OSISKO DEVELOPMENT CORP.

. . . .

Consolidated Financial Statements

For the years ended
December 31, 2023 and 2022

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Osisko Development Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Osisko Development Corp. and its subsidiaries (together, the Company) as of December 31, 2023 and 2022, and the related consolidated statements of loss, comprehensive loss, changes in equity and cash flows for the years then ended, including the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Substantial Doubt About the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the working capital position as at December 31, 2023 will not be sufficient to meet the Company's obligations, commitments and forecasted expenditures up to the year ending December 31, 2024 and has stated that these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP

Montréal, Canada
March 28, 2024

We have served as the Company’s auditor since 2020.

Osisko Development Corp.
Consolidated Statements of Financial Position
As at December 31, 2023 and 2022

(tabular amounts expressed in thousands of Canadian dollars)

	Notes	2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	6	**43,455**	105,944
Restricted cash		**2,424**	—
Amounts receivable	7	**3,952**	11,046
Inventories	8	**7,203**	17,641
Other current assets		**5,307**	6,621
		62,341	141,252
Assets classified as held for sale	11	**5,369**	—
		67,710	141,252
Non-current assets			
Investments in associates	9	**13,034**	8,833
Other investments	9	**19,393**	33,819
Mining interests	10	**451,695**	580,479
Property, plant and equipment	11	**97,285**	111,696
Exploration and evaluation	12	**70,135**	55,126
Other assets	13	**44,628**	36,994
		763,880	968,199
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	14	**25,379**	31,106
Lease liabilities		**1,049**	1,208
Current portion of long-term debt	15	**11,821**	4,663
Deferred consideration and contingent payments	16	**3,307**	3,386
Contract liability	17	**21**	941
Environmental rehabilitation provision	18	**4,204**	9,738
		45,781	51,042
Non-current liabilities			
Lease liabilities		**624**	962
Long-term debt	15	**5,102**	12,256
Deferred consideration and contingent payments	16	**10,545**	13,252
Contract liability	17	**31,700**	54,252
Environmental rehabilitation provision	18	**72,525**	66,032
Warrant liability	19	**11,552**	16,395
Deferred income taxes	22	**—**	23,574
Other non-current liabilities		**863**	—
		178,692	237,765
Equity			
Share capital		**1,080,049**	1,032,786
Warrants		**11,859**	1,573
Contributed surplus		**18,722**	12,857
Accumulated other comprehensive income (loss)		**(14,529)**	7,166
Deficit		**(510,913)**	(323,948)
		585,188	730,434
		763,880	968,199

Going concern (Note 1)
Subsequent event (Note 34)

APPROVED ON BEHALF OF THE BOARD

(signed) Sean Roosen, Director

(signed) Charles Page, Director

The notes are an integral part of these consolidated financial statements

Osisko Development Corp.
Consolidated Statements of Loss
For the years ended December 31, 2023 and 2022

(tabular amounts expressed in thousands of Canadian dollars, except per share amounts)

	Notes	2023 $	2022 $
Revenues		**31,625**	64,046
Operating expenses			
Cost of sales	23	**(32,292)**	(56,643)
Other operating costs	23	**(28,560)**	(64,355)
General and administrative	24	**(40,070)**	(36,837)
Exploration and evaluation, net of tax credits		**(1,769)**	(515)
Impairment of assets	10,11,17	**(138,371)**	(140,000)
Operating loss		**(209,437)**	(234,304)
Finance costs	16,17,18	**(13,378)**	(5,761)
Share of loss of associates	9	**(599)**	(641)
Change in fair value of warrant liability	19	**4,535**	25,008
Other income, net	25	**14,489**	24,944
Income (loss) before income taxes		**(204,390)**	(190,754)
Income tax recovery (expense)		**22,517**	(1,706)
Net loss		**(181,873)**	(192,460)
Basic and diluted net loss per share	26	**(2.21)**	(3.02)
Weighted average number of shares outstanding - basic and diluted	26	**82,465,447**	63,797,504

The notes are an integral part of these consolidated financial statements

Osisko Development Corp.
Consolidated Statements of Comprehensive Loss
For the years ended December 31, 2023 and 2022
(tabular amounts expressed in thousands of Canadian dollars)

	2023	2022
	$	$
Net loss	**(181,873)**	(192,460)
Other comprehensive income (loss)		
Items that will not be reclassified to the consolidated statements of loss		
Changes in fair value of financial assets at fair value through comprehensive income (loss)	**(10,171)**	(1,849)
Income tax effect	**1,010**	(38)
Share of other comprehensive loss of associates	**—**	(294)
Items that may be reclassified to the consolidated statements of loss		
Currency translation adjustments	**(14,060)**	14,058
Other comprehensive income (loss)	**(23,221)**	11,877
Comprehensive loss	**(205,094)**	(180,583)

The notes are an integral part of these consolidated financial statements

Osisko Development Corp.
Consolidated Statements of Cash Flows
For the years ended December 31, 2023 and 2022
(tabular amounts expressed in thousands of Canadian dollars)

	Notes	2023 $	2022 $
Operating activities			
Net loss		**(181,873)**	(192,460)
Adjustments for:			
Share-based compensation	23,24	**7,856**	7,437
Depreciation	23,24	**11,525**	11,570
Finance costs	16,17,18	**13,378**	5,761
Gain on disposal of investments	9	**—**	(11,854)
Share of loss of associates	9	**599**	641
Change in fair value of financial assets and liabilities at fair value through profit and loss	9	**14**	480
Change in fair value of warrant liability	19	**(4,535)**	(25,008)
Unrealized foreign exchange loss (gain)		**(9,855)**	—
Deferred income tax expense (recovery)		**(22,644)**	1,706
Impairment of assets	10,11	**171,974**	140,000
Premium on flow-through shares		**—**	(914)
Cumulative catch-up adjustment on contract liability	17	**(34,581)**	(4,362)
Proceeds from Contract liability	17	**(1,326)**	26,112
Other		**3,861**	4,055
Environmental rehabilitation obligations reimbursed (paid)		**(2,933)**	(3,409)
Net cash flows used in operating activities before changes in non-cash working capital items		**(48,540)**	(40,245)
Changes in non-cash working capital items	28	**4,755**	(10,013)
Net cash flows used in operating activities		**(43,785)**	(50,258)
Investing activities			
Additions to mining interests		**(37,631)**	(47,955)
Additions to property, plant and equipment		**(17,522)**	(29,409)
Additions to exploration and evaluation expenses		**(17,121)**	(8,917)
Proceeds on disposals of investments	9	**4,241**	22,585
Cash payments on deferred consideration and contingent payments	16	**(334)**	—
Acquisition of restricted cash		**(2,424)**	—
Acquisition of other investments		**—**	(212)
Acquisition of Tintic, net of cash acquired		**—**	(67,431)
Reclamation deposit		**4,197**	(13,371)
Other		**533**	(1,207)
Net cash flows used in investing activities		**(66,061)**	(145,917)
Financing activities			
Proceeds from equity financings		**51,756**	255,492
Other issuance of common shares		**140**	368
Share issue expense		**(3,489)**	(7,299)
Capital payments on lease liabilities		**(1,226)**	(6,945)
Long–term debt and capital leases	15	**6,644**	17,772
Repayment of long–term debt	15	**(5,675)**	(4,860)
Withholding taxes on settlement of restricted units		**(361)**	—
Net cash flows provided by financing activities		**47,789**	254,528
Increase (decrease) in cash and cash equivalents before impact of exchange rate		**(62,057)**	58,353
Effects of exchange rate changes on cash and cash equivalents		**(432)**	14,184
Increase (decrease) in cash and cash equivalents		**(62,489)**	72,537
Cash and cash equivalents – Beginning of year		**105,944**	33,407
Cash and cash equivalents – end of year		**43,455**	105,944

Additional information on the consolidated statements of cash flows is presented in Note 28.

The notes are an integral part of these consolidated financial statements

Osisko Development Corp.
Consolidated Statements of Changes in Equity
For the year ended December 31, 2023
(tabular amounts expressed in thousands of Canadian dollars except number of shares)

	Notes	Number of common shares outstanding	Share capital	Warrants	Contributed surplus	Accumulated other comprehensive income (loss)	Deficit	Total
			($)	($)	($)	($)	($)	($)
Balance – January 1, 2023	20	**75,629,849**	**1,032,786**	**1,573**	**12,857**	**7,166**	**(323,948)**	**730,434**
Net loss		—	—	—	—	—	(181,873)	(181,873)
Other comprehensive loss, net		—	—	—	—	(23,221)	—	(23,221)
Comprehensive loss		—	—	—	—	(23,221)	(181,873)	(205,094)
Transfer of realized loss on financial assets at fair value through other comprehensive loss, net of taxes		—	—	—	—	1,526	(1,526)	—
Bought deal financing	20	7,841,850	45,545	6,211	—	—	—	51,756
Shares issued for the settlement of Deferred consideration	16	454,026	2,986	—	—	—	—	2,986
Shares issued to Williams Lake First Nation	20	60,000	292	—	—	—	—	292
Share issue expense	20	—	(2,988)	(408)	—	—	—	(3,396)
Change in fair value related to warrants modification	20	—	—	4,483	—	—	(4,483)	—
Share-based compensation								
-Share options		—	—	—	4,175	—	—	4,175
-Restricted and deferred share units		—	—	—	4,023	—	—	4,023
Shares issued - employee share purchase plan		67,640	354	—	—	—	—	354
Share issued from RSU/DSU settlement		48,875	1,074	—	(2,333)	—	917	(342)
Balance – December 31, 2023		**84,102,240**	**1,080,049**	**11,859**	**18,722**	**(14,529)**	**(510,913)**	**585,188**

As at December 31, 2023, accumulated other comprehensive income (loss) comprises items that will not be recycled to the consolidated statements of income or loss amounting to $2.3 million and items that may be recycled to the consolidated statements of income (loss) amounting to $(16.8) million.

The notes are an integral part of these consolidated financial statements

Osisko Development Corp.
Consolidated Statements of Changes in Equity
For the year ended December 31, 2022
(tabular amounts expressed in thousands of Canadian dollars, except number of shares)

	Notes	Number of common shares Outstanding[(i)]	Share capital ($)	Warrants ($)	Contributed surplus ($)	Accumulated other comprehensive income (loss) ($)	Deficit ($)	Total ($)
Balance – January 1, 2022	20	44,400,854	714,373	—	6,436	6,764	(143,371)	584,202
Net loss		—	—	—	—	—	(192,460)	(192,460)
Other comprehensive loss		—	—	—	—	11,877	—	11,877
Comprehensive loss		—	—	—	—	11,877	(192,460)	(180,583)
Transfer of realized loss on financial assets at fair value through other comprehensive income, net of taxes		—	—	—	—	(11,475)	11,475	—
Private placements:Brokered	20	7,752,917	101,873	1,628	—	—	—	103,501
Private placements:Non-Brokered	20	11,363,933	112,150	—	—	—	—	112,150
Share-issue costs		—	(6,243)	(55)	—	—	—	(6,298)
Share-based compensation								
-Share options		—	—	—	3,426	—	—	3,426
-Restricted and deferred share units		—	—	—	4,315	—	—	4,315
Shares issued - employee share purchase plan		35,045	368	—	—	—	—	368
Shares issued on Acquisition of Tintic		12,049,449	109,657	—	—	—	—	109,657
Share issued from RSU/DSU settlement		27,651	608	—	(1,320)	—	408	(304)
Balance – December 31, 2022		75,629,849	1,032,786	1,573	12,857	7,166	(323,948)	730,434

(i) The common shares outstanding presented have been adjusted to reflect the effect of the 3:1 share consolidation that took place on May 4, 2022. Common share, warrants and per share amounts have been adjusted for the 3:1 share consolidation unless otherwise noted.

As at December 31, 2022, accumulated other comprehensive income (loss) comprises items that will not be recycled to the consolidated statements of income or loss amounting to $16.3 million and items that may be recycled to the consolidated statements of income (loss) amounting to $(9.2) million.

The notes are an integral part of these consolidated financial statements

1. Nature of operations and going concern

Osisko Development Corp. (“**Osisko Development**” or the “**Company**”) is a mineral exploration and development company focused on the acquisition, exploration and development of precious metals resource properties in North America. Osisko Development is focused on exploring and developing its mining assets, including the Cariboo Gold Project in British Columbia, the San Antonio gold project in Mexico and the Trixie test mine in the USA.

The Company’s registered and business address is 1100, avenue des Canadiens-de-Montréal, suite 300, Montreal, Québec and is constituted under the *Canada Business Corporations Act*. The common shares of Osisko Development trade under the symbol ODV on the TSX Venture Exchange (“**TSX-V**”) and on the New York Stock Exchange (“**NYSE**”). As at December 31, 2023, the former parent Company, Osisko Gold Royalties (“**OGR”**) held an interest of 39.7% in Osisko Development (compared to 44.1% as at December 31, 2022). Effective September 30, 2022, following certain changes made to OGR’s investment agreement with Osisko Development, OGR no longer controls Osisko Development.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting year. As at December 31, 2023, the Company’s working capital was $21.9 million, which included cash and cash equivalent balance of $43.5 million. The Company also has an accumulated deficit of $510.9 million and incurred a loss of $181.9 million for the year ended December 31, 2023.

The working capital position as at December 31, 2023 will not be sufficient to meet the Company’s obligations, commitments and forecasted expenditures up to the year ending December 31, 2024. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a substantial doubt upon the Company's ability to continue as a going concern as described in the preceding paragraph, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

The Company’s ability to continue future operations and fund its planned activities is dependent on Management’s ability to secure additional financing in the future, which may be completed in several ways including, but not limited to, a combination of selling additional investments from its portfolio, project debt finance, offtake or royalty financing and other capital market alternatives. Failure to secure future financings may impact and/or curtail the planned activities for the Company, which may include, but are not limited to, the suspension of certain development activities and the disposal of certain investments to generate liquidity. While Management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Company or that they will be available on terms which are acceptable to the Company. If Management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than the amounts reflected in these consolidated financial statements.

2. Basis of presentation and Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"). The accounting policies, methods of computation and presentation applied in the preparation of these consolidated financial statements are consistent with those of the previous financial year, except for the presentation of certain operating cash flows adjustments. The comparative figures for the year ended December 31, 2022 were adjusted accordingly.

The Board of Directors approved these consolidated financial statements for issue on March 28, 2024.

3. Material Accounting Policies

The material accounting policies applied in the preparation of the consolidated financial statements are described below.

a) Basis of measurement

The consolidated financial statements are prepared under the historical cost convention, except for the revaluation of certain financial assets and financial liabilities at fair value (including derivative instruments), as described in Note 3(e) below.

b) Business combinations

On the acquisition of a business, the acquisition method of accounting is used whereby the identifiable assets, liabilities and contingent liabilities (identifiable net assets) of the business are measured at fair value at the date of acquisition. Provisional fair values estimated at a reporting date are finalized as soon as the relevant information is available, which period shall not exceed twelve months from the acquisition date and are adjusted to reflect the transaction as of the acquisition date. Any excess of the consideration paid is treated as goodwill, and any bargain gain is immediately recognized in the statement of loss and comprehensive loss. If control is lost as a result of a transaction, the participation retained is recognized on the statement of financial position at fair value and the difference between the fair value recognized and the carrying value as at the date of the transaction is recognized in the statement of loss. Acquisition costs are expensed as incurred.

The Company recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

The results of businesses acquired during the year are consolidated into the consolidated financial statements from the date on which control commences (generally at the closing date when the acquirer legally transfers the consideration).

c) Consolidation

The Company's financial statements consolidate the accounts of Osisko Development Corp. and its subsidiaries. All intercompany transactions, balances and unrealized gains or losses from intercompany transactions are eliminated on consolidation. Subsidiaries are defined as all entities over which the Company has the ability to exercise control. The Company controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company and are deconsolidated from the date that control ceases.

The principal subsidiaries of the Company, their geographic locations and their related participation at December 31, 2023 and 2022 were as follows:

Entity	Jurisdiction	% ownership	Functional currency
Barkerville Gold Mines Ltd. (“**Barkerville**”)	British Columbia	100 %	Canadian dollar
Sapuchi Minera, S. de R.L. de C.V. (“**Sapuchi**”)	Mexico	100 %	Mexican peso
Tintic Consolidated Metals LLC (“**Tintic**”)	Utah, USA	100 %	United States dollar

d) *Foreign currency translation*

(i) *Functional and presentation currency*

Items included in the financial statements of each consolidated entity and associate of the Company are measured using the currency of the primary economic environment in which the entity operates (the “**Functional Currency**”). The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the parent Company and some of its subsidiaries.

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 consolidated statement of financial position date and revenues and expenses are translated at the average exchange rate over the reporting period. Gains and losses from these translations are recognized as currency translation adjustment in other comprehensive income or loss.

(ii) *Transactions and balances*

Foreign currency transactions, including revenues and expenses, are translated into the Functional Currency at the rate of exchange prevailing on the date of each transaction or valuation when items are re-measured. Monetary assets and liabilities denominated in currencies other than the operation’s functional currencies are translated into the Functional Currency at exchange rates in effect at the statement of financial position date. Foreign exchange gains and losses resulting from the settlement of those transactions and from period-end translations are recognized in the consolidated statement of loss.

Non-monetary assets and liabilities are translated at historical rates, unless such assets and liabilities are carried at fair value, in which case, they are translated at the exchange rate in effect at the date of the fair value measurement. Changes in fair value attributable to currency fluctuations of non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognized in the consolidated statement of loss as part of the fair value gain or loss. Such changes in fair value of non-monetary financial assets, such as equities classified at fair value through other comprehensive income, are included in other comprehensive income or loss.

e) *Financial instruments*

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

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 the Black-Scholes option pricing model or other acceptable valuation techniques.

Measurement after initial recognition depends on the classification of the financial instrument. The Company has classified its financial instruments in the following categories depending on the purpose for which the instruments were acquired and their characteristics.

(i) Financial assets

Debt instruments

Investments in debt instruments are subsequently measured at amortized cost when the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and when the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments are subsequently measured at fair value when they do not qualify for measurement at amortized cost. Financial instruments subsequently measured at fair value, including derivatives that are assets, are carried at fair value with changes in fair value recorded in net income or loss unless they are held within a business model whose objective is to hold assets in order to collect contractual cash flows or sell the assets and when the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, in which case unrealized gains and losses are initially recognized in other comprehensive income or loss for subsequent reclassification to net income or loss through amortization of premiums and discounts, impairment or derecognition.

Equity instruments

Investments in equity instruments are subsequently measured at fair value with changes recorded in net income or loss. Equity instruments that are not held for trading can be irrevocably designated at fair value through other comprehensive income or loss on initial recognition without subsequent reclassification to net income or loss. Cumulative gains and losses are transferred from accumulated other comprehensive income (loss) to retained earnings (deficit) upon derecognition of the investment.

(ii) Financial Liabilities

Financial liabilities are subsequently measured at amortized cost using the effective interest method, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value.

The Company has classified its financial instruments as follows:

Category	Financial instrument
Financial assets at amortized cost	Bank balances (including restricted cash) Investment in money market funds Short-term debt securities Reclamation deposits Trade receivables Interest income receivable Amounts receivable from associates and other receivables
Financial assets at fair value through profit or loss	Investments in derivatives (warrants)
Financial assets at fair value through other comprehensive income or loss	Investments in shares and equity instruments, other than in derivatives
Financial liabilities at amortized cost	Accounts payable and accrued liabilities Borrowings under loan facilities
Financial liabilities at fair value through profit or loss	Warrants liability

f) Impairment of financial assets

At each reporting date, the Company assesses, on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk or if a simplified approach has been selected.

The Company has two principal types of financial assets subject to the expected credit loss model:

- Trade receivables; and
- Amounts receivable

The Company applies the simplified approach permitted by IFRS 9 for trade receivables (including amounts receivable from associates and other receivables), which requires lifetime expected credit losses to be recognized from initial recognition of the receivables.

g) Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term highly liquid investments with an initial maturity of three months or less that are readily convertible to known amounts of cash and which are exposed to an insignificant risk of changes in value.

h) Refundable tax credits for mining exploration expenses

The Company is entitled to refundable tax credits on qualified mining exploration and evaluation expenses incurred in the provinces of Québec and British-Columbia. The credits are accounted for against the exploration and evaluation expenses incurred.

i) Inventories

Supplies inventory consists of mining supplies and consumables used in the operations and is valued at the lower of average cost and net realizable value. Provisions are recorded to reflect present intentions for the use of slow moving and obsolete parts and supplies inventory.

Inventories of stockpile, in-circuit and refined precious metals are measured and valued at the lower of average production cost and net realizable value. Net realizable value is the estimated selling price of the equivalent metals in the ordinary course of business based on the prevailing metal prices on the reporting date, less estimated costs to complete production and to bring the finished goods to sale. Production costs that are inventoried include the costs directly related to bringing the inventory to its current condition and location, such as materials, labour, other direct costs (including external services and depreciation, depletion and amortization) and production related overheads.

j) Investments in associates

Associates are entities over which the Company has significant influence, but not control. The financial results of the Company’s investments in its associates are included in the Company’s results according to the equity method. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the Company’s share of profits or losses of associates after the date of acquisition. The Company’s share of profits or losses is recognized in the consolidated statement of income or loss and its share of other comprehensive income or loss of associates is included in other comprehensive income or loss.

Unrealized gains on transactions between the Company and an associate are eliminated to the extent of the Company’s interest in the associate. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Dilution gains and losses arising from changes in interests in investments in associates are recognized in the consolidated statement of loss.

The Company assesses at each reporting date whether there is any objective evidence that its investments in associates are impaired. If impaired, the carrying value of the Company’s share of the underlying assets of associates is written down to its estimated recoverable amount (being the higher of fair value less costs of disposal and value-in-use) and charged to the consolidated statement of income or loss.

k) Property, plant and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of an asset. Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced.

Depreciation is calculated to amortize the cost of the property and equipment less their residual values over their estimated useful lives using the straight-line method over the following periods by major categories:

Leasehold improvements	Lease term
Furniture and office equipment	2-7 years
Exploration equipment and facilities	2-20 years
Mining plant and equipment (development)	3-20 years
Right-of-use assets	Lesser of useful life and term lease

Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate.

Gains and losses on disposals of property and equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of *other gains or losses, net* in the consolidated statement of loss.

l) Mining interests

Development assets are interests in projects that are under development, in permitting or feasibility stage and that in management's view, can be reasonably expected to generate steady-state revenue for the Company in the near future. Subsequent to completion of a positive economic analysis on a mineral property, capitalized exploration and evaluation assets are transferred into mining interests, or as an item of property and equipment, based on the nature of the underlying asset.

Mining interests are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of an asset, including the purchase price and all expenditures undertaken in the development, construction, installation and/or completion of mine production facilities. All expenditures related to the construction of mine declines and orebody access, including mine shafts and ventilation raises, are considered to be capital development and are capitalized. The development and commissioning phase ceases upon the commencement of commercial production.

Subsequent to the commencement of commercial production, further development expenditures incurred with respect to a mining interest are capitalized as part of the mining interest, when it is probable that additional future economic benefits associated with the expenditure will flow to the Company. Otherwise, such expenditures are classified as other operating costs. Mining interest assets are subject to periodic review for impairment when events or changes in circumstances indicate the project's carrying value may not be recoverable.

Upon commencement of commercial production, mining interests are depleted over the life of the mine using the unit-of production method based on the economic life of the related deposit.

Determination of commencement of commercial production is a complex process and requires significant assumptions and estimates. The commencement of commercial production is defined as the date when the mine is capable of operating in the manner intended by management. The Company considers primarily the following factors, among others, when determining the commencement of commercial production:

- All major capital expenditures to achieve a consistent level of production and desired capacity have been incurred;
- A reasonable period of testing of the mine plant and equipment has been completed;
- A predetermined percentage of design capacity of the mine and mill has been reached; and
- Required production levels, grades and recoveries have been achieved.

m) Exploration and evaluation expenditures

Exploration and evaluation assets are comprised of exploration and evaluation expenditures and acquisition costs for exploration and evaluation assets. Expenditures incurred on activities that precede exploration and evaluation, being all expenditures incurred prior to securing the legal rights to explore an area, are expensed immediately. Exploration and evaluation assets include rights in mining properties, paid or acquired through a business combination or an acquisition of assets, and costs related to the initial search for mineral deposits with economic potential or to obtain more information about existing mineral deposits. Mining rights are recorded at acquisition cost less accumulated impairment losses. Mining rights and options to acquire undivided interests in mining rights are depreciated only as these properties are put into commercial production.

Exploration and evaluation expenditures for each separate area of interest are capitalized and include costs associated with prospecting, sampling, trenching, drilling and other work involved in searching for ore like topographical, geological, geochemical and geophysical studies. They also reflect costs related to establishing the technical and commercial viability of extracting a mineral resource identified through exploration and evaluation or acquired through a business combination or asset acquisition.

Exploration and evaluation expenditures include the cost of:

(i) establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities;

(ii) determining the optimal methods of extraction and metallurgical and treatment processes;

(iii) studies related to surveying, transportation and infrastructure requirements;

(iv) permitting activities; and

(v) economic evaluations to determine whether development of the mineralized material is commercially justified, including scoping, prefeasibility and final feasibility studies.

Exploration and evaluation expenditures include overhead expenses directly attributable to the related activities. Exploration and evaluation assets are subject to periodic review for impairment when events or changes in circumstances indicate the project's carrying value may not be recoverable.

Cash flows attributable to capitalized exploration and evaluation costs are classified as investing activities in the consolidated statement of cash flows under the heading *exploration and evaluation*.

n) Provision for environmental rehabilitation

Provision for environmental rehabilitation, restructuring costs and legal claims, where applicable, is recognized when:

(i) The Company has a present legal or constructive obligation as a result of past events.

(ii) It is probable that an outflow of resources will be required to settle the obligation.

(iii) The amount can be reliably estimated.

The provision is measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and is discounted to present value where the effect is material. The increase in the provision due to passage of time is recognized as finance costs. Changes in assumptions or estimates are reflected in the period in which they occur. Provision for environmental rehabilitation represents the legal and constructive obligations associated with the eventual closure of the Company's property, plant and equipment. These obligations consist of costs associated with reclamation and monitoring of activities and the removal of tangible assets. The discount rate used is based on a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation, excluding the risks for which future cash flow estimates have already been adjusted.

Reclamation deposits

Reclamation deposits are term deposits held on behalf of the government of the province of British Columbia as collateral for possible rehabilitation activities on the Company's mineral properties in connection with permits required for exploration activities. It also includes the same nature deposit for Utah operations. Reclamation deposits are released once the property is restored to satisfactory condition, or as released under the surety bond agreement. As they are restricted from general use, they are included under other assets on the consolidated statements of financial position.

o) Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the consolidated statements of loss, except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity. In this case, the tax is also recognized in other comprehensive income or loss or directly in equity, respectively.

Current income taxes

The current income tax charge is the expected tax payable on the taxable income for the year, using the tax laws enacted or substantively enacted at the statement of financial position date in the jurisdictions where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax assets and liabilities are measured using enacted or substantively enacted tax rates (and laws) that apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current and are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

p) Leases

The Company is committed to long-term lease agreements, mainly for office space and mining equipment.

Leases are recognized as a right-of-use asset (presented under *property, plant and equipment* on the consolidated statement of financial position) and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. The lease payments are discounted utilizing the implicit interest rate of the specific lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Payments associated with short-term leases (12 months or less) and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss.

q) Share-based compensation

Share option plan

The Company offers a share option plan to its directors, officers, employees and consultants. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. Fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. Compensation expense is recognized over the tranche's vesting period by increasing contributed surplus based on the number of awards expected to vest. The number of awards expected to vest is reviewed at least annually, with any impact being recognized immediately.

Any consideration paid on exercise of share options is credited to share capital. The contributed surplus resulting from share-based compensation is transferred to share capital when the options are exercised.

Deferred and restricted share units

The Company offers a deferred share units ("**DSU**") plan to its directors and a restricted share units ("**RSU**") plan to its officers and employees. DSU may be granted to directors and RSU may be granted to employees and officers as part of their respective long-term compensation package, entitling them to receive a payment in the form of common shares, cash (based on the Company's share price at the relevant time) or a combination of common shares and cash, at the sole discretion of the Company. The fair value of the DSU and RSU granted to be settled in common shares is measured on the grant date and is recognized over the vesting period under contributed surplus with a corresponding charge to share-based compensation. A liability for the DSU and RSU to be settled in cash is measured at fair value on the grant date and is subsequently adjusted at each statement of financial position date for changes in fair value. The liability is recognized over the vesting period with a corresponding charge to share-based compensation.

r) Revenue recognition

Revenues generated from sale of metals is recognized when the Company satisfies the performance obligations associated with the sale. Typically, this is accomplished when control over the metals are passed from the Company to the buyer. Primary factors that indicate the point in time when control has passed to the buyer includes but is not limited to (a) the Company has transferred physical possession and legal title of the asset to the purchaser and (b) the Company has present right to payment.

s) Contract Liability

The advance payment received by the Company in consideration for future commitments as specified in its streaming agreements (the "**Contract Liability**") has been accounted for as contract liability within the scope of IFRS 15 *Revenue from Contracts with Customers*. Under the terms of the agreement, performance obligations are satisfied through production at the San Antonio gold project and the Trixie test mine and revenue are recognized over the duration of the contracts based on estimated gold and silver prices prevailing at contract initial recognition. Because of the difference between the timing of the delivery of gold and silver under the streaming agreements and the upfront amount of consideration received, it has been determined that the streaming agreements contained a significant financing component under IFRS 15. The significant financing component is accounted for separately from the revenue component and accretion expense on the contract liability is recognized in finance costs. The interest rate is determined based on the interest rate implicit in the streaming agreements at the date of inception. The initial consideration received from the streaming arrangement is considered variable, subject to changes in the total gold ounces to be delivered in the future. Changes to variable consideration will be reflected in the statement of income (loss) and comprehensive income (loss).

Incremental costs directly attributable to obtaining a contract with a customer are capitalized as other non-current assets. Upon commencement of production, the other non-current assets will be expensed over the life of mine. Such costs are subject to impairment when the remaining amount of consideration to be received exceeds the costs that relate directly to providing the goods that have not been recognized as expenses.

t) Net income (loss) per share

The calculation of net income (loss) per share ("**EPS**") is based on the weighted average number of shares outstanding for each period. The basic EPS is calculated by dividing the profit or loss attributable to the equity owners of the Company by the weighted average number of common shares outstanding during the period.

The computation of diluted EPS assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the income per share. The treasury stock method is used to determine the dilutive effect of the warrants, share options, DSU and RSU. When the Company reports a loss, the diluted net loss per common share is equal to the basic net loss per common share due to the anti-dilutive effect of the outstanding warrants, share options, DSU and RSU.

u) Segment reporting

The operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer ("**CEO**") who fulfills the role of the chief decision-maker. The CEO is responsible for allocating resources and assessing performance of the Company's operating segments. The Company manages its business by the exploration, evaluation and development activities of its projects.

4. New accounting standards and amendments

Material accounting standards and amendments

Amendments – IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

In 2021, the IASB issued narrow-scope amendments to IFRS, including to IAS 1 and IAS 8. The amendments were made to help companies improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements; and distinguish changes in accounting estimates from changes in accounting policies.

The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The amendments to IAS 8 clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The amendments to IAS 1 and IAS 8 are effective for annual reporting periods beginning on or after January 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the consolidated financial statements. Management reviewed the accounting policies and made updates to the information disclosed in Note 3, in certain instances, in line with the amendments.

New accounting standards, amendments and interpretations not yet adopted

The Company has not yet adopted certain standards, interpretations to existing standards and amendments which have been issued but have an effective date of later than December 31, 2023. Some of these updates are not expected to have any significant impact on the Company and are therefore not discussed herein.

Classification of liabilities as current or non-current (Amendments to IAS 1)

The IASB has published amendments to IAS 1 (*Classification of liabilities as current or non-current and non-current liabilities with covenants*) which clarify the guidance on whether a liability should be classifies as either current or non-current. The amendments:

- Clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period";
- Clarify that classification is unaffected by intentions or expectations about whether an entity will exercise its right to defer settlement of a liability; and
- Make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

In addition, the IASB confirmed that only covenants with which an entity must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which an entity must comply within twelve months of the reporting date ("**Future Covenants**") do not affect a liability's classification at the reporting date. However, when non-current liabilities are subject to Future Covenants, entities will need to disclose information in the notes that enables users of the consolidated financial statements to understand the risk that the liability could become repayable within twelve months of the reporting date.

The amendments to IAS 1 are effective for annual periods beginning on or after January 1, 2024 and should be applied retrospectively in accordance with IAS 8. The adoption of the amendments to IAS 1 is expected to impact the classification of the Warrant liability from non-current to current liability.

5. Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company also makes estimates and assumptions concerning the future. 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.

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.

Critical accounting estimates and assumptions

Mineral reserves and resources

Mineral reserves are estimates of the amount of minable ore that can be economically and legally extracted from the Company's mining properties. The Company estimates its mineral reserve and mineral resources based on information compiled by Qualified Persons as defined by Canadian Securities Administrators National Instrument 43-101, *Standards for Disclosure of Mineral Projects*. Such information includes geological data on the size, depth and shape of the mineral deposit, and requires complex geological judgments to interpret the data. The estimation of recoverable reserves or resources is based upon factors such as estimates of commodity prices, future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade that comprise the mineral reserves or resources. Changes in the mineral reserve or mineral resource estimates may impact the carrying value of mineral properties and deferred development costs, property, plant and equipment, provision for site reclamation and closure, recognition of deferred income tax assets and depreciation and amortization charges.

Impairment of exploration and evaluation assets, mining interests and plant and equipment

The Company's accounting policy for exploration and evaluation expenditure results in certain items being capitalized. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalized the expenditure, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalized amount will be written off to the consolidated statement of loss.

Development activities commence after project sanctioning by senior management. Judgement is applied by management in determining when a project has reached a stage at which economically recoverable reserves or resources exist such that development may be sanctioned. In exercising this judgement, management is required to make certain estimates and assumptions similar to those described above for capitalized exploration and evaluation expenditure. Such estimates and assumptions may change as new information becomes available. If, after having started the development activity, a judgement is made that a development asset is impaired, the appropriate amount will be written off to the consolidated statement of loss.

The Company's recoverability of its recorded value of its exploration and evaluation assets, mining interests and plant and equipment is based on market conditions for metals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale.

At each reporting date, the Company evaluates each mining property and project on results to date to determine the nature of exploration, other assessment and development work that is warranted in the future. If there is little prospect of future work on a property or project being carried out within a prolonged period from completion of previous activities, the deferred expenditures related to that property or project are written off or written down to the estimated amount recoverable unless there is persuasive evidence that an impairment allowance is not required.

The recoverable amounts of exploration and evaluation assets, mining interests and plant and equipment are determined using the higher of value in use or fair value less costs of disposal. Value in use consists of the net present value of future cash flows expected to be derived from the asset in its current condition based on observable data. The calculations use cash flow projections based on financial budgets approved by management. These cash flow projections are based on expected recoverable ore reserves or resources, grade per ounce, recovery rates, selling prices of metals and operating costs. Fair value less costs of disposal consist of the expected sale price (the amount that a market participant would pay for the asset) of the asset net of transaction costs.

The Company may use other approaches in determining the fair value which may include estimates related to (i) dollar value per ounce of mineral reserve/resource; (ii) cash-flow multiples; (iii) market capitalization of comparable assets; and (iv) comparable sales transactions. Any changes in the quality and quantity of recoverable ore reserves, expected selling prices and operating costs could materially affect the estimated fair value of mining interests, which could result in material write-downs or write-offs in the future.

The recent market conditions, industry cost pressures, current inflationary environment and changes in assumptions related to required future capital expenditures, potential mining and processing methods and average processed gold grades are considered as indicators of impairment, among other facts and circumstances and, accordingly, management of Osisko Development performed an impairment assessment on all its projects. The Company tested its Cash Generating Units (**CGU**), for impairment, and determined the recoverable amounts exceeded the carrying amounts. The Company's assessments reflected a number of significant management assumptions and estimates relating to future cash flows projections and discount rate. Changes in these assumptions could impact the Company's conclusion in future reporting (Note10).

Provision for environmental rehabilitation

Provision for environmental rehabilitation is based on management best estimates and assumptions, which management believes are a reasonable basis upon which to estimate the future liability, based on the current economic environment. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management and are based on current regulatory requirements. Significant changes in estimates of discount rate, contamination, rehabilitation standards and techniques will result in changes to the provision from period to period. Actual reclamation and closure costs will ultimately depend on future market prices for the costs which will reflect the market condition at the time the costs are actually incurred. The final cost of the rehabilitation provision may be higher or lower than currently provided for.

Accounting for streaming arrangements

The Company entered into stream agreements (Note 17). The classification of the deposit as a contract liability is a key judgment and is based on the expected delivery of the Company's future production. Management exercised judgment in applying the accounting standard IFRS 15 *Revenue from contracts with customers*. To determine the transaction price for the stream agreement, the Company made estimates with respect to the estimated timing and value of future deliveries in order to determine the interest implicit rate for each agreement.

Critical judgements in applying the Company's accounting policies

Going Concern

The assessment of the Company's ability to continue as a going concern involves judgment as it relies on the company's estimation of future cash flows for the 12-month period from the financial statement date, and the availability of funds to meet those cash flow requirements. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events and budgeted expenditures (approved by the Board) that are believed to be reasonable under the circumstances (Note 1).

Business combinations

The assessment of whether an acquisition meets the definition of a business, or whether assets are acquired is an area of key judgement. The assumptions and estimates with respect to determining the fair value of assets acquired and liabilities assumed, and exploration and evaluation properties, generally requires a high degree of judgement. Changes in the judgements made could impact the amounts assigned to assets and liabilities.

Impairment of investments in associates

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

Impairment of exploration and evaluation assets

Assessment of impairment of exploration and evaluation assets (including exploration and evaluation assets under a farm-out agreement) requires the use of judgements when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test on the Company's exploration and evaluation assets. Factors which could trigger an impairment review include, but are not limited to, an expiry of the right to explore in the specific area during the period or will expire in the near future, and is not expected to be renewed; substantive exploration and evaluation expenditures in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the assets is unlikely to be recovered in full from successful development or by sale; significant negative industry or economic trends; interruptions in exploration and evaluation activities by the Company; and a significant change in current or forecast commodity prices. As at December 31, 2023, no impairment indicators were identified and, as such, no impairment test was performed.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

Changes in the judgements used in determining the fair value of the exploration and evaluation assets could impact the impairment analysis.

Taxes recoverable

The Company incurs significant expenditures on which sales and indirect taxes (Canada and USA) and value-added taxes (Mexico) is paid. The Company can claim a 100% refund of taxes paid on allowable expenditure.

As a result of the Company's limited operating history, management currently estimates 100% collectability of the taxes receivable balances and anticipates the collection within 12 months in Canada and USA, and 36 months in Mexico of incurring the associated expenditure once the Company begins with the refund process. It is possible however, that the refund requests may be delayed, reduced or denied by the respective taxation authorities. Management assesses collectability and classification of the asset at each reporting period.

6. Cash and cash equivalents

As at December 31, 2023 and December 31 2022, the consolidated cash and cash equivalents position was as follows:

	2023	2022
	$	$
Cash and cash equivalents held in Canadian dollars	**16,857**	32,444
Cash and cash equivalents held in U.S. dollars	**20,110**	54,242
Cash and cash equivalents held in U.S. dollars (Canadian equivalent)	**26,597**	73,465
Cash held and cash equivalents in Mexican Pesos	**16**	565
Cash held and cash equivalents in Mexican Pesos (Canadian equivalent)	**1**	35
Total cash and cash equivalents	**43,455**	105,944

As at December 31, 2023, cash and cash equivalents include US$1.0 million ($1.4 million) held in money market funds (2022 – nil).

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

7. Amounts receivable

	2023	2022
	$	$
Trade receivables	**2,708**	1,777
Exploration tax credits	**17**	8,360
Sales taxes	**834**	889
Interest income receivable	**148**	20
Other	**245**	—
	3,952	11,046

8. Inventories

	2023	2022
	$	$
Ore in stockpiles	**—**	5,943
Tailings	**—**	2,616
Gold-in-circuit inventory	**458**	4,451
Refined precious metals	**380**	37
Supplies and other	**6,365**	4,594
Total inventories	**7,203**	17,641

Refined precious metals, gold-in-circuit and ore in stockpiles are measured at the lower of weighted average production cost and net realizable value. Net realizable value is calculated as the difference between the estimated selling price and estimated costs to complete processing into a saleable form plus variable selling expenses. For the year ended December 31, 2023, an amount of $8.1 million was recorded to adjust the inventories to their net realizable value (2022 – nil). Production costs include the cost of materials, labour, mine site production overheads and depreciation to the applicable stage of processing.

9. Investments in associates and other investments

Investments in associates

	2023	2022
	$	$
Balance – Beginning of year	**8,833**	12,964
Transfer to Other investments	**—**	(15,344)
Investment in associate(ii)	**4,800**	—
Share of loss and comprehensive loss, net	**(599)**	(641)
Gain on deemed disposal(i)	**—**	11,854
Balance – End of year	**13,034**	8,833

(i) In 2022, the gain on deemed disposal is related to an investment in an associate that was transferred to *other assets* as the Company has considered that it has lost its significant influence over the investee.

(ii) On October 19, 2023, the Company received 9,599,999 common shares of Electric Elements Mining Corp.(“**Electric Elements**”) in exchange of all its shares and partnership units in certain subsidiaries holding the rights and title to and interest in its James Bay properties (the “**Spin-Out Transaction**”). Electric Elements is in the business of exploring for lithium potential on certain James Bay properties in the Eeyou Istchee Area, Nunavik, Québec.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

Subsequently to the Spin-Out Transaction, Electric Elements completed an equity financing. As at December 31, 2023, Osisko Development holds an interest of 47% in the outstanding shares of Electric Elements.

Other investments

	2023	2022
	$	$
Fair value through profit or loss (warrants & convertible loan)		
Balance – Beginning of year	**18**	6,952
Acquisitions	**—**	4,438
Exercises	**—**	(117)
Acquisition of Tintic (Note 10)	**—**	(10,827)
Change in fair value	**(14)**	(480)
Foreign exchange	**—**	52
Balance – End of year	**4**	18
Fair value through other comprehensive income (shares)		
Balance – Beginning of year	**33,801**	42,564
Acquisitions	**—**	329
Consideration received from disposal of exploration properties	**1,694**	—
Disposals	**(5,935)**	(22,585)
Change in fair value	**(10,171)**	(1,849)
Transfer from associates	**—**	15,342
Balance – End of year	**19,389**	33,801
Total	**19,393**	33,819

Other investments comprise of common shares and warrants, almost exclusively from publicly traded companies.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

10. Mining interests

	2023	2022
	$	$
Cost – Beginning of year	**583,669**	475,621
Acquisition of Tintic	**—**	169,175
Additions	**30,598**	49,297
Mining tax credit	**152**	(6,404)
Asset retirement obligation	**(326)**	9,248
Depreciation capitalized	**4,630**	1,141
Share-based compensation capitalized	**287**	530
Impairment	**(160,484)**	(140,000)
Other adjustments	**—**	5,579
Currency translation adjustments	**(2,059)**	19,482
Cost – End of year	**456,467**	583,669
Accumulated depreciation – Beginning of year	**3,190**	—
Depreciation	**1,075**	2,964
Currency translation adjustments	**507**	226
Accumulated depreciation – End of year	**4,772**	3,190
Cost	**456,467**	583,669
Accumulated depreciation	**(4,772)**	(3,190)
Net book value	**451,695**	580,479

NSR Royalty and Streams

OGR (the former parent) holds a 5% NSR royalty on the Cariboo Gold Project ("**Cariboo**"), owned by Barkerville, a 15% gold and silver stream on the San Antonio property and a 2% to 2.5% stream on all refined metals on the Tintic properties. The Cariboo 5% NSR royalty is perpetual and is secured by a debenture on all of Barkerville movable and immovable assets, including Barkerville'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.

Impairment assessment

The recent market conditions, industry cost pressures, current inflationary environment and changes in assumptions related to required future capital expenditures, potential mining and processing methods and decrease in contained gold ounces in measured, indicated and inferred resources are considered as indicators of impairment and, accordingly, management of the Company performed an impairment assessment on all its projects. The Company tested its CGUs, for impairment, and recorded impairment charges in 2023 and 2022 based on the results of its impairment assessments. The Company's assessments reflected a number of significant management assumptions and estimates relating to future cash flows projections and discount rate. Changes in these assumptions could impact the Company's conclusion in future reporting.

On December 31, 2023, an impairment charge of $160.5 million on the Trixie test mine was recorded and the net assets of the Trixie test mine were written down to their net estimated recoverable amount (including mining interest and property, plant and equipment) of $51.6 million which was determined using a fair value less costs of disposal model based on a discounted cash flows approach. The impairment charge was recorded against the Mining Interests. The main valuation inputs used were the cash flows expected to be generated by the production and sale of gold and silver from the Trixie gold mine over the estimated life of the mine, the expected long-term gold price per ounce and a discount rate of 10.4% applied to the cash flow projections. A sensitivity analysis was performed by Osisko Development's management for the long-term gold price and the expected contained ounces of gold in the measured, indicated and inferred resources, using reasonably possible changes to these key assumptions. If the long-term gold price per ounce applied to the cash flow projections had been 10% lower than management's estimates, Osisko Development would have recognized an additional impairment charge of $18.2 million. If the expected number of countained ounces of gold applied to the cash flow projections had been 10% lower than management's estimates, Osisko Development would have recognized an additional impairment charge of $9.1 million.

On December 31, 2022, an impairment charge of $59.0 million on the Cariboo gold project was recorded and the net assets of the Cariboo gold project were written down to its net estimated recoverable amount (including mining interest and property, plant and equipment) of $435.7 million which was determined by the value-in-use using a discounted cash-flows approach and reflected as an impairment of Mining Interests. The main valuation inputs used were the cash flows expected to be generated by the production and sale of gold from the Cariboo gold project over the estimated life of the mine, based on the expected longterm gold price per ounce costs inflation forecast and the discount rate of 12.6% applied to the cash flow projections. A sensitivity analysis was performed by management of Osisko Development for the long-term gold price and the discount rate, using reasonably possible changes to these key assumptions. If the long-term gold price per ounce applied to the cash flow projections had been 10% lower than management's estimates, Osisko Development would have recognized an additional impairment charge of $193.0 million. If the discount rate applied to the cash flow projections had been 100 basis points higher than management's estimates, Osisko Development would have recognized an additional impairment charge of $55.7 million. Based on the estimated recoverable amounts which were determined by the value-in-use using a discounted cash-flows approach and, with a sensitivity analysis performed, management concluded that there was no impairment in the carrying value of the Cariboo gold project as at December 31, 2023.

On September 30, 2022, an impairment charge of $81.0 million on the San Antonio gold project was recorded and the net assets of the San Antonio gold project were written down to its net estimated recoverable amount (including mining interest and property, plant and equipment) of $35.0 million which was determined by the value-in-use using a discounted cash-flows approach and reflected as an impairment of Mining Interests. The main valuation inputs used were the cash flows expected to be generated by the production and sale of gold from the San Antonio gold project over the estimated life of the mine, based on the expected long-term gold price per ounce costs inflation forecast and the discount rate of 19.9% applied to the cash flow projections. A sensitivity analysis was performed by management of Osisko Development for the long-term gold price and the discount rate, using reasonably possible changes to these key assumptions. If the long-term gold price per ounce applied to the cash flow projections had been 10% lower than management's estimates, Osisko Development would have recognized an additional impairment charge of $35.0 million. If the discount rate applied to the cash flow projections had been 100 basis points higher than management's estimates, Osisko Development would have recognized an additional impairment charge of $5.8 million. Based on the estimated recoverable amounts which were determined by the value-in-use using a discounted cash-flows approach and, with a sensitivity analysis performed, management concluded that there was no impairment in the carrying value of the San Antonio gold project as at December 31, 2023.

Acquisition of Tintic Consolidated Metals LLC

On May 27, 2022, the Company completed its previously announced acquisition of Tintic Consolidated Metals LLC, which owns the producing Trixie test mine, as well as mineral claims in central Utah's historic Tintic Mining District (the "Tintic Transaction").

Under the terms of the Tintic Transaction, the Company funded the acquisition through:

(i) the issuance of 12,049,449 common shares of Osisko Development;

(ii) aggregate cash payments of approximately US$58.7 million ($74.7million)

(iii) the issuance of an aggregate of 2% NSR royalties, with a 50% buyback right in favour of Osisko Development exercisable within five years;

(iv) US$12.5 million in deferred payments ($15.9 million); and

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

(v) the granting of certain other contingent payments, rights and obligations.

During the year ended December 31, 2022, transaction costs related to the acquisition were expensed under general and administrative expenses and amounted to approximately $6.4 million for the year. The total consideration paid amounted to approximately US$156.6 million ($199.5 million). In accordance with IFRS 3, Business Combinations, a business combination is a transaction in which an acquirer obtains control of a business which is defined as an integrated set of activities and assets that is capable of being conducted and managed to provide a return to investors. For an integrated set of activities and assets to be considered a business, the set needs to contain inputs, and processes. The acquisition of Tintic meets the definition of a business combination as Tintic generates revenues and has processes. Consequently, the transaction has been recorded as a business combination.

The table below presents the purchase price allocation for the acquisition:

Consideration paid	**$**
Issuance of 12,049,449 common shares of Osisko Development	109,656
Cash	63,881
Convertible instruments [(i)]	10,827
Fair value of deferred consideration of US$12.5 million	13,414
Fair value of other contingent payments, rights and obligations	1,695
	199,473

Net assets acquired	**$**
Cash	871
Other current assets	1,834
Mining assets	169,175
Plant and equipment	13,054
Exploration and evaluation	38,508
Other non-current assets	1,735
Current liabilities	(1,322)
Non-current liabilities	(4,925)
Deferred income tax liability	(19,457)
	199,473

(i) Represents the convertible instruments amounting to US$8.5 million ($10.8 million) issued to the sellers prior to the closing of the Tintic Transaction , which were part of the acquisition price.

For the year ended December 31, 2022, the revenues and net earnings (losses) of the acquiree included in the consolidated statement of loss amounted respectively to $22.7 million and $1.4 million.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

11. Property, plant and equipment

	Land and Buildings	Machinery and Equipment	Construction-in-progress	2023	2022
	$	$	$	$	$
Cost– Beginning of year	**27,980**	**80,208**	**23,721**	**131,909**	93,241
Acquisition of Tintic	**—**	**—**	**—**	**—**	13,054
Additions	**2,235**	**12,358**	**3,499**	**18,092**	29,409
Assets classified as held for sale and other disposals(i)	**—**	**(7,814)**	**(101)**	**(7,915)**	(1,351)
Impairment	**—**	**(9,013)**	**(2,477)**	**(11,490)**	(5,455)
Other	**(495)**	**(1,607)**	**455**	**(1,647)**	(896)
Transfers	**1,985**	**12,905**	**(14,890)**	**—**	—
Currency translation adjustments	**(88)**	**1,521**	**1,192**	**2,625**	3,907
Cost – End of year	**31,617**	**88,558**	**11,399**	**131,574**	131,909
Accumulated depreciation – Beginning of year	**4,468**	**15,745**	**—**	**20,213**	9,529
Depreciation	**3,134**	**11,985**	**—**	**15,119**	12,869
Assets classified as held for sale and other disposals(i)	**—**	**(1,643)**	**—**	**(1,643)**	(192)
Impairment	**—**	**—**	**—**	**—**	(2,687)
Other	**(13)**	**(78)**	**—**	**(91)**	—
Currency translation adjustments	**7**	**684**	**—**	**691**	694
Accumulated depreciation – End of year	**7,596**	**26,693**	**—**	**34,289**	20,213
Net book value	**24,021**	**61,865**	**11,399**	**97,285**	111,696

(i) In 2023, the Company's directors approved the sale of certain equipment located at Tintic for a total of $6.7 million. As at December 31, 2023, equipment having a value of $1.3 million have been sold and the remaining assets are classified as *Assets classified as held for sale* in the consolidated statements of financial position. The sale is expected to be completed before the end of December 2024.

Machinery and Equipment includes right-of-use assets with a net carrying value of $3.1 million as at December 31, 2023 ($3.8 million as at December 31, 2022).

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

12. Exploration and evaluation

	2023	2022
	$	$
Net book value - Beginning of year	**55,126**	3,635
Acquisition of Tintic	**—**	38,508
Additions	**16,128**	10,786
Depreciation capitalized	**421**	80
Other adjustments	**—**	(460)
Currency translation adjustments	**(1,540)**	2,577
Net book value – End of year	**70,135**	55,126
Cost	**170,342**	155,333
Accumulated impairment	**(100,207)**	(100,207)
Net book value – End of year	**70,135**	55,126

13. Other non-current assets

	2023	2022
	$	$
Sales tax recoverable(i)	**20,709**	17,467
Reclamation deposits	**12,684**	16,761
Advances for mining equipment	**6,078**	2,766
Non-current inventory	**4,686**	—
Deferred financing fees	**471**	—
	44,628	36,994

(i) Relates to value-added tax recoverable generated from the Company's operations in Mexico. These amounts are non-interest bearing and are generally settled within 36 months from the date the refunds are submitted to the authorities. For the years ended December 31, 2023 and 2022, no provision expense was recorded on VAT receivables.

14. Accounts payable and accrued liabilities

	2023	2022
	$	$
Trade payables	**10,580**	18,057
Other payables	**5,231**	5,005
Income taxes payable	**—**	716
Accrued liabilities	**9,568**	7,328
	25,379	31,106

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

15. Long-term debt

	2023	2022
	$	$
Balance – Beginning of year	**16,919**	3,764
Additions – Mining equipment financing	**5,878**	17,772
Repayment of liabilities	**(5,675)**	(4,860)
Currency translation adjustments	**(199)**	243
Balance – End of year	**16,923**	16,919
Current portion of long–term debt	**11,821**	4,663
Non-current portion of long–term debt	**5,102**	12,256
	16,923	16,919

The Company financed a portion of the mining equipment acquisitions with third parties. The loans are guaranteed by the mining equipment and are payable in monthly instalments over the following periods:

	Less than 1 year	1-2 years	3-4 years
	$	$	$
Total payments	11,821	3,739	1,363

16. Deferred consideration and contingent payments

In connection with the Tintic Transaction described in Note 10, the purchase price included the issuance of deferred consideration and contingent payments. The movement of the deferred consideration and contingent payments is as follows:

	2023	2022
	$	$
Balance – Beginning of year	**16,638**	—
Additions	**—**	15,109
Interest capitalized	**922**	577
Repayment	**(334)**	—
Settlement in shares	**(2,986)**	—
Foreign exchange	**(388)**	952
Balance – End of year	**13,852**	16,638
Current portion of deferred consideration and contingent payments	**3,307**	3,386
Non-current portion of deferred consideration and contingent payments	**10,545**	13,252
	13,852	16,638

17. Contract liability

On November 20, 2020, the Company's wholly owned subsidiary Sapuchi completed a gold and silver stream agreement with Osisko Bermuda Ltd, a subsidiary of OGR, for US$15.0 million ($19.1 million). An amount of US$10.5 million was contributed in November 2020 and the remaining US$4.5 million was paid in February 2021.

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 by Osisko Development of its shares of Sapuchi Minera Holdings Two B.V. and (iii) a guarantee by Osisko Development. The interest rate used to calculate the accretion on the contract liability's financing component is 24%.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

On September 26, 2022, Tintic completed a metals stream agreement with Osisko Bermuda Ltd, for US$20 million ($26.1 million).

Under the terms of the stream agreement, Osisko Bermuda Ltd will receive 2.5% of the refined metal production from Tintic until 27,150 ounces of refined gold have been delivered, and thereafter Osisko Bermuda Ltd will receive 2.0% of the refined metal production from Tintic. Osisko Bermuda Ltd will make ongoing cash payments to Tintic equal to 25% of the applicable spot metal price on the business day immediately preceding the date of delivery for each ounce of refined metal delivered pursuant to the stream agreement. The stream is also secured with (i) a first ranking priority charges, pledges and security interests in, to and over all of the collateral now owned or hereafter acquired by Tintic (ii) a first ranking priority charges, pledges and security interests in, to and over all present and hereafter acquired by Tintic, Osisko US Holdco, Inc., Osisko Utah LLC, Chief Consolidated Mining Company and Osisko Development (each, a "Seller Group Entity") (a) Pledged Shares all of the issued and outstanding equity and voting securities of a Seller Group Entity owned by another Seller Group Entity and related rights, (b) indebtedness owing by any Seller Group Entity to any other Seller Group Entity and related rights, (c) other property, assets, rights and interests in and relating to the Tintic project held or acquired by such Seller Group Entity, (d) proceeds of the foregoing; and (d) all books and records related to any of the foregoing, in all cases, subject to permitted encumbrances (as such term is defined in the stream agreement); and (iii) a trust deed. The interest rate used to calculate the accretion on the contract liability's financing component is 5%.

The movement of the contract liability is as follows:

	2023	**2022**
	$	**$**
Balance – Beginning of year	**55,193**	24,820
Deposits	**—**	26,112
Proceeds from contract liability	**(1,326)**	(2,792)
Accretion on the contract liability's financing component	**9,302**	7,377
Cumulative catch-up adjustment(i)	**(34,581)**	(4,362)
Currency translation adjustment	**3,133**	4,038
Balance – End of year	**31,721**	55,193
Current liabilities	**21**	941
Non-current liabilities	**31,700**	54,252
	31,721	55,193

(i) As at December 31, 2023, in connection with the impairment assessment described in Note 10, the Company reviewed its expected future production to reflect the decrease in contained fold ounces in measured, indicated and inferred resources. The decrease in expected production for certain of the mining sites resulted in a catch-up adjustment of $33.6 million recorded in *Impairment of assets* in the consolidated statement of loss.

Under IFRS 15, the stream agreements are considered to have a significant financing component. The Company therefore records notional non-cash interest.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

18. Environmental rehabilitation provision

	2023	2022
	$	**$**
Balance – Beginning of year	**75,770**	53,236
Acquisition of Tintic	**—**	4,599
New liabilities	**3,660**	22,353
Revision of estimates	**(3,964)**	(5,637)
Accretion expense	**3,154**	3,223
Settlement of liabilities / payment of liabilities	**(2,933)**	(3,409)
Currency translation adjustment	**1,042**	1,405
Balance – End of year	**76,729**	75,770
Current liabilities	**4,204**	9,738
Non-current liabilities	**72,525**	66,032
	76,729	75,770

The environmental rehabilitation provision represents the legal and contractual obligations associated with the eventual closure of the Company's mining interests, property, plant and equipment and exploration and evaluation assets. As at December 31, 2023, the estimated inflation-adjusted undiscounted cash flows required to settle the environmental rehabilitation amounts to $88.6 million. The weighted average actualization rate used is 4.47% and the disbursements are expected to be made between 2024 and 2030 as per the current closure plans.

19. Warrant Liability

The warrants issued as part of the 2022 non-brokered private placement (Note 20) include an embedded derivative as they are exercisable in U.S. dollars and, therefore, fail the "fixed for fixed" requirements prescribed in IAS 32 *Financial Instruments: presentation*. As a result, they are classified as a liability and measured at fair value. The liability is revalued at its estimated fair value using the Black-Scholes model at the end of each reporting period, and the variation in the fair value is recognized on the consolidated statements of loss under *Change in fair value of warrant liability*.

The movement of the warrant liability is as follows:

	2023	2022
	$	$
Fair value through profit or loss (warrants)		
Balance – Beginning of year	**16,395**	—
Additions	**—**	39,841
Change in fair value	**(4,535)**	(25,008)
Foreign exchange	**(308)**	1,562
Balance – End of year	**11,552**	16,395

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

In absence of quoted market prices, the fair value of the warrants exercisable in USD is determined using the Black-Scholes option pricing model based on the following assumptions and inputs:

	2023	2022
Dividend per share	**—**	—
Expected volatility	**78.3 %**	69.0 %
Risk-free interest rate	**4.00 %**	4.00 %
Expected life	**3.4 years**	4.4 years
Exercise price (USD)(i)	**$ 10.70**	$ 18.00
Share price (USD)	**$ 2.91**	$ 4.30

(i) On March 17, 2023, the Company received the required approvals to reduce the exercise price of the common share purchase warrants issued in 2022 under the non-brokered private placements from US$18.00 to US$10.70 per share.

20. Share Capital and Warrants

Shares

Authorized: unlimited number of common shares, without par value

Issued and fully paid: 84,102,240 common shares

The common shares outstanding presented for the periods prior to May 4, 2022 have been adjusted to reflect the effect of the 3:1 share consolidation. Common shares, warrants and per share amounts have been adjusted for the 3:1 share consolidation, unless otherwise noted.

Employee Share Purchase Plan

The Company offers an employee share purchase plan to its employees. Under the terms of the plan, the Company contributes an amount equal to 60% of the eligible employee's contribution towards the acquisition of common shares from treasury on a quarterly basis. Under this plan, no employee shall acquire common shares which exceed 10% of the issued and outstanding common shares of the issuer at the time of the purchase of the common shares.

2023 Bought Deal Financing

On March 2, 2023, the Company completed a public offering on a bought deal basis issuing 7,841,850 units at a price of $6.60 per unit for aggregate gross proceeds of $51.8 million (the "**Bought Deal Financing**"). Each unit is comprised of one common share and one warrant, with each warrant entitling the holder to purchase one additional common share at a price of $8.55 per common share for a period of 3 years following the closing date of the Bought Deal Financing. The fair value of the warrants issued was evaluated using the residual method and were valued at $6.2 million. Share issue expense related to the Bought Deal Financing amounted to $3.4 million allocated against the common shares and warrants issued

Participation Agreement with Williams Lake First Nation

In 2023, the Company issued 60,000 common shares in accordance with the terms of a participation agreements with Williams Lake First Nation relating to the Company's Cariboo Gold Project. The fair value of the common shares issued is calculated with reference to the share price of the Company's common shares.

2022 Brokered private placement

On March 2, 2022, the Company completed a brokered private placement issuing 9,525,850 brokered units at a price of $4.45 for gross proceeds of $42.4 million (the “**Brokered Units**”) and 13,732,900 brokered subscription receipts at a price of $4.45 for gross escrowed proceeds of $61.1 million (the “**Brokered Subscription Receipts**” and together with the Brokered Units, the “**Brokered Private Placement**”), on a pre-share consolidation basis. Each Brokered Unit is comprised of one common share and one warrant, with each warrant entitling the holder to purchase one additional common share at a price of $22.80 ($7.60 pre-share consolidation) per common share for a period of 5 years following the closing date of the Brokered Private Placement. On May 30, 2022, Brokered Subscription Receipt holders received one Brokered Unit for each Brokered Subscription Receipt, upon the Company satisfying all conditions precedent to the Tintic acquisition (the “**Brokered Escrow Release Condition**”). Total common share and warrants issued under the Brokered Private Placement on a post share consolidation basis amount each to 7,752,917. Issuance costs related to the Brokered Units issued amounted to $3.5 million and have been allocated against the common shares and warrants issued. The fair value of the warrants issued was evaluated using the residual method and were valued at $1.6 million, net of issuance costs.

2022 Non-Brokered private placements

The Company completed three tranches of a non-brokered private placement, issuing non-brokered subscription receipts at a price of US$3.50 (“**Non-Brokered Subscription Receipts**”) (i) the first tranche closed on March 4, 2022 issuing 24,215,099 Non-Brokered Subscription Receipts for gross proceeds of US$84.8 million (CA$108 million) (ii) the second tranche closing on March 29, 2022 issuing 9,365,689 Non-Brokered Subscription Receipts for gross proceeds of US$32.8 million (CA$41.8 million), and (iii) the third tranche closing on April 21, 2022 issuing 512,980 Non-Brokered Subscription Receipts for gross proceeds of US$1.8 million (CA$2.3 million) (collectively, the “**Non-Brokered Private Placement**”), on a pre-share consolidation basis.

On May 27, 2022, each Non-Brokered Subscription Receipt holder received one Unit, upon the listing of Osisko Development’s common shares on the NYSE (the “**Non-Brokered Escrow Release Condition**”). Each Unit is comprised of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase one additional common share at a price of USD$18.00 (USD$6.00 pre-share consolidation) per common share for a period of 5 years from the date of issue (“**Unit**”). Total common share and warrants issued under the Non-Brokered Private Placement on a post share consolidation basis amount each to 11,363,933.

These warrants include an embedded derivative as they are exercisable in U.S. dollars and, therefore, fail the “fixed for fixed” requirements prescribed in IAS 32 *Financial Instruments: presentation*. As a result, they are classified as a liability and measured at fair value. Their value was estimated at $39.8 million on the issue date using the Black-Scholes model and they are presented as a non-current liability on the consolidated statement of financial position. The liability is revalued at its estimated fair value using the Black-Scholes model at the end of each reporting period, and the variation in the fair value is recognized on the consolidated statements of loss (Note 19). All securities issued under the Non-brokered Private Placement were subject to a hold period expiring four months and one day from the closing date.

Issuance costs allocated to common shares amounted to $2.8 million. For the year ended December 31, 2022, the Company recorded in other income in the consolidated statement of loss $1 million of issuance costs allocated to the warrants.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

Warrants

The following table summarizes the Company's movements for the warrants outstanding:

	2023		2022	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
		$		$
Balance – Beginning of year	**24,046,640**	**17.86**	4,929,791	30.00
Issued – Brokered private placement	**—**	**—**	7,752,916	22.80
Issued – Non-brokered private placement(i)	**—**	**—**	11,363,933	13.53
Issued – Bought deal financing(ii)	**7,841,850**	**8.55**	—	—
Warrants expired	**(4,929,791)**	**30.00**	—	—
Balance – End of year	**26,958,699**	**12.93**	24,046,640	17.86

The outstanding warrants have the following a maturity dates and exercise terms:

Tranche	Warrant CUSIP	Maturity	Number of Warrants	Exercise Price(ii)		Conversion
2022 Brokered private placement	68828E221	02-Mar-27	7,752,916	$	14.75	Each one warrant entitling the holder thereof to purchase one common share of the Company
2022 Non-brokered private placement	68828E239	27-May-27	11,363,933	US$	10.70	Each one warrant entitling the holder thereof to purchase one common share of the Company
2023 Bought deal financing	68828E262	02-Mar-26	7,841,850	$	8.55	Each one warrant entitling the holder thereof to purchase one common share of the Company

(i) Exercise price of warrants issued in non-brokered private placement is in USD.

(ii) On March 17, 2023, the Company received the required approvals to reduce the exercise price of the common share purchase warrants issued in 2022 under the brokered and non-brokered private placements. The exercise price to purchase one additional common share was reduced from $22.80 to $14.75 for the brokered private placement and from US$18.00 to US$10.70 for the non-brokered private placements. The increase in fair value of the amended share purchase warrants classified as equity instruments was estimated to $4.5 million and recorded directly in the Deficit, considering the fair value of the original warrants left at the date of the modification, using the Black-Scholes option pricing model based on the following assumptions:

Dividend per share	—
Expected volatility	66%
Risk-free interest rate	2.9%
Expected life	4 years
Share price	$6.20

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

Capital management

The Company's objective in managing capital is to safeguard the Company's ability to continue as a going concern, to maintain a flexible capital structure which optimizes cost of capital at acceptable risk, and to provide reasonable returns to shareholders. The Company manages its capital structure and makes adjustments to is, based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties. The Company defines capital as long-term debt and total equity. In order to maintain or adjust capital structure, the Company may issue new shares, enter into new debt agreement (Note 34) or sell assets to improve working capital. Capital is managed by the Company's management and governed by the Board of Directors.

	2023	2022
	$	$
Long-term debt(i)	**16,923**	16,919
Total equity	**585,188**	730,434
Balance – End of year	**602,111**	747,353

(i) Excluding the additional available credit facility entered in by the Company on March 1, 2024 (Note 34).

There were no changes in the Company's approach to capital management during the year ended December 31, 2023, compared to prior year. The Company is not subject to material externally imposed capital requirements.

21. Share-based compensation

Share options

The Company offers a share option plan to directors, officers, management, employees and consultants.

The following table summarizes information about the movement of the share options outstanding under the Company's plan:

	2023		2022	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		$		$
Balance – Beginning of year	**1,812,450**	**11.52**	697,841	21.21
Granted	**1,202,400**	**6.59**	1,245,400	6.43
Forfeited	**(314,773)**	**8.86**	(130,791)	14.74
Balance – End of year	**2,700,077**	**9.64**	1,812,450	11.52
Options exercisable – End of year	**735,050**	**14.18**	205,229	21.32

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

The following table summarizes the share options outstanding as at December 31, 2023:

		Options outstanding		Options exercisable	
Grant date	Exercise price	Number	Weighted average remaining contractual life (years)	Number	Weighted average remaining contractual life (years)
	$				
December 22, 2020	22.86	320,032	1.98	217,391	1.98
February 5, 2021	24.30	10,533	2.10	3,511	2.10
June 23, 2021	21.30	157,086	2.48	107,079	2.48
August 16, 2021	16.89	31,199	2.63	20,801	2.63
November 12, 2021	16.20	37,894	2.87	25,266	2.87
June 30, 2022	6.49	748,233	3.50	266,766	3.50
November 18, 2022	6.28	282,700	3.88	94,236	3.88
April 3, 2023	6.59	1,112,400	4.26	-	-
	9.64	**2,700,077**	**3.59**	**735,050**	**2.90**

The options, when granted, are accounted for at their fair value determined by the Black-Scholes option pricing model based on the vesting period and on the following weighted average assumptions:

	2023	2022
Dividend per share	**—**	—
Expected volatility	**66%**	64%
Risk-free interest rate	**3.2%**	3.3%
Expected life	**48 months**	47 months
Weighted average share price	**$ 6.59**	$ 6.43
Weighted average fair value of options granted	**$ 3.43**	$ 3.27

The expected volatility is estimated by benchmarking with companies having businesses similar to Osisko Development. The historical volatility of the common share price of these companies was used for benchmarking back from the date of grant and for a period corresponding to the expected life of the options.

The fair value of the share options is recognized as compensation expense over the vesting period. During the year ended December 31, 2023, the total share-based compensation related to share options granted under the Osisko Development's plan amounted to $4.2 million ($3.4 million for the year ended December 31, 2022).

Deferred and restricted share units ("DSU" and "RSU")

The following table summarizes information about the DSU and RSU movements:

	2023		2022	
	DSU[ii]	RSU	DSU[i]	RSU
Balance – Beginning of year	**206,426**	**1,054,194**	79,781	345,377
Granted	**99,170**	**261,900**	137,528	794,500
Settled	**(10,883)**	**(95,459)**	(10,883)	(49,118)
Forfeited	**—**	**(142,350)**	—	(36,565)
Balance – End of year	**294,713**	**1,078,285**	206,426	1,054,194
Balance – Vested	**195,543**	**—**	68,898	—

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

(i) Unless otherwise decided by the board of directors of the Company, the DSU vest the day prior to the next annual general meeting and are payable in common shares, cash or a combination of common shares and cash, at the sole discretion of the Company, to each director when he or she leaves the board or is not re-elected. The value of the payout is determined by multiplying the number of DSU expected to be vested at the payout date by the closing price of the Company's shares on the day prior to the grant date. The fair value is recognized over the vesting period. On the settlement date, one common share will be issued for each DSU, after deducting any income taxes payable on the benefit earned by the director that must be remitted by the Company to the tax authorities.

The total share-based compensation expense related to the Osisko Development's DSU and RSU plans for year ended December 31, 2023 amounted to $4.0 million ($4.3 million for the year ended December 31, 2022).

Based on the closing price of the common shares at December 31, 2023 ($3.85), and considering a marginal income tax rate of 53.3%, the estimated amount that Osisko Development is expected to transfer to the tax authorities to settle the employees' tax obligations related to the vested RSU and DSU to be settled in equity amounts to $0.4 million ($0.2 million as at December 31, 2022) and $2.8 million based on all RSU and DSU outstanding ($3.9 million as at December 31, 2022).

22. Income taxes

(a) Income tax expense

The income tax recorded in the consolidated statements of loss for the years ended December 31, 2023 and 2022 is presented as follows:

	2023 $	2022 $
Current income tax		
Expense for the year	**127**	—
Current income tax expense	**127**	—
Deferred income tax		
Origination and reversal of temporary differences	**(52,653)**	(63,178)
Change in unrecognized deductible temporary differences	**26,844**	63,051
Other	**3,165**	1,833
Deferred income tax (expense) recovery	**(22,644)**	1,706
Income tax (expense) recovery	**(22,517)**	1,706

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

The provision for income taxes presented in the consolidated statements of loss differs from the amount that would arise using the statutory income tax rate applicable to income of the entities, as a result of the following:

	2023	2022
	$	$
Loss before income taxes	**(204,390)**	(190,754)
Income tax provision calculated using the Canadian federal and provincial statutory income tax rate	**(54,163)**	(50,550)
Increase in income taxes resulting from:		
Non-deductible expenses, net	**1,563**	(291)
Non-taxable (non-deductible) portion of capital losses, net	**(1,120)**	(8,202)
Share of equity associate loss	**81**	78
Change in unrecognized deferred tax assets	**26,844**	63,051
Differences in foreign statutory tax rates	**2,164**	(3,970)
Deferred premium on flow-through shares	**—**	810
Effect of flow-through shares renunciation	**—**	(1,052)
Other	**2,114**	1,832
Total income tax expense (recovery)	**(22,517)**	1,706

The 2023 and 2022 Canadian federal and provincial statutory income tax rate is 26.5%.

(b) Deferred income taxes

The components that give rise to deferred income tax assets and liabilities are as follows:

	2023	2022
	$	$
Deferred tax assets:		
Non-capital losses	—	929
Deferred and restricted share units	—	29
Other	—	8,209
Deferred tax assets	—	9,167
Deferred tax liabilities:		
Property, Plant & Equipment	—	(3,873)
Stream Interest	—	(28,823)
Other	—	(45)
Deferred tax liability	—	(32,741)
Deferred tax liability, net	—	(23,574)

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

The 2023 movement for deferred tax assets and deferred tax liabilities may be summarized as follows:

	Dec. 31, 2022	Statement of income (loss)	Other comprehensive income	Translation adjustment	Dec. 31, 2023
	$	$	$	$	$
Deferred tax assets:					
Non-capital losses	**929**	**(933)**	**—**	**4**	**—**
Deferred and restricted share units	**29**	**(29)**	**—**	**—**	**—**
Other assets	**8,209**	**(8,248)**	**—**	**39**	**—**
Deferred tax liabilities:					
Investments	**—**	**(1,010)**	**1,010**	**—**	**—**
Stream interests	**(28,823)**	**28,929**	**—**	**(106)**	**—**
Property, Plant, & Equipment	**(3,873)**	**3,890**	**—**	**(17)**	**—**
Other Liabilities	**(45)**	**45**	**—**	**—**	**—**
	(23,574)	**22,644**	**1,010**	**(80)**	**—**

The 2022 movement for deferred tax assets and deferred tax liabilities may be summarized as follows:

	Dec. 31, 2021	Statement Of income (loss)	Other comprehensive income	Translation adjustment	Business combination	Dec. 31, 2022
	$	$	$	$	$	$
Deferred tax assets:						
Non-capital losses	—	937	—	(8)	—	929
Deferred and restricted share units	—	56	—	(2)	(25)	29
Other assets	—	5,053	—	116	3,040	8,209
Deferred tax liabilities:						
Investments	(1,205)	1,205	—	—	—	—
Stream interests	—	(6,429)	—	(1,040)	(21,354)	(28,823)
Property, Plant, & Equipment	—	(2,528)	—	(44)	(1,301)	(3,873)
Other Liabilities	—	—	—	(2)	(43)	(45)
	(1,205)	(1,706)	—	(980)	(19,683)	(23,574)

(c) Unrecognized deferred tax liabilities

The aggregate amount of taxable temporary differences associated with investments in subsidiaries, for which deferred tax liabilities have not been recognized as at December 31, 2023 is $4.1 million ($28.2 million as at December 31, 2022). No deferred tax liabilities are recognized on the temporary differences associated with investment in subsidiaries because the company controls the timing of reversal, and it is not probable that they will reverse in the foreseeable future.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

(d) Unrecognized deferred tax assets

As at December 31, 2023, the Company had temporary difference with a tax benefit of $157 million ($128 million as at December 31, 2022) which are not recognized as deferred tax assets. The Company recognizes the benefit of tax attributes only to the extent of anticipated future taxable income that can be reduced by these tax attributes

	2023	2022
	$	$
Non-capital losses carried forward	**146,800**	116,656
Mineral stream interests – Mexico	**8,001**	8,789
Unrealized losses on investments in associates	**1,505**	3,124
Other	**668**	156
	156,974	128,725

23. Cost of sales and other operating costs

	2023	2022
	$	$
Salaries and benefits	**11,752**	17,624
Share-based compensation	**121**	294
Royalties	**928**	1,475
Contract Services	**11,590**	40,890
Raw materials and consumables	**8,941**	17,394
Operational overhead and write-downs (Note 8)	**16,215**	31,918
Depreciation	**11,305**	11,403
	60,852	120,998

24. General and administrative expenses

	2023	2022
	$	$
Salaries and benefits	**14,278**	10,004
Share-based compensation	**7,735**	6,947
Insurance	**5,131**	2,878
Depreciation	**220**	167
Transaction costs	**—**	6,441
Legal and other consulting fees	**8,941**	3,426
Regulatory and listing fees	**1,298**	732
Other	**2,467**	6,242
	40,070	36,837

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

25. Other income, net

	2023	2022
	$	$
Interest income, net	**4,834**	1,776
Foreign exchange gain (loss)	**10,811**	9,148
Premium on flow-through shares	**—**	914
Gain on deemed disposal of investment	**—**	11,854
Other	**(1,156)**	1,252
	14,489	24,944

26. Loss per share

	2023	2022
Net loss attributable to shareholders of the Company	**(181,873)**	(192,460)
Basic and diluted weighted average number of common shares outstanding	**82,465,447**	63,797,504
Net loss per share, basic and diluted	**(2.21)**	(3.02)

The weighted average basic and diluted shares outstanding for 2022 presented have been adjusted to reflect the effect of the 3:1 share consolidation that took place on May 4, 2022.

Excluded from the calculation of the diluted loss per share are all common share purchase warrants and stock options, as their effect would be anti-dilutive.

27. Key Management

Key management includes directors (executive and non-executive) and the executive management team. The compensation paid or payable to key management for employee services is presented below:

	2023	2022
	$	$
Salaries and short-term employee benefits	**5,976**	5,440
Share-based compensation	**7,120**	5,757
Cost recoveries from associates	**(300)**	(330)
	12,796	10,867

Key management employees are subject to employment agreements which provide for payments on termination of employment without cause or following a change of control providing for payments of between once to twice base salary and bonus and certain vesting acceleration clauses on restricted share units and share options.

28. Supplementary cash flows information

	2023	2022
	$	$
Changes in non-cash working capital items		
Decrease (increase) in amounts receivable	**8,290**	7,401
Decrease (Increase) in inventory	**(2,026)**	3,161
Increase in other current assets	**1,784**	(8,133)
Decrease in accounts payable and accrued liabilities	**(3,293)**	(12,442)
	4,755	(10,013)

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

29. Financial risks

The Company's activities expose it to a variety of financial risks: market risks (including interest rate risk, foreign currency risk and other price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's performance.

Risk management is carried out under policies approved by the Board of Directors. The Board of Directors provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, the use of derivative financial instruments and non-derivative financial instruments, and investment in excess liquidities.

(a) Market risks

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

The Company's interest rate risk on financial assets is primarily related to cash, which bear interest at variable rates. However, as these investments come to maturity within a short period of time, the impact would likely be not significant.

Financial liabilities are not exposed to interest rate risk since they are non interest-bearing liabilities or bear interest at a fixed rate.

(ii) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from currency volatility, primarily with respect to the US dollar. The Company holds balances in cash denominated in U.S. dollars and is therefore exposed to gains or losses on foreign exchange.

As at December 31, 2023 and 2022, the balances in U.S. dollars held by entities with a different functional currency were as follows:

	2023	2022
	$	$
Cash	**20,110**	54,242
Accounts receivable	**1,724**	921
Accounts payable	**3,413**	(7,425)
Net exposure, in US dollars	**25,248**	47,738
Net exposure, equivalent in Canadian dollars	**33,392**	64,656

Based on the balances as at December 31, 2023, a 5% fluctuation in the exchange rates on that date (with all other variables being constant) would have resulted in a variation of net loss of approximately $1.7 million in 2023 ($1.7 million, net of taxes).

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

(iii) Commodity price risk

The price of gold has a significant influence on the Company's business, results of operations and financial condition. Movements in the spot price of gold have a direct impact on the Company's consolidated financial statements, as refined precious metals are sold at prevailing market prices. For the year ended December 31, 2023, the Company recognized $31.6 million in sales of refined precious metals. The Company will continue to monitor the level of sales and when prudent will adopt measures to mitigate its price exposure.

(iv) Other price risk

The Company is exposed to equity price risk as a result of holding long-term investments in other exploration and development mining companies. The equity prices of long-term investments are impacted by various underlying factors including commodity prices. Based on the Company's long-term investments held as at December 31, 2023, a 10% increase (decrease) in the equity prices of these investments would decrease (increase) the net loss by not a significant amount and the other comprehensive income (loss) by $2.2 million.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash, amounts receivable and reclamation deposits. The Company reduces its credit risk by investing its cash in high interest savings accounts with Canadian regulated financial institutions and its reclamation deposits in guaranteed investments certificates issued by Canadian chartered banks.

The maximum credit exposure of the Company corresponds to the respective instrument's carrying amount.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet the obligations associated with its financial liabilities. The Company manages the liquidity risk by continuously monitoring actual and projected cash flows, taking into account the requirements related to its investment commitments, mining properties and exploration and evaluation assets and matching the maturity profile of financial assets and liabilities. The Board of Directors of the Company reviews and approves any material transaction out of the ordinary course of business, including proposals on mergers, acquisitions or other major investment or divestitures. As at December 31, 2023, cash is invested in interest savings accounts held with Canadian recognized financial institutions. As at December 31, 2023, all financial liabilities to be settled in cash or by the transfer of other financial assets are expected to be settled within 90 days, except for lease liabilities and long-term debt (Note 15). As described in Note 1, the Company's liquidity position as at December 31, 2023 will not be sufficient to meet the Company's obligations, commitments and budgeted expenditures through December 31, 2024.

The following table summarizes the Company's contractual obligations and commitments as at December 31, 2023:

	Total[1]	less than 1 year	1-2 years	More than 3 years
Accounts payable and accrued liabilities	25,379	25,379	—	—
Lease obligations	1,729	1,089	517	123
Long-term debt (Note 15)	16,923	11,821	3,739	1,363
Deferred consideration and contingent payments (Note 16)	15,872	3,307	6,613	5,952
Warrant liability	—	—	—	—
Purchase obligations (Note 33)	7,457	7,438	19	—
Capital commitments (Note 33)	16,584	9,036	7,548	—
Total	**83,944**	**58,070**	**18,436**	**7,438**

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

30. Fair value of financial instruments

The following table provides information about financial assets and liabilities measured at fair value in the consolidated statements of financial position and categorized by level according to the significance of the inputs used in making the measurements.

Level 1– Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2– Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3–Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

				December 31, 2023
	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Recurring measurements				
Financial assets at fair value through profit or loss				
Convertible loan receivable	**—**	**—**	**—**	**—**
Warrants on equity securities				
Publicly traded mining exploration and development companies				
Precious metals	**—**	**—**	**4**	**4**
Other minerals	**—**	**—**	**—**	**—**
Financial assets at fair value through other comprehensive loss				
Equity securities				
Publicly traded mining exploration and development companies				
Precious metals	**5,739**	**—**	**—**	**5,739**
Other minerals	**13,650**	**—**	**—**	**13,650**
	19,389	**—**	**4**	**19,393**

				December 31, 2022
	Level 1	**Level 2**	**Level 3**	**Total**
	$	$	$	$
Recurring measurements				
Financial assets at fair value through profit or loss				
Convertible loan receivable	—	—	—	—
Warrants on equity securities				
Publicly traded mining exploration and development companies				
Precious metals	—	—	18	18
Other minerals	—	—	—	—
Financial assets at fair value through other comprehensive loss				
Equity securities				
Publicly traded mining exploration and development companies				
Precious metals	9,537	—	—	9,537
Other minerals	24,264	—	—	24,264
	33,801	—	18	33,819

During the year ended December 31, 2023 and 2022 there were no transfers among Level 1, Level 2 and Level 3.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices on a recognized securities exchange at the statement of financial position dates. The quoted market price used for financial assets held by the Company is the last transaction price. Instruments included in Level 1 consist primarily of common shares trading on recognized securities exchanges, such as the TSX or the TSX Venture.

Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on the Company' specific estimates. If all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3.

Financial instruments in Level 3

Financial instruments classified in Level 3 include investments in private companies and warrants held by the Company that are not traded on a recognized securities exchange. At each statement of financial position date, the fair value of investments held in private companies is evaluated using a discounted cash-flows approach. The main valuation inputs used in the cashflows models being significant unobservable inputs, these investments are classified in Level 3. The fair value of the investments in warrants is determined using the Black-Scholes option pricing model which includes significant inputs not based on observable market data. Therefore, investments in warrants are included in Level 3

The following table presents the changes in the Level 3 investments (warrants and convertible loan) for the year ended December 31, 2023 and 2022:

	2023	**2022**
	$	**$**
Balance – Beginning of year	**18**	6,952
Acquisitions	**—**	4,438
Warrants exercised	**—**	(117)
Acquisition of Tintic	**—**	(10,827)
Change in fair value – warrants exercised (i)	**(14)**	49
Change in fair value – expired (i)	**—**	(287)
Change in fair value – held at the end of the year (i)	**—**	(241)
Foreign exchange	**—**	51
Balance – End of year	**4**	18

(i) Recognized in the consolidated statements of loss under *other income, net*.

The fair value of the financial instruments classified as Level 3 depends on the nature of the financial instruments.

The fair value of the warrants on equity securities of publicly traded mining exploration and development companies and the convertible debentures, classified as Level 3, is determined using the Black-Scholes option pricing model or discounted cash flows. The main non-observable input used in the model is the expected volatility. An increase/decrease in the expected volatility used in the models of 10% would lead to an insignificant variation in the fair value of the warrants as at December 31, 2023 and December 31, 2022.

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

Financial instruments not measured at fair value on the consolidated statements of financial position

Financial instruments that are not measured at fair value on the consolidated statement of financial position are represented by cash and cash equivalents, reclamation deposits, trade receivables, interest income receivable, amounts receivable from associates and other receivables, accounts payable and accrued liabilities and long-term debt. The fair values of cash and cash equivalents, trade receivables, amounts receivable from associates and other receivables, accounts payable and accrued liabilities and short-term debt approximate their carrying values due to their short-term nature. The carrying value of the reclamation deposits and long-term debt approximates their fair value given that their interest rates are similar to the rates the Company would obtain under similar conditions at the reporting date.

31. Related party transactions

During the year ended December 31, 2023, the Company incurred expenses of $1.1 million ($2.6 million in 2022) for administrative, legal and technical expenses charged from associates, primarily reflected in the consolidated statement of loss. As of December 31, 2023, amounts receivable from associates amounted to $0.1 million ($0.2 million in 2022) and amounts payable to associates totalled $0.1 million ($0.4 million in 2022).

During the year ended December 31, 2022, the Company contributed a donation of $0.5 million (nil in 2023) to Barkerville Heritage Trust, of which an officer of Osisko Development holds a position on the board of directors.

On December 31, 2023, the former parent Company, OGR held an interest of 39.7% (compared to 44.1% as at December 31, 2022) in Osisko Development Corp.

32. Segmented information

The chief operating decision-maker organizes and manages the business under geographic segments, being the acquisition, exploration and development of mineral properties. The assets related to the exploration, evaluation and development of mining projects are located in Canada, Mexico, and the USA and are detailed as follows as at December 31, 2023 and December 31, 2022:

				2023
	Canada	**Mexico**	**USA**	**Total**
	$	**$**	**$**	**$**
Other assets (non-current)	**15,794**	**20,728**	**8,106**	**44,628**
Mining interest	**391,324**	**21,432**	**38,939**	**451,695**
Property, plant and equipment	**61,012**	**13,479**	**22,794**	**97,285**
Exploration and evaluation assets	**3,747**	**—**	**66,388**	**70,135**
Total non-current assets	**471,877**	**55,639**	**136,227**	**663,743**

				2022
	Canada	**Mexico**	**USA**	**Total**
	$	**$**	**$**	**$**
Other assets (non-current)	16,252	17,485	3,257	36,994
Mining interest	372,061	16,822	191,596	580,479
Property, plant and equipment	63,655	21,688	26,353	111,696
Exploration and evaluation assets	3,653	—	51,473	55,126
Total non-current assets	455,621	55,995	272,679	784,295

(tabular amounts expressed in thousands of Canadian dollars, except number of shares and per share amounts)

	Canada	Mexico	USA	Total
	$	$	$	$
For the year ended December 31, 2023				
Revenues	**7,896**	**8,814**	**14,915**	**31,625**
Cost of Sales	**(7,695)**	**(9,983)**	**(14,614)**	**(32,292)**
Other operating costs	**(23,547)**	**(4,836)**	**(177)**	**(28,560)**
General and administrative expenses	**(29,701)**	**(2,040)**	**(8,329)**	**(40,070)**
Exploration and evaluation	**(1,567)**	**(202)**	**—**	**(1,769)**
Impairment of assets	**—**	**5,278**	**(143,649)**	**(138,371)**
Operating loss	**(54,614)**	**(2,969)**	**(151,854)**	**(209,437)**
For the year ended December 31, 2022				
Revenues	21,648	19,620	22,778	64,046
Cost of Sales	(21,648)	(19,620)	(15,375)	(56,643)
Other operating costs	(52,914)	(11,423)	(18)	(64,355)
General and administrative expenses	(31,297)	(2,829)	(2,711)	(36,837)
Exploration and evaluation	(515)	—	—	(515)
Impairment of assets	(59,000)	(81,000)	—	(140,000)
Operating income (loss)	(143,726)	(95,252)	4,674	(234,304)

33. Commitments

The Company has the following commitments as of December 31, 2023:

	Total[(i)]	less than 1 year	1- 2 years	3-4 years
Purchase obligations	7,457	7,438	19	—
Capital commitments	16,584	9,036	7,548	—
Total	**24,041**	**16,474**	**7,567**	**—**

[(i)] The timing of certain capital payments is estimated based on the forecasted timeline of the projects. Certain commitments can be canceled at the discretion of the Company with little or no financial impact.

34. Subsequent events

On March 1, 2024, the Company entered into a credit agreement with National Bank of Canada providing for a US$50 million delayed draw term loan (the "**Credit Facility**"). The Credit Facility will be exclusively used to fund ongoing detailed engineering and pre-construction activities at the Cariboo gold project. The Credit Facility has a term of 12 months from the closing date, being March 1, 2025, which may be extended, at the lender's discretion, to August 1, 2025 and outstanding credit amount shall be repaid at its maturity date. The draws made under the Credit Facility can be by way of a base rate loan or a term benchmark loan, on which differing interest rate will apply. Interest will be payable on the outstanding principal amount at a rate per annum equal to the following, provided that each such rate shall be increased by 0.50% per annum each 90 days following March 1, 2024:

- For a Base Rate Loan: the greater of (i) the federal funds effective rate plus 0.50% and (ii) the National Bank variable rate of interest for United States dollar loans in Canada, plus (iii) 4.00% per annum.

- For a Term Benchmark Loan: (i) the Secured Overnight Financing Rate ("**SOFR**"); plus (ii) an additional 0.10%, 0.15% and 0.25% per annum for one, three and six month draws, respectively, plus (iii) 5.00% per annum.

The Credit Facility is subject to certain conditions and covenants.

On March 1, 2024, an amount of US$25.0 million ($33.9 million) was drawn under the Credit Facility, net of US$1.0 million ($1.4 million) of fees.

OSISKO DEVELOPMENT CORP.

Management's Discussion and Analysis

For the three and twelve months ended December 31, 2023

*The following management discussion and analysis ("**MD&A**") of the operations and financial position of Osisko Development Corp. and its subsidiaries ("**Osisko Development**" or the "**Company**") for the three and twelve months ended December 31, 2023 ("**Q4 2023**") should be read in conjunction with the Company's audited consolidated financial statements and related notes for the fiscal years ended December 31, 2023 and 2022, which have been prepared in accordance with IFRS Accounting 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. Unless otherwise noted, all monetary amounts included in this MD&A are expressed in Canadian dollars, the Company's reporting and functional currency. 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 "**Cautionary Note Regarding Forward-Looking Statements**" section. This MD&A is dated as of **March 28, 2024**, the date the Board of Directors approved the Company's audited consolidated financial statements for the year ended December 31, 2023 following the recommendation of the Audit and Risk Committee.*

Osisko Development is a North American gold development company. The Company exists under the *Canada Business Corporations Act* and is focused on developing its principal mining assets, including the Cariboo Gold Project located in British Columbia, Canada (the "**Cariboo Gold Project**") and the Tintic project, located in Utah, U.S.A. (the "**Tintic Project**"). Osisko Development's common shares are listed on the New York Stock Exchange ("**NYSE**") and the TSX Venture Exchange ("**TSX V**") under the symbol ODV.

Table of Contents

Non-IFRS Financial Measures

This MD&A contains certain non-IFRS (as defined herein) measures including, "all-in sustaining cost" (or "AISC") and "cash cost". All-in sustaining cost per gold ounce is defined as production costs less silver sales plus general and administrative, exploration, other expenses and sustaining capital expenditures divided by gold ounces. Cash costs are a non-IFRS measure reported by the Company on an ounces of gold sold basis. Cash costs include mining, processing, refining, general and administration costs and royalties but excludes depreciation, reclamation, income taxes, capital and exploration costs for the life of the mine. Management believes that such measures provide investors with an improved ability to evaluate the performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS and, therefore, they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS, such as Cost of sales.

Cautionary Note Regarding Forward-Looking Statements

Except for the statements of historical fact contained herein, the information presented in this MD&A constitutes "forward-looking information" within the meaning of applicable Canadian Securities Laws concerning the business, operations, plans and financial performance and condition of the Company (collectively, the "**Forward-Looking Information**"). Often, but not always, Forward-Looking Information can be identified by words such as "plans", "expects", "may", "should", "could", "will", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", or variations including negative variations thereof, of such words and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved.

Forward-Looking Information involves 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 Information. Such factors include, among others: risks relating to capital markets and the availability of future financing on the term acceptable to the Company (or at all); the ability of the Company to meet its financial obligations as they become due; actual operating cash flows, operating costs, free cash flows, mineral resources and reserves and other costs differing materially from those anticipated; changes in project parameters; project infrastructure requirements and anticipated processing methods, exploration expenditures differing materially from those anticipated; actual results of current exploration activities; variations in mineral resources, mineral reserves, mineral production, grades or recovery rates or optimization efforts and sales; failure to obtain, or delays in obtaining, governmental approvals or financing or in the completion of development or construction activities; uninsured risks, including, but not limited to, pollution, cave-ins or hazards for which insurance cannot be obtained; regulatory changes, defects in title; availability or integration of personnel, materials and equipment; risks relating to foreign operations; inability to recruit or retain management and key personnel; performance of facilities, equipment and processes relative to specifications and expectations; unanticipated environmental impacts on operations; market prices; production, construction and technological risks or capital requirements and operating risks associated with the operations or an expansion of the operations, dilution due to future equity financings, fluctuations in gold, silver and other metal prices and currency exchange rates; uncertainty relating to future production and cash resources; inability to successfully complete new development projects, planned expansions or other projects within the timelines anticipated; inability to achieve the business and project milestones as anticipated; adverse changes to market, political and general economic conditions or laws, rules and regulations applicable to the Company; outbreak of diseases and public health crises; the possibility of project cost overruns or unanticipated costs and expenses; accidents, labour disputes, community and stakeholder protests and other risks of the mining industry; failure of plant, equipment or processes to operate as anticipated; risk of an undiscovered defect in title or other adverse claim; factors discussed under the heading *"Risk and Uncertainties"* in this MD&A and *"Risk Factors"* in the Company's annual information form for the year ended December 31, 2023; and other risks, including those risks set out in the continuous disclosure documents of the Company, which are available on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov) under the issuer profiles of the Company.

In addition, Forward-Looking Information herein is based on certain assumptions and involves risks related to the business of the Company. Forward-Looking Information contained herein is based on certain assumptions, including, but are not limited to, interest and exchange rates; the price of gold, silver and other metals; competitive conditions in the mining industry; title to mineral properties; financing and funding requirements; general economic, political and market conditions; and changes in laws, rules and regulations applicable to the Company.

Although the Company has attempted to identify important factors that could cause plans, actions, events or results to differ materially from those described in Forward-Looking Information in this MD&A, there may be other factors that cause plans, actions, events or results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate as actual plans, results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on Forward-Looking Information in this MD&A. All of the Forward-Looking Information in this MD&A is qualified by these cautionary statements.

Certain Forward-Looking Information and other information contained herein concerning the mining industry and the expectations of the Company concerning the mining industry and the Company are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, although generally indicative of relative market positions, market shares and performance characteristics, this data is inherently imprecise. While the Company is not aware of any misstatement regarding any industry data presented herein, the mining industry involves risks and uncertainties that are subject to change based on various factors.

Readers are cautioned not to place undue reliance on Forward-Looking Information. The Company does not undertake any obligation to update any of the Forward-Looking Information in this MD&A, except as required by law.

Cautionary Note to U.S. Investors Regarding the Use of Mineral Reserve and Mineral Resource Estimates

The Company is subject to the reporting requirements of the applicable Canadian Securities Laws, and as a result reports information regarding mineral properties, mineralization and estimates of mineral reserves and mineral resources in accordance with Canadian reporting requirements, which are governed by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). As such, the information contained in this MD&A concerning mineral properties, mineralization and estimates of mineral reserves and mineral resources is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the U.S. Securities and Exchange Commission.

1. OUR BUSINESS

Osisko Development is a Canadian-based exploration and development company focused on past-producing properties located in mining friendly jurisdictions with district scale potential. The Company's objective is to become a North American intermediate producer of precious metals, through curating and advancing a portfolio of development projects and investments with potential for value creation. The principal mining assets wholly owned through subsidiaries of the Company as of December 31, 2023, are as follows:

- Cariboo Gold Project (Permitting – British Columbia, Canada) (the "**Cariboo Gold Project**"), owned and operated by Barkerville Gold Mines Ltd. ("**Barkerville**").

- Tintic Project (including, the Trixie test mine located within the Company's wider Tintic Project) (Test mining and exploration – Utah, United States) (the "**Tintic Project**"), owned and operated by Tintic Consolidated Metals LLC ("**Tintic**").

The Board of Directors of the Company has authorized a strategic review of the San Antonio Project, which includes exploring the potential for a financial or strategic partner in the asset or for a full or partial sale of the asset. The Company has engaged a financial advisor in connection with such strategic review.

As an exploration and development stage corporation, the Company does not generate sufficient cash flows to advance the evaluation and development of its various projects and properties and has historically relied on equity and debt funding to maintain financial liquidity. Continued adequate financial liquidity is dependent on management's ability to secure additional financings in the future; however, there can be no assurance that the Company will be able to obtain adequate financings in the future, or at terms favourable to the Company (refer to *"Liquidity and Capital Resources"*).

The accompanied consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, Management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The working capital position as at December 31, 2023, will not be sufficient to meet the Company's obligations, commitments and forecasted expenditures up to the period ending December 31, 2024. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a substantial doubt upon the Company's ability to continue as a going concern and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

2. FINANCIAL AND OPERATING HIGHLIGHTS

The table below provides selected financial information relating to Osisko Development's performance for the three and twelve months ended December 31, 2023 and relevant comparable periods in 2022:

	Three months ended December 31,		**Year ended December 31,**	
	2023	**2022**	**2023**	**2022**
(In thousands of dollars)	**$**	**$**	**$**	**$**
Revenues	**6,906**	19,225	**31,625**	64,046
Operating loss	**(155,856)**	(69,203)	**(209,437)**	(234,304)
Net loss	**(138,095)**	(64,897)	**(181,873)**	(192,460)
Basic EPS	**(1.64)**	(0.86)	**(2.21)**	(3.02)
Cash Flows used in operating activities	**(10,136)**	(11,256)	**(43,785)**	(50,258)
Statistics				
Meters drilled - Exploration	**887**	3,217	**6,936**	14,869
Gold produced (ounces)	**5,763**	4,983	**19,019**	28,946
Gold mined (ounces)	**1,622**	3,951	**8,072**	87,923

SELECTED ANNUAL INFORMATION

The table below summarizes selected annual financial information for the financial years ended December 31, 2023, 2022 and 2021 (all information provided below are in thousands of dollars, except for per share amounts):

As at and for the year then ended,	December 31, 2023	December 31, 2022	December 31, 2021
	$	$	$
Revenues	**31,625**	64,046	7,661
Operating loss	**(209,437)**	(234,304)	(157,365)
Net loss	**(181,873)**	(192,460)	(133,302)
Loss per share (basic & diluted)	**(2.21)**	(3.02)	(3.03)
Total assets	**763,880**	968,199	703,124
Cash and cash equivalent	**43,455**	105,944	33,407
Total liabilities	**178,692**	237,765	118,922
Total non-current financial liabilities	**16,654**	28,651	2,154

3. HIGHLIGHTS – Q4 2023

The following summarizes Osisko Development's financial and operational highlights from Q4 2023:

Sustainability & Permitting

On October 10, 2023, the Company announced that it received an Environmental Assessment ("**EA**") Certificate for the Company's 100%-owned Cariboo Gold Project. The EA Certificate was granted by the Environmental Assessment Office of the Province of British Columbia ("**EAO**") and is supported by approval decisions from The Honourable George Heyman, Minister of Environment and Climate Change Strategy and The Honourable Josie Osbourne, Minister of Energy, Mines and Low Carbon Innovation. Receipt of the EA Certificate successfully concludes the EA process for the Cariboo Gold Project launched in October 2019, and completed in consultation with and support of the First Nations partners.

There are no environmental issues reported in Q4 2023.

Operations and financial

Three months ended December 31, 2023 and 2022

- In Q4 2023, the Company generated revenues of $6.9 million and incurred an operating loss of $155.9 million compared to $19.2 million and $69.2 million respectively, in Q4 2022. In Q4 2023, the decrease in revenues compared to Q4 2022 is mainly attributable to the decrease of revenue from Bonanza Ledge II and the reduction of sales from the Tintic Project and the San Antonio Project, both projects in care and maintenance during Q4 2023. The higher operating loss in Q4 2023 compared to Q4 2022 is primarily due to the partial impairment of the Trixie Project for an amount of $160.5 million compared to the prior year quarter impairment of the Cariboo Gold Project amounting to $59 million.

- In Q4 2023, the Company incurred a net loss of $138.1 million compared to a net loss of $64.9 million in Q4 2022. The decrease in net loss is primarily due to the reasons noted above.

- The net cash flows used in operating activities in Q4 2023 amounted to $10.1 million compared to $11.3 million in Q4 2022. The decrease is primarily due to the reduction in the general operating activities at the Trixie Project and the San Antonio Project, including the impact on each's respective working capital.

- Investments in mining interests, property, plant and equipment and exploration and evaluation expenses for Q4 2023 amounted to $14.8 million compared to $31.7 million in Q4 2022. The decrease is primarily due to a reduction in mining development activities including the decrease in exploration spending at the Cariboo Gold Project. The level of expenditures at the Cariboo Gold Project also decreased following the finalization and publication of the feasibility study for the Cariboo Gold Project in January 2023.

- Net cash outflows from financing activities amounted to $1.0 million in Q4 2023 compared to a cash inflow of $7.3 million in Q4 2022.The decrease is primarily explained by the higher level of mining equipment financing in Q4 2022 amounting to $9.0 million compared to $0.8 million in 2023.

Twelve months ended December 31, 2023 and 2022

- During the twelve months of 2023, the Company generated revenues of $31.6 million and incurred an operating loss of $209.4 million compared to $64 million and $234.3 million in 2022, respectively. The decrease in revenues is primarily due to the reduction of activities at the Bonanza Ledge II and the care and maintenance status in 2023 for the Tintic Project and the San Antonio Project. The decrease in activities impacted the cost of sales and other operating expenses, having a favorable impact on the operating loss.

- During the twelve months, the Company incurred a net loss of $181.9 million compared to a net loss of $192.5 million in 2022. The net loss decrease is primarily due to the reasons noted, offset by an income tax recovery of $22.5 million, mainly related to the reversal of the deferred incomes taxes liability due to the decrease in the carrying amount of the Tintic Project following the impairment charge recorded in Q4 2023. In addition, the change in fair value of warrant liability was $4.5 million for the twelve months in 2023, compared to $25.0 million in 2022.

- The net cash flows used in operating activities in 2023 amounted to $43.8 million compared to $50.3 million in 2022. The decrease is primarily due to the reduction in the operating activities at the Bonanza Ledge II and the Tintic and Sapuchi Projects.

- Investments in mining interests, property, plant and equipment and exploration and evaluation expenses in 2023 amounted to $72.3 million compared to $153.7 million, including the acquisition of Tintic, in 2022. The decrease in cash used in investing activities compared to 2022 is primarily due to the acquisition of Tintic on May 27, 2022 and the commencement in July 2022 of the Brandy Lee decline at Tintic.

- Net cash inflows from financing activities amounted to $47.8 million in 2023 compared to a cash inflow of $254.5 million in 2022. In 2022, to partially finance the acquisition of Tintic, the Company raised and closed $255.5 million in brokered and non-brokered private placement financings (refer to Financings) compared to proceeds of $51.8 million from a bought deal financing in 2023.

- Cash position of $43.5 million as at December 31, 2023 compared to $105.9 million as at December 31, 2022.

- Based on current projections, the Company believes that the working capital position as at December 31, 2023 will not be sufficient to meet the Company's obligations, commitments and forecasted expenditures up to the year ending December 31, 2024. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a substantial doubt upon the Company's ability to continue as a going concern as described in Note 1 to the 2023 annual audited consolidated financial statements. The Company's ability to continue future operations and fund its planned activities is dependent on Management's ability to secure additional financing in the future, which may be completed in several ways including, but not limited to, a combination of selling additional investments from its portfolio, project debt finance, offtake or royalty financing and other capital market alternatives. Failure to secure future financing may impact and/or curtail the planned activities for the Company, which may include, but are not limited to, the suspension of certain development activities and the disposal of certain investments to generate liquidity. The Company is exploring options to secure additional financing. While Management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Company or that they will be available on terms which are acceptable to the Company.

Exploration Activities

- On October 11, 2023, the Company announced underground infill and exploration diamond drilling results as part of its 2023 exploration program at Trixie. In early October 2023, the Company also commenced drilling of the Trixie West high-priority copper-gold-molybdenum potential porphyry target from underground at Trixie.

- On December 6, 2023, the Company announced the commencement of an initial surface diamond drilling exploration campaign to test copper-gold-molybdenum porphyry mineralization potential at the Tintic Project.

- On December 21, 2023, the Company announced underground drilling and chip sampling results from new development areas as part of its 2023 exploration program at Trixie.

Other

- On November 15, 2023, the Company and O3 Mining Inc. ("**O3 Mining**") announced the successful formation and capitalization of "Electric Elements Mining Corp." ("Electric Elements") to explore for lithium potential on certain James Bay properties in Eeyou Istchee Area, Nunavik, Québec transferred to Electric Elements by Osisko Development and O3 Mining (the "Spinout Transaction"). Pursuant to the Spin-out Transaction, Electric Elements acquired from (i) Osisko Development, all of its shares and partnership units in certain subsidiaries holding the rights and title to and interest in its James Bay properties, in exchange for the issuance by Electric Elements to Osisko Development of 9,599,999 common shares of Electric Elements ("**EEM Shares**"); and (ii) O3 Mining, all of its rights and title to and interest in its Éléonore Opinaca property, in exchange for 2,400,000 EEM Shares (the "Transfer"). Subsequent to the Transfer, Electric Elements completed an equity financing of 8,217,405 EEM Shares at a price of C$0.50 per EEM Share for aggregate gross proceeds to Electric Elements of $4.1 million (the "Financing"). Proceeds of the Financing will be used by Electric Elements to fund the first phase of exploration activities on its newly-acquired James Bay properties and for general corporate purposes. After giving effect to the Financing, Osisko Development holds approximately 47% of the outstanding EEM Shares.

- On December 28, 2023, the Company announced that Luc Lessard, Chief Operating Officer ("**COO**") would retire from the Company at the end of 2023 to pursue other personal and professional commitments. Éric Tremblay, a Director on the Board of Directors and Chair of the Environmental, Health and Sustainability Committee, has taken on the position of interim COO. Additionally, in December 2023, Mr. Chris Pharness, Vice President, Sustainable Development, departed the Company.

4. HIGHLIGHTS – SUBSEQUENT TO Q4 2023

Management Updates

On February 2, 2024, the Company announced that Mr. Francois Vézina resigned from his position as Senior Vice President, Project Development, Technical Services and Environment effective as of March 1, 2024 to pursue outside interests.

US$50 Million Credit Facility

On March 4, 2024, the Company announced that the Company, as guarantor, and Barkerville, its wholly owned subsidiary, as borrower, entered into a credit agreement dated March 1, 2024 with National Bank of Canada, as lender and administrative agent, and National Bank Financial Markets, as mandated lead arranger and sole bookrunner, in connection with a US$50 million delayed draw term loan (the "**Credit Facility**"). The Credit Facility will be exclusively used to fund ongoing detailed engineering and pre-construction activities at the Cariboo Gold Project. On March 1, 2024, an amount of US$25.0 million ($33.9 million) was drawn under the Credit Facility, net of US$1.0 million ($1.4 million) of fees.

Mineral Resource Update for the Trixie Deposit

On March 15, 2024, the Company announced an updated mineral resource estimated for its 100%-owned underground Trixie deposit within the Company's wider Tintic project. See Section 6.3 *Tintic Project – Utah, U.S.A.* for additional information.

5. MANAGEMENT AND BOARD COMPOSITION

The Board of Directors of Osisko Development includes, as elected at the Company's annual meeting of shareholders on May 11, 2023: Sean Roosen (Chair); Charles E. Page (Lead Director); Michele McCarthy; Duncan Middlemiss; Marina Katusa; David Danziger and Éric Tremblay.

Management of Osisko Development includes Sean Roosen (Chair of the Board of Directors and Chief Executive Officer); Chris Lodder (President); Éric Tremblay (interim Chief Operating Officer); Alexander Dann (Chief Financial Officer & Vice President Finance); Laurence Farmer (General Counsel, VP Strategic Development and Corporate Secretary); and Maggie Layman (Vice President, Exploration).

6. EXPLORATION AND EVALUATION / MINING DEVELOPMENT ACTIVITIES

As of the date of this MD&A, the Company's only material properties are the Cariboo Gold Project and the Tintic Project. The following sets out the key milestones, estimated timing and costs in respect of the Company's material mineral projects, based on the Company's reasonable expectations and intended courses of action and current assumptions and judgement, as at December 31, 2023.

Main projects upcoming milestones

Key Milestones for Projects	Expected Timing of Completion	Anticipated Remaining Costs*
Cariboo Gold Project		
Environmental Assessment Certificate[1]	Completed – Q4 2023	—
Preparatory Work for Bulk Sample[2]	Completed – Q4 2023	—
Bulk Sample[4]	Q4 2024	$13.5 million
Water and Waste Management	Q2 2024	$2.4 million
Electrical and Communication	Q2 2024	$1.4 million
Surface Infrastructure	Q2 2024	$3.4 million
Management, environmental, and other pre-permitting work	Q2 2024	$1.8 million
Detailed engineering and permitting[3]	Q2 2024	$9.0 million
Tintic Project		
Ramp Development – 1st stage	Completed – Q3 2023	–
Regional Drilling	Q4 2023 – Q2 2024	$7.2 million
Updating mineral resource estimates	Completed – Q1 2024	$0.5 million

*As at December 31, 2023

Notes:

(1) On October 10, 2023, the Company received an Environmental Assessment Certificate for the Cariboo Gold Project, which was granted by the Environmental Assessment Office of the Province of British Columbia and is supported by approval decisions from The Honourable George Heyman, Minister of Environment and Climate Change Strategy and The Honourable Josie Osbourne, Minister of Energy, Mines and Low Carbon Innovation. Receipt of the Environmental Assessment Certificate concludes the environmental assessment process for the Cariboo Gold Project, which was initiated in October 2019. See *"Cariboo Gold Project – Permitting Timeline Summary"* below.
(2) This refers to the preparatory work as commenced in Q3 2023 following the Environmental Assessment Certificate to prepare for the bulk sample with an associated cost of approximately C$1 million.
(3) These are activities contributing towards the completion of permitting activities, which is presently expected to be completed in Q2 2024. Additional costs and time relating to engineering, including water and waste management and electrical and communication, will be required in the construction phase (after a positive construction decision is made and project financing is obtained).
(4) The bulk sample expenditures include up until the end of June 2024 and were approved by the Board of Directors.

Readers are cautioned that the above represents the opinions, assumptions and estimates of management considered reasonable at the date the statements are made and, are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those described above. See *"Cautionary Note Regarding Forward Looking Statements"*.

6.1. Cariboo Gold Project – British Columbia, Canada

The Cariboo Gold Project is an advanced stage gold exploration project 100%-owned by the Company located in the historic Wells-Barkerville mining camp, in the District of Wells, central British Columbia, Canada, that extends for approximately 77 kilometres from northwest to southeast. The Company's total land package consists of 415 mineral titles and covers an area of approximately 155,000 hectares. On November 21, 2019, OGR acquired the Cariboo Gold Project through the acquisition of Barkerville. The project was part of the OGR contributed assets that created the Company on November 25, 2020.

Technical reports and mineral resource estimate

The Company completed a Feasibility Study ("FS") for the Cariboo Gold Project with an effective date of January 12, 2023. The scientific and technical information contained in this MD&A relating to the Cariboo Gold Project is supported by the technical report filed in respect of the FS on the Cariboo Gold Project titled "Feasibility Study for the Cariboo Gold Project, District of Well, British Columbia, Canada", dated January 10, 2023 (as amended January 12, 2023) with an effective date of December 30, 2022 (the "Cariboo FS"), which was prepared for the Company by Colin Hardie, P. Eng, Mathieu Bélisle, P. Eng, Katherine Mueller, P. Eng., John Cunning, P. Eng., Paul Gauthier, P. Eng., Aytaç Göksu, P. Eng, Saileshkumar Singh, P. Eng., Éric Lecomte, P. Eng., Vincent-Nadeau Benoit, P. Geo., Carl Pelletier, P. Geo, Jean-François Maillé, P. Eng., Keith Mountjoy, P. Geo., Michelle Liew. P. Eng., David Willms, P. Eng., Timothy Coleman, P. Eng., Thomas Rutkowski., P. Eng., and Laurentius Verburg., P. Geo. Information relating to the Cariboo Gold Project and the Cariboo FS provided herein is qualified in its entirety by the full text of the Cariboo FS, which is available electronically on the Company's website or on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov) under the Company's issuer profile, including the assumptions, qualifications and limitations therein.

The Cariboo FS contemplates a staged, lower capital intensity project design with scalable infrastructure to account for the current global inflationary environment. Management believes that this approach to developing the Cariboo Gold Project may mitigate development capital intensity risks while providing an opportunity to maximize margins. The Company anticipates that the potential development of the Cariboo Gold Project may provide a basis for progress towards the establishment of a broader mining district camp, including development of multiple deposits over several trends totaling approximately 80 km of mineralization. A summary of the Cariboo FS results is presented below:

METRIC	UNIT	PHASE 1	PHASE 2	TOTAL LOM
Base Case Assumptions				
Gold Price	US$/oz		1,700	
Exchange Rate	CAD:USD		0.77	
Discount Rate	%		5.0%	
Production				
Mine Life	years	3	9	12
Total Ore Mined	tonnes	1,542,471	15,160,983	16,703,454
Average Throughput	tpd	1,500	4,900	4,056
Average Gold Head Grade, diluted	g/t Au	4.43	3.72	3.78
Total Contained Gold	oz	219,488	1,811,665	2,031,152
Average Gold Recovery Rate	%	93.6%	91.8%	92.0%
Total Recovered Gold, payable	oz	205,419	1,663,436	1,868,856
Average Annual Gold Production	oz/year	72,501	193,798	163,695
Unit Operating Costs				
Underground Mining	$/t mined	77.6	51.1	53.6
Processing	$/t mined	37.1	25.3	26.4
Concentrate Transport	$/t mined	17.3	3.5	4.8
Water and Waste Management	$/t mined	18.4	6.1	7.1
General and Administrative	$/t mined	19.4	9.8	10.7
Total Unit Operating Costs	$/t mined	169.8	95.8	102.7
Operating Costs				
Total Cash Costs[2]	US$/oz	1,149	748	792
AISC[2]	US$/oz	1,634	886	968
Capital Expenditures[3]				
Initial Capital	$M	137.3	—	137.3
Expansion Capital	$M	—	451.1	451.1
Sustaining Capital	$M	134.2	332.4	466.6
Total	$M	271.5	783.5	1,055.0

Notes:
1. Totals may not add up due to rounding.
2. This is a non-IFRS measure. Refer to *Non-IFRS Financial Measures*.
3. Capital Expenditures do not include sunk costs ($2.5M) nor pre-permit expenses ($64.8M).

Mineral Resources Estimate

The Cariboo FS includes an updated Mineral Resources estimate incorporating an additional 35,578 meters of drilling data from Shaft, Valley, and Lowhee completed since May 24, 2022 being the effective date of the technical report titled "*Preliminary Economic Assessment for the Cariboo Gold Project, District of Well, British Columbia, Canada*", dated May 24, 2022 for the deposits of Cow Mountain (Cow and Valley Zones), Island Mountain (Shaft and Mosquito Zones), and Barkerville Mountain (Lowhee and KL Zones). This resulted in an increase of 6% of total gold ounces in the Inferred Resources category. Measured and Indicated resources are exclusive of Mineral Reserves. Mineral Resources have an effective date of November 11, 2022.

Table 5: Cariboo Mineral Resources Statement – November 11, 2022

Classification / Deposit	Tonnes (000's)	Gold Grade (g/t)	Contained Gold (000's oz)	Silver Grade (g/t)	Contained Silver (000's oz)
Measured	—	—	—	—	—
Bonanza Ledge	47	5.06	8	—	—
Indicated					
Bonanza Ledge	32	4.02	4	—	—
BC Vein	1,030	3.12	103	—	—
KL	386	3.18	39	—	—
Lowhee	1,368	3.18	140	0.23	10
Mosquito	1,288	3.68	152	0.08	3
Shaft	4,781	3.39	523	0.06	9
Valley	2,104	3.14	213	0.09	6
Cow	3,644	3.31	388	0.09	11
Total Indicated	**14,635**	**3.32**	**1,564**	**0.09**	**39**
Inferred					
BC Vein	461	3.55	53	—	—
KL	1,918	2.75	169	—	—
Lowhee	445	3.34	48	0.10	1
Mosquito	1,290	3.55	147	0.01	0
Shaft	6,468	3.84	800	0.01	1
Valley	2,119	3.30	225	0.02	1
Cow	2,769	3.03	270	0.00	0
Total Measured & Indicated	**14,682**	**3.33**	**1,571**	**0.09**	**39**
Total Inferred	**15,470**	**3.44**	**1,712**	**0.01**	**4**

Notes:

1. Mineral Resources are exclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
2. The Mineral Resource Estimate conforms to the 2014 CIM Definition Standards on Mineral Resources and Reserves and follows the 2019 CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines.
3. A total of 481 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 gold zone for Bonanza Ledge. A minimum true thickness of 2.0 m was applied, using the Au gold grade of the adjacent material when assayed or a value of zero when not assayed.
4. The estimate is reported for a potential underground scenario at a cut-off grade of 2.0 g/t Au, except for Bonanza Ledge at a cut- off grade of 3.5 g/t Au. The cut-off grade for the Cow, Valley, Shaft, Mosquito, BC Vein, KL, and Lowhee deposits was calculated using a gold price of US$1,700/oz; a USD:CAD exchange rate of 1.27; a global mining cost of $54.32/t; a processing and transport cost of $22.29/t;a G&A plus Environmental cost of $15.31/t; and a sustaining CAPEX cost of $31.19/t. The cut-off grade for the Bonanza Ledge deposit was calculated using a gold price of US$1,700/oz; a USD:CAD exchange rate of 1.27; a global mining cost of $79.13/t; a processing and transport cost of $65.00/t; and a G&A plus Environmental cost of $51.65/t. The cut-off grades should be re-evaluated in light of future prevailing market conditions (metal prices, exchange rate, mining cost, etc.).
5. Bulk density varies from 2.69 g/ cm^3 to 3.20 g/ cm^3.
6. A four-step capping procedure was applied to composited data. Restricted search ellipsoids ranged from 7 to 50 g/t Au at four different distances ranging from 25 m to 250 m. High-grades at Bonanza Ledge were capped at 70 g/t Au on 2.0 m composited data.

7. The gold Mineral Resources for the Cow, Valley, Shaft, Mosquito, BC Vein, KL, and Lowhee vein zones were estimated using Datamine Studio™ RM 1.9 software using hard boundaries on composited assays. The silver Mineral Resources and the dilution halo gold mineralization were estimated using Datamine Studio™ RM Pro 1.11. The OK method was used. Mineral Resources for Bonanza Ledge were estimated using GEOVIA GEMS™ 6.7 software using hard boundaries on composited assays. The OK method was used to interpolate a block model.
8. Results are presented in situ. Calculations used metric units (meters, tonnes, g/t). Any discrepancies in the totals are due to rounding effects.

Mineral Reserves Estimate

Probable Mineral Reserves of 16.7 Mt grading 3.78 g/t Au for 2.03 Moz of contained gold in underground deposits, as defined below, have an effective date of December 6, 2022 and form the basis of the Cariboo FS. Only Mineral Resources that were classified as Measured and Indicated were given economic attributes in the mine design and when demonstrating economic viability were classified as Mineral Reserves, incorporating an external mining dilution factor of 8% into the Mineral Reserves estimate.

Table 6: Cariboo Mineral Reserves Statement – December 6, 2022

Classification / Deposit	Tonnes (000's)	Gold Grade (g/t)	Contained Gold (000's oz)	Silver Grade (g/t)	Contained Silver (oz)
Proven	—	—	—	—	—
Probable					
Cow	4,127	3.41	453	0.08	11,018
Valley	3,445	3.70	410	0.14	15,059
Shaft	7,962	3.87	990	0.02	4,473
Mosquito	603	4.93	95	0.03	619
Lowhee	567	4.56	83	0.21	3,786
Total Proven and Probable Reserves	**16,703**	**3.78**	**2,031**	**0.07**	**34,955**

Notes:
1. Totals may not add up due to rounding.
2. Mineral Reserves have been estimated in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves (2014), which are incorporated by reference in NI 43-101.
3. Mineral Reserves used the following assumptions: US$1,700/oz gold price, USD:CAD exchange rate of 1.27, and variable cut- off value from 1.70 g/t to 4.00 g/t Au
4. Mineral Reserves include both internal and external dilution along with mining recovery. The external dilution is estimated to be 8%. The average mining recovery factor was set at 93.6% to account for ore left in each block in the margins of the deposit.

The mineral resource estimate is built upon over 650,000 meters of core from the 2015 to 2021 drill campaigns, and historically verified drill data using a total of 3,550 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.

On December 31, 2022, the Cariboo gold project was written down to its net estimated recoverable amount of $435.7 million which was determined by the value-in-use using a discounted cash-flow approach and reflected as an impairment of Mining Interests. The main valuation inputs used were the cash flows expected to be generated by the production and sale of gold from the Cariboo gold project over the estimated life of the mine, based on the expected long-term gold price per ounce costs inflation forecast and the discount rate of 12.6% applied to the cash flow projections.

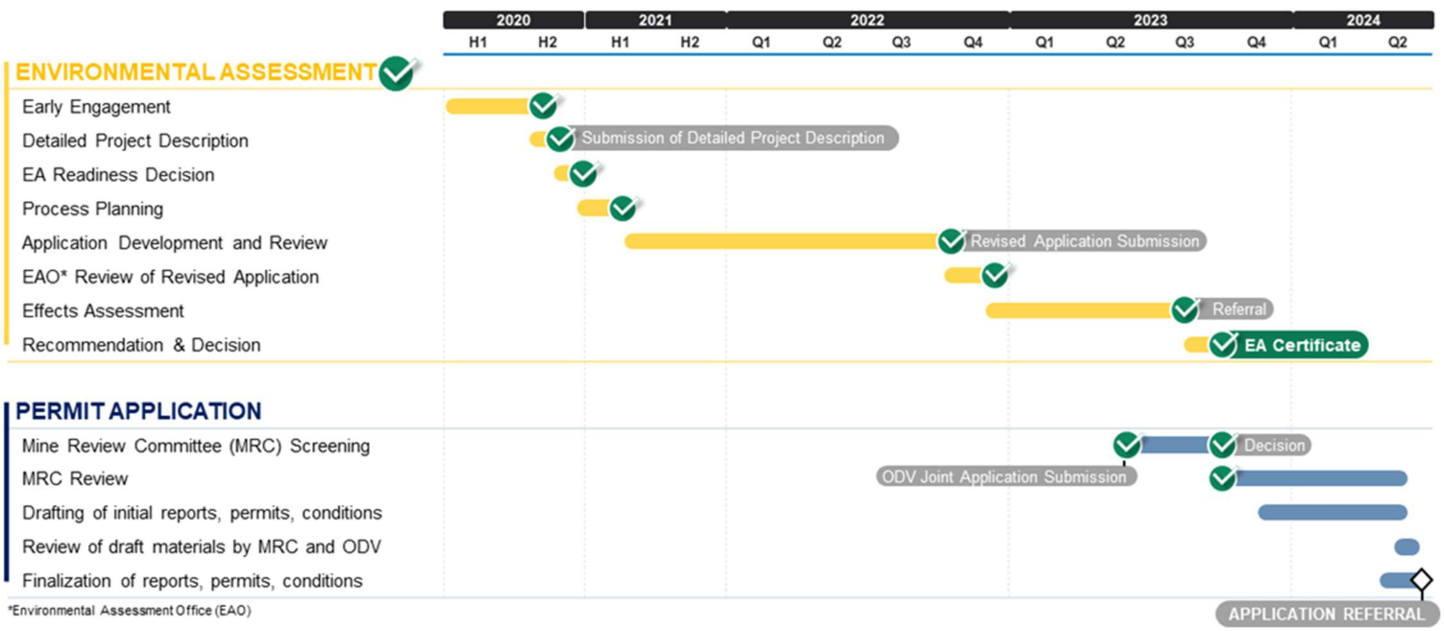
Permitting and EA Process

Osisko Development started the EA Process in the spring of 2019 for the Cariboo Gold Project.

On October 27, 2021, the Province of British Columbia, Lhtako Dené First Nation and the Company announced the approval of amendments to Mines Act Permits M-238 and M-198 allowing for the expansion of the existing Bonanza Ledge II underground mine. At the time, these amendments supported the employment of additional workers at the mine. The expansion of the Bonanza Ledge II Project allowed for continuity of certain mining activities while the Cariboo Gold Project environmental assessment was underway. In July 2021, the province of British Columbia authorized a permit to extract a bulk sample of 10,000 tonnes of mineralized material, the development of a portal and 2,200 m of drift to access the mineral deposit.

On October 10, 2023, the Company announced that the EAO had granted the EA Certificate for the Cariboo Gold Project. The Company is progressing in the final permitting approval for the Cariboo Gold project. On May 31st, Osisko as submitted its Join Permit Application ("**JPA**") and passed the screening phase of the permit in September 2023. JPA is processing through the review process and the Company anticipates receiving final approval for the construction and operation in Q4 of 2024.

Cariboo Gold Project – Permitting Timeline Summary



As of December 31, 2023, the Cariboo Gold Project is in advanced stages of permitting and the history of the process is summarized in the following highlights:

- Signing Ceremony on October 23, 2022 with Lhtako Dené First Nation's Elders and Members in Wells and Quesnel was an important event for the life of project agreement between Lhtako Dene First Nation and Osisko Development highlighting the importance of our partnership and mutual support and benefits.

- The Revised Application for the EA Process was submitted to the EAO of British Columbia on October 14, 2022 for the Cariboo Gold Project. The 1,700 comments received by the different reviewers were successfully addressed.

- In parallel to the EA process, the Company initiated an official application for the permitting of the Cariboo Gold Project with the submission of the Project Description to the Ministry on September 30, 2022. Received the IRT in November 2022.

- All drilling and geologic modeling work has been completed.

- All permits were received for the bulk sample in the Lowhee deposit area, which includes 2,200 metres of underground development and the removal of 10,000 tonnes of mineralized material for further sorter testing.

- Outside of the Cariboo Gold Project area there are 25 high quality drill-ready targets demonstrating the years of ongoing exploration in the mineral rights held by Osisko Development around the Cariboo Gold Project.

The Company anticipates receiving the permits to allow the construction of the Cariboo Gold Project in Q2 2024.

2024 Objectives for the Cariboo Gold Project

- Continue permitting activities of the Cariboo Gold Project at a throughput rate of 4,900 tonnes per day with the inclusion of the Lowhee Zone.

- Complete detailed engineering on reclamation work, water treatment and waste management for the start-up of the Cariboo Gold Project.

- Continue stakeholder engagement and finalize agreement with Xatśūll First Nation and District of Wells.

- Commence detailed engineering of the transmission line for connection to the BC Hydro grid.

6.2. Bonanza Ledge II Project – British Columbia, Canada

The Bonanza Ledge II project is a small scale and short life project that was put into care and maintenance in early June 2022. The project allows the Company to facilitate (i) opportunities for managing historical reclamation obligations inherited by the Company, (ii) hands on training and commissioning of the Company's mining and processing complex for the Cariboo Gold Project and (iii) the maintenance of the economic and social benefits for the First Nations partners and communities. While working through the environmental assessment review, permitting process and the NI 43-101 technical report for its Cariboo Gold Project, the Company produced approximately 11,424 gold ounces at its Bonanza Ledge II project.

The Company started mining operations at its Bonanza Ledge II project in the first quarter of 2021 as it was granted in Q1 2021, a notice of departure from the Ministry of Energy, Mines and Low Carbon Innovation of British Columbia. The Company announced on October 27, 2021 receipt of the final amendments for the Bonanza Ledge II mine and QR mill permits. The underground portal was completed in Q4 2021.

Please see the caution section *"Risk Factors: Operations Not Supported by a Feasibility Study"*.

2024 Objectives

- Improve Water Treatment Plant ("**WTP**") at Bonanza Ledge II to treat nitrate species and QR Mill to remove and manage WTP retentate.

- Complete the bulk sample in order to test ore sorting and reach ore body and perform mining tests.

6.3. Tintic Project – Utah, U.S.A.

The Tintic Project is located in western Utah County, approximately 64 km south of Provo, Utah and 95 km south of Salt Lake City. The property on which the Trixie test mine or Trixie deposit is located encompasses most of the East Tintic District, surrounding and immediately east of the incorporated town of Eureka. The area of the Tintic Project owned or controlled by Osisko Development comprises 1,105 claims totaling 5,746 ha (14,200 acres) of patented mining claims and a further 107 mining claims of approximately 1,214 ha (3,000 acres), which are overwhelmingly leased patented mining claims. Osisko Development owns a small and varying percentage, interest or royalty in a number of other claims outside the main claim package.

Certain scientific and technical information in this section relating to the Tintic Project and the updated mineral resource estimate for the Trixie deposit (the "**2024 Trixie MRE**"), including information provided in the table *"2024 Trixie MRE (all zones)"*, is supported by the news release disseminated by the Company on March 15, 2024 (titled *"Osisko Development Announces Mineral Resource Update for the Trixie Deposit, Tintic Project"*) (the "**MRE Update News Release**"). The key assumptions, parameters, qualifications, procedures and methods underlying the 2024 Trixie MRE, certain of which are described in the above-noted news release, will be further described in the full technical report being prepared for the 2024 Trixie MRE in accordance with NI 43-101, and will be available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile within 45 days from the date of the MRE Update News Release. Information relating to the 2024 Trixie MRE provided herein is qualified in its entirety by the full text of the MRE Update News Release which is available electronically on the Company's website or on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov) under the Company's issuer profile, including the assumptions, qualifications and limitations therein.

Until a technical report relating to the 2024 Trixie MRE is filed on SEDAR+, the current technical report (within the meaning of NI 43-101) on the Tintic Project is the technical report titled *"NI 43-101 Technical Report, Initial Mineral Resource Estimate for the Trixie Deposit, Tintic Project, Utah, United States of America*" dated January 27, 2023 (with an effective date of January 10, 2023) (the "**Initial Trixie MRE**"), which was prepared by William J. Lewis, P. Geo, Ing. Alan J. San Martin, MAusIMM (CP) and Richard Gowans, P. Eng. Information relating to the Trixie MRE provided herein is qualified in its entirety by the full text of the Initial Trixie MRE, which is available electronically on the Company's website or on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov) under the Company's issuer profile, including the assumptions, qualifications and limitations therein. Once a technical report in respect of the 2024 Trixie MRE is filed on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile, it will automatically supersede the Initial Trixie MRE.

Scientific or technical information in respect of the Tintic Project contained in this MD&A, including any updates to the scientific or technical information derived from the Initial Trixie MRE, the MRE update News Release and any other and any other scientific or technical information in respect of the Tintic Project contained in this MD&A, was prepared by or under the supervision of Maggie Layman, Vice President Exploration of the Corporation, who is a "qualified person" for purposes of NI 43-101.

Acquisition of Tintic

On May 27, 2022, Osisko Development acquired 100% of Tintic through the purchase of: (i) IG Tintic's direct 75% ownership in Tintic; and (ii) all issued and outstanding stock of Chief Consolidated Mining Company ("**Chief**"). Immediately following the closing of the transaction, Chief completed a merger with a newly formed subsidiary of the Company (the "**Merger**"), such that, following completion of the Merger, Chief is now owned by the Company. The total consideration to the vendors in the aggregate amount of approximately US$156.6 million ($199.5 million), comprised of: (i) cash payments of approximately US$58.7 million ($74.7 million), (ii) the issuance to the sellers of convertible instruments amounting to $10.8 million (iii) the issuance of 12,049,449 common shares of the Company and, (iv) Deferred consideration and contingent payments fair valued at $15.1 million.

The deferred payments consist of an amount of US$12.5 million payable in equal instalments annually over five years in cash or shares at the Company's election; (ii) two 1% NSR royalty grants, each with a 50% buyback right in favour of the Company for US$7.5 million which is exercisable within 5 years; (iii) a right to receive the financial equivalent of 10% of the net smelter returns from stockpiled mineralized material extracted from the Trixie project since January 1, 2018 and sitting on surface; and (iv) US$10 million contingent upon commencement of production at the Burgin Mine.

A number of Tintic shareholders had entered into 12-month lock-up agreements which expired on May 27, 2023.

With the completion of the transaction, the Company acquired 100% ownership of the producing Trixie test mine, as well as mineral claims covering more than 17,000 acres in Central Utah's historic Tintic Mining District. Tintic's ongoing exploration work has demonstrated potential for expansion and further discovery both at the Trixie test mine and the broader land package. It is hoped that the acquisition of Tintic will, as a result of exploration efforts, serve to accelerate the Company's path towards becoming a mid-tier gold producer and adds further opportunity to explore and develop another project in its portfolio.

Exploration Program

The Tintic Project consists of 23 past producing precious and base metal mines located in the East Tintic Mining District, Utah, 95 km southwest of Salt Lake City. The Tintic Project is comprised of more than 17,000 acres (6,880 ha), including 14,200 acres (5,746 ha) of patented mining claims.

In 2022, the Company completed 28 surface reverse circulation ("**RC**") drill holes near Trixie totaling approximately 8,442 m and 62 underground diamond drill ("**DD**") holes in the 625 level at Trixie totaling approximately 3,232 m using two surface RC rigs and two underground diamond drill rigs. Continuous underground face samples were collected along all development at Trixie, and together with drill results, formed the basis of an initial mineral resource estimate at Trixie completed in January 2023.

In 2023, the Company completed 73 underground DD holes at Trixie totaling approximately 6,028 m (19,776 ft). As of Q4 2023, assay results were received for 59 DD holes with assays pending for the remaining holes. For additional information please refer to the Company's news release dated December 21, 2023. One drill rig is active at surface testing for copper-gold porphyry mineralization in the Big Hill target area.

The 2024 Trixie MRE incorporated an additional 1,674 underground chip samples over 1,678 m (5,507 ft) of underground development, and 7,385 m of drilling (24,229 ft) in 122 holes completed by the Company since the release of the Initial Trixie MRE, with an effective date of January 10, 2023.

	2024 Trixie MRE (all zones)				
Classification	**Tonnes (000's)**	**Au Grade (g/t)**	**Contained Gold (000's oz)**	**Ag Grade (g/t)**	**Contained Silver (000's oz)**
Measured	120	27.36	105	61.73	238
Indicated	125	11.17	45	59.89	240
Measured and Indicated	**245**	**19.11**	**150**	**60.80**	**478**
Inferred	**202**	**7.8**	**51**	**48.55**	**315**

Notes

1. Effective date of the 2024 Trixie MRE is March 14, 2024.
2. Each of Mr. William Lewis, P.Geo., of Micon International Limited and Alan J. San Martin, MAusIMM(CP), of Micon International Limited (i) has reviewed and validated the 2024 Trixie MRE, (ii) is considered to be independent of the Company for purposes of Section 1.5 of NI 43-101, and (iii) is a "qualified person" within the meaning of NI 43-101.
3. The mineral resources were estimated using the Canadian Institute of Mining ("**CIM**"), Metallurgy and Petroleum's "*CIM Definition Standards on Mineral Resources and Mineral Reserves*" adopted by the CIM council.

4. Mineral resources are reported when they are within potentially mineable shapes derived from a stope optimizer algorithm, assuming an underground longhole stoping mining method with stopes of 6.1 m x 6.1 m x minimum 1.5 m dimensions.
5. Mineral resources that are not mineral reserves do not have demonstrated economic viability.
6. Geologic modelling was completed by Osisko Development modeling geologist Jody Laing, P.Geo, using Leapfrog Geo software. The 2024 Trixie MRE was completed by Osisko Development chief resource geologist, Daniel Downton, P.Geo using Datamine Studio RM 2.0 software. William Lewis and Alan J. San Martin of Micon International Limited independently reviewed and validated the mineral resource model.
7. The estimate is reported for an underground mining scenario and with USD assumptions. The cut-off grade of 4.32 g/t Au was calculated using a gold price of US$1,750/oz, a CAD:USD exchange rate of 1.30; total mining, processing and G&A costs of US$168.04/imperial ton; a refining cost of US$2.65/ounce; a combined royalty of 4.50%; and an average metallurgical gold recovery of 80%.
8. The stope optimizer algorithm evaluated the resources based on a gold equivalent grade which incorporates the silver grade estimate and assumes a silver price of US$23/oz and metallurgical silver recovery of 45%.
9. The 2024 Trixie MRE is comprised of six zones within the greater Trixie area: T2, T3, T4, Wild Cat, 40 Fault and 75-85.
10. Average bulk density values in the mineralized domains were assigned to the T2 (2.955 T/m), T3 (2.638 T/m), T4(2.618 T/m), Wild Cat, and 40 Fault (2.621 T/m), and 75-85 (2.617 T/m) domains.
11. Inverse Distance Squared interpolation method was used with a parent block size of 1.2 m x 2.4 m x 2.4 m.
12. The Company intends to file a technical report in respect of the 2024 Trixie MRE in accordance with NI 43-101 on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov) under Osisko Development's issuer profile within 45 days of the date of the MRE update News Release.
13. The 2024 Trixie MRE results are presented in-situ. Calculations used metric units (metres, tonnes, g/t). The number of tonnes is rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects.
13. Neither the Company nor Micon International Limited is aware of any known environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issue that could materially affect the mineral resource estimate other than disclosed in the MRE update News Release.

Developments in 2023 and 2024 Objectives

In Q4 2023, the Company continued underground exploration and delineation on the Trixie deposit with two diamond drill rigs. An initial 5,000 meters of underground infill and exploration drilling was proposed for 2023 at Trixie, with additional drilling recommended subject to results and program progress. For the twelve months of 2023, a total of 6,194 meters were drilled in 73 holes and an additional 1 geotechnical hole totaling 349 meters. An initial 3,000 m of surface diamond drilling is proposed to test for copper molybdenum-gold porphyry mineralization on the Tintic Project, property, namely in the Big Hill area. This drilling commenced in early December 2023 upon receipt of surface drill permits.

Data compilation from historic mines in the area is ongoing and anticipated to generate additional drill targets on the greater Tintic Project property.

The development of an underground ramp, which commenced in July 2022, was completed to the 625 level during Q3 2023 with the breakthrough occurring at the end of September. The Company anticipates that the decline ramp will improve underground access for exploration and may potentially support an increase in productivity and mining rates in the future.

The ability to achieve any increase in production and the capital required to increase production are the subject of pending technical work. There can be no assurance that technical work will provide justification for further development, support the ability to increase production or demonstrate the ability to increase production through a low-capital expenditure expansion of the existing facilities. The ability to recommence and expand operations is subject to risks which include the possible need for additional or amended permits, licenses and approvals, risks related to mining operations, the need for additional capital and/or operating expenditures, commodity prices justifying such work, potential scarcity of employees, environmental risks and approvals and the limited knowledge of the mineralized material available on site.

The Company cautions that its prior decision to commence small-scale underground mining activities and batch vat leaching at the Trixie test mine was made without the benefit of a feasibility study, or reported mineral resources or mineral reserves, demonstrating economic and technical viability, and, as a result there may be increased uncertainty of achieving any particular level of recovery of material or the cost of such recovery. The Company cautions that historically, such projects have a much higher risk of economic and technical failure. Small scale test-mining at Trixie was suspended in December 2022, resumed in the second quarter of 2023 and, suspended again in December 2023. If and when small-scale test-mining at Trixie re-commences, there is no guarantee that production will continue as anticipated or at all or that anticipated production costs will be achieved. The failure to continue production may have a material adverse impact on the Company's ability to generate revenue and cash flow to fund operations. Failure to achieve the anticipated production costs may have a material adverse impact on the Company's cash flow and potential profitability. The Company cautions that historically, such projects have a much higher economic or technical risks. In continuing current operations at Trixie, the Company has not based its decision to continue such operations on a feasibility study, or reported mineral resources or mineral reserves demonstrating economic and technical viability.

On March 15, 2024, the Company announced the 2024 Trixie MRE. Compared to the previous 2023 Trixie MRE, contained gold ounces in measured and indicated resources decreased by 29% and inferred resources decreased by 79% primarily due to lower estimated grades that incorporated an updated geologic model interpretation and conversion of inferred resources. Drill results and underground mapping from the 2023 exploration program improved the knowledge of the extent and distribution of mineralization, resulting in modeling improvements to both mineralization and the historical mine shape model. A technical report in respect of the 2024 Trixie MRE is being prepared and will be filed on SEDAR+ under the Company's issuer profile within 45 days from the date of the MRE Update News Release.

The test mining operations at Trixie were suspended in December 2023 and are expected to remain in care and maintenance for the foreseeable future. The drilling of porphyry targets continue and is expected to be completed by the end of Q2 2024. Management is currently reviewing its options for next steps at the Tintic Project.

On December 31, 2023, an impairment charge of $160.5 million on the Trixie test mine was recorded and the net assets of the Trixie test mine were written down to their net estimated recoverable amount (including mining interest and property, plant and equipment) of $51.6 million which was determined using a fair value less costs of disposal model based on a discounted cash flows approach. The main valuation inputs used were the cash flows expected to be generated by the production and sale of gold and silver from the Trixie gold mine over the estimated life of the mine, the expected long-term gold price per ounce and a discount rate of 10.4% applied to the cash flow projections.

Please see the caution section *"Risk Factors: Operations Not Supported by a Feasibility Study".*

6.4. San Antonio Gold Project – Sonora State, Mexico

In addition to the Cariboo Gold Project and Tintic Project, the Company also owns the San Antonio Gold Project. The San Antonio Gold Project is not considered a material property of the Company as of December 31, 2023 and the date of this MD&A.

The San Antonio Gold Project is a past-producing oxide copper mine. In 2020, following acquisition of this project, the Company concentrated its efforts in obtaining the required permits and amendments to the permits to perform its activities. The Company has filed preventive reports for the processing of the gold stockpile on site and for a 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 ("**MIA**")) ;

- A baseline study;

- Awarding the Engineering, Procurement, Construction, Management contract for the process of the stockpile

On April 29, 2023, Mexico's Senate approved a wide-ranging reform of laws governing the mining industry, including a requirement that companies pay a percentage of profits to various stakeholders. The new mining law reduces the maximum length of concessions from 50 to 30 years and may allow authorities to cancel concessions if no work is done on them within two years. The Company is closely monitoring the situation and will continue to assess the potential impacts on its Mexican assets.

Since Osisko Development's acquisition of the San Antonio Project in November 2020, the Company has successfully achieved the following operational milestones:

- The construction of a leach pad and carbon in column plant at the end of 2021 to process stockpiled mineralized material.

- 1.1 million tonne stockpile with an average grade of 0.58 g/t Au was placed on the heap leach pad.

- 13,591 net ounces of gold sold from the San Antonio heap leach pad as at December 31, 2023.

Permitting

The Company continued the various permitting activities starting 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. Applications were submitted for four new mining claims, Sapuchi E-82/40881, Sapuchi 2 E-82/40882, Sapuchi 3 E-82/40883, and Sapuchi 4 E-82/40888.

All documentation required for the change of use land and EA permits were filed and the Company was awaiting the granting of these two permits by the Mexican government. In early December 2022, the director of SEMARNAT announced a moratorium on all environmental permits for open pit operations, which will be denied with no approval process in place until further notice. Subsequently, the Company received communication that the MIA would not be approved. The approval process for environmental permits for mining may resume after the conclusion of the governor and presidential elections which will be held in July 2024, with the new president taking office in September 2024. In order to ensure that the San Antonio Gold Project would not be further delayed from the granting of the permits, management withdrew both permit applications with the intent to refile once the moratorium is lifted or a clear approval process is in place.

Exploration Program

A two-phase 45,000-meter drilling campaign was initiated during 2021. The objective of the drill program was to conduct exploration and resource drilling at a spacing of 25 meters and historic drilling validation for the three main target areas; Sapuchi, California and Golfo de Oro. The Company anticipates exploration potential to expand both oxide and sulphide resources.

On June 30, 2022, the Company announced an initial open pit mineral resource estimate for the San Antonio Project ("**MRE Sapuchi**"). See tables below. The 2022 MRE Sapuchi covers a portion of the Sapuchi – Cero Verde trend that encompasses five deposits: Sapuchi, Golfo de Oro, California, Calvario and High Life over approximately 2.8 km along strike, a maximum width of 600 metres (m) to a maximum depth of 300 m below surface.

The MRE Sapuchi is based on 84,454 m of current and verified historic drilling in 579 holes, of which 27,870 m of drilling in 177 holes were performed by the Company in 2021. Gold mineralization is hosted within altered hydrothermal breccia and sediments, as stockwork quartz veins and veinlets, adjacent to intrusions and fault structures and often associated with iron carbonate minerals. Metallurgical testing has shown amenability of leaching in the oxide materials and recommendations of milling in the transition and sulphide zones. The Company filed the Technical Report on July 22, 2022.

No drilling occurred on the project in 2022 and in 2023

	Indicated Mineral Resources					
Deposit	**Weathering Zone**	**Tonnes (Mt)**	**Au (g/t)**	**Ag (g/t)**	**Au Ounces (000)**	**Ag Ounces (000,000)**
California	Oxide	0.6	0.93	2.8	17	0.05
	Transition	0.2	0.79	3.3	6	0.02
	Sulphide	3.1	1.31	2.4	130	0.23
	Total	3.9	1.22	2.5	153	0.30
Golfo de Oro	Oxide	0.2	1.07	2.8	7	0.02
	Transition	0.1	1.19	2.8	6	0.01
	Sulphide	5.3	1.46	2.5	249	0.42
	Total	5.6	1.44	2.5	262	0.45
Sapuchi	Oxide	1.9	0.85	3.6	53	0.22
	Transition	1.4	1.04	3.6	47	0.16
	Sulphide	2.1	0.94	3.4	62	0.22
	Total	5.4	0.93	3.5	162	0.60
Total	**Oxide**	**2.7**	**0.89**	**3.4**	**77**	**0.29**
	Transition	**1.7**	**1.02**	**3.5**	**59**	**0.19**
	Sulphide	**10.5**	**1.31**	**2.6**	**441**	**0.87**
	Total	**15.0**	**1.20**	**2.9**	**577**	**1.38**

Deposit	Inferred Mineral Resources					
	Weathering Zone	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Au Ounces (000)	Ag Ounces (000,000)
California	Oxide	0.4	0.68	2.1	8	0.02
	Transition	0.1	0.85	2.6	4	0.01
	Sulphide	1.1	1.27	3.8	46	0.14
	Total	1.6	1.10	3.3	58	0.17
Golfo de Oro	Oxide	0.5	0.80	3.0	12	0.04
	Transition	0.2	0.93	3.4	5	0.02
	Sulphide	5.7	1.29	2.5	237	0.46
	Total	6.4	1.24	2.5	254	0.52
High Life	Oxide	0.5	0.84	4.2	14	0.07
	Transition	0.2	0.73	4.5	4	0.02
	Sulphide	0.1	0.90	8.3	4	0.04
	Total	0.8	0.83	4.9	22	0.13
Sapuchi	Oxide	3.2	0.74	3.7	75	0.37
	Transition	1.6	0.92	3.6	48	0.19
	Sulphide	2.8	0.92	4.1	84	0.37
	Total	7.6	0.85	3.8	207	0.93
Calvario	Oxide	0.1	0.53	0.0	2	0.00
	Transition	0.0	0.55	0.0	0.0	0.00
	Sulphide	0.0	0.0	0.0	0.0	0.00
	Total	0.1	0.53	0.0	2.0	0.00
Total	**Oxide**	**4.7**	**0.74**	**3.5**	**111**	**0.50**
	Transition	**2.1**	**0.90**	**3.6**	**61**	**0.24**
	Sulphide	**9.7**	**1.18**	**3.2**	**371**	**1.01**
	Total	**16.5**	**1.02**	**3.3**	**543**	**1.75**

MRE Sapuchi Notes:

- Rodrigo Calles-Montijo, of Servicios Geológicos IMEx, S.C., William J. Lewis and Alan J San Martin, of Micon International Limited have reviewed and validated the mineral resource estimate for Sapuchi, Golfo de Oro, California, High Life and Calvario deposits. All are independent "Qualified Persons" (as defined in NI 43-101) responsible for the 2022 MRE Sapuchi. Each is (i) considered to be independent of the Company for the purposes of Section 1.5 of NI 43-101, and (ii) is a "qualified person" for the purposes of NI 43-101. The effective date of the mineral resource on Sapuchi is June 24, 2022.
- Specific extraction methods are used only to establish reasonable cut-off grades for various portions of the deposit. No Preliminary Economic Analysis, Pre-Feasibility Study or Feasibility Study has been completed to support economic viability and technical feasibility of exploiting any portion of the mineral resource, by any particular mining method.
- The mineral resources disclosed were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") standards on mineral resources and reserves definitions, and guidelines prepared by the CIM standing committee on reserve definitions and adopted by the CIM council.
- The calculated economic cut-off grade for the resource in: Oxides (70% recovery) is 0.27 g/t Au, transition and sulphides (90% recovery) is 0.44 g/t Au
- Mineral resources are not mineral reserves and do not have demonstrated economic viability.
- Geologic modeling was completed by Osisko Development. The MRE Sapuchi was completed by Geologist Leonardo Souza, MAusIMM (CP) of Talisker Exploration Services, under the supervision of Rodrigo Calles-Montijo, of Servicios Geológicos IMEx, S.C., William J.Lewis and Alan J. San Martin, of Micon International Limited.
- The estimate is reported for a potential open pit scenario and with USD assumptions. The cut-off grades were calculated using a gold price of $1,750 per ounce, a CAD:USD exchange rate of 1.3; mining cost of $2.95/t; processing cost of $4/t

for oxides and \$13.0/t for transition and sulphides; and general and administration costs of \$2.50/t. The cut-off grades should be re-evaluated in light of future prevailing market conditions (metal prices, exchange rate, mining cost, etc.).

- A density of 2.55 g/cm^3 was established for all oxide zones, 2.69 g/ cm^3 for transition zones and 2.74g/ cm^3 for the sulphide zones.
- Resources for Sapuchi, Golfo de Oro, California, High Life and Calvario were estimated using Datamine Studio RM 1.3 software using hard boundaries on composited assays (3.0 m for all zones). Ordinary Kriging interpolation method was used in a with a parent block size = 10m x 10m x 5m.
- Results are presented in-situ. Ounce (troy) = metric tons x grade / 31.10348. Calculations used metric units (metres, tonnes, g/t). The number of metric tons was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects; rounding followed the recommendations as per NI 43-101.

Neither the Company, Servicios Geológicos IMEx, S.C., nor Micon International Limited. is aware of any known environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issue that could materially affect the mineral resource estimate other than disclosed in the MRE Sapuchi technical report.

For further information regarding the San Antonio Project, please see the technical report titled *"NI 43-101 Technical Report for the 2022 Mineral Resource Estimate on the San Antonio Project, Sonora, Mexico"*, dated July 12, 2022 with an effective date of June 24, 2022 on the Company's website or under the Company's issuer profile at www.sedarplus.ca and at www.sec.gov.

Stockpile

In the first quarter of 2022, Sapuchi Minera commenced processing its stockpile inventory through sodium cyanide heap leach pads ("**heap leach pad**") and carbon-in-column processing plant. The Company realized its first gold sales in July 2022 and generated gold sales totaling 10,478 net ounces in 2022. During the year ended December 31, 2023, Sapuchi Minera sold 3,113 net ounces of gold sold. During Q3 2023, processing of the remaining stockpile inventory was completed, and the Company does not anticipate any production henceforth.

On September 30, 2022, the San Antonio gold project was written down to its net estimated recoverable amount of \$35.0 million (\$nil net of the stream financing), which was determined by the value-in-use using a discounted cash-flows approach. The main valuation inputs used were the cash flows expected to be generated by the production and sale of gold from the San Antonio gold project over the estimated life of the mine, based on the expected long-term gold price per ounce costs inflation forecast and the discount rate of 19.9% applied to the cash flow projections.

2024 Objectives

The San Antonio gold project continues to be in care and maintenance. The Company awaits next steps from the government of Mexico with respect to the permitting process and the status of open pit mining in the country. In addition, the Board of Directors has authorized a strategic review of the San Antonio Project.

7. 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;
- Promoting the Company's values through our three pillars of Sustainability; Good neighbor, Engaged workforce and Environmental stewardship;

- Developing and maintaining strong relationships with First nations, stakeholders, the Federal, Provincial and Municipal governments where the Company has activities and projects;

- Supporting the economic development of regions where it operates;

- Promoting diversity and inclusivity throughout the organization and the mining industry; and

- Encouraging investee companies and our contractors to adhere to the same areas of focus in sustainability.

The following are a few highlights from each of the projects:

Barkerville

- Positive relationship with Lhtako Dené Nation since 2015. Agreements include engagement protocol (signed in 2016), relationship agreements (2016) and life of project agreement (2020);

- Positive relationship with Xatsull First Nation and with Williams Lake First Nation ("**WLFN**") since 2016 and 2017 respectively;

- Positive relationship with the District of Wells in British Columbia since 2016 and a Memorandum of Understanding signed in early 2022 to facilitate discussions for a project agreement;

- Open and transparent dialogue with the Ministry of Energy Mines and Low Carbon Innovation and The Ministry of the Environment and Climate Change Strategy to ensure positive relations;

- Installation of a water treatment plant to treat contact water and effluent completed;

- Reclamation work started on the Mosquito Creek old mine site;

- Signature of Collaboration Agreement for the reclamation of the Jack of Clubs Lake mining legacy site with the Crown Contaminated Site Program of the BG Ministry of Forest.

- Initiation of the second Sustainable Workforce Initiative for underground miner training to provide skills training to support a local workforce;

- Funding provided to local organizations within the Wells and Barkerville communities to support various initiatives;

- The Company in partnership with the Lhtako Dené Nation, initiated and is developing a stewardship society focused on the recovery of southern mountain caribou populations around Wells BC and, the enhancement and recovery activities of Bowron River sockeye and chinook salmon runs; and

- On July 5, 2022, The Company and WLFN entered into a participation agreement.

Tintic

- Building positive relationships with the Utah Department of Environmental Quality, Divisions of Air Quality and Water Quality.

- Implementation of environmental management plans for water, storm water and waste management for the Trixie test mine.

- Building positive relationships with many stakeholders and local providers towards the development of the project.
- Submission of the LOM to the Utah Division of Oil, Gas and Mining, the Small Source Exemption for Air Quality to the Division of Air Quality.

Sapuchi Minera

- Reached a long-term agreement with Eijdo San Antonio, one of the primary impacted local communities.
- An environmental baseline study was completed.

8. FINANCIAL PERFORMANCE

Consolidated statements of loss

The following table presents summarized statements of loss for the three months and for the year ended December 31, 2023 and 2022 (in thousands of dollars):

		Three months ended December 31,		Year ended December 31,	
		2023	**2022**	**2023**	**2022**
		$	**$**	**$**	**$**
Revenue	(a)	**6,906**	19,225	**31,625**	64,046
Operating expenses					
Cost of sales	(a)	**(6,392)**	(11,832)	**(32,292)**	(56,643)
Other operating costs	(b)	**(7,772)**	(7,063)	**(28,560)**	(64,355)
General and administrative	(c)	**(10,144)**	(10,385)	**(40,070)**	(36,837)
Exploration and evaluation		**(83)**	(148)	**(1,769)**	(515)
Impairment of assets	(d)	**(138,371)**	(59,000)	**(138,371)**	(140,000)
Operating loss		**(155,856)**	(69,203)	**(209,437)**	(234,304)
Other income, net of other expense	(e)	**(4,263)**	4,523	**5,047**	43,550
Loss before income taxes		**(160,119)**	(64,680)	**(204,390)**	(190,754)
Income tax recovery (expense)	(f)	**22,024**	(217)	**22,517**	(1,706)
Net loss		**(138,095)**	(64,897)	**(181,873)**	(192,460)

(a) For the three months and year ended December 31, 2023, the Company recognized respectively $1.5 million and $7.9 million in revenues from the Cariboo Gold Project by processing existing stockpiles sent to third-party toll mill and processing facilities. For the three months and year ended December 31, 2023, revenues of $4.6 million and $14.9 million were recorded respectively for operations at the Trixie test mine. Small-batch VAT leaching at Trixie continued during 2023 before the suspension of test mining in December 2023. Processing of a stockpile at the San Antonio Project generated revenues of $0.8 million and $8.8 million for the three months and year ended December 31, 2023. The cost of sales in relation to the gold and silver sold of $32.3 million was also recognized in the consolidated statement of loss for the year ended December 31, 2023 ($6.4 million for the three months ended December 31, 2023). In accordance with IAS 2, inventories were recorded at the lowest of net realizable value or at costs with an amount of $8.1 million as at December 31, 2023 (2022 – nil) recorded to adjust the inventories to their net realizable value.

(b) For the three months and year ended December 31, 2023, other operating costs of $7.8 million and $28.6 million were recognized respectively. These costs mainly relate to the care and maintenance at the Cariboo Project, the Tintic test mine and the San Antonio Project.

(c) General and administrative expenses of $40.1 million for the year ended December 31, 2023 (2022 - $36.8 million), include $14.3 million of salaries and benefits (2022 - $10.0 million), $7.7 million of share-based compensation expense (2022 - $6.9 million) and $18.1 million of administrative expenses (2022 - $19.9 million) such as insurance fees and legal and other consulting fees. The increases are primarily due to the dual public listings in Canada and the US and, SEC registration fees and other corporate activities.

(d) On December 31, 2023, an impairment charge of $160.5 million on the Trixie test mine was recorded and the net assets of the Trixie test mine were written down to their net estimated recoverable amount (including mining interest and property, plant and equipment) of $51.6 million which was determined using a fair value less costs of disposal model based on a discounted cash flows approach. The impairment charge was recorded against the Mining Interests. In addition to the impairment charge recorded on the Trixie test mine, certain individual assets located at the Trixie test mine and San Antonio Project were impaired as at December 31, 2023 for a total amount of $11.5 million. The impairment charges were offset by the decrease in the contract liability related to the decrease in contained gold ounces resulting in a catch-up adjustment of $33.6 million.

(e) For the three months and year ended December 31, 2023, other expense net of other income amounted to $4.3 million and other income net of other expenses amounts to $5.0 million, respectively. The amount includes the recognition of the accretion expense net of the change in fair value of the warrant liability and foreign exchange gains related to impact of variation in exchange rates.

(f) As at December 31, 2023, the deferred income taxes liability related to the Trixie test mine decreased, primarily due to the reduction in the carrying amount of the Trixie test mine compared to its tax value.

9. CASH FLOWS

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

	Three months ended December 31,		Year ended December 31,	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Cash flows				
Operations	**(13,094)**	2,223	**(48,540)**	(40,245)
Working capital items	**2,958**	(13,479)	**4,755**	(10,013)
Operating activities	**(10,136)**	(11,256)	**(43,785)**	(50,258)
Investing activities	**(16,445)**	(30,912)	**(66,061)**	(145,917)
Financing activities	**(979)**	7,328	**47,789**	254,528
Increase (decrease) in cash before effects of exchange rate changes on cash	**(27,560)**	(34,840)	**(62,057)**	58,353
Effects of exchange rate on changes on cash	**(483)**	7,666	**(432)**	14,184
Increase (decrease) in cash	**(28,043)**	(27,174)	**(62,489)**	72,537
Cash – beginning of period	**71,498**	133,118	**105,944**	33,407
Cash – end of period	**43,455**	105,944	**43,455**	105,944

Operating Activities

In Q4 2023 cash flows used in operating activities amounted to $10.1 million compared to $11.3 million in Q4 2022. Cash flows used in operating activities for the year ended December 31, 2023 amounted to $43.8 million compared to $50.3 million in 2022. The decrease in operating activities is mainly due to lower operating expenses at all the sites compared to 2022 partially offset by the increase in general and administrative expenses. The variation in cash flows was primarily attributable to the changes in items of working capital of $7.2 million for the year ended December 31, 2023 compared to a negative change in working capital items of $10.0 million in 2022.

Investing Activities

Cash flows used in investing activities amounted to $16.4 million in Q4 2023 compared to cash flows used in investing activities of $30.9 million in Q4 2022. For the year ended December 31, 2023, the investing activities totaled $66.1 million compared to $145.9 million in 2022. The decrease is primarily due to the acquisition of Tintic in 2022 as well as a reduction in mining development activities impacting the level of additions in mining interests and property, plant and equipment. The increase was partially offset by the decrease in exploration and evaluation expenditures. More precisely, the exploration spending at BGM decreased and the feasibility study for the CGP project was finalized and published in January 2023.

Financing Activities

The cash outflows related to the financing activities amounted to $1.0 million in Q4 2023 compared to cash flows provided by financing activities of $7.3 million in Q4 2022. For the year ended December 31, 2023, cash flows provided by financing activities amounted to $47.8 million compared to $254.5 million in 2022. In 2022 the amount of financing activities was higher due to the proceeds from equity financings of $255.5 million raised from the Brokered Private Placement. The total financing activities in YTD 2023 include $51.8 million in proceeds from the completion of a bought deal public offering that was done in Q1 2023 (refer to *Financings* section). This amount is partially offset by the lower amount of share issue and financing expenses related to the financing. In addition, additional long-term debt was higher in 2023 compared to 2022, which was partially offset by the decrease in capital payments on lease liabilities.

Since the inception of the Company up to the date of this report, a total of $640.6 million of capital has been raised through brokered, non-brokered, stream financings, bought deal public offering and a credit facility.

9.1. Liquidity and Capital Resources

As at December 31, 2023, the Company's working capital was $21.9 million, which included cash and cash equivalent of $43.5 million. The Company incurred a loss of $181.9 million for the year ended December 31, 2023. The working capital as at December 31, 2023 will not be sufficient to meet the Company's obligations, commitments and forecasted expenditures through December 31, 2024. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a substantial doubt upon the Company's ability to continue as a going concern, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The accompanied consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material. In assessing whether a going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. In order to execute on its planned activities, the Company will be required to secure additional financing in the future, which may be completed in several ways including, but not limited to, a combination of selling investments from its existing portfolio, project debt finance, offtake or royalty financing and other capital markets alternatives. However, there can be no assurance that the Company will be able to obtain adequate financings in the future, or at terms favorable to the Company. Subsequent to the financial year ended December 31, 2023, the Company secured the Credit Facility. See *"4. Highlights – Subsequent to Q4 2023 – US$50 Million Credit Facility".*

Significant variations in the liquidity and capital resources for the year ended December 31, 2023 are explained under the Cash Flows section. The Company is dependent upon raising funds in order to fund future capital expenditures and development programs. See the *"Risk and Uncertainties"* section of this MD&A for more details.

10. FINANCIAL POSITION

(in thousands of dollars)	As at December 31, 2023 $	As at December 31, 2022 $	Variance %
Cash and cash equivalents	**43,455**	105,944	(59)%
Restricted Cash	**2,424**	—	100%
Amounts receivable	**3,952**	11,046	(64)%
Inventories	**7,203**	17,641	(59)%
Other current assets	**5,307**	6,621	(20)%
Assets classified as held for sale	**5,369**	—	100%
Total Current Assets	**67,710**	141,252	(52)%
Investment in associates	**13,034**	8,833	48%
Other investments	**19,393**	33,819	(43)%
Mining Interests	**451,695**	580,479	(22)%
Property, plant and equipment	**97,285**	111,696	(13)%
Exploration & evaluation	**70,135**	55,126	27%
Other assets	**44,628**	36,994	21%
Total Assets	**763,880**	968,199	(21)%
Total Current Liabilities	**45,781**	51,042	(10)%
Long term debt	**5,102**	12,256	(58)%
Lease liabilities	**624**	962	(35)%
Contract liability	**31,700**	54,252	(42)%
Environmental rehabilitation provision	**72,525**	66,032	10%
Warrant liability	**11,552**	16,395	(30)%
Deferred consideration and contingent payments	**10,545**	13,252	(20)%
Deferred income taxes	**—**	23,574	(100)%
Other non-current liabilities	**863**	—	100%
Total Liabilities	**178,692**	237,765	(25)%
Total Equity	**585,188**	730,434	(20)%
Total Liabilities and Equity	**763,880**	968,199	(21)%

The Company's cash and cash equivalents balance on December 31, 2023 decreased from the amount held on December 31, 2022, as described in section 9 – Cash Flows.

The decrease in amounts receivable, inventories and other current assets are mainly due to the reduction of activities at the sites.

The decrease in mining interests and property, plant and equipment (including the assets held for sales) is mainly due to the impairment charge recorded and described in section *8. Financial Performance*.

Other investments decreased due to the overall change in fair values and partial dispositions of holdings in the Company's investment portfolio. Investments in associates increased due to the shares received from Electric Elements Mining Corp. in exchange of all its shares and partnership units in certain subsidiaries holding the rights and title to and interest in it James Bay properties.

The decrease in long-term debt is mainly due to a reclassification to short term of a debt that is maturing which is included in current liabilities.

The contract liability decrease in connection with the related decrease in contained gold ounces discussed in section *8. Financial Performance* resulting in a catch-up adjustment of $33.6 million.

Warrant liability decrease is mainly related to the decrease in the ODV share price.

The deferred consideration and contingent payments decreased compared to December 31, 2022 to reflect the settlement of a tranche of $2.5 million.

As at December 31, 2023, the deferred income taxes liability related to the Trixie test mine decreased, primarily due to the reduction in the carrying amount of the Trixie test mine compared to its tax value.

10.1. Investment in associates and other 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.

Fair value of marketable securities

The following table presents the carrying value and fair value of the remaining investments in marketable securities (excluding warrants and convertible debt) as at December 31, 2023 and 2022 (in thousands of dollars):

	December 31, 2023		December 31, 2022	
Investments	Carrying value(i)	Fair value(ii)	Carrying value(i)	Fair value(ii)
	$	$	$	$
Associates	13,034	10,192	8,833	4,923
Other	19,393	19,393	33,819	33,819
	32,427	29,585	42,652	38,742

(i) The carrying value corresponds to the amount recorded on the consolidated statement of financial position, 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 for the respective period.

Main Investments

The following table presents the main investments of the Company in marketable securities as at December 31, 2023:

Company	Number of Shares Held	Ownership
		%
Falco Resources Limited (associate)	46,885,240	17.3

*Falco Resources Limited ("**Falco**")*

Falco's main asset is the Horne 5 gold project, for which the summarized results of an updated feasibility study were released on March 24, 2021. In January 2024, Falco announced that it had entered into an operating license and indemnity agreement (the "**OLIA**") with Glencore Canada Corporation ("**Glencore**") pursuant to which, Glencore granted Falco, subject to terms and conditions contained in the OLIA, a license to utilize a portion of its lands in which Falco will use to develop and operate the Horne 5 gold project.

Falco also entered into an option agreement granting Falco the sole and exclusive right to acquire an undivided one hundred percent ownership interest in the Norbec and Millenbach sites located in the vicinity of the City of Rouyn-Noranda. The properties will serve as the tailings management facilities and are located at a former tailings facility (the old Norbec Mine), which has already been impacted by historical mining activities and is situated approximately 11 kilometres from the Horne 5 project's mining complex site. The use of this previously impacted site is consistent with Falco's environmental, social and governance strategies. As at December 31, 2023, the Company holds 46,885,240 common shares representing a 17.3% interest in Falco (17.3% as at December 31, 2022). The Company concluded that it exercises significant influence over Falco and accounts for its investment using the equity method.

10.2. Financings

Current year financings

2023 Bought Deal

2023 Bought Deal Public Offering

On March 2, 2023, the Company completed a bought deal public offering of an aggregate of 7,841,850 units of the Company (the "**Units**") at a price of $6.60 per Unit, for aggregate gross proceeds of approximately $51.8 million (the "**Public Offering**"), including the full exercise of the over-allotment option. Each Unit is comprised of one common share of the Company (each, a "**Common Share**") and one common share purchase warrant (each, a "**Warrant**") of the Company.

Each Unit is comprised of one common share of the Company (each, a "**Common Share**") and one common share purchase warrant (each, a "**Warrant**"), with each Warrant entitling the holder thereof to purchase one additional Common Share at a price of $8.55 per Common Share for a period of 36 months following the date hereof, subject to adjustments. The Public Offering was co-led by Eight Capital and National Bank Financial Inc., acting as co-lead underwriters and joint bookrunners, and on behalf of a syndicate of underwriters including BMO Nesbitt Burns Inc., RBC Dominion Securities Inc., Canaccord Genuity Corp., Haywood Securities Inc., and PI Financial Corp. (collectively, the "**Underwriters**"). The Underwriters were paid a cash commission equal to 5% of the gross proceeds of the Offering.

For a breakdown of the Company's use of proceeds, refer to *Summary of Use of Proceeds from Financings* below.

Prior year financings

2022 Brokered private placement

On March 2, 2022, the Company completed a brokered private placement issuing (i) 9,525,850 brokered units (each, a "**Brokered Unit**") at a price of $4.45 per Brokered Unit for gross proceeds of $42.4 million and (ii) 13,732,900 brokered subscription receipts (each, a "**Brokered Subscription Receipt**") at a price of $4.45 per Brokered Subscription Receipt for gross escrowed proceeds of $61.1 million (the "**Brokered Private Placement**"), each of the numerical values provided on a pre-share consolidation basis.

Each brokered unit is comprised of one common share and one warrant, with each warrant entitling the holder to purchase one additional common share at a price of $22.80 ($7.60 pre-share consolidation) per common share until March 2, 2027, being the date that is 5 years following the closing date of the Brokered Private Placement.

Each Brokered Subscription Receipt entitles the holder to receive one Brokered Unit, upon the satisfaction of the following escrow release conditions (the "**Brokered Escrow Release Conditions**"):

(g) the completion, satisfaction or waiver of all conditions precedent to the Tintic acquisition in accordance with the Tintic definitive agreements and all regulatory approvals;

(h) the Company and the underwriters of the Brokered Private Placement, having delivered a completion notice and direction to TSX Trust Company, as escrow agent in respect of the Brokered Subscription Receipt, in accordance with the terms of the subscription receipt agreement dated March 2, 2023 confirming that the condition set forth in the condition above has been met; and

(i) the conditions are met on or before June 15, 2022.

On May 27, 2022, the Company met the Brokered Escrow Release Conditions and the escrowed proceeds of $61.1 million (including accrued interest) were released to the Company.

The total issuance costs related to the Brokered Units amounted to $3.5 million and have been allocated against the common shares and warrants issued.

The fair value of the warrants issued was evaluated using the residual method and were valued at $1.6 million, net of issuance costs.

2022 Non-Brokered private placements

The Company completed three tranches of non-brokered private placements, issuing subscription receipts (each, a "**Non-Brokered Subscription Receipt**") at a price of US$3.50 per Non-Brokered Subscription Receipt, with (i) the first tranche closed on March 4, 2022 issuing 24,215,099 subscription receipts for gross proceeds of US$84.8 million ($108.1 million) (ii) the second tranche closed on March 29, 2022 issuing 9,365,689 subscription receipts for gross proceeds of US$32.8 million ($41 million), and (iii) the third tranche closed on April 21, 2022 issuing 512,980 subscription Receipts for gross proceeds of US$1.8 million ($2.2 million) (collectively, the **"Non-Brokered Private Placement"**), each of the numerical values provided on a pre-share consolidation basis.

Each Non-Brokered Subscription Receipt entitles the holder to receive one non brokered unit, upon the satisfaction of the escrow release condition to list the Company's common shares on the New York Stock Exchange (the "**Non-Brokered Escrow Release Condition**"). Each non-brokered unit is comprised of one common share and one common share purchase warrant, with each warrant entitling the holder to purchase one additional common share at a price of US$18.00 (US$6.00 pre-share consolidation) per common share until May 27, 2022, being the date that is 5 years from the date of issue of the warrants.

On May 27, 2022, the Company having met the Non-Brokered Escrow Release Condition and regulatory including TSX-V approvals, the escrowed gross proceeds of US$119.4 million (including accrued interest) were released to the Company.

Issuance costs incurred amounted to $2.8 million related to the issuance of Non-Brokered Subscription Receipts are recognized as contributed surplus in the statements of financial position.

2022 OBL Stream

The Company entered into a binding term sheet with OBL for a stream on the metals produced from Tintic for total cash consideration of US$20 million. Under the terms of the Stream, the Company will deliver to OBL 2.5% of all metals produced from Tintic at a purchase price of 25% of the relevant spot metal price. Once 27,150 ounces of refined gold have been delivered, the Stream rate will decrease to 2.0% of all metals produced. Closing of the Stream occurred in the third quarter of 2022 and the proceeds from the Stream are being used to advance the development of Tintic.

Summary of Use of Proceeds from financings
As at December 31, 2023 (in millions of dollars)

Description		Prior/Current Disclosure[1]		Actual Spent		Remaining
March 2, 2023 - Bought deal Units	$	**51.8**	**$**	**34.9**	**$**	**16.9**
Tintic, Cariboo Gold Project, Corporate G&A & working capital						
1. Development and Advancement of Tintic Project						
1.1 Infill and exploration drilling on existing resource	$	7.0		8.0		(1.0)
1.2 Regional Drilling	$	7.0		2.0		5.0
1.3 Surface geochemical surveys, surface and underground sampling and mapping, GIS compilation sampling and mapping, GIS compilation	$	2.0		2.0		—
1.4 Operational permits & environmental studies	$	2.7		1.0		1.7
1.5 Update mineral resource estimate, metallurgical test work and LIDAR survey	$	0.5		—		0.5
1.6 Contingencies (10%)	$	1.9				1.9
1.7 General & Administrative Costs and Working Capital	$	—		10.6		(10.6)
2. Development Permitting and Advancement of Cariboo Gold Project						
2.1 Pre-permitting and environmental assessment	$	14.5		11.0		3.5
2.2 General & Administrative Costs and Working Capital	$	16.2		0.3		15.9
May 27, 2022 – Brokered Units	$	**59.7**	**$**	**59.7**	**$**	**Nil**
Corporate G&A & working capital						
May 27, 2022 – Non-Brokered Units	$	**148.2**	**$**	**121.6**	**$**	**26.6**
Tintic acquisition and other						
March 2, 2022 – Brokered Units	$	**40.3**	**$**	**40.3**		**Nil**
Cariboo Gold and San Antonio projects, G&A & working capital						
March 18, 2021'	$	**33.6**	**$**	**33.6**		**Nil**
Cariboo Gold project, eligible flow-through expenditures						
February 5, 2021'	$	**11.2**	**$**	**11.2**		**Nil**
Cariboo Gold and San Antonio projects and G&A						
January 8, 2021'	$	**68.6**	**$**	**68.6**		**Nil**
Cariboo Gold and San Antonio projects and G&A						
December 30, 2020'	$	**40.2**	**$**	**40.2**		**Nil**
Cariboo Gold and San Antonio projects and G&A						
October 29, 2020'	$	**100.1**	**$**	**100.1**		**Nil**
Cariboo Gold and San Antonio projects and G&A						

Note:

1. Amounts presented are on a gross basis.
2. The remaining net proceeds as at December 31, 2023 from the Non-Brokered Offering is approximately C$26.6 million and the 2023 Public Offering is equal to approximately $16.9 million. There are no remaining proceeds from the March 2022 Brokered Offering. The Company on intends to use such remaining net proceeds for the advancement of its mineral assets and corporate general and administrative costs and working capital.

11. SUMMARY OF QUARTERLY RESULTS

Selected financial results for the previous quarters reported, which have been derived from the financial statements prepared in accordance with IFRS are shown in the table below:

In thousands of dollars, except per share amounts	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1
Revenues	6,906	10,421	10,847	3,451	19,225	22,791	12,863	9,167
Net loss	(138,095)	(7,123)	(13,318)	(23,337)	(64,897)	(103,731)	(1,500)	(22,332)
Net loss per share	(1.64)	(0.08)	(0.16)	(0.30)	(0.86)	(1.37)	(0.03)	(0.49)
Net loss diluted per share	(1.64)	(0.08)	(0.16)	(0.30)	(0.86)	(1.37)	(0.03)	(0.49)

The numbers for the average basic and diluted shares outstanding for all the periods presented in the consolidated statements of loss and comprehensive loss have been adjusted to reflect the effect of the 3:1 share consolidation that was put into effect on May 4, 2022.

12. TRANSACTIONS BETWEEN RELATED PARTIES

Please refer to details on the related party transactions in Note 31 of the Company's consolidated financial statements for the year ended December 31, 2023.

13. COMMITMENTS AND CONTRACTUAL OBLIGATIONS

As of December 31, 2023, the Company had the following minimum contractual obligations and commitments (in thousands of dollars):

	Total(1)	less than 1 year	1-2 years	More than 3 years
Accounts payable and accrued liabilities	25,379	25,379	—	—
Lease obligations	1,729	1,089	517	123
Long-term debt	16,923	11,821	3,739	1,363
Deferred consideration and contingent payments	15,872	3,307	6,613	5,952
Warrant liability	—	—	—	—
Purchase obligations	7,457	7,438	19	—
Capital commitments	16,584	9,036	7,548	—
Total	**83,944**	**58,070**	**18,436**	**7,438**

(1) The timing of certain capital payments is estimated based on the forecasted timeline of the projects. Certain commitments can be canceled at the discretion of the Company with little or no financial impact.

14. SEGMENTED DISCLOSURE

The Company operates under a single operating segment, being the acquisition, exploration and development of mineral properties.The assets related to the exploration, evaluation and development of mining projects are located in Canada (Barkerville) in Mexico (Sapuchi) and in USA (Tintic), and are detailed as follow as at December 31, 2023 (in thousands of dollars):

Non-Current Assets

	December 31, 2023			
	Canada	**Mexico**	**USA**	**Total**
	$	**$**	**$**	**$**
Other assets (non-current)	15,794	20,728	8,106	44,628
Mining interest	391,324	21,432	38,939	451,695
Property, plant and equipment	61,012	13,479	22,794	97,285
Exploration and evaluation assets	3,747	—	66,388	70,135
Total non-current assets (Excluding investments)	**471,877**	**55,639**	**136,227**	**663,743**

Mining Interests

	Canada	**Mexico**	**USA**	**Total**
	$		**$**	**$**
Compensation	5,939	5,500	6,329	17,768
Exploration Drilling	65,393	21,357	—	86,750
Consulting Expenditures	68,356	144	707	69,207
Acquisition Cost	258,152	57,038	169,175	484,365
Asset retirement obligation	23,760	12,655	3,786	40,201
Depreciation	5,555	(5,240)	3,022	3,337
Tax Credits	(12,445)	—	—	(12,445)
Impairments	(59,000)	(81,000)	(160,484)	(300,484)
Other	35,614	10,978	16,404	62,996
Total mining interest	**391,324**	**21,432**	**38,939**	**451,695**

	For the year ended December 31, 2023			
	Canada	**Mexico**	**USA**	**Total**
	$	**$**	**$**	**$**
Operating Gain (Loss)				
Revenues	7,896	8,814	14,915	31,625
Cost of Sales	(7,695)	(9,983)	(14,614)	(32,292)
Other operating costs	(23,547)	(4,836)	(177)	(28,560)
General and administrative expenses	(29,701)	(2,040)	(8,329)	(40,070)
Exploration and evaluation	(1,567)	(202)	—	(1,769)
Impairments	—	5,278	(143,649)	(138,371)
Operating Gain (Loss)	**(54,614)**	**(2,969)**	**(151,854)**	**(209,437)**

15. OFF-BALANCE SHEET ITEMS

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

16. 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's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or 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 herein and, in the Company's, consolidated financial statements.

The Company's view of risks is not static, and readers are cautioned that there can be no assurance that all risks to the Company, at any point in time, can be accurately identified, assessed as to significance or impact, managed or effective controlled or mitigated. There can be additional new or elevated risks to the Company that are not described herein.

For a comprehensive discussion of the risk factors that may affect the Company, its business operations and financial performance, refer to the risk disclosure under the heading "*Risk Factors*" contained in the Company's annual information form dated March 28, 2024, for the year ended December 31, 2023 (the "**AIF**"), which disclosure is hereby incorporated by reference herein. The AIF and other publicly filed disclosure regarding the Company, which are available electronically on SEDAR+ (www.sedarplus.ca) and on EDGAR (www.sec.gov) under Osisko Development's issuer profile.

Risks relating to Additional Financing and Dilution

Osisko Development's development and exploration activities are subject to financing risks. At the present time, the Company has exploration and development assets which may generate periodic revenues through test mining but has no mines in the commercial production stage that generate positive cash flows. The Company cautions that test mining at its operations could be suspended at any time. The Company's ability to explore for and discover 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 may 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(s) could have a material adverse effect on the Company's growth strategy, results of operations, financial condition and project scheduling.

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.

Operations Not Supported by a Feasibility Study

Certain operations of the Company including the test mining at Bonanza Ledge II Project and Trixie test mine, have operated without the benefit of a feasibility study including mineral reserves, demonstrating economic and technical viability, and, as a result, there may be increased uncertainty of achieving any particular level of recovery of material or the cost of such recovery. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that commercial production will commence, continue as anticipated or at all or that anticipated production costs will be achieved. The failure to commence or continue production would have a material adverse impact on the Company's ability to generate revenue and cash flow to fund operations. Failure to achieve the anticipated production costs would have a material adverse impact on the Company's cash flow and potential profitability.

Negative Operating Cash Flow

The Company has negative cash flow from operations. As a result of the expected expenditures to be incurred by the Corporation for the development of the Company's material projects, the Company anticipates that negative operating cash flows will continue until one or both of the Company's material projects enters commercial production (if at all). There can be no assurance that the Company will generate positive cash flow from operations in the future. The Company will require additional capital in order to fund its future activities for its material projects. To the extent that the Company continues to have negative operating cash flow in future periods, it may need to allocate a portion of its cash reserves to fund such negative cash flow. Furthermore, additional financing, whether through the issue of additional equity and/or debt securities and/or project level debt, will be required to continue the development of the Company's material projects and there is no assurance that additional capital or other types of financing will be available or that these financings will be on terms at least as favourable to the Company as those previously obtained, or at all. Failure to obtain additional financing or to achieve profitability and positive operating cash flows will have a material adverse effect on its financial condition and results of operations.

No Earnings and History of Losses

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

Foreign Exchange Risks

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, Mexico and the U.S.A., 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, U.S. 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.

Risks relating to Taxation Laws

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.

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.

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.

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, preliminary economic assessment 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, if applicable, preliminary economic assessment and 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.

Uninsured Risks and Hazards

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.

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.

17. DISCLOSURE CONTROLS, PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING (ICFR)

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed in reports files with the securities regulatory authorities are recorded, processed, summarized and reported in a timely fashion. The disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in such reports is then accumulated and communicated to the Company's management to ensure timely decisions regarding required disclosure. Management regularly reviews disclosure controls and procedures; however, they cannot provide an absolute level of assurance because of the inherent limitations in control systems to prevent or detect all misstatements due to error or fraud. The Chief Executive Officer and Chief Financial Officer, along with Management, have evaluated and concluded that the Company's disclosure controls and procedures were effective and appropriately designed as at December 31, 2023.

Management's Report on Internal Control over Financial Reporting

The Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining internal controls over financial reporting. The Company's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Under the supervision of the Chief Executive Officer and Chief Financial Officer, management evaluated the effectiveness of the Company's internal control over financial reporting as of December 31, 2023. In making the assessment, management used the criteria set forth in Internal Control - Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, the Chief Executive Officer and Chief Financial Officer, together with Management, have concluded that, as at December 31, 2023, the Company's internal controls over financial reporting were effective and there were no material weaknesses and that there have been no changes in the Company's ICFR that occurred since September 30, 2023 to December 31, 2023 that has materially affected, or is reasonably likely to materially affect, the Company's ICFR. The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that internal controls over financial reporting and disclosure controls and procedures, no matter how well designed and operated, have inherent limitations. Therefore, even those systems determined to be properly designed and effective can provide only reasonable assurance that the objectives of the control system are met.

Limitations of Controls and Procedures

Management, including the Chief Executive Officer and Chief Financial Officer, believes that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the reality judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

18. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Please refer to the basis of presentation and statement of compliance in Note 2 of the Company's consolidated financial statements for the year ended December 31, 2023.

19. 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 judgment 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 judgments in applying the Company's accounting policies are detailed in the consolidated financial statements for the year ended December 31, 2023 and 2022 as well as in the audited financial statements for the three and twelve months ended December 31, 2022.

20. 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, 2023.

21. TECHNICAL INFORMATION

The scientific, geological, and technical information contained in this MD&A has been reviewed and approved by Maggie Layman, Vice President, Exploration of Osisko Development, and a "qualified person" within the meaning of NI 43-101.

22. SHARE CAPITAL STRUCTURE

As of the date of this MD&A, 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	84,123,410
Stock options	2,496,655
RSU's	971,352
DSU's	294,713
Warrants	26,958,699
Fully diluted share capital	**114,844,829**

23. APPROVAL

The Board oversees Management's responsibility for financial reporting and internal control systems through its Audit Committee. The Audit Committee meets quarterly with Management and with Company's independent auditors to review the scope and results of the annual audit and quarterly reviews, respectively, and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board and submitted to the shareholders. The Board has approved the Financial Statements and the disclosure contained in this MD&A as of March 28, 2024.