MONTREAL, QUEBEC--(Marketwired - Oct 5, 2016) - Osisko Mining Inc. (TSX:OSK) ("Osisko Mining" or the "Corporation") is pleased to announce that it has finalized the earn-in transaction with Osisko Gold Royalties Ltd. ("Osisko Royalties"), as announced by the Corporation on August 16, 2016. Under the terms of the earn-in agreement, Osisko Mining may earn a 100% interest in Osisko Royalties' interest in 28 exploration properties located in the James Bay area, Québec and the Labrador Trough area (the "Properties") upon incurring exploration expenditures totaling $32 million over the 7-year term of the earn-in agreement; Osisko Mining will earn a 50% interest upon completing expenditures totaling $19.2 million. Osisko Royalties will retain an escalating net smelter return ("NSR") royalty ranging from 1.5% to a maximum of 3.5% on precious metals and a 2% NSR royalty on other metals and minerals produced from the Properties. Additionally, any new properties acquired by Osisko Mining in the designated area during the 7-year term of the earn-in agreement may also be subject to a royalty agreement in favour of Osisko Royalties with similar terms and subject to certain conditions. In connection with the transaction, Osisko Royalties has covenanted not to participate in any exploration activities and not to compete with Osisko Mining in the areas covered by the earn-in agreement; provided, however, that Osisko Royalties may continue its existing activities in respect of the Coulon copper-zinc project held by Osisko Royalties and other Québec institutional shareholders and on four other exploration properties.

As part of the transaction, Osisko Mining is hiring all of the existing Québec based exploration team of Osisko Royalties (being the former employees of Virginia Mines Inc.).

John Burzynski, President and Chief Executive Officer of Osisko Mining stated: "We are very pleased to complete this earn-in agreement with Osisko Royalties. The property portfolio in the James Bay region of Québec compliments our expanding programs at Windfall, and with both project groups being in the same geographical area of Québec and falling within the boundaries of Québec's Plan Nord program, we expect to see logistical and project execution efficiencies. We are looking forward to having the ex-Virginia team join our group in the pursuit of new discoveries in the Windfall camp, and continuing their work on the James Bay area projects."

Due to the fact that Osisko Royalties is an insider of and a related party of Osisko Mining, this transaction is a "related party transaction" as set out in Multilateral Instrument 61-101 ?Ã¿Ã¿ *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Osisko Mining has relied on the exemption from the valuation requirements of MI 61-101 contained in section 5.5(a) and from minority approval requirements under section 5.7(a), because the fair market value of the subject matter of, and the consideration for, the transaction, does not exceed 25% of the market capitalization of Osisko Mining. The entry into of the transaction has been approved by the directors of Osisko Mining, other than those with an interest in Osisko Royalties.

Exercise of Option

Osisko Royalties has also exercised its option to acquire 1% NSR royalty on Osisko Mining's Windfall and Urban Barry properties for $5 million. Osisko Mining is currently executing a 150,000 metre program on the Windfall Project and surrounding area.

About Osisko Mining Inc.

Osisko Mining is a mineral exploration company focused on the acquisition, exploration, and development of precious metal resource properties in Canada. Osisko Mining 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. Osisko Mining continues to be well financed and has approximately $80 million in cash and cash equivalents as well as marketable securities of approximately $60 million.

Cautionary Note Regarding Forward-Looking Information

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. The information in this news release about the earn-in transaction with Osisko Royalties; the timing and ability of Osisko Mining to incur exploration expenditures and satisfy the conditions precedent to the earn-in agreement, if at all; the non-competition provision of Osisko Royalties in favour of Osisko Mining; the expansion of the Windfall drill program; the complementary nature of the James Bay, Québec exploration properties of Osisko Royalties to the drill program of Osisko Mining at Windfall Lake; the timing and ability to integrate the exploration employees of Osisko Royalties, if at all; the ability to complete any proposed drilling or exploration activities and the results of such activities; and any other information herein that is not a historical fact may be "forward-looking information". 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 Mining, 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 Mining to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, risks relating to the prospectivity of the James Bay, Québec exploration properties of Osisko Royalties which are subject to the earn-in agreement; the quality of the exploration activities and results; property interests; our ability to complete further exploration activities, including drilling; the results of exploration activities; risks relating to mining activities; the global economic climate; metal prices; dilution; environmental risks; and community and non-governmental actions. 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 Mining 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 Mining nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. Osisko Mining 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.

Contact

Osisko Mining Inc.
John Burzynski
President and Chief Executive Officer
(416) 363-8653