TORONTO, ONTARIO--(Marketwired - Aug 8, 2016) - Osisko Mining Inc. (TSX:OSK) ("Osisko" or the "Corporation") is pleased to announce that it has entered into a binding purchase agreement (the "Agreement") with 2176423 Ontario Ltd. ("2176423"), a company controlled by Mr. Eric Sprott, whereby Osisko has agreed to acquire ownership from 2176423 of an aggregate of 50,000,000 common shares in the capital of Barkerville Gold Mines Ltd. (BGM: TSXV) (the "Barkerville Shares"). The aggregate purchase price payable by the Corporation to 2176423 in consideration for 25,000,000 of the Barkerville Shares was $20,000,000, payable in cash (the "Cash Transaction"). The aggregate purchase price for the remaining 25,000,000 Barkerville Shares was payable by way of the issue to 2176423 of 8,097,166 common shares in the capital of the Corporation (the "Osisko Shares") at $2.47 per Osisko Share (together with the Cash Transaction, the "Transaction"). Further, pursuant to the Transaction, the common shares in the capital of Barkerville were acquired at $0.80 per Barkerville Share.

After giving effect to the Transaction, Osisko will have ownership of a total of 50,000,000 Barkerville Shares, representing approximately 17% of the total number of issued Barkerville Shares.

All securities issued and purchased under the Transaction are subject to a statutory four month hold period. Completion of the transaction is subject to TSX approval. Osisko is relying on the private agreement exemption in Section 4.2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* with respect to the acquisition of the Barkerville Shares.

This news release is being issued in accordance with National Instrument 62-103 - The Early Warning System and Related Take-Over Bid and Insider Reporting Issues in connection with the filing of an early warning report dated August 8, 2016. The early warning report respecting the Transaction has been filed on System for Electronic Document Analysis and Review ("SEDAR") at www.sedar.com under Barkerville's issuer profile. To obtain a copy of the early warning report filed by Osisko, please contact John Burzynski at (416) 363-8653 or refer to the SEDAR at www.sedar.com under Barkerville's issuer profile.

"The acquisition of an 17% interest in Barkerville is consistent with our strategy of building a portfolio of direct and indirect interests in what we believe will be the next generation of long life Canadian gold mines" said John Burzynski, Osisko's President and Chief Executive Officer.

Osisko notes that Barkerville is well funded with cash and short term investments of approximately $44.5 million as at May 31, 2016 to complete its near term development plans.

Osisko also notes that Barkerville's updated mineral resource estimate for the Cow Mountain area of the Cariboo Gold Project is outlined in the table below.

Classification	Tonnes (MTonnes)	Au Grade (g/t)	Au (Moz)[1]
Indicated	35.8	2.4	2.8
Inferred[2]	27.5	2.3	2.0

(1) Contained metal may differ due to rounding.

(2) The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

For further details regarding the key assumptions, parameters and methods used to estimate the mineral resources presented in respect of the Cow Mountain area of the Cariboo Gold Project, please see the "Barkerville Gold Mines Ltd. Cow Mountain NI 43-101 Technical Report Project No. V1458" dated effective date March 3, 2015 and filed on SEDAR on May 15, 2015 under the issuer profile of Barkerville at www.sedar.com.

Qualified Person

The scientific and technical content of this press release has been reviewed by Mr. Gernot Wober, P.Geo. Vice President Exploration for Osisko Mining Inc., Qualified Person as defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

2176423 Ontario Ltd.

Mr. Sprott currently holds indirectly, through 2176423, 105,281,643 Barkerville Shares and 3,260,000 Barkerville Share purchase warrants, representing approximately 35.8% of the outstanding Barkerville Shares on a non-diluted basis and 36.5% on a partially diluted basis assuming exercise of the warrants. After the Transaction, Mr. Sprott will hold indirectly 55,281,643 Barkerville Shares and 3,260,000 warrants, representing approximately 18.8% of the outstanding Barkerville Shares on a non-diluted basis and 19.7% on a partially diluted basis.

Mr. Sprott sold the Barkerville Shares for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional Barkerville Shares either on the open market or through private acquisitions or sell the Barkerville Shares either on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors. A copy of Mr. Sprott's early warning report will appear on Barkerville's profile on SEDAR and may also be obtained by calling (416) 362-7172 (200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J2.

About Osisko Mining Inc.

Osisko is a mineral exploration company focused on the acquisition, exploration, and development of precious metal resource properties in Canada. Osisko holds a 100% in the high-grade Windfall Lake gold deposit located between Val-d'Or and Chibougamau in Québec and holds a 100% undivided interest in a large area of claims in the surrounding Urban Barry area (82,400 hectares), a 100% interest in the Marban project located in the heart of Québec's prolific Abitibi gold mining district, and properties in the Larder Lake Mining Division in northeast Ontario, including the Jonpol and Garrcon deposits on the Garrison property, the Buffonta past producing mine and the Gold Pike mine property. The Corporation also holds interests and options in a number of additional properties in northern Ontario. After giving effect to the Transaction, Osisko will continue to be well financed and will have approximately $50 million in cash and cash equivalents as well as marketable securities (including the Barkerville Shares) of approximately $60 million.

Cautionary Note Regarding Forward-Looking Information

Except for the statements of historical fact, this news release contains "forward-looking information" within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates and projections as at the date of this news release. Forward-looking information in this news release includes information concerning: the intentions, plans and future actions of Osisko; the expected timing for completing the Transaction, if at all; Osisko's ability to satisfy the conditions precedent to completing the Transaction, if at all; and other information that is not historical facts.

Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information.

This forward-looking information is based on reasonable assumptions and estimates of management of Osisko, at the time it was made, involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Osisko to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, Osisko cannot assure shareholders and prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither Osisko nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. Osisko does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

Cautionary Statements Regarding Technical Information

Mineral resources are not mineral reserves and do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing or other relevant issues. In particular, the quantity and grade of reported inferred mineral resources in the estimates referenced in this press release are uncertain in nature and there is insufficient exploration to define these inferred mineral resources as an indicated or measured mineral resource in all cases. It is uncertain in all cases whether further exploration will result in upgrading the inferred mineral resources to an indicated or measured mineral resource category.

Contact

John Burzynski
President & Chief Executive Officer
(416) 363-8653