OSISKO MINING INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2018

This discussion and analysis (this "MD&A") is management's assessment of the results and financial condition of Osisko Mining Inc. ("Osisko" or the "Corporation") and should be read in conjunction with the Corporation's audited financial statements for the years ended December 31, 2018 and 2017 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 (the "IASB"). This MD&A and the related financial statements are available under Osisko's issuer profile on SEDAR (www.sedar.com) and on Osisko's website (www.osiskomining.com).

Management is responsible for the preparation of the financial statements and this MD&A. All dollar figures in this MD&A are expressed in Canadian dollars, unless stated otherwise.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in the "*Risks and Uncertainties*" and the "*Cautionary Note Regarding Forward-Looking Information*" sections at the end of this MD&A.

This MD&A has been prepared as of March 6, 2019.

Technical Information

Information relating to the updated mineral resource estimate for Lynx is supported by the press release titled "Osisko releases Mineral Resource Update for Lynx" dated of November 27, 2018 with an effective date of November 27, 2018 (the "Lynx Zone Resource Estimate"). The Lynx Zone Resource Estimate was (i) prepared by Judith St-Laurent, P.Geo (OGQ #1023)., B.Sc., of Osisko Mining and (ii) reviewed and approved by Charley Murahwi, M.Sc, P.Geo., FAusIMM, each of whom is a "qualified person" within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr. Murahwi is an employee of Micon International Limited and is considered to be "independent" of Osisko for purposes of section 1.5 of NI 43-101. The interim update used the same methodology (key assumptions, parameters and methods) as the Technical Report and Mineral Resource Estimate – Windfall Lake Project, Windfall Lake and Urban-Barry Properties, which is available on SEDAR (www.sedar.com) under Osisko's issuer profile.

Information relating to the preliminary economic assessment for the Windfall Project and the Quévillon Osborne-Bell Project is supported by the technical report titled "NI 43-101 Technical Report Preliminary Economic Assessment for the Windfall Project" dated of August 1, 2018 with an effective date of July 12, 2018 (the "Windfall PEA") prepared by BBA Inc., which included contributions from the geological and engineering teams at InnvoExplo Inc., Golder Asssociates Ltd, BBA Inc., WSP Canada Inc. and SNC-Lavalin Inc. Reference should be made to the full text of the Windfall PEA, which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review on SEDAR (www.sedar.com) under Osisko's issuer profile.

Information relating to the Windfall Project mineral resource estimate is supported by the technical report titled "Technical Report and Mineral Resource Estimate – Windfall Lake Project, Windfall Lake and Urban-Barry Properties" dated of June 12, 2018 with an effective date of May 14, 2018 (the "Windfall Resource Estimate") prepared under the supervision of Judith St-Laurent, P.Geo. B.Sc., (OGQ No. 1023, APGO No. 1174), Stéphane Faure, P.Geo, PhD. (OGQ No. 306, APGO No. 2662, NAPEG No. L3536) from InnovExplo Inc. and Jorge Torrealba, P.Eng., Ph.D. (APEGNB No. M7957) from BBA Inc (the "Windfall Technical Report"). Reference should be made to the full text of the Windfall Lake Project Technical Report, which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review on SEDAR (www.sedar.com) under Osisko's issuer profile.

Information relating to the Quévillon Osborne-Bell Project is supported by the technical report titled "Technical Report and Mineral Resource Estimate – Osborne-Bell Gold Deposit, Quévillon Property" dated of April 23, 2018 with an effective date of March 2, 2018 (the "Quévillon Resource Estimate") prepared under the supervision of Pierre-Luc Richard, M.Sc., P.Geo (OGQ No. 1119, APGO No. 1174) and Stéphane Faure, PhD, P.Geo (OGQ No. 306, APGO No. 2662, NAPEG No. L3536) from InnovExplo Inc. (the "Osborne-Bell Technical Report"). Reference should be made to the full text of the Osborne-Bell Technical Report, which has been filed with Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review on SEDAR (www.sedar.com) under Osisko's issuer profile.

Information relating to the Garrison Project is supported by the Garrison mineral resource estimate with an effective date of February 19, 2019 (the "Garrison Resource Estimate"), which has been prepared by RockRidge, from Vancouver, British Columbia, and has been reviewed and audited by Micon International Limited, Toronto, Ontario. The Garrison Resource Estimate was prepared under the direction of B. Terrence Hennessey, P.Geo. (APGO No. 0038), who is a “qualified person” within the meaning of NI 43-101. Mr. Hennessey is an employee of Micon International Limited and is considered to be “independent” of Osisko for purposes of section 1.5 of NI 43-101. Reference should be made to the full text of the technical report, which is being prepared in accordance with NI 43-101 and will be available for review on SEDAR (www.sedar.com) under Osisko’s issuer profile within 45 days of the effective date.

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

Mr. Mathieu Savard, P.Geo. B.Sc., Vice President of Exploration Québec of Osisko, is a "qualified person" (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 in Québec, including the Windfall Property, Quévillon Osborne-Bell Property, James Bay Properties and the Marban Block Project.

Ms. Alexandria Marcotte, P.Geo., Vice President of Project Co-ordination of Osisko, is a "qualified person" (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 in Ontario, including the Garrison Project.

DESCRIPTION OF BUSINESS

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

UPDATES DURING THE YEAR AND SUBSEQUENT TO THE YEAR

Corporate Development and Acquisitions:

- On February 20, 2019, Osisko announced it had entered into a binding letter agreement with Chantrell Ventures Corp (“Chantrell”) whereby Osisko will transfer certain non-core assets to Chantrell in exchange for shares of Chantrell. The business combination will result in a reverse takeover of Chantrell by Osisko and the common shares of Chantrell will be subject to a consolidation on a 40:1 basis.

- On February 19, Osisko announced the Garrision Resource Estimate for its 100% owned Garrison Project, located in the Abitibi greenstone belt, Garrison Township, Ontario. The technical report is being prepared in accordance with NI 43-101 and will be available for review on SEDAR (www.sedar.com) under Osisko’s issuer profile and on Osisko’s website (www.osiskomining.com) within 45 days of the effective date.

- On January 1, 2019, Osisko amalgamated the Corporation with five wholly owned subsidiaries of Osisko, which included Beaufield Resources Inc. ("Beaufield"), Eagle Hill Exploration Corporation, Ryan Gold Corp., Corona Gold Corporation, and O3 Investments Incorporated.

- On December 18, 2018, Osisko announced the preliminary results from its Zone 27 bulk sampling at its 100% owned Windfall Project located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec.

- On November 27, 2018, Osisko announced the results from its mineral resource update on the Lynx Zone at its 100% owned Windfall Project located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec. The updated Lynx Zone Resource Estimate was filed on November 27, 2018.

- On October 19, 2018, the Corporation completed its previously announced acquisition of Beaufield, pursuant to which Osisko acquired all the common shares of Beaufield that it did not already own by way of a court approved plan of arrangement under the provision of the *Canada Business Corporations Act* (the "Beaufield Arrangement"). Under the terms of the Beaufield Arrangement, each former shareholder of Beaufield became entitled to receive 0.0482 of a common share of Osisko in exchange for each common share of Beaufield held immediate prior to the effective time of the Beaufield Arrangement. In addition, under the Beaufield Arrangement, holders of options and warrants to acquire common shares of Beaufield received replacement options and warrants, respectively, entitling the holders thereof to acquire common shares of Osisko, based on, and subject to, the terms of such options and warrants of Beaufield, as adjusted by the plan of arrangement.

- On October 10, 2018, Osisko announced, together with Osisko Gold Royalties Ltd. ("Osisko GR") and Osisko Metals Incorporated ("Osisko Metals"), the creation of the "*Osisko Field Education Fund"* in collaboration with the Earth Sciences Department at the University of New Brunswick. Together the three companies have committed to donate a total of $250,000 to the program over the next five years.

- On July 17, 2018, Osisko announced positive results from the Windfall PEA on its 100% owned Windfall Project located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec, and its 100% owned Quévillon Osborne-Bell Project, located 17 kilometres northwest of the town of Lebel-sur-Quévillon, Québec. The Windfall PEA was filed on August 1, 2018.

- On May 14, 2018, Osisko announced a mineral resource estimate for its 100% owned Windfall gold deposit, located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec. The related Windfall Resource Estimate was filed on June 12, 2018.

- On March 28, 2018, Osisko signed an option agreement with Osisko Metals pursuant to which Osisko Metals can earn a 50% interest in the Urban-Barry Base Metals Project by funding an aggregate of $5 million in exploration expenditures over a four-year period. Osisko would retain a 100% interest in all precious metals on the claims covered in the agreement.

- On March 15, 2018, Osisko provided the Quévillon Resource Estimate for its 100% owned Quévillon Osborne-Bell Gold Deposit, located 15 kilometres northwest of the town of Lebel-sur-Quévillon, Québec. This estimate is the result of 927 drill holes (279,925 metres of drilling) completed by previous operators of the project since 1994, including 50 drill holes that were completed after the last resource estimate published in 2012, and four new drill holes completed by Osisko in December 2017. The related Osborne-Bell Resource Estimate was filed on April 23, 2018.

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

- On February 8, 2018, Osisko provided an update on the progress of exploration at its 100% owned Windfall, Urban Barry and Quévillon Osborne-Bell projects located in the Abitibi greenstone belt, Eeyou Istchee James Bay, Québec.

Financings:

- On November 5, 2018, Osisko announced, further to its announcement on October 30, 2018, the completion of a private placement with la Caisse de dépôt et placement du Québec pursuant to which la Caisse de dépôt et placement du Québec acquired 9,259,260 common shares of the Corporation at a price of $2.70 per share for aggregate gross proceeds of approximately $25 million.

- On September 18, 2018, Osisko announced, further to its announcements on August 15, 2018 and August 16, 2018, the completion of a "bought deal" brokered private placement of (i) an aggregate of 27,046,031 common shares of the Corporation that will qualify as "flow-through shares" ("Flow-Through Shares") for aggregate gross proceeds of approximately $69.9 million, and (ii) an aggregate of 3,823,000 common shares of the Corporation at an issue price of $1.70 per common share for aggregate gross proceeds of approximately $6.5 million, including the exercise in full of the underwriters' option. The Flow-Through Shares were issued in two tranches, whereby the first tranche consisted of 14,035,088 Flow-Through Shares at an issue price of $2.85 per "tranche one" Flow-Through Share and the second tranche consisted of 13,010,943 "tranche two" Flow-Through Shares at an issue price of $2.30 per Flow-Through Share. The total proceeds of the offering were approximately $76.4 million.

Exploration Highlights:

Overall Performance

During the year ended December 31, 2018, the Corporation spent approximately $113 million on exploration and evaluation assets, mostly on the Windfall, Quévillon Osborne-Bell and Urban Barry properties and $13.8 million on general and administration expenses including salaries, benefits and severances. As at December 31, 2018, the Corporation had drilled approximately 179,870 metres on the Windfall Property, 7,302 metres on the Urban Barry Property and 33,976 metres on the Quévillon Osborne-Bell Property.

Based on current technical reports, the Corporation has four main deposits that contain an aggregate of 3.91 million ounces of global resources in the measured and indicated mineral resource categories and an aggregate of 3.50 million ounces of global resources in the inferred mineral resource category. On April 23, 2018, the Corporation filed the Osborne-Bell Resource Estimate, which added 510,000 ounces of gold to the inferred mineral resource category. On June 12, 2018, the Corporation filed the Windfall Resource Estimate, which added 601,000 ounces of gold to the indicated mineral resource category and 2,284,000 ounces of gold to the inferred mineral resource category on the Windfall Project. On August 1, 2018, the Corporation filed the Windfall PEA with an after-tax internal rate of return ("IRR") of 33% and after-tax net present value ("NPV") of $413 million, based only on the conservative grade estimates used in the preliminary mineral resource estimate at Windfall. According to the Windfall PEA, the project will commence with a 3,200 tonne per day long hole mining approach, focused on extracting large panels with minimum widths varying from 3.5 metres to 4.0 metres and minimum height of 20 metres. While this study focuses only on the larger zones of mineralization, further detailed modelling will be applied to subsequent studies to capture the bulk of the mineral resource contained in the Windfall Resource Estimate and Osborne-Bell Resource Estimate. The down plunge extensions of Underdog, Lynx Zone, Zone 27, Bobcat Zone, and Triple 8 discoveries were not included in this study, as resource definition drilling in these areas are still in progress. These areas are expected to be included in the feasibility work in 2019. On November 27, 2018, the Corporation released the Lynx Zone Resource Estimate which increased the Windfall indicated mineral resource category to 754,000 ounces of gold and the Windfall inferred mineral resource category to 2,366,000 ounces of gold. On December 18, 2018, the Corporation released preliminary results from its Zone 27 bulk sampling. 2,078 tonnes of the planned 5,000 tonnes have been mined and an average head grade of 9.7 g/t Au and 5.5 g/t Ag was obtained. On February 19, 2019, the Corporation released the Garrison Resource Estimate, which added approximately 370,000 ounces of gold to the measured and indicated mineral resource categories.

The Corporation has active ongoing drill programs, which began in 2015 and have continued and evolved in scope in 2017 and 2018, consisting of approximately 800,000 metres of drilling on the Windfall Property and 90,000 metres of drilling on the Garrison Properties for a combined total drilling campaign of 890,000 metres. In addition, 36,700 metres of drilling was completed on the Quévillon Osborne-Bell Project in 2018. The drilling campaign is expected to resume in 2019 with an additional 21,000 metres. Management believes these fundamental elements provide a solid base necessary to build a mining company that will provide growing value to its shareholders over time. See the table in Section 2 – "*Mineral Resources*" of this MD&A for the grade and quantity of each category of mineral resources included in the foregoing disclosure.

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

The Windfall gold deposit is located between Val-d'Or and Chibougamau in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec. The Windfall gold deposit is currently one of the highest-grade resource-stage gold projects in Canada. The bulk of the mineralization occurs in several southwest/northeast trending zone measuring approximately 600 metres wide and at least 2,500 metres long. The deposit has been traced from surface to a depth of 1,200 metres and remains open along strike and at depth.

On October 11, 2018, Osisko announced that the Windfall exploration ramp achieved access to Zone 27, wireframe 115, selected for the initial 5,000 tonne bulk sample. The mineralized zone is strongly silicified with sulfides and contains local visible gold. The geology observed compares very well with the anticipated zone predicted by drilling and geological models. The exploration ramp also encountered a mineralized section containing local visible gold in wireframe 101 immediately prior to achieving the targeted 115 wireframe bulk sample area.

In May 2018, Osisko commenced two deep exploration drill holes ("Deep Underdog" and "Deep Lynx") to investigate the potential for depth extensions of the Lynx and Underdog mineralized zones, as well as to further test the intrusion-related geological model for the Windfall deposit at depths of approximately 2,000 metres to 2,500 metres from surface.

New drilling has confirmed and expanded management's understanding of the Triple 8 discovery. Wedge hole OSK-W-18-1603-W2 intersected a zone of sericite and silica alteration over 85 metres containing sulfides and zones of gold mineralization from approximately 1,485 metres to approximately 1,570 metres downhole. This alteration zone includes two significant gold bearing intervals located between approximately 1,510 to 1,554 metres downhole. The new wedge extends the Triple 8 Zone by 50 metres to the south from the discovery hole OSK-W18-1603. Triple 8 geometry is still being interpreted, however the zone appears to remain open in all directions. Previously drilled wedge OSK-W-18-1603-W1 intersected a fault zone and porphyritic intrusive in the anticipated Triple 8 area.

On January 16, 2019, Osisko announced new drill results which confirmed and expanded on the initial discovery of the Triple 8 Zone (see Osisko news releases dated July 11, 2018 and September 13, 2018). Drill hole OSK-W-18-1783 tested the continuity at the mid-point between OSK-W-18-1603 (Triple 8 discovery hole) and gold mineralization intersected in a similar setting in OSK-W-18-1616-W1 (see Osisko news release dated August 7, 2018).

OSK-W-18-1783 encountered three distinct altered intervals between 1,819 metres and 1,945 metres downhole, each averaging approximately 10 metres in width. Significant results from the three gold bearing intervals include 38.4 g/t Au over 2.0 metres and 16.0 g/t Au over 2.3 metres. Geometry is still being interpreted, although management believes that mineralization is open in all directions. Sericite and silica alteration are hosted within an andesite and gabbro package, surrounded by peripheral chlorite – biotite +/- garnet alteration (identical to that encountered in the Triple 8 discovery hole 350 metres to the north, and in hole OSK-W-1616-W1, 400 metres to the south). The mineralized intervals contain disseminated and stringer pyrite with local visible gold, and trace pyrrhotite and chalcopyrite.

On June 12, 2018, Osisko filed the Windfall Resource Estimate, which is a mineral resource estimate for its 100% owned Windfall gold deposit, located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec. This mineral resource estimate is the result of 1,453 drill holes (596,733 metres) in the resource area completed by previous operators on the project since 1997 and includes 812 new drill holes (413,692 metres) completed by Osisko from October 2015 to March 5, 2018. Drilling continues at the Windfall gold deposit, and results disclosed by Osisko since March 5, 2018 (representing 131 drill holes and approximately 40,000 metres of infill and extension holes principally in the Lynx Zone and the Underdog Zone) were not incorporated in this mineral resource estimate. Mineral resource estimate for the Windfall Lake Project, Windfall Lake and Urban Barry Properties has been prepared by Ms. Judith St-Laurent, P.Geo, B.Sc., and Stéphane Faure, P.Geo, Ph.D. both from Innov-Explo Inc. from Val-d'Or, Québec and Jorge Torrealba, P.Eng., Ph.D. from BBA Inc. The technical report, filed in accordance with NI 43-101, is available on SEDAR (www.sedar.com) under Osisko's issuer profile.

On April 23, 2018, Osisko filed the Quévillon Resource Estimate, which is a mineral resource estimate for its 100% owned Osborne-Bell Gold Deposit, located 15 kilometres northwest of the town of Lebel-sur-Quévillon, Québec. This mineral resource estimate is the result of 927 drill holes (279,925 metres of drilling) completed by previous operators of the project since 1994, including 50 drill holes that were completed after the last resource estimate was published in 2012, and 4 new drill holes that were completed by Osisko in December 2017. The Osborne-Bell mineral resource estimates has been prepared by Mr. Pierre-Luc Richard, P.Geo., M.Sc, and the related technical reports were prepared in accordance with NI 43-101 and are available on SEDAR (www.sedar.com) under Osisko's issuer profile.

Following the release of the Windfall Resource Estimate and Osborne-Bell Resource Estimate, the Windfall PEA was summarized in a press release, which outlined the strong potential base-case for significant and profitable new gold production in Québec combining the Windfall Lake Gold Deposit and the Osborne-Bell Gold deposit all process in a facility located near Lebel-sur-Quévillon.

*Highlights of the Windfall PEA**

Base case: Gold price US$1,300/oz, Silver price US$17.00/oz, Exchange rate C$1.00 = US$0.78	
IRR after taxes and mining duties	32.7%
NPV after taxes and mining duties	C$413.2 million
Pre-Production Construction costs (including C$51.8 M contingency)	C$397.3 million
Peak-year payable production	248,000 oz
Average LOM payable production	218,000 oz
Net gold recovery	92.4%
Average diluted gold grade	6.7 g/t Au
Life of mine (LOM)	8.1 years
Total ore material mined	8,914,000 tonnes
Contained gold in mined resource	1,915,000 oz
Payable gold LOM	1,769,000 oz
Payable silver LOM	577,000 oz
All-in Sustaining Costs net of by-product credits and royalties over LOM	US$704.00/oz
Estimated All-in cost (CAPEX plus OPEX)	US$879.00/oz
Total unit operating cost	C$126.47/ tonne milled
Gross revenue	C$2.96 billion
Operating cash flow	C$1.12 billion
Mine start-up/Full production	Q2 2022/Q3 2022
NPV before taxes and mining duties	C$625.4 million
IRR before taxes and mining duties	39.7%

**Cautionary Statement: The reader is advised that the Windfall PEA highlights is intended to provide only an initial, high-level review of the project potential and design options. The Windfall PEA mine plan and economic model include numerous assumptions and the use of inferred mineral resources. Inferred mineral resources are considered to be too speculative to be used in an economic analysis except as allowed for by NI 43-101 in preliminary economic assessment studies. There is no guarantee that inferred mineral resources can be converted to indicated mineral resources or measured mineral resources, and as such, there is no guarantee the project economics described herein will be achieved.*

The realized project is expected to have a significant impact in the James Bay region, with the potential of generating over C$3 billion of gross revenue and contributing approximately 350 permanent jobs during the production phase and an additional 480 during the construction period.

On November 27, 2018, Osisko released the Lynx Zone Resource Estimate at its 100% owned Windfall gold deposit, located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec. This updated mineral resource estimate includes 138 infill drill holes (107,366 metres) completed in the Lynx Zone between March 6, 2018 and October 27, 2018. Results from Lynx since October 28, 2018 are not incorporated in this updated mineral resource estimate. Drilling continues at the Windfall gold deposit with results continuing to be disclosed by Osisko.

The Lynx Zone Resource Estimate has been prepared by Ms. Judith St-Laurent, P.Geo, B.Sc., from Innov-Explo Inc. from Val-d'Or, Québec and Charley Murahwi, P.Geo, M. Sc, FAusIMM from Micon International Limited from Toronto, Ontario. No technical report was filed since it was not considered as a material change for the Windfall Resource Estimate in accordance with NI 43-101.

Mineral Resource Estimates

Windfall Resource Estimate and Lynx Zone Resource Estimate

On June 12, 2018, the Corporation filed the Windfall Resource Estimate which included results disclosed by Osisko up to March 5, 2018. On November 27, 2018, the Corporation filed the Lynx Zone Resource Estimate which included results disclosed by Osisko between March 6, 2018 and October 28, 2018. Both the original Windfall Resource Estimate as well as the Lynx Zone Resource Estimate are included in the table below.

	Indicated			Inferred		
Zone (2)	Tonnes (000 t) (12)	Grade (g/t)	Ounces Au (12) (000 oz)	Tonnes (12) (000 t)	Grade (g/t)	Ounces Au (12) (000 oz)
Lynx	1,746	8.13	456	2,005	9.70	625
Zone 27	628	8.69	175	852	7.28	199
Caribou	318	7.12	73	2,767	5.80	516
Underdog	147	9.00	43	4,381	6.77	955
Other	34	6.58	7	348	6.37	71
Total	**2,874**	**8.17**	**754**	**10,352**	**7.11**	**2,366**

Lynx Zone Resource Estimate notes:

1. *The independent "qualified person", as defined by NI 43 101, are Judith St-Laurent, P. Geo, of InnovExplo Inc. and Charley Murahwi, P.Geo, M. Sc, FAusIMM of Micon International Limited. The effective date of the Windfall Resource Estimate is May 14, 2018. The effective date of the updated Lynx Zone Estimate is November 27, 2018.*
2. *The Windfall Resource Estimate and the Lynx Zone Resource Estimate are compliant with CIM standards and guidelines for reporting mineral resources and reserves.*
3. *Resources are presented undiluted and in situ and are considered to have reasonable prospects for eventual economic extraction.*
4. *The mineral resource estimates encompass a total of 126 tabular, subvertical gold-bearing domains each defined by individual wireframes with a minimum true thickness of 2.0 m.*
5. *Samples were composited within the mineralization domains into 2.0 m length composites. A value of zero grade was applied in cases of core not assayed.*
6. *High grade capping was done on composite data, and established using a statistical analysis on a per-zone basis for gold. Capping varied from 15 g/t Au to 75 g/t Au and was applied using a four-step capping strategy where capping values decreased as interpolation distances increased.*
7. *Density values were applied on the following lithological basis (t/m^3): mafic volcanic host rocks varied from 2.78 to 2.86; felsic volcanic host rocks varied from 2.76 to 2.77; porphyries varied from 2.70 to 2.83.*
8. *Ordinary Kriging (OK) based interpolation was used for the estimation of all zones of the Windfall Lake gold deposit except for the Underdog zone where an Inverse Distance Squared (ID^2) interpolation was preferred due to the larger drill spacing and smaller density of drill holes informing the mineralization wireframes. All estimates are based on a block dimension of 5 m NE, 2 m NW and 5 m height and estimation parameters determined by variography.*
9. *Estimates use metric units (metres, tonnes and g/t). Metal contents are presented in troy ounces (metric tonne x grade / 31.10348).*
10. *Neither InnovExplo Inc. nor Micon International Limited are aware of any known environmental, permitting, legal, title-related, taxation, socio-political or marketing issues, or any other relevant issue not reported in the technical report that could materially affect the mineral resource estimate.*
11. *These mineral resources are not mineral reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred resources in this mineral resource estimate are uncertain in nature and there has been insufficient exploration to define these Inferred resources as Indicated or Measured, and it is uncertain if further exploration will result in upgrading them to these categories.*
12. *The number of metric tonnes and ounces was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects; rounding followed the recommendations in Form 43 101F1.*

Windfall Resource Estimate Note:

1. *The independent "qualified person" of the 2018 MRE, as defined by NI 43 101, is Judith St-Laurent, P. Geo, of InnovExplo Inc. The effective date of the estimate is May 14, 2018.*
2. *The Windfall Lake mineral resource estimate is compliant with CIM standards and guidelines for reporting mineral resources and reserves.*
3. *Resources are presented undiluted and in situ and are considered to have reasonable prospects for eventual economic extraction.*
4. *The mineral resource estimate encompasses a total of 124 tabular, subvertical gold-bearing domains each defined by individual wireframes with a minimum true thickness of 2.0 m.*

5. *Samples were composited within the mineralization domains into 2.0 m length composites. A value of zero grade was applied in cases of core not assayed.*
6. *High grade capping was done on composite data, and established using a statistical analysis on a per-zone basis for gold. Capping varied from 15 g/t Au to 75 g/t Au and was applied using a four-step capping strategy where capping values decreased as interpolation distances increased.*
7. *Density values were applied on the following lithological basis (t/m^3): mafic volcanic host rocks varied from 2.78 to 2.86; felsic volcanic host rocks varied from 2.76 to 2.77; porphyries varied from 2.70 to 2.83.*
8. *Ordinary Kriging (OK) based interpolation was used for the estimation of all zones of the Windfall Lake gold deposit except for the Underdog Zone where an Inverse Distance Squared (ID^2) interpolation was preferred due to the larger drill spacing and smaller density of drill holes informing the mineralization wireframes. All estimates are based on a block dimension of 5 m NE, 2 m NW and 5 m height and estimation parameters determined by variography.*
9. *Estimates use metric units (metres, tonnes and g/t). Metal contents are presented in troy ounces (metric tonne x grade / 31.10348).*
10. *InnovExplo is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political or marketing issues, or any other relevant issue not reported in the technical report,that could materially affect the mineral resource estimate.*
11. *These mineral resources are not mineral reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred resources in this mineral resource estimate are uncertain in nature and there has been insufficient exploration to define these Inferred resources as Indicated or Measured, and it is uncertain if further exploration will result in upgrading them to these categories.*
12. *The number of metric tonnes and ounces was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects; rounding followed the recommendations in Form 43 101F1.*

Quévillon Resource Estimate

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

Quévillon Resource Estimate notes:

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

Garrison Resource Estimate

	Measured & Indicated			Inferred		
Cut-off grade	Tonnes (T)(15)	Grade (g/t)	Ounces Au(15)	Tonnes (T)(15)	Grade (g/t)	Ounces Au(15)
> 0.2 g/t Au	53,951,000	0.95	1,648,000	10,388,000	0.88	295,000
> 0.3 g/t Au	50,085,000	1.00	1,617,000	10,011,000	0.91	292,000
> 0.4 g/t Au	43,382,000	1.10	1,541,000	9,190,000	0.96	283,000
> 0.5 g/t Au	36,365,000	1.23	1,439,000	8,072,000	1.03	266,000
> 0.6 g/t Au	30,275,000	1.37	1,332,000	6,421,000	1.15	237,000

Garrison Resource Estimate notes:

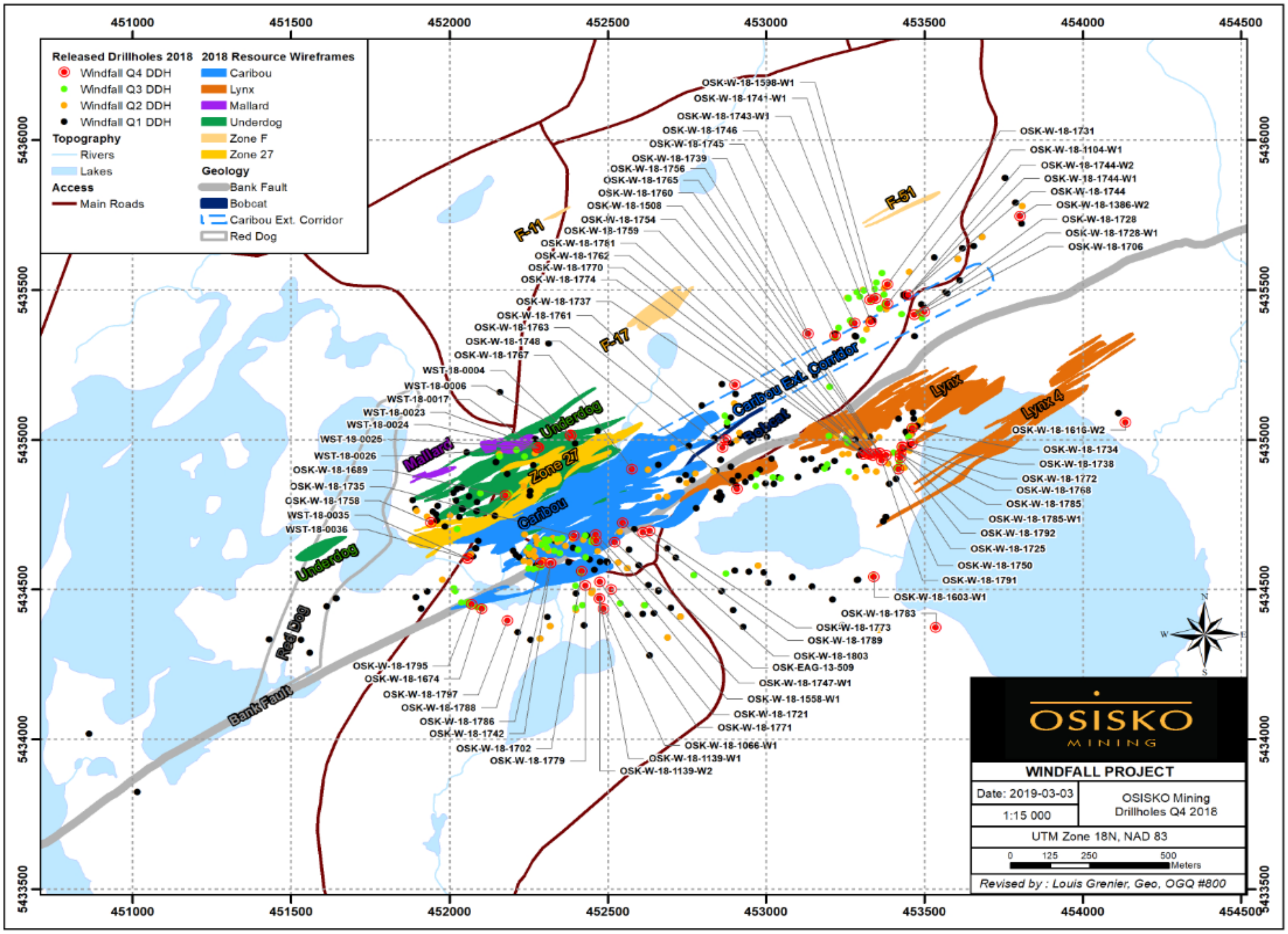
1. *The Garrison Resource Estimate has been prepared pursuant to CIM standards and guidelines for reporting mineral resources and reserves.*
2. *Resources are presented undiluted and in situ and are considered to have reasonable prospects for economic extraction.*
3. *The database comprised a total of 1,115 drill holes for 342,873.7 metres of drilling in the extent of the mineral resource, of which 197 drill holes (87,250.8 metres) were completed and assayed by Osisko as of July 31, 2018.*
4. *All NQ core assays reported by Osisko were obtained by analytical methods described below under "Quality Control and Reporting Protocols".*
5. *Geological interpretation of the deposits was based on the Garrison deposit (Garrcon, Jonpol, and 903) as lying at the confluence of the Destor Porcupine Fault and the Munro fault (a splay structure of the Destor Porcupine) and mineralization hosted in structurally controlled domains. Interpretation was initially made from cross-sections at 25 or 50 metre intervals, and then completed in Leapfrog Software, where selections of mineralization intervals were combined to generate mineralization wireframes.*
6. *The mineralized domains used for the mineral resource estimate were constructed in Leapfrog Software using 0.2 g/t Au interpolant grade shells with 0.5 ISO values limited by hard boundaries to modeled lithological and structural zones.*
7. *Samples were composited within the mineralization domains into 2.0 metre length composites for all areas except the Garrcon Main Metasedimentary zone, where 2.5 metre composites were more appropriate.*
8. *High grade capping was done on composite data and established using a statistical analysis on a per-zone basis for gold. Capping values of between 10 g/t to 40 g/t were used depending on mineralized domain.*
9. *Density values were applied on the following lithological basis (t/m3): 2.79 for all metasedimentary units and 2.82 for all igneous units.*
10. *OK based interpolation was used for the estimation of all zones of the Garrison gold deposit. Estimates are based on a block dimension of 10 metres North East,, 2 metres North West and 10 metres height for all zones except the Garrcon Main Metasedimentary unit where 5 metre x 5 metre x 5 metre blocks were used. Estimation parameters were based on variography. Strong anisotropies were observed in all cases, and variograms were rotated to reflect the best major, semi-major and minor ranges. Spherical models were fitted to pairwise relative semi-variograms. Search radii reflected the orientations of the variography. Search distances were used in three passes, where the first pass equaled two thirds of the variogram range, the second pass was equal to full variogram range and the third pass was double the respective range.*
11. *The Garrison Resource Estimate is categorized as measured, indicated and inferred mineral resource as follows:*
    - *The measured mineral resource category is generally based on a minimum number of six informing composites using a minimum of three drill holes located within the first estimation pass (two thirds variogram range)*
    - *The indicated mineral resource category is largely based on using a minimum of four composites from two drill holes located in the second estimation pass*
    - *The inferred mineral resource category is based on a minimum of four composites from two drill holes located in the third pass.*
    - *After initial coding of each pass, results were further refined in Leapfrog Software to establish continuous volumes for each resource category.*
12. *Estimates use metric units (metres, tonnes and g/t). Metal contents are presented in troy ounces (metric tonne x grade / 31.10348).*
13. *Micon International Limited is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political or marketing issues, or any other relevant issue not reported in the technical report, that could materially affect the mineral resource estimate.*
14. *These mineral resources are not mineral reserves as they have not demonstrated economic viability. The quantity and grade of reported Inferred resources in this mineral resource estimate are uncertain in nature and there has been insufficient exploration to define these inferred resources as indicated or measured. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration though not guaranteed.*
15. *The number of metric tonnes and ounces was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects.*

Exploration

Exploration Strategy

Osisko is a mineral exploration company focused on the acquisition, exploration, and development of precious metal resource properties in Canada. Osisko's flagship project is the high-grade Windfall gold deposit located between Val-d'Or and Chibougamau in Québec, Canada. Osisko also holds a 100% undivided interest in a large area of claims in the Urban Barry area (330,000 hectares) of Québec, a 100% interest in large claim package in the Quévillon area that includes the Quévillon Osborne-Bell Gold Deposit, a 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, which are located 15 kilometres west of the town of Val-d'Or in the Abitibi region of Québec, Canada.

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



Above is a map of the material drill holes that were completed during the year ended December 31, 2018, as well as the current holes to the date of this MD&A on the Windfall Property.

The Corporation began the year continuing its ongoing drill program at Windfall with 18 drill rigs focused on the main and Lynx deposits and two rigs working on regional targets. The current drill count is 20 rigs (15 at the Windfall Property, 3 at Urban Barry and 2 at the Quévillon Osborne-Bell Property). The main focus of the drilling activities is infill drilling in the upper portion of Lynx and Zone 27. Two drills are allocated to brownfield exploration (South West exploration program). One underground drill rig is focusing on Zone 27. At Quévillon Osborne-Bell Property, the main focus is infill drilling of Osborne-Bell Gold Deposit with one drill while the second rig is testing the regional targets.

Drill highlights have included the following:

- 38.4 g/t Au over 2 metres at Windfall announced January 16, 2019
- 2,223.0 g/t Au over 2 metres at Windfall announced January 7, 2019
- 38.9 g/t Au over 13.7 metres at Windfall announced December 5, 2018
- 83.9 g/t Au over 5.3 metres at Windfall announced November 21, 2018
- 1,026.0 g/t Au over 2.7 metres at Lynx announced October 23, 2018
- 49.1 g/t Au over 6.6 metres at Lynx announced October 2, 2018

- 37.0 g/t Au over 5.4 metres at Osborne-Bell announced September 28, 2018
- 17.4 g/t Au over 13.7 metres at Triple 8 announced September 13, 2018
- 510.0 g/t Au over 5.2 metres at Lynx and 742.0 g/t Au Over 2.2 Metres at Windfall announced August 22, 2018
- 34.8 g/t Au over 4.3 metres at Windfall announced August 8, 2018
- 22.4 g/t Au over 3.4 metres at Deep Lynx announced August 7, 2018
- 68.5 g/t Au over 9.8 metres at Windfall and 494 g/t Over 2.8 Metres at Lynx announced July 25, 2018
- 20.4 g/t Au over 28.3 metres at Windfall (Triple 8 Zone) announced July 11, 2018
- 20.0 g/t Au over 8.7 metres at Windfall announced June 12, 2018
- 97.6 g/t Au over 3.3 metres at Lynx announced June 7, 2018
- 34.3 g/t Au over 4.5 metres at Windfall announced May 1, 2018
- 115 g/t Au over 8.4 metres at Lynx announced April 26, 2018
- 41.2 g/t Au over 3.5 metres at Windfall announced April 19, 2018
- 68.5 g/t Au over 2.9 metres at Lynx announced April 17, 2018
- 40.8 g/t Au over 4.1 metres at Windfall announced April 10, 2018
- 403.0 g/t Au over 2.7 metres at Lynx announced April 4, 2018
- 265 g/t Au over 2.4 metres at Windfall announced March 2, 2018
- 71.9 g/t Au over 2.9 metres at Lynx announced February 27, 2018
- 56.1 g/t Au over 8.9 metres at Windfall announced January 25, 2018
- 415 g/t Au over 5.9 metres at Lynx announced January 23, 2018
- 86.7 g/t Au over 4.3 metres at Windfall announced January 18, 2018
- 76.5 g/t Au over 5.0 metres at Windfall announced January 16, 2018
- 140 g/t Au over 5.0 metres at Lynx announced January 9, 2018

True width determinations are estimated at 65-80 of the reported core length intervals for most of the zones. The full set of drill results are available under the Corporation's issuer profile on SEDAR (www.sedar.com) and on Osisko's website (www.osiskomining.com).

Exploration Ramp Advancement:

In 2007, construction of an underground exploration ramp was commenced at the Windfall Property by a previous operator, which attained a vertical depth of approximately 110 metres and length of approximately 1.2 kilometres, with an additional 230 metres of exploration drifts. The exploration ramp was terminated by the previous operator prior to completion of the bulk sample collection and was flooded with water. All permits required to dewater the ramp and proceed with collection of a bulk sample from Zone 27 and Caribou were granted to Osisko in 2017 and dewatering of the ramp was completed. Following exploration ramp rehabilitation, advancement continued at a rate of approximately 150 metres per month towards the mineralized zones. During the year ended December 31, 2018 the exploration ramp was advanced by 2,330 metres. In 2018, all permits required to obtain two additional bulk samples were requested and received. Underground work includes bulk sampling (for metallurgical testing and grade confirmation), underground mapping and underground exploration drilling.

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%
Quévillon Osborne-Bell	Québec	Owned 100%
Urban Barry Project	Québec	Owned 100%
Urban Barry Base Metals Project	Québec	Owned 100%(1)
Quévillon Osborne Base Metals	Québec	Owned 100%(1)
James Bay Properties	Québec	Earn-in (2)
Kan Project – James Bay	Québec	Earn-in (2)
Éléonore Regional – James Bay	Québec	Earn-in (2)
Éléonore JV – James Bay	Québec	Earn-in (2)(4)
FCI – Corvette Lithium Project	Québec	Earn-in (7)
Urban Duke Property	Québec	Earn-in (5)(6)
Éléonore-Opinaca	Québec	Owned 100%(5)
Tortigny Property	Québec	Owned 100%(5)
Launay Property	Québec	Owned 100%(5)
Marban Block Project	Québec	Owned 100%(8)
Garrison Block Properties	Ontario	Owned 100%(9)
Hemlo	Ontario	Owned 100%(5)

(1) Subject to a 50% earn-in in favour of Osisko Metals.
(2) Osisko holds an earn-in right in respect of these properties, which are currently owned by Osisko GR.
(3) Midland Exploration Inc. owns 50% of the project.
(4) All properties acquired upon the acquisition of Beaufield on October 19, 2018.
(5) Bonterra Resources Inc. has an earn-in right of up to 70% of the property.
(6) Subject to a 50% earn-in in favour of 92 Resources Inc. ("92 Resources").
(7) Owned 100% except for Siscoe East Project which is owned 50%.
(8) Owned 100% except for Gold Pike Project which is owned 60%.

2. MINERAL RESOURCES

The Corporation's global mineral resources are summarized below:

CATEGORY	TONNES (MT)	AU GRADE (G/T)	AU (M OZ)
MEASURED			
MARBAN[3]	7.7	1.48	0.37
GARRISON[5]	22.2	1.12	0.80
	29.9	**1.22**	**1.17**
INDICATED			
MARBAN[3]	30.5	1.25	1.22
WINDFALL[4]	2.9	8.17	0.75
GARRISON[5]	21.4	1.12	0.77
	54.8	**1.56**	**2.74**
TOTAL M&I			
MARBAN[3]	38.2	1.29	1.59
WINDFALL[4]	2.9	8.17	0.75
GARRISON[5]	43.6	1.12	1.57
	84.6	**1.44**	**3.91**
TOTAL INFERRED[2]			
MARBAN[3]	4.1	1.47	0.20
WINDFALL[4]	10.4	7.11	2.37
GARRISON[5]	10.3	1.27	0.42
OSBORNE-BELL[6]	2.6	6.13	0.51
	27.4	**3.98**	**3.50**

1. Global mineral inventories are not pit-constrained.
2. Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to a higher category. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
3. Information relating to the Marban Block Project is supported by the Updated Mineral Resource Technical Report, Marban Block Property, Québec, Canada dated August 15, 2013 with an effective date of June 1, 2013.
4. Information relating to the Windfall Lake Project is supported by the Windfall Resource Estimate and the Lynx Zone Resource Estimate.
5. Information relating to the Garrison Block Properties is supported by the Garrison Resource Estimate.
6. Information relating to the Quévillon Osborne-Bell Gold Deposit is supported by the Quévillon Resource Estimate.

3. MINERAL PROPERTY ACTIVITIES

a) Urban Barry District

As of December 31, 2018, the Corporation held a significant claims position in the Urban Barry area of Québec. The Windfall Project contains 285 claims covering 12,467 hectares and includes the Windfall deposit. Adjacent to the Windfall Property, the Urban Barry Project contains 1,760 claims, including the Black Dog Property (formerly Souart Property) and covers more than 97,964 hectares (980 square kilometres). Both projects are located within the Urban Barry volcano-sedimentary belt. The exploration expenditures on the properties were for drilling, prospecting, till surveys follow-up, IP geophysical surveys and for staking claims. During the year ended December 31, 2018, drilling at Windfall was performed using 8 rigs while regional surface exploration work was performed using one drill rig. As of December 31, 2018, a total of 680,074 metres have been realized on the 800,000 metres program at Windfall. As of December 31, 2018, a total of 7,302 metres have been completed on the ongoing 12,000 metres drill program at the Urban Barry Project.

i) Windfall Property

The Windfall Property is 100% owned by the Corporation and covers approximately 12,400 hectares located in the Abitibi greenstone belt, Urban Township, Eeyou Istchee James Bay, Québec, Canada. The property consists of 285 contiguous mining claims.

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

Location	Approximate Area	NSR	Buyback Option
Centre of property, hosting the majority of the mineral resource	3,151 acres (1,275 ha)	2.5%(1)	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%(2)	
Northern part of property	19,531 acres (7,904 ha)	2%(2)	
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

(1) *In 2015, Osisko GR was granted a right to acquire a 1% NSR royalty on all properties held by the Corporation as of August 25, 2015. This right was exercised by Osisko GR in October 2016 for $5 million and includes a 1% NSR royalty on the Windfall Property. This exercise brings the total NSR royalty held by Osisko GR on the Windfall Property to 1.5%, including the 0.5% NSR royalty acquired in 2015.*

(2) *In 2018, Osisko GR acquired the 1% NSR on part of the property located north of the majority of the mineral resource, hosting a small portion of the mineral resource, and the 2% NRS on the northern part of the property.*

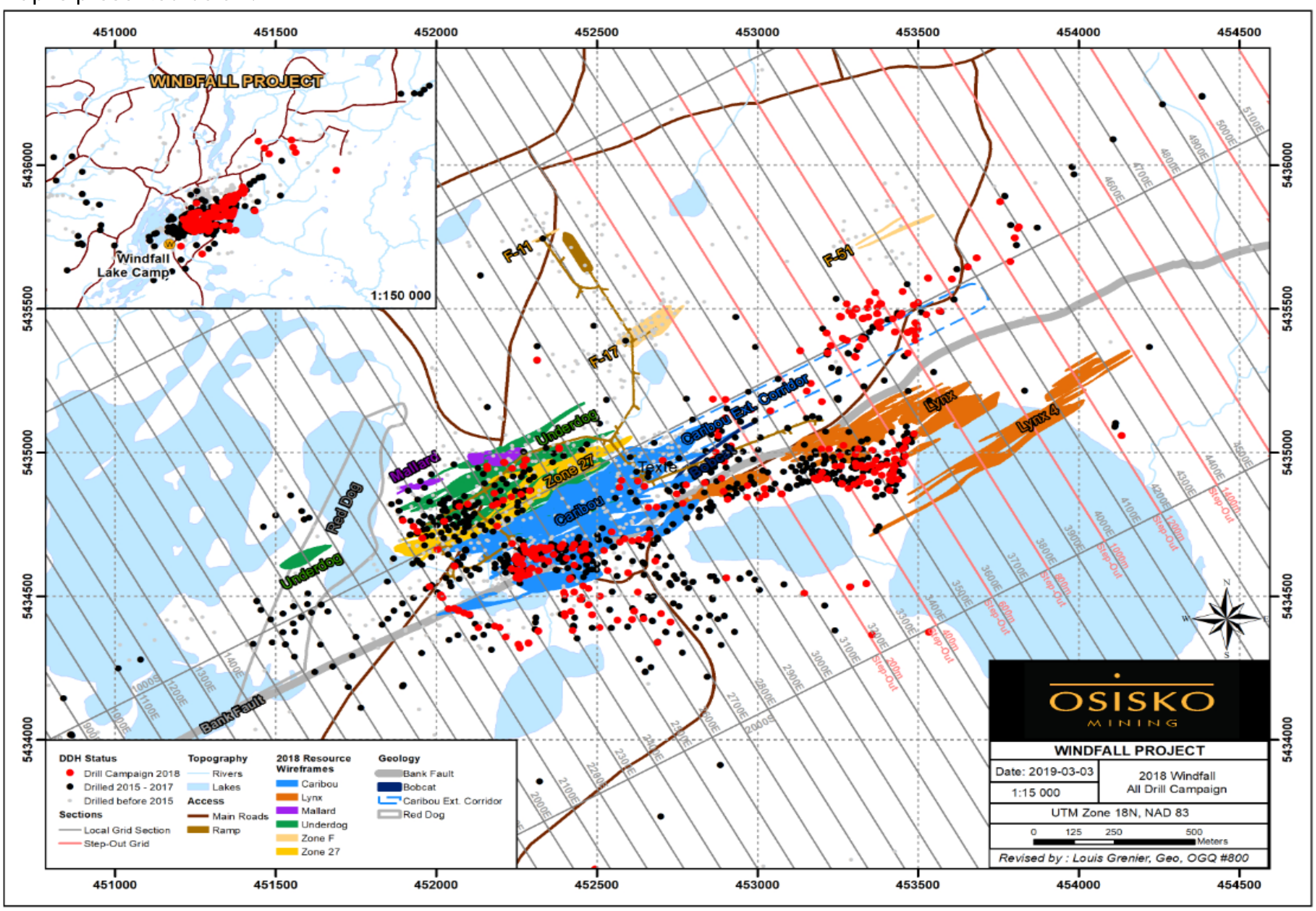
Exploration Activities

The current 800,000 metre drilling program has been designed to assist the Corporation in further exploring and defining the known mineralization within the main deposit area, the Lynx Zone, the North East Extension and the newly discovered Triple 8 Zone. Osisko continues to work towards extending the exploration ramp into the mineralized zones and continues with the underground drill program with one rig. The 5,000 tonne bulk sample excavation began on October 11, 2018 and was completed on January 30th, 2019. Ore was being transferred to the Mill site in Timmins, Ontario where it is expected to be processed during the first quarter of 2019. Preliminary results of 2,078 tonnes mined were released in the fourth quarter 2018. The results of the remaining 2,922 tonnes is expected to be released in the first quarter of 2019.

The Windfall Property camp is permitted for the capacity of 300 workers with accommodations, core logging areas and other facilities. Results to date have provided 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 down plunge to the northeast. In May 2018, Osisko commenced two deep exploration drill holes ("Deep Underdog" and "Deep Lynx") to investigate the potential for depth extensions of the Lynx and Underdog mineralized zones, as well as to further test the intrusion-related geological model for the Windfall deposit. The newly discovered Triple 8 Zone, open in all directions, was discovered in the Deep Underdog hole, DDH OSK-W-18-1603. Triple 8 is an unanticipated zone of mineralization intersected at approximately 1,500 metres downhole, in the planned 2,500 metre deep hole. Triple 8 does not correlate with any known zone and is approximately 660 metres east from the closest known mineralized intercept in the Underdog Zone. Maps and sections showing the location of the drill hole and the new mineralized zone are provided on Osisko's website (www.osiskomining.com). The new discovery zone falls outside the area of the recently announced mineral resource estimate for the Windfall gold deposit (see the Windfall Resource Estimate).

Drilling

The Corporation continues to obtain drill results from its 800,000 metre drill program at Windfall. The Corporation's drill plan map is presented below:



Quality Control

True width determinations are estimated at 65-80% of the reported core length intervals for most of the zones. Assays are uncut except where indicated. Intercepts occur within geological confines of major zones but have not been correlated to individual vein domains at this time. Reported intervals include minimum weighted averages of 3.0 g/t Au diluted over core lengths of at least 2.0 metres. All assays reported were obtained by either 1 kilogram screen fire assay or standard 50 gram fire-assaying-AA finish or gravimetric finish by (i) ALS Laboratories in Val d'Or, Québec, Thunder Bay and Sudbury, Ontario, and Vancouver, British Columbia; or (ii) by Bureau Veritas in Timmins, 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. Selected samples are also analyzed for multi-elements, including silver, using an Aqua Regia-ICP-AES method at ALS Laboratories. Drill program design, Quality Assurance/Quality Control ("QA/QC") and interpretation of results is performed by a "qualified person" employing a QA/QC program consistent with NI 43-101 and industry best practices. Standards and blanks are included with every 20 samples for QA/QC purposes by the Corporation as well as the lab. Approximately 5% of sample pulps are sent to secondary laboratories for assay checks.

ii) Urban-Barry Property

The Urban-Barry Property is 100% owned by the Corporation. As of December 31, 2018, the property comprises 1,760 individual claims covering an aggregate area of approximately 97,964 ha. The actual property is mostly constituted by claims that were acquired at different periods from 2015 to 2017, and are subject to various NSRs.

Exploration Activity

During the year ended December 31, 2018, the Corporation decreased from two to zero drill rigs on the Urban-Barry Project and drilled approximately 7,302 metres out of the 12,000 metres planned drill program. Up to date, no significant results were obtained. A surface exploration program including prospecting, till sampling, lithogeochemistry and datation was initiated during the second quarter of 2018 and is expected to continue during the first quarter of 2019.

iii) Black Dog Property (formerly 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. Osisko issued 500,000 common shares of the Corporation and a cash payment of $200,000 in exchange for 100% of the property. The property consists of 34 claims comprising of 1,343 hectares. The Black Dog Property is subject to a 2% NSR which can be repurchased by the Corporation at any time for $2 million.

iv) Urban Barry Base Metals Project

The Urban Barry Base Metals Project is a select package of claims located within the Urban Barry Project. On March 28, 2018, Osisko entered into an option agreement with Osisko Metals, which sets forth the terms of an exploration earn-in on the project. Under the terms of the option agreement, Osisko Metals shall incur $5 million of exploration expenditures over the four-year term of the option agreement in order to earn a 50% interest on the project. This commitment is subject to certain annual work expenditure thresholds, including a guaranteed expenditure threshold of $500,000 in the first year from the date of signing the agreement.

Following the completion of the exploration earn-in, the project will be transferred to a new joint venture entity to be owned 50% by Osisko and 50% by Osisko Metals. Osisko and Osisko Metals will then enter into a joint venture agreement in respect of the project. Osisko will own a 100% interest over any precious metals discoveries on the project.

Exploration Activity

During the year ended December 31, 2018, the Corporation allocated one drill rig to perform regional exploration program over base metals targets. A total of 1,742 metres of drilling was performed on the Urban-Barry Base Metals Project. No significant results were obtained from the drilling campaign.

v) Urban Duke Property

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

Following the completion of the Exploration Earn-In, Beaufield and Bonterra will enter into a joint venture agreement in respect of the property with Bonterra maintaining a 70% interest and Beaufield maintaining a 30% interest.

b) Quévillon Osborne-Bell Project

On April 27, 2017, the Corporation acquired ownership over a property package in the Lebel-sur-Quévillon area of Québec in consideration of a cash payment of $1 million and the issuance of 100,000 common shares of the Corporation. The Quévillon Osborne-Bell Project includes approximately 30 known gold showings as well as the historical Quévillon Osborne-Bell Gold Deposit, which is located 17 kilometres northwest of the town of Lebel-sur-Quévillon and 112 kilometres west of the Windfall gold deposit. The Quévillon Osborne-Bell Gold Deposit has been the object of significant historical drilling over the past 30 years, and will be the focus of new drilling and resource re-evaluation by Osisko. In addition, the Corporation staked 2,942 claims of a large land package covering 157,000 hectares (157 square kilometres). The Corporation also acquired additional claims from different owners during the year ended December 31, 2018.

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

The Quévillon Osborne-Bell Project now covers more than 227,188 hectares (2,272 square kilometres) and is constituted by 4,263 claims. The land position of the Quévillon area covers volcano-sedimentary Archean greenstones that host a number of known gold showings and porphyry igneous intrusions that are of strong exploration interest to the Corporation.

Exploration Activity

During the year ended December 31, 2018, a total of 22,594 metres were drilled on the Osborne-Bell, and 11,382 metres were drilled on different regional targets. This totals 33,976 metres for the 2018 campaign. Highlights from the new results provided by the infill drilling campaign on Osborne-Bell deposit include: 37.0 g/t Au over 5.4 metres (uncut) in OSK-OB-18-051; 38.6 g/t Au over 2.5 metres (uncut) in OSK-OB-18-011; 41.1 g/t Au over 2.4 metres (uncut) in OSK-OB-18-086 and 26.6 g/t Au over 4.6 metres in OSK-OB-18-010.

i) Quévillon Base Metals Project

The Quévillon Osborne Base Metals Project is a select package of claims located within the Quévillon Osborne Project. On November 12, 2018, Osisko entered into an option agreement with Osisko Metals, which will sets forth the terms of an exploration earn-in on the project. Under the terms of the option agreement, Osisko Metals shall incur $8 million of exploration expenditures over the four-year term of the option agreement in order to earn a 50% interest on the project. This commitment is subject to certain annual work expenditure thresholds, including a guaranteed expenditure threshold of $2 million in the first year from the date of signing the agreement.

Following the completion of the exploration earn-in, the project will be transferred to a new joint venture entity to be owned 50% by Osisko and 50% by Osisko Metals. Osisko and Osisko Metals will then enter into a joint venture agreement in respect of the project. Osisko will own a 100% interest over any precious metals discoveries on the project.

Exploration Activity

During the year ended December 31, 2018, the Corporation allocated one drill rig to perform a regional exploration program over base metals targets. A total of 799 metres of drilling was performed on the Quévillon Base Metals Project. No significant results were obtained from the ongoing drilling campaign.

c) Garrison Block Properties

i) Garrcon Project

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. 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. In addition, two of the unpatented mining claims are subject to a 1% NSR, which the Corporation shall have the right to for $250,000. A further single unpatented mining claim is subject to a 1% NSR, 0.5% of which the Corporation shall have the right to acquire for $250,000. An additional 20 patented claims to the south of the known resource are subject to a 2% NSR, 0.5% of which the Corporation shall have the right to repurchase for $1 million. The vendor retains a back-in right for up to 51% interest in the claims should a resource totaling 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 Jonpol Project is 100% owned by the Corporation and is located on the same property as the Garrcon Project in the prolific Abitibi Greenstone Belt in Ontario, Canada.

iii) Buffonta Project

The Buffonta Project is 87.5-100% owned by the Corporation and covers approximately 2,359 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, 0.5% of which the Corporate shall have the right to repurchase for $1 million.

iv) Gold Pike Project

The Gold Pike Project is 40-60% owned by the Corporation 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, 1% of which the Corporation has the right to repurchase for $1 million. The property has an annual $25,000 advance royalty payment.

Exploration Activity

As of December 31, 2018, the Corporation continues with the data migration and reinterpretation of the geological plans for the Garrcon, Jonpol and 903 zones at the Garrison Property. On February 19, 2019, Osisko released the Garrison Resource Estimate, which added approximately 370,000 ounces of gold to the measured and indicated mineral resource categories and provided the first mineral resource estimate for the 903 Zone.

d) Marban Block Properties

i) Marban Project

The Marban Project is 100% owned by the Corporation 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 kilometres west of the town of Val-d'Or in the Abitibi region of Québec, Canada and consist of 30 mining claims and three mining concessions covering 1,023 hectares.

The Marban claims are subject to a 1% to 1.5% NSR. 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 project also has two mining claims known as the Gold Hawk claims which are subject to a 2% NSR.

ii) Malartic Project

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 one 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 by the Corporation for payments ranging from $200,000 to $1.5 million. The Malartic H claims are 85% owned by the Corporation and the remaining 15% of the Marlartic H claims can be purchased by the Corporation for $25,000.

iii) Siscoe East Project

The Siscoe East Property is located in the Vassan Township in the Abitibi region of Québec, Canada. The Corporation owns a 50% interest in the claims covering the Siscoe East Property, with the remaining 50% interest being held by another company. Some claims are subject to a 2% NSRs, 50% of which may be repurchased by the Corporation for a total of $2.8 million.

iv) Héva Project

The Héva Property, located 42 kilometres 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, 50% of which may be repurchased for $200,000. On August 7, 2018, Osisko entered into an agreement with Kintavar Exploration Inc. ("Kintavar") whereby Osisko sold its NSR interests in 21 claims in exchange for 131,578 common shares of Kintavar with a fair value of $50,000.

e) James Bay Properties

On October 5, 2016, Osisko announced that it had entered into an earn-in transaction with Osisko GR. Under the terms of the earn-in agreement ("Osisko GR Earn-In Agreement"), the Corporation may earn a 100% interest in 28 exploration properties held by Osisko GR, which are located in the James Bay area, Québec and the Labrador Trough area (the "Earn-In Properties") upon incurring exploration expenditures totaling $32 million over the seven-year term of the Osisko GR Earn-In Agreement; the Corporation will earn a 50% interest upon completing expenditures totaling $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 Earn-In Properties. Additionally, any new properties acquired by the Corporation in the designated area during the seven-year term of the Osisko GR Earn-In Agreement may also be subject to a royalty agreement in favour of Osisko GR with similar terms and subject to certain conditions. On February 16, 2017, Osisko and Osisko GR amended and restated the initial Osisko GR Earn-In Agreement, pursuant to which the Kan Project was carved-out into a separate earn-in agreement (the "Kan Earn-In Agreement"). Under the terms of the Kan Earn-In Agreement, Osisko shall incur $6 million over the seven-year term of the Kan Earn-In Agreement; the Corporation will earn a 50% interest upon completing expenditures of $3.6 million over a four-year term. The entire commitment on the remainder of the Earn-In Properties has been reduced by the same amount and terms as the Kan Earn-In Agreement. On December 15, 2017, Osisko and Osisko GR entered into an amendment to the Osisko GR Earn-In Agreement to extend until December 31, 2018 the Corporation's firm commitment to spend $4.1 million of exploration expenditures on all the properties. As of December 31, 2018, all required amounts have been spent.

i) Kan Project

The Kan Project is located within the Labrador Trough, approximately 80 kilometres southwest of Kuujuuaq, Québec. It covers approximately 40 kilometres of favorable stratigraphy that includes silicate-carbonate iron formations, thick metal- rich black shales units, gabbros and turbidites. The Kan Project consists of 2,243 claims (104,078 hectares). 209 claims of the total claims are subject to a 2% NSR in favour of Les Ressources Tectonic Inc., 0.5% of which may be purchased for $750,000 at any time by Osisko GR and an additional, 0.5% of which may be purchased for $750,000 by Altius Resources Inc. In addition, Osisko GR holds a royalty over the total 2,276 claims on the production of precious metals for a minimum of a 1.5% NSR royalty and a maximum of a 3.5% NSR royalty and a 2.0% NSR royalty on all other metals provided. However, if there is an existing royalty applicable on any portion of the claims, the royalty percentages shall, as applicable, be adjusted so that the aggregate maximum royalty percentage on such portion shall not exceed a 3.5% NSR royalty at any time.

In 2017, Osisko entered into an earn-in agreement with Barrick, which sets forth the terms of an exploration earn-in on the Kan Project. Under the exploration earn-in with Barrick in relation to the Kan Project, Barrick must commit $15 million in work expenditures over a four year period to earn a 70% interest on the Kan Project, 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 with Barrick, 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). On November 13th, 2018, Osisko receive a writing notice where Barrick has elected to terminate the Earn-in Right and that Barrick has elected not to proceed with further exploration expenditures and therefore terminated the agreement.

Exploration Activity

A total of 5,639 metres of drilling were performed during the year ended December 31, 2018 on the Kan Project. The main objective was to test gold bearing carbonate and silicate-rich iron formation. Best results from the 2018 campaign were obtained from hole OSK-KAN-18-007 which yielded 3.90 g/t Au over 2 metres and from OSK-KAN-018-016 that yielded 3.05 g/t Au over 11.5 metres.

ii) Éléonore Regional Project

The Éléonore Regional Project consists of 460 claims (24,033 hectares) located 15 kilometres west of the Éléonore Gold Mine in the Opinaca Reservoir area of the James Bay territory. The Corporation does not have plans to explore this property further. Due to this triggering event, the Corporation determined that the carrying amount of the exploration assets of the Éléonore Project exceeded its recoverable amount and as such recorded an impairment of $585,000.

iii) Éléonore-JV Project

The Éléonore-JV Project was significantly reduced to 588 claims (30,802 hectares), which is 50%, owned by Midland Exploration Inc., 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 project is subject to a 0.5% NSR royalty in favour of Osisko GR and to a 0.5% NSR royalty in favor of Midland Exploration Inc. No exploration work is planned on the project in 2019.

Exploration Activity

Ground induced polarization geophysics followed by a small trenching program were completed during 2018.

iv) Other – James Bay

a. Trieste Project

The Trieste Project consists of 304 claims (>15,688 hectares) and is located 60 kilometres north-north-west of the Renard Diamond Mine of the James Bay territory.

b. Escale Project

The Escale Project consists of 129 claims (6,497 hectares) and is located 75 kilometres southeast of the LG-4 Power Dam in the James Bay region. The project is subject to a 0.5% NSR royalty to Sirios Resources Inc., which may be repurchased by the Corporation for $500,000. 11 claims are subject to a 1% NSR royalty in favour of Newmont Mining Corp. without a buyback option.

c. Eastmain East Project

The Eastmain East Project consists of 66 claims (2,363 hectares) and is located 100 kilometres east of the Renard deposit in the James Bay region.

f) FCI – Corvette Lithium Project

The FCI – Corvette Lithium Project covers 28 claims covering 1,434 hectares and is located within the James Bay Greenstone Belt in Northern Québec, Canada. The FCI – Corvette Lithium Project is subject to a 1.5 to 3.5% NSR. On August 27, 2018, Osisko entered into a binding agreement with 92 Resources, which sets forth the terms of an exploration earn-in on the property. Under the Exploration Earn-In, 92 Resources must commit $2,250,000 in work expenditures over a three-year period to earn a 50% interest on the FCI-Corvette Lithium Project, subject to certain annual work expenditure thresholds, including a guaranteed expenditure threshold of $250,000 in the first year. Upon signing on August 27, 2018, and as further consideration for the granting of the Exploration Earn-In, 92 Resources issued 1 million common shares of 92 Resources to the Corporation at a fair value of $60,000. An additional 1 million common shares of 92 Resources will be issued to the Corporation on the first anniversary.

Following the completion of the Exploration Earn-In, the Project will be transferred to a new joint venture entity to be owned 50% by Osisko and 50% by 92 Resources. Osisko and 92 Resources will then enter into a joint venture agreement in respect of the project. In addition, 92 Resources may earn a further 25% interest in the joint venture entity (for a total interest of 75%) by electing to fund an additional $2 million of project level expenditures (such as a preliminary economic assessment or pre-feasibility study).

g) Élénore Opinaca Property

The Corporation acquired the Élénore Opinaca Property through the acquisition of Beaufield, which was completed on October 19, 2018. The Élénore Opinaca Property is 100% owned by the Corporation and is located approximately 320 kilometres north of the town of Matagami in the James Bay area, northern Québec and is subject to a NSR of 0.5%. The Corporation does not have plans to explore this property further. Due to this triggering event, the Corporation determined that the carrying amount of the exploration assets of the Éléonore Opinaca Project exceeded its recoverable amount and as such recorded an impairment of $5,684,000.

h) Tortigny Property

The Corporation acquired the Tortigny Property through the acquisition of Beaufield, which was completed on October 19, 2018. The Tortigny Property is 100% owned by the Corporation and is located approximately 100 kilometres north of the town of Chibougamau, Québec and is subject to a 1 to 2% NSR.

i) Launay Property

The Corporation acquired the Launay Property through the acquisition of Beaufield, which was completed on October 19, 2018. The Launay Property is 100% owned by the Corporation and is located in the Abitibi Greenstone Belt, Québec and is subject to a 1.5% NSR.

j) Hemlo Property

The Corporation acquired the Hemlo Property through the acquisition of Beaufield, which was completed on October 19, 2018. The Hemlo Property is 100% owned by the Corporation and is located in the Neoarchean Hemlo Greenstone Belt, Ontario and is subject to a 0.5 to 2% NSR. The Corporation does not have plans to explore this property further. Due to this triggering event, the Corporation determined that the carrying amount of the exploration assets of the Hemlo Property exceeded its recoverable amount and as such recorded an impairment of $494,000.

4. EXPLORATION AND EVALUATION ASSETS EXPENDITURES

4.1 Exploration and Evaluation Assets Expenditures

The Corporation's expenditures on exploration and evaluation assets for the year ended December 31, 2018, were as follows (in thousands of Canadian dollars):

	December 31, 2017	Acquisitions in the year	Additions in the year	Deferred income tax asset on investment tax credits	Write offs in the year	December 31, 2018
Windfall Lake	$ 150,772	$ -	$ 71,797	$ (332)	$ -	$ 222,237
Quévillon Osborne	4,526	-	9,162	-	-	13,688
Urban Barry	11,881	5,787	2,785	-	-	20,453
Urban Barry Base Metals	-	-	30	-	-	30
Quévillon Osborne Base Metals	-	-	10	-	-	10
Kan - James Bay	423	-	78	-	-	501
Éléonore – James Bay	532	-	53	-	(585)	-
Éléonore JV – James Bay	214	-	332	-	-	546
Other – James Bay	2,088	-	415	-	-	2,503
FCI - Corvette Lithium	-	-	(57)	-	-	(57)
Urban Duke	-	2,142	-	-	-	2,142
Éléonore Opinaca	-	5,680	4	-	(5,684)	-
Tortigny	-	12,102	7	(291)	-	11,818
Luanay	-	2,273	-	-	-	2,273
Marban Block	65,292	-	74	(227)	-	65,139
Garrison Block	26,192	-	3,004	(1,577)	-	27,619
Hemlo	-	494	-	-	(494)	-
Total exploration and evaluation assets	**$ 261,920**	**$ 28,478**	**$ 87,694**	**$ (2,427)**	**$ (6,763)**	**$ 368,902**

Significant additions during the year ended December 31, 2018 are described by category in the following table (in thousands of Canadian dollars):

For the year ended December 31, 2018	Windfall Lake	Quévillon Osborne	Urban Barry	Urban Barry Base Metals	Quévillon Osborne Base Metals	Kan - James Bay	Éléonore – James Bay	Éléonore JV – James Bay	Other – James Bay
Property costs	$ 41	$ 835	$ 202	$ -	$ -	$ -	$ 49	$ 47	$ 297
Camp costs	17,402	49	2	-	1	6	-	-	8
Office costs	63	11	4	8	-	-	-	2	19
Project management	3,215	205	80	-	9	56	-	4	3
Drilling	38,483	7,219	1,738	22	-	-	-	-	59
Geochemical survey	7	52	228	-	-	-	-	2	-
Permitting	789	-	-	-	-	-	-	-	-
Geophysical survey	37	909	219	-	-	-	-	110	-
Geology	679	1,014	812	-	-	-	8	177	39
assessment	3,543	-	-	-	-	-	-	-	-
Ramp rehabilitation	23,067	-	-	-	-	-	-	-	-
Community relations	686	2	1	-	-	16	-	-	-
Environmental	2,163	74	-	-	-	-	-	-	-
Health and safety	1,840	15	6	-	-	-	-	-	6
Québec exploration mining duties	(20,218)	(1,223)	(507)	-	-	-	(4)	(10)	(16)
Total additions	**$ 71,797**	**$ 9,162**	**$ 2,785**	**$ 30**	**$ 10**	**$ 78**	**$ 53**	**$ 332**	**$ 415**

For the year ended December 31, 2018	FCI - Corvette Lithium	Urban Duke	Éléonore Opinaca	Tortigny	Luanay	Marban Block	Garrison Block	Hemlo	Total
Property costs	$ (60)	$ -	$ 4	$ -	$ -	$ (33)	$ 12	$ -	**$ 1,394**
Camp costs	-	-	-	-	-	8	214	-	**17,690**
Office costs	-	-	-	-	-	25	2	-	**134**
Project management	-	-	-	-	-	-	371	-	**3,943**
Drilling	-	-	-	-	-	49	1,439	-	**49,009**
Geochemical survey	-	-	-	-	-	-	2	-	**291**
Permitting	-	-	-	-	-	-	-	-	**789**
Geophysical survey	-	-	-	-	-	-	-	-	**1,275**
Geology	-	-	-	-	-	-	749	-	**3,478**
assessment	3	-	-	7	-	-	41	-	**3,594**
Ramp rehabilitation	-	-	-	-	-	-	-	-	**23,067**
Community relations	-	-	-	-	-	-	46	-	**751**
Environmental	-	-	-	-	-	18	124	-	**2,379**
Health and safety	-	-	-	-	-	-	4	-	**1,871**
Quebéc exploration mining duties	-	-	-	-	-	7	-	-	**(21,971)**
Total additions	**$ (57)**	**$ -**	**$ 4**	**$ 7**	**$ -**	**$ 74**	**$ 3,004**	**$ -**	**$ 87,694**

During the year ended December 31, 2018, the majority of spending took place on the Windfall Property which is the subject of an ongoing drill program of 800,000 metres. As of the date of this MD&A, the Corporation had drilled approximately 680,074 metres on the Windfall Property (including 179,565 meters in 2018), 35,868 metres on the Quévillon Osborne-Bell Property (including 33,976 in 2018), 38,771 metres on the Urban Barry area (including 7,302 metres in 2018), 1,742 metres on the Urban Barry Base Metals Project, 799 meters on the Quévillon Base Metals Project and 5,639 metres on the Kan Project. As well, the Corporation advanced 2,329 metres in the Windfall exploration ramp. Management expects the exploration ramp to be advanced at the rate of approximately 170 metres per month. Underground mapping continues on the ramp.

5. OUTLOOK

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

The Corporation is planning to spend approximately $8 million per month on exploration activities on all of Osisko's properties, $418,000 per month on general and administration expenses and $366,000 a month on salaries and benefits, excluding non-cash items, for the remainder of 2019. The Corporation has raised approximately $283 million since January 1, 2017. The proceeds from these financings have been or will be used, directly or indirectly, to fund "Canadian exploration expenditures" on the Corporation's Québec and Ontario properties and general working capital. An 800,000-metre drill campaign continues with approximately 15 drill rigs on the Windfall Property, three at the Urban-Barry Property and two at the Quévillon Osborne-Bell Properties. The Corporation is planning to begin its pre-feasibility study work on the Windfall Property in 2019 and has begun advancement of the existing exploration ramp with a single heading towards the Lynx Zone in order to complete the second bulk sample and will continue to perform underground drilling through-out the 2019 year. The goal of the program is to increase the confidence in the existing resources as well as to expand all existing resources. Due to current market conditions the Corporation reduced its exploration spending and general and administrative costs in order to conserve cash and continue to advance the main deposits toward pre-feasibility. The Corporation has reduced general and administrative costs in 2018 by reducing head count at head office and reducing expenses relating to travel and marketing initiatives.

6. INVESTMENTS

The Corporation's assets include a portfolio of investments in public and private 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.

The Corporation's position in Barkerville Gold Mines Ltd. ("Barkerville") is reflected as "Investment in Associates" in the financial statements of the Corporation as of December 31, 2018. On August 8, 2016, the Corporation acquired 50 million common shares of Barkerville and immediately classified this investment as an Investment in Associate. Subsequent to this initial investment, Osisko has acquired a further 32,401,741 shares in Barkerville for $20,274,000 cash which now represents approximately 16% ownership in Barkerville. The Corporation's Chairman, Sean Roosen, acts as Chairman of the board of directors of Barkerville and Mr. John Burzynski acts as a member of board of directors of Barkerville.

On February 21, 2017, the Corporation acquired 31.7 million common shares of Beaufield and immediately classified this investment as an "Investment in Associate". Subsequent to its initial investment, Osisko acquired a further 24,420,800 shares in Beaufield for $4,154,000 increasing its ownership to approximately 26%. The Corporation's Executive Vice President of Exploration and Resource Development, Robert Wares, was a member of Beaufield's board of directors. On October 19, 2018, Osisko completed the Beaufield Arrangement, pursuant to which Osisko acquired all the outstanding common shares of Beaufield that it did not already hold. Under the terms of the Beaufield Arrangement, each former shareholder of Beaufield received 0.0482 common shares of Osisko in exchange for each common share of Beaufield held. At the time of the Beaufield Arrangement, Osisko held 56,120,800 common shares of Beaufield with a carrying value of $6,860,000. The fair value of the newly acquired Osisko common shares was $8,656,000, which resulted in a gain on revaluation of $1,796,000. The newly acquired Osisko common shares were subsequently cancelled and the entire investment removed from Investment in Associates.

6.1 Marketable Securities

The following table summarizes information regarding the Corporation's marketable securities as at December 31, 2018 and December 31, 2017 (in thousands of Canadian dollars):

As at	December 31, 2018	December 31, 2017
Balance, beginning of year	**$ 22,076**	**$ 15,020**
Additions	5,364	32,610
Disposals	(7,768)	(26,203)
Realized (loss)/gain	(694)	2,686
Unrealized loss	(6,365)	(2,037)
Balance, end of year	**$ 12,613**	**$ 22,076**

During the year ended December 31, 2018, these shares and warrants were fair valued and this resulted in an unrealized loss of $6,365,000 (2017 – loss of $2,037,000). The Corporation sold shares during the year ended December 31, 2018 which resulted in a realized loss of $694,000 (2017 – gain of $2,686,000).

6.2 Investments in Associates

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

	December 31, 2018		
	Beaufield	Barkerville	Total
Balance, beginning of year	**$ 4,740**	**$ 51,698**	**$ 56,438**
Cash investment in associates	2,369	3,800	**6,169**
Share of (loss)/gain for the year	(249)	1,500	**1,251**
Gain on revaluation of shares	1,796	-	**1,796**
Cancellation of shares upon acqusition (note 5)	(8,656)	-	**(8,656)**
Balance, end of year	**$ -**	**$ 56,998**	**$ 56,998**

The fair market value of the Barkerville investment as at December 31, 2018 was $32.9 million. If the Corporation were to have sold the Barkerville investment on December 31, 2018, the Corporation would have triggered a realized loss of $24 million.

6.3 Long-term Investments

During the year ended December 31, 2018, the Corporation held a $150,000 long-term investment in a non-publicly traded entity.

7. RESULTS OF OPERATIONS

The following table summarizes the Corporation's Statement of Loss and Comprehensive Loss for the years ended December 31, 2018 and 2017 (in thousands of Canadian dollars):

	Three months ended		Year ended	
	December 31, 2018	December 31, 2017	**December 31, 2018**	December 31, 2017
Expenses				
Compensation	**$ 3,909**	$ 3,825	$ 20,011	$ 20,486
General and administration expenses	**1,122**	1,424	5,414	5,935
General exploration	**-**	15	60	67
Exploration and evaluation assets written off	**6,763**	262	6,763	2,662
Flow-through premium income	**(1,209)**	(9,908)	(13,076)	(25,991)
Unrealized loss from marketable securities	**1,132**	4,129	6,365	2,037
Impairment on long-term investment	**30**	-	30	-
Realized loss/(gain) from marketable securities	**1,289**	(924)	694	(2,686)
Realized gain from sale of equipment	**-**	-	(6)	-
Foreign currency exchange gain	**-**	(1)	-	(638)
Other income	**(165)**	(38)	(760)	(330)
Operating loss	**12,871**	(1,216)	**25,495**	**1,542**
Finance income	**(512)**	(532)	(1,381)	(1,507)
Finance costs	**34**	24	135	166
Net finance income	**(478)**	(508)	**(1,246)**	**(1,341)**
Share of (gain)/loss of associate	**(1,192)**	**342**	(1,251)	(608)
Gain on revaluation of investment in associate	**(1,796)**	**-**	(1,796)	-
Loss/(income) before tax	**9,405**	(1,382)	**21,202**	**(407)**
Deferred income tax expense	**2,208**	**5,864**	**12,794**	**18,443**
Loss and comprehensive loss	**11,613**	4,482	**33,996**	**18,036**

7.1 Three Month Period Ended December 31, 2018 as Compared to Three Month Period Ended December 31, 2017

Loss and comprehensive loss increased by $7.1 million from $4.5 million for the three-month period ended December 31, 2017 to $11.6 million for the three-month period ended December 31, 2018, due to an increase in exploration and evaluation assets written off of $6.5 million (non-cash write off), a decrease in deferred income tax expense of $3.7 million (non-cash expense), a decrease in flow-through premium income of $8.7 million (non-cash expense), a change in realized gain/loss from marketable securities of $2.2 million. This was partially offset by, a decrease in unrealized loss from marketable securities of $3 million (non-cash expense), a change in share of gain/loss of associate of $1.5 million (non-cash gain/loss) and a gain on revaluation of investment in associate of $1.8 million.

General and administration expenses decreased by $302,000 to $1.1 million for the three-month period ended December 31, 2018, compared with $1.4 million for the same period in 2017. This decrease was mostly due to a decrease in office expenses of $460,000 due to cost-cutting measures implemented by management.

Flow-through premium income was $1.2 million during the three-month period ended December 31, 2018, compared to $9.9 million during the same period in 2017. This income was derived from the increased number of flow-through offerings that took place during 2017 compared to 2018, combined with the amount of "Canadian exploration expenditures" that were spent during such period. On the issuance of flow-through shares, a flow-through share premium liability is recognized. Upon the Corporation incurring flow-through eligible expenditures, the Corporation recognizes flow-through premium income and decreases the flow-through premium liability.

During the three-month period ended December 31, 2018, the Corporation maintained a portfolio of securities that were strategically invested in the marketable securities of exploration and development companies. As a result, the Corporation recognized a realized and unrealized loss in the period of $1.3 million and $1.1 million, respectively. The realized loss was from the sale of several investments and the unrealized loss was a result of the Corporation marking to market its investments at period end. The Corporation had a fair market value of $14.2 million in marketable securities as at December 31, 2018, compared to $22.1 million as at December 31, 2017.

Net finance income during the three-month period ended December 31, 2018 decreased by $30,000 to $478,000, compared with $508,000 for the same period in 2017. The main reason was the decreased cash balance of the Corporation compared to the prior period. The Corporation had $88.3 million of cash and cash equivalents as at December 31, 2018.

Share of gain of associates recognized during the three-month period ended December 31, 2018 was $1.1 million compared to a loss of $342,000 for the same period in 2017. Management determined that, for accounting purpose, the Corporation held significant influence over the decision-making process of Beaufield and Barkerville during the three-month period ended December 31, 2018, and as such recognized its share of these entities' net losses and net incomes. In October 2018, Osisko completed its previously announced business combination with Beaufield, pursuant to which Osisko acquired all the common shares of Beaufield by way of a statutory plan of arrangement, resulting in removing the investment from being accounted for as an associate, and commencing consolidating the entity.

7.2 Year Ended December 31, 2018 as Compared to Year Ended December 31, 2017

Loss and comprehensive loss increased by $15.9 million from a loss of $18 million for the year ended December 31, 2017 to a loss of $34 million for the year ended December 31, 2018, due to a decrease in flow-through premium income of $12.9 million (non-cash income), a decrease in deferred income tax expense of $5.6 million (non-cash expense), an increase in unrealized loss from marketable securities of $4.3 million (non-cash gain/loss), a change in realized gain/loss from marketable securities of $3.4 million, an increase in exploration and evaluation assets written off of $4.1 million (non-cash write off) and a decrease in foreign currency exchange gain of $638,000 (non-cash gain). This was partially offset by a decrease in deferred income tax expense of $7.9 million (non-cash expense), an increase in share of gain of associates of $643,000, a decrease in general and administrative expenses of $521,000 due to cost-cutting measures implemented by management, a decrease in compensation expense of $475,000 and a gain on revaluation of investment in associate of $1.8 million.

Compensation expenses decreased in the year ended December 31, 2018 by $475,000 to $20 million, compared with $20.5 million in 2017. This decrease was mainly due to the decrease in stock-based compensation of $2.5 million partially offset by an increase in salaries and benefits of $2 million due to severance payments.

General and administration expenses decreased by $521,000 to $5.4 million for the year ended December 31, 2018, compared with $5.9 million in 2017. This decrease was mostly due to a decrease in professional expenses of $210,000, travel expenses of $223,000 and administration services of $252,000 due to cost cutting measures implemented by management. This was partially offset by an increase in office expenses of $173,000.

Flow-through premium income was $13 million during the year ended December 31, 2018, compared to $26 million in 2017. This income was derived from the increased number of flow-through offerings that took place during 2017 compared to 2018, combined with the amount of "Canadian exploration expenditures" that were spent during such period. On the issuance of flow-through shares, a flow-through share premium liability is recognized. Upon the Corporation incurring flow-through eligible expenditures, the Corporation recognizes flow-through premium income and decreases the flow-through premium liability.

During the year ended December 31, 2018, the Corporation maintained a portfolio of securities that were strategically invested in the marketable securities of exploration and development companies. As a result, the Corporation recognized a realized and unrealized loss in the period of $694,000 and $6.4 million, respectively. The realized loss was from the sale of several investments and the unrealized loss was a result of the Corporation marking to market its investments at year end.

Net finance income during the year ended December 31, 2018 decreased by $95,000 to $1,246,000, compared with $1.3 million in 2017. The main reason was the decreased cash balance of the Corporation compared to the prior period.

Share of gain of associates recognized during the year ended December 31, 2018 was $1.3 million compared to $608,000 in 2017. Management determined that, for accounting purpose, the Corporation held significant influence over the decision-making process of Beaufield and Barkerville during the year ended December 31, 2018, and as such recognized its share of these entities' net losses and net incomes. In October 2018, Osisko completed its previously announced business combination with Beaufield, pursuant to which Osisko acquired all the common shares of Beaufield by way of a statutory plan of arrangement, resulting in removing the investment from being accounted for as an associate, and commencing consolidating the entity.

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 for the year ended December 31, 2018 totaled $7.5 million, compared to $17.3 million in 2017. The decreased outflows were primarily attributable to the net loss of $34 million for the year ended December 31, 2018, with adjustments for flow-through premium income of $13.1 million, interest income of $1.4 million, stock-based compensation of $11.6 million, marketable securities loss of $7 million, deferred income tax expense of $12.8 million, exploration and evaluation assets written off of $6.8 million and changes in items of working capital of $5.5 million.

Financing Activities

Cash provided by financing activities was $99.7 million for the year ended December 31, 2018, compared with $189 million in 2017. In the year ended December 31, 2017, a total of $173.3 million was raised through private placements, net of transaction costs, and the exercise of stock options and warrants resulted in inflows of $1.8 million and $13.9 million, respectively. For the year ended December 31, 2018, a total of $97.2 million was raised through private placements, net of transaction costs, and the exercise of stock options and warrants resulted in inflows of $1.7 million and $760,000, respectively.

Investing Activities

Cash used by investing activities for the year ended December 31, 2018 totaled $115.4 million, compared with $141.5 million in 2017. In the year ended December 31, 2017, this outflow is primarily attributable to exploration and evaluation expenditures of $113 million, acquisition of plant and equipment of $6.3 million, acquisition of equity investments of $18.5 million, acquisition of marketable securities of $31.5 million and partially offset by proceeds on the disposition of marketable securities of $26.2 million. In the year ended December 31, 2018, this outflow is primarily attributable to exploration and evaluation expenditures of $113 million, acquisition of plant and equipment of $3.2 million, acquisition of equity investments of $6.2 million, acquisition of marketable securities of $5.4 million and partially offset by proceeds on the disposition of marketable securities of $7.8 million and cash received form the Beaufield Arrangement of $2.7 million.

In management's view, the Corporation has sufficient financial resources to fund current planned exploration programs and ongoing operating expenses. As at December 31, 2018, the Corporation had cash of $88.3 million, compared to $111.5 million as at December 31, 2017. 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 "*Cautionary Note Regarding Forward-Looking Information*" and "*Risks and Uncertainties*".

8. SUMMARY OF QUARTERLY RESULTS

(in thousands of Canadian dollars)

For the period ended	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Financial results:				
Interest income	$ (512)	$ (199)	$ (278)	$ (392)
Loss	$ 11,613	$ 4,822	$ 6,334	$ 11,227
Loss per share*:				
Basic and diluted	$ 0.05	$ 0.02	$ 0.03	$ 0.05
Financial position:				
Working capital (non-IFRS measurement)**	$ 128,182	$ 107,884	$ 63,601	$ 91,802
Exploration and evaluation assets	$ 368,902	$ 344,032	$ 317,877	$ 294,733
Total assets	$ 572,868	$ 532,972	$ 463,862	$ 471,735
Share capital	$ 580,616	$ 530,204	$ 460,615	$ 458,611
Deficit	$ (107,767)	$ (96,154)	$ (91,332)	$ (84,998)
Number of shares issued and outstanding	257,201,331	239,867,438	208,887,322	207,920,322

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

(in thousands of Canadian dollars)

For the period ended	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017
Financial results:				
Interest income	$ (532)	$ (359)	$ (347)	$ (269)
Loss	$ 4,482	$ 12,575	$ 401	$ 578
Loss per share*:				
Basic and diluted	$ 0.02	$ 0.07	$ -	$ -
Financial position:				
Working capital (non-IFRS measurement)**	$ 134,224	$ 84,782	$ 129,108	$ 154,078
Exploration and evaluation assets	$ 261,920	$ 228,560	$ 188,016	$ 163,807
Total assets	$ 481,389	$ 398,771	$ 378,599	$ 369,016
Share capital	$ 456,231	$ 384,771	$ 375,754	$ 365,258
Deficit	$ (73,771)	$ (69,289)	$ (56,714)	$ (56,313)
Number of shares issued and outstanding	207,845,240	190,032,897	187,667,158	184,476,725

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

9. LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2018, the Corporation had a cash balance of $88.3 million (December 31, 2017 - $111.5 million) and working capital of $128.2 million (December 31, 2017 - $134.2 million). Cash and working capital decreased from December 31, 2017, due to spending on the Windfall Property and the expenditures incurred in connection with other exploration activities in Canada. 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, 2018, 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 Osisko can generate a positive cash flow position, in order to finance its exploration programs, the Corporation will remain reliant on the equity markets for raising capital, in addition to adjusting spending, disposing of assets and obtaining other non-equity sources of financing.

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

10. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The Corporation has the following commitments as at December 31, 2018 (in thousands of Canadian dollars):

	Total	2019	2020	2021	2022	2023
Office leases	**1,127**	484	290	273	80	-
Camp trailers and equipment leases	**3,293**	2,349	881	63	-	-
Total	**$ 4,420**	**$ 2,833**	**$ 1,171**	**$ 336**	**$ 80**	**$ -**

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

On October 5, 2016, the Corporation entered into the Osisko GR Earn-In Agreement pursuant to which the Corporation may earn a 100% interest in 28 exploration properties held by Osisko GR upon incurring exploration expenditures totaling $32 million over the seven-year terms of the Osisko GR Earn-In Agreement, of which $5 million must be completed within one year. The Osisko GR Earn-In Agreement was amended on February 16, 2017 to carve out the Kan Project, and instead of $5 million, $4.1 million must be completed prior to December 31, 2017. The earn-in agreement was amended again on December 15, 2017 to extend the deadline of spending $4.1 million to December 31, 2018. As of December 31, 2018, all required amounts have been spent.

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

As of December 31, 2018, the Corporation has the following flow-through funds to be spent by December 31, 2019 (in thousands of Canadian dollars):

Closing Date of Financing	Province	Remaining Flow-through Funds
September 18, 2018	Québec	55,084
Total		**$ 55,084**

11. OFF-BALANCE SHEET ARRANGEMENTS

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

12. TRANSACTIONS WITH RELATED PARTIES

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

During the year ended December 31, 2018, management fees, geological services, rent and administration fees of $1,849,000 (2017 - $1,487,000) were incurred with Osisko GR, a related company of the Corporation by virtue of Osisko GR owning or controlling, directly or indirectly, greater than 10% of the issued and outstanding common shares of the Corporation. Also, Mr. John Burzynski, President and Chief Executive Officer of the Corporation, as well as Mr. Sean Roosen, Chairman of the board of directors of the Corporation, serve as directors and/or senior officers of Osisko GR. Accounts payable to Osisko GR as at December 31, 2018 were $134,000 (2017 - $276,000). During the year ended December 31, 2018, management fees, geological services, rent and administration fees of $132,000 (2017 - $879,000) were charged to Osisko GR by the Corporation. Accounts receivable from Osisko GR as at December 31, 2018 were $79,000 (2017 - $195,000).

The following table summarizes remuneration attributable to key management personnel for the years ended December 31, 2017 and 2018:

For the year ended		December 31, 2018		December 31, 2017
Salaries expense of key management	$	1,915	$	2,289
Directors' fees		349		381
Stock-based compensation		7,904		8,072
Total	**$**	**10,168**	**$**	**10,742**

During the year ended December 31, 2018, management fees, geological services, rent and administration fees of $140,000 (2017 - $22,000) were charged to the Corporation's associate, Barkerville (note 11), by the Corporation. Accounts receivable from Barkerville as at December 31, 2018 were $9,000 (2017 - $nil). During the year ended December 31, 2018, geological services, and administration fees of $128,000 (2017 - $90,000) were incurred with Barkerville. Accounts payable from Barkerville as at December 31, 2018 were $nil (2017 - $nil).

13 OUTSTANDING SHARE DATA

As at March 6, 2019 the Corporation had the following securities outstanding: (i) 260,916,588 common shares of the Corporation; (ii) 21,156,087 stock options to purchase common shares of the Corporation at a weighted average exercise price of $2.64 per option; (iii) 360,724 common share purchase warrants outstanding at a weighted average exercise price of $3.94 per warrant, on a one-for-one basis; (iv) 1,575,000 restricted share units (the "RSU") and (v) 650,000 deferred share units (the "DSU"). On a fully diluted basis, the Corporation would have 284,658,399 common shares of the Corporation issued and outstanding, after giving effect to the exercise of the options, warrants, RSUs and DSUs of the Corporation that are outstanding.

The following table summarizes the options outstanding and exercisable as at December 31, 2018:

	Options outstanding			Options exercisable		
Range of exercise prices per share ($)	**Weighted-average remaining years of contractual Life**	**Number of stock options outstanding**	**Weighted average exercise price ($)**	**Weighted-average remaining years of contractual life**	**Number of stock options exercisable**	**Weighted average exercise price ($)**
0.60 to 1.12	2.1	4,266,993	$1.04	2.1	4,266,993	$1.04
1.13 to 1.71	1.7	3,551,823	$1.20	1.7	3,551,823	$1.20
1.72 to 3.21	3.5	2,372,121	$2.63	3.0	1,695,439	$2.75
3.22 to 3.45	3.1	3,731,666	$3.41	3.1	2,593,328	$3.41
3.45 to 4.79	3.6	5,976,165	$3.98	3.3	2,884,483	$4.23
4.80 to 6.23	1.8	115,680	$6.23	1.8	115,680	$6.23
0.48 to 6.23	**2.8**	**20,014,448**	**$2.61**	**2.5**	**15,107,746**	**$2.32**

The following table summarizes the DSU and RSU outstanding and exercisable as at December 31, 2018:

	Number of DSUs	Number of RSUs
Oustanding at December 31, 2017	**-**	**-**
Granted	250,000	450,000
Oustanding at December 31, 2018	**250,000**	**450,000**

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

The following tables summarize the warrants issued and outstanding as at December 31, 2018:

13.1 Publicly Traded Warrants

	Number of warrants		Weighted-average exercise price
Outstanding as at January 1, 2017	**130,631,300**	**$**	**0.15**
Exercised	(5,469,880)		0.15
Outstanding at December 31, 2017	**125,161,420**	**$**	**0.15**
Exercised	(68,700)		0.15
Expired	(125,092,720)		0.15
Outstanding at December 31, 2018	**-**	**$**	**-**

On August 25, 2015, 130,636,320 common share purchase warrants of the Corporation (the "EH Consideration Warrants") were issued to Eagle Hill shareholders in connection with the acquisition by the Corporation of Eagle Hill. The EH Consideration Warrants were 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 (www.sedar.com). The EH Consideration Warrants were listed and posted for trading on the Toronto Stock Exchange under the symbol "OSK.WT". As a result of a share consolidation by Osisko, which was affected on August 25, 2015 after the effective time of the acquisition of Eagle Hill, each EH Consideration Warrants was exercisable until August 25, 2018 and, upon exercise of 20 EH Consideration Warrants at $0.15 per warrant for a total payment of $3.00, a holder of such warrant was entitled to receive one common share of the Corporation. As of December 31, 2018, all unexercised EH Consideration Warrants have expired.

13.2 One-for-one Warrants

	Number of warrants		Weighted-average exercise price
Outstanding as at January 1, 2017	7,240,854	$	1.62
Granted	15,327,000		5.00
Exercised	(3,355,955)		1.53
Outstanding at December 31, 2017	**19,211,899**	**$**	**4.33**
Issuance of warrants on acquisition of Beaufield Resources	154,240		2.39
Exercised	(520,800)		1.44
Expired	(15,197,540)		5.00
Outstanding at December 31, 2018	**3,647,799**	**$**	**1.89**

On February 3, 2016, the Corporation completed a private placement offering of subscription receipts pursuant to which it issued and sold 10,521,700 subscription receipts of the Corporation. In conjunction with the completion of an arrangement with Niogold on March 11, 2016, each subscription receipt was converted into one common share of the Corporation and one common share purchase warrant. All of common share purchase warrants issued on February 3, 2016 expired on February 3, 2019.

On February 28, 2017, the Corporation completed a private placement offering pursuant to which it issued and sold 15,327,000 units of the Corporation. Each unit is comprised of one common share and one common share purchase warrant of the Corporation. As of December 31, 2018, all unexercised common share purchase warrants issued on February 28, 2017 have expired.

14. CRITICAL ACCOUNTING ESTIMATES

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

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

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

i) Significant judgments in applying accounting policies

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

Income taxes:

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

Determination of significant influence over equity investments:

Judgment is needed to assess whether the Corporation's interest in a marketable security meets the definition of significant influence and therefore would be accounted for under the equity method as opposed to fair value through profit and loss. Management makes this determination based on its legal ownership interest, board representation and through an analysis of the Corporation's participation in entities' policy making process. In the years ended December 31, 2018 and 2017, management determined it was able to exert significant influence over Barkerville Gold Mines Ltd. ("Barkerville") and Beaufield and started to account for these investments as associates under the equity method. In October 2018, Osisko completed its previously announced business combination with Beaufield, pursuant to which Osisko acquired all the common shares of Beaufield by way of a statutory plan of arrangement, resulting in removing the investment from being accounted for as an associate, and commencing consolidating the entity.

Impairment of investments in associates:

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

ii) Significant accounting estimates and assumptions

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

Impairment of non-financial assets:

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

Fair value of stock options and warrants:

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

- **Volatility:** The Corporation uses historical information on the market price of peer companies to determine the degree of volatility at the date when the stock options are granted. Therefore, depending on when the stock options and warrants were granted and the year of historical information examined, the degree of volatility can be different when calculating the value of different stock options and warrants.
- **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 and warrants. The risk-free interest rate will vary depending on the date of the grant of the stock options and warrants and their expected term.

15. CHANGES IN IFRS ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee that are mandatory for accounting years ended after December 31, 2018. Many are not applicable or do not have a significant impact to the Corporation and have been excluded from the summary below.

a) Future Accounting Pronouncements

IFRS 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. A lessee can choose to apply IFRS 16 using either a full retrospective or a modified retrospective approach. The Corporation plans to apply IFRS 16 at the date it becomes effective and has selected the modified retrospective transition approach which does not require restatement of comparative periods. The Corporation will recognize a lease liability on January 1, 2019 and measure the lease liability at the present value of the remaining lease payments, discounted using the Corporation's incremental borrowing rate. The Corporation will also elect to measure right-of-use assets at the same value as the lease liability. IFRS 16 includes recognition exemptions available for short-term leases and leases of low-value items. The Corporation will elect to apply the exemptions whereby the Corporation will recognize the lease payment as an expense over the lease term.

During the year ended December 31, 2018, the Corporation has substantially completed the identification and assessment of arrangements that may contain leases that qualify for recognition under IFRS 16. In addition, the Corporation has substantially completed work to value the right-of-use assets and lease liabilities in arrangements determined to be or contained leases.

Upon the adoption of IFRS 16, the Corporation anticipates it will recognize approximately $3,000,000 of right-of-use assets and approximately $3,000,000 of associated lease liabilities related to the leases on the consolidated statements of financial position on January 1, 2019. Due to the recognition of lease assets and liabilities, a higher amount of interest expense and depreciation will be recognized under IFRS 16 as compared to the current standard. Additionally, a reduction in general and administration expenses is expected. Lastly, the Corporation expects a reduction in operating cash outflows and investing cash outflows with a corresponding increase in financing cash outflows under IFRS 16.

IFRIC 23, Uncertainty over Income Tax Treatments ("IFRIC 23")

In June 2017, the IASB issued IFRIC 23. IFRIC 23 clarifies the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 and requires an entity to consider whether it is probable that the relevant authority will accept each tax treatment, or group of tax treatments, that it uses or plans to use in its income tax filing. IFRIC 23 is effective for annual periods beginning on or after January 1, 2019, and permits early adoption. It is expected that the adoption of IFRIC 23 will not have a material impact on the consolidated financial statements.

b) New Accounting Standards Issued and Effective

IFRS 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 fiscal year beginning on or after January 1, 2018. The adoption of the amendments did not have a material impact on the consolidated financial statements.

IFRS 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 results 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 was adopted on January 1, 2018 using the modified retrospective approach. The adoption of IFRS 15 did not have a material impact on the consolidated financial statements and there was no transitional adjustment recorded on adoption.

IFRS 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 was introduced and represents a substantial overhaul of hedge accounting which allows entities to better reflect their risk management activities in the financial statements.

This standard was adopted on January 1, 2018 on a retrospective basis without restating comparatives so any cumulative adjustments would be recorded in the opening retained earnings on adoption. The adoption of IFRS 9 did not have a material impact on the consolidated financial statements and there was no transitional adjustment recorded on adoption.

16. CORPORATE GOVERNANCE

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

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

The Board has also adopted a code of ethics, which governs the ethical behavior of all employees, management and directors. Separate trading blackout and disclosure policies are also in place. For more details on the Corporation's corporate governance practices, please refer to Osisko's website (www.osiskomining.com) and the statement of Corporate Governance contained in Osisko's Management Information Circular dated May 8, 2018.

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

17. INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure controls and procedures

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

Internal controls over financial reporting

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

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

As at December 31, 2018 there has not been any material change to internal controls over financial reporting for the year. Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Corporation's internal controls over financial reporting. As of December 31, 2018, the Chief Executive Officer and Chief Financial Officer have each concluded that the Corporation's internal controls over financial reporting, as defined in National Instrument 52-109 - *Certification of Disclosure in Issuer's Annual and Interim Filings*, are effective to achieve the purpose for which they have been designed. Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

18. Non-IFRS MEASURES

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

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

Reconciliation for the period ended	**December 31, 2018**	**September 30, 2018**	**June 30, 2018**	**March 31, 2018**
Current assets	138,442	121,424	78,374	110,292
Less current liabilities	10,260	21,084	14,773	18,490
Working capital	**128,182**	**107,884**	**63,601**	**91,802**

Reconciliation for the period ended	**December 31, 2017**	**September 30, 2017**	**June 30, 2017**	**March 31, 2017**
Current assets	155,308	108,439	138,965	162,250
Less current liabilities	21,084	23,657	9,857	8,172
Working capital	**134,224**	**84,782**	**129,108**	**154,078**

19. RISKS AND UNCERTAINTIES

The Corporation's business, being the acquisition, exploration, and development of mineral properties in Canada, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below, could materially affect the Corporation's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Corporation. See "*Cautionary Note Regarding Forward-Looking Information*". The reader should carefully consider these risks as well as the information disclosed in the Corporation's financial statements, the Corporation's annual information form dated March 6, 2019, and other publicly filed disclosure regarding the Corporation, available under Osisko's issuer profile on SEDAR (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 due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary or full feasibility studies on the Corporation's projects, or the current or proposed exploration programs on any of the properties in which the Corporation has exploration rights, will result in any profitable commercial mining operations. The Corporation cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing mineral reserves.

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

Exploration, Development and Operations

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

Liquidity and Additional Financing

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

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

No Earnings and History of Losses

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

Market Price of the Common Shares

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

Volatility of Commodity Prices

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

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

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

Acquiring Title

The acquisition of title to mineral properties is a very detailed and time-consuming process. The Corporation may not be the registered holder of some or all of the claims and concessions comprising the Windfall 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.

Information Systems Security Threats

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

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

Competition

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

Option and Joint Venture Agreements

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

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

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

Mergers and Amalgamations

The ability to realize the benefits of any merger or amalgamation completed by the Corporation will depend in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner. This integration will require the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities of the Corporation following completion of any such arrangement, and from operational matters during such a process.

Community Relationships

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

Osisko understands that First Nations people have protected constitutional rights and can offer a unique understanding of the environment based on their special connection to the land. The Windfall Lake Project is located on Category III lands as described in the James Bay and Northern Québec Agreement (JBNQA). The Windfall Project site falls within the Traditional Territory of the Waswanipi Cree First Nation. The Corporation is honouring the existing Advanced Exploration Agreement in place with the Cree First Nation of Waswanipi, the Grand Council of the Crees Eeyou Istchee, and the Cree Regional Authority. Upon receipt of the Windfall Lake Project description, the Crown identified two other Aboriginal communities that may have an interest in the project: the Algonquin Anishinabeg Nation of Lac Simon and the Obedjiwan community of the Atikamekw Nation. Numerous information sessions have been held throughout 2018 and 2017 to inform and consult the three First Nation communities and the public on the Windfall Lake Project activities and to address their concerns and to collect their comments. As the Windfall Project progresses, agreements may have to be negotiated with the First Nations.

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

Conflicts of Interest

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

Infrastructure

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

The Outstanding Common Shares Could be Subject to Dilution

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

No Dividends Policy

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

20. CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"), including, but not limited to, statements relating to the future financial or operating performance of the Corporation, the Corporation's mineral projects, the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production (if any), capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, use of proceeds from financings, requirements for additional capital, government regulation of mining operations and mineral exploration activities, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, development of the Windfall Project, timing (if at all) to complete a pre-feasibility study on the Windfall Project, advancement of the exploration ramp, underground drilling, timing (if at all) to complete a resource update on the Urban Barry Property and the Windfall Property, progress towards a feasibility study in 2019 (if at all), areas to be included in a feasibility study (if any), as well as exploration activities with drill rigs being reduced. Often, but not always, forward-looking information can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information reflects the Corporation's beliefs and assumptions based on information available at the time such statements were made. Actual results or events may differ from those predicted in forward-looking information. All of the Corporation's forward-looking information is qualified by (i) the assumptions that are stated or inherent in such forward-looking information, including the assumptions listed below, and (ii) the risks described in the section entitled "Risks and Uncertainties" in this MD&A, the financial statements of the Corporation, and the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Information" in the annual information form of the Corporation for the fiscal year ended December 31, 2018, dated March 6, 2019, which are available on SEDAR (www.sedar.com) under the Osisko's issuer profile.

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

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

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

21. ADDITIONAL INFORMATION

Additional information regarding the Corporation can be found in the annual information form of the Corporation dated March 6, 2019 for the financial year ended December 31, 2018, which is available under Osisko's issuer profile on SEDAR (www.sedar.com).