

CORPORATE PARTICIPANTS

Sean Roosen

Chairman & Chief Executive Officer

Elif Lévesque

Chief Financial Officer & Vice President, Finance

CONFERENCE CALL PARTICIPANTS

Kerry Smith

Haywood Securities

Carey MacRury

Canaccord Genuity

Dan Rollins

RBC Capital Markets

Mike Jalonen

Bank of America Merrill Lynch

PRESENTATION

Operator

Good morning, ladies and gentlemen, and welcome to the Osisko Gold Royalties Q1 2018 Results Conference Call. After the presentation, we will conduct a question-and-answer session. If you would like to ask a question, please pick up your receiver and press star followed by the number one on your telephone keypad. Please note that this call is being recorded today, May 4, 2018, at 10:00 a.m. eastern time. Today on the call, we have Mr. Sean Roosen, Chair of the Board of Directors and Chief Executive Officer of Osisko Gold Royalties, and Mr. Bryan Coates, President of Osisko Gold Royalties. I would now like to turn the meeting over to our host for today's call, Mr. Sean Roosen.

Bonjour mesdames et messieurs et bienvenue à l'appel conférence du premier trimestre de 2018 de Redevances aurifères Osisko Ltée. Après la présentation, nous procéderons à une séance de questions et réponses. Si vous désirez poser une question, veuillez décrocher le combiné du téléphone et appuyez sur la touche étoile suivi du numéro un. Veuillez prendre note que cet appel est enregistré, aujourd'hui le 4 mai 2018 à 10:00 heure de l'est. Nous avons sur l'appel d'aujourd'hui M. Sean Roosen, Président du conseil d'administration et Chef de la direction de Redevances Aurifères Osisko, et M. Bryan Coates, Président de Redevances Aurifères Osisko.

J'aimerais maintenant céder la parole à votre hôte, M. Sean Roosen.

Sean Roosen, Chairman & Chief Executive Officer

Merci beaucoup et bienvenue à l'appel conférence du premier trimestre de Osisko Gold Royalties 2018. (Inaudible). Welcome, everybody, to the first quarter conference call for our financial results for the first quarter of 2018. We're going to be following the PowerPoint that's found on our website called Q1 Results. There is a disclaimer page on the front of this PowerPoint. We will be making forward-looking statements and I would refer you to that statement for the disclaimers required.

So we wanted to start the call today a little bit different than usual. Given that our friends from Barkerville have published their main resource yesterday, the best question of the day will be receiving a pair of Barkerville gold cuff links.

So, on to the main event. For the first quarter of the year we had 20,000 ounces of GEOs, gold equivalent ounces, which fits in with our annual guidance of 77,000 to 82,000 ounces of GEOs. Cash operating margins were at 91%, the highest in the precious metal sector, and we generated \$29.5 million in additional cash operating, ah, and we also had from our off-take agreements \$2.4 billion delivered. Record cash flows from operating at \$23.3 million, a 94% increase over Q1 2017. We also executed the investment of \$148 million of Victoria Gold Eagle Project in the Yukon. \$98 million of that purchased a 5% royalty, which will deliver 10,000 ounces per year of gold to us, so a very significant add to our asset base and a Canadian asset fully permitted and under construction as we speak. We were also able to convert the Matilda Gold off-take to a royalty of 1.65%. Into a stream, sorry. And we monetized about \$25.6 million of equities, realizing a realized gain of \$15.5 million.

And one of the things that I do want to highlight today is that from the investment in our accelerator companies, since we started in June 2014 we have harvested over \$70 million in realized gains and our equity book still remains at just under \$400 million. So we've had both excellent returns and a very much appreciated increase in value within the asset base of our accelerator companies. We've also earned several royalties through our accelerator model that has about a \$90 million cost base and probably has a market value in excess of \$200 million as we sit today. So the accelerator model has really has really outperformed most of our traditional royalty and streaming opportunities and we'll be going further to highlight that as we get further through the operating year 2018 as to how the returns are working on that model.

We also repaid \$32 million on our revolving credit facility in April. We distributed \$7.8 million to our shareholders through our 15th, sorry, our 14th consecutive dividend payment and right now we've hit our 1.6% yield, which is near the top of all companies in the gold mining space. We repurchased 1.6 million shares at \$12.65 and we continue to be believers in our own stock and as the market devalues our stock we are buyers of our own stock and we believe strongly that we are in a very low-valuation period. So, on the theme of buy low and sell high, I would encourage everybody on the call today to have serious review of the underpinning value within Osisko Gold Royalties and maybe share our view on the value gap that exists in the marketplace today.

Moving on to page four, we've gone from 10,000 ounces in Q1 2017 to 20,000 ounces in Q1 2018, a 100% increase year on year. Our guidance right now is for 77,000 to 82,000 ounces for the year of gold equivalent ounces and (inaudible) us one of the strongest growth profiles in the precious metal royalty and streaming space.

On page five you can see the evolution. We started out—our first full year of business was 2015 at 30,000 ounces. We finished this year just a tick under 59,000 ounces and we're 77,000 to 82,000 ounces for 2018.

Page six basically gives you a breakdown of how our assets work. Obviously we have some very big assets. We have Canadian Malartic, by far one of the most valuable assets in the royalty space in the world, and Canadian Malartic continues to strengthen with adding resources and reserves both in the Odyssey area and East Malartic pit, so we see it as a growing asset and it continues to get stronger and stronger. Canadian Malartic is now ranked the 12th largest gold mine in the world, the largest gold mine by production in Canada. Last year it was 17th and it's moved up the ranks by five this year. Éléonore, Seabee, Brucejack, Island Gold, Vezza, and a combination of other producing assets has taken us from the 30,000 ounces to 59,000 ounces, or will.

As you can see on our split, we are at 69% gold, 16% silver, and we have 11% in diamonds and just 4% in other minerals. So, dominantly gold-silver business as we talk for how we fit into the royalty and streaming space. Cash on hand, net cash flow from operating activities, for this year we had \$23.3 million, and adjusted earnings we had \$8.9 million for the quarter.

Page eight, I'm going to hand it over to Elif Lévesque, our CFO, and she's going to take you through the Q1 results from the financial (inaudible).

Elif Lévesque, Chief Financial Officer & Vice President, Finance

Thank you, Sean.

Like Sean mentioned, we had a very strong quarter and results maybe reflect the impact of the addition of the Orion portfolio and increase in the cash margin. We did see a 94% increase compared to the same quarter of last year ending at 23.3 net cash flow from operating activities, and that really reflects the increase in cash margin. And if you do look at the adjusted earnings, you do actually see the impact of the increase in gross profit, partially offset by higher finance costs and also higher due to the reduced G&A. And in terms of the GEOs, you will see, again, we have almost doubled compared to same period last year and really these (inaudible) increases the effective (inaudible) portfolio.

Our cash operating margin stands at 91% looking at royalties and streams compared to \$17 million in the same period last year. For the year we're probably looking at margin average of 87%. In addition to the cash operating margin from the royalties and streams we also get a 2.6% of the margin from the off-take. We look at those agreements more on a financial (inaudible) equivalent basis and they do add a little bit on top of what we would see from our royalties and streams. The net earnings for the quarter stand at \$2.3 million compared to \$4.1 million last year for the same period.

Looking at our financial position on page nine, cash and cash equivalents were at \$333 million for the year at quarter ending March 31, 2018. And if we look at April 30 we're at \$205 million, which reflects the payment of \$32 million on our debt facility and a payment of \$9 million on the (inaudible) deal. So our debt also shows a reduction of \$32 million when looking at April 30th numbers, so our credit facility right now stands at about \$170 million drawn. And investment at \$351 million as at the end of March 31 and \$382 million as of April 30th with the addition of the investment made in Victoria as well.

Back to you, Sean.

Sean Roosen, Chairman & Chief Executive Officer

Thanks, Elif.

So, obviously, the balance sheet is in great shape. We have quite a bit of liquidity and quite a bit of firepower on our balance sheet, so we are able to continue on and look for valuable transactions in 2018 and we are in a position to execute, if we see fit, on any investment that looks like it meets our criteria.

On page 10, we are on our 15th consecutive quarter of returning capital to shareholders. We believe that this brings a level of discipline to how we run our business and we are very proud to be one of the companies that paid a dividend in the second quarter of existence. When we started this company in June 2014, one of our priorities was to be a top-end dividend payer within the space and we are currently yielding 1.6% to the market, which is within the top-five companies in this space in terms of dividend yield. So, not only do we have good underpinning asset value, we are also paying everybody to stay with us in a very aggressive fashion compared to the rest of the space.

On page 11 I want to go through the acquisition that we executed with Victoria Gold, our new partner. We currently own 15.5% of the company and we have a 5% top-line royalty on the asset. This is an asset that is fully permitted and currently under construction. John McConnell and his team are highly capable people. They've built lots of mines in the North before. I met Mr. McConnell when I worked at Nanisivik(sp.) back in the '80s and he was the mine manager then, which was on Baffin Island. Couldn't be a better team to operate in the Yukon than John McConnell and his crew. We financed the company for up to \$548 million off of \$500 million overall project financing, so the project is a 100% financed now, and it's located 85 kilometres north of Mayo, which is a well known mine district. It's a drive-to site, not a fly-in, fly-out. It has reserves 123 million tonnes at 0.67 grams for a total in-situ resource of 2.7 million ounces.

We see significant upside in the geological environment in which this deposit is found. There are several historic high-grade deposits in the area and now that we have a beachhead in the area we think that this is a camp-style play and we're going to be here for a good time, a long time, and make a lot of money in this camp. And we look forward to developing this. We think the Yukon is a premium jurisdiction in the world right now to invest in, in terms of regulation, in terms of being mining friendly, and in terms of geological potential. This is the best of the best. We're looking for 10,000 ounces a year average gold GEO production for us, which would make it one of the cornerstone assets within the Osisko family of assets. It's a very simple project. It's essentially a crusher and a heap leach and yellow dump trucks. So, not particularly challenging on the technical side, but lots to do in terms of upside.

On to page 12, a (inaudible) review of, you know, our geopolitical risk management system. We've stayed dominantly Canadian, dominantly in North America, and in premium jurisdictions in South America. And you can see, most of our key assets, Renard, Éléonore, Canadian Malartic, Brucejack, Bald Mountain, Parral, Island Gold,

Gibraltar, Seabee, and Veza are all Canadian assets. In South America we're essentially, ah, the biggest asset we have there is Mantos in, again, another premium jurisdiction. Other assets that we own right now, Sasa, Kwale, Matilda and Amulsar in Armenia, but all in all, pretty much a dominantly safe jurisdiction asset base.

Page 13 shows our near- and medium-term cash flow assets that we're seeing right now. As we talked about, Eagle it is under construction now. And I'm very happy to announce today that Barkerville poured 44 kilos of gold last week and we will be receiving our first gold shipment from an accelerator company. So the accelerator model has gone from conception to execution to production and we are now receiving gold from one of the accelerator companies and we have a 2.25% royalty on that. So we are actually, ah, it had gone much faster than I thought we would in the accelerator model in that Barkerville is now in full-scale production and shipping gold to Osisko Gold Royalties from the Cariboo mine site.

We also have earned a 1% royalty on Hermosa, which Richard Warke and his team have done a most excellent job of advancing in Arizona, one of the best zinc discoveries in the world currently sinking (inaudible), so that 1% royalty that we purchased two years ago has gone up in value significantly as they de-risk that project. We've also seen great progress from Osisko Mining at Windfall. We have a pending resource coming out at Windfall. Last year we had 24 drills turning at Windfall and it was probably one of the most intense exploration campaigns in the world, if not the most intense. So we're going to see the product of that exploration result coming out later in the month.

Other assets that are performing for us, Pandora with Agnico Eagle, Lamaque with Eldorado, Marban that's held within Osisko Mining, and obviously the one, the only Canadian Malartic continues to deliver with new discoveries at Odyssey North and South at East Malartic. We also earned a royalty of 18.5% gold stream and a 75% silver stream on the Back Forty project owned by Aquila in Michigan. So we have a lot of growth assets that are already paid for, so as those assets move through the value chain, no further investment required for Osisko Gold Royalties, but we will be the benefactor of all that investment and all that production.

Summary slide on page 14. As we sit here we're about to celebrate our fourth year in business in June. We started this company through an IPO after the sale of Canadian Malartic June 17, 2014. We now have 130 royalties and streams, 5 cornerstone assets, 20 assets in cash flow, paying a sector-leading 1.6% dividend, precious metal-focused, Canada-focused, 20,000 GEOs delivered in Q1 of 2018. This is a company and a business that makes money 24 hours a day, 7 days a week, 365 days a year

and we have a growth pattern to go from 8,000 ounces now to over 150,000 ounces in 2023 without any additional investment.

The balance sheet is in great shape. We have \$382 million in our equity investments, which we're seeing a lot of de-risking going on in terms of resources being delivered, as Barkerville delivered 1.6 million ounces of indicated yesterday, 2.2 million ounces inferred resources in a main resource, the Cariboo District, and we have many more things to come in the near-term in terms of the accelerator companies as they build up. Over \$200 million in cash and over \$250 million in undrawn debt credit facilities.

So we are in great shape going into 2018. A lot of the foundation work got done last year. We executed the acquisition of the Orion portfolio for \$1.1 billion, making it the largest royalty and streaming transaction since the IPO of Franco-Nevada in 2010. And we continue to blaze trails and create new business models within the royalty and streaming business. We are looking forward to a very innovative year. We have a lot of good things in the pipeline and we're contributing to cash flow and we're seeing a strengthening and a maturity within our accelerator model transitioning from concept into reality with the addition of resources and production within that group of companies.

On that note, I will open it up to any questions that we have for today and I thank everybody for taking the time. I know this has been a busy couple of days for reporting, so I appreciate everybody's effort in terms of participating in today's call and I'll now take any questions that anybody might have.

QUESTION AND ANSWER SESSION

Operator

At this time I would like to remind everyone that in order to ask a question please press star then the number one on your telephone keypad. We'll pause for just a moment to compile the Q&A roster. En ce moment, si vous voulez poser une question appuyer sur l'étoile suivit numéro un sur votre clavier téléphonique.

Your first question, votre première question, comes from the line of Kerry Smith with Haywood Securities. Your line is open. Votre ligne est ouverte

Kerry Smith, Haywood Securities

Thanks, operator. Sean, just one thing, one question kind of on a more strategic level. The competition is pretty

fierce for the sort of plain vanilla royalties in the gold and silver space. Is there much opportunity for you to find royalties or creating royalties in, say, the cobalt, lithium, graphite space? They're kind of esoteric, you know, minor metals, but it just seems like the competition is pretty stiff for the precious metals streams and I just wondered what the deal flow might be like in those other specialty metals.

Sean Roosen, Chairman & Chief Executive Officer

Good question, Kerry. Obviously, we're the first ones to print a deal on a royalty, a 5% top line royalty at Victoria this year so, competition being what it may, we've been in front.

In terms of alternative metals, we look at them from a strategic base quite often. We haven't executed anything in that space to date but we are active and aware of it and, as you will know, a lot of the crew that works for Osisko Gold Royalties came from Cambior. They built Niobec and they have a fairly good view on specialty metals. So we are aware and capable of operating within that space and we'll take them as they come but we have not executed anything yet, but that doesn't mean that it won't happen in the future.

Kerry Smith, Haywood Securities

Okay. And just a second question. Can you remind me the timing of, how the buyback works on the Pretium stream and the off-take? Just remind me of the timing on that, if it's going to happen. I think—

Sean Roosen, Chairman & Chief Executive Officer

No. The Pretium off-take, they have, there are several conditions on the off-take that are important to remember. They can't execute the off-take until December 31, 2018, at which point they would be paying us US\$116 million, but to get there they have to retire all of the debt held by Orion. So, until the debt deal is done, they can't execute the buyback. Then there's a second date, December 31, 2019, at which point in time they pay us in excess of US\$130 million, same conditions apply. Two things noteworthy. We also own an off-take agreement for 50% of the gold that's produced by the mine that we market. We have a six-day look-back window on those gold purchases and if you looked at our off-take win, we had about \$2.4 million of gains in the off-take agreement. A lot of that came from the Pretium off-take. Another note on the Pretium buyback is that should the company be sold before those buybacks are executed, we would split, I think it's just over 13% of the gross sale value of the

company between ourselves and the other off-take agreement.

So we have many ways to get returns on Pretium between here and now. If those off-takes do not get executed and the company does not get sold, we would start to receive, ah, we would try to receive our stream in 2020. Quite happy to fill you in on more detail on that if anybody wants to send in a note. All the information is public but we'll give you a summary of how the deal works if that helps. But we think that Pretium, you know, it's always been a question of the stability of the resource. We think that Pretium is going to have quarter-by-quarter sort of up and down because of the way the ore body works, but in the overall basis this is a world-class asset. It's going to perform. And whether the (inaudible) gets executed or not, we're strong believers in the Pretium project. We think that there's lots of upside in the Valley of the Kings and in the Golden Triangle in general and we think that this is the very beginning of the redevelopment of the Golden Triangle. So we're quite keen on the asset and quite keen on the overall camp play there.

Kerry Smith, Haywood Securities

Okay. Okay, that's great. Appreciate it. Thank you.

Operator

Your next question, votre prochaine question, comes from the line of Carey MacRury with Canaccord Genuity. Your line is open. Votre ligne est ouverte.

Carey MacRury, Canaccord Genuity

Good morning, guys. You mentioned the 150,000 ounces by 2023. I'm just wondering if you can give a bit of colour on which assets do you see coming into production to drive that.

Sean Roosen, Chairman & Chief Executive Officer

Sure. Obviously, we have, in the chute right now we have the ramp up at Amulsar that is scheduled to happen in the fourth quarter of this year as they finish their construction. We have Pretium. We have Back Forty in there and we have Eagle, which is under construction as we speak. So, all these projects are fully financed and underway for the most part and we expect to see those assets in the food chain between now and 2023.

Carey MacRury, Canaccord Genuity

And then secondly on Victoria, you know, we've seen a lot of the transactions that involve streams, I'm just wondering was there something particular about why you used the NSR model there rather than a stream.

Sean Roosen, Chairman & Chief Executive Officer

I think each company has their preferred model. For us, royalties are more tax efficient and we prefer them for their simplicity and I think from a management standpoint the royalty is quite straightforward. And it's a Yukon asset. So, most of these deals are tailored around the jurisdictional regulations that makes the most advantage. So, in terms of where it fits for us, this is 100% margin gold, so it's obviously very good for us, and for the company it's the most efficient way to get the capital that they require to build this asset. And we've partnered up with Caterpillar Finance. Orion and ourselves delivered a full package of \$500 million here. So that, I think, you know, in terms of how you look at project financing, at the end of the day it's about the asset and all of the financing is related to the asset and this was the combination that worked the best for this situation.

Carey MacRury, Canaccord Genuity

Okay, great. Thank you very much.

Operator

Your next question, votre prochaine question, comes from the line of Dan Rollins with RBC Capital Markets. Your line is open. Votre ligne est ouverte

Dan Rollins, RBC Capital Markets

Thanks very much. Sean, just on that last question, when you speak about Brucejack are you including the stream or are you assuming that's been bought back and it's just the off-take in that 150 sort of number?

Sean Roosen, Chairman & Chief Executive Officer

If you look at our presentation, Dan, we've always shown it assuming that the Brucejack buyback has occurred, which represents about 20,000 ounces a year by the time we get to 2023. If it doesn't happen then we would add 20,000 ounces to our assumptions.

Dan Rollins, RBC Capital Markets

Okay. Perfect. And then just with respect to the deal flow going forward, if we look at more a precious metal-focused opportunities, what do you see out there in the pipeline? I guess three to six months ago it would have been more development-stage opportunities. Obviously, you've pulled the trigger on Victoria there but do you see the pipeline still pretty good right now or are you starting to see a bit of a wane in the opportunities?

Sean Roosen, Chairman & Chief Executive Officer

Well, obviously, the performance of current equity markets set the stage for royalty and streaming. I don't think anybody's going to achieve much project financing through equity offerings at this point in time. As you would be well aware, Dan, the amount of equity deals that have been executed in 2018 are close to zero, so the only thing that's getting done right now, I believe, are equity associated with stream or royalty deals, debt deals, and supplier take-back loans is really the only source of financing for development projects right now.

So we see it very much as a development market until the equity markets open back up but, you know, we know that there is probably 100 companies that need to do equity deals right now and that haven't been able to get any traction on equity at the (inaudible). So we've focused on combining with our partners to do full financing offers where we're providing everything that we need to do. We're seeing an awful lot of discussion about M&A that often requires the injection of cash in the transaction to make it work. So we see both M&A and project financing being the business of 2018 and I don't think there's any shortage of opportunity. If I had a dollar for every call that I got to be in an equity deal this quarter, I'd probably be golfing with you, Dan.

Dan Rollins, RBC Capital Markets

Well, I don't really golf that well, so...

Sean Roosen, Chairman & Chief Executive Officer

There are no golfers at this office either.

Dan Rollins, RBC Capital Markets

And then just with the—you mentioned your partners and the full financing package before the royalty stream would have been there with equity, with a debt component, the

equity component is not there. Do see yourselves working with Caterpillar in the future, potentially Orion in the future, and maybe other parties to offer this full-fledged financing package? And how would you compare your ability to do that relative to your peers right now?

Sean Roosen, Chairman & Chief Executive Officer

I think we're in pretty good shape, Dan. Our traditional relationships have been with FDSQ, Caisse de dépôt, CPPIB, and obviously Orion is now a big shareholder of Osisko, and then we've had good partners in terms of everything we've done with BlackRock Fidelity, M&G(sp.). Tocqueville especially has a great supporter. And also Franklin(sp.) out of California. So we think that, on a debt provisional basis, we have several partners we can work with. We want to be part of a full solution because there's no use in having a royalty on a partially-financed project. You need 100% financing for the royalty to have value.

And, as you know, we also, we like to partner up with groups that need some technical support and our technical team is still very much intact and reactive to the accelerator companies. We've been able to preserve all of our technical capacity. Luc Lessard is leading the charge over at Falco but we have mine building and we operated the largest exploration program in the world last year with 41 rigs turning. So we have quite a bit of depth on the bench in terms of drill-outs and exploration transitional to develop a staged project. As you saw, we just drilled out at Barkerville and we are currently, ah, Windfall has been drilled down and we're getting ready to announce the resource there. We delivered the feasibility study on Falco.

So we're active on a lot of fronts and we've kept our technical integrity alive and I think that we're a catalyst investor that debt lenders and people that are maybe not as technical as us like to have in the mix for project financing. So that's where we see our niche is, that we can be a lead on a project financing, we can provide technical oversight for the group as the lead financier in these things, and for the companies that we're investing in, it gives them some peer review and some depth on the bench for any technical services that they may, as a single-asset company, not have available to them.

So I think we're pretty happy with how our business is set up, Dan. It's taken a little bit of while for the market to adjust to it but I don't think there is any debt at this point in time that the potency of our model is coming to bear, especially in downtick market like we're in right now.

Dan Rollins, RBC Capital Markets

That's very informative. Appreciate that. Enjoy the weekend.

Sean Roosen, Chairman & Chief Executive Officer

All right. Thank you, Dan, and I believe we're over to Mr. Mike Jalonen.

Operator

Yes, your next question is from the line of Mike Jalonen with Bank of America. Go ahead please, your line is open.

Mike Jalonen, Bank of America Merrill Lynch

Thanks, Sean. I'm just on the fifth tee here at Oakville Golf Club, so I'll make it quick. I think you were supposed to join me but Brian's here instead.

Sean Roosen, Chairman & Chief Executive Officer

Well, he's a better golfer, (inaudible).

Mike Jalonen, Bank of America Merrill Lynch

A lot of my questions were answered but actually one that's kind of struck me on page 12, 13, your geographic diversification. Obviously, you have a couple of assets, a few in South America, on in Armenia, but you're obviously very North American-centric. Is there any thought process to going afar? Like Franco's quite into Australia now and Wheaton is into LatAm along with Franco. I was just wonder what your thought process is there.

Sean Roosen, Chairman & Chief Executive Officer

Well, Mike, as you know, we've had quite a bit of success in Canada and I think that we, through of our accelerator companies, have generated significant opportunity within Canada. Our accelerator companies collectively control over 10,000 square kilometres of mineral licenses in Canada, so that's where we start. Every investment outside of that is really about the operator. I'm not too concerned about the jurisdiction, but if we're with the right partner who understands and can manage that jurisdiction, we're quite willing to go with them. And in

terms of other major or mid-tier companies that are operating in those jurisdictions, we're quite willing to participate financially, as long as the corporate has the integrity for the jurisdiction that they're in.

So we'll be looking more at that but, as you know, we just did another Canadian deal in Q1. We led the charge. I don't think there's been another significant royalty deal done so far this year, so we're first out of the gate again. We did the biggest deal in the sector last year and we got a good start on 2018 and, again, with Canadian assets. So we'll stay on the Canadian theme but, as I say, once we leave Canada it's really about the operator.

Mike Jalonen, Bank of America Merrill Lynch

Okay. Maybe just one follow-up: How many more companies would you add to your accelerator line-up? I think you have around ten, if I'm counting right. What's the optimum number? Because you said you're getting a call every day now.

Sean Roosen, Chairman & Chief Executive Officer

I think where we are, Mike, is that as long as we see value and we can contribute and, you know, we don't do these incubator accelerator companies unless we have market participation alongside of us. So we'll follow a bit the market, what they want us to do. As you saw, we created Osisko Metals last year to participate in the zinc plays. We've also added Minera Alamos in Mexico to our portfolio and now we've added Victoria, where we own 15.5%. As long as there are good companies with good management teams with good ideas, we're going to be there all day, every day. And I don't think there is a limit to how many we would do, but there is a limit to how much our equity book would be. I don't think that we want to see our equity book expand much further in terms of dollar value than what it is now. So, what I would say to you is that we're probably at a sell something to buy something stage within our equity book at this point and we want to re-circulate that cash.

So, just to reiterate, if you look at our equity book right now, we have \$382 million invested, but in the last three years we've already had realized gains of \$70 million. And the royalties that we earned in that, we invested \$90 million in sidecar(sp.) royalties because, generally speaking, the only time we own an equity is if we've done a royalty or streaming opportunity. And the value of that \$90 million investment into royalties and streams that we've earned on the way into this is well in excess of \$200 million. The way we look at it, Mike, is that our accelerator model has almost paid for itself already. We see, in our minds, we see about \$170 million, \$200

million of returns from the accelerator model the way we think about it, and we've already earned, which is far superior to any royalty and streaming project that's been out there.

So it's been a potent part of the business and now that a lot of these accelerator companies are moving from concept to resource on to PH feasibility, we see the (inaudible) of the value in that, and I think you'll see throughout 2018 the potency of the accelerator companies. And the capital at risk, the way I think about it, if I take away the value of the royalties and the value of the realized gains and the current equity book, we don't have that much capital at risk to execute this strategy. Shareholders need to understand how potent this thing has been. We've been very fortunate in terms of our equity return. Not many people have realized a \$70 million gain on a \$300 million equity book in the last three years. We've been able to do that and those are tangible assets. I can tell you the numbers because we've sold the stock and we've harvested the position.

So that's where we are. 2018 will be a lot of, you know, explaining to people how many, what the significant returns have been on the accelerator and incubator model for us, and we think we have a lot less cash exposed in the accelerator model than the market is actually perceiving right now, so that's one of our main themes as we go forward into the rest of 2018.

Mike Jalonon, Bank of America Merrill Lynch

Okay. Thanks for that answer. And maybe you should be on the golf course this weekend because I see you got an eagle in the Yukon. So, congrats. Thank you.

Sean Roosen, Chairman & Chief Executive Officer

Well, it's better than a beagle. An eagle is two under; I assume a beagle is two over.

All right, that's our last question for today. Thank you, everybody, for calling in today and we will be working on the cuff link answer today.

Operator

Ladies and gentlemen, this concludes today's conference call. You may now disconnect.
