

OSISKO MINING

SITTING ON A GOLD MINE





SITTING ON A GOLD MINE

Osisko's billion dollar Canadian Malartic mine is the single largest gold reserve in production in Canada. General manager Denis Cimon talks about the challenges and achievements of this unique project

OSISKO

The Canadian Malartic Project
is a billion dollar investment



The town of Malartic, Quebec is sitting on a gold mine—literally. To be more precise, it used to sit on a gold mine until part of the town was moved to facilitate mining operations. But more of that later.

Established in 1998, Osisko is based in Montreal. Initially focusing on mineral exploration, the company evolved into a mining corporation when it decided to develop the Canadian Malartic Project on its own.

It must be an extremely rewarding feeling when a project involving a billion dollar investment starts to pay you back; even more so when it comes in ahead of schedule. Much has happened since we last spoke to Denis Cimon, general manager of Canadian Malartic in February 2010. Construction of the mill was completed in late February 2011. Following a cold testing period of the processing plant, ore was introduced into the mill in early April and first gold was poured on 13 April 2011, a mere six years after the initial drill hole in March 2005.

After the original target was set for August 2011, commercial production was achieved three months earlier than that. With the full design capacity of the first milling plant being 55,000 tonnes per day, gold industry protocol meant that it had to operate at 33,000 tonnes per day (60 per cent of capacity) for 30 consecutive days to be deemed to be in commercial production. The 30th day was reached on 17 June, making 19 May the first day of commercial production.



SECURITY INVESTIGATION OPTIMUM INC. Is a dynamic company which has been working in the field since 1997. Security Investigation Optimum Inc. has today over 200 employees and its manager has over 25 years of experience in the field.

Security Investigation Optimum Inc. actually serves many regions of Quebec more exactly, Abitibi-Temiscamingue and James Bay. The development of this company will cross frontiers if everyone aims their efforts in the same direction. Security Investigation Optimum Inc. now focuses on breaking into the market by promoting the company to all entreprises that may need security, investigations, expert-adviser, traffic control and custody services.



Tasks and responsibilities:

- Ensure security of people and property
- Ensure the good working condition of security systems and implementing of rules
- Patrolling inside and outside buildings
- Verifying the different fire systems
- Verification of theft detection systems
- Monitoring and controlling of Building accesses
- Intervention during emergency situations

Services offered

- Care taking
- Corporate security
- Security mining
- Driver services
- Parking attendant
- Traffic Controllers
- Investigations
- Complete pre-hiring
- Escort and protection
- Intervention plan for strike and lock out



- **Trainer (certified) for the formation of security guard and signalman directly to our office in Val-d'Or.**

Our customers' satisfaction, service quality and agent professionalism will warrant success and image of Security Investigation Optimum Inc.



Official inauguration of the Canadian Malartic gold mine

“We have almost finished building a new secondary crushing circuit to increase production to between 600,000 and 650,000 ounces,” said Cimon. “The construction program is on target to deliver the first unit near the end of March and the complete program by the end of June.”

The cash cost is expected to decrease substantially as the plant reaches full capacity. Cimon sees the mine’s cost per ounce in

2012 likely to be between \$510/oz to \$575/oz, placing Osisko in the lowest quartile for gold mining companies (below \$650 per ounce).

“Our primary focus in 2012 is on optimizing the mine development and synchronization between mining and milling,” he added. “The key is stabilization.”

Canadian Malartic is Osisko’s first productive mine, and is expected to produce over ten million ounces of gold from now

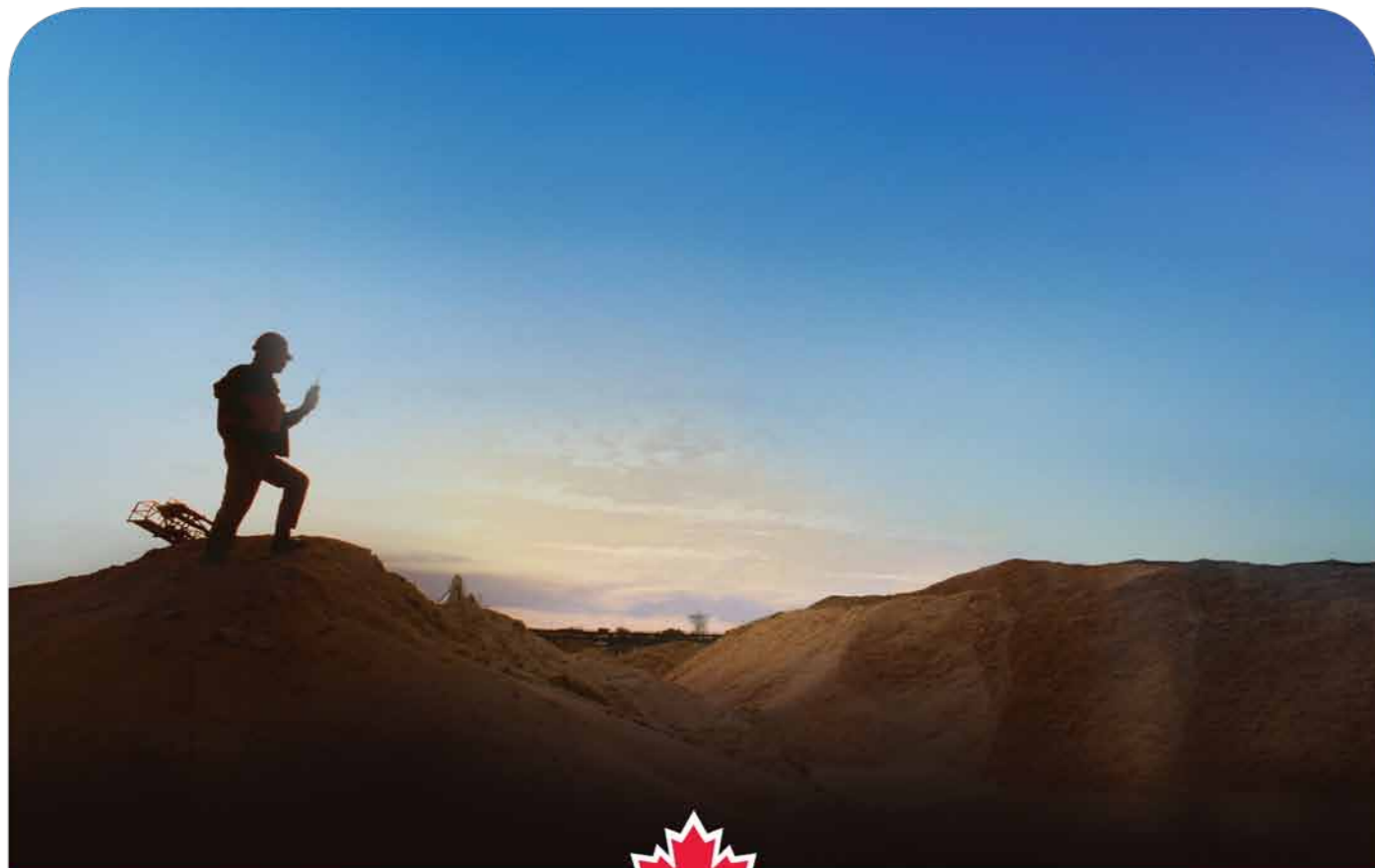
55,000 TONNES

Daily design capacity of first milling plant

Sécurité Investigation Optimum Inc.
1345, chemin Sullivan
Val-d’Or, Québec J9P 1M2
Tel: 1-888-825-0077
Fax: 819-825-6677

Réal Goupil, General manager’s
Email: r.goupil@securite-optimum.ca
Tel: 1-888-825-0077 #223

Sophie Roy, Human resources
Email: s.roy@securite-optimum.ca
Tel: 1-888-825-0077 #224



When the world looks to you
Look to Petro-Canada Lubricants and Fuels

Congratulations Osisko Mining Corporation on all of your accomplishments to date and best wishes for continued success.

We're proud to partner with you.



lubricants.petro-canada.ca/mining



until 2027. Gold production reached 79,718 ounces in the fourth quarter of 2011 and 200,137 ounces for the year. Significantly, the mine currently represents the single largest gold reserve in production in Canada and it's still looking for (and finding) more through ongoing drilling on adjacent mineralized zones. Year-end gold reserves increased by 200,000 ounces to 10.7 million ounces, effectively replacing 2011 production.

At the inauguration ceremony on 30 May 2011, Sean Roosen, president and CEO of Osisko, reminded those in attendance that the success of the billion-dollar-plus project was the result of a collaborative effort involving thousands of people. He particularly emphasized the support from the town of Malartic and its citizens, more than 200 of whom allowed their houses to be moved to the northern edge of the town, to allow for open pit mining where some of those original homes used to be.

The Malartic property is owned 100 percent by Osisko, and has been worked in

PETRO-CANADA LUBRICANTS

At Petro-Canada Lubricants, we are proud to partner with industry leaders like Osisko Mining Corporation, who put Canada on the map for world class mining. From start to finish, the new Osisko Canadian Malartic Mine depends on Petro-Canada for their excellent service, extensive mining expertise and high quality products. We've worked in the Canadian mining industry for over 30 years and we understand the conditions, equipment and importance in meeting OEM standards. We are proud to offer a full suite of greases, oils and fluids, formulated to provide outstanding equipment protection, in addition to providing comprehensive on-site refuelling services. We believe that reducing downtime is more than a promise; it's a commitment to delivering savings solutions shift after shift.
www.lubricants.petro-canada.ca/mining

10.7 MILLION OZ

2011 year-end gold reserves



Mining complex



In addition to providing aggregates to multiple clients with its mobile CEC crushing plant, Galarneau inc. offers different services such as:

- Transportation of regular and oversized cargo such as construction machinery, drilling equipments and mobile plants
- Dam construction or enhancement
- Transport of sand, gravel and crushed stones
- Drilling and blasting for quarries, municipalities and mines
- Snow removal
- Water and wastewater installation and repair
- Digging and earthworks



www.galarneau.ca

GALARNEAU INC.

From road works to water and wastewater, drilling and blasting to stone crushing or screening, Galarneau Inc. is present on all fronts. For more than twenty years, Galarneau inc. keeps growing. Meeting the highest standards in each specialty, we provide fast and excellent results, which is the company's raison d'être - customer satisfaction.

www.galarneau.ca

the past. Between 1935 and 1983, deep mining of the high-grade Malartic and Barnat veins yielded over 5 million ounces of gold, but subsequent exploration failed to find further deep high-grade gold resources. Convinced of its potential, however, Osisko acquired the property in December 2004 and began looking for lower-grade deposits closer to the surface. Combining its own exploration data with that of previous explorations, the company found what it was looking for: a large area with the potential to become an extensive and highly profitable surface mine.

Although the project came in ahead of time, creating a new mine has never been plain sailing and the navigation of projects like this has taken on an extra dimension of complexity since the mining industry embraced the concept of sustainability, from an economic, environmental and social point of view.

To give due credit, Osisko built in a sustainable development program right from the start. With part of the gold resource being literally under the town of



First gold was poured on 13 April 2011



For over twenty years, **Norascon** is a leader in the field of civil engineering and mining. The company has built a solid reputation for excellence through the quality of service and commitment of team members in respect of projects entrusted to it.

The team of dynamic professionals already has significant expertise in the field of road projects, mining, municipal and industrial works.

Within a company in constant development, **Norascon's** staff is able to ensure the success of various projects. Their concerns for efficiency thereby promotes a harmonious relationship between client, consultant and contractor.

Working in a competitive industry where requirements and quality standards are high, **Norascon** positions itself as a leader in the field of civil engineering and mining.



www.norascon.com

“OUR PRIMARY FOCUS IN 2012 IS ON OPTIMIZING THE MINE DEVELOPMENT AND SYNCHRONIZATION BETWEEN MINING AND MILLING”

THE BROADEST PRODUCT LINE IN THE MINING INDUSTRY

Wherever there's mining in Quebec, you'll find Cat® products hard at work – drilling and digging, loading and hauling, grading and dozing. You will also find a Hewitt Equipment Limited branch, providing unmatched support, expert service and integrated solutions.
Superior products. World class service. One source.

WHEREVER THERE'S MINING, WE'RE THERE.

Proud to be a partner with the Osisko Mining Corporation on the Canadian Malartic Project.



HEWITT EQUIPMENT LIMITED
 5001, Trans-Canada Highway
 Pointe-Claire, Québec,
 Canada, H9R 1B8

Tel: 514.630.3100
 Toll free: 800.363.6785
 www.hewitt.ca
 mining.cat.com



890, rue Lasalle, Malartic, (Québec), J0Y 1Z0
 Tel: 819-757-4868 | Fax: 819 - 757-4965
 Email: locationdumco@cablevision.qc.ca



Location Dumco Inc. is a company established for over 25 years, with a specialist workforce skilled in the installation of polyethylene and fusion pipe fittings, the application of Coletanche membrane, excavation work and the transportation of aggregates.

Malartic, it could hardly do anything else, but it's how you do it that counts. "We had to reach out to the local community, communicating with the town council and the citizens, building relationships, exchanging information and forming a community consulting group," said Cimon. "When we realized that we had the acceptance of the town council and over 85 percent of the population, we started a program of drilling to define the area of the deposit."

The southern boundary of the town is now shielded from the open-cast mining operation by what the company calls a 'green wall'— a wall of earth seeded with grains and planted with trees, not only cutting out noise and dust but also providing a leisure facility. The company also worked with the town's mining museum to build a viewing center so that people can see the pit and see the operations. A new park will be built this summer along the 'green wall' – it will include baseball and skateboard facilities,

THE HEWITT GROUP

The Hewitt Group is the authorized Caterpillar dealer for the province of Quebec, the Maritimes and Western Labrador. With 45 branches, the Hewitt Group sells, rents and services the full line of Caterpillar products. Hewitt Equipment Limited provides Osisko with heavy equipment and state-of-the-art mining technologies, as well as support, maintenance and operator training.
www.hewitt.ca



Open pit

LOCATION DUMCO

Our main involvement with the Osisko project consists in the sale and installation of polyethylene pipes whose diameters vary from 2 to 36 inches. We also supply various fittings for HDPE joining and transitioning to other piping systems. In addition to excavating and transportation, we frequently rent out our specialized labor and trades to fulfil a specific task within the mining industry. We are proud to be involved with such a great project.
locationdumco@cablevision.qc.ca

“OSISKO IS PROGRESSIVELY RESTORING VEGETATION”

TRACTION
HEAVY DUTY PARTS

CANADIAN LEADER
IN THE AFTERMARKET
HEAVY VEHICLE PARTS

- LARGEST COAST TO COAST NETWORK
- SUPERIOR VALUE AND SERVICE
- COMPLETE RANGE OF TRUCK AND TRAILER COMPONENTS
- TOOLS AND EQUIPMENT

www.traction.com

MORE THAN 30 YEARS EXPERIENCE SERVING THE MINING INDUSTRY



SOUTEX

Mineral and Metallurgical Processing Consultants

Know, Act and Be!

Our expert team supports all your plant's strategic activities:

- Process **Engineering**
- **Operating Manual and SOP**
- Personnel **Training and Coaching**
- Plant **Start-up**
- Plant **Operation** Support
- Plant **Optimization and Control**

Visit our website:
www.soutex.ca

Tel.: +1 418 871 2455

fountains for children and even an area where elderly people will be able to do some exercises.

A variety of other sustainable measures were adopted, including hydro-electric power to reduce the need for fossil fuels, and the use of electric shovels to make it one of the first customers for the new generation of trucks with motors that meet the EPA's Tier 2 emission standards.

Another sustainability choice was to progressively restore vegetation at the mine site rather than waiting until the end of the mine's life cycle. The process of continuous rehabilitation was made possible by the decision to use thickened tailings technology, which allows indigenous trees to be planted while mining continues.

On top of that, the 'Osisko Forest' project is a reforestation program for various municipal land lots in the region. This involves the landscaping and reforestation of 100 hectares of land each year for nine years. An additional benefit is that the project will provide jobs for local people who will work under the expert guidance of the environment department.

A major challenge for Osisko (and other miners

TRACTION

Traction, leader in heavy vehicle parts distribution, is proud to be part of the biggest mining project in Canada. Like Osisko, we care about people and the environment, and like them, we are daring and innovative. With more than 95 stores and nearly 50 years of experience, we are able to support the growth and the development of this new mining generation. Congratulations to Osisko, and good luck in your future projects!

www.traction.com



Secondary crusher

SOUTEX

At Soutex, the customer-oriented approach, the rigor in project execution, the quality of services and the efficient team work approach were all strategic factors establishing the partnership with Osisko. Through the project, it was then possible to deliver within budget and schedule the controlled documents as operating manual and SOP, the on-site training to operation personnel and the round-the-clock mill start-up coaching and metallurgical support.

www.soutex.ca



1000, Barrette Blvd, P.O. Box 208
Val-d'Or (Qc) J9P 4P3
Tel. 819.825.8112
Fax 819.825.3055
info@betonbarrette.qc.ca
www.betonbarrette.qc.ca

CRUSHING AND SCREENING
CONCRETE • TRANSPORT

3 complete portable crushing plants

On site crushing and screening for the aggregates and mining industry

Béton Barrette meets the specific needs of each customer and offers a personalized service



FOUNDED IN 1960



Open pit

13 APRIL 2011

.....
First gold poured at Canadian Malartic

in Canada) is workforce attraction/retention and its associated costs, as there is a worldwide shortage of technical skills. Cimon predicts that the next couple of years will see some projects 'parked' due to a lack of skilled people to build and operate them. For less technical skills Osisko carries out its own training, but a mining engineer needs four years of university coursework. Osisko has started to hire people in their 3rd year at university to attract them to work for Osisko full-time after graduation.

The company is also pursuing exploration on a number of other properties, including the Hammond Reef Gold Project in Northern Ontario. This project currently hosts an NI 43-101 compliant inferred resource of 6.70 million ounces of gold, giving Osisko the potential to become a one million ounce per year gold producer by 2016. Additional drilling has continued to allow for the upgrade of the entire in-pit deposit to indicated category by the end of the first quarter of 2012 and measured and indicated by the end of the second quarter. **BE**

For more information about Osisko Mining visit:
www.osisko.com



BEinspired

Your weekly digest of business news and views

www.bus-ex.com



OSISKO MINING CORPORATION

Windsor Station, Suite 300

1100, avenue des Canadiens-de-Montréal

P.O. Box 211

Montréal, Québec, H3B 2S2

T 514.735.7131

www.osisko.com

Produced by:

ACHIEVING BUSINESS EXCELLENCE ONLINE

BE Business Excellence

www.bus-ex.com