Extends FW2 Zone in Underdog Corridor

MONTREAL, QUEBEC--(Marketwired - Jan 5, 2017) - Osisko Mining Inc. (OSK:TSX) ("Osisko" or the "Corporation") is pleased to announce new results from the ongoing drill program at its 100% owned Windfall Lake gold project located in the Urban Township, Québec. The drill program has recently been increased by 250,000 metres for the 2017 season (for a total of 400,000 metres) and combines definition drilling above the Red Dog intrusion ("Red Dog"), expansion drilling above and below Red Dog, expansion drilling to the NE of the main mineralization, and exploration drilling on the greater deposit and Urban-Barry Project area. Nine drills are currently active in and around the Windfall deposit and three on the Urban-Barry and Souart properties, with additional drills planned to be added in the coming month. Data from seven new drill holes are reported in this release, with significant assay results presented in the table below.

New results include: 47g/t Au over 2.6 metres (303 g/t Au over 2.6 metres uncut) in DDH OSK-W-16-743; 8.7 g/t Au over 6.8 metres (11.6 g/t Au over 6.8 metres uncut) in OSK-W-16-735-W1; 11.7 g/t Au over 5.3 metres, 7.9 g/t Au over 9.8 metres and 12.2 g/t Au over 3.5 metres in OSK-W-16-735-W2; and 16.5 g/t Au over 3.7 metres in OSK-W-16-746.

The new results continue to demonstrate the continuity of the gold mineralization in the main deposit, and the continued high potential for significant new mineralization at depth below Red Dog.

Maps and sections showing drill hole locations are available at www.osiskomining.com.

Hole No.	From (m)	To (m)	Interval (m)	Au (g/t) uncut	Au (g/t) cut to 100 g/t	Zone	Corridor
OSK-W-16-735-W1	520.5	527.3	6.8	11.6	8.7	FW1	Underdog
including	521.5	522.0	0.5	140	100		
OSK-W-16-735-W2	532.2	535.7	3.5	12.2		FW1	Underdog
	545.8	548.6	2.8	6.8		FW1	Underdog
	808.5	818.3	9.8	7.9		FW3	Underdog
	822.7	828.0	5.3	11.7		FW3 footwall	Underdog
including	825.0	825.5	0.5	54.1			
OSK-W-16-743	1173.6	1183.3	9.7	3.4		FW1	Underdog
including	1179.2	1179.8	0.6	13.3			
	1233.7	1236.3	2.6	303	47.0	FW2	Underdog
including	1233.7	1235.8	2.1	375	57.7		
OSK-W-16-744	365.0	374.0	9.0	5.0		Caribou	Caribou
including	372.0	373.0	1.0	31.2			
	578.0	594.0	16.0	4.9		Zone 27	Zone 27
including	578.0	582.0	4.0	15.2			
OSK-W-16-746	343.0	348.2	5.2	5.5		Caribou	Caribou
including	344.8	345.2	0.4	47.2			
	603.0	606.7	3.7	16.5		Vein	Caribou
OSK-W-16-747	298.3	300.7	2.4	13.7		Caribou	Caribou
Including	298.3	299.3	1.0	31.5			
	417.0	419.0	2.0	11.4		CS1	Caribou
Including	417.0	418.3	0.5	45.3			
OSK-W-16-753	666.5	674.0	7.5	7.9		CS3	Caribou
including	666.5	670.1	3.6	14.1			

Notes:

(1) For complete drilling results please see www.osiskomining.com
(2) True Widths are estimated at 65 - 80% of the reported core length interval. See "Quality Control" below

Full analytical results from the new drill holes are available at www.osiskomining.com

Hole Number	Azimuth (°)	Dip (°)	Length (m)	UTM E	UTM N	Section
OSK-W-16-735-W1	331.8	-63.9	1072.5	452285	5434583	2375
OSK-W-16-735-W2	331.8	-63.9	1091.0	452285	5434583	2375
OSK-W-16-743	334.2	-64.3	1561.5	452651	5434237	2525
OSK-W-16-744	331.0	-55.9	690.9	452665	5434733	2775

OSK-W-16-746	330.5	-57.1	874.5		452550	5434673	2650
OSK-W-16-747	331.0	-56.5	548.1		452449	5434488	2475
OSK-W-16-753	332.0	-58.0	756.5		452756	5434465	2725

DDH OSK-W-16-735-W1 tested several zones in the Underdog corridor. The FW1 Zone returned 8.7 g/t Au over 6.8 metres (11.6 g/t Au over 6.8 metres uncut) 20 metres ENE from previously reported hole OSK-W-16-735 (14.1 g/t Au over 2.1 metres). Visible gold is associated with pyrite stockwork in a strongly silicified and sericitized felsic porphyry. The FW3 Zone returned 1.0 g/t Au over 5.7 metres in an altered felsic porphyry showing the continuity of the mineralized system.

DDH OSK-W-16-735-W2 intersected the FW1 Zone, 30 metres NE of DDH OSK-W-16-735-W1, returning 12.2 g/t Au over 3.5 metres and 6.8 g/t Au over 2.8 metres. The disseminated pyrite and pyrite stockwork are included in a 16 metres wide silicified and sericitized corridor.

The hanging wall of the FW3 Zone returned 7.9 g/t Au over 9.8 metres and the footwall 11.7 g/t Au over 5.3 metres. Both intersections are included in a 24 metre wide silicified and sericitized corridor. Gold mineralization is associated with pyrite stockwork and altered felsic porphyry.

DDH OSK-W-16-743 intersected 3.4 g/t Au over 9.7 metres in the Underdog Corridor and extends the FW1 Zone by 100 metres below previously reported hole OBM-15-560 (5.7 g/t Au over 13 metres). Mineralization includes pyrite stringers, disseminated chalcopyrite and quartz-tourmaline veins. The FW2 Zone was extended by 100 metres vertically with 47.0 g/t Au over 2.6 metres (303.1 g/t Au over 2.6 metres uncut).

DDH OSK-W-16-744 was an infill hole in the Caribou Zone which intersected 5.0 g/t Au over 9.0 metres. Mineralization consists of pyrite stringers hosted in a felsic porphyry. The intersection stepped 20 metres above previously reported DDH OSK-W-16-720 (5.6 g/t Au over 4.4). The hole also intersected Zone 27 returning 4.9 g/t Au over 16.0 metres associated with pyrite stringers in a strongly silicified and sericitized felsic porphyry. The intersection is an infill step 30 metres NE of previously reported DDH OBM-16-689 (4.7 g/t Au over 2.1 metres,).

DDH OSK-W-16-746 was an infill hole in the Caribou Zone which returned 5.5 g/t Au over 5.2 metres inside a 14 metre wide strongly silicified rhyolite. Mineralization comprises disseminated pyrite and pyrite stringers. The hole also intersected tension veins which returned 16.5 g/t Au over 3.7 metres near the Red Dog contact.

DDH OSK-W-16-747 was an infill hole in the Caribou Zone which returned 13.7 g/t Au over 2.4 metres. Mineralization is composed of pyrite stockwork in a sericitized rhyolite. The Caribou South 1 Zone returned 11.4 g/t Au over 2.0 metres in an altered andesite containing 1% pyrite stockwork.

DDH OSK-W-16-753 intersected 7.9 g/t over 7.5 metres in the Caribou Corridor and extended the CS3 Zone 80 metres West of previously reported hole OSK-W-16-708-W2 (7.4 g/t Au over 2.2 metres,). Mineralization is composed of pyrite stringers and disseminated chalcopyrite in a strongly silicified andesite.

Qualified Person

The scientific and technical content of this news release has been reviewed, prepared and approved by Mr. Jean-Philippe Desrochers, Ph.D., P.Geo. Senior Project Manager of the Windfall Lake gold project, who is a "Qualified Person" as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101").

Quality Control

True widths of the new exploration intercepts below Red Dog reported in this press release have yet to be determined. Additional drilling is planned for the immediate area which will enable the true width determination. True widths of intercepts in the zones above the Red Dog are estimated at 65-80% of the reported core length intervals. Assays are uncut except where indicated. All NQ core assays reported were obtained by either 1 kilogram whole rock metallic screen/fire assay or standard 50 gram fire-assaying with AA or gravimetric finish at ALS Laboratories in Val d'Or, Québec or Sudbury, Ontario. The 1 kilogram metallic screen assay method is selected by the geologist when samples contain coarse gold or present a higher percentage of pyrite than surrounding intervals. All samples are also analyzed for multi-elements, including silver, using an Aqua Regia-ICP-AES method at ALS laboratories. Drill program design, Quality Assurance/Quality Control and interpretation of results is performed by qualified persons employing a Quality Assurance/Quality Control program consistent with NI 43-101 and industry best practices. Standards and blanks are included with every 20 samples for Quality Assurance/Quality Control purposes by the Corporation as well as the lab. Approximately 5% of sample pulps are sent to secondary laboratories for check assays.

About the Windfall Lake Gold Deposit

The Windfall Lake gold deposit is located between Val-d'Or and Chibougamau in the Abitibi region of Québec, Canada. The current mineral resource comprises 2,762,000 tonnes at 8.42 g/t Au (748,000 ounces) in the indicated category and 3,512,000 tonnes at 7.62 g/t Au (860,000 ounces) in the inferred category (sourced from a technical report dated June 10, 2015 entitled "Preliminary Economic Assessment of the Windfall Lake Gold Property, Québec, Canada" with an effective date of April 28, 2015, prepared in accordance with NI 43-101). The Windfall Lake gold deposit is currently one of the highest grade resource-stage gold projects in Canada. The bulk of the mineralization occurs in the Main Zone, a southwest/northeast trending zone of stacked mineralized lenses, measuring approximately 600 metres wide and at least 1,400 metres long. The deposit is well defined from surface to a depth of 500 metres, and remains open along strike and at depth. Mineralization has been identified only 30 metres from surface in some areas and as deep as 870 metres in others, with significant potential to extend mineralization up and down-plunge and at depth.

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. Osisko 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, projections and interpretations as at the date of this news release. The information in this news release about the significant potential of the northeast area of the Windfall deposit; the significance of new results from the ongoing 150,000 metre drill program at the Windfall Lake gold deposit; a potential increase in the scale of the previously defined mineralized system; the Corporation's commitment to doing more systematic drilling of the northeast area of the Windfall deposit; the importance of the recently expanded step-out drilling along fences northeast of the main deposit; the possible relation of a linear magnetic depression to a magnetite destructive silica-sericite alteration corridor associated with the intrusive system of the Windfall deposit; the ability of the high-resolution airborne magnetic survey to accurately identify the magnetic feature; the significance of the drill holes of the first three step-out lines and their ability to support management's view that the deposit is characteristic of the main Windfall deposit and continues along the extension program area; the mineralization and alteration of the three step-out lines being similar to known zones in the Windfall deposit; potential mineralization; the ability to realize upon any mineralization in a manner that is economic; the ability to complete any proposed exploration activities and the results of such activities; the continuity or extension of any mineralization; 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, interpretations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "interpreted", "management's view", "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 the Corporation, 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. Such factors include, among others, risks relating to the ability of exploration activities (including drill results) to accurately predict mineralization; errors in management's geological modelling; the ability of Osisko to complete further exploration activities, including drilling; property interests; the ability of the Corporation to obtain required approvals and complete transactions on terms announced; 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 cannot assure shareholders and prospective purchasers of securities of the Corporation 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.

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