



OSISKO METALS SIGNS PURCHASE AGREEMENT TO ACQUIRE THE KEY ANACON PROPERTY IN THE BATHURST MINING CAMP

(Montreal – December 27, 2017) Osisko Metals Incorporated (the “**Company**” or “**Osisko Metals**”) (TSX-V: OM; FRANKFURT: OB5) is pleased to announce that it has signed a Definitive Purchase Agreement to acquire a 100% undivided interest in the Key Anacon claims and surrounding area (“Key Anacon”) from Hunter Brook Holdings Limited (the “Vendor”).

Key Anacon is located within the Bathurst Mining Camp (“BMC”) and is roughly 19 km due south of the town of Bathurst, New Brunswick and 16 km southeast of the former Brunswick #12 Mine. Key Anacon is comprised of 45 claim units with a total surface area of 981 hectares and hosts approximately 12 kilometres of the Brunswick Horizon, which extends onto adjacent and surrounding claims held by Osisko Metals.

Project Highlights

Key Anacon contains two (2) significant Bathurst-type volcanogenic massive sulphide deposits. Both the Main and East Deposits are hosted within the Brunswick Horizon stratigraphy that is similar to the former Brunswick No. 12 Mine host rocks. Key Anacon’s historical resources are not NI43-101 compliant, no known current mineral resource estimate has been conducted and the drill data available pre-dates current regulations and quality control standards.

The New Brunswick Ministry of Energy, Mines and Petroleum Mineral Occurrence Database reports that the Main deposit contains historical resources that total 1.87 million tonnes grading 6.93% Zn, 2.63% Pb, 0.16% Cu, and 84g/t Ag in multiple, folded lenses (Source: 2003, Economic Geology, Monograph 11). Key Anacon has been drilled from both surface and underground. Although no production is known, historical pre-production development includes a 460-metre shaft, a vent raise, eight development levels and three sub-levels. Exploration potential is considerable below the deposit at 400 metres, and along strike.

The Key Anacon East Deposit is located 1.5 km along strike to the northeast from the Main Deposit and it has been intersected by several holes. The best intersection was reported in a press release dated August 16, 1993 by Rio Algom on drill hole DDH 93-42 that intersected 19.9 metres grading 7.86% Zn, 3.58 % Pb, 0.33% Cu and 78 g/t Ag within a mineralized interval grading 3.38% Zn, 1.35% Pb, 0.75% Cu and 40.94 g/t Ag over 82.3 metres.

Key Anacon was last explored in 2001. The potential on the property as well as on the adjacent Osisko Metals claims is considered to be excellent based on the presence of these significant deposits hosted within the considerable strike length of the favorable Brunswick Horizon, with alteration and folding typically associated to BMC deposits.

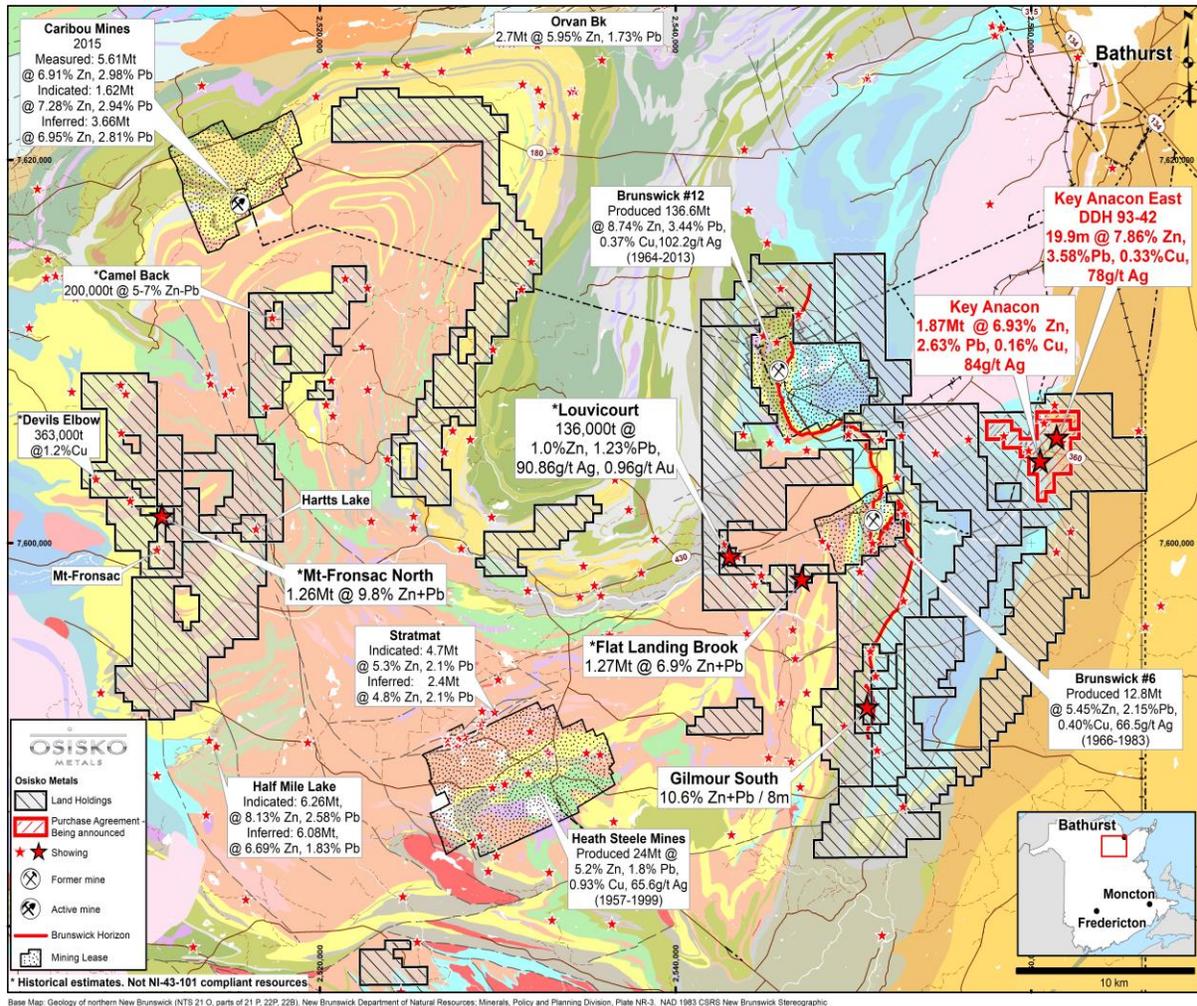


Figure 1: Key Anacon claims as well as other deposits in the BMC list unclassified historical resources that are not NI43-101 compliant. The Company is not treating these historical estimates as current mineral resources and they are shown for reference purposes only.

THE KEY ANACON TRANSACTION

Pursuant to Purchase Agreement between the Vendor and Osisko Metals, the Company will acquire a 100% undivided interest in the Key Anacon Claims and will have the exclusive rights to explore and develop the Project in consideration of:

- i. \$1 million (\$750,000 payable in cash and \$250,000 payable in the equivalent of Osisko Metals common shares valued at the 5-day VWAP preceding the day of the close of the transaction);
- ii. Additional \$500,000 (payable in the equivalent of Osisko Metals common shares valued at the 20-day VWAP, 24 months following the signature of a definitive agreement);

- iii. Additional \$500,000 in cash on commencement of commercial production.

The Transaction is subject to the TSX Venture Exchange approval.

Jeff Hussey, President and CEO of Osisko Metals, commented: “We are very happy to announce the purchase of the historical Key Anacon deposits as they will contribute significant resources and could become the cornerstone of Osisko Metals central concentrator multi-deposit concept in the Eastern portion of the BMC. Drilling is being planned and will consist of approximately 12,000 metres to explore the area in an attempt to increase the global historical resources and upgrade them to NI43-101 standards.”

Qualified Person

Robin Adair is a Professional Geologist registered in New Brunswick and Vice President Exploration for Osisko Metals, he is the Qualified Person responsible for the technical data reported in this news release.

About Osisko Metals

Osisko Metals is a Canadian exploration and development company creating value in the base metal space with an emphasis on zinc. In 2017, the Company acquired over 50,000 hectares in the Bathurst Mining Camp (“BMC”). The objective is to develop a multi-deposit asset base that could feed a central concentrator. In parallel, Osisko Metals is monitoring several base metal oriented peers for projects and acquisition opportunities. In Québec, the Company acquired 42,000 hectares that cover 12 grass-root zinc targets that will be selectively advanced through exploration. Osisko Gold Royalties Ltd. (TSX/NYSE: OR) and Osisko Mining Inc. (TSX: OSK) are significant shareholders of the Company.

For further information on Osisko Metals, visit www.osiskometals.com or contact:

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This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation based on expectations, estimates and projections as at the date of this news release. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes, but is not limited to, the use of proceeds of the Offering; the timing and ability of the Corporation, if at all, to obtain final approval of the Offering from the TSX Venture Exchange; an exemption being available under MI 61-101 and Policy 5.9 of the TSX Venture Exchange from the minority shareholder approval and valuation

requirements for each related party transaction; objectives, goals or future plans; statements regarding exploration results and exploration plans. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, capital and operating costs varying significantly from estimates; the preliminary nature of metallurgical test results; delays in obtaining or failures to obtain required governmental, environmental or other project approvals; uncertainties relating to the availability and costs of financing needed in the future; changes in equity markets; inflation; fluctuations in commodity prices; delays in the development of projects; the other risks involved in the mineral exploration and development industry; and those risks set out in the Corporation's public documents filed on SEDAR at www.sedar.com. Although the Corporation believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Corporation disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

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