TORONTO, May 12, 2016 (GLOBE NEWSWIRE) -- Alacer Gold Corp. (“Alacer” or the “Company”) (TSX:ASR) (ASX:AQG) is pleased to announce the Board of Directors has approved full construction of the Çöpler Sulfide Project (the “Project”). In addition, the Company is providing today a comprehensive update for the Project.

Rod Antal, Alacer’s President & Chief Executive Officer, stated, “The positive decision to proceed with the full construction of the Çöpler Sulfide Project represents a major milestone. The substantial amount of work completed provides the detailed support on which to base our investment decision and further validates our confidence in delivering long-term growth at highly attractive financial returns. The Project now represents an improved after-tax NPV of $728 million and will provide an after-tax IRR of 19.2% and a payback of less than 3 years from the start of sulfide gold production.

“With the Project team now having been in place for over a year, significant value has been realized through the extensive detailed engineering and ongoing de-risking efforts, resulting in much greater definition of the Project capital estimate which has increased to $744 million, with $697 million remaining to be spent. This amount is now the capital cost control estimate on which we will measure ourselves as we move forward.

“The Project team has been preparing for this decision and with the Project fully funded, all the pieces are in place to begin immediate Project construction.”

Key Highlights
(all currency in US dollars and all metrics on a 100% basis[1])

The Project secures gold production for the long term, adding substantial value for all of our shareholders.

- The mine life of the Çöpler operation now exceeds 20 years, with remaining gold production of 4.0 million ounces
- Life-of-mine (“LoM”) average costs:
  - Total Cash Costs[2] of $570 per ounce
  - All-in Sustaining Costs[2] of $645 per ounce
  - All-in Costs[2] of $844 per ounce
- Project capital expenditure of $744 million, with remaining spend of $697 million as of May 1, 2016
- Project after-tax, unlevered internal rate of return (“IRR”) of 19.2%
- Project after-tax net present value at 5% (“NPV”) has increased to $728 million
- NPV of $822 million for the overall Çöpler operation (oxides and sulfides)
- Project payback achieved in 3 years from start of sulfide gold production
- Free cash flow of $1.6 billion generated over the remaining life-of-mine
- Gold recovery for the sulfide plant to average 96% over the life-of-mine
- First gold pour expected in third quarter 2018 and the plant will achieve initial design capacity of 1.9 Mt throughput rate per year by end of 2019
- Twin horizontal autoclaves allow for incremental improvements to increase the throughput rate to 2.2 Mt per year by 2021
- Updated Mineral Reserves resulting in an increase in the average sulfide gold grades from 2.6 g/t to 2.8 g/t and sulfide gold production by 7% or 245,000 ounces

An updated National Instrument 43-101 - Standards of Disclosure for Mineral Projects (“NI 43-101”) compliant Technical Report on the Çöpler Mine will be filed on www.sedar.com and on the Australian Securities Exchange within 45 days of this announcement.

Production and Cost Overview

Physicals[i]		Jan 2016 to Jun 2018 Oxides Only	July 2018 to Dec 2023 First 5.5 Years of Sulfides	2024 to 2037 Remainder of LoM[ii]	LoM Total
Mining					
Oxide Ore	Mt	11.3	6.6	-	18.0
Sulfide Ore [iii]	Mt	7.0	27.9	-	34.9
Waste	Mt	70.0	154.7	-	224.8
Total Tonnes Mined	Mt	88.4	189.2	-	277.6
Strip Ratio	t:t	3.8	4.5	-	4.3
Processing					
Oxides				-	
Oxide Ore	Mt	11.3	6.6	-	18.0
Oxide Head Grade	g/t Au	1.2	1.1	-	1.1
Oxide Gold Production[iv]	000 oz	366	190	-	556
Sulfides					

Sulfide Ore[iii]	Mt	0.0	11.0	29.0	40.0
Sulfide Head Grade	g/t Au	0.0	4.3	2.2	2.8
Sulfide Gold Production	000 oz	0	1,452	1,956	3,408
Total Gold Production[iv]	000 oz	366	1,642	1,956	3,964

i Refer to the appendices for further information on these production targets. All metrics on a 100% basis[1]. Rounding differences will occur.

ii The current mine plan forecasts mining activities to be completed by the end of 2023 and production will continue from stockpiled material thereafter.

iii Sulfide tonnes mined prior to commissioning of the sulfide processing plant are planned to be stockpiled, with 5.1Mt already in the stockpile as of December 31, 2015; approximately 12Mt are forecasted to be stockpiled prior to commissioning the plant.

iv Based on mid-point of 2016 production guidance of 160,000 ounces

The table below provides a summary of the updated 10 year production profile for Çöpler.

A table accompanying this announcement is available at http://www.globenewswire.com/NewsRoom/AttachmentNg/3944d84a-b182-445d-a881-f82caab329e6

The table below provides a summary of the estimated capital costs for the Sulfide Project as at April 1, 2015.

Project Area	US$ millions (100%[1])
Process Plant	270
Process Plant Utilities & Services	74
Tailings Storage Facility (”TSF”)	31
Support Infrastructure & Temporary Facilities	101
Engineering, Procurement & Construction Management	94
Start-up & Commissioning	10
Owner’s Costs	87
Contingency & Growth Allowance	77
Total pre-production capital as of April 1, 2015	744
Less pre-production capital spent between April 1, 2015 to date	(47)
Remaining pre-production capital as of May 1, 2016	697

The remaining capital to be spent is $697 million as of May 1, 2016, of which 80% will be under commercial agreement by the end of December 2016. The Project cost control estimate is supported by detailed engineering with a number of work packages issued for construction to maintain the Project schedule.

The primary variations from the March 2015 Definitive Feasibility Study Update (“DFS Update”) includes $45 million for the change to twin horizontal autoclave design; $20 million for the six month schedule delay; and $45 million for greater definition to deliver the Project.

The updated Project capital expenditure in 2016 is projected to be $265 million, versus the original 2016 guidance of $315 million. The updated All-in Costs including sulfide growth per ounce in 2016 is projected to be $2,200 per ounce to $2,700 per ounce, versus original guidance of $2,500 per ounce to $3,000 per ounce.

Additionally, sustaining capital expenditure for the Sulfide Project totals $275 million for the TSF and the sulfide plant. Reclamation costs are $67 million through 2046.

The table below provides a summary of the average estimated life-of-mine operating costs.

Unit Cost Metrics (Life-of-Mine Average)		
Mining	per tonne mined	$ 1.50
Rehandle	per tonne rehandled	$ 1.12
Heap Leach Processing	per tonne HL processed	$ 8.09
POX Processing	per tonne POX processed	$ 31.80
Site Support Costs	per tonne processed	$ 5.83

Costs per Ounce (Life-of-Mine Average)		
Cash Operating Costs (C1)	$/oz	563
By Product Credits	$/oz	(9)
Cash Operating Costs net of By Products (C1)	$/oz	554
Royalties	$/oz	17
Total Cash Costs (C2)	$/oz	570
Sustaining Capital	$/oz	74
All In Sustaining Costs (AISC)	$/oz	645
Sulfide Preproduction Capital	$/oz	183
Reclamation	$/oz	17
All In Costs (AIC)	$/oz	844

Rounding differences will occur

Schedule

The Sulfide Project is expected to be commissioned by the end of the second quarter 2018, with the first gold pour in the third quarter 2018. The schedule allows for an 18 month ramp up to achieve initial design capacity of 1.9 million tonnes throughput rate per year. The primary drivers that have impacted the schedule are four months for the permits and a two month increase in plant construction time.

A chart accompanying this announcement is available at
http://www.globenewswire.com/NewsRoom/AttachmentNg/2ce8f453-9657-47ad-9640-39ee5d04100d

Financing

A credit-approved term sheet to increase the current finance facility to $350 million was agreed to with a syndicate of lenders (BNP Paribas (Suisse) SA, ING Bank A.S., Societe Generale Corporate & Investment Banking and UniCredit Bank Austria AG). The amended facility does not require mandatory hedging; however, the Company is considering hedging a portion of the oxide production to secure operating cash flow to fund the construction of the Project. Advances under the facility are subject to execution of an amended facility agreement and customary conditions precedent including execution of security and construction documentation. The facility ensures the Project is fully funded.

The key amendments to the current facility agreement are:

- Facility increased to $350 million;
- Interest rate margins increased by 1% to 3.5% to 3.95%; and
- Term increased to 8 years, with final repayment in Q4 2023.

Sources & Uses (100% Basis[1]) May 1, 2016 – September 30, 2018		
Sources	Cash on hand as of April 30, 2016	335
	Free cash flow from operations @ $1,250 gold price	140
	Bank Debt[3]	350
	JV Partner Net Contributions	35
TOTAL SOURCES		860
Uses	Sulfide Project Capex	697
	Financing Costs	30
FUNDS AVAILABLE TO COMPANY		133

Financial Analysis

The base-case financial metrics tabulated below are stated after tax and on an unlevered basis.

Financial Metrics After Tax – 100% Basis[1] (as of January 1, 2016)		Oxide Only A	Total LoM (Oxide + Sulfide) B	Incremental B – A
LoM cumulative cash flow	(millions)	$ 94	$ 1,577	$ 1,483
NPV at 5%	(millions)	$ 94	$ 822	$ 728
IRR	%	N/A	23.6	19.2
Payback from start of sulfide gold production	Years	N/A	3.0	N/A

The economic analysis was predicated on the capital and operating costs summarized above and the following parameters:

- Gold price of $1,250 per ounce;
- Silver price of $18.25 per ounce;
- US$/Turkish Lira exchange rate: 3.0;
- Electricity: $0.06 per kWh; and
- Diesel cost: $1.00 per liter.

Tabulated below are financial metrics with the base case highlighted, to show the Project sensitivities to gold prices:

Financials - 100% Basis[1]		Gold Price						
		1,100	1,150	1,200	1,250	1,300	1,350	1,400
Incremental LoM Cash Flow	US$M	$ 959	$ 1,133	$ 1,308	$ 1,483	$ 1,626	$ 1,799	$ 1,971
Incremental NPV at 5%	US$M	$ 406	$ 513	$ 620	$ 728	$ 815	$ 921	$ 1,027
Incremental IRR	%	13.5 %	15.4 %	17.4 %	19.2 %	20.7 %	22.5 %	24.2 %
Total LoM Cash Flows	US$M	$ 1,008	$ 1,197	$ 1,387	$ 1,577	$ 1,732	$ 1,920	$ 2,108
Total NPV at 5%	US$M	$ 458	$ 580	$ 701	$ 822	$ 920	$ 1,040	$ 1,160
Payback from Start of sulfide gold production	years	4.1	3.7	3.3	3.0	2.7	2.5	2.2

Updated Mineral Resource and Mineral Reserve Estimates

Both the results of the 2015 infill drilling program and historical data from positive reconciliations were used to update the Mineral Resource and Mineral Reserve estimates. Mineral Resources quoted in this announcement are reported inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

The appendices to this announcement provide information on the data, assumptions and methodologies underlying these estimates. Further information will be provided in an updated NI 43-101 Çöpler Mine Technical Report that will be filed on www.sedar.com and with the Australian Securities Exchange within 45 days of this announcement.

The updated Mineral Reserves referenced in this press release have been subjected to a feasibility study in which open pit designs and an optimized mine production schedule were developed. The feasibility study contemplates sulfide ore processing by pressure oxidation and metal recoveries using standard carbon-in-pulp for gold recovery. The current heap leach operations will continue in parallel to the pressure oxidation operation as long as leachable ore is available. The feasibility study finds that the recovery of metals is technically and financially feasible, generating positive returns on plant and infrastructure investments.

Tabulated below are the updated Çöpler Measured and Indicated Mineral Resources, which total 100.4 million tonnes at 1.93 g/t gold, containing 6.2 million gold ounces.

Mineral Resources Statement for the Ҫӧpler Deposit (As of December 31, 2015) (100% Basis[1])

Gold Cut-off Grade (g/t)	Material Type	Resources Category Material	Tonnes (x1000)	Au (g/t)	Ag (g/t)	Cu (%)	Contained Au Ounces
		Measured	-	-	-	-	-
		Indicated	24,959	1.04	3.19	0.13	836,000
Variable	Oxide	Stockpile - Indicated	148	0.87	-	-	4,000
		Measured + Indicated	25,106	1.04	3.17	0.13	840,000
		Inferred	20,863	0.83	6.40	0.13	557,000
		Measured	-	-	-	-	-
		Indicated	70,151	2.12	5.94	-	4,771,000
1.0	Sulfide	Stockpile - Indicated	5,102	3.67	-	-	602,000
		Measured + Indicated	75,253	2.22	5.53	-	5,373,000
		Inferred	12,739	1.99	12.00	-	814,000
Variable	Stockpiles	Indicated	5,250	3.59	-	-	606,000
		Measured	-	-	-	-	-
Variable	Total	Indicated	100,359	1.93	4.95	0.03	6,213,000
		Measured + Indicated	100,359	1.93	4.94	0.03	6,213,000
		Inferred	33,602	1.27	8.52	0.08	1,371,000

Note: Mineral Resources are quoted after mining depletion and are inclusive of Mineral Reserves. Mineral Resources are shown on a 100% basis, of which Alacer owns 80%. The key assumptions, parameters, and methods used to estimate the Mineral Resources and Mineral Reserves are provided in the appendices to this announcement. We are not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed. Rounding differences will occur.

Tabulated below are the updated Çöpler Probable Mineral Reserves which total 58 million tonnes at 2.3 g/t gold, containing 3.9 million ounces.

Mineral Reserves for the Ҫӧpler Deposit (As of December 31, 2015) (100% Basis[1])

Mineral Reserves Category Material	Tonnes (x1000)	Au (g/t)	Ag (g/t)	Cu (%)	Contained Au Ounces	Recoverable Au Ounces
Proven - Oxide In-Situ	-	-	-	-	-	-
Probable - Oxide In-Situ	17,836	1.13	3.53	0.13	650,000	494,000
Probable - Oxide Stockpile	148	0.87	-	-	4,000	3,000
Total – Oxide	17,984	1.13	3.50	0.13	654,000	497,000
Proven - Sulfide In-Situ	-	-	-	-	-	-
Probable - Sulfide In-Situ	34,879	2.63	7.23	-	2,945,000	2,830,000
Probable - Sulfide Stockpile	5,102	3.67	-	-	601,000	578,000
Total – Sulfide	39,982	2.76	6.30	-	3,546,000	3,408,000
Proven - Oxide + Sulfide + Stockpile	-	-	-	-	-	-
Probable - Oxide + Sulfide + Stockpile	57,965	2.25	5.44	0.04	4,200,000	3,905,000
Total - Oxide + Sulfide	57,965	2.25	5.44	0.04	4,200,000	3,905,000

Note: Mineral Reserves are shown on a 100% basis, of which Alacer owns 80%. The Mineral Reserves methodology and cut-off grades are summarized in the appendices to this announcement. The key assumptions, parameters, and methods used to estimate the Mineral Resources and Mineral Reserves are provided in the appendices to this announcement. We are not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates in this announcement to apply and have not materially changed. Rounding differences will occur.

Comparison with Previous Mineral Resources and Mineral Reserves Estimates

The previous Mineral Reserves for Çöpler were published in Alacer’s Management’s Discussion and Analysis for the Year Ended December 31, 2015, dated February 8, 2016. Alacer estimated those Mineral Resources and Mineral Reserves by applying mining depletion to previously reported Mineral Resources and Reserves detailed in the NI 43-101 Technical Report titled, “Çöpler Sulfide Expansion Project Feasibility Update”, effective March 27, 2015.

The table below compares the previous Mineral Resources with the current Mineral Resources.

Çöpler Deposit – Mineral Resources Comparison (100% Basis[1])

		March 30, 2015 (depleted through December 31, 2015)			Updated Mineral Resources (as at December 31, 2015)			Change		
Material Type	Mineral Resources Category Material	Tonnes (x1000)	Au (g/t)	Contained Au Ounces	Tonnes (x1000)	Au (g/t)	Contained Au Ounces	Tonnes (x1000)	Au (g/t)	Contain Au Oun
	Measured	-	-	-	-	-	-	-	-	-
	Indicated	29,862	1.06	1,013,000	24,959	1.04	836,000	-16 %	-2 %	-18
Oxide	Stockpile – Indicated	148	0.87	4,000	148	0.87	4,000	-	-	-
	Measured + Indicated	30,009	1.05	1,018,000	25,106	1.04	840,000	-16 %	-1 %	-18
	Inferred	16,524	0.89	474,000	20,863	0.83	557,000	-26 %	-7 %	18
	Measured	-	-	-	-	-	-	-	-	-
	Indicated	80,586	1.91	4,956,000	70,151	2.12	4,771,000	-13 %	11 %	-4
Sulfide	Stockpile – Indicated	5,102	3.67	601,000	5,102	3.67	602,000	-	-	-
	Measured + Indicated	85,688	2.02	5,558,000	75,253	2.22	5,373,000	-12 %	10 %	-3
	Inferred	25,059	1.91	1,541,000	12,739	1.99	814,000	-49 %	4 %	-47
Stockpiles	Indicated	5,250	3.59	606,000	5,250	3.59	606,000	-	-	-
	Measured	-	-	-	-	-	-	-	-	-
	Indicated	115,698	1.77	6,575,000	100,359	1.93	6,213,000	-13 %	9 %	-6
TOTAL	Measured + Indicated	115,698	1.77	6,575,000	100,359	1.93	6,213,000	-13 %	9 %	-6
	Inferred	41,583	1.51	2,014,000	33,602	1.27	1,371,000	-19 %	-16 %	-32

Note: Resource parameters are listed in the appendices to this announcement. Mineral Resources are shown on 100% basis of which Alacer owns 80%. The Mineral Resources methodology is summarised in the appendices to this announcement. Rounding errors will occur.

Key changes to note between these Mineral Resources estimates are:

- Removal of the transition zone below the oxide-sulfide contact;
- Reclassification of material types based on the oxide-sulfide model;
- Resource model calibration to compiled reconciliation data for the December 2015 model; and
- Change from a $1,500 per ounce Lerchs-Grossmann Au price in December 2014 to $1,400 per ounce in December 2015.

The table below compares the previous Mineral Reserves with the current Mineral Reserves.

Çöpler Deposit – Mineral Reserves Comparison (100% Basis[1])

	March 30, 2015 (depleted as through December 31, 2015)			Updated Mineral Reserves (as at December 31, 2015)			Change		
Mineral Reserves Category Material	Tonnes (x1000)	Au (g/t)	Contained Au Ounces	Tonnes (x1000)	Au (g/t)	Contained Au Ounces	Tonnes (x1000)	Au (g/t)	Containe Au Ounce
Proven-Oxide In-Situ	-	-	-	-	-	-	-	-	-
Probable-Oxide In-Situ	18,062	1.19	693,000	17,836	1.13	650,000	-1 %	-5 %	-6 %
Probable-Oxide Stockpile	148	0.87	4,000	148	0.87	4,000	-	-	-
Total - Oxide	18,210	1.19	697,000	17,984	1.13	654,000	-1 %	-5 %	-6 %
Proven-Sulfide In-Situ	-	-	-	-	-	-	-	-	-
Probable-Sulfide In-Situ	35,572	2.42	2,771,000	34,879	2.63	2,945,000	-2 %	7 %	6 %
Probable-Sulfide Stockpile	5,102	3.67	601,000	5,102	3.67	601,000	-	-	-
Total – Sulfide	40,674	2.58	3,372,000	39,982	2.76	3,546,000	-2 %	7 %	5 %
Proven-Oxide + Sulfide + Stockpile	-	-	-	-	-	-	-	-	-
Probable-Oxide + Sulfide +Stockpile	58,884	2.15	4,069,000	57,965	2.25	4,200,000	-2 %	5 %	3 %
Total-Oxide + Sulfide	58,884	2.15	4,069,000	57,965	2.25	4,200,000	-2 %	5 %	3 %

Note: Mineral Reserves are shown on a 100% basis, of which Alacer Gold owns 80%. The Mineral Reserves methodology and cut-off grades are summarized in the appendices to this announcement. Rounding differences will occur.

Key changes to note between these Mineral Reserves estimates are:

- The changes noted above for the Mineral Resources estimates; and
- Sulfide gold cut-off grade changed from 1.45 g/t to 1.50 g/t.

Conference Call / Webcast Details

Rod Antal, Alacer’s President and Chief Executive Officer will host a conference call on Thursday, May 12, 2016 at 5:00 p.m. (North America Eastern Daylight Time) and Friday, May 13, 2016 at 7:00 a.m. (Australian Eastern Standard Time).

You may listen to the call via webcast at http://services.choruscall.ca/links/alacer20160512.html. The conference call presentation will also be available at the link provided prior to the call commencing.

You may participate in the conference call by dialing:

1-800-319-4610	for U.S. and Canada
1-800-423-528	for Australia
800-930-470	for Hong Kong
800-101-2425	for Singapore
0808-101-2791	for United Kingdom
1-604-638-5340	for International
“Alacer Gold Call”	Conference ID

If you are unable to participate in the call, a webcast will be archived until August 9, 2016 and a recording of the call will be available on Alacer’s website at www.AlacerGold.com or through replay until Monday, June 20, 2016 by using passcode 00485# and calling:

1-855-669-9658 for U.S. and Canada
1-800-984-354 for Australia

About Alacer

Alacer is a leading intermediate gold mining company, with an 80% interest in the world-class Çöpler Gold Mine in Turkey operated by Anagold Madencilik Sanayi ve Ticaret A.S. (“Anagold”) and the remaining 20% owned by Lidya

Madencilik Sanayi ve Ticaret A.S. (“Lidya Mining”). The Company’s primary focus is to leverage its cornerstone Çöpler Mine and strong balance sheet to maximize portfolio value, maximize free cash flow, minimize project risk and, therefore, create maximum value for shareholders.

Alacer is actively pursuing initiatives to enhance value beyond the current mine plan:

- Çöpler Oxide Production Optimization – expansion of the existing heap leach pad to 58 million tonnes continues to advance. All required land use permits for the heap leach pad phase 4 expansion have been received. The Company continues to evaluate opportunities to optimize and extend oxide production beyond the current reserves, including a new heap leach pad site to the west of the Çöpler Mine.
- Çöpler Sulfide Project – the Sulfide Project will deliver long-term growth with robust financial returns and adds over 20 years of production at Çöpler. The Sulfide Project will bring Çöpler’s remaining life-of-mine gold production to 4 million ounces at All-in Sustaining Costs[3] averaging $645 per ounce. The Environmental Impact Assessment and all required land use permits for construction have been approved.
- The Company continues to pursue opportunities to further expand its current operating base and to become a sustainable multi-mine producer with a focus on Turkey. The systematic and focused exploration efforts in the Çöpler District as well as in other regions of Turkey are progressing. Yakuplu Southeast, Yakuplu East, Yakuplu North and Bayramdere are the main focus in the Çöpler District, which are shallow, oxide targets with favorable metallurgy and have the potential for rapid development. In the region, evaluation work is advancing and an update on the Dursunbey Project in western Turkey will be provided in Q3 2016.

Alacer is a Canadian company incorporated in the Yukon Territory with its primary listing on the Toronto Stock Exchange. The Company also has a secondary listing on the Australian Securities Exchange where CDIs trade.

Cautionary Statements

Except for statements of historical fact relating to Alacer, certain statements contained in this press release constitute forward-looking information, future oriented financial information, or financial outlooks (collectively “forward-looking information”) within the meaning of Canadian securities laws. Forward-looking information may be contained in this document and other public filings of Alacer. Forward-looking information often relates to statements concerning Alacer’s future outlook and anticipated events or results and, in some cases, can be identified by terminology such as “may”, “will”, “could”, “should”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “projects”, “predict”, “potential”, “continue” or other similar expressions concerning matters that are not historical facts.

Forward-looking information includes statements concerning, among other things, preliminary cost reporting in this press release, production, cost and capital expenditure guidance; ability to expand the current heap leach pad, development plans for processing sulfide ore at Çöpler; results of any gold reconciliations; ability to discover additional oxide gold ore, the generation of free cash flow and payment of dividends; matters relating to proposed exploration, communications with local stakeholders and community relations; negotiations of joint ventures, negotiation and completion of transactions; commodity prices; mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates; the development approach, the timing and amount of future production, timing of studies, announcements and analysis, the timing of construction and development of proposed mines and process facilities; capital and operating expenditures; economic conditions; availability of sufficient financing; exploration plans; receipt of regulatory approvals and any and all other timing, exploration, development, operational, financial, budgetary, economic, legal, social, regulatory and political matters that may influence or be influenced by future events or conditions.

Such forward-looking information and statements are based on a number of material factors and assumptions, including, but not limited in any manner to, those disclosed in any other of Alacer’s filings, and include the inherent speculative nature of exploration results; the ability to explore; communications with local stakeholders and community and governmental relations; status of negotiations of joint ventures; weather conditions at Alacer’s operations, commodity prices; the ultimate determination of and realization of mineral reserves; existence or realization of mineral resources; the development approach; availability and receipt of required approvals, titles, licenses and permits; sufficient working capital to develop and operate the mines and implement development plans; access to adequate services and supplies; foreign currency exchange rates; interest rates; access to capital markets and associated cost of funds; availability of a qualified work force; ability to negotiate, finalize and execute relevant agreements; lack of social opposition to the mines or facilities; lack of legal challenges with respect to the property of Alacer; the timing and amount of future production and ability to meet production, cost and capital expenditure targets; timing and ability to produce studies and analysis; capital and operating expenditures; execution of the amended credit facility; ability to draw under the credit facility and satisfy conditions precedent including execution of security and construction documents; economic conditions; availability of sufficient financing; the ultimate ability to mine, process and sell mineral products on economically favorable terms and any and all other timing, exploration, development, operational, financial, budgetary, economic, legal, social, regulatory and political factors that may influence future events or conditions. While we consider these factors and assumptions to be reasonable based on information currently available to us, they may prove to be incorrect.

You should not place undue reliance on forward-looking information and statements. Forward-looking information and statements are only predictions based on our current expectations and our projections about future events. Actual results may

vary from such forward-looking information for a variety of reasons including, but not limited to, risks and uncertainties disclosed in Alacer’s filings at www.sedar.com and other unforeseen events or circumstances. Other than as required by law, Alacer does not intend, and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

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1 Alacer has an 80% controlling interest of the Çöpler Gold Mine

2 Total Cash Costs, All-in Sustaining Costs, and All-in Costs are non-IFRS financial performance measures with no standardized definitions under IFRS. For further information and a detailed reconciliation, please see the “Non-IFRS Measures” section of the MD&A for the three months ended March 31, 2016.

3 The Corporation has an agreed credit-approved term sheet to increase the current financing facility to $350 million with a syndicate of lenders. Advances under the facility are subject to execution of the amended facility agreement and customary conditions precedent including execution of security and construction documentation and a minimum of $220 million capital spend at Çöpler.

Appendix 1
Basis for Production Targets and Forecast Financial Information

The production targets in this announcement are underpinned solely by Probable Reserves and are based on Alacer's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions.

The estimated Mineral Reserves and Mineral Resources underpinning the production targets have been prepared by a competent person or persons in accordance with the requirements of the JORC Code, as specified in the Appendix 2 - JORC Code Table 1.

All forecast financial information in this announcement has been derived from the production targets set out in this announcement.

Qualified Person Statement

All Mineral Reserves and Mineral Resources referenced in this announcement are estimated in accordance with NI 43-101 standards and the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. While terms associated with various categories of “Mineral Reserve” or “Mineral Resource” are recognized and required by Canadian regulations, they may not have equivalent meanings in other jurisdictions outside Canada and no comparison should be made or inferred. Actual recoveries of mineral products may differ from those estimated in the Mineral Reserves and Mineral Resources due to inherent uncertainties in acceptable estimating techniques. In particular, Inferred Mineral Resources have a great amount of uncertainty as to their existence, economic and legal feasibility. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. Investors are cautioned not to assume that all or any part of the Mineral Resources that are not Mineral Reserves will ever be converted into Mineral Reserves.

The resource model was constructed by Loren Ligocki, Alacer’s Resource Geology Manager, and verified by external consultant, Gordon Seibel, SME Registered Member, Amec Foster Wheeler’s Principal Geologist. The updated Mineral Resources estimates were developed and reviewed by external consultant, Dr. Harry Parker, SME Registered Member, Consulting Mining Geologist and Geostatistician for Amec Foster Wheeler.

The information in this announcement which relates to the data audit and the updated Mineral Resources estimate is based on, and fairly represents, the information and supporting documentation prepared by Dr. Parker and Mr. Seibel. Dr. Parker and Mr. Seibel have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and are Qualified Persons pursuant to NI 43-101.

The Mineral Reserves disclosure in this announcement was estimated and approved by Mr. Stephen K. Statham, PE, SME Registered Member, Alacer’s Mining Services Manager, who is a full-time employee of Alacer.

The information in this announcement which relates to Mineral Reserves is based on, and fairly represents, the information and supporting documentation prepared by Mr. Statham. Mr. Statham has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and is a Qualified Person pursuant to NI 43-101.

The scientific and technical information in this announcement is based on information compiled by Robert D. Benbow, PE, who

is a full-time employee of Alacer. Mr. Benbow has sufficient experience with respect to the technical and scientific matters set forth above to be a “qualified person” for the purposes of NI-43‐101.

Messrs. Ligocki, Seibel, Parker, Statham and Benbow consent to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Summary for the purposes of ASX Listing Rules 5.8 and 5.9

Please also refer to the JORC Code Table 1 contained in Appendix 2 to this announcement for information relating to the estimates of Ore Reserves and Minerals Resources at the Çöpler Gold Mine, and a copy of which can be found on www.sedar.com, the Australian Securities Exchange and on our website www.alacergold.com.

Geology and Geological Interpretation
Epithermal gold mineralization at Çöpler occurs within structurally-controlled zones sourced from a low-grade base metal porphyry-style mineralization related to an intrusive described as a diorite stock with dykes and sills. Mineralization tends to occur in proximity to (and on both sides of) the country rock/diorite contact.

Northeast to east-trending structures dominate the Çöpler orebody. The variable northeast trending Çöpler North and South faults are important structures crossing the entire property. Mineralization ranges from near-vertical features defined by the faults to low-angle sill features following lithologic contacts and low-angle structures.

The geologic model is considered robust with information available from over 1,900 drill holes within the Çöpler deposit at the time of the Mineral Resources update. The data used for the geologic model included a combination of core and RC drilling extended to model boundaries with the aid of surface mapping.

Drilling Techniques
Drilling is a combination of vertically oriented holes prior to 2005 and north/south oriented drill holes from 2005 to present. Approximately 43% of the drilling was RC with 57% diamond drill core. There is a total of 297,798.2m of drilling.

Diamond drilling was carried out using NQ and HQ sized equipment with standard tube. Approximately 90% of the core at Çöpler is HQ size. For RC drilling, a face-sampling bit (121mm) was used.

Sampling and Sub-sampling
Diamond drill core was sampled as half core at nominal 1m intervals to geological contacts.

RC chip samples were routinely collected in calico bags and chip box trays at 1m intervals. In areas expected to be waste, samples were at times combined into 2m intervals. RC samples were collected at the rig using riffle splitters.

Sample Analysis Methods
From 2004 to late 2012, samples were prepared at ALS İzmir, Turkey and analyzed at ALS Vancouver, Canada. From late 2012 to 2014, samples were prepared and analyzed at ALS İzmir, Turkey. Samples in 2015 were prepared and analyzed at the SGS Lab in Ankara, Turkey. All analyses for gold were undertaken via fire assay.

Drill hole samples were sent offsite to a recognized and independent analytical laboratories for analyses.

Mineral Resources

Estimation Methodology
Mineralized zones were developed using probabilistic modeling based on cut-offs used for classifying heap leach and POX material. Reported Mineral Resources contain no allowances for unplanned dilution, or mining recovery. Probability Assigned Constrained Kriging (“PACK”) was selected as the resource estimation method mainly for its capability to calibrate the resource model to historical mining production.

Mineral Resources Classification
Mineral Resources were classified using a recognized industry practice that Indicated Mineral Resources should be known within +/- 15 percent with 90 percent confidence on an annual basis and Measured Mineral Resources should be known within +/- 15 percent with 90 percent confidence on a quarterly basis.

As part of the Mineral Resources modeling process, a drill spacing study was completed to determine confidence levels for Measured and Indicated classification based on data availability. Results of this work were used to classify the reported Mineral

Resources. Data quality was also considered in the resource classification process.

From this study, it was determined that a drill hole spacing of 40m by 40m in the Marble Pit, 50m by 50m in the Manganese Pit, and 60m by 60m in the Main and West Pits was required to classify Mineral Resources as Indicated, and a 80m by 80m spacing was required for reporting Mineral Resources as Inferred. No resources were classified as Measured Mineral Resources due to incomplete assessment of data integrity.

Reasonable Prospects of Eventual Economic Extraction
To meet the reasonable prospects of eventual economic extraction criteria for reporting resources, Mineral Resources are tabulated within a Lerchs-Grossmann optimization shell generated using a gold price of $1,400/oz, metallurgical gold recoveries that vary from 62.3% to 78.4% for oxide material. At the time of the February 2016 pit optimization, sulfide ore recovery was estimated at an average of 94.0% for Au and 3.0% for Ag, and processing costs varied from $5.24 to $33.40/t depending on the ore type and processing method. Mineral Resources are reported inclusive of Ore Reserves.

Mineral Resources were tabulated using multiple cut-off grades due to variable recoveries and processing methods. The lowest cut-off grade used is 0.25 g/t Au for oxide marble material and the highest cut-off of 1.0 g/t Au is used for sulfide material.

Ore Reserves

Material Assumptions for Ore Reserves
The Ore Reserves were estimated as part of a feasibility study with all material assumptions being documented in the JORC Code Table 1 contained in Appendix 2 of this announcement. All operating and capital costs as well as revenue streams were included in the feasibility study financial model. The feasibility study finds that the recovery of metals is technically and financially feasible, generating positive returns on plant and infrastructure investments.

Ore Reserves Classification
Ore Reserves are estimated on the basis of detailed design and scheduling of the Ҫӧpler open pits. The pit boundaries are defined by optimized Whittle pit shells for separate oxide pit and sulfide pits. The oxide pit shell is estimated with a gold price of $1,250/oz, mining cost of $1.90/tonne mined, and processing costs ranging from $5.24/tonne to $9.87/tonne. The sulfide pit shell is estimated with an Au price of $850/oz and processing cost of $33.40/tonne ore.

All of the Ore Reserves that are in-situ are currently derived from Indicated Mineral Resources. All Inferred Mineral Resources are considered as waste.

Mining Method
Current open-pit mining at Çöpler is a conventional truck and shovel operation, which is the chosen method of extraction for all of Çöpler’s Ore Reserves.

Ore Processing
Oxide ore is processed via heap leaching and sulfide ore is stockpiled to be processed through whole-ore pressure oxidation in autoclaves.

Cut-off Grade
For Ore Reserves, estimation cut-off grades for oxide ore are calculated based on positive cash flow generation. A calculated gold internal cut-off grade within the design pit was applied to the oxide Ore Reserves using the equation: Xc = Po / (r * (V-R)) where Xc = Cut-off Grade (g/t), Po = Processing Cost of Ore (USD/tonne of ore), r = Recovery, V = Gold Sell Price (USD/gram), R = Refining Costs (USD/gram). This results in a variable oxide cut-off grade of 0.30 to 0.45 g/t.

The cut-off grade for sulfide ore is set at 1.50 g/t gold.

Estimation Methodology
The estimation methodology is described in the “Mineral Resources” section above.

Ore Reserves are not diluted, nor is any mining dilution expected beyond that already implied by the Mineral Resources model block size (10m x 10m x 5m). Full mining recovery is assumed.

Oxide ore recoverable ounces are estimated based on metallurgical testing results of various ore types with recoveries ranging from 62.3% to 78.4%. Sulfide ore recoverable ounces of gold are estimated using a recovery equation dependent on gold head grade, with the life-of-mine average recovery estimated to be 96.1%. The equation has been slightly modified from a previous equation used during the Mineral Resources and Ore Reserves optimization process, which previously averaged 94.0% for the life-of-mine.

Material Modifying Factors
Gold and silver will be produced in the form of doré and sent to refiners for separation. The market for gold and silver is robust. A high-grade copper precipitate will be produced from oxide ore for sale.

Infrastructure currently serving the mine is deemed sufficient for the expanded operation contemplated in the feasibility study.

The Company operates under mining licenses issued by the Turkish Government. All necessary licenses are maintained in good standing. The approval of the Environmental Impact Assessment for the Sulfide Project was received on December 25, 2014 and the required land use permits were received on April 20, 2016.

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