# FORM 51-102F3
# MATERIAL CHANGE REPORT

**Item 1 Name and Address of the Company**

Osisko Metals Incorporated (the "**Corporation**")
1100 Ave Des Canadiens de Montréal
Suite 300
Montréal, Québec, H3B 2S2

**Item 2 Date of Material Change**

February 21, 2023.

**Item 3 News Release**

A news release with respect to the material change referred to in this report was issued by the Corporation through GlobeNewswire on February 22, 2023, and filed on the system for electronic document analysis and retrieval (SEDAR) on February 22, 2023.

**Item 4 Summary of Material Change**

On February 22, 2023, the Corporation announced that it has entered into an investment agreement dated February 21, 2023 (the "**Investment Agreement**") with an affiliate of Appian Natural Resources Fund III LP ("**Appian**"), a fund advised by Appian Capital Advisory LLP, a London-based private equity group specializing in the acquisition and development of mining assets, pursuant to which the Corporation and Appian will form a joint venture for the advancement of the Pine Point Project (the "**Transaction**"), subject to satisfaction of certain terms and conditions, including shareholder and stock exchange approvals.

**Item 5 Full Description of Material Change**

On February 22, 2023, the Corporation announced that it has entered into the Investment Agreement with Appian in respect of the Transaction, pursuant to which, among other things, Appian has agreed to invest up to C$100 million in Pine Point Mining Limited ("**PPML**"), a wholly-owned subsidiary of the Corporation and owner of the Pine Point Project, to earn up to a 60% ownership in PPML over an estimated four-year period, at a pre-money valuation of PPML of C$91.3 million.

The Appian investment includes an estimated C$75.3 million of funding (C$19.8 million of which will be provided upon establishment of the joint venture (the "**Initial Subscription**")) to advance the Pine Point Project to a Final Investment Decision ("**FID**"), or construction approval, and approximately C$24.7 million in cash payments to the Corporation, comprised of an C$8.3 million initial payment on closing of the Transaction to acquire an initial 9% interest in PPML from the Corporation and a milestone payment upon positive FID to bring Appian's ownership in PPML to 60%, expected to be approximately C$16.4 million. The final milestone payment will increase or decrease should the actual amount spent to FID differ from the estimated budget of C$75.3 million.

In addition, Appian has agreed to make a C$5 million investment in the common shares of the Corporation concurrent with the closing of the Transaction, priced at C$0.2481 per share, being the 20-day VWAP calculated as of close of markets on February 21, 2023.

Subsequent to the closing of the transaction and until the Corporation has disposed of, and Appian has acquired, an ownership interest of 60% in PPML (the "**Target Ownership Percentage**"), all funding in respect of the Pine Point Project will be made by way of cash calls issued by the board of PPML to Appian, the quantum and speed of which are determined at the sole discretion of the board of directors of PPML. The Corporation will not be required to make any cash contributions to PPML until Appian has reached the Target Ownership Percentage, following which cash calls will be satisfied by each of Appian and the Corporation on a pro-rata basis pursuant to approved annual programs and budgets as determined by the board of PPML. Pursuant to the terms of the Investment Agreement, in the event of a protracted intervening event, Appian has a unilateral right to terminate its investment commitment.

The board of directors of PPML will initially consist of four directors with two nominees from Appian and two nominees from the Corporation. Appian will be entitled to appoint the Chair and the Chair will have the casting vote. Upon Appian earning an interest in PPML above 50%, the board of directors will consist of five directors with three nominees from Appian and two nominees from the Corporation. The board of directors of PPML will be responsible for, among other things, approving PPML's annual programs and budgets. Certain material decisions will require a super-majority approval of the board of directors.

Concurrent with closing of the Transaction, the Corporation and Appian will enter into an investor rights agreement (the "**Investor Rights Agreement**"). The Investor Rights Agreement includes, among other things, pre-emptive and top-up rights in favor of Appian, a standstill provision for a period of 12 months and a share transfer restriction provision for a period of six months.

**Interim Funding**

Concurrent with the execution with the Investment Agreement, the Corporation and Appian entered into an agreement for the issuance of a convertible instrument to provide PPML with short-term interim funding of up to C$11.5 million to fund the current drilling program on the Pine Point Project, in accordance with the agreed initial program and budget. The current 29,000-metre winter definition drilling program is progressing as planned with six drill rigs operating and this program, with associated costs, will be integrated into the Investment Agreement and pre-FID budget, retroactively as of December 1, 2022.

If the Investment Agreement is terminated and the Transaction does not close, the principal amount then outstanding under the convertible instrument would then become repayable. Subject to the approval of the TSX Venture Exchange at such a repayment event, the amount then outstanding under the convertible instrument would be repaid by the issuance of common shares of Osisko Metals, at the minimum permitted price under the policies of the Exchange, for up to 19.95% of the pro forma number of issued and outstanding common shares of the Corporation, and the remaining amount (if any) will be converted into a senior secured term loan.

If the Transaction is completed, any outstanding amounts under the convertible instrument would be converted into an ownership interest in PPML and the Initial Subscription would be reduced by the amounts outstanding under the convertible instrument.

For more details on the terms of the Transaction, please refer to a copy of the Investment Agreement, which will be available electronically on SEDAR (www.sedar.com) under the Corporation's issuer profile.

***Cautionary Note Regarding Forward-Looking Information***

*This material change report includes "forward-looking information" and "forward-looking statements" within the meaning of Canadian securities legislation based on expectations, estimates and projections as at the date of this material change report. Any statement that involves predictions, expectations, interpretations, beliefs, plans, projections, objectives, assumptions, future events or performance are not statements of historical fact and constitute forward-looking information. This material change report may contain forward-looking information pertaining to the Pine Point Project, including, among other things, the* *expectation that the Pine Point Project will be a robust operation and profitable at a variety of prices and assumptions; the estimated costs to take the Pine Point Project to construction decision; the timing and ability to complete the Transaction on the terms contemplated (if at all); the ability of the Corporation to realize on the benefit of the Transaction; and the impact to the Corporation of the disposition of ownership interest and control in the Pine Point Project, which is a material property of the Corporation. There can be no certainty on the timing, costs and ability for the joint-venture parties to take the Pine Point Project to reach construction decision or pursue planned exploration and development as presently contemplated.*

*Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management, in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, including, without limitation, assumptions about: favourable equity and debt capital markets; the ability and timing for the parties to fund cash calls to advance the development of the Pine Point Project and pursue planned exploration and development; the ability to complete the Transactions in the timing and terms contemplated (if at all); the ability to satisfy or waive on satisfactory terms any conditions to the completion of the Transaction (including but not limited to, the Exchange acceptance and shareholder approval of the Transaction); future prices of zinc and lead; the timing and results of exploration and drilling programs; the accuracy of mineral resource estimates; production costs; operating conditions being favourable; political and regulatory stability; the receipt of governmental and third party approvals; licenses and permits being received on favourable terms; sustained labour stability; stability in financial and capital markets; availability of equipment; the economic viability of the Pine Point Project; and positive relations with local groups. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Factors that could cause actual results to differ materially from such forward-looking information are set out in the Corporation's documents filed at www.sedar.com. Although the Corporation believes that the assumptions and factors used in preparing the forward-looking information in this material change report are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this material change report, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Corporation disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.*

## Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

## Item 7 Omitted Information

Not applicable.

**Item 8 Executive Officer**

Robert Wares
Chairman and Chief Executive Officer
Osisko Metals Incorporated.
Telephone: (514) 861-4441

**Item 9 Date of Report**

February 27, 2023.