EIS/EA REPORT – CHAPTER 7 PUBLIC CONSULTATION AND ABORIGINAL ENGAGEMENT VERSION 3



APPENDIX 7.II

Community News Briefs



NEWS BRIEF

2012 Sustainable Development Report



Osisko is happy to announce that we have published our 2012 Sustainable Development Report. Osisko takes part in the Global Reporting Initiative as a meaningful way to communicate our environmental, social and performance. economic Sustainable Development is an integral part of Osisko's Fresh Outlook on Mining. We are proud to be able to share a set of clearly defined objectives for each of our three integrated areas: Society, Environment and Economy.

These three areas not only represent a fundamental approach to sustainable development, but also provide a framework to communicate our values, goals and performance.

A few key points on Hammond Reef are summarized below; please visit our website to see a full version of Osisko's 2012 Sustainable Development Report.

Society

At Osisko, we work hard to create a strong health and safety culture. We consider the significant reduction of accidents that occurred at Hammond Reef to be a great achievement. Effectively, 126 accidents occurred at Hammond Reef in 2011 compared to 63 for 2012.

We believe that open and honest information sharing with the people living in the communities where we explore and operate is key. We held three open house events in 2012, welcoming about 180 people into our Main Street office in Atikokan.

Environment

At Osisko, we believe in treating the land with respect. As part of Hammond Reef's environmental management plan, Osisko actively re-vegetated 85 hectares of land and planted more than 3,000 trees. Our efforts were focused buffer zones surrounding creeks and streams, lakes and wetlands.

Economy

Osisko actively pursues local economic development by seeking local goods and services providers. Approximately 95% of all of our outlays for operating or capital expenditures were in Canada. Since our inception, we have maintained a local sourcing policy which ensures that the neighbours to our various sites benefit from our activity.

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Your resource about the Resource

Aquatic Biology

Over the past two years, Osisko has been working with our environmental consultant, Golder Associates, to collect information about the existing environment at Hammond Reef. One of the components of the environment that we have been studying is the Aquatic Biology, or fish and fish habitat.

To better understand the fish and fish habitat in and around the Hammond Reef site, aquatic biologists chose specific areas to study. These areas are called Areas of Potential Impact (API) and include ponds, streams and small lakes both on the Hammond Reef site and at upstream and downstream locations. Fish community and fish habitat assessments were carried out for each API, through field trips in August and October of 2010 and May, June, August and September of 2011.

Fish habitat was mapped by measuring and mapping specific features such as depth, vegetation, water temperature, and bank slope. Fish communities were studied by catch and release using nets, traps or electrofishing. A total of 23 different fish species were captured from the different APIs, including whitefish, mudminnow, northern pike, longnose dace, burbot, stickleback, suckers, sculpins, walleye and perch.

Aquatic biology information has been compiled to create a series of maps, which will be shared with the public, Aboriginal communities and government regulators. This information will form the basis of the assessment of potential effects from the Project. It will also be important in habitat compensation planning to ensure no net loss of fish habitat occurs from the Project.



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Your resource about the Resource

Atmospheric and Acoustic Baseline Results

One of the components that will be assessed as part of the Environmental Assessment for the Hammond Reef Gold Project is the Atmospheric and Acoustic environment. This includes air quality, noise levels and climate.

Osisko has been collecting weather data at the Hammond Reef site since the spring of 2011. Nearby climate stations with longer recording times will also be used to describe the local climate, and a trend analysis will determine how the climate may affect the Project. Existing air quality at the site will be estimated based on information collected by eight long-standing air quality monitoring stations. Existing noise levels will be assumed to be "quiet" which is typical of a rural area in Ontario.

Air and noise specialists will create computer models to estimate the potential changes to air quality and noise levels from the Project.

The air quality assessment will include modelling of the following indicator compounds:

- Particulate matter (PM);
- Oxides of nitrogen (NOX) and nitrogen dioxide (NO2);
- Sulphur dioxide (SO2);
- Carbon monoxide (CO);
- Metals, including antimony, arsenic, beryllium, cadmium, chromium, cobalt, copper, lead, manganese, mercury, nickel, selenium, silver, tellurium, tin and vanadium.

These computer models use Project-specific engineering and design details to predict how the Project could affect air quality and noise levels at specific points of reception. Points of reception are nearby people or wildlife that have been identified during consultation, field work and background research.

We will continue to share the details of our work with you as we move forward in the Project planning process. Please contact us if you have any questions about the Project.

OHRG Weather Station Tower Installation March 24 2011



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Your resource about the Resource

Careers in Mining

Thank you again for all the community support for the Hammond Reef Gold Project. Throughout our many meetings, presentations and conversations with local people we have heard that people are interested to know more about careers in mining.

Osisko Hammond Reef Gold is currently focused on completing the environmental assessment report and feasibility study for the Project. We hope to have the initial results from the feasibility study early in 2013 so that we can make an informed decision on whether the Project is economically feasible. If the results are positive, Osisko will decide if we can move the Project forward and begin the recruiting process. The Hammond Reef Gold Project could create up to 1,000 short term jobs during construction and 500 long term jobs during operations.

Many different types of jobs are available in the mining industry. Below is a list of the types of career opportunities that are available in the construction and operations phases of a mining project.

Construction employment categories:

- Professionals (engineers, geologists)
- Welders, metalworkers, installers
- Heavy machinery operators, carpenters, pavers
- Mechanics and boilermakers
- Electricians
- Crane operators, drillers, blasters
- Management

Operations employment categories:

- Processing
- Mining
- Maintenance
- Technical services
- Services and administration
- Management

Visit the Mining Industry Human Resources Council website www.acareerinmining.ca for more information about careers in mining.



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Your resource about the Resource

Committed to a Healthy Fishery

As part of the Hammond Reef Gold Project, Osisko will be undertaking a fish habitat enhancement project. Some of the Project components, including the open pits, will affect fish habitat, therefore Osisko is working to find other areas nearby that would benefit from fish habitat enhancement. This type of project can improve the health of the local fishery by:

- · Creating similar habitat at or near the Project site;
- Creating similar habit in the region that supports the same fish species;
- Enhancing existing habitat at or near the Project site;
- Enhancing existing habitat in the region that supports the same fish species; or
- Enhancing existing habitat in the region that supports a different species of fish

Osisko is committed to working together with the local and Aboriginal communities to ensure the fishery in the area remains healthy. Throughout our consultation we have heard that local and Aboriginal communities are concerned with the water quality and future pit overflow at the historic Steep Rock mine. OHRG is working with government regulators to determine if there is a potential for projects aimed at rehabilitation of the Steep Rock site that will qualify as offsets. The planning process includes studies, calculations and discussions with Fisheries and Oceans Canada and the Ministry of Natural Resources.

We would like to hear from you! Do you know of any areas that would benefit from a fish habitat enhancement project? We welcome your feedback on projects you feel are important in the region.



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Submitted as part of Draft Version 3 HRGP EIS/EA Documentation

NEWS BRIEF

Your resource about the Resource



Many of you may have noticed the recent drop in gold prices and the corresponding drop in value of many gold mining companies' stock. Osisko is no exception to this recent trend. Our executives have taken a careful look at the economic situation and developed a plan to ensure that Osisko remains a strong company despite the changing financial markets.

Osisko has one operating mine in Northern Quebec. The Canadian Malartic mine is the source of Osisko's revenues, therefore in times of market uncertainty, we need to turn our focus on operating our mine in the most efficient and responsible manner possible. We also need to cut costs where possible. We have recently made the very difficult decision to reduce the Hammond Reef workforce to the minimum required to maintain essential services only.

We know that we have achieved great progress on the Hammond Reef Gold Project because of the strong team effort that has been made over the past several years. We consider ourselves fortunate for the strong community support we have felt throughout the Hammond Reef planning process, and trust the community will understand that we continue to have high hopes for the Project.

We plan to continue work on the environmental assessment and permitting for the Hammond Reef Project over the coming months. This effort will include working with government regulators and answering the questions and comments we have received on the EIS/EA Report. We want to ensure that we can receive the permit for construction in a timely manner. We know that gold prices will always go up and down; this is not within our control. Our responsibility is to make the right decisions so that we are ready to build new projects when the market allows it.

Thank you again for your ongoing support and please don't hesitate to contact us with any questions.

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HAMMOND REEF GOLD

NEWS BRIEF

Your resource about the Resource

Cultural Heritage at Hammond Reef

As one of the components of the Environmental Assessment, Cultural heritage resources are being studied to better understand what exists at the potential mine site.

Cultural heritage is the legacy of physical objects and places that are inherited from past generations, maintained in the present and bestowed for the benefit of future generations. Cultural heritage resources include archaeological sites; Aboriginal hunting and fishing camps; ceremonial sites and spiritual places; villages; battlefields; remnants of pioneer cabins; and cemeteries.

A desktop study was conducted which included a literature review and a search of registered archaeological sites in the area (none exist). The desktop study was followed with a property inspection that confirmed the majority of the proposed mine site area has low archaeological potential. The property inspection was carried out in October 2011, and included a First Nations field monitor.

Archaeological potential is determined through the presence of the following features:

- Water sources
- Accessible shoreline
- Elevated topography
- · Pockets of well drained sandy soil
- Distinctive land formations that might have been special or spiritual places
- Resources areas
- Areas of Euro-Canadian settlement and early historical transportation routes

The low potential for cultural heritage at the Hammond Reef site is based on the high amount of disturbed lands, permanently wet areas and lack of sport fish in the small ponds at the site. Several dry upland areas have been identified as having archaeological potential and will be studied further before construction can begin.



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Your Resource about the Resource



Does an Environmental Assessment Report Have a Shelf Life?

Osisko's consultation team was in Atikokan again in August for meetings with First Nations and local government. We have been making steady progress by

discussing questions and cooperating to find solutions that meet our stakeholders' expectations.

The Project schedule and Osisko's plans for the future are topics of concern that are often raised throughout our meetings with stakeholders. People understand that the value of the Project is directly linked to the price of gold, and they want to know how the changing market conditions will affect the Project. What will happen if Osisko receives government approval for the Project when the price of gold is low?

As long as the Project that is built reflects the details described in the environmental assessment report, the approval for the construction, operations and closure will remain in place. The commitments detailed in the environmental assessment for community involvement, environmental management and monitoring must be honoured for the approval to be valid.

Although the falling gold price has created some uncertainty in the mining industry, Osisko is continuing to move the permitting of the Hammond Reef Project forward. We plan to submit a Final Environmental Impact Study/Environmental Assessment (EIS/EA) Report to government regulators in the fall of 2013 and will continue to keep you informed as the project moves forward.

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Your resource about the Resource

Draft Environmental Impact Statement / **Environmental Assessment (EIS/EA) Report**

Thank you to all who have shown an interest in the Osisko Hammond Reef Gold (OHRG) Draft Environmental Impact Statement/Environmental Assessment (EIS/EA) published on February 15, 2013. We are now in a seven week public comment period, where we are welcoming comments and questions about the Report. We have scheduled a first set of meetings to give an overview of the Report to Project stakeholders including:

- Government Review Team (representatives from the Provincial and Federal government) (Feb. 19)
- Town of Atikokan (Feb. 20)
- Fort Frances Chiefs Secretariat (Feb. 21)
- Métis Nation of Ontario (Feb. 23)
 Lac des Mille Lacs First Nation (TBD)

We are planning to have a community Open House in Atikokan soon.

We value your participation in the environmental assessment process and appreciate your interest in the Project. Atikokan has been a very welcoming community to Osisko, and we felt the friendly spirit of the Town again when we gave a presentation at the Atikokan Town hall on Feb. 20. We were expecting our audience to be with the Mayor and Council, but were happily surprised to see about thirty additional people representing a range of perspectives including the Sportsmen's Club, offices of the MP and MPP, the Economic Development Corporation, members from the government review team for the OHRG project, and Town staff.

The presentation was about three hours long and focussed on the potential effects of the Project, the mitigation measures to minimize the effects and the economic and social benefits of the Project. We received several questions from the audience which will help us make better information materials for the upcoming Open House.

Thanks again for your participation!



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NEWS BRIEF

Your Resource about the Resource

Environmental Assessment – Considering Comments and Finalizing the Report

Since submitting our Draft EA Report, Osisko has had many meetings to discuss the comments we received. One such meeting included a discussion with the government about Osisko's assessment of mine waste alternatives. The government feels it is important that the Final Report more clearly explains how Osisko has chosen the locations of the waste rock pile and the Tailings Management Facility.

At the meeting, Environment Canada provided suggestions for additional indicators that should be considered. Osisko then provided a new list of indicators based on our consultation, comments from the government, and examples from past reports completed for proposed mine development. Osisko's discussions with Environment Canada mean that the Final Report will have several changes relating to the Alternative Assessment section. These changes can be summarized as follows:

- ▶ Better description of the pre-screening of sites for consideration;
- ▶ Definitions of indicators and metrics used for evaluation;
- ▶ Identification of non-distinguishing indicators and the rationale for not including them; and,
- ▶ A summary of key concerns raised during consultation

Osisko plans to publish a Final Report that addresses all the comments we have received in the next few weeks. Once the Final Report is published, we will be inviting your comments again and coming into the community to explain the changes we have made. Thank you for your interest in the Hammond Reef Project and we will continue to keep you up to date as the planning moves forward.



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Your resource about the Resource

Environmental Assessment Process Moves Forward

Osisko has been busy visiting with local community members over the past few weeks, sharing information and gathering your feedback about the Hammond Reef Gold Project.

On Saturday August 18, we welcomed approximately 105 attendees to Open House 4 at Osisko's Main Street Office in downtown Atikokan. The event included a presentation of baseline study results, posters describing the Project and Environmental Assessment, information handouts and a Land Use questionnaire. A Project overview video was also playing on a loop in the boardroom.

We understand that some people may not have been able to attend the Open House because of their participation in the Bass Classic. We are happy to announce that we will take part in the Atikokan Show Case again this year on September 8, 2012 to share information about the Hammond Reef Gold Project. Although the exploration phase of the Project is coming to an end, Osisko is providing information on training and education opportunities to assist employees to prepare for a potential larger construction workforce in 2014.

We have also been engaging with government, First Nations and Métis communities through regular committee meetings, Elders forums and site visits. Most recently, Osisko provided the Métis Consultation Committee with a boat tour of the Hammond Reef site and visited the newly built round house at Lac Des Mille Lacs First Nation, near Upsala. The round house gathering included approximately 25 Elders from seven First Nations communities who came together to talk about traditional land use.

Thank you to all who have participated in the Environmental Assessment process to date and congratulations to Osisko employee Kevin Rissanen for winning second place with his fishing partner Corey Nephin in the Bass Classic!

Osisko's visit at the Lac Des Mille Lacs First Nation's round house



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Your resource about the Resource

Existing Environment at Hammond Reef

Thank you for your continuing interest in the Hammond Reef Gold Project. Your questions and comments have been very valuable to the planning process. We officially began the Environmental Assessment for the Project in July 2011, and have been collecting information about the existing environment since 2010.

Guidelines for what type of information must be included in the description of the existing environment at **Hammond Reef** were provided by the Canadian Environmental Assessment Agency in October 2011. Our Terms of Reference details the way we will carry out the assessment of alternatives and was submitted to the Ministry of Environment for approval in April 2012. We have completed the majority of our planned field studies for the Project with the help of our environmental consultants and Aboriginal monitors.

We have compiled the information from our baseline data collection into draft reports that detail the methods we used to study the existing environment, and provide the preliminary results of our studies to date. Within the next few months, we plan to meet with the government review team experts to discuss the existing information and identify any data gaps for each of the following ten environmental and social components:

- Atmospheric and Acoustic
- Geochemistry and Geology
- Surface Water Quality
- Surface Water Quantity
- Groundwater Quality and Quantity Vegetation and Wildlife
- Fish and Fish Habitat
- Socio-Economics
- Cultural Heritage

Aboriginal Land Use

We look forward to sharing the information from the baseline data collection with you through an open house forum in the coming months, and expect that your comments and local knowledge will contribute to our understanding of the existing environment.



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NEWS BRIEF

Field Studies - Bats

Bats are small mammals that have attracted regulators' interest recently because of a wide spread fungus that is affecting bat populations in the province. Two species of bats were recently listed as endangered in Ontario: the little brown bat and the northern long-eared bat.

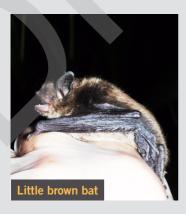
During the comment period following submission of the DRAFT EIS/EA report, additional field studies were recommended by regulators. In order to fully assess the impacts of the OHRG project on the environment Osisko has undertaken approximately three weeks of bat field work to determine which areas of the site may be providing habitat to bats.

Field work includes studying two types of habitat – maternity roosting and hibernacula. The maternity roosting surveys are done at night when bats are out hunting for food. Ten acoustic bat detector stations were installed at key locations throughout the site. The bat detectors were left in place for approximately two weeks, while they gathered information about bats flying by through sound recordings. Specialists then collect the recordings and analyse them to determine which types of bats are in the area.

A transect survey was also done in the potential maternity roosting habitat. This survey is also done at night and includes real time recording of bat calls as field specialists move across the site.

The hibernation bat study is planned for August. This study will focus on potential bat hibernacula at the site. Hibernacula are cave like areas where bats can gather throughout the winter. Many mine sites are used by bats because of the artificial caves created by old shafts and adits that historical mine works have left behind.

We continue to work towards permitting the OHRG Project by answering questions from government, First Nations and Métis and updating the Draft EIS/EA Report. Thank you for your support of the Project and please do not hesitate to contact us with questions or comments.





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HAMMOND REEF GOLD

NEWS BRIEF

Your resource about the Resource

Fire at Osisko Hammond Reef Gold Site

On Saturday, March 30, 2013, there was a fire at our Osisko Hammond Reef Gold camp. Thankfully, there were no injuries and the damage was minimized. We lost the original 40 person unit installed by Brett Resources (Bunk Area A) and a 30 foot trailer which housed our communications and internet connections. We appreciate the efforts of our OHRG team in responding to this event.

And we would like to take this opportunity to **thank the Atikokan Fire Department** for their support in putting out the fire and minimizing the damage.





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Hammond Reef Impairment

On August 1, Osisko Mining Corporation announced its second quarter results. These results focus on our earnings and expenditures over the past three months, and provide a picture of the financial position of our Company.

Because of the falling gold price, Osisko has announced an impairment of the Hammond Reef Project. This is an accounting term that has essentially removed the value of the Hammond Reef Project from Osisko's assets. We are continuing our efforts towards obtaining our permits necessary for the construction and development of the mine.

We have been putting a great deal of effort towards answering the comments we received on our Draft EIS/EA Report and have been conducting ongoing environmental field studies such as bat surveys and water quality sampling.

Over the next few months we have meetings planned with the First Nations, the Métis Nation of Ontario, the Ministry of Natural Resources, the Canadian Environmental Assessment Agency, the Ministry of Environment and more. All these meetings are taking place to ensure that the final submission of the EIS/EA Report is reviewed and approved in a timely manner.

We are working hard to move the Hammond Reef Project forward. We plan to submit a Final EIS/EA Report to government regulators in the fall of 2013 and will continue to keep you informed as the project moves forward.

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Your resource about the Resource

How Does the Acquisition of Queenston Mining Affect Plans for the Development of OHRG?

On December 28 2012, Osisko acquired 100% of Queenston Mining Inc., adding the largest land package found within the prolific Kirkland Lake Gold Camp to its portfolio. The area has produced over 50 million ounces of gold throughout its history. The purchase of Queenston is not meant to replace the OHRG project, but to allow Osisko to grow toward its goal of becoming a steadfast mid-tier producer, with flagship projects located here at home in Canada.

Our newest addition covers 230 km², containing five deposits with 43-101 resource compilations. The most advanced deposit—on which a Preliminary Economic Assessment (PEA) was completed by Queenston—is named the Upper Beaver gold deposit, and has an Indicated Resource of 1.5 M ounces of gold at 6.6 grams of gold per tonne, as well as 0.7 M ounces of gold at 4.9 g/t in the Inferred Resource category. The PEA has outlined an initial mine life at Upper Beaver of 10 years, with an average yearly production rate of 120,000 ounces of gold and 5.3 million pounds of copper.

Osisko's focus for 2013:

- Operation of our Canadian Malartic Mine in Quebec;
- Completion of the Feasibility Study of the OHRG project;
- Submission of the Environmental Assessment Report for the OHRG project;
- Continued exploration of the Queenston property;
- Completion of an Economic Assessment for the Upper Beaver deposit at Queenston; and
- Commencement of the Environmental Assessment process for the Upper Beaver project.

We are continuing to move forward with our Hammond Reef Gold Project, working non-stop to advance the permitting through the submission of the EIS/EA report in February and completion of the Feasibility Study. OHRG remains a key asset within Osisko's portfolio, and one of the last known undeveloped gold deposits of its size in Canada. As with any acquisition, not only does our asset portfolio grow, so does our human capital. Our workforce is growing in Ontario, along with the number of opportunities this creates.

Join us in welcoming our newest teammates!

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Mercury and the Environment

We have heard that people are concerned about mercury in the environment. This is a common concern for many communities in Northern Ontario. The Ministry of Environment has been studying contaminants in sport fish within the province since 1976 and publishes recommended fish consumption levels for many lakes throughout the province.

Existing Environment

Field studies carried out at Hammond Reef included measuring existing levels of mercury in ground water, lake water, sediment and fish. The results showed that mercury levels in the water are low, and higher levels are found in sediments and fish. The Ministry of Environment has also recognized that mercury levels found in fish living in the Marmion Reservoir are high.

Assessment of Effects

The assessment of potential effects from the Hammond Reef Gold Project included laboratory testing and computer models to predict how air quality and water quality could change during Project construction and operations. The assessment also included an evaluation of any health or ecological risks that could be increased because of the Project.

Tailings Measurements

Laboratory testing measured mercury levels in tailings that would be created from the Project. The results of the laboratory tests showed that the tailings water had a non-acidic pH, and that mercury concentrations in the tailings water would be below the detection limit and below the surface water quality guidelines. Mercury is not found in the rock at Hammond Reef and will not be added during processing of the ore.

Air Quality

Mercury was not included as an indicator compound in air modeling, because it is not found in our process chemicals. Air modeling did include a prediction of changes to sulphate concentrations – some scientists believe that elevated sulphate levels can be linked to the release of mercury from sediment. The Project is predicted to cause a small increase sulphate concentrations in lake water from their existing levels, and is not expected to trigger any additional release of mercury from sediments.

Water Quality

Mercury was included in water quality modeling. Our predictions show operation of the discharge will not result in an increase in mercury. The concentrations will be identical to baseline concentrations.

Risks to Humans, Fish and Wildlife

Our studies show that the Project does not pose a risk of mercury exposure to humans, wildlife or fish. Mercury levels in the air and water will not increase as a result of the Project, and fish will not be exposed to increased mercury from the Project. Mercury is not a contaminant of concern for the Project because it is not found in the ore and will not be used in any of our processes.

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Your resource about the Resource

Métis Community Feast

On April 14,2012, Osisko Hammond Reef Gold Ltd. (OHRG) hosted a feast for approximately 55 members of the Atikokan Métis community. The purpose of the community feast was two-fold: 1) to celebrate the signing of the Memorandum of Understanding (MOU) between the Métis Nation of Ontario (MNO) and OHRG; and 2) to share information about the OHRG Project.



First Nations Spring Ceremony

On May 3, 2012, OHRG hosted a gathering of Elders and invited representatives from 9 First Nations communities to conduct a Spring Ceremony at the OHRG site. Representatives Seine River First Nation, Couchiching First Nation, Naicatchewenin First Nation, Mitaanjigamiing First Nation, Lac des Mille Lacs First Nation, Nigigoonsiminikaaning First Nation, Lac La Croix First Nation, and Wabigoon Lake Ojibway Nation were in attendance. Also, we were fortunate to have the Grand Chief of Treaty 3, Diane Kelly, in attendance.

For Osisko, the event came as the result of listening to the Elders explain that if we must make changes to the environment through our operations, they should be carried out in accordance with traditional ways. According to Anishinaabe tradition, everything has a spirit and must be treated with respect. If we disturb the rocks, the water, the trees, we should ask the spirits for forgiveness. Osisko relies upon the expertise of our Aboriginal partners to help us make amends with Mother Earth in their traditional way. The ceremony involved gathering Elders at the OHRG site to join in singing, drumming, praying, and sharing traditional foods in a spirit of forgiveness.

Osisko is grateful to our Aboriginal partners for participating and providing insight into their traditions, so that the design of our project can respect and honour Aboriginal values.



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Your resource about the Resource

Mine Closure Planning

As part of the planning process for Hammond Reef Gold Project, Osisko needs to consider how the landscape will look once operations are complete. We are currently planning for an approximately two year construction period followed by approximately 11 years of mining, which could begin in 2017.

Before construction can begin we will need to receive approval from the Ministry of Northern Development and Mines on a certified closure plan for the Project. The certified closure plan must include financial assurance, which means that Osisko will set aside the money needed for future rehabilitation of the mine site. Activities included in the decommissioning and closure phase of the Project are:

- Storage, warehousing and maintenance areas are dismantled
- Potentially hazardous materials are removed from the site
- Mine wastes are stabilized in place
- The infrastructure is demolished, and debris is disposed
- Waste disposal areas are decommissioned.
- The open pit will no longer be actively de-watered, and will naturally begin to fill with water
- The surface of the tailings management facility is re vegetated
- Ongoing runoff and seepage from the tailings management facility is monitored and managed as necessary
- Rehabilitation, including active seeding of identified areas

As we move forward with the closure planning process and know more details we will continue to provide you with information. Osisko is committed to consultation with the public and our Aboriginal partners regarding closure planning and look forward to your feedback.





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Your resource about the Resource

Modern Uses of Gold

working OHRG currently on exploration environmental assessment studies for the Hammond Reef Gold Project. If the Project is deemed feasible and the permits to construct are received, the purpose will be to extract gold ore for processing and sale worldwide. Gold is a precious metal that has been valuable for centuries because of its beauty and rarity; however it also has many practical modern applications.

Computers and Electronics

Almost every electronic device contains a small amount of gold, including computer games, cell phones, refrigerators and curling irons. Gold easily conducts electricity and does not tarnish, making it an ideal material for plating electronic contacts, switches and electrical wiring.

Medicine

Gold salts have anti-inflammatory properties, and are used in medicine to treat rheumatoid arthritis. Small amounts of gold isotopes are also used to treat and diagnose cancer. The non-reactive properties of gold make it an ideal material for surgical instruments, and in electronic life support devices.

Green Technologies

Gold's unique properties are useful in the development of new technologies that reduce environmental impacts of our day to day lives. For example, gold is being tested for use as a catalyst to reduce mercury released from coal fired power plants.

Gold is a beautiful metal that has been used by humans for thousands of years. Its unique properties provide opportunities for modern use that continue to grow and develop with society's changing needs.



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NEWS BRIEF

New Work on Environmental Assessment

A Draft version of the Environmental Impact Statement/ Environmental Assessment (EIS/EA) Report was published for comment on February 15, 2013. Osisko Hammond Reef Gold (OHRG) received approximately 700 comments from Aboriginal groups, the public, and the government review team (GRT). The comments were considered, discussed and incorporated into the Final EIS/EA Report as appropriate and will be submitted to the GRT in the coming weeks.

Some additional work has been undertaken based on the comments received on the Draft EIS/EA Report. This work includes new and ongoing field studies, new design and modelling calculations, desktop studies, publication of new reports and revisions to existing reports. The summary of new work undertaken as a result of stakeholder feedback includes:

Environmental Field Studies

- Bat surveys
- Water quality sampling
- Water level and flows collection
- · Climate data collection

Environmental Monitoring Plan

- Revised to clearly meet guidelines
- Expanded to include more detail and commitments

Water Quality Modelling

- Additional definition of mixing zone
- Conceptual design of effluent diffuser
- Pit Filling calculations

Mine Waste Alternatives

 Alternatives Technical Supporting Document revised substantially to reflect the requirements of the regulatory agencies

Closure Planning

- Provided a draft of the Certified Closure Plan to the Ministry of Northern Development and Mines (MNDM) for review and feedback
- Closure Alternatives memorandum
- Ongoing discussions about reclamation details

As the environmental permitting moves forward, Osisko will continue to consult with you throughout the planning process and welcome your input. If you have any questions, comments or would like more information, please feel free to contact us.



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Your resource about the Resource

Open House 4

Osisko Hammond Reef Gold is pleased to invite you to our upcoming Open House and Community BBQ:

August 18th Osisko's Main Street Office in Atikokan 10am to 3pm Formal presentation at 11am

OHRG is committed to engaging and working with stakeholder groups and Aboriginal communities throughout the Project. We recognize that views of community members are important and have the potential to make the Project better.

We have heard many comments and questions from community members over the past several months, and would like to continue sharing information with you as the Project planning process moves forward. We have recently received approval for our Terms of Reference report, marking the official beginning of the provincial Environmental Assessment process.

Come have a burger or a hot dog with us and get an update on the Hammond Reef project. We will be giving a presentation and have information stations on topics such as:

- Updated Project Layout
- Project Schedule and Workforce
- Baseline Study Results
- Environmental Assessment Methods
- Closure Planning



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Your resource about the Resource

Osisko Files Notice of Project Status with MNDM

As part of the formal closure planning process with the Ministry of Northern Development and Mines (MNDM), Osisko filed a Notice of Project Status on October 30, 2012. The Notice provides a brief outline of our preliminary plan for the closure phase, as summarized below. Water quality will be monitored throughout the closure phase and treated as needed.

Tailings Management Facility

- Physically stabilize the surface to prevent erosion and dust
- Re-vegetate the tailings surface directly
- The tailings dams will remain in place as permanent structures

Waste Rock Pile

- Grade the top surface of the waste rock pile to help with storm water runoff and reduce infiltration
- The waste rock pile is expected to be physically stable and is not expected to generate acidic runoff
- The waste rock pile will not need a soil cover or vegetation

Open Pits

- Build a safety fence if the pit walls are deemed unstable
- Stop pumping and allow the open pits to slowly fill with water from rain, snow and run off
- The pits will naturally overflow after about 70 years
- Create cuts in the rock to direct the pit overflow into the Marmion Reservoir

The Notice and supporting information is available online at:

www.osisko.com/en/properties/hammond-reef/enviromental.html

We invite you to read more about the planned closure phase for the Project welcome and your feedback. We will continue to update you about the closure phase of the Hammond Reef Gold Project and plan to have an Open House on this topic in the coming months.



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Your resource about the Resource



Osisko Open House

Thank you to all who came out to our Open House in Atikokan on April 3, 2013. We had a great turnout, with more than 80 people from the community dropping by our Main Street office to learn about the results of our environmental assessment, ask questions about

the Hammond Reef Project and share their concerns.

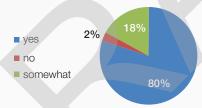
We believe that community involvement is very important and we know that your feedback has improved the Project planning process. The feedback we received showed your overwhelming support for the Project. Our comment forms asked you to share your hopes and concerns about the Project. Here are a few of the responses we received:

"Osisko has continually impressed me with their efforts toward public knowledge on the project."

"I would like to see the project go forward, but I also want to make sure that all safe guards for the environment are taken through the mine life and after the mine closes."

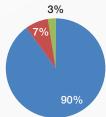
"I believe the project will really affect our community and help it grow and thrive.

I feel up to date in the status of the Hammond Reef Gold Project



Which of the following statements best describe you?

- I fully support the Hammond Reef Project going forward
- I somewhat support the Hammond Reef Project, but I have some concerns
- I don't know how I feel about the Hammond Reef Project



We have a lot of work to do in the coming weeks to answer questions and concerns about the Draft Environmental Impact Statement/Environmental Assessment (EIS/EA) Report. In addition to comments from the public, we have also received formal comments from First Nations, Métis, provincial and federal governments. We will continue to keep you informed on the progress and welcome your feedback of any time. the progress and welcome your feedback at any time.

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Your resource about the Resource

Project Phases and Schedule

The Hammond Reef Gold Project will be completed in four phases: construction, operations, closure and post-closure. Each phase of the Project will be evaluated for a potential interaction with the Valued Ecosystem Components (VECs) identified for the physical, biological and social environments. Each Project phase has its own defined list of activities and a planned schedule for completion.

CONSTRUCTION

The construction phase will begin once all relevant permits have been received. It is expected to last 30 months. Construction of the access road and installation of electrical power lines will take priority, as overall Project construction and operations depends on having suitable electricity and access to the Project Site.

OPERATIONS

During the operations phase, the process of removing the ore through development of the open pit will begin. The mining process will also generate waste rock and tailings. The operations phase is expected to last for 11 years.

CLOSURE

The closure phase includes a list of activities designed to ensure that the Project Site is left in a manner that reduces the potential impacts on the social and natural environments. Project infrastructure will be removed and environmental monitoring will be conducted until it is shown that the site meets all agreed closure conditions.

POST-CLOSURE

Activities carried out during the post-closure phase will focus on monitoring programs and maintaining the integrity of the environment and of any retained infrastructure. Post-closure activities will extend 10 years after the closure of the Mine.

PROJECT PHASES AND SCHEDULE

- The earliest the EA/EIS Report and permitting could be completed is January 2014
- Construction is expected to take 30 months
- Operations are expected to last 11 years
- Decommissioning will take about 2 years
- Closure and rehabilitation will be ongoing

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Your resource about the Resource

Publication of Draft Environmental Assessment Report Planned for **February**

OHRG plans to publish a Draft Environmental Impact Statement/Environmental Assessment (EIS/EA) Report in February 2013. We have begun our internal Osisko review of the report with a submission of the report to the Osisko Board of Directors, and will continue to have meetings with our executives throughout January.

The report is a culmination of over 2 years work including:

- Collection of baseline data;
- Consultation with Aboriginal communities, the public and government;
- Assessment of alternative methods;
- Assessment of potential effects from Project/environment interactions;
- Development of mitigation measures;
- Plans for closure and environmental monitoring; and
- Compilation of a list of Osisko's commitments.

Once our internal Osisko review of the report is complete, a seven week public review period will begin. A formal "Notice of Submission of Environmental Assessment" will be issued and the draft report will be made available on our website and in local libraries. This review period will also include a series of presentations to share the results of our assessment with Aboriginal groups, the public and the government.

We are very happy to be moving forward in the environmental assessment process and look forward to your comments and feedback on the EIS/EA Report.



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Your Resource about the Resource

Sharing the Results of the Environmental Assessment – Aquatic Biology

The EIS/EA Report published in February 2013 details the potential effects of the Project and Osisko's plans to minimize any negative effects. One of the components of the environmental assessment is aquatic biology, which describes fish and fish habitat and is summarized below.

The results of the assessment found that there will be some effects to the aquatic environment because of loss of fish habitat and changes in lake levels. The significance of these effects is expected to be low. Discharges from the site are not predicted to result in any impacts to aquatic life.

Osisko plans to minimize the effects to the aquatic environment by developing an on site fish compensation plan that focuses on enhancing habitat for the fishery in Upper Marmion Reservoir and the small water bodies connected to it. We also plan to protect the fishery from increased pressures by restricting fishing by Osisko employees while living at the accommodation camp. Other planned mitigation measures will include:

- ▶ Building intake structures at an appropriate height above the lake
- Minimizing inflow velocities to avoid harm to fish
- ▶ Implementing erosion and sediment control measures,
- ▶ Maintaining sufficient flows in streams during construction
- ► Avoiding in stream construction during sensitive periods for fish
- ▶ Adjusting blasting operations to meet guidelines for the protection of fish

As the environmental permitting moves forward, Osisko will develop a detailed Environmental Management Plan that can be used to confirm our predictions and will allow us to adapt our practices as needed. We will continue to consult with you throughout the planning process and welcome your input. If you have any questions, comments or would like more information, please feel free to contact us.



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NEWS BRIEF

Sharing the Results of the Environmental Assessment – Hydrogeology

The EIS/EA Report published in February 2013 details the potential effects of the Project and Osisko's plans to minimize any negative effects. One of the components of the environmental assessment is hydrogeology, which describes groundwater levels and quality and is summarized below.

Changes in groundwater flows were predicted using a 3-D groundwater flow model of the open pit and mine site area. The changes are expected to be minor and focussed on the pit area. Some streams around the pit area will be influenced by a change in groundwater and are expected to have reduced flows. No effects to groundwater quality are predicted.

Throughout the construction and operations phase of the Project, Osisko will monitor groundwater levels and water quality routinely:

- Predictions will be confirmed through monitoring in wells around the open pits
- Design assumptions will be confirmed through monitoring of water levels and flow rates near the tailings management facility and stockpiles
- Adaptive management will be applied should monitoring results differ from predictions

Osisko is committed to the active management of groundwater at the Project site to ensure downstream aquatic health is protected. A series of ponds and ditches will collect run-off and seepage from the tailings management facility and stockpiles and this water will be re-used in the ore processing facility. The water quality of any excess water that is discharged from the site will be tested before it is released to the environment to ensure it meets appropriate concentrations.

As the environmental permitting moves forward, Osisko will undertake additional studies to better understand subsurface conditions under the planned Project facilities. We continue to welcome your input. If you have any questions, comments or would like more information, please feel free to contact us.



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NEWS BRIEF

Sharing the Results of the Environmental Assessment – Hydrology

The EIS/EA Report published in February 2013 details the potential effects of the Project and Osisko's plans to minimize any negative effects. One of the components of the environmental assessment is hydrology, which describes water levels and flows and is summarized below.

Information about the hydrology of the Hammond Reef site was collected during the different seasons over the past three years. Hydrologists measured local stream flows at 13 different monitoring stations and measured lake levels at 5 different stations. The planned water use for the Project was then considered and predictions were made about how water levels and flows could change due to the Project.

The hydrology assessment concluded that the outflows from Marmion Reservoir would stay within the targets of the Seine River Watershed Management Plan. Water outflows from Marmion Reservoir are predicted to be reduced by less than one percent in an average year and up to five percent in a very dry year. Water levels will also stay within their targets, with a maximum reduction of 9 cm in monthly mean water levels predicted to occur in Marmion Reservoir if the Project goes forward.

Some small streams and lakes will also be affected by the Project due to construction and placement of infrastructure. Four small unnamed lakes will be filled in during construction. Water levels in Lizard Lake and one unnamed lake could be reduced by up to 3 cm. The flows to Lumby Creek could be reduced by a maximum of 7% and the inflows to Upper Marmion Reservoir are predicted to be reduced by less than one percent.

As the environmental permitting moves forward, Osisko will develop a detailed Site Water Management Plan that can be used to confirm our predictions and will allow us to adapt our practices as needed. For example, weather station records will be used for design and flow evaluation and adaptive management. We will continue to consult with local water users and participate in the Seine River Watershed Management Plan. We continue to welcome your input If you have any questions, comments or would like more information, please feel free to contact us.





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NEWS BRIEF

Your Resource about the Resource

Sharing the Results of the Environmental Assessment – Terrestrial Biology

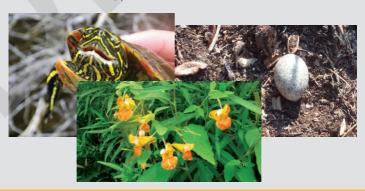
On February 15, 2013 Osisko published the Draft Environmental Impact Statement/Environmental Assessment (EIS/EA) Report for the Hammond Reef Gold Project. We received many comments and are currently working to address them. The EIS/EA Report details the potential effects of the Project and Osisko's plans to minimize those effects. One of the components of the environmental assessment is terrestrial biology, which is summarized below.

The terrestrial biology assessment was undertaken by studying potential effects to specific Valued Ecosystem Components (VECs) within the study area including wetlands, forest cover, moose, furbearers, species at risk and breeding birds.

The results of the assessment found that there will be some effects to the terrestrial ecology VECs because of loss of vegetation, changes to drainage patters, loss of habitat and a risk of injury from increased road traffic. The significance of these effects is expected to be low.

Osisko plans to minimize the effects to the terrestrial environment by developing an invasive species management plan and a waste management plan. We will also develop a policy to restrict hunting, harvesting and trapping by Osisko employees while living at the accommodation camp. Other mitigation measures will include selective clearing of the transmission line, posting and enforcing speed limits, providing wildlife awareness training to workers and using native species for re-vegetation.

As the environmental permitting moves forward, Osisko will develop a detailed Environmental Management Plan that can be used to confirm our predictions and will allow us to adapt our practices as needed. We will continue to consult with you throughout the planning process and welcome your input. If you have any questions, comments or would like more information, please feel free to contact us.



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NEWS BRIEF

Sharing the Results of the Environmental Assessment – Water Quality

The EIS/EA Report published in February 2013 details the potential effects of the Project and Osisko's plans to minimize any negative effects. One of the components of the environmental assessment is water quality, which provides predictions for on site and off site water quality during the Project and is summarized below.

The water quality studies showed that pit walls and mine waste materials (including tailings and waste rock) are non-acid generating and geochemically stable. No direct impacts to downstream water bodies are predicted due to the Project.

Some of the water management strategies Osisko will be implementing to ensure water quality is not affected negatively include:

- Avoiding effluent discharge near walleye spawning areas.
- Use of a buffer zone between the pit and Marmion Reservoir.
- Treatment of suspended solids if necessary.
- Capture of seepage around the Tailings Management Facility, the Waste Rock stockpile and the ore stockpiles.
- Water quality monitoring at site and in Marmion Reservoir.

In response to government comments, Osisko has also done additional water quality work since the February 2013 submission. This work focused on detailed water quality modeling and conceptual effluent discharge diffuser design. The government asked that Osisko create a mixing model that would provide more specific details on the predicted water quality in the Marmion Reservoir. The results of this modeling work show that the mixing zone around the discharge point will be small, and aquatic life will not be harmed.

On-going water quality sampling field work continues with the most recent sampling event occurring during the week of August 25, 2013.

As the environmental permitting moves forward, Osisko will develop a detailed Site Water Management Plan that can be used to confirm our predictions and will allow us to adapt our practices as needed. We continue to welcome your input If you have any questions, comments or would like more information, please feel free to contact us.



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Your resource about the Resource

Sharing the Results of the Environmental Assessment

Please join us on April 3rd from 3pm to 8pm at our Main Street Office in Atikokan. We will be presenting the results of the environmental assessment through a series of posters describing the potential effects of the Project and the mitigation measures we are planning to put in place to minimize those effects.

A summary of effects and mitigation for **Water Quality** is provided below.

Potential Effects:

- Water quality in Marmion Reservoir is not predicted to change from existing conditions
- Water discharge point at south end of Sawbill Bay provides good mixing characteristics and avoids environmentally sensitive areas
- Predicted concentrations of metals and major ions were either below established guidelines or did not exceed baseline conditions
- Site Specific Water Quality Objectives will be required for:
 - Copper
 - Free cyanide

Mitigation Measures

- Water treatment for Total Suspended Solids, phosphate and metals may be required
- A phosphate-free soaps policy at workers accommodation camp will be in place
- Storm water and seepage from stockpiles will be captured and collected
- A Spill Management Plan will protect water quality and include timely clean up of all spills

The Environmental Impact Statement/Environmental Assessment Report was published on February 15, 2013. The complete report is available for review on the Osisko website and in hard copy at Osisko's Goodwin Street Office in Atikokan.

If you have questions, comments or would like more information prior to the Open House, please feel free to contact us.



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Your resource about the Resource

Summer Comes to an End

With the arrival of fall, students are heading back to school and the Hammond Reef exploration work is wrapping up. We want to offer a big THANK YOU to all the students, staff and community members who have worked so hard to make the Hammond Reef project one of the biggest exploration projects in Canada.

On July 31, 2012 the Resource Definition program was completed. Currently, there are 2 drills remaining on site to complete a ground condemnation program for the tailings location and the sites for buildings and other infrastructure.

Our Summer Experience program has also come to a close, and we would like thank the three participants: Mathieu Zoccole-Thibeault from Lac des Mille Lacs First Nation, Antonio Marinaro from Seine River First Nation and Métis student Rebecca Deslauriers. The program offered short-term positions in a job shadow setting with the four different departments at Hammond Reef. Students also worked with Golder, our environmental consultant, to do field work and study the existing environment at the site. This approach gave the students the chance to be exposed to a variety of experiences, allowing them to better understand the different job opportunities available in the mining industry.

We are proud of our great team and all that has been accomplished at Hammond Reef so far. Much of the continuing work on the Project will now be focussed on the environmental assessment and permitting. We will also be working out the detailed design and engineering for the Project, and holding meetings in local communities to share information and receive feedback.

Thank you again to everyone for your hard work and support for the Hammond Reef Gold Project!



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Your resource about the Resource

Baseline Data - Terrestrial Biology

Osisko Hammond Reef Gold Ltd. (OHRG) met with the government review team - approximately 30 regulators, over a 3-day period - to present and discuss baseline data for the proposed Hammond Reef Gold Mine Project. The goal of the meetings was to identify any data gaps that need to be addressed during the 2012 field season in order to fulfill the Federal Environmental Impact Statement (EIS) guidelines and the Provincial Terms of Reference.

One of the baseline field programs discussed with regulators was Terrestrial Biology:

- Bird surveys
- Amphibian habitat inventory
- Turtle basking and nesting surveys
- Vegetation community surveys
- Ontario Wetland Evaluation System surveys

Terrestrial Biology field work studies have found that:

- Vegetation communities are coniferous and mixed forest communities interspersed with fens, marshes, swamps, small lakes and watercourses
- The bird community survey results are typical for the habitats that occur in the region
- A variety of large and small mammals inhabit the Project area. All mammal species are considered to be typical in the region and there were no provincially or federally listed species recorded
- Three bird and one reptile species of special concern are found in the Project area (Canada warbler, Bald eagle, Common nighthawk and Snapping turtle)
- One provincially rare plant species is found in the Project area (Assiniboia sedge)

Prince's Pine

One culturally important plant is found in the Project area (Wild rice)

Additional Terrestrial Biology field work is planned for this summer to ensure the entire Project area is covered, and to specifically identify wild rice habitat and abundance.

We look forward to sharing the results of the baseline data collection with you over the coming months. We will also host an Open House in Atikokan this summer to give you an opportunity to be updated in person on the baseline data and the Project planning process.



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Your resource about the Resource

Working out the Project Details

The Hammond Reef Gold Project is continuing to move forward in the permitting process as we finish baseline studies and begin to move towards an assessment of potential effects of the Project.

In order to allow the Hammond Reef Environmental Assessment (EA) team to move forward with their assessment, it is important to provide them with the most complete and accurate Project design possible. Over the past several months our engineering team has been working together with our environmental consultant, Golder Associates to finalize the Project Layout and design details.

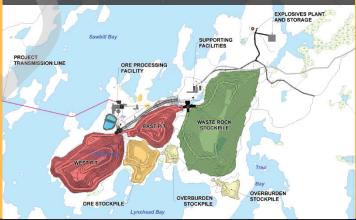
The map below shows a revised Project Layout as it will be assessed by our EA team and as we expect it to appear in the EA Report. The key changes to the Project Layout that make it different from the April 2011 version are:

- The transmission line alignment now crosses Sawbill Bay.
 The total distance is approximately 4 km, and is not expected to require any footings in the water;
- The processing plant is now located to the north of the open pits;
- The waste rock stockpile is now located closer to the open pits;
- The option of a permanent camp for workers at the site.

Osisko envisions that during operations, workers at the mine site will be a combination of daily commuters who opt to live in the town of Atikokan and travel to the Site as well as workers living elsewhere who will lodge at the Site during their work rotation.

Please keep in mind that the Project is still in the design stage and some details may continue to change as the Project planning process moves forward. Osisko values the opportunity to discuss any questions or concerns that our Aboriginal partners and other Project stakeholders may have. Please don't hesitate to contact us with your questions about the Project.

Project Components



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Your resource about the Resource

Working with our Aboriginal Partners

Several Osisko employees were welcomed at the Fort Frances Chiefs Secretariat (FFCS) meeting, held in June, to present the results of the baseline environmental studies and to give a status update on the planned Traditional Use Study for the Project.

The Chiefs provided feedback and asked questions about several topics, including:

- Water quality
- Medicinal plants
- Air quality
- Economic development opportunities

Osisko was also happy to be invited to Kenora in June to meet with the Métis Nation of Ontario Consultation Committee about baseline study results. After the meeting with the Committee, 125 members of the Kenora Métis community gathered together at the local legion hall to hear a Project overview presentation, share a meal and enjoy some traditional Métis fiddling music.

Osisko has also recently hired a member of the Lac des Mille Lacs First Nation to work as a summer student at the Hammond Reef exploration site. Mathieu Zoccole-Thibeault will have the opportunity to work in the field with the Hammond Reef field coordinators and the Golder environmental technicians. As part of his summer experience position with Osisko, Mathieu will also have the opportunity to work with the geology, environment, and maintenance teams.

Osisko values the opportunity to discuss any questions or concerns that our Aboriginal partners and other Project stakeholders may have. Please don't hesitate to contact us with your questions about the Project.

Community Feast with Kenora Métis in June



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NEWS BRIEF

Your Feedback is Important

Since publishing our Draft EIS/EA Report on February 15, 2013, we have received many comments from the public, our Aboriginal partners and the government. We received several letters of support from municipal governments and local citizens, and would like to thank all the local communities very much for their ongoing involvement in the Hammond Reef project.

We also received several comments from First Nations communities and the Métis Nation of Ontario. We have had initial meetings and discussions with these groups, and plan to continue meeting with them to ensure their comments are resolved.

Some of the comments were from fishing organizations and local tourism outfitters. We understand that people who depend on fishing and tourism are concerned about the potential effects to fish and changes to the landscape. We have held meetings with tourist outfitters, the Atikokan Sportsmen Conservation Club and the Ontario Federation of Anglers and Hunters to discuss the comments and better understand what steps we can take to minimize potential effects from the Project.

The majority of the comments we received came from the different ministries of the provincial and federal governments. These comments were more technical in nature, and we are working with our environmental consultant to provide fulsome answers to each question.

In the coming months we will provide formal responses to each comment and continue to meet with government regulators. We hope to submit a final EIS/EA Report that takes all the comments into consideration in the fall of this year.

Thank you again for your involvement! We value the local support we have received and will continue to keep you informed as the planning process moves forward.



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