Osisko Development Publishes Cariboo FS

Osisko Development (TSX.V: ODV)

Announced the results of an independent Feasibility Study (“FS” or the “Technical Report”) prepared by BBA Engineering Ltd. in accordance with NI 43-101 for the Company’s 100%-owned Cariboo Gold Project, located in central British Columbia.



Former Barkerville Gold Bonanza Ledge Mine, Osisko Development

Osisko Development	TSX.V: ODV
Stage	Development and exploration
Metal	Gold
Market cap	C$445 m @ C$5.89
Location	B.C. Canada, Sonora + Guerrero, Mexico

OSISKO DEVELOPMENT ANNOUNCES POSITIVE FEASIBILITY STUDY RESULTS FOR THE CARIBOO GOLD PROJECT

Montreal, Québec, January 3, 2023 – Osisko Development Corp. (NYSE: ODV, TSXV: ODV) ("Osisko Development" or the "Company") is pleased to announce the results of an independent Feasibility Study ("FS" or the "Technical Report") prepared by BBA Engineering Ltd. ("BBA") in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") for the Company's 100%-owned Cariboo Gold Project ("Cariboo" or the "Project"), located in central British Columbia.

The Company intends to file the Technical Report on SEDAR (www.sedar.com) and on EDGAR (www.sec.gov) under Osisko Development's issuer profile within 45 days of the date of this news release.

Summary

163,695 Ounces of Average Annual Gold Production Over 12 Year Mine Life
Bulk Tonnage UG Mining with Ore Sorting to Minimize Cost & Environmental Footprint
Initial Probable Mineral Reserves of 2.03 Moz of Gold (16.7 Mt at 3.78 g/t Au)
After-tax NPV5% of C$502 Million and 20.7% IRR (unlevered) at US$1,700/oz Au
EA Certificate Process Progressed to Final Effects Assessment Phase
(All dollar amounts are expressed in Canadian dollars, unless otherwise indicated)

The FS outlines a robust and scalable phased development base case with low initial capital intensity of $137.3 million and attractive operating costs for the underground development of the Cariboo Gold Project, producing approximately 1.87 million ounces (“Moz”) of gold (“Au”) over a 12-year mine life.

Initial production (Phase 1) in the first three years contemplates a 1,500 tonne per day (“tpd”) operation from the Lowhee, Shaft and Mosquito deposits, yielding average annual production of 72,501 ounces.

Concurrently, underground development will advance to ramp up operations to 4,900 tpd in year four, increasing average annual production to 193,798 ounces in Phase 2, with potential to scale production further in the future.

Underground mining will be conducted using highly-mechanized, low-cost bulk tonnage methods designed to target the extraction of ore contained in gold vein corridors: a high-

density network of mineralized quartz veins hosted mainly within un-mineralized sandstone.

A pre-concentration ore sorting facility is expected to significantly improve processed grades by separating non-mineralized material from ore, while substantially reducing processing volumes, energy costs, and the overall environmental impact footprint of the operation with fewer tailings, reduced water usage and ability to use waste as backfill.

The Company remains on track for completing the Environmental Assessment (“EA”) process early in the second quarter of 2023 and anticipates receiving final permits by the end of 2023.

FEASIBILITY STUDY HIGHLIGHTS:

• $502 million after-tax net present value at a 5% discount rate (“NPV5%”) (pre-tax $691 million) at a base case gold price of US$1,700 per ounce (“/oz”) and CAD:USD exchange rate of 0.77;
• 20.7% after-tax internal rate or return (“IRR”) (pre-tax 24.4%);
• $79 million average annual after-tax free cash flow (“FCF”);
• $901 million cumulative after-tax life-of-mine (“LOM”) FCF;
• 163,695 ounces (“oz”) of Au LOM average annual production;
o 72,501 oz Au Phase 1 (years 1 to 3) average annual production;
o 193,798 oz Au Phase 2 (years 4 to 12) average annual production;
• 1.87 Moz LOM total cumulative gold production;
• 3.78 grams per tonne (“g/t”) Au average LOM diluted head grade:
o 4.43 g/t Au in Phase I (post-ore sorting 8.20 g/t Au);

o 3.72 g/t Au in Phase II (post-ore sorting 6.39 g/t Au);
• 92.0% average LOM recovery rate (93.6% in Phase I, 91.8% in Phase II);
• $102.6 per tonne (“$/t”) mined LOM total unit operating costs;
• Probable Mineral Reserves containing 16.7 million tonnes (“Mt”) at an average grade of 3.78 g/t Au for a total of 2.03 Moz of gold;
• US$792/oz Au LOM average cash costs;
• **US$968/oz LOM average all-in sustaining costs (“AISC”);**
• $137.3 million Phase 1 initial capital expenditures (including $10.3 million in contingency costs);
• $451.1 million Phase 2 expansion capital expenditures (including $36.7 million in contingency costs);
• Peak full labour force (Phase 2) of 550 persons during operations and 635 during expansion construction.

Sean Roosen, Chair of the Board and CEO of Osisko Development, commented;

“This feasibility study demonstrates that the Cariboo Gold Project will be a large-scale, long-life and profitable gold mine.

“It will also produce significant quantities of gold in its initial years at a capital cost below $140 million. By phasing construction, we have minimized our exposure to development risk at Cariboo, optimized the sequencing of the

assets in our portfolio and maximized our ability to scale Cariboo to reach its full potential in the future.

“We envision Cariboo as a project that will be a cash flow engine for the company for decades into the future. Historic mining in the district was focused on individual veins and replacement bodies with grades in excess of 12 g/t Au, which is consistent with our work completed to date.

“Once underground, we are excited to apply our strong understanding of the controls on mineralization to unlock Cariboo’s vast exploration potential at depth within the current mining zones, which we believe have strong potential to continue across Cariboo’s 83-kilometer mineralized trends.”

To read the full news release, please click HERE

=======

If you need clarification of any information contained in this note, or have any questions, I will be delighted to assist – Please email andrew@city-investors-circle.com

=======

City Investors Circle is based in

the financial district in the City of London

We present interesting and exciting junior mining companies listed on the ASX and TSX stock exchanges to a group of city professionals, and private investors, all of whom are active investors with a mandate to invest in junior mining companies.

Our audience is selected and invited individually to ensure interest and relevance for the presenting company.

Meetings are non deal, small group, highly focused and engaged, with a lively Q and A to follow the main presentation.

We create awareness, and maintain interest in presenting companies by disseminating their future news to our entire investor group via email, social media, and our Monthly Review newsletter.

If you wish to present to our select group of active mining investors, please email andrew@city-investors-circle.com

=======

This website is not sponsored, we are truly independent, and will always remain so.

Companies featured here have either presented to the Circle in London, or have been selected because they are considered to have interesting projects, in good jurisdictions, run by an experienced management team.

All information used in the preparation of this communication has been compiled from publicly available sources that we believe to be accurate and reliable, however, we cannot, and do not, guarantee the accuracy or completeness of this.

These articles are for awareness and informational purposes only, and are not recommendations in any form. Always consult an investment professional.

Disclosure

At the time of writing the author holds no shares in the company mentioned.

To read our full terms and conditions, please click HERE