



OSISKO MINING CORPORATION - YAMANA GOLD INC. ANNOUNCE PARTNERSHIP

Superior Value for Shareholders

**Caisse de dépôt et placement du Québec and Canada Pension Plan Investment Board
to Invest \$550 Million**

(Montreal, April 2, 2014) Osisko Mining Corporation ("Osisko") (TSX:OSK; Deutsche Boerse: EWX) and Yamana Gold Inc. ("Yamana") (TSX:YRI; NYSE:AUY) are pleased to announce they have entered into an agreement ("the Agreement") pursuant to which Yamana will acquire a 50% interest in Osisko's mining and exploration assets for C\$441.5 million in cash and 95.7 million common shares of Yamana having an aggregate value of C\$929.6 million (the "Yamana Consideration"). Upon implementation of the Agreement, each outstanding Common share of Osisko will be exchanged for (i) C\$2.194 in cash, (ii) 0.2119 of a Yamana common share, and (iii) a new common share of Osisko.

The value of the interest in the Yamana share is C\$2.06 (based on the closing price of the Yamana shares on the Toronto Stock Exchange as of April 1st, 2014), and the ascribed value of the new common share of Osisko is C\$3.35¹, for an aggregate of cash and the implied share value equal to C\$7.60¹ for each currently outstanding Common share of Osisko.

Under the Agreement, Yamana will become an equal partner in all of Osisko's mining and exploration assets. Osisko will continue to operate the Canadian Malartic Mine and all other projects under the guidance of a joint operating committee, and will also maintain its head office in Montreal. Osisko and Yamana will be hosting a joint conference call today at 10:00 am EDT to discuss the transaction and the new partnership (details for the call provided below).

The Agreement will be effected by way of a statutory plan of arrangement (the "Arrangement", as described below). Osisko shareholders will receive, in exchange for their common shares a combination of cash, Yamana common shares, and new common share of Osisko, which collectively have an aggregate implied value of C\$7.60 for each outstanding Osisko Common share¹.

Under the terms of the Arrangement, Osisko will transfer all of its rights, titles and interests in its mining assets, including the Canadian Malartic Mine and its advanced and greenfield exploration properties to

¹ This assumes current Osisko Common shares outstanding of 439.8 million plus an additional 12 million Osisko Common shares to be issued upon the agreed conversion of the convertible debenture. Further this assumes that all other remaining convertible securities are not exercised but instead are exchanged pursuant to the Arrangement for convertible securities which are exercisable into common shares in the capital of new Osisko. The \$3.35 per new Osisko share is implied from the value paid by Yamana for their 50% interest in the Partnerships and retention of certain balance sheet items.

one or more general partnerships (the “General Partnerships”). Yamana will then acquire a 50% interest in the units of each of the General Partnerships in exchange for the Yamana Consideration.

The aggregate value of C\$7.60 per Common share¹ represents a premium of approximately (i) 10% over Osisko’s closing price as of April 1st, 2014, and (ii) 22% to the Goldcorp offer of C\$6.21 (based on the closing price of the Goldcorp common shares on April 1st, 2014).

Osisko retains an additional 2% royalty on all General Partnership projects other than Canadian Malartic.

Osisko has also entered into binding commitment agreements with CPPIB Credit Investments Inc. (“CPPIB”), a wholly-owned subsidiary of CPP Investment Board for an increase under its existing credit facility (the “Credit Facility”) and with La Caisse de dépôt et placement du Québec (“La Caisse”) for the sale of a gold stream (the “Gold Stream Agreement”) on the Canadian Malartic Mine. The Gold Stream Agreement and the increase in the Credit Facility provide additional funding to Osisko of an aggregate of C\$550 million. Together with cash consideration from Yamana, these investments generate approximately C\$1 billion in cash to be distributed to Osisko shareholders.

The Canadian Malartic General Partnership will enter into the Gold Stream Agreement related to 37,500 ounces of gold per annum with La Caisse in return for a deposit of C\$275 million. The Gold Stream Agreement includes a repurchase and put clause and provides La Caisse with a guaranteed minimum return of 8% (in the event the put right is exercised). The Gold Stream Agreement has a transfer price of 42% of the spot gold price. Osisko’s CPPIB credit facility of C\$150 million will be transferred to the Canadian Malartic General Partnership and increased by C\$275 million, with an interest rate of 7.625%, providing a total of C\$425 million of debt to finance the transaction.

CPPIB, a lender to and security holder of Osisko, is supporting the transaction by making a binding commitment to advance a C\$275 million loan and to roll over its existing C\$150 million loan, providing a total of C\$425 million of debt to finance the transaction.

In connection with the transaction, La Caisse and Investissement Québec will each exercise their right to convert their respective C\$37.5 million debentures into 6 million Common shares of Osisko (12 million shares total) prior to the implementation of the Agreement.

Osisko’s Board Unanimously Recommends the Arrangement

Osisko’s board of directors has unanimously determined that the Arrangement is in the best interests of Osisko and its shareholders and will recommend that Osisko shareholders vote in favour of the Arrangement. Shareholders, including the directors and senior officers of Osisko, holding in aggregate over 5% of the issued and outstanding Common shares of Osisko, have entered into voting agreements with Yamana, pursuant to which they have agreed to vote their shares in favour of the Arrangement.

Sean Roosen, President and CEO of Osisko stated: “We are extremely pleased today to announce this partnership with Yamana Gold. Since the middle of January our shareholders have been subjected to a low-value hostile offer. Today’s announcement brings significantly greater value to our shareholders. It also provides shareholders with a certainty of their ability to continue participating in the future upside of our very strong free cash flowing Canadian Malartic mine; the ability to continue benefitting from further exploration and development at the mine site, with the underground potential at Canadian Malartic and Barnat, the Amphi deposit, the Western Porphyry deposit and the new Odyssey discovery; and the ability to continue to participate in our very strong growth portfolio: the Upper Beaver deposit, Hammond Reef, the Canadian Kirkland deposit, the Bidgood deposit, the Upper Canada deposit,

Pandora, and Guerrero. Our partnership with Yamana will also provide 50% of the future funding for new exploration and development of these projects, reducing risk for our shareholders.

We have worked carefully and diligently over the past two months to bring this deal to shareholders today. Osisko will continue to follow its ideals and principles, with our primary objective being to maximize shareholder value as we work to grow the free cash flow from our assets and return benefits to Osisko's owners through the planned implementation in 2014 of a significant dividend program, all the while striving to add value at the drill bit with new discoveries."

This partnership provides Yamana with significant production growth, an improved consolidated cost structure, enhanced generation of cash flow and an expanded future project pipeline. It will also provide entry into one of the world's best mining jurisdictions without the level of risk generally associated with new jurisdictions given that as part of the agreement, Osisko management will continue to be the operators of the Canadian Malartic mine through a joint operating committee.

Peter Marrone, Chairman and Chief Executive Officer of Yamana stated: "This transaction provides an entry into a new world-class North American jurisdiction with an immediate increase in production and improvement to our already low-cost structure, in addition to the significant and immediate positive impact to our current and future cash flow generation. This remains consistent with our stated objectives of focusing on top and bottom line growth and balancing production and costs to preserve margin and enhance cash flow generation capacity. This approach provides the best available opportunity for Yamana to gain access and exposure to a high quality asset with the least risk balanced with immediate growth and the potential for further value enhancement.

The transaction provides Osisko shareholders fair value for their existing shares and allows them to retain direct exposure through new Osisko shares to the robust and substantive value of Canadian Malartic, as well as the significant value represented in the other exploration and development projects in the Osisko asset portfolio and more diversified exposure through Yamana shares. Management will remain the same with their head office in Montreal, providing further support for Osisko to continue to be a successful and formidable player in the Canadian and more particularly Québec gold mining landscape.

We believe the combination of Osisko mine management, with their extensive experience, and our management's experience on large open pit operations creates an opportunity for operational synergies and enables continued operating success at Canadian Malartic with the potential to be further enhanced. This combined expertise will also create value as other projects are advanced through the project pipeline.

This transaction is accretive to Yamana across a range of key metrics. In particular, we are very impressed by the proven cash flow and free cash flow generation capacity of Canadian Malartic for both Yamana and the new Osisko. We believe this transaction provides the best opportunity for both Yamana and Osisko shareholders to realize significant immediate and future value generation."

Osisko to Hold Special Meeting of Shareholders

The Arrangement will be carried out by way of a statutory plan of arrangement pursuant to the *Canada Business Corporations Act* and must be approved by the Superior Court of Quebec and the affirmative vote of Osisko's shareholders and optionholders voting together at a special meeting to be held by Osisko not later than May 20, 2014. At the special meeting, the Arrangement will require approval of Osisko shareholders and optionholders voting together holding at least 66 2/3% of the common shares, voting in person or by proxy.

The Gold Stream Agreement and the CPPIB Credit Facility are subject to a number of conditions, including due diligence, the closing of the Arrangement and the increase in the CPPIB Credit Facility and the execution of definitive documentation.

In addition to securityholder approval, the closing of the Arrangement is subject to a number of conditions, including the execution of definitive documentation in respect of the Gold Stream and the CPPIB Credit Facility and the receipt of court and all necessary regulatory or exchange approvals. The Arrangement is not subject to due diligence, or Yamana shareholder approval, and is supported by committed financing.

The Arrangement is expected to close by May 30th, 2014, following receipt of all shareholder and court, regulatory and exchange approvals.

Pursuant to the terms of the Arrangement, Osisko is subject to customary non-solicitation covenants. In the event a superior proposal is made to Osisko, Yamana has a 5 business day right to match such proposal, and under certain circumstances in the event Osisko's board of directors changes its recommendation or terminates the Arrangement, Osisko has agreed to pay termination fees totaling C\$70 million. In certain other circumstances where the transaction is not completed, Osisko has agreed to reimburse Yamana's expenses in the amount of C\$10 million for its costs.

Yamana has engaged Canaccord Genuity Corp. as its financial advisor and Norton Rose Fulbright Canada LLP and Paul, Weiss, Rifkind, Wharton & Garrison LLP as its legal advisors in connection with the Arrangement. Yamana has also engaged National Bank Financial to provide an opinion as to the fairness of the transaction from a financial point of view to the Yamana shareholders.

Osisko has engaged BMO Capital Markets and Maxit Capital LP as its financial advisors and Bennett Jones LLP and Stikeman Elliott LLP as its legal advisors in connection with the Arrangement.

Conference Call Information

Osisko and Yamana will host a conference call on Wednesday, April 2, 2014 at 10:00 am EDT, where Osisko and Yamana senior management will discuss the partnership details. Those interested in participating in the conference call should dial in approximately five to ten minutes before the start of the conference to allow ample time to access at 416 695-6616 (Toronto local and international), or 1-800-355-4959 (North American toll free). An operator will direct participants to the call.

The conference call replay will be available from 13:00am EDT on April 2, 2014 until 11:59 EDT on April 16, 2014 with the following dial in number: 905 694-9451 or toll-free 1 800-408-3053, access code 1835855.

About Osisko

Osisko Mining Corporation operates the Canadian Malartic Gold Mine in Malartic, Québec and is pursuing exploration on a number of properties, notably in Québec, Ontario and Mexico.

About Yamana

Yamana is a Canadian-based gold producer with significant gold production, gold development stage properties, exploration properties, and land positions throughout the Americas including Brazil, Argentina, Chile and Mexico. Yamana plans to continue to build on this base through existing operating

mine expansions, throughput increases, development of new mines, the advancement of its exploration properties and by targeting other gold consolidation opportunities with a primary focus in the Americas.

About La Caisse de dépôt et placement du Québec

La Caisse de dépôt et placement du Québec is a financial institution that manages funds primarily for public and private pension and insurance plans. As at December 31, 2013, it held \$200 billion in net assets. As one of Canada's leading institutional fund managers, La Caisse invests in major financial markets, private equity, infrastructure and real estate, globally. For more information: www.lacaisse.com.

About CPPIB

Canada Pension Plan Investment Board ("CPPIB") is a professional investment management organization that invests the funds not needed by the Canada Pension Plan ("CPP") to pay current benefits on behalf of 18 million Canadian contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in London, Hong Kong, New York and São Paulo, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At December 31, 2013, the CPP Fund totaled C\$201.5 billion. For more information about CPPIB, please visit www.cppib.com.

Reject the Inadequate Goldcorp Offer

As previously disclosed, the Osisko Board of Directors has unanimously recommended that Osisko shareholders reject the hostile take-over bid initiated by Goldcorp and not tender their Osisko shares to the Goldcorp offer. The Osisko Board determined that the Goldcorp offer fails to adequately compensate Osisko shareholders for, among others things, the strategic value of Osisko's world-class asset base, the significant upside potential of Osisko's Canadian Malartic Mine, or the increased risk inherent in Goldcorp common shares. The full basis for the Osisko Board's recommendation is available in a Directors' Circular, a copy of which is available online at www.osisko.com.

Shareholders who have questions or who may have already tendered their shares to the Goldcorp Offer and wish to withdraw them, may do so by contacting our Information Agent, Laurel Hill Advisory Group at:

North American Toll Free: 1-877-452-7184

Banks, Brokers or collect calls: 416-304-2011

Email: assistance@laurelhill.com

Forward-Looking Statements

Certain statements contained in this press release may be deemed "forward-looking statements". All statements in this release, other than statements of historical fact, that address events or developments that Osisko and Yamana expect to occur, are forward looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "scheduled" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur including, without limitation, the satisfaction of all technical, economical, regulatory and financial conditions in order to complete the Arrangement between Osisko and Yamana, the sale of the Gold Stream or the increase of the Credit Facility, the exercise by La Caisse and Investissement Québec of their right to convert, the reduction of risk for shareholders of Osisko and Yamana, the results from further exploration and development on Osisko's mining assets, the enhanced generation of cash flow, the improvement of low-cost structure, and the view on (i) the quality and the potential of Osisko's exploration and mining assets, (ii) the consideration offered to Osisko shareholders and (iii) the value of the Goldcorp common shares and offer. Although Osisko and Yamana believe the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include, gold prices, Osisko's limited experience with production and development stage mining operations, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of personnel, materials and equipment, timeliness of government or court approvals, actual performance of facilities, equipment and processes relative to specifications and expectations, unanticipated environmental impacts on operations market prices, continued availability of capital and financing and general economic, market or business conditions. These factors are discussed in greater detail in Osisko and Yamana's most recent Annual Information Forms, both of which are filed on SEDAR, which also provide additional general assumptions in connection with these statements. Osisko and Yamana caution that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the forward looking statements contained herein should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. Osisko and Yamana believe that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. These statements speak only as of the date of this press release. Osisko and Yamana undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable law.

For further information please contact:

John Burzynski
Vice-President Corporate Development
Tel. (416) 363-8653
www.osisko.com

Sylvie Prud'homme
Director of Investor Relations
Tel. (514) 735-7131
Toll Free: 1-888-674-7563