OSISKO
METALS

Condensed Interim Consolidated Financial Statements

For the three and six-month periods ended June 30, 2026 and 2025

Presented in Canadian dollars

(Unaudited)

Table of Contents

OSISKO METALS

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

As at		June 30, 2026		December 31, 2025
Assets				
Current assets				
Cash and cash equivalents	$	102,721	$	79,791
Other receivables		13		37
Tax recoverable (note 3)		6,564		5,711
Marketable securities (note 4)		2,316		3,508
Other assets		557		251
Total current assets		**112,171**		**89,298**
Non-current assets				
Deposits (note 14)		1,828		1,828
Investment in joint venture (note 6)		78,060		77,687
Property, plant and equipment		980		1,008
Exploration and evaluation assets (note 5)		119,603		106,493
Total non-current assets		**200,471**		**187,016**
Total assets	**$**	**312,642**	**$**	**276,314**
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	$	7,769	$	7,002
Current asset retirement obligation (note 8)		552		478
Current lease liabilities		313		304
Convertible debenture (note 7)		232,108		90,625
Flow-through premium liability (note 11(a))		1,088		-
Total current liabilities		**241,830**		**98,409**
Non-current liabilities				
Non-current lease liabilities		602		760
Share-based payment liability (note 9, 12 and 13)		17,125		4,585
Asset retirement obligation (note 8)		3,698		3,808
Deferred tax liability (note 10)		10,218		8,728
Total non-current liabilities		**31,643**		**17,881**
Total liabilities		**273,473**		**116,290**
Equity				
Share capital (note 11(a))		286,290		245,199
Contributed surplus (note 11(d))		21,257		20,632
Warrants (note 11(e))		7,081		10,832
Accumulated deficit		(275,459)		(116,639)
Total equity attributed to equity owners of the Corporation		**39,169**		**160,024**
Total liabilities and equity	**$**	**312,642**	**$**	**276,314**

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

Commitments (note 15)
Subsequent events (note 16)

On behalf of the Board:

(Signed) "Keith McKay"	(Signed) "John Burzynski"
Keith McKay, Director	John Burzynski, Executive Chairman

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

	Three months ended		Six months ended	
For the period ended	**June 30, 2026**	**June 30, 2025**	**June 30, 2026**	**June 30, 2025**
Expenses/(income)				
Compensation expense (note 12 and 13)	$ 9,259	$ 2,331	$ 16,892	$ 5,735
General and administration expenses (note 12)	1,004	894	1,855	1,566
Flow-through premium income (note 11(a))	(907)	(4,009)	(1,009)	(5,271)
(Gain)/loss on marketable securities (note 4 and 12)	(998)	(234)	(654)	354
Loss/(gain) on foreign exchange (note 7)	3,108	(3,121)	4,680	(3,166)
Operating loss/(income)	**11,466**	**(4,139)**	**21,764**	**(782)**
Fair value loss/(gain) on convertible debenture (note 7)	69,962	(2,709)	132,607	5,827
Other finance income	(721)	(810)	(1,283)	(1,406)
Other finance expense	2,235	2,270	4,360	4,343
Net finance expense/(income)	**71,476**	**(1,249)**	**135,684**	**8,764**
Share of loss of joint venture (note 6)	63	298	127	438
Loss/(income) before tax	**83,005**	**(5,090)**	**157,575**	**8,420**
Current income tax recovery (note 10)	(151)	(176)	(244)	(176)
Deferred mining tax expense (note 10)	1,277	4,470	1,489	4,470
Net loss/(income) and comprehensive loss/(income)	**$ 84,131**	**$ (796)**	**$ 158,820**	**$ 12,714**
Basic loss per share (note 11(b))	**$ 0.11**	**$ -**	**$ 0.22**	**$ 0.02**
Weighted average number of shares (note 11(b))	**750,409,180**	**609,766,674**	**734,024,870**	**609,664,106**
Diluted loss per share (note 11(c))	**$ 0.11**	**$ -**	**$ 0.22**	**$ 0.02**
Diluted weighted average number of shares (note 11(c))	**750,409,180**	**699,441,674**	**734,024,870**	**609,664,106**

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

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

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Deficit and Accumulated Deficit	Total
Balance, January 1, 2026	**683,496,947**	**$ 245,199**	**$ 10,832**	**$ 20,632**	**$ (116,639)**	**$ 160,024**
Net loss and comprehensive loss for the period	-	-	-	-	(158,820)	**(158,820)**
Stock-based compensation (note 11(d), 12 and 13)	-	-	-	1,014	**-**	**1,014**
Issuance of shares upon exercise of stock options (note 11(a) and (d))	2,200,833	1,186	-	(389)	**-**	**797**
Issuance of shares upon exercise of warrants (note 11(a) and (e))	65,049,877	28,013	(3,751)	-	**-**	**24,262**
Private Placement (note 11(a))	11,812,000	11,892	-	-	**-**	**11,892**
Balance, June 30, 2026	**762,559,657**	**$ 286,290**	**$ 7,081**	**$ 21,257**	**$ (275,459)**	**$ 39,169**

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Deficit and Accumulated Deficit	Total
Balance, January 1, 2025	**609,550,180**	**$ 210,330**	**$ 11,095**	**$ 19,558**	**$ (70,076)**	**$ 170,907**
Net loss and comprehensive loss for the period	-	-	-	-	(12,714)	**(12,714)**
Stock-based compensation (note 11(d), 12 and 13)	-	-	-	704	-	**704**
Issuance of shares upon exercise of warrants (note 11(a) and (e))	385,450	155	(21)	-	-	**134**
Balance, June 30, 2025	**609,935,630**	**$ 210,485**	**$ 11,074**	**$ 20,262**	**$ (82,790)**	**$ 159,031**

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

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

For the six-month period ended	**June 30, 2026**	**June 30, 2025**
Cash flows provided by/(used in) operating activities		
Loss for the period	$ (158,820)	$ (12,714)
Adjustments for:		
(Gain)/loss from marketable securities (note 4 and 12)	(654)	354
Share of loss of joint venture (note 6)	127	438
Depreciation expense	148	84
Asset retirement obligation expense (note 8)	(75)	(63)
Accretion on asset retirement obligation (note 8)	69	68
Flow-through premium income (note 11(a))	(1,009)	(5,271)
Stock-based compensation (note 9, 11(d), 12 and 13)	12,996	2,230
Deferred mining tax expense (note 10)	1,489	4,470
Fair value loss on convertible debenture (note 7)	132,607	5,827
Unrealized foreign exchange loss/(gain) on convertible debenture (note 7)	4,680	(3,163)
Interest expense on convertible debenture (note 7)	4,196	3,530
Interest expense on lease liability	27	14
Finance income	(1,283)	(1,406)
	(5,502)	**(5,602)**
Change in items of working capital:		
Change in taxes recoverable	97	(1,246)
Change in other receivables	24	372
Change in other assets	(306)	(446)
Change in accounts payable and accrued liabilities	(2,070)	1,058
Net cash used in operating activities	**(7,757)**	**(5,864)**
Cash flows provided by/(used in) investing activities		
Finance income	1,283	1,406
Proceeds on disposition of marketable securities (note 4)	1,846	30
Investment in joint venture (note 6)	(500)	-
Acquisition of property, plant and equipment	(120)	-
Addition to exploration and evaluation assets (note 5)	(10,653)	(11,730)
Net cash used in investing activities	**(8,144)**	**(10,294)**
Cash flows provided by/(used in) financing activities		
Repayment of lease liabilities	(176)	(89)
Share issue expense on private placements (note 11(a))	-	(983)
Net cash received from private placements (note 11(a))	13,948	-
Cash received from exercise of warrants (note 11(a) and (e))	24,262	134
Cash received from exercise of stock options (note 11(d))	797	-
Net cash provided by/(used in) financing activities	**38,831**	**(938)**
Increase/(decrease) in cash and cash equivalents	**22,930**	**(17,096)**
Cash and cash equivalents, beginning of period	**79,791**	**101,656**
Cash and cash equivalents, end of period	**$ 102,721**	**$ 84,560**

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

1) Reporting entity

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 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.

2) Basis of preparation

Statement of compliance

These condensed interim 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") applicable to the preparation of interim financial statements, under International Accounting Standard 34, *Interim Financial Reporting*, and are presented in thousands of Canadian dollars.

These condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements and therefore should be read in conjunction with the Corporation's audited annual consolidated financial statements and notes thereto for the year ended December 31, 2025.

These condensed interim consolidated financial statements were authorized for issuance by the Corporation's board of directors (the "Board of Directors') on August 6, 2026.

Going Concern

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due.

As at June 30, 2026, the Corporation had a cash balance of $102,721,000 (December 31, 2025 - $79,790,000) and negative working capital of $129,659,000 (December 31, 2025 - $9,111,000). Current liabilities included the Convertible Debenture of $232,108,000, which was subsequently converted into securities of the Corporation (note 7), resulting in no cash outflow. In assessing the Corporation's ability to continue as a going concern, consideration was given to the conversion of the Convertible Debenture, Corporation's cash balance and its budgeted expenditures and commitments.

The Corporation is an exploration mining entity, has not generated revenues from current operations and is dependent on management's ability to secure additional financing in the future. The assessment of the going concern assumption involves judgement as it relies on the management's estimation of future cash flows for a period which is at least, but not limited to, twelve months from the financial statement date.

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

2) Basis of preparation (continued)

Changes in IFRS accounting policies and future accounting pronouncements

Certain pronouncements were issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee that are mandatory for accounting years beginning on or after January 1, 2026. For details, refer to the Corporation's audited annual consolidated financial statements and notes for the year ended December 31, 2025.

Use of critical estimates and judgements

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

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

In preparing these condensed interim consolidated financial statements, the significant judgements and estimates made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at December 31, 2025.

3) Taxes recoverable

As of June 30, 2026, 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 5) incurred in the Province of Québec.

4) Marketable securities

The Corporation holds shares and warrants in various public companies. During the three and six-month periods ended June 30, 2026, changes in the fair value of these shares and warrants resulted in a net change of $998,000 and $654,000, respectively (2025 – $235,000 and $353,000).

The following table summarizes information regarding the Corporation's marketable securities as at June 30, 2026:

As at	June 30, 2026	December 31, 2025
Balance, beginning of period	**$ 3,508**	**$ 1,929**
Additions	-	500
Disposals	(1,846)	(30)
Realized gain	1,385	8
Net change in unrealized (loss)/gain	(731)	1,101
Balance, end of period	**$ 2,316**	**$ 3,508**

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

5) Exploration and evaluation assets

The following table summarizes information regarding the Corporation's exploration and evaluation assets as at June 30, 2026:

	December 31, 2025	Additions	June 30, 2026
Gaspé Copper	$ 103,602	$ 12,906	$ 116,508
Popelogan	-	73	73
New Brunswick Properties	2,891	131	3,022
Total exploration and evaluation assets	**$ 106,493**	**$ 13,110**	**$ 119,603**

During the six-month period ended June 30, 2026, exploration and evaluation asset expenditures included in accounts payable and accrued liabilities were $5,565,000 (2025 – $2,687,000).

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 (note 7) 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. On July 13, 2026, Glencore exercised its right to convert the Convertible Debenture into securities of the Corporation in accordance with its terms (note 16).
- 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.
- The Corporation was 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, and this requirement has been fulfilled.
- Osisko entered into an offtake agreement with Glencore to purchase 100% of the concentrates produced at the Gaspé Copper Project.

5) Exploration and evaluation assets (continued)

a) Gaspé Copper (continued)

- 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 (“MNRF”) for $5.3 million and a deposit in guarantee to the Town of Murdochville for $767,000.

b) Popelogan Project A and B (The “Popelogan Project”)

Popelogan Project A

On January 9, 2026, the Corporation entered into an option agreement (the "Project A Agreement") with Mr. Gilles Gallant and Mrs. Huguette Gallant, as the optionors, with an effective date of May 1, 2026 (the "Project A Effective Date") for 100% of the right, title and interest in the Popelogan Project A located in New Brunswick, Canada (the "Project A Option"). Osisko agreed to pay $600,000 in cash and incur minimum work expenditures of $2,500,000 over a four-year period, commencing on the Project A Effective Date.

Osisko may accelerate the payment of the cash payments, and the incurring of exploration work expenditures in order to acquire a 100% interest in the Popelogan Project A in a shorter period. Upon Osisko having earned a 100% interest in the Popelogan Project A in accordance with the provisions of the Project A Agreement, Osisko shall grant to the optionors an aggregate 2.0% NSR. Osisko shall have the right at any time to purchase half of the NSR (1%) for a purchase price of $1,000,000 upon providing written notice to the optionors of such purchase.

At Osisko's election, Osisko may provide written notice of the termination of the Project A Option to the optionors at any time, provided that such notice is delivered at least 30 days prior to an anniversary date of the Project A Agreement.

Popelogan Project B

On April 20, 2026, the Corporation entered into an option agreement (the "Project B Agreement") with Prospect Or Corp., as the optionor, with an effective date of June 1, 2026 (the "Project B Effective Date") for 100% of the right, title and interest in the Popelogan Project B located in New Brunswick, Canada (the "Project B Option"). Osisko agreed to pay $200,000 in cash and incur minimum work expenditures of $750,000 over a four-year period, commencing on the Project B Effective Date.

Osisko may accelerate the payment of the cash payments, and the incurring of exploration work expenditures in order to acquire a 100% interest in the Popelogan Project B in a shorter period. Upon Osisko having earned a 100% interest in the Popelogan Project B in accordance with the provisions of the Project B Agreement, Osisko shall grant to the optionor an aggregate 2.0% NSR. Osisko shall have the right at any time to purchase half of the NSR (1%) for a purchase price of $1,000,000 upon providing written notice to the optionor of such purchase.

At Osisko's election, Osisko may provide written notice of the termination of the Project B Option to the optionor at any time, provided that such notice is delivered at least 30 days prior to an anniversary date of the Project B Agreement.

During the six-month period ended June 30, 2026, the Corporation has commenced a field study on the Popelogan Project A and Popelogan Project B properties.

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

5) Exploration and evaluation assets (continued)

c) 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 "OR Royalty") with OR Royalties Ltd ("OR''). On October 12, 2017, the Corporation entered into an agreement with OR whereby OR 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. OR has rights of first refusal on future royalty or metal stream sales from existing or newly acquired properties by Osisko.

6) Investment in joint venture

The following table summarizes information regarding the Corporation's investment in Pine Point Mining Limited ("PPML") as at June 30, 2026:

		PPML
Balance, December 31, 2025	**$**	**77,687**
Cash investment in joint venture		500
Share of loss for the period		(127)
Balance, June 30, 2026	**$**	**78,060**

7) Convertible debenture

On July 14, 2023, Osisko acquired the Gaspé Copper Project from Glencore (note 5(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.

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

7) Convertible debenture (continued)

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").

The following table summarizes information regarding the Corporation's Convertible Debenture as at June 30, 2026:

	Host (Amortized cost)	Embedded Derivative (FVTPL)	Amount
Balance, December 31, 2025	**$ 40,893**	**$ 49,732**	**$ 90,625**
Interest accretion	4,196	-	4,196
Change in fair value	-	132,607	132,607
Foreign exchange	1,634	3,046	4,680
Balance, June 30, 2026	**$ 46,723**	**$ 185,385**	**$ 232,108**

The following table summarizes the assumptions used for the valuation of the Convertible Debenture's embedded derivative as at June 30, 2026:

As at	**June 30, 2026**
Time to maturity	0.04 years
Share price	$ 1.79
Foreign exchange rate	$ 1.42
Volatility	61.56%
Risk-free interest rate (based on government bonds)	3.70%
Credit spread	14.46%

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.

	June 30, 2026		Relative change		Sensitivity*
Observable inputs:					
Share price	$ 1.79	+/-	10%	+	$ 25,510
				-	$ 25,166
Foreign exchange rate	$ 1.42	+/-	5%	+	$ 9,124
				-	$ 9,394
Unobservable inputs:					
Expected volatility	61.56%	+/-	10%	+	$ 109
				-	$ 118
Credit spread	14.46%	+/-	1%	+	$ 11
				-	$ 12

*Holding all other variables constant

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

7) Convertible debenture (continued)

On July 13, 2026, Glencore exercised its right to convert the Convertible Debenture into securities of the Corporation in accordance with its terms. The initial principal amount under the Convertible Debenture, together with all capitalized and uncapitalized, unpaid and accrued interest thereunder, was converted into units of the Corporation. Each Unit consisted of one common share of the Corporation and one-half of one common share purchase warrant of the Corporation.

In connection with the conversion:

(i) 88,962,500 units of the Corporation (the "Units"), each consisting of one Common Share and one-half of one warrant (each whole warrant, a "Principal Warrant"), were issued upon conversion of the outstanding principal amount of the Convertible Debenture at a conversion price of $0.40 per Unit, resulting in the issuance of 88,962,500 Common Shares and 44,481,250 Principal Warrants; and

(ii) 6,862,444 Units, each consisting of one Common Share and one-half of one warrant (each whole warrant, an "Interest Warrant"), were issued upon conversion of accrued and unpaid interest on the Convertible Debenture at a conversion price of $1.58 per Unit, resulting in the issuance of 6,862,444 Common Shares and 3,431,222 Interest Warrants. Each Interest Warrant entitles the holder to acquire one Common Share at an exercise price of $1.68 per Common Share.

Glencore subsequently elected to exercise all of the Principal Warrants on a cashless basis at an exercise price of $0.46 per Common Share, resulting in the issuance of an aggregate of 32,301,860 Common Shares to Glencore.

8) Asset retirement obligation

The following table summarizes the Corporation's asset retirement obligation as at June 30, 2026:

		Amount
Balance, December 31, 2025	**$**	**4,286**
Settlement of liabilities		(75)
Accretion expense		69
Change in estimate		(30)
Balance, June 30, 2026	**$**	**4,250**

As at June 30, 2026, the Corporation's asset retirement obligation consisted of a current portion of $552,000 (2025 – $478,000) and a non-current portion of $3,698,000 (2025 – $3,808,000).

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

As at		**June 30, 2026**
Total undiscounted value of payments	$	4,653
Weighted average discount rate		3.38%
Expected life		17 years
Inflation rate		2.00%

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

9) Deferred share unit and restricted share unit plans

In January 2025, Osisko established a Deferred Share Unit ("DSU") plan and a Restricted Share Unit ("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 June 30, 2026:

	Number of DSUs	Number of RSUs
Outstanding at December 31, 2025	**2,048,985**	**12,500,000**
Granted	1,028,776	3,085,000
Outstanding at June 30, 2026	**3,077,761**	**15,585,000**

During the six-month period ended June 30, 2026, 1,028,776 DSUs were issued to certain independent directors, of which 108,776 were issued in lieu of directors' fees. The weighted average fair value of the DSUs granted was $1.19 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 six-month period ended June 30, 2026, 3,085,000 RSUs were issued to certain executive directors, officers and key employees. The weighted average fair value of the RSUs granted was $1.00 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 June 30, 2026, 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 $1.79.

The combined total expense recognized for RSUs and DSUs for the three and six-month periods ended June 30, 2026 was $7,134,000 and $12,540,000, respectively (2025 – $428,000 and $1,628,000), from which an expense of $291,000 and $476,000, were capitalized to exploration and evaluation assets (2025 - $33,000 and $63,000).

10) Income taxes

The following table outlines the composition of the income tax expense between current and deferred tax:

For the period ended		**June 30, 2026**		**June 30, 2025**
Current income tax recovery	**$**	**(244)**	$	(176)
Deferred mining tax expense		**1,489**		4,470
Income tax expense	**$**	**1,245**	**$**	**4,294**

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

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

11) Capital and other components of equity

a) Share capital

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 for an aggregate of $15 million. Each common share qualifies as “flow-through shares” within the meaning of the Income Tax Act (Canada) and the Taxation Act (Québec). The flow-through shares were issued at a premium of $0.19 per share to the fair value of the Corporation’s common shares on the day of issue, resulting in the recognition of a flow-through premium liability of $2.2 million on initial recognition. The liability is reduced on a prorated basis as the required expenditures are incurred, with the reduction recognized as flow-through premium income. The transaction costs amounted to $989,000 and have been netted against the gross proceeds on closing.

As at June 30, 2026, share issue costs included in accounts payable and accrued liabilities were $nil (2025 – $221,000).

During the six-month period ended June 30, 2026, a total of 65,049,877 warrants (2025 – 385,450) were exercised for gross proceeds of $24,262,000 (2025 - $134,000) in exchange for the issuance of 65,049,877 common shares (2025 – 385,450) of the Corporation.

During the three and six-month periods ended June 30, 2026, flow-through premium income of $907,000 and $1,009,000, respectively (2025 – $4,009,000 and $5,271,000) 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 three and six-month periods ended June 30, 2026 and 2025 was based on the loss attributable to common shareholders and a basic weighted average number of common shares outstanding, calculated as follows:

	Three months ended		**Six months ended**	
For the period ended	**June 30, 2026**	**June 30, 2025**	**June 30, 2026**	**June 30, 2025**
Common shares outstanding, at beginning of the period	738,349,405	609,560,630	683,496,947	609,550,180
Weighted average number of common shares issued during the period	12,059,775	206,044	50,527,923	113,926
Basic weighted average number of common shares	**750,409,180**	**609,766,674**	**734,024,870**	**609,664,106**
Loss/(earnings) attributable to owners of the Corporation	**$ 84,131**	**$ (796)**	**$ 158,820**	**$ 12,714**
Basic loss per share	**$ 0.11**	**$ -**	**$ 0.22**	**$ 0.02**

c) Diluted loss per share

For the three and six-month periods ended June 30, 2026 and six-month period ended June 30 2025, 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.

The calculation of diluted loss per share for the three-month period ended June 30, 2025 was based on the income attributable to common shareholders, adjusted for gain on change in fair value of convertible debenture, and a basic weighted average number of common shares outstanding, adjusted for the effect of convertible debenture.

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

11) Capital and other components of equity (continued)

c) Diluted loss per share (continued)

All outstanding stock options, warrants, RSUs, and DSUs have been excluded from the calculation of diluted loss per share since the effect would be anti-dilutive.

For the period ended	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Basic weighted average number of common shares (note 11(b))	750,409,180	609,766,674	734,024,870	609,664,106
Effect of dilutive convertible debenture	-	89,675,000	-	-
Diluted weighted average number of common shares	**750,409,180**	**699,441,674**	**734,024,870**	**609,664,106**
(Earnings)/loss attributable to owners of the Corporation (note 11(b))	84,131	(796)	158,820	12,714
Gain on change in fair value of convertible debenture, net of interest expense and foreign exchange	-	4,058	-	-
Loss attributable to owners of the Corporation	**$ 84,131**	**$ 3,262**	**$ 158,820**	**$ 12,714**
Diluted loss per share	**$ 0.11**	**$ -**	**$ 0.22**	**$ 0.02**

d) Contributed surplus

Stock options can be granted to directors, officers, employees, and consultants of the Corporation as part of their long-term compensation package. The stock options may vest at the discretion of the board of directors and are exercisable for up to 5 years from the date of grant. The following table summarizes the stock option transactions for the period ended June 30, 2026:

	Number of stock options	Weighted-average exercise price
Outstanding at December 31, 2025	**23,776,501**	**$ 0.27**
Granted	4,835,000	0.93
Exercised	(2,200,833)	0.36
Expired	(20,000)	0.44
Outstanding at June 30, 2026	**26,390,668**	**$ 0.38**

During the six-month period ended June 30, 2026, 4,835,000 stock options (2025 – 400,000) were issued to directors, management and key employees of the Corporation at an exercise price of $0.93 (2025 – $0.38) for a period of 5 years. The options have been fair valued at $0.57 per option (2025 – $0.19) 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.

During the six-month period ended June 30, 2026, a total of 2,200,833 (2025 – nil) stock options were exercised for gross proceeds of $796,000 (2025 - nil) in exchange for the issuance of 2,200,833 (2025 – nil) common shares of the Corporation. The weighted average exercise price was $0.36 (2025 – nil) per option and the weighted average quoted share price of the Corporation’s common shares at the dates of exercise was $1.16 (2025 – nil) per share.

The total recognized expense for stock options for the three and six-month periods ended June 30, 2026 was $565,000 and $1,014,000, respectively (2025 – $351,000 and $704,000), from which $44,000 and $82,000, respectively (2025 – $21,000 and $38,000), was capitalized to exploration and evaluation assets.

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

11) Capital and other components of equity (continued)

d) Contributed surplus (continued)

The following table summarizes the weighted average assumptions used for the valuation of the stock options issued during the six-month period ended June 30, 2026:

For the period ended		**June 30, 2026**
Fair value at grant date	$	0.57
Share price at grant date	$	1.03
Exercise price	$	0.93
Expected volatility		59%
Dividend yield		0.0%
Option life (weighted average life)		5 years
Risk-free interest rate (based on government bonds)		2.90%

The following table summarizes information regarding the Corporation's outstanding and exercisable stock options as at June 30, 2026:

	Options outstanding			**Options exercisable**		
Range of exercise prices per share ($)	**Weighted-average remaining years of contractual Life**	**Number of stock options outstanding**	**Weighted-average exercise price ($)**	**Weighted-average remaining years of contractual life**	**Number of stock options exercisable**	**Weighted-average exercise price ($)**
0.16 to 0.25	2.4	3,462,334	$0.20	2.3	2,683,995	$0.21
0.26 to 0.29	3.5	14,933,334	$0.26	3.5	4,866,658	$0.26
0.30 to 1.74	3.4	7,995,000	$0.70	1.3	2,768,332	$0.33
0.16 to 1.74	**3.3**	**26,390,668**	**$0.38**	**2.6**	**10,318,985**	**$0.26**

e) Warrants

The following table summarizes the transactions pertaining to the Corporation's outstanding warrants for the six-month period ended June 30, 2026. These warrants are exercisable at one warrant for one common share of the Corporation:

	Number of warrants		**Weighted-average exercise price**
Outstanding at December 31, 2025	**178,441,027**	**$**	**0.36**
Exercised	(65,049,877)		0.37
Outstanding at June 30, 2026	**113,391,150**	**$**	**0.36**

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

12) Expenses

The following table summarizes information regarding the Corporation's expenses for the three and six-month periods ended June 30, 2026 and 2025:

For the period ended	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Compensation expenses				
Stock-based compensation expense (note 9 and 11(d))	$ 7,364	$ 724	$ 12,996	$ 2,230
Salaries and benefits (note 13)	1,895	1,607	3,896	3,505
Total compensation expenses	**$ 9,259**	**$ 2,331**	**$ 16,892**	**$ 5,735**
General and administration expenses				
Shareholder and regulatory expense	$ 326	$ 159	$ 612	$ 322
Travel expense	215	299	364	437
Professional fees	216	250	431	487
Office expense	247	186	448	320
Total general and administration expenses	**$ 1,004**	**$ 894**	**$ 1,855**	**$ 1,566**
Marketable securities				
Realized gain from marketable securities (note 4)	(902)	$ -	$ (1,385)	$ (8)
Net change in unrealized (gain)/loss from marketable securities (note 4)	(96)	(234)	731	362
Total marketable securities (gain)/loss	**$ (998)**	**$ (234)**	**$ (654)**	**$ 354**

13) Related party transactions

The following table summarizes remuneration attributable to key management personnel for the three and six-month periods ended June 30, 2026 and 2025:

For the period ended	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Salaries expense of key management	$ 650	$ 525	$ 1,300	$ 1,050
Directors' fees	51	34	102	80
Stock-based compensation expense	6,363	610	11,295	2,009
Total	**$ 7,064**	**$ 1,169**	**$ 12,697**	**$ 3,139**

14) 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 condensed interim consolidated statements of financial position.

15) Commitments

As of June 30, 2026, the Corporation has the following flow-through funds to be spent by December 31, 2027:

Closing Date of Financing	Province	Deadline for spending	Remaining Flow-through Funds
February 03, 2026	Québec	December 31, 2027	$ 7,783
Total			**$ 7,783**

16) Subsequent events

As at August 6, 2026, a total of 4,373,077 warrants (excluding the Principal Warrants (note 7)) were exercised for gross proceeds of $1,536,000 in exchange for the issuance of 4,373,077 common shares of the Corporation.