



OSISKO METALS SIGNS DEFINITIVE OPTION AGREEMENT TO ACQUIRE MOUNT FRONSAC ZINC PROPERTY IN BATHURST, NEW BRUNSWICK

(Montréal, Québec – July 6, 2017) Osisko Metals Incorporated (the “Company” or “Osisko Metals”) (TSX-V:OM; FRANKFURT: OB5) (formerly Bowmore Exploration Ltd.) is pleased to announce that it has signed a Definitive Option Agreement (the “Agreement”) to acquire, from two private owners (The “Vendors”), a 100% undivided interest in the Mount Fronsac Property (The “Property”), a highly prospective property previously owned by Glencore Ltd. that hosts a historical, non 43-101 compliant, unclassified resource of 1.26 million tonnes grading 7.7% zinc and 2.2% lead.

The Property, located within the Bathurst Mining Camp of New Brunswick, Canada, is composed of a total of 34 claim Units covering approximately 748 hectares and is located in Northumberland County, roughly 40 km west of the City of Bathurst, accessible via Highway 180. A 100% undivided interest in the Property can be acquired by the Company in exchange for total cash payments of \$300,000 and issuance of a total of 200,000 shares of the Company over a four-year period.

Jeff Hussey, President and CEO of Osisko Metals, commented: "We are very pleased with the acquisition of the Mount Fronsac Property. It is an excellent addition to our portfolio of properties in the Bathurst Mining Camp, and we remain focused on acquiring additional ground within this camp, located in New Brunswick, one of Canada's best mining jurisdictions and among the top ten in the world. The Mount Fronsac deposit is a relatively recent discovery of massive zinc-lead sulphides in the western portion of the Camp. The deposit occurs in a similar stratigraphic location to the Brunswick No.12 Horizon and offers excellent potential for discovery. The short-term objective will be to upgrade and expand the known resource to NI43-101 standards."

THE TRANSACTION

Pursuant to the Option Agreement between the private Vendors and Osisko Metals the Company may acquire 100% interest in the Property and will have the exclusive rights to explore and develop the Property over the next four (4) years in consideration of:

- (i) Total cash payments of \$300,000 to the Vendors as follow:
 - a. \$5,000 paid upon the signature of the Letter of Intent;

- b. \$25,000 paid upon the signature of the formal Option Agreement (The “Agreement”);
- c. \$45,000 payable on the First anniversary date of the Agreement;
- d. \$55,000 payable on the Second anniversary date of the Agreement;
- e. \$70,000 payable on the Third anniversary date of the Agreement; and,
- f. \$100,000 payable on the Fourth anniversary date of the Agreement.

(ii) Total issuance of 200,000 common shares of the Company on or before the following dates:

- a. 33,333 common shares upon signature of the formal Option agreement;
- b. 33,333 common shares on the First anniversary date of the Agreement;
- c. 33,333 common shares on the Second anniversary date of the Agreement;
- d. 33,334 common shares on the Third anniversary date of the Agreement; and,
- e. 66,667 common shares on the Fourth anniversary date of the Agreement.

At the end of this period, Osisko Metals will have acquired 100% interest in the Property. The Company shall have the obligation to make additional cash payments and share issuances upon the following milestones, if completed:

- 1. Issue 100,000 common shares and make a \$10,000 cash payment upon a positive “PEA” (Preliminary Economic Assessment); and,
- 2. Issue 100,000 common shares and make a \$40,000 cash payment upon a positive “FS” (Feasibility Study).

The Vendors will retain a 1.5% Net Smelter Royalty (NSR) from the proceeds of any commercial production. Osisko Metals will have the right to purchase up to 1% of the remaining NSR for the sum of \$1,000,000 at any time, by providing the Vendors written notice to that effect. The Vendors will have no area of interest. The Transaction is subject to the TSX Venture exchange approval.

PROJECT HIGHLIGHTS

The Mount Fronsac deposit contains a historical, non 43-101 compliant, unclassified resource of 1.26 million tonnes grading 7.65 % Zn, 2.18 % Pb, 0.14% Cu, 40.3 g/t Ag, and 0.40 g/t Au. This high grade zone is hosted within 14 million tonnes of low-grade, semi-massive (>60%) to locally massive sulfides that occur in an envelope of quartz-sericite ± chlorite schist.

The high grade deposit has a north-south strike length of 525 metres and a down dip length of 600 metres. Thickness varies from 2 metres up to a maximum of 20 metres. The alteration and disseminated mineralization halo has a maximum thickness of 140 metres and contains up to 50 percent fine- to coarse-grained disseminated pyrite. The pyritic envelope is 900 metres long and extends down dip over 1,000 metres. Massive sulfides are found throughout this alteration envelope, but preferentially occur at or near the upper contact.

Jeff Hussey P. Geo., is the Qualified Person who has reviewed this news release and is responsible for the technical information reported herein.

About Osisko Metals

Osisko Metals (an Osisko group company) is a Canadian base metal exploration and development company creating value in the zinc space in Canada. In 2017, the Company acquired over 40,000 hectares in the Bathurst Mining Camp ("**BMC**"), a major historical zinc-lead-silver producing district. The objective is to develop a multi-deposit asset base in the BMC that would feed a central concentrator. In Québec, the Company acquired 42,000 hectares that cover 12 grass-root zinc properties that will be selectively advanced. In parallel, Osisko Metals will be monitoring several zinc-oriented peers for other opportunities. Osisko Gold Royalties Ltd. (OR:TSX / NYSE) is a significant shareholder of the Company.

For further information on Osisko Metals, visit www.osiskometals.com or contact:

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Cautionary Note Regarding Forward-Looking Information

*This news release contains "**forward-looking information**" within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates, projections and interpretations as at the date of this news release. The information provided in this news release about the exploration and/or resource development projects, including new results from drill programs, the significance of assay results, potential mineralization, including the discovery of new mineralized zone, the potential to extend mineralization in any direction, the ability to complete any proposed exploration activities and the results of such activities, the continuity or extension of any mineralization and any other information herein that is not a historical fact, may all be forward-looking information. Any statement that involves discussions with respect to predictions, expectations, interpretations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "interpreted", "management's view", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information. This forward-looking information is based on reasonable assumptions and estimates of management of the Company, at the time it was made, involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, risks relating to the ability of exploration activities (including drill results) to accurately predict mineralization; errors in management's geological modelling; the ability of Company to complete further exploration activities, including drilling; property interests in the relevant projects; the ability of the Company to obtain required approvals and complete transactions on terms announced; the results of exploration activities; risks relating to mining activities; the global economic climate; metal prices; dilution; environmental risks; and community and non-governmental actions. Although the forward-*

looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, Company cannot guarantee shareholders and prospective purchasers of securities of the Company that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither Company nor any other person assumes responsibility for the accuracy and completeness of any such forward looking information. Company does not undertake, and assumes no obligation, to update or revise any such forward looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.