

## CORPORATE PARTICIPANTS

**Sean Roosen**

*Chairman & Chief Executive Officer*

**Frédéric Ruel**

*Chief Financial Officer & Vice President, Finance*

**Sandeep Singh**

*President*

## CONFERENCE CALL PARTICIPANTS

**George Topping**

*Industrial Alliance*

**John Tumazos**

*John Tumazos Very Independent Research*

**Kerry Smith**

*Haywood Securities*

**Jeremy Hoy**

*Canaccord Genuity*

**Adrian Day**

*Adrian Day Asset Management*

## PRESENTATION

### Operator

Good morning, ladies and gentlemen, and welcome to the Osisko Gold Royalties Q2 2020 Results Conference Call. After the presentation, we will conduct a question-and-answer session. If you would like to ask a question, please pick up your receiver and press star followed by the number one on your telephone keypad. Please note that this call is being recorded today, August, 2020 at 10:00 a.m. eastern time. Today on the call we have Mr. Sean Roosen, Chair of the Board of Directors and Chief Executive Officer of Osisko Gold Royalties; Mr. Sandeep Singh, President of Osisko Gold Royalties; and Mr. Frédéric Ruel, Chief Financial Officer and Vice President, Finance. I'd now like to turn the meeting over to our host for today's call, Mr. Sean Roosen.

Bonjour, mesdames et messieurs, et bienvenue à l'appel conférence des résultats du deuxième trimestre de l'année 2020 de Redevances aurifères Osisko Ltée. Après la présentation, nous procéderons à une séance de questions et réponses. Si vous désirez poser une question, veuillez décrocher le combiné du téléphone et appuyez sur la touche étoile suivi du numéro un. Veuillez prendre note que cet appel est enregistré, aujourd'hui le 6 août 2020 à 10:00 heure de l'est. Nous avons sur l'appel d'aujourd'hui M. Sean Roosen, Président du conseil d'administration et Chef de la direction de Redevances Aurifères Osisko; M. Sandeep Singh, Président de Redevances Aurifères Osisko; et M. Frédéric Ruel, Chef de la direction financière et vice-président, finances. J'aimerais maintenant céder la parole à votre hôte, M. Sean Roosen.

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### Sean Roosen, Chairman & Chief Executive Officer

Merci beaucoup et bienvenue a notre appelle conférence du deuxième trimestre de Osisko.

(French)

And I'll switch to English now and, just to recap what I had said, we really are trying to make sure that we are the best partners out there for COVID-19 for both of our operators, our employees, and our investors. We've taken a lot of steps and tried to be a leader in terms of how things should be done and can be done during this pandemic. We've taken a very strong position in terms of supporting all of our operators and to do the best we can to take care of all of our associated partners, employees, and families that are associated with us and those in the greater good of our society as we go through this pandemic.

I'll start off with a basic recap of the business. I don't want to lose sight of where we are in this pandemic, but we did produce 12,386 GEOs in the quarter. We had \$28.7 million of revenues and royalties from our projects that we're invested in. Cash flow from operating activities was at \$15.4 million, net earnings at \$13 million with about \$0.08 per share, adjusted earnings of \$5.7 million after several payments, including dividends. We withdrew production guidance due to COVID-19 in Q2. We are back now guiding to about 63,000 to 65,000 ounces a year and for the second half of the year from 33,000 to 35,000 ounces as the mines come back online.

We also did a financing in the second quarter of \$85 million with Investissement Québec and we really thank the government of Québec and Investissement Québec for having partnered up with us during a hard time. It was more sort of a vote of confidence, I think, from our partners at Investissement Québec to really to come in and bolster our balance sheet at a time when things were unclear. And obviously we have a lot of commitments in Québec and partnerships with Investissement Québec, so this makes great sense for us to continue to have our partners invest in us and with us as we move forward.

We also improved the silver stream from Gibraltar, having paid \$8.5 million to transfer price to go from \$2.75 an ounce and transfer cost down to zero. So we basically had a royalty status on that silver stream, which I think is an exceptional asset to achieve during this market where we see a lot of competition for royalties and streams. So, hats off to the team for getting the deal done and obviously a big vote of confidence from our partners at Gibraltar and Taseko in terms of their confidence to choose us as a partner on that deal as we go forward.

Also, we saw the commercial production declaration from Victoria Gold. Obviously a huge milestone for us. We have a 5% top line royalty on that project. I'd like to congratulate John McConnell and the whole team at Victoria for just an exceptional mind build. Just getting that project going during a time when we faced a couple of cold winters and we saw the thing through and John and his team are building Canada's next best gold mine and it's the largest gold mine ever built in the Yukon, heading for 200,000 ounces a year plus production and just an exceptional outcome on that project with our partners from Orion Mine Finance and ourselves, having led the charts to get the project financed back in 2018 and 2019 when everybody else was hiding under the bed. We were able to get that project finance and John's management team deserves a huge kudos and hats off to the work that they did there to make that project work the way it is working now. And obviously, hitting a premium goal market, it couldn't have been smarter and it couldn't have been better. So that's the way we see it.

In terms of our COVID-19 results, obviously Osisko really hasn't had a big impact on us in terms of what it's been for other industries and we're quite humble about taking advantage of the situation, but the price of gold has gone through the roof and our partners continue to operate at a very good pace and we see a lot of things positive happening in the gold space in terms of the projects that we're involved in as we go forward.

We declared a \$0.05 dividend as of July 15, 2020, so that continues to be a leading dividend in the gold space. Subsequent to the Q2 results, we are looking for 33,000 to 35,000 ounces of GEOs in the second quarter. Obviously, (inaudible) gold price, anything that is not pure gold is taking a back seat in terms of GEOs on an equivalent basis, so we're definitely seeing revenues increase based on the pure gold assets in a proportionate basis on other assets.

I'll move on right now to page 12 and I'm going to hand it over to Fréd to take through, if you could, please.

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**Frédéric Ruel, Chief Financial Officer & Vice President, Finance**

Thanks, Sean. Good morning, everyone.

As previously noted by Sean, our deliveries of precious metals were affected by the COVID impact in Q2. Several of our operating counterparties have announced temporary operational restrictions due to the COVID-19 pandemic, including reduced activities and operations placed on care and maintenance. As of today, most operators have restarted their activity and have reached or are expected to reach their pre-COVID level of operation in the near term. The strong gold price helped offset the reduction in GEOs (inaudible) during the second quarter, which should lead us to a great second half (inaudible) in terms of cash margins and cash flows.

If we go to page five of the presentation, revenues from royalties and streams amounted to \$28.7 million compared to \$33.8 million in Q2 2019. Cash flows from operating activities were \$15.4 million compared to \$21.4 million last year. Excluding the impact of the changes in non-cash working capital items, operating cash flows were \$18.6 million compared to \$23.5 million.

On page six we show a breakdown of our cash margin for Q2 and year to date. The cash margin on our royalties decreased by \$3 million to \$20.7 million in Q2. For the first half of the year, the cash margin on royalties reached \$46.4 million, less than \$1 million lower than in 2019 despite the COVID impact on our deliveries due to the strong gold prices, which offset the (inaudible). The cash margin on our streams was \$6.4 million in Q2, similar to

2019, and \$15.4 million for the first half of the year, which was \$3.2 million higher than last year, resulting in a cash margin on our royalties and streams of 95% in Q2 of this year compared to 90% in Q2 of last year. Our total cash margin reached \$27.8 million in Q2, including \$0.6 million from our offtake agreements, \$3.7 million lower than in 2019. Year to date, our total cash margin was \$63.1 million, an increase of \$1 million.

On page seven we present a summary of our earnings and adjusted earnings. Net income was \$13 million in Q2 or \$0.08 per share compared to a net loss of \$6.5 million in Q2 2019 or \$0.05 per share. Adjusted earnings were \$5.7 million or \$0.03 per share compared to \$8.2 million or \$0.05 per share less.

Going to page eight of the representation, where we have a summary of our results for Q2 and year to date, GEOs from gold production were lower this year, partially due to the sale of the Brucejack offtake in 2019 and of course the impact of COVID. The decrease in our total revenues from \$132 million to \$41 million was also due to the sale of Brucejack offtake as well as lower deliveries as a result of the COVID pandemic. But this was partially offset by the higher realized price on our gold. Our average gold price per ounce sold amounted to C\$2,363 in Q2 of this year compared to C\$1,766 in Q2 of last year. Gross profit for Q2 was relatively flat at \$19.1 million compared to \$19.7 million in 2019.

On page nine you will find a summary of our financial position. Our cash balance at the end of Q2 was over \$200 million. Our debt amounted to \$422 million, which includes the drawdown of \$50 million done in March on the revolving credit facility as a cautionary measure. Our net debt amounted to, at the end of Q2, \$220 million. If we include the \$100 million accordion available under our credit facility, the total facility available is over \$400 million at the end of June, which places Osisko in a very good position to deploy its capital. In addition, our equity investment portfolio is currently valued at over \$300 million for a total (inaudible) of over \$900 million.

On page 10 you may find our updated guidance for the second half of the year. As you know, after withdrawing our guidance for the year in March due to the uncertainties related to the pandemic, we have now issued new guidance. We expect GEOs of between the 33,000 to 35,000 in the second half of the year with a cash margin on our royalties and streams of 95% for an annual updated guidance of 63,500 ounces to 65,500 ounces. It's good to note that Q3 will be slightly impacted again by reduced mining activities in Q2 as of our royalties all delivered with the delay of one to three months. We expect the situation to be fully back to normal in Q4 to benefit from this exceptional gold price environment.

Back to you, Sean.

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**Sean Roosen, Chairman & Chief Executive Officer**

Thank you very much, Fréd.

I just want to give a snapshot of your company, the shareholders own this company, and things are going exceptionally well, I think, in terms of where we are. From an asset standpoint, obviously from a share performance standpoint, we have some ground to make up, but the fundamentals of the company remain exceptionally solid in a space that's very difficult.

The next slide will show you the quality of our portfolio, over 135 royalties and streams and precious metals offtakes. Diversified cash flow from 16 producing assets, 91% going to 95% cash flow operating margins in terms of, you know, most of our assets are in royalties, so we don't have margin compression the way that others do, and that sort of, I think, distinguishes the portfolio from a lot of others as it is a dominantly royalty portfolio as opposed to a streaming portfolio.

Page 12, the quality of investments, I mean we've done a lot in terms of making sure that we had quality. Our dividend sits at 1.5%, which is the best in the space. As you can see here, Wheaton and Royal and Franco are all at a 1% or less whereas we're at 1.5%. So we do offer kind of a wait-and-see attitude and I think, obviously, the increased gold price, we have leverage to a significant amount of growth assets in our portfolio as we always said we were strong growth company with our accelerator model. So we're well leveraged to take advantage of this gold price as we move further into it. Significant undervalued amount there in terms of the re-rate. It's surprising to me that that we haven't seen the re-rate yet, but for those who come in now, I think that the re-rate is fairly imminent as this goal price persists and we see what the actual upside of Osisko can be here.

In terms of our trading, we've been highly liquid stock and over \$18.5 million a day. The balance sheet, over \$202 million of cash on the balance sheet, over \$900 million of finance capacity if you include our available debt capacity and our equity book, we sit with one of the biggest dry powder, you know, the ability to fire capabilities of all the royalty companies in the world. Right now it's over C\$900 million in available firepower to get going on a new transaction. We do think that there are some transactions that will happen at this price level; however, we've obviously built our portfolio in the past, so even if nothing were to happen we see quite a bit of opportunity for us.

And if you look forward to page 13 you see what that we go for about 140,000 ounces of GEOs just on our organic

growth of things that our shareholders have already financed and paid for. So we have the organic growth. We don't have to reach, we don't have to stretch, and we don't have to pay premiums that we've seen people paying in the space that are quite high in terms of achieving assets. All we really have to do is just sit back and harvest right now.

Page 14 I think it's probably the most exciting slide of this entire presentation today in terms of things that we knew about when we sold Canadian Malartic back in 2014 that are now being documented and drilled to resource and reserve level by our partners at Agnico and Yamana. And congratulations to them on a great job in terms of transitioning this project from what we always know was a great open pit mine to what looks like it may be one of the best ever underground gold mines. This is quite an exceptional deposit. It produced 8 million ounces by the time we got there in 2003. We documented another plus 8 million ounces in the open pit and now there's another 10 million ounces in the underground. So this was ranked as one of the best gold deposits ever discovered in the world and it continues to deliver value for both the Agnico and Yamana shareholders and also the Osisko shareholders. We congratulate them on a job well done and we look forward to seeing the underground (inaudible) delivered here.

We haven't really seen it calculated in our share price, but we think it's high time that everybody understands that the Malartic underground is a significant contributor to Osisko Gold Royalties as we move forward and we wish our partners well on that and we want to see it come forward. And if you look at page 18 you can see that the dominantly, the things that are important to the new mine plan are on the Osisko 5% ground as we move forward and we see some of the other assets that are there continue to contribute that really weren't in the calculation (inaudible) for Osisko. So that's all good news for Osisko shareholders and we look forward to seeing the evolution of that mine. The underground transition, obviously, at these gold prices, I think that everybody would be incentivized to move forward quickly.

The next slide that we have here shows that the Eagle project, obviously on target for ramping up to 200,000 ounces a year, for which we have a 5% royalty on. We continue to have a sliding scale on our Éléonore mine in Québec and Mantos has been seeing an increase as well. And congratulations to John Burzynski and the Osisko Mining team in terms of the success that they've enjoyed at Windfall Lake in Québec with just a massive discovery there with over five million ounces of high-grade ounces at plus-eight grams and continue to drill there with over 30 drills on site as we speak today, so just a knock it out of the park success there.

Osisko Gold Royalties shareholders, this is obviously, you know, shows why our accelerator model is important. We backed John at the very beginning of this process and we were able to achieve exceptional numbers in terms of what we ended up paying for the royalty. But the reality is we took the risk early on and our model, I think, is proven beyond a shadow of a doubt by Windfall and Hermosa where we've taken these risks and these bets early on and we just had exceptional returns and there's so much better than anybody else's royalty and streaming deals in the space that it's hard to argue that we wouldn't want to continue on with that business with the returns on some of these deals being in the thousands of percent, as opposed to the 1% or 2% returns that we're seeing currently go off in the bank run processes for (inaudible). There's a lot of bidding going on, but not much is being accomplished in terms of net returns. So we continue to believe in that model and the accelerator model is demonstrated well here, I think, by both the Windfall and Hermosa.

Horne 5 continues to be a significant asset that's in our portfolio that's been undervalued. It's currently at six million ounces of GEOs in reserves, not in resources. And then on to Cariboo, which has been sort of a controversial topic within the Osisko portfolio. Our last resource update was at 4.4 million ounces. There will be an upcoming resource out. And this is mining project, this is a mining camp, and we're going to give you more information on that as we get further into the year, but I can tell you that things are going extremely well at Cariboo and the drill results are starting to build a case to confirm what we always believed, which is this is not just a mining project but it's a mining camp.

Onto page 15, we do have a high exposure to the gold prices. We believe, in terms of royalty and streaming companies, that we are the purest of them all in terms of being mostly exposed to gold. A lot of other companies are sidebar to copper mine or polymetallic mines or they have other ingredients in their cake that make them a little bit less exposed to gold. So we continue to be proud champions of the highest gold component in the space with 81% at our (inaudible).

On page 20, the business plan for Osisko hasn't changed since 2014. We were allocating 25% to our earlier-stage accelerating models and to things like Cariboo and 75% to our sort of last money in strategy, where we're bidding on things like we did with Victoria Gold. The plan hasn't changed too much. And I realized there's been a discount on the stock because of our hybrid strategy, but at the end of the day, when I look around the gold price today, I have to think that we were pretty much right on the money in terms of what we bet on and we need to deliver those returns in the share price now. So that will be the challenge for the management team as we go forward

into the fourth quarter and as we see the summer end is to really bring it home that the hybrid model, where we put that 25% of the accelerated companies, and we've seen some of these accelerate companies like Barkerville advance through the accelerator business into the development business and we need to take advantage of that for our shareholders. So that will be the challenge for Sandeep and myself as we come in to the end of the year is to really make sure that we transition that valuation that we created there into the share price.

In terms of opportunities, we've looked at our accelerator model and we've created quite a bit of value here. I just wanted to recap for shareholders the things that we did do. The incubation of Osisko Mining happened in 2015. It was an \$8 million market cap. It is now \$1.3 billion to \$1.4 billion market cap. We did Osisko Metals with our friend Bob Wares that started out as a \$5 million, \$6 million market cap and is now \$70 million, \$80 million. Falco Resources, we started that company out in 2015 really, Luc Lessard stepped in and really put the meat on the bones in terms of that project. It's trading at about \$100 million right now but it certainly can be bigger than that. Talisker Resources, led by Terry Harbort, really another brownfield camp in BC that's sort of seeing the light of day and benefitted from the technical and structural geology that Terry brought to the team to really advance that project forward. Minera Alamos, we saw that company go from \$13 million market cap to currently \$230 million.

So, even if you've only invested in the sidecar companies to Osisko, you've done pretty well and we continued to be that incubation and that source of really hardcore grinder incubation companies, where we take an opinion on an asset, we take it and we build it, and we get in there early and we work it hard and that people like Chris Lodder and Ruben Padilla and Terry Harbort and Bob Wares and John Burzynski, they all bring that extra effort and that extra personality and character to these assets that we've been able to uncover as we move forward and I'm pretty proud of what we've done in the incubation strategy.

So on the final slide here today, (inaudible) the upside, we have the opportunity and we have a team and we have the ability to acquire assets, to mobilize those assets and take them through to fruition. And I thank everybody for supporting us as Osisko shareholders. We look forward to bringing you to the latest (inaudible) and obviously Cariboo will be a big part of the story as we get into the rest of the year, but also what John is doing with Osisko Mining, Terry is doing with Talisker, and Bob is doing with Osisko Metals are pretty important parts of our story as we go forward. So I like to thank everybody for listening today and we'll see what we get to, but we don't think that there's anything wrong here. If ever there has been a time when we are right, this is it now.

So thanks, everybody, and I'll turn it over for Q&A.

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## QUESTION AND ANSWER SESSION

### Operator

Thank you. At this time, if you would like to ask a question, please press star followed by the number one on your telephone keypad.

Pour poser une question, appuyez sur étoile suivit du numéro un sur votre clavier téléphonique.

Your first question comes from George Topping from Industrial Alliance. Your line is open.

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### George Topping, Industrial Alliance

Great. Thanks, operator. Hey, Sean, Sandeep, and everybody else. On the Cariboo gold project, Sean, are you back up and running at full speed there on the exploration and reclamation activities, et cetera? Hello?

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### Operator

One moment, please.

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### Sandeep Singh, President

Hi, George. I hear you. I don't know if we lost Sean there for a moment or if he's on mute, but I'll start the answer. Hopefully, he's right behind me. But yeah, good morning, George. Yeah, things are generally back up and running. We did take a bit of a hiatus to make sure that we had the least amount of footprint during kind of the pandemic. So, generally speaking, we slowed things down and in the near term we'll be looking to kind of get back going to full steam with respect to exploration and some of the small remedial work that we're still doing there to clean up past sites.

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### George Topping, Industrial Alliance

Are you still going to send the \$10 million for this year, you think? It's in the MD&A.

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### Sandeep Singh, President

Look, I think there's certainly the ability to catch that back up. I think, as I said, it made sense to take a bit of a

hiatus just to make sure that we were protecting our employees and the community most importantly and, yeah, there's so many the ability to catch that back up over the next two quarters.

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**George Topping, Industrial Alliance**

Will this roll through to the permitting as well with the government being impacted?

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**Sandeep Singh, President**

Sorry, George, did you say whether there was an impact on the permitting from COVID?

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**George Topping, Industrial Alliance**

On the permitting schedule.

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**Sandeep Singh, President**

Yeah, not as of yet. I mean I think there's been enough buffer and redundancies in our permitting schedule that we can absorb kind of what's happened in the near term. Our team has continued to work. Whereas we weren't necessarily full steam onsite, we've certainly been full steam ahead on the permitting side. As you can imagine, a lot of that is desktop work and engagement, so that's all been ongoing as fast as we can get it moving. So I don't think we've really suffered any delays from that perspective as of yet. And again, I think, if anything, we have the ability to fast track permitting. The community, the First Nations, the government have all been very supportive and we look to kind of continue that with them and as long as we keep acting responsibly we think we have the opportunity to make up ground not necessarily lose it.

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**George Topping, Industrial Alliance**

The second question that the diamond market (inaudible). Interested in what you're seeing there with respect to diamond sales and pricing, obviously, for the Renard diamonds.

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**Sandeep Singh, President**

Yeah, obviously Renard remains on care and maintenance. The diamond market was completely busted through this COVID piece. We're starting to see

signs of life just broadly on the diamond side. There are more sales kind of coming about. Some have already transpired. We've seen a small uptick on that side, but I don't think it's, I think it's fair to say that we're not out of the woods there from the diamond price perspective, nor as anyone in the sector. But we have seen some moderate improvement. I think from a retail perspective, again, we're not back to pre-COVID levels, but there are positive signs out there that things are returning to normal, if you will.

And so I think we'll be cautious and we'll look to see some moderate improvement, but there, you know, we've got a very sound partnership that's involved with the Renard mine. It is a good mine. There's a billion dollars of good infrastructure that was spent there. It's really just missing a little bit of joy from a diamond market perspective. But we certainly hope, you know, the guidance we put out today does not reflect Renard just given the continued uncertainty for diamond price perspective, but we certainly hope that Renard will come back into the fold for us. And I think the partnership is working on ways to do that and going forward.

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**George Topping, Industrial Alliance**

The commodity specialists that you speak to, are they projecting a price in, say, the next 12 months or so at a level where you might reopen Renard?

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**Sandeep Singh, President**

Yeah, look, I think there's certainly that ability. I think it remains to be seen. Obviously, it's not the least opaque market to have to operate within from a pricing perspective. I think the sales that are coming up now, some of the ones that have already happened, some of the ones that are coming up soon will be pretty telling. And, as you can imagine, we're keeping a close eye on that. In the meantime, I think the mine has been doing everything they can to bring their own cost structure down so that they can bridge that gap, not necessarily through diamond prices but also through just being more efficient at everything we do. So look, I think, as I said, a lot remains to be seen there, but we are cautiously optimistic that with just a little bit of improvement on the diamond side there might be a reset there in our future.

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**Sean Roosen, Chairman & Chief Executive Officer**

And, George, maybe I'll just add a little bit of colour to that. As you and I know, we've been around for awhile, it's never as good or as bad as everybody likes to think it is. And I think the diamond market, we were seeing a lot

of sort of smart people are going back and doing assets in the diamond space. So, cautiously optimistic all the way around on the diamonds.

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**George Topping, Industrial Alliance**

Got it. Great. I'll pass it on. I've taken enough time. Thank you.

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**Operator**

Your next question comes from John Tumazos from Very Independent Research. Your line is open.

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**John Tumazos, John Tumazos Very Independent Research**

Thank you. Congratulations on the better price environment and maybe people will understand and embrace the incubator model now.

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**Sean Roosen, Chairman & Chief Executive Officer**

Well, John, we currently hope your enthusiasm is shared.

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**John Tumazos, John Tumazos Very Independent Research**

I'm trying to throw you a cream puff without being too difficult. Maybe people don't understand the value of Cariboo or how smart it was to buy Barkerville late last year. What is the highest offer you've turned down for Cariboo or what is the lowest you'd sell it for? It looks like it's a big paycheque.

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**Sean Roosen, Chairman & Chief Executive Officer**

John, you're putting me on the spot on a lot of fronts here, but I will say that Cariboo has continued to deliver, not just, you know, obviously from the gold price change, but we've had significant success at the drill bit on that project and we're going to be coming back to the market to tell you about that here in the next short while. But obviously, we bought, you know, it was a 4.6 million ounce deposit at \$1,300 gold and we're now dealing with \$2,000 gold, so we don't, we don't claim that we're too smart, but we were smart enough to recognize that this was an asset unlike others. It's not just a mine deposit and that we've identified, it's the overall resource that we're dealing with there is only in the first four kilometers

and we have 83 kilometers to deal with. So we kind of feel that we had to take the hit that we took and there was a lot of punishment that was dealt on the share price for that, but hopefully we'll see some reward as we come back and we demonstrate the strength of this asset and the fact that it's not just the deposit but it's actually a mining camp.

So, we've got our work to do, John, and we've said no to quite a few corporates and there there's a lot of discussion around it because the number of deposits that can actually go to five million ounces of minable in the world is quite slim. And Barkerville is a camp and we see upside there, a single process facility with multiple mines up and down the trend as we get forward onto it. And we'll be a little more vocal about it as we come into Q3 and Q4, John. We appreciate your view and the fact that you've done the work to go and look at what Barkerville actually is.

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**John Tumazos, John Tumazos Very Independent Research**

Do you think it's reasonable to expect the payday to be over US\$500 million with the first US\$500 million tax shielded?

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**Sean Roosen, Chairman & Chief Executive Officer**

I don't like to put numbers like that out there without having a lawyer and accountant sign off on them, John, but certainly, you know, we see here in the PEA study that we did last year, a couple hundred thousand ounces a year with all-in sustaining cost being below \$800, sort of in the mid to high 700s. This thing is worth a ton of money.

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**John Tumazos, John Tumazos Very Independent Research**

Congratulations and thank you.

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**Sean Roosen, Chairman & Chief Executive Officer**

Thank you, John.

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**Operator**

Your next question comes from Kerry Smith from Haywood Securities. Your line is open.

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**Kerry Smith, Haywood Securities**

Thanks, operator. Sean or Sandeep, just on Cariboo, you're going to provide an update sometime later this year on that asset. Will the resource update come as part of that disclosure or is that going to come out earlier?

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**Sean Roosen, Chairman & Chief Executive Officer**

Kerry, I think where we are on it right now is that everybody's been so negative on the asset we've been a little hesitant to get out there. But our work is being done and we're going from four to ten drills on the project as we speak and, as we get more comfort in terms of delivering, not just a resource update but a reserve update, we'll come back to you. But I would suspect it to be in Q4.

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**Kerry Smith, Haywood Securities**

Okay. So it'll all come at the same time then. Okay. That's great. Thank you, Sean.

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**Sean Roosen, Chairman & Chief Executive Officer**

Kerry, we're going to deliver a bulletproof resource and reserve to you. We don't really want anybody else poking at this thing. We know the asset is solid and we just want to make sure that we deliver the proper product.

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**Kerry Smith, Haywood Securities**

Okay. Got you. Thank you.

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**Operator**

As a reminder, if you would like to ask a question, please press star followed by the number one.

Your next question comes from Jeremy Hoy from Canaccord Genuity. Your line is open.

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**Jeremy Hoy, Canaccord Genuity**

Hi. Thanks for taking my question. I think a lot of my questions have been answered. Actually they were all surrounding Cariboo and Barkerville. Just related to next steps in the back half of the year, you guys have a resource and reserve update coming, anything else going

on with that project? You mentioned increased exploration as well.

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**Sean Roosen, Chairman & Chief Executive Officer**

Yeah, absolutely. Mr. Lodder and Maggie have taken it amongst themselves to go out and get us 28 new drill targets, so we will be hitting those targets on a priority basis outside of our infill drilling. And, yeah, it's been very exciting times at Barkerville and I hope that everybody will be impressed when we come forth with the information. But given the reaction that we've had at Barkerville in the past, we're not going to come out until we actually have a final product for you. So it will be fourth quarter information and we will make sure that everything is drilled beyond the shadow of a doubt before we show it to anybody. Just based on previous reactions to that asset in terms of where it sits. We think that metallurgically, mining wise, permit wise that we've been able to de-risk the assets significantly, but we're going to come forth at the same time with that information probably more into Q4.

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**Jeremy Hoy, Canaccord Genuity**

I'd appreciate that. Thank you.

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**Operator**

As a reminder, if you would like to ask a question, please press star followed by the number one.

Your next question comes from Adrian Day from Asset Management. Your line is open.

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**Adrian Day, Adrian Day Asset Management**

Thank you. Just a quick question. Listen, I may have missed it completely, but with the Malartic underground, did you, in the end, have to make any concessions on the royalty.

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**Sean Roosen, Chairman & Chief Executive Officer**

Adrian, thank you for the question. The answer is no. The question that was being served up in the marketplace to shareholders previously was whether the royalty was making as much money as the rest of the mining group was at \$1,200 or \$1,300 gold price. I think that that discussion has ended. We're obviously well north of \$1,200 to \$1,300 gold. We have no intention to make any

concessions now. And there's been a bit of a discount on the Osisko share price anticipating that we would be making a concession on that royalty but we have no intentions to do so and obviously, at \$2,000 gold, it's not really even a relevant discussion that we would entertain.

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**Adrian Day, Adrian Day Asset Management**

Super. Thank you.

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**Operator**

We have no further questions. I'd like to turn the call back over to the presenters for their closing remarks.

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**Sean Roosen, Chairman & Chief Executive Officer**

I'd like to thank everybody on the call today. We appreciate it. Osisko has been a growth company and we've had the lumps and bruises going through the marketplace as we built that growth portfolio, but obviously I think that multiplied by the current commodity price that the risks that we took in building this portfolio over the last five years is paying off for us now and I encourage Osisko shareholders to be loud and proud about their persistence and their participation with us as we went through this asset building program. And I'll sign off there and thanks, everybody.

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**Operator**

This concludes today's conference call. Thank you for your participation. You may now disconnect.

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