OSISKO MINING

Condensed interim consolidated financial statements

For the three and six-month periods ended June 30, 2024 and 2023

Presented in Canadian dollars

(Unaudited)

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Condensed Interim Consolidated Statements of Financial Position
(Tabular amounts express in thousands of Canadian dollars)
(Unaudited)

As at		June 30, 2024		December 31, 2023
Assets				
Current assets				
Cash and cash equivalents	$	247,484	$	340,188
Restricted cash		715		1,100
Other receivables (note 15)		930		10,460
Tax recoverable (note 3)		2,588		1,427
Marketable securities (note 4)		20,391		18,031
Other assets		432		659
Total current assets		**272,540**		**371,865**
Non-current assets				
Long-term receivables and advances (note 6 and 16)		284,096		277,225
Investment in associates (note 5)		39,275		36,095
Investment in joint venture (note 6)		584,402		528,789
Property, plant and equipment (note 7)		754		889
Exploration and evaluation assets (note 8)		19,251		7,250
Total non-current assets		**927,778**		**850,248**
Total assets	**$**	**1,200,318**	**$**	**1,222,113**
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	$	6,265	$	8,114
Current lease liabilities		280		263
Total current liabilities		**6,545**		**8,377**
Non-current liabilities				
Flow-through premium liability (note 12(a))		2,688		10,254
Non-current lease liabilities		581		726
Share-based payment liability (note 9)		16,866		13,857
Convertible debenture (note 10)		131,752		124,796
Deferred tax liability (note 11)		70,337		68,647
Total non-current liabilities		**222,224**		**218,280**
Total liabilities		**228,769**		**226,657**
Equity				
Share capital (note 12(a))		917,241		938,032
Contributed surplus (note 12(d))		69,888		68,767
Warrants (note 12(e))		9,865		9,865
Equity component of convertible debenture (note 10)		15,852		15,852
Accumulated other comprehensive loss		(6,053)		(6,429)
Accumulated deficit		(35,244)		(30,631)
Total equity attributed to equity owners of the Corporation		**971,549**		**995,456**
Total liabilities and equity	**$**	**1,200,318**	**$**	**1,222,113**

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

Commitments (note 17)

Condensed Interim Consolidated Statements of Comprehensive (Income)/Loss
(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)
(Unaudited)

	Three months ended		Six months ended	
For the period ended	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Expenses/(income)				
Compensation expense (note 13 and 14)	$ 5,093	$ 2,638	$ 10,303	$ 10,091
General and administration expenses (note 13 and 14)	1,069	3,167	2,060	4,625
General exploration expenses	-	20	21	20
Flow-through premium income (note 12(a))	(3,610)	(1,186)	(7,566)	(3,003)
Loss/(gain) from marketable securities (note 4 and 13)	249	2,748	(1,195)	1,366
Fair value loss on convertible debenture (note 10)	3,634	1,718	7,467	5,459
Gain on sale of investment in joint venture (note 6)	-	(209,982)	-	(209,982)
Loss from disposition of property, plant and equipment (note 7)	-	-	-	10
Other (income)/loss	(920)	68	(1,056)	62
Operating loss/(income)	**5,515**	**(200,809)**	**10,034**	**(191,352)**
Finance income	(10,766)	(6,819)	(15,338)	(8,249)
Finance expense	1,976	1,932	4,007	3,881
Net finance income	**(8,790)**	**(4,887)**	**(11,331)**	**(4,368)**
Share of loss of associates (note 5)	1,349	644	2,457	205
Share of loss/(income) of joint venture (note 6)	794	(166)	1,887	(166)
(Income)/loss before tax	**(1,132)**	**(205,218)**	**3,047**	**(195,681)**
Deferred income tax expense/(recovery) (note 11)	760	(26,417)	1,566	(28,132)
Net (income)/loss	**$ (372)**	**$ (231,635)**	**$ 4,613**	**$ (223,813)**
Change in fair value of convertible debenture attributable to the change in credit risk (note 10)	125	7,546	(511)	8,582
Income tax effect	(33)	(1,999)	135	(2,274)
Other comprehensive loss/(income)	**92**	**5,547**	**(376)**	**6,308**
Comprehensive (income)/loss	**$ (280)**	**$ (226,088)**	**$ 4,237**	**$ (217,505)**
Basic (earnings)/loss per share (note 12(b) and (c))	**$ -**	**$ (0.61)**	**$ 0.01**	**$ (0.60)**
Weighted average number of shares (note 12(b))	**367,003,566**	**381,167,433**	**369,146,027**	**371,479,650**
Diluted (earnings)/loss per share (note 12(c))	**$ -**	**$ (0.59)**	**$ 0.01**	**$ (0.59)**
Diluted weighted average number of shares (note 12(c))	**376,966,578**	**390,136,468**	**369,146,027**	**379,996,141**

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

OSISKO MINING

Condensed Interim Consolidated Statements of Changes in Equity
(Tabular amounts express in thousands of Canadian dollars)
(Unaudited)

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Equity Component of Convertible Debenture	Accumulated Other Comprehensive (Loss)/Income	Deficit and Accumulated Deficit	Total
Balance January 1, 2024	**372,897,760**	**$ 938,032**	**$ 9,865**	**$ 68,767**	**$ 15,852**	**$ (6,429)**	**$ (30,631)**	**$ 995,456**
Loss for the period	-	-	-	-	-	-	(4,613)	**(4,613)**
Other comprehensive income for the period	-	-	-	-	-	376	-	**376**
Stock-based compensation (note 12(d) and 13)	-	-	-	1,549	-	-	-	**1,549**
Issuance of shares upon exercise of stock options (note 12(a) and (d))	251,666	1,087	-	(428)	-	-	-	**659**
Shares issued for services received	269,554	658	-	-	-	-	-	**658**
Shares repurchased under normal course issuer bid (note 12(a))	(7,810,700)	(22,139)	-	-	-	-	-	**(22,139)**
Deferred tax asset (note 11)	-	(397)	-	-	-	-	-	**(397)**
Balance June 30, 2024	**365,608,280**	**$ 917,241**	**$ 9,865**	**$ 69,888**	**$ 15,852**	**$ (6,053)**	**$ (35,244)**	**$ 971,549**

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Equity Component of Convertible Debenture	Accumulated Other Comprehensive Income/(Loss)	Deficit and Accumulated Deficit	Total
Balance January 1, 2023	**347,382,435**	**$ 869,597**	**$ -**	**$ 68,171**	**$ 15,852**	**$ 629**	**$ (254,015)**	**$ 700,234**
Income for the period	-	-	-	-	-	-	223,813	**223,813**
Other comprehensive loss for the period	-	-	-	-	-	(6,308)	-	**(6,308)**
Stock-based compensation (note 12(d) and 13)	-	-	-	570	-	-	-	**570**
Issuance of shares upon exercise of stock options (note 12(a) and (d))	32,500	126	-	(50)	-	-	-	**76**
Private Placement	4,568,051	15,679	-	-	-	-	-	**15,679**
Private Placement	32,260,000	84,697	9,865	-	-	-	-	**94,562**
Shares repurchased under normal course issuer bid (note 12(a))	(6,535,300)	(21,726)	-	-	-	-	-	**(21,726)**
Deferred tax asset (note 11)	-	1,476	-	-	-	-	-	**1,476**
Balance June 30, 2023	**377,707,686**	**$ 949,849**	**$ 9,865**	**$ 68,691**	**$ 15,852**	**$ (5,679)**	**$ (30,202)**	**$ 1,008,376**

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Condensed Interim Consolidated Statements of Cash Flows
(Tabular amounts express in thousands of Canadian dollars)
(Unaudited)

For the period ended		June 30, 2024		June 30, 2023
Cash flows provided by/(used in) operating activities				
(Loss)/income for the period	$	(4,613)	$	223,813
Adjustments for:				
(Gain)/income from marketable securities (note 4 and 13)		(1,195)		1,366
Gain on sale of investment in joint venture (note 6)		-		(209,982)
Share of loss/(gain) of joint venture (note 6)		1,887		(166)
Share of loss of associates (note 5)		2,457		205
Depreciation (note 7)		135		143
Accretion on asset retirement obligation		-		60
Loss from disposition of property, plant and equipment (note 7)		-		10
Flow-through premium income (note 12(a))		(7,566)		(3,003)
Stock-based compensation (note 9, 12(d) and 13)		6,240		730
Vesting of restricted share units (note 9)		(3,038)		(4,676)
Deferred income tax expense/(recovery) (note 11)		1,566		(28,132)
Fair value loss on convertible debentures (note 10)		7,467		5,459
Interest expense on lease liabilities and convertible debenture (note 10)		3,687		3,710
Finance income		(15,338)		(8,249)
		(8,311)		**(18,712)**
Change in items of working capital:				
Change in taxes recoverable (note 3)		(1,161)		38,836
Change in other receivables (note 15)		9,284		(12,685)
Change in other assets		227		136
Change in accounts payable and accrued liabilities		(2,355)		17,671
Net cash (used in)/provided by operating activities		**(2,316)**		**25,246**
Cash flows provided by/(used in) investing activities				
Finance income		8,713		3,806
Acquisition of marketable securities (note 4)		(15,112)		(1,014)
Proceeds on disposition of marketable securities (note 4)		11,864		1,013
Acquisition of Vior Inc. equity investment (note 5)		(3,554)		-
Investment in long-term receivables and advances (note 16)		-		(24,000)
Proceeds on sale of investment in joint venture (note 6)		-		300,000
Investment in joint venture (note 6)		(57,500)		(45,000)
Acquisition of property, plant and equipment (note 7)		-		(16,688)
Addition to exploration and evaluation assets (note 8)		(9,879)		(62,231)
Net cash (used in)/provided by investing activities		**(65,468)**		**155,886**
Cash flows provided by/(used in) financing activities				
Repayment of lease liabilities		(167)		(369)
Interest expense on convertible debenture (note 10)		(3,658)		(3,647)
Changes in restricted cash		385		-
Net cash received from private placements (note 12(a))		-		121,844
Cash received from exercise of stock options (note 12(d))		659		76
Net cash used in repurchasing shares under normal course issuer bid (note 12(a))		(22,139)		(21,726)
Net cash (used in)/provided by financing activities		**(24,920)**		**96,178**
(Decrease)/increase in cash and cash equivalents		**(92,704)**		**277,310**
Cash and cash equivalents, beginning of period		**340,188**		**62,904**
Cash and cash equivalents, end of period	**$**	**247,484**	**$**	**340,214**

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

1) Reporting entity

Osisko Mining Inc. (“Osisko” or the “Corporation”) is a Canadian Corporation domiciled in Canada and was incorporated on February 26, 2010 under the *Business Corporations Act* (Ontario). The address of the Corporation’s registered office is 155 University Ave, Suite 1440, Toronto, Ontario, Canada. The Corporation is primarily in the business of acquiring, exploring, and developing precious mineral deposits in Canada.

The business of acquiring, exploring, and developing precious mineral deposits involves a high degree of risk. Osisko is in the exploration stage and is subject to risks and challenges similar to companies in a comparable stage. These risks include, but are not limited to, the challenges of securing adequate capital, exploration, development, and operational risks inherent in the mining industry; changes in government policies and regulations; the ability to obtain the necessary environmental permitting; challenges in future profitable production or Osisko’s ability to dispose of its interest on an advantageous basis; as well as global economic and commodity price volatility; all of which are uncertain. There is no assurance that Osisko’s funding initiatives will continue to be successful. The underlying value of the mineral properties is dependent upon the existence and economic recovery of mineral reserves and is subject to, but not limited to, the risks and challenges identified above. Changes in future conditions could require material write-downs of the carrying value of exploration and evaluation assets.

2) Basis of preparation

a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards applicable to the preparation of interim financial statements, under International Accounting Standard 34, Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”), and are presented in thousands of Canadian dollars.

These condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with the Corporation’s audited annual consolidated financial statements and notes thereto for the year ended December 31, 2023.

These condensed interim consolidated financial statements were authorized for issuance by the Corporation’s board of directors (the “Board of Directors’) on August 8, 2024.

b) Material accounting policies

The material accounting policies followed in these condensed interim consolidated financial statements are consistent with those applied in the Corporation’s audited annual consolidated financial statements for the year ended December 31, 2023.

c) Changes in IFRS accounting policies and future accounting pronouncements

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee that are mandatory for accounting years beginning on or after January 1, 2024. They are not applicable or do not have a significant impact on the Corporation.

d) Use of critical estimates and judgements

The preparation of these condensed interim consolidated financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses.

2) Basis of preparation (continued)

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements and estimates made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended December 31, 2023, except the following:

i) Determination of significant influence over equity investments:

Judgment is needed to assess whether the Corporation's interest in marketable securities meets the definition of significant influence and therefore would be accounted for under the equity method as opposed to fair value through profit and loss. Management makes this determination based on its legal ownership interest, board representation, and through an analysis of the Corporation's participation in the entity's policy-making process.

Management determined it was able to exert significant influence over O3 Mining Inc. ("O3 Mining") and Vior Inc. ("Vior") and accounted for these investments as associates using the equity method.

ii) Fair value of the long-term receivables:

The long-term receivable from Gold Fields Limited ("Gold Fields") is measured at fair value through profit or loss on a recurring basis (note 16). Determining the fair value of the long-term receivable from Gold Fields involves the application of the discounted cash flow method. The valuation of the long-term receivable requires the input of highly subjective assumptions that can materially affect the fair value estimate. The valuation of the long-term receivable is subjective and can impact profit and loss significantly.

The following variables are used when determining the value of the long-term receivable from Gold Fields as at June 30, 2024:

- **Discount rate:** A key estimate is the discount rate of 8.73% after considering risks, market rates and specifics terms and conditions of the long-term receivable.
- **Maturity date:** The long-term receivable is due upon issuance of the applicable permits authorizing the construction, operation and mining of the Windfall Project. The Corporation's management's judgment is that the estimated maturity date to be the first quarter of 2025 based on management's best estimate of the timing it will take to obtain permitting approval, however, there is inherent uncertainty as the timing of permitting approvals may vary based on a variety of factors and there is no assurance that permitting approvals will ultimately be obtained.

e) Functional and presentation currency

These financial statements are presented in Canadian dollars (tables in thousands of Canadian dollars), which is Osisko's functional currency.

3) Tax recoverable

As at June 30, 2024, tax recoverable consists of sales tax recoverable and refundable tax credits. Sales tax recoverable consists of harmonized sales taxes, goods and services tax, and Québec sales tax receivable from Canadian taxation authorities. The refundable tax credits relate to eligible exploration and evaluation expenditures (note 8) incurred in the Province of Québec.

(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

4) Marketable securities

The Corporation holds shares and warrants in various public and private companies. During the three and six-month period ended June 30, 2024, these shares and warrants were fair valued, and this resulted in a net change in an unrealized loss of $187,000 and gain of $936,000, respectively (2023 – loss of $2,593,000 and $1,611,000). The Corporation sold shares during the three and six-month period ended June 30, 2024, which resulted in a realized loss of $62,000 and gain of $259,000, respectively (2023 – loss of $155,000 and gain of $245,000).

The shares in the various public companies are classified as FVTPL and are recorded at fair value using the quoted market price as at June 30, 2024, and are therefore classified as level 1 within the fair value hierarchy. The warrants in the various public companies are classified as FVTPL and are recorded at fair value using a Black-Scholes option pricing model not using observable inputs and are therefore classified as level 3 within the fair value hierarchy.

The following table summarizes information regarding the Corporation’s marketable securities as at June 30, 2024:

As at		**June 30, 2024**
Balance, beginning of period	**$**	**18,031**
Additions		15,112
Disposals		(11,864)
Transfer to investment in associates (note 5)		(2,083)
Realized gain		259
Net change in unrealized gain		936
Balance, end of period	**$**	**20,391**

5) Investment in associates

On March 30, 2024, Osisko filed an early warning report in respect of its holdings in Vior. Management determined that Osisko had significant influence over the decision-making process of Vior and has therefore classified its investment in Vior using the equity basis of accounting. Vior is a mineral resource company focused on the exploration and development of its gold properties located in Canada. Vior’s head office is located in Canada, and it is a public company listed on the TSX Venture Exchange. The trading price of Vior’s common shares on June 30, 2024 was $0.18 per share which corresponds to a quoted market value of $9,100,000 for the Corporation’s investment in Vior. The equity accounting for Vior is based on the results to June 30, 2024.

O3 Mining is a mineral resource company focused on the exploration and development of its gold properties located in Canada. O3 Mining’s head office is located in Canada, and it is a public company listed on the TSX Venture Exchange. The trading price of O3 Mining’s common shares on June 30, 2024 was $1.35 per share which corresponds to a quoted market value of $24,700,000 for the Corporation’s investment in O3 Mining. As at June 30, 2024, O3 Mining's business outlook, financial health, future cash flows and volatility of the investment led management to conclude that the current market value does not indicate an impairment as it does not reflect the value of the asset. The equity accounting for O3 Mining is based on the results to June 30, 2024.

(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

5) Investment in associates (continued)

The Corporation's investment relating to its associates as of June 30, 2024 are detailed as follows:

	O3 Mining	Vior	Total
Balance, December 31, 2023	**$ 36,095**	**$ -**	**$ 36,095**
Transfers from marketable securities (note 4)	-	2,083	2,083
Cash investment in associate	-	3,554	3,554
Share of loss for the period	(2,455)	(2)	(2,457)
Balance, June 30, 2024	**$ 33,640**	**$ 5,635**	**$ 39,275**

6) Investment in joint venture

On May 2, 2023, Osisko entered into a 50/50 joint venture with an affiliate of Gold Fields for the Windfall Project located between Val-d'Or and Chibougamau in Québec, Canada. The joint venture was formed as a partnership called "Windfall Mining Group" (the "Partnership") and includes the Windfall Project and the surrounding Urban Barry and Quévillon exploration properties. The joint venture has equal representation from both Osisko and Gold Fields in the governance arrangements.

Osisko and Gold Fields have joint control, and the joint venture is structured as a separate vehicle and Osisko has a residual interest in the net assets of the Partnership. Accordingly, Osisko has classified its interest in the Partnership as a joint venture. The equity accounting for the Partnership is based on the financial results of the Partnership to June 30, 2024.

The Corporation's investment relating to the investment in joint venture as of June 30, 2024 are detailed as follows:

	Windfall Mining Group
Balance, December 31, 2023	**$ 528,789**
Cash investment in joint venture	57,500
Share of loss for the period	(1,887)
Balance, June 30, 2024	**$ 584,402**

7) Property, plant and equipment

The following table summarizes information regarding the Corporation's property, plant and equipment as at June 30, 2024:

	June 30, 2024						
	Cost			Accumulated depreciation			
Class	**Opening balance**	**Additions/ transfers**	**Closing balance**	**Opening balance**	**Depreciation**	**Closing balance**	**Net book value**
Computer Equipment	$ 690	-	$ 690	$ 586	$ 15	$ 601	$ 89
Office Equipment	190	-	190	157	5	162	28
Office Buildings	1,843	-	1,843	1,093	115	1,208	635
Exploration Equipment	336	-	336	334	-	334	2
Automobiles	53	-	53	53	-	53	-
Total	**$ 3,112**	**-**	**$ 3,112**	**$ 2,223**	**$ 135**	**$ 2,358**	**$ 754**

(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

8) Exploration and evaluation assets

The following table summarizes information regarding the Corporation's exploration and evaluation assets as at June 30, 2024:

	December 31, 2023	Additions	June 30, 2024
Phoenix	$ 7,099	$ 11,751	$ 18,850
Other	151	250	401
Total exploration and evaluation assets	**$ 7,250**	**$ 12,001**	**$ 19,251**

9) Deferred share unit and restricted share unit plans

Deferred share units ("DSU") can be granted to non-executive directors and restricted share units ("RSU") can be granted to executive officers and key employees, as part of their long-term compensation package, entitling them to receive the payout in cash, shares, or a combination of both. Should the payout be in cash, the cash value of the payout would be determined by multiplying the number of DSUs and the RSUs vested at the payout date by the five-day volume-weighted average price from the closing price of the Corporation's shares on the day prior to the payout date. Should the payout be in shares, each RSU and each DSU represents an entitlement to one common share of the Corporation.

The following table summarizes information regarding the Corporation's outstanding and exercisable DSUs and RSUs as at June 30, 2024:

	Number of DSUs	Number of RSUs
Outstanding at December 31, 2023	**2,729,668**	**5,250,000**
Granted	432,975	1,100,000
Exercised	-	(650,000)
Forfeited	-	(30,000)
Outstanding at June 30, 2024	**3,162,643**	**5,670,000**

During the six-month period ended June 30, 2024, 432,975 DSUs were issued to directors, 57,975 of which were issued in lieu of directors' fees. The weighted average fair value of the DSUs granted was $2.56 per DSU initially at the closing price of the common shares of the Corporation on the date of grant. The DSUs vest immediately on the date of grant.

During the six-month period ended June 30, 2024, 1,100,000 RSUs were issued to management. The weighted average fair value of the RSUs granted was $2.52 per RSU initially at the closing price of the common shares of the Corporation on the date of grant. The RSUs vest on the third anniversary date from the date of grant.

On June 30, 2024, the share-based payment liability related to each DSU and RSU of the Corporation was re-measured to fair value at the Corporation's closing share price of $2.86.

The combined total expense recognized for RSUs and DSUs for the three and six-month period ended June 30, 2024 was $1,863,000 and $4,691,000, respectively (2023 – recovery of $5,375,000 and expense of $944,000).

(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

10) Convertible debenture

The following table summarizes information regarding the Corporation's convertible debenture as at June 30, 2024:

		Amount
Balance December 31, 2023	**$**	**124,796**
Change in fair value in the period		6,956
Balance June 30, 2024	**$**	**131,752**

The fair value of the debt component of the convertible debenture increased from $124,796,000 on December 31, 2023 to $131,752,000 on June, 2024, resulting in a fair value loss of $7,467,000 for the period (2023 – $5,459,000).

The change in the fair value due to credit risk, which is presented in the other comprehensive income, was a gain of $511,000 (2023 – loss of $8,582,000). As at June 30, 2024, the accrued interest payable included in accounts payable and accrued liabilities was $611,000.

The following table summarizes the assumptions used for the valuation of the convertible debenture's debt host as at June 30, 2024:

As at		June 30, 2024
Time to maturity		1.4 years
Share price	$	2.86
Volatility		46.43%
Risk-free interest rate (based on government bonds)		4.25%
Credit spread		12.99%

11) Income taxes

The following table outlines the composition of the deferred income tax expense/(recovery) between income and mining tax:

For the period ended		June 30, 2024		June 30, 2023
Deferred income tax expense	**$**	**1,566**	$	36,323
Deferred mining taxes recovery		**-**		(64,455)
Deferred tax expense/(recovery)	**$**	**1,566**	**$**	**(28,132)**

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Corporation has the legal right and intent to offset. Deferred tax assets are recognized when the Corporation concludes that sufficient positive evidence exists to demonstrate that it is probable that a deferred tax asset will be realized.

(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

11) Income taxes (continued)

The following table provides the components of the deferred income and mining tax assets and liabilities:

As at		June 30, 2024
Deferred tax assets		
Exploration and evaluation assets	$	2,618
Losses		52,783
Share issue costs		1,396
Investment tax credits		622
Other net deductible temporary differences		5,725
Total deferred tax assets	**$**	**63,144**
Deferred tax liability		
Investment in joint venture	$	(127,586)
Convertible Debenture - Northern Star		(5,895)
Total deferred tax liability	**$**	**(133,481)**
Net deferred tax liability	**$**	**(70,337)**

12) Capital and other components of equity

a) Share capital – authorized

The authorized capital of Osisko consists of an unlimited number of common shares having no par value. The holders of common shares are entitled to one vote per share at shareholder meetings of the Corporation. All shares rank equally with regard to the Corporation's residual assets.

During the three and six-month period ended June 30, 2024, flow-through premium income of $3,610,000 and $7,566,000, respectively (2023 – $1,186,000 and $3,003,000), was recognized relating to the flow-through shares issued.

During the six-month period ended June 30, 2024, Osisko repurchased and canceled 7,810,700 common shares of the Corporation at a weighted average price of $2.83 for a total cost of $22,139,000.

b) Basic (earnings)/loss per share

The calculation of basic (earnings)/loss per share for the three and six-month periods ended June 30, 2024 and 2023 was based on the loss attributable to common shareholders and a basic weighted average number of common shares outstanding, calculated as follows:

	Three months ended		Six months ended	
For the period ended	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Common shares outstanding, at beginning of the period	369,641,247	384,095,386	372,897,760	347,382,435
Common shares (cancelled)/issued during the period	(2,637,681)	(2,927,953)	(3,751,733)	24,097,215
Basic weighted average number of common shares	**367,003,566**	**381,167,433**	**369,146,027**	**371,479,650**
(Income)/loss attributable to owners of the Corporation	**$ (372)**	**$ (231,635)**	**$ 4,613**	**$ (223,813)**
Basic (earnings)/loss per share	**$ -**	**$ (0.61)**	**$ 0.01**	**$ (0.60)**

(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

12) Capital and other components of equity (continued)

c) Diluted (earnings)/loss per share

The calculation of diluted (earnings)/loss per share for the three-month period ended June 30, 2024 and the three and six-month period ended June 30, 2023, was based on the income attributable to common shareholders, and a basic weighted average number of common shares outstanding, adjusted for the effect of convertible debenture, stock options, RSUs and DSUs.

For the six-month period ended June 30, 2024, the Corporation incurred a net loss, therefore all outstanding convertible debenture, stock options, warrants, RSUs, and DSUs have been excluded from the calculation of diluted loss per share since the effect would be anti-dilutive.

	Three months ended		Six months ended	
For the period ended	**June 30, 2024**	**June 30, 2023**	**June 30, 2024**	**June 30, 2023**
Basic weighted average number of common shares (note 12(b))	367,003,566	381,167,433	369,146,027	371,479,650
Effect of dilutive stock options	1,160,137	1,393,866	-	1,284,391
Effect of dilutive DSUs and RSUs	8,802,875	7,575,169	-	7,232,100
Diluted weighted average number of common shares	**376,966,578**	**390,136,468**	**369,146,027**	**379,996,141**
(Income)/loss attributable to owners of the Corporation	**$ (372)**	**$ (231,635)**	**$ 4,613**	**$ (223,813)**
Diluted (earnings)/loss per share	**$ -**	**$ (0.59)**	**$ 0.01**	**$ (0.59)**

d) Contributed surplus

Stock options can be granted to directors, officers, employees, and consultants of the Corporation as part of their long-term compensation package. The stock options may vest at the discretion of the board of directors and are exercisable for up to 5 years from the date of grant. The following table summarizes the stock option transactions for the period ended June 30, 2024:

	Number of stock options	Weighted-average exercise price
Outstanding at December 31, 2023	**9,608,699**	**$ 3.08**
Granted	4,300,000	2.52
Exercised	(251,666)	2.62
Forfeited	(25,000)	3.66
Expired	(1,415,333)	2.76
Outstanding at June 30, 2024	**12,216,700**	**$ 2.93**

During the six-month period ended June 30, 2024, 4,300,000 stock options were issued to management and contractor of the Corporation at an exercise price of $2.52 for a period of 5 years. The options have been fair valued at $1.34 per option using the Black-Scholes option-pricing model. One third of these options vest on the first anniversary from the date of grant, with the remaining thirds each vesting on the second and third anniversaries from the date of grant.

(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

12) Capital and other components of equity (continued)

The following table summarizes the weighted average assumptions used for the valuation of the stock options issued during the three and six-month period ended June 30, 2024:

For the period ended		June 30, 2024
Fair value at grant date	$	1.34
Forfeiture rate		5.6%
Share price at grant date	$	2.52
Exercise price	$	2.52
Expected volatility		66%
Dividend yield		0.0%
Option life (weighted average life)		4.1 years
Risk-free interest rate (based on government bonds)		3.54%

During the three and six-month period ended June 30, 2024, a total of 251,666 stock options were exercised for gross proceeds of $659,000 in exchange for the issuance of 251,666 common shares of the Corporation.

The total recognized expense for stock options for the three and six-month period ended June 30, 2024 was $822,000 and $1,549,000, respectively (2023 – $268,000 and $570,000).

The following table summarizes information regarding the Corporation's outstanding and exercisable stock options as at June 30, 2024:

	Options outstanding			Options exercisable		
Range of exercise prices per share ($)	Weighted-average remaining years of contractual Life	Number of stock options outstanding	Weighted-average exercise price ($)	Weighted-average remaining years of contractual life	Number of stock options exercisable	Weighted-average exercise price ($)
2.52 to 3.00	2.6	7,933,366	$2.57	0.4	3,633,366	$2.63
3.01 to 3.98	1.4	4,283,334	$3.59	1.4	4,283,334	$3.59
2.52 to 3.98	**2.2**	**12,216,700**	**$2.93**	**0.9**	**7,916,700**	**$3.15**

e) Warrants

The following table summarizes the transactions pertaining to the Corporation's outstanding standard warrants for six-month period ended June 30, 2024. These warrants were exercisable at one warrant for one common share of the Corporation:

	Number of warrants	Weighted-average exercise price
Outstanding at December 31, 2023	**16,130,000**	**$ 4.00**
Outstanding at June 30, 2024	**16,130,000**	**$ 4.00**

(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

13) Expenses

The following table summarizes information regarding the Corporation's expenses for the three and six-month period ended June 30, 2024:

	Three months ended		Six months ended	
For the period ended	**June 30, 2024**	**June 30, 2023**	**June 30, 2024**	**June 30, 2023**
Compensation expenses/(recovery)				
Stock-based compensation expense/(recovery) (note 9 and 12(d))	$ 2,684	$ (4,969)	$ 6,240	$ 730
Salaries and benefits (note 14)	2,409	7,607	4,063	9,361
Total compensation expenses	**$ 5,093**	**$ 2,638**	**$ 10,303**	**$ 10,091**
General and administration expenses				
Shareholder and regulatory expense	$ 159	$ 114	$ 350	$ 209
Travel expense	189	103	412	199
Professional fees	321	2,426	704	2,922
Office expense	400	524	594	1,295
Total general and administration expenses	**$ 1,069**	**$ 3,167**	**$ 2,060**	**$ 4,625**
Marketable securities				
Realized loss/(gain) from marketable securities (note 4)	62	$ 155	(259)	$ (245)
Net change in unrealized loss/(gain) from marketable securities (note 4)	187	2,593	(936)	1,611
Total marketable securities loss/(gain)	**$ 249**	**$ 2,748**	**$ (1,195)**	**$ 1,366**

14) Related party transactions

Balances and transactions between the Corporation and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Corporation and other related parties are disclosed below.

During the three and six-month period ended June 30, 2024, management fees, geological services, rent, and administration fees of $73,000 and $147,000, respectively (2023 – $122,000 and $319,000), were charged to the Corporation's associate, O3 Mining, by the Corporation. Accounts receivable from O3 Mining as at June 30, 2024 were $26,000.

During the three and six-month period ended June 30, 2024, management fees, geological services, rent, and administration fees of $2,688,000 and $4,939,000, respectively, were charged to the Corporation's joint venture, Windfall Mining Group, by the Corporation (2023 - $16,669,000 and $16,669,000). Accounts receivable from the Partnership as at June 30, 2024 were $569,000.

The following table summarizes remuneration attributable to key management personnel for the three and six-month periods ended June 30, 2024 and 2023:

	Three months ended		Six months ended	
For the period ended	**June 30, 2024**	**June 30, 2023**	**June 30, 2024**	**June 30, 2023**
Salaries expense of key management	$ 538	$ 5,517	$ 1,076	$ 6,034
Directors' fees	161	98	313	196
Stock-based compensation expense/(recovery)	1,874	(3,817)	4,708	936
Total	**$ 2,573**	**$ 1,798**	**$ 6,097**	**$ 7,166**

15) Other receivables

As at June 30, 2024, other receivables consist of accounts receivable of $603,000 (note 14) and other miscellaneous receivables of $327,000.

(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

16) Long-term receivables and advances

As at June 30, 2024, long-term receivables and advances include a long-term receivable from Gold Fields valued at $281,083,000 and other long-term receivable of $3,013,000. The carrying amount of the long-term receivable represents the fair value of the $300 million long-term receivable from Gold Fields (note 2(d)(ii)). If payment is not made by Gold Fields on the due date or after a limited cure period after applicable permits have been obtained permitting the construction, operation and mining of the Windfall Project, there is recourse to the Partnership shares presently held by Gold Fields for nominal consideration of $1. As the receivable is non-recourse and the receivable cash flows vary based upon permitting, the receivable cash flows do not vary solely due to payments of principal and interest. Accordingly, the receivable is accounted for on a recurring basis at FVTPL.

17) Commitments

As of June 30, 2024, the Corporation has the following flow-through funds to be spent by December 31, 2024:

Closing Date of Financing	Province	Deadline for spending	Remaining Flow-through Funds
February 02, 2023	Québec	December 31, 2024	$ 6,350
Total			**$ 6,350**