

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of the Company

Osisko Metals Incorporated ("**Osisko Metals**")
1100 Avenue des Canadiens-de-Montréal
Bureau 300
Montréal, Québec H3B 2S2

Item 2 Date of Material Change

December 15, 2017

Item 3 News Release

A news release with respect to the material change referred to in this report was disseminated jointly by Osisko Metals and Pine Point Mining Limited ("**Pine Point**") through Marketwired and was subsequently filed on the System for Electronic Document Analysis and Retrieval (SEDAR) on December 18, 2017.

Item 4 Summary of Material Change

On December 18, 2017, Osisko Metals and Pine Point jointly announced that they had entered into a definitive arrangement agreement dated December 15, 2017 (the "**Arrangement Agreement**"), whereby, subject to the terms and conditions of the Arrangement Agreement, (i) Osisko Metals will acquire all of the issued and outstanding common shares of Pine Point (the "**Pine Point Shares**"), and (ii) a newly-formed company ("**Spinco**") will be created to hold all of the assets and liabilities of Pine Point, with the exception of the Pine Point Project located in the Northwest Territories (the "**Pine Point Project**"), all of which is to be completed by way of a statutory plan of arrangement under the *Business Corporations Act* (Ontario) (the "**Arrangement**").

Under the terms of the Arrangement, holders of Pine Point Shares will be entitled to receive, in exchange for each Pine Point Share held immediately prior to the effective time of the Arrangement: (i) 0.271 (the "**Exchange Ratio**") of a common share of Osisko Metals (each whole common share, an "**Osisko Metals Share**"), (ii) 0.0677 of a common share purchase warrant of Osisko Metals (each whole common share purchase warrant, an "**Osisko Metals Consideration Warrant**"), with each Osisko Metals Consideration Warrant entitling the holder thereof to acquire one (1) Osisko Metals Share at an exercise price of C\$1.50 per Osisko Metals Share for a period of 12 months from the effective date of the Arrangement, and (iii) one (1) common share of Spinco (each whole common share, a "**Spinco Share**"), which will be consolidated on a 10:1 basis under the Arrangement.

Item 5 Full Description of Material Change

Particulars of the Arrangement

On December 18, 2017, Osisko Metals and Pine Point jointly announced that they had entered into the Arrangement Agreement, whereby, subject to the terms and conditions of the Arrangement Agreement, (i) Osisko Metals will acquire all of the issued and outstanding Pine Point Shares, and (ii) Spinco will be created to hold all of the assets and liabilities of Pine Point, with the exception of the Pine Point Project, all of which is to be completed by way of a statutory plan of arrangement under the *Business Corporations Act* (Ontario).

Under the terms of the Arrangement, holders of Pine Point Shares will be entitled to receive, in exchange for each Pine Point Share held immediately prior to the effective time of the Arrangement: (i) 0.271 of an Osisko Metals Share, (ii) 0.0677 of an Osisko Metals Consideration Warrant, with each Osisko Metals Consideration Warrant entitling the holder thereof to acquire one (1) Osisko Metals Share at an exercise price of C\$1.50 per Osisko Metals Share for a period of 12 months from the effective date of the Arrangement, and (iii) one (1) Spinco Share, which will be consolidated on a 10:1 basis under the Arrangement.

In addition, pursuant to the Arrangement, (i) all of the outstanding warrants exercisable into Pine Point Shares ("**Pine Point Warrants**"), to the extent any such Pine Point Warrants have not been exercised prior to the effective time of the Arrangement, will be exchanged for such number of warrants to acquire such number of Osisko Metals Shares and at such exercise prices as may be adjusted in accordance with the Exchange Ratio, and (ii) all of the outstanding options to acquire Pine Point Shares ("**Pine Point Options**"), to the extent that any such Pine Point Options have not been exercised prior to the effective time of the Arrangement, will be terminated, all in accordance with the terms of the Arrangement Agreement.

Following the completion of the Arrangement, existing shareholders of Osisko Metals and Pine Point are expected own approximately 62% and 38%, respectively, of *pro-forma* Osisko Metals (on a fully diluted in-the-money basis).

Approvals

The Arrangement will be completed by way of a statutory plan of arrangement under the *Business Corporations Act* (Ontario), and will require, among other things, the approval of at least 66 $\frac{2}{3}$ percent of the votes cast by shareholders of Pine Point at a special meeting expected to be held in February 2018 (the "**Pine Point Meeting**"). The Arrangement will also require approval by a "majority of the minority" of the shareholders of Pine Point, being a majority of the votes cast by shareholders of Pine Point whose votes may be included in determining if minority approval is obtained pursuant to Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions*. Shareholders of Pine Point representing approximately 39.2% of the issued and outstanding Pine Point Shares, including all of the directors and senior officers and certain significant shareholders of Pine Point, have entered into voting and support agreements with Osisko Metals in support of the Arrangement.

In addition to the approvals required from shareholders of Pine Point and the Ontario Superior Court of Justice (Commercial List), the Arrangement is also subject to applicable regulatory approvals and the satisfaction of certain other closing conditions customary for a transaction of this nature. The Agreement includes customary deal protections, including fiduciary-out provisions, non-solicitation covenants, and the right to match any superior proposals. Additionally, a break fee of C\$1.435 million is payable by Pine Point to Osisko Metals in certain circumstances, if the Arrangement is not completed.

A copy of the Agreement will also be made available on the SEDAR profile of Osisko Metals at www.sedar.com.

The distribution of the Osisko Metals Shares, Osisko Metals Consideration Warrants and Spinco Shares under the Arrangement will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and such securities may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This material change report shall not constitute an offer to sell or the solicitation of an offer to buy Osisko Metals Shares, Osisko Metals Consideration Warrants or Spinco Shares, nor shall there be any offer or sale of such securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Board recommendations

The Board of Directors of Pine Point, on the recommendation of the Special Committee of the Board of Directors of Pine Point, composed entirely of independent directors, has unanimously approved the Arrangement and will recommend that shareholders of Pine Point vote in favour of the Arrangement. The Special Committee of the Board of Directors of Pine Point has received an opinion from Cormark Securities Inc. that, based upon and subject to the assumptions, limitations, and qualifications stated in such opinion, the consideration to be received by the shareholders of Pine Point pursuant to the Arrangement is fair, from a financial point of view, to the shareholders of Pine Point. Copies of the Cormark Securities Inc. fairness opinion, which should be read carefully and in its entirety, and other relevant background information will be included in the management information circular that will be mailed to shareholders of Pine Point in connection with the Pine Point Meeting.

In addition, the Board of Directors of Osisko Metals has unanimously approved the Arrangement. The Board of Directors of Osisko Metals has received an opinion from Maxit Capital LP that, based upon and subject to the assumptions, limitations, and qualifications stated in such opinion, the consideration to be paid by Osisko Metals pursuant to the Arrangement is fair, from a financial point of view, to Osisko Metals.

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

Paul Dumas
Executive Vice President, Finance & Chief Financial Officer
Osisko Metals Incorporated
Telephone: (514) 861-4441

Item 9 Date of Report

December 21, 2017