Management's Discussion and Analysis

Third Quarter ended September 30, 2013

The following management discussion and analysis ("MD&A") of the consolidated operations and financial position of Osisko Mining Corporation ("Osisko" or the "Company") and its wholly owned subsidiaries for the three and nine months ended September 30, 2013 should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2013 and the audited consolidated financial statements for the year ended December 31, 2012. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the Accounting Standards Board. Management is responsible for the preparation of the consolidated financial statements and other financial information relating to the Company included in this report. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting. In furtherance of the foregoing, the Board of Directors has appointed an Audit Committee composed of independent directors and not members of management. The Audit Committee meets with management and the auditors in order to discuss results of operations and the financial condition of the Company prior to making recommendations and submitting the financial statements to the Board of Directors for its consideration and approval for issuance to shareholders. The information included in this MD&A is as of November 8, 2013, the date where the Board of Directors has approved the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2013 following the recommendation of the Audit Committee. All monetary amounts included in this report are expressed in Canadian dollars, the Company's reporting currency, unless otherwise noted. This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in the "Caution Regarding Forward-Looking Statements" section.

Mr. Luc Lessard, Eng., Senior Vice President and Chief Operating Officer of Osisko, is the Qualified Person who has reviewed this Management's Discussion and Analysis and is responsible for the technical information reported herein, including verification of the data disclosed.

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About Osisko

Osisko is incorporated under the Canada Business Corporations Act and is focused on acquiring, exploring, developing and mining gold properties, with the aim of becoming a leading mid-tier gold producer.

The Company's flagship asset is the Canadian Malartic mine located in Malartic, Québec. The Canadian Malartic deposit was acquired in late 2004, with drilling commencing in March 2005. Following an intensive drilling program, a $1 billion capital construction project was completed in early 2011 with the first gold poured in April 2011. Canadian Malartic reached commercial production on May 19, 2011.

Osisko acquired two advanced exploration projects, Hammond Reef (2010) and Upper Beaver (2012), both located in Ontario, Canada. The Company has several additional exploration projects located in the Americas.

Highlights of the Third Quarter of 2013

- Record gold production of 120,208 ounces at cash costs per ounce[2] of $754;
- Earnings from Canadian Malartic of $39.0 million;
- Operating cash flows of $70.7 million;
- Free cash flows[1] of $32.4 million;
- Net earnings of $9.8 million or $0.02 per share;
- Adjusted net earnings[2] of $21.9 million;
- Investment of $38.3 million in mining assets and projects;
- Record tonnage processed at 4.7 million tonnes (average of 54,133 tonnes per operating day);
- Final deposit of $11.6 million to cover the future rehabilitation costs of the Canadian Malartic mine, for a total deposit to date of $46.4 million, representing 100% of the required guarantee;
- 2013 l gold production estimated at 485 000 ounces;
- On track to deliver over $80.0 million from the capital expenditure reduction program.

Canadian Malartic Mine

The Canadian Malartic mine is a large open pit operation located within the Town of Malartic.

Similarly to many large new mining projects, Canadian Malartic has faced challenges since commencement of commercial production in May 2011, during an extended ramp up period as it progresses to its throughput nameplate design capacity of 55,000 tonnes per day at its milling plant. These challenges required modifications to the crushing circuit with the addition of two large cone crushing units, a second pebble crusher and modifications to the ore conveying system which were completed in 2012. Modifications and optimization work has progressed well and the mill is at near name plate capacity (98%) on an operating day basis during the third quarter of 2013.

Following continued improvement in mill availability and throughput rates, the mine established a quarterly gold production record of 120,208 ounces. Average daily throughput reached 50,897 tonnes, a 4% increase over the second quarter of 2013 and a 25% increase over the corresponding period in 2012. Throughput rate continues to progress favorably with the past quarter being the seventh consecutive quarterly increase. Cash cost per ounce[2] for the period amounted to $754. The mine generated third quarter operating earnings of $39.0 million, compared to $63.5 million in the third quarter of 2012. The decrease in profit from mine operations is mainly due to a 20.4% decline in the US$ price realized on the sale of gold and higher depreciation charges as a result of higher gold output.

1 Free cash flows represent net cash flows provided by operating activities less investments in property, plant and equipment, as presented in the Consolidated Statements of Cash Flows.

2 Non-IFRS financial performance measures have no standard definition under IFRS. See "*Non-IFRS Financial Performance Measures*" section of this MD&A.

Quarterly mine statistics are as follows:

	2013			2012[1]				
(in $000's)	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Total
Revenues	171,298	159,195	159,381	191,080	158,503	157,134	158,658	665,375
Mine operating costs								
Production costs[2]	(91,788)	(90,043)	(80,928)	(94,635)	(77,012)	(88,682)	(69,105)	(329,434)
Royalties	(2,144)	(2,274)	(1,992)	(2,546)	(1,998)	(2,021)	(2,359)	(8,924)
Cash generated from mine operations[3]	**77,366**	**66,878**	**76,461**	**93,899**	**79,493**	**66,431**	**87,194**	**327,017**
Depreciation	(37,902)	(23,683)	(20,982)	(20,058)	(15,318)	(15,635)	(13,909)	(64,920)
Share-based compensation	(477)	(576)	(494)	(672)	(672)	(812)	(827)	(2,983)
Earnings from mine operations	**38,987**	**42,619**	**54,985**	**73,169**	**63,503**	**49,984**	**72,458**	**259,114**

(1) Balances related to 2012 have been restated to reflect the impact of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, effective January 1, 2013, which had the impact of increasing mine operating earnings in prior quarters of 2012. See "Changes in accounting policies" section of the MD&A.
(2) Production costs net of non-cash share-based compensation presented separately.
(3) Cash generated from mine operations is a non-IFRS financial performance measure with no standard definition under IFRS. *See "Non-IFRS Financial Performance Measures" section of this MD&A.*

Cash flows and earnings generated from the Canadian Malartic mine were lower than the second quarter of 2013 due to the decrease in realized gold price. During the third quarter of 2013, 120,208 ounces of gold were produced and 123,151 ounces were sold.

Mining

Approximately 15.8 million tonnes of ore and waste and 1.8 million tonnes of re-handling from stockpiles were moved during the third quarter of 2013 (190,000 tonnes/day), compared to 14.1 million tonnes of ore and waste and 2.0 million tonnes of re-handling from stockpiles during the third quarter of 2012 (174,000 tonnes/day). The third quarter tonnes moved constitute a record for the mine, an increase of 12.0% over the previous quarter

Mining operations continued to be adversely affected in the third quarter due to noise and weather constraints. As the mine is located in an urban area, the utilization of the mining fleet is occasionally reduced due to wind conditions to meet the noise-level restrictions. Operating procedures restrict blasting activities when winds are from the southerly direction as a precautionary measure to protect the community from potential NOx emissions. The mine staff continues to work at increasing productivity over the old mine workings and in the northern part of the deposit while ensuring worker safety. It is anticipated that higher grade materials will be accessible in greater quantities commencing in the fourth quarter.

Quarterly mine production is as follows:

	Ore (t)	Waste[1] (t)	Total Mined (t)	Re-handling (t)	Total Moved (t)	Overburden (t)
Q3 2013	**4,423,224**	**11,334,861**	**15,758,085**	**1,767,602**	**17,525,687**	**304,535**
Q2 2013	3,604,314	10,009,579	13,613,893	2,036,802	15,650,695	870,567
Q1 2013	4,090,870	10,157,993	14,248,863	1,626,651	15,875,514	1,783,318
YTD 2013	**12,118,408**	**31,502,433**	**43,620,841**	**5,431,055**	**49,051,896**	**2,958,420**
Q4 2012	3,553,080	7,846,981	11,400,061	2,121,248	13,521,309	627,476
Q3 2012	4,852,977	9,215,070	14,068,047	1,976,746	16,044,793	1,408,530
Q2 2012	3,234,013	9,545,522	12,779,535	2,460,224	15,239,759	1,739,705
Q1 2012	4,037,282	8,457,681	12,494,963	1,405,929	13,900,982	1,954,030
Total 2012	**15,677,352**	**35,065,254**	**50,742,606**	**7,964,147**	**58,706,753**	**5,729,741**

(1) Including topographic drilling of 4.0 million tonnes in 2013 and 2.5 million tonnes for the year 2012.

During the third quarter, approximately 5,180 equipment hours (6.8 % of available hours) were lost due to noise and weather constraints. It is expected that the hours lost will decrease in the next two quarters with the colder fall and winter seasons. Quarterly statistics are as follows:

	Number of Hours	(%)
Q3 2013	**5,180**	**6.8**
Q2 2013	4,470	5.9
Q1 2013	1,510	1.7
Q4 2012	2,840	4.0
Q3 2012	5,830	8.6
Q2 2012	4,510	6.3
Q1 2012	1,660	2.2

On February 13, 2013, the Québec Government approved a new decree which modified the operating parameters of the Canadian Malartic mine. Changes included extending the duration of blasts, increasing the time period during which blasts can be executed, and provided greater access to the northern part of the deposit. The modified parameters provide greater flexibility in day-to-day operations.

Milling

Production in the third quarter of 2013 improved to an average 54,133 tonnes per operating day compared to 52,592 tonnes per operating day in the previous quarter and 43,181 tonnes per operating day in the third quarter of 2012. Continued optimization of operations at the mill, the two cone crushers and the additional pebble crusher installed in 2012 allowed the mill to reach new records in the third quarter. In coordination with the technical advisors, the Canadian Malartic team continues to work on improving the mill throughput and enhancing operating efficiencies.

Mill feed for the third quarter of 2013 averaged 0.90g/t Au, 4% lower than anticipated due mainly to processing of lower grade stockpiled ore. The drawdown in the stockpile is attributable to the reduced operating time due to weather conditions and the slower mining rate due to the proximity to the town, as the mining activities increase in the northern pit wall area. Recoveries continued to exceed average feasibility forecasts by 2%, averaging 89.2%.

Operating statistics at the mill are as follows:

	Total Available Hours	Operating Hours	(%)	Tonnage Processed (t)	Tonnes per Operating Hour	Tonnes per Operating Day [(1)]
Q3 2013	**2,208**	**2,061**	**93**	**4,682,530**	**2,272**	**54,133**
Q2 2013	2,184	2,014	92	4,444,042	2,207	52,592
Q1 2013	2,160	2,082	96	4,234,001	2,033	48,667
Q4 2012	2,208	2,052	93	4,088,021	1,992	47,535
Q3 2012	2,208	2,071	94	3,756,768	1,814	43,181
Q2 2012	2,184	1,960	90	3,236,281	1,651	38,074
Q1 2012	2,184	1,890	87	2,965,456	1,569	35,728

(1) 2013: In Q3 2013, the mill was shut down for 5.5 days for scheduled maintenance. In Q2 2013, the mill was shut down for 6.5 days, including 5.5 days for scheduled maintenance. In Q1 2013, the mill was shut down for 3 days for maintenance on the conveyor and for SAG mill liner change.

2012: In Q4 2012, the mill was shut down 6 days for scheduled maintenance and the second pebble installation. The throughput at the mill was reduced at 42,000 tonnes per day for a 15-day period during the installation of the second pebble crusher. In Q3 2012, the mill was shut down for a scheduled 5-day period for a liner change (secondary crushers, SAG and ball mills). In Q2 2012, the mill was shut down for a 6-day period following a fire at the mill. In Q1 2012, the mill was shut down for a 7-day period for the installation of the first unit of the secondary crusher and one day for maintenance.

Production statistics are as follows:

	2013				2012				
	Q3	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Tonnes milled (t)	4,682,530	4,444,042	4,234,001	13,360,573	4,088,021	3,756,768	3,236,281	2,965,456	14,046,526
Grade (g/t Au)	0.90	0.87	0.88	0.88	0.87	0.97	0.99	1.05	0.96
Recovery Au (%)	89.2	89.7	88.0	89.0	88.8	88.7	89.2	91.2	89.4
Gold ounces produced (oz)	120,208	111,701	106,047	337,956	101,544	103,753	92,003	91,178	388,478
Gold ounces sold (oz)	123,151	109,503	95,511	328,165	111,104	95,424	95,675	92,400	394,603
Grade (g/t Ag)	1.09	1.12	0.86	1.03	0.78	0.74	0.75	0.77	0.76
Recovery Ag (%)	68.4	69.5	71.5	69.6	69.4	60.5	66.1	73.0	67.1
Silver ounces produced (oz)	112,637	110,823	83,597	307,057	71,227	54,011	51,193	53,842	230,273
Silver ounces sold (oz)	117,750	95,205	73,683	286,638	74,100	49,751	48,880	52,800	225,531

Focus for the last quarter of 2013 will be to complete the final stage of the mill ramp up to steady state 55,000 tonnes per operating day and to optimize the mining schedule to increase mill feed grade and mine production and to reduce operating costs.

Optimization program

Since the commencement of operations, Osisko has continued to work on various initiatives to optimize the operations. The initiatives include:

a) Increase throughput rate to name plate capacity of 55,000 tonnes per day
   - Add crushing capacity
   - Improve mill availability

   During the third quarter of 2013, throughput rate reached 54,133 tonnes per operating day.

b) Improve mining activities
   - Gain flexibility by developing additional working areas
   - Improve drilling and blasting procedures
   - Increase equipment availability
   - Improve productivity over old-mine working areas
   - Gain access to higher grade materials

   During the third quarter of 2013, tonnes moved per day reached an average of 190,000, an 11% increase compared to the second quarter of 2013 and 9% compared to the same period last year.

c) Optimize costs
   - Reduce the use of contractors
   - Improve utilization of supplies and materials
   - Reduce cost of materials through better procurement and logistics

   During the third quarter of 2013, cash costs per ounce[3] were reduced by 3% compared to second quarter of 2013 and 11% compared to the same period last year.

Several of these initiatives have been completed and are contributing to improve effectiveness. The Company is maintaining its continuous improvement efforts to optimize operations and is pursuing cost reductions with its suppliers. It anticipates that it will gain further benefits over the upcoming quarters, which should favorably impact production costs.

3 Non-IFRS financial performance measures have no standard definition under IFRS. See "*Non-IFRS Financial Performance Measures*" section of this MD&A.

Operating Costs

Cash costs per ounce[4] for the third quarter and the first nine months of 2013 stood at $754 and $779 respectively, compared to $851[5] and $855[5] in the corresponding periods of 2012. The improvement over the comparative periods in 2012 is mainly the result of increased throughput and gold production, improved efficiencies and reduction in contractors' costs. As the operations at Canadian Malartic are further optimized, the operating costs should continue their downward trend.

Reserves and Resources

As of January 1, 2013, the updated ore reserve estimates stood at 10.1 million ounces at the Canadian Malartic mine. The reserve base is calculated at US$1,475 per ounce of gold and is presented in the table below:

Reserve and resource estimates
with a lower cut-off grade of 0.31 to 0.34 g/t Au

Category	Tonnes (M)	Grade (g/t Au)	Au (M oz)
Proven Reserves	48.8	0.89	1.4
Probable Reserves	261.8	1.04	8.7
Proven & Probable Reserves	**310.6**	**1.01**	**10.1**
Measured and Indicated Resources	347.3	1.05	11.7
Inferred Resources	49.6	0.75	1.2

The Company continues to work with Québec's Ministry of Transport and the Town of Malartic on the deviation of a highway to gain access to the higher grade Barnat deposit, included in the reserve and resource estimates table above. It is anticipated that the final layout and the environmental impact study will be completed by the fourth quarter of 2013 and a request for public hearings will be made by the Company. It is expected that the Barnat deposit will provide higher ore grade mill feed.

Legislative Modifications

The Québec Government announced modifications to its mining duties regime. Under the new regime, mining tax will be calculated on a mine-by-mine basis, and will be subject to a minimum tax representing the lesser of:

- 1% of up to $80 million and 4% thereafter on adjusted revenues (estimated value of ore prior to processing); and
- Mining tax calculated on mine profit.

The rate for mining taxes on profit has been modified from a fiscal rate of 16% to a progressive rate ranging from 16% to 28% (maximum effective rate of 22.9%) based on the profitability of the operations (% of margin on gross sales). As the regime has not yet been enacted, and as the government in place is a minority government, it cannot be considered as substantially enacted from an accounting perspective; therefore, the impact of these modifications has not been reflected in the Consolidated Financial Statements.

The Québec Government also tabled modifications to its current mining legislation. Special consultations and public hearings on the new mining act bill were held by the Government of Québec in August and September. Osisko participated to the process, and many of the proposed changes have already been implemented at Canadian Malartic.

On October 30, 2013, the National Assembly voted against the proposed modifications to the current mining legislation and thus the proposed changes will not be enacted under the proposed form.

4 Non-IFRS financial performance measures have no standard definition under IFRS. See "*Non-IFRS Financial Performance Measures*" section of this MD&A.
5 Restated to reflect the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine.*

Exploration and Development

Prior to mid 2009, the Company's efforts were focused solely on the development of its flagship asset, the Canadian Malartic mine. Following the securing of the financing, the necessary authorizations and the construction release, the Company began to seek other opportunities to complement the Canadian Malartic mine. The overall objective is for Osisko to achieve the status of a leading intermediate gold producer with annual production of 1 million ounces. The strategy is to create value through the identification and development of gold reserves and resources.

To build on its gold mining asset base, the Company has acquired advanced exploration projects, has entered into exploration agreements, has staked ground, and has invested in various public and private exploration companies with promising gold projects. Osisko continues to focus its efforts on its new Kirkland Lake area properties and in Mexico.

Osisko enjoys flexibility on its major projects, a benefit of being the sole owner, and thus can select the rate of execution of its investment programs without concern for compromising ownership rights.

Upper Beaver Project and Kirkland Lake – Larder Camp

On December 28, 2012, Osisko acquired Queenston Mining Inc., a Canadian mineral exploration and development company with a primary focus on its holdings in the historic Kirkland Lake gold camp comprising 230km^2 of exploration lands and the Upper Beaver Project. Queenston Mining Inc. changed its name to Osisko Mining Ltd. on January 16, 2013.

The Queenston transaction provides the Company with a major foothold in a prolific gold camp that has produced in excess of 40 million ounces. Queenston had consolidated the land package over the past 20 years. To date, there have been several satellite deposits identified that could feed a regional mill.

The Upper Beaver Project has the following resources as calculated by SRK Consulting, as of November 5, 2012.

Category	Tonnes (000's)	Au (g/t)	Cu (%)	Contained Au (000's ounces)	Contained Cu (000's pounds)
Indicated	6,870	6.62	0.37	1,461	56,006
Inferred	4,570	4.85	0.32	712	32,218

The work at Upper Beaver is focused on drilling deep holes to test extensions of known zones. The Company has completed approximately 34,795 meters of drilling since January 1, 2013. Work is currently limited to completion of current holes and compiling information generated during the drilling phase to date, and on conducting basic geological review and interpretation over the land package held in the area.

The shaft collar work was completed. Construction of the head frame and surface facilities has been delayed, as well as the shaft sinking. The pause in the project execution plan allows for the review of the construction and development approach with the aim of reducing the capital outlays. This reassessment period will result in a deferral of approximately $50 million of the planned Upper Beaver outlays of $70 million for 2013.

Drilling activities have been reduced to focus on compilation and assessment of the results. The exploration expenditures at Kirkland Lake for 2013 are estimated at the original budget of $20 million.

Hammond Reef Gold Project

Osisko acquired the Hammond Reef gold project located near Atikokan in Northwestern Ontario, through the acquisition of publicly traded Brett Resources Inc. in mid 2010 for $375.0 million. Hammond Reef is a large development project with potential to become a substantial open-pit mine.. In the period, efforts were focused on the advancement of the environmental impact assessment.

A new resource estimate for Hammond Reef was released on January 28, 2013. As per the estimate, global measured and indicated resources currently stand at 5.43 million ounces gold at an average grade of 0.86 g/t Au and the global inferred resource stands at 1.75 million ounces gold at an average grade of 0.72 g/t (based on 0.50 g/t Au lower cut-off).

Hammond Reef Global Resource Estimates

Category	Grade (g/t)	Tonnes (M)	Cut-off (g/t)	Oz (M)
Measured	0.90	123.5	0.5	3.59
Indicated	0.78	72.9	0.5	1.83
M+I	0.86	196.4	0.5	5.43
Inferred	0.72	75.7	0.5	1.75

Further, a whittle pit optimized undiluted resource was calculated (US$1,400 whittle pit shell), totaling 5.31 million ounces of gold at an average grade of 0.72 g/t in the measured and indicated category, and 0.28 million ounces of gold at an average grade of 0.65 g/t in the remaining inferred category.

Hammond Reef Undiluted Resource Estimates
within US$1,400 Whittle pit shell

Category	Grade (g/t)	Tonnes (M)	Cut-off (g/t)	Oz (M)
Measured	0.75	175.3	0.32	4.25
Indicated	0.61	54.1	0.32	1.06
M+I	0.72	229.5	0.32	5.31
Inferred	0.65	13.3	0.32	0.28

Permitting

For the Hammond Reef gold project, permitting is subject to approvals from both Federal (Canadian Environmental Assessment Agency) and Provincial (Ministry of the Environment, Environmental Approvals Branch) authorities.

- The Ontario Minister of Environment provided approval to the Final Amended Terms of Reference for the environmental approval on July 4, 2012 while the Federal Agency had finalized the Environmental Impact Statement Guidelines for the preparation of the Environmental Impact Statement in October of 2011;
- One (single) report will be prepared to meet both federal & provincial requirements;
- A draft Environmental Assessment / Environmental Impact Statement report was submitted on February 15, 2013. The five week comment period ended on April 5, 2013. Comments were received from Aboriginal groups, the public and the government review team and the Company is preparing its responses to the matters raised. Osisko held different meetings and teleconferences during the quarter with the governments, aboriginal groups and the public, to respond to the various comments raised.

Impairment

Osisko's technical team is progressing on the feasibility study of the project. Due to significant inflation in the mineral industry over the past few years, the preliminary estimate of capital cost for a 60,000 tonnes per day operation ranges between $1.5 and $1.8 billion. Gold output is estimated to average 400,000 ounces per annum at a production cost of $800 to $850 per ounce. The group is continuing to review alternatives to optimize capital and operating costs and improve the returns. Under the current scenario, the Hammond Reef gold project requires higher gold prices to justify the investment.

Based on preliminary feasibility results and current market conditions in the gold sector, the Company undertook a review of its project at the end of the second quarter of 2013. The Company conducted impairment testing of Hammond Reef in conformity with IFRS practices and determined that an impairment charge of $487.8 million, net of a deferred tax recovery of $43.1 million, was necessary. Accordingly, the project value recorded on the Company's books was reduced to nil in the second quarter of 2013.

The Company will continue to pursue low-cost permitting activities in the near-term and will continue to monitor market conditions.

Guerrero (Mexico)

The Company has been active in Mexico in acquiring prospective ground to conduct grassroots activities. To date, the Company has acquired approximately one million hectares in the prolific Guerrero Gold Belt.

The Company continues to pursue initial grassroots activities including trenching and sampling, studying geochemistry and geophysical data, identifying drill targets and conducting initial drilling. Efforts were hampered by adverse weather conditions, which severely impacted local infrastructures. Osisko is working with various communities to repair the infrastructures and the exploration program has resumed in October.

Erika property (Mexico)

In January 2013, Osisko executed an option agreement with Tarsis Resources Ltd. allowing Osisko to earn a 51% interest in the Erika property located in the Guerrero Gold Belt in exchange for option payments of US$1.0 million and exploration expenditures of US$4.0 million over 4 years. Upon acquiring a 51% interest, Osisko will have the additional option of earning an additional 24% interest in the property during a period of 2 years by funding and delivering a feasibility study.

Famatina (Argentina)

On August 31, 2011, the Company and Energía y Minerales Sociedad Del Estado ("EMSE"), the La Rioja provincial mining corporation, entered into an agreement regarding the development of the Famatina gold project in La Rioja Province, Argentina. The Famatina project area covers a 40 square kilometre zone hosting various gold-enriched epithermal and porphyry targets.

In early July 2013, the Company advised its Argentina partner, EMSE of the La Rioja State Mining Corporation that it was retiring from the project. The decision was made in view of the declining attractiveness of investment climate in Argentina, competitive opportunities within Osisko's own exploration portfolio, delays in securing the social license to operate and adverse market conditions. As a result of this decision, the total capitalized costs of $3.0 million related to the Argentina property were written off as at June 30, 2013.

Black Hills property (USA)

In March, 2013, Osisko executed an option agreement with Goldfinders LLC to jointly work their property located in the Black Hills of South Dakota, approximately 25 kilometers south of the city of Lead and the former Homestake mine (production between 1878 and 2000 is about 38 million ounces of gold). The property consists of approximately 200 standard lode mineral claims, although additional claims are being considered and will be included into the agreement. The agreement grants Osisko an option to earn a 100% interest in the property on total expenditures of $6.65 million over 6 years and cash payments of $3.0 million.

Investment in exploration companies

In its search for exploration opportunities within the Americas, the Company's strategy also includes investing in junior mining companies. As at September 30, 2013, Osisko has investments in several junior mining companies, including in Ryan Gold, Bowmore Exploration, Braeval Mining, Threegold Resources, Falco Pacific Resource Group, Nighthawk Gold, Pershimco Resources, Orex Exploration and Mistango River Resources.

Sustainability and Community Relations

Osisko maintains an active stakeholder program to secure and retain its social license to operate. The program includes maintaining active dialogue with the various parties including governments, participating in community social and economic development projects, as well as funding various initiatives in health, education and sport.

On July 5, 2013, Osisko deposited $11.6 million for the Government of Québec, representing the balance of the total guarantee required to cover the entire future costs of rehabilitating the Canadian Malartic mine site. The aggregate deposits for the Government of Québec amount to $46.4 million. Osisko is the first mining company in Québec to deposit its full financial guarantee at commencement of operations, exceeding the legislation currently in force in Québec.

The Company has received 12 notices of non-compliance to its operating parameters for its Canadian Malartic operations in the third quarter of 2013 for a total of 32 notices of non-compliance for the year-to-date. The Company also received a $2,500 fine for a surface water non-compliance complaint. The Company also responds to complaints/inquiries raised by the residents of Malartic. In the first nine months, some 128 complaints (2012 YTD: 356) were filed. The notices of non-compliance and the complaints/inquiries relate to noise, dust, blast suppressions, and NOx emissions during blasting. All are investigated and formal responses prepared and filed with the residents, the Malartic Monitoring Committee and the regulatory agency.

The Company continues to pursue mitigation measures and new operating practices to minimize its impact on the community. Several research program and on-going modifications to equipment or operating practices are being pursued or implemented.

Mitigation measures have been or are being implemented and include the following items:

- Implementation of a research and development noise reduction plan for mobile equipment;
- Development of a sound prediction system correlating weather conditions and noise dispersion. Recording of data has started and modeling will require at least 6 months of data to establish correlation;
- Installation of insulated walls (containers) along ramp and transport roads.

During the third quarter of 2013, night time work was regularly suspended to comply with noise standards.

Since December 2012, the Company has been working with an independent consultant and various stakeholders to re-launch the Canadian Malartic Monitoring Committee (the "Monitoring Committee"). The Monitoring Committee is a key link between the residents and the management team of the Canadian Malartic mine to monitor compliance to commitments and to provide a formal vehicle for dialogue between the parties. Following the review of the situation, the consultant provided a plan to reactivate the Monitoring Committee, and participated in the selection of a new president and the appointment of six new members. In addition, new non-voting members were appointed from the Town of Malartic, various governmental agencies and the Canadian Malartic mine. Several meetings were held by the new committee and a public meeting was held to discuss various potential health concerns with the regional health authorities. No major health issues were identified, and the health authorities are continuing their studies to re-comfort the local residents.

As part of its outreach program, the Canadian Malartic Mine in cooperation with the Malartic Mineralogy Museum hosted formal tours of the operations for the third consecutive year. A record of 3,500 visitors participated between the mid-June to mid-September tourist season. The families of Canadian Malartic employees were hosted on site and 950 people participated at the open-house events.

The Company published in late July its fifth annual Sustainability Report. The report covers the 2012 activities and is available on Osisko's website at www.osisko.com.

Human Resources

The mining industry is faced with a highly competitive environment to attract and retain qualified human resources. Osisko has initiated several measures to recruit and retain employees. These include implementation of competitive remuneration programs, training and development opportunities, and providing a safe working environment. The Company has an extensive university and technical school support program by offering work term to students to complement their theoretical experiences with hands-on practical experience. Some 30 internships, along with 50 summer student positions, were offered in 2013.

In October 2013, Osisko reorganized its exploration department. The position of Vice President, Exploration Canada was abolished as well as seven positions and the Montréal exploration office was closed.

As at September 30, 2013, the Company employed 795 individuals at the following divisions:

	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012	December 31, 2011
Canadian Malartic	681	675	650	642	558
Hammond Reef	3	2	24	25	103
Upper Beaver / Kirkland Lake	39	42	59	64	-
Exploration	15	20	27	26	43
Corporate office	57	58	56	55	56
	795	**797**	**816**	**812**	**760**

The Company has intensified its efforts to improve its safety performance. The on-site accident frequency has improved significantly during 2013, and it is noted worthy that during four out of nine months of 2013, no accidents were recorded at Canadian Malartic.

In order to align the interest of the employees with those of the shareholders, the Company has a number of equity remuneration programs. Approximately 63% of employees (66% based on admissibility) participate in the Company's share purchase plan. Directors and officers are also required to have minimum direct shareholdings in Osisko.

Gold Market, Energy and Currency

Gold Market

After experiencing the biggest quarterly decline in the second quarter of 2013, gold prices rallied from an almost three year low of $1,180 in June as lower prices boosted demand for jewelry, bars and coins in Asia. As confidence gradually returned, prices peaked at US$1,434 per ounce in August, some 20% above the lows, to consolidate in the lows US$1,300.

In August, gold increased following geopolitical tensions in Syria due to the fear that the U.S. may start a military strike against Syria for alleged use of chemical weapons. In mid-September, the Russia's proposal to place Syria's chemical weapons under international control preventing an intervention by the U.S. military put downward pressure on gold price as tensions eased. The same week, the Federal Reserve surprised gold market positively with the announcement to continue its $85.0 billion in monthly purchases as policy makers wait for more signs of economic improvement.

Gold prices gained $135 per ounce quarter over quarter on the London PM Fix to close at US$1,327. The average price was lower than the second quarter of 2013 by 6% at $1,326 and 20% lower on a year over year basis heading for the first annual loss since 2000, after low U.S. inflation and a rally in the stock market.

The latest World Gold Council Demand Trends report (covering the second quarter) highlighted how recent falls in the gold price have increased demand for jewellery, mostly in China and India compared with the same period last year. Gold held in exchange traded funds fell by 400 tonnes driven by funds and speculative investors continuing to reduce their positions. Despite stable prices, investors have continued to cut their positions by 100 tonnes in the second quarter representing a total cut of about a quarter of their positions for the year.

The 5-year historical price is as follows:

(US$/ounce)	High	Low	Average	Close
2013 (Q3)	1,420	1,213	1,326	1,327
2013 (Q2)	1,584	1,192	1,415	1,192
2013 (Q1)	1,694	1,574	1,632	1,598
2012	1,792	1,540	1,669	1,658
2011	1,895	1,319	1,572	1,531
2010	1,421	1,058	1,225	1,406
2009	1,213	810	972	1,088

Osisko believes that despite the decrease in the gold price in 2013, the fundamentals of the gold market remains well in place, namely:

- Expansionary monetary policies and continued effects of the economic problems around the world;
- High level of government indebtedness;
- Diversification of central bank currency holdings, particularly in emerging markets;
- Continued geo-political instability.

Global gold mine production continues to be relatively stable. The challenges of new production discoveries, high capital costs, suspension of major projects and permitting issues lead Osisko to believe that global production will remain stable or decline in the near/medium term.

Energy

Osisko's Canadian Malartic operations benefit from Québec's low-cost reliable hydro-electric power. The utilization of this clean renewable energy source reduces the impact of volatile oil prices on the operations. However, as with other mining operations but to a lesser extent, oil prices have an impact on operating costs.

The oil price variation during the past years is as follows (rounded to the nearest dollar):

(US$/barrel)	High	Low	Average
2013 (Q3)	111	98	106
2013 (Q2)	98	87	94
2013 (Q1)	98	90	94
2012	109	78	94
2011	114	76	95
2010	92	68	80

Currency

The Company is subject to currency fluctuations for its Canadian Malartic operations as about 60% of its costs are denominated in Canadian dollars while the gold produced at Canadian Malartic is sold in US dollars.

The exchange rate for the Canadian/US is outlined below:

	High	Low	Average	Close
2013 (Q3)	1.0576	1.0237	1.0386	1.0285
2013 (Q2)	1.0532	1.0023	1.0231	1.0512
2013 (Q1)	1.0314	0.9839	1.0083	1.0156
2012	1.0418	0.9710	0.9996	0.9949
2011	1.0604	0.9449	0.9891	1.0170
2010	1.0778	0.9946	1.0299	0.9946

Selected Quarterly Financial Information
(in thousands of dollars, except figures for ounces and amounts per ounce and per share)

	Three months ended September 30,		Nine months ended September 30,	
	2013[4]	**2012[4,5]**	**2013[4]**	**2012[4,5]**
Gold ounces produced	120,208	103,753	337,956	286,934
Gold ounces sold	123,151	95,424	328,165	283,499
Revenues	171,298	158,503	489,874	474,295
Earnings from mine operations	38,987	63,503	136,591	185,945
Net earnings (loss)	9,755	28,343	(465,591)	77,922
Basic and diluted net earnings (loss) per share	0.02	0.07	(1.07)	0.20
Total assets	2,188,005	2,246,923	2,188,005	2,246,923
Total non-current liabilities	315,728	307,693	315,728	307,693
Capital expenditures	38,313	58,329	163,917	206,634
Operating cash flows	70,665	55,806	189,090	206,897
Operating cash flows per share [1]	0.16	0.14	0.43	0.53
Average selling price of gold (per ounce sold)				
In CAD	1,370	1,646	1,471	1,657
In USD [3]	1,321	1,659	1,435	1,654
Cash costs per ounce [1][2]				
In CAD	754	851	779	855
In USD [3]	726	855	762	853
Cash margin per ounce [1][2]				
In CAD	616	795	692	802
In USD [3]	595	804	673	801
Shares outstanding *(in thousands)*				
Basic weighted average	437,186	388,153	436,797	387,588
Diluted weighted average	437,782	390,238	436,797	389,653

(1) *"Operating cash flows per share", "cash costs per ounce"* and *"cash margin per ounce"* are non-IFRS financial performance measures with no standard definition under IFRS. See *"Non-IFRS Financial Performance Measures"* section of this MD&A.
(2) Using actual exchange rates at the date of the transactions.
(3) Using the average exchange rate for the period.
(4) Financial information in Canadian dollars and prepared in accordance with IFRS.
(5) Balances related to 2012 have been restated to reflect the impact of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*. See *"Changes in accounting policies"* section of the MD&A.

The average prices of gold and silver in US$ are summarized below:

	Three months ended September 30, 2013		Nine months ended September 30, 2013	
	Realized prices per ounce	**Market prices per ounce [i]**	**Realized prices per ounce**	**Market prices per ounce [i]**
Gold	1,321	1,326	1,435	1,456
Silver	21	21	24	25

(i) Market prices are based on the average London PM fixing for gold and average fixing for silver.

During the third quarter of 2013, earnings from mine operations and net earnings amounted respectively to $39.0 million and $9.8 million and operating cash flows were $70.7 million, compared to earnings from mine operations of $63.5 million, net earnings of $28.3 million and operating cash flows of $55.8 million during the third quarter of 2012. For the nine months ended September 30, 2013, earnings from mine operations amounted to $136.6 million, net loss was $465.6 million and operating cash flows were $189.1 million, compared to earnings from mine operations of $185.9 million, net earnings of $77.9 million and operating cash flows of $206.9 million for the comparative periods of 2012.

The net loss for the nine months ended September 30, 2013 is due to the impairment of the Hammond Reef gold project during the second quarter in the amount of $530.9 million, partially offset by a deferred tax recovery related to the impairment of $43.1 million.

Overview of Financial Results

Financial Summary – Third quarter of 2013 (compared to third quarter of 2012)

- Net earnings of $9.8 million or $0.02 per basic and diluted share compared to net earnings of $28.3 million or $0.07 per basic and diluted share in 2012;
- Revenues of $171.3 million in 2013 compared to $158.5 million in 2012;
- Mine operating earnings of $39.0 million in 2013 compared to $63.5 million in 2012;
- Operating cash flows of $70.7 million in 2013 compared to $55.8 million in 2012;
- 123,151 ounces of gold sold at an average price of US$1,321/oz compared to 95,424 ounces of gold sold at an average price of US$1,659/oz in 2012.

During the third quarter of 2013, Osisko generated net earnings of $9.8 million (net earnings per share of $0.02) compared to $28.3 million (net earnings per share of $0.07) for the comparative period in 2012. The lower net earnings in 2013 are mainly the result of lower realized gold prices, partially offset by increased production and sales.

During the nine months ended September 30, 2013, Osisko incurred a net loss of $465.6 million (net loss per share of $1.07) compared to net earnings of $77.9 million in the corresponding period of 2012 (net earnings per share of $0.20). The net loss is mainly the result of the impairment charge for the Hammond Reef gold project of $530.9 million, partially offset by a related deferred tax recovery of $43.1 million. Exploration and evaluation expenses also increased due to write offs of exploration projects for $17.0 million.

Excluding specific non-cash items, adjusted net earnings[6] amounted to $21.9 million ($0.05 per share) for the third quarter of 2013 compared to $50.4 million ($0.13 per share) in 2012. For the nine months ended September 30, 2013, adjusted net earnings[6] amounted to $83.1 million ($0.19 per share) compared to $145.7 million ($0.38 per share) in the comparative period of 2012.

Total precious metal sales amounted to $171.3 million for the third quarter of 2013, comprising of 123,151 ounces of gold and 117,750 ounces of silver, compared to precious metal sales of $158.5 million in the third quarter of 2012, comprising of 95,424 ounces of gold and 49,751 ounces of silver.

For the first nine months of 2013, total precious metal sales amounted to $489.9 million, comprising of 328,165 ounces of gold and 286,638 ounces of silver, compared to precious metal sales of $474.3 million in the first nine months of 2012, where 283,499 ounces of gold and 151,431 ounces of silver were sold.

The Canadian Malartic mine generated operating earnings of $39.0 million in the third quarter of 2013 for a total of $136.6 million in the first nine months 2013 compared to $63.5 million in the third quarter of 2012 and $185.9 million for the first nine months of 2012. The cash margin[6] reached $616 per ounce in the third quarter of 2013, a decrease of $179 per ounce when compared to $795 per ounce in the third quarter of 2012. The decrease is the result of a decrease of $276 per ounce in the average selling price of gold, partially offset by a decrease of $97 per ounce in the cash costs per ounce[6]. When compared to the previous quarter, the cash margin[6] decreased by $37 per ounce as a result of a 4% decrease in the average selling price, partially offset by a 3% decrease in the cash costs per ounce[5].

6 Non-IFRS financial performance measures have no standard definition under IFRS. See "*Non-IFRS Financial Performance Measures*" section of this MD&A.

Consolidated Statement of Income (Loss)

The following table presents a summarized Consolidated Statement of Income (Loss) for the Company's most recently completed and comparative three and nine month periods (in thousands of dollars):

		Three months ended September 30,		Nine months ended September 30,	
		2013	**2012[1] (restated)**	**2013**	**2012[1] (restated)**
Revenues	**(a)**	**171,298**	**158,503**	**489,874**	**474,295**
Mine operating costs					
Production costs	(b)	(92,265)	(77,684)	(264,306)	(237,110)
Royalties	(b)	(2,144)	(1,998)	(6,410)	(6,378)
Depreciation	(b)	(37,902)	(15,318)	(82,567)	(44,862)
Earnings from mine operations		**38,987**	**63,503**	**136,591**	**185,945**
General and administrative expenses	(c)	(9,048)	(7,601)	(22,222)	(20,950)
Exploration and evaluation expenses	(d)	(6,081)	(2,852)	(27,119)	(8,105)
Impairment of property, plant and equipment	(e)	-	-	(530,878)	-
Earnings (loss) from operations		**23,858**	**53,050**	**(443,628)**	**156,890**
Other expenses - net	(f)	(7,503)	(4,590)	(33,997)	(22,130)
Earnings (loss) before income and mining taxes		**16,355**	**48,460**	**(477,625)**	**134,760**
Income and mining tax recovery (expense)	(g)	(6,600)	(20,117)	12,034	(56,838)
Net earnings (loss)		**9,755**	**28,343**	**(465,591)**	**77,922**

(1) Balances related to 2012 have been restated to reflect the impact of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*. See *"Changes in accounting policies"* section of the MD&A.

(a) Revenues are comprised of the following:

Third quarter:

	2013			2012		
	Average selling price per ounce ($)	Ounces Sold	Total revenues ($000's)	Average selling price per ounce ($)	Ounces Sold	Total revenues ($000's)
Gold	1,370	123,151	168,678	1,646	95,424	157,024
Silver	22	117,750	2,620	30	49,751	1,479
			171,298			158,503

Year to date:

	2013			2012		
	Average selling price per ounce ($)	Ounces Sold	Total revenues ($000's)	Average selling price per ounce ($)	Ounces Sold	Total revenues ($000's)
Gold	1,471	328,165	482,808	1,657	283,499	469,661
Silver	25	286,638	7,066	31	151,431	4,634
			489,874			474,295

(b) Production costs amounted to $92.3 million during the third quarter of 2013 and $264.3 million for the first nine months of 2013, compared to $77.7 million and $237.1 million in the comparative periods in 2012. Higher production costs of ounces sold in 2013 are mainly the result of higher sales. During the quarter and first nine months of 2013, depreciation expense amounted to $37.9 million and $82.6 million, compared respectively to $15.3 million and $44.9 million in the corresponding periods of 2012. The increase in depreciation expense is mainly due to higher property, plant and equipment and higher production. During the third quarter and first nine months of 2013, earnings from mine operations represented 23% and 28% of sales (mine operating costs were 77% and 72% of sales), respectively, compared to 40% and 39% of sales (mine operating costs were 60% and 61% of sales), respectively in the corresponding periods of 2012. The difference is mainly the result of lower selling prices and higher depreciation.

(c) General and administrative expenses (G&A) amounted to $9.0 million in the third quarter and $22.2 million in the first nine months of 2013 compared to $7.6 million and $21.0 million for the corresponding periods in 2012. For the third quarter of 2013, salaries were $4.2 million compared to $3.6 million in the third quarter of 2012, an increase of $0.6 million mainly due to higher restricted and deferred share units expense. For the nine months ended September 30, 2013, salaries were stable at $8.0 million compared to $8.1 million in the corresponding period of 2012. Share-based compensation from share options was stable at $1.3 million in the third quarter of 2013 compared to $1.4 million in the third quarter of 2012. For the first nine months of 2013, share-based compensation decreased by $1.0 million to $3.9 million compared to the first nine months of 2012. The decrease is mainly due to lower weighted average fair values of options granted caused by lower common share prices for the last grants. Other general and administrative expenses increased by $1.0 million to reach $3.5 million in the third quarter of 2013. The increase is mainly the result of higher research and development expenses. For the first nine months of 2013, other general and administrative expenses increased by $2.4 million to reach $10.4 million compared to the first nine months of 2012. G&A expenses in the first quarter of 2013, following the acquisition of Queenston, increased G&A expenses for that period. These additional G&A expenses from the acquisition of Queenston were reduced to nil in the following quarters.

(d) In the third quarter and the first nine months of 2013, exploration and evaluation expenses include write-offs of mining properties for projects terminated by Osisko of $1.9 million and $17.0 million, respectively, compared to nil and $0.7 million in the comparative periods of 2012. The write-offs are related to abandoned grassroots projects.

Excluding these write-offs, exploration and evaluation expenses reached $4.2 million in the third quarter of 2013 and $10.1 million in the first nine months of 2013, compared to $2.9 million and $7.4 million in corresponding periods in 2012 as a result of increased activities in Mexico and expenses for Hammond Reef which were capitalized prior to the impairment booked in the second quarter of 2013.

(e) For the three months ended June 30, 2013, the Company recorded an impairment charge of $530.9 million, representing 100% of the property, plant and equipment related to the Hammond Reef gold project. For more details, refer to the *Impairment of Property, Plant and Equipment* section of this MD&A.

(f) Other net expenses in the third quarter of 2013 include finance costs of $8.2 million, a net loss on financial assets of $1.5 million and a share of loss of associates of $0.1 million, partially offset by interest income of $0.4 million and a gain on foreign exchange of $1.9 million. For the nine months ended September 30, 2013, other net expenses include finance costs of $24.5 million, a loss on foreign exchange of $3.5 million, a net loss on financial assets of $6.6 million and a share of loss of associates of $0.8 million, partially offset by interest income of $1.3 million.

In the third quarter of 2012, other net expenses include finance costs of $8.0 million and a share of loss of associates of $0.4 million, partially offset by interest income of $0.2 million, a gain on foreign exchange of $3.4 million and a net gain on financial assets of $0.4 million. For the nine months ended September 30, 2012, other net expenses include finance costs of $22.8 million, a net loss on financial assets of $2.6 million and a share of loss of associates $0.6 million, partly offset by interest income of $1.1 million and a gain on foreign exchange of $3.2 million.

(g) The effective income tax rate for the third quarter and first nine months of 2013 is 37% and (3%), respectively compared to 42% in the corresponding periods of 2012. The variation in the effective tax rate is mainly due to the non-recognition of tax benefits relating to losses with regards to impairment on available-for-sale financial assets and impairment of the Hammond Reef gold project, the non-recognition of tax benefits for losses and other deductible amounts generated in foreign jurisdiction where the probable criteria for the recognition of deferred tax assets has not been met and other discrete items.

For the nine months ended September 30, 2013, the main element that affected the effective income tax rates is the impairment charge of $530.9 million on the Hammond Reef gold project that generated a deferred tax recovery of $43.1 million.

Liquidity and Capital Resources

As at September 30, 2013, the Company's cash and cash equivalents, short-term investments and restricted cash amounted to $171.6 million compared to $155.5 million as at December 31, 2012, as summarized below:

(In thousands of dollars)	**September 30, 2013**	**December 31, 2012**
Cash and cash equivalents	121,770	93,229
Short-term investments	-	19,357
Restricted cash		
Current	558	4,563
Non-current	49,262	38,362
	171,590	155,511

Short-term investments were acquired following the acquisition of Queenston as at December 28, 2012 and were converted into cash and cash equivalents during the first quarter of 2013 to increase the flexibility of available liquidities. The Company has also collected in June the $30.0 million note receivable from Kirkland Lake Gold Inc. related to the sale of properties by Queenston prior to its acquisition by Osisko.

On July 5, 2013, Osisko deposited $11.6 million for the Government of Québec, representing the balance of the total guarantee required to cover the entire future costs of rehabilitating the Canadian Malartic mine site. The aggregate deposits for the Government of Québec amount to $46.4 million.

As at December 31, 2012, an amount of $4.0 million of restricted cash was pledged as security against a letter of credit issued to Hydro-Québec for the installation of a new electrical transmission line for the Canadian Malartic mine, which was completed in 2010. The letter of credit was released in the first quarter of 2013. An additional amount of $0.5 million was also given as a guarantee for the completion of the relocation program of the southern neighborhood of the Town of Malartic and is outstanding as at September 30, 2013 and December 31, 2012.

The following table summarizes the financings completed in the year 2012 and the first nine months of 2013:

	No of Shares/ Units	Price ($)	Gross Proceeds ($000's)	Net Cash Proceeds ($000's)
First nine months of 2013				
Exercise of Options	584,334	2.33	1,364	1,364
Employee Share Purchase Plan – Employee Portion	360,440	4.93	1,776	1,776
Total	944,774		3,140	3,140
Year 2012				
Exercise of Options	3,862,067	4.44	17,145	17,145
Employee Share Purchase Plan – Employee Portion	234,040	9.02	2,113	2,113
Total	4,096,107		19,258	19,258

The amount of principal of long-term debt payments as at September 30, 2013, per calendar year, is as follows:
(in millions of dollars)

	CPPIB	RQ and CDPQ[1]	FSTQ	CAT Loan	CAT Finance lease	Total
2013 (3 months)	17.1	-	1.3	1.9	7.9	28.2
2014	132.9	75.0	5.0	7.2	31.2	251.3
2015	-	-	1.6	0.7	36.2	38.5
2016	-	-	-	-	17.7	17.7
2017	-	-	-	-	4.6	4.6
2018	-	-	-	-	2.2	2.2
Less: imputed interest	-	-	-	-	(6.5)	(6.5)
	150.0	75.0	7.9	9.8	93.3	336.0

[1] If Ressources Québec ("RQ") and Caisse de dépôt et placement du Québec ("CDPQ") do not exercise their option to convert the debentures into shares.

The principal repayments of the CPPIB Credit Investments Inc. ("CPPIB") loan are payable based on cash flow availability. The reduction in expected repayments in 2013 for the CPPIB loan was due to lower expected cash flows following the decrease in the gold prices. As described in the *Modifications to long-term debt terms* section below, Osisko entered into agreements to amend certain terms of its loan facilities. Based on the new agreements, the repayments of the CPPIB loan will now be based on pre-determined fixed amounts. The CPPIB loans are secured by the assets of the Company.

The following table details the outstanding warrants as at September 30, 2013:

Expiry date	Number of warrants	Exercise price	Potential proceeds
		$	$
September 24, 2014	7,000,000	10.00	70,000,000
December 31, 2015	5,500,000	10.00	55,000,000
November 2, 2013 (assumed from acquisition of Queenston)[i]	2,017,453	10.56	21,304,304
	14,517,453		146,304,304

(i) The warrants assumed from the acquisition of Queenston were not exercised prior to their expiry date on November 2, 2013.

Modifications to long-term debt terms

In July 2013, the Company entered into agreements with CPPIB Credit Investments Inc., the Caisse de dépôt et placement du Québec and Ressources Québec to modify certain terms of its long-term debt facilities. These modifications have not been reflected in the financial statements yet and the Company will assess the financial impact of the amendments on its consolidated financial statements on the closing date of the agreements.

- CPPIB loan ($150.0 million)
  - The loan repayments that were previously based on cash flow availability will now be based on pre-determined fixed amounts. The first repayment will be postponed to 2014. As such, the payment which was due in August 2013 has been postponed pending the closing of the agreements.
  - The fixed interest rate will be revised to 6.875% (from 7.5% previously).
  - The maturity date of the 12.5 million warrants held by CPPIB will be extended to September 30, 2017 and the exercise price will be modified to $6.25 per warrant. The exercise of the warrants may be accelerated at the Company's option if the Osisko shares trade at a price above $8.15 for 20 consecutive days.
  - The delayed drawdown facility ($100.0 million) established in May 2012 will be cancelled;
  - The maturity date of the loan will be postponed to June 30, 2017

- Convertible debentures ($75.0 million)
  - The maturity date of the convertible debentures will be postponed to November 2017.
  - The fixed interest rate will be revised to 6.875% (from 7.5% previously).
  - The convertible debentures will be convertible into Osisko shares at any time prior to the due date at the price of $6.25 per share (previously $9.18 per share).

The following table presents the new repayment schedules of the CPPIB loan and the convertible debentures per calendar year once the agreements are finalized (in millions of dollars):

	CPPIB	CDPQ	RQ	Total
2014	30.0	-	-	30.0
2015	40.0	-	-	40.0
2016	40.0	-	-	40.0
2017	40.0	37.5	37.5	115.0
	150.0	37.5	37.5	225.0

The agreements are conditional on finalization of documentation to the satisfaction of all parties, obtaining the necessary regulatory authorizations and on payment of transaction fees, which are expected to be all completed by the end of the month of November 2013.

Cash Flows

The following table summarizes the cash flows activities (in thousands of dollars):

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012[1]	2013	2012[1]
Cash flows				
Operations	68,568	72,167	194,986	211,446
Working capital items	2,097	(16,361)	(5,896)	(4,549)
Operating activities	70,665	55,806	189,090	206,897
Investing activities	(49,363)	(55,899)	(117,888)	(209,970)
Financing activities	(15,018)	(4,171)	(42,661)	(19,337)
Change in cash and cash equivalents	6,284	(4,264)	28,541	(22,410)
Cash and cash equivalents – beginning of period	115,486	82,524	93,229	100,670
Cash and cash equivalents – end of period	121,770	78,260	121,770	78,260

(1) Balances related to 2012 have been restated to reflect the impact of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine.* See *"Changes in Accounting Policies"* section of the MD&A.

Operating Activities

Cash flows from operating activities reached $70.7 million for the third quarter of 2013 compared to $55.8 million in the third quarter of 2012. Excluding the non-cash working capital items, cash flows from operations in the third of 2013 amounted to $68.6 million compared to $72.2 million in the third quarter of 2012.

For the nine months ended September 30, 2013, cash flows from operating activities reached $189.1 million compared to $206.9 million in the corresponding period in 2012. Excluding the non-cash working capital items, cash flows from operations in the same periods were $195.0 million and $211.4 million respectively.

Cash flows from operating activities, before non-cash working capital items, were relatively stable in the third quarter of 2013 compared to 2012. The decrease of $16.5 million for the first nine months of 2013 compared to 2012 is mainly the result of higher production costs by $27.2 million while revenues only increased by $15.6 million due to lower gold prices.

Investing Activities

Cash flows used in investing activities amounted to $49.4 million and $117.9 million for the three and nine months ended September 30, 2013 compared to $55.9 million and $210.0 million in the corresponding periods of 2012, respectively.

Cash outflows related to investments in property, plant and equipment amounted to $38.3 million and $163.9 million for the three and nine months ended September 30, 2013 compared to $58.3 million and $206.6 million in the comparative periods of 2012, respectively. Investments in 2013 are mainly related to Canadian Malartic (stripping costs, sustaining capital and expansion), Kirkland Lake and Upper Beaver. Investments in 2012 are related to the expansion of the Canadian Malartic mine, the installation of the pre-crush circuit and investments on the Hammond Reef project.

During the third quarter of 2013, the Company deposited $11.6 million with the Government of Québec, representing the last payment to cover the entire rehabilitation costs of the Canadian Malartic mine. In the third quarter of 2012, the Company acquired investments for $3.4 million and generated $4.2 million from a decrease in restricted cash.

During the first nine months of 2013, investing activities provided cash inflows of $19.4 million from a decrease in short-term investments and $30.0 million from the collection of a note receivable from Kirkland Lake Gold (from the acquisition of Queenston). Osisko increased its restricted cash during the same period for $6.9 million. For the corresponding period in 2012, Osisko acquired $11.0 million of investments and generated $4.7 million from a decrease in restricted cash.

Following a drop in gold prices in April, the Company decided to reduce its planned investments of projects and exploration activities by over $80.0 million for 2013. As at September 30, 2013, investments have already been reduced by $77.6 million.

Financing Activities

Cash used by financing activities for the three and nine months ended September 30, 2013 amounted to $15.0 million and $42.7 million respectively, compared to $4.2 million and $19.3 million in the corresponding periods of 2012.

Cash used for the third quarter and the first nine months of 2013 is mainly the result of payments on the finance lease and long-term debt of $10.7 million and $29.0 million and interest paid of $5.9 million and $16.7 million, for the respective periods. These cash outflows were partially offset by the issuance of common shares from the exercise of share options and the employee share purchase plan that generated $1.7 million for the third quarter of 2013 and $3.1 million for the nine months ended September 30, 2013. In 2012, payments on the finance lease and long-term debt amounted to $7.0 million for the third quarter and $20.5 million for the first nine months, while interest paid amounted to $5.6 million and $16.7 million, respectively. Also in the third quarter and first nine months of 2012, the Company received $8.4 million and $17.9 million, respectively, from the issuance of common shares from the exercise of share options and the employee share purchase plan.

Quarterly Information

The selected quarterly financial information for the past eight financial quarters is outlined below:
(in thousands of dollars, except for amounts per share)

	2013[4]			2012[4,5]				2011[4,6]
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Cash [1]	171,590	153,695	139,278	155,511	114,874	123,376	143,766	142,033
Working capital	80,055	83,595	68,731	91,951	36,177	71,145	32,395	47,429
Total assets	2,188,005	2,168,856	2,716,288	2,687,905	2,246,923	2,179,048	2,145,945	2,069,242
Total long-term debt	328,568	331,459	335,949	337,412	327,916	330,178	333,467	331,624
Shareholders' equity	1,706,919	1,690,138	2,180,064	2,162,018	1,765,295	1,722,515	1,697,776	1,654,068
Revenues	171,298	159,195	159,381	191,080	158,503	157,134	158,658	128,100
Earnings from mine operations	38,987	42,619	54,985	73,169	63,503	49,984	72,458	39,526
Earnings (loss) attributable to Osisko shareholders	9,755	(492,762)	17,416	12,866	28,343	18,984	30,595	37,802
Earnings (loss) per share	0.02	(1.13)	0.04	0.03	0.07	0.05	0. 08	0.10
Gold production (oz)	120,208	111,701	106,047	101,544	103,753	92,003	91,178	79,718
Gold sales (oz)	123,151	109,503	95,511	111,104	95,424	95,675	92,400	75,100
Cash margin per ounce[2] ($/oz)	616	653	841	865	795	735	878	752
Weighted average shares outstanding (000's)								
- Basic	437,186	436,695	436,502	391,538	388,153	387,279	385,777	385,427
- Diluted	437,782	436,695	436,943	392,719	390,238	389,024	390,420	389,993
Share price ($/Share)								
- High	5.83	6.06	8.32	10.09	10.62	11.71	12.97	13.55
- Low	3.31	2.98	5.56	7.14	7.15	6.25	9.89	9.18
- Close	5.21	3.48	6.03	8.00	9.74	7.00	11.58	9.84
Price of gold (average US$)	1,326	1,415	1,632	1,722	1,652	1,609	1,691	1,688
Closing exchange rate[3] (US$/Can$)	1.0285	1.0512	1.0156	0.9949	0.9837	1.0191	0.9991	1.0170

(1) Includes cash and cash equivalents, restricted cash and short-term investments.
(2) *"Cash margin per ounce"* is a non-IFRS financial performance measure with no standard definition under IFRS. *See "Non-IFRS Financial Performance Measures"* section of this MD&A for the definition of *"Cash margin per ounce".*
(3) Bank of Canada Noon Rate.
(4) Financial information in Canadian dollars and prepared in accordance with IFRS.
(5) Balances related to 2012 have been restated to reflect the impact of the adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine.* See *"Changes in Accounting Policies"* section of the MD&A.
(6) Balances related to 2011 have not been restated to reflect adoption of IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine.*

During the second quarter of 2013, Osisko took an impairment charge of $530.9 million on its Hammond Reef gold project. Commercial production at Canadian Malartic began in May 2011 and the Company recorded its first sales on the Consolidated Statement of Income in the second quarter of 2011. The Company continued to invest in 2011, 2012 and 2013 in exploration and development projects, including the expansion of the Canadian Malartic mine, the Hammond Reef gold project and the Upper Beaver and Kirkland Lake properties. In December 2012, Osisko acquired Queenston Mining Inc. for $417.5 million.

Outlook

Gold production is estimated at 485 000 ounces for the year. Cash costs per ounce[7] are estimated at approximately $770 for the year, a 9% reduction in costs from 2012 with improved operations and higher gold output.

Following the issuance of a new IFRS accounting pronouncement with respect to stripping costs in the production phase of a surface mine, the Company capitalizes stripping costs when they meet the requirements of a stripping activity asset. Capitalized stripping costs are not reflected in the table below. The change in policy has no impact on cash and cash equivalents.

Volatility in the gold price and financial markets has led Osisko to review its rate of discretionary spending in exploration and advancing new projects. As previously announced, the Company decreased discretionary spending for 2013 by over $80.0 million.

The following table details the reduction in discretionary expenditures compared to the original budget:

(In millions of dollars)	**Revised budget[(1)]**	**Original budget**	**Reduction**
Canadian Malartic mine	80.8	98.0	17.2
Upper Beaver project	18.5	70.0	51.5
Hammond Reef	7.0	10.0	3.0
Exploration – capitalized	31.6	42.0	10.4
Capital expenditures	137.9	220.0	82.1

(1) Excluding variation in accounts payable and accrued liabilities related to the Canadian Malartic expansion, Hammond Reef, Upper Beaver and Kirkland Lake projects.

As at September 30, 2013, the Company has already realized $77 million of the planned reduction in discretionary spending. In the fourth quarter of 2013, an additional $5 to $15 million reduction is expected.

Contractual Obligations and Commitments

The following table presents information on the contractual obligations of the Company as at September 30, 2013:
(in thousands of dollars)

	Payments due by period				
	Total	**Less than 1 year**	**Between 1 and 3 years**	**Between 3 and 5 years**	**After 5 years**
	$	**$**	**$**	**$**	**$**
Operating leases	1,761	1,135	626	-	-
Purchase obligations	13,259	13,259	-	-	-
Obligations under finance lease	99,811	31,413	58,214	9,361	823
Long-term debt	242,684	65,739	176,945	-	-
	357,515	111,546	235,785	9,361	823

7 Non-IFRS financial performance measures have no standard definition under IFRS. See "*Non-IFRS Financial Performance Measures*" section of this MD&A.

The following table presents information on long-term debt after modifications to current agreements:
(in thousands of dollars**)**

	Payments due by period				
	Total	**Less than 1 year**	**Between 1 and 3 years**	**Between 3 and 5 years**	**After 5 years**
	$	**$**	**$**	**$**	**$**
Long-term debt	242,684	42,325	85,359	115,000	-

Related Party Transactions

The compensation paid or payable to key management for employee services is presented below:
(in thousands of dollars)

	Three months ended September 30,		**Nine months ended September 30,**	
	2013	**2012**	**2013**	**2012**
	$	**$**	**$**	**$**
Salaries and short-term employee benefits	856	928	2,577	2,450
Share-based compensation	3,038	2,542	4,319	5,686
	3,894	3,470	6,896	8,136

There were no other related-party transactions in 2013.

During the first quarter of 2012, the Company invested $3,000,000 in Braeval Mining Corporation, a mining exploration company of which officers and directors of the Osisko Mining Corporation are also shareholders and/or directors. This investment was accounted for as an investment in an associate.

In July 2012, the Company acquired 3,200,000 additional shares of an associate at a price of $0.25 per share for a total cost of $800,000 and 3,200,000 warrants of that associate held by Osisko were transferred to an arm's length third party for a nominal value. Certain directors and officers of Osisko are shareholders and/or directors of the associate.

Off-balance Sheet Items

The Company does not have any off-balance sheet arrangements other than operating leases for office space as well as letters of credit issued to suppliers. Those letters of credit are 100% secured by deposits (presented on the Company's consolidated balance sheet under *restricted cash*) and are issued to suppliers with respect to service contracts. The suppliers may draw on the letters of credit in the event of a default by the Company under the terms of the contracts. As at September 30, 2013, the outstanding letters of credit had a value of $2.1 million.

Outstanding Share Data

As of November 8, 2013, 437,763,999 common shares were issued and outstanding. A total of 23,100,695 common share options were outstanding to purchase common shares under the Company's share option plan and 12,500,000 common share purchase warrants were outstanding.

Risks and Uncertainties

The exploration for, development and mining of mineral deposits involve significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. For additional discussion of risk factors, please refer to the Company's Annual Information Form which is available upon request from the Company or on its profile on www.sedar.com. There have been no material changes to risks and uncertainties since the release of the Annual Information Form.

Disclosure Controls and Internal Controls over Financial Reporting

The Chief Executive Officer (the "CEO"), and the Chief Financial Officer (the "CFO") of the Company are responsible for establishing and maintaining the Company's disclosure controls and procedures ("DCP") including adherence to the Disclosure Policy adopted by the Company. The Disclosure Policy requires all staff to keep senior management fully apprised of all material information affecting the Company so that they may evaluate and discuss this information and determine the appropriateness and timing for public release.

The CEO and the CFO are also responsible for the design of internal controls over financial reporting ("ICFR"). The fundamental issue is ensuring all transactions are properly authorized and identified and entered into a well designed, robust and clearly understood accounting system on a timely basis to minimize risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with IFRS, unauthorized receipts and expenditures, or the inability to provide assurance that unauthorized acquisitions or dispositions of assets can be detected. Internal control procedures provide for separation of duties for receiving, approving, coding and handling of invoices, entering transactions into the accounts, writing checks and wire requests and also require two signers on all payments.

The CEO and CFO have evaluated whether there were changes to the ICFR during the third quarter ended September 30, 2013 that have materially affected, or are reasonably likely to materially affect, the ICFR. No such significant changes were identified through their evaluation.

The Company's management, including the CEO and CFO, believe that any disclosure controls and procedures and internal controls over financial reporting, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company also makes estimates and assumptions concerning the future. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

In preparing these condensed interim consolidated interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended December 31, 2012.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of Property, Plant and Equipment

Assets are tested for impairment when events or changes in circumstance indicate that the carrying amount may not be recoverable. As at June 30, 2013, the Company determined that the review of economical parameters at the Hammond Reef gold project triggered an impairment testing. The testing takes into consideration an increase in estimated mine development costs and a decrease in gold prices. The Company used a discounted cash flow approach to estimate the fair value less cost to sell of the Hammond Reef gold project. The inflation-adjusted post-tax discount rate used in the calculation was 7.55%.

The result of the impairment test indicates that the carrying value of the Hammond Reef gold project cannot be recovered. Accordingly, for the three months ended June 30, 2013, the Company recorded an impairment charge in the Consolidated Statement of Income (Loss) of $530.9 million, representing 100% of the property, plant and equipment related to the Hammond Reef gold project. As a result of the impairment charge, a deferred tax recovery of $43.1 million was recorded within income and mining tax expense in the second quarter of 2013.

Changes in Accounting Policies

The Company has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2013. These changes were made in accordance with the applicable transitional provisions.

IAS 1, *Presentation of Financial Statements,* ("IAS 1")

The Company has adopted the amendments to IAS 1 effective January 1, 2013. These amendments required the Company to group other comprehensive income items based on whether or not they may be reclassified to net earnings or loss in the future. The Company has reclassified comprehensive income items of the comparative period. These changes did not result in any adjustments to other comprehensive income or comprehensive income.

IFRS 10, *Consolidated Financial Statements*, ("IFRS 10")

IFRS 10 replaces the guidance on control and consolidation in IAS 27, *Consolidated and Separate Financial Statements* and SIC-12, *Consolidation – Special Purpose Entities*. IFRS 10 requires consolidation of an investee only of the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. Detailed guidance is provided on applying the definition of control. The accounting requirements for consolidation have remained largely consistent with IAS 27. The Company assessed its consolidation conclusions on January 1, 2013 and determined that the adoption of IFRS 10 did not result in any change in the consolidation status of any of its subsidiaries and investees.

IFRS 11, *Joint Arrangements*, ("IFRS 11")

IFRS 11 supersedes IAS 31, *Interests in Joint Ventures* and requires joint arrangements to be classified either as joint operations or joint ventures depending on the contractual rights and obligations of each investor that jointly controls the arrangement. For joint operations, a company recognizes its share of assets, liabilities, revenues and expenses of the joint operation. An investment in a joint venture is accounted for using the equity method as set out in IAS 28, *Investments in Associates and Joint Ventures* ("IAS 28"). The adoption of IFRS 11 did not affect the Company.

IFRS 12, *Disclosure of Interest in Other Entities*, ("IFRS 12")

IFRS 12 establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangements, associates, and unconsolidated structured entities. The standard carries forward existing disclosures and also introduces significant additional disclosure that address the nature of, and risks associated with, an entity's interests in other entities. The standard includes disclosure requirements for entities covered under IFRS 10 and IFRS 11. The adoption of IFRS 12 will result in incremental disclosures in the annual consolidated financial statements.

IFRS 13, *Fair Value Measurement*, ("IFRS 13")

IFRS 13 provides a single framework for measuring fair value. The measurement of the fair value of an asset or liability is based on assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The Company adopted IFRS 13 on January 1, 2013 on a prospective basis. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013.

The Company's finance department is responsible for performing the valuation of financial instruments at each reporting date, including Level 3 fair values. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. The Company added additional disclosures on fair value in its notes to consolidated financial statements.

IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*, ("IFRIC 20")

IFRIC 20 provides guidance on the accounting for the costs of stripping activities during the production phase of surface mining when two benefits accrue to the entity as a result of the stripping: useable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in the future periods. The Company adopted IFRIC 20 effective January 1, 2013. Upon adoption of IFRIC 20, the Company assessed the stripping asset on the balance sheet as at January 1, 2012 and determined that there are identifiable components of the ore body with which this stripping asset can be associated, and therefore no balance sheet adjustment was recorded at that date. The adoption of IFRIC 20 has resulted in increased capitalization of waste stripping costs and a reduction in mine operating costs in 2012. If the Company had not adopted IFRIC 20, the net earnings for the three months ended September 30, 2013 would have decreased, the net loss for

the nine months ended September 30, 2013 would have increased, the net earnings for the comparative periods would have decreased and capitalized waste stripping costs for the current and comparative periods would have decreased.

The impact of adopting IFRIC 20 in the prior year consolidated financial statements is presented below:

(a) Adjustments to the consolidated balance sheets:

	As at December 31, 2012 (previously stated) $	Impact of IFRIC 20 $	As at December 31, 2012 (restated) $
Inventories	73,795	(3,314)	70,481
Property, plant and equipment	2,329,773	22,773	2,352,546
Deferred income and mining taxes	(60,426)	(7,095)	(67,521)
Increase in retained earnings		12,364	

(b) Adjustments to the consolidated statements of income:

	Three months ended September 30, 2012 (previously stated) $	Impact of IFRIC 20 $	Three months ended September 30, 2012 (restated) $
Mine operating costs			
Production costs	(81,841)	4,157	(77,684)
Depreciation	(14,605)	(713)	(15,318)
Income and mining tax expense	(18,860)	(1,257)	(20,117)
Increase in net earnings		2,187	
Increase in net earnings per share and diluted net earnings per share		0.01	

(b) Adjustments to the consolidated statements of income *(continued)*:

	Nine months ended September 30, 2012 (previously stated) $	Impact of IFRIC 20 $	Nine months ended September 30, 2012 (restated) $
Mine operating costs			
Production costs	(252,588)	15,478	(237,110)
Depreciation	(43,771)	(1,091)	(44,862)
Income and mining tax expense	(51,587)	(5,251)	(56,838)
Increase in net earnings		9,136	
Increase in net earnings per share and diluted net earnings per share		0.02	

	Year ended December 31, 2012 (previously stated) $	Impact of IFRIC 20 $	Year ended December 31, 2012 (restated) $
Mine operating costs			
Production costs	(353,827)	21,410	(332,417)
Depreciation	(62,969)	(1,951)	(64,920)
Income and mining tax expense	(72,300)	(7,095)	(79,395)
Increase in net earnings		12,364	
Increase in net earnings per share and diluted net earnings per share		0.03	

(c) Adjustments to the consolidated statements of cash flows:

	Three months ended September 30, 2012 (previously stated) $	Impact of IFRIC 20 $	Three months ended September 30, 2012 (restated) $
Net earnings	26,156	2,187	28,343
Adjusted for the following items:			
Depreciation	14,765	713	15,478
Income and mining tax expense	18,860	1,257	20,117
Change in non-cash working capital items:			
Increase in inventories	(18,459)	(3,704)	(22,163)
Net cash flows provided by operating activities		453	
Property, plant and equipment	(57,876)	(453)	(58,329)
Net cash flows used in investing activities		(453)	
Net change in cash and cash equivalents		-	

(c) Adjustments to the consolidated statements of cash flows *(continued)*:

	Nine months ended September 30, 2012 (previously stated) $	Impact of IFRIC 20 $	Nine months ended September 30, 2012 (restated) $
Net earnings	68,786	9,136	77,922
Adjusted for the following items:			
Depreciation	44,248	1,091	45,339
Income and mining tax expense	51,587	5,251	56,838
Change in non-cash working capital items:			
Increase in inventories	(32,174)	1,652	(30,522)
Net cash flows provided by operating activities		17,130	
Property, plant and equipment	(189,504)	(17,130)	(206,634)
Net cash flows used in investing activities		(17,130)	
Net change in cash and cash equivalents		-	

	Year ended December 31, 2012 (previously stated) $	Impact of IFRIC 20 $	Year ended December 31, 2012 (restated) $
Net earnings	78,424	12,364	90,788
Adjusted for the following items:			
Depreciation	63,603	1,951	65,554
Income and mining tax expense	72,300	7,095	79,395
Change in non-cash working capital item:			
Increase in inventories	(24,780)	3,314	(21,466)
Net cash flows provided by operating activities		24,724	
Property, plant and equipment	(228,840)	(24,724)	(253,564)
Net cash flows used in investing activities		(24,724)	
Net change in cash and cash equivalents		-	

Non-IFRS Financial Performance Measures

The Company has included certain non-IFRS measures including "*cash generated from mine operations", "cash costs per ounce", "operating cash flows per share", "cash margin per once", "adjusted net earnings"* and *"adjusted net earnings per share"* to supplement its consolidated financial statements, which are presented in accordance with IFRS.

The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Cash generated from mine operations

"Cash generated from mine operations" is defined as *"Revenues"* for a certain period less *"Production costs"* (excluding non–cash *"Share-based compensation"*) and *"Royalties"*. *"Cash generated from mine operations"* less *"Depreciation"* and *"Share-based compensation"* results in *"Earnings from mine operations"*. The reconciliation table can be found in page 3 of this MD&A.

Cash costs per ounce

"Cash costs per ounce" is defined as the production costs of one ounce of gold excluding non-cash costs for a certain period. *"Cash costs per ounce*" is obtained from *"Production costs*" and *"Royalties*" less non-cash *"Share-based compensation*" and *"By-product credits (silver sales)*", adjusted for *"Production inventory variation*" for the period, divided by the *"Number of ounces of gold produced*" for the period.

	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
Gold ounces produced	120,208	103,753	337,956	286,934
(in thousands of dollars, except per ounce)				
Production costs	92,265	77,684	264,306	237,110
Royalties	2,144	1,998	6,410	6,378
Share-based compensation	(559)	(696)	(1,820)	(2,230)
By-product credit (silver sales)	(2,620)	(1,479)	(7,066)	(4,634)
Inventory variation	(573)	10,785	1,384	8,656
Total cash costs for the period	90,657	88,292	263,214	245,280
Cash costs per ounce	754	851	779	855

Operating cash flows per share

"Operating cash flows per share" is defined as the *"Cash flows from operating activities"* divided by the *"Weighted average number of common shares outstanding"* for a certain period.

	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
Cash flows from operating activities ($000's)	70,665	55,806	189,090	206,897
Weighted average number of common shares outstanding (000's)	437,186	388,153	436,797	387,588
Operating cash flows per share	0.16	0.14	0.43	0.53

Cash margin per ounce

"Cash margin per ounce" is defined as the *"Average selling price of gold per ounce sold*" less *"Cash costs per ounce produced*" for the period.

	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
Average selling price of gold (per ounce sold)	1,370	1,646	1,471	1,657
Cash costs (per ounce produced)	754	851	779	855
Cash margin per ounce	616	795	692	802

Adjusted net earnings and adjusted net earnings per share

"Adjusted net earnings" is defined as *"Net earnings"* or *"Net loss"* less certain non-cash items: *"Impairment of property, plant and equipment", "Write-off of property, plant and equipment", "Share-based compensation", "Unrealized gain (loss) on investments", "Impairment on available-for-sale assets" and "Deferred income and mining tax expense (recovery)".*

"Adjusted net earnings per share" is obtained from the *"Adjusted net earnings"* divided by the *"Weighted average number of common shares outstanding"* for the period.

(in thousands of dollars, except per share amounts)	Three months ended September 30, 2013	Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
Net earnings (loss) for the period	9,755	28,343	(465,591)	77,922
Adjustments:				
Impairment of property, plant and equipment	-	-	530,878	-
Write-off of property, plant and equipment	1,926	102	17,000	719
Share-based compensation	2,038	2,273	6,059	7,612
Unrealized loss (gain) on investments	185	(830)	2,141	1,095
Impairment on available-for-sale assets	1,348	428	4,632	1,522
Deferred income and mining tax expense (recovery)				
Related to the impairment of property, plant and equipment	-	-	(43,100)	-
Other	6,600	20,117	31,066	56,838
Adjusted net earnings	21,852	50,433	83,085	145,708
Weighted average number of common shares outstanding (000's)	437,186	388,153	436,797	387,588
Adjusted net earnings per share	0.05	0.13	0.19	0.38

Caution Regarding Forward-Looking Statements

Certain statements contained in this MD&A constitute forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These forward-looking statements include statements regarding the future price of gold and silver, the timely achievement of nameplate capacity, the timing and amount of estimated future mill throughput and production, operating, production and cash costs, currency fluctuations, the rescheduling of debt repayments, capital expenditures, expected ore grade, access to higher grade material, positive outcome of exploration activities, permitting timelines, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company 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 contained in this report should not be unduly relied upon. These statements speak only as of the date of this report. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of gold and silver as well as petroleum products;
- impact of change in foreign currency exchange rates and interest rates;
- the timing of the receipt of regulatory and governmental approvals for the Company's development project and other operations;
- the availability of financing for the Company's development for future projects;
- the Company's estimation of its costs of production, its expected production and its productivity levels;
- power prices;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the ability to attract and retain skilled staff;
- engineering and construction timetables and capital costs for the Company's development project;
- market competition;
- the accuracy of the Company's resource estimate (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which it is based;
- change in governments regulations and policies, including change in tax benefits and tax rates;
- environmental risks including increased regulatory constraints;
- the ability to deviate Québec's highway 117 to allow for the mining of the South Barnat deposit in Malartic;
- the Company's ongoing relations with its employees, its business partners and the communities and aboriginal groups related to its exploration and mining activities; and
- the obtaining of the requested precisions and amendments of its Canadian Malartic mine operating permits in a timely manner, further to discussions with the *Ministère du Développement durable, de l'Environnement, de la Faune et des Parcs*.

Additional risk factors are described in more detail in the Company's Annual Information Form filed with the securities commissions or similar authorities in certain of the provinces of Canada. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The Company also cautions readers not to place undue reliance on these forward looking statements. Moreover, these forward-looking statements may not be suitable for establishing strategic priorities and objectives, future strategies or actions, financial objectives and projections other than those mentioned above. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement.

(Signed) Sean Roosen
Sean Roosen
President and Chief Executive Officer

(Signed) Bryan A. Coates
Bryan A. Coates
Vice President Finance and Chief Financial Officer

November 8, 2013

Corporate Information

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Marcel Côté, Vice Chair of the Board
Sean Roosen, President, Chief Executive Officer and Director
Staph Leavenworth Bakali, Director
John Burzynski, Vice President Corporate Development and Director
Michèle Darling, Director
Joanne Ferstman, Director
William A. MacKinnon, Director
Charles E. Page, Director
Gary Sugar, Director
Serge Vézina, Director
Denis Cimon, Vice President Technical Services
Bryan A. Coates, Vice President Finance and Chief Financial Officer
André Le Bel, Vice President Legal Affairs and Corporate Secretary
Luc Lessard, Senior Vice President and Chief Operating Officer
Elif Lévesque, Vice President and Controller
Robert Mailhot, Vice President Human Resources
Ruben Wallin, Vice President Environment and Sustainable Development

Legal Counsel
Bennett Jones LLP
Lavery, de Billy LLP

Auditors
PricewaterhouseCoopers LLP

Transfer Agent
Canadian Stock Transfer Company

Exchange listings
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Deutsche Börse - EWX