



Consolidated Financial Statements
For the years ended December 31, 2025 and 2024
Presented in Canadian dollars



March 4, 2026

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Osisko Metals Inc. ("Osisko" or the "Corporation") were prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). Management is responsible for ensuring that these consolidated financial statements, which include amounts based upon estimates and judgments, are consistent with other information and operating data contained in the annual financial review and reflect Osisko's business transactions and financial position.

Management is also responsible for the information disclosed in Osisko's management's discussion and analysis including responsibility for the existence of appropriate information systems, procedures, and controls to ensure that the information used internally by management and disclosed externally is complete and reliable in all material respects.

In addition, management is responsible for establishing and maintaining an adequate system of internal control over financial reporting. The internal control system includes a code of conduct and ethics, which is communicated to all levels in the organization and requires all employees to maintain high standards in their conduct of the corporation's affairs. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate and that Osisko's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and for ensuring that management fulfills its financial reporting responsibilities. The Board of Directors meets with management as well as with the independent auditors to review the internal controls over the financial reporting process, the consolidated financial statements and the auditors' report. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process, the consolidated financial statements and the auditors' report. The Audit Committee also reviews Osisko's management's discussion and analysis to ensure that the financial information reported therein is consistent with the information presented in the consolidated financial statements. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements for issuance to the shareholders.

Management recognizes its responsibility for conducting Osisko's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(Signed) "John Burzynski"

Executive Chairman

(Signed) "Blair Zaritsky"

Chief Financial Officer



Independent auditor's report

To the Shareholders of Osisko Metals Incorporated

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Osisko Metals Incorporated and its subsidiaries (together, the Corporation) as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Corporation's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2025 and 2024;
- the consolidated statements of comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to note 1 to the consolidated financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Corporation's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators of exploration and evaluation assets, including assessment of these indicators when applying the equity method to the participation in Pine Point Mining Ltd. (Pine Point) Refer to note 2 – Basis of preparation, note 3 – Material accounting policies, note 7 – Exploration and evaluation assets and note 9 – Investment in joint venture to the consolidated financial statements.	<p>Our approach to addressing the matter included the following procedures, among others:</p> <ul style="list-style-type: none">Assessed the judgment by management in determining the impairment indicators related to exploration and evaluation assets of the Corporation (including the exploration and evaluation assets related to the investment in joint venture), which included the following:<ul style="list-style-type: none">Obtained, for all claims, by reference to government registries or other relevant agreements, evidence to support (i) the right to explore the area and (ii) claims' expiration dates.

Key audit matter**How our audit addressed the key audit matter**

The carrying value of the exploration and evaluation assets amounted to \$106,493,000 as at December 31, 2025.

On February 21, 2023, the Corporation entered into an investment agreement with a subsidiary of Appian Natural Resources Fund III LP (Appian) under which the Company and Appian agreed to form a joint venture for the advancement of the Pine Point exploration and evaluation assets (the Transaction) by selling an interest in Pine Point to Appian. The Transaction closed on April 6, 2023. Accordingly, the Corporation deconsolidated Pine Point on April 6, 2023, and started accounting for its investment in Pine Point using the equity method. The carrying value of the investment in joint venture, which fully relates to Pine Point, amounted to \$77,687,000 as at December 31, 2025.

In order to apply the equity method, management has to align Pine Point's accounting policies with those of the Corporation, which requires among other things management to assess whether indicators of impairment related to the Pine Point exploration and evaluation assets are present.

Exploration and evaluation assets (including the exploration and evaluation assets related to the investment in joint venture) are reviewed for an indication of impairment at each consolidated statement of financial position date or when a triggering event is identified. Assessment of impairment of exploration and evaluation assets requires the use of judgment by management when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test.

Factors that could trigger an impairment test include, but are not limited to, (i) an expiry of the right to explore in the specific area during the period or that will expire in the near future, and is not expected to be renewed; (ii) substantive exploration and evaluation expenditures in a specific area are neither budgeted nor planned; (iii) 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

- Read the Board of Directors' minutes and obtained the budget to evidence continued and planned substantive exploration and evaluation expenditures and considered which claims were not expected to be renewed.
- Assessed (i) whether the 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 whether management has decided to discontinue such activities in the specific area; and (ii) whether 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, based on evidence obtained in other areas of the audit.

Key audit matter

How our audit addressed the key audit matter

management has decided to discontinue such activities in the specific area; and (iv) 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.

No impairment indicators were identified by management as at December 31, 2025.

We considered this a key audit matter due to the significance of the exploration and evaluation assets (including the exploration and evaluation assets included in the investment in joint venture) and the judgments made by management in its assessment of impairment indicators related to exploration and evaluation assets (including the exploration and evaluation assets included in the investment in joint venture), which resulted in a high degree of subjectivity in performing procedures related to these judgments applied by management.

Valuation of derivative liability

Refer to note 2 – Basis of preparation, note 3 – Material accounting policies and note 10 – Convertible debenture to the consolidated financial statements.

As at December 31, 2025, the Corporation has a convertible debenture that allows the holder to convert the outstanding principal amount into units. Each unit comprises one common share of the Corporation and one half warrant. The convertible debenture represents a hybrid financial instrument with the conversion option being an embedded derivative that was classified as fair value through profit and loss. As at December 31, 2025, the derivative liability was valued at \$49,732,000 and management recorded a fair value adjustment on derivative liability for the year of \$34,607,000 in the consolidated statements of comprehensive loss.

Management exercised judgment in selecting a valuation model and developing unobservable inputs to determine the fair value of the derivative liability. Determining the fair value of

Our approach to addressing the matter included the following procedures, among others:

- With the assistance of professionals with specialized skill and knowledge in the field of financial instrument valuation, developed independent point estimates of the fair value of the derivative liability at year-end.
- Compared the independent point estimates to management's estimate to evaluate the reasonableness of management's estimate.
- Tested the disclosures, including the sensitivity analysis, made in the consolidated financial statements with regards to the valuation of the embedded derivative.

Key audit matter**How our audit addressed the key audit matter**

the derivative liability required management to use significant unobservable inputs, related to the expected volatility and the credit spread.

We considered this a key audit matter due to (i) the judgment and estimates made by management when selecting the valuation model and developing the significant unobservable inputs used in the valuations of the derivative liability; (ii) a high degree of subjectivity and effort in performing procedures related to the selection of the valuation model and the significant unobservable inputs by management; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Corporation as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Gregory Tremellen.

/s/PricewaterhouseCoopers LLP¹

Montréal, Quebec

March 4, 2026

¹ CPA auditor, public accountancy permit No. A119714

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

<i>As at</i>	December 31, 2025	December 31, 2024
Assets		
Current assets		
Cash	\$ 79,791	\$ 101,656
Other receivables	37	477
Taxes recoverable (note 5)	5,711	551
Marketable securities (note 6)	3,508	1,929
Other assets	251	101
Total current assets	89,298	104,714
Non-current assets		
Deposits (note 18)	1,828	2,358
Investment in joint venture (note 9)	77,687	75,642
Property, plant and equipment (note 8)	1,008	111
Exploration and evaluation assets (note 7)	106,493	61,932
Total non-current assets	187,016	140,043
Total assets	\$ 276,314	\$ 244,757
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 7,002	\$ 2,828
Current Asset Retirement Obligation (note 11)	478	384
Current lease liabilities (note 12)	304	-
Convertible debenture (note 10)	90,625	50,456
Flow-through premium liability (note 15(a))	-	16,072
Total current liabilities	98,409	69,740
Non-current liabilities		
Non-current lease liabilities (note 12)	760	-
Share-based payment liability (note 13)	4,585	-
Asset retirement obligation (note 11)	3,808	4,110
Deferred tax liability (note 14)	8,728	-
Total non-current liabilities	17,881	4,110
Total liabilities	116,290	73,850
Equity		
Share capital (note 15(a))	245,199	210,330
Contributed surplus (note 15(d))	20,632	19,558
Warrants (note 15(e))	10,832	11,095
Accumulated deficit	(116,639)	(70,076)
Total equity attributed to equity owners of the Corporation	160,024	170,907
Total liabilities and equity	\$ 276,314	\$ 244,757

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

Reporting entity and going concern (note 1)
Subsequent events (note 21)

On behalf of the Board:

(Signed) "Don Siemens"

Don Siemens, Director

(Signed) "John Burzynski"

John Burzynski, Executive Chairman



Consolidated Statements of Comprehensive Loss

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

<i>For the year ended</i>	December 31, 2025	December 31, 2024
Expenses/(income)		
Compensation expense (note 16 and 17)	\$ 12,545	\$ 1,482
General and administration expenses (note 16)	3,903	2,097
Flow-through premium income (note 15(a))	(16,071)	(832)
Gain on marketable securities (note 6 and 16)	(1,109)	(909)
Gain on sale of investment in joint venture (note 9)	-	(66)
(Gain)/loss on foreign exchange (note 10)	(2,874)	2,537
Other income	(1)	-
Operating (income)/loss	(3,607)	4,309
Fair value loss on convertible debenture (note 10)	35,690	9,987
Other finance income	(2,550)	(440)
Other finance expense	8,258	6,007
Net finance expense	41,398	15,554
Share of loss of joint venture (note 9)	705	425
Loss before tax	38,496	20,288
Current income tax recovery (note 14)	(661)	-
Deferred mining tax expense (note 14)	8,728	1,137
Net loss and comprehensive loss	\$ 46,563	\$ 21,425
Basic loss per share (note 15(b))	\$ 0.08	\$ 0.08
Weighted average number of shares (note 15(b))	613,555,296	277,113,580
Diluted loss per share (note 15(c))	\$ 0.08	\$ 0.08
Diluted weighted average number of shares (note 15(c))	613,555,296	277,113,580

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



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

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Accumulated Deficit	Total
Balance January 1, 2025	609,550,180	\$ 210,330	\$ 11,095	\$ 19,558	\$ (70,076)	\$ 170,907
Loss and comprehensive loss for the year	-	-	-	-	(46,563)	(46,563)
Stock-based compensation (note 15(d), 16 and 17)	-	-	-	1,361	-	1,361
Issuance of shares upon exercise of stock options (note 15(d))	1,438,499	862	-	(287)	-	575
Issuance of shares upon exercise of warrants (note 15(a) and (e))	4,841,602	1,957	(263)	-	-	1,694
Private Placement (note 15(a))	67,666,666	32,050	-	-	-	32,050
Balance December 31, 2025	683,496,947	\$ 245,199	\$ 10,832	\$ 20,632	\$ (116,639)	\$ 160,024

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Accumulated Deficit	Total
Balance January 1, 2024	256,574,935	\$ 131,751	\$ 2,369	\$ 19,092	\$ (48,651)	\$ 104,561
Loss and comprehensive loss for the year	-	-	-	-	(21,425)	(21,425)
Stock-based compensation (note 15(d), 16 and 17)	-	-	-	361	-	361
Issuance of shares upon exercise of warrants (note 15(a) and (e))	597,550	188	(38)	-	-	150
Private Placement (note 15(a))	347,377,695	75,904	8,869	-	-	84,773
Shares issued for acquisition of claims (note 15(a))	5,000,000	1,350	-	-	-	1,350
Expiry of warrants (note 15(e))	-	-	(105)	105	-	-
Deferred tax on share issuance costs (note 14)	-	1,137	-	-	-	1,137
Balance December 31, 2024	609,550,180	\$ 210,330	\$ 11,095	\$ 19,558	\$ (70,076)	\$ 170,907

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



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

<i>For the year ended</i>	December 31, 2025	December 31, 2024
Cash flows provided by/(used in) operating activities		
Loss for the year	\$ (46,563)	\$ (21,425)
Adjustments for:		
Gain from marketable securities (note 6 and 16)	(1,109)	(909)
Gain on sale of investment in joint venture (note 9)	-	(66)
Share of loss of joint venture (note 9)	705	425
Depreciation expense (note 8)	238	26
Asset retirement obligation expense (note 11)	(204)	(234)
Accretion on asset retirement obligation (note 11)	135	148
Flow-through premium income (note 15(a))	(16,071)	(832)
Stock-based compensation (note 13, 15(d) and 16)	5,628	339
Deferred income tax expense (note 14)	8,728	1,137
Fair value loss on convertible debenture (note 10)	35,690	9,987
Unrealized foreign exchange (gain)/loss on convertible debenture (note 10)	(2,900)	3,061
Interest expense on convertible debenture (note 10)	7,379	5,958
Interest expense on lease liability (note 12)	42	-
Finance income	(2,550)	(440)
	(10,852)	(2,825)
Change in items of working capital:		
Change in taxes recoverable	(1,175)	33
Change in other receivables	440	222
Change in other assets	(150)	(13)
Change in accounts payable and accrued liabilities	1,478	168
Net cash used in operating activities	(10,259)	(2,415)
Cash flows provided by/(used in) investing activities		
Finance income	2,550	668
Acquisition of marketable securities (note 6)	(500)	(1,009)
Proceeds on disposition of marketable securities (note 6)	30	-
Proceeds from recovery of long-term Deposits (note 18)	530	-
Investment in joint venture (note 9)	(2,750)	-
Proceeds on sale of investment in joint venture (note 9)	-	6,664
Acquisition of property, plant and equipment (note 8)	(108)	(137)
Addition to exploration and evaluation assets (note 7)	(45,893)	(5,765)
Net cash (used in)/provided by investing activities	(46,141)	421
Cash flows provided by/(used in) financing activities		
Repayment of lease liabilities (note 12)	(5)	-
Net cash received from private placements (note 15(a))	32,271	101,829
Cash received from exercise of stock options (note 15(d))	575	-
Cash received from exercise of warrants (note 15(a) and (e))	1,694	150
Net cash provided by financing activities	34,535	101,979
(Decrease)/increase in cash	(21,865)	99,985
Cash, beginning of the year	101,656	1,671
Cash, end of the year	\$ 79,791	\$ 101,656

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



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

1) Reporting entity and going concern

Osisko Metals Incorporated and its subsidiaries (collectively, "Osisko" or the "Corporation") is a Canadian corporation domiciled in Canada and was incorporated on May 10, 2000 under the *Business Corporations Act* (Alberta). The address of the Corporation's head office is 155 University Avenue, Suite 1440, Toronto, Ontario, Canada. The Corporation is primarily in the business of acquiring, exploring, and developing base metals 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 mineral properties and deferred exploration.

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 period. As at December 31, 2025, the Corporation had a negative working capital of \$9,000 (including a cash balance of \$79.8 million) and had an accumulated deficit of \$116.6 million. As the Corporation is in the exploration and evaluation stage for its projects, it has not recorded any revenues from operations and has no source of operating cash flow.

The working capital as at December 31, 2025, in addition to the equity raised subsequent to year end (note 21), will not be sufficient to meet the Corporation's obligations, commitments and budgeted expenditures through December 31, 2026. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Corporation'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 value of assets and liabilities, expenses and balance sheet classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

The Corporation's ability to continue future operations and fund its planned exploration activities at its projects is dependant on management's ability to secure additional financing in the future. In addition, there is the possibility of the conversion of the convertible debenture to shares rather than cash settlement. Any funding shortfall may be met in the future in a number of ways, including, but not limited to, selling a royalty on its projects (note 7), the issuance of debt or equity instruments (note 7 and 10) and the completion of joint venture arrangements (note 7 and 9). 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 Corporation or that they will be available on terms that are acceptable to the Corporation. If management is unable to obtain new funding, the Corporation may be unable to continue its operations, and amounts realized for assets might be less than the amounts reflected in these consolidated financial statements.



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

2) Basis of preparation***a) Statement of compliance***

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and are presented in thousands of Canadian dollars.

These consolidated financial statements were authorized for issuance by the Corporation's board of directors (the "Board of Directors") on March 4, 2026.

b) Functional and presentation currency

These financial statements are presented in Canadian dollars (tables in thousands of Canadian dollars), which is the functional currency for Osisko, and its joint venture.

c) Use of critical estimates and judgements

The preparation of these 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.

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.

The estimates and underlying assumptions are reviewed by management on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year if the revision affects both current and future year.

The areas that require management to make critical judgments in applying the Corporation's accounting policies in determining carrying values include:

i) Critical judgments in applying accounting policies***Income taxes:***

The Corporation is subject to income taxes in various jurisdictions. Significant judgment is required in determining the provision for income taxes, due to the complexity of legislation, including the judgments around the use of flow-through share financing. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business.



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

2) Basis of preparation (continued)***i) Critical judgments in applying accounting policies (continued)******Determination of joint control on joint venture:***

Judgment is needed to assess whether the Corporation's investment in the joint arrangement meets the definition of joint control and in turn whether it is a joint venture or joint operation.

Management made this determination based on its legal ownership interest and contractual rights and obligations, board representation, and through an analysis of the Corporation's participation and rights in the entity's policy-making process.

Management determined Osisko and Appian Natural Resources Fund III LP ("Appian") have joint control over the joint arrangement (note 9) with substantive decisions required to be made through joint agreement over the key financial, operating and strategic activities of the joint arrangement. The joint venture is structured as a separate vehicle and Osisko has a residual interest in the net assets of the joint venture rather than direct rights and obligations to the assets and liabilities of the joint arrangement. Accordingly, Osisko has classified its interest in Pine Point Mining Limited ("PPML") as a joint venture and applied equity accounting to its interest.

Impairment of investments in associate and joint venture:

The Corporation follows the guidance of IAS 28, *Investments in Associates and Joint Ventures* to assess whether there is objective evidence that its net investment in the investee is impaired, which may lead to the recognition of an impairment loss with respect to its net investment in an investee. This determination requires significant judgement in evaluating objective evidence of impairment as a result of a loss event and whether a loss event has an impact on the estimated future cash flows from the net investment. If there is objective evidence that the carrying value of an investee is impaired, it is written down to its recoverable amount. In making this judgement, the Corporation'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.

ii) Critical accounting estimates and assumptions

The areas that require management to make critical estimates and assumptions in determining carrying values include, but are not limited to:

Impairment of non-financial assets:

Asset groups are reviewed for an indication of impairment at each consolidated statement of financial position date or when a triggering event is identified. In order to apply the equity method, Management has to align Pine Point's accounting policies with those of the Corporation, which requires among other things management to assess whether indicators of impairment related to the Pine Point exploration and evaluation asset are present.

For exploration and evaluation assets (including the exploration and evaluation assets related to the Investment in joint venture), 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 Corporation 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; and a significant drop in current or forecast commodity prices.



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

2) Basis of preparation (continued)

ii) Critical accounting estimates and assumptions (continued)

Assessment of impairment of non-financial assets requires the use of judgments when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test on the Corporation's non-financial assets and in determining the recoverable amounts of certain properties for which management identified indicators of impairment.

No impairment indicators were identified by management as at December 31, 2025.

The Corporation assesses its cash-generating units at each reporting date to determine whether any indication of impairment exists. Where an indicator of impairment exists, an estimate of the recoverable amount is made, which is the higher of the fair value less costs of disposal and value in use. The determination of the recoverable amount requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential, and future operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.

Fair value of the embedded derivative liability:

Determining the fair value of the embedded derivative liability involves the application of the partial differential equations method. The Corporation uses its judgment to select a valuation model and to develop unobservable inputs to determine the fair values of the embedded derivative liability at the end of each reporting period. Determining the fair values of the embedded derivative liability required management to use significant unobservable inputs, related to the expected volatility and the credit spread. The valuation of the embedded derivative liability is subjective and can impact profit and loss significantly.

The following variables and data are used when determining the fair value of embedded derivative liability:

- **Risk-free interest rate:** The Corporation uses the interest rate available for government securities of an equivalent expected term at each valuation date.
- **Volatility:** The Corporation uses historical information on the market price of common shares of the Corporation to determine the degree of volatility at each valuation date.
- **Credit spread:** The Corporation uses the credit spread reasonable for an exploration stage mining company.

3) Material accounting policies

The accounting policies set out below are in accordance with IFRS Accounting Standards and have been applied consistently to the consolidated financial statements for the years ended December 31, 2025 and 2024.

a) Basis of measurement

The financial statements consolidate the accounts of the Corporation and its subsidiaries for the years ended December 31, 2025 and 2024.

Control exists when an investor is exposed or has rights to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee. Subsidiaries are consolidated from the date on which the Corporation obtains control and are de-consolidated from the date that control ceases to exist. All intercompany transactions, balances, and unrealized gains and losses from intercompany transactions are eliminated on consolidation.



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

3) Material accounting policies (continued)

b) Financial instruments

All highly liquid temporary cash investments with a low risk of loss and an original maturity of three months or less when purchased are cash equivalents. For the consolidated statements of cash flows, cash consist of solely cash. Restricted cash includes bank deposits, where the availability of funds is restricted by letter of credit arrangements.

Financial instruments are recognized on the consolidated statements of financial position on the trade date, the date on which the Corporation becomes a party to the contractual provisions of the financial instrument. The Corporation classifies its financial instruments in the categories below.

Financial Assets at Amortized Cost – Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. The Corporation's other receivables and deposits consist of fixed or determined cash flows related solely to principal and interest amounts. The Corporation's intent is to hold these financial assets until the related cash flows are collected. Other receivables and deposits are recognized initially at fair value, net of any transaction costs incurred, and subsequently measured at amortized cost, using the effective interest method. The Corporation recognizes a loss allowance for expected credit losses on a financial asset that is measured at amortized cost.

Financial Assets at Fair Value through Profit or Loss ("FVTPL") – Financial assets measured at FVTPL are assets, which do not qualify as financial assets at amortized cost or fair value through other comprehensive income. Marketable securities are classified as FVTPL. These financial assets are recognized at their fair value with changes to fair values recognized in profit or loss.

Financial Liabilities at Amortized Cost – Financial liabilities are measured at amortized cost using the effective interest method, unless they are required to be measured at FVTPL, or the Corporation has opted to measure them at FVTPL. Lease liabilities are recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost, using the effective interest method. The host contract of convertible debenture is recognized initially as the difference between total consideration received for the convertible loan less the fair value of the embedded derivative, and subsequently at amortized cost, using the effective interest method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the corresponding years. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Financial Liabilities at FVTPL – The Corporation classifies the embedded derivative liability arising from the conversion feature of the convertible debenture at FVTPL. The conversion feature is classified as a derivative financial liability as the loan is denominated in a currency other than the Corporation's functional currency (and therefore its exercise price is not fixed in the Corporation's functional currency) and is convertible into a variable number of both Common Shares and Warrants. The embedded derivative does not qualify as an equity instrument due to not meeting the "fixed for fixed" criteria of IAS 32 *Financial instruments: Presentation*. Therefore, the Corporation separates the embedded derivative from the host contract and accounts for each element separately. The embedded derivative is initially recognized and subsequently measured at its fair value. The amount of change in the fair value of the derivative is presented in profit or loss.

c) Derecognition of financial assets

The Corporation derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership. Gains and losses on derecognition are generally recognized in profit or loss. The Corporation derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, canceled, or expelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

3) Material accounting policies (continued)***d) Impairment of financial assets***

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting year-end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

The criteria that the Corporation uses to determine if there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or counterparty;
- default or delinquency in interest or principal payments; or
- it has become probable that the borrower will enter bankruptcy or financial reorganization.

At each statement of financial position date, on a forward-looking basis, the Corporation assesses 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 credit risk. For other receivables, the Corporation applies the simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Corporation assumes that there is no significant increase in credit risk for instruments that have a low credit risk.

e) Impairment of non-financial assets

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in prior years are assessed at each reporting year for any indications that the loss decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is only reversed to the extent that the asset's carrying value amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization if no impairment loss had been recognized.

For the purposes of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

f) Investment in joint venture

Joint ventures are joint arrangements in which the Corporation has joint control, whereby the Corporation has rights to the net assets of the arrangement, rather than direct rights to its assets and obligations for its liabilities. The financial results of the Corporation's investment in joint venture are included in the Corporation'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 Corporation's share of profits or losses of the joint venture after the date of acquisition. The Corporation's share of profits or losses is recognized in the statement of (income)/loss and its share of other comprehensive loss or loss of joint venture is included in other comprehensive loss. In order to apply the equity method, management has to align Pine Point's accounting policies with those of the Corporation, which requires among other things management to assess whether indicators of impairment related to the Pine Point exploration and evaluation assets are present.

g) Exploration and evaluation assets

Exploration and evaluation costs, including the cost of acquiring claims, are capitalized as exploration and evaluation assets on a project-by-project basis pending determination of the technical feasibility and the commercial viability of the project.



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

3) Material accounting policies (continued)**g) Exploration and evaluation assets (continued)**

Capitalized costs include costs directly related to exploration and evaluation activities in the area of interest. General and administrative costs are only allocated to the asset to the extent that those costs can be directly related to operational activities in the relevant area of interest. When a license is relinquished or a project is abandoned, the related costs are recognized in profit and loss immediately. Costs incurred before the consolidated entity has obtained the legal rights to explore an area are recognized in the statement of loss.

Any option payments received by the Corporation from third parties, proceeds received by the Corporation from the sales of royalties on its properties from third parties or tax credits refunded to the Corporation are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the period received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Corporation to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Option-out agreements are accounted for as farm-out arrangements. The Corporation, as the farmor, does not record any expenditures made by the optionee on its behalf, does not recognize any gain or loss on the option-out arrangement, but rather re-designates any costs previously capitalized in relation to the whole interest as relating to the partial interest retained. Any cash consideration received is credited against costs previously capitalized in relation to the whole interest with any excess accounted for by the Corporation as a gain on disposal.

The technical feasibility and commercial viability of extracting a mineral resource are considered to be determinable when proven reserves are determined to exist (or there is a high confidence of converting measured and indicated resources into reserves), the rights of tenure are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area, or by the sale of the property.

Upon demonstration of technical feasibility and commercial viability, the exploration and evaluation asset ceases being accounted for under IFRS 6 *Exploration for and Evaluation of Mineral Resources*. The exploration and evaluation assets attributable to those reserves are first tested for impairment and then reclassified from exploration and evaluation assets to a separate category within tangible assets, recorded under IAS 16 *Property, Plant and Equipment*. Expenditures deemed to be unsuccessful are recognized in profit or loss immediately.

h) Refundable tax credits for mining exploration and evaluation assets

The Corporation is entitled to a refundable tax credit on qualified mining exploration and evaluation expenditures incurred in the Province of Québec. The credit is accounted for against the exploration and evaluation expenditures incurred.

i) Current and deferred income tax

Income tax expense comprises current and deferred tax. Current and deferred taxes are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or other comprehensive income.

Mining taxes represent Canadian provincial tax levied on mining operations and are classified as income tax since such taxes are based on a percentage of mining profits. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using the tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect to the previous years.



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

3) Material accounting policies (continued)***i) Current and deferred income tax (continued)***

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits, and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

j) Asset retirement obligation

An asset retirement obligation is recognized for the expected costs of reclamation at mineral properties where the Corporation is legally or contractually responsible for such costs. Asset retirement obligations arise from the Corporation's obligation to undertake site reclamation and remediation in connection with the exploration of mineral properties. The Corporation recognizes the estimated reclamation costs when an environmental disturbance occurs but only when a reasonable estimate can be made.

The asset retirement obligation recognized is estimated on the risk-adjusted costs required to settle present obligations, discounted using a pre-tax risk-free discount rate consistent with the expected timing of expected cash flows. Changes in the estimated undiscounted cash flows and risk-free discount rate used in calculating the present value of the asset retirement obligation are offset to the reclamation cost asset previously recognized for the specific property. Actual reclamation expenditures incurred reduce the carrying value of the reclamation provision.

k) Share capital and warrants

Common shares and warrants are classified as equity. Incremental costs directly attributable to the issuance of shares or warrants are recognized as a deduction from the proceeds in equity in the period where the transaction occurs. Proceeds from the issuance of units are allocated between shares and warrants issued using the relative fair value method. Proceeds are charged in proportion to the fair value of shares based on the stock prices and the fair value of the warrants determined using the Black-Scholes option pricing model.



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

3) Material accounting policies (continued)***l) Flow-through shares***

Resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors under Canadian income tax legislation. On issuance, the Corporation separates the flow-through share into i) a flow-through share premium, equal to the difference between the current market price of the Corporation's common shares and the issue price of the flow-through share and ii) share capital, net of incremental costs. Upon expenses being incurred, the Corporation recognizes flow-through premium income in the statement of comprehensive loss/(income) for the amount of tax reduction renounced to the shareholders and reverses the flow-through premium liability.

m) Stock-based compensation

The Corporation maintains a share option plan for its officers, directors, employees, and consultants. The number of common shares that may be reserved for issuance pursuant to the exercise of stock options, is limited as follows: (a) the maximum aggregate number of common shares issuable pursuant to the exercise of stock options granted shall be a maximum of ten percent (10%) of the outstanding common shares as at the date of any stock option grant

i. Share option plan

Share options are settled in equity. The fair value of share options granted is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in contributed surplus. The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using an appropriate option pricing model, taking into account the terms and conditions upon which the options were granted. At each reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest based on an estimate of the forfeiture rate.

ii. RSU plan

Each Restricted Share Unit ("RSU") represents an entitlement to one common share of the Corporation, upon vesting. RSUs provide the option of being settled in cash. The fair value of RSUs granted is recognized as an expense over the vesting period using the graded vesting method with a corresponding increase in share-based payment liability. The liability is re-measured to fair value at each reporting date and, upon redemption, at the Corporation's closing share price, with any changes in the fair value recognized in profit or loss. At each reporting date, the amount recognized as an expense is adjusted to reflect the actual number of RSUs that are expected to vest based on an estimate of the forfeiture rate. Upon redemption of the RSU, the liability is transferred to share capital.

iii. DSU plan

Each Deferred Share Unit ("DSU") represents an entitlement to one common share of the Corporation and vests immediately on the date of grant. DSUs provide the option of being settled in cash. The fair value of DSUs granted is recognized as an expense on the date of grant with a corresponding increase in share-based payment liability. The liability is re-measured to fair value at each reporting date and, upon redemption, at the Corporation's closing share price, with any changes in the fair value recognized in profit or loss. Upon redemption of the DSU, the liability is transferred to share capital.

n) Loss per share

The Corporation presents basic and diluted (earnings)/loss per share data for its common shares. Basic (earnings)/loss per share is calculated by dividing the (income)/loss attributable to common shareholders of the Corporation by the weighted average number of common shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if holders with rights to convert instruments to common shares exercise these rights.



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

3) Material accounting policies (continued)***o) Finance income and finance costs***

Finance income comprises interest income on funds invested. Finance costs comprise interest expense and accretion.

p) Related party transactions

A related party is a person or entity that is related to the Corporation; that has control or joint control over the Corporation; that has significant influence over the Corporation; or is a member of the key management personnel of the Corporation.

An entity is related to the Corporation if the entity and the reporting entity are members of the same group (which means that each parent, subsidiary, fellow subsidiary, and joint venture is related to the others).

A related party transaction is a transfer of resources, services, or obligations between the Corporation, and a related party, regardless of whether a price is charged. All transactions with related parties are in the normal course of business and are measured at fair value.

q) Foreign currency translation

Foreign currency transactions 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 consolidated 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 comprehensive loss. Non-monetary assets and liabilities are translated at historical rates, unless such assets and liabilities are carried at market value, in which case, they are translated at the exchange rate in effect at the date of the consolidated statements of financial position.

4) Changes in IFRS accounting standards and future accounting pronouncements***New accounting standards issued but not yet effective***

In April 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* to improve reporting of financial performance. IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. It carries forward many requirements from IAS 1 unchanged. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted.

The new Accounting Standard introduces significant changes to the structure of a company's income statement and new principles for aggregation and disaggregation of information. The main impacts of the new Accounting Standard include:

- Introducing a newly defined "operating profit" subtotal and a requirement for all income and expenses to be allocated between three distinct categories based on the company's main business activities: Operating, investing and financing;
- Disclosure about management performance measures;
- Adding new principles for aggregation and disaggregation of information;
- Requiring the cash flow statement to start with operating profit; and
- Remove the accounting policy choice for presentation of dividend and interest.

They are not applicable or not expected to have a significant impact on the Corporation's consolidated financial statements.



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

4) Changes in IFRS accounting standards and future accounting pronouncements (continued)

Amendments to the accounting standards

In May 2024, the IASB published Amendments to IFRS 7 *Financial instruments: disclosures* and IFRS 9 *Financial instruments*. The amendments to IFRS 9 clarify de-recognition and classification of specific financial assets and liabilities respectively while the amendments to IFRS 7 clarify the disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income and contractual terms that could change the timing or amount of contractual cash flows on the occurrence or non-occurrence of a contingent event. The amendments to IFRS 9 and IFRS 7 are effective for annual reporting beginning on or after January 1, 2026.

They are not applicable or not expected to have a significant impact on the Corporation's consolidated financial statements.

5) Taxes recoverable

As at December 31, 2025, 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 7) incurred in the Province of Québec.

6) Marketable securities

The Corporation holds shares and warrants in various public companies. During the year ended December 31, 2025, these shares and warrants were fair valued, and this resulted in an unrealized gain of \$1,101,000 (2024 – \$908,000).

The shares in the various public companies are classified as FVTPL and are recorded at fair value using the quoted market price as at December 31, 2025, 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 using significant unobservable 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 December 31, 2025 and 2024:

<i>As at</i>	December 31, 2025	December 31, 2024
Balance, beginning of the year	\$ 1,929	\$ 12
Additions	500	1,009
Disposals	(30)	-
Realized gain	8	-
Net change in unrealized gain	1,101	908
Balance, end of the year	\$ 3,508	\$ 1,929



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

7) Exploration and evaluation assets

The following table summarizes information regarding the Corporation's exploration and evaluation assets as at December 31, 2025 and 2024:

	December 31, 2024		Additions	December 31, 2025
Gaspé Copper	\$	59,057	\$ 44,545	\$ 103,602
New Brunswick Properties		2,875	16	2,891
Total exploration and evaluation assets	\$	61,932	\$ 44,561	\$ 106,493

	December 31, 2023		Additions	December 31, 2024
Gaspé Copper	\$	52,860	\$ 6,197	\$ 59,057
New Brunswick Properties		2,812	63	2,875
Total exploration and evaluation assets	\$	55,672	\$ 6,260	\$ 61,932

During the year ended December 31, 2025, exploration and evaluation asset expenditures included in accounts payable and accrued liabilities were \$2,687,000 (2024 – \$213,000).

a) Gaspé Copper

On March 25, 2022, the Corporation signed a binding term sheet with Glencore (together, with the Corporation, the "Parties"), with respect to a purchase agreement (the "Purchase Agreement"), which, if entered into, would provide Osisko with an option (the "Gaspé Option") to acquire a 100% interest in the Gaspé Copper Project located near Murdochville, Québec.

The Gaspé Option granted to Osisko the exclusive right to acquire a 100% interest in the Gaspé Copper Project, subject to the following terms:

- Incurring drilling costs of \$5 million to test oxidation levels within the mineralization that surrounds Mount Copper and providing a letter indicating its intent to exercise the Gaspé Option by June 30, 2022; and
- Completing all necessary due diligence inquiries and negotiating any outstanding matters by the Parties.

Effective June 30, 2022, the Parties agreed to extend the time for exercise of the Gaspé Option. On July 11, 2022, Osisko announced it entered into definitive documentation with Glencore for the Gaspé Option granted to the Corporation to acquire the Gaspé Copper Project (the "Gaspé Transaction"). In addition, the Corporation provided notice of its exercise of the Gaspé Option to Glencore.

On July 14, 2023, Osisko closed the Gaspé Transaction. In connection with this transaction:

- Glencore was issued a US\$25 million senior secured convertible debenture (see note 10) of the Corporation which is convertible into units of Osisko at a price of \$0.40 per unit (each, a "Unit"), comprised of one Common Share and one-half Warrant. Each Warrant is exercisable by Glencore at an exercise price of \$0.46 per Common Share until July 14, 2026.
- Glencore retained a 1% net smelter return ("NSR") royalty on the historical Mount Copper open pit and a 3% NSR royalty on all other minerals extracted from the Gaspé Copper Project.
- Osisko will make a cash payment of US\$20 million to Glencore upon the commencement of commercial production at the Gaspé Copper Project, which will be included in the cost of the Mine once it becomes payable.



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

7) Exploration and evaluation assets (continued)

a) Gaspé Copper (continued)

- The Corporation is required to incur a total of \$55 million in exploration, development and environmental expenditures, including permitting expenditures, over a period of four years, which commenced on March 25, 2022, with a minimum of \$20 million to be incurred by March 25, 2024, which was met. A penalty will be payable to Glencore as a percentage of the expenditure deficit as compared to this commitment.
- Osisko entered into an offtake agreement with Glencore to purchase 100% of the concentrates produced at the Gaspé Copper Project.
- The Parties entered into an investor rights agreement (the “Investor Rights Agreement”), pursuant to which Glencore has been granted certain investor rights, provided that it maintains certain ownership thresholds in the Corporation. Among other things, the Investor Rights Agreement provides Glencore with the right to designate one director for appointment to the Board, participation rights in future equity issuances, piggyback registration rights and the right to maintain its pro-rata position in Osisko.
- Assumption of environmental rehabilitation obligations in favor of the Minister of Natural Resources and Forests (“MNR”) for \$5.3 million and a deposit in guarantee to the Town of Murdochville for \$766,737.

On October 8, 2024, the Corporation acquired mining claims near the Gaspé Copper Project in exchange for the issuance of 5,000,000 common shares of Osisko (note 15(a)) and the grant of a 2% net smelter return royalty, half of which is redeemable for an amount of \$2 million.

b) New Brunswick Properties

New Brunswick Properties owned by the Corporation, including Gilmour South, Key Anacon, Canadian Continental, Mount Fronsac, and others, are subject to or partially subject to a NSR royalty (the “OGR Royalty”) with Osisko Gold Royalties Ltd (“OGR”). On October 12, 2017, the Corporation entered into an agreement with OGR whereby OGR acquired a 1% NSR royalty, including on future acquisitions within a one-kilometer radius of existing holdings, on nearly all of Osisko’s projects within both New Brunswick and Quebec for a cash consideration of \$5 million. OGR has rights of first refusal on future royalty or metal stream sales from existing or newly acquired properties by Osisko.

8) Property, plant and equipment

The following table summarizes information regarding the Corporation’s property, plant and equipment as at December 31, 2025 and 2024:

Class	December 31, 2025							Net book value
	Cost			Accumulated depreciation				
	Opening balance	Additions	Closing balance	Opening balance	Depreciation	Closing balance		
Buildings	\$ 96	\$ 1,027	\$ 1,123	\$ 15	\$ 217	\$ 232	\$ 891	
Exploration Equipment	4	108	112	4	4	8	104	
Automobiles	26	-	26	11	13	24	2	
Office Equipment	22	-	22	22	-	22	-	
Computer Equipment	179	-	179	164	4	168	11	
Total	\$ 327	\$ 1,135	\$ 1,462	\$ 216	\$ 238	\$ 454	\$ 1,008	



Notes to Consolidated Financial Statements
For the year ended December 31, 2025 and 2024

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

8) Property, plant and equipment (continued)

Class	December 31, 2024						
	Opening balance	Cost		Closing Balance	Accumulated depreciation		Net book value
		Additions			Opening balance	Depreciation	
Office Building	-	\$ 96	\$ 96	-	\$ 15	\$ 15	\$ 81
Exploration Equipment	4	-	4	4	-	4	-
Automobiles	-	26	26	-	11	11	15
Office Equipment	22	-	22	22	-	22	-
Computer Equipment	164	15	179	164	-	164	15
Total	\$ 190	\$ 137	\$ 327	\$ 190	\$ 26	\$ 216	\$ 111

9) Investment in joint venture

On February 21, 2023, the Corporation entered into an investment agreement (the "Investment Agreement") with a subsidiary of Appian Natural Resources Fund III LP ("Appian"), a fund advised by Appian Capital Advisory LLP, a London-based private equity group specializing in the acquisition and development of mining assets, pursuant to which Osisko and Appian have agreed to form a joint venture for the advancement of the Pine Point Project (the "Transaction").

Concurrent with the execution of the Investment Agreement, Osisko and Appian entered into an agreement for the issuance of a convertible instrument to provide PPML with short-term interim funding of up to \$11.5 million to fund the 2023 drilling program on the Pine Point Project, in accordance with the agreed initial program and budget. When the Transaction closed on April 6, 2023, the \$6.7 million advanced by Appian and outstanding under the convertible instrument was converted into an ownership interest in PPML and the Initial Subscription was reduced by \$6.7 million outstanding under the Convertible Loan.

On April 6, 2023 Osisko deconsolidated Pine Point, and started accounting for its investment in PPML using the equity method. The Corporation derecognized the assets and liabilities of PPML from its consolidated balance sheet and recorded its interest in PPML at fair value as an investment in a joint venture for \$83 million. The equity accounting is based on the results to December 31, 2025.

The following table summarizes information regarding the Corporation's investment in PPML as at December 31, 2025 and 2024:

	PPML	
Balance, January 1, 2024	\$	82,665
Sale of interest to Appian		(6,664)
Gain on sale of ownership in joint venture		66
Share of loss and comprehensive loss for the year		(425)
Balance, December 31, 2024	\$	75,642
Cash investment in joint venture		2,750
Share of loss and comprehensive loss for the year		(705)
Balance, December 31, 2025	\$	77,687



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

9) Investment in joint venture (continued)

The following table is a summary of the financial information of PPML on a 100% basis, taking into account fair value adjustments made by the Corporation for equity accounting purposes. A reconciliation of PPML's summarized financial information to the Corporation's investment carrying value is as follows:

<i>As at</i>	December 31, 2025	December 31, 2024
Total current assets	\$ 1,597	\$ 8,682
Total non-current assets	154,335	141,436
Total current liabilities	(1,611)	(5,334)
Total net assets	\$ 154,321	\$ 144,784

<i>For the year ended</i>	December 31, 2025	December 31, 2024
Net loss and comprehensive loss	1,410	724

10) Convertible debenture

On July 14, 2023, Osisko acquired the Gaspé Copper Project from Glencore (note 7(a)) and in connection with this transaction issued a \$32.9 million (US\$25 million) senior secured convertible debenture (the "Convertible Debenture"). The Convertible Debenture is denominated in US Dollars with a term of 36 months and carries a semestrial coupon interest payment of 4% plus the greater between the 6-month Term SOFR and 2.5%.

The Convertible Debenture includes the following material conversion and settlement options available to the holder:

General conversion option:

The holder of the Convertible Debenture, at any time before maturity, can convert the outstanding principal amount into Units for \$0.40 per Unit based on the spot exchange rate at the time of a conversion. Each Unit comprises one Common Share and one-half Warrant. The Warrant can be used to subscribe one Common Share at an exercise price of \$0.46 per Common Share until July 14, 2026.

Interest repayment option:

Annually, the Corporation has an option to pay the interest in (i) cash; or (ii) subject to TSX approval, by capitalizing interest and adding it to the principal, which would then be converted into Units at the Corporation's share price determined at the anniversary on which such interest become payable.

Redemption option:

The Convertible Debenture also includes redemption mechanisms at the option of the holder in the event of a change of control or an event of default.

The Convertible Debenture is secured against all of the present and after acquired property of the Corporation in an aggregate principal amount of \$50 million. The Convertible Debenture represents a hybrid financial instrument with an embedded derivative requiring separation. The debt host portion (the "Host") of the instrument is classified at amortized cost, whereas the conversion option (the "Embedded Derivative") is classified as fair value through profit and loss ("FVTPL").



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

10) Convertible debenture (continued)

The following table summarizes information regarding the Corporation's Convertible Debenture as at December 31, 2025 and 2024:

		Host (Amortized cost)	Embedded Derivative (FVTPL)	Amount
Balance January 1, 2024	\$	26,727	\$ 4,723	\$ 31,450
Interest accretion		5,958	-	5,958
Change in fair value		-	9,987	9,987
Foreign exchange		2,646	415	3,061
Balance December 31, 2024	\$	35,331	\$ 15,125	\$ 50,456
Interest accretion		7,379	-	7,379
Change in fair value		-	35,690	35,690
Foreign exchange		(1,817)	(1,083)	(2,900)
Balance December 31, 2025	\$	40,893	\$ 49,732	\$ 90,625

The following table summarizes the assumptions used for the valuation of the Convertible Debenture's embedded derivative as at December 31, 2025 and 2024:

<i>As at</i>	December 31, 2025	December 31, 2024
Time to maturity	0.54 years	1.54 years
Share price	\$ 0.76	\$ 0.36
Foreign exchange rate	1.37	\$ 1.44
Volatility	75.80%	69.68%
Risk-free interest rate (based on government bonds)	3.58%	4.21%
Credit spread	14.66%	15.06%

The fair value of the Embedded Derivative, which is a Level 3 measurement, was determined using a valuation model which required the use of significant unobservable inputs.

	December 31, 2025			December 31, 2024		
		Relative change	Sensitivity*		Relative change	Sensitivity*
<u>Observable inputs:</u>						
Share price	\$ 0.76	+/-	10% +	\$ 0.36	+/-	10% +
			9,548			3,357
			9,073			3,036
Foreign exchange rate	1.371	+/-	5% +	1.439	+/-	5% +
			2,488			764
			2,494			758
<u>Unobservable inputs:</u>						
Expected volatility	62.75%	+/-	10% +	69.47%	+/-	10% +
			699			2,345
			526			1,958
Credit spread	14.66%	+/-	1% +	15.1%	+/-	1% +
			125			117
			127			120

*Holding all other variables constant



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

11) Asset retirement obligation

The obligation is estimated based on the Corporation's site remediation and restoration plan and the estimated timing of the costs to be paid in future years.

The following table summarizes the Corporation's asset retirement obligation as at December 31, 2025 and 2024:

	Amount
Balance January 1, 2024	\$ 4,722
Settlement of liabilities	(234)
Accretion expense	148
Change in estimate	(142)
Balance December 31, 2024	\$ 4,494
Settlement of liabilities	(204)
Accretion expense	135
Change in estimate	(139)
Balance December 31, 2025	\$ 4,286

The following are the assumptions used to estimate the provision for the asset retirement obligation:

	December 31, 2025	December 31, 2024
<i>For the year ended</i>		
Total undiscounted value of payments	\$ 4,728	\$ 4,844
Weighted average discount rate	3.42%	3.23%
Expected life	17.50 years	18.50 years
Inflation rate	2.00%	2.00%

12) Lease liabilities

The Corporation recognizes lease liabilities and right of use assets in relation to leases. The right of use assets are recorded in property, plant and equipment (note 8).

The following table summarizes the Corporation's right of use assets:

	December 31, 2025	December 31, 2024
<i>For the year ended</i>		
Offices	\$ 835	\$ -
Total	\$ 835	\$ -

Total additions to exploration and evaluation assets relating to short-term leases for the year ended December 31, 2025, were \$755,000 (2024 – \$117,000).

The following table summarizes the Corporation's lease liabilities:

	December 31, 2025	December 31, 2024
<i>For the year ended</i>		
Additions	1,027	-
Accretion of interest	42	-
Payments	(5)	-
Balance, end of the year	\$ 1,064	\$ -
Current	\$ 304	\$ -
Non-current	760	-
Total lease liabilities	\$ 1,064	\$ -



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

13) Deferred share unit and restricted share unit plans

In January 2025, Osisko established a DSU plan and a RSU plan. Under the plans, the DSUs can be granted to non-executive directors and RSUs 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 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 represent 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 December 31, 2025:

	Number of DSUs	Number of RSUs
Outstanding at December 31, 2024	-	-
Granted	2,048,985	12,500,000
Outstanding at December 31, 2025	2,048,985	12,500,000

During the year ended December 31, 2025, 2,048,985 DSUs were issued to directors, of which 298,985 were issued in lieu of directors' fees. The weighted average fair value of the DSUs granted was \$0.36 per DSU, initially measured 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 year ended December 31, 2025, 12,500,000 RSUs were issued to management. The weighted average fair value of the RSUs granted was \$0.33 per RSU, initially measured 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 December 31, 2025, 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 \$0.76.

The combined total expense recognized for RSUs and DSUs for the year ended December 31, 2025 was \$4,585,000, (2024 – \$nil), from which an expense of \$236,000, was capitalized to exploration and evaluation assets (2024 - \$nil).

14) Income taxes

Income tax expense/(recovery) is broken down as follows:

<i>For the year ended</i>	December 31, 2025	December 31, 2024
Current income tax recovery	\$ (661)	\$ -
Deferred mining tax expense	8,728	1,137
Total tax expense	\$ 8,067	\$ 1,137



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

14) Income taxes (continued)

The reconciliation of the effective tax expense to the tax expense computed using the Canadian statutory rate of 27.64% (2024: 26.73%) is as follows:

<i>For the year ended</i>	December 31, 2025	December 31, 2024
Loss before income taxes	\$ (38,496)	\$ (20,288)
Income tax recovery computed at Canadian statutory tax rate	(10,638)	(5,376)
Deferred mining tax net of the income tax benefit	6,975	-
Tax effect of renounced flow-through share expenditures	9,785	589
Change in the allocation between provinces	(397)	(124)
Non-deductible expenses	360	104
Non-taxable premium on flow through shares	(4,441)	-
Non-realized loss on Convertible Debenture (note 10)	10,542	1,729
Adjustments in respect of prior years	(618)	738
Refundable mining tax credit for losses	(546)	-
Change of unrecognized tax benefits	(2,955)	3,502
Other	-	(25)
Deferred Tax expense	\$ 8,067	\$ 1,137

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.

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

	December 31, 2024	Recognized in net loss	Recognized in equity	December 31, 2025
Deferred tax assets				
Unused losses	7,265	3,808	-	11,073
Unrealized capital losses	7	(7)	-	-
Issuance cost of shares	1,667	(480)	119	1,306
Future mining tax deduction	-	2,412	-	2,412
Share based compensation	-	1,267	-	1,267
Convertible Note	3,419	(1,052)	-	2,367
Other	43	124	-	167
Sub-total	12,401	6,072	119	18,592
Unrecognized tax benefits	(10,960)	3,074	(119)	(8,005)
Total deferred tax assets	1,441	9,146	-	10,587
Deferred tax liability				
Exploration and evaluation assets	(1,380)	(17,561)	-	(18,941)
Unrealized capital gains	-	(278)	-	(278)
Asset retirement obligation	(61)	(35)	-	(96)
Total deferred tax liabilities	(1,441)	(17,874)	-	(19,315)
Net deferred tax liability	-	(8,728)	-	(8,728)



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

15) 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.

On October 8, 2024, the Corporation acquired mining claims near the Gaspé Copper Project in exchange for the issuance of 5,000,000 common shares of the Corporation (note 7(a)).

On December 11, 2024, the Corporation completed a private placement of 64,215,117 units of the Corporation at a price of \$0.50 per unit issued as flow-through units for aggregate gross proceeds of \$32,108,000. Each flow through unit is comprised of one common share of Osisko and one half of one common share purchase warrant, each of which qualifies as "flow-through shares" within the meaning of the *Income Tax Act* (Canada) and the *Taxation Act* (Québec). Each common share purchase warrant is exercisable into one common share of Osisko until December 11, 2026, at an exercise price of \$0.35. The fair value of the common share purchase warrant was \$1.7 million and this fair value was netted against the gross proceeds on closing. The flow-through units were issued at a premium of \$0.21 to the closing market price of the Corporation's common shares on the day of issue. The premium was recognized as a long-term liability for \$15.4 million with a subsequent pro-rata reduction of the liability recognized as flow-through premium income as the required expenditures are incurred. The transaction costs amounted to \$1.9 million and have been netted against the gross proceeds on closing.

On December 11, 2024, the Corporation completed a private placement of 6,111,112 units of the Corporation at a price of \$0.54 per unit issued as flow-through units for aggregate gross proceeds of \$3.3 million. Each flow through unit is comprised of one common share of Osisko and one half of one common share purchase warrant, each of which qualifies as "flow-through shares" within the meaning of the *Income Tax Act* (Canada) and the *Taxation Act* (Québec). Each common share purchase warrant is exercisable into one common share of Osisko until December 11, 2026, at an exercise price of \$0.35. The fair value of the common share purchase warrant was \$166,000 and this fair value was netted against the gross proceeds on closing. The flow-through units were issued at a premium of \$0.25 to the closing market price of the Corporation's common shares on the day of issue. The premium was recognized as a long-term liability for \$1.7 million with a subsequent pro-rata reduction of the liability recognized as flow-through premium income as the required expenditures are incurred. The transaction costs amounted to \$202,000 and have been netted against the gross proceeds on closing.

On December 11, 2024, the Corporation completed a private placement of 277,051,466 units of the Corporation at a price of \$0.26 per unit for gross proceeds of \$72 million. Each unit is comprised of one common share of Osisko and one half of one common share purchase warrant. Each common share purchase warrant is exercisable into one common share of Osisko until December 11, 2026, at an exercise price of \$0.35. The fair value of the common share purchase warrant upon conversion was \$9.6 million and this fair value was netted against the gross proceeds on closing. The transaction costs amounted to \$4.4 million and were netted against the gross proceeds on closing.

On December 16, 2025, the Corporation issued an aggregate of 67,666,666 common shares of the Corporation at an issue price of \$0.48 per common share for an aggregate of \$32.5 million. The transaction costs amounted to \$430,000 and were netted against the gross proceeds on closing.

As at December 31, 2025, share issue costs included in accounts payable and accrued liabilities were \$221,000 (2024 – \$983,000).

During the year ended December 31, 2025, a total of 4,841,602 warrants (2024 – 597,500) were exercised for gross proceeds of \$1,694,000 (2024 - \$149,000) in exchange for the issuance of 4,841,602 common shares (2024 – 597,500) of the Corporation.



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

15) Capital and other components of equity (continued)

a) Share capital – authorized (continued)

During the year ended December 31, 2025, flow-through premium income of \$16,072,000 (2024 – \$832,000) was recognized relating to the flow-through shares issued by the Corporation.

b) Basic loss per share

The calculation of basic loss per share for the year ended December 31, 2025 and 2024 was based on the loss attributable to common shareholders and a basic weighted average number of common shares outstanding, calculated as follows:

<i>For the year ended</i>	December 31, 2025	December 31, 2024
Common shares outstanding, at beginning of the year	609,550,180	256,574,935
Weighted average number of common shares issued during the year	4,005,116	20,538,645
Basic weighted average number of common shares	613,555,296	277,113,580
Loss attributable to owners of the Corporation	\$ 46,563	\$ 21,425
Basic loss per share	\$ 0.08	\$ 0.08

c) Diluted loss per share

For the year ended December 31, 2025 and 2024, the Corporation incurred a net loss, therefore all outstanding convertible debenture, stock options and warrants have been excluded from the calculation of diluted loss per share since the effect would be anti-dilutive.

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 years ended December 31, 2025 and 2024:

	Number of stock options	Weighted-average exercise price
Outstanding at January 1, 2024	12,790,000	\$ 0.41
Granted	17,035,000	0.25
Expired	(5,135,000)	0.52
Outstanding at December 31, 2024	24,690,000	\$ 0.28
Granted	525,000	0.39
Exercised	(1,438,499)	0.40
Outstanding at December 31, 2025	23,776,501	\$ 0.27

During the year ended December 31, 2025, 525,000 stock options (2024 – 17,035,000) were issued to key employees of the Corporation at an exercise price of \$0.39 (2024 – 0.25) for a period of 5 years. The options have been fair valued at \$0.20 per option (2024 – 0.12) 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.



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

15) Capital and other components of equity (continued)

d) Contributed surplus (continued)

During the year ended December 31, 2025, a total of 1,438,499 (2024 – nil) stock options were exercised for gross proceeds of \$575,000 (2024 - \$nil) in exchange for the issuance of 1,438,499 (2024 – nil) common shares of the Corporation.

The total recognized expense for stock options for the year ended December 31, 2025 was \$1,361,000 (2024 – \$361,000), from which \$82,000 (2024 – \$22,000), was capitalized to exploration and evaluation assets.

The following table summarizes the weighted average assumptions used for the valuation of the stock options issued during the year ended December 31, 2025 and 2024:

<i>For the year ended</i>	December 31, 2025	December 31, 2024
Fair value at grant date	\$ 0.20	\$ 0.13
Share price at grant date	\$ 0.39	\$ 0.25
Exercise price	\$ 0.39	\$ 0.25
Expected volatility	57%	56%
Dividend yield	0.0%	0.0%
Option life (weighted average life)	5 years	5 years
Risk-free interest rate (based on government bonds)	2.83%	2.98%

The following table summarizes information regarding the Corporation's outstanding and exercisable stock options as at December 31, 2025:

Range of exercise prices per share (\$)	Options outstanding			Options exercisable		
	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 (\$)
0.16 to 0.29	3.7	18,925,001	\$0.25	3.6	6,871,646	\$0.25
0.30 to 0.44	1.6	4,851,500	\$0.36	1.3	4,326,500	\$0.36
0.16 to 0.44	3.3	23,776,501	\$0.27	2.7	11,198,146	\$0.29



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

15) Capital and other components of equity (continued)

e) Warrants

The following table summarizes the transactions pertaining to the Corporation's outstanding standard warrants for the year ended December 31, 2025 and 2024. These warrants are exercisable at one warrant for one common share of the Corporation:

	Number of warrants	Weighted-average exercise price
Outstanding at January 1, 2024	11,612,291	\$ 0.55
Issued (note 15(a))	173,688,848	0.35
Exercised	(597,550)	0.25
Expired	(1,416,458)	0.54
Outstanding at December 31, 2024	183,287,131	0.36
Exercised	(4,841,602)	0.35
Expired	(4,500)	0.25
Outstanding at December 31, 2025	178,441,029	\$ 0.36

The following table summarizes the assumptions used for the valuation of the warrants issued during the year ended December 31, 2024:

<i>For the year ended</i>	December 31, 2024
Fair value at grant date	\$ 0.05
Share price at grant date	\$ 0.26
Exercise price	\$ 0.35
Expected volatility	63%
Dividend yield	0.0%
Warrant life (weighted average life)	2 years
Risk-free interest rate (based on government bonds)	2.94%



Notes to Consolidated Financial Statements

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

16) Expenses

The following table summarizes information regarding the Corporation's expenses for the year ended December 31, 2025 and 2024:

<i>For the year ended</i>	December 31, 2025	December 31, 2024
Compensation expenses		
Stock-based compensation expense (note 13 and 15(d))	\$ 5,628	\$ 339
Salaries and benefits (note 17)	6,917	1,143
Total compensation expenses	\$ 12,545	\$ 1,482
General and administration expenses		
Shareholder and regulatory expense	\$ 1,294	\$ 672
Travel expense	430	190
Professional fees	1,020	835
Office expense	1,159	400
Total general and administration expenses	\$ 3,903	\$ 2,097
Marketable securities		
Realized gain from marketable securities (note 6)	(8)	\$ -
Net change in unrealized gain from marketable securities (note 6)	(1,101)	(909)
Total marketable securities (gain)	\$ (1,109)	\$ (909)

17) 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 year ended December 31, 2025, management fees, geological services, and administration fees of \$94,000 were charged to the Corporation's joint venture, PPML, by the Corporation (2024 - \$815,000). Accounts receivable from PPML as at December 31, 2025 were \$4,000 (2024 - \$155,000).

During the year ended December 31, 2025, management fees, geological services, and administration fees of \$5,000, (2024 - \$32,000), were charged to Brunswick Exploration Inc ("Brunswick"), a related company of the Corporation by virtue of common officers and directors. Accounts receivable from Brunswick as at December 31, 2025 were \$3,000 (2024 - \$32,000).

During the year ended December 31, 2025, management fees, geological services, and administration fees of \$6,000 (2024 - \$nil), were incurred with PPML by the Corporation. Accounts payable to PPML as at December 31, 2025 were \$nil (2024 - \$nil).

During the year ended December 31, 2025, management fees, geological services, and administration fees of \$21,000 (2024 - \$206,000), were incurred with Brunswick by the Corporation. Accounts payable to Brunswick as at December 31, 2025 were \$5,000 (2024 - \$41,000).



Notes to Consolidated Financial Statements

For the year ended December 31, 2025 and 2024

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

17) Related party transactions (continued)

The following table summarizes remuneration attributable to key management personnel for the year ended December 31, 2025 and 2024:

<i>For the year ended</i>	December 31, 2025	December 31, 2024
Salaries expense of key management	\$ 4,200	\$ 731
Directors' fees	166	123
Stock-based compensation expense	4,882	277
Total	\$ 9,248	\$ 1,131

18) Deposits

Deposits related to the environmental rehabilitation provision include deposits and a surety bond which are used as collateral for possible rehabilitation activities at the Gaspé Copper Project. Reclamation deposits are expected to be released once this property is restored to satisfactory conditions, or as released under the surety bond agreement. As they are restricted from general use, they are included under Deposits on the consolidated statements of financial position.

19) Capital risk factors

The Corporation manages its capital structure and makes adjustments to it, based on the funds available to the Corporation, in order to support the acquisition, exploration, and development of mineral properties. The Board of Directors does not establish a quantitative return on capital criteria for management but rather relies on the expertise of the Corporation's management to sustain future operations and realize on its mineral resource estimates.

The properties in which the Corporation currently has an interest are in the exploration stage; as such the Corporation is dependent on external financing to fund its activities. In order to carry out planned exploration and pay for administrative costs, the Corporation will spend its working capital and raise additional amounts as needed.

The Corporation will continue to assess new properties and seek to acquire an interest in additional properties if it is deemed there is sufficient geological or economic potential and if adequate financial resources are available. Management reviews its capital management approach on an ongoing basis and believes this approach, given the size of the Corporation, is reasonable. Neither the Corporation nor its subsidiaries are subject to externally imposed capital requirements.

20) Financial instruments

The fair market value represents the amount that would be exchanged in an arm's length transaction between willing parties that is best evidenced by a quoted market price if one exists.

The Corporation values instruments carried at fair value using quoted market prices, where applicable. Quoted market prices represent a Level 1 valuation. When quoted market prices are not available, the Corporation maximizes the use of observable inputs within valuation models. When all significant inputs are observable the valuation is classified as Level 2. Valuations that require the significant use of unobservable inputs are considered Level 3.



**Notes to Consolidated Financial Statements
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(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)

20) Financial instruments (continued)

As at December 31, 2025 and 2024, the Corporation classified publicly traded securities included in marketable securities and deposits as Level 1, and warrants included in marketable securities, and the embedded derivative from the convertible debenture as Level 3. The fair values of cash and accounts payable and accrued liabilities approximate their carrying values due to their short-term nature.

	December 31, 2025			December 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Marketable securities (note 6)	2,364	-	1,144	1,206	-	723
Deposits (note 18)	1,828	-	-	2,358	-	-
Convertible debenture (note 10)	-	-	90,625	-	-	50,456

There were no transfers between levels 1 and 3 and there were no changes in valuation techniques during 2025.

Financial risk factors

The Corporation's financial instruments are exposed to certain financial risks, including currency risk, interest rate risk, commodity price risk, credit risk, and liquidity risk. The Corporation's exposure to these risks and its methods of managing the risks remain consistent. There have been no changes in the risks, objectives, policies, and procedures from the previous year.

a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet contractual obligations and arises principally from the Corporation's receivables, cash and monetary investments. The receivables consist mainly of the refund of the goods and services tax receivable from the governments of Canada and Quebec. The carrying value of the financial assets represents the maximum credit exposure. Management mitigates credit risk by maintaining its cash and monetary investments with Canadian chartered banks.

b) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation has a planning and budgeting process in place to help determine the funds required to support the Corporation's normal operating requirements on an ongoing basis and its expansionary plans (note 1).

As of December 31, 2025, the Corporation had a cash balance of \$79,791,000 (December 31, 2024 - \$101,656,000) and negative working capital of \$9,111 (December 31, 2024 – positive \$34,974,000). The working capital as at December 31, 2025 will not be sufficient to meet the Corporation's obligations, commitments and budgeted expenditures for the next 12 months. The makeup of the Corporation's current liabilities includes the fair value of the Convertible Debenture that may be converted to common shares of the Corporation valued at \$90,625,000. Based on the current market price of the common shares, the Corporation has reasonable expectation that the Convertible Debenture will be converted to common shares at a conversion price of \$0.40 per common share. As conversion is at the election of the holder, there can be no assurance as to the timing or occurrence of any such conversion (whether in whole or in part).

c) Currency risk

Foreign currency risk is the risk that the Corporation's financial performance could be affected by fluctuations in the exchange rates between currencies. The convertible debenture is denominated in U.S dollars. As such, the Corporation is exposed to gains or losses on foreign exchange revaluation.



Notes to Consolidated Financial Statements**For the year ended December 31, 2025 and 2024****(Tabular amounts express in thousands of Canadian dollars, except per share and share amounts)**

20) Financial instruments (continued)**c) Currency risk (continued)**

Currently, the Corporation has no hedging contracts in place and therefore is exposed to the foreign exchange rate fluctuations. The strengthening of the U.S. dollar would negatively impact the Corporation's net loss/(income) and cash flows while the strengthening of the Canadian dollar would increase its net loss/(income) and cash flows.

As at December 31, 2025 and 2024, the convertible debenture host in U.S. dollars held by the Corporation were \$29,836,000 and \$24,554,000, respectively.

d) Commodity price risk

Commodity price risk arises from the possible adverse effect on current and future earnings due to fluctuations in commodity prices. The ability of the Corporation to develop its properties and the future profitability of the Corporation is directly related to these prices. The Corporation has not entered into any derivative financial instruments to manage exposures to price fluctuations.

e) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation monitors its exposure to interest rate and has not entered into any derivative financial instruments to manage this risk. The Corporation has a cash balance and no variable interest-bearing debt. The Corporation holds cash in deposit form in major Chartered Canadian banks.

If market interest rates for the year ended December 31, 2025, had increased or decreased by 0.25%, with all variables held constant, the loss for the year ended December 31, 2025, would have been approximately \$199,000 lower/higher (2024 - \$254,000), as a result of higher/lower interest income from cash.

21) Subsequent events

On January 26, 2026, 4,635,000 stock options were issued to directors, management and key employees, at an exercise price of \$0.99 for a period of 5 years. The options have been fair valued at \$0.56 per option using the Black-Scholes option pricing model. The options vest one third each on the first, second and third anniversaries from the grant date.

On January 26, 2026, 3,085,000 RSU of the Corporation were issued to certain executive directors, officers and key employees. Each RSU has been fair valued at \$1.00 initially at the Corporation's closing share price on the date of grant. The RSUs vest on the third anniversary date from the date of grant.

On January 26, 2026, 690,000 DSU of the Corporation were issued to certain independent directors. Each DSU has been fair valued at \$1.00 initially at the Corporation's closing share price on the date of grant. The DSUs vest immediately on the date of grant.

On February 3, 2026, the Corporation completed a private placement of 11,812,000 common shares of the Corporation at a price of \$1.27 per common share issued as flow-through shares for aggregate gross proceeds of \$15,001,000.

As at March 4, 2026, a total of 36,819,881 warrants were exercised for gross proceeds of \$13,782,000 in exchange for the issuance of 36,819,881 common shares of the Corporation.