OSISKO DEVELOPMENT CORP.

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Unaudited Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2024 and 2023

Osisko Development Corp.
Consolidated Statements of Financial Position
As at September 30, 2024 and December 31 2023
(Unaudited)

(tabular amounts expressed in thousands of Canadian dollars)

	Notes	September 30, 2024 $	December 31, 2023 (Note 3) $
Assets			
Current assets			
Cash and cash equivalents	4	**40,813**	43,455
Restricted cash		**2,600**	2,424
Amounts receivable		**2,493**	3,952
Inventories		**5,495**	7,203
Other current assets		**5,570**	5,307
		56,971	62,341
Assets classified as held for sale		**1,005**	5,369
		57,976	67,710
Non-current assets			
Investments in associates	5	**12,803**	13,034
Other investments	5	**9,917**	19,393
Mining interests	6	**480,249**	451,695
Property, plant and equipment	7	**87,716**	97,285
Exploration and evaluation	8	**79,141**	70,135
Other assets		**39,230**	44,628
		767,032	763,880
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		**27,336**	25,379
Lease liabilities		**353**	1,049
Current portion of long-term debt and credit facility	9	**71,716**	11,821
Deferred consideration and contingent payments	10	**3,375**	3,307
Contract liability	11	**—**	21
Environmental rehabilitation provision	12	**14,926**	4,204
Warrant Liability	3, 13	**4,921**	11,552
		122,627	57,333
Non-current liabilities			
Lease liabilities		**595**	624
Long-term debt	9	**6,346**	5,102
Deferred consideration and contingent payments	10	**7,938**	10,545
Contract liability	11	**37,718**	31,700
Environmental rehabilitation provision	12	**62,940**	72,525
Other non-current liabilities		**—**	863
		238,164	178,692
Equity			
Share capital		**1,084,623**	1,080,049
Warrants		**11,859**	11,859
Contributed surplus		**18,522**	18,722
Accumulated other comprehensive loss		**(4,363)**	(14,529)
Deficit		**(581,773)**	(510,913)
		528,868	585,188
		767,032	763,880

Going concern (Note 1)

APPROVED ON BEHALF OF THE BOARD
(signed) Sean Roosen, Director

(signed) Charles Page, Director

The notes are an integral part of these unaudited condensed interim consolidated financial statements.

Osisko Development Corp.
Consolidated Statements of Loss
For the three and nine months ended September 30, 2024 and 2023
(Unaudited)

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

		Three months ended September 30,		Nine months ended September 30,	
		2024	**2023**	**2024**	**2023**
	Notes	**$**	**$**	**$**	**$**
Revenues	19	**161**	10,421	**4,560**	24,719
Operating expenses					
Cost of sales	19	**(99)**	(10,087)	**(4,777)**	(25,900)
Other operating costs	19	**(7,660)**	(6,759)	**(23,348)**	(20,788)
General and administrative		**(7,910)**	(9,382)	**(20,281)**	(29,926)
Exploration and evaluation, net of tax credits		**(54)**	(646)	**(234)**	(1,686)
Impairment of assets		**—**	—	**(5,438)**	—
Operating loss		**(15,562)**	(16,453)	**(49,518)**	(53,581)
Finance costs		**(4,601)**	(3,748)	**(12,922)**	(10,594)
Share of income (loss) of associates		**242**	(291)	**(522)**	(480)
Change in fair value of warrant liability	13	**(3,128)**	12,978	**6,917**	6,968
Other income (expense), net		**(10,226)**	849	**(13,191)**	13,416
Loss before income taxes		**(33,275)**	(6,665)	**(69,236)**	(44,271)
Income tax (expense) recovery		**(589)**	(458)	**(1,296)**	493
Net loss		**(33,864)**	(7,123)	**(70,532)**	(43,778)
Basic and diluted net loss per share		**(0.40)**	(0.08)	**(0.83)**	(0.53)
Weighted average number of shares outstanding - basic and diluted		**85,578,474**	83,997,968	**84,830,072**	81,919,028

The notes are an integral part of these unaudited condensed interim consolidated financial statements.

Osisko Development Corp.
Consolidated Statements of Comprehensive Loss
For the three and nine months ended September 30, 2024 and 2023
(Unaudited)

(tabular amounts expressed in thousands of Canadian dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Net loss	**(33,864)**	(7,123)	**(70,532)**	(43,778)
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)	**30**	(2,494)	**(6,911)**	(9,555)
Income tax effect	**589**	1,112	**1,296**	1,112
Share of other comprehensive income of associates	**99**	—	**92**	—
Items that may be reclassified to the consolidated statements of loss				
Currency translation adjustments	**6,764**	4,480	**14,390**	(7,945)
Other comprehensive income (loss)	**7,482**	3,098	**8,867**	(16,388)
Comprehensive loss	**(26,382)**	(4,025)	**(61,665)**	(60,166)

The notes are an integral part of these unaudited condensed interim consolidated financial statements.

Osisko Development Corp.
Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2024 and 2023
(Unaudited)

(tabular amounts expressed in thousands of Canadian dollars)

	Notes	Three months ended September 30, 2024	Three months ended September 30, 2023	Nine months ended September 30, 2024	Nine months ended September 30, 2023
		$	$	$	$
Operating activities					
Net loss		**(33,864)**	(7,123)	**(70,532)**	(43,778)
Adjustments for:					
Share-based compensation		**1,540**	1,865	**1,799**	6,263
Depreciation		**2,534**	2,646	**8,517**	9,030
Finance costs		**3,238**	3,766	**9,378**	10,616
Share of (income) loss of associates		**(242)**	291	**522**	480
Change in fair value of financial assets and liabilities at fair value through profit and loss	5	**(140)**	25	**(239)**	(6)
Change in fair value of warrant liability	13	**3,128**	(12,978)	**(6,917)**	(6,968)
Unrealized foreign exchange loss (gain)		**10,571**	449	**16,179**	(9,776)
Deferred income tax expense (recovery)		**589**	458	**1,296**	(493)
Impairment of assets		**—**	—	**5,438**	—
Cumulative catch-up adjustment on contract liability	11	**(125)**	(456)	**(125)**	(192)
Proceeds from contract liability	11	**—**	(384)	**(56)**	(1,824)
Other		**(37)**	3,114	**391**	3,246
Environmental rehabilitation obligations paid		**(226)**	(1,119)	**(827)**	(2,044)
Net cash flows used in operating activities before changes in non-cash working capital items		**(13,034)**	(9,446)	**(35,176)**	(35,446)
Changes in non-cash working capital items	17	**773**	365	**607**	1,797
Net cash flows used in operating activities		**(12,261)**	(9,081)	**(34,569)**	(33,649)
Investing activities					
Additions to mining interests		**(6,473)**	(6,215)	**(18,088)**	(30,800)
Additions to property, plant and equipment		**(3,202)**	(1,549)	**(6,945)**	(12,983)
Additions to exploration and evaluation assets		**(1,113)**	(3,984)	**(7,866)**	(13,694)
Proceeds on disposals of property, plant and equipment and assets classified as held for sale		**716**	—	**4,774**	—
Proceeds on disposals of investments		**15**	2,445	**2,819**	3,447
Cash payment on deferred consideration and contingent payments	10	**—**	—	**—**	(334)
Change in restricted cash		**521**	—	**(596)**	—
Change in reclamation deposit		**(2,078)**	4,772	**(1,491)**	4,748
Other		**(660)**	—	**(1,293)**	—
Net cash flows used in investing activities		**(12,274)**	(4,531)	**(28,686)**	(49,616)
Financing activities					
Proceeds from equity financings		**—**	—	**—**	51,756
Other issuance of common shares		**24**	33	**82**	102
Share issue expense		**—**	(91)	**—**	(3,365)
Capital payments on lease liabilities		**(31)**	(105)	**(439)**	(927)
Long-term debt and credit facility		**33,155**	—	**66,788**	5,878
Repayment of long-term debt	9	**(1,211)**	(1,541)	**(6,806)**	(4,339)
Withholding taxes on settlement of restricted units		**(58)**	—	**(177)**	(337)
Net cash flows provided by (used in) financing activities		**31,879**	(1,704)	**59,448**	48,768
Decrease in cash and cash equivalents before impact of exchange rate		**7,344**	(15,316)	**(3,807)**	(34,497)
Effects of exchange rate changes on cash and cash equivalents		**(211)**	(90)	**1,165**	51
Increase (decrease) in cash and cash equivalents		**7,133**	(15,406)	**(2,642)**	(34,446)
Cash and cash equivalents – Beginning of period		**33,680**	86,904	**43,455**	105,944
Cash and cash equivalents – end of period		**40,813**	71,498	**40,813**	71,498

The notes are an integral part of these unaudited condensed interim consolidated financial statements.

Osisko Development Corp.
Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2024
(Unaudited)

(tabular amounts expressed in thousands of Canadian dollars except number of shares)

	Number of common shares outstanding	Share capital	Warrants	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total
		$	$	$	$	$	$
Balance – January 1, 2024	**84,102,240**	**1,080,049**	**11,859**	**18,722**	**(14,529)**	**(510,913)**	**585,188**
Net loss	—	—	—	—	—	(70,532)	(70,532)
Other comprehensive income, net	—	—	—	—	8,867	—	8,867
Comprehensive income (loss)	—	—	—	—	8,867	(70,532)	(61,665)
Transfer of realized loss on financial assets at fair value through other comprehensive income (loss), net of taxes	—	—	—	—	1,299	(1,299)	—
Shares issued for the settlement of deferred consideration	1,228,394	3,409	—	—	—	—	3,409
Share-based compensation:							
- Share options	—	—	—	1,350	—	—	1,350
- Restricted and deferred share units	—	—	—	538	—	—	538
Shares issued - employee share purchase plan	71,989	225	—	—	—	—	225
Shares issued from RSU/DSU settlement	46,288	940	—	(2,088)	—	971	(177)
Balance – September 30, 2024	**85,448,911**	**1,084,623**	**11,859**	**18,522**	**(4,363)**	**(581,773)**	**528,868**

As at September 30, 2024, accumulated other comprehensive loss includes items that will not be reclassified to the consolidated statements of income or loss amounting to a loss of $21.0 million. Items that may be recycled to the consolidated statements of loss amount to $16.7 million.

The notes are an integral part of these unaudited condensed interim consolidated financial statements.

Osisko Development Corp.
Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2023
(Unaudited)

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

	Number of common shares outstanding	Share capital	Warrants	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total
		$	$	$	$	$	$
Balance – January 1, 2023	75,629,849	1,032,786	1,573	12,857	7,166	(323,948)	730,434
Net loss	—	—	—	—	—	(43,778)	(43,778)
Other comprehensive loss, net	—	—	—	—	(16,388)	—	(16,388)
Comprehensive loss	—	—	—	—	(16,388)	(43,778)	(60,166)
Transfer of realized loss on financial assets at fair value through other comprehensive loss, net of taxes	—	—	—	—	1,318	(1,277)	41
Bought deal financing	7,841,850	45,545	6,211	—	—	—	51,756
Shares issued for the settlement of deferred consideration	454,026	2,986	—	—	—	—	2,986
Shares issued to Williams Lake First Nation	10,000	75	—	—	—	—	75
Share issue expense	—	(2,988)	(408)	—	—	—	(3,396)
Change in fair value related to warrants modification	—	—	4,483	—	—	(4,483)	—
Share-based compensation:							
- Share options	—	—	—	3,250	—	—	3,250
- Restricted and deferred share units	—	—	—	3,286	—	—	3,286
Shares issued - employee share purchase plan	44,184	263	—	—	—	—	263
Shares issued from RSU/DSU settlement	44,466	973	—	(2,089)	—	779	(337)
Balance – September 30, 2023	84,024,375	1,079,640	11,859	17,304	(7,904)	(372,707)	728,192

As at September 30, 2023, accumulated other comprehensive loss includes items that will not be reclassified to the consolidated statements of income or loss amounting to $(16.3) million. Items that may be recycled to the consolidated statements of loss amount to $8.4 million.

The notes are an integral part of these unaudited condensed interim 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 continental 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 September 30, 2024, the former parent Company, Osisko Gold Royalties ("**OGR"**) held an interest of 39.0% in Osisko Development.

These unaudited condensed interim 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. As at September 30, 2024, the Company has a negative working capital of $64.7 million, which included cash and cash equivalent balance of $40.8 million. The Company also has an accumulated deficit of $581.8 million and incurred a net loss of $70.5 million for the nine months ended September 30, 2024.

The working capital position as at September 30, 2024 and the gross proceeds from private placements completed subsequently to quarter-end (Note 21) will not be sufficient to meet the Company's obligations, commitments and forecasted expenditures up to the period ending September 30, 2025. 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 unaudited condensed interim 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 and as disclosed in Note 21, 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 unaudited condensed interim consolidated financial statements.

2. Basis of presentation and Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and as applicable to the preparation of interim financial statements, including IAS 34 *Interim Financial Reporting*. Accordingly, certain disclosures included in the annual financial statements prepared in accordance with IFRS have been condensed or omitted and these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2023. The accounting policies, methods of computation and presentation applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those of the previous financial year, except for the application of the Amendments to IAS 1 as described in Note 3. The comparative figures as at December 31, 2023 were adjusted accordingly.

The Board of Directors approved these unaudited condensed interim consolidated financial statements November 12, 2024.

3. New accounting standards and amendments

Material accounting standards and amendments adopted in 2024

Amendments – IAS 1, Presentation of Financial Statements: Classification of liabilities as current or non-current and non-current liabilities with covenants

The Company applied Classification of Liabilities as Current or Non-current – Amendments to IAS 1 for the first time from January 1, 2024. 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.

The application of the Amendments to IAS 1 resulted in a change in the Company’s accounting policy for classification of liabilities that can be settled in the Company’s own shares (e.g. the Warrants Liability) from non-current to current liabilities. Under the revised accounting policy, when a liability includes a counterparty conversion option that may be settled by the issuance of the Company’s common shares, the conversion option is taken into account in classifying the liability as current or non-current except when it is classified as an equity component of a compound instrument. The Warrants Liability is classified as current as at September 30, 2024 because the conversion option can be exercised by the warrants holders at any time.

The Amendments to IAS 1 had a retrospective impact on the comparative consolidated statement of financial position as the Company had outstanding Warrants Liability as at December 31, 2023. The Warrants Liability as at December 31, 2023 was entirely reclassified from non-current to current liabilities.

The Company’s other liabilities were not impacted by the Amendments to IAS 1.

New accounting standards issued but not yet effective

Amendments – IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosure

The IASB has issued classification and measurement and disclosure amendments to IFRS 9 and IFRS 7 which are effective for years beginning on or after January 1, 2026 with earlier application permitted. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system. Other changes include a clarification of the requirements when assessing whether a financial asset meets the solely payments of principal and interest criteria and new disclosures for certain instruments with contractual terms that can change cash flows (including instruments where cash flow changes are linked to environmental, social or governance targets).

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

New standard – IFRS 18, Presentation and Disclosure in Financial Statements

IFRS 18 is a new standard that will provide new presentation and disclosure requirements and which will replace IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces changes to the structure of the statement of income (loss); provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted.

The Company is currently assessing the impact of the new and amended standards issued but not yet effective.

4. Cash and cash equivalents

As at September 30, 2024 and December 31 2023, the consolidated cash and cash equivalents position was as follows:

	September 30, 2024	December 31, 2023
	$	$
Cash and cash equivalents held in Canadian dollars	**11,398**	16,857
Cash and cash equivalents held in U.S. dollars	**21,787**	20,110
Cash and cash equivalents held in U.S. dollars (Canadian dollars equivalent)	**29,410**	26,597
Cash held and cash equivalents in Mexican Pesos	**73**	16
Cash held and cash equivalents in Mexican Pesos (Canadian dollars equivalent)	**5**	1
Total cash and cash equivalents	**40,813**	43,455

As at September 30, 2024, cash and cash equivalents include US$1.6 million ($2.2 million) held in money market funds (December 31, 2023 – US$1.0 million ($1.4 million)).

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

5. Investments in associates and other investments

Investments in associates

	September 30, 2024	December 31, 2023
	$	$
Balance – Beginning of period	**13,034**	8,833
Investment in associate	**—**	4,800
Share of loss and comprehensive loss, net	**(429)**	(599)
Gain on ownership dilution	**198**	—
Balance – End of period	**12,803**	13,034

Other investments

	September 30, 2024	December 31, 2023
	$	$
Fair value through profit or loss (warrants)		
Balance – Beginning of period	**4**	18
Change in fair value	**239**	(14)
Balance – End of period	**243**	4
Fair value through other comprehensive income (shares)		
Balance – Beginning of period	**19,389**	33,801
Consideration received from disposal of exploration properties	**—**	1,694
Disposal	**(2,804)**	(5,935)
Change in fair value	**(6,911)**	(10,171)
Balance – End of period	**9,674**	19,389
Total	**9,917**	19,393

Other investments consist 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)

6. Mining interests

	September 30, 2024	December 31, 2023
	$	$
Cost – Beginning of period	**456,467**	583,669
Additions	**26,200**	30,598
Mining tax credit	**(534)**	152
Asset retirement obligations	**643**	(326)
Depreciation capitalized	**1,917**	4,630
Share-based compensation capitalized	**107**	287
Impairment	**—**	(160,484)
Borrowing costs	**2,075**	—
Currency translation adjustments	**(2,386)**	(2,059)
Cost – End of period	**484,489**	456,467
Accumulated depreciation – Beginning of period	**4,772**	3,190
Depreciation	**117**	1,075
Currency translation adjustments	**(649)**	507
Accumulated depreciation – End of period	**4,240**	4,772
Cost	**484,489**	456,467
Accumulated depreciation	**(4,240)**	(4,772)
Net book value	**480,249**	451,695

NSR Royalty and Streams

OGR holds a 5% NSR royalty on the Cariboo Gold Project ("**Cariboo Gold**"), owned by Barkerville Gold Mines Ltd. ("**Barkerville**"), a 15% gold and silver stream on the San Antonio Gold Project and a 2% to 2.5% stream on all refined metals on the Tintic properties. The Cariboo Gold 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 not less than $150 million. The security shall be first-ranking, subject to permitted encumbrances.

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

7. Property, plant and equipment

	Land and Buildings	Machinery and Equipment	Construction-in-progress	September 30, 2024	December 31, 2023
	$	$	$	$	$
Cost– Beginning of period	**31,617**	**88,558**	**11,399**	**131,574**	131,909
Additions	**320**	**2,937**	**3,638**	**6,895**	18,092
Disposals	**(550)**	**(7,456)**	**—**	**(8,006)**	(7,915)
Impairment	**—**	**(2,786)**	**(514)**	**(3,300)**	(11,490)
Other	**—**	**854**	**—**	**854**	(1,647)
Transfers	**—**	**124**	**(124)**	**—**	—
Currency translation adjustments	**197**	**(2,252)**	**40**	**(2,015)**	2,625
Cost – End of period	**31,584**	**79,979**	**14,439**	**126,002**	131,574
Accumulated depreciation – Beginning of period	**7,596**	**26,693**	**—**	**34,289**	20,213
Depreciation	**2,738**	**7,728**	**—**	**10,466**	15,119
Disposals	**(438)**	**(5,064)**	**—**	**(5,502)**	(1,643)
Other	**—**	**146**	**—**	**146**	(91)
Currency translation adjustments	**28**	**(1,141)**	**—**	**(1,113)**	691
Accumulated depreciation – End of period	**9,924**	**28,362**	**—**	**38,286**	34,289
Cost	**31,584**	**79,979**	**14,439**	**126,002**	131,574
Accumulated depreciation	**(9,924)**	**(28,362)**	**—**	**(38,286)**	(34,289)
Net book value	**21,660**	**51,617**	**14,439**	**87,716**	97,285

Machinery and Equipment includes right-of-use assets with a net carrying value of $2.7 million as at September 30, 2024 ($3.1 million as at December 31, 2023).

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

8. Exploration and evaluation

	September 30, 2024	December 31, 2023
	$	$
Net book value - Beginning of period	**70,135**	55,126
Additions	**7,284**	16,128
Depreciation capitalized	**385**	421
Currency translation adjustments	**1,337**	(1,540)
Net book value – End of period	**79,141**	70,135
Cost	**179,348**	170,342
Accumulated impairment	**(100,207)**	(100,207)
Net book value – End of period	**79,141**	70,135

9. Long-term debt and credit facility

	September 30, 2024	December 31, 2023
	$	$
Balance – Beginning of period	**16,923**	16,919
Additions – Credit facility	**65,723**	—
Additions – Mining equipment financings	**1,065**	5,878
Repayment of mining equipment financings	**(6,806)**	(5,675)
Interest capitalized	**3,184**	—
Interest paid	**(1,984)**	—
Currency translation adjustments	**(43)**	(199)
Balance – End of period	**78,062**	16,923
Current portion	**71,716**	11,821
Non-current portion	**6,346**	5,102
	78,062	16,923

Credit Facility

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 has to be exclusively used to fund ongoing detailed engineering and pre-construction activities at the Cariboo gold project. The Credit Facility had an original term of 12 months from the closing date, being February 28, 2025. On June 10, 2024, the Company entered into an amending agreement to the Credit Facility to extend the maturity date of the Credit Facility to October 31, 2025, subject to the Company completing a capital raise of at least US$20 million prior to October 31, 2024. The amendments also provide for the reduction in the mandatory prepayment amount to 50% for the incremental amount of capital raised in excess of US$25 million in respect of certain financings. In connection with the closing of the private placements subsequently to September 30, 2024 and as described in Note 21, the maturity date of the Credit Facility was extended to October 31, 2025.

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 are payable quarterly 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:

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

- 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 that require the Company to maintain certain financial ratios, including the Company's tangible net worth, minimum liquidity and other non-financial requirements. As at September 30, 2024, all such ratios and requirements were met.

In addition, the obligations under the Credit Facility are secured against all of the present and future assets and property of Barkerville and the shares of Barkerville as held by the Company.

On March 1, 2024, an amount of US$25.0 million ($33.9 million) was drawn as a Term Benchmark Loan under the Credit Facility, net of US$0.7 million ($1.0 million) of fees.

On September 4, 2024, a final amount of US$25.0 million ($33.8 million) was drawn as a Term Benchmark Loan under the Credit Facility, net of US$0.7 million ($1.0 million) of fees.

The schedule for expected payments of long-term debt and the Credit Facility are as follows:

	Less than 1 year	1-2 years	3-4 years
	$	$	$
Total payments – Mining equipment financings (principal)	5,019	5,816	527
Total payments – Credit Facility (principal)	66,697	—	—

10. Deferred consideration and contingent payments

The movement of the deferred consideration and contingent payments is as follows:

	September 30, 2024	December 31, 2023
	$	$
Balance – Beginning of period	**13,852**	16,638
Interest capitalized	**519**	922
Cash payment	**—**	(334)
Settlement in shares	**(3,409)**	(2,986)
Foreign exchange	**351**	(388)
Balance – End of period	**11,313**	13,852
Current portion	**3,375**	3,307
Non-current portion	**7,938**	10,545
	11,313	13,852

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

11. Contract liability

The movement of the contract liability is as follows:

	September 30, 2024	December 31, 2023
	$	$
Balance – Beginning of period	**31,721**	55,193
Proceeds from contract liability	**(56)**	(1,326)
Accretion on the contract liability's financing component	**5,713**	9,302
Cumulative catch-up adjustment	**(125)**	(34,581)
Currency translation adjustment	**465**	3,133
Balance – End of period	**37,718**	31,721
Current portion	**—**	21
Non-current portion	**37,718**	31,700
	37,718	31,721

12. Environmental rehabilitation provision

	September 30, 2024	December 31, 2023
	$	$
Balance – Beginning of period	**76,729**	75,770
New obligations	**1,774**	3,660
Revision of estimates	**(1,133)**	(3,964)
Accretion expense	**2,691**	3,154
Payment of environmental rehabilitation obligations	**(827)**	(2,933)
Currency translation adjustment	**(1,368)**	1,042
Balance – End of period	**77,866**	76,729
Current portion	**14,926**	4,204
Non-current portion	**62,940**	72,525
	77,866	76,729

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 September 30, 2024, the estimated inflation-adjusted undiscounted cash flows required to settle the environmental rehabilitation amounts to $86.2 million. The weighted average actualization rate used is approximately 4.0% and the disbursements are expected to be made between 2024 and 2030 as per the current closure plans.

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

13. Warrant Liability

The warrants issued as part of the 2022 non-brokered private placement 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*. As described in Note 3, the warrant liability is presented as a current liability since January 1, 2024 in connection with the retrospective application of the Amendments to IAS 1.

The movement of the warrant liability, classified as financial instruments at fair value through profit or loss, is as follows:

	September 30, 2024	**December 31, 2023**
	$	$
Balance – Beginning of period	**11,552**	16,395
Change in fair value	**(6,917)**	(4,535)
Foreign exchange	**286**	(308)
Balance – End of period	**4,921**	11,552

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:

	September 30, 2024	**December 31, 2023**
Dividend per share	**—**	—
Expected volatility	**80.5** %	78.3 %
Risk-free interest rate	**3.51** %	4.00 %
Expected life	**2.7 years**	3.4 years
Exercise price (USD)	**$ 10.70**	$ 10.70
Share price (USD)	**$ 2.15**	$ 2.91

14. Warrants

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

	September 30, 2024		**December 31, 2023**	
	Number of Warrants	**Weighted average exercise price**	**Number of Warrants**	**Weighted average exercise price**
		$		**$**
Balance – Beginning of period	**26,958,699**	**12.93**	24,046,640	17.86
Issued – Bought deal financing	**—**	**—**	7,841,850	8.55
Warrants expired	**—**	**—**	(4,929,791)	30.00
Balance – End of period	**26,958,699**	**12.93**	26,958,699	12.93

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

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

Tranche	Warrant CUSIP	Maturity	Number of Warrants	Exercise Price		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

15. 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:

	September 30, 2024		December 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
		$		$
Balance – Beginning of period	**2,700,077**	**9.64**	1,812,450	11.52
Granted	**3,163,100**	**2.74**	1,202,400	6.59
Forfeited	**(480,755)**	**8.38**	(314,773)	8.86
Expired	**(111,899)**	**13.05**	—	—
Balance – End of period	**5,270,523**	**5.54**	2,700,077	9.64
Options exercisable – End of period	**1,103,065**	**11.27**	735,050	14.18

(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 September 30, 2024:

		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	261,920	1.16	180,556	1.13
February 5, 2021	24.30	10,533	1.35	7,022	1.35
June 23, 2021	21.30	112,454	1.48	112,454	1.48
August 16, 2021	16.89	31,199	1.88	31,199	1.88
November 12, 2021	16.20	28,884	1.96	20,000	1.89
June 30, 2022	6.49	514,600	2.50	360,333	2.39
November 18, 2022	6.28	253,633	3.09	86,769	3.01
April 3, 2023	6.59	914,200	3.51	304,732	3.51
April 3, 2024	2.88	345,700	4.51	—	—
July 4, 2024	2.72	2,797,400	4.76	—	—
	5.54	**5,270,523**	**3.94**	**1,103,065**	**2.42**

The fair value of the share options is recognized as compensation expense over the vesting period. During the three and nine months ended September 30, 2024, the total share-based compensation related to share options granted under the Osisko Development's plan amounted to $1.0 million and $1.4 million, respectively ($1.1 million and $3.3 million and for the three and nine months ended September 30, 2023).

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

The following table summarizes the DSU and RSU movements:

	September 30, 2024		December 31, 2023	
	DSU(i)	**RSU**	**DSU(i)**	**RSU**
Balance – Beginning of period	**294,713**	**1,078,285**	206,426	1,054,194
Granted	**283,250**	**492,200**	99,170	261,900
Settled	**—**	**(102,583)**	(10,883)	(95,459)
Forfeited	**—**	**(248,777)**	—	(142,350)
Balance – End of period	**577,963**	**1,219,125**	294,713	1,078,285
Balance – Vested	**294,713**	—	195,543	—

(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 Osisko Development's DSU and RSU plans for the three and nine months ended September 30, 2024 amounted to $0.5 million and $0.5 million, respectively ($0.9 million and 3.3 million for the three and nine months ended September 30, 2023).

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

Based on the closing price of the common shares as at September 30, 2024 ($2.89), 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 ($0.4 million as at December 31, 2023) and $3.0 million based on all RSU and DSU outstanding ($2.8 million as at December 31, 2023).

16. Cost of sales and other operating costs

	Three months ended September 30,		Nine months ended September 30,	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Salaries and benefits	**1,512**	3,502	**5,232**	9,197
Share-based compensation	**6**	(94)	**57**	93
Royalties	**11**	256	**318**	719
Contract Services	**1,831**	3,195	**5,960**	9,160
Raw materials and consumables	**249**	3,306	**1,120**	7,980
Operational overhead and write-downs	**1,641**	4,104	**7,197**	10,684
Depreciation	**2,509**	2,577	**8,241**	8,855
	7,759	16,846	**28,125**	46,688

For the three and nine months ended September 30, 2024, an amount of $0.2 million and $0.7 million, respectively ($3.6 million and $5.6 million for the three and nine months ended September 30, 2023) was recorded in *Operational overhead and write-downs* to bring the inventories to net realizable value.

17. Supplementary cash flows information

	Three months ended September 30,		Nine months ended September 30,	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Changes in non-cash working capital items				
Decrease (increase) in amounts receivable	**(521)**	(1,396)	**1,635**	5,693
Decrease (Increase) in inventory	**55**	(292)	**925**	1,030
Increase in other current assets	**956**	(111)	**(626)**	47
Decrease in accounts payable and accrued liabilities	**283**	2,164	**(1,327)**	(4,973)
	773	**365**	**607**	1,797

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

18. 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).

	September 30, 2024			
	Level 1	Level 2	Level 3	Total
	$	$	$	$
Recurring measurements				
Financial assets at fair value through profit or loss				
Warrants on equity securities				
Publicly traded mining exploration and development companies				
Precious metals	—	—	243	243
Financial assets at fair value through other comprehensive loss				
Equity securities				
Publicly traded mining exploration and development companies				
Precious metals	3,342	—	—	3,342
Other minerals	6,331	—	—	6,331
	9,673	—	243	9,916

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
	$	$	$	$
Recurring measurements				
Financial assets at fair value through profit or loss				
Warrants on equity securities				
Publicly traded mining exploration and development companies				
Precious metals	—	—	4	4
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

During the nine months ended September 30, 2024 and 2023 there were no transfers among Level 1, Level 2 and Level 3.

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.

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

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) for the nine months ended September 30, 2024 and 2023:

	September 30, 2024	September 30, 2023
	$	$
Balance – Beginning of period	**4**	18
Change in fair value (i)	**239**	6
Balance – End of period	**243**	24

(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, classified as Level 3, is determined using the Black-Scholes option pricing model. 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 September 30, 2024 and December 31, 2023.

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, restricted cash, reclamation deposits, trade receivables, interest income receivable, other receivables, accounts payable and accrued liabilities and long-term debt. The fair values of cash and cash equivalents, restricted cash, trade receivables, 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.

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

19. 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 September 30, 2024 and December 31, 2023:

	September 30, 2024			
	Canada	**Mexico**	**USA**	**Total**
	$	**$**	**$**	**$**
Other assets (non-current)	**11,686**	**18,507**	**9,037**	**39,230**
Mining interest	**421,778**	**18,202**	**40,269**	**480,249**
Property, plant and equipment	**57,550**	**9,825**	**20,341**	**87,716**
Exploration and evaluation assets	**3,896**	**—**	**75,245**	**79,141**
Total non-current assets	**494,910**	**46,534**	**144,892**	**686,336**

	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	471,877	55,639	136,227	663,743

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

	Canada	Mexico	USA	Total
	$	$	$	$
For the three months ended September 30, 2024				
Revenues	**161**	**—**	**—**	**161**
Cost of Sales	**(99)**	**—**	**—**	**(99)**
Other operating costs	**(3,909)**	**(1,518)**	**(2,233)**	**(7,660)**
General and administrative expenses	**(6,660)**	**(492)**	**(758)**	**(7,910)**
Exploration and evaluation	**(26)**	**(28)**	**—**	**(54)**
Operating loss	**(10,533)**	**(2,038)**	**(2,991)**	**(15,562)**
For the three months ended September 30, 2023				
Revenues	3,266	2,050	5,105	10,421
Cost of Sales	(3,713)	(1,610)	(4,764)	(10,087)
Other operating costs	(4,368)	(2,412)	21	(6,759)
General and administrative expenses	(5,696)	(587)	(3,099)	(9,382)
Exploration and evaluation	(586)	(60)	—	(646)
Operating income (loss)	(11,097)	(2,619)	(2,737)	(16,453)
For the nine months ended September 30, 2024				
Revenues	**293**	**—**	**4,267**	**4,560**
Cost of Sales	**(224)**	**—**	**(4,553)**	**(4,777)**
Other operating costs	**(12,933)**	**(5,127)**	**(5,288)**	**(23,348)**
General and administrative expenses	**(16,222)**	**(1,691)**	**(2,368)**	**(20,281)**
Exploration and evaluation	**(141)**	**(93)**	**—**	**(234)**
Impairment of assets	**(4,895)**	**—**	**(543)**	**(5,438)**
Operating loss	**(34,122)**	**(6,911)**	**(8,485)**	**(49,518)**
For the nine months ended September 30, 2023				
Revenues	6,401	8,028	10,290	24,719
Cost of Sales	(6,344)	(8,690)	(10,866)	(25,900)
Other operating costs	(17,691)	(2,818)	(279)	(20,788)
General and administrative expenses	(22,040)	(1,950)	(5,936)	(29,926)
Exploration and evaluation	(1,530)	(156)	—	(1,686)
Operating income (loss)	(41,204)	(5,586)	(6,791)	(53,581)

20. Commitments

The Company has the following commitments as of September 30, 2024:

	Total[i]	less than 1 year	1- 2 years	3-4 years
Purchase obligations	7,083	6,862	221	—
Capital commitments	10,286	10,286	—	—
Total	**17,369**	**17,148**	**221**	**—**

[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.

21. Subsequent Events

Non-brokered private placement

The Company completed a non-brokered private placement of units pursuant to which the Company issued an aggregate of 19,163,410 units at a price of US$1.80 per unit for gross proceeds of approximately US$34.5 million, comprising (i) 13,426,589 units at a price of US$1.80 per unit for gross proceeds of approximately US$24.2 million, which closed on October 1, 2024 and (ii) 5,736,821 units at a price of US$1.80 per unit for gross proceeds of approximately US$10.3 million, which closed on October 11, 2024. Each unit consists of one common share of the Company and one common share purchase warrants of the Company entitling the holder of each common share purchase warrant to purchase one additional common share at a price of US$3.00 on or prior to October 1, 2029.

Following the completion of the non-brokered private placement described above and pursuant to the Credit Facility agreement, the Company completed a mandatory prepayment of US$4.6 million on October 29, 2024.

Brokered private placement

On November 12, 2024, the Company completed a brokered private placement pursuant to which the Company issued an aggregate of 31,946,366 units of the Company at a price of US$1.80 per unit for aggregate gross proceeds of approximately US$57.5 million, including the exercise in full of the options granted to the agents of the offering. Each unit consists of one common share of the Company and one common share purchase warrant of the Company entitling the holder thereof to purchase one additional common share at a price of US$3.00 on or prior to October 1, 2029. In connection with the brokered private placement, the agents were paid a cash commission equal to 4.5% of the aggregate gross proceeds.