



OSISKO GOLD ROYALTIES ANNOUNCES ACQUISITION OF COMMON SHARES OF FALCO RESOURCES

(Montréal, August 29, 2014) Osisko Gold Royalties Ltd (the "Company" or "Osisko") (OR: TSX) is pleased to announce that by share purchase agreement (the "Share Purchase Agreement") with QMX Gold Corporation (the "QMX Gold") (QMX: TSXV) dated August 28, 2014, it has agreed to acquire 1,488,990 common shares (the "Purchased Shares") of Falco Resources Ltd. ("Falco") for an aggregate purchase price of \$670,045.50, representing approximately 2.04% of the issued and outstanding common shares of Falco (the "Transaction").

Pursuant to the Transaction, Osisko agreed to acquire 1,488,990 common shares at a price of \$0.45 per share. In addition, Osisko intends to acquire, subject to the policies of the TSX Venture Exchange, an additional 1,218,265 common shares (the "Escrowed Shares") of Falco that are subject to an escrow agreement at a price of \$0.27 per share.

Falco has agreed to appoint a nominee of Osisko to the Falco board of directors, subject to compliance with the policies of the TSX Venture Exchange.

Investment

Other than 8,000,000 common shares of Falco previously held by Osisko (the "Prior Holdings"), neither Osisko, nor any other persons acting jointly or in concert with Osisko, previously held any other securities of Falco. Accordingly, Osisko will own, upon completion of the Transaction, a total of 9,488,990 common shares of Falco, representing approximately 12.98% of the total issued and outstanding common shares of Falco. If, as and when Osisko acquires the 1,218,265 Escrowed Shares, it would own a total of 10,707,255 common shares of Falco, representing approximately 14.99% of the total issued and outstanding common shares of Falco.

Osisko intends to hold the Purchased Shares, the Escrowed Shares and the Prior Holdings for investment purposes. Other than the Purchased Shares and the Escrowed Shares, Osisko has no current intention to increase the beneficial ownership of, or control or direction over, additional securities of Falco.

Osisko will file an Early Warning Report containing further details of the acquisition of the Purchased Shares and Escrowed Shares on SEDAR at www.sedar.com under Falco's profile.

About Falco Resources Ltd.

Falco is a resource exploration company and owner of mineral rights to 14 former mines within a 700 km² land package in the Abitibi region of Québec, Canada. Falco's principal property is the Horne mine complex, which was operated by Noranda from 1927 to 1976 and produced 11.6 million ounces of gold and 2.5 billion pounds of copper. A maiden 43-101 mineral resource estimate for the Horne 5 deposit delineated an initial inferred resource totaling 25.3 million tonnes grading 2.64 g/t Au, 0.23% Cu and 0.7% Zn, for 2.2 Moz Au contained (see Falco's press release dated March 4, 2014 for more details).

About Osisko Gold Royalties Ltd

Osisko is a gold-focused royalty and stream company whose cornerstone asset is a 5% NSR royalty on the Canadian Malartic Gold Mine, located in Malartic, Quebec. The Company also holds a 2% NSR royalty on the Upper Beaver, Kirkland Lake and Hammond Reef gold exploration projects in Northern Ontario.

Osisko's head office is located at 1100 Avenue des Canadiens-de-Montréal, Suite 300, Montréal, Québec, H3B 2S2.

Forward-looking statements

Certain statements contained in this press release may be deemed "forward-looking statements". All statements in this release, other than statements of historical fact, that address events or developments that Osisko expects to occur, are forward looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "scheduled" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur including, without limitation, the satisfaction of conditions to the completion of this transaction (including the consent of the TSX Venture Exchange), the realization of the anticipated benefits of this transaction, the performance of the assets of Osisko and any acquired assets the potential of Osisko. Although Osisko believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include, the results of efforts to satisfy the conditions, including regulatory approvals, gold prices, Osisko's royalty interest, access to skilled consultants, results of mining operation, exploration and development activities, with production and development stage mining operations, uninsured risks, regulatory changes, defects in title, availability of personnel, materials and equipment, timeliness of government or court approvals, actual performance of facilities, equipment and processes relative to specifications and expectations, unanticipated environmental impacts on operations market prices, continued availability of capital and financing and general economic, market or business conditions. These factors are discussed in greater detail in Schedule I to the management information circular of Osisko Mining Corporation which created Osisko and which is filed on SEDAR and also provides additional general assumptions in connection with these statements. Osisko cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the forward looking statements contained herein should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. Osisko believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. These statements speak only as of the date of this press release. Osisko undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable law.

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