

OSISKO METALS INCORPORATED
FORM 51-102F6V
STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS (the “Statement”)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

General

The following information of the Company is provided in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*:

“**Board**” means the board of the directors of Osisko Metals Incorporated;

“**Company**” means Osisko Metals Incorporated;

“**Compensation Securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**Exchange**” means the TSX Venture Exchange Inc.;

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (a) each individual who, during any part of the Company’s financial year ended December 31, 2020, served as the chief executive officer (“**CEO**”) of the Company, including an individual performing functions similar to a CEO;
- (b) each individual who, during any part of the Company’s financial year ended December 31, 2020, served as chief financial officer (“**CFO**”) of the Company, including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year ended December 31, 2020 whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for the financial year ended December 31, 2020; and
- (d) each individual who would be a NEO under paragraph (c) above but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, as at December 31, 2020.

Based on the foregoing definition, the Company has four Named Executive Officers: Robert Wares, the Chairman and Chief Executive Officer, Jeff Hussey, the President and Chief Operating Officer; Anthony Glavac, Chief Financial Officer, and Robin Adair, Vice President, Exploration.

COMPENSATION DISCUSSION & ANALYSIS

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly to the Company’s Named Executive Officers and directors for each of the Company’s two (2) most recent completed financial years:

Table of Compensation Excluding Compensation Securities

| Name and position | Year Ended December 31 | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Board, Committee or meeting fees⁽⁷⁾ (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
|---|-------------------------------|--|-------------------|--|----------------------------------|---|--------------------------------|
| Jeff Hussey Director, President and Chief Operating Officer ⁽¹⁾ | 2020 | 180,000 | 65,250 | N/A | N/A | N/A | 245,250 |
| | 2019 | 180,000 | 54,000 | N/A | N/A | N/A | 234,000 |
| Robert Wares, Director, Chairman of the Board and Chief Executive Officer ⁽²⁾ | 2020 | 90,000 | 32,625 | N/A | N/A | N/A | 122,625 |
| | 2019 | 90,000 | 27,000 | N/A | N/A | N/A | 117,000 |
| Anthony Glavac, Chief Financial Officer ⁽⁷⁾ | 2020 | 85,000 | 33,150 | N/A | N/A | N/A | 118,150 |
| | 2019 | 85,000 | 25,500 | N/A | N/A | N/A | 110,500 |
| Robin Adair, Vice President, Exploration ⁽⁴⁾ | 2020 | 165,000 | 62,288 | N/A | N/A | N/A | 227,288 |
| | 2019 | 160,000 | 52,800 | N/A | N/A | N/A | 212,800 |
| Luc Lessard, Director ⁽⁸⁾ | 2020 | N/A | N/A | 20,000 | N/A | N/A | 20,000 |
| | 2019 | N/A | N/A | 20,000 | N/A | N/A | 20,000 |
| John Burzynski, Director ⁽⁴⁾ | 2020 | N/A | N/A | 20,000 | N/A | N/A | 20,000 |
| | 2019 | N/A | N/A | 20,000 | N/A | N/A | 20,000 |

| | | | | | | | |
|--|------|-----|-----|--------|-----|-----|--------|
| Amy Satov, Director ⁽⁴⁾ | 2020 | N/A | N/A | 25,000 | N/A | N/A | 25,000 |
| | 2019 | N/A | N/A | 25,000 | N/A | N/A | 25,000 |
| Cathy Singer, Director ⁽⁶⁾ | 2020 | N/A | N/A | 25,000 | N/A | N/A | 25,000 |
| | 2019 | N/A | N/A | 25,000 | N/A | N/A | 25,000 |
| Donald R. Siemens, Director ⁽⁹⁾ | 2020 | N/A | N/A | 30,000 | N/A | N/A | 30,000 |
| | 2019 | N/A | N/A | 14,170 | N/A | N/A | 14,170 |

Notes:

- (1) Mr. Hussey became Director, President and Chief Executive Officer on June 21, 2017. On January 20, 2020, Mr. Hussey resigned as CEO and was appointed Chief Operating Officer of the Company.
- (2) Mr. Wares became a director of the Company on December 9, 2007, became Chairman of the Board August 17, 2018 and CEO on January 20, 2020.
- (3) Mr. Adair became Vice President, Exploration on Aug 28, 2017.
- (4) Mr. Burzynski and Ms. Satov each became a director of the Company on August 28, 2017.
- (5) Mr. Glavac became Chief Financial Officer of the Company on August 17, 2018. The Company entered into a Management and Technical Services Agreement effective as of May 1, 2018 with Falco Resources Ltd. ("Falco"), Mr. Glavac's employer, whereby the Company shall pay Falco a monthly fee of \$10,000 in respect of Mr. Glavac's services as Chief Financial Officer of the Company. See "*Employment, Consulting and Management Agreements*".
- (6) Ms. Singer became a director of the Company on September 10, 2018.
- (7) The Board of the Company approved director fees to be paid to each non-executive director in the amount of \$20,000 per annum and an additional \$5,000 per annum for each committee chair, to be paid in cash on a quarterly basis, and an additional \$5,000 per annum retainer to the Lead Director, Mr. Siemens. All fees are pro-rated accordingly.
- (8) Mr. Lessard became a director of the Company on February 9, 2016.
- (9) Mr. Siemens became a director of the Company on June 6, 2019, was appointed Lead Director on November 14, 2019.

External Management Companies

Except as disclosed below under "Employment, Consulting and Management Agreements", the Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors.

Stock Options and Other Compensation Securities

The following table sets out all Compensation Securities granted or issued to all NEOs and directors by the Company during the most recently completed financial year ended December 31, 2020 for services provided or to be provided, directly or indirectly, to the Company. The Company did not grant any Compensation Securities to NEOs and directors during the most recently completed financial year ended December 31, 2020.

Compensation Securities

| Name and position | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security on date of grant (\$) | Closing Price of Security on date at year end (\$) | Expiry Date |
|---|-------------------------------|---|------------------------|--|---|--|-------------|
| Jeff Hussey, Director, President and Chief Operating Officer | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Robert Wares, Director, Chairman of the Board and Chief Executive Officer | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Anthony Glavac, Chief Financial Officer | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Robin Adair, Vice President, Exploration | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Luc Lessard, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| John Burzynski, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Amy Satov, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Cathy Singer, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Donald R. Siemens, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Exercise of Compensation Securities by Directors and NEOs

The following table sets out all exercise of Compensation Securities by directors and NEOs of the Company during the most recently completed financial year ended December 31, 2020. There were no exercises of Compensation Securities by directors or NEOs during the most recently completed financial year ended December 31, 2020.

| Exercise of Compensation Securities by Directors and NEO's | | | | | | | |
|---|-------------------------------|---|----------------------------------|------------------|--|--|-----------------------------------|
| Name and position | Type of compensation security | Number of underlying securities exercised | Exercise price per security (\$) | Date of exercise | Closing price of security on date of exercise (\$) | Difference between exercise price and closing price on date of exercise (\$) | Total value on exercise date (\$) |
| Jeff Hussey, Director, President and Chief Operating Officer | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Robert Wares, Director, Chairman of the Board and Chief Executive Officer | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Anthony Glavac, Chief Financial Officer | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Robin Adair, Vice President, Exploration | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Luc Lessard, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| John Burzynski, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Amy Satov, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Cathy Singer, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Donald R. Siemens, Director | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Stock Option Plans and Other Incentive Plans

The Company's stock option plan (the "**Option Plan**") is a "rolling" stock option plan, pursuant to which a maximum of 10% of the issued and outstanding Common Shares at the time an option is granted may be reserved for issuance pursuant to the exercise of incentive stock options. The Option Plan was ratified and approved most recently, pursuant to Exchange policy, by shareholders at the Company's annual general meeting held on December 10, 2020.

Under Exchange policy, all such rolling stock option plans must be approved and ratified by shareholders on an annual basis. Any amendments to the Option Plan must also be approved by the Exchange and, if necessary, approval by the disinterested shareholders of the Company obtained prior to becoming effective. Approval by the disinterested Shareholders means approval by a majority of votes cast by all shareholders at a meeting, excluding votes attached to Common Shares beneficially owned by insiders of the Company to whom options may be granted pursuant to the Option Plan and their associates in accordance with the policies of the Exchange.

The purpose of the Option Plan is to allow the Company to grant options to directors, officers, employees, and consultants, as an incentive to dedicate their efforts to advance the success of the Company. The granting of options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to five years (10 years if the Company becomes listed on Tier 1 of the Exchange) as determined by the Board and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted, less the allowable discount permitted and in accordance with the policies of the Exchange. Pursuant to the Option Plan, the Board may, from time to time, authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries.

Eligible Persons

Under the policies of the Exchange, to be eligible for the issuance of a stock option under the Option Plan an optionee must either be a director, executive officer, consultant or an employee of the Company or a management company employee and their permitted assigns (an "**Eligible Person**").

Optionees must be Eligible Persons who, by the nature of their jobs or their participation in the affairs of the Company, in the opinion of the Board, are in a position to contribute to the success of the Company.

Material Terms of the Option Plan

The following is a summary of the material terms of the Option Plan:

1. The aggregate number of shares which may be issued pursuant to options granted under the Option Plan, unless otherwise approved by shareholders, may not exceed that number which is equal to 10% of the common shares of the Company issued and outstanding at the time of the grant.
2. The number of shares subject to each option will be determined by the Board, provided that the aggregate number of shares reserved for issuance pursuant to options granted to:
 - a. Insiders (as defined in the policies of the Exchange) during any 12-month period may not exceed 10% of the issued shares of the Company unless the grant is approved by a majority of the votes cast by “disinterested Shareholders”;
 - b. any one individual during any 12-month period may not exceed 5% of the issued shares of the Company unless the Company is listed on Tier 1 of the Exchange and has obtained the approval of the disinterested shareholders;
 - c. any one consultant during any 12-month period may not exceed 2% of the issued shares of the Company;
 - d. all persons employed to provide investor relations activities (as a group) may not exceed 2% of the issued shares of the Company during any 12-month period;

in each case calculated as at the date of grant of the option, including all other shares under option to such person at that time.
3. The options are non-assignable and non-transferable. The options can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Option Plan or within a period of not more than 90 days after ceasing to be an eligible optionee, (30 days in the case of a person engaged in investor relations activities), or, if the optionee dies, within one year from the date of the optionee’s death.
4. Options granted to consultants engaged to perform investor relations activities must be subject to a vesting requirement, whereby such options will vest over a period of not less than 12 months, with a maximum of 25% vesting in any three-month period.
5. If any portion of an option is not vested at the time the optionee ceases, for any reason whatsoever to be an Eligible Person, such unvested portion of the option may not thereafter be exercised by the optionee provided that the Board may, in its discretion, permit the optionee to exercise all or any part of such unvested portion of the option that would have vested prior to the time such option otherwise terminated and therefore ceased to be exercisable.
6. The exercise price and the number of common shares which are subject to an option may be adjusted from time to time for share dividends, and in the event of reclassifications, reorganizations, merger, or changes in the capital structure of the Company.

Employment, Consulting and Management Agreements

Anthony Glavac, Chief Financial Officer

The Company entered into a Management and Technical Services agreement effective May 1, 2018 with Falco (the “**Falco Agreement**”), Mr. Glavac’s employer, whereby Mr. Glavac provided financial and consulting services to the Company as its Chief Financial Officer, including supervision of accounting, as well as preparation, review and filing of financial information of the Company. Pursuant to the Falco Agreement, for the financial year ended December 31, 2020, the Company paid Falco a fee in the amount of \$10,000 per month.

The base compensation of such individuals reflects the base compensation that the Company negotiated with them. The benchmark used by the Company to establish a fair compensation for its executives was composed of compensation surveys of ten Quebec-based corporations active in the mining industry. This benchmark is deemed relevant since this method reflects the base compensation awarded to executives in the mining exploration sector who work in the same area as the Company. Such base compensation was also based on the experience and skills of, and expected contribution from, each Named Executive Officer, their roles and responsibilities and other factors.

Oversight and Description of Director and Named Executive Officer Compensation

The Compensation Committee is comprised of Amy Satov (Chair), John Burzynski and Donald R. Siemens. The Compensation Committee members are required to consult with and make recommendations to the Board on the compensation and compensation plan matters of the Chairman, the President, the Chief Executive Officer, the Chief Operating Officer as well as the Chief Financial Officer of the Company. The members of the Compensation Committee review and approve the compensation of the Company's executive officers.

The compensation of the Company's Named Executive Officers has been established with a view to attracting and retaining executives critical to the Company's short and long-term success and to continuing to provide executives with compensation that is in accordance with existing market standards generally.

Compensation of the Company's Named Executive Officers is comprised of a base compensation and stock options under the Stock Option Plan of the Company (the "Option Plan") and fringe benefits or any combination of these elements.

Through its compensation practices, the Company seeks to provide value to its shareholders through a strong executive leadership. Specifically, the Company's Named Executive Officers compensation structure seeks to: (i) attract and retain talented and experienced executives necessary to achieve the Company's strategic objectives; (ii) motivate and reward executives whose knowledge, skills and performance are critical to the Company's success; (iii) align the interests of the Company's executives and shareholders by motivating executives to increase shareholder value, and (iv) provide a competitive compensation structure in which a significant portion of total compensation is determined by corporate and individual results and the creation of shareholder value and foster a shared commitment among executives by coordinating their corporate and individual goals.

Within the context of the overall objectives of the Company's compensation practices, the Company determined the specific amounts of compensation to be paid to each Named Executive Officer for the most recently completed financial year ended December 31, 2020 based on a number of factors, including: (i) the Company's understanding of the amount of compensation generally paid by similarly situated businesses to their executives with similar roles and responsibilities; (ii) the Company's executives' performance during the fiscal year in general and as measured against predetermined corporate and individual performance goals; (iii) the roles and responsibilities of the Company's executives; (iv) the individual experience and skills of, and expected contributions from the Company's executives; (v) the amounts of compensation being paid to the Company's other executives; and (vi) any other contractual commitments that the Company has made to its executives regarding compensation.

Base Compensation

The Company's approach is to pay its Named Executive Officers a base compensation that is competitive with those of other executives in similar businesses. The Company believes that a competitive base compensation is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. The Company also believes that attractive base compensations can motivate and reward executives for their overall performance. The base compensation of each Named Executive Officer is reviewed annually, and may be adjusted in accordance with the terms of such Named Executive Officers' employment/consulting agreement. Evaluations and annual adjustments, if any, to the base compensation of the Named Executive Officers are analyzed within the context of the terms and conditions of such agreements.

Stock Options

The Company's Option Plan is administered by the Board of Directors of the Company. The Board may delegate authority to administer the Option Plan to a committee of the Board. The Company's award of stock options to its Named Executive Officers under the Option Plan is a method of compensation which is used to attract and retain personnel and to provide an incentive to participate in the long-term development of the Company and to increase shareholder value. The relative emphasis of stock options for compensating Named Executive Officers will generally vary depending on the number of stock options that are outstanding from time to time. As of the date of the Statement, zero (0) options have been awarded to the Named Executive Officers in respect of the financial year ended December 31, 2020. The Company generally expects future awards should be based on the following factors: (i) the terms and conditions of the Named Executive Officers' employment agreements; (ii) the executive's past performance; (iii) the executive's anticipated future contribution; (iv) the prior stock options awards to such executive; (v) the percentage of outstanding equity owned by the executive; (vi) the level of vested and unvested stock options and (vii) the market practices and the executive's responsibilities and performance.

The Company has not set specific target levels for the award of stock options to Named Executive Officers but seeks to be competitive with similar businesses. For further information regarding the Option Plan, see section entitled "Equity Compensation Plan Information" and "Annual Approval of Stock Option Plan of the Company's Management Information Circular dated October 30, 2020. A copy of the Option Plan is available on SEDAR at www.sedar.com.

Directors

Effective August 28, 2017, the Board approved director fees to be paid to each non-executive director of the Company in the amount of \$20,000 per annum and an additional \$5,000 per annum for each committee chair, to be paid in cash on a quarterly basis. In addition, the Lead Director is paid an additional \$5,000 per annum, paid in cash on a quarterly basis. All directors are entitled to be reimbursed for reasonable travel expenses incurred with respect to their attendance at meetings of the Board or any Board committee. In addition, each director is eligible to receive stock option awards pursuant to the Option Plan.

Pension Disclosure

The Company did not have any pension plans in place that provided for payments or benefits made to the NEOs or directors at, following, or in connection with retirement during the during the most recently completed financial fiscal year ended December 31, 2020.