ALACER GOLD ANNOUNCES THE RESULTS OF THE UPDATED PREFEASIBILITY STUDY FOR THE GEDIKTEPE PROJECT

27% After-Tax Internal Rate of Return
After-Tax Net Present Value$_{(5\%)}$ of $252 million
Payback 4 years

April 3, 2019, Toronto: Alacer Gold Corp. (**"Alacer"** or the **"Corporation"**) **[TSX: ASR** and **ASX: AQG]** is pleased to announce the results of the updated Prefeasibility Study (PFS) for the Gediktepe Project (Project) located in western Turkey. The updated PFS results reflect the positive economics of the Gediktepe Project with an after-tax Internal Rate of Return (IRR) of 27% and a $252M after-tax Net Present Value ($NPV_{5\%}$). Gediktepe is owned through the Polimetal joint venture on a 50% - 50% basis with Lidya Madencilik San. ve Tic. A.Ş. (Lidya Mining), the Gediktepe Project operator.

Rod Antal, Alacer's President and Chief Executive Officer, stated, "The updated Gediktepe PFS continues to demonstrate the economic value and technical viability of the Project. A material amount of work has been completed since 2016 to define, with a higher level of confidence, the development and operational parameters for the Project.

With the completion of the updated PFS, we will continue to progress the requisite technical work that will allow us to make a construction decision in the future, while also evaluating our strategic alternatives for Gediktepe in conjunction with our JV partner. While we will continue to advance the Gediktepe Project, Ardich has become the highest priority development target in Alacer's portfolio given its potential and near-term development optionality."

Highlights

- Measured and Indicated Mineral Resource of 878,000 ounces of gold, 29.8 million ounces of silver, 537 million pounds of copper, and 1.05 billion pounds of zinc.
- Total recovered metals, to both doré and concentrates, of 345,000 ounces of gold, over 8 million ounces of silver, 254 million pounds of copper and 626 million pounds of zinc for a total of 1.6 million recovered Gold Equivalent Gold Ounces (AuEq[1]).
- Life-of-Mine (LOM) production of 11 years, with a Project payback of 4.1 years.
- After-tax project economics of 27% IRR with a $252 million $NPV_{5\%}$.
- Oxide ore will be processed predominantly for the first 2 years. The oxide ore treatment rate is 1.1 million tonnes per annum (Mtpa) in a carbon-in-pulp (CIP) plant. The sulfide treatment rate is 2.4 Mtpa, processing the polymetallic sulfide ore in a concentrator to produce separate copper and zinc concentrates.
- Pre-production capital expenditure of $164 million is required for the oxide ore phase with an additional $71 million in Project capital required for the sulfide ore flotation plant and related infrastructure. LOM sustaining capital is $57 million for a total of $292 million.

[1] Gold Equivalent Ounce (AuEq) is a non-IFRS measure (no standardized definition under IFRS) that converts non-gold production into gold equivalent ounces. Calculation of AuEq converts recoverable metals into revenue using metal prices of $1,315 per ounce for gold, $18.00 per ounce for silver, $3.20 per pound for copper, $1.10 per pound for zinc, and then the total revenue is divided by the gold price of $1,315 per ounce.

- The total Project LOM gross revenue from doré and concentrates, after smelter recoveries, is estimated to be $1,880 million, which is equal to 1.43 million AuEq ounces.
- After-tax free cash flow of $412 million is generated over the LOM. Total Cash Costs[2] of $817 per ounce AuEq. All-in Sustaining Costs[2] of $857 per ounce AuEq and All-in Costs[2] of $1,021 per ounce AuEq.
- The 2019 Gediktepe PFS identified a positive business case recommending a relatively small amount of work be completed for progression of the Gediktepe Project to a feasibility study level. This work requires additional drill permitting and drilling followed by metallurgical test work and analysis.

An updated National Instrument 43-101 - Standards of Disclosure for Mineral Projects (NI 43-101) compliant Technical Report on the Gediktepe Project has been filed on www.sedar.com and on the Australian Securities Exchange simultaneously with this announcement.

Gediktepe Overview

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

Gediktepe is a polymetallic orebody containing economic values for gold, silver, copper, and zinc. The sulfide deposit is overlain with oxide ore containing gold and silver, which is amenable to leaching. Gediktepe will be an open pit mine with oxide ore processed first, providing cash flow for the development of the sulfide plant for subsequent processing of the more prevalent sulfide ore. The oxide and sulfide ore processing circuits share some plant unit operations, with some additional grinding capacity and the sulfide float plant commissioned after the initial two-year oxide processing campaign. The sulfide ore contains gold, silver, copper, and zinc and will be processed through a multi-stage flotation circuit producing three marketable concentrates.

Polimetal Madencilik Sanayi ve Ticaret A.Ş. (Polimetal), was formed in 2011 as a joint venture company between Lidya Madencilik San. ve Tic. A.Ş. (Lidya Mining) and Alacer Gold Corp. (Alacer). Gediktepe mining licenses are held by Polimetal. The Gediktepe Project studies are being managed by Polimetal. The property consists of one operating license (RN 85535) on which the entire Gediktepe deposit is located, and one additional operating license (200700250) that has not yet been fully explored.

The Gediktepe deposit was discovered in April 2013 with the second drill hole (DRD-002) intersecting 26.5 m at 7.9 g/t gold and 77 g/t silver from surface. Drilling for resource definition continued through February 2018. A total of five drilling phases by both diamond core and reverse circulation drilling were completed by local contractor companies. The majority of holes have been drilled vertically to intersect the low angle zones of mineralization.

In 2017, Polimetal assembled a study team made up of Polimetal personnel and independent consultants to carry out further feasibility assessment of the Project. The previous Technical Report was the Gediktepe 2016 Prefeasibility Study (PFS16).

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[2] Total Cash Costs per ounce, All-in Sustaining Costs per ounce, and All-in Costs are non-GAAP performance measures with no standardized definitions under IFRS.

Figure 1. Gediktepe Project Location Map

Geology and Mineralization

The Gediktepe regional geology comprises Upper Paleozoic metamorphics and Lower to Middle Miocene intrusives and volcanics. The metamorphics are generally composed of gneiss, schists, phyllite, amphibolite, marble, and quartzite, with varying degrees of metamorphism.

Massive sulfide type mineralization occurs as lens shaped units trending northeast / southwest and dipping approximately 20° to 40° to the northwest. Minerals include pyrite, sphalerite, tetrahedrite, tenantite, chalcopyrite, galena, and magnetite. The units are cut by later northwest / southeast trending post-mineralization structures causing dislocation of the various units. Post-mineralization weathering processes have caused remobilization of the mineralization, particularly evident within the oxide zone, in which the sulfide mineralization has been completely leached out, leaving gold and silver relatively intact.

The characteristics of the Gediktepe mineralization have been interpreted as a convex massive sulfide type deposit, with sulfide mineralization deposited about the same time and from the same process as the host rock. Subsequent weathering and oxidation have been responsible for the development of oxide and gossan horizons.

Production and Cost Summary

Gediktepe will be an open pit mine and is close to existing infrastructure and connected to the national power grid. Production at Gediktepe will start with the processing of oxide ore using a single stage semi-autogenous grinding mill circuit followed by a carbon in pulp (CIP) gold circuit. Average LOM recoveries for the oxide ore is 90.2% for gold and 70.7% for silver.

Production will transition from oxide processing to sulfide processing during the third year of production. The oxide processing plant will be expanded to process the polymetallic sulfide ore by flotation. A 5.5 MW secondary grinding ball mill will be added to the grinding circuit. Sequential flotation will be employed to produce separate copper and zinc concentrates for export.

The major unit operations of the oxide and sulfide process flowsheets have been tested at bench scale, along with specialist vendor test work as required.

The proposed oxide and sulfide ore flowsheets are presented in Figures 2 and 3.

Figure 2. Flowsheet for Oxide Ore Processing

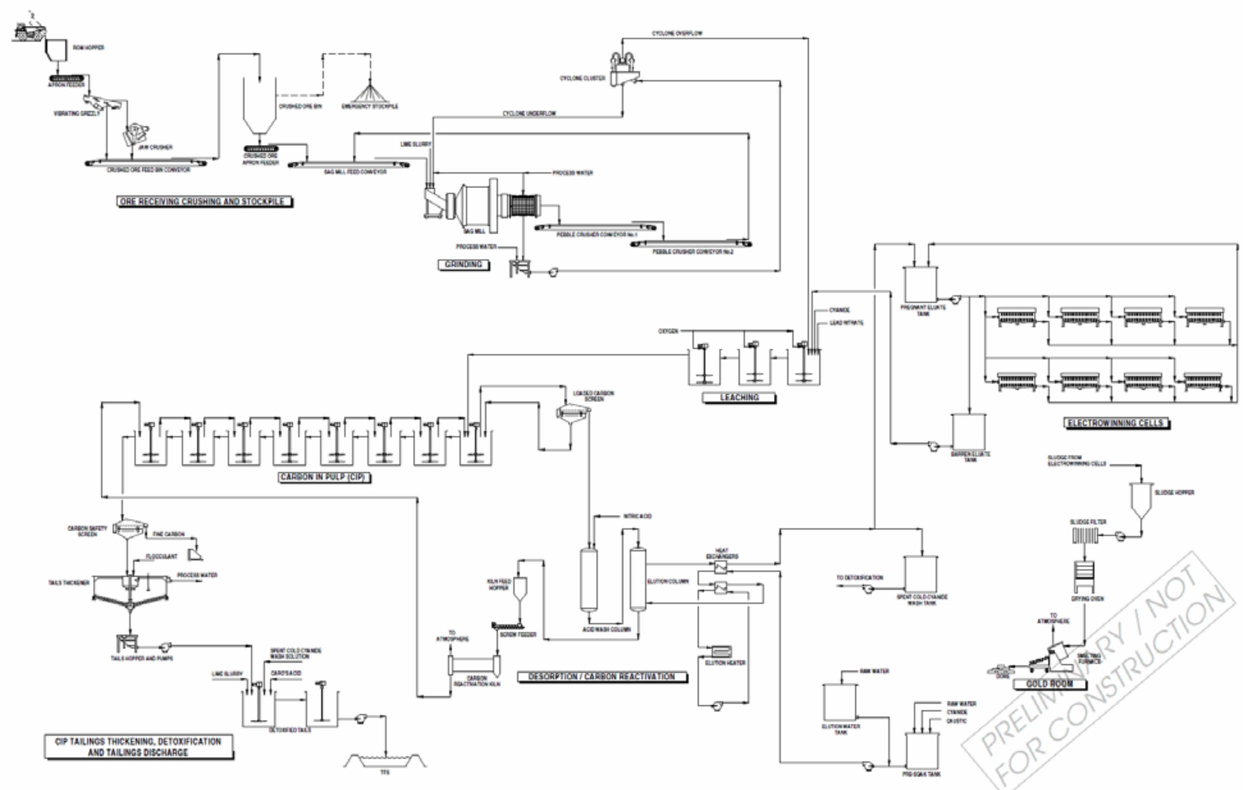

Figure by GRES, 2019

Figure 3. Flowsheet for Sulfide Ore Processing

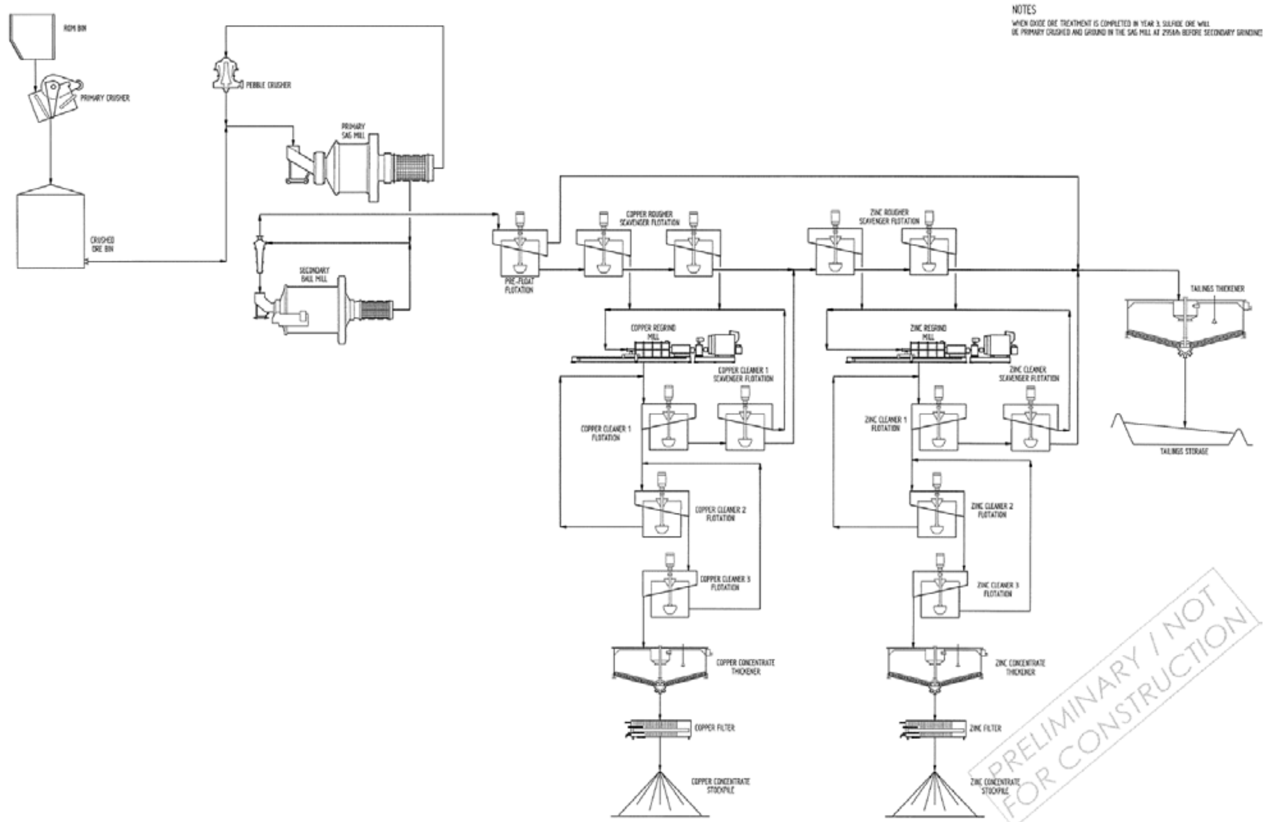

Figure by GRES, 2019

Metallurgical tests for the sulfide flotation of Gediktepe ores yielded recoveries in copper concentrate of 68% for copper, and recoveries in zinc concentrate of 77% for zinc and overall recoveries 31% for gold and 24% for silver in concentrates.

Financial Highlights

The base case economic analysis returns an after-tax NPV, at a 5% discount rate, of US$252M. It has an after-tax Internal Rate of Return of 27% and a payback period of 4.1 years. The analysis calculates annual cash flows over the life of the mine and incorporates Turkish taxes, permit and license fees, and government royalties on metal sales.

The Financial results are summarized in Figure 4. Analysis is based on 2018 fourth quarter US Dollars and

- Gold price of $1,315 per ounce
- Silver price of $18.00 per ounce
- Copper price of $3.20 per pound
- Zinc price of $1.10 per pound
- Turkish Lira-to-US Dollar exchange rate of 6.0

Figure 4. Undiscounted After-Tax Cash Flow (US$M)

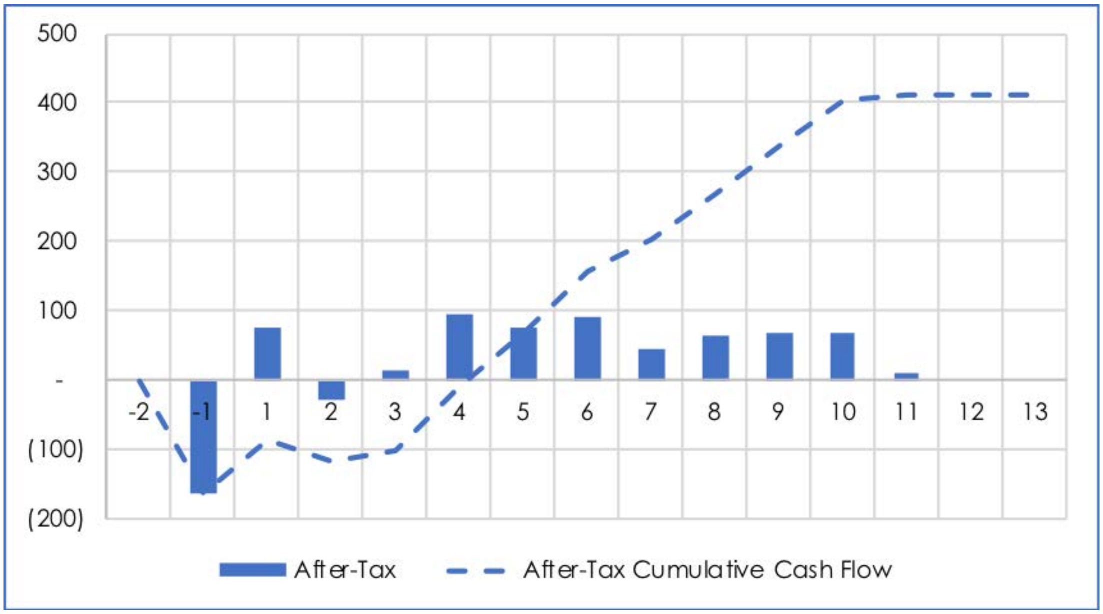

Figure by OreWin, 2019

Table 1. PFS19 Results Summary

Metric	Unit	Value
Ore	kt	21,335
Waste	kt	169,206
Total Movement	kt	190,541
Stripping Ratio	waste:ore	7.9
Oxide Ore	kt	2,755
Oxide Grade – Au	g/t	2.34
Oxide Grade – Ag	g/t	56.7
Sulfide Mill Ore	kt	18,580
Sulfide Grade – Cu	%	0.92
Sulfide Grade – Zn	%	1.98
Sulfide Grade – Au	g/t	0.85
Sulfide Grade – Ag	g/t	31.8
Copper Concentrate	kt	387
Zinc Concentrate	kt	503

Metric	Unit	Value
Total Gold	koz	345
Total Silver	koz	8,148
Copper in Concentrate	kt	115
Zinc in Concentrate	kt	284
Before-Tax Undiscounted Cash Flow	US$M	420.4
Before-Tax NPV 5% Discount Rate	US$M	258.4
Before-Tax NPV 8% Discount Rate	US$M	191.0
Before-Tax IRR	%	27%
After-Tax Undiscounted Cash Flow	US$M	412.0
After-Tax NPV 5% Discount Rate	US$M	252.5
After-Tax NPV 8% Discount Rate	US$M	186.1
After-Tax IRR	%	27%
Project Payback years	years	4.1
Initial Capital (incl. contingency)	US$M	164.1
Operating Cost		
Mine	$/t ore	14.54
Oxide Process	$/t ore	20.85
Sulfide Process	$/t ore	19.88
Administration	$/t ore	5.07
Total Operating Cost	$/t ore	39.62

Table 2. Financial Results

	NPV	
	Before-Tax	**After-Tax**
	US$M	**US$M**
Undiscounted	420.4	412.0
5%	258.4	252.5
8%	191.0	186.1
10%	154.8	150.5
15%	86.8	83.5
IRR	27%	27%
Peak Funding (US$M)	–164.1	
Payback (Years)	4.09	4.12

Table 3. Life-of-Mine Production and Processing Quantities

Life-of-Mine Production	**Unit**	**Quantity**
Oxide Ore	kt	2,755
Oxide Grade – Au	g/t	2.34
Oxide Grade – Ag	g/t	56.7
Sulfide Ore	kt	18,580
Sulfide Grade – Cu	%	0.92
Sulfide Grade – Zn	%	1.98
Sulfide Grade – Au	g/t	0.85
Sulfide Grade – Ag	g/t	31.8
Weathered Waste	kt	26,449
Fresh Waste	kt	142,757
Total Material	kt	190,541
Copper Concentrate	kt	387
Zinc Concentrate	kt	503

Table 4. Life-of-Mine Metal Production

Copper in Concentrate	**kt**	**115**
Zinc in Concentrate	**kt**	**284**
Gold		
Oxide	koz	187
Copper Concentrate	koz	128
Zinc Concentrate	koz	31
Total Gold	**koz**	**345**
Silver		
Oxide	koz	3,547
Copper Concentrate	koz	2,329
Zinc Concentrate	koz	2,272
Total Silver	**koz**	**8,148**

Total project initial and deferred capital costs are summarized in Table 5.

Table 5. Project Capital Costs

Capital Costs	Initial	Expansion	Sustaining	Total
	US$M			
Plant	44.4	53.2	2.9	100.5
Infrastructure	53.8	–	21.8	75.6
Closure	–	–	22.7	22.7
EPCM	9.4	9.0	–	18.4
Owners EPCM Management Team	9.4	4.5	–	13.9
Pre-Production Mining	25.9	–	–	25.9
Contingency	21.2	3.8	9.5	34.5
Capital Costs	164.1	70.6	56.9	291.6

Table 6 shows the breakdown of estimated Life-of-Mine project operating costs.

Table 6. Project Operating Costs

	Total (US$M)	Breakdown Unit	$ (US)
Mine			
Owner Staff	40.2	$/t total moved	0.21
Mining Cost	270.0	$/t total moved	1.42
Mine	310.2	$/t total moved	1.63
Process			
Oxide Direct Cost	57.4	$/t ore Oxide	20.85
Sulfide Mill Direct Cost	369.3	$/t ore Sulfide	19.88
Process	426.8	$/t ore	20.08
Administration			
Sitewide G&A	43.8	$/t ore	2.06
Site camp costs	41.4	$/t ore	1.94
Land Usage / Forestry Fee	22.4	$/t ore	1.05
License and Compliance Fees	0.6	$/t ore	0.03
Administration	108.3	$/t ore	5.07
Total Operating Cost	**845.2**	**$/t ore**	**39.62**

Gediktepe Mineral Resource and Mineral Reserve Estimates

The appendices to this announcement provide information on the data, assumptions and methodologies underlying these estimates. Further information is provided in the NI 43-101 on the Gediktepe Project filed simultaneously with this announcement.

The updated Mineral Resource estimate for PFS19 includes two main ore types: oxide ore containing gold and silver, and sulfide ore containing copper, zinc, gold, and silver.

Table 7. Gediktepe Mineral Resource Statement

Mineral Resource Statement for the Gediktepe Deposit (as of March 5, 2019)

MEASURED	Tonnes (kt)	Grade					Metal			
		Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Pb (%)	Au (koz)	Ag (koz)	Cu (kt)	Zn (kt)
Total Oxide	–	–	–	–	–	–	–	–	–	–
Total Sulfide	3,999	0.67	25.1	1.01	1.83	0.34	86	3,221	40	73
Total Measured	**3,999**	**0.67**	**25.1**	**1.01**	**1.83**	**0.34**	**86**	**3,221**	**40**	**73**

INDICATED	Tonnes (kt)	Grade					Metal			
		Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Pb (%)	Au (koz)	Ag (koz)	Cu (kt)	Zn (kt)
Total Oxide	2,674	2.71	66.3	0.10	0.10	0.47	233	5,703	3	3
Total Sulfide	23,544	0.74	27.6	0.85	1.69	0.33	560	20,865	200	399
Total Indicated	**26,217**	**0.94**	**31.5**	**0.78**	**1.53**	**0.34**	**792**	**26,568**	**203**	**402**

INFERRED	Tonnes (kt)	Grade					Metal			
		Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Pb (%)	Au (koz)	Ag (koz)	Cu (kt)	Zn (kt)
Total Oxide	23	0.95	21.8	0.23	0.14	0.12	1	16	0	0
Total Sulfide	2,958	0.53	20.2	0.76	1.16	0.27	51	1,926	22	34
Total Inferred	**2,981**	**0.54**	**20.3**	**0.76**	**1.16**	**0.27**	**51**	**1,941**	**23**	**34**

MEASURED + INDICATED	*Tonnes (kt)*	*Grade*					*Metal*			
		Au (g/t)	*Ag (g/t)*	*Cu (%)*	*Zn (%)*	*Pb (%)*	*Au (koz)*	*Ag (koz)*	*Cu (kt)*	*Zn (kt)*
Total Oxide	*2,674*	*2.71*	*66.3*	*0.10*	*0.10*	*0.47*	*233*	*5,703*	*3*	*3*
Total Sulfide	*27,542*	*0.73*	*27.2*	*0.87*	*1.71*	*0.33*	*645*	*24,086*	*241*	*472*
Total M + I	***30,216***	***0.90***	***30.7***	***0.81***	***1.57***	***0.34***	***878***	***29,790***	***243***	***475***

Note: Mineral Resources are inclusive of Mineral Reserves. Mineral Resources are shown on a 100% basis, of which Alacer owns 50%. The key assumptions, parameters, and methods used to estimate the Mineral Resources and Mineral Reserves are provided in the appendices to this announcement and the NI 43-101 Technical Report filed simultaneously with 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.

Table 8. Gediktepe Mineral Reserve Statement

Mineral Reserve Statement for the Gediktepe Deposit (as of March 5, 2019)									
Classification	**Tonnes (kt)**	**Grade**				**Contained Metal**			
		Au (g/t)	**Ag (g/t)**	**Cu (%)**	**Zn (%)**	**Au (koz)**	**Ag (koz)**	**Cu (kt)**	**Zn (kt)**
Oxide									
Proven	–	–	–	–	–	–	–	–	–
Probable	2,755	2.34	56.7	–	–	207	5,020	–	–
Proven & Probable	**2,755**	**2.34**	**56.7**	**–**	**–**	**207**	**5,020**	**–**	**–**
Sulfide									
Proven	3,620	0.68	26.7	1.03	1.93	79	3,105	37	70
Probable	14,960	0.89	33.1	0.89	1.99	429	15,903	133	298
Proven & Probable	**18,580**	**0.85**	**31.8**	**0.92**	**1.98**	**509**	**19,008**	**170**	**368**

Note: Mineral Reserves are shown on a 100% basis, of which Alacer owns 50%. The Mineral Reserves methodology, cut-off grades, and the key assumptions, parameters, and methods used to estimate the Mineral Resources and Mineral Reserves are provided in the appendices to this announcement and the NI 43-101 Technical Report filed simultaneously with 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 continue to apply and have not materially changed. Rounding differences will occur.

Economic Sensitivity

The economic sensitivity of the Project was evaluated with respect to initial capital costs, operating costs and metal prices between +/–30% of base case values. Changes in metal prices is also indicative of relative changes in metal recoveries and/or the processed head grades.

Table 9. Sensitivity to Initial Capital Costs

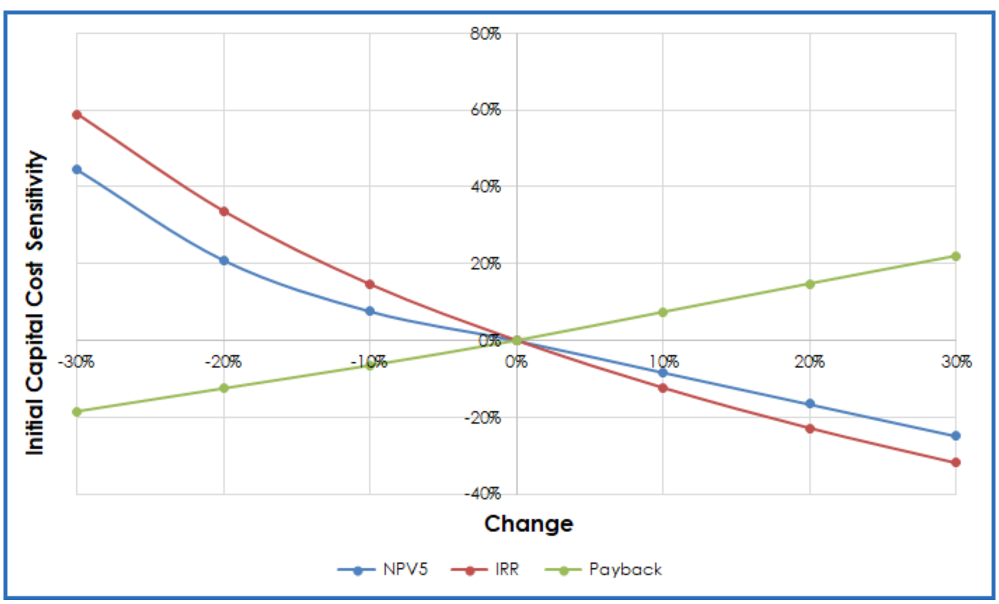

Figure by OreWin, 2019.

Table 10. Sensitivity to Copper Price

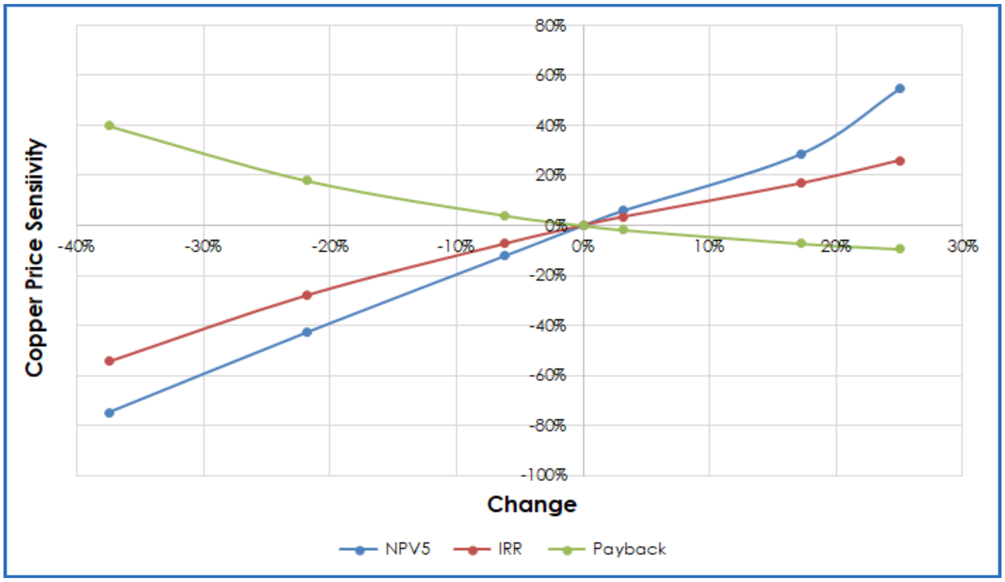

Figure by OreWin, 2019.

Table 11. Sensitivity to Zinc Price

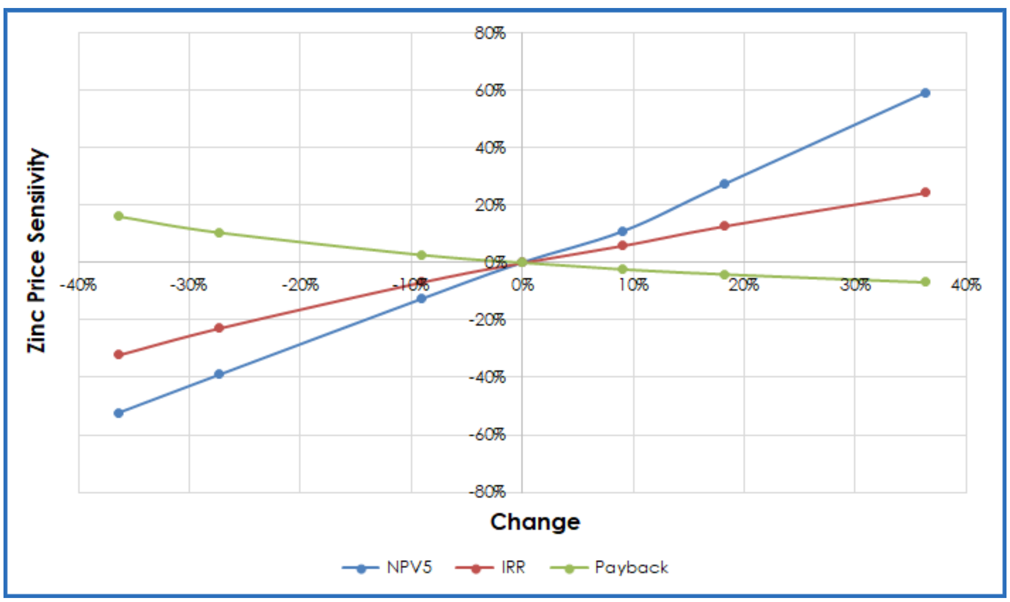

Figure by OreWin, 2019.

Table 11. Sensitivity to Gold Price

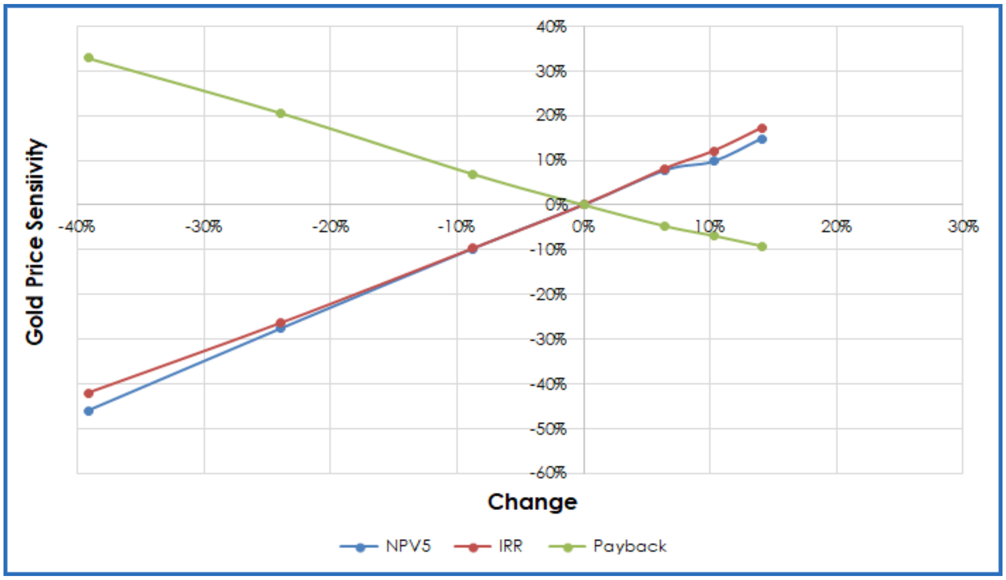

Figure by OreWin, 2019.

Gediktepe 2019 Studies

A substantial amount of work was completed subsequent to the PFS16. Most of this work was completed at Feasibility Study (FS) level, with limited work remaining to bring the entire study to FS level. However, work required for metallurgical testing and recovery performance will require additional drilling to obtain material. It is estimated the remaining test work will take at least 18 months to complete, which reflects the time needed to access the site (permits and weather), drilling, sampling, metallurgical testing and analysis.

Key developments since the PFS16 study include:

- Diligent work was undertaken by Polimetal in documenting, interrogating, interpreting, and modelling the Gediktepe deposit. Confidence was gained through the predominant use of diamond core drilling and development of important relationships between mineralization types and grade characteristics. The estimated Mineral Resource tonnage, grades, and contained metal were adjusted based on these advancements.
- The resource classification categories (Measured, Indicated, Inferred) denote different levels of confidence or uncertainty within the deposit. Lower confidence in mineralized continuity at a local resolution may impact short-term forecasting due to ore variability. To account for these local uncertainties, modifications to the Mineral Resource model classification were made.
- The study included logging core from geotechnical drill holes and obtaining orientation measurements where possible. Laboratory testing on samples of core is currently being performed. Some of the geotechnical studies are pending, hence preliminary pit slope design recommendations are based on the data collected to date. Based on site geotechnical investigations, pit slope angles range from 25° to 47° inter-ramp slopes.
- The PFS16 proposed waste dump site was relocated to the west of the mine to be placed in an area with better foundation conditions.
- The prefeasibility study flowsheet for treatment of the oxide material has been refined from a three-stage crush, heap leach flowsheet to a single stage crush, grind, and tank leach flowsheet.

- During metallurgical testing the enriched ore was found to float vigorously and with poor separation of metals, which causes concentrate cross-contamination. This is problematic where it is the predominant mineralization and further test work is aimed at resolving the issue.
- Alternative approaches to realizing value from the enriched material were completed by blending various amounts of enriched material with sample composites containing massive pyrite and disseminated material types. Results show up to 10%, and possibly 20%, of the enriched material could be blended into the plant feed without overly compromising the copper concentrate quality.
- Overall operating cost estimates were adjusted within the PFS19 to calculate annual cash flows over the LOM. Capital and operating cost estimates include the operation of an open pit mine, construction and operation of both an oxide and sulfide processing plant.

Next Steps

The PFS recommends that the assessment of the Gediktepe Project be continued to a feasibility study level to increase the confidence of the estimates. Areas within the Gediktepe Project that require more study work include:

- Additional drilling to secure fresh core samples for metallurgical testing.
- Additional drilling to increase confidence in the oxide and sulfide ore during Project payback years.
- A short-range variability study to better understand grade distributions of the economic metals.
- Detailed mine grade control plan. This may consider varying techniques for blasthole sampling, RC drill hole sampling, trenching, grab samples, or guidance using a handheld x-ray fluorescence analyzer.
- Further work on strategies to mitigate potential acid generation and subsequent metal leaching of mine overburden.

Once metallurgical test work is analyzed and interpreted, the open pit and waste dump designs will be refined based on new process parameters. The mine waste management plan will also be refined as part of this work.

About Alacer

Alacer is a leading low-cost intermediate gold producer, with an 80% interest in the world-class Çöpler Gold Mine (“Çöpler”) 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 Gold Mine and strong balance sheet as foundations to continue its organic multi-mine growth strategy, maximize free cash flow and therefore create maximum value for shareholders. The Çöpler Gold Mine is located in east-central Turkey in the Erzincan Province, approximately 1,100 km southeast from Istanbul and 550 km east from Ankara, Turkey’s capital city.

Alacer continues to pursue opportunities to further expand its current operating base to become a sustainable multi-mine producer with a focus on Turkey. The Çöpler Mine is processing ore from three primary sources: Çöpler sulfide ore, Çöpler oxide ore, and Çakmaktepe oxide ore. With the recent completion of the sulfide plant, the Çöpler Mine will produce over 3.5 million ounces at first quartile All-in Sustaining Costs, generating robust free cash flow over the next 20 years.

The systematic and focused exploration efforts in the Çöpler District have been successful as evidenced by the newly discovered Ardich deposit. The Çöpler District remains the focus, with the goal of continuing to grow oxide resources that will deliver production utilizing the existing Çöpler infrastructure. In the other regions of Turkey, targeted exploration work continues, including an updated Prefeasibility Study and ongoing work on the technical studies for the Gediktepe Project.

Alacer is a Canadian company 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 CHESS Depositary Interests ("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 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 document; production, cost, and capital expenditure guidance; the ability to expand the current heap leach pad; the results of any gold reconciliations; the 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; 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 development approach; 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, environmental, 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; 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 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 on the Corporation's website at *www.alacergold.com*, on SEDAR at *www.sedar.com* and on the ASX at *www.asx.com.au*, 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.

For further information on Alacer Gold Corp., please contact:

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Appendix 1

Basis for Production Targets and Forecast Financial Information

The production targets in this announcement are underpinned by Proven and 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.

The material assumptions which support the Proven and Probable Reserves, the production targets and the forecast financial information derived from the production targets are disclosed in the PFS and in the body of this announcement.

Alacer is satisfied that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to production targets and forecast financial information. In particular, given Alacer's financial position and market capitalization relative to its share of the funding requirement for the Gediktepe Project, Alacer believes funding will be available when required by the development timetable for the Project.

Qualified Person Statement

The Mineral Resource referenced in this announcement was estimated in accordance with CIM guidelines as incorporated into NI 43-101, 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 Resource" or "Mineral Reserve" 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. The NI 43-101 term Mineral Reserve has been used throughout this news release and it has the same meaning as the term Ore Reserve as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results. Actual recoveries of mineral products may differ from those estimated in the Mineral Resources and Mineral Reserves 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 will ever be converted into Mineral Reserves.

The PFS19 Mineral Resources disclosed in this announcement were approved by Ms. Sharron Sylvester, BSc (Geol), MAIG, RPGeo (10125), employed by OreWin Pty Ltd as Technical Director – Geology. Ms. Sylvester has sufficient experience that 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 PFS19 Mineral Reserves disclosed in this announcement were approved by Mr. Bernard Peters, BEng (Mining), FAusIMM (201743), employed by OreWin Pty Ltd as Technical Director – Mining. The information in this announcement which relates to Mineral Reserves is based on, and fairly represents, the information and supporting documentation prepared by Mr. Peters. Mr. Peters 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 PFS19 Metallurgical information disclosed in this announcement was approved by Mr. Peter Allen, BEng (Metallurgy), MAusIMM (103637), employed by GR Engineering Services as Manager – Technical Services, was responsible for process plant and infrastructure. The information in this announcement which relates to the process plant and infrastructure is based on, and fairly represents, the information and supporting documentation prepared by Mr. Allen. Mr. Allen 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.

Ms. Sylvester and Messrs. Peters and Allen 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 Rule 5.8 and 5.9

Please refer to the JORC Code Table 1 contained in Appendix 2 of this announcement for information relating to the estimates of Minerals Resources for the Gediktepe Project. 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

The Gediktepe project is a massive sulfide hosted in metamorphic schist units. The upper portion of the deposit has been oxidized by surface and ground water. The oxide zone is nearly void of base metals. The sulfide zone is polymetallic with economic values of zinc, copper, gold and silver. The major economic minerals are sphalerite and chalcopyrite. Pyrite is present throughout.

Drilling completed through January 2018 was used to generate the geologic model and estimate mineral resources. The mineral resource is based on a combination of Reverse circulation (RC) and diamond core drilling for a total of 629 holes. RC drilling was utilized for 191 holes and the remaining 438 holes were by diamond drilling.

Mineralized bodies strike to the northeast and dip to the northwest at about 20 degrees. Mineralization resides primarily within the Chlorite-Sericite Schist. Where oxidized, gold and silver remain within iron oxide gossan. For the sulfide zone, massive pyrite forms lenses containing sphalerite, terahedrite, chalcopyrite, and galena.

Drilling Techniques

Drilling is primarily vertically oriented holes with a limited number of high angle drill holes. Approximately 19% of the drilling was RC with 81% diamond drill core. Drill hole spacing in Gediktepe varies from 25 m to 50 m centers. The central portion of the mineralized body is drilled at 25 m spacing with outer regions drilled to 50 m centers. A total of 70,127 m of drilling has been completed.

Diamond drilling was carried out using HQ and PQ sized equipment with standard tube. For RC drilling, a face sampling bit (121 mm) was used.

Sampling and Sub-sampling

Diamond drill core was sampled as half core at 1 m to 2 m intervals to geological contacts.

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

Sample Analysis Methods

Drill hole samples were sent off site to recognized and independent analytical laboratories for analyses.

Drill samples collected in 2013 were sent to the SGS laboratory in Ankara. From 2014 through 2018, samples were prepared and analyzed at ALS İzmir, Turkey. All analyses for gold were undertaken via fire assay. A 33-element assay suite including Ag, Cu, Pb, and Zn was completed for each sample by inductively coupled plasma (ICP).

Data Verification

A number of data verification activities were conducted, including the independent analyses of QA/QC data. In addition, a set of routine tests of database validity was completed as part of the data preparation phase for the resource estimation work; these include both specific and general tests. No matters of concern were identified.

Metallurgical Test Work

The metallurgical test work has been completed using parallel programs for samples from each of the oxide and sulfide zones of the Gediktepe deposit. Material from the oxide zone has been tested using cyanidation for the recovery of gold and silver. The sulfide material has been assessed using sequential flotation to recover separate, marketable copper and zinc concentrates.

Test work was undertaken from 2014 through 2015 by Resource Development Inc. (RDI; Colorado, USA), SGS (England), and Hacettepe Mineral Technologies (HMT; Ankara, Turkey) for generation the 2016 prefeasibility study. Further test work was performed from 2016 through 2018 at Wardell Armstrong International (WAI; Truro, England), HMT, and ALS (ALS; Perth, Australia).

Metal recoveries used in the PFS19 and Ore Reserve evaluation are listed in Table 9.

Table 9. Gediktepe Metal Recoveries by Material Type and Concentrate

Parameter	Value/Formula
Oxide	
Gold Recovery	Fixed at 90.16%
Silver Recovery	Fixed at 70.65%
Massive Pyrite – Copper Concentrate	
Concentrate Grade	Fixed at 30% Cu
Copper Recovery	(10.342 x % Cu Feed Assay) + 57.492
Gold Assay in Concentrate	(4.7196 x g/t Au feed assay) + (7.3198 x (g/t Au feed assay)^2)
Silver Assay in Concentrate	(11.475 x g/t Ag feed assay) – (0.1127 x (g/t Ag feed assay)^2)
Zinc Recovery	% Cu feed assay x ((10.342x% Cu feed assay)+57.492) x ((0.9852 x % Zn feed assay) + 0.2705) / % Zn feed assay / % Cu concentrate assay
Lead Recovery	15.278 – (15.917 x % Pb feed assay)
Arsenic Recovery	% Cu feed assay x ((10.342x% Cu feed assay)+57.492) x ((0.8518 x % As feed assay) + 0.0266) / % As feed assay / % Cu concentrate assay
Massive Pyrite – Zinc Concentrate	
Concentrate Grade	Fixed at 58% Zn
Zinc Recovery	(0.5181 x % Zn feed assay) + 77.379
Gold Assay in Concentrate	(2.293 x g/t Au feed assay) – (0.6249 x (g/t Au feed assay)^2)
Silver Assay in Concentrate	(4.7899 x g/t Ag feed assay) – (0.0364 x (g/t Ag feed assay)^2)
Copper Recovery	(9.3369 x % Cu feed assay) + 1.0891
Lead Recovery	10.414 + (10.944 x % Pb feed assay)
Arsenic Recovery	% Zn feed assay x ((0.5181x% Zn feed assay)+77.379) x 0.05 / % As feed assay / % Zn concentrate assay

Parameter	Value/Formula
Enriched – Copper Concentrate	
Concentrate Grade	Fixed at 32.9% Cu
Copper Recovery	Fixed at 67.7%
Gold Recovery	Fixed at 10%
Silver Recovery	Fixed at 10%
Zinc Recovery	Fixed at 29.5%
Lead Recovery	Fixed at 45.5%
Arsenic Recovery	Fixed at 50%
Enriched – Zinc Concentrate	
Concentrate Grade	Fixed at 50% Zn
Zinc Recovery	Fixed at 56.4%
Gold Recovery	Fixed at 10%
Silver Recovery	Fixed at 10%
Copper Recovery	Fixed at 11.9%
Lead Recovery	Fixed at 13.8%
Arsenic Recovery	Fixed at 6%
Disseminated – Copper Concentrate	
Concentrate Grade	Fixed at 25.8% Cu
Copper Recovery	(14.576 x % Cu feed assay) + 60.396
Gold Assay in Concentrate	(33.038 x g/t Au feed assay) – (14.246 x (g/t Au feed assay)^2)
Silver Recovery	(0.0895 x (g/t Ag feed assay)^2) – (0.3866 x g/t Ag feed assay)
Zinc Recovery	% Cu feed assay x ((14.576x% Cu feed assay)+60.396) x 7.6 / % Zn feed assay / % Cu concentrate assay
Lead Recovery	Fixed at 40%
Arsenic Recovery	% Cu feed assay x ((14.576x% Cu feed assay)+60.396) x 0.47 / % As feed assay / % Cu concentrate assay
Disseminated – Zinc Concentrate	
Concentrate Grade	Fixed at 49.5% Zn
Zinc Recovery	(4.6259 x % Zn feed assay) + 67.751
Gold Recovery	Fixed at 10%
Silver Recovery	Fixed at 20%
Copper Recovery	% Zn feed assay x ((4.6259 x % Zn feed assay) + 67.751) x 3.9 / % Cu feed assay / % Zn concentrate assay
Lead Recovery	Fixed at 18.1%
Arsenic Recovery	% Zn feed assay x ((4.6259 x % Zn feed assay) + 67.751) x 0.68 / % As feed assay / % Zn concentrate assay

As a result of the test work outcomes and trade-off studies, the treatment of oxide material has been changed from the crush–agglomerate–heap leach–zinc precipitation flowsheet proposed in the scoping and prefeasibility studies to a crush–grind–leach–CIP–elution flowsheet.

The 2016 to 2018 sulfide test work identified variable performance due to surface oxidation (aging effects), mineralogical and head grade variations, material type blends, and pulp chemistry conditions. An understanding of the complexity of the Project geology and mineralogy, and the methods to control the metallurgical performance continue to be investigated.

Mineral Resource

An update of the Mineral Resources for the Gediktepe Project was completed by AMC Consultants (AMC; Perth, Australia) mid-2018, based on available diamond core and reverse circulation drilling data, geological, mineralization, structural, and weathering interpretations by Polimetal, and supplementary mineralization-constraining interpretations prepared by AMC.

Estimation Methodology

The Gediktepe resource estimate update specified the following grade fields for estimation: Au, Ag, Zn, Cu, As, Hg, Pb, Fe, C, and S. Grades, along with bulk densities, were estimated into the mineralization domains and background material in the cell model using either ordinary kriging (OK) or inverse distance weighting to the power of two (ID2). Depending on the domain being estimated, composites of either 1 m or 2 m lengths were used. Grade estimation was conducted into parent cells under hard bounded domain control.

Model Verification

Global and zonal statistics were generated to confirm that estimated model grades values fall within acceptable limits.

The grade and density estimates in the cell model were checked visually on-screen. Model and drill hole data were overlain and viewed in various sectional and plan views, and in 3D, with color legends highlighting grade or zonal attributes.

The model development and grade estimation procedures were subject to a Peer Review process.

Mineral Resources Classification

Gediktepe estimated resources have been classified with consideration of the following general criteria:

- Confidence in the geological interpretation.
- Knowledge of grade continuities gained from observations and geostatistical analyses.
- Number, spacing, and orientation of drill hole intercepts through mineralized domains.
- Quality and reliability of the raw drill hole data (sampling, assaying, surveying).
- The likelihood of material meeting economic mining constraints over a range of reasonable future scenarios, and expectations of relatively high selectivity of mining.

Reasonable Prospects of Eventual Economic Extraction

The Mineral Resource inventory was reported using NSR cut-offs of $20.72/t for oxide and $17.79/t for sulfide, with NSR calculated using 2018 preliminary reserves metal prices (Au=$1,300.00/oz, Ag=$18.50/oz, Cu=$3.30/lb, Zn=$1.28/lb). To meet the reasonable prospects of eventual economic extraction criteria, Mineral Resources are selected within a pit shell optimized using 2018 preliminary reserves metal prices inflated by 14% (i.e. Au=$1,482.00/oz, Ag=$21.09/oz, Cu=$3.76/lb, Zn=$1.46/lb). Metallurgical recoveries for copper vary from 67% to 69% in the copper concentrate with zinc recovery estimated between 56% to 79% in the zinc concentrate. For oxide ore, gold recoveries are estimated to be 90% and silver about 70%.

Mineral Resources are inclusive of Ore Reserves, except for mining losses and grade dilution, which are determined through re-blocking of the resource model after declaration of the Mineral Resource.

Ore Reserves

Material Assumptions for Ore Reserves

The Ore Reserves were estimated as part of a PFS with all material assumptions being documented in this release and 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 PFS financial model. The PFS 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 Gediktepe open pit. The pit boundaries were guided by the results of pit optimization. Metal prices used for economic analysis to demonstrate the Ore Reserve are: Au $1,315.00/oz, Ag $18.00/oz, Cu $3.20/lb and Zn $1.10/lb. These metal values were then varied by revenue factors ranging from 0.4 to 1.4 in order to find the preferred pit size and geometry to use as a basis for detailed design.

All the Ore Reserves are derived from Measured and Indicated Mineral Resources. All Inferred Mineral Resources are considered as waste.

Reported Ore Reserves incorporate and include mining losses and grade dilution that are not reported in the Mineral Resource.

Mining Method

The Gediktepe deposit will be mined by conventional open pit hard rock mining methods. Polimetal currently plans to utilize a contract mining company to move the ore and waste from the mine. Please see Table 1 in the press release.

Ore Processing

Oxide ore is processed via tank leaching and sulfide ore is processed via floatation circuit to generate marketable copper and zinc concentrates.

Cut-off Grade

The PFS19 Ore Reserve is reported using cut-offs based on calculations of NSR. This method is considered to be appropriate for polymetallic deposits such as Gediktepe. Separate NSR cut offs are applied to each of the oxide and sulfide zones. Cut-offs applied to the Ore Reserves were: oxide ore $20.67/t and sulfide ore $17.74/t.

Estimation Methodology

The PFS19 estimate allowed for ore loss and mining dilution using a resource re-blocking process to simulate expected mine selectivity.

Due to its polymetallic nature, the oxide and sulfide portions of the Ore Reserve are quoted at an NSR cut off based on metal prices, metal recoveries, plus on and off-site processing costs. The metal prices used in the economic analysis to demonstrate the Ore Reserve are $1,315/oz Au, $18.00/oz Ag, $3.20/lb Cu, and $1.10/lb Zn.

Material Modifying Factors

Gold and silver from the tank leach process will be produced in the form of doré and sent to refiners for separation. Sulfide ore will produce gold, silver, copper, and zinc to be sold as either copper or zinc concentrate. The metallurgical testing to date indicates that the gold-silver doré and both concentrates will be of marketable quality.

The Project will require the development of infrastructure items in order to operate. The current approach to the Project is tank leaching of oxides in the first two years, followed by sulfide flotation in the succeeding nine years after modification of the oxide plant. A tailings storage facility will accommodate both oxide and sulfide process tailings.

Most of the Project area falls into forest land and will need forestry permits from the General Directorate of Forestry and Prime Ministry. The Project as shown in the PFS will require a total 370.4 hectares of forest permit area over the life of the mining operation. Additional permits will be needed which include, but not limited to, Environmental Impact Assessment (EIA in progress), Forest permits, underground water usage permit and waste storage permit.

Appendix 2

JORC Code Table 1

The following tables are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of Exploration Results and Mineral Resources.

Appendix 2 - JORC Code Table 1

The following tables are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of exploration results, Mineral Resources and Ore Reserves.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralization that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralization types (eg submarine nodules) may warrant disclosure of detailed information.*	• The cut-off date for the drill hole dataset was 21 March 2018. • Resource definition drilling comprised 438 diamond core holes (70%) and 191 reverse circulation (RC) holes (30%). • There was 70,127 m of resource definition drilling within the project area to the cut-off date. • Diamond core sample lengths were nominal 1 m intervals that were split at geological contacts. • RC chip samples were collected in calico bags and chip box trays at 1 m and 2 m intervals depending on geological features/unit. Approximately 55% of the RC sample intervals were 2 m in length, and the remaining 45% were 1 m in length. • The majority of the holes were drilled vertically and therefore intersect mineralization at close-to perpendicular. • Visually observed geological contacts and mineralization veining were used to select the beginning and end of core sample intervals. • Sampling starts 5 m above the mineralization in hanging wall rock and ends 5 m below the mineralization in footwall rock. • The core was sawn in half; one half was sent to the laboratory for assaying and the second half was stored at the core logging facility at the camp area. • RC chip samples were collected using a riffle splitter with a representative sample sent to the laboratory for assay. • Of the 438 diamond drill holes, 388 have downhole survey measurements. • RC drill holes were not surveyed downhole. • Drill hole samples were sent offsite to recognised independent analytical laboratories for analyses. • Drill samples collected in 2013 were sent to the SGS laboratory in Ankara. From 2014 through 2018, samples were prepared and analysed at ALS İzmir, Turkey. Samples were prepared by drying, crushing and pulverising to 75 µm. • The following assay methods were used for all samples sent to ALS laboratories. o Au-AA25 - Au Fire Assay A prepared sample with a 30 g charge is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, then cupelled to yield a precious metal bead. The bead is digested in dilute nitric acid, then concentrated hydrochloric acid

Criteria	JORC Code explanation	Commentary
		to further digest. The solution is cooled, diluted with water, and analysed by atomic absorption spectroscopy (AAS) using matrix-matched standards. o ME-ICP61 of 33 elements including Ag, Cu, Pb, and Zn (4-Acid Digest; Atomic Emission Spectroscopy Finish) A prepared sample is digested with perchloric, nitric, hydrofluoric and hydrochloric acids. The residue is topped up with dilute hydrochloric acid and the resulting solution is analysed by inductively coupled plasma-atomic emission spectrometry (ICP-AES). • The following assay methods were used for samples sent to SGS o FAA 303 - Au by Fire Assay A 30 g pulverised sample is weighed and mixed with a fluxing agent. The sample is heated in a furnace and then cupelled. The button is crushed and dissolved in hyrochloric acid, then filtered. Sample is diluted with water and analysed by AAS. o ICP40B of Ag–Cu–Pb–Zn (4 Acid Digest; Atomic Emission Spectroscopy Finish). A prepared sample is digested with perchloric, nitric, hydrofluoric and hydrochloric acids. The residue is topped up with dilute hydrochloric acid and the resulting solution is analysed by ICP-AES.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond core drilling at Gediktepe is predominately PQ size (85 mm) with a few HQ (63.5 mm) holes. • For RC drilling, a face sampling bit (121 mm) was used. • Nine geotechnical core holes were drilled with core orientations collected for slope stability investigation.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Recoveries from core drilling were measured and recorded, then added to the DataShed drill database. Core recovery averaged 88% with higher core loss in oxide mineralization. • For each RC sample, rejects were weighed to check sample recovery. Overall calculated RC recovery was approximately 69%. • Diamond drilling used drill mud to maximise recovery. • RC drilling rates were reduced in broken ground. • Gold, silver, copper, and lead grades show a general increase in grade as sample recovery decreases. Zinc assay grades fluctuate by recovery but do not show a trend. • Average core recovery is 88%. Drilling within the sulfide zone has a high recovery. Lower core recovery (< 50%) is experienced in the oxide zone and can be as low as 4%.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	• Drill core was logged for lithology, alteration, mineralization, oxidation state and structure. • RC cuttings were logged for geological attributes including rock type, visible minerals, alteration and oxidation. • Rock Quality Designation (RQD) and Rock Mass Quality (RMQ) logs were collected in geotechnical holes. • Logging is considered to have been undertaken to a sufficient level of detail to support geological modelling and estimation of mineral resources.

Criteria	JORC Code explanation	Commentary
		• Geological rock types, alteration and structure (for core) were recorded based on visual determination. • Diamond core and RC chip samples are digitally photographed, with images saved on the company server. RC chips are stored at the logging facility. • All recovered drill hole intervals were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Diamond core was cut in half using an electric core saw in competent ground and hand split in unconsolidated material to geological contacts. • Diamond drill hole depths ranged from 15 m to 377 m with an average depth of 131 m. • RC drill hole depths ranged from 20 m to 157 m with an average depth of 70 m. RC drilling is located at the fringes of the mineralization. Core holes define the main mineralized body. • Ground water was encountered in most of the RC holes, with roughly a third of the RC drill meters above the water table and two-thirds drilled below as wet samples. • Industry standard diamond and RC drilling techniques were used and are considered appropriate to support geological modelling and estimation of mineral resources. • For RC drilling, sample quality was maintained by monitoring sample volume and by cleaning and drying the splitters on a regular basis. • The rotary cone sample splitter on the RC rig was adjusted to maintain a representative sample volume. RC samples were collected at the rig using a riffle splitter. • A select number of pulps were chosen for duplicate samples, both from RC and diamond drilling during the years of 2013 and 2014. Samples were submitted to the same laboratory for analysis. • In the 2015 program, field duplicates were obtained from RC drilling by collecting a second sample split. A quarter sample was used for diamond drilling as a duplicate. Duplicates were collected on a nominal 1-in-40 basis before 2017, and a nominal 1-in-20 basis after 2017. Samples were submitted to the same laboratory for analysis. • Sample sizes are considered appropriate to the mineralization based on: the style of mineralization, the thickness and consistency of the intersections, the sampling methodology, and assay value ranges for gold.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The fire assay gold analysis is considered to be a total assay method. Multi-element analyses of silver, copper, lead and zinc undertaken by four-acid digestion via ICP-AES are considered total assay methods except where they exceed the upper detection limit. • Upper detection limits are: 10 ppm for Ag, 100 ppm for Au, and 10,000 ppm for Cu, Pb and Zn. Over-limit samples are re-analysed at the same laboratory. • XRF instruments were used in massive pyrite zones for holes DRD-082 through DRD-160. • Industry standard certified reference materials (CRMs) and blanks were utilised in order to check laboratory assay quality control. Several different standards and blanks from Geostats Pty Ltd and Rock Lab were used for this purpose.

Criteria	JORC Code explanation	Commentary
		• There was a total of 1,931 CRMs analysed from 2013 to 2018 with a total of 37,856 drill samples (5.1%). • A total of 1,737 blank samples were used (4.6%). Blank sample results do not indicate sample contamination issues. • Gold assay results are acceptable for use in supporting Mineral Resource estimates. Limited QA/QC exists to support Ag, Cu, Zn, or Pb assays.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	• Drill intersections are reviewed by the senior geologist of Polimetal Madencilik Sanayi ve Ticaret A.Ş. (Polimetal) following receipt of assay results. Drill intersections are plotted on paper sections and compared to surrounding drilling. If warranted, follow-up drill holes are planned according to the location of significant intersections. • Pulp check samples (269) were sent to Acme Lab and SGS to confirm the original assay results provided by ALS Lab. These limited third-party check samples indicate that the ALS results are in acceptable range with the 95% confidence level. • At three locations, twinned drill holes spaced 2–3 m apart were drilled in order to compare RC and diamond assay results. The diamond drill results are slightly higher than RC assay results. • Each of the pairs of twin holes were reviewed graphically. Overall, the statistics and graphical comparisons indicate that any differences are within acceptable bounds. • Drill hole data is stored within a DataShed database. Upon receipt of analytical batches, blanks, standards, and duplicates were examined for evidence of laboratory contamination, analytical error, and assay reproducibility. • Downhole surveys are collected by the contracted drilling company and the information transferred into DataShed. • Laboratory certificates are available from the start of the project in 2013. • During the period from 2013 through 2014, duplicate assays from the laboratory were averaged in the assay file. From 2015 through 2018 the first assay of the field duplicate was used as a duplicate assay.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	• Gediktepe drill hole collar locations were surveyed by a local contract surveyor firm using Total Station and DGPS instruments. All drill hole collar locations were surveyed after the hole was drilled. • Downhole surveys were performed with a Devico reflex device on diamond holes. RC drill holes were not downhole surveyed. Eight holes of the initial 11-hole programme were angled holes. The remainder of the holes are vertical or sub-vertical. • The project coordinate system is the Universal Transverse Mercator (UTM) system, European Datum 1950, Zone 35. Magnetic declination for the area is +4.78°. • The topographic surface DTM was obtained from ground surveys. Topographic contours are available down to 1 m intervals. • A satellite image and topographic contour map of the Gediktepe Project area was collected in August of 2014.

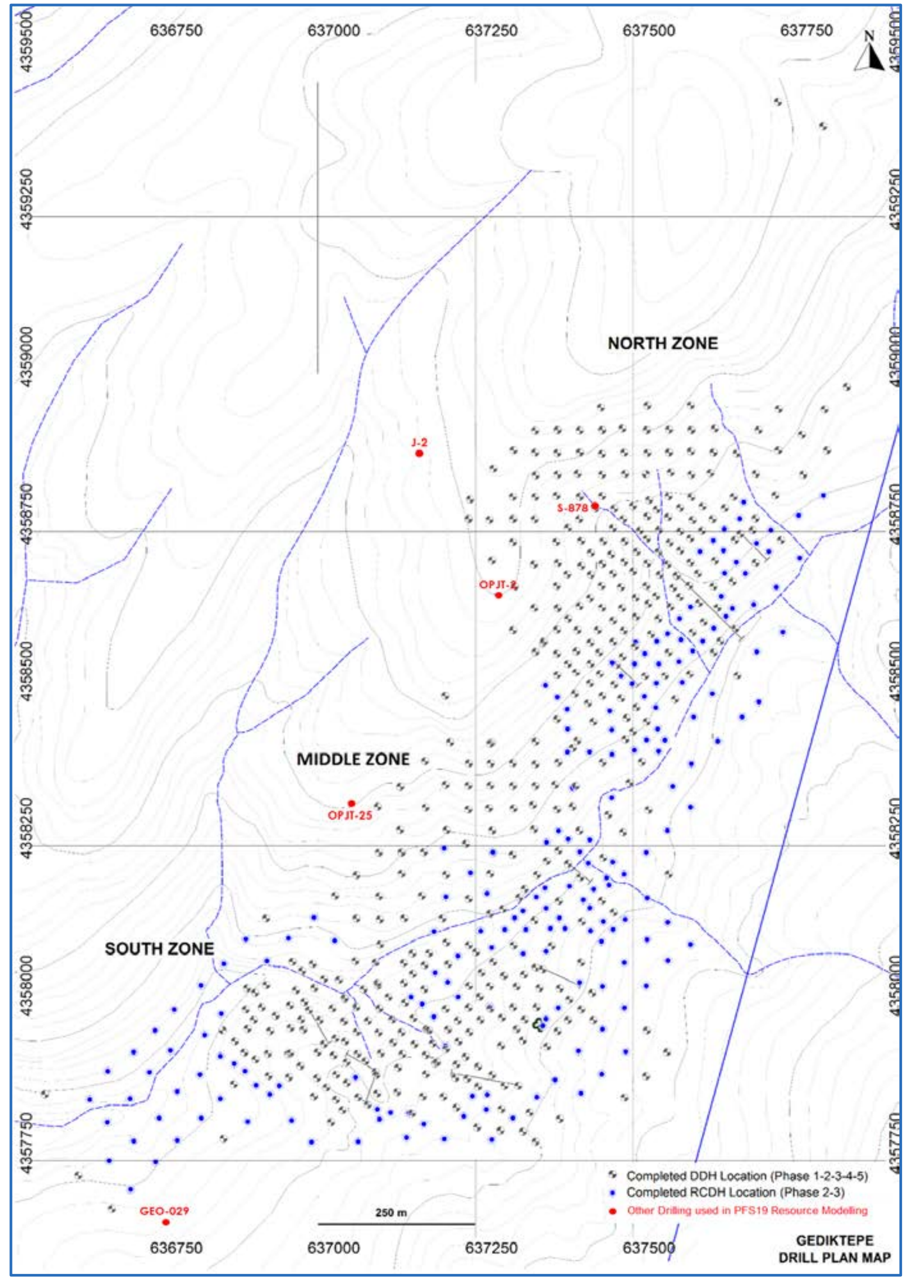
Criteria	JORC Code explanation	Commentary
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	• Drill hole spacing in the Gediktepe resource definition database varies from 25 m to 50 m centers (nominal spacings). • Drill spacing in the resource definition database is considered adequate for geological modelling and the estimation of mineral resources. Resource classification has taken into account drill hole spacing and continuity of mineralization. • Sample lengths within the drill hole data set are not composited. Sample compositing was applied to the data set used for statistical analysis and geological modelling.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The majority of the drilling is vertical and intersects mineralization at close-to perpendicular. • Interpreted geological structures range from vertical to low-angle based on lithological offsets and relative positions of mineralized zones. • Interpreted structures are considered to be accurate to the distance of the drill hole spacings. • No orientation-based sampling bias has been identified to date.
Sample security	*The measures taken to ensure sample security.*	• Chain of custody is managed procedurally by Polimetal. • Samples are stored on-site near the logging facility until collected for transport to the analytical laboratories. • Polimetal personnel have no contact with the samples once they are despatched to the laboratory.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	• A full review of the data preparation, modelling, and estimation processes was undertaken. • No material issues were identified.

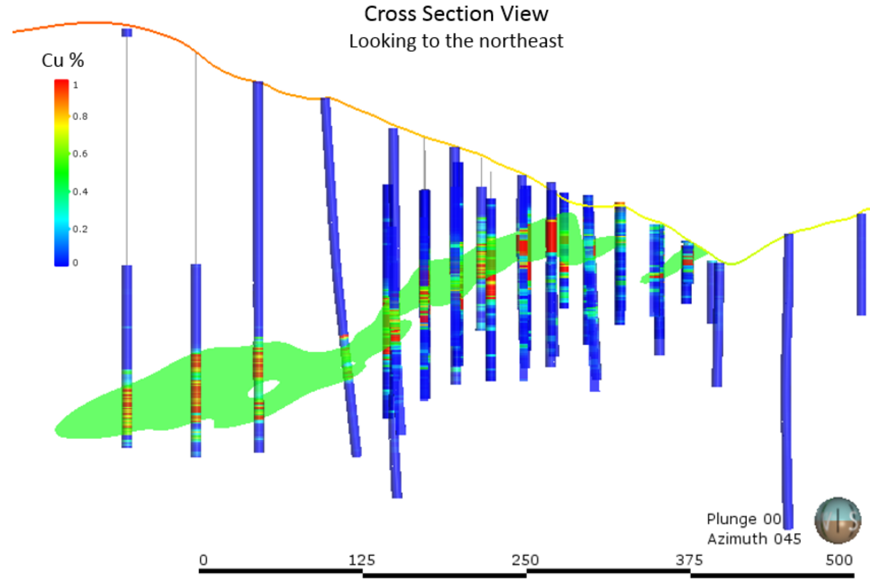
Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Gediktepe Project is located in the Balikesir province of western Turkey. • Polimetal Madencilik Sanayi ve Ticaret A.Ş. (Polimetal), was formed in 2011 as a 50/50 joint venture company between Lidya Madencilik San. ve Tic. A.Ş. (Lidya) and Alacer Gold Corp. (Alacer). • Gediktepe mining licenses are held by Polimetal. • The Gediktepe Project investigations are being managed by Polimetal. • The property consists of one operational license (RN 85535) on which the entire Gediktepe mine is located, and one additional operating license (200700250) that has not yet been explored. • The licenses are in good standing with no known impediment to the granted permit.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	• Alacer initially found Gediktepe and obtained the first exploration license in 2005. • Phase 1 drilling began in 2013 with advanced drill programmes carried from 2014 through 2018.

Criteria	JORC Code explanation	Commentary
Geology	*Deposit type, geological setting and style of mineralization.*	• The Gediktepe deposit is interpreted to be a convex Massive Sulfide (MS) type ore deposit hosted in schists. Minerals of interest include gold, silver, copper, zinc, and lead. • Upper Paleozoic aged metamorphics are the most common units, consisting of quartz–feldspar schist, chlorite–sericite schist and quartz schist. Miocene volcanics are also present as lava flows and pyroclastics. Gold-bearing gossan occurs near surface. • Mineralization is largely contained within the chlorite–sericite schist. In the oxide zone the mineralization is associated with gossan bodies and in the sulfide zone the mineralization is within massive pyrite. Elevated copper grades are locally found within small enriched zones of chalcocite.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Drill hole collar locations, azimuths, inclinations, downhole sample lengths, and hole depth are recorded for all holes. • The tabulation of the drill hole collar information for exploration results has been previously released in Alacer announcements "Alacer Announces Exploration Results in Turkey", dated February 24, 2014 and September 14, 2014, on the Corporation's website at www.alacergold.com, on SEDAR at www.sedar.com or on ASX at www.asx.com.au. • Drill hole intercepts from 629 RC and diamond drill holes, with a nominal drill spacing of 25 m to 50 m, were used to support the Mineral Resource estimate. • A full list of drill hole collar information used for the PFS Mineral Resource estimate is available on the Alacer Corporate website at www.alacergold.com,
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration results are not being reported in this press release. • For the Mineral Resource modelling, the following high-grade capping was applied, depending on the mineralization domain the sample represented: o Gold capped at a range from 2.5 g/t Au to 25 g/t Au; o Copper capping ranged from 0.6% Cu to 12% Cu; o Silver ranged 100 g/t Ag to 350 g/t Au; and o Zinc capping ranged from 0.5% Zn to 12% Zn. • Samples that exceeded the high-grade cap or did not reach the low-grade cap were reset to equal the cap value. • Intercepts included in the Mineral Resource estimate are capped and composited samples. • Resources are reported by metal - gold, silver, copper, and zinc.
Relationship between mineralization widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.*	• Mineralization dips on average 20° to the north-west. Aside from a few angled holes, drilling is vertically oriented. Given the relationship between the vertical drill holes and the slightly dipping mineralization, the mineralized intercept lengths are slightly longer than the true mineralized widths.

Criteria	JORC Code explanation	Commentary
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Gediktepe resource estimation utilised 629 drill holes spaced at nominal 25 m to 50 m centers. • Mineralization extends over 1,200 m along the central valley and dips to the north-west at about 20°.

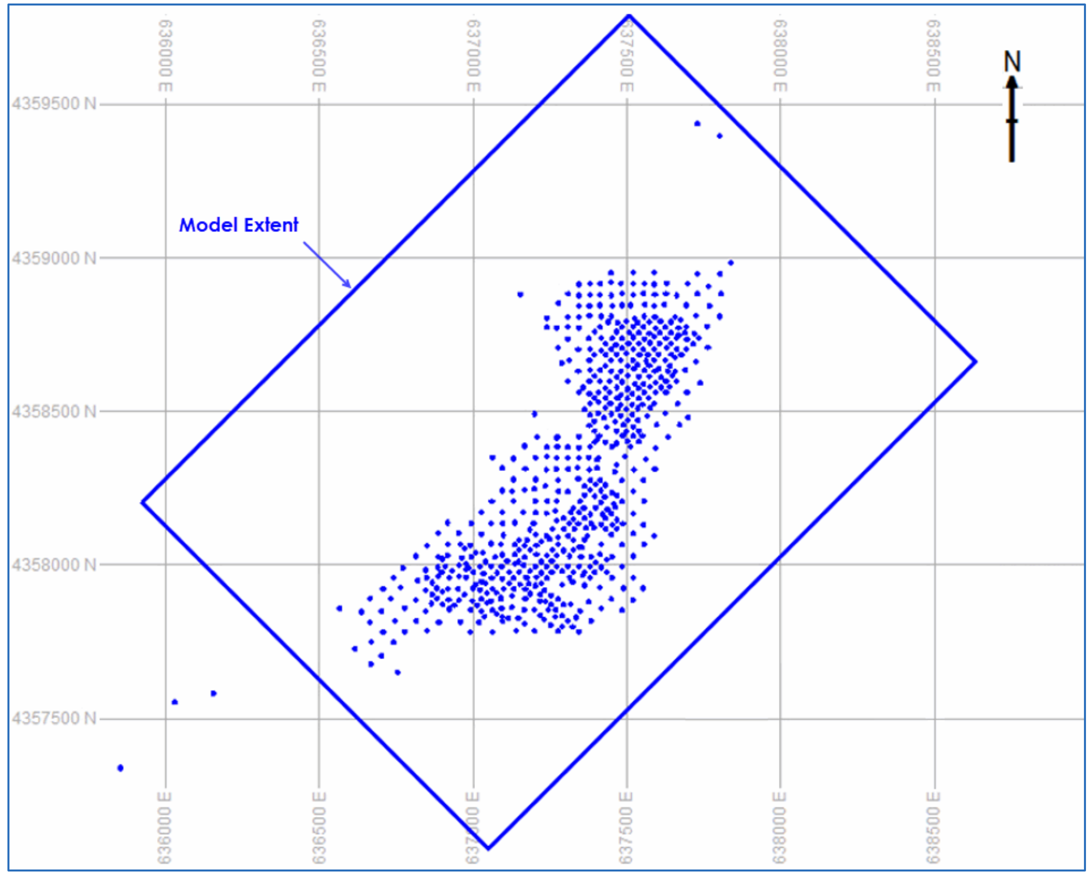
Criteria	JORC Code explanation	Commentary
		

Criteria	JORC Code explanation	Commentary
		
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Exploration Results are not being reported in this press release. • Mineral Resources and Ore Reserves are detailed in this press release.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical results; bulk samples; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Surface geochemical sampling was completed between 2012 and 2014. • Ground-based geophysical surveys were conducted in 2013 and included magnetic and induced polarisation. Collective analysis indicates that low-resistivity combined with high-magnetic response coincides with a higher-grade zones of mineralization. • Bulk density, metallurgical results and deleterious elements for Gediktepe are detailed in Section 3 of Table 1.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Additional drilling may be undertaken to obtain fresh core samples for metallurgical testing and to increase confidence in the oxide and sulfide interpretation during project payback years. • The majority of the mineralization is contained within a conceptual resource pit shell; however, mineralization is open to the north-west and may encourage drill testing of underground targets in the future.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* *Data validation procedures used.*	• Data verification activities, including the independent analyses of QA/QC data, were undertaken. A set of routine tests of database validity was undertaken as part of the data preparation phase of the resource modelling work. A series of cross-checks between the database observations and core photos was undertaken for some drill holes. • Plots of drill holes, geology, and assay values are generated by the project geologist who reviews them on an on-going basis. The project geologist was requested to review and confirm or correct any information that was identified as being pivotal to or inconsistent with the evolving geological model.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *If no site visits have been undertaken indicate why this is the case.*	• Sharron Sylvester, BSc (Geol), MAIG, RPGeo (10125), employed by OreWin Pty Ltd as Technical Director – Geology, was responsible for the Mineral Resource estimates. Sharron Sylvester visited the site on 15 January 2019. The site visit included briefings from Polimetal engineering, mining, and geology and exploration personnel. The visit included inspection of drill core, and site inspection of the mining and plant sites. • Meetings with Polimetal and Alacer personnel were held at their respective offices in Ankara, Turkey during the week of the site visit.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* *Nature of the data used and of any assumptions made.* *The effect, if any, of alternative interpretations on Mineral Resource estimation.* *The use of geology in guiding and controlling Mineral Resource estimation.* *The factors affecting continuity both of grade and geology.*	• The geological model is considered to be a reasonable representation of the logged geology. • The data used for the geological model included a combination of diamond and RC drilling. • Combined lithological/mineralogical units are used as the basis for modelling domains and grade capping. • An oxidation surface was generated and applied to the resource model to distinguish the oxide zone from the sulfide zone. Massive pyrite, enriched, and gossan mineralized domains are constrained during estimation to their relevant weathering zones. • Interpretation wireframes for lithology, mineralization, and oxidation were completed by Polimetal geology staff. • Effects of alternative geological models was not tested.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The model extent covers an area 2,000 m along-strike (north-east / south-west) by 1,300 m across-strike. Classified Mineral Resources (Measured, Indicated, and Inferred) occur over a strike length of 1,700 m and an across-strike width of 600 m at the widest. The classified resource extends to approximately 350 m below the topographic surface.

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* *The assumptions made regarding recovery of by-products.* *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulfur for acid mine drainage characterisation).* *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* *Any assumptions behind modelling of selective mining units.* *Any assumptions about correlation between variables.* *Description of how the geological interpretation was used to control the resource estimates.* *Discussion of basis for using or not using grade cutting or capping.* *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Mineralized zones were defined by interpreted boundaries (gossan and clay like gossan, massive pyrite, enriched, and disseminated). These were supplied by Polimetal in the form of wireframed solids. • A series of wireframe solids representing low-grade mineralization shells were developed to constrain the low-grade mineralization around the mineralized zones. • Statistical analysis was conducted on drill hole samples composited to 1 m lengths within the various mineralized zones, while the low-grade mineralization shell and background samples were analysed using 2 m composites. • Grade capping, detailed in Section 2 of Table 1, was applied after compositing. • Exploratory data analyses (EDA) showed that there is typically a substantial change in gold grade between the oxide and sulfide zones. Within the sulfide zone, copper and zinc show higher assay grades within the massive pyrite. • A cell model was created using a parent block size of 20 m (E) x 20 m (N) x 10 m (RL) in all areas. Splitting of parent cells at domain boundaries was permitted to honour the interpreted boundaries. The smallest sub-cell size permitted was 5 m (E) x 5 m (N) x 2 m (RL). • The cell model was truncated by topography. Domain codes were embedded in the model cells to represent volumes of geological units and mineralization and weathering zones. • The sample dataset was coded in a corresponding fashion and statistical and geostatistical evaluations were undertaken to inform estimation of the major grades of economic interest (Au, Ag, Cu, and Zn) and minor grades (As, C, Pb, S, Fe, and Hg), along with bulk densities, into the mineralization domains and background material in the cell model. • Ordinary Kriging and Inverse Distance weighted to the power of two (ID2) were selected to interpolate elements depending upon the mineralized zone and element. Up to three search passes were used by estimation domain with increasing expansion in the search ellipse for each pass. • Minimum numbers of composites ranged from 2 to 5 with the maximum either 15 or 24 depending on the domain being interpolated. • Domains were honoured as hard contacts during the grade estimate of each component. • Model validation included visual comparison of drill hole results to estimated grades with sectional and composite trend plots generated and reviewed. Model development and grade estimation procedures were subject to a Peer Review process. • Check estimates using alternative methods have been produced.

Criteria	JORC Code explanation	Commentary
		
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated using dry density measurements.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Mineral Resources were reported within an optimised pit shell using Net Smelter Return (NSR) cut-offs, thereby combining the contribution of gold, silver, copper, and zinc. Mineral Resource NSR cut-offs vary by processing method: the oxide cut-off was based on an NSR of $20.72/t, while the cut-off for sulfide Mineral Resource was an NSR of $17.79/t. • Oxide ore will be processed through a tank leach facility and sulfide material will be treated through a proposed float plant to generate marketable copper and zinc concentrates. • Mineral Resource tabulations have been categorised by oxide or sulfide material, NSR cut-off, and by Mineral Resource classification. • Economic parameters for the NSR calculation were as follows:

Metal Price Assumption		
Gold	1,300	US$/troy oz
Silver	18.50	US$/troy oz
Copper	3.30	US$/lb
Zinc	1.28	US$/lb

Oxide Recovery	
Gold	88.0%
Silver	64.4%

Sulfide Recoveries					
Metal Recovery to Copper Concentrate					
MPY+MPM		**Enriched**		**Disseminated**	
Copper	60.00%	Copper	0.00%	Copper	60.00%
Gold	17.20%	Gold	0.00%	Gold	17.20%
Silver	12.30%	Silver	0.00%	Silver	12.30%
Zinc	3.50%	Zinc	0.00%	Zinc	3.50%
Lead	20.00%	Lead	0.00%	Lead	20.00%
Cu conc. Grade	30.00%		0.00%		30.00%

Metal Recovery to Zinc Concentrate					
MPY+MPM		**Enriched**		**Disseminated**	
Zinc	81.00%	Zinc	0.00%	Zinc	81.00%
Gold	15.70%	Gold	0.00%	Gold	15.70%
Silver	21.50%	Silver	0.00%	Silver	21.50%
Copper	7.00%	Copper	0.00%	Copper	7.00%
Lead	11.50%	Lead	0.00%	Lead	11.50%
Zn conc. Grade	51.50%		0.00%		51.50%

- The conceptual resource pit shell was developed to demonstrate that material meets the reasonable prospects for eventual economic extraction criteria required for reporting Mineral Resources. The economics of the conceptual resource pit shell was based on the following metal prices: $1,482/oz for gold, $3.76/lb copper, $1.46/lb zinc and $21.09/oz silver.
- The conceptual resource pit shell that constrains the Mineral Resource extends approximately 2,000 m along strike (north-east/south-west) by approximately 750 m across strike (on average). The maximum depth of the conceptual pit shell is approximately 350 m.

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Gediktepe will be mined by conventional open pit hard rock mining methods. Polimetal plans to utilise a contract mining company to move ore and waste. • Mine geometries have been designed under the assumption that mining will be by a Turkish contractor with 3–4 m^3 backhoes and 35 tonne trucks. • The minimum mining width is approximately 70 m.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Test work was undertaken from 2014 through 2015 by Resource Development Inc. (RDI; Colorado, USA), SGS (England), and Hacettepe Mineral Technologies (HMT; Ankara, Turkey). Further test work was performed from 2016 through 2018 at Wardell Armstrong International (WAI; Truro, England), HMT, and ALS (ALS; Perth, Australia). • Material from the oxide zone has been tested using cyanidation for the recovery of gold and silver. The sulfide material has been assessed using sequential flotation to recover separate, marketable copper and zinc concentrates.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• A waste storage area located west of the pit was selected by the project team. Geotechnical guidance was provided by Fugro Sial based on site investigations. An overall slope angle of 21.8° was applied. • Oxide ore will be placed within a lined heap leach facility. All process residue will be contained within the heap leach and oxide ore process facilities. • A geochemical characterisation programme by Golder assessed the environmental stability of both ore and waste rock for acid rock drainage and metal leaching potential. • The Environmental Impact Assessment (EIA) was compiled by SRK and submitted to the Ministry of Environment and Urbanisation on December 15, 2015. A revised EIA report was re-submitted in February 2016, which contained additional information requested by the Water and Sewage Administration of Balikesir Municipality.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Bulk density determinations are made on selected diamond drill samples using the wax coated water displacement method by site geologists. Tonnages are estimated on a dry basis. • A total of 6,202 bulk density measurements classified by lithological and mineralogical unit were available for review. Density values were assigned to the cell model by rock type. No factor was applied to account for void spaces or moisture differences. Alteration is considered based on rock type such as gossan and relative depth with respect to deposit stratigraphy. Density values were incorporated into the Mineral Resource model. • Density data are considered appropriate for use in Mineral Resource and Ore Reserve estimation.

Criteria	JORC Code explanation	Commentary
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.* *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Mineral Resources were classified based on the: o Confidence in the geological interpretation. o Knowledge of grade continuities from observations and geostatistical analyses. o Number, spacing, and orientation of drill hole intercepts through mineralized domains. o Quality and reliability of the raw drill hole data (sampling, assaying, surveying). o The likelihood of material meeting economic mining constraints. • Classification boundaries were digitised for Measured / Indicated (plan view) around default identifiable areas of higher drilling intensity. Separate boundaries were generated for each of the gossan, massive pyrite and low-grade mineralization shell sets of intersections. The areas for Measured material were identified where zones of good continuity and suitable drill hole spacing was achieved.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	• The work was prepared by Polimetal. A full review of the Mineral Resource estimate has been undertaken by OreWin Pty Ltd. • No material issues were identified. • Overall, the model is considered to accurately represent the available information.
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The Gediktepe Project is a polymetallic deposit that exhibits primary variability of mineralization styles, as illustrated within the sulfide zones where massive pyrite, enriched, and disseminated mineralization are marked by their individual characteristics. • The Mineral Resource is considered suitable globally for technical and economic evaluation with industry-accepted estimation practices applied. • It is recommended that additional targeted actions be taken to identify areas of significance but lower confidence. The targeted approach is to ensure that the refinement actions are effective, without undue costs in time and expenditure. Model improvements may occur with the drilling of angled holes, additional focussed drilling in locations of lower confidence, a short-range variability study to attempt to better understand the grade distributions, selected resampling and assaying, confirmation of density values in gossan, review of local geological interpretations, refinement of resource modelling and grade estimation procedures.

Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for	*Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.*	• The Ore Reserves were based on the Mineral Resources that were outlined in Section 3. • Reported Ore Reserves incorporate and include mining losses and grade dilution that are not reported in the Mineral Resources.

Criteria	JORC Code explanation	Commentary
conversion to Ore Reserves	*Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• Only Measured Mineral Resources (plus dilution) were used to report Proven Ore Reserves and only Indicated Mineral Resources (plus dilution) were used to report Probable Ore Reserves. • Ore Reserves are a subset of, not additive to, the Mineral Resources and are quoted on a 100% project basis.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *If no site visits have been undertaken indicate why this is the case.*	• Bernard Peters, BEng (Mining), FAusIMM (201743), employed by OreWin Pty Ltd as Technical Director – Mining, was responsible for the overall preparation of the Gediktepe 2019 Prefeasibility Study (PFS19) and the Ore Reserves estimates. Bernard Peters visited the site on 15 January 2019. The site visit included briefings from Polimetal engineering, mining, and geology and exploration personnel. The visit included inspection of drill core, site inspection of the mining, and plant sites. • Meetings with Polimetal and Alacer personnel were held at their respective offices in Ankara, Turkey during the week of the site visit.
Study status	*The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• Gediktepe 2019 Prefeasibility Study (PFS19) is a prefeasibility study as defined by the JORC Code, 2012. • The mine plan, including process and infrastructure assumptions, have considered the material Modifying Factors and determined the mine plan is technically achievable and economically viable.
Cut-off parameters	*The basis of the cut-off grade(s) or quality parameters applied.*	• Due to its polymetallic nature, the oxide and sulfide portions of the Ore Reserve are quoted at an NSR cut-off based on metal prices, metal recoveries, plus on and off-site processing costs • For the pit optimisation, Polimetal selected metal prices of: $1,300/oz Au, $18.5/oz Ag, $3.30/lb Cu, and $1.28/lb Zn. • The pit shells produced from this optimisation were used for pit design work. • At the time of creating the mine schedules and the economic analysis to support PFS19, the various parameters used to define NSR and the associated ore cut-offs were updated based on revised metallurgical parameters, cost estimates, and long-term metal price forecasts. The metal prices used in the economic analysis to demonstrate the Ore Reserves are: $1,315/oz Au, $18.0/oz Ag, $3.20/lb Cu, and $1.10/lb Zn. • Ore Reserve NSR cut-offs vary by processing method: the oxide cut-off was based on an NSR of $20.67/t while the cut-off for sulfide Ore Reserve was an NSR of $17.74/t. Additionally, enriched mineralization with a Cu/Zn grade ratio ≥ 0.75 is considered to be ore.
Mining factors or assumptions	*The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).*	• The Gediktepe deposit will be mined by conventional open pit hard rock mining methods. The mining method is suited to the deposit. • Open pit mining is planned to be carried out on 2.5 m flitches using excavators and trucks. Drilling and blasting will be required.

Criteria	JORC Code explanation	Commentary
	The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* *The major assumptions made, and Mineral Resource model used for pit and stope optimisation (if appropriate).* *The mining dilution factors used.* *The mining recovery factors used.* *Any minimum mining widths used.* *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* *The infrastructure requirements of the selected mining methods.*	• All mining services will be performed by a suitably qualified and experienced Turkish mining contractor. It is currently anticipated that the same mining contractor will provide initial construction services, particularly construction of the tailings storage facility (TSF). • The geotechnical parameters used in the mine design result in inter-ramp slope angles from 25° to 29° on the eastern side of the pit and 41° to 45° on the west side of the pit. • Grade control to determine material types and ore boundaries will be performed based on blasthole sampling and assaying, and under the control of the mine geologists. Feed to the process plants is expected to be a combination of both direct tipping and reclaim from run-of-mine (ROM) stockpiles to ensure optimal feed to the process plant, particularly for sulfide ore. • The open pit design was based on pit optimisation analysis using the relevant cost, revenue, and physical parameters. The ultimate pit design was further sub-divided into a series of intermediate pit stages designed to defer waste mining and facilitate blending and project cash flow. • Mine and process scheduling was carried out on a monthly basis for the first five years (including a one-year pre-strip) and quarterly for the remainder of the mine life. Scheduling was guided by a linear programming tool to facilitate the required ore blending outcomes. In addition to ore mining targets, waste mining in the pre-strip and initial years targeted minimum quantities of suitable waste to construct the TSF to manage mine area run off and ensure tailings storage availability at the commencement of oxide ore processing. • The Gediktepe resource model has parent cells for grade estimation of 10 m (E) x 10 m (N) x 2.5 m (RL). Where necessary, to honour geological boundaries, parent cells were permitted to split further; down to a minimum size of 5 m (E) x 5 m (N) x 2 m (RL) sub-cells. The orebody is moderately dipping and narrow in some areas. A re blocking or regularisation approach was selected to simulate ore loss and dilution. Re blocking is a simple method that is not software specific. The 5 m x 5 m x 5 m SMU was selected as the basis for the mining model. Average ore loss is 7% and 14% dilution on a tonnage basis. The minimum mining width is approx. 70 m. • Inferred Mineral Resources have been treated as waste. • Areas for mine infrastructure including: mine workshops, magazines, drainage, and other requirements have been allowed for.
Metallurgical factors or assumptions	*The metallurgical process proposed and the appropriateness of that process to the style of mineralization.* *Whether the metallurgical process is well-tested technology or novel in nature.* *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* *Any assumptions or allowances made for deleterious elements.*	• The oxide processing facility has been designed to treat 1.1 Mtpa of oxide ore for approximately two years and will be followed by processing 2.4 Mtpa of sulfide ore over a total mine life of approximately 11 years. The project will therefore be installed and commissioned in two stages: o Stage 1 oxide ore – comprising a two-year period for processing gold and silver ore that will be treated in a single stage semi-autogenous grinding (SAG) mill circuit, followed by sodium cyanide leaching, carbon-in-pulp (CIP), and elution and electrowinning techniques to recover the gold and silver; and, o Stage 2 sulfide ore – the oxide processing plant will be expanded to process copper and zinc-bearing ore by flotation. A 5.5 MW secondary grinding ball mill will be added to the

Criteria	JORC Code explanation	Commentary
	The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole. *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	grinding circuit. Sequential flotation will be employed to produce separate copper and zinc concentrates for export. • The major unit operations of the oxide and sulfide process flowsheets have been tested at bench scale, along with specialist vendor test work as required. The metallurgical test work has been completed using parallel programmes for samples from each of the oxide and sulfide zones of the Gediktepe deposit. Material from the oxide zone has been tested using cyanidation for the recovery of gold and silver. The sulfide material has been assessed using sequential flotation to recover separate, marketable copper and zinc concentrates. • The metallurgical model is based on estimates of concentrate grades and recoveries from the three ore types; massive pyrite, disseminated, and enriched. The individual components from the mine production schedule are then summed to produce the expected quantity and quality of copper and zinc concentrate by period or quarter. Blending of concentrate will be necessary to maintain products within the smelter specifications. • Three types of concentrates will be produced: o Standard copper concentrate: containing > 20% Cu, < 7% Zn, < 2.5% Pb o Complex copper concentrate: containing > 20% Cu, < 10% Zn, < 6% Pb o Zinc concentrate: > 50% Zn, < 5% Cu, < 5% Pb • Processing of enriched ore presents some challenges due to the pre-activation of zinc in situ resulting in a relatively high proportion of zinc reporting to the copper concentrate. This may be further affected by the weathering of mined ore in stockpiles prior to feeding to the mill. The first pass schedule included in this report is based on a blending constraint that limits the enriched ore feed to the mill at < 10% but will require enriched stockpiles of up to 40 kt in some months of year 4. It should be noted that this is a limited effect as in the remaining years the enriched stockpile levels will generally be less than 5 kt. • Recovery Assumptions are in the following table:

Parameter	Value/Formula
Oxide	
Gold Recovery	Fixed at 90.16%
Silver Recovery	Fixed at 70.65%

Parameter	Value/Formula
Massive Pyrite – Copper Concentrate	
Concentrate Grade	Fixed at 30% Cu
Copper Recovery	(10.342 x % Cu Feed Assay) + 57.492
Gold Grade in Conc.	(4.7196 x g/t Au feed assay) + (7.3198 x (g/t Au feed assay)^2) Gold grade used to back calculate recovery.

Silver Grade in Conc.	(11.475 x g/t Ag feed assay) – (0.1127 x (g/t Ag feed assay)^2) Silver grade used to back calculate recovery.
Zinc Recovery	% Cu feed assay x ((10.342x% Cu feed assay)+57.492) x ((0.9852 x % Zn feed assay) + 0.2705) / % Zn feed assay / % Cu concentrate assay
Lead Recovery	15.278 – (15.917 x % Pb feed assay)
Arsenic Recovery	% Cu feed assay x ((10.342x% Cu feed assay)+57.492) x ((0.8518 x % As feed assay) + 0.0266) / % As feed assay / % Cu concentrate assay
Massive Pyrite – Zinc Concentrate	
Concentrate Grade	Fixed at 58% Zn
Zinc Recovery	(0.5181 x % Zn feed assay) + 77.379
Gold Grade in Conc.	(2.293 x g/t Au feed assay) – (0.6249 x (g/t Au feed assay)^2) Gold grade used to back calculate recovery.
Silver Grade in Conc.	(4.7899 x g/t Ag feed assay) – (0.0364 x (g/t Ag feed assay)^2) Silver grade used to back calculate recovery.
Copper Recovery	(9.3369 x % Cu feed assay) + 1.0891
Lead Recovery	10.414 + (10.944 x % Pb feed assay)
Arsenic Recovery	% Zn feed assay x ((0.5181x% Zn feed assay)+77.379) x 0.05 / % As feed assay / % Zn concentrate assay
Enriched – Copper Concentrate	
Concentrate Grade	Fixed at 32.9% Cu
Copper Recovery	Fixed at 67.7%
Gold Recovery	Fixed at 10%
Silver Recovery	Fixed at 10%
Zinc Recovery	Fixed at 29.5%
Lead Recovery	Fixed at 45.5%
Arsenic Recovery	Fixed at 50%

Parameter	**Value/Formula**
Enriched – Zinc Concentrate	
Concentrate Grade	Fixed at 50% Zn
Zinc Recovery	Fixed at 56.4%
Gold Recovery	Fixed at 10%
Silver Recovery	Fixed at 10%
Copper Recovery	Fixed at 11.9%

Criteria	JORC Code explanation	Commentary

Lead Recovery	Fixed at 13.8%
Arsenic Recovery	Fixed at 6%
Disseminated – Copper Concentrate	
Concentrate Grade	Fixed at 25.8% Cu
Copper Recovery	(14.576 x % Cu feed assay) + 60.396
Gold Grade in Conc.	(33.038 x g/t Au feed assay) – (14.246 x (g/t Au feed assay)^2) Gold grade used to back calculate recovery.
Silver Recovery	(0.0895 x (g/t Ag feed assay)^2) – (0.3866 x g/t Ag feed assay)
Zinc Recovery	% Cu feed assay x ((14.576x% Cu feed assay)+60.396) x 7.6 / % Zn feed assay / % Cu concentrate assay
Lead Recovery	Fixed at 40%
Arsenic Recovery	% Cu feed assay x ((14.576x% Cu feed assay)+60.396) x 0.47 / % As feed assay / % Cu concentrate assay
Disseminated – Zinc Concentrate	
Concentrate Grade	Fixed at 49.5% Zn
Zinc Recovery	(4.6259 x % Zn feed assay) + 67.751
Gold Recovery	Fixed at 10%
Silver Recovery	Fixed at 20%
Copper Recovery	% Zn feed assay x ((4.6259 x % Zn feed assay) + 67.751) x 3.9 / % Cu feed assay / % Zn concentrate assay
Lead Recovery	Fixed at 18.1%
Arsenic Recovery	% Zn feed assay x ((4.6259 x % Zn feed assay) + 67.751) x 0.68 / % As feed assay / % Zn concentrate assay

Criteria	JORC Code explanation	Commentary
Environmental	*The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• Environmental studies include: Base line studies: acid rock drainage, metals leaching, air quality, water quality, flora and fauna. • Most of the waste rock will be chemically inert. Waste rock that is close to ore will contain pyrite and is potentially acid generating. Additional testing is underway to establish the requirements for a waste placement plan. During the mine life and after, contact water from the waste storage area will be channelled to the tailing facility where it can be treated as required with any tails seepage. • The Environmental Impact Assessment (EIA) report was prepared according to Turkish Environmental Regulations and submitted to the Ministry of Environment and Urbanisation on 15 December 2015. The first evaluation commission meeting was held with the participation of 18 government institutions on 13 January 2016. • Additional information was requested by the Water and Sewage Administration of Balıkesir Municipality. A revised EIA report was re-submitted in late-February 2016 and the EIA positive certificate for the operation was received on 1 July 2016.

Criteria	JORC Code explanation	Commentary
		• The EIA report will be compiled when the project design is finalised at the end of the project feasibility studies. The EIA addresses the specific requirements of the Turkish regulatory system. The EIA seeks public feedback, but formal stakeholder engagement is limited. It is a proscriptive process that requires meeting specified numerical standards. To support the project final feasibility study, an Environmental and Social Impact Assessment (ESIA) will be performed that meets the minimum Turkish standards but also meets International guidelines. The ESIA process is more risk based and places more emphasis on social issues. The EIA boundary was defined based on the 2016 mine plan and facilities layout.
Infrastructure	*The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided or accessed.*	• Gediktepe is currently a greenfield project and limited infrastructure exists. Infrastructure is planned for construction with this project. • Infrastructure designs have been completed and cost estimated to a prefeasibility level for: power, water, access roads, mine, process plant and administration buildings and facilities, water diversion and storage facilities, heap leach facility, waste storage and tailing facility. A camp area has been designated and a construction camp will be built for the construction periods of the project. Mine workers will live in nearby villages or be transported from Bigadic. • A project execution plan has been developed that includes all of these infrastructure items plus those tasks required for mining and processing.
Costs	*The derivation of, or assumptions made, regarding projected capital costs in the study.* *The methodology used to estimate operating costs.* *Allowances made for the content of deleterious elements.* *The source of exchange rates used in the study.* *Derivation of transportation charges.* *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* *The allowances made for royalties payable, both Government and private.*	• The capital and operating cost estimates include: o Development and operation of an open pit mine, o Construction and operation of an oxide processing plant to produce gold and silver doré, o Construction and operation of a sulfide processing plant to produce copper and zinc concentrates with by-product gold and silver by flotation, with subsequent transport to European smelters for treatment, and o All associated support infrastructure and utilities to construct and operate the mining and processing project. • The base capital and operating cost estimates have been developed by various parties contracted to Polimetal. Due to the different rates of scope development in different project areas, and different inherent risks, individual capital and operating costs have different levels of accuracy. Application of capital contingency factors appropriately reflects this accuracy spread. • All cost estimates are presented in United States dollars (US$) and, in the majority of cases, are based on prices that were current in the fourth quarter, 2018. Where cost estimates are based on earlier data, escalation has been applied. • Exchange rates are based on long-term forecasts. • The Turkish Lira (TL) US$ exchange rate of 6.0 TL/US$ has been used. • Costs estimates are generally consistent with prefeasibility study accuracy of 20% to 25%. • Royalties are payable to the Turkish government at a rate based on the commodity and the metal price. These are new base royalty rates advised by Alacer as being scheduled to be made law in 2019. The effective royalty rates used are: gold = 4.2%, silver = 3.0%, copper = 4%, and zinc = 5%.

Criteria	JORC Code explanation	Commentary
Revenue factors	*The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• At the time of creating the mine schedules and the economic analysis to support PFS19, the various parameters used to define NSR and the associated ore cut-offs were updated based on revised metallurgical parameters, cost estimates, and long-term metal price forecasts. • The metal prices used in the economic analysis to demonstrate the Ore Reserve are \$1,315/oz Au, \$18.0/oz Ag, \$3.20/lb Cu, and \$1.10/lb Zn. • Payable terms assumed for Doré are: • Gold Payable: 99% • Gold Refining and freight \$5.133/oz Au • Silver Payable: 98% • Silver Refining and freight \$1.602/oz Au • The table below shows the assumptions for smelter terms and other concentrate parameters:

	Copper Concentrate	Zinc Concentrate
Primary Metal Payable	Lesser of: 96.5%, or Cu content less 1%	Lesser of: 85%, or Zn content less 8%
Gold Payable	Lesser of: 90%, or Au content less 1 g/t	65% after 1 g/t deduction
Silver Payable	Lesser of: 90%, or Ag content less 30 g/t	65% after 93.3 g/t deduction
Treatment Charge	\$90.00/dry tonne	\$296.00/dry tonne
Refining Charge – Cu	\$0.09/lb	–
Refining Charge – Au	\$5.00/oz	–
Refining Charge – Ag	\$0.50/oz	–
Moisture Content	12%	12%
Ocean Freight	\$30.00/wet tonne	\$30.00/wet tonne
Port, Warehouse, and Handling	\$18.75/wet tonne	\$18.75/wet tonne
Inland Freight	\$12.00/wet tonne	\$12.00/wet tonne
Customs and Insurance	\$1.06/wet tonne	\$1.06/wet tonne

Criteria	JORC Code explanation	Commentary
Market assessment	*The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* *A customer and competitor analysis along with the identification of likely market windows for the product.* *Price and volume forecasts and their basis.* *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Gold and silver will be produced in the form of doré bars and sent to refiners for separation. The market for gold and silver is robust. • There is a market for custom concentrates for both copper and zinc concentrates. Given the small amounts of concentrate it is reasonable to expect that Polimetal be able to place contracts with separate smelters.
Economic	*The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• All operating and capital costs as well as revenue streams were included in the financial model. • This process has demonstrated that the Ore Reserves are viable and have a positive net present value (NPV). • Sensitivity was conducted on capital costs, operating costs, metals prices. The project is less sensitive to changes in capital and operating costs than to changes in metal prices. The base case economic analysis returns an after-tax Net Present Value (NPV), at a 5% discount rate, of US$252M (NPV), and at an 8% discount rate, of US$186.1M. It has an after-tax Internal Rate of Return (IRR) of 27% and a payback period of 4.1 years.
Social	*The status of agreements with key stakeholders and matters leading to social license to operate.*	• The Company practices open and informed consultations with local communities and stakeholders under International Finance Corporation (IFC) guidelines. There are no formal agreements with stakeholders.
Other	*To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* *Any identified material naturally occurring risks.* *The status of material legal agreements and marketing arrangements.* *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• The project is under development and has all permits that are currently necessary. The EIA application was submitted during February 2016 and will be required before construction and can proceed. • The license to the property from the Turkish government has been issued as an 'operating license'. However, a number of permits inclusive of the EIA will be required prior to construction. • All natural risks including seismic risk have been identified and are included with appropriate safeguards in the project design criteria.
Classification	*The basis for the classification of the Ore Reserves into varying confidence categories.* *Whether the result appropriately reflects the Competent Person's view of the deposit.* *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Indicated Mineral Resources were classified as Probable Ore Reserves after consideration of the appropriate modifying factors. • Measured Mineral Resources were classified as Proven Ore Reserves after consideration of all appropriate modifying factors. • Results reflect the Competent Person's view of the deposit. • No Measured Mineral Resources are included in the Probable Ore Reserves category.

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		• Inferred Mineral Resources are not included in the Ore Reserves and are treated as waste in the prefeasibility study.
Audits or reviews	*The results of any audits or reviews of Ore Reserve estimates.*	• The work was prepared by Polimetal. A full review of the Ore Reserve estimate has been undertaken by OreWin Pty Ltd. • No material issues were identified.
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Costs estimates are generally consistent with prefeasibility study accuracy of 20% to 25% and have met the standard for Association for the Advancement of Cost Engineering Class 2 or Class 3 estimates. • The PFS19 study is at a prefeasibility level of accuracy. It has identified a positive business case and it is recommended that the assessment of the Gediktepe Project be continued to a feasibility study level in order to increase the confidence of the estimates. There are a number of areas that need to be further examined and studied and arrangements that need to be put in place to advance the development of the Gediktepe Project. The key areas for further work are as follows: **Mineral Resources** • The resource classification categories assigned to the Gediktepe estimates (Measured, Indicated, and Inferred) have, at a global scale, identified different levels of confidence (uncertainty) across the deposit, and this is considered sufficient for prefeasibility assessment. However, these categories do not necessarily reflect variations in confidence at a more-local resolution, which may impact on the shorter-term effectiveness, and hence profitability, of eventual mining. • It is recommended that additional work be undertaken in an effort to reduce this uncertainty. This may involve: o Additional, focussed drilling. o A short-range variability study to attempt to better understand the grade distributions. o Selected resampling and assaying. o Review of local geological and mineralogical interpretations. o Refinement of resource modelling and grade estimation procedures. • The uncertainty of the mineralogical interpretations may necessitate that, once mining commences, sampling for grade control be close-spaced and of a high degree of accuracy. A detailed plan in regard to grade control measures is required. To arrive at the most appropriate grade control strategy, studies into the accuracy and practicality of the various available measures should be undertaken, including, but not limited to, blasthole sampling, RC drill hole sampling, trenching, grab sampling, and portable XRF sampling, as well as methods for obtaining accurate and meaningful mapping data from already-mined benches. The feedback of this information into the grade control model in a timely and accurate way will be very important to ensure that knowledge in regard to the tenor and type of mineralization that is due to be imminently exposed is available in a usable form when required.

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		Mining • Update and revise the open pit and waste dump designs based on updated process parameters from additional test work recommendations. • Prepare detailed designs and schedules for the waste dumps, including the PAG dump. Detailed specifications for the PAG dump should be prepared for the dump design, management, and closure. • Investigate the possibility of encapsulating the PAG within cells in the main waste dump. • Obtain updated mining contractor budget pricing based on the final feasibility study mine plan and schedules. **Process and Metallurgical Test work** • The following test work is recommended to be carried out for the feasibility study: o Oxide samples: - Variability testing of samples with a range of precious metal head grade, cyanide-soluble copper content, silver-to-gold ratios, spatial and depth locations, and mine schedule composites. - Investigation of acid washing and elution conditions for removal of copper and zinc, and recovery of gold and silver from loaded carbon. - Effect of low temperature (climate) on leach extractions and adsorption efficiency. - Optimisation of leach conditions (cyanide concentration, pulp density, and dissolved oxygen levels). o Sulfide samples: - Variability testing of samples from each ore type with a range of head grade, copper-to-zinc ratios, lead content, spatial and depth locations, and mine schedule composites. - Investigate the influence of copper to-zinc ratio on the behaviour of the enriched ore and blends of enriched ore with other sulfide ore types. - Assess the impact of increased production of complex concentrate by treatment of higher proportions of enriched material and develop a strategy for concentrate blending. - Process water treatment parameters for removal of residual reagent using activated carbon. **Infrastructure** • Optimise surface infrastructure layout. • Prepare detailed closure planning and costing. • Complete an assessment of road usage and travel arrangements for workforce access to site using a drive-in / drive-out (DIDO) strategy compared to provision of an on-site camp. • Prepare a detailed project implementation schedule to cover all the activities from pre-production of the oxide plant through to the post commissioning period of the sulfide plant.