



**OSISKO**  
DEVELOPMENT

JUNE 2026

# CONVERTIBLE OFFERING & CAPPED CALL OVERVIEW

**ODV** NYSE TSXV | [osiskodev.com](http://osiskodev.com)

 Mining  
for Generations.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this presentation (this "**Presentation**") may be deemed "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation (together, "forward-looking statements"), including the anticipated use of proceeds from the Offerings; the potential impact of any conversion of the Notes on dilution to the Common Shares and the market price of the Common Shares or the trading price of the Notes or the Double Zero Notes; the ability to develop the Cariboo Gold Project; and future exploration and developmental activities. These forward-looking statements, by their nature, require Osisko Development Corp. ("Osisko Development", "ODV", or the "Company") to make certain assumptions and necessarily involve known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. Forward-looking statements are not guarantees of performance. Words such as "may", "will", "would", "could", "expect", "believe", "plan", "anticipate", "intend", "estimate", "continue", "objective", "strategy", "target", variants of these words or the negative or comparable terminology, as well as terms usually used in the future and the conditional, are intended to identify forward-looking statements.

Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including the assumptions, qualifications, limitations or statements pertaining to: the ability to develop the Cariboo Gold Project and its status as being fully permitted; and the exploration potential and prospectivity (if any) of its properties. Such forward-looking statements are based on a number of risks, uncertainties and assumptions which may cause actual results or other expectations to differ materially from those anticipated and which may prove to be incorrect. These assumptions include, but are not limited to: the absence of further work stoppages or suspensions at the Cariboo Gold Project; favourable regulatory conditions and approvals; the ability to maintain adequate personnel and contractor levels; the absence of unforeseen ground conditions or other geological challenges; the availability of necessary equipment, supplies and infrastructure; and general economic and market conditions. Actual results could differ materially due to a number of factors, including, without limitation: risks related to the exploration, development and operation of the Cariboo Gold Project; health, safety and security incidents; regulatory delays or changes in regulatory framework and applicable laws; labour shortages or disputes; general economic and market conditions and business conditions in the mining industry; fluctuations in commodity and currency exchange rates; changes in regulatory framework and applicable laws, as well as those risks and factors disclosed in the Company's most recent annual information form, financial statements and management's discussion and analysis as well as other public filings on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) and on EDGAR ([www.sec.gov](http://www.sec.gov)). Although the Company believes the expectations conveyed by the forward-looking statements are reasonable based on information available as of the date hereof, no assurances can be given as to future results, levels of activity and achievements. The Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. Forward-looking statements are not guarantees of performance and there can be no assurance that these forward-looking statements 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 statements.

Unless otherwise noted, this Presentation has been prepared based on information available as of June 1, 2026. All currency references are to Canadian dollars, unless specified otherwise.

## ABBREVIATIONS AND UNITS OF MEASUREMENT

In this Presentation, the Company uses certain abbreviations, including: million ("mm").

## ACCURACY AND RELIABILITY OF MARKET, INDUSTRY AND THIRD-PARTY INFORMATION

Certain information contained herein is based on, or derived from, information provided by independent third-party sources. ODV believes that such information is accurate and that the sources from which it has been obtained are reliable, however, ODV has not independently verified such information and does not assume any responsibility for the accuracy or completeness of such information.

## CURRENCY

All currency references are to United States dollars, unless specified otherwise.

## SUMMARY ONLY

The terms of the 4.125% Convertible Senior Notes maturing in 2031 and capped call options described herein are a summary of the principal features of the notes and capped call options and are qualified in its entirety by and should be read in conjunction with the indenture governing the notes and form forms of capped call confirmation available publicly through the SEC's website at [www.sec.gov](http://www.sec.gov) and SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

The information contained herein is not a recommendation to buy, sell, or hold common shares, notes or other securities in ODV. Investors should consult their own financial, investment and tax advisors regarding any investment.



**Sean Roosen**  
Chair of the Board & CEO

*"We're very pleased to have executed on this opportunistic and strategic capital markets transaction, which we believe provides several key benefits to shareholders. By accessing senior unsecured capital at an attractive 4.125% coupon, we're able to bolster our balance sheet to support the development of the Cariboo Gold Project, fund continued pre-construction activities and accelerate momentum toward a final investment decision, while preserving meaningful financial and operational execution flexibility.*

*To mitigate potential dilution impacts, we also entered into cash-settled capped call transactions that are structured to deliver the net effect of increasing the effective conversion premium price on the Notes from 25% to 100%, or double our share price immediately prior to announcement.*

*The covenant-light and lower-cost structure provides an efficient source of capital relative to other traditional project financing alternatives, and carries no project-level security, completion tests, or restrictive financial constraints.*

*Importantly, the Notes also provide flexible settlement mechanics, allowing for settlement in cash, shares, or combination thereof, at our election, as well as the ability to redeem the Notes early after three years, under certain conditions. These features provide additional flexibility to manage our capital structure over time as we continue to de-risk the Cariboo Gold Project.*

*We are also very pleased with the strong participation from a broad new group of institutional investors, including some of the world's largest asset managers, which is expected to further enhance our market and liquidity profile, together with the continued support from our largest shareholder, Double Zero Capital.*

*We view this transaction as a strong endorsement of the Company's unique value proposition and an important step in enhancing our strategic flexibility as we continue to advance Canada's next underground gold development project. With a significantly strengthened balance sheet, we are well funded to advance planned activities, including extensive infill and exploration drilling, with our focus firmly on project execution. We believe the next few years represent an exciting new chapter for Osisko Development, and we look forward to sharing future updates on our progress."*

**- June 1, 2026**

# TRANSACTION HIGHLIGHTS

US\$300 million 4.125% Convertible Notes + 100% Effective Conversion Premium from Capped Call

## OPTIMIZING PROJECT COST OF CAPITAL

Attractive project cost of capital profile for the development of the Cariboo Gold Project with a 5-year maturity in 2031

## SUCCESSFUL OVERNIGHT EXECUTION

Successfully executed confidential marketing into overnight execution mitigating market risk and pricing off an unaffected price level

## FLEXIBLE SETTLEMENT & REDEMPTION

Flexibility to settle the notes in cash, shares, or a combination. Redemption option after 3 years if stock trades US\$4.78 (130% of conversion)<sup>1</sup>

## CAPPED CALL MITIGATES DILUTION

Purchase of a cash-settled capped call offsets potential economic dilution up to ~US\$5.88 (+100% effective conversion premium)

## The Convertible Transaction Provides Significant Benefits to Shareholders

- ▶ **Immediate Access:** Net proceeds of ~US\$250 million<sup>2</sup> provide the Company with immediate access to capital to advance the Cariboo Gold Project, supporting continued development activities and accelerating momentum toward a final investment decision
- ▶ **Lower Cost & Covenant-light:** Annual coupon of 4.125% is materially lower relative to most traditional project finance credit facilities, and carries no project-level security, completion tests, restrictive covenants or constraints, preserving maximum execution flexibility
- ▶ **Broadened Market Profile:** Strong participation from a broad new investor group, including some of the world's largest asset managers, highlighting the Company's unique value proposition and improving its market visibility and liquidity profile
- ▶ **Support from Largest Shareholder:** Double Zero Capital's US\$50 million participation provides a strong endorsement
- ▶ **Improved Strategic Flexibility:** The transaction strengthens the Company's balance sheet while preserving optionality around project execution

1. For 20 trading days during a consecutive 30 day trading day period.

2. Net proceeds are after deducting initial purchasers' discounts, commissions, and estimated offering expenses, as well as ~US\$40.2 million of proceeds used to fund capped call transactions.

## Convertible Senior Notes (2031)

<b>Base size</b>	US\$225 mm
<b>Overallotment option</b>	US\$25 mm
<b>Concurrent affiliate purchase</b>	US\$50 mm
<b>Aggregate deal size</b>	<b>US\$300 mm<sup>1</sup></b>
<b>Annual coupon</b>	<b>4.125%</b>
<b>Maturity</b>	June 15, 2031 (~5 yrs)
<b>Redemption option</b>	From June 20, 2029 (~3 yrs)
<b>Redemption trigger</b>	If shares >130% of conversion price <sup>2</sup>
<b>Conversion premium</b>	<b>25.0%</b>
<b>Reference price</b>	US\$2.94
<b>Initial conversion price</b>	~US\$3.68
<b>Underlying shares</b>	81.6 mm
<b>Conversion rate per note</b>	~272.1 shares
<b>Settlement method</b>	Flexible (cash, shares, or combination)

## Capped Call (2031)

<b>Capped call range</b> (% from ref)	<b>25.0% – 100.0%</b>
<b>Capped call range</b> (US\$/sh)	<b>US\$3.68 – \$5.88</b>
<b>Net cost</b> (% of deal size   US\$)	13.4%   US\$40.2 mm
<b>Annualized cost</b>	3.3%
<b>Maximum payout</b>	<b>US\$180.0 mm</b>

✓ **4.5x Payout Ratio on Capped Call**  
*(maximum payout / upfront cost)*

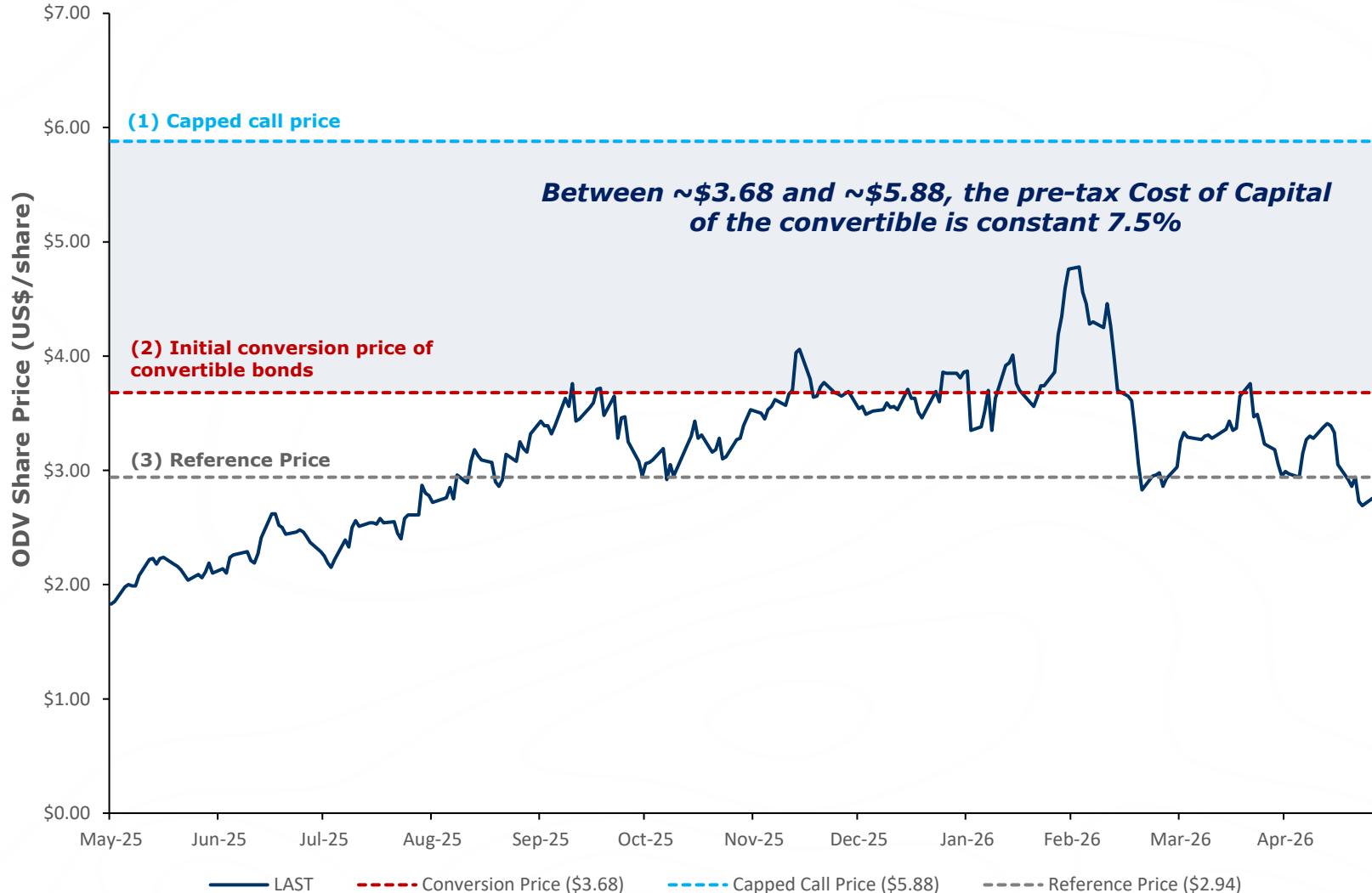
✓ **Constant 7.5% pre-tax Cost of Capital up to US\$5.88/share**  
*(aggregate annualized cost of coupon + capped call)*

**Attractive cost of capital with significant flexibility to advance the Cariboo Gold Project**

1. ~US\$290 million net proceeds after deducting initial purchasers' discounts, commissions, and estimated offering expenses.  
 2. For 20 trading days during a consecutive 30 day trading day period.

# EFFECTIVE CONVERSION PRICE IMPACT

**ODV Historical Stock Price Performance vs. Effective Conversion Price (US\$/share)**



New convertible notes combined with capped call allow us to **mitigate potential dilution until the stock price is 2.0x above the pre-Offering price level**

Company **retains flexibility** to settle in cash, shares, or a combination

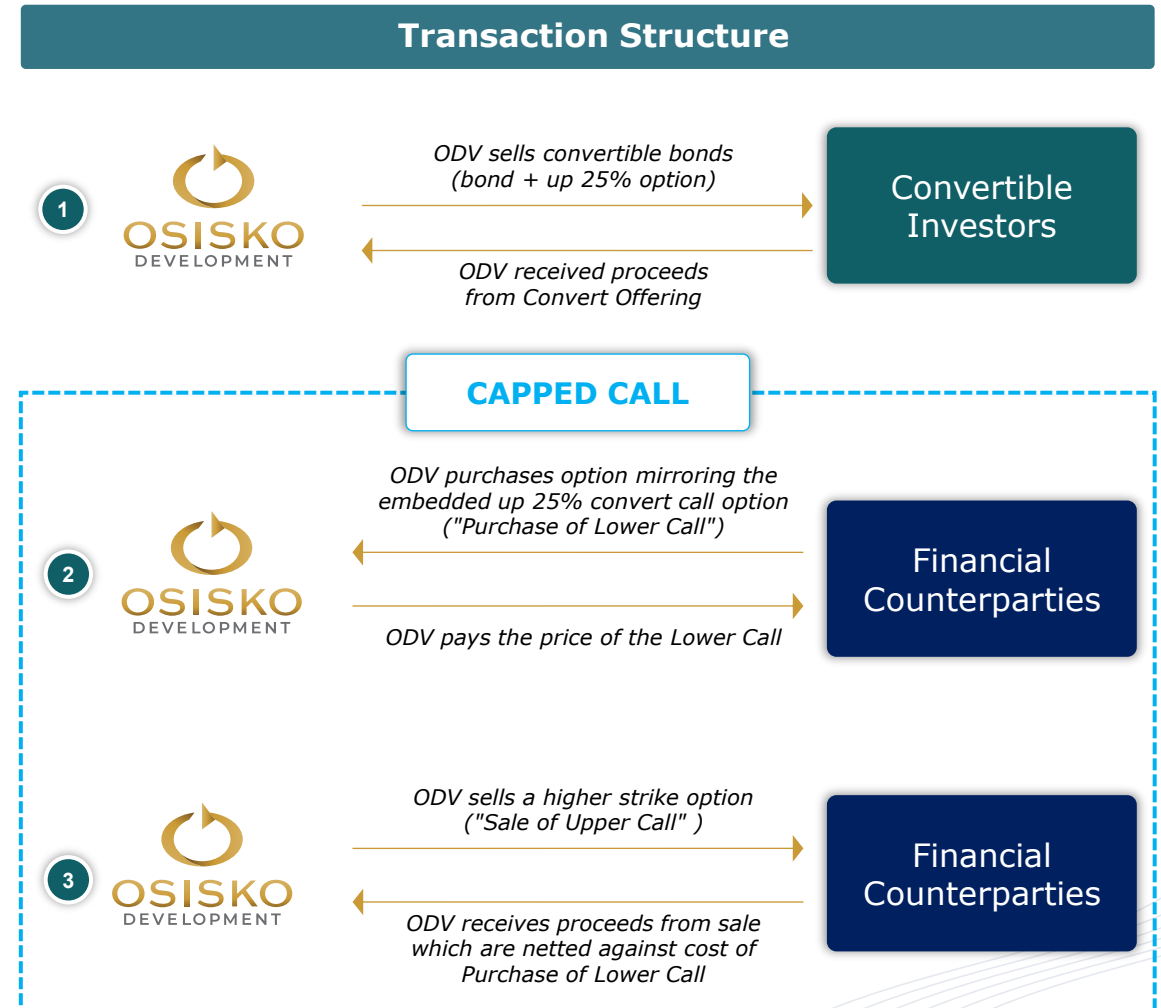
Source: Bloomberg. Market price as at May 29, 2026.  
 Note: The scenarios presented are for illustrative purposes only based on a number of assumptions. The Company may elect to settle conversions in cash, common shares, or a combination thereof, at its option.

## Osisko Development purchased a capped call option to mitigate potential dilution

### Capped Call Overview

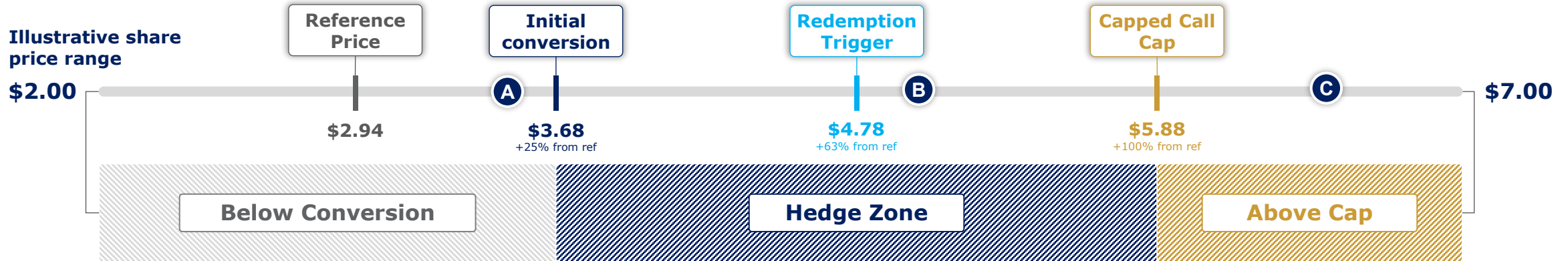
- ▶ Convertible investors want "equity upside" and prefer to concede on a higher coupon / higher premium security for a more favorable conversion premium
- ▶ However, the Company has achieved a balance of both these factors by purchasing a capped call to achieve a materially higher effective conversion premium (100%)
- ▶ Financial institutions provide the ability to bridge the gap between what is best for the Company and what is best for investors by selling the Company a capped call
  - ▶ Osisko Development has sold an efficiently-priced, market standard security to the convertible market
  - ▶ Purchased a capped call option by making an upfront cash payment forming part of the Offering use of proceeds

### Transaction Structure



# ILLUSTRATIVE SETTLEMENT SCENARIOS

All \$ figures in USD, unless otherwise noted



## A Scenario A \$3.50 share price

- ▶ **Principal:** \$300 mm cash repayment
- ▶ **Effective potential dilution:** nil
- ▶ **Capped call:** expires out of the money
- ▶ **Cost of capital (effective): 7.5%**  
(4.125% coupon + upfront capped call)

## B Scenario B \$5.00 share price

- ▶ **Principal:** \$300 mm cash repayment
- ▶ **Effective potential dilution:** nil
- ▶ **Capped call:** \$108 mm in proceeds offset investor conversion gain
- ▶ **Redemption:** callable by the Company
- ▶ **Cost of capital (effective): 7.5%**  
(4.125% coupon + upfront capped call)

## C Scenario C \$6.50 share price

- ▶ **Principal:** \$300 mm cash repayment
- ▶ **Effective potential dilution:** 2.5%, subject to redemption option
- ▶ **Capped call:** \$180 mm in proceeds partially offsets investor gain (\$231 mm)
- ▶ **Redemption:** callable by the Company
- ▶ **Cost of capital (effective): 10.5%**  
(4.125% coupon + upfront capped call + 7.8 mm net new shares)

Note: The scenarios presented are for illustrative purposes only based on a number of assumptions. The Company may elect to settle conversions in cash, common shares, or a combination thereof, at its option.

# ILLUSTRATIVE SETTLEMENT SCENARIOS (2)

All \$ figures in USD, unless otherwise noted

A	B	C	D	E	F	G	H	Effective Dilution (Net Settle)	Effective Cost of Capital (pre-tax)	
Stock price at Maturity	Change from Reference Price	Shares Underlying the Convertible	Conversion – Physical Settlement	Conversion – Net Share Settlement	Proceeds from Capped Call Hedge	Equivalent Shares from Capped Call <sup>1</sup>	Dilution – Physical Settlement	Dilution – Net Share Settlement		
(\$/sh)	(%) A / \$2.94	(mm sh)	(mm sh)	(mm sh)	(\$ mm) (\$5.88 – A) * B	(mm sh) E / A	(mm sh) C + F	(mm sh) D + F	(%)	(%)
\$2.94	–	81.6	–	–	–	–	–	–	0.0%	7.5%
\$3.50	+19%	81.6	–	–	–	–	–	–	0.0%	7.5%
\$4.50	+53%	81.6	81.6	15.0	\$67.3	(15.0)	66.7	–	0.0%	7.5%
\$5.00	+70%	81.6	81.6	21.6	\$108.2	(21.6)	60.0	–	0.0%	7.5%
\$5.50	+87%	81.6	81.6	27.1	\$149.0	(27.1)	54.5	–	0.0%	7.5%
\$6.00	+104%	81.6	81.6	31.6	\$180.0	(30.0)	51.6	1.6	0.5%	8.1%
\$6.50	+121%	81.6	81.6	35.5	\$180.0	(27.7)	53.9	7.8	2.5%	10.5%
\$7.00	+138%	81.6	81.6	38.8	\$180.0	(25.7)	55.9	13.1	4.1%	12.7%

Shares underlying the Convertible  
 = \$300mm / ~\$3.68  
 = 81.6mm

The Company has structured the convertible notes with flexible settlement (cash, shares, or combination)  
 If Stock Price > \$3.68 at maturity, the Company can deliver 81.6 mm shares or the value of 81.6 mm shares in cash or a combination  
 Illustrative full physical settlement is presented in Column C and Net Share Settlement (\$300 mm principal repayment in cash and remaining value in shares) in Column D

Osisko Development purchased 81.6 mm capped call options to provide cash settled compensation for dilution between ~\$3.68 – ~\$5.88

Columns G and H provide illustrative share dilution assuming Physical Settlement and Net Share Settlement less any cash value received from the capped call (represented in shares)  
 Company retains significant flexibility to deliver all shares / all cash / mix to convertible investors, but must receive all cash from the capped call

Estimated cost of capital (pre-tax) remains constant at 7.5% up to \$5.88/sh (100% cap call)

Note: All \$ figures in USD. Figures shown refer to full \$300mm deal size. Cost of capital numbers inclusive of coupon and capped call cost (pre-tax and ex-transaction fees).

1. The capped call must be settled in cash, but the value is represented here in the form of shares assuming Osisko Development uses the proceeds from the capped call to buy back dilutive shares at the same price used to calculate the number of shares issuable upon conversion.

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## APPENDIX

### KEY CONVERTIBLE NOTE AND CAPPED CALL TERMS

**Securities** \$300,000,000 aggregate principal amount of 4.125% Convertible Senior Notes due 2031

**Maturity** June 15, 2031 unless earlier repurchased, redeemed or converted.

**Interest** 4.125% per year. Interest will accrue from May 26, 2026 and will be payable semi-annually in arrears on June 15 and December 15 of each year, beginning on December 15, 2026. The Company will pay additional interest, if any, at its election as the sole remedy relating to the failure to comply with certain reporting obligations as described in the Indenture.

## Conversion Rights

Holders may convert all or any portion of their notes, in integral multiples of \$1,000 principal amount, at their option at any time prior to the close of business on the business day immediately preceding March 1, 2031 only under the following conditions:

- during any calendar quarter commencing after the calendar quarter ending on September 30, 2026 (and only during such calendar quarter), if the last reported sale price of the Company's common shares for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- during the five business day period after any ten consecutive trading day period (the "measurement period") in which the "trading price" (as defined in the Indenture) per \$1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of the Company's common shares and the conversion rate on each such trading day;
- if the Company calls such notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date, but only with respect to the notes called (or deemed called) for redemption; or
- upon the occurrence of certain specified corporate events.

On or after March 1, 2031 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or any portion of their notes, at any time, in integral multiples of \$1,000 principal amount, at the option of the holder regardless of the foregoing conditions.

The conversion rate for the notes will initially be 272.1088 common shares per \$1,000 principal amount of notes (equivalent to an initial conversion price of approximately \$3.68 per common share), subject to adjustment as described in the Indenture.

Upon conversion, the Company will pay or deliver, as the case may be, cash, common shares or a combination of cash and common shares, at the Company's election. If the Company satisfies its conversion obligation solely in cash or through payment and delivery, as the case may be, of a combination of cash and common shares, the amount of cash and common shares, if any, due upon conversion will be based on a "daily conversion value" calculated on a proportionate basis for each trading day in a 60 trading day "observation period."

## Conversion Rights (Cont'd)

In addition, following certain corporate events that occur prior to the maturity date or if the Company delivers a notice of redemption, the Company will, in certain circumstances, increase the conversion rate for a holder who elects to convert its notes in connection with such a corporate event or convert its notes called (or deemed called) for redemption in connection with such notice of redemption, as the case may be, as described in the Indenture.

The Holder will not receive any additional cash payment or additional shares representing accrued and unpaid interest, if any, upon conversion of a note, except in limited circumstances. Instead, interest will be deemed to be paid by the cash, common shares or a combination of cash and common shares paid or delivered, as the case may be, to the Holder upon conversion of a note.

## Redemption at the Company's Option

The Company may not redeem the notes prior to June 20, 2029, except upon the occurrence of certain changes to the laws governing withholding taxes. The Company may redeem for cash all or any portion of the notes (subject to the partial redemption limitation described in the next succeeding sentence), at the Company's option, on a redemption date on or after June 20, 2029 if the liquidity condition (as described in the Indenture) is satisfied and the last reported sale price of the Company's common shares has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. If the Company redeems less than all of the outstanding notes, at least \$75 million aggregate principal amount of notes must be outstanding and not subject to redemption as of, and after giving effect to, delivery of the relevant notice of redemption.

No "sinking fund" is provided for the notes, which means that the Company is not required to redeem or retire the notes periodically.

## Optional Redemption for Changes in the Tax Laws of the Relevant Taxing Jurisdiction

Upon the occurrence of certain changes to the laws governing withholding taxes, the Company may redeem for cash all but not part of the notes, at the Company's option, if the liquidity condition is satisfied, for a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date, including any Additional Amounts with respect to such redemption price, as described in the Indenture. Upon the Company giving a notice of redemption, a holder may elect not to have its notes redeemed, in which case such holder would not be entitled to receive the Additional Amounts after the redemption date.

## Additional Amounts

If any deduction or withholding for, or on account of, any Taxes imposed by any Relevant Taxing Jurisdiction will at any time be required to be made from any payments or deliveries made by or on behalf of us, or any successor to us, under or with respect to the notes, subject to certain exceptions, the Company will pay such Additional Amounts as may be necessary so that the net amount received by each holder of the notes after such deduction or withholding (including any such deduction or withholding with respect to such Additional Amounts) will not be less than the amount that would have been received in the absence of such withholding or deduction (each of the foregoing capitalized terms is as defined in the Indenture).

## Fundamental Change

If the Company undergoes a “fundamental change” (as defined in the Indenture), then the Company will, subject to certain conditions and except as described in the Indenture, be required to make an offer to holders to repurchase the notes for cash. The fundamental change repurchase price will be equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

## Ranking

The notes will be the Company's general senior unsecured obligations and will rank:

- senior in right of payment to all of the Company's indebtedness that is expressly subordinated in right of payment to the notes;
- equal in right of payment to any of the Company's liabilities that are not so subordinated;
- effectively junior to any of the Company's secured indebtedness to the extent of the value of the assets securing such indebtedness; and
- structurally junior to all indebtedness and other liabilities (including trade payables) of the Company's subsidiaries.

As of March 31, 2026, Osisko Development Corp. had provided a limited recourse guarantee in respect of C\$137.3 million of Barkerville’s senior secured indebtedness under the Credit Facility, which guarantee is limited in recourse to certain pledged collateral and does not create a general unsecured obligation of Osisko Development Corp. As of March 31, 2026, the Company's subsidiaries had C\$304 million of indebtedness and other liabilities (including indebtedness under the Credit Facility and equipment financings, lease liabilities, accounts payable and accrued liabilities, contract liability and environmental remediation provision, but excluding intercompany loans, letters of credit and purchase commitments). The indenture governing the notes does not limit the amount of debt or other liabilities that the Company or its current or future subsidiaries may incur.

## Use of Proceeds

The Company estimates that the net proceeds from this offering will be approximately \$290.0 million (the "Offerings"), after deducting commissions and estimated offering expenses, but before deducting the cost of capped call transactions entered into with certain financial institutions.

The Offerings consisted of \$225.0 million aggregate principal amount of Notes in a private placement closed on May 26, 2026, and an additional US\$75.0 million aggregate principal amount of Notes closed on May 29, 2026, which consisted of \$25.0 million aggregate principal amount of Notes sold pursuant to the full exercise of the initial purchasers' option to purchase additional notes and \$50.0 million aggregate principal amount of Notes sold in a concurrent private placement with Double Zero Capital, LP).

The Company expects to use the net proceeds from the Offerings and the sale of the affiliate notes (i) to pay the approximately \$40.2 million cost of the capped call transactions to be entered into with certain financial institutions (the “option counterparties”), (ii) for development of the Cariboo Gold Project, and (iii) for general corporate purposes.

## No Registration Rights; Additional Interest

The Company does not intend to file a registration statement under the Securities Act, or a Canadian prospectus under Canadian Securities Laws, covering or qualifying the resale of the notes or the common shares issuable upon conversion of the notes, if any. As a result, holders may only resell the notes or common shares issued upon conversion of the notes, if any, pursuant to an exemption from the registration requirements of the Securities Act and other applicable securities laws, including, if applicable, an exemption from the prospectus requirements under Canadian Securities Laws, or in circumstances where such laws do not apply.

If, at any time after the date that is six months after the “last date of original issuance” (as defined in in the Indenture) of the notes, the Company have failed to timely file any report or other materials that the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act, as applicable, during the preceding 12 months (other than Current Reports on Form 6-K to the extent that the Company continues to satisfy the “current public information” requirements of Rule 144 under the Securities Act and after giving effect to all applicable grace periods thereunder, including any grace period provided by Rule 12b-25 under the Exchange Act (“Rule 12b-25”) (or any successor rule), which grace period, for the avoidance of doubt, shall be deemed applicable whether or not the Company checks the box in the relevant Rule 12b-25 filing indicating the Company expects to file such report within the applicable Rule 12b-25 grace period), or the notes (other than the affiliate notes) are not otherwise freely tradable pursuant to Rule 144 under the Securities Act by holders other than the Company's affiliates or holders that were the Company's affiliates at any time during the three months immediately preceding (as a result of restrictions pursuant to U.S. securities laws or the terms of the indenture or the notes), the Company will pay additional interest on the notes at a rate of 0.50% per annum of the principal amount of the notes outstanding for each day during such period for which the Company's failure to file has occurred and is continuing or the notes (other than the affiliate notes) are not otherwise freely tradable as described above by holders other than the Company's affiliates or holders that were its affiliates at any time during the three months immediately preceding (as a result of restrictions pursuant to U.S. securities laws or the terms of the indenture or the notes).

Any additional interest that the Company is required to pay pursuant to the immediately preceding paragraph will be payable in arrears on each interest payment date following accrual in the same manner as regular interest on the notes. In no event shall additional interest payable as a result of the Company's failure to file any report or other materials that the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act, as applicable (other than reports on Form 6-K to the extent that the Company continues to satisfy the “current public information” requirements of Rule 144 under the Securities Act and after giving effect to all applicable grace periods thereunder, including any grace period provided by Rule 12b-25 (or any successor rule), which grace period, for the avoidance of doubt, shall be deemed applicable whether or not the Company checks the box in the relevant Rule 12b-25 filing indicating the Company expects to file such report within the applicable Rule 12b-25 grace period), together with any additional interest that may accrue at the Company's election as a result of the Company's failure to comply with the Company's reporting obligations in the Indenture accrue at a rate in excess of 0.50% per annum pursuant to the indenture, regardless of the number of events or circumstances giving rise to the requirement to pay such additional interest.

## Capped Call Transactions

In connection with the pricing of the notes, the Company entered into privately negotiated cash-settled capped call transactions with the option counterparties. The capped call transactions cover, subject to anti-dilution adjustments substantially similar to those applicable to the notes, the number of the Company's common shares initially underlying the notes (including the affiliate notes). The capped call transactions are expected generally to compensate (through the payment of cash to us) for the potential economic dilution upon any conversion of notes and/or offset any cash payments the Company is required to make in excess of the principal amount of converted notes, as the case may be, with such reduction and/or offset subject to a cap.

In connection with establishing their initial hedges of the capped call transactions, the Company expects that the option counterparties or their respective affiliates will enter into various derivative transactions with respect to the Company's common shares and/or purchase the Company's common shares concurrently with or shortly after the pricing of the notes, including with, or from, certain investors in the notes. This activity could increase (or reduce the size of any decrease in) the market price of the Company's common shares or the trading price of the notes at that time.

In addition, the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to the Company's common shares and/or purchasing or selling the Company's common shares or other securities in secondary market transactions following the pricing of the notes and prior to the maturity of the notes (and are likely to do so during the 60-trading day period beginning on the 61st scheduled trading day prior to the maturity date of the notes and, to the extent the Company exercises the relevant election under the capped call transactions, following any earlier conversion, redemption or repurchase of the notes). This activity could also cause or avoid an increase or a decrease in the market price of the Company's common shares or the notes, which could affect the Holder's ability to convert the notes and, to the extent the activity occurs during any observation period related to a conversion of notes, it could affect the number of common shares, if any, and value of the consideration that the Holder will receive upon conversion of the notes.