October 4, 2016 mainly consists of drilling and channel sampling.

ii) Éléonore Project

The Éléonore Project consists of 526 claims (27, 488ha.) located 15 kilometres west of the Éléonore gold Mine in the Opinaca Reservoir area of the James Bay territory.

Exploration Activity

The exploration activity that has occurred on the project since its acquisition took place on October 4, 2016 mainly consists of drilling, Induced Polarization (“IP”) survey and channel sampling.

iii) Éléonore-JV Project

The Éléonore-JV Project consists of 1872 claims (>97, 900 ha.) of which is approximately 50% is owned by Exploration Midland and is located 25 kilometres southeast and 20 kilometres northwest of the Éléonore gold Mine in the Opinaca Reservoir area of the James Bay territory. The property is subject to a 0.5% NSR in favor of Osisko Gold Royalties and to a 0.5% NSR in favor of Midland Resources.

Exploration Activity

The exploration activity that has occurred on the project since its acquisition took place on October 4, 2016 mainly consists of drilling.

4. EXPLORATION AND EVALUATION ASSETS EXPENDITURES AND COMMITMENTS

4.1 *Exploration and Evaluation Assets Expenditures*

The Corporation’s expenditures on exploration and evaluation assets for the year ended December 31, 2016, were as follows (in thousands of Canadian dollars):

	December 31, 2015	Acquisitions in the period	Additions in the year	Write offs in the yeaer	December 31, 2016
Canadian properties					
Urban Barry	$ 472	$ -	$ 3,377	$ -	$ 3,849
Windfall Lake	39,103	-	17,096	-	56,199
Ogima - Catharine Fault	894	-	654	-	1,548
Garrcon - Garrison	9,582	-	4,516	-	14,098
Gold Pike - Garrison	-	-	47	-	47
Buffonta - Garrison	5	-	81	-	86
Northstar Miller - Catharine Fault	-	-	33	(33)	-
DeSantis Property	-	-	1,324	-	1,324
Black Dog (formally "Souart") Property	-	-	1,527	-	1,527
Swayze Property	-	-	466	-	466
Marban - Marban Block	-	21,370	2,107	-	23,477
Malarctic - Marban Block	-	37,097	712	-	37,809
Siscoe East - Marban Block	-	2,487	31	-	2,518
Héva - Marban Block	-	675	140	-	815
Kan - James Bay	-	-	284	-	284
Éléonore – James Bay	-	-	274	-	274
Éléonore JV – James Bay	-	-	104	-	104
Other – James Bay	-	-	160	-	160
Total exploration and evaluation assets	$ 50,056	$ 61,629	$ 32,933	$ (33)	$ 144,585

Significant additions during the year ended December 31, 2016 are described by category in the following table (in thousands of Canadian dollars):

For the year ended December 31, 2016	Urban Barry	Windfall Lake	Ogima - Catharine Fault	Garrcon-Garrison	Gold Pike-Garrison	Buffonta-Garrison	Miller - Catharine Fault	DeSantis	Black Dog (formally "Souart")
Property costs	$ 112	$ 15	$ 86	$ 79	$ 26	$ 5	$ 33	$ 1,194	$ 725
Camp costs	-	1,724	1	81	3	3	-	-	141
Office costs	21	120	-	80	7	64	-	-	4
Project management	304	1,245	94	289	-	-	-	5	36
Drilling	1,121	17,873	346	3,636	1	3	-	69	518
Geochemical survey	454	23	5	-	-	-	-	-	-
Permitting	-	134	-	1	-	-	-	-	-
Geophysical survey	1,313	357	102	-	-	-	-	-	28
Geology	43	11	-	49	5	3	-	55	73
Engineering	-	62	-	-	-	-	-	-	-
Community relations	1	80	20	219	-	-	-	1	-
Environmental	8	202	-	60	5	3	-	-	2
Health and safety	-	250	-	22	-	-	-	-	-
Sale of royalty	-	(5,000)	-	-	-	-	-	-	-
Quebec exploration mining duties earned	-	-	-	-	-	-	-	-	-
Total additions	$ 3,377	$ 17,096	$ 654	$ 4,516	$ 47	$ 81	$ 33	$ 1,324	$ 1,527

For the year ended December 31, 2016	Swayze	Marban - Marban	Malarctic - Marban	Siscoe East - Marban	Héva - Marban	Kan - James Bay	Éléonore – James	Éléonore JV –	Other – James Bay	Total
Property costs	$ 300	$ 2	$ 8	$ 3	$ 5	$ 121	$ 12	$ -	$ 78	$ 2,804
Camp costs	-	-	-	-	-	-	-	-	-	1,953
Office costs	1	112	65	4	2	2	2	4	3	491
Project management	6	67	116	8	-	58	41	18	28	2,315
Drilling	139	1,473	523	16	133	102	185	51	51	26,240
Geochemical survey	-	-	-	-	-	-	33	30	-	545
Permitting	-	-	-	-	-	-	-	-	-	135
Geophysical survey	-	-	-	-	-	-	-	-	-	1,800
Geology	16	-	-	-	-	-	-	-	-	255
Engineering	-	444	-	-	-	-	-	-	-	506
Community relations	4	-	-	-	-	-	-	-	-	325
Environmental	-	258	-	-	-	1	1	1	-	541
Health and safety	-	2	-	-	-	-	-	-	-	274
Sale of royalty	-	-	-	-	-	-	-	-	-	(5,000)
Quebec exploration mining duties earned	-	(251)	-	-	-	-	-	-	-	(251)
Total additions	**$ 466**	**$ 2,107**	**$ 712**	**$ 31**	**$ 140**	**$ 284**	**$ 274**	**$ 104**	**$ 160**	**$ 32,933**

During the year ended December 31, 2016, the majority of spending took place on the Windfall Lake Property which had a planned drill program of 150,000 metres as well as a recently announced further campaign of 250,000 metres. During the year ended December 31, 2016, the Corporation drilled approximately 117,000 metres and completed a regional airborne magnetic and electromagnetic geophysical survey on the Windfall Lake Property and Urban Barry area. The Corporation also completed a geophysical survey on the Ogima-Catherine Property which defined the drill program for the drill campaign that was completed during the year. During the month of August 2016, the Corporation began a 20,000 metre drill campaign on the Garrcon-Garrison Property. This campaign has also subsequently been extended to 35,000 metres. During the year, the Corporation began drilling the Black Dog Property located in Urban Barry, Québec. The Corporation also completed an updated resource on the Marban Project and commenced drilling on the Malartic Property, as well as completed a series of metallurgical testing on the deposit.

4.2 Option Payments and Acquisition Costs for Exploration and Evaluation Assets Claims

The following is a summary of the committed option payments and acquisition costs to be made as of December 31, 2016, in respect of the Corporation's exploration and evaluation assets (in thousands of Canadian dollars):

	Total	2017	2018
Catharine Fault - Ogima Project	$ 240	$ 100	$ 140
James Bay properties	$ 5,000	$ 5,000	$ -
Total	**$ 5,240**	**$ 5,100**	**$ 140**

5. OUTLOOK

The operational outlook below and described herein reflects the Corporation's current operations. The Corporation completed the acquisition of Niogold on March 11, 2016.

The Corporation completed multiple financings for approximately $83-million during the year ended December 31, 2016. Subsequent to year end, a large $83-million bought deal closed on February 28, 2017. The proceeds from these financings will be used to fund "Canadian exploration expenses" on the Corporation's Québec and Ontario properties. The Corporation is planning to increase its drilling program on all the properties. A 250,000 metre drill campaign is expected to place 16 to 20 drill rigs on the Windfall Lake Property and Urban Barry area and a 35,000 metre drill campaign using 6 rigs on the Garrison Properties. Subsequent to year end, the Corporation commenced its feasibility study on the Windfall Lake Property and will begin de-watering the exploration ramp in Q2/2017. The goal of the program is to increase the confidence in all the existing resources as well as to expand all existing resources. The Corporation is working towards an initial resource update over the course of 2017 on the Urban Barry and Windfall Lake Properties.

Gold mineralization identified to date, in the target zone underneath the Red Dog, defines an inferred mineral resource of 455,000 tonnes averaging 8.21 g/t gold for 120,000 contained ounces of gold. The drill program is designed to target potential extensions of gold mineralization to increase the current size of the Windfall Lake Property.

The Corporation has also began line-cutting on the Swayze Property in preparation for an IP survey expected to start this upcoming spring.

6. INVESTMENTS

The Corporation assets include a portfolio of investments in publicly and non-publicly traded companies. The Corporation invests in various companies within the mining industry for investment purposes and strategic decisions. In addition to investment objectives, in some cases, 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. These investments, which include positions in Kilo Goldmines Ltd ("Kilo") and Barkerville, are reflected as Investments in Associates in the consolidated financial statements of the Corporation. On August 8, 2016, the Corporation acquired 50 million common shares of Barkerville and immediately classified this investment as an Investment in Associates. In addition, the Corporation's Co-Chairman, Sean Roosen, acts as Co-Chairman of the Board of Directors of Barkerville. On October 26, 2016, the Corporation sold its aggregate of 21,868,000 common shares in the capital of Kilo in exchange for 1,457,867 common shares in the capital of Resolute Mining Ltd and therefore declassified Kilo as an Investment in Associate.

6.1 Marketable Securities

The following table summarizes information regarding the Corporation's marketable securities as at December 31, 2016 and December 31, 2015 (in thousands of Canadian dollars):

As at	**December 31, 2016**	December 31, 2015
Balance, beginning of year	**$ 8,707**	$ 32
Additions	**16,590**	2,935
Acquisitions (note 5)	**178**	5,705
Transfer to investments in associates (note 11)	**(1,248)**	-
Disposals	**(14,089)**	(1,341)
Realized gain on disposals	**3,428**	742
Unrealized gain on mark-to-market	**1,454**	634
Balance, end of year	**$ 15,020**	$ 8,707

During the year ended December 31, 2016, the Corporation realized a gain of $3,428,000 (2015 - $742,000) on the sale of marketable securities as well as an unrealized gain of $1,454,000 (2015 - $634,000). These gains are attributed to stronger commodity prices as well as increase in the equities.

6.2 Investments in Associates

The Corporation's investments relating to its interests in Kilo and Barkerville are detailed as follows (in thousands of Canadian dollars):

As at	December 31, 2016		
	Kilo	**Barkerville**	**Total**
Balance, beginning of year	**$ -**	**$ -**	**$ -**
Transfers from marketable securities	**1,248**	**-**	**1,248**
Share investment in associates	**-**	**17,000**	**17,000**
Cash investment in associates	**700**	**22,000**	**22,700**
Cash sale of associates	**(121)**	**-**	**(121)**
Share for share sale of associate	**(1,705)**	**-**	**(1,705)**
Share of loss for the year	**(122)**	**(1,710)**	**(1,832)**
Balance, end of year	**$ -**	**$ 37,290**	**$ 37,290**

6.3 Long-term Investments

During the year ended December 31 2016, the Corporation held a $180,000 long-term investment in a non-publicly traded entity.

7. RESULTS OF CONTINUING OPERATIONS

The following table summarizes the Corporation's Consolidated Statement of Operations for the year ended December 31, 2016 and 2015 (in thousands of Canadian dollars):

	Three months ended		**Year ended**	
	December 31, 2016	December 31, 2015	**December 31, 2016**	December 31, 2015
Expenses from continuing operations				
Compensation	**$ 2,735**	$ 1,152	**$ 10,497**	$ 4,001
General and administration expenses	**1,128**	1,171	**3,456**	2,180
General exploration	**76**	71	**248**	191
Exploration and evaluation assets written off	**-**	1,194	**33**	1,194
Flow-through premium income	**(3,303)**	(436)	**(6,613)**	(436)
Unrealized loss/(gain) from marketable securities	**5,256**	(48)	**(1,454)**	(634)
Realized gain from marketable securities	**(447)**	(551)	**(3,428)**	(742)
Impairment loss from long-term investment	**120**	-	**120**	-
Loss from sale of equipment	**22**	-	**349**	-
Gain from sale of associate	**(583)**	-	**(583)**	-
Foreign currency exchange (gain)/loss	**(80)**	(110)	**101**	(280)
Other income	**(104)**	-	**(390)**	-
Operating loss from continuing operations	**4,820**	2,443	**2,336**	5,474
Finance income	**(472)**	(181)	**(667)**	(271)
Finance costs	**26**	15	**138**	15
Net finance income from continuing operations	**(446)**	(166)	**(529)**	(256)
Share of loss of associate	**1,183**	-	**1,832**	-
Loss for the year from continuing operations before tax	**5,557**	2,277	**3,639**	5,218
Deferred income tax expense	**1,587**	-	**1,587**	-
Loss for the year from continuing operations	**7,144**	2,277	**5,226**	5,218
Loss for the year from discontinued operations	**-**	5	**-**	7,785
Total loss for the year	**$ 7,144**	$ 2,282	**$ 5,226**	$ 13,003
Other comprehensive (income)/loss				
Items that may be reclassified subsequently to profit and loss:				
foreign currency translation	**$ (1)**	$ (47)	**$ 41**	$ (396)
Comprehensive (income)/loss for the year	**(1)**	(47)	**41**	(396)
Total comprehensive loss	**$ 7,143**	$ 2,235	**$ 5,267**	$ 12,607

7.1 Three-month Period Ended December 31, 2016 as Compared to Three-month Period Ended December 31, 2015

Loss for the period increased by $4,862,000, from $2,282,000 for the three-month period ending December 31, 2015 to $7,144,000 for the three-month period ended December 31, 2016, due to higher expenses related to the acquisitions and a growing business.

Compensation expense increased in the period ended December 31, 2016 by $1,583,000 to $2,735,000, compared with $1,152,000 expensed in the same period in 2015. This is due to an increase in both stock-based compensation and compensation expense of $542,000 and $1,041,000, respectively. Stock-based compensation increased due to options that were issued as part of the Corporation's acquisitions as well as options that were issued to the new members of the Board of Directors (the "Board"). Compensation expense increased due to additional staff in the Corporate offices and an increase in Board fees for the new directors.
General and administration expenses decreased by $43,000 to $1,128,000 for the period ended December 31, 2016, compared to $1,171,000 in the same period for 2015. This decrease is mostly due to a decrease in shareholder and regulatory expense of $87,000 as the Corporation had more filings during the 2015 period compared to 2016 as well as in increase in Administrative services pertaining to consulting fees related to a financial agreement that was entered into in 2015. Other increases in general and administration include 1) increase in travel expenses of $148,000 due to increase in marketing activities and road shows subsequent to the acquisitions and an overall increase in exploration activity, analyst tours to the properties and due diligence performed on further potential acquisitions, and 2) increase in office expenses of $183,000 relating to office expense due to a larger staff base, marketing and a growing Corporation.

General exploration increased by $5,000 to $76,000 during the period ended December 31, 2016, compared to $71,000 for the same period in 2015, as the Corporation is continuing to search for new opportunities within Canada.

Flow-through premium income was $3,303,000 during the period ended December 31, 2016, compared to $436,000 during the same period in 2015. This income is derived from the December 2016 Offering as well as the July 2016 Offering. On issuance of these Flow-Through Shares, a flow-through share premium liability was 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 period ended December 31, 2016, the Corporation maintained the acquired portfolio of securities as part of the 2015 Arrangement as well as strategically invested in marketable securities of other exploration and development companies. As a result, the Corporation recognized a realized gain and an unrealized loss in the period related to these investments of $447,000 and $5,256,000, respectively. The realized gain is from the sale of several investments and the unrealized loss is a result of the Corporation marking to market its investments at period end. The Corporation had a fair market value of $15,020,000 of marketable securities as at December 31, 2016, compared to $8,707,000 as at December 31, 2015.

During the period ended December 31, 2016, the Corporation recognized an unrealized loss on the sale of equipment of $22,000 relating to equipment no longer in use that has been replaced.

An unrealized foreign currency loss of $80,000 was recognized during the period ended December 31, 2016, compared with unrealized loss of $110,000 for the same period in 2015, as a result of the decreased strength of the United States dollar compared to the Canadian dollar and an increase in the United States dollar balance for the period.

Net finance income during the period ended December 31, 2016 increased by $280,000 to $446,000, compared with $166,000 for the same period in 2015. The main reason behind the increase is the increased cash balance of the Corporation due to a combination of: 1) the issuance on a private placement basis of Common Shares to Osisko Gold Royalties Ltd for gross proceeds of $17.8 million (the "Osisko Private Placement") and 2) the September 2016 Offering and 3) the December 2016 Offering. This increase was partially offset by a Part XII.6 tax accrued since February 1, 2016 that arose from the unspent flow-through expenditures using the look back rule. The Corporation had $81,271,000 of cash and cash equivalents as at December 31, 2016.

Share of loss of associate recognized during the period ended December 31, 2016 was $1,183,000 compared to $nil for the same period in 2015. Management determined that the Corporation held significant influence over the decision-making process of Kilo and Barkerville and as such must recognize its share of Kilo and Barkerville's net losses.

7.2 Year Ended December 31, 2016 as Compared to Year Ended December 31, 2015

Loss for the year decreased by $7,777,000 from a loss of $13,003,000 for the year ended December 31, 2015 to a loss of $5,226,000 for 2016. This is mainly attributable to the $6,613,000 flow-through premium income that is recognized as the Corporation spends its flow-through funds, an unrealized gain from marketable securities of $1,454,000 as well as a realized gain of $3,428,000 due to stronger commodity prices and markets in which Osisko holds its investments. This was partially offset by higher expenses related to the acquisitions and a growing business.

Compensation expense increased in the year by $6,496,000 to $10,497,000, compared with $4,001,000 expensed in 2015. This is due to an increase in both stock-based compensation and compensation expense of $3,099,000 and $3,397,000, respectively. Stock-based compensation increased due to options that were issued as part of the Corporation's acquisitions as well as options that were issued to new members of the Board. Compensation expense increased due to additional staff in the Corporate offices, increase in officers, a compensation adjustment during the year as well as an increase in Board fees for the new directors.

General and administration expenses increased by $1,276,000 to $3,456,000 for the year ended December 31, 2016, compared to $2,180,000 in 2015. This increase is mostly due to an increase in shareholder and regulatory expense of $427,000 as the Corporation had more filings during the year compared to 2015, additional expenses relating to the Niogold Arrangement that were not considered transaction costs, as well as a tax penalty that related to a 2012 re-assessment of Eagle Hill and increased investor relations activities. Other increases in general and administration include: 1) increase in travel expenses of $381,000 due to increase in marketing activities and road shows after the acquisitions, an overall increase in exploration activity, and due diligence performed on further potential acquisitions, 2) increase in professional fees of $332,000 due to an increase in investments and professional expenses related to the mergers that were not part of transaction costs and due diligence on potential property acquisitions, and 3) increase in office expenses of $432,000 relating to the transitioning of the companies that were concurrently acquired by the Corporation, namely, Eagle Hill, Ryan Gold Corp. and Corona Gold Corporation (the "2015 Arrangement"), the Northern Gold acquisition and the Niogold Arrangement as well as in increase in costs related to a growing Corporation.

General exploration increased by $57,000 to $248,000 during the year ended December 31, 2016, compared with $191,000 for the same period in 2015, as the Corporation is continuing to search for new opportunities within Canada. General exploration expenses incurred in 2016 also relate to exploration on the DeSantis Property incurred before the Corporation had the right to the property.

Flow-through premium income was $6,613,000 during the year ended December 31, 2016, compared to $436,000 in 2015. This income is in relation to the December 2016 Offering as well as the July 2016 Offering. On issuance of these Flow-Through Shares, a flow-through share premium liability was recognized. Upon the Corporation incurring flow-through eligible expenditures, the Corporation recognizes flow-through premium income and decreases the flow-through premium liability.

During the year ended December 31, 2016, the Corporation maintained the inherited portfolio of securities as part of the 2015 Arrangement as well as strategically invested in marketable securities of other exploration and development companies. As a result, the Corporation recognized a realized and unrealized gain in the period related to these investments of $3,428,000 and $1,454,000, respectively. The realized gain is from the sale of several investments and the unrealized gain is a result of the Corporation marking to market its investments at year end. Both gains are a result of an overall increase in commodity prices and an increase in the markets. The Corporation had a fair market value of $15,065,000 of marketable securities as at December 31, 2016, compared to $8,707,000 as at December 31, 2015.

During the year ended December 31, 2016, the Corporation recognized an unrealized loss on the sale of equipment of $349,000 relating to equipment no longer in use that has been replaced as well as the sale of some old milling equipment that was acquired during the Northern Gold merger.

An unrealized foreign currency loss of $101,000 was recognized during the year ended December 31, 2016, compared with unrealized gain of $280,000 in 2015, as a result of the decreased strength of the United States dollar compared to the Canadian dollar and an increase in the United States dollar balance for the year.

Net finance income during the year increased by $273,000 to $529,000, compared with $256,000 in 2015, due to increases in the cash balance relating to the $83-million in financings that took place during the year. The Corporation had $81,271,000 of cash and cash equivalents as at December 31, 2016.

Share of loss of associates recognized during the year ended December 31, 2016 was $1,832,000, compared to $nil in 2015. Management determined that the Corporation held significant influence over the decision-making process of Kilo and Barkerville and as such must recognize its share of Kilo and Barkerville's net loss.

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 used in operating activities from continuing operations for the year ended December 31, 2016 totalled $11,706,000, compared to $5,272,000 used in 2015. The increased outflows were primarily attributable to the net loss from continuing operations of $5,226,000 for the year ended December 31, 2016 with adjustments for stock based compensation of $5,289,000, flow-through premium income of $6,613,000, realized gains on marketable securities of $3,428,000 and unrealized gains on marketable securities of $1,454,000.

Financing Activities

Cash provided by financing activities from continuing operations was $91,493,000 for the year ended December 31, 2016, compared with $31,880,000 in 2015. A total of $67,448,000 was raised through private placements (net of transaction costs), $11,737,000 was raised through the issuance of subscription receipts as well as a $5,000,000 placement from OGR for the sale of the 1% NSR royalty on Windfall Lake and Urban Barry. Additionally, the exercise of stock options and warrants resulted in inflows of $593,000 and $6,715,000, respectively. The cash received from private placements and subscription receipt issuance has been shown net of share issuance costs.

Investing Activities

Cash used by investing activities from continuing operations for the year ended December 31, 2016 totalled $54,502,000, compared to cash provided by investing activities of $18,808,000 in 2015. The change was mainly due to additions to exploration and evaluation expenditures for $31,646,000, acquisition of marketable securities for $13,300,000 and acquisition of Barkerville equity investment for $22,042,000, partially offset by proceeds on disposition of marketable securities of $13,390,000. For the year ended December 31, 2015, addition to exploration and evaluation expenditures totalled $3,704,00, and acquisition of marketable securities totalled $3,044,000. These outflows were offset by net cash and cash equivalents received from acquisitions on August 25, 2015 totalling $28,725,000.

In management's view, the Corporation has sufficient financial resources to fund current planned exploration programs and ongoing operating expenses. As at December 31, 2016, the Corporation has cash of $81,271,000, compared to $55,986,000 as at December 31, 2015. 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 *"Forward-Looking Information"* and *"Risks and Uncertainties"*.

8. SUMMARY OF ANNUAL RESULTS

(in thousands of Canadian dollars)

Year ended	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012
Financial results:					
Interest income	**$ (665)**	$ (259)	$ (107)	$ (107)	$ (77)
Loss from continuing operations	**$ 5,226**	$ 5,218	$ 2,741	$ 3,680	$ 1,735
Loss from discontinued operations	**$ -**	$ 7,785	$ 16,595	$ 5,735	$ 6,608
Loss per share* - basic and diluted					
From continuing operations	**$ 0.04**	$ 0.24	$ 0.70	$ 0.12	$ 0.05
From discontinued operations	**$ -**	$ 0.35	$ 4.22	$ 0.19	$ 0.21
Financial position:					
Working capital (non-IFRS measurement)	**$ 94,138**	$ 63,668	10,753	10,992	10,992
Exploration and evaluation assets	**$ 144,585**	$ 50,056	7,454	197	5,775
Total assets	**$ 285,293**	$ 119,337	18,118	11,751	20,345
Share capital	**$ 303,100**	$ 150,989	52,140	26,859	26,859
Deficit	**$ (55,735)**	$ (50,509)	(37,506)	(8,754)	(18,170)
Number of shares issued and outstanding	**161,990,656**	58,694,202	99,881,561	93,767,786	29,862,353

9. SUMMARY OF QUARTERLY RESULTS

(in thousands of Canadian dollars)

For the period ended	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016
Financial Results:				
Interest income	$ (219)	$ (147)	$ (151)	$ (148)
Loss/(Income) from continuing operations	$ 7,144	$ 1,741	$ (2,366)	$ (1,293)
Loss/(earnings) per share* - basic				
From continuing operations	$ 0.05	$ 0.01	$ (0.02)	$ (0.02)
Loss/(earnings) per share* - diluted				
From continuing operations	$ -	$ -	$ (0.01)	$ (0.02)
Financial Position:				
Working Capital (non-IFRS measurement)**	$ 94,138	$ 95,991	$ 68,454	$ 70,904
Exploration and evaluation assets	$ 144,585	$ 133,387	$ 124,400	$ 117,624
Total assets	$ 285,293	$ 274,297	$ 199,296	$ 197,089
Share capital	$ 303,100	$ 288,712	$ 216,539	$ 215,474
Deficit	$ (55,735)	$ (48,593)	$ (46,852)	$ (49,216)
Number of shares issued and outstanding	161,990,656	156,255,006	125,412,230	124,676,849

** Basic and diluted (earnings)/loss per share is calculated based on the weighted-average number of Common Shares outstanding. The number of shares issued and outstanding accounts for the 20-to-one and the 3.14-to-one consolidations of the Common Shares, effected on August 25, 2015 and April 14, 2014, respectively, applied retrospectively for all the periods disclosed in the table.*

*** 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)

For the period ended	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
Financial Results:				
Interest Income	**$ (169)**	$ (59)	$ (14)	$ (17)
Loss from continuing operations	**$ 2,276**	$ 2,126	$ 361	$ 455
Loss/(income) from discontinued operations	**$ 5**	$ 85	$ (126)	$ 7,821
Loss/(earnings) per share* - basic and diluted				
From continuing operations	**$ 0.04**	$ 0.10	$ 0.06	$ 0.09
From discontinued operations	**$ -**	$ -	$ (0.02)	$ 1.57
Financial Position:				
Working Capital (non-IFRS measurement)**	**$ 63,668**	$ 72,615	$ 10,526	$ 9,427
Exploration and evaluation assets	**$ 50,056**	$ 38,875	$ 1,143	$ 662
Total Assets	**$ 119,337**	$ 114,491	$ 13,021	$ 10,956
Share Capital	**$ 150,989**	$ 145,855	$ 54,046	$ 52,140
Deficit	**$ (50,509)**	$ (48,228)	$ (46,017)	$ (45,782)
Number of shares issued and outstanding	**58,694,202**	54,694,202	5,994,078	4,994,078

** Basic and diluted (earnings)/loss per share is calculated based on the weighted-average number of Common Shares outstanding. The number of shares issued and outstanding accounts for the 20-to-one and the 3.14-to-one consolidations of the Common Shares, effected on August 25, 2015 and April 14, 2014, respectively, applied retrospectively for all the periods disclosed in the table. The conversion of stock options is not included in the calculation of the diluted loss per share because the conversion would be anti-dilutive.*
*** Working Capital is a non-IFRS measurement with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see section 18.*

10. FOREIGN EXCHANGE

The following table summarizes the Canadian dollar average exchange rate for the three-month periods ended December 31, 2016 and 2015, as well as the spot rate as of March 16, 2017, providing the value of one Canadian dollar in the currencies of the countries in which the Corporation conducted business during the period ended December 31, 2016 and/or December 31, 2015.

Currency	December 31, 2016	December 31, 2015	March 16, 2017
United States dollar (USD)	**0.745**	0.783	**0.745**

11. LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2016, the Corporation had a cash balance of $81,271,000 (December 31, 2015 - $55,986,000) and working capital of $94,138,000 (December 31, 2015 - $63,668,000). Cash and working capital increased from December 31, 2015, due to the Niogold Arrangement, the $83,000,000 raised through Offerings throughout the year, partially offset by the expenditures incurred in connection with exploration activities in Canada, general and administration activities related to the offices in Canada and increased expenses related to the acquisitions that have taken place over the past year as well as the acquisition of Barkerville equity investment. The majority of the Corporation’s financial liabilities have contractual maturities of less than 30 days, and are subject to normal trade terms.

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. During the year ended December 31, 2016, the Corporation had negative cash flow from operating activities, and 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 it 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 to meet its exploration and administrative overhead expenses and maintain its planned exploration activities for the next twelve 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"*.

12. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

See section 4.2 for information regarding option payments on the properties for the Corporation's outstanding commitments. In addition to the option payments, on October 1, 2015, the Corporation signed an agreement with Dundee Capital Markets ("Dundee") where Dundee will provide financial advisory services for the Corporation at a cost of $28,000 per month. The agreement expires September 1, 2017. See Consolidated Financial Statements for the year ended December 31, 2016 and 2015 for further details.

13. OFF-BALANCE SHEET ARRANGEMENTS

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

14. TRANSACTIONS WITH RELATED PARTIES

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

During the year ended December 31, 2016, management fees, geological services, rent and administration fees of $2,594,000 (2015 - $498,000) were incurred with Osisko GR. Accounts payable to Osisko GR as at December 31, 2016 are $449,000 (2015 - $169,000). Additionally, geological services, rent and administration fees of $360,000 (2015 - $nil) were incurred by Osisko GR. Accounts receivable from Osisko GR as at December 31, 2016 are $345,000 (2015 - $nil).

On October 5, 2016, Osisko GR exercised their one-time right to provide first financing to the Corporation equal to $5 million in exchange for the granting by the Corporation of a 1% NSR over such properties wholly-owned by the Corporation. Additionally, as long as Osisko GR holds Common Shares equal to at least 10% of the issued and outstanding Common Shares on a non-diluted basis, Osisko GR will have the right to a) participate in future equity financings by the Corporation on a pro rata basis to its non-diluted shareholding immediately prior to any such financing; b) nominate three directors to the Board; c) refuse any agreement involving the sale of a similar interest in products; d) provide management services to the Corporation and e) cause the Corporation to exercise its rights of repurchase over any existing royalty, purchase any royalty held over properties of the Corporation and to sell to Osisko GR any royalties from properties owned by third parties that the Corporation may hold. These services and rights were provided as part of the private placement agreement that was entered into with Osisko GR on August 25, 2015. Furthermore, on October 19, 2016, Osisko GR purchased a royalty portfolio from Teck Resources Ltd which included a 1.5% NSR on the properties acquired by the Corporation from Northern Gold.

During the year ended December 31, 2016, financial advisory service fees of $336,000 were incurred with Dundee Capital Markets ("Dundee"), a company related to a Director. On October 1, 2015, the Corporation signed an agreement with Dundee whereas Dundee will provide financial advisory services for the Corporation at a cost of $28,000 per month plus a non-refundable retainer fee of $500,000. The agreement expires September 1, 2017.

The following table summarizes remuneration attributable to key management personnel for the year ended December 31, 2015 and 2016 (in thousands of Canadian Dollars):

For the year ended	**December 31, 2016**	December 31, 2015
Salaries expense of key management	**$ 1,949**	$ 851
Directors' fees	**457**	235
Stock-based compensation	**3,515**	1,797
	$ 5,921	$ 2,883

15. OUTSTANDING SHARE DATA

As at March 16, 2017 the Corporation had 184,426,930 Common Shares outstanding, as well as 16,079,624 stock options to purchase Common Shares at a weighted average exercise price of $1.97 per option and 29,492,144 warrants at a weighted average exercise price of $3.89 per warrant. This amounts to 229,998,698 Common Shares outstanding on a fully-diluted basis.

The following table summarizes the options outstanding and exercisable as at December 31, 2016:

		Options Outstanding		Options Exercisable	
Range of exercise prices per share ($)	**Weighted-Average Remaining periods of Contractual Life**	**Number of Stock Options Outstanding**	**Weighted Average Exercise Price ($)**	**Number of Stock Options Exercisable**	**Weighted Average Exercise Price ($)**
0.48 to 1.05	**2.2**	**527,123**	**0.65**	**527,123**	**0.65**
1.06 to 1.12	**4.2**	**4,700,000**	**1.08**	**1,566,662**	**1.08**
1.13 to 1.18	**3.9**	**600,000**	**1.16**	**399,999**	**1.16**
1.19 to 1.71	**3.7**	**3,916,667**	**1.20**	**2,608,326**	**1.20**
1.72 to 4.40	**4.4**	**2,452,833**	**3.08**	**1,052,819**	**3.36**
$ 1.26	**4.0**	**12,196,623**	**$ 1.51**	**6,154,929**	**$ 1.49**

The following tables summarizes the warrants issued and outstanding as at December 31, 2016:

2 for 1 warrants

	Number of warrants	**Weighted-average exercise price**
Outstanding as at December 31, 2014	-	$ -
Former EAG warrants acquired	7,120,692	1.85
Outstanding at December 31, 2015	7,120,692	$ 1.85
Expired	**(3,120,692)**	**1.65**
Outstanding at December 31, 2016	**4,000,000**	**$ 2.00**

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

20 for 1 warrants (Publicly traded warrants)

	Number of warrants	Weighted-average exercise price
Outstanding at December 31, 2014	-	$ -
Issuance of warrants on acquisition of EAG (ii)	130,636,320	0.15
Outstanding at December 31, 2015	130,636,320	$ 0.15
Exercised	**(5,020)**	**0.15**
Outstanding at December 31, 2016	**130,631,300**	**$ 0.15**

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

1 for 1 warrants

	Number of warrants	Weighted-average exercise price
Outstanding as at December 31, 2014	**-**	$ -
Issuance of warrants on acquisition of NGM	696,048	5.27
Outstanding at December 31, 2015	696,048	$ 5.27
Issuance of warrants on conversion of subscription receipts	**10,521,700**	**1.44**
Former Niogold warrants acquired	**1,010,477**	**1.15**
Exercised	**(4,746,039)**	**1.41**
Expired	**(241,332)**	**6.30**
Outstanding at December 31, 2016	**7,240,854**	**$ 1.62**

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

16. CRITICAL ACCOUNTING ESTIMATES

The preparation of the condensed interim consolidated 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 consolidated 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.

i) Significant judgments in applying accounting policies

The areas that require management to make significant judgments in applying the Corporation's accounting policies in determining carrying values include, but are not limited to:

Taxes:

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

Acquisitions:

The Corporation uses significant judgment to conclude whether an acquired set of activities and assets are a business. The acquisition of a business is accounted for as a business combination. If an acquired set of activities and assets does not meet the definition of a business, the transaction is accounted for as an asset acquisition. Management is of the view that the assets acquired in 2015 and 2016 do not meet the definition of a business based on the lack of mineral reserves acquired as well as the acquired inputs and personnel. There are differences in accounting for a business combination versus an asset acquisition including the potential recognition of goodwill and deferred tax amounts, and the initial measurement of certain assets and liabilities and the accounting for transaction costs. These differences not only affect the accounting as at the acquisition date, but will also affect future depreciation, depletion and possible impairment analysis.

Determination of significant influence over equity investments:

Judgment is needed to assess whether the Corporation's interest in a marketable security meets the definition of significant influence and therefore would be accounted for under the equity method as opposed to fair value through profit and loss. Management makes this determination based on its legal ownership interest, board representation and through an analysis of the Corporation's participation in entities' policy making process. Management is of the view at December 31, 2015 that for each of the investments held they did not meet the criteria to exert significant influence over the investee and therefore have recorded the investment at fair value through profit and loss. In the nine months period ended September 30, 2016, management determined it was able to exert significant influence over Kilo and Barkerville and started to account for these investments as associates under the equity method.

ii) Significant Accounting Estimates and Assumptions

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

Impairment of non-financial assets:

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

Fair value of share-based payments:

Determining the fair value of share-based payments involves estimates of interest rates, expected life of options, expected forfeiture rate, share price volatility and the application of the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires the input of highly subjective assumptions that can materially affect the fair value estimate. Stock options granted vest in accordance with the stock option plan. The valuation of stock-based compensation is subjective and can impact profit and loss significantly. The Corporation has applied a forfeiture rate in arriving at the fair value of stock-based compensation to be recognized, reflecting historical experience. Historical experience may not be representative of actual forfeiture rates incurred. Several other variables are used when determining the value of stock options using the Black-Scholes valuation model:

- ***Dividend yield***: The Corporation has not paid dividends in the past because it is in the exploration stage and has not yet earned any significant operating income. Also, the Corporation does not expect to pay dividends in the foreseeable future. Therefore, a dividend rate of 0% was used for the purposes of the valuation of the stock options.
- ***Volatility***: The Corporation uses historical information on the market price of peer companies to determine the degree of volatility at the date when the stock options are granted. Therefore, depending on when the stock options were granted and the period of historical information examined, the degree of volatility can be different when calculating the value of different stock options.
- ***Risk-free interest rate***: The Corporation used the interest rate available for government securities of an equivalent expected term as at the date of the grant of the stock options. The risk-free interest rate will vary depending on the date of the grant of the stock options and their expected term.

17. CHANGES IN IFRS ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee that are mandatory for accounting years ended after December 31, 2016. Many are not applicable or do not have a significant impact to the Corporation and have been excluded from the summary below.

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

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

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

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

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

International Financial Reporting Standard 9, “Financial Instruments” (“IFRS 9”)

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

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

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

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

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

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

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

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

18. CORPORATE GOVERNANCE

Management and the Board of the Corporation recognize 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 four committees: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, and the Health, Safety, Environmental and Corporate Social Responsibility Committee. The Audit 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 the Corporation's website at (www.osiskomining.com).

The Corporation's directors have expertise in exploration, metallurgy, mining, accounting, banking, financing and the securities industry. The Board meets at least four times a year and committees meet as required.

19. 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 Company 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 Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company'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 Company'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.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Corporation's internal controls over financial reporting. As of December 31, 2016, the Chief Executive Officer and Chief Financial Officer have each concluded that the Corporation's internal controls over financial reporting, as defined in *NI 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.

20. NON-IFRS MEASURES

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

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

Reconciliation for the period ended	**December 31, 2016**	**September 30, 2016**	**June 30, 2016**	**March 31, 2016**
Current assets	101,290	100,963	72,081	75,955
Less current liabilities	7,152	4,972	3,627	5,051
Working capital	**94,138**	**95,991**	**68,454**	**70,904**

Reconciliation for the period ended	**December 31, 2015**	**September 30, 2015**	**June 30, 2015**	**March 31, 2015**
Current assets	66,365	74,160	11,309	9,880
Less current liabilities	2,697	1,545	783	453
Working capital	**63,668**	**72,615**	**10,526**	**9,427**

21. CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains “forward-looking information” within the meaning of applicable Canadian securities legislation ("forward-looking information") which may include, but is not limited to, information with respect 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, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations and mineral exploration activities, environmental risks, reclamation expenses, title disputes or claims and limitations of insurance coverage. 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 is based on the opinions and estimates of management as of the date such information is given and is based on various assumptions such as but not limited to the significance of drill results, ongoing exploration activities, 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 economical, or 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, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations of grade or recovery rates; failure of plant and equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Corporation disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

21. RISKS AND UNCERTAINTIES

The Corporation's business, being the acquisition, exploration, and development of mineral properties in the Americas, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones described below, could materially affect the Corporation's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Corporation. See *"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 16, 2017, and other publicly filed disclosure regarding the Corporation, available under the Corporation's issuer profile on SEDAR at (www.sedar.com).

Nature of Mineral Exploration and Mining

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

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

Exploration, Development and Operations

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

Liquidity and Additional Financing

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

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

No Earnings and History of Losses

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

Market Price of the Common Shares

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

Volatility of Commodity Prices

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

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

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

Acquiring Title

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

Title Matters

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

Uncertainty and Inherent Sample Variability

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

Reliability of Mineral Resources Estimates

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

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

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

Uncertainty Relating to Inferred Mineral Resources

Inferred mineral resources are not mineral reserves and do not have demonstrated economic viability. Due to the uncertainty which may attach to inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to proven and probable mineral reserves as a result of continued exploration.

Term and Extension of Concession Contracts

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

Governmental Regulation

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

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

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

Permitting

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

With respect to environmental permitting, the development, construction, exploitation and operation of mines at the Corporation's projects may require the granting of environmental licenses and other environmental permits or concessions by the competent environmental authorities. Required environmental permits, licenses or concessions may take time and/or be difficult to obtain, and may not be issued on the terms required by the Corporation. Operating without the required environmental permits may result in the imposition of fines or penalties as well as criminal charges against the Corporation for violations of applicable laws or regulations.

Surface Rights

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

Dependence on Key Personnel

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

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

Uninsurable Risks

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

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

Global Financial Conditions

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

Competition

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

Option and Joint Venture Agreements

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

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

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

Community Relationships

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

The Windfall Lake Project is located on Category III lands and aboriginals have shown an interest in the territory. The Windfall Project site falls within the Traditional Territory of the Waswanipi Cree First Nation. The Corporation has an advanced exploration agreement in place with the Cree First Nation of Waswanipi, the Grand Council of the Crees Eeyou Istchee, and the Cree Regional Authority. In addition, informal initial discussions have been held with some stakeholders. As the Windfall Lake Project progresses, a formal communication and consultation plan will be required to engage both the aboriginal and non-aboriginal stakeholders to inform and consult the First Nations and the public on the Windfall Lake Project activities, to address their concerns and to collect their comments. Other agreements may have to be negotiated with the First Nations involved as the Windfall Project progresses.

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

Conflicts of Interest

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

Infrastructure

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

The Outstanding Common Shares Could be Subject to Dilution

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

No Dividends Policy

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

22. ADDITIONAL INFORMATION

Additional information regarding the Corporation can be found in the annual information form dated March 16, 2017 for the financial year ended December 31, 2016, which is available under the Corporation's issuer profile on SEDAR at (www.sedar.com).