



MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three-Month Period Ended March 31, 2017

The following management discussion and analysis ("MD&A") is as of May 2, 2017 and relates to the financial condition and results of operations of Alacer Gold Corp. and its subsidiaries ("Alacer," the "Group" or the "Corporation") as of March 31, 2017. The MD&A supplements and complements the Corporation's unaudited interim consolidated financial statements for the three-month period ended March 31, 2017 (the "consolidated financial statements") and related notes. Other relevant documents to be read with this MD&A include the Corporation's audited annual consolidated financial statements, the MD&A, and the Annual Information Form ("AIF"), all for the year ended December 31, 2016. Comparison herein is provided to the three-month period ended March 31, 2016. Readers are cautioned that the MD&A contains forward-looking statements and that actual events may vary from Management's expectations. Readers are encouraged to read the Cautionary Statements included with this MD&A and to consult the Corporation's audited annual consolidated financial statements for 2016 and related notes, which are available on the Corporation's website at www.alacergold.com, on SEDAR at www.sedar.com, and on the ASX at www.asx.com.au. The March 31, 2017 consolidated financial statements and MD&A are presented in U.S. Dollars ("USD") and have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), including International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. References to non-IFRS measures are made throughout this MD&A. For further information and detailed reconciliations, see the "Non-IFRS Measures" section of this MD&A. This discussion addresses matters the Corporation considers important for an understanding of the financial condition and results of operations as of and for the three-month period ended March 31, 2017, as well as the outlook for the remainder of 2017.

Table of Contents

Overview	1
Highlights	2
Results of Operations.....	7
Investments in Mineral Properties and Equipment.....	8
Exploration and Evaluation	9
Financial Highlights	13
Summary of Quarterly Results	16
Liquidity and Capital Resources	17
Business Conditions and Trends	18
Transactions with Related Parties.....	20
Critical Accounting Policies, Estimates, and Accounting Changes	21
Financial Instruments and Other Instruments.....	21
Non-IFRS Measures.....	23
Other	25
Cautionary Statements	26

Overview

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 Corporation'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. The Çöpler Mine is located in east-central Turkey in the Erzincan Province, approximately 1,100 kilometers southeast from Istanbul and 550 kilometers east from Ankara, Turkey's capital city.

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. The Corporation continues to evaluate opportunities to extend oxide production beyond the current reserves, including a new heap leach pad site to the west of the Çöpler Mine.
- Çöpler Sulfide Expansion Project (the "Sulfide Project") – The Sulfide Project is under construction with first gold production projected in the third quarter 2018. The Sulfide Project is expected to deliver long-term growth with robust financial returns and adds 20 years of production at Çöpler. The Sulfide Project will bring Çöpler's remaining life-of-mine ("LoM") gold production to 4 million ounces at All-in Sustaining Costs averaging \$645 per ounce^{1, 2}.
- The Corporation 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. A maiden Mineral Resource estimate was released for Çakmaktepe and Bayramdere³, and the Çöpler District remains the focus with the potential to add oxide production and utilize the existing Çöpler infrastructure in 2018. In the region, work has commenced on a Definitive Feasibility Study ("DFS") for the Gediktepe Project⁴ and is expected to be complete in June 2018.

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

¹ All-in Sustaining Costs per ounce is a non-IFRS performance measure with no standardized definition under IFRS. For further information and a detailed reconciliation to IFRS, please see the "Non-IFRS Measures" section of this MD&A.

² Detailed information regarding the Sulfide Project, including the material assumptions on which the forward-looking financial information is based, can be found in the Technical Report dated June 9, 2016 entitled "Çöpler Mine Technical Report," available on www.sedar.com and on www.asx.com.au.

³ Detailed information regarding the Çöpler District Mineral Resource can be found in the press release entitled "Alacer Gold Announces Additional Exploration Results for Çakmaktepe and an Initial Mineral Resource in the Çöpler District," dated December 19, 2016, available on www.sedar.com and on www.asx.com.au.

⁴ Additional information on the Gediktepe Project can be found in the press release entitled "Alacer Gold Announces a New Reserve for its Gediktepe Project Providing Future Growth," dated September 13, 2016, available on www.sedar.com and on www.asx.com.au.

Highlights

Strategic

- The Sulfide Project is advancing to schedule, is on budget, and is fully funded.
- On February 27, 2017, the Corporation announced the successful arrival of both the autoclaves to the Çöpler site in a press release entitled "Alacer Gold Achieves Key Milestone for the Çöpler Sulfide Expansion Project with the Arrival of Both Autoclaves at Çöpler."
- The Çakmaktepe 2017 drilling program has recommenced following the winter months and will be focused on defining development plans for Çakmaktepe Central and step out drilling for the entire Çakmaktepe mineralized area.
- The Corporation commenced a DFS on the Gediktepe project, with completion targeted for June 2018.
- At the end of the first quarter, there were 132,000 ounces of forward gold sales remaining at an average price of \$1,281 through September 2018.
- First drawdown of \$130 million on the finance facility occurred on April 21, 2017. The lenders determined a cost overrun reserve was not required for the finance facility, further demonstrating the robustness of the Sulfide Project.

Operational

- Gold production was 32,918 ounces, and attributable gold production¹ was 26,334 ounces.
- Total Cash Costs (C2) per ounce² were \$711 and All-in Sustaining Costs per ounce² were \$898.
- In early April, mining of the higher-grade West Pit commenced with the receipt of the pasture permit and re-confirms our 2017 production guidance of 160,000 to 180,000 ounces. Gold production in the first half of the year is expected to be between 35-40% of full year production.
- Expansion of the existing heap leach pad to 58 million tonnes continues to advance.
- Sulfide stockpiles at March 31, 2017 were 7.2 million tonnes at an average grade of 3.36 g/t gold or approximately 780,000 contained gold ounces.

Financial

- The Corporation ended the first quarter of 2017 with cash of \$154.0 million and no debt.
- Working capital was \$189.9 million at March 31, 2017.
- Cash flow from operating activities during the quarter totaled \$9.1 million.
- Attributable net profit¹ was \$8.7 million or \$0.03 per share.

¹ Attributable gold production and net profit are reduced by the 20% non-controlling interest at the Çöpler Gold Mine.

² Total Cash Costs (C2) per ounce and All-in Sustaining Costs per ounce are non-IFRS performance measures with no standardized definition under IFRS. For further information and a detailed reconciliation to IFRS, please see the "Non-IFRS Measures" section of this MD&A.

Çöpler Sulfide Expansion Project Update

The Sulfide Project is advancing to schedule, is on budget, and is fully funded. The Sulfide Project will deliver long-term growth with robust financial returns and adds 20 years of production at Çöpler. The Sulfide Project will bring Çöpler's remaining LoM gold production to 4 million ounces at All-in Sustaining Costs averaging \$645 per ounce. Detailed information regarding the Sulfide Project, including the material assumptions on which the forward-looking financial information is based, can be found in the technical report filed June 9, 2016 entitled "Çöpler Mine Technical Report" (the "Çöpler Mine Technical Report"). The Sulfide Project is 37% complete with first gold production on track for third quarter 2018. Through March 31, 2017, the Sulfide Project has incurred costs of \$233 million of the total budgeted capital cost estimate of \$744 million.

Key Milestones	Target Date
Equipment Procurement	Complete
Autoclaves Arrival on Site	Complete
Completion of Autoclave Assembly	Q2 2017
Engineering Design Complete	Q2 2017
Electrical & Instrumentation Works Begin	Q2 2017
Major Plant Civil Works Complete	Q3 2017
Oxygen Plant Complete	Q4 2017
Dry Commissioning Begins	Q1 2018
First Gold Pour	Q3 2018

Development highlights in Q1 2017 include:

- With engineering now at 98%, demobilization of the Istanbul project office has commenced as the engineering activities ramp down.
- Equipment and bulk materials procurement is substantially complete.
- Civil works are 65% complete with over 27,500 m³ of concrete poured to date.
- The autoclaves and flash vessels are assembled with welding complete and will now undergo the quality assurance process for certification.
- The CIP tank shells are complete.
- Mechanical and piping contractors are mobilizing to site.
- The Air Liquide oxygen plant construction is 29% complete.
- Tailings storage facility earthworks are progressing with top soil removed and stockpiled and contouring nearing completion.



Overview of the Project Site

The following key activities are planned for Q2 2017:

- Completion of autoclave and flash vessel certification process
- Continuation of civil works, structural steel, and mechanical equipment installation
- Continuation of structural and mechanical works for oxygen plant
- Continuation of tailing storage facility earthworks and commencement of infrastructure installation
- Commencement of piping installation
- Commencement of electrical and instrumentation works



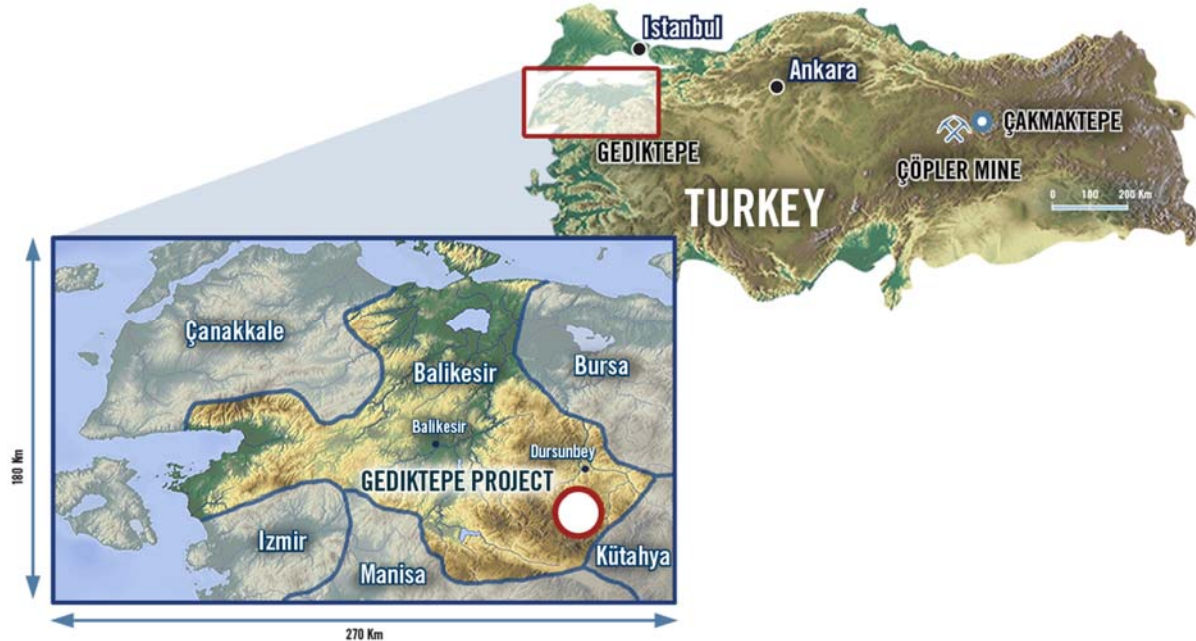
Autoclaves & Flash Vessels in POX Building



Grinding Area

Gediktepe Project Update

The Gediktepe Project is located in Balıkesir Province, about 370 km west of Ankara and 190 km to the south of Istanbul. Gediktepe is owned on a 50/50% basis with our joint venture partner, Lidya Mining.



Gediktepe is a polymetallic orebody that contains economic values for gold, silver, copper, and zinc. The sulfide deposit is overlain with oxide ore containing gold and silver which is amenable to heap leaching. Gediktepe will be an open pit mine, and the oxide ore will be processed first, providing cash flow for the development and subsequent processing of the more prevalent sulfide ore. The sulfide ore contains gold, silver, copper, and zinc and will be processed through a multi-stage flotation circuit producing two marketable concentrates¹.

Overall Project Economics:

- Total payable metals of 400,000 ounces of gold, 8 million ounces of silver, 315 million pounds of copper, and 780 million pounds of zinc
- LoM production over 12 years of 1.8 million ounces on a Gold Equivalent Ounce (“AuEq”)² basis
- Pre-production capital expenditure of \$120 million
- An additional \$126 million in project capital required for the sulfide ore flotation plant and related infrastructure
- Project after-tax net present value at 5% (“NPV”) is \$475 million
- Project after-tax, unlevered internal rate of return (“IRR”) is 47%
- Project payback achieved in 2.5 years from start of production
- After-tax free cash flow of \$745 million generated over the LoM

¹ Detailed information, including the material assumptions on which the production targets and forward-looking financial information on which the Gediktepe Project are based, can be found in the press release entitled “Alacer Gold Announces a New Reserve for its Gediktepe Project Providing Future Growth,” dated September 13, 2016, available on www.sedar.com and on www.asx.com.au.

² Gold Equivalent Ounce (AuEq) is a non-IFRS measure with no standardized definition under IFRS which converts non-gold production into gold equivalent ounces.



MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three-month period ended March 31, 2017

(All amounts expressed in thousands of U.S. Dollars, unless otherwise stated)

- LoM average costs on a AuEq basis:
 - Total Cash Costs (C2) of \$613 per ounce AuEq
 - All-in Sustaining Costs of \$625 per ounce AuEq
 - All-in Costs of \$759 per ounce AuEq

A DFS on the Gediktepe Project commenced in Q1 2017 and is planned for completion in June 2018. Permitting work and some limited site preparation will be undertaken concurrently with the DFS.

Results of Operations

Cöpler Gold Mine: ¹	Q1 2017	Q1 2016
Gold ounces produced	32,918	31,926
Gold ounces sold	34,804	31,750
Attributable: (80% ownership)		
Gold ounces produced	26,334	25,541
Gold ounces sold	27,843	25,400
Oxide ore mined - tonnes	1,029,576	1,081,256
Oxide ore mined - grade (g/t)	1.03	0.98
Oxide ore mined - ounces	33,947	33,908
Oxide ore treated - tonnes	1,006,800	1,127,498
Oxide ore treated - head grade (g/t)	1.03	0.95
Sulfide ore mined - tonnes ²	139,316	706,194
Sulfide ore mined - grade (g/t) ²	2.43	2.79
Sulfide ore stockpiled - ounces ²	10,874	63,451
Waste tonnes mined	7,999,178	6,874,386
Cash Operating Costs (C1) per ounce sold ³	\$ 696	\$ 643
Total Cash Costs (C2) per ounce sold ³	\$ 711	\$ 659
All-in Sustaining Costs per ounce sold ³	\$ 898	\$ 846
All-in Costs per ounce sold ³	\$ 3,145	\$ 1,485
Average realized gold price, excluding hedge	\$ 1,231	\$ 1,187

¹ Cöpler Gold Mine production data represents 100% for all periods presented, except for attributable production and sales.

² Sulfide ore is being stockpiled and reported as a non-current asset (Total of 7.2 million tonnes at 3.36 g/t gold).

³ Cash Operating Costs (C1) per ounce, Total Cash Costs (C2) per ounce, All-in Sustaining Costs per ounce, and All-in Costs per ounce are non-IFRS financial performance measures with no standardized definitions under IFRS. For further information and detailed reconciliations to IFRS, see the "Non-IFRS Measures" section of this MD&A.

First Quarter 2017 vs. First Quarter 2016

Gold production of 32,918 ounces is 3% higher than gold production in Q1 2016. Oxide ore grade mined of 1.03 g/t is 5% higher than the oxide ore grade mined in Q1 2016. Oxide ore tonnes mined of 1.0 million tonnes is 5% lower than oxide ore tonnes mined in Q1 2016. Waste tonnes mined of 8.0 million tonnes is 16% higher than waste tonnes mined in Q1 2016 due to continuation of waste stripping for the Manganese Pit pushback. Sulfide ore tonnes mined is 80% lower than in Q1 2016 in line with the mine schedule.

Gold production is expected to increase as oxide ore is accessed in the West Pit and Manganese Pit, with 60-65% of production expected in the second half of the year. With receipt of the pasture permit, mining in the West Pit has commenced. Most of the ore from the West Pit will be mined and stacked in Q2 2017. Oxide ore mined from the Manganese Pit increased towards the end of the quarter and will become the primary source of oxide ore for the remainder of the year.

Total Cash Costs (C2) per ounce in Q1 2017 of \$711 were 8% higher than Q1 2016. C2 costs were higher in Q1 2017, primarily due to the higher waste tonnes mined and longer haulage distances for waste

tonnes. C2 costs are expected to trend lower in the second quarter of 2017 as waste tonnes are capitalized for Sulfide Project construction and waste tonne haulage distances are shorter.

All-in Sustaining Costs per ounce¹ in Q1 2017 of \$898 were 6% higher than Q1 2016 due to higher Total Cash Costs (C2) per ounce noted above and higher sustaining capital expenditures.

All-in Costs per ounce¹ in Q1 2017 of \$3,145 were 112% higher than Q1 2016. The increase reflects the higher growth capital spending on the Sulfide Project (\$75.3 million in Q1 2017 compared to \$16.5 million in Q1 2016).

Investments in Mineral Properties and Equipment

A summary of the investments in capital for the three-month period ended March 31, 2017 is presented below:

Capital Investments (in '000)	Q1 2017	
	100%	Attributable ¹
Sustaining and general capital		
Heap Leach Pad Phase 4 expansion	\$ 46	\$ 37
General plant and other assets	264	212
Sustaining capital - Total	\$ 310	\$ 249
Growth capital		
Sulfide Project Costs	\$ 75,328	\$ 60,263
Other growth	\$ 1,565	\$ 1,256
Gediktepe Project	1,711	856
Growth capital - Total	\$ 78,604	\$ 62,375
Total capital expenditures	\$ 78,914	\$ 62,624
Long-term asset - Çöpler Sulfide Stockpiles	\$ 2,008	\$ 1,606

¹ Capital related to Anagold has been adjusted to reflect the impact of the 20% non-controlling interest. Capital related to Corporate activities is reflected at 100%.

Sustaining capital expenditures are generally defined as those that support the ongoing operation to sustain production and future earnings and are mostly considered non-discretionary. Sustaining capital expenditures for Q1 2017 totaled \$0.3 million. Expansion of the existing heap leach pad to 58 million tonnes continued to advance in Q1 with removal of top soil in the areas of new development. Remaining costs for the expansion are approximately \$12 million through 2018.

¹ All-in Sustaining Costs per ounce and All-in Costs per ounce are non-IFRS financial performance measures with no standardized definitions under IFRS. For further information and detailed reconciliations to IFRS, see the "Non-IFRS Measures" section of this MD&A.

Growth capital expenditures are generally defined as those that grow production and/or increase future earnings and are considered discretionary. Expenditures on the Sulfide Project of \$75.3 million in Q1 2017 were incurred to progress the Project. The \$1.7 million in capital expenditures for the Gediktepe Project reflects the commencement of the DFS and some initial site preparation works.

Long-term asset - Çöpler Sulfide Stockpiles reflects sulfide ore mined and stockpiled. In Q1 2017, 0.1 million tonnes of sulfide ore at an average grade of 2.43 g/t were added to the sulfide stockpiles. Costs related to the mining and stockpiling of sulfide ore in Q1 2017 totaled \$2.0 million. The high-grade, medium-grade, and low-grade sulfide stockpiles at March 31, 2017 totaled 7.2 million tonnes at an average grade of 3.36 g/t gold (or approximately 780,000 contained ounces) and carried a total cost of \$71.2 million (or approximately \$9.94/tonne or approximately \$91.34/ounce).

Exploration and Evaluation

The Corporation holds a significant portfolio of highly prospective exploration land holdings across Turkey. The Corporation continues to explore for opportunities to add to its development pipeline to become a sustainable multi-mine producer.

The Corporation is taking a disciplined and systematic approach to the exploration program with efforts focused in two parts: the Çöpler District and Turkey Regional. The exploration program is starting to show positive results with successes in both the Çöpler District and the Turkey Regional exploration programs. Firstly, in the Çöpler District, an initial Measured and Indicated Mineral Resource of 140,000 ounces and an Inferred Mineral Resource of 24,000 ounces were announced on December 19, 2016 in the press release entitled "Alacer Gold Announces Additional Exploration Results for Çakmaktepe and an Initial Mineral Resource in the Çöpler District" ("Çöpler District Resource Update").¹ Additional drilling was completed at Çakmaktepe Central after the initial Mineral Resource was finalized. The positive results at Çakmaktepe Central were near surface and will likely improve the initial Mineral Resource. Exploration work continues in the Çöpler District, which has the potential to add production in 2018 by leveraging Çöpler's existing infrastructure, including the excess capacity arising from the Phase 4 expansion of Heap Leach Pad ("HLP4"). Secondly, in the region, the Corporation announced results of a prefeasibility study at Gediktepe (the "Gediktepe PFS") in a press release entitled "Alacer Gold Announces a New Reserve for its Gediktepe Project Providing Future Growth," dated September 13, 2016.¹ Both of these press releases are available on www.sedar.com and on www.asx.com.au. As a result of the positive Gediktepe PFS, work has commenced on a DFS and is expected to be completed in June 2018. Permitting work and some site preparation will also be undertaken concurrently with the detailed studies. The results from the Çöpler District and the Gediktepe Project are encouraging and have increased the confidence that these deposits will add to the Corporation's organic growth pipeline.

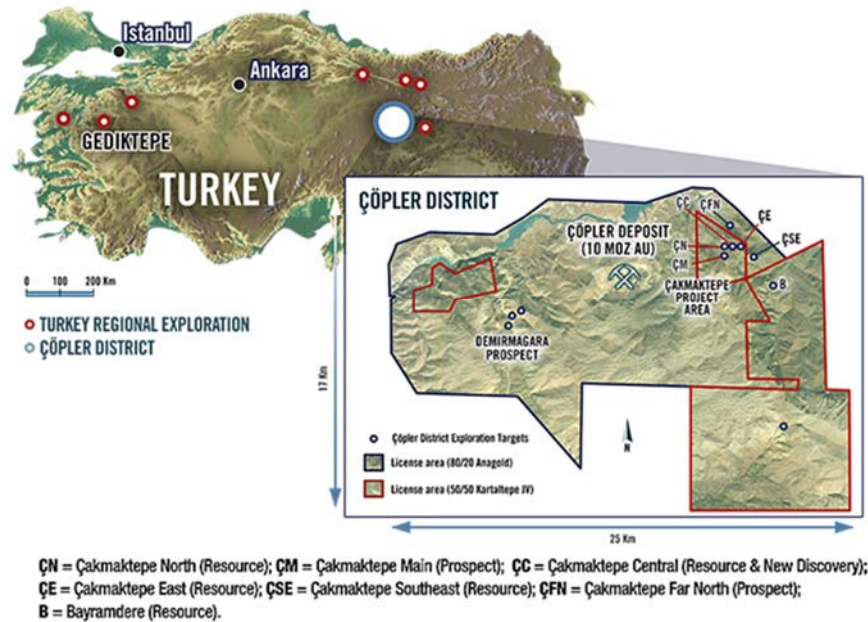
¹ Detailed information regarding the Çöpler District Mineral Resource and the Gediktepe PFS can be found in the press releases referenced above, copies of which are available on www.sedar.com and on www.asx.com.au.

Overall exploration activities for 2017 are discussed below.

Q1 2017 Exploration spending (in '000) ¹	Alacer Contribution (%)	Exploration 100%	Exploration Attributable
Çöpler District 80/20	80%	\$ 312	\$ 250
Çöpler District 50/50	50%	522	261
Other	Varied	624	369
Total		\$ 1,458	\$ 880

¹ Exploration attributable to joint venture spending is accounted for as other costs under the share of loss on investments accounted for using the equity method of accounting.

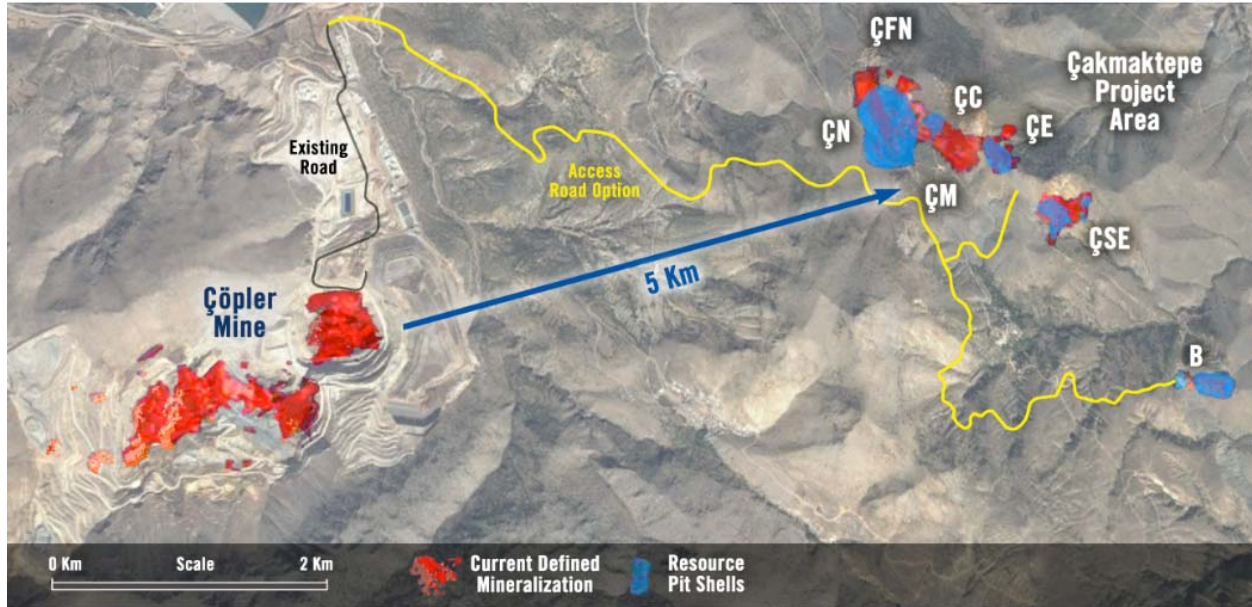
Çöpler District Exploration Program



On December 19, 2016, an initial Measured and Indicated Mineral Resource of 140,000 ounces and an Inferred Mineral Resource of 24,000 ounces for Çakmaktepe and Bayramdere were announced along with the fourth set of exploration drill results for Çakmaktepe¹. Mineralization has been identified in several prospects that can potentially be mined as a series of satellite open pits within 5 km to 7 km of the existing Çöpler Mine facilities. The mineralization style is similar to the Çöpler Deposit and is expected to be processed through the existing facilities. The mineralized system is currently open, providing the potential for additional mineralization. The prospects of particular focus are Çakmaktepe North, Çakmaktepe Central, Çakmaktepe Southeast, Çakmaktepe East, and Bayramdere and have the potential to add to the oxide production in 2018. The latest drilling from 2016 produced positive results in Çakmaktepe Central

¹ Detailed information can be found in the Çöpler District Resource Update press release filed on December 19, 2016, which is available on www.sedar.com and on www.asx.com.au.

near surface and will likely improve the maiden Mineral Resource. Exploration work at Çakmaktepe and construction of the access road is expected to commence in Q2 2017.



ÇN = Çakmaktepe North (Resource); ÇM = Çakmaktepe Main (Prospect); ÇC = Çakmaktepe Central (Resource & New Discovery);
ÇE = Çakmaktepe East (Resource); ÇSE = Çakmaktepe Southeast (Resource); ÇFN = Çakmaktepe Far North (Prospect);
B = Bayramdere (Resource).

The **Çakmaktepe North** prospect is a relatively new discovery and is located on the 50% Alacer-owned (Kartaltepe) tenement area. Currently, Çakmaktepe North is the largest of the defined gold prospects within the Çöpler District. The drilling conducted in the first half of 2016 included infill drilling and expanded on the initial 2015 discovery. The Çakmaktepe area contains a network of structures allowing gold mineralization to occur within multiple lithologies.

The current understanding is there are multiple controls on mineralization with strong epithermal textures and associated structural overprints. Similar to the other Çakmaktepe prospects, there is gossan hosted mineralization occurring along ophiolite and limestone contacts. The main body of mineralization appears to be associated with a sub-vertical shear zone referred to as the 'Main Shear'. In places, this domain is over 40m wide with a mineralized strike length of about 700m.

The **Çakmaktepe Central** prospect located on the 50% Alacer-owned (Kartaltepe) tenement area was recognized as an important new high-grade oxide gold source late in the 2016 exploration drilling season. Shallow extension drilling following Çakmaktepe North mineralization to the south and east intercepted increasing grades and strong mineralization continuity near surface in the area now referred to as Çakmaktepe Central. The mineralization outcrops and dips shallowly eastward with development of thicker high grade mineralization zones proximal to a newly discovered gold mineralized porphyry intrusive. Given the position of the porphyry between Çakmaktepe North, East, and Central, it is likely responsible for the mineralized dykes, sills, and fluids associated with mineralizing and/or the increasing grade of these deposits. The occurrence of the mineralized porphyry enhances the prospect for further discovery at Çakmaktepe as there is potential for further oxide mineralization associated with the porphyry.

The **Çakmaktepe Southeast** prospect is on the 80% Alacer-owned (Anagold) tenement area and is characterized by gold-copper-silver mineralization, mainly hosted within iron rich gossans and altered wallrock developed along shallow dipping contacts between diorite, ophiolite, and limestone lithologies. Most of the mineralization is oxidized and occurs from 0m to 50m of surface. Drilling has defined mineralization over an area of 350m by 300m within a single near surface flat lying gossan, which was found to have variable gold grade continuity with a thickness from 2m to 16m. Metallurgical test work has defined the mineralization as having similar leach recovery characteristics to Çöpler oxide ore and that this material is suitable for processing at the Çöpler Mine.

The **Çakmaktepe East** prospect is on the 50% Alacer-owned (Kartaltepe) tenement area and is a gold-copper prospect with mineralization occurring near surface in stacked iron rich gossans and associated oxidized host rocks. As with the Çakmaktepe Southeast prospect, the majority of mineralization occurs along the contacts of diorite, ophiolite, and limestone lithologies with the highest grades in proximity to diorite contacts. The majority of mineralization is within 50m of surface, and the prospect currently has a 300m strike extent and is 150m wide across-strike. The mineralized gossans have good spatial and grade continuity; however, preliminary metallurgical test work indicates slightly lower leach recoveries than Çöpler oxide ores. Further metallurgical test work using more characteristic ore domains will confirm ore recovery characteristics.

The **Bayramdere** prospect is on the 50% Alacer-owned (Kartaltepe) tenement area and is an oxide gold and copper prospect. Mineralization at Bayramdere occurs within three overlapping, iron rich gossan horizons formed along the contacts of limestone and ophiolite units. Unlike Çakmaktepe East and Çakmaktepe Southeast, there is no obvious influence of diorites on mineralization in the stratigraphy. Gold grades are higher than Çakmaktepe, but are restricted to localized areas of gossan. The mineralization is stratigraphically constrained and daylights on the northern and western slopes of the prospect. Metallurgical test work completed shows better oxide ore leach recovery characteristics than Çöpler. Although a small prospect, Bayramdere is higher-grade and supports a high strip ratio to access mineralization.

The Bayramdere and the Çakmaktepe prospects are geologically connected, as they are adjacent to and on the southwestern side of a major northwest striking regional structure that appears to control the distribution of most mineralization on the eastern side of the Çöpler District. A major component of the 2016 drilling program focused on testing the geologic model and discovering new mineralization.



Financial Highlights

A summary of the Corporation's consolidated financial results for the three-month periods ended March 31, 2017 and 2016 are presented below.

Consolidated Financial Summary (in '000, except for per share)	Q1 2017	Q1 2016
Gold sales	\$ 42,847	\$ 37,689
Less:		
Production costs	24,757	20,931
Depreciation, depletion and amortization	10,417	10,039
Mining gross profit	<u>\$ 7,673</u>	<u>\$ 6,719</u>
Less:		
Other costs	19,240	3,011
Exploration and evaluation	904	1,457
Income tax (benefit) expense	<u>(24,661)</u>	<u>(1,724)</u>
Total net profit and comprehensive profit	<u>\$ 12,190</u>	<u>\$ 3,975</u>
Amounts attributable to owners of the Corporation:		
Total net profit	\$ 8,658	\$ 2,097
Total net profit per share - basic	\$ 0.03	\$ 0.01
Total net profit per share – diluted	\$ 0.03	\$ 0.01
Cash Flows		
Operating cash flows	\$ 9,115	\$ 14,398
Investing cash flows	(68,626)	(28,364)
Financing cash flows	(84)	(463)
Subtotal - Cash flows	<u>(59,595)</u>	<u>(14,429)</u>
Effect of exchange rate changes on cash	<u>\$ (919)</u>	<u>\$ (176)</u>
Change in cash	\$ (60,514)	\$ (14,605)
Ending cash and cash equivalents	\$ 154,037	\$ 346,140
	As of	
	31-Mar-17	31-Mar-16
Financial Position		
Working capital	\$ 189,939	\$ 388,602
Total assets	\$ 892,319	\$ 822,723
Non-current liabilities	\$ 32,872	\$ 26,506
Total liabilities	\$ 81,689	\$ 54,066
Total equity	\$ 810,630	\$ 768,657

First Quarter 2017 vs. First Quarter 2016

Attributable net profit for Q1 2017 of \$8.7 million was \$6.6 million higher than Q1 2016 attributable net profit, reflecting a \$22.9 million increase in net income tax benefit, offset by a \$13.3 million reduction in the unrealized forward gold sales asset. The income tax benefit of \$24.7 million in Q1 2017 is driven by the recognition of incentive tax credits related to qualifying expenditures at the Çöpler Gold Mine under the third incentive certificate.

Gold sales of \$42.8 million were 14% higher than Q1 2016, reflecting a 10% increase in ounces sold and a 4% increase in the average realized gold price. Total cost of sales in Q1 2017 increased 14% as compared to Q1 2016, driven by an 18% increase in production costs primarily due to the higher waste tonnes mined and longer haulage distances for waste tonnes.

Cash and cash equivalents decreased \$60.5 million during Q1 2017 as compared to a decrease of \$14.6 million in Q1 2016. This was driven by \$68.6 million of investing activities related to the Sulfide Project. Operating cash flows in Q1 2017 of \$9.1 million were \$4.5 million lower than Q1 2016, reflecting higher production costs. Financing outflows were \$0.1 million during Q1 2017, compared to the \$0.5 million outflows in Q1 2016.

Gold Sales

Details of gold sales for the three-month periods ended March 31, 2017 and 2016 are presented below:

	Q1 2017	Q1 2016
Gold ounces sold ¹	34,804	31,750
Gold sales (\$'000)	\$ 42,847	\$ 37,689
Average realized price, excluding hedging	\$ 1,231	\$ 1,187
Average realized price, including hedge gains (losses)	\$ 1,259	N/A
Average London PM Fix	\$ 1,219	\$ 1,183

¹ Includes 100% of Çöpler.

For Q1 2017, Alacer's average realized gold price reflected in revenues is \$1,231 per ounce; this is before factoring in realized hedge gains. The average gold price realized, including realized hedge gains, was \$1,259 per ounce or \$40 above the quarterly average London PM Fix of \$1,219 per ounce. The increase in average realized gold price during Q1 2017 as compared to Q1 2016 is consistent with price volatilities as discussed below under "*Business Conditions and Trends.*"

The Corporation has entered into a forward sales hedge program to secure the gold price on gold production from the current heap leach operation during the construction of the Sulfide Project. Under the program, the Corporation forward sold 204,783 ounces at an average gold price of \$1,281 with settlement dates between July 2016 and September 2018. As of the date of this MD&A, remaining forward gold sales total 132,000 for settlement during the period from April 2017 to September 2018 at an average price of \$1,281.



MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three-month period ended March 31, 2017

(All amounts expressed in thousands of U.S. Dollars, unless otherwise stated)

Forward Sales Hedge Position	Ounces	Average Fixed Price
Quarter Ending		
Q2 2017	17,455	1,281
Q3 2017	28,186	1,281
Q4 2017	33,559	1,281
Q1 2018	28,405	1,281
Q2 2018	13,868	1,281
Q3 2018	10,527	1,281
Subtotal (Unsettled Forward Sales)	132,000	\$ 1,281
Settled Forward Sales (2016 & 2017 Q1) ¹	72,783	1,282
Total	204,783	\$ 1,281

¹ Forward gold sales are settled in cash during the settlement period. Realized and unrealized gains (losses) are recorded as other costs in the Consolidated Statement of Profit (Loss) and Comprehensive Profit (Loss).

Other Costs

Details of other costs, excluding exploration and evaluation costs, for the three-month periods ended March 31, 2017 and 2016 are presented below:

(In \$000's)	Q1 2017	Q1 2016
General and administrative	\$ 4,283	\$ 2,659
Share-based employee compensation costs (gain)	1,497	1,622
Foreign exchange (gain) loss	1,797	(469)
Other (gain) loss	11,663	(801)
Total corporate and other costs	\$ 19,240	\$ 3,011

General and administrative costs in Q1 2017 were higher than in Q1 2016 due primarily to organizational changes.

Share-based employee compensation costs represent long-term incentives that are tied to the price of the Corporation's shares. Incentive grants are generally expensed over a 3-year vesting period. The unvested units are subject to mark-to-market adjustments based on the share price at the end of the period and assumptions related to performance measures.

Foreign exchange (gain) loss results from movements in the USD to TRY exchange rate as applied to Turkish operations. The loss of \$1.8 million for Q1 2017 reflects the impact the TRY devaluation had on assets denominated in TRY.

Other loss of \$11.7 million for Q1 2017 primarily include a \$13.3 million reduction to the asset carried for forward gold sales contracts due to the strengthening gold price during the quarter, offset by a realized gain of \$1.0 million related to settled forward gold sales.



Income Tax (Benefit) Expense

Details of income tax (benefit) expense for the three-month periods ended March 31, 2017 and 2016 are presented below:

(In \$000's)	Q1 2017	Q1 2016
Income tax (benefit) expense	\$ (24,661)	\$ (1,724)

Income tax benefit for Q1 2017 primarily reflects the impact of the recognition of incentive tax credits related to qualifying expenditures at the Çöpler Gold Mine under the third incentive certificate. Application of these tax credits reduces accounting income tax expense in the current period and offsets current and future cash tax payments.

Summary of Quarterly Results

The following table summarizes the Corporation's total revenues, attributable net profit, and attributable net profit per share for each of the preceding eight quarterly periods ended March 31, 2017.

(in '000, except for per share)	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Total revenues	\$ 42,847	\$ 38,419	\$ 28,005	\$ 37,881	\$ 37,689	\$ 51,050	\$ 60,260	\$ 64,138
Amounts attributable to owners of the Corporation:								
Net Profit (Loss)	\$ 8,658	\$ (8,157)	\$ 77	\$ 12,189	\$ 2,097	\$ 10,004	\$ 7,356	\$ 14,084
Per share profit (loss):								
- basic	\$ 0.03	\$ (0.03)	\$ 0.00	\$ 0.04	\$ 0.01	\$ 0.03	\$ 0.03	\$ 0.05
- diluted	\$ 0.03	\$ (0.03)	\$ 0.00	\$ 0.04	\$ 0.01	\$ 0.03	\$ 0.03	\$ 0.05

Generally, the Corporation does not experience significant effects of seasonality with regard to revenues or expenses. Market fluctuations in the gold price have affected revenues and profit over the last eight quarters.

Liquidity and Capital Resources

The Corporation manages its liquidity and capital resources to provide sufficient cash and cash equivalents to meet short and long-term operating and development plans, credit facility obligations, and other contractual obligations when due. Historically, the Corporation has used cash flow from operations and existing bank credit facilities as primary sources of liquidity. For potential funding of large transactions, such as acquisitions, mine development and expansion, and debt financing transactions, Alacer may look to the private and public capital markets as a source of financing. Currently, capital resources at March 31, 2017, are sufficient to fund planned operations, forecasted exploration and capital expenditures, and reclamation and remediation obligations in 2017. Additionally, the Corporation is confident that it has the ability to complete the Sulfide Project funding based on current cash on hand, projected operating cash flows, and the \$350 million finance facility with a syndicate of lenders (BNP Paribas (Suisse) SA, ING Bank A.S., Societe Generale Corporate & Investment Banking and UniCredit S.P.A.). The facility agreement has no mandatory hedging, has an 8-year term, and has interest rates of LIBOR plus 3.5% to 3.95%. While no mandatory hedging is required, discretionary hedging to secure the gold price during the Sulfide Project construction period has been implemented as discussed above.

With respect to longer-term funding requirements, the Corporation is confident that future cash flows generated from operations and other sources of liquidity will be available. Under present conditions, the Corporation has sufficient access to capital and debt markets. There is a risk that the cost of obtaining capital resources from capital and debt markets may increase in the future as lenders and institutional investors may increase interest rates, impose tighter lending standards, or refuse to provide any new funding. Notwithstanding present market conditions, changes in the Corporation's business, unforeseen opportunities or events, and other external factors may also adversely affect liquidity and the availability of additional capital resources. Due to these factors, Alacer cannot be certain that funding, if needed, will be available to the extent required, or on acceptable terms. If Alacer is unable to access funding when needed on acceptable terms, the Corporation may not be able to fully implement future business plans, take advantage of business opportunities, respond to competitive pressures, or refinance future debt obligations as they come due, any of which could have a material adverse effect on the Corporation's operational and financial results. However, the Corporation may elect to reduce its planned expenditures concurrent with prevailing conditions. The Corporation has financial flexibility to adjust its spending levels to provide sufficient liquidity to meet its current and future operational goals and financial obligations.

Working Capital

Working capital, current assets less current liabilities, decreased \$79.5 million during Q1 2017 to \$189.9 million primarily due to expenditures on the Sulfide Project. Current assets are available at varying times within twelve months following the balance sheet date. Cash and cash equivalents are readily available to settle obligations related to current and future expenditures. The ability to distribute cash to the Corporation may be subject to jurisdictional regulations or joint venture provisions. These provisions are not expected to adversely affect the Corporation's ability to meet its commitments when due.

Off-Balance Sheet Arrangements

The Corporation does not have any off-balance sheet arrangements.

Business Conditions and Trends

The Corporation's results of operations, financial condition, financial performance, and cash flows are affected by various business conditions and trends. The variability of gold prices, fluctuating currency rates, and increases and decreases in costs of materials and consumables associated with the Corporation's mining activities are the primary economic factors that have impacted financial results during Q1 2017.

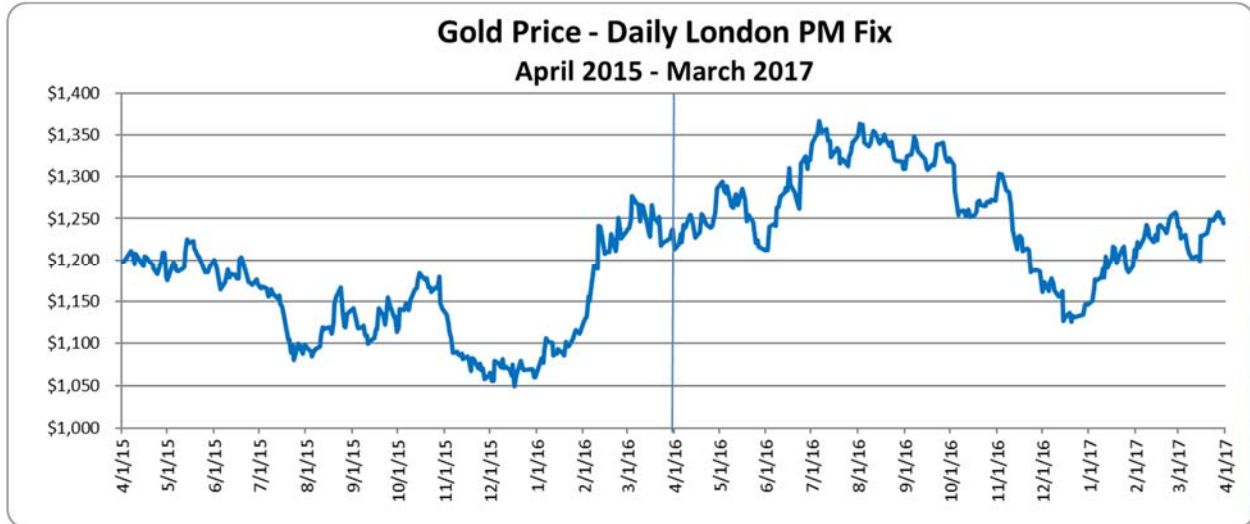
Gold Price

The price of gold is the most significant external factor affecting profitability and cash flow of the Corporation. The price of gold is subject to volatile price movements over short periods and is affected by numerous macroeconomic and industry factors that are beyond the Corporation's control. Major influences on the gold price include currency exchange rate fluctuations, the relative strength of the USD, the supply of and demand for gold and other macroeconomic factors such as interest rate levels, and inflation expectations. Declines in gold prices have adversely affected—and in the future may adversely affect—the Corporation's operating results, cash flows, financial condition, access to capital markets, the economic viability of reserves, and the ability to reinvest capital in order to maintain or grow the current asset base. A significant and prolonged deterioration in gold prices may negatively affect future cash flow such that the Corporation may curtail or determine it may not be economical to continue with existing or planned exploration or capital development and expansion activities for existing operations.

The Corporation has entered into a forward sales hedge program to secure the gold price on gold production from the current heap leach operation during the construction of the Sulfide Project. Under the program the Corporation has forward sold 204,783 ounces at an average gold price of \$1,281 with settlement dates between July 2016 and September 2018. As of the date of this MD&A, remaining forward gold sales total 132,000 for settlement during the period April 2017 to September 2018.

During Q1 2017, the gold price experienced volatility, with the London PM Fix price ranging from \$1,151 in January to \$1,258 per ounce in March. The price of gold closed at \$1,245 per ounce on March 31, 2017, and the average Q1 2017 market price of \$1,219 per ounce represents a \$36 per ounce increase over the \$1,183 per ounce average market price for Q1 2016.

The chart below shows the daily London PM Fix gold price from April 1, 2015 through March 31, 2017.



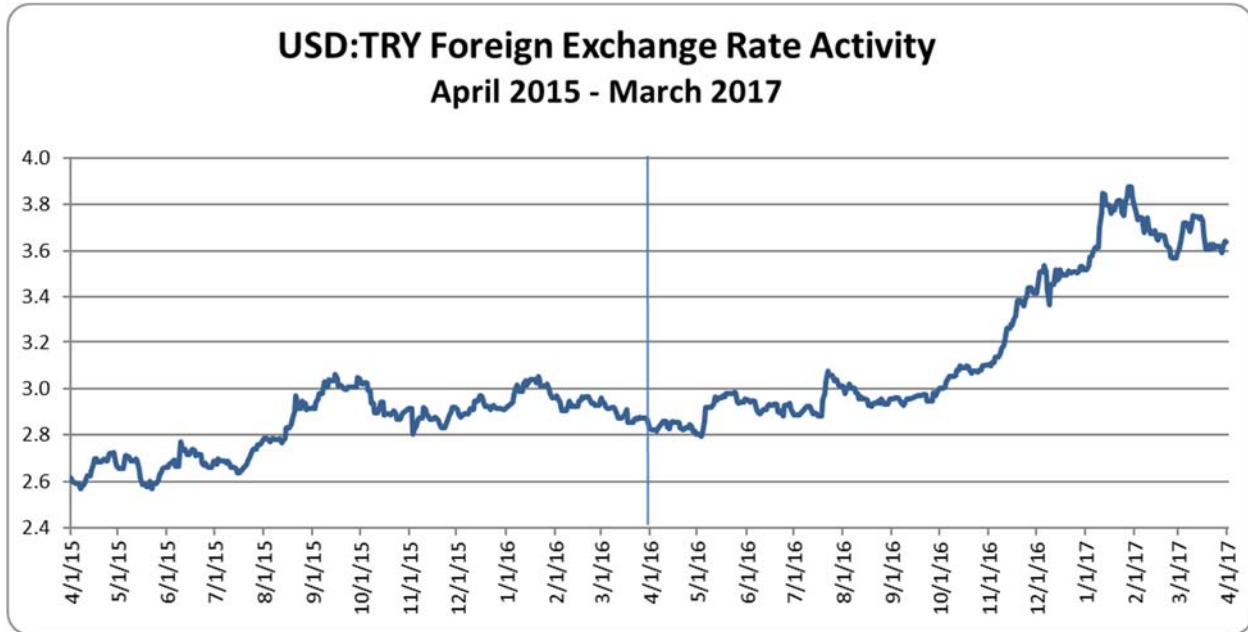
Currency Rates

Fluctuations in currency rates, particularly the relative strength of the USD, affect the Corporation's results of operations and cash flows. The USD is the Corporation's functional currency.

The Corporation's earnings and cash flow may also be affected by fluctuations in the exchange rate between the USD and the TRY. Such fluctuations may give rise to foreign currency exposure, which may affect future financial results. The Corporation has not entered into any foreign currency forward contracts or other similar financial instruments to manage foreign currency risk. Period-end TRY currency rates, as well as average TRY currency rates for the respective periods, relative to the USD are presented in the table that follows.

	End of Period Rates as of				Average Currency Rates	
	31-March 2017	31-Dec 2016	31-March 2016	31-Dec 2015	Q1 2017	Q1 2016
USD:TRY	3.64	3.52	2.83	2.91	3.69	2.94

The chart below shows the movement in the USD:TRY foreign exchange rate from April 1, 2015 through March 31, 2017.



Inflation Rates

Inflation rate in Turkey was 11.29%¹ in March, 2017, with the 18-month average rate being 8.25%. Currently, the Corporation has not experienced any material cost inflation resulting from changing domestic input prices. The collective impact of changing prices may result in operating and capital cost variances beyond Management's control. The Corporation is not currently using derivative products to protect against movements in the cost of commodities, materials or services.

Transactions with Related Parties

In the second quarter of 2016, the Corporation entered into a related party agreement for construction services for the sulfide process plant with GAP İNŞAAT YATIRIM VE DIŞ TİCARET A.Ş. ("GAP"), an affiliate of our joint venture partner. The current scope of work under the contract is valued at an estimated \$182 million of which \$41.9 million has been spent.

Additionally, key management compensation, including Board of Director fees, is deemed a related party transaction, as outlined in the Management Information Circular and in Note 24 to the Corporation's audited annual consolidated financial statements for the year ended December 31, 2016.

¹ Inflation rates obtained from www.treasury.gov.tr, Republic of Turkey Prime Ministry, Undersecretariat of Treasury.

Critical Accounting Policies, Estimates, and Accounting Changes

The Corporation's unaudited interim consolidated financial statements are prepared in accordance with IFRS, including IAS 34, *Interim Financial Reporting*. The significant accounting policies applied and recent accounting pronouncements are described in Note 3 to the Corporation's consolidated financial statements for the year ended December 31, 2016. There have been no significant changes in the Corporation's accounting policies applied in the December 31, 2016 financial statements for the three-month period ended March 31, 2017.

The preparation of the Corporation's consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates and assumptions. The critical accounting estimates and judgements applied are described in Note 5 to the Corporation's consolidated financial statements for the year ended December 31, 2016. These estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience, but actual results may materially differ from the amounts included in the financial statements.

Financial Instruments and Other Instruments

The Corporation's financial instruments as of March 31, 2017 consist of the forward gold sales hedging program, cash and cash equivalents, receivables, investments in publicly traded securities, and trade and other payables, presented at fair value. The Corporation's financial instruments are denominated primarily in USD. The Corporation recorded an unrealized loss of \$13.3 million on the forward gold sales in Q1 2017. There were no other material gains or losses associated with other financial instruments in Q1 2017.

Gold Price Risk is associated primarily with the volatility that will occur in the precious metals commodity market. Such risk is managed by hedging a portion of the Corporation's oxide gold production through forward gold sales agreements. The hedge program's objective is to secure the gold price during the construction of the Sulfide Project. As of the date of this MD&A, the remaining hedge program totals 132,000 ounces at an average gold price of \$1,281 for settlement during the period April 2017 to September 2018.

Credit Risk is associated primarily with short-term investments and the portion of cash and cash equivalents held by banks. Such credit risk is managed by diversifying holdings among various financial institutions and by purchasing short-term investment grade securities. This may include such instruments as bankers' acceptances, guaranteed investment contracts, corporate commercial paper, and U.S. and Canadian treasury bills in accordance with the Corporation's investment policy. Investment objectives are primarily directed towards preservation of capital and liquidity. The investment policy provides limitations on concentrations of credit risk, credit quality, and the duration of investments, as well as minimum rating requirements for cash and cash equivalents held in banks and financial institutions. The majority of the Corporation's receivables balances consist of claims for recoverable Turkish value-added tax ("VAT"). As of March 31, 2017, Turkish VAT receivable totaled \$7.8 million. Management monitors its exposure to credit risk on a continual basis.



MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three-month period ended March 31, 2017

(All amounts expressed in thousands of U.S. Dollars, unless otherwise stated)

Interest Rate Risk is generally associated with variable rate financial instruments and available market interest rates at the time financial instruments are acquired. The Corporation holds a portion of cash and cash equivalents in bank accounts that earn variable interest rates. Short-term investments are purchased at market interest rates and result in fixed yields to maturity. Other financial assets and liabilities in the form of receivables, payables, and provisions are non-interest bearing. Future net cash flows from interest income on cash and cash equivalents and interest expense on variable rate borrowings will be affected by interest rate fluctuations. The Corporation manages interest rate risk by maintaining an investment policy for short-term investments and cash held in banks, which focuses on preservation of capital and liquidity. The Corporation currently does not engage in any derivative transactions to manage interest rate risk.

Foreign Currency Risk is generally associated with financial instruments and transactions denominated in non-USD currencies. The Corporation is exposed to financial gain or loss as a result of foreign exchange movements against the USD. The Corporation does not presently engage in hedging or speculative activities to manage foreign currency risk. The Corporation holds USD and TRY in sufficient amounts to meet its estimated expenditure requirements for these currencies. The Corporation held approximately \$6.1 million denominated in TRY as of March 31, 2017. Therefore, the Corporation remains exposed to future currency fluctuations in the USD:TRY foreign exchange rate.

Non-IFRS Measures

The Corporation has identified certain measures that it believes will assist with understanding the performance of the business. As these measures have no standardized definitions under IFRS, they may not be directly comparable with other companies' non-IFRS performance measures. These non-IFRS measures are not intended to be a substitute for, or superior to, any IFRS measures of performance, but Management has included and discussed them in this MD&A as these are considered to be important comparisons and key measures used within the business for assessing performance. These measures include Cash Operating Costs (C1) per ounce, Total Cash Costs (C2) per ounce, All-in Sustaining Costs per ounce, and All-in Costs per ounce and are explained further below.

Cash Operating Costs (C1), Total Cash Costs (C2), All-in Sustaining Costs, and All-in Costs are non-IFRS measures. Cash Operating Costs (C1) and Total Cash Costs (C2) are calculated using guidance issued by the Gold Institute. The Gold Institute was a non-profit industry association comprising leading gold producers, refiners, bullion suppliers, and manufacturers. This institute has now been incorporated into the National Mining Association. The guidance was first issued in 1996 and revised in November 1999. All-in Sustaining Costs and All-in Costs are calculated based on guidance from the World Gold Council issued in June 2013.

Cash Operating Costs (C1), as defined in the Gold Institute's guidance, include mining, processing, transport and refinery costs, mine site support costs, movement in production inventories, and by-product credits, where relevant.

Total Cash Costs (C2), as defined in the Gold Institute's guidance, include all of the Cash Operating Costs (C1) noted above, plus royalties and severance taxes.

All-in Sustaining Costs are an extension of Total Cash Costs (C2) and incorporates costs related to sustaining production, including sustaining capital expenditures, exploration, and general and administrative costs.

All-in Costs include All-in Sustaining Costs plus growth capital costs and regional joint venture exploration expenditures.

Cash Operating Costs (C1) per ounce, Total Cash Costs (C2) per ounce, All-in Sustaining Costs per ounce, and All-in Costs per ounce are calculated by dividing the relevant costs, as determined using the cost elements noted above, by gold ounces sold for the periods presented. The data does not have a meaning prescribed by IFRS, and therefore, amounts presented may not be comparable to data presented by gold producers who do not follow the guidance provided by the Gold Institute or the World Gold Council. In particular, non-cash costs such as depreciation and amortization would be included in a measure of total costs of producing gold under IFRS, but are excluded from the non-IFRS measures noted above. Furthermore, while the Gold Institute and World Gold Council have provided definitions for the calculations of these costs, such calculations may vary from company to company and may not be comparable to other similarly titled measures of other companies. However, Alacer believes that these cost measures are useful indicators of performance as they provide an indication of a company's profitability and efficiency, the trends in these costs as the Corporation's operations mature, and a benchmark of performance to allow comparison to other companies.

The following table reconciles these non-IFRS financial measures to the consolidated statements of profit and comprehensive profit for the quarters ended March 31, 2017 and 2016.

In \$000s, except for per ounce measures	Q1 2017	Q1 2016
Production costs - IFRS	\$ 24,757	\$ 20,931
Adjustments: (none)	-	-
Total Cash Costs	\$ 24,757	\$ 20,931
Divided by: gold ounces sold	34,804	31,750
Total Cash Costs (C2) per ounce	\$ 711	\$ 659
Total Cash Costs – from above	\$ 24,757	\$ 20,931
Less: Royalties and severance taxes	518	514
Cash Operating Costs	\$ 24,239	\$ 20,417
Divided by: gold ounces sold	34,804	31,750
Cash Operating Costs (C1) per ounce	\$ 696	\$ 643
Total Cash Costs – from above	\$ 24,757	\$ 20,931
Add:		
Applicable exploration costs	\$ 425	\$ 538
General and administrative ¹	4,255	2,553
Share-based employee compensation costs	1,497	1,622
Sustaining capital expenditures	310	1,224
All-in Sustaining Costs	\$ 31,244	\$ 26,868
Divided by: gold ounces sold	34,804	31,750
All-in Sustaining Costs per ounce	\$ 898	\$ 846
Total All-in Sustaining Costs, from above	\$ 31,244	\$ 26,868
Add: Non-sustaining costs ²	78,228	20,290
Total All-in Costs	\$ 109,472	\$ 47,158
Divided by: gold ounces sold	34,804	31,750
All-in Costs per ounce	\$ 3,145	\$ 1,485

¹ Excludes administrative depreciation costs.

² Includes growth capital expenditures and attributable joint venture exploration expenditures.

Other

Disclosure Controls and Procedures and Internal Control over Financial Reporting

Management is responsible for the design of disclosure controls and procedures ("DC&P") to provide reasonable assurance that all relevant information required to be disclosed by the Corporation is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure. Management is also responsible for the design of internal control over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Corporation's Chief Executive Officer and Chief Financial Officer have used the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") 2013 framework to design the Corporation's DC&P and ICFR as of March 31, 2017. The Corporation's Chief Executive Officer and Chief Financial Officer have each evaluated the design of the Corporation's DC&P and ICFR as of March 31, 2017 and have concluded that these controls and procedures are adequately designed to provide reasonable assurance that material information relating to the Corporation is made known to them by others within the Corporation and to provide reasonable assurance that financial information is recorded, processed, summarized, and reported in a timely manner.

Management of the Corporation was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The result of the inherent limitations in all control systems means no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. There has been no change in the Corporation's internal control over financial reporting during the quarter ended March 31, 2017 that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Outstanding Share Data

The following common shares and convertible securities were outstanding as of March 31, 2017.

Security	Expiry Date	Weighted Average Exercise Price	Common Shares on Exercise
Common Shares*			292,851,333
Convertible Securities	Various	N / A	2,789,028
			<u>295,640,361</u>

* Common shares outstanding include 82,069,717 shares represented by CDI as of March 31, 2017, being a unit of beneficial ownership in an Alacer share and traded on the ASX.

Cautionary Statements

Forward-Looking Information

Certain statements contained in this document constitute "forward-looking information", "future oriented financial information" or "financial outlooks" (collectively, "forward looking information") within the meaning of applicable securities laws. 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, production, cost, and capital expenditure guidance; the results of any gold reconciliations; matters relating to proposed exploration; communications with local stakeholders; maintaining community and government relations; negotiations of joint ventures; negotiation and completion of transactions; commodity prices; mineral resources, mineral reserves, realization of mineral reserves, and the existence or realization of mineral resource estimates; the timing and amount of future production; the 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 of Alacer's other public filings, and include the inherent speculative nature of exploration results; the ability to explore; communications with local stakeholders; maintaining 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; the ability to meet production, cost, and capital expenditure targets; timing and ability to produce studies and analyses; capital and operating expenditures; 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, geopolitical, 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



MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three-month period ended March 31, 2017

(All amounts expressed in thousands of U.S. Dollars, unless otherwise stated)

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 Annual Information Form and other public filings, as well as other unforeseen events or circumstances.

Additional Information and Risk Factors

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. For additional information, you should refer to Alacer's public filings, including the Corporation's AIF, available on SEDAR at www.sedar.com and on the ASX at www.asx.com.au.

Mineral Resources and Mineral Reserves Estimates

The Mineral Resources and Mineral Reserves estimates for the Çöpler mine have been depleted through December 31, 2016 and include the initial Mineral Resource for the Çöpler District announced in the Çöpler District Resource Update filed on December 19, 2016. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Further information is provided in the Çöpler Mine Technical Report, the Çöpler District Resource Update, and the Gediktepe PFS, all of which are available on www.sedar.com and on www.asx.com.au.

Alacer Gold - Measured, Indicated, and Inferred Mineral Resource Summary (As of December 31, 2016)										
Deposit	Resource Category	Tonnes (x1000)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Contained Au (oz x 1000)	Contained Ag (oz x 1000)	Contained Cu (lb x 1000)	Contained Zn (lb x 1000)
	Material									
Çöpler Mine - Oxide	Measured	-	-	-	-	-	-	-	-	-
	Indicated	21,289	1.02	3.49	0.12	-	696	-	-	-
	Indicated - Oxide Stockpile	7	0.84	-	-	-	0	-	-	-
	Measured + Indicated	21,296	1.02	3.49	0.12	-	697	-	-	-
	Inferred	19,800	0.84	6.72	0.14	-	537	-	-	-
Çöpler Mine - Sulfide	Measured	-	-	-	-	-	-	-	-	-
	Indicated	66,644	2.12	6.00	-	-	4,536	-	-	-
	Indicated - Sulfide Stockpile	7,071	3.38	-	-	-	767	-	-	-
	Measured + Indicated	73,714	2.24	5.42	-	-	5,303	-	-	-
	Inferred	12,716	1.99	12.02	-	-	814	-	-	-
Çöpler Mine Total	Measured	-	-	-	-	-	-	-	-	-
	Indicated	95,010	1.96	4.99	0.03	-	6,000	-	-	-
	Measured + Indicated	95,010	1.96	4.99	0.03	-	6,000	-	-	-
	Inferred	32,516	1.29	8.79	0.08	-	1,350	-	-	-
Çakmaktepe - Oxide	Measured	-	-	-	-	-	-	-	-	-
	Indicated	2,278	1.76	10.94	-	-	129,000	-	-	-
	Measured + Indicated	2,278	1.76	10.94	-	-	129,000	-	-	-
	Inferred	373	1.89	0.92	-	-	23,000	-	-	-
Bayramdere - Oxide	Measured	-	-	-	-	-	-	-	-	-
	Indicated	145	2.34	20.82	-	-	11,000	-	-	-
	Measured + Indicated	145	2.34	20.82	-	-	11,000	-	-	-
	Inferred	8	2.17	19.95	-	-	1,000	-	-	-
Çöpler District Total	Measured	-	-	-	-	-	-	-	-	-
	Indicated	2,422	1.80	11.53	-	-	140	-	-	-
	Measured + Indicated	2,422	1.80	11.53	-	-	140	-	-	-
	Inferred	381	1.89	1.35	-	-	24	-	-	-
Gediktepe - Oxide	Measured	1,722	2.65	66.50	-	-	146	3,690	-	-
	Indicated	2,110	2.56	71.00	-	-	174	4,817	-	-
	Measured + Indicated	3,832	2.60	69.00	-	-	320	8,497	-	-
	Inferred	213	1.57	63.10	-	-	11	432	-	-
Gediktepe - Sulfide	Measured	12,027	0.78	28.50	1.00	1.89	300	11,030	263,824	501,133
	Indicated	20,180	0.77	30.10	0.85	1.95	502	19,506	378,158	867,540
	Measured + Indicated	32,207	0.77	29.50	0.90	1.93	802	30,536	641,982	1,368,673
	Inferred	1,685	0.81	31.70	0.98	1.80	44	1,719	36,256	66,866
Gediktepe - Total	Measured	13,749	1.01	33.30	0.89	1.67	447	14,710	263,824	501,133
	Indicated	22,290	0.94	33.90	0.79	1.80	675	24,323	378,158	867,540
	Measured + Indicated	36,039	0.97	33.70	0.82	1.75	1,122	39,033	641,982	1,368,673
	Inferred	1,898	0.89	35.30	0.88	1.62	55	2,151	36,256	66,866
Alacer Gold - Total	Measured	13,749	1.01	33.30	0.89	1.67	447	14,710	263,824	501,133
	Indicated	133,475	1.59	9.42	0.15	0.30	6,815	24,323	378,158	867,540
	Measured + Indicated	133,471	1.69	12.86	0.24	0.47	7,262	39,033	641,982	1,368,673
	Inferred	34,795	1.28	10.16	0.13	0.09	1,429	2,151	36,256	66,866

Notes: Further information on this resource estimate is in the Çöpler Mine Technical Report, the Çöpler District Resource Update, the Gediktepe PFS, and the corresponding NI 43-101 technical report filed simultaneously with the Gediktepe PFS, all of which can be found on www.sedar.com and on www.asx.com.au. Mineral Resources are quoted after mining depletion and are inclusive of Mineral Reserves. Mineral Resources are shown on a 100% basis. The key assumptions, parameters, and methods used to estimate the Mineral Resources are provided in the Çöpler Mine Technical Report, Çöpler District Resource Update, and the Gediktepe PFS. The Corporation is not aware of any new information or data that materially affects the information included in these tables and that all material assumptions and technical parameters underpinning the estimates in these tables continue to apply and have not materially changed. Rounding differences will occur.

Alacer Gold - Proven and Probable Mineral Reserve Summary (As of December 31, 2016)										
Deposit	Reserve Category Material	Tonnes (x1000)	Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Contained Au (oz x 1000)	Contained Ag (oz x 1000)	Contained Cu (lb x 1000)	Contained Zn (lb x 1000)
Çöpler Mine - Oxide	Proven	-	-	-	-	-	-	-	-	-
	Probable	14,298	1.11	4.04	0.11	-	512	-	-	-
	Probable - Oxide Stockpile	7	0.84	-	-	-	0	-	-	-
	Proven + Probable	14,305	1.11	4.04	0.11	-	512	-	-	-
Çöpler Mine - Sulfide	Proven	-	-	-	-	-	-	-	-	-
	Probable	32,530	2.63	7.35	-	-	2,754	-	-	-
	Probable - Sulfide Stockpile	7,071	3.38	-	-	-	767	-	-	-
	Proven + Probable	39,601	2.77	6.04	-	-	3,522	-	-	-
Çöpler Mine Total	Proven	-	-	-	-	-	-	-	-	-
	Probable	53,905	2.33	5.51	0.03	-	4,034	-	-	-
	Proven + Probable	53,905	2.33	5.51	0.03	-	4,034	-	-	-
Gediktepe - Oxide	Proven	1,456	2.98	74.70	-	-	139	3,497	-	-
	Probable	1,767	2.93	80.30	-	-	166	4,562	-	-
	Proven + Probable	3,223	2.95	77.70	-	-	306	8,051	-	-
Gediktepe - Sulfide	Proven	10,425	0.84	31.00	1.04	2.05	282	10,390	239,025	471,155
	Probable	11,267	1.00	39.30	0.93	2.63	362	14,236	231,007	653,278
	Proven + Probable	21,692	0.93	35.30	0.99	2.35	649	24,619	473,444	1,123,832
Gediktepe - Total	Proven	11,881	1.11	36.30	0.93	1.82	424	13,866	243,596	476,714
	Probable	13,034	1.26	44.90	0.83	2.32	528	18,815	238,501	666,652
	Proven + Probable	24,915	1.19	40.80	0.88	2.08	953	32,682	483,367	1,142,505
Alacer Gold - Total	Proven	11,881	1.11	36.30	0.93	1.82	424	13,866	243,596	476,714
	Probable	66,939	2.12	13.18	0.19	0.45	4,562	18,815	238,501	666,652
	Proven + Probable	78,820	1.97	16.66	0.30	0.66	4,987	32,682	483,367	1,142,505

Notes: Further information on this resource estimate is in the Çöpler Mine Technical Report and the Gediktepe PFS, both of which can be found on www.sedar.com and on www.asx.com.au. The Mineral Reserve methodology and cut-off grades are discussed in the Çöpler Mine Technical Report and the Gediktepe PFS. Mineral Reserves are shown on a 100% basis. The key assumptions, parameters, and methods used to estimate the Mineral Reserves are provided in the Çöpler Mine Technical Report and the Gediktepe PFS. The Corporation is not aware of any new information or data that materially affects the information included in these tables and that all material assumptions and technical parameters underpinning the estimates in these tables continue to apply and have not materially changed. Rounding differences will occur.

Technical Disclosure

Scientific and technical information presented in this document has been prepared in accordance with National Instrument 43-101 ("NI 43-101") standards and the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code"). The scientific and technical information in this document has been reviewed and approved by Stephen Statham, Alacer's Manager, Mining Services, who is a Qualified Person pursuant to NI 43-101 and a Competent Person as defined in the JORC Code.

The information in this document that relates to Çöpler District exploration results is based on, and fairly represents, the information and supporting documentation prepared by Mr. Smolonogov who is a Qualified Person pursuant to NI 43-101 and a Competent Person as defined in the JORC Code. Further information is available in the Çöpler District Resource Update filed on December 19, 2016.

The information in this document that relates to the Çöpler Mineral Resource and Mineral Reserve estimate is based on, and fairly represents, the information and supporting documentation prepared by Dr. Parker, Mr. Seibel, Mr. Statham, and Mr. Ligocki. Dr. Parker and Messrs. Seibel, Statham, and Ligocki who are Qualified Persons pursuant to NI 43-101 and qualify as Competent Persons as defined in the JORC Code. Further information is available in the Çöpler Mine Technical Report dated June 9, 2016.

The information in this document relating to the Gediktepe Mineral Resource and Mineral Reserve estimate are based on, and fairly represents, the information and supporting documentation prepared by Mr. Marek who is a Qualified Person pursuant to NI 43-101 and qualifies as Competent Persons as defined

in the JORC Code. Further information is available in the Gediktepe PFS and the corresponding technical report entitled "Technical Report Prefeasibility Study Project" dated June 1, 2016.

Alacer confirms that it is not aware of any new information or data that materially affects the scientific and technical information included in this document, and in the case of Mineral Resources and Mineral Reserves and exploration results, that all material assumptions or technical parameters underpinning such estimates, production targets, and forecast financial information continue to apply and have not materially changed from the original public disclosure. Alacer also confirms that the form and content in which such scientific and technical information is presented in this document has not materially changed from the original public disclosure.

Basis for Production Targets and Forecast Financial Information

All forecast financial information in this MD&A has been derived from the production targets. The production targets are underpinned solely by the 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. These production targets and statements of forecast financial information are extracted from, or based on, the Çöpler Mine Technical Report, a copy of which is available on www.sedar.com and on www.asx.com.au.