



## OSISKO METALS OUTLINES 2022 DEVELOPMENT PROGRAM FOR PINE POINT

(Montreal – **January 13, 2022**) Osisko Metals Incorporated (the "**Company**" or "**Osisko Metals**") ([TSX-V: OM](#); [OTCQX: OMZNF](#); [FRANKFURT: 0B51](#)) is pleased to provide an overview of its 2022 development objectives for the Pine Point Project located near Hay River in the NWT, Canada. The winter drilling program is ongoing at site, and assay results for 2021 are pending.

- **Completing the 3D Hydrogeological Model:** Following the release of preliminary results of the 3D Hydrogeological Model (see press release dated October 27<sup>th</sup>), Osisko Metals will complete and release the results from the new hydrogeological model in Q1 2022. Work to date has identified substantial cost savings from lower dewatering estimates.
- **Updating the Preliminary Economic Assessment:** The 2020 PEA Update is underway, which will incorporate higher long-term zinc and lead prices, anticipated cost savings from the lower dewatering estimates based on the new 3D hydrogeological model, and updated key assumptions underpinning the life of mine plan with the objective of increasing the total tonnage mined. The Updated PEA release date is planned for late Q1 2022.
- **Infill Drill Campaign:** Drilling will continue throughout 2022, with the principal objective of converting the Life of Mine plan ("LOM") resource to the Indicated category by Q2 2023, this will serve as basis for reserve calculations in the Feasibility Study.
- **Advancement of the Developer's Assessment Report ("DAR"):** A critical milestone to maintain the project's timeline is the permitting schedule. Osisko Metals is working with the government and local communities to advance and submit the DAR in early 2023.
- **Kick-off of the Feasibility Study:** Osisko Metals also expects to initiate work on the Feasibility Study following the completion of the updated PEA. With significant de-risking activities completed in 2021, the Company is planning to rapidly progress towards the Feasibility Study phase with completion targeted for Q4 2023.

Robert Wares, Chairman and CEO, commented: "The spot zinc price is very encouraging and remains well in excess of market expectations, starting 2022 above US\$1.60/lb. We believe this is the result of market supply/demand fundamentals and we remain very bullish on zinc. The addition of zinc to the critical minerals list by the US Geological Survey in 2021, alongside the approval of massive infrastructure programs in the US and Europe, point to very favorable market demand dynamics. This growing demand, coupled with shrinking supply that is associated with mine closures, will continue to foster strong markets for zinc over the coming years, making Pine Point a key development project globally."

### Commodity Metal Prices Remain Very Strong

While a lot of market attention is garnered by strong copper and gold prices in 2021, both zinc and lead have been stellar performers throughout H2 2021 and have started 2022 near 10-year highs. The strong price performance can be attributed to sustained demand both in China and

Western economies. As previously mentioned, with large infrastructure pushes related to decarbonization programs globally, demand is forecasted to show no signs of slowing down. Importantly, large zinc supply waves have been slow to materialize, if at all. Many low-cost, large-scale mines have been slowly replaced by smaller operations over the previous two decades and the trend is continuing. The combination of Pine Point's large project size and potential for high quality concentrate production, combined with relatively easy access to supporting infrastructure, reinforces Pine Point's position as the premier zinc development project globally.

### **Overview of the 2021 Dewatering Milestone**

The news release regarding the completion of a 3D Hydrogeological Model for the "C1 Cluster" of mineral deposits in 2021 was an important de-risking event for Pine Point. Data confirms that the underground water flow at Pine Point is preferentially controlled by subvertical structural discontinuities such as fracture zones or low displacement faults, with little evidence for significant ground water flow from formational aquifers in either the Sulfur Point or Pine Point Formations. This means that there will be significant reductions in Operating and Sustaining Capital Expenditures associated to dewatering estimates over the LOM compared to costs included in the 2020 PEA economic model for the Pine Point Project. The 3D Hydrogeological Model is expected to be completed and released in Q1 2022.

### **Qualified Person**

Mr. Robin Adair is the Qualified Person and the Vice President Exploration for Osisko Metals Incorporated. He is responsible for the technical data related to drilling in this news release and he is a Professional Geologist registered in the Northwest Territories.

Mr. Michael Verreault P.Eng. MSc, will be acting as the Qualified Person for Osisko Metals regarding hydrogeological work. He is a Professional Geological Engineer with a Master's degree in Hydrogeology, and he is responsible for the hydrogeological technical data reported in this news release.

### **About Osisko Metals**

Osisko Metals Incorporated is a Canadian exploration and development company creating value in the base metal space. The Company controls one of Canada's premier past-producing zinc mining camps, the Pine Point Project, located in the Northwest Territories for which the 2020 PEA has indicated an after-tax NPV of \$500M and an IRR of 29.6%. The 2020 PEA is based on current Mineral Resource Estimates that are amenable to open pit and shallow underground mining and consists of 12.9Mt grading 6.29% ZnEq of Indicated Mineral Resources and 37.6Mt grading 6.80% ZnEq of Inferred Mineral Resources. Please refer to the technical report entitled "Preliminary Economic Assessment, Pine Point Project, Hay River, North West Territories, Canada" dated July 30<sup>th</sup>, which has been filed on SEDAR. Pine Point is located on the south shore of Great Slave Lake in the Northwest Territories, near infrastructure, paved highway access, and has an electrical substation as well as 100 kilometres of viable haulage roads already in place.

The current Mineral Resources mentioned in this press release conform to NI43-101 standards and were prepared by independent qualified persons, as defined by NI43-101 guidelines. The abovementioned Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability. The quantity and grade of the reported Inferred Mineral Resources are

conceptual in nature and are estimated based on limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological grade and/or quality of continuity. Zinc equivalency percentages are calculated using metal prices, forecasted metal recoveries, concentrate grades, transport costs, smelter payable metals and charges (see respective technical reports for details).

**For further information on this press release, visit [www.osiskometals.com](http://www.osiskometals.com) or contact:**

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