

SUSTAINABLE DEVELOPMENT REPORT 2017

SETTING THE STAGE FOR SUSTAINABLE DEVELOPMENT



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A letter from Osisko Mining



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Our Company

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Osisko Mining's 2017 Sustainable Development Report provides information about our governance, our vision for the future and the status of our key projects. We also share information on four key components of sustainability: health and safety, society, the environment and the economy. The focus in 2017 was on establishing the groundwork for achieving our sustainable development objectives. We developed an occupational health and safety management system, implemented our spill management plan, conducted drill pad reclamation, established donation and sponsorship guidelines reflecting our core values, and focused on hiring employees from local communities and utilizing local contractors with Aboriginal joint venture partnerships. The Windfall Lake Project attracted much of our attention this year. We built and restored underground and surface infrastructure. We completed dewatering of the exploration ramp in late August and took our first underground blast in the exploration ramp in October. We initiated the environmental approval processes by filing the project description with the federal government and the preliminary project notification with the Québec government. Osisko Mining also identified a site near Lebel-sur-Quévillon for a potential processing

plant. We continued our stakeholder engagement, holding more than 65 meetings in our host communities to share information on the projects.

In 2017, we acquired claims that consolidated our position in the Lebel-sur-Quévillon area. The Quévillon Project includes about 30 known gold showings as well as the historic Osborne-Bell gold deposit, 17 kilometres northwest of Lebel-sur-Quévillon.

Osisko Mining prides itself on creating value for our stakeholders, partners and community stakeholders through our sustainable practices. We are continuously looking for new and innovative ways to minimize our effect on the environment by conserving natural resources and consumable goods and minimizing our environmental footprint through progressive rehabilitation measures. Furthermore, building long-term positive relationships with our host communities allows Osisko Mining to invest in community-focused sustainability projects while creating local jobs and promoting local purchases.

We would like to thank the people and organizations who support us, including our employees, First Nations, host communities, financial and government partners, and our shareholders.

Sincerely,



John F. Burzynski
President, CEO and Director



Alexandra Drapack
Vice-President, Environment Services
and Sustainable Development

© The Sustainability Development Report includes information from January 1 to December 31, 2017. The 2016 report is available at osiskomining.com.

Who is Osisko Mining?

Osisko Mining is an exploration and development company with a focus on precious metal resources in Canada. We explore in Québec and Ontario, looking for opportunities to enhance shareholder value. Our flagship asset is the Windfall Lake Project in northern Québec.

OSISKO MINING BY THE NUMBERS

	2017	2016
TSX	OSK	OSK
Shares outstanding	±\$208M	\$162M
Fully diluted shares	±\$250M	\$190M
Fully diluted cash	±\$315M	±\$140M
Market capitalization	±\$705M	\$395M
Debt	\$0	\$0
Equity	±\$428M	N/A
Net revenues	\$0	\$0
Cash and investment	\$191M	±\$117M
Total Workforce	173	73
Windfall Lake Project		
	2017	2016
Mining claims	12,400 ha	12,400 ha
Total drilled	386,596 m	106,000m
Spent	\$104M	\$22M

John Burzynski, President and CEO, Windfall Lake core shack



2017 At a glance

Osisko Mining's projects

In 2017, Osisko Mining drilled:

- 386,596 metres on the Windfall Lake Project
- 27,595 metres on the Urban Barry Project
- 2,928 metres on Marban Block Project
- 1,575 metres on the Quévillon Project
- 59,682 metres on the Garrison Project in northern Ontario

Osisko Mining has four main deposits containing an aggregate of 3.42 million ounces of global resources in the measured and indicated mineral resource categories, and an aggregate of 1.8 million ounces in the inferred mineral resource category.

Osisko Mining holds

- A 100 per cent interest in the high-grade Windfall Lake gold deposit on the Eeyou Istchee James Bay territory in northern Québec
- A 100 per cent undivided interest in a large area of claims in the Urban Barry area and nearby Quévillon area (more than 3,300 square kilometres)
- A 100 per cent interest in the Marban Project in Québec's prolific Abitibi gold mining district
- Properties in the Larder Lake Mining Division in northeast Ontario, including the Jonpol and Garrcon deposits on the Garrison Project, the Buffonta mine and the Cold Pike Mine Project
- Interests and options in additional properties in northern Québec and Ontario

Project	Location	Status	Activity in 2017
Windfall Lake	Québec	Owned 100%	Drilling, exploration ramp, camp capacity
Urban Barry	Québec	Owned 100%	Drilling
Black Dog (Souart)	Québec	Owned 100%	Compilation, surveys and drilling
Quévillon	Québec	Owned 100%	Surveys and drilling
Garrison	Ontario	Owned 100%	Drilling
Marban Block	Québec	Owned 100%	Drilling
Malartic Block	Québec	Owned 100%	Surveys
Siscoe East	Québec	Owned 100%	None
Héva	Québec	Owned 100%	Surveys
Kan	Québec	Earn-in	Surveys and mapping and drilling
Eléonore Regional	Québec	Earn-in	Surveys and mapping
Eléonore JV	Québec	Earn-in	Surveys
James Bay	Québec	Earn-in	Surveys and drilling

2017 MILESTONES

■ Windfall Lake Project ■ Other exploration projects

January

- On-going drilling
- **Binding agreement with Barrick Gold Corp. on the Kan Project**

March

- Received transfer of the certificate of authorization for the bulk sample on Windfall Lake Project
- **Significant land acquisition for the Quévillon Project**

April

- Identified a potential site for a future mill near Lebel-sur-Quévillon

June

- Filed Project Description and Preliminary Project Information reports for Windfall Lake Project

July

- Received federal and provincial guidelines
- Began the Environmental Assessment
- Updated the site restoration plan

August

- Increased the scale of the ongoing drill program
- Added 400,000 meters of drilling (global total of 800,000 meters)
- Collaboration Agreement with Lebel-sur-Quévillon

October

- First underground blast at the exploration ramp
- First Open House in Lebel-sur-Quévillon

November

- First Open House in Waswanipi
- **Sale of the Catherine and De Santis Projects**

December

- **Sale of the Swayze Project**

Our projects

WINDFALL LAKE PROJECT

The Windfall Lake Project consists of 285 contiguous mining claims covering about 12,400 hectares located between Val-d'Or and Chibougamau in the Eeyou Istchee James Bay territory, Québec. **The Windfall Lake Project gold deposit is one of the highest-grade resource-stage gold projects in Canada.** Our ongoing drill program at Windfall Lake has 18 drill rigs focused on the main and adjacent Lynx deposits and two additional rigs working on regional targets. The 800,000-metre drill program combines definition, expansion and exploration drilling in and around the main Windfall gold deposit and the Lynx deposit.

EXPLORATION RAMP ADVANCEMENT

In 2007, advancement of an underground exploration ramp was initiated for the purpose of collecting a bulk sample. The project was discontinued before completion and the ramp was allowed to flood with water. In 2017, Osisko Mining received government approval for a mine water treatment system. This certificate of authorization allowed Osisko Mining to dewater the ramp to conduct advanced exploration by extending the exploration ramp. Work on the exploration ramp has begun and the portal has been restored. Underground infrastructure and excavations completed during 2017 include 1,021 metres of rehabilitation and 136 metres of new exploration ramp advancement towards Zone 27 and Caribou and 93 metres of general underground infrastructure.

Throughout 2018, Osisko Mining will explore the extension of the known gold zones, and will begin exploration for new mineralization. Underground work will focus on collecting a bulk sample (for metallurgical testing and grade confirmation), underground mapping and underground exploration drilling. We will release an updated resource during the second quarter and will complete a preliminary economic assessment in Summer 2018.



► Core at Windfall Lake Project



► The exploration ramp portal rehabilitation at Windfall Lake Project is complete.

GARRISON PROJECT

The Garrison Project is located in Garrison Township, Ontario. During 2017, Osisko Mining drilled 59,682 metres in 151 drill holes. The drilling program focused on the 903 zone, which significantly expanded the known mineralized zone to the southwest, northwest and south. The rest of the program was dedicated to infill drilling on the Garrcon Project.

No drilling occurred on the Jonpol Project in 2017.

The 2018 drilling campaign will start in May, focusing on the west extension of the Jonpol zone and possible new targets in the eastern portion of the property. An updated resource will be completed in 2018.



Osisko governance

Good corporate governance is key to Osisko Mining's long-term success and the protection of our stakeholders' interests. We are committed to improving our governance according to best practices and regulatory guidance.

Shareholders elect Osisko Mining's board of directors, who have vast experience and expertise in exploration, metallurgy, mining, accounting, legal, banking, financing and securities. In fulfilment of our 2016 sustainable development goal of promoting diversity and equity within our workforce, Osisko Mining was proud to appoint Amy Satov to the Board of Directors. The appointment is a first step towards Osisko Mining's commitment to include women at all levels of the organization.

Osisko Mining's Board of Directors has approved our corporate governance guidelines, which promote its effective function and set expectations for the performance of its responsibilities. We have also adopted a code of ethics, which governs the behaviour of all employees, management and directors.

The following committees support the Board:

- Audit committee
- Corporate governance and nominating committee
- Compensation committee
- Health, safety and environment and corporate social responsibility committee

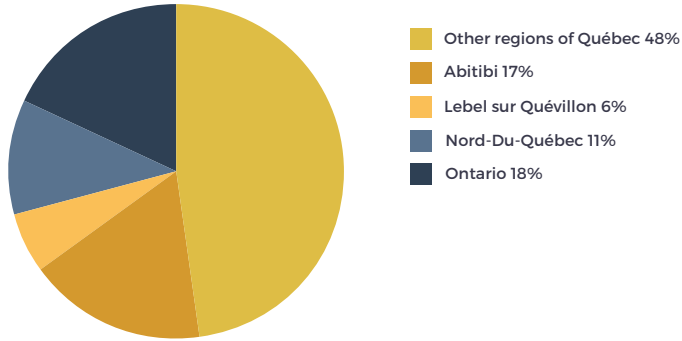


Our team

Osisko Mining strives to attract a high-quality, diversified workforce, from the field staff to the Board of Directors, by providing:

- Above-average compensation benchmarked against our peers in the mining and exploration industry
 - Benefits to protect permanent employees and their families
 - Long- and short-term incentive programs
 - Opportunities for personal growth
- Osisko Mining encourages employees to participate in training programs, and develops new talent through student internships and engagement with local universities.

Distribution of employees by place of residence



Workforce	2017		2016	
	Male	Female	Male	Female
Board of Directors	8 (89%)	1 (11%)	10 (100%)	0 (0%)

Workforce	2017		2016	
	Male	Female	Male	Female
Management	8 (73%)	3 (27%)	9 (90%)	1 (10%)
Employees	103 (64%)	59 (36%)	39 (61%)	25 (39%)
Total	111 (64%)	62 (36%)	47 (64%)	26 (39%)
	173		73	

Betsy Shecapio, Waswanipi Community Liaison Advisor, Windfall Lake Project

In 2017, the Osisko Mining workforce included 36% women



Our 2017 workforce included 173 employees, 36 per cent of whom were female. All our employees are Canadian; the majority (80 per cent) are from Québec.

To further promote diversity within Osisko Mining, both our Executive Vice-President of Strategic Development and the Chair of our Board of Directors participated in Women Who Rock, which aims to connect women to leaders in the mining industry. Women Who Rock works to empower women and improve gender diversity in the industry.



► Women Who Rock, January 2017: Jose Vizquerra-Benavides, EVP of Strategic Development and Director



► Geology team at Windfall Lake Project



► 2017 Eleonore Regional Project team

Aboriginal workers

In 2017, Osisko Mining worked with Aboriginal community members during our exploration campaigns in Québec and Ontario. We see this as an important opportunity for First Nations to gain economic benefits from our projects. Additionally, working with First Nations community members provides a direct communication line to the larger communities, as these workers can share information about Osisko Mining and the way we do business. Osisko Mining is committed to providing opportunities to local First Nations. For example, at the Windfall Lake camp, Cree First Nation of Waswanipi community members are a key part in the success of the project, filling such positions as environmental assistant, general labourer, core cutter, housekeeper, administrative assistant, Waswanipi community liaison adviser, First Nation human resource facilitator and health and safety prevention officer. Osisko Mining uses the Waswanipi economic development company, Miyuu Kaa, for civil works, catering and drilling. Several other Cree enterprises also provided goods and services at the Windfall Lake Project. At the peak of Windfall Lake and Urban Barry Projects activities, more than 92 First Nation people worked at Osisko Mining's projects.



► Cree core cutters at Windfall Lake Project



► Miyuu Kaa - Gestion ADC kitchen team at Windfall Lake Project.

Aboriginal Workers

	2017	2016
Windfall Lake & Urban Barry Projects	>80	12
Garrison Project	6	5
Kan Project	6	4
Total	>92	21



► The Osisko Mining team at the annual XPLORE Gala

Awards

Osisko Mining won the Québec Mining Exploration Association's Discovery of the Year award for the Lynx deposit. This discovery, located near the Windfall Lake deposit, changed the exploration strategy around the Windfall Lake Project. The new Lynx deposit has the potential to expand the size of the project and produced a significant ripple effect on exploration activities around the main Windfall Lake deposit. Osisko Mining also won the 2017 Exploration Award North America from Mines and Money Americas. In the coming year, Osisko Mining will focus on infill drilling on the Lynx zone, as well as on the main zones, in order to release a new resource estimate and preliminary economic assessment.



► Osisko Mining at the Mines and Money Americas 2017 Exploration Award ceremony.



Mandy Gull (Deputy Chief, Cree Nation Government) and John Burzynski (Osisko Mining President and CEO) with the 2017 Discovery of the Year award

Sustainable development action plan

As part of our sustainable development strategy, Osisko Mining is committed to:

- Evaluating our activities in terms of the potential effects and risks for the natural, human and social environments, with the goal of achieving “zero harm”;
- Continuous improvement by monitoring programs, analyzing statistics, conducting audits and establishing plans to improve performance;
- Ensuring that employees, subcontractors and suppliers meet our standards of sustainability; and
- Ensuring that our board of directors monitors the performance of our sustainability objectives and we provide the resources to reach these objectives.

We monitor our performance in the four key components of sustainability – health and safety, society, environment and economy.

Moose and Caribou Aerial Survey: Windfall Lake Project ►





Health and safety

In 2017, Osisko Mining strengthened our Health and Safety (H&S) department by hiring a corporate H&S superintendent and four H&S advisers, two nurses and four security guards for the Windfall Lake Project. We also introduced a new first responder team, mine rescue team and a firefighting team.

An occupational health and safety management system was developed and implemented and new policies and procedures were introduced to ensure the health, safety and well-being of our workforce. All Osisko Mining employees, contractors and visitors attend site H&S orientations. We review and modify our H&S standards regularly to maintain the proper controls.

This table provides our H&S statistics for 2017. We investigate incidents to determine underlying causes and establish immediate action plans to prevent a reoccurrence. Corrective actions are documented and tracked to ensure completion and closure.

H&S 2017 STATISTICS

Osisko's employees and contractors	Windfall Lake Project	All Projects
Worked hours	801,546	993,388
First aid incidents	113	131
Medical treatment incidents	20	26
Lost time incidents	7	8
Restricted work incidents	21	22
Lost time injury frequency rate	1.7	1.6
Cumulative frequency rate	7.0	6.0
Total recordable injury frequency rate	11.9	11.27

*Lost Time Injury Frequency Rate (LTIFR): (number of lost time accidents x 200,000 hours) / (hours worked year to date)

*Cumulative Frequency Rate (CFR): ((number of lost time + restricted work injuries) x 200,000) / (hours worked year to date)

*Total Recordable Injury Frequency Rate (TRIFR): ((total medical aid injuries + restricted work assignments + lost time accidents) x 200,000) / (hours worked year to date)

► Underground at Windfall Lake Project

Action Plan

Health and safety (H&S)

Objectives

- Provide a safe working environment.

Goals

- Promote a culture of safety within our workforce.
- Continuous improvement of management systems.

Action Plan 2017-2020

- Hire corporate H&S superintendent.
- Finalize occupational H&S management system.

Progress 2016

- H&S support system identified at each site.
- Site-specific H&S manuals completed.

Progress 2017

- Occupational H&S department in place (corporate H&S superintendent, four H&S advisers, two nurses, four security guards).
- Developed and implemented an occupational H&S management system.
- Continually updated our standard operating procedures.
- Developed and implemented drug and alcohol policy.
- Established Windfall Lake Mine Rescue Team (Windfall Lake).
- Established fire department and purchased firefighting skid (Windfall Lake).
- Established first responder team (Windfall Lake).
- Completed risk assessment workshops.

- Ensure our workforce is well trained and ready to respond to potential emergencies.

- Fully trained workforce with effective emergency response plan.

- Expand Windfall Lake fire protection equipment and protocol.
- Practice emergency drills for identified response teams.
- Complete needs assessment for H&S training.
- Continue tracking H&S training for all staff.

- Site safety orientation training provided to all employees, contractors and visitors.
- Completed Ontario joint H&S committee certification parts 1 & 2 (management/worker).
- On-site risk assessment training completed.
- Site-specific emergency plans completed.
- Began record keeping for H&S employee training.

- Continued site safety orientation training for all employees, contractors and visitors.
- Introduced daily H&S meetings
- Updated site-specific emergency plans.
- Kept records for H&S employee training (matrix), including but not limited to first responders training; firefighter training; training on specific equipment (Skytrack, boom lift, scissor lift, ATVs).
- Conducted emergency simulations (Windfall Lake).
- Weekly training for first responders (Windfall Lake).

- Monitor, analyze and audit our safety performance.

- Reporting and analyzing incidents.

- Ongoing reporting of H&S statistics.
- Audits of on-site practices.
- Analyzed trends and developed corrective actions to reduce incidents.

- Six site inspections done.
- Three months of H&S information collected in 2016.
- Lost time frequency rate of 1.5 in Q4 2016.

- Collected data for the full year on H&S incidents.
- 2017 lost time incident frequency rate of 1.6.
- More than 250 H&S field inspections.
- Three inspections by CNESST.
- Established a risk register by workstation.
- Improved accident reporting procedure.
- Developed and implemented corrective measures process.
- Initiated the incident investigation process.
- Analyzed incident trends and developed corresponding safety information talks aimed at reducing problem areas or activities.

Osisko Mining society

Osisko Mining promotes innovation and education. We also build relationships with communities by sharing knowledge and maintaining high workforce satisfaction.



► Osisko Mining's underground geology team

Osisko Mining ensures that our activities benefit Aboriginal and local communities by providing employment, identifying business development opportunities and participating in cultural activities. We engage in ongoing dialogue with host communities and collect community concerns through our consultation activities. In 2017, we held more than 65 meetings in all regions where we have projects. We send notification letters to First Nation communities and municipalities before starting exploration activities. The letters include maps and contact information so local representatives can reach us with suggestions, questions or concerns.

We continually learn from our host communities about Aboriginal culture and their relationship to the land. We value their knowledge and seek their contribution to minimize the potential effects on the environment, their cultural heritage and their traditional activities. Specifically at Windfall Lake, Osisko Mining regularly met with Cree First Nation of Waswanipi representatives and the tallymen, the stewards of traditional Cree territories, to share information on land use.

2017 main community events

January

- Visit Waswanipi Community
- Waswanipi Land Users Meeting
- Site Visit: Waswanipi Board members, CTA and Tallyman

April

- Journée Maillage Donneur d'ordre et Fournisseurs organized by Société du Plan Nord in Chibougamau
- Kuujjuaq Mining Workshop
- Meeting in Wahgoshig

July

- Meeting in Kuujjuaq
- Meeting with Mayor of Lebel-sur-Quévillon and representative of Society of Economic Development
- Meeting with the Minister of Innovation, Science and Economic Development

October

- First Open House in Lebel-sur-Quévillon and Windfall Lake
- Second collaboration Committee Meeting in Lebel-sur-Quévillon

February

- Waswanipi Mining Exposition
- Presentation to the Waswanipi Forestry Department

May

- Mining Week in Lebel-sur-Quévillon
- Waswanipi Land Users meeting
- Waswanipi Cree Entrepreneurs meeting
- Presentation to Waswanipi Band Council
- Introductory Meeting & Project Update – Lac Simon First Nation
- Introductory Meeting & Project Update – Obedjiwan First Nation

August

- Collaboration agreement with Lebel-sur-Quévillon and first meeting of the collaboration committee
- Windfall site visit: MERN minister, DG of Société du Plan Nord and Lebel-sur-Quévillon Mayor
- Waswanipi land users meeting
- Windfall Lake site visit for tallyman and Waswanipi Natural Resources Department

November

- First Open House in Waswanipi and Windfall
- Presentation of Windfall Lake Project to Chibougamau ICM and business people
- Meeting with Chibougamau and Chapais Mayors
- Presentation to CTA General Assembly in Waswanipi
- Québec Mines event
- Presentation of project description and exploration update – Obedjiwan First Nation

March

- PDAC meetings
- ROM Museum event
- Presentation of project description and exploration update to the federal and provincial governments

June

- James Bay Cree Communities annual information tour
- Waswanipi Day
- Aboriginal Day at Windfall Lake camp

September

- Wahgoshig social event
- Meeting with Tallymen and Waswanipi Natural Resources staff
- Meeting with Miyuu Kaa (Waswanipi JVs)

December

- Waswanipi Land Users meeting
- Holiday Party in Waswanipi
- Presentation of project description and exploration update – Lac Simon First Nation

Action Plan Society

Objectives

- Design and use technologies that minimize risks to people and the environment.
- Build long-term positive relationships with our Aboriginal partners and local communities.

Goals

- Promote innovation within our workforce.
- Grow our workforce and the knowledge within Osisko Mining.
- Share our knowledge and experiences within the mining industry.
- Maintain open communication with our Aboriginal and local communities.
- Gain knowledge of community values and concerns and work to address concerns.
- Encourage and promote our local and Aboriginal workforce.

Action Plan 2017-2020

- Continue student recruitment and provide research opportunities for students.
- Participate in mining mentorship programs.
- Join the Ontario Mining Association.
- Research water treatment technologies.
- Hire community liaison adviser for Windfall Lake.
- Maintain notification system and grow stakeholder list.
- Compile list of key community concerns.
- Attend community events in each project or region.
- Host information sessions at key project milestones.
- Participate in Kuujuaq mining workshop.
- Community meetings with Lac Simon and Obedjiwan First Nations.
- Identify and support programs promoting health, well-being and education in Aboriginal communities.

Progress 2016

- Student internships (two at Windfall Lake, one at Garrison and one at Marban).
- Participated in university lectures and forums.
- Member of PDAC, Québec Mining Exploration Association.
- Community notification letters sent before initiating exploration.
- Community meetings held in regions where we have projects.
- Traditional land use study commenced for Windfall Lake.
- Agreements in place with four Aboriginal communities in Ontario and one in Québec.
- 16 workers from Waswanipi and five from Wahgoshig.
- Invited tallymen to QMEA conference.

Progress 2017

- Student internships (five) and summer jobs (12).
- Participated in lectures and forums.
- Participated in Women Who Rock mining mentorship program.
- Researched and selected appropriate water treatment technology for the Windfall Lake Project.
- Sent community notification letters before initiating exploration (First Nation communities and municipalities).
- Community meetings held in all regions where we have projects (James Bay, Kuujuaq, Lac Simon, Obedjiwan, Waswanipi, Waghoshig).
- Sponsored tallymen to QMEA conference.
- In-kind donations to tallymen (James Bay and Windfall).
- First open house in Lebel-sur-Quévillon, Waswanipi and Windfall camp (Windfall Lake).
- Project description video presented to Waswanipi and Lebel-sur-Quévillon communities and our Windfall Lake workers.
- Hired Waswanipi community liaison adviser (Windfall Lake).
- Prepared and displayed posters to present aspects of Cree way of life (Windfall Lake).
- Field visits: Waswanipi, Lebel-sur-Quévillon and provincial government (Windfall Lake).
- Hosted Aboriginal Day (Windfall Lake).
- Participated in the Kuujuaq mining workshop (Kan project).
- Attended Waswanipi Day (Windfall Lake).
- Presented information at Plan Nord event, Journée donateurs d'ordres et fournisseurs in Chibougamau.
- Participated in Mining Week in Lebel-sur-Quévillon: presented to public, met local entrepreneurs and held an information booth in the mall (Windfall Lake).
- Aboriginal employment through local contractors:
 - Six Inuit workers on Kan Project
 - More than 92 workers from Cree First Nations communities (mainly Waswanipi) on Windfall Lake and Urban Barry Projects
 - Six workers from Wahgoshig at Garrison Project
- Maintained records of community concerns.

Action Plan Society

Objectives

- Maintain positive labour relations and high workforce satisfaction.

Goals

- Engage with our employees to understand their values.
- Promote diversity and equity within our workforce.

Action Plan 2017-2020

- Undertake annual performance reviews.
- Track pay rates by employment category and gender.
- Measure workforce turnover.
- Track workforce training by hours/year and gender.

Progress 2016

- Above-average compensation compared to our industry.
- Benefits to protect employees and their families.
- Long and short term incentive programs.

Progress 2017

- Completed annual performance reviews.
- Established salary scale according to employment categories.

► Core, Windfall Lake Project



Relationship with Aboriginal communities

Sharing information and transparency

Cree First Nation of Waswanipi

Throughout 2017, Osisko Mining shared information about the Windfall Lake Project with the Cree First Nation of Waswanipi through letters, meetings and presentations to the band council and general assemblies. This included more than 25 different meetings with Waswanipi representatives, tallymen, entrepreneurs and community members. These meetings were an opportunity to explain the work planned and to listen to the community. The main concerns regarded employment and contract opportunities, and protection of the environment and human beings.

Osisko Mining hired several people from the Waswanipi community in 2017 and shared information about our exploration activities, environmental baseline data collection, the environmental assessment process and the Windfall Lake Project description. The tallyman participated in some of the baseline data collection for the project, such as the

fish inventory, and will be part of the moose and caribou inventory next winter. We also held meetings in the community regarding traditional knowledge and land use. Each year, to help the communities better understand the implications of exploration and to help create a network of industry contacts, we sponsor community members to join us at the Québec Mineral Exploration Association (QMEA) Conference in Montreal. Among them were two tallymen related to our Windfall Lake Project and representatives from the Chisasibi and Wemindji communities. We also met with Cree human resource development and Waswanipi representatives during the PDAC event in March, and organized field visits to the Windfall Lake Project in the winter and summer. The tallyman, his family, band office staff, band council members and Cree Trappers' Association representatives visited the camp, exploration ramp infrastructure and a drill rig.



► Waswanipi underground tour at Windfall Lake: Chief, Deputy Chief, tallyman and other community members



Aboriginal Day celebration at Windfall Lake

Other Aboriginal communities

Wahgoshig

Wahgoshig First Nation is an Algonquin community located in Ontario, located a few kilometres from the Garrison Project. In 2017, Osisko Mining met with Wahgoshig community members to introduce our company and to provide an update on exploration activities. We also visited the community and met with Wahgoshig Resources Inc. personnel. Garrison Project managers attended a social event organized by Wahgoshig First Nation, reinforcing the relationship between mining companies and Wahgoshig First Nation. Six Wahgoshig First Nation community members worked on the Garrison Project in 2017 and numerous Wahgoshig contractors were used for activities related to the drill program.



► Garrison workers including three workers from Wahgoshig First Nation

Kuujjuaq

The Osisko Mining team met with Nunavik representatives to address concerns about our Kan Project, located approximately 90 kilometres from the village of Kuujjuaq. Our meetings included discussions with representatives from the Nayumivik Landholding Corp., the Nunavik Mineral Exploration Fund, the Makivik Corp. and the mayor of Kuujjuaq.

The main concerns expressed by people from Kuujjuaq were minimizing environmental impacts and maximizing economic benefits to the community. The team explained the environmental protection measures in place and shared a list of Inuit contractors who work on the project. Routinely including Inuit contractors in our tendering process is an important aspect of our sustainable development strategy. During the summer of 2017, six Inuit people worked on the project. We also use the services of local entrepreneurs such as Air Inuit, First Air, Tivi, Avataa Explorations and Logistics, Avataa-Rouillier Drilling and others. After the field season, all excess food was donated to the community, along with seven oil stoves that have been replaced by electric heaters in the camps. These will be used by land users for heating in the hunting emergency shelters.

Osisko Mining presented the Kan Project at the Kuujjuaq Mining Workshop in April, met with the local representatives at the Prospectors and Developers Association of Canada (PDAC) event in Toronto, in Kuujjuaq during the summer and at the XPLOR convention in Montreal in the fall.

First Nations of Lac Simon and Obedjiwan

In addition to Waswanipi Cree First Nation, two other communities have expressed a potential interest in the Windfall Lake Project. They are Obedjiwan community of the Atkamekw



► Kan Project, Kuujjuaq



► Tour of James Bay Cree communities



► Meeting with Lac Simon First Nation

Nation and the Lac Simon community of the Anishinabeg Nation. Osisko Mining met with each of these communities twice in 2017 to share information about exploration activities and the details of the Windfall Lake Project.

Relationship with local communities

Lebel-sur-Quévillon

Lebel-sur-Quévillon is the nearest non-Aboriginal community to the Windfall Lake Project.

The Osisko Mining team met its Mayor and management team to provide an update on the project, share information about employment, goods and services requirements and learn about the city. In August, Osisko Mining and the city of Lebel-sur-Quévillon signed an agreement to maximize socio-economic benefits to the community. Osisko also hosted a site visit for the Québec minister of natural resources (MERN), the president and general director of Société du Plan Nord and the mayor of Lebel-sur-Quévillon. Osisko participated in the Mining Week organized by the Société de développement économique de Lebel-sur-Quévillon. Our Vice-President exploration Québec presented the projects and the company to the public, and Osisko Mining meet with local entrepreneurs and staffed an information booth.

Osisko Mining is committed to community involvement, as shown by the opening of an

office for a workforce of approximately 20 workers in the city. Osisko Mining holds a seat on the board of the Société de développement économique de Lebel-sur-Quévillon and supports community initiatives through our donation and sponsorship program.

Chapais-Chibougamau

Osisko Mining presented the Windfall Lake Project and the company at two events in Chibougamau – the Journée donneurs d'ordres et fournisseurs organized by Société du Plan Nord and an evening organized by the Canadian Mining Institute and Développement Chibougamau.

The Osisko Mining team met with the mayors of Chibougamau and Chapais to introduce the Windfall Lake Project and the regional exploration projects. The mayors were interested in opportunities for their local businesses and contractors.



► The collaboration committee's first meeting in August

Sharing knowledge, training and innovation

Workforce training and the expertise of our employees anchor Osisko Mining's success.

We encourage our employees to pursue entrepreneurial, technical, geological, and health and safety training. Osisko Mining also requires health and safety training, such as risk assessment, first aid, safe operating procedures and emergency preparedness.

Osisko Mining invests in innovation through lectures in geology, mining and entrepreneurship. In 2017, we provided paid internships to five students and 12 summer jobs for students pursuing careers in the mining industry. In 2017, Osisko Mining provided financial support for school activities promoting science and education and supporting research.



► Fire fighting training at Windfall Lake Project

Environment

Our goal is to minimize our environmental footprint by using efficient techniques, conserving resources and using progressive rehabilitation at our exploration sites. A rehabilitation program underway includes the restoration of drill pads and lake breakthroughs by grading the surface to re-establish water flow and putting the organic layer back in place.

Osisko Mining aims to minimize possible effects on land, water, air, flora and fauna. All spills and non-compliance issues are reported to management and the board of directors. Progressive reclamation of our exploration activities includes routine cleaning and restoration of drill pads, mechanical trenches, camp sites and other areas.

Drill pads are reclaimed in two stages. In the first stage, all equipment, garbage and fuel is removed from the drill site. The drill casing has been properly cut and flagged, sumps are backfilled and the drill pad area is levelled. In the second stage, once confirmation that drill pad will not be required for additional future drilling, inspection will take place to assess regrowth of vegetation. If deemed necessary, vegetation assistance (i.e. seeding) will be done.

Project	Area disturbed - drill pads (m ²)	Area remediated (1 st stage) - drill pads (m ²)
Windfall Lake Project	270,000	50,000
Garrison Project	85,248	68,198

When choosing areas for future infrastructure, we aim to minimize our impacts by utilizing areas previously disturbed by historical exploration or forestry activities.

Windfall Lake Project ►





► Windfall Lake Project environmental emergency

Spill management

Osisko Mining’s spill management plan strives to minimize the potential effects of any spill. The plan ensures that all spills are managed promptly and with care. Québec regulations require reporting all spills as soon as possible, and federal legislation requires reporting all spills that reach or will likely reach water. Our plan emphasizes spill avoidance, and all employees and contractors are aware of the spill reporting and cleaning procedures. Spill kits are available on each exploration project and employees have been trained in proper spill cleanup. There were 79 spills in 2017. All were reported as required and affected areas remediated.

Spill Management 2017 Project	Spills less than 20L	Spills greater than 20L
Windfall	73	5
Urban Barry	0	0
Quévillon	0	0
Garrison	1	0

The Windfall Lake camp has an environmental emergency unit containing the material to clean spills, and additional spill kits are available around the site. When necessary, Osisko Mining uses a vacuum unit to recover contaminated water and solids. Sealed containers are available to store contaminated soils until they can be disposed of at an authorized disposal site. The environmental team performs regular inspections at the camp site, ramp sector, drill rigs and drilling contractor’s garage to proactively identify and correct any potential impacts.

Water management

Mine water and runoff water

Prior to dewatering the existing exploration ramp, the ramp water quality was assessed and a suitable water treatment system was developed using the existing basins and ditches. After cleaning and repairing the infrastructure, new water treatment units, including a Geotube® platform and water treatment modules, were installed. Dewatering of the exploration ramp took place in July and August. In total, 71,144 m³ of water was treated at the Windfall Lake Project in 2017. Of that, 36,536 m³ was during the initial ramp dewatering process. Ongoing mine water and runoff water from the stockpile is directed to the water treatment system to ensure the effluent meets regulations. In 2017, all effluent sample results were compliant with the legislation.

A preventive treatment system to reduce the concentration of ammonia nitrogen will be installed during the summer of 2018. If the toxicity caused by ammonia nitrogen is no longer controllable with pH adjustment, the

new unit will reduce the concentration to an acceptable level.

We use recycled water to operate our underground equipment. A water cleaning system that removes suspended solids will be installed underground for operation in 2018.

Potable water and domestic water

The Windfall Lake camp facilities were expanded in 2017 to allow for 300 workers to stay at the site. All the relevant infrastructure was updated, including septic fields and drinking water wells. Three artesian wells providing potable water and three septic installations handle the needs of the camp. Water quality is monitored weekly to ensure compliance. In 2017, we found two non-conformities. Warning signs were quickly installed, disinfection completed and the situation returned to normal within a couple of days. For the rest of the year, all water analyses complied with the legislation.



► Windfall Lake Project’s new septic field

Waste management

Domestic waste

Containers segregate residual materials: domestic waste, metal, cardboard and construction waste. A contractor transports residual materials from Windfall Lake to authorized locations. Metal is recovered for recycling by a company from Amos, Québec.

A composter will be commissioned in the summer of 2018 to reduce the impact on landfill and transportation by at least 50 per cent. Kitchen waste and cardboard will create compost for use in restoring the drilling sites.

Hazardous materials

Osisko Mining tightly manages residual hazardous materials. We supervise contractors so they manage their residual hazardous materials according to regulations and regularly inspect storage sites, both ours and those of the contractors. Procedures are in place to store, label, segregate and properly dispose of residual hazardous materials through authorized firms. A dome was built at the Windfall Lake Project site for residual hazardous materials storage and for a treatment system for oily water. The concrete floor is scheduled to be poured in late spring 2018.

Restoration plan updated

As required by the Québec government, we submitted an updated closure plan for the Windfall Lake Project in July 2017 and expect approval in the middle of 2018. A restoration plan was also filed for the Garrison Gold Pike Project.

Learning about the environment

Osisko Mining undertook several environmental studies in 2016, including project-focused studies and external research initiatives. These studies increased in intensity in 2017.

First step of the environmental assessment

Osisko Mining has filed the Windfall Lake Project description report with the federal government and the preliminary project information report with the Québec government. This is the first step in the environmental assessment process. We received guidelines from both governments and continue to gather environmental data for the baseline study supporting the environmental assessment.

Environmental baseline data collection

Supporting the environmental assessment, Osisko Mining undertook many field visits to collect baseline data. On the Windfall Lake Project, we collected data about surface water and sediments, noise, vegetation, fish and aquatic habitat, terrestrial fauna, geochemistry and hydrogeology. The tallyman was involved in the fishing inventory. He will also be part of a moose and caribou inventory in 2018.

Windfall Lake Project's camp ► capacity is permitted to allow 300 workers



Action Plan Environment

Objectives

- Evaluate the potential effects of our projects and activities.

- Conserve our use of water and energy.

- Minimize our land disturbance, waste generation and emissions, and rehabilitate any disturbances.

Goals

- Understand the potential effects of our planned activities and identify mitigation measures.

- Understand the water and energy use for our projects and identify conservation and management measures.

- Land use management practices that respect riparian areas and include ongoing rehabilitation efforts.
- Solid waste management program that diverts recyclable and reusable materials.
- Spill management measures that reduce incidents and overall effects of spills.

Action Plan 2017-2020

- Complete Environmental Impact Assessments and share findings with our board, Aboriginal partners and stakeholders.
- Identify potential mitigation and/or compensation measures.

- Initiate GHG emissions estimate for Windfall Lake Project.
- Measure water use and report by project (for major projects).
- Identify water sources and discharge points.

- Measure solid waste shipped to landfill.
- Track hazardous waste disposal.
- Develop recycling program.
- Track areas of land disturbances and remediation.
- Update Windfall Lake restoration plan.
- Develop remediation plan for Gold Pike Project.

Progress 2016

- Environmental baseline data collection underway at Windfall Lake and Marban.
- Monitor water quality at Windfall Lake and Garrison.
- Invest in collaborative Caribou Ungava research project.
- Support Association Forestière des deux rives (2016-2018).

- Initial environmental baseline information and mapping done.

- Environmental management plans in place by drilling contractors.
- Planned exploration activities incorporating setbacks near water.
- Introduced spill management plan.
- Cleaned four reportable spills in 2016.
- Erosion and sediment control at Windfall Lake, Garrison and Marban.

Progress 2017

- Hired environmental site supervisors (Windfall Lake).
- Filed project description and preliminary project information and received guidelines for environmental impact assessments (Windfall Lake).
- Collected environmental baseline data (Windfall Lake)
- Geochemical characterization of ore, tailings and waste rock (Windfall Lake).
- Met with provincial and federal leads for the environmental assessment (Windfall Lake).
- Monitored water quality at Windfall Lake and Garrison.
- Supported Association Forestière des deux rives (2016-2018) and Caribou Ungava research project.

- Continued environmental baseline information and mapping.
- Measured and reported water use (Windfall Lake).
- Identified water sources and discharge points (Windfall Lake)

- Measured solid waste shipped to landfill (Windfall Lake).
- Tracked hazardous waste disposal (Windfall Lake).
- Began development of a recycling program (Windfall Lake).
- Updated closure plan (Windfall Lake).
- Restored exploration ramp water treatment infrastructure (Windfall Lake).
- Prepared rehabilitation and monitoring plan (Gold Pike).
- Reported and cleaned all spills

Economy

Creating wealth

Osisko is a publicly traded company, with shares on the Toronto Stock Exchange (OSK.TO). Osisko continues to be well financed, with approximately \$190 million in cash and investments as of December 31, 2017. Major shareholders include:

- Osisko Gold Royalties Ltd.
- Management and directors
- M&C/Vanguard
- Blackrock
- J.P. Morgan Asset Management UK
- Tocqueville

In 2017, Osisko Mining spent more than \$121 million on exploration and evaluation assets, mostly on the Windfall Lake and Urban Barry Projects, and \$11 million on general and administration expenses, salaries and benefits.

Core, prepared for storage in core ►
library at Windfall Lake Project





Contributing to Our Communities

Osisko Mining is committed to sharing wealth with our communities by:

- Identifying and establishing a relationship with stakeholders with an interest in our activities
- Contributing to the development of our host communities through community-focused sustainability projects
- Building long-term relationships with Aboriginal communities with an interest in our projects

In 2017, Osisko Mining developed sponsorship and donation guidelines, focusing on support for:

- Innovation, technology and science
- Training future generations of workers and leaders
- Environmental protection and development of best practices
- The economic vitality and quality of life of the regions where we operate, our host communities and their community and cultural activities
- Promoting healthy habits in our host communities
- Improving public awareness about the mining industry

- ◀ In celebration of Canada 150, Osisko Mining sponsored the Avro Arrow Recovery program

Action Plan Economy

Objectives	Goals	Action Plan 2017-2020	Progress 2016	Progress 2017
<ul style="list-style-type: none"> • Create jobs and promote economic development. 	<ul style="list-style-type: none"> • A growing workforce with full-time employment and benefits. 	<ul style="list-style-type: none"> • Track workforce by employment category, gender and whether they are a full- or part-time employee. 	<ul style="list-style-type: none"> • \$1.6M in employee taxes and \$0.4M in payments to government. 	<ul style="list-style-type: none"> • \$6M in employee taxes and \$1.3M in payments to government. • Set up and reported workforce by employment category, gender and whether they are a full- or part-time employees.
<ul style="list-style-type: none"> • Favour local purchases and contracts. 	<ul style="list-style-type: none"> • Thriving local communities that benefit from our activities and support our projects. 	<ul style="list-style-type: none"> • Provide targeted opportunities for local and Aboriginal businesses. • Participate in mining expositions and conferences. • Register on Société du Plan Nord business platform. • Track contracts and purchases by region. • Work with communities to develop a business registry. 	<ul style="list-style-type: none"> • 89% of purchases in Québec and Ontario. • \$0.3M in contracts and purchases from Aboriginal businesses. 	<ul style="list-style-type: none"> • 81% of purchases in Québec and Ontario. • \$23M in contracts and purchases from Aboriginal businesses. • Participated in mining expositions and conferences. • Established a collaboration committee with Lebel-sur-Quévillon.
<ul style="list-style-type: none"> • Share the wealth with our communities. 	<ul style="list-style-type: none"> • Long-term benefits to local communities through regional prosperity and social development. 	<ul style="list-style-type: none"> • Identify key areas for sponsorships and donations. • Develop guidelines for sponsorships and donations. • Monitor projects over time to measure social benefits. 	<ul style="list-style-type: none"> • Sponsored PDAC's student industry mineral exploration program. • Donation to Malartic's Festival Western. • Participant in the Goodman Gold Challenge. 	<ul style="list-style-type: none"> • Developed guidelines for sponsorships and donations. • Various sponsorship and donations to local organizations. • Corporate sponsorship and donations.

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Contact

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Underground geology team ▶
at Windfall Lake Project