OSISKO DEVELOPMENT CORP.

(Formerly Barolo Ventures Corp.)

Management's Discussion and Analysis

For the year ended December 31, 2020

The following management discussion and analysis ("MD&A") of the operations and financial position of Osisko Development Corp. ("Osisko Development" or the "Company") for the year ended December 31, 2020 should be read in conjunction with the Company's consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Management is responsible for the preparation of the consolidated financial statements and other financial information relating to the Company included in this report. All monetary amounts included in this report are expressed in Canadian dollars, the Company reporting and functional currency, unless otherwise noted. Assets and liabilities of the subsidiaries that have a functional currency other than the Canadian dollar are translated into Canadian dollars at the exchange rate in effect on the balance sheet date and revenues and expenses are translated at the average exchange rate over the reporting period. This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in the "Forward-Looking Statements" section. The information included in this MD&A is as of February 23, 2021.

The Company was continued as a federal corporation subject to the provisions of the Canada Business Corporations Act (CBCA) in November 2020 and is focused on developing its cornerstone mining asset, the Cariboo Gold Project located in British Columbia, Canada. Osisko Development also owns a gold development project in Sonora, Mexico, known as the San Antonio gold project, prospective land packages in the James Bay region of Québec, Canada, Guerrero, Mexico and a portfolio of marketable securities. In conjunction with a reverse take-over and the spin-out of the mining assets and certain marketable securities from Osisko Gold Royalties Ltd ("Osisko Gold Royalties") in November 2020, the Company changed its name from Barolo Ventures Corp. ("Barolo") to Osisko Development Corp. Osisko Development's shares started trading on the TSX Venture Exchange ("TSX-V") on December 2, 2020 under the symbol "ODV".

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Highlights – 2020

- Completed the reverse take-over transaction ("RTO Transaction") and the spin-out of the mining assets of Osisko Gold Royalties as well as a concurrent private placement of $100.1 million;

- As a result of the COVID-19 pandemic, exploration and development activities on the Cariboo gold project were deferred in March 2020 for a short period of time, but have resumed as at the date of this MD&A;

- In August 2020, Osisko Gold Royalties acquired the San Antonio gold project in the province of Sonora in Mexico for US$42.0 million. An amount of US$30.0 million was paid in cash by Osisko Gold Royalties and the remaining US$12.0 million was paid through the issuance of common shares of Osisko Gold Royalties. Osisko Gold Royalties contributed the assets to the Company at the closing of the RTO transaction as further described below;

- On October 13 2020, Barkerville Gold Mines Ltd. ("Barkerville"), a wholly owned subsidiary of the Company, announced the signing of a life of project agreement with the Lhtako Dene First Nations. This agreement will assist in facilitating the development of the Cariboo Gold project;

- On December 18 2020, Barkerville received from the Environmental Assessment Office of British Columbia the Readiness Decision for its Cariboo Gold Project. This is an important milestone for the company toward obtaining the Environmental Assessment Certificate and the development of the Cariboo Gold Project;

- On December 30, 2020, the Company closed a previously announced non-brokered private placement of 5,367,050 units for gross proceeds of $40.2 million. Each unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company, which each whole warrant entitling the holder to acquire one common share of the Company at a price of $10.00 per share on or prior to December 1, 2023;

- The cash position of the Company as at December 31, 2020 was totaling $197.4 million.

Highlights – Subsequent to the Year

- On January 8, 2021, the Company closed a non-brokered private placement of 9,346,464 units for gross proceeds of $68.6 million. Each unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company, which each whole warrant entitling the holder to acquire one common share of the Company at a price of $10.00 per share on or prior to December 1, 2023;

- On February 5, 2021, the Company closed the final tranche of the non-brokered private placement for 1,515,731 units for gross proceeds of $11.2 million. Each unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company, which each whole warrant entitling the holder to acquire one common share of the Company at a price of $10.00 per share on or prior to December 1, 2023;

- On February 16th, 2021, the Company announced a bought deal private placement of: (i) 884,000 flow-through shares ("FT Shares") of the Company at a price of $9.05 per FT Shares; and (ii) 1,334,500 charity flow-through shares of the Company ("Charity FT Shares" and together with the FT Shares, the "Offered Shares") at a price of $11.24 per Charity FT Share (together, the "Offering"), for aggregate gross proceeds of $23 million. The Offering was further amended to increase the size of the Offering by 773,800 FT Shares, for additional aggregate gross proceeds of $7 million. The amended Offering total gross proceeds is $30 million. In addition, the Underwriters have been granted an option, exercisable in whole or in part up to 48 hours prior to the closing of the Offering, to purchase up to 15% of the number of Offered Shares at their respective issue price. The offering is expected to close on or about March 18, 2021 and is subject to certain conditions including, but not limited to, regulatory approvals, including conditional listing approval of the TSX Venture Exchange.

Spin-out of Mining Assets from Osisko Gold Royalties and Creation of Osisko Development

On October 5, 2020, Osisko Gold Royalties and Barolo Ventures Corp. ("Barolo") announced a binding letter agreement (the "Letter Agreement") outlining the terms upon which Osisko Gold Royalties would transfer certain mining properties (or securities of the entities that directly or indirectly own such mining properties), including the Cariboo gold project, and a portfolio of marketable securities, to Barolo in exchange for common shares of Barolo ("Barolo Shares"), which resulted in a "Reverse Take-Over" of Barolo (the "RTO") under the policies of the TSX Venture Exchange (the "TSX-V"). Any references to Barolo following the completion of the RTO are to be read as reference to Osisko Development or the Company.

As part of the RTO, Osisko Gold Royalties and Barolo entered into an engagement letter with Canaccord Genuity Corp. and National Bank Financial Inc., on behalf of a syndicate of underwriters (collectively, the "Underwriters"), pursuant to which the Underwriters agreed to sell, on a "bought deal" private placement basis, 13,350,000 subscription receipts of Osisko Subco (as defined below under the section *Transaction Particulars*) (the "Subscription Receipts") at a subscription price of $7.50 per Subscription Receipt (the "Issue Price") for gross proceeds of $100.1 million (the "Financing"). Each Subscription Receipt entitled the holder thereof to receive, for no additional consideration and without further action on the part of the holder thereof, on or about the date that the RTO is completed, one common share of Osisko Development after giving effect to a 60:1 consolidation of the common shares of Barolo (each, a "Osisko Development Share") and one-half-of-one warrant to purchase an Osisko Development Share (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Osisko Development Share for $10.00 for an 18-month period following the closing of the RTO (the maturity date was subsequently extended to December 1, 2023).

The Underwriters received a cash commission equal to 5.0% of the gross proceeds of the Financing; provided that a reduced cash commission equal to 2.0% was payable to the Underwriters in respect of subscribers on the President's List.

The Financing was closed on October 29, 2020, with the gross proceeds of the Financing held in escrow until the closing of the transaction on November 25, 2020.

<u>Osisko Development Portfolio</u>

The formation of Osisko Development creates a leading North-American mine development company with a focus on becoming a significant intermediate gold miner with opportunities for near-term production. Osisko Development will target near-term gold production of over 75,000 ounces per year from Bonanza Ledge II and the San Antonio gold project, followed by production from the company's flagship Cariboo asset. The following mining properties (or securities of the entities that directly or indirectly own such mining properties) and marketable securities were transferred by Osisko Gold Royalties to Osisko Development:

- Cariboo gold project (Permitting – British Columbia, Canada)
- San Antonio gold project (Permit Amendment – Sonora, Mexico)
- Bonanza Ledge II (Permit amendment and Construction – British Columbia, Canada)
- James Bay properties (Exploration – Canada)
- Guerrero properties (Exploration – Mexico)
- A portfolio of publicly-listed equity positions

The Cariboo gold project is advancing through permitting as a 4,750 tonne per day underground operation with a feasibility study on track for completion in the second half of 2021, start of construction is expected in Q4 2022, with start of production in 2023.

Prior to the closing of the RTO transaction, Osisko Gold Royalties acquired or retained the following royalty or stream interests in the assets transferred to Osisko Development:

- 5% net smelter return ("NSR") royalty on the Cariboo gold project and Bonanza Ledge II gold project
- 15% gold and silver stream on the San Antonio gold project
- 3.0% NSR royalty on the James Bay and Guerrero exploration properties

The Cariboo and Bonanza Ledge properties 5% NSR royalty is perpetual and is secured by a debenture on all of Barkerville's movable and immoveable assets, including Barkerville's interest in the property and mineral rights, in an amount of not less than $150 million and a debenture on all of Williams Creek's movable and immoveable assets, including Williams Creek's interest in the property and mineral rights, in an amount of not less than $150 million. The security shall be first ranking, subject to permitted encumbrances.

Osisko Gold Royalties was also granted the following rights by Osisko Development and its subsidiaries: (i) a right of first refusal on all future royalties and streams to be offered by them; (ii) a right to participate in buybacks of existing royalties held by them; and (iii) other rights customary with a transaction of this nature.

Osisko Gold Royalties facilitated the acquisition of the San Antonio gold project in the state of Sonora, Mexico for US$42.0 million to provide Osisko Development with near-term production and significant upside potential. In return, Osisko Gold Royalties (through its wholly owned subsidiary "Osisko Bermuda Ltd.") acquired a 15% precious metal stream on the San Antonio gold project. Under the terms of the stream agreement, Osisko Bermuda Ltd will purchase 15% of the payable gold and silver from the San Antonio gold project at a price equal to 15% of the daily per ounce gold and silver market price. The initial term of the stream agreement is for 40 years and can be renewed for successive 10 year periods. The stream is also secured with (i) a first priority lien in all of the collateral now owned or hereafter acquired;

(ii) a pledge be Osisko Development of its shares of Sapuchi Minera Holdings Two B.V. and (iii) a guarantee by Osisko Development.

The exploration package and equity portfolio contributed to Osisko Development provide further optionality and exposure to highly prospective projects in mining friendly jurisdictions.

Transaction Particulars

On October 23, 2020, a definitive amalgamation agreement (the "Amalgamation Agreement") in respect of the RTO was executed among Osisko Gold Royalties, Barolo, Osisko Development Holdings Inc. ("Osisko Subco"), a wholly-owned subsidiary of Osisko Gold Royalties incorporated under the Business Corporations Act (British Columbia) (the "BCBCA"), and a wholly-owned subsidiary of Barolo ("Barolo Subco").

The Amalgamation Agreement provided for, among other things, a three-cornered amalgamation (the "Amalgamation") pursuant to which (i) Osisko Subco amalgamated with Barolo Subco under Section 269 of the BCBCA to form one corporation ("Amalco"), (ii) the securityholders of Osisko Subco received securities of Osisko Development in exchange for their securities of Osisko Subco, (iii) Amalco merged into Barolo (by way of a voluntary dissolution) to form Osisko Development, and (iv) the transactions resulted in a RTO of Barolo in accordance with the policies of the TSX-V, all in the manner contemplated by, and pursuant to, the terms and conditions of the Amalgamation Agreement.

The Amalgamation Agreement was negotiated at arm's length between representatives of Osisko Gold Royalties and Barolo. As part of the RTO, Barolo: (i) changed its name to "Osisko Development Corp."; (ii) changed its stock exchange ticker symbol to "ODV"; (iii) consolidated its common shares on a 60:1 basis; (iv) adopted new by-laws and other corporate policies; adopted new security-based compensation arrangements; (vi) reconstituted the board of directors and management of Osisko Development; and continued its corporate existence under the *Canada Business Corporations Act*.

Pursuant to the RTO, Osisko Gold Royalties received 100,000,100 Osisko Development Shares at a deemed price of $7.50 per share, in exchange for the transfer of the contributed assets (valued at approximately $750 million) to Osisko Development.

For further information on the particulars of the RTO, please refer to the joint news release of Osisko Gold Royalties and Barolo dated October 5, 2020. The full particulars of the RTO, the contributed assets and Osisko Development are described in a Filing Statement prepared in accordance with the policies of the TSX-V. A copy of the Filing Statement is available on SEDAR (www.sedar.com) under Barolo's issuer profile.

Deemed acquisition of Barolo

The net assets of Barolo acquired were recorded at their estimated relative fair market value at the date of closing of the RTO and are summarized below:

(In thousands of dollars)	
Deemed consideration paid for the deemed acquisition of Barolo	$
233,395 common shares of Osisko Development deemed issued	1,751
Transaction fees	500
	2,251
Net liabilities deemed assumed	
Net liabilities of Barolo	(164)
Net cost of listing	2,415
	2,251

Management and Board Composition

The Board of Directors of Osisko Development includes: Sean Roosen (Chair); Charles E. Page (Lead Director); John Burzynski; Joanne Ferstman; Michele McCarthy; Duncan Middlemiss; and Éric Tremblay. Osisko Gold Royalties has the right to appoint nominees to the board of Osisko Development; such number of nominees will decrease if, as and when Osisko Gold Royalties decreases its ownership in Osisko Development over time.

Management of Osisko Development, following the closing of the RTO, includes Sean Roosen (Chair and Chief Executive Officer); Chris Lodder (President); Luc Lessard (Chief Operating Officer); Benoit Brunet (Chief Financial Officer, Vice President Finance and Corporate Secretary); François Vézina (Vice President, Technical Services); Chris Pharness (Vice President, Sustainable Development); Maggie Layman (Vice President, Exploration); and a further technical team that was transferred from Osisko Gold Royalties to Osisko Development. Subsequent to year end, Benoit Brunet announced its resignation and Alexander Dann will be appointed as Chief Financial Officer & Vice President Finance on February 26, 2021.

Uncertainty due to COVID-19

The duration and full financial effect of the COVID-19 pandemic is unknown at this time, as are the measures taken by governments, companies and others to attempt to address the spread and impact of COVID-19. Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 may materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty. In the current environment, the assumptions and judgements made by the Company are subject to greater variability than normal, which could in the future significantly affect judgments, estimates and assumptions made by management as they relate to potential impact of the COVID-19 and could lead to a material adjustment to the carrying value of the assets or liabilities affected. The impact of current uncertainty on judgments, estimates and assumptions extends, but is not limited to, the Company's valuation of its long-term assets, including the assessment for impairment and impairment reversal. Actual results may differ materially from these estimates.

As a result of the COVID-19 pandemic, the Company took action to protect its employees, contractors and the communities in which it operates. As part of the contingency plan developed by the Company, it closed its offices in March 2020 and provided employees with adequate equipment to allow them to the extent reasonably possible to safely work remotely from home. The Company has also suspended non-essential travels for all employees as well as non-essential work at its Cariboo gold project, including exploration and development activities. Exploration and development activities resumed operations in the second quarter under strict health and safety measures.

Mining Exploration and Evaluation / Development Activities

Cariboo gold project.

On November 21, 2019, Osisko Gold Royalties acquired the Cariboo gold project located in the historical Cariboo Mining District of central British Columbia, Canada, through the acquisition of Barkerville. The project was part of the Osisko Gold Royalties Contributed Assets that created the Company on November 25, 2020.

In 2020, increase in mining assets and plant and equipment amounted to $81.8 million ($16.7 million in 2019), mostly on the Cariboo gold property and the Bonanza Ledge Phase 2 project, including $17.1 million in exploration activities ($12.5 million, net of exploration credits).

Preliminary economic assessment

In September 2019, Barkerville filed an independent preliminary economic assessment ("PEA") prepared pursuant to National Instrument 43-101 for its 100% owned Cariboo gold project. The PEA provides a base case assessment of developing the project as an underground ramp-access mine with a gold pre-concentration plant in Wells and gold processing in its existing upgraded Quesnel River mill, for an after-tax internal rate of return of 28%. The PEA has been superseded by the Technical Report described below.

Exploration activities and updated mineral resource estimate

In 2020, a total of 59,500 meters and 216 holes were drilled as part of the exploration and category conversion program on the Cariboo Gold Project on Mosquito Creek (9,400 m), Lowhee (10,000 m), Cow (5,300 m), Valley (25,000 m), Shaft (3,400 m), Proserpine (2,800 m), BC Vein (2,800 m) and holes drilled for metallurgical or geotechnical purposes (800 m). Up to eight diamond drill rigs were utilized. The drilling confirmed down dip extensions of mineralized veins and high grade intercepts within the current resource. The Company expanded the new discoveries from 2019 on Lowhee and Proserpine. The mineral resource estimate incorporates eight deposit areas; the Shaft and Mosquito Creek deposits on Island Mountain, Cow and Valley deposits on Cow Mountain, and Lowhee, KL, BC Vein and Bonanza Ledge deposits on Barkerville Mountain at a cut-off grade of 2.1 g/t Au ("grams per metric tonne"). The objectives of the 2020 exploration program were to test the new brownfield targets adjacent to known deposits, infill high grade MSO ("Mine Stope Optimizer") stopes modelled from the PEA currently classified as inferred and explore depth and strike potential of the known deposits.

In October 2020, Osisko Gold Royalties announced an updated mineral resource estimate for the Cariboo gold project of 3.2 million ounces of gold (21.4 million tonnes grading 4.6 g/t Au) in the measured and indicated resource category, and 2.7 million ounces of gold (21.6 million tonnes grading 3.9 g/t Au) in the inferred resource category. Resource grades have some built-in dilution integrated through the process of modelling of "vein corridors" as opposed to individual veins, which, individually have gold grades that are commonly higher than 8.0 g/t Au. Metallurgical testing has shown that the mineralization can be effectively upgraded by flotation and x-ray transmission ore-sorting, owing to the strong association of gold with pyrite. The concentrates can then be processed at the wholly-owned QR mill. This mill is currently being refurbished to treat ore from the BC Vein mine being developed near Wells.

The mineral resource estimate is built upon nearly 500,000 meters of core from the 2015 to 2019 drill campaigns, and historically verified drill data using a total of 2,218 drill holes. A strong understanding of the controls of mineralization enabled Osisko Development's technical team to construct a mineral resource estimate constrained by lithology, alteration, structure and mineralization.

Cariboo Gold Project Mineral Resource Estimate at 2.1 g/t Au cut-off

Category	Deposit	Tonnes ('000)	Grade (Au g/t)	Ounces ('000)
Measured	**Bonanza Ledge**	**240**	**5.10**	**39**
Indicated	Bonanza Ledge	86	3.88	11
	BC Vein	1,192	4.68	179
	KL	393	3.32	42
	Lowhee	381	3.72	46
	Mosquito	783	5.95	150
	Shaft	10,889	4.70	1,644
	Valley	1,744	4.49	251
	Cow	5,734	4.55	838
Total Indicated Resources		**21,201**	**4.64**	**3,160**
Inferred	BC Vein	472	3.94	60
	KL	1,926	2.93	181
	Lowhee	1,032	3.16	105
	Mosquito	1,348	4.79	208
	Shaft	7,913	4.25	1,081
	Valley	5,683	3.95	722
	Cow	3,276	3.45	364
Total Measured and Indicated Resources		**21,441**	**4.64**	**3,200**
Total Inferred Resources		**21,649**	**3.91**	**2,721**

Mineral Resource Estimate notes:

1. The independent and qualified persons for the mineral resource estimates, as defined by NI 43-101, are Christine Beausoleil, P.Geo., and Carl Pelletier, P.Geo. (InnovExplo Inc.). The effective date of the mineral resource estimate is October 5, 2020.
2. These mineral resources are not mineral reserves as they do not have demonstrated economic viability.
3. The mineral resource estimate follows CIM Definition Standards.
4. A total of 334 vein zones were modelled for the Cow Mountain (Cow and Valley), Island Mountain (Shaft and Mosquito), Barkerville Mountain (BC Vein, KL, and Lowhee) deposits and one (1) gold zone for Bonanza Ledge. A minimum true thickness of 2.0 m was applied, using the grade of the adjacent material when assayed or a value of zero when not assayed.
5. The estimate is reported for a potential underground scenario at cut-off grade of 2.1 g/t Au. The cut-off grades were calculated using a gold price of US$1,350 per ounce.

The vein corridors comprising the Cariboo resource estimate are modelled to an average depth of 350 meters and exploration drilling has intersected mineralization at depths below 700 meters from surface. The Company will continue with the systematic exploration to further define and expand the known zones and develop greenfield targets on the remaining land package. The Company intends to drill from the underground infrastructure once permitting and construction of an exploration drift is complete. The robust 3D litho-structural model that defines the controls of mineralization allows the exploration team to define additional mineral resources much more efficiently, with a high hit rate (80% of the drill holes intersect potentially economic mineralization), lowering the cost per discoverable ounce. This model can be applied to the remaining 65 kilometers of strike.

For more information, refer to Barkerville Gold Mines NI 43-101 Technical Report entitled "NI 43-101 Technical Report and Mineral Resource Estimate for the Cariboo Gold Project, British Columbia, Canada" (the "Technical Report") filed on SEDAR (www.sedar.com) on November 17, 2020 under Osisko Gold Royalties' profile.

2021 objectives

The Company is currently conducting an extensive drilling program to expand and delineate the known and new vein corridors and deposits. This exploration is focused on the expansion of the Lowhee Zone and further delineation of the Cow, Valley, Mosquito and Shaft deposits with ten diamond drill rigs. Regional greenfield exploration will occur along the Burns, Yanks and Cariboo Hudson targets and will include geological mapping and geochemical surface sampling.

In 2021, the Company anticipates starting mining operations at its Bonanza Ledge Phase 2 project once all the required permits are obtained. Furthermore, the Company also plans to start the development of an underground portal for the Cow deposit once all required permits are obtained. Finally, the Company will continue developing the Cariboo gold deposit and is working at completing a Feasibility study for the second half of 2021.

San Antonio gold project

In 2020, Osisko Gold Royalties acquired the San Antonio gold project in Sonora, Mexico for US$42 million. An amount of US$30.0 million was paid in cash by Osisko Gold Royalties and the remaining US$12.0 million was paid through the issuance of common shares of Osisko Gold Royalties. A total of 1,011,374 Osisko Gold Royalties common shares were issued and valued at $15.8 million, based on the closing price of the common shares at the date of the transaction. The consideration paid by Osisko Gold Royalties is considered as an equity contribution in the Company. Transaction costs amounted to $5.9 million. The San Antonio gold project was subsequently transferred to Osisko Development as part of the RTO transaction.

In accordance with IFRS 3 *Business Combinations*, the transaction has been recorded as an acquisition of assets as the acquired assets and assumed liabilities did not meet the definition of a business.

The total purchase price of $68.1 million was allocated to the assets acquired and the liabilities assumed based on the relative fair value at the closing date of the transaction. All financial assets acquired and financial liabilities assumed were recorded at fair value.

The purchase price was calculated as follows:

(In thousands of dollars)	
Consideration paid	**$**
Issuance of 1,011,374 Osisko Gold Royalties common shares	15,846
Cash consideration paid by Osisko Gold Royalties	40,015
Value-added tax paid on acquisition of assets	6,328
Osisko Gold Royalties' transaction costs	5,865
	68,054
Net assets acquired	**$**
Inventories	7,899
Inventories – non-current [1]	16,129
Other non-current assets	6,328
Mining interests and plant and equipment	58,368
Accounts payable and accrued liabilities	(11,369)
Provision and other liabilities	(9,301)
	68,054

(1) The inventory balance associated with the ore that is not expected to be processed within 12 months of the acquisition date was classified as non-current and is recorded in the other assets line item on the consolidated balance sheets.

The San Antonio gold project is a past-producing oxide copper mine that went into receivership. The Company will initially focus on amending existing permits to transition the mine production to a gold heap leach operation as it continues to evaluate the gold potential of the asset.

In 2020, following the acquisition, the Company has concentrated its efforts in obtaining the required permits and amendments to permits to perform its activities. The Company has filed preventive reports for the processing of the gold stockpile on site and for a 15,000-meter drilling program for the Sapuchi, Golfo de Oro and California zones. The Company also initiated the following activities:

- Commencement of the Environmental Impact Manifest (or Manifestacion de Impacto Ambiental or "MIA");
- A baseline study;
- Awarding the Engineering, Procurment, Construction, Management ("EPCM") contract for the process of the stockpile; and
- Purchased a mobile crushing unit that is anticipated to be delivered on site towards the end of Q1 2021.

Mineral resource estimate

The processing scenario assumes heap leaching of the mineralized material sourced from open pit mining. The mineral resource has been limited to mineralized material that occurs within optimized pit shells.

San Antonio Gold Project Mineral Resource Estimate

Category	Deposit	Tonnes ('000)	Gold Grade g/t	Silver Grade g/t	Gold Ounces ('000)	Silver Ounces ('000,000)
Inferred	Golfo de Oro	11,700	1.3	2.7	503	1.0
	California	4,900	1.2	2.1	182	0.3
	Sapuchi	11,100	1.0	3.4	364	1.2
Total Inferred Resources		**27,600**	**1.2**	**2.9**	**1,049**	**2.5**

Mineral Resource Estimate notes:

1. The independent and qualified person for the mineral resource estimates, as defined by NI 43-101, is Leonardo de Souza, MAusIMM (CP), of Talisker Exploration Services Inc.
2. The gold cut-off grade applied to oxide, transition and sulphide ore are 0.32 g/t Au, 0.36 g/t Au and 0.42 g/t Au, respectively.
3. These mineral resources are not mineral reserves as they do not have demonstrated economic viability.
4. The mineral resource estimate follows CIM Definition Standards.
5. The estimate is reported for a potential open pit scenario assuming US$1,550 per ounce of gold.
6. Results are presented in-situ. Ounce (troy) = metric tonnes x grade / 31.103. Calculations used metric units (metres, tonnes, g/t). Any discrepancies in the totals are due to rounding effects. Rounding followed the recommendations as per NI 43-101.
7. Talisker Exploration Services Inc. is not aware of any known environmental, permitting, legal, title-related, taxation, socio- political, marketing or other relevant issues that could materially affect the mineral resource estimate other than those that may be disclosed in a NI 43-101 compliant technical report.

2021 Objectives

Osisko Development is focusing on various activities in 2021 that pertain to permitting, local communities relations, exploration and finally the processing of the ore stockpile on site.

The Company will continue the various permitting activities started in 2020. These activities consist of obtaining the permits for the MIA and the change of Use of Land while continuing the work required to complete the environmental baseline study and the social/community baseline study. As part of the social/community activities, the Company will continue advancing discussions with the impacted local communities with the objective to reach a long term agreement.

Furthermore, the Company will continue to work on the details of the plan to start processing the stockpile currently on site with the objective to have loaded carbon available to be shipped to produce gold before the end of 2021.

Finally, a 2 phase 35,000-meter drilling campaign is anticipated to start in Q1 2021 with the objective of delineating high grade zones, expanding resources and reducing strip ratio. The Company expects exploration potential to expand both oxide and sulphide resources as recent metallurgical testing has shown that the sulphide resources are amenable to heap leaching.

James Bay area properties

In 2016, Osisko Gold Royalties entered into earn-in agreements with Osisko Mining Inc. ("Osisko Mining") in regards to the James Bay properties. On July 5, 2019, Osisko Mining completed a spinout transaction, which resulted in, among other things, Osisko Mining transferring certain assets to O3 Mining Inc., including properties under earn-in agreements with Osisko Gold Royalties.

In October 2020, Osisko Gold Royalties announced the spin-out of its mining assets, including the properties in the James Bay area, to Osisko Development. As part of the transaction, the earn-in agreements between Osisko Gold Royalties and O3 Mining Inc. were terminated and therefore, Osisko Development has now control over the properties for their exploration and development activities. Osisko Development intends to review each property to maximize their potential value. Please refer to the section *Spin-out of Mining Assets and Creation of Osisko Development Corp.* of this MD&A for more details.

As at December 31, 2020, the net book value of the properties under the earn-in agreements amounted to $30.9 million ($31.7 million in 2019).

Coulon zinc project

The Coulon zinc project is located 15 kilometres north of the Fontanges Airport in the Middle North of Québec. It is close to an hydroelectric dam and the project can be accessed year-round via the Trans-Taïga road. In 2009, a NI 43-101 Technical Report and Resource Estimate was filed. Indicated resources were estimated at 3,675,000 tonnes grading on average 3.61% Zn, 1.27% Cu, 0.40% Pb, 37.2 g/t Ag et 0.25 g/t Au and inferred resources were estimated at 10,058,000 tonnes grading on average 3.92% Zn, 1.33% Cu, 0.19% Pb, 34.5 g/t Ag et 0.18 g/t Au.

The Coulon zinc project has a net book value of $9.8 million as at December 31, 2020 (10.0 million in 2019).

Equity Investments

The Company's assets include a portfolio of shares, mainly of Canadian publicly traded exploration and development mining companies. The Company may, from time to time and without further notice except as required by law or regulations, increase or decrease its investments at its discretion.

During year ended December 31, 2020, the Company acquired equity investments totalling $13.8 million ($14.4 million in 2019).

Fair value of marketable securities

The following table presents the carrying value and fair value of the investments in marketable securities (excluding warrants) as at December 31, 2020 and 2019 (in thousands of dollars):

				Year ended December 31,
		2020		**2019**
Investments	Carrying value(i)	Fair value(ii)	Carrying value(i)	Fair value(iii)
	$	$	$	$
Associates	9,636	20,951	14,284	21,166
Other	98,616	98,616	44,073	44,073
	108,252	119,567	58,357	65,239

(i) The carrying value corresponds to the amount recorded on the consolidated balance sheet, which is the equity method for investments in associates and the fair value for the other investments, as per IFRS 9, *Financial Instruments*.
(ii) The fair value corresponds to the quoted price of the investments on a recognized stock exchange as at December 31, 2020 for almost all investments.
(iii) The fair value corresponds to the quoted price of the investments on a recognized stock exchange as at December 31, 2019 for almost all investments.

Main Investments

The following table presents the main investments of the Company in marketable securities as at December 31, 2020:

Company	Number of Shares Held	Ownership
		%
Falco Resources Ltd. (associate)	41,385,240	18.2
Minera Alamos Inc. (other investment)	76,080,000	17.4

Falco Resources Ltd. ("Falco")

Falco's main asset is the Horne 5 gold project, for which a feasibility study was released in October 2017. For more information, refer to Falco's press release dated October 16, 2017 and entitled: "*Falco Announces Positive Feasibility Study Results on Horne 5 Gold Project*" and filed on www.sedar.com.

On October 27, 2020, Falco announced it has entered into agreements with Glencore Canada Corporation and its affiliated companies ("Glencore") related to its flagship Horne 5 project, located in Rouyn-Noranda, Québec. The agreements include a $10.0 million senior secured convertible debenture bridge financing to fund the continued advancement of the Horne 5 project and life of mine copper and zinc concentrate offtake agreements.

In addition to being subject to the applicable legal framework, the development of the Horne 5 project is subject to a contractual framework whereby the obtaining of the required license to operate from Glencore is subordinated to the entering into a comprehensive financial guarantee arrangement in order to provide adequate financial protection to Glencore's neighboring Horne smelter. Once this condition precedent will be achieved, Falco and Glencore will establish a work plan for the further development of the Horne 5 project, including operational parameters to be complied with by Falco in order to maintain the primacy of Glencore's operation, the whole, in accordance with the agreed upon contractual framework. Based on the foregoing, Falco will not be carrying any dewatering activities prior to finalizing a satisfactory comprehensive financial guarantee framework with Glencore and thereafter agreeing on a mutually satisfactory work plan for the conduct of such activities. A comprehensive financial guarantee framework has been submitted to Glencore.

For more information, refer to Falco's press release dated August 19, 2019 entitled: "*Falco provides Horne 5 project development update*" and Falco's press release dated October 27, 2020 entitled *"Falco Enters Into Agreements With Glencore",* both filed on www.sedar.com.

As at December 31, 2020, the Company holds 41,385,240 common shares representing an 18.2% interest in Falco (19.9% as at December 31, 2019). The Company concluded that it exercises significant influence over Falco and accounts for its investment using the equity method.

Minera Alamos Inc.

Minera Alamos is a gold development company that is expected to join the ranks of gold producers in early 2021. The company has a portfolio of high-quality Mexican assets, including the 100%-owned Santana open-pit, heap-leach development project in Sonora currently under construction, which is expected to have its first gold production in 2021.

The La Fortuna open pit gold project in Durango (100%-owned) has released a positive preliminary economic assessment and is nearing the end of the permitting process. The company has received all required permits to move forward with the construction of the La Fortuna project at the end of 2020. For more information, refer to Minera Alamos' press release dated July 15, 2020 and entitled: "*Minera Alamos Provides Mid-Year Construction Update At The Santana Gold Project, Sonora, Mexico; Adds Further Technical Expertise To The Board*" and November 24, 2020 entitled: "*Minera Alamos Provides an Update on Federal Permit Approvals for the Fortuna Gold Project, Durango, Mexico*", available on www.sedar.com under Minera Alamos' profile.

In 2020, the Company acquired 30.0 million additional common shares of Minera Alamos for $6.0 million. As at December 31, 2020, the Company holds 76,080,000 common shares representing a 17.4% interest in Minera Alamos (12.3% as at December 31, 2019).

Sustainability Activities

The Company views sustainability as a key part of its strategy to create value for its shareholders and other stakeholders.

The Company focuses on the following key areas:

- Promoting the mining industry and its benefits to society;
- Maintaining strong relationships with the Federal government and the Provincial, Municipal and First Nations governments where it has activities and projects;
- Supporting the economic development of regions where it operates;
- Promoting diversity throughout the organization and the mining industry; and
- Encouraging investee companies to adhere to the same areas of focus in sustainability.

2020 Financings

On October 29, 2020, prior to the closing of the RTO, the Company closed an initial bought deal Private Placement of 13,350,000 units of the Company at a price of $7.50 per Common Share for gross proceeds of $100.1 million. Each unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company, which each whole warrant entitling the holder to acquire one common share of the Company at a price of $10.00 per share on or prior to December 1, 2023. Fees were paid by the Company to the underwriters and other issuance costs were paid by the Company in connection with the October 2020 bought deal Private Placement. The proceeds of the October 2020 bought deal Private Placement are to be used to further develop the Cariboo Gold Project, advance the San Antonio gold project towards production and for general corporate purposes.

On December 30, 2020, the Company closed a bought deal Private Placement of 5,367,050 units of the Company at a price of $7.50 per units for gross proceeds of $40.2 million. Each unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company, which each whole warrant entitling the holder to acquire one common share of the Company at a price of $10.00 per share on or prior to December 1, 2023. Fees were paid by the Company to the underwriters and other issuance costs were paid by the Company in connection with the December 2020 bought deal Private Placement. The proceeds of the December 2020 bought deal Private Placement are to be used to further develop the Cariboo Gold Project, advance the San Antonio gold project towards production and for general corporate purposes.

October and December 2020 bought deal Private Placements (in millions of dollars)

Description	Prior Disclosure	Actual Spent	Remaining(i)	Total	Variance
October 29, 2020					
Cariboo Gold project, San Antonio gold project and G&A	$100.1	$15.9	$84.2	$100.1	Nil
December 30, 2020					
Cariboo Gold project, San Antonio gold project and G&A	$40.2	$2.0	$38.2	$40.2	Nil

(i) As at December 31, 2020.

Selected Financial Information
(in thousands of dollars, except figures for ounces and amounts per ounce and per share) (1)

	2020	2019	2018
	$	$	$
Revenues	-	-	-
Cash margin	-	-	-
Gross profit	-	-	-
Impairment of assets	-	(49,985)	(7,344)
Operating loss	(8,301)	(53,829)	(8,515)
Net loss (2)	(8,072)	(75,702)	(9,774)
Basic and diluted net loss per share (3)	(0.07)	(0.76)	(0.10)
Total assets	802,144	397,257	248,352

Operating cash flows	(5,984)	(8,435)	(530)
Weighted average shares outstanding *(in thousands)*			
Basic (3)	113,733	100,000	100,000
Diluted (4)	113,733	100,000	100,000

(1) Unless otherwise noted, financial information is in Canadian dollars and prepared in accordance with IFRS.
(2) Attributable to Osisko Development Corp shareholders.
(3) The Companie's basic outstanding shares as at December 31, 2019 and 2018 are deemed to be 100,000,100 common shares, representing the share position of Osisko Gold Royalties.
(4) As a result of the net loss for the year 2020, all potentially dilutive common shares are deemed to be antidilutive and thus diluted net loss per share is equal to the basic net loss per share.

Overview of Financial Results

Financial Summary – fourth quarter of 2020

- Operating loss of $4.9 million, compared to $52.8 million in the fourth quarter of 2019;
- Net loss of $7.8 million, compared to $62.1 million in the fourth quarter of 2019.
- Net cash flows used in operating activities of $1.5 million compared to $7.9 million in the fourth quarter of 2019;
- Investments in mining interests and plant and equipment of $38.2 million compared to $5.7 million in the fourth quarter of 2019;
- Proceeds from private placements of common shares and warrants of $140.3 million; and
- Proceeds from shares to be issued of common shares and warrants of $73.9 million.

In the fourth quarter of 2020, the Company incurred an operating loss of $4.9 million compared to $52.8 million in the fourth quarter of 2019, as a result of a non recurring $50.0 million impairment charge on the Coulon property in 2019. Without this impairment charge, operating losses for the fourth quarter of 2020 would have been $2.1 million higher than the fourth quarter of 2019 due to ramped up activities following the acquisition of Barkerville in 2019.

In the fourth quarter of 2020, the Company incurred a net loss of $7.8 million compared to $62.1 million in the fourth quarter of 2019. The net loss in 2019 was the result of a non recurring impairment charge of $50.0 million on the Coulon zinc project ($37.6 million, net of income taxes).

The net cash flows used in operating activities in the fourth quarter of 2020 amounted to $1.5 million compared to $7.9 million in the fourth quarter of 2019, mainly as a result of a positive change in non-cash working capital items of $6.7 million compared to a negative $5.3 million in the fourth quarter of 2019. This change in non-cash working capital items was driven by an increase in accounts payable of $8.1 million due to the ramp-up in activities at Barkerville following the acquisition in November 2019.

Investments in mining assets for the fourth quarter of 2020 amounted to $38.2 million compared to $5.7 million for the fourth quarter of 2019. The increase in investment in mining assets are related to the ramp up in activities following the acquisition of Barkerville in November 2019 and the acquisition of the San Antonio project.

In the fourth quarter of 2020, the Company successfully raised and closed $140.3 million in brokered private placements (*see highlights 2020*) excluding $73.9 million in shares to be issued subsequent to the year end (*see subsequent events to December 31, 2020*).

Financial Summary – year ended December 31, 2020

- Operating loss of $8.3 million, compared to $53.8 million in 2019;
- Net loss of $8.1 million, compared to $75.7 million in 2019;
- Net cash flows used in operating activities of $6.0 million, compared to $8.4 million in 2019;
- Investments in mining interests and plant and equipment of $81.8 million, compared to $16.7 million 2019;
- Proceeds from private placements of common shares and warrants of $140.3 million; and
- Proceeds from shares to be issued of common shares and warrants of $73.9 million.

In the year ended December 31, 2020, the Company incurred an operating loss of $8.3 million compared to $53.8 million in 2019, as a result of a non recurring $50.0 million impairment charge on the Coulon property in 2019. Without this impairment charge, operating loss for the year would have been $4.5 million higher than the year 2019 as a result of higher operating expenses due to increased activities at Barkerville following the acquisition in November 2019.

In the year ended December 31, 2020, the Company incurred a net loss of $8.1 million compared to $75.7 million in 2019, due to a non recurring $50 million impairment charge on the Coulon property ($37.6 million, net of income taxes), a $23.7 million loss on disposal of investments and a $12.5 million impairment on an investment in an associate ($10.8 million, net of income taxes). Without these non recurring expenses, net loss for the year would have been $ 4.5 million higher than the year 2019 as a result of ramped up activities since the acquisition of Barkerville in November 2019.

The net cash flows used in operating activities in the year ended December 31, 2020 amounted to $6.0 million compared to $8.4 million in 2019, mainly as a result of a positive change in non-cash working capital items of $4.4 million compared to a negative $5.3 million in 2019. This change in non-cash working capital items was driven by an increase in accounts payable of $6.2 million due to the ramp-up in activities at Barkerville following the acquisition in November 2019.

In the year ended December 31, 2020, the Company successfully raised and closed $140.3 million in brokered private placements (*see highlights 2020*) excluding $73.9 million in shares to be issued subsequent to the year end (*see subsequent events to December 31, 2020*).

Consolidated statements of Loss

The following table presents summarized statements of loss for the year ended December 31, 2020 and 2019 (in thousands of dollars, except amounts per share):

		Three months ended December 31,		Year ended December 31,	
		2020	2019	2020	2019
		$	$	$	$
Operating expenses					
Compensation	(a)	820	2,445	2,820	3,374
General and administrative	(a)	4,030	285	5,350	292
Exploration and evaluation		23	52	131	178
Impairment of assets	(b)	-	49,985	-	49,985
Operating loss		**4,873**	**52,767**	**8,301**	**53,829**
Other (revenues) expenses, net	(c)	(3,476)	26,252	(7,035)	40,529
Loss before income taxes		**1,397**	**79,019**	**1,266**	**94,358**
Income tax expense (recovery)	(d)	6,374	(16,881)	6,806	(18,656)
Net loss		7,771	62,138	8,072	75,702

(a) Compensation and general and administrative expenses increased to $4.9 million in the fourth quarter of 2020 compared to $2.7 million in the fourth quarter of 2019. For the year 2020, compensation and general and administration expenses increased to $8.2 million from $3.7 million in 2019. The increase is the result of the increased activities and workforce following the acquisition of Barkerville in November 2019.

(b) In the fourth quarter of 2019, the Company incurred an impairment charge of $50.0 million ($37.6 million, net of income taxes) on its Coulon zinc project.

(c) Other (revenues) expenses, net of $3.5 million in the fourth quarter of 2020 include a net gain on investment of $4.1 million and interest income of $0.1 million.

Other (revenues) expenses, net of $26.3 million in the fourth quarter of 2019 include a net loss on investments of $24.2 million and a share of loss of associates of $2.4 million.

(d) The statutory tax rate is 26.5% in 2020 and 26.6% in 2019. The elements that impacted the effective income taxes are the non-taxable (or deductible) part of capital gains (or losses) (50%) and non-deductible expenses.

Liquidity and Capital Resources

As at December 31, 2020, the Company's cash position amounted to $197.4 million compared to $8.0 million as at December 31, 2019. Significant variations in the liquidity and capital resources for the year ended December 31, 2020 are explained below under the *Cash Flows* section. The Company is dependent upon raising funds in order to fund future exploration programs. See the *Risk and Uncertainties* section of this MD&A for more details.

Cash Flows

The following table summarizes the cash flows (in thousands of dollars):

	Year ended December 31,	
	2020	**2019**
	$	**$**
Cash flows		
Operations	(10,409)	(3,164)
Working capital items	4,425	(5,271)
Operating activities	**(5,984)**	**(8,435)**
Investing activities	(61,968)	2,767
Financing activities	257,615	12,407
Increase in cash before effects of exchange rate changes on cash	189,663	6,739
Effects of exchange rate on changes on cash	(242)	-
Increase in cash	**189,421**	**6,739**
Cash – beginning of period	**8,006**	**1,267**
Cash – end of period	**197,427**	**8,006**

Operating Activities

Cash flows used in operating activities in 2020 amounted to $6.0 million compared to $8.4 million in 2019. The decrease is mainly attributable to a positive impact on accounts payable of $6.2 million due to the ramp up in activities at Barkerville following the acquisition in November 2019.

Investing Activities

Cash flows used in investing activities amounted to $62.0 million in 2020 compared to cash flows provided by investing activities of $2.8 million in 2019. In 2020, the Company invested $67.2 million for investments in mining interests and property and equipment, mainly on the Cariboo gold project and the Bonanza Ledge II gold project, and a net amount of $4.8 million resulting from a reduction in restricted cash. The increase in investing activities is attributable to the ramp up of activities following the acquisition of Barkerville in November 2019.

Financing Activities

Cash flows provided by financing activities amounted to $257.6 million in 2020 compared to cash flows provided by financing activities of $12.4 million in 2019. In 2020, the proceeds of private placements generated cash inflows of $140.3 million, proceeds from shares to be issued $73.9 million and the net investments from the parent company generated cash inflows of $50.2 million. In 2019, the net investments from the parent company generated cash inflows of $12.4 million.

As part of the RTO, a financing of $100.1 million was completed (please refer to the section *Spin-out of Mining Assets and Creation of Osisko Development Corp.* of this MD&A for more details). On December 30, 2020, the Company completed a brokered private placement through the issuance of 5,367,050 units of the Company at a price of $7.50 per unit for aggregate gross proceeds of $40.2 million. Each unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company, which each whole warrant entitling the holder to acquire one common share of the Company at a price of $10.00 per share on or prior to December 1, 2023. Share issue expenses related to these private placements amounted to $5.7 million.

Segmented Disclosure

The Company operates under a single operating segment, being the acquisition and exploration of mineral properties.

The assets related to the exploration, evaluation and development of mining projects are located in Canada and in Mexico, and are detailed as follow as at and for the years ended December 31, 2020 (in thousands of dollars):

	December 31, 2020		
	Canada	**Mexico**	**Total**
	$	**$**	**$**
Other assets (non-current)	599	24,054	24,653
Mining interest and plant and equipment	344,903	62,097	407,000
Exploration and evaluation assets	40,680	1,189	41,869
Total assets	386,182	87,340	473,522

Related party transactions

During the year ended December 31, 2020, the Company entered in the following related party transactions:

- Paid or accrued an amount of $2.2 million (nil in 2019) to Osisko Gold Royalties for administrative, technical, information technology and legal services;
- Charged an amount of $1.0 million ($0.6 million in 2019) to Falco, an associate, for technical services;
- Incurred exploration costs in the amount of $0.1 million ($0.2 million in 2019) paid to Talisker Exploration services, a company whose president is the president of the Company;
- Osisko Gold Royalties acquired a 3% NSR royalty on the exploration and evaluation properties owned by Osisko Development prior to the closing of the RTO for $0.7 million;
- Osisko Gold Royalties exercised its option to purchase an additional 1% NSR royalty on the Cariboo and the Bonanza Ledge Phase 2 gold projects for $13.0 million; and
- Sapuchi Minera, S. de R.L. de C.V (a wholly owned subsidiary of the Company) completed a gold and silver stream agreement with Osisko Bermuda Ltd, a subsidiary of Osisko Gold Royalties for US$15.0 million ($19.1 million). An amount of US$10.5 million was paid in November 2020 and the remaining US$4.5 million was paid in February 2021.

Additional information on transactions with related parties can be found under the sections *Spin-out of Mining Assets from Osisko Gold Royalties* and *Creation of Osisko Development and Mining Exploration and Evaluation / Development Activities*.

Contractual Obligations and Commitments

As of December 31, 2020, the Company had purchase commitments for mining equipment of $7.3 million, all payable in 2021.

Off-balance Sheet Items

There are no significant off-balance sheet arrangements, other than contractual obligations (including royalties) and commitments mentioned above.

Subsequent Events to December 31, 2020

Non Brokered Private Placement

On January 8, 2021, the Company closed the first tranche of a non-brokered private placement for 9,346,464 units of the Company at a price of $7.50 per unit (or the U.S. dollar equivalent of US$5.75 per unit) for aggregate gross proceeds of approximately $68.6 million. Each unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company, with each whole warrant entitling the holder thereof to acquire one common share of Osisko Development at a price of $10.00 per share (or the prevailing U.S. dollar equivalent at the time of exercise) on or prior to December 1, 2023.

On February 5, 2021, the Company closed the final tranche of non-brokered private placement for 1,515,731 units of the Company at a price of $7.50 per unit (or the U.S. dollar equivalent of US$5.75 per unit) for aggregate gross proceeds of approximately $11.2 million. Each unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company, with each whole warrant entitling the holder thereof to acquire one common share of the Company at a price of $10.00 per share (or the prevailing U.S. dollar equivalent at the time of exercise) on or prior to December 1, 2023.

The proceeds of the financing will be used to further develop the Cariboo gold project, advance the San Antonio gold project towards production and for general corporate purposes.

Bought deal private placement of Flow-Through Shares and Charity Flow-Through Shares

On February 16th, 2021, the Company announced a bought deal private placement of: (i) 884,000 flow-through shares ("FT Shares") of the Company at a price of $9.05 per FT Shares; and (ii) 1,334,500 charity flow-through shares of the Company ("Charity FT Shares" and together with the FT Shares, the "Offered Shares") at a price of $11.24 per Charity FT Share (together, the "Offering"), for aggregate gross proceeds of $23 million. The Offering was further amended to increase the size of the Offering by 773,800 FT Shares, for additional aggregate gross proceeds of $7 million. The amended Offering total gross proceeds is $30 million. In addition, the Underwriters have been granted an option, exercisable in whole or in part up to 48 hours prior to the closing of the Offering, to purchase up to 15% of the number of Offered Shares at their respective issue price. The offering is expected to close on or about March 18, 2021 and is subject to certain conditions including, but not limited to, regulatory approvals, including conditional listing approval of the TSX Venture Exchange.

The gross proceeds from the issue and sale of the Offered Shares will be used by the Corporation to incur eligible "Canadian exploration expenses" that will qualify as "flow-through mining expenditures" as such terms are defined in the Income Tax Act (Canada) (the "Qualifying Expenditures") related to the Cariboo Gold Project and other Canadian exploration assets of the Corporation.

Sale of marketable securities

Following the year ended December 31, 2020, the Company has disposed of some equity positions for aggregate proceeds of $13.2 million and has acquired equity positions for $0.7 million.

Departure of executive and appointment of new Chief Financial Officer and Vice President Finance

Subsequent to year end, Benoit Brunet announced its resignation and Alexander Dann will be appointed as Chief Financial Officer & Vice President Finance on February 26, 2021.

Risks and Uncertainties

The Company's activities, being the acquisition, exploration, and development of mineral properties in Canada and worldwide, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below, could materially affect the Company 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 related to the Company. Refer to the *"Cautionary Note Regarding Forward-Looking Information"* for more information. The reader should carefully consider these risks as well as the information disclosed in the Company's consolidated financial statements.

There are important risks which management believes could impact the Company's activities. For information on risks and uncertainties, please also refer to the *Risk Factors* section of the *Filing Statement* filed by the Company on November 23rd 2020 that can be found on SEDAR (www.sedar.com) under Barolo's issuer profile.

Risks related to mining operations

Mining operations are and will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources and mineral reserves including unusual or unexpected geological formations and other conditions such as formation pressures, fire, power outages, flooding, explosions, cave-ins, landslides and the inability to obtain suitable machinery, equipment or labour, any of which could result in work stoppages, damage to property, and possible environmental damage that even a combination of careful evaluation, experience and knowledge may not eliminate or adequately mitigate. The Company may be subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material adverse effect on the financial position of the Company.

Major expenditures are required to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are:

the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly volatile; and governmental regulations, including those relating to prices, taxes, royalties, land tenure, land use, allowable production, importing and exporting of minerals and environmental protection.

Industry Conditions

The exploration for and development of mineral deposits involve significant risks and while the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. All of the Company's properties are in the development or exploration stage and the Company is presently not exploiting any of its properties and its future success will depend on its capacity to generate revenues from an exploited property.

The discovery of mineral deposits depends on a number of factors, including the professional qualification of its personnel in charge of exploration. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. In the event that the Company wishes to commercially exploit one of its properties, the exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The Company's operations will be subject to all the hazards and risks normally encountered in the exploration and development of mineral deposits. Mining operations generally involve a high degree of risk, including unusual and unexpected geologic formations.

Regulatory Matters

The Company's activities are subject to governmental laws and regulations. These activities can be affected at various levels by governmental regulation governing prospecting and development, price control, taxes, labour standards and occupational health, expropriation, mine safety and other matters. Exploration and commercialization are subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of wastewater and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively rehabilitate mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents.

Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations or requiring corrective measures, installation of additional equipment or remedial actions, any of which could result in significant expenditures. The Company may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspensions of the Company's activities and delays in the exploration and development of the projects and properties.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or development costs or require abandonment or delays in development of new mining properties.

The Company is subject to currency fluctuations that may adversely affect the financial position of the Company.

The Company is subject to currency risks. The Company's functional currency is the Canadian dollar, which is exposed to fluctuations against other currencies. The Company's activities are located in Canada and Mexico, and as such many of its expenditures and obligations are denominated in U.S. dollars and Mexican pesos. The Company maintains its principal office in Montreal (Canada), maintains cash accounts in Canadian dollars, U.S. dollars and Mexican pesos and has monetary assets and liabilities in Canadian dollars, U.S. dollars and Mexican pesos.

The Company's assets and liquidities are significantly affected by changes in the Canadian/U.S. dollar and Canadian/Mexican peso exchange rates. Most expenses are currently denominated in Canadian dollars and Mexican pesos. Exchange rate movements can therefore have a significant impact on the Company's costs. The appreciation of non-Canadian dollar currencies against the Canadian dollar can increase the costs of the Company's activities.

The Company is subject to taxation in multiple jurisdictions and adverse changes to the taxation laws of such jurisdictions could have a material adverse effect on its profitability

The Company has operations and conducts business in multiple jurisdictions and it is subject to the taxation laws of each such jurisdiction. These taxation laws are complicated and subject to change. The Company may also be subject to review, audit and assessment in the ordinary course. Any such changes in taxation law or reviews and assessments could result in higher taxes being payable or require payment of taxes due from previous years, which could adversely affect the Company's liquidities. Taxes may also adversely affect the Company's ability to repatriate earnings and otherwise deploy its assets.

The Company's exploration and developing properties that are located in jurisdictions that are subject to changes in economic and political conditions and regulations in those countries

The economics of the exploration and development of mining projects are affected by many factors, including the costs of exploration and development, variations of grade of ore discovered, fluctuations in metal prices, foreign exchange rates and the prices of goods and services, applicable laws and regulations, including regulations relating to royalties, allowable production and importing and exporting goods and services. Depending on the price of minerals, the Company may determine that it is neither profitable nor advisable to acquire or develop properties.

The Company's mineral properties are located in Canada and Mexico. Economic and political conditions in these countries could adversely affect the business activities of the Company. These conditions are beyond the Company's control, and there can be no assurances that any mitigating actions by the Company will be effective.

Changing laws and regulations relating to the mining industry or shifts in political conditions may increase the costs related to the Company's activities including the cost of maintaining its properties. Operations may also be affected to varying degrees by changes in government regulations with respect to restrictions on exploration and development activities, price controls, export controls, income taxes, royalties, expropriation of property, environmental legislation (including specifically legislation enacted to address climate change) and mine safety. The effect of these factors cannot be accurately predicted. Economic instability could result from current global economic conditions and could contribute to currency volatility and potential increases to income tax rates, both of which could significantly impact the Company's profitability.

The Company's activities are subject to extensive laws and regulations governing worker health and safety, employment standards, waste disposal, protection of historic and archaeological sites, mine development, protection of endangered and protected species and other matters. Regulators have broad authority to shut down and/or levy fines against facilities that do not comply with regulations or standards.

Risk factors specific to certain jurisdictions are described throughout, including specifically "Security in Mexico". The occurrence of the various factors and uncertainties related to economic and political risks of operating in the Company's jurisdictions cannot be accurately predicted and could have a material adverse effect on the Company.

Security in Mexico

In recent years, criminal activity and violence have increased and continue to increase in parts of Mexico. The mining sector has not been immune to the impact of criminal activity and violence, including in the form of kidnapping for ransom and extortion by organized crime, direct armed robberies of mining operations and the theft and robbery of supply convoys, including specifically for diesel. The Company takes measures to protect employees, property and production facilities from these and other security risks. There can be no assurance, however, that security incidents, in the future, will not have a material adverse effect on our operations.

Some of the Company's mineral assets are located outside of Canada and are held indirectly through foreign affiliates.

It may be difficult if not impossible to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of the securities laws of certain provinces against the Company's assets that are located outside of Canada.

Permits, Licences and Approvals

The operations of the Company require licences and permits from various governmental authorities. The Company believes it holds or is in the process of obtaining all necessary licences and permits to carry on the activities, which it is currently conducting under applicable laws and regulations. Such licences and permits are subject to changes in regulations and in various operating circumstances. There can be no guarantee that the Company will be able to obtain all necessary licences and permits that may be required to maintain its mining activities, construct mines or milling facilities and commence operations of any of its exploration properties. In addition, if the Company proceeds to production on any exploration property, it must obtain and comply with permits and licences which may contain specific conditions concerning operating procedures, water use, the discharge of various materials into or on land, air or water, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Company will be able to obtain such permits and licences or that it will be able to comply with any such conditions.

Any mergers, acquisitions or joint ventures would be accompanied by risks

The Company may evaluate from time to time opportunities to merge, acquire and joint venture assets and businesses or conduct any other type of transaction. Global landscape has changed and there are risks associated to such transactions due to liabilities and evaluations with the aggressive timelines of closing transactions from increased competition. There is also a risk that the review and examination process might be inadequate and cause material negative outcomes. These transactions may be significant in size, may change the scale of the Company's business and may expose it to new geographic, political, operating, financial and geological risks. Any transactions would be accompanied by risks, such as the difficulty of assimilating the operations and personnel; the potential disruption of the Company's ongoing business; the inability of management to maximize the financial and strategic position of the Company; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; dilution of the Company's present shareholders or of its interests in its assets or the decision to grant interests to a joint venture partner; and the potential unknown liabilities. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such transactions or joint ventures. There may be no right for shareholders to evaluate the merits or risks of any future transaction or joint venture undertaken except as required by applicable laws and regulations.

Indigenous title claims, rights to consultation/accommodation, and the Company's relationship with local communities may affect the Company's existing exploration and development projects.

Governments in many jurisdictions must consult with indigenous peoples and First Nations with respect to grants of mineral rights or surface rights and the issuance or amendment of project authorizations. Consultation and other rights of indigenous peoples and first nations may require accommodations, including undertakings regarding employment, royalty payments and other matters. This may affect the Company's ability to acquire, within a reasonable time frame, effective mineral titles or surface rights in these jurisdictions, including in some parts of Canada, in which indigenous or local communities' titles are claimed, and may affect the timetable and costs of development of mineral properties in these jurisdictions. The risk of unforeseen indigenous title claims also could affect exploration and development projects. These legal requirements may also affect the Company's ability to transfer existing projects or to develop new projects.

The Company's relationship with the communities in which it conducts activities are critical to ensure the future success of its existing activities and the exploration and development of its projects. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Adverse publicity relating to the mining industry generated by non-governmental organizations and others could have an adverse effect on the Company's reputation or financial condition and may impact its relationship with the communities in which it conducts activities. While the Company is committed to working in a socially responsible manner, there is no guarantee that the Company's efforts in this regard will mitigate this potential risk.

The inability of the Company to maintain positive relationships with local communities may result in additional obstacles to permitting, increased legal challenges, or other disruptive operational issues at any of the Company's projects, and could have a significant adverse impact on the Company's share price and financial condition.

Competition

The Company activities are directed towards the exploration, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Company will result in discoveries of commercial quantities of mineral deposits. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other interests, many of which have greater financial resources than it will have, for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts, and the Company may not be able to successfully raise funds required for any such capital investment.

The Company may be impacted by Anti-Bribery laws.

The Canadian Corruption of Foreign Public Officials Act and the U.S. Foreign Corrupt Practices Act and anti-bribery laws in other jurisdictions where we do business, prohibit companies and their intermediaries from making improper payments for the purposes of obtaining or retaining business or other commercial advantage. The Company's policies mandate compliance with these antibribery laws, which often carry substantial penalties. The Company operates in jurisdictions that have experienced governmental and private sector corruption to some degree, and, in certain circumstances, strict compliance with anti-bribery laws may conflict with certain local customs and practices. There can be no assurances that the Company's internal control policies and procedures will always protect it from reckless or other inappropriate acts committed by the Company's affiliates, employees or agents. Violations of these laws, or allegations of such violations, could have a material adverse effect on the Company's business, financial position and results of operations.

Osisko Development may experience difficulty attracting and retaining qualified management to grow its business, which could have a material adverse effect on the Company's business and financial condition.

The Company is dependent on certain members of Management, particularly its Chief Executive Officer. The loss of their services could adversely affect the Company.

The Company is dependent on the services of key executives and other highly skilled personnel focused on advancing its corporate objectives as well as the identification of new opportunities for growth and funding. The loss of these persons or its inability to attract and retain additional highly skilled employees required for its activities may have a material adverse effect on the Company's business and financial condition. Further, while certain of the Company's officers and directors have experience in the exploration development and operation of mineral properties, the Company remains highly dependent upon contractors and third parties in the performance of their exploration and development activities. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available upon commercially acceptable terms.

Conflicts of Interest

Certain directors and officers of the Company also serve as directors and officers of other companies involved in natural resource exploration and development; consequently, there is a possibility that such directors and officers will be in a position of conflict of interest. Any decision made by such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors and officers will declare, and refrain from voting on, any matter in which such directors and officers may have a material conflict of interest.

Uninsured Hazards

The Company could be held responsible for certain events including environmental pollution, cave-ins or other hazards against which a corporation such as the Company cannot insure or against which it may elect not to insure, taking into consideration the importance of the premiums or other reasons. The payment of amounts relating to liability of the aforementioned hazards could cause the loss of the Company's assets.

Mineral resource and mineral reserve estimates have inherent uncertainty

Mineral resource and mineral reserve figures are only estimates. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. While the Company believes that the mineral resource and mineral reserve estimates, as applicable, in respect of properties in which the Company holds a direct interest reflect best estimates, the estimating of mineral resources and mineral reserves is a subjective process and the accuracy of mineral resource and mineral reserve estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource and mineral reserve estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from estimates. Estimated mineral resources and mineral reserves may have to be re-estimated based on changes in prices of gold or other minerals, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence such estimates. In addition, mineral resources are not mineral reserves and there is no assurance that any mineral resource estimate will ultimately be reclassified as proven or probable mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Osisko Development's operations are subject to financing risks and additional financing may result in dilution or partial sale of assets

Osisko Development's operations are subject to financing risks. At the present time, the Company does not have any producing projects and no sources of revenue. The Company's ability to explore for and find potential economic projects, and then to bring them into production, is highly dependent upon its ability to raise equity and debt capital in the financial markets. Any projects that the Company develops will require significant capital expenditures. To obtain such funds, the Company may sell additional securities including, but not limited to, the Company's shares or some form of convertible security, the effect of which could result in a substantial dilution of the equity interests of the Company's Shareholders. Alternatively, the Company may also sell a part of its interest in an asset in order to raise capital. There is no assurance that the Company will be able to raise the funds required to continue its exploration programs and finance the development of any potentially economic deposit that is identified on acceptable terms or at all. The failure to obtain the necessary financing could have a material adverse effect on the Company's growth strategy, results of operations, financial condition and project scheduling.

Economics of developing mineral properties

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of an ore body may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines. There is no assurance that any exploration properties will be commercially mineable.

Should any mineral resources exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercially viable mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (a) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (b) availability and costs of financing; (c) ongoing costs of production; (d) metal prices; (e) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (f) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

Factors beyond the control of Osisko Development

The potential profitability of mineral properties is dependent upon many factors beyond the Company's control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined ore (assuming that such mineral deposits are known to exist) may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways the Company cannot predict and are beyond the Company's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of the Company and they may also negatively impact the project schedule.

Osisko Development may be subject to liability or sustain loss for certain risks and hazards against which it does not or cannot economically insure

Mining is capital intensive and subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, earthquakes, pit wall failures and cave-ins) and encountering unusual or unexpected geological conditions. Such risk and hazards might impact the Company's business. Consequently, many of the foregoing risks and hazards could result in damage to, or destruction of, the Company's mineral properties or future processing facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of their exploration or development activities, delay in or inability to receive required regulatory approvals, or costs, monetary losses and potential legal liability and adverse governmental action. Osisko Development may be subject to liability or sustain loss for certain risks and hazards against which it does not or cannot insure or against which it may reasonably elect not to insure because of the cost. This lack of insurance coverage could result in material economic harm to the Company.

Environmental risks and hazards

Osisko Development is subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the general, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures estimated by management may differ from the actual expenditures required.

Fluctuation in market value of Osisko Development Common Shares

The market price of Osisko Development Common Shares is affected by many variables not directly related to the corporate performance of the Company, including the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the Osisko Development Shares in the future cannot be predicted and may cause decreases in asset values, which may result in impairment losses.

Disclosure Controls and Procedures

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's accounting policies.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Basis of Presentation of the consolidated Financial Statements

These accompanying consolidated financial statements have been prepared in accordance with the *International Financial Reporting Standards ("IFRS")* as issued by the *International Accounting Standards Board ("IASB")*. The accounting policies, methods of computation and presentation applied in these consolidated financial statements are detailed in the financial statements notes.

The comparative financial information as at December 31, 2019 and for the year then ended, as well as the financial information from January 1 to November 25, 2020 represent the carve-out financial information of the mining assets of Osisko Gold Royalties and reflect the activities, assets and liabilities of the Osisko Contributed Assets on a "consolidated" basis, rather than representing the legal form applicable at the time.

Amendments to IAS 1 *Presentation of Financial Statements*

The IASB has made amendments to IAS 1 *Presentation of Financial Statements* which uses a consistent definition of materiality throughout IFRS and the *Conceptual Framework for Financial Reporting*, clarify when information is material and incorporate some of the guidance in IAS 1 about immaterial information. In particular, the amendments clarify that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. Materiality depends on the nature or magnitude of information, or both. An entity assesses whether information, either individually or in combination with other information, is material in the context of its financial statements taken as a whole. The Company adopted IAS 1 on January 1, 2020, which did not have a significant impact on the consolidated financial statements disclosures.

Critical Accounting Estimates and Judgements

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Critical accounting estimates and assumptions as well as critical judgements in applying the Company's accounting policies are detailed in the consolidated financial statements for the year ended December 31, 2020 and 2019.

Financial Instruments

All financial instruments are required to be measured at fair value on initial recognition. The fair value is based on quoted market prices, unless the financial instruments are not traded in an active market. In this case, the fair value is determined by using valuation techniques like discounted cash flows, the Black-Scholes option pricing model or other valuation techniques. Measurement in subsequent periods depends on the classification of the financial instrument. A description of financial instruments and their fair value is included in the consolidated financial statements for the year ended December 31, 2020 and 2019.

Technical Information

The scientific and technical information contained in this MD&A has been reviewed and approved by Ms. Maggie Layman who is "Qualified Persons" ("QP") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

Share Capital Structure

As at February 23, 2021, the following number of common shares of the Company and other securities of the Company exercisable for common shares of the Company are outstanding:

Securities	Common shares on exercise
Common shares	129,812,740
Stock options	1,230,600
RSU's	-
DSU's	170,620
Warrants	14,789,601
Fully diluted share capital	**146,003,561**

Cautionary Note Regarding Forward-Looking Statements

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 Company, the Company'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 projects, timing (if at all) to complete a pre-feasibility study on the projects. 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 Company'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 Company'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 "Risk

Factors" in the *Filing statement* of the Company, dated November 23, 2020, which are available electronically on SEDAR (www.sedar.com) under Osisko's and Barolo's issuer profiles.

Although the Company 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 Company's records of its property interests; the global economic climate; metal prices; environmental risks; community and non- governmental actions; that permits required for the Company's operations will be obtained on a timely basis in order to permit the Company to proceed on schedule with its planned drilling programs; that skilled personnel and contractors will be available as the Company operations continue to grow; that the price of gold will exceed levels that will render the project of the Company economical; the relevance of the assumptions and that the Company will be able to continue raising the necessary capital to finance its operations and realize on its mineral resource estimates.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual plans, results, performance or achievements of the Company to differ materially from any future plans, results, performance or achievements expressed or implied by the forward-looking statements.

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 Company 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 Company 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.