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ANNUAL INFORMATION FORM
For the year ended December 31, 2012

March 28, 2013

[1] A Yukon Territory limited liability corporation, Australian Registered Body Number 147 848 762

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PRELIMINARY NOTES

Date of Information

In this Annual Information Form (the "**AIF**"), unless the content otherwise requires, references to "our", "us", "its", or the "Company" mean Alacer Gold Corp. and its subsidiaries. All the information contained in this AIF is as at December 31, 2012, the last day of the Company's recently completed financial year, unless otherwise indicated. The Company was formerly known as Anatolia Minerals Development Limited. In connection with the merger with Avoca Resources Limited ("**Avoca**") on February 18, 2011, as discussed below, the Corporation changed its name to Alacer Gold Corp.

Metric Equivalents

The following table sets forth the conversion from metric into imperial equivalents:

To convert from metric measurement units	**To imperial measurement units**	**Multiply by**
Grams	Ounces (troy)	0.0322
Tonnes	Tons (short)	1.1023
Grams/tonne (g/t)	Ounces (troy) /ton (short)	0.0292
Grams/tonne (g/t)	Parts per billion (ppb)	1,000
Kilometres (km)	Miles	0.6214
Metres	Feet	3.2808

Currency Conversion

All currency references in this AIF are in United States dollars "**US$**" unless otherwise indicated. Canadian dollars will be designated as "**C$**" and Australian dollars will be designated as "**A$**." The noon rates of exchange on March 18, 2013, as reported by the Bank of Canada were:

	US$	C$	A$
US$	1.0000	.94	1.00
C$	.98	1.0000	1.02
A$	.92	.90	1.0000

Glossary of Mining Terms

The following is a glossary of certain mining terms used in this AIF or in the Company's other filings:

Adsorption	The attachment of one substance to the surface of another.
Ag	Silver.
Arsenopyrite	A whitish to steel gray coloured arsenian mineral (FeAsS).
Assay	The chemical test of rock samples to determine the mineral content.
Au	Gold.

Carbon in Column ("CIC")	A method of recovering gold and silver from pregnant solution by adsorption of the precious metals onto fine carbon suspended by up-flow of solution through a series of tanks.
Carbon in Leach ("CIL")	A method of recovering gold and silver from fine ground ore by simultaneous dissolution using cyanide and adsorption of the precious metals onto fine carbon in an agitated tank of ore solids/solution slurry.
Cretaceous	The final period of the Mesozoic era (after the Jurassic and before the Tertiary period), that covered the span of time between 65 and 144 million years ago.
Cu	Copper.
Cyanidation	A method of extracting gold or silver by dissolving it in a weak solution of sodium cyanide.
Diamond Drill ("DD")	A type of rotary drill in which the cutting is done by abrasion rather than percussion. The cutting bit is set with diamonds and is attached to the end of long hollow rods through which water is pumped to the cutting face. The drill cuts a core of rock that is recovered in long cylindrical sections, an inch or more in diameter.
Doré	A semi-pure alloy of gold and silver, usually created at the site of a mine, and then transported to a refinery for further purification.
Epithermal	Hydrothermal mineral deposit formed within one kilometre of the earth's surface, in the temperature range of 50-200ºC.
Fault	A surface or zone of rock fracture along which there has been displacement, from a few centimetres to a few kilometres in scale.
Fire Assay	A type of analytical procedure that involves the heat of a furnace and a fluxing agent to fuse a sample to collect any precious metals (such as gold) in the sample. The collected material is then analyzed for gold or other precious metals by weight or spectroscopic methods.
Flotation	A process by which some mineral particles are induced to become attached to bubbles and float, and other particles to sink, so that the valuable minerals are concentrated and separated from the worthless gangue or waste.
Gangue	Minerals that are sub economic to recover as ore.
Heap Leaching	The process of stacking crushed ore in a heap on an impermeable pad and percolating through the ore a solution containing a leaching agent such as cyanide. The gold that leaches from the ore into the solution is recovered from the solution by carbon adsorption or precipitation. After removal of the gold, the solution is then recycled to the heap to effect further leaching.
Hectare	A square of 100 metres on each side.
HQ	Denotes a specific diameter of cores recovered by a diamond drill, in this case 63.5 mm.
Hydrothermal	Processes associated with heated or superheated water, especially mineralization or alteration.

Indicated Mineral Resource	That part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill-holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.
Inferred Mineral Resource	That part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches pits, workings and drill-holes.
Intrusive	The process of, and rock formed by, intrusion.
JORC	The Australasian Code for Reporting of Mineral Resources and Ore Reserves, as amended from time to time.
Leach	Gold, silver and other minerals being dissolved in weak cyanide solution in dump or heap leaching or in tanks in a processing plant (agitated leach, carbon in pulp, carbon in leach).
Measured Mineral Resource	That part of a Mineral Resource for which quantity, grade or quality, densities, shape, physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill-holes that are spaced closely enough to confirm both geological and grad continuity.
Metamorphic	Affected by physical, chemical, and structural processes imposed by depth in the earth's crust.
Metasediment	Metamorphic rock of sedimentary origin.
Mill	A mineral processing plant where ore is crushed and ground to expose metals or minerals of economic value, which then undergo physical and/or chemical treatment to extract the valuable metals or minerals.
Mineral Deposit	A mineral deposit is a body of mineralized material which could warrant further exploration work such as surface, underground, or drill sampling, to appropriately delineate the size, tonnage, and average grade of the metal(s) contained. Such a deposit does not qualify as a commercially viable ore body (a reserve) until a final feasibility study based upon the work done is concluded.

Mineral Reserve	The economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a preliminary feasibility study. The study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that occur when the material is mined and processed.
Mineral Resource	A concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.
Mineralization	The concentration of metals and their chemical compounds within a body of rock.
Monzonite	A coarse-grained igneous rock containing less than 10 percent quartz.
NI 43-101	The Canadian national securities instrument which sets out Mineral Resource classification methodology to be used in the public disclosure of information relating to mineral properties.
NQ	Denotes the specific diameter of cores recovered by a diamond drill, in this case 47.6 mm.
Open-Pit Mine	An excavation for removing minerals that is initiated from the surface.
Ore	A natural aggregate of one or more minerals which, at a specified time and place, may be mined and sold at a profit, or from which some part may be profitably separated.
Oxide Ore	Mineralized rock in which some of the original minerals, usually sulphide, have been oxidized. Oxidation tends to make the ore more porous and permits a more complete permeation of cyanide solutions so that minute particles of gold in the interior of the minerals will be readily dissolved.
POx	Denotes pressure oxidation, a system that utilizes oxygen and heat under pressure in a liquid medium, to effect oxidation of refractory ore by way of a controlled chemical reaction.
Probable Mineral Reserve	The economically mineable part of an indicated and in some circumstances, a Measured Mineral Resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.
Proven Mineral Reserve	The economically mineable part of a Measured Mineral Resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.

Refractory material	Gold mineralized material in which the gold is not amenable to recovery by conventional cyanide methods without pre-treatment. The refractory nature can be either silica or sulphide encapsulation of the gold or the presence of naturally occurring carbons which reduce gold recovery.
Reverse Circulation Drill ("RC")	A type of drill in which the cutting is done by percussion or abrasion. RC drilling uses a dual wall drill pipe. A down-hole hammer or rotary bit produces samples which enter the center drill pipe and are transported to the surface. The drill cuts rock chips rather than cores.
Run of Mine ("ROM")	Pertains to the ore that has been mined but not crushed.
SART process	Sulphidization, Acidification, Recycling, and Thickening. A process developed to treat heap leach solutions that contain elevated concentrations of copper. The base metals are precipitated, leaving the cyanide in solution. The resulting precipitate is a saleable product and cyanide is recycled to the gold recovery process.
Scrubber	A device that removes particulates from gaseous emissions.
Strike	Azimuth of a plane surface aligned at right angles to the dip of the plane used to describe the orientation of stratigraphic units or structures.
Sulphide	Mineralized rock containing a significant quantity of unoxidized sulphide minerals.
Tailings	The material that remains after all metals considered economic have been removed from ore during processing.
Tonne	Metric ton which measures 2,204.6 pounds or 1,000 kilograms.
Underground Mine	A mine where minerals are removed below the earth's surface and transported to the surface for processing. Underground mines are usually located several hundred feet below the earth's surface.
Waste	Barren rock in a mine, or mineralized material that is too low in grade to be mined and milled at a profit.
Zadra-Strip Circuit	A process to remove gold and silver from carbon that was previously "loaded" through an adsorption process.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Company, certain statements contained in this AIF 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 the Company. Forward-looking information often relates to statements concerning the Company's future outlook and anticipated events or results and, in some cases, can be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts.

Forward-looking information contained in this AIF and the Company's other filings which may be incorrect, include statements concerning, among other things, that the Company and its

subsidiaries will complete the Frog's Leg Mine transaction in accordance with the terms and conditions of the asset sale and purchase agreement (including the satisfaction of the requisite conditions contained in the asset sale and purchase agreement and to pay any distributions related thereto); and that adjustments required to the purchase price pursuant to the asset sale and purchase agreement, interim toll treatment agreement and 18-month toll treatment agreement contemplated in connection with the Frog's Leg Mine transaction will not materially alter the aggregate consideration payable to the Company and its subsidiaries; the generation of free cash flow and payment of dividends; matters relating to proposed exploration, communications with local stakeholders and community relations, status of negotiations of joint ventures, commodity prices, Mineral Resources, Mineral Reserves, realization of Mineral Reserves, existence or realization of Mineral Resource estimates, the development approach, the timing and amount of future production, timing of studies and analyses, the timing of construction of proposed mines and process facilities, capital and operating expenditures, economic conditions, availability of sufficient financing, exploration plans and any and all other timing, exploration, development, operational, financial, budgetary, economic, legal, social, regulatory and political factors that may influence future events or conditions. 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 the Company's filings, and include exploration results and the ability to explore, the ultimate determination of Mineral Reserves, availability and final receipt of required approvals, titles, licenses and permits, sufficient working capital to develop and operate the mines, access to adequate services and supplies, commodity prices, ability to meet production targets, 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, lack of legal challenges with respect to the property of the Company and the ultimate ability to mine, process and sell mineral products on economically favorable terms. 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 the Company's filings at www.sedar.com and other unforeseen events or circumstances. Other than as required by law, the Company does not intend, and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

INFORMATION INCORPORATED BY REFERENCE

The audited consolidated financial statements of the Company for the year ended December 31, 2012 together with the notes thereto (the "**Consolidated Financial Statements**"), as well as the Management Discussion and Analysis for the year ended December 31, 2012 (the "**MD&A**") are specifically incorporated herein by reference and are available for review on SEDAR at www.sedar.com and on the Australian Securities Exchange ("**ASX**") website at www.asx.com.au.

CORPORATE STRUCTURE

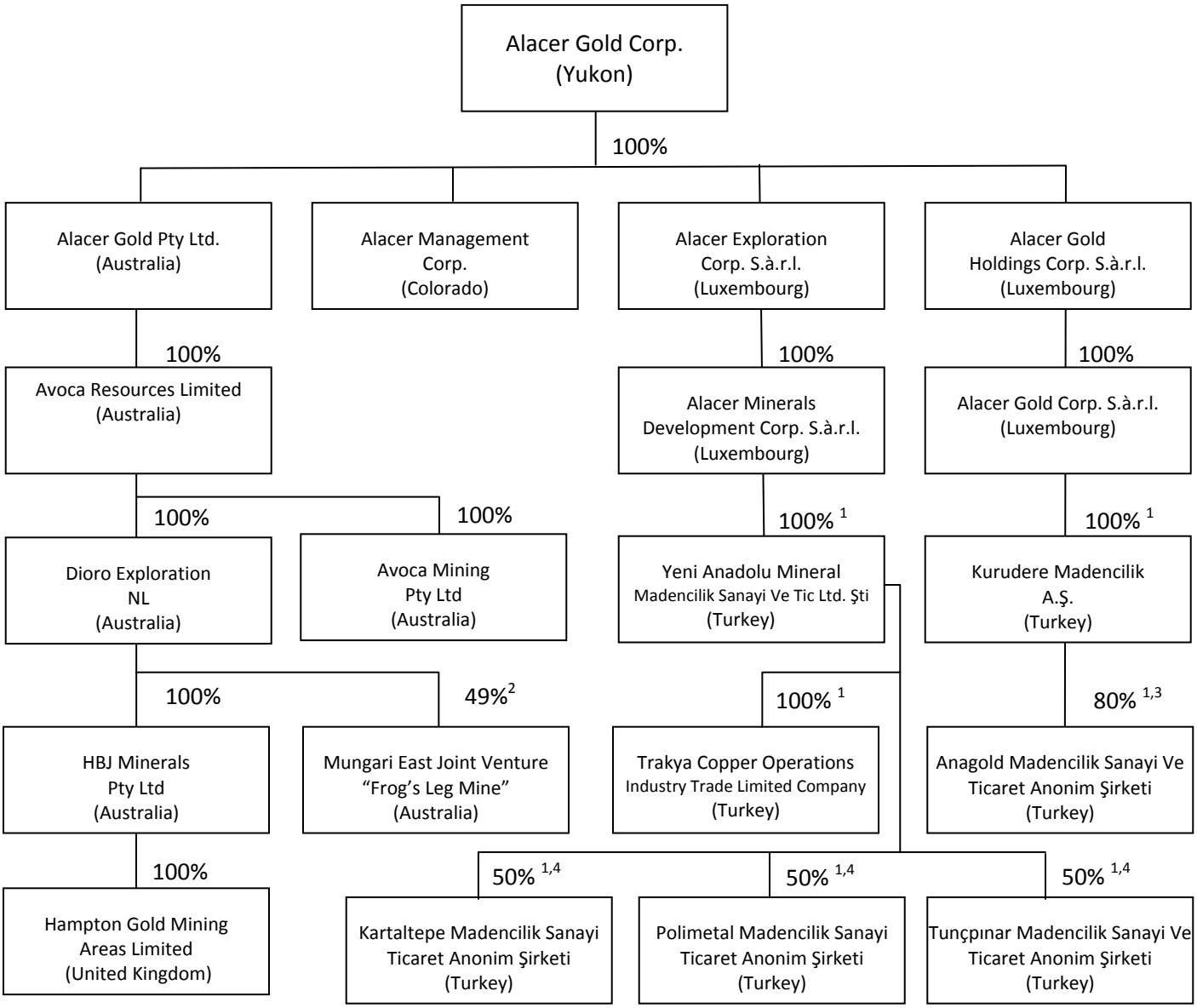
The Company is a Yukon corporation with its primary listing on the Toronto Stock Exchange ("**TSX**"). The Company's stock also trades via CHESS depositary interests ("**CDIs**") on the ASX.

The Company was incorporated under the *Business Corporations Act* (Alberta) on September 20, 1993 as Woodco Resources Inc. ("**Woodco**"). Woodco was subject to a reverse takeover by Anatolia Minerals Development Corp. Subsequent to the reverse takeover, Woodco was continued under the *Business Corporations Act* (Yukon) on January 14, 1998 as Anatolia Minerals Development Limited ("**Anatolia**") pursuant to Articles of Continuance.

On February 18, 2011, the Company completed a merger (the "**Merger**") with Avoca pursuant to a Merger Implementation Deed signed on September 8, 2010 (the "**MID**"). Under the terms of the Merger, which was structured as a scheme of arrangement under Australian law between Avoca and its shareholders (the **"Scheme"**), each Avoca shareholder received 0.4453 Anatolia common shares for each Avoca ordinary share they held in consideration for the transfer of those Avoca shares to Anatolia. Unless an Avoca shareholder otherwise elected, the Anatolia consideration shares took the form of CDIs which are listed on the ASX. Upon completion of the Merger, Articles of Amendment changing the name of the Company to "Alacer Gold Corp." were filed. As a result of the Merger, Anatolia and Avoca shareholders each held approximately 50% of the Company on February 18, 2010, respectively.

The registered office of the Company is 3081 Third Avenue, Whitehorse, Yukon, Y1A 4Z7. The Company's principal executive office is located at 9635 Maroon Circle, Suite 300, Englewood, Colorado USA, 80112, c/o Alacer Management Corp. Operations, development and exploration support for The Company's Turkish activities is conducted from an office in Ankara, Turkey. Operations, development and exploration support for The Company's Australian projects is conducted from an office in Perth, Australia.

The following chart illustrates the Company's principal subsidiaries, together with the governing law of each subsidiary and the percentage of voting securities beneficially owned, or over which control or direction is exercised, by the Company as of the date of this AIF:



Note 1: The ownership of these entities is subject to nominal share or unit holdings required to meet the statutory number of shareholders or unit holders under Turkish law. Such nominal shares and units are held by various directors and officers of Alacer, for the benefit of Alacer.

Note 2: As is described in more detail below in this AIF, on February 10, 2013 the Company announced that it had entered into a binding agreement to sell its 49% minority interest in the Frog's Leg Mine. On March 28, 2013, the Company announced that it had received approval from the Australian Foreign Investment Review Board ("FIRB") for the sale of its interest in the Frog's Leg Mine. The transaction is expected to close on April 5, 2013.

Note 3: Lidya Mining and its affiliate hold the remaining 20% as Lidya Mining exercised an option to subscribe for up to an additional 15% of this entity as more fully described in the January 9th, 2012 press release.

Note 4: Lidya Mining holds the remaining 50% of this entity.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Set forth below are the major events in the last three years that have influenced the general development of the business of the Company.

Overview

The Company is as a leading global intermediate gold producer, developer and explorer with interests in multiple operating mines which feed three regional processing facilities in Australia and Turkey. The Company's operating assets consist of the following material producing mineral properties which are each described in detail below in the "Mineral Properties" section of this AIF and elsewhere in this AIF:

- 80% interest in Çöpler gold operations ("**Çöpler**");
- 100% interest in Higginsville gold operations("**Higginsville**");
- 100% interest in the South Kalgoorlie gold operations ("**SKO**"); and
- 49% interest in the Frog's Leg underground gold mine ("**Frog's Leg Mine**").

The Company is focused on (i) maximizing its free cash flow; (ii) maximizing its portfolio value; (iii) minimizing its project risk; and (iv) returning value to its shareholders. To maximize free cash flow, the Company is focused on continuously improving its cost base, which is evidenced by its recent demobilization of two open-pit mining fleets, the reduction of the workforce in Australia, and the targeting of high-grade mining opportunities. To Company has taken the following actions to maximize its portfolio value:

- Capitalization on Çöpler's World-Class Potential: The Company has identified a superior development approach for this asset which should substantially improve its economic returns, reduce capital intensity, and reduce implementation risk.
- Significant improvements in Australia: Substantial changes to the mine planning at SKO and an improving grade profile at Higginsville should yield significantly improved cash flow and value from the Company's Australian assets going forward.
- Non-Core Asset Sale: The Company has entered into a binding agreement for the sale of its 49% minority interest in the Frog's Leg Mine and an 18-month toll treatment agreement with a total value of approximately $171 million (the "**Frog's Leg Transaction**") The Company received FIRB approval on March 27, 2013 and expects to close the Frog's Leg Transaction on April 5, 2013.
- Targeted, Significant Exploration: The Company has revised its exploration priorities to place substantial focus on those targets with the greatest potential to return significant and immediate value, including oxide ore in the Çöpler District, line-of-lode at Higginsville, and SKO, which lies in the very highly endowed Boulder-Lefroy Fault between the world-class gold deposits of Kalgoorlie's Golden Mile and the St. Ives District in the Eastern Goldfields of Western Australia.
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To minimize project risk, the Company has worked to ensure that across its entire asset portfolio the approach to any project is focused on minimizing project execution risk and lowering capital intensity. To return value to its shareholders, the Company adopted a dividend policy to return a minimum of 20% of free cash flow to its shareholders annually beginning in 2014. For more information on the Company's dividend policy, see the "Dividends and Distributions" section of this AIF. The Company also plans to make a distribution to shareholders of approximately $70 million as a special dividend in connection with the Frog's Leg Transaction.

2010 Developments

In January 2010, as announced on May 19, 2009, the initial drill program for Çöpler was completed, with results announced February 25, 2010. Following completion of the initial drilling program, an internal preliminary economic assessment of the mining, processing and recovery of gold from the POx feed resources at Çöpler was undertaken. The results of the preliminary economic assessment supported advancing the POx feed project to pre-feasibility level engineering. During the third quarter of 2010, metallurgical test work was undertaken along with preliminary mining and process engineering design. Work also focused on developing capital cost and operating cost parameters.

On May 26, 2010, the Company announced the settlement of all outstanding matters related to the Strategic Alliance and Option Agreement dated April 25, 2000 between Rio Tinto Mining and Exploration Limited and the Company (the "**Rio Tinto Agreement**"). The Rio Tinto Agreement expired in accordance with its terms on December 31, 2007. Under the Rio Tinto Agreement, Rio Tinto funded a grass roots exploration program and had the option to earn a 66.67% interest in certain properties by completing certain events before the 6th anniversary of selecting to earn into a particular property. Rio Tinto is no longer participating to earn-in to any of the Company's properties and the Company is no longer obligated to offer any additional properties to Rio Tinto. The Company's Cevizlidere Copper-Gold Project, which is part of the Tunceli Licenses, was previously subject to the Rio Tinto Agreement. The agreement provided that the Company will hold all legal rights with respect to the Tunceli Licenses, and there are no residual or continuing obligations or liabilities for either party. In exchange for this full and complete settlement, inclusive of the reimbursement of certain advances, the Company paid C$2,000,000 to Rio Tinto in the form of 429,439 common shares of the Company. The shares were priced using the 10-day volume weighted average price as of May 11, 2010.

On June 15, 2010, the Company announced that it had received titles or swap agreements to all private land within the Life-of-Mine footprint for the Phase I Oxide Project at Çöpler. The Company entered into legally binding swap agreements with thirty-three households in the Çöpler village for new homes in a new village to be constructed north of the mine site. Common lands owned by the Çöpler village legal entity were traded on an in-kind basis for land and public facilities in the new village. Construction started on the new village on July 22, 2010, and was completed in October of 2011**.**

As described above, on September 8, 2010, the Company announced that it had entered into the MID with Avoca to combine the two companies to create a new leading intermediate global gold producer to be named "Alacer Gold Corp".

On November 15, 2010, the Company announced that two of its subsidiaries, Anagold and Kurudere Madencilik A.Ş., entered into a $25 million three-year credit facility (the "**Facility**") with Standard Bank Plc ("**Standard Bank**"). The Facility was of a revolving nature during the initial year, with a term amortization over the remaining two years. Interest is payable on any outstanding borrowings at the United States dollar one-month LIBOR rate plus 4.5%. The Facility is secured by a partial pledge of Anagold shares and a guarantee by the Company. Conditions precedent were satisfied and first draw-down was made on the date of closing. The Facility is now fully drawn. The Facility is available for general corporate purposes of the borrower.

On December 15, 2010, the Ontario Securities Commission granted the Company's application for exemptive relief from: (i) the requirement in section 3.1 of National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (**"NI 52-107"**) that it prepare its financial statement in accordance with Canadian GAAP in order that the Company may prepare its financial statements for the period ending December 31, 2010 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board; (ii) the requirement in subsection 6.1(4) of NI 52-10 that it reconcile the financial statements of Avoca in the information circular provided to shareholders and dated December 15, 2010 (the "**Circular**"), to Canadian GAAP; (iii) the requirement in subsection 6.2(1) of NI 52-107 that the financial statements of Avoca in the Circular be audited in accordance with Canadian GAAS or US GAAS and permitting the financial statements of Avoca in the Circular to be audited in accordance with International Standards on Auditing; and (iv) the requirement in subsection 7.1(1) of NI 52-107 that it prepare the *pro forma* financial statements in the Circular in accordance with Canadian GAAP.

On December 22, 2010, the Company announced the first gold pour at Çöpler.

2011 Developments

On February 18, 2011, the Company announced the completion of the previously announced Merger by which the Company, through a wholly-owned Australian subsidiary, acquired all of the issued and outstanding ordinary shares and options of Avoca. The Merger was completed on the terms and conditions of the MID and carried out in accordance with the Scheme. On February 1, 2011, holders of ordinary shares of Avoca and holders of options of Avoca approved the Scheme. The Scheme was subsequently approved by the Federal Court of Australia at a hearing held on February 3, 2011.

As a result of the Merger, the Company issued an additional 135,070,307 common shares, either directly or indirectly as CDIs, through CHESS Depository Nominees Pty Limited, as consideration under the Merger to the former shareholders of Avoca (based on an exchange ratio of 0.4453 shares in the Company for each Avoca share held).

In connection with the Merger, the Company assumed a syndicated facility agreement (the "**Australian Facility**") from Avoca. The Australian Facility included:

- an A$100 million bridge commitment. This component expired December 31, 2011 without having been utilized;
- an A$50 million working capital commitment. The balance outstanding under this component was $38.5 million as of December 31, 2011 and was repaid in full in January 2012. The availability period for this commitment expires in December 2013; and

- an A$15 million contingent instrument commitment in support of various bonding requirements of the Western Australian Department of Mines and Petroleum with respect to mining tenements. The availability period for this commitment expires in December 2013.

The Australian Facility is secured by a pledge of the shares and assets of Avoca Mining Pty Ltd, Dioro Exploration NL ("**Dioro**"), HBJ Minerals Pty Ltd and Hampton Gold Mining Areas, and a guarantee by Avoca.

On March 27, 2011 the Company announced the results of a prefeasibility study for the construction of a sulphide treatment plant at Çöpler. The positive results led to an increase in gold reserves at Çöpler from 2.2 million to 4.6 million and a life-of-mine production increase of 182% from 1.3 million to 3.7 million ounces.

On April 1, 2011, commercial levels of gold production at Çöpler were achieved.

On May 31, 2011, the Company announced the identification of a significant extension to sulphide mineralization at Çöpler.

On July 4, 2011 the Company announced that the ASX Limited granted waivers from the following listing rules of ASX relating to the reporting obligations of the Company and the issue of new securities: (i) listing rules 4.2A and 4.2B; (ii) listing rules 4.3A and 4.3B; (iii) listing rule 5.1; (iv) listing rule 7.1; (v) listing rule 10.11; and (vi) listing rule 10.14.

In May and July 2011, as contemplated by the strategic relationship between the Company and Lidya Mining, joint venture agreements between the Company and Lidya Mining were entered into for the exploration of Cevizlidere, Karakartal and certain other areas in Turkey.

On August 26, 2011, the Company announced the achievement of the 100,000 ounces of gold production milestone at Çöpler.

On August 29, 2011 the Company announced an updated Mineral Resource estimate for Higginsville. The Measured and Indicated Resources were reported to have increased by 10% to 1.33 million ounces (inclusive of reserves).

On October 11, 2011 the Company announced that construction of the new Çöpler village was substantially completed and the relocation of the residents would commence during the fourth quarter of 2011.

On October 24, 2011 the Company announced that the board of directors of the Company (the "**Board of Directors**") approved a $25 million budget for the first stage of expanding SKO (the **"SKOEP")**.

2012 Developments

On January 9, 2012, the Company announced the closing of a sale of an additional 15% of the issued and outstanding shares of Anagold pursuant to the exercise by Lidya Mining of a call right for $37.8 million. The purchase of the 15% of the issued and outstanding shares of Anagold increased Lidya Mining's holdings in Anagold (Çöpler) to 20%.

On January 24, 2012, the Company announced that residents from the old Çöpler village had nearly completed the relocation to the new Çöpler village. On February 28, 2012, the last family relocated to the new Çöpler village.

On February 6, 2012, the Company announced a 23% increase of the Mineral Reserve estimate for Higginsville. The Mineral Reserve estimate for Higginsville increased by 164,000 ounces (net of mining depletion over 18 months) to 7.9 million tonnes at 3.5 grams per tonne of gold, containing 875,000 ounces.

On February 27, 2012, the Company announced a 1.2 million ounce (18%) increase in Measured and Indicated Resources at Çöpler, prior to net mining depletion of 314,000 ounces. The updated Çöpler resource estimate resulted in Measured and Indicated resources increasing to 148.9 million tonnes at a grade of 1.53 grams per tonne of gold, containing a total of 7.3 million ounces (inclusive of reserves).

On March 27, 2012, the Company announced an increase in the reserves at the Frog's Leg Mine from 102,000 ounces to 385,000 ounces of contained gold, representing a 36% increase in total reserves. The increase includes an increase in the reserve grade by 12% to 5.76g/t gold and an extension of the life of the mine to 2019 based on the reserves which extend to only 600m below the surface.

On April 26, 2012, the Company announced that David F. Quinlivan would assume the role of President and Chief Executive Officer of the Company, effective as of August 1, 2012. Edward C. Dowling, Jr. stepped down from management after leading the Company for four years, but remained on the Company's Board of Directors as a non-executive member. In addition, the Company announced that Rod Antal would join the Company as Chief Financial Officer, effective May 21, 2012.

On May 1, 2012, the Company announced the outcomes flowing from the maturity of the Company's C$100 million convertible debentures. Debentures representing a total of C$53,566,000 were presented for conversion into common shares prior to maturity and accordingly a total of 6,695,750 shares were issued to these holders. The remaining holders of debentures received cash payments totaling C$46,434,000 plus a final interest payment of C$1,103,000.

On May 7, 2012, the Company announced the results of its recent exploration programs in Turkey and Australia highlighted by the thickest mineralized zone intersected at the Çöpler Main Zone to date of 323m at 1.5g/t gold.

On July 16, 2012, the Company announced the deferment of the SKOEP to allow additional geological and mine engineering work to be completed in order to ensure requisite returns on capital are achieved.

On July 31, 2012, the Company announced the results of its recent exploration programs in Turkey and Australia highlighted by a northern extension to the Çöpler Main Zone.

On September 10, 2012, the Company announced an increase of 2.2 million ounces (37%) of the Mineral Resource estimate for the Çöpler gold-silver-copper deposit in Turkey. The updated

resource estimate resulted in Measured and Indicated Resources increasing to 182.6 million tonnes at a grade of 14g/t gold, containing a total of 8.0 million ounces as at June 30, 2012. This represented a 900,000 ounces (11%) increase on the contained ounces in the previous Measured and Indicated Resources.

Developments Subsequent to 2012 Year End

On February 10, 2013, the Company announced that it had entered into a binding agreement for the sell its 49% minority interest in the Frog's Leg Mine and an 18-month toll treatment agreement with a total value of approximately $171 million. Pending completion of the Frog's Leg Transaction, La Mancha and the Company entered into an interim 12-month toll treatment agreement under which toll milling services are provided for ore produced from the Frog's Leg Mine on substantially the same terms as pursuant to the 18-month toll-treatment agreement. For a more detailed description of the Frog's Leg Transaction documents, see the "Material Contracts" section of this AIF.

On February 10, 2013, the Company announced that it intended to adopt a dividend policy to return a minimum of 20% of free cash flow to the Company's shareholders annually beginning in 2014. On March 6, 2013, the Company adopted a dividend policy. For more information on the Company's dividend policy, see the "Dividends and Distributions" section of this AIF. On February 10, 2013, the Company also announced that it intends to make a distribution to its shareholders of approximately $70 million as a special dividend in connection with the closing of the Frog's Leg Transaction.

On February 10, 2013, the Company announced an update of its development plans for Çöpler. In parallel with the work on the whole ore pressure oxidation definitive feasibility study ("Definitive Feasibility Study"), the Company has completed a first-principles analysis of how to maximize the value of the world-class orebody at Çöpler. While a draft of the Definitive Feasibility Study confirmed that processing Çöpler refractory ore using whole ore pressure oxidation is technically and economically feasible, with comparable economics to those presented in the Çöpler Prefeasibility Study, a review of a number of alternative approaches has identified a development plan that should significantly improve returns with lower project risk. Combined with the substantial oxide ore exploration potential that has been identified in the Çöpler District, the Company believes that the best approach for the Company to achieve its key strategic objectives of maximizing free cash flow, maximizing portfolio value, minimizing project risk, and returning value to shareholders at this world-class asset is as follows:

- Oxides:
  - Construct a conventional CIL treatment plant for oxide ore (the "Oxide Mill);
  - Based on existing resources, the Oxide Mill would be expected to have a mine life of approximately three years (2015 to 2017). Heap leaching of additional oxide ore is likely to continue in parallel during this time;
  - Any additional oxide ore reserves identified by the Çöpler District exploration program would likely add substantially to the Oxide Mill economics;
  - Following completion of milling of the existing oxide reserves and any additional oxide ore identified by the exploration program, the Oxide Mill is likely to be utilized to process sulfide ore and then reprocess approximately five additional years of heap-leach residues;

- Capital cost could likely be financed entirely from internal cash flows
- Test work necessary to finalize design and engineering proceeding as a top priority
- On completion of test work and studies, a decision to proceed and commencement of construction is expected in Q3 2013, subject to the receipt of necessary permits

- Sulfides:
  - All facilities constructed for the Oxide Mill are likely to be utilized for the processing of sulfide ore;
  - The addition of a flotation circuit to the Oxide Mill would provide concentrate for sale or processing through a smaller-scale pressure oxidation facility or an ultra-fine grinding circuit; and
  - If the sulfide concentrate is sold , then De minimis additional capital expenditure would be required following the construction of the Oxide Mill.

On March 26, 2013, the Company announced an exploration update on it Australian properties.

On March 28, 2013, the Company announced that the Frog's Leg Transaction had been approved by FIRB and that the Frog's Leg Transaction is expected to close on April 5, 2013.

Significant Acquisitions

The Company did not complete any significant acquisitions in the most recently completed financial year.

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

The Company operates in two geographic operating segments consisting of mining activities, which also includes development of and exploration for mineral deposits in Turkey and Australia. Gold prospects are the principal interests of the Company. The Company controls approximately 2,835 km^2 in Turkey and 4,580 km^2 in Australia. The Company is working towards maximizing shareholder value by focusing on (i) maximizing its free cash flow, (ii) maximizing its portfolio value, (iii) minimizing its project risk and (iv) returning value to its shareholders, all in an environmentally and socially responsible manner. Exploration for and subsequent conversion of additional Mineral Resources and Reserves is ongoing both in Turkey and Australia.

The Company's operating assets consist of the following material producing mineral properties which are each described in more detail below in this section of the AIF and the "Mineral Properties" section of this AIF:

- 80% interest in Çöpler;
- 100% interest in Higginsville;
- 100% interest in the SKO;
- 49% interest in the Frog's Leg Mine

In Turkey, the Company's only commercial operating asset is Çöpler, with ore treated at one processing plant. In Australia, the Company's operating assets comprise a complex of three operating gold mines, namely Higginsville, SKO and a 49% interest in the Frog's Leg Mine. On February 10, 2013, the Company announced that it had entered into a binding agreement to sell its 49% minority interest in the Frog's Leg Mine to La Mancha Resources Inc. ("**La Mancha**"). La Mancha had been operating Frog's Leg Mine pursuant to a joint venture agreement with Dioro, a subsidiary of the Company. In Australia, ore is treated at two processing plants which are located at Higginsville and SKO. On March 28, 2013, the Company announced that the Frog's Leg Transaction had been approved by FIRB and that the Frog's Leg Transaction is expected to close on April 5, 2013.

In addition to information set out elsewhere in this AIF, the following information applies to each of the Company's reportable operating segments.

Exploration Projects

Turkey

The Company is the operator of two advanced exploration projects in Turkey, the Cevizlidere Project ("**Cevizlidere Project**") and the Karakartal Project ("**Karakartal Project**"), pursuant to 50/50 joint venture agreements with Lidya Mining. The Cevizlidere Project (held in the Tuncpinar joint venture) is a porphyry deposit located near Ovacık Township, Tunceli Province within the mountainous east central Anatolian region of Turkey 600 km ESE of Ankara. The Karakartal Project (previously called Kabataş, and now held in the Kartaltepe joint venture) is located in the Erzincan province in east central Turkey and approximately 550 air km east of Ankara. The Karakartal Project property is subject to a 1% net smelter royalty upon commencement of production. The royalty is payable to Tüprag Metal Madencilik San. ve Tic A.Ş., a Turkish subsidiary of Eldorado Gold Corporation.

The Company acquires and explores a number of other prospects in Turkey. The Company's strategic relationship with Lidya Mining has resulted in three joint venture agreements that contemplate mutual cooperation and cross investment to jointly explore and develop other mineral properties in Turkey on a 50/50 basis. As described above, two of these joint venture agreements cover the Cevizlidere Project and the Karakartal Project. The Company is the operator of both the Cevizlidere Project and the Karakartal Project. The third joint venture agreement (Polimetal joint venture) with Lidya Mining covers various areas in Turkey and is 50% owned by Lidya Mining. Lidya Mining is the operator of the Polimetal joint venture.

In addition to the joint venture agreements with Lidya Mining, the Company has a number of additional option agreements with third parties, generally junior resource companies, subject to potential earn-ins under the terms of option agreements. Prospects not meeting the Company's general criteria are dropped from the portfolio in favour of higher priority targets.

Australia

The Company is aggressively pursuing exploration projects within its current portfolio of landholdings at Higginsville and SKO. These exploration activities are targeting discoveries and resource extensions. On July 16, 2012, the Company announced that the SKOEP had been deferred to allow additional geological and mine engineering work to be completed to ensure requisite returns on capital are achieved. The Company is continuing its current high level of exploration and

resource conversion work and then, depending on the outcomes of that work, will consider proceeding with the expansion. Royalties are paid to the Government of Western Australia based on saleable production on mining leases. The state of Western Australia has waived its right to freehold locations and any royalties on gold production. In addition to the 2.5% royalty payable to the Government of Western Australia, the Higginsville property is subject to a 4% royalty on revenue after 100,000 oz of production payable to Morgan Stanley, a participation royalty at 10% of incremental revenue for gold prices above AUD$600/oz and a royalty of $32/oz for ounces of gold produced on Mitchell tenements outside of the palaeochannels. The Mitchell royalty applies to the Artemis part of the Trident mine at Higginsville. In terms of SKO's royalties payable, there are a number of specific agreements attached to a select number of tenements and locations. Many of these royalty agreements are associated with tenements with no current resources and/or reserves. Production from SKO's current four-year mine plan is entirely sourced from resources located on freehold/leasehold property, as such no state royalty is payable. There are private royalty payments that relate to the production from the HBJ open pit as AUD$10/oz. In addition, a royalty is payable in the form of 1.75% of the total gold ounces produced from the following deposits: Shirl underground, Golden Hope, Bellevue, HBJ open-pit, Mt. Martin open pit, Mt. Martin stockpiles and any reclaimed tailings.

Specialized Skill and Knowledge

Nearly all aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, drilling, mine planning, engineering, construction, regulatory compliance and accounting. Many of the officers and directors of the Company are industry professionals who have extensive expertise and highly-technical experience specific to the mining industry. They provide a strong foundation of advanced field skills and advanced knowledge and specialized mineral exploration experience, complemented by their demonstrated ability to succeed in the management and administration of a mining exploration company. The Company's business depends upon these skilled and experienced personnel.

Principal Products and Markets

The Company's principal products are gold and silver. There are worldwide gold and silver markets into which the Company can sell and, as a result, the Company is not dependent on a particular purchaser with regard to the sale of the gold and silver that it produces. Product fabrication and bullion investment are the two principal uses of gold and silver. Within the fabrication category there are a wide variety of end uses, the largest of which is the manufacture of jewelry. Other fabrication purposes include official coins, electronics, miscellaneous industrial and decorative uses, dentistry, medals and medallions.

Competitive Conditions

The mining industry is intensely competitive, particularly in the acquisition of Mineral Reserves and Mineral Resources. The Company focuses on gold production, development and exploration. In comparison with diversified mining companies, the Company's competitive position is subject to unique competitive advantages and disadvantages related to the price of gold. In addition, the Company has historically focused its efforts on the acquisition, financing, development and operation of gold mines in Australia and Turkey. The Company's competitive position is also affected by its ability to successfully operate, explore and develop properties in Turkey and Australia

where the Company believes that its past experience and management expertise provides it with a significant competitive advantage over other mining companies.

Environmental Protection Requirements

The Company's mining, exploration and development activities are subject to various federal, provincial, state and municipal laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties.

In all jurisdictions where the Company operates, specific statutory and regulatory requirements and standards must be met throughout the exploration, development and operations stages of a mining property with regard to, among other things, air quality, water quality, fisheries and wildlife protection, solid and hazardous waste management and disposal, noise, land use and reclamation.

The financial and operational effect of environmental protection requirements on the capital expenditures and earnings of each mineral property are not significantly different than that of similar sized mines, and therefore should not have negative effect on the Company's competitive position in the future.

The Company has established an Environmental, Health, Safety & Sustainability Committee of the Board of Directors, as described below in this AIF, and has also adopted a Sustainable Development Core Policy and individual Sustainable Development Policies in respect of Community Relations, Environment, Health and Safety and Resettlement (collectively, the "**Sustainable Development Policies**"). The Sustainable Development Policies are designed to promote shareholder profitability in all operations while maintaining the Company's commitment to fostering sustainable communities and to take the views, customs and culture of the Company's stakeholders into account when conducting its business. All employees are responsible for incorporating into their planning and work, the actions necessary to fulfill this goal.

Employees

As of December 31, 2012, the Company had approximately the following number of employees and contractors:

Location	Full-Time	Contractors
Denver, Colorado	29	3
Turkey	327	632
Australia	260	392
Total	**616**	**1027**

Foreign Operations

The Company owns 80% of Çöpler in Turkey, 100% of Higginsville and SKO in Australia and 49% of Frog's Leg Mine in Australia. As described elsewhere in this AIF, the Company has acquired and explores a number of other prospects in Turkey, including the Karakartal Project and the Cevizlidere Project. Any changes in regulations or shifts in political attitudes in these foreign jurisdictions are beyond the control of the Company and may adversely affect the Company's business. Future exploration, development and operations may be affected in varying degrees by such factors as government regulations (or changes thereto) with respect to the restrictions on production, export controls, income taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, land claims of local people and mine safety. The effect of these factors cannot be accurately predicted. See "Risk Factors – Foreign Operations".

Future Growth

The Company's primary focus is to take advantage of existing Mineral Resources and Mineral Reserves and to develop new Mineral Resources and Mineral Reserves within the Company's current portfolio of landholdings in order to drive organic growth. In addition, the Company will consider strategic transactions that provide value to shareholders, provide near-term or immediate production increases, and that strengthen the Company's position as an intermediate global gold producer.

Risk Factors

Investment in the securities of the Company is considered highly speculative due to the nature of the Company's business, which involves development and exploration for gold, silver and copper deposits in Turkey and Australia. In evaluating the Company's securities, the following risks should be considered carefully in addition to any other information and risks set forth in this AIF and in other the Company public filings:

Gold Price Risk

The profitability of the Company's operations is significantly affected by changes in the market price of gold. Gold prices fluctuate on a daily basis and are affected by numerous factors beyond the control of the Company. The price of gold can be subject to volatile price movements and future serious price declines could cause continued commercial production to be impractical and uneconomical. Industry factors may affect the price movements and future serious price declines could cause continued commercial production to be impractical. Industry factors that may affect the price of gold include: industrial and jewellery demand; the level of demand for such metals as an investment; central bank lending, sales and purchases of the metals; speculative trading; and costs of and levels of global production by producers of the metals. Gold may also be affected by macroeconomic factors, including: expectations of the future rate of inflation; the strength of, and confidence in, the US dollar (the currency in which the price of gold is generally quoted) and other currencies; interest rates; and global or regional political or economic uncertainties.

If the world market price of gold were to drop and the prices realized by the Company on gold sales were to decrease significantly and remain at such a level for any substantial period, the Company's profitability and cash flow would be negatively affected. In such circumstances, the Company may determine that it is not economically feasible to continue commercial production at some or all of its operations or the development of some or all of its current projects, which could

have an adverse impact on the Company's financial performance and results of operations. Under such circumstances, the Company might curtail or suspend some or all of its exploration activities, with the result that depleted reserves are not replaced. In addition, the market value of the Company's gold inventory might be reduced and existing Mineral Reserves might be reduced to the extent that ore cannot be mined and processed economically at the prevailing prices.

Foreign Operations

The Company's operations are currently conducted in Australia and Turkey, and, as such, the Company's operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary for each country and include, but are not limited to: extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; renegotiation or nullification of existing concessions, licenses, permits and contracts; illegal mining; corruption; unstable legal system; changes in taxation policies; restrictions on foreign exchange and repatriation; and changing political conditions and social unrest.

Changes, if any, in mining or investment policies or shifts in political attitude in these countries could adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by:

- government regulations including, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety; and
- the lack of certainty with respect to foreign legal systems, which may not be immune from the influence of political pressure, corruption or other factors that are inconsistent with the rule of law.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights and tenements, could result in loss, reduction or expropriation of entitlements.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have a material adverse effect on the Company's operations or profitability.

Opposition to Business Activities in Turkey

In recent years in Turkey, individuals, communities, governmental agencies, courts, and non-governmental organizations have become more vocal and active with respect to mining activities and business activities of foreign entities. These parties may take actions such as road blockades, applications for injunctions seeking work stoppages, refusals to grant access to lands or sell properties on commercially viable terms, lawsuits for damages, issuances of unfavourable laws and regulations, and rulings contrary to a company's interests. These actions can occur in response to not only current activities but also to decades old mining activities by prior owners of subject mining properties. Opposition to business activities of the Company are beyond its control and may result in the inability to obtain or a loss of rights to explore, develop, and mine mineral properties, substantial delays, and increased costs.

Price and Cost Instability

Precious metals prices, foreign currency rates, and costs of materials and consumables associated with exploration, development and mining activities are subject to frequent, unpredictable and substantial volatility which is beyond the Company's control. The Company currently has no hedging contracts in place; however, the Company may engage in hedging activities in the future. Hedging activities are intended to mitigate exposure to fluctuations in the price of precious metals, materials and consumables. Certain precious metals hedging strategies may protect a company against lower prices, they may also limit the price that can be realized on precious metal that is subject to forward sales and call options where the market price of gold exceeds the gold price in a forward sale or call option contract. Similarly, hedges of foreign currencies, materials and consumables may protect a company against adverse currency variances and rising costs, but may result in losses if currency rates and costs move counter to a company's hedge position. Hedging activities may be uneconomic due to numerous factors and no assurances can be made that hedging will effectively mitigate risks as intended.

Other Commodities and Equipment

The Company is dependent on various commodities (such as diesel fuel, electricity, steel, explosives, concrete and cyanide) and equipment to conduct its mining operations and development projects. The shortage of such commodities, equipment and parts or a significant increase of their cost could have a material adverse effect on the Company's ability to carry out its operations and therefore limit, or increase the cost of, production. Market prices of commodities can be subject to volatile price movements which can be material, occur over short periods of time and are affected by factors that are beyond the Company's control. If the costs of certain commodities consumed or otherwise used in connection with the Company's operations and development projects were to increase significantly, and remain at such levels for a substantial period, the Company may determine that it is not economically feasible to continue commercial production at some or all of the Company's operations or the development of some or all of the Company's current projects, which could have an adverse impact on the Company's financial performance and results of operations.

We have begun the implementation of an enterprise resource planning system. As with any implementation of a significant new system, difficulties encountered could result in business interruptions and could have a material adverse effect on our business, financial position and results of operations.

We have begun the implementation of new enterprise software that we will use for various operational functions, financial reporting and controls management. The implementation of this new system carries risks such as cost overruns, delays and interruptions. If we are not able to successfully implement our new system in a timely manner, we will have to rely on manual reporting processes and controls over financial reporting that have not been planned, designed or tested. Various measures have been implemented to manage our risks related to the system implementation, but system implementation failures could have a material adverse effect on our business, financial position and results of operations and could, if not successfully implemented, adversely impact the effectiveness of our internal controls over financial reporting.

Rights of Joint-Venture and Strategic Partners

From time to time the Company enters into joint venture and strategic arrangements with respect to mineral properties. The Company has joint venture arrangements over certain of its properties, including Çöpler, the Cevizlidere Project, the Karakartal Project, and Frog's Leg Mine. Although the Company expects relations with its joint venture and strategic partners to remain positive, contractual or other disputes may arise that may have a material adverse effect on the Company's financial condition or its ability to develop and operate its assets. Furthermore, the Company has inherently less control when it is not the operator of a project subject to a joint venture agreement, as in the case of Frog's Leg Mine. In such instances, the contractual terms of the agreement may limit the Company's ability to influence the operation of the project.

In January 2012, Lidya Mining closed on its option to increase its ownership of Çöpler via its share ownership in Anagold from 5% to 20%. The additional management rights gained by Lidya Mining as a result of acquiring an additional 15% interest in Anagold increases the risk for potential delays or disputes between the Company and Lidya Mining as it relates to the operation of Çöpler.

Financing Risk

The Company's mining, processing, development and exploration activities may require additional external financing. Failure to obtain sufficient financing could result in the delay or indefinite postponement of exploration, development or production on any or all of its projects. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable.

Mining Industry Risks

The exploration for, development of, and ultimately mining of mineral deposits involves a high degree of risk that even a combination of careful evaluation, experience, knowledge and sufficient financial resources may not adequately reduce or eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Significant expenses may be required to locate and establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration programs planned by the Company or its joint-venture partners will result in additional profitable commercial mining operations. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are inherently cyclical and cannot be predicted with certainty; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The effect of these factors cannot be accurately predicted and the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Environmental Risks and Hazards

The Company is and will be subject to environmental regulation in Australia and Turkey where it operates. In addition, the Company will be subject to environmental regulation in any other jurisdictions in which the Company operates or has development properties in the future. These regulations mandate, among other things, the maintenance of air and water quality standards, land

use standards and land reclamation. These regulations also set out limitations on the generation, transportation, storage and disposal of solid, liquid and hazardous waste.

Environmental legislation is evolving in a manner which will require, in certain jurisdictions, stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. No certainty exists that future changes in environmental regulation, if any, will not adversely affect the Company's operations or development properties. Environmental hazards may exist on the Company's properties which are unknown to management at present and which have been caused by previous owners or operators of the properties.

Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent that such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing its mining operations or from proceeding with planned exploration or development of mineral properties.

Failure by the Company to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its mining operations or its exploration or development of mineral properties and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Production at certain of the Company's mines involves the use of sodium cyanide which is a toxic material. Should sodium cyanide leak or otherwise be discharged from the containment system, the Company may then become subject to liability for cleanup work that may not be insured. While appropriate steps will be taken to prevent discharges of pollutants into the ground water and the environment, the Company may become subject to liability for hazards that it may not be insured against.

Governmental Regulation of the Mining

The mining, processing, development and exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could have a material adverse effect on the Company's operations, financial position or results of operations.

The Company's Growth Projects

As part of its strategy, the Company will continue its efforts to develop new gold projects and has a portfolio of such projects. A number of risks and uncertainties are associated with the development of these types of projects, including political, regulatory, design, construction, labour, operating, technical and technological risks, uncertainties relating to capital and other costs and financing risks. The level of production and capital and operating cost estimates relating to the Company's portfolio of projects, which are used in establishing ore/ Mineral Reserve estimates for

determining and obtaining financing and other purposes, are based on certain assumptions and are inherently subject to significant uncertainties. It is possible that actual results for the Company's projects will differ from the Company's current estimates and assumptions, and these differences may be material. In addition, experience from actual mining or processing operations may identify new or unexpected conditions which could reduce production below, and/or increase capital and/or operating costs above, the Company's current estimates. If actual results are less favourable than the Company currently estimates, the Company's business, results of operations, financial condition and liquidity could be adversely impacted.

Mineral Reserve and Mineral Resource Figures

The figures for Mineral Reserves and Mineral Resources presented herein, including the anticipated tonnages and grades that will be achieved or the indicated level of recovery that will be realized, are estimates and no assurances can be given as to their accuracy. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralization or formations may be different from those predicted. It may also take many years from the initial phase of drilling before production is possible, and during that time the economic feasibility of exploiting a deposit may change. Mineral Reserve and Mineral Resource estimates are materially dependent on prevailing gold price and the cost of recovering and processing minerals at the individual mine sites. Market fluctuations in the price of gold or increases in recovery costs, as well as various short-term operating factors, may cause a mining operation to be unprofitable in any particular accounting period.

Prolonged declines in the market price of gold may render reserves containing relatively lower grades of gold mineralization uneconomic to exploit and could reduce materially the Company's Mineral Reserves and Mineral Resources. Should such reductions occur, material write downs of the Company's investment in mining properties or the discontinuation of development or production might be required, and there could be material delays in the development of new projects, increased net losses and reduced cash flow. The estimates of Mineral Reserves and Mineral Resources attributable to a specific property are based on accepted engineering and evaluation principles. The estimated amount of contained gold in Proven and Probable Mineral Reserves does not necessarily represent an estimate of a fair market value of the evaluated properties.

There are numerous uncertainties inherent in estimating quantities of Mineral Reserves and Mineral Resources. The estimates in this AIF and the Company's other disclosure documents are based on various assumptions relating to gold prices and exchange rates during the expected life of production, mineralization of the area to be mined, the projected cost of mining, and the results of additional planned development work. Actual future production rates and amounts, revenues, taxes, operating expenses, environmental and regulatory compliance expenditures, development expenditures, and recovery rates may vary substantially from those assumed in the estimates. Any significant change in these assumptions, including changes that result from variances between projected and actual results, could result in material downward revision to current estimates.

Title Matters

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any

of its properties will not be challenged or impaired. Third parties may have valid claims underlying portions of the Company's interests.

Permits

The Company's operations in Australia and Turkey are subject to receiving and maintaining permits from appropriate governmental authorities. Although the Company's mining operations currently have all required permits for their operations as currently conducted, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for the existing operations, additional permits for any possible future changes to operations, or additional permits associated with new legislation. Prior to any development on any of its properties, the Company must receive permits from appropriate governmental authorities. There can be no assurance that the Company will continue to hold all permits necessary to develop or continue operating at any particular property.

Payment Obligations Relating to Properties

The Company incurs substantial annual costs to maintain its mineral property interests in good standing. Failure to timely make these payments or any required exploration expenditures for each property or license could require the Company to forfeit interests in certain of its properties. There can be no assurance that sufficient working capital will be available in the future to permit the Company to satisfy these obligations.

Litigation Risk

The Company may, currently, or in the future, be subject to claims (including class action claims and claims from government regulatory bodies) based on allegations of negligence, breach of statutory duty, breach of contract, public nuisance or private nuisance or otherwise in connection with its business or operations. Liability resulting from any such claim in the future may have a materially adverse effect on the Company's financial condition or operations.

Exploration and Development Activities

Substantial efforts and compliance with regulatory requirements are required to establish ore reserves through drilling and analysis, to develop metallurgical processes to extract metal from the ore and, in the case of development properties, to develop and construct the mining and processing facilities and infrastructure at any site chosen for mining. Shareholders cannot be assured that any gold reserves or mineralized material acquired or discovered will be in sufficient quantities to justify commercial operations.

Development of Mineral Projects into Commercially Viable Mines

Development projects, including the Company's development projects in Australia and Turkey, require significant expenditures during the development phase before production is possible. Development projects are subject to the completion of successful feasibility studies and environmental assessments, issuance of necessary governmental permits and availability of adequate financing. The economic feasibility of development projects is based on many factors such as: estimation of mineral reserves, anticipated metallurgical recoveries, environmental considerations and permitting, future gold prices, and anticipated capital and operating costs of these projects. Our development projects have no operating history upon which to base estimates of future production and cash operating costs. Particularly for development projects, estimates of proven and probable mineral reserves and cash operating costs are, to a large extent, based upon

the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies that derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery rates of gold from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual capital and operating costs and economic returns will differ significantly from those currently estimated for a project prior to production.

Any of the following events, among others, could affect the profitability or economic feasibility of the Company's development projects: unanticipated changes in grade and tonnes of ore to be mined and processed, unanticipated adverse geological conditions, unanticipated metallurgical recovery problems, incorrect data on which engineering assumptions are made, availability of labour, costs of processing and refining facilities, availability of economic sources of power, adequacy of water supply, availability of surface on which to locate processing and refining facilities, adequate access to the site, unanticipated transportation costs, government regulations (including regulations with respect to prices, royalties, duties, taxes, permitting, restrictions on production, quotas on exportation of minerals, environmental), fluctuations in gold prices, and accidents, labour actions and force-majeure events.

It is not unusual in new mining operations to experience unexpected problems during the start-up phase, and delays can often occur at the start of production. It is likely that actual results for the Company's projects will differ from current estimates and assumptions, and these differences may be material. In addition, experience from actual mining or processing operations may identify new or unexpected conditions that could reduce production below, or increase capital or operating costs above, current estimates. If actual results are less favourable than currently estimated, our business, results of operations, financial condition and liquidity could be materially adversely affected.

Properties without Known Mineable Reserves

For certain of the Company's exploration properties it has not yet been determined that they contain mineralization that may be economically recoverable. The exploration activities of the Company will continue to be directed towards the search for, evaluation of and development of mineral deposits. There is no assurance that the exploration expenditures of the Company will result in discoveries of commercial ore bodies. Furthermore, there can be no assurance that the Company's estimates of future exploration expenditures will prove accurate, and actual expenditures may be significantly higher than currently anticipated.

Production and Cost Estimates

The Company prepares estimates of mine production and costs for Çöpler, Higginsville and SKO. The Company cannot give any assurance that it will achieve its production and cost estimates. The failure of the Company to achieve its production and cost estimates could have a material and adverse effect on any or all of its future cash flows, results of operations and financial condition. These production and cost estimates are dependent on, among other things, the accuracy of Mineral Reserve estimates, the accuracy of assumptions regarding ore grades and recovery rates, ground conditions and physical characteristics of ores and the accuracy of estimated rates and costs of mining and processing

The Company's actual production and costs may vary from its estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and

metallurgical and other characteristics; short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades from those planned; mine failures, slope failures or equipment failures; industrial accidents; natural phenomena such an inclement weather conditions, floods, droughts, rock slides and earthquakes; encountering unusual or unexpected geological conditions; changes in power costs and potential power shortages; shortages of principal supplies needed for operation, including explosives, fuels, chemical reagents, water, equipment spare parts and lubricants; labor shortages or strikes; civil disobedience and protests; and restrictions or regulations imposed by government agencies or other changes in the regulatory environments. Such occurrences could result in damage to mineral properties, interruptions in production, injury or death to persons, damage to property of the Company or others, monetary losses and legal liabilities. These factors may cause a mineral deposit that has been mined profitably in the past to become unprofitable, forcing the Company to cease production.

Limited Lives of Mines

Because mines have limited lives, the Company must continually replace and expand its Mineral Reserves as they are depleted by production at its operations in order to maintain or grow its total Mineral Reserve base. The life-of-mine estimates included in this AIF for each of the Company's material properties are based on a number of factors and assumptions and may prove to be incorrect. The Company's ability to maintain or increase its annual production of gold will significantly depend on its ability to bring new mines into production and to expand Mineral Reserves at existing mines. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish Mineral Reserves and to construct mining and processing facilities. As a result of these uncertainties, there is no assurance that current or future exploration programs will be successful. There is a risk that depletion of reserves will not be offset by discoveries. As a result, the reserve base of the Company may decline if reserves are mined without adequate replacement and the Company may not be able to sustain production beyond the current mine lives, based on current production rates.

Uninsured Risks

The mining industry is subject to significant risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, and monetary losses and possible legal liability. The Company carries insurance to protect against certain risks in such amounts as it considers adequate. However, the Company's insurance coverage does not cover all of its potential losses, liabilities and damage related to its business and certain risks are uninsured or uninsurable. Risks not insured against in each case may include certain political risks, war, environmental pollution, earthquake damage, mine flooding or other hazards against which mining entities cannot insure or against which the Company may elect not to insure because of high premium costs or other reasons. Failure to have insurance coverage for any one or more of such risks or hazards could have a material adverse effect on the Company's business, financial condition and results of operations.

Competition

The mining industry is intensely competitive in all of its phases and the Company competes with many companies possessing greater financial and technical resources than itself. Competition in the base and precious metals mining industry is primarily for mineral rich properties which can be

developed and produced economically; the human resources and technical expertise to find, develop, and operate such properties; the labour to operate the properties; and the capital for the purpose of funding such properties. Many competitors not only explore for and mine precious metals, but conduct refining and marketing operations on a world-wide basis. Such competition may result in the Company being unable to acquire desired properties (due to the auction process involved in property acquisition), to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop its properties. Existing or future competition in the mining industry could materially adversely affect the Company's prospects for mineral exploration and success in the future.

Dependence Upon Key Management Personnel and Executives

The Company is dependent upon a number of key management personnel. The loss of the services of one or more of such personnel could have a material adverse effect on the Company. The Company's ability to manage its mining, exploration and development activities and, hence, its success, will depend in large part on the efforts of these individuals. The Company faces intense competition for qualified personnel and there can be no assurance that the Company will be able to attract and retain such personnel.

Dependence on Good Labour and Employment Relations

Production at the Company's mines is dependent upon the efforts of, and maintaining good relationships with, employees of the Company. Relations between the Company and its employees may be impacted by changes in labor relations which may be introduced by, among others, employee groups, unions, and the relevant governmental authorities in whose jurisdictions the Company carries on business. Adverse changes in such legislation or in the relationship between the Company and its employees may have a material adverse effect on the Company's business, results of operations, and financial condition.

We are dependent upon information technology systems, which are subject to disruption, damage, failure and risks associated with implementation and integration.

We are dependent upon information technology systems in the conduct of our operations. Our information technology systems are subject to disruption, damage or failure from a variety of sources, including, without limitation, computer viruses, security breaches, cyber-attacks, natural disasters and defects in design. Cybersecurity incidents, in particular, are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data and other electronic security breaches that could lead to disruptions in systems, unauthorized release of confidential or otherwise protected information and the corruption of data. Various measures have been implemented to manage our risks related to the information technology systems and network disruptions. However, given the unpredictability of the timing, nature and scope of information technology disruptions, we could potentially be subject to production downtimes, operational delays, the compromising of confidential or otherwise protected information, destruction or corruption of data, security breaches, other manipulation or improper use of our systems and networks or financial losses from remedial actions, any of which could have a material adverse effect on our cash flows, competitive position, financial condition or results of operations. We could also be adversely affected by system or network disruptions if new or upgraded information technology systems are defective, not installed properly or not properly integrated into our operations.

Possible Conflicts of Interest of Directors and Officers of the Company

Certain of the directors and officers of the Company also serve as directors, officers and/or advisors of and to other companies involved in natural resource mining, exploration and development. Consequently there exists the possibility for such directors and officers to be in a position of conflict. The Company expects that any decision made by any of such directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest or which are governed by the procedures set forth in the *Business Corporations Act* (Yukon) and any other applicable law.

Risk Regarding Short Term Investments

The Company has accumulated substantial balances of cash, cash equivalents and short term investments. These assets are held in various financial institutions and as other financial instruments. The inherent nature of these assets exposes the Company to concentrations of credit risk, exchange rate volatility, and other risks associated with financial instruments (see below) that may result in substantial and permanent losses. Furthermore, to adequately reduce these risks to acceptable levels, available investment alternatives may result in limited or no return on these assets.

Risks Regarding Financial Instruments

The Company maintains financial instruments consisting of cash and cash equivalents, receivables, investments in publicly-traded securities, trade and other payables and borrowings. the Company's financial instruments are denominated in various foreign currency denominations. These financial instruments and others which the Company may acquire involve substantial risks, including but not limited to credit risk, liquidity risk, interest rate risk and foreign currency risk. Volatility of external factors beyond the Company's control may result in substantial and permanent losses. Furthermore, any derivative which may be acquired in attempt to mitigate risks associated with financial instruments may be ineffective.

Market for Common Shares and Debentures

There can be no assurance that an active market for the Company's common shares or debentures will be sustained. Holders of these securities may be unable to sell their investments on satisfactory terms. As a result of any risk factor discussed herein, the market price of the securities of the Company at any given point in time may not accurately reflect the long-term value of the Company. Furthermore, responding to these risk factors could result in substantial costs and divert management's attention and resources. Substantial and potentially permanent declines in the value of the Company's securities may result.

Risk of Dilution

The Company's Certificate and Articles of Continuance, as amended, provide that the Company has an unlimited number of authorized common shares and preferred shares that may be issued. Under applicable Canadian law, shareholder approval may not be required for the Company to issue shares of either class of capital stock. Moreover, the Company has commitments that could

require the issuance of a substantial number of additional common shares, in particular options to acquire common shares under the Company's equity participation plans.

The future business of the Company may require substantial additional financing which could likely involve the sale of equity or equity-linked capital. The Company can also be expected to issue additional restricted share units, deferred share units, options, warrants and other financial instruments, which may include debt. Future issuances of equity or equity-linked capital may have a substantial dilutive effect on existing shareholders. The Company is not able at this time to predict the future amount of such issuances or dilution.

Mineral Properties

The following section discloses information on the Company's material properties:

TURKISH OPERATIONS

ÇÖPLER

The following is the summary contained in the Technical Report on the Çöpler Mineral Resource Update Erzincan Province, Turkey, dated April 1, 2012 with an effective date of March 28, 2013 (the "**Çöpler Technical Report**") and prepared in compliance with NI 43-101 *Standards of Disclosure for Mineral Projects*, which is filed on the System for Electronic Document Analysis and Retrieval (SEDAR) and is available under the Company's profile at www.sedar.com. The detailed disclosure in the Çöpler Technical Report is incorporated by reference herein. It should be noted that since the date of the Çöpler Technical Report any changes that have occurred are detailed in the Subsequent Events – Çöpler section below.

Alacer Gold Corp. ("Alacer" or the "Company"), listed on the Toronto Stock Exchange ("TSX") and the Australian Securities Exchange ("ASX"), is a mid-tier gold producer and explorer with assets in Australia and Turkey. Alacer was formed following the merger of Anatolia Minerals Development Limited ("Anatolia") and Avoca Resources Limited ("Avoca") in February 2011. The Australian operations consist of the SKO and the Higginsville Gold Operations ("HGO"), both wholly owned. Alacer also has a 49% interest in the Frog's Leg mine which is managed by La Mancha Resources Australia Pty Limited ("La Mancha"). On February 10, 2013, Alacer announced that it had entered into a binding agreement for the sale of its 49% minority interest in the Frog's Leg mine to La Mancha. On March 28, 2013, the Company announced that the Frog's Leg Transaction had been approved by the Australian Foreign Investment Review Board and that the Company expects to close the Frog's Leg Transaction on April 5, 2013. The Turkey operations consist of the Çöpler Gold Mine, which is 80% owned by Alacer.

Alacer produced 419,489 ounces of gold in 2012, on a 100% basis for the properties which it operates.

Alacer has undertaken a Mineral Resource update of the Çöpler Project Area in Erzincan Province, Turkey. The purpose of this report is to present the results of the resource update and provide technical information relevant to the project. A Feasibility Study is currently underway on the sulphide portion of the Mineral Resource reported within this report.

Current Status: In September 2012, Alacer announced a resource update for the Çöpler project. The mining of oxide material is currently underway at Çöpler, with 188,756 ounces of gold being produced from the heap-leach pad during the year-ended December 31, 2012.

Location: The Çöpler mining area is located in the eastern part of central Turkey, 550 km east of Ankara and 120 km southwest of the city of Erzincan, Figure 1.1.

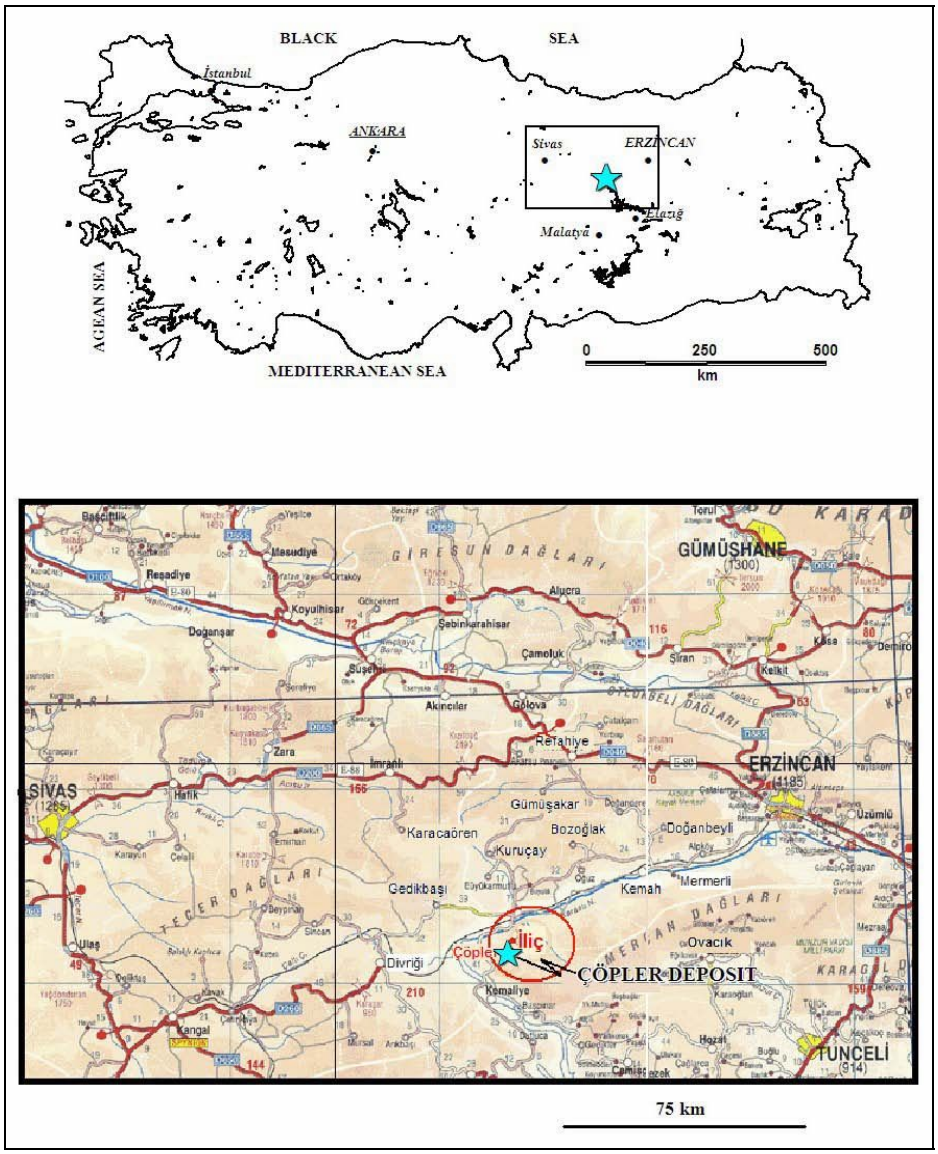

Figure 1.1 project location map

Ownership: The Çöpler gold deposit consists of the mining license ir 257 which is held by Anagold Madencilik Sanayi ve Ticaret A. Ş ("Anagold"), which operates the Çöpler Nube. Alacer controls 80% of the shares of Anagold and Lidya Madencilik Sanayi ve Ticaret A.Ş. ("Lidya"), formerly Çalık Holdings A.Ş. controls 20% of the shares of Anagold.

Anagold controls additional licenses which surround the Çöpler operation and provide ample area for the placement of mine infrastructure, such as leach pads, waste dumps, tailing storage facilities and the like, Figure 1.2.

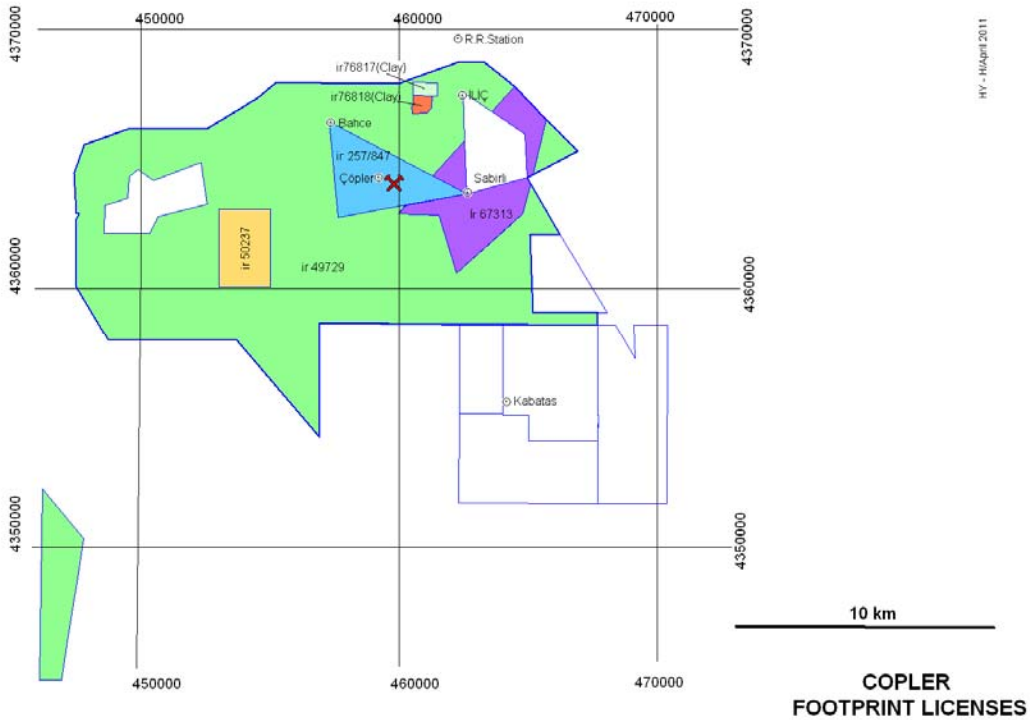

Figure 1.2 Çöpler mine license and surrounding licenses (utm grid)

Geology: Çöpler is located near the northern margin of a complex zone formed during the collision of the Arabian plate into the Eurasian plate. The project is centred on a quartz diorite porphyry which has been intruded into metasediments and limestones. Contact metamorphism of the limestone adjacent to the diorite intrusions has resulted in the formation of marbles. Large scale faults cross the area, predominantly trending north-northeast which transect all rock types. The large scale faults, known as the Çöpler North Fault and the Çöpler South Fault, are believed to control the rectilinear shape of the diorite intrusion.

Mineralization: The mineralization at Çöpler is present in five different forms; stockwork and veins with disseminated marcasites, pyrite and arsenopyrite; clay altered brecciated and carbonatised diorite with rhodochrosite veinlets, disseminated marcasites, pyrite, realgar, orpiment, sphalerite and galena; massive marcasite and pyrite replacement bodies; massive jarositic gossan; and massive manganese oxide.

Supergene oxidation of the above mineralization has resulted in the formation of gossans, massive manganese oxide and goethitic/jarositic assemblages hosting fine-grained free gold.

The mineralization occurrences have been sub-divided into six deposits based on the geological setting and mineralization style and sub-divided into oxide and sulphide material based on the oxidation state of the mineralization.

Exploration: Exploration of the Çöpler area began in 1998 and has included surface mapping and sampling, ground and aerial geophysics, and several phases of drilling. In recent years, drilling has been the primary exploration activity undertaken, with numerous reverse circulation and diamond drill holes being drilled. Infill drilling of the known resource areas continues to be undertaken with the view to increasing geological understanding and confidence in the mineral resource.

Mining Operations: Mining is currently being undertaken on the oxide portion of the resource detailed in this report within the Manganese Mine Open Pit. Oxide ore is added to a heap leach pad on site where the gold is extracted. During the year-ended 31 December, 2012 Çöpler produced 188,756 ounces of gold.

Mineral Resource Estimate: The latest Resource Estimate is dated August 2012 and is the subject of this technical report. The Çöpler resource has been updated due to infill and extensional drilling completed prior to 1 August 2012 and the re-interpretation of the geological and mineralization controls. The resource has been depleted for mined volumes to 31 December, 2012.

Mineral Resource for the Çöpler Deposit as at December 31, 2012								
Gold Cut-off Grade (g/t)	**Mineralization Type**	**Resource Category**	**Tonnes (million)**	**Gold Grade (g/t)**	**Contained Gold (million ounces)**	**Silver (g/t)**	**Copper (%)**	**Sulfur (%)**
0.3	Oxide	Measured	15.0	2.0	1.0	4.4	0.06	0.4
		Indicated	35.5	0.8	0.9	1.3	0.03	0.3
		Measured + Indicated	**50.5**	**1.1**	**1.8**	**2.2**	**0.04**	**0.3**
		Inferred	25.7	0.6	0.5	1.0	0.01	0.4
0.8	Sulphide	Measured	64.4	1.7	3.6	5.2	0.02	4.1
		Indicated	51.6	1.4	2.3	3.9	0.02	4.1
		Measured + Indicated	**116.0**	**1.6**	**5.9**	**4.6**	**0.02**	**4.1**
		Inferred	25.7	1.3	1.1	2.8	0.01	3.0
Variable	Stacked Heap Leach	Measured	16.0	0.8	0.4	-	-	-
Variable	Run of Mine Stockpiles	Measured	0.2	3.7	0.02	-	-	-
Variable	Total	Measured	95.7	1.6	5.0	5.1	0.03	3.4
		Indicated	87.1	1.1	3.2	2.8	0.02	2.5
		Measured + Indicated	**182.8**	**1.4**	**8.2**	**3.9**	**0.03**	**2.9**
		Inferred	51.4	0.9	1.6	1.9	0.01	1.7

The resource estimate contained in this report has been undertaken by Ms Lisa Bascombe, B.Sc, MAIG, Senior Resource Geologist, of Alacer Gold Corp, a Qualified Person ("QP") under NI 43-101.

To the best of Alacer's knowledge, at the time of estimation there were no known environmental, permitting, legal, title, taxation, socio-economic, marketing, political or other relevant issues that could materially impact on the eventual extraction of the mineral resources.

Mineral Reserve Estimate: The mineral reserve detailed in this technical report remains unchanged from the previous technical report, Altman, Liskowich, Mukhopadhyay and Shoemaker (2011) ("Altman, et al., (2011)") and is not based on the current resource estimate which is the subject of this Technical Report. The mineral reserves for the Çöpler gold deposit have been updated by SRK Consulting (US) for current production. These reserves are contained within open pits designed for the Prefeasibility Study and have been depleted based on the 2012 year end topographical survey.

Mineral reserves for the Çöpler Mining area deposit (As of December 31st, 2012)							
Reserve Category Material	**Tonnes (x1000)**	**Au (g/t)**	**Ag (g/t)**	**Cu (%)**	**S (%)**	**Contained Au Ounces (ozs)**	**Recovered Au Ounces (ozs)**
Proven - Oxide	32,054	1.134	3.386	0.100	1.330	1,168,889	710,049
Proven - Stockpile	50	5.940	-	-	-	9,512	5,707
Probable - Oxide	12,184	0.946	3.089	0.098	1.487	370,555	215,010
Total - Oxide	***44,287***	***1.088***	***3.301***	***0.100***	***1.372***	***1,548,957***	***930,766***
Proven - Sulfide	24,425	2.187	6.587	0.161	4.196	1,717,576	1,621,575
Probable - Sulfide	8,166	2.388	6.807	0.166	4.424	626,997	591,952
Probable -Stockpile	140	2.860	-	-	-	12,893	12,119
Total - Sulfide	***32,731***	***2.240***	***6.613***	***0.162***	***4.235***	***2,357,467***	***2,225,646***
Proven - Oxide + Sulfide + Stockpile	*56,529*	*1.593*	*4.766*	*0.126*	*2.567*	2,895,978	*2,337,331*
Probable - Oxide + Sulfide + Stockpile	*20,490*	*1.534*	*4.550*	*0.125*	*2.647*	1,010,446	*819,081*
Total - Oxide + Sulfide	***77,019***	***1.578***	***4.708***	***0.126***	***2.589***	***3,906,424***	***3,156,412***

1) Reserves are not diluted
2) Full mine recovery assumed
3) Average Heap Leach recovery for all rock types is estimated at 60% and 94% for Pressure Oxidation (Pox)
4) Numbers may not add up due to rounding
5) Feb 2010 block model has been depleted based on topography surface dated December 31st, 2012.
6) A "NSR" cut-off calculation was used to determine cut-off grade. *NSR = ((RecAu * Gold Price) + (RecAg * Ag Price) + (RecCu * Cu Price)) – (BlkTonnes * (Mining Cost + Processing Cost))*. Heap Leach costs range from $4-$8/ore.t and Pox Costs range from $30-$50/ore.t dependant on rock type. Prices used in cut-off calculation include US$977.17/Oz Au, US$15.63/Oz Ag and US$2.93/lb Cu.
7) Stockpiles are valid as of December 31st, 2012
8) The mineral reserve estimate for Alacer was calculated by Bret C Swanson, BE (Min) MMSAQP #04418QP of SRK, in accordance to CSA, NI 43-101 standards and generally accepted CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines.

The reserve estimate contained in this report has been undertaken by Mr. Bret Swanson, Principal Mining Engineer of SRK Consulting (U.S.), Inc.

Conclusions: The geological understanding at Çöpler continues to evolve rapidly as work continues on the infill and resource definition drilling.

Gold is now being produced at Çöpler by heap leaching of near-surface oxide mineralization and most of the work performed since publication of the previous technical report by Altman et al., 2011, has been directed towards the infill and extensional drilling of the known resource. The drilling program conducted between September 2011 and August 2012, has been specifically designed to provide increased understanding of the geological controls on the mineralization at Çöpler. The updated Mineral Resource has incorporated this increased level of geological understanding into the creation of mineralization wireframes in each area of the resource.

The principal conclusions reached in this report are that:

- The drilling, sampling, sample preparation, assaying and QA/QC procedures used at Çöpler provide representative, unbiased analytical results, suitable for use in the estimation of mineral resources and mineral reserves;

- The Çöpler geological and assay database is also suitable for use in the estimation of mineral resources;

- The validation procedures applied to the resource block model confirm that this model provides a suitable basis for the estimation of mineral reserves at the level of a Feasibility Study;

- Although additional work remains to be conducted, sufficient metallurgical testwork has been performed to support a Prefeasibility Study;

- Sufficient basic engineering has been performed to support the estimation of capital expenditures and operating costs to the level of accuracy appropriate to a Prefeasibility Study; and

- At the level of a Prefeasibility Study, the production of gold, silver and copper from the sulphide mineralization at Çöpler has been shown to be both technically feasible and economically viable.

The previous technical report by Altman et al., (2011) states: The project economics demonstrate that the Çöpler Sulphide Expansion Project is a sufficiently robust project to warrant further work. No environmental, permitting, legal, title, taxation, socio-economic, marketing, or political fatal flaws were identified for this project, as it is currently defined. The exploration program continues to verify the resources and reserves and provide the potential for growth. Based on the results of the Prefeasibility Study it is concluded that the Project should be advanced to the Feasibility Stage.

Recommendations: Recommendations for future infill drilling programmes and Resource Estimations include:

- Undertake continued infill and resource extensional drilling with the view to increasing the geological understanding and increasing the confidence in the Resource Estimate; and
- Update the Resource Estimate for drill holes completed after August 2012.

The following section remains unchanged from the previous Technical report, Altman et al., (2011).

It is further recommended that the following detailed work be completed prior to, or during, the early stages of the Feasibility Study.

- Re-examine the current pit designs to better optimize the splits between POx feed and heap leach material and reduce the need to stockpile high grade material in 2013;
- Investigate alternative means of moving waste materials out of the pit;
- Investigate alternate locations for the Waste Rock Storage Areas and conduct additional waste rock characterization for the new project;
- Complete a trade-off study to confirm the selection of grind size and autoclave retention time prior to initiation of the feasibility-level metallurgical test program;
- Complete a detailed metallurgical test program to support the Feasibility Study including:
    - Comminution testing required for design of a semi-autogeneous grinding (SAG) milling circuit;
    - Batch pressure oxidation tests to define the final conditions for continuous pressure oxidation test(s);
    - Continuous pressure oxidation test(s) to confirm design parameters and prepare samples needed to test additional unit operations;
    - Extensive batch and continuous liquid/solid separation tests to determine if the necessary separations can be made in the full-scale plant and to establish data required for equipment sizing and mass balance purposes;
    - Batch and continuous tests to determine design criteria and copper extraction for the sulphide precipitation process and, possibly, solvent extraction/electrowinning or direct electrowinning;
    - Neutralization tests including high density sludge (HDS) continuous tests to determine the reagent costs, thickener underflow densities, and ultimate tailings densities;
    - Cyanide destruction tests to establish detailed design criteria for the process;
    - Characterization of tailings based on the various deposition options, i.e. separation of cyanide leach tailings and neutralized sludge in different areas, or commingling of the various tailings streams in a single storage facility. Environmental testing is required to establish the necessary environmental controls; and
    - The final metallurgical tests should be conducted using lime, limestone, and water supplies from the Çöpler mine site area.

- Complete a marketing study to identify markets and determine the treatment charges and payment terms for the products from Çöpler including copper sulphide precipitate and precious metals doré;
- Evaluate a modular design for the autoclave vessels. This could permit transportation of the fully fabricated vessels to the site reducing on-site construction requirements;
- Conduct final geotechnical and hydrogeological investigations for the new project;
- Perform additional sub-surface soils condition tests. This should be in the form of bore holes and test pits in addition to those conducted for the Heap Leach Project. Load-bearing capacity and dynamic analysis should be performed where major dynamic loads will be imposed, such as the grinding mills;
- Perform a detailed logistics and transportation study to ensure that the large vessels and other heavy equipment can be safely transported to site;
- Advance tailings storage facility (TSF) and mine waste rock storage area (WRSA) designs. The existing Tetra Tech TSF design was developed for the much smaller capacity requirements of the Oxide Mill Project, and additional dam raises are necessary to store the tailings volume required by the Sulphide Expansion Project. Additional testwork is also required to confirm the storage capacity of this facility, and to estimate the amount of water to be reclaimed;
- Define quality and quantity of on-site limestone source;
- Advance all studies necessary to support an amended EIA submittal; and
- Relocate incoming power line or tankage to avoid potential interference from maintenance cranes around the leach circuit.

The design for Çöpler has continuously evolved during the preparation of this study and will continue to evolve throughout future studies. Construction materials and quantities, equipment selection and sizing, piping line sizing, and other design development are not well defined at this stage. As final designs are developed in the next phases of the project development, material take-off (MTO) estimates will be refined which could reduce (or increase) project costs. Value engineering exercises should be carried out throughout the design in both feasibility and final design, to optimize the project designs.

Subsequent Events – Çöpler

Since the filing of the Çöpler Technical Report, there have been no significant changes that have occurred at Çöpler.

Up to the end of 2012, 16.0 million tonnes at a grade of 1.55g/t had been stacked on the heap leach pad at Çöpler, of which 80% of the tonnes are the attributable portion to the Company (12.8Mt) containing 640koz. The ultimate recovery from the stacked ounces is estimated to be approximately 60% (equivalent to 380koz attributable), and as at December 31st 2012, 80% of this amount had been recovered or was in circuit (304koz). A further 76koz (attributable) is therefore still expected to be recovered.

There was also a small, high-grade oxide ore stockpile and a sulfide ore stockpile at December 31, 2012.

AUSTRALIAN OPERATIONS

The following discussion regarding Higginsville and Frog's Leg Mine is an extract of the summary contained in the technical report entitled "NI 43-101 Technical Report of the Mining Operations and Exploration Tenements of Avoca, Western Australia" (the "**SRK Technical Report**"), dated December 15, 2010 and prepared in compliance with NI 43-101 *Standards of Disclosure for Mineral Projects*, which is filed on the System for Electronic Document Analysis and Retrieval (SEDAR) and is available under the Company's profile at www.sedar.com. The detailed disclosure in the SRK Technical Report is incorporated by reference herein. It should be noted that since the date of the SRK Technical Report any changes that have occurred are detailed in the relevant Subsequent Events section, below.

As the SRK Technical Report has been superseded by the SKOEP Technical Report (as defined below) with respect to SKO, the conclusions and recommendations listed below are only relevant to Higginsville and Frog's Leg Mine. For a discussion of the conclusions and recommendations relevant to SKO please refer to the relevant section below.

(1) Higginsville

Location

The Company's current Higginsville leases cover approximately 2700 km^2, and are roughly centred on the historic (now abandoned) town of Higginsville, approximately 125 km south of Kalgoorlie and 55 km north of Norseman. These leases lie between the towns of Kambalda and Norseman in the Higginsville mining centre or Coolgardie Mineral Field, Shire of Coolgardie (local government authority), state of Western Australia, at approximately 31°44'S latitude and 121°43'E longitude.

Ownership

Exploration and mining titles in Western Australia are granted to the Company in accordance with the *Mining Act 1978 (WA)*. The Department of Mines and Petroleum ("**DMP**") administers this Act. Higginsville consists of 162 leases, comprising 42 mining leases, 53 exploration licenses, 57 prospecting licenses and 10 miscellaneous and general purpose licenses. The Company has applied for a further 22 leases, comprising 3 mining leases, 11 exploration leases, 3 prospecting leases and 5 miscellaneous licenses.

Geology

The Company's Higginsville tenements are located in the Eastern Goldfields Superterrane (Cassidy *et al*., 2006) of the Archean Yilgarn Craton of Western Australia. The Eastern Goldfields Superterrane is made up of metavolcanic and metasedimentary rocks, granites and granitic gneiss, and is divided into a number of terranes from southwest to northeast, namely the Kalgoorlie, Kurnalpi and Burtville Terranes. These tectono-stratigraphic terranes are defined on the basis of distinct volcanic facies, geochemistry and geochronology with the Eastern Goldfields Superterrane ranging in age from 2.81 to 2.66 Ga (billion years). In terms of the local geology, the structurally complex Archaean geology is rarely observed in outcrop, being obscured by well-developed ferruginous and carbonate soils, Aeolian sands, tertiary palaeo-sediments and salt lake sediments.

Many areas are also overprinted by deep lateritic profiles, which have resulted in extensive chemical remobilisation and deposition. The Archaean stratigraphy has a general northward trend comprising multiply deformed ultramafic – gabbro – basalt successions adjoined by sediments to the west and east. Shearing and faulted contacts are common. The units have been structurally repeated by east over west thrust faulting.

Mineralization

There are several styles of mineralization in the Higginsville field. At Trident, in the Western Zone, the gold (chemical symbol Au) is hosted both within quartz-arsenopyrite veins and the silica-albite-sulphide rich halo proximal to the veins. The mineralization is most strongly developed at the intersection with EOS and the E-Veins (Lower Zone) with this intersection defining a high grade pipe with a shallow southerly plunge. EOS is a large (up to 8 m true width) shallow east dipping shear zone comprising a sigmoidal tensional quartz-arsenopyrite vein array very similar to Lower Western Zone with a halo of metasomatic alteration around a central brecciated/laminated vein. It is hosted in the same competent Zone 3 Gabbro as Western Zone. Apollo is a large disseminated zone of metasomatic alteration and variably dipping quartz-arsenopyrite tensional veining that is similar to Upper Western Zone. Athena vein-style mineralization is characterised by narrow (0.5 - 3 m wide) shear zone controlled, laminated quartz veins and associated (to a maximum of 5 m) variable host rock mineralization. The Fairplay deposit is described as comprising Archaean shear hosted quartz-pyrite-arsenopyrite-pyrrhotite-scheelite-gold veins and stockworks hosted in a carbonate-biotite-chlorite altered quartz gabbro enclosed by high-Mg basalts. Historically, gold has also been produced from mining palaeochannels sediments containing gold that was sourced from the gold-bearing veins.

Exploration

Higginsville is within a mature mining precinct, with numerous previously mined and other known deposits falling within the tenement areas. The Company's exploration activity has therefore relied heavily on surface drilling, and has focused on known deposits, with step-out drilling targeting extensions of the known deposits. Much work has concentrated on proving resources associated with these known deposits, then adding to and upgrading the resources.

Mineral Processing

The key mineral processing and metallurgical testing aspects of the Higginsville processing facility are:

- The Higginsville flowsheet remains suitable for processing the scheduled ore types.
- Throughput of 1.3 Mtpa is sustainable on the current ore types being processed through the Higginsville processing facility. Recent throughput is around this value.
- The forecast plant availability of 96% is aligned with recent historical performance.
- The average forecast recovery of 97% of leachable gold is achievable and in line with historic performance.
- The forecast operating cost is below the recent historical cost and should be increased to $25.00/t until potential savings are demonstrated.

- Historical reagent consumptions and prices are considered to be within the typical range of equivalent gold processing operations.
- SRK considers the plant to be in good condition both mechanically and structurally and subject to adequate ongoing planned maintenance should meet the life-of-mine requirements.

Resource and Reserve Estimates

Mineral Resources

The Mineral Resources estimate for Higginsville as at July 31, 2010 is shown in Table 2-1.

Table 2-1 – Mineral Resource for Higginsville as at July 31, 2010

	Measured			Indicated			Inferred		
Asset / Project	**Tonnes (kt)**	**Au Grade (g/t)**	**Au Ounces (koz)**	**Tonnes (kt)**	**Au Grade (g/t)**	**Au Ounces (koz)**	**Tonnes (kt)**	**Au Grade (g/t)**	**Au Ounces (koz)**
Trident	1,804	4.8	279	2,575	6.1	507	1,353	3.5	153
Fairplay	-	-	-	1795	1.8	102	1803	1.8	107
Chalice	-	-	-	799	5.5	140	520	3.1	52
Palaeochannels	-	-	-	1203	2.1	81	121	1.8	7
Lake Cowan	-	-	-	768	2.1	51	-	-	-
Other	194	0.7	4	434	2.6	36	923	1.7	51
Total / Average	**1,998**	**4.4**	**283**	**7,574**	**3.8**	**918**	**4,720**	**2.4**	**371**

The resource estimate contained in the tables above has been reviewed by Andre Wulfse, a full time employee of SRK and a QP under NI 43-101 and he takes responsibility for reviewing the resource estimate. Mr. Andre Wulfse is independent of the Company in accordance with NI 43-101.

Mineral Reserves (Underground)

The total Mineral Reserves for the Trident mine and surface stockpiles at Higginsville as of July 1, 2010 are shown the Table 2-2. With the exception of the low grade surface stockpiles, all Mineral Reserves are contained within the Mineral Resources estimated for the Trident mine.

SRK has estimated the reserves by applying actual depletion to previously reported reserves in order to baseline reporting as of July 1, 2010. SRK's reserve estimate does not include any newly defined mineralization that was outside of the previously reported reserves.

Table 2-2 – Mineral Reserves for the Trident mine and surface stockpiles as of July 1, 2010

Category	Tonnes (kt)	Au Grade (g/t)	Au Ounces (koz)
Trident - Proven	744	4.5	109
Trident - Probable	2,267	5.1	373
Trident - Probable LG Development	208	2.1	14
LG surface stockpiles - Proven	505	1.2	19
Total Proven	1,249	3.2	128
Total Probable	2,475	4.9	387
Total Proven and Probable	**3,724**	**4.3**	**516**

The Mineral Reserves for the Chalice project as of the July 1, 2010 are shown in Table 2-3. All Mineral Reserves are contained within the Mineral Resources estimated for Chalice.

Table 2-3 – Mineral Reserves for the Chalice Project as of July 1, 2010

Category	Tonnes (kt)	Au Grade (g/t)	Au Ounces (koz)
Proven	-	-	-
Probable	727	5.1	118
Total Proven and Probable	**727**	**5.1**	**118**

The Mineral Reserves in the tables above have been estimated by Paul Kerr, who holds a BSc Mining degree and who is an employee of SRK and a QP under NI 43-101. Mr. Kerr is independent of La Mancha and the Company in accordance with NI 43-101.

Mineral Reserves (Surface)

The Reserves estimate for Higginsville as at July 1, 2010 is shown in Table 2-4.

Table 2-4 – Mineral Reserves for Higginsville as of July 1, 2010

	Reserve class	Quantity (kt)	Au diluted grade (g/t)	Contained Au Metal (koz)	Recoverable Au Metal (after processing) (koz)
Louis	Probable	440	2.0	29	24
Fairplay	Probable	466	2.0	31	29
Fairplay North	Probable	195	1.79	11	10
Fairplay East	Probable	125	1.67	7	6
Total		**1,226**	**1.95**	**78**	**69**

The Mineral Reserve estimates in the table above have been prepared under the supervision of Simon Hanrahan, who holds a B Min Tech (Hons) and who is an employee of SRK and a Qualified Person under NI 43-101. Mr. Hanrahan is independent of La Mancha and the Company in accordance with NI 43-101.

Mining Operations

The Trident underground mine consists of six main ore zones, being the western zone ("**WZ**"), eastern zone ("**EZ**"), athena ("**AT**"), EOS, apollo and artemis. Mining of these zones is planned using standard mechanised underground equipment and practices typically used for hard rock underground mining in the Western Australian Goldfields. Portions of the geological resource remain open at depth. Planned mining infrastructure has allowed for the possibility of new Mineral Reserves to be defined below existing Mineral Reserves.

As of January 1, 2010, the Trident underground mine has produced 1,900,000t @ 4.2g/t Au for 254,000 ounces of gold.

Primary access to the mine is via the Trident decline, which provides access to surface for personnel, materials, equipment and ore and waste haulage.

Stope design is based on the January 2010 resource model and geotechnical criteria, establishing practical mining shapes for Measured and Indicated Resources above a mining cut-off grade determined for the mining method.

All development designs issued under the mine planning system have a corresponding ground support standard. Development intersections are cable bolted based on the ground support standard. Within stopes, experience in mining various stope dimensions within each geological domain has enabled the Trident mine to establish stability parameters and develop stope cable bolting designs to maintain stable excavations.

The Trident mine constructed a surface paste fill plant in 2009 in order to convert wet mill tailings into consolidated cemented mine fill material for underground voids. Paste fill has since been successfully used in WZ and AT production fronts, enabling high ore extraction in these areas whilst adding flexibility to the mine design.

Ventilation quantities have been based on the Western Australian Mine Safety Inspection Act Regulation (1995) which specify a primary mine flow of 0.05 m^3/s per rated kW of installed diesel equipment. The Trident mine is ventilated using twin parallel exhaust shafts, with the haulage decline providing the main fresh air intake.

Stope shapes and mine development were created in the Vulcan mine planning software package and imported into the Minemax Igantt scheduling software package to generate a life-of-mine plan.

The Higginsville surface mining operations consist of Louis and Fairplay open pits. Fairplay planning includes a Main pit, an eastern pit and a northern pit, which together form the resource. Future mine planning is based on establishing cutbacks within existing open pits. No mining is currently taking place at either Louis or Fairplay open pits and the Company have stated that mining is intended to take place in the next two years.

In all cases, reserve reporting is based on the inclusion of Measured and Indicated resources only. Where Inferred Resources have been included by the Company, these have been removed.

Pit optimisations were carried out by Alacer Resources (Alacer) for Louis and Fairplay open pits using Whittle software. The resultant revenue factor 1.0 shell did not correspond to the pit design supplied. SRK therefore disregarded this optimisation and has performed first principal calculations to confirm that the mineral inventory within the pit design. This inventory was then used as input to the individual financial models to determine reserves.

A 10% ore loss factor (assumed to include dilution) to the resource quantity within the pit design has been used in the reserve calculations.

Schedules presented in the SRK Technical Report are indicative of actual timing and represent monthly planned production that has been aligned to original production schedules. Firm production timing is not yet available from the Company other than a potential production window.

A full mining fleet is intended to be hired when mining takes place; as is currently the situation at SKO. The ore will be processed at the Higginsville processing plant.

Environmental Assessment

Higginsville appears to have the necessary environmental approvals in place to allow operations to continue. SRK is of the opinion that there is material compliance with the licence conditions. The key environmental aspects associated with the TSF at Higginsville relates to the management of future contaminated seepage from the TSF and the on-going rehabilitation of the decommissioned TSF cells. Pit dewatering, storage and reuse of recovered water are important considerations at Higginsville as dewatering is required to ensure continued underground operations. The containment of such water on site is important due to the poor quality of the water. There does not appear to be any significant acid mine drainage ("**AMD**") concerns at Higginsville. Higginsville compiled a Draft Closure and Rehabilitation Plan in 2009. The plan is conceptual in nature and does not contain any rehabilitation cost estimates. Higginsville has calculated that its environmental closure obligation, based on current infrastructure, amounted to $6.8 million at the end of June 2010.

Due to a lack of detail in the calculation provided, SRK cannot definitively judge if the estimate is reasonable. Higginsville reports that all bonds required for its tenements are in place and that the total environmental bonds lodged with the DMP amounts to $4.6 million. These performance bonds are inadequate to cover the current rehabilitation obligations of $6.8 million in case of pre-mature closure of the operations.

Subsequent Events – Higginsville

The number of leases under the Company's tenure reduced in 2012 and as of December 31, 2012, the number of Higginsville leases covers approximately 2,120 km^2. Higginsville now consists of 144 leases, comprising 42 mining leases, 43 exploration licenses, 48 prospecting licenses and 11 miscellaneous and general purpose licenses. The Company has applied for a further 11 leases, comprising 3 mining leases, 6 exploration leases, 1 prospecting lease and 1 miscellaneous license.

Since the discovery and delineation of the Trident resource, exploration has stepped out to the broader areas of the Company's tenement holdings. Drilling in the Higginsville area has extended from Trident to cover areas along the 'Higginsville Line of Lode' up to 10 km south and 4 km north of Trident targeting high grade mineralization. Successful exploration has increased resources in the Fairplay and Two Boys areas as well as discovering the Corona deposit. The Cmpany had up to five drills operating throughout 2012 drilling a total of 196,999 m including 35,611 m diamond drilling, 36,676 m reverse circulation drilling, and 124,712 m of regional aircore, lake aircore and rotary air blast drilling. Exploration activities focussed on the following areas: Higginsville Line of Lode, Challenge, Eundynie, Musket, Chalice and Nawock.

Exploration continued to test for extensions to known deposits and target new discoveries across the Company's tenement holdings. Drilling successfully discovered extensions to Trident, Chalice, Fairplay and Lake Cowan. The Mineral Resource estimate for Higginsville was updated with these extensions as of October 31, 2012, and subsequently with mining depletion to December 31, 2012. The estimate (reported inclusive of Reserves) is shown in Table 2-5 below.

Table 2-5 – Mineral Resource for Higginsville as at December 31, 2012

	Measured			Indicated			Inferred		
Asset / Project	**Tonnes (kt)**	**Au Grade (g/t)**	**Au Ounces (koz)**	**Tonnes (kt)**	**Au Grade (g/t)**	**Au Ounces (koz)**	**Tonnes (kt)**	**Au Grade (g/t)**	**Au Ounces (koz)**
Trident	904	4.0	115	2,080	7.0	469	1,480	2.6	122
Chalice	189	2.9	18	1,378	4.9	218	200	4.0	26
Fairplay	-	-	-	3,236	2.2	229	1,411	1.8	83
Paleochannel	-	-	-	1,021	2.2	71	121	1.8	7
Lake Cowan	-	-	-	2,142	1.5	100	131	0.9	4
Other	194	0.7	4	434	2.6	36	923	1.7	50
Total / Average	**1,287**	**3.3**	**138**	**10,318**	**3.4**	**1,123**	**4,267**	**2.1**	**292**

The Mineral Resource estimate contained in the table above has been reviewed by Mr. Chris Newman, BSc (Hons), MAusIMM, MAIG, Chief Exploration and Geology Officer of the Company, a QP under NI 43-101.

The Higginsville Mineral Resource estimate of 11.6 million tonnes 3.4g/t gold for 1.26 million ounces (as at December 31, 2012) represents a 5% increase in tonnes and 4% decrease in grade for a 1% increase in total ounces compared to the December 2011 Mineral Resource. Increases in lower grade ounces from Chalice, Fairplay and Lake Cowan have offset higher grade mined ounces at Trident.

Drill-hole data used in the Higginsville Mineral Resources comprised predominantly diamond (both underground and surface) holes and reverse circulation ("RC") holes with some underground sludge holes used for the Trident and Chalice resources. All diamond drill-hole collar locations have been surveyed by either the contract mine surveyors or contract survey companies. All recent RC hole collar locations have been surveyed by contract survey companies. No reliable information exists as to the collar survey techniques for the historic holes at Trident, although the number and location of these holes equate to a negligible impact on the resource estimate. At Chalice, many of the historic holes were re-surveyed by contract mine surveyors prior to the resource estimate being undertaken. The Company's drill holes were routinely surveyed down hole using techniques ranging from Eastman Single shot and Reflex Single Shot cameras to gyroscopic down hole surveying equipment. Minimal information exists as to the down-hole survey techniques used for historic holes, although intersecting these holes in underground exposures at both Trident and Chalice have verified that their location is within acceptable limits. Drill-hole spacing for the majority of the Mineral Resources at Higginsville ranged from 10m x 10m to 60m x 60m.

Drill core was logged (lithology, alteration, structure, mineralization, veining) in detail then stored and validated in electronic databases. Following logging, drill core was sawn and half core was submitted for assaying. Dependant on the mineralization geometry and size, sample lengths were constrained by geology, alteration or structural boundaries with lengths varying from 0.4m to 1.3m. RC hole chips, logging of lithology, alteration, mineralization and veining was undertaken on 1m RC samples, with the data stored and validated in electronic databases.

Gold analysis was undertaken using a combination of mainly Fire Assay (20 – 50g charges), 500g Pulverise and Leach (PAL) and 1kg LeachWell, with some analysis being undertaken by Aqua Regia methods. Industry standard reference material and blanks were utilized to check on laboratory assay quality control, although minimal reliable QA/QC data was located for the sampling completed prior to the Company's drilling and sampling.

Assays were composited to 1m lengths with these composites then assessed for appropriate top-cuts. Top-cuts were applied to mineralized lodes where extreme values were present in the dataset. The bulk densities applied to the Mineral Resources at Higginsville varied depending on the host lithology and the degree of weathering, and for the larger mineralized systems were all based on bulk density measurements taken by the Company.

The grade estimation methods used varied based on the drill density and the style of mineralization. For the more disseminated style, wall-rock hosted mineralization, Ordinary Kriging was used primarily, whereas for thin, high grade, nuggety lode-style mineralization, other techniques such as Inverse Distance to the power of zero ("ID^0") and grade assignment based on development mapping and sampling were used. For mineralization defined by wider spaced drill-holes, Inverse Distance Squared ("ID^2") was generally used for the estimation. The parent block sizes for the majority of the lodes were 10m (x), 10m (y) and 10m (z) with the sub-cell size selected depending on the lode thickness.

The Higginsville Mineral Resource Inventory has been reported using a range of lower cut-off grades to reflect likely mining and haulage scenarios. For Trident, a lower cut-off of 1.0g/t gold was applied to the thicker mineralized zones, whereas a 2.0g/t gold lower cut-off was applied for the thinner mineralized systems. For the deeper mineralization at Artemis and Helios, lower cut-off grades of 3.5g/t gold and 2.0g/t gold respectively were applied reflecting the increased costs associated with their depth below the surface. For Chalice, a lower cut-off of 2.0g/t gold was applied to the thicker mineralized lodes (Atlas, Grampians and Olympus) with a 3.0g/t gold cut-off applied to the thinner hangingwall and footwall mineralization. For the majority of the Fairplay and Vine lodes, a lower cut-off of 1.0g/t gold was applied, whereas the shallow Two Boys lodes had a lower cut-off of 0.5g/t gold applied and the thin, high-grade Corona mineralization had a 3.0g/t gold lower cut-off applied. The Lake Cowan resources had a 0.5g/t gold lower cut-off applied. The remaining resources (palaeochannels and other) had a 0.8g/t or 1.0g/t gold lower cut-off applied.

The Mineral Resource estimate has been classified based on drill density, data quality, confidence in the geological interpretation and confidence in the estimation.

The Mineral Reserve for Higginsville is shown in Table 2-6 as at December 31, 2012.

Development and stoping took place in the Apollo and Athena zones of the Trident Mine, and in the Atlas area of the Chalice Mine during 2012. The remaining Vine Open Pit Mineral Reserve was totally mined during 2012. The Mineral Reserve is depleted for mining up to 31st December 2012.

Additions to the Mineral Reserve were made in the Artemis and Helios zones of the Trident Mine and in the Grampians and Olympus zones of the Chalice Mine. Underground mining methods similar to those described in the document titled "NI 43-101 Technical Report of the Mining Operations and Exploration Tenements of Avoca, Western Australia" will be employed in those areas which have been added to the Mineral Reserve.

Table 2-6 Mineral Reserve for Higginsville as at December 31, 2012

Asset/Project	Proven			Probable			Total Reserves		
	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)
Trident Underground	656	5.9	124	1,842	5.2	311	2,498	5.4	434
Chalice Underground	208	4.5	30	1,236	3.9	157	1,445	4.0	187
Other Underground	-	-	-	226	7.9	57	226	7.9	57
Open Pits	-	-	-	2,572	1.7	144	2,572	1.7	144
Stockpiles	194	0.7	4	-	-	-	194	0.7	4
Total	**1,058**	**4.6**	**158**	**5,876**	**3.5**	**669**	**6,934**	**3.7**	**827**

The Mineral Reserve estimate contained in the table above has been reviewed by Mr. Paul Thompson, BSc(Hons), MSc, FAusIMM, Vice President, Technical Services, of the Company, a QP under NI 43-101.

(3) FROG'S LEG MINE

Location

The Frog's Leg Mine leases cover approximately 31 km^2, and are approximately 20 km west of Kalgoorlie, in the Coolgardie and East Coolgardie Mineral Fields, Shire of Coolgardie and City of Kalgoorlie-Boulder (local government authorities), state of Western Australia, Australia at 30°46'S latitude and 121°16'E longitude.

Ownership

On February 10, 2013, the Company announced that it had entered into a binding agreement to sell its 49% minority interest in the Frog's Leg Mine. On March 28, 2013, the Company announced that the Frog's Leg Transaction had been approved by FIRB and that the Company expects to close the Frog's Leg Transaction on April 5, 2013.

The Frog's Leg Mine is operated by the Company's JV partner, La Mancha, via the Mungari East Joint Venture (MEJV). La Mancha holds 51% and the Company holds 49% of the MEJV. The MEJV tenements consists of seven mining leases (M15/533, M15/688, M15/689, M15/836, M15/837, M15/1188 and M15/1287), five miscellaneous licences (1 granted L15/246 and 4 applications L15/300 and L26/249-251) and one exploration licence application (E15/863).

The Lake Greta Joint Venture is between Barrick Gold of Australia (50%), La Mancha (25.5%) and the Company (24.5%) (Coffey, 2009). Lake Greta consists of two mining leases (M15/1408 granted and one application) and one granted exploration licence (E15/634; expired) adjacent to the MEJV tenements. These cover 363 ha. The tenements are 25 km west-northwest of Kalgoorlie.

Geology

Frog's Leg Mine is located in the Eastern Goldfields Superterrane (Cassidy *et al*., 2006) of the Archean Yilgarn Craton. The Eastern Goldfields Superterrane is made up of metavolcanic and metasedimentary rocks, granites and granitic gneiss and is divided into a number of terranes from southwest to northeast being the Kalgoorlie, Kurnalpi and Burtville Terranes. These tectono-stratigraphic terranes are defined on the basis of distinct volcanic facies, geochemistry and geochronology with the Eastern Goldfields Superterrane ranging in age from 2.81 to 2.66Ga (billion years).

The Frog's Leg Mine deposit is structurally complex and occurs within a set of parallel NNW-trending faults associated with the Zuleika Shear Zone, a major regional fault, and along its convergence with the Mungari Shear Zone and various NNE-trending cross-cutting dextral sets, including the Mary Fault. A dilational jog along one of these NNE-trending structures may have had significant influence on the deposit's location.

Mineralization

Gold occurs in a number of styles at Frog's Leg Mine over a 900 m-long NNW trend. The dominant occurrence is contact mineralization along the faulted contact between the volcaniclastics and catrock basalts. Contact zone mineralization ranges between ten to thirty metres in width and is sub-vertical to steeply west dipping. Mineralization is associated with quartz-veined and brecciated shear zones, intense biotite-carbonate alteration, silicification and sulphides.

Exploration

Exploration in and around the Frog's Leg Mine project is challenging because of thick transported overburden and scarcity of outcrop. Accordingly it has evolved into a sequence of exploration applications along geologically selected areas of favourable mineral potential, whether strike extensions of known mineralised zones or gold-bearing shears or projections along trend of the Kundana series of deposits. Surface geology has been interpreted using mostly sub-audio magnetics magnetic imagery.

Geochemical analysis of rock chips, soils, rotary air blast, aircore or auger samples also provides important information. Anomalous zones are subsequently tested by drilling fences of reverse-circulation and/or diamond core holes. Discoveries are then followed up by more closely-spaced development drilling. All rock types in the Kundana mining camp have the potential to host gold mineralization. Recent exploration work has focused on improving and growing the current

resource and to the extensions of known mineralization. Exploration was carried out by Mines and Resources Australia Pty Ltd and La Mancha.

Mineral Processing

The Jubilee flowsheet remains suitable for processing the scheduled ore types from Frog's Leg Mine. Throughput of 1.2 Mtpa is sustainable on the current ore types being processed through the Jubilee processing facility. Historic throughput is consistently around this value. The forecast plant availability of 97% is aligned with recent historical performance.

The average forecast gold recovery of 90% is achievable and in line with historic performance. The proposed increase in recovery attributable to a cyclone upgrade is difficult to quantify given the recent increase in plant recovery performance to around 92% without any associated operating change. The forecast operating cost is below the recent historical cost and should be increased to $16.85/t. Historical reagent consumptions and prices are considered to be within the typical range of equivalent gold processing operations. The rise in grinding media consumption is clearly linked to the processing of a higher proportion of fresh rock Hampton/Boulder/Jubilee ("**HBJ**") and Frog's Leg Mine ore than the longer term historical average.

Generally, SRK considers the plant to be in fair condition both mechanically and structurally and subject to adequate ongoing planned maintenance should meet the life-of-mine requirements. the Company is continuing to fund the processing facility sustaining capital as budgeted. SRK considers that no additional capital is required to meet the requirements of the current reserve production profile. However, reduced availability may occur should spending be limited if or when a decision to establish a new facility is made.

Resource and Reserve Estimates: The Mineral Resource statement for Frog's Leg Mine by La Mancha as of December 31, 2009 is shown in table 3-1.

Table 3-1 – Frog's Leg Mine Mineral Resources (La Mancha, December 31, 2009) (49% owned by the Company)

	Tonnes	Au (g/t)	Au (oz)
Measured Resource	262,650	7.55	63,750
Indicated Resource	1,807,440	6.60	383,520
Total Measured and Indicated	**2,070,090**	**6.72**	**447,270**
Inferred Resource	655,860	5.21	109,905

The resource estimate contained in the table above has been compiled by Mr. Daniel Guibal, a full time employee of SRK and a QP under NI 43-101 and he takes responsibility for the resource estimate. Mr. Daniel Guibal is independent of the Company in accordance with NI 43-101.

The Mineral Reserve estimate for Frog's Leg Mine as of 1 July 2010 is shown in Table 3-2.

SRK has estimated the reserves by applying actual depletion to previously reported reserves in order to baseline reporting as of 1 July 2010. SRK's reserve estimate does not include any newly defined mineralization that was outside of the previously reported reserves.

Table 3-2 – Frog's Leg Mine Mineral Reserve Estimate at 30th June 2010 (49% owned by the Company)

	Item	Unit	Proved	Probable	Proven and Probable
Stopes	Ore	Tonnes ('000)	241	3,532	3,773
	Grade	(Au g/t)	6.84	5.13	5.24
	Ounces	Oz ('000)	53	582	635
Ore Drives	Ore	Tonnes ('000)	0	297	297
	Grade	(Au g/t)	0.00	4.24	4.24
	Ounces	Oz ('000)	0	40	40
Total	Ore	Tonnes ('000)	241	3,829	4,070
	Grade	(Au g/t)	6.84	5.06	5.16
	Ounces	Oz ('000)	53	623	676

Notes: The Mineral Reserves are included in the total Mineral Resources and excludes any Inferred Mineral Resource.

Figures are based on a 3 g/t Au Cut-Off Grade.

The Mineral Reserves in the tables above have been estimated by Paul Kerr, who holds a BSc Mining degree and who is an employee of SRK and a QP under NI 43-101. Mr. Kerr is independent of La Mancha and the Company in accordance with NI 43-101.

Reported Mineral Reserves and resources have been calculated in accordance with definitions and guidelines adopted by the CIM, Metallurgy and Petroleum.

Mining Operations

The Frog's Leg Mine consists of 2 main ore zones, being the Mist/Fog zone and the Rocket zone. Mining of these zones is planned using standard mechanised underground equipment and practices typically used for hard rock underground mining in the Western Australian Goldfields. Portions of the geological resource remain open at depth. Planned mining infrastructure has allowed for the possibility of new Mineral Reserves to be defined below existing Mineral Reserves.

Open pit production began in April 2004, with gold production commencing in July 2004. Mining in the open pit was completed in October 2005 after mining approximately 833 kt @ 4.5 g/t for 116 koz.

Underground mine development and construction began in July 2007. Gold production commenced in May 2008. Commercial production was achieved in January 2009. Over the last 12 months, the mine has produced ore at a rate of approximately 0.7 Mtpa.

Access is via a decline from the historical open pit, with ore hauled to surface using 50 tonne underground haulage trucks. A second decline has been established to access the upper two levels of the Mist/Fog lode.

The long hole stope mining method is used at Frog's Leg Mine. Stope design is based on the December 31, 2009 resource model and geotechnical criteria, establishing practical mining shapes for Measured and Indicated Resources above a mining cut-off grade determined for the mining method.

All development designs issued under the mine planning system have a corresponding ground support standard. Development intersections are cable bolted based on the ground support standard.

For lower portions of the orebody (below 8050 mRL), a Chevron ("V") stoping sequence is planned to reduce the impact of mining induced stress, and achieve high ore extraction.

A surface paste fill plant was commissioned in April 2010 to place consolidated backfill into underground voids. Voids below the 8000 mRL are planned to be filled to provide regional ground support, enabling high ore extraction.

Ventilation quantities have been based on the Western Australian Mine Safety Inspection Act Regulation (1995) which specify a primary mine flow of 0.05 m^3/s per rated kW of installed diesel equipment. The Frog's Leg Mine is ventilated using a primary ventilation fan located on surface.

Environmental Assessment

Frog's Leg Mine appears to have the necessary environmental approvals in place to allow operations to continue. SRK is of the opinion that there is material compliance with the licence conditions. Dewatering at Frog's Leg Mine is crucial, as it is required to ensure continued underground operations. Water is pumped from Frog's Leg Mine to the White Flag Lake, which is on a Barrick Gold tenement. However, SRK understands that there is no environmental liability associated with the dewatering and subsequent disposal. There is material compliance with dewatering licence conditions. There does not appear to be any significant AMD concerns at Frog's Leg Mine as geochemical investigations conducted on waste rock found that the majority was non-acid forming.

Frog's Leg Mine has a Progressive Rehabilitation and Closure Plan. Progressive rehabilitation of waste rock dumps at Frog's Leg Mine is comprehensive and generally successful.

Vegetation growth on revegetated waste rock dumps is considered to be good given the fact that seeding was only done in 2008. The closure cost estimate at the end of life-of-mine for the Frog's Leg Mine operation has been calculated at $3.3 million. SRK has reviewed the basis of calculation, and finds it to be reasonable.

Frog's Leg Mine reports that all bonds required for its tenements are in place and that the total environmental bonds lodged with the DMP amounts to $0.65 million. These performance bonds are inadequate to cover the current rehabilitation obligations of $3.3 million in case of premature closure of the operations.

Subsequent Events – Frog's Leg Mine

Minimal exploration and no resource definition drilling were undertaken in 2012. La Mancha completed an updated resource and reserve estimate for Frog's Leg Mine as of December 31, 2012, as set out in Table 3.3 below. Mineral Resources are reported inclusive of Mineral Reserves.

As mentioned above, on February 10, 2013, the Company announced that it had entered into a binding agreement to sell its 49% minority interest in the Frog's Leg Mine. On March 28, 2013, the Company announced that the Frog's Leg Transaction had been approved by FIRB and that the Company expects to close the Frog's Leg Transaction on April 5, 2013.

Table 3-3 – Frog's Leg Mine Mineral Resources (La Mancha, December 31, 2012) (The Company's 49% ownership)

	As at December 31, 2011			As at December 31, 2012		
	Tonnes (kt)	Grade (g/t Au)	Gold (koz)	Tonnes (kt)	Grade (g/t Au)	Gold (koz)
Proven Reserves	917	6.00	177	**1,360**	**5.9**	**258**
Probable Reserves	1,164	5.57	208	**687**	**5.2**	**115**
Total P&P Reserves	**2,081**	**5.76**	**385**	**2,047**	**5.7**	**373**
Measured Resources	1,047	7.26	244	1,345	7.3	315
Indicated Resources	1,172	6.28	236	822	5.4	143
Total M&I Resources	**2,219**	**6.74**	**480**	**2,167**	**6.6**	**458**
Inferred Resources	110	5.21	18	504	5.3	86

Reported Mineral Reserves as at December 31, 2012 were calculated using cut-off grades of 3.0 g/t gold for stope ore and 1.5 g/t gold for development ore, whilst Mineral Resources for the same period were calculated using a cut-off grade of 2.7 g/t gold.

The updated numbers show a small decrease in the overall tonnes and grade in the Company's 49% share of proven and probable reserves.

The disclosure in this subsequent events section was reviewed and prepared under the supervision of Chris Newman, Executive Vice President and Paul Thompson, Vice President Technical Services of the Company. By reason of Mr. Newman's and Mr. Thompson's education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, they are the QPs for the purposes of NI43-101. Mr. Newman and Mr. Thompson have read National Instrument 43-101 and have ensured that the disclosure in this section has been written in compliance with that instrument.

As mentioned above, the Company has entered into a binding agreement to divest its 49% minority interest in the Frog's Leg Mine to La Mancha. The transaction is currently expected to close on April 5, 2013 and upon the closing of such transaction the associated Mineral Reserve will no longer be held by the Company.

Conclusions and Recommendations

Conclusions

The Company plans to continue mining operations at Higginsville, Frog's Leg Mine and SKO using existing methods of mining and processing. The company has prepared a long term plan and a spreadsheet model which shows the assumptions used by the company in preparing the long term plan.

SRK recognizes that the Company has assumed mining of the Mineral Reserve estimates as detailed elsewhere in this report and that this source of feed to the processing plants will be exhausted within four years. The company has also assumed that Mineral Resources will be converted to Mineral Reserves in due course as the mines progress. As a result, the long term mine plan presented by the company assumes production from both Mineral Reserves and Mineral Resources (including Measured, Indicated and Inferred Resource categories) and results in mining at a rate of 1.4 Mtpa from Higginsville until 2018, mining at Frog's Leg Mine at a rate between 350 ktpa and 490 ktpa until 2018 and mining at SKO building up from a rate of 720 ktpa in 2011 to 2.16 Mtpa in 2014 and staying at that rate until 2020. SRK recognizes that the inclusion of Inferred Resource material in a mine plan is not recognized or accepted by most stock exchanges as being part of a life-of-mine plan. In the case of the Company's long term plan presentation, the inclusion of resources as potential feed for the processing plants after year 4 is presented as a target for resource conversion and a recognition that many mines continue to operate by an on-going conversion of Mineral Resources to Mineral Reserves. The timing of that conversion is often influenced by the availability of access to suitable drill sites near the underground mineralization.

Recommendations

SRK recommends that the Company continues to drill and sample the Mineral Resources to ensure adequate conversion to Mineral Reserves to enable the company to maintain Mineral Reserves which are sufficient for at least 4 years of operation at the planned mining and processing rates.

SRK recommends that the Company conducts further studies into geotechnical and hydrogeology conditions regarding the HBJ open pit (north pit) which are included in the Company's long term plan. The present assumption of pit wall slopes which are similar to those used previously but which were unstable is of concern. More conservative pit slopes may be required and will reduce the Mineral Reserves available from those pits, unless the Company commits to the cost of and implements ground support techniques to ensure improved slope stability.

SRK recommends that the Company continues exploration on the mining leases and exploration tenements held by the company. The Company has an exploration budget for the Higginsville region of A$17 million to be spent in financial year 2011. The areas to be explored include the 6 km Higginsville Line of Lode, (Trident, Two Boys, Fairplay, Vine and Graveyard), Higginsville field (Challenge, Lake Cowan), Chalice and Regional. At Frog's Leg Mine the La Mancha JV plans to continue drilling down dip of the existing mine but SRK has no information on exploration budget. At SKO, the Company has an exploration budget of A$11 million which is planned to be spent on deeper exploration at HBJ, at Mount Marion and at Shirl / Barbara's Surprise. Alison Morley, a qualified person, is of the opinion that the character of the properties is of sufficient merit to justify the exploration programmes proposed.

(4) SKO

The following is the summary contained in the technical report entitled "Alacer Gold Corp. South Kalgoorlie Operations NI 43-101 Technical Report" (the "**SKOEP Technical Report**"), dated March 30, 2012 and prepared in compliance with NI 43-101 *Standards of Disclosure for Mineral Projects*, which is filed on the System for Electronic Document Analysis and Retrieval (SEDAR) and is available under the Company's profile at www.sedar.com. The detailed disclosure in the SKOEP Technical Report is incorporated by reference herein.

Current Status

On July 16, 2012, the Company announced the deferment of the SKOEP to allow additional geological and mine engineering work to be completed in order to ensure requisite returns on capital are achieved before proceeding with the SKOEP. The SKOEP Technical Report completed by the Company takes the current status of SKOEP into account and presents the new resource and reserve estimations up to December 31, 2011 which are based on the key assumption that the SKOEP proceeds.

Location

The SKO tenements and freehold titles cover approximately 1,232 km^2, and are located between Coolgardie, 15 km south of Kalgoorlie and 10 km north of Kambalda, as shown in Figure 4-1. These tenements lie in the Coolgardie and East Coolgardie Mineral Fields, in the Shire of Coolgardie and City of Kalgoorlie-Boulder (local government authorities) of Western Australia, centred at 30°45'S latitude and 121°28'E longitude.

Ownership

SKO consists of 117 tenements including 16 freehold titles, 5 exploration licences, 39 mining leases, 6 miscellaneous licences and 51 prospecting licences, all held directly by the Company.

Geology

The SKO tenements are located in the Eastern Goldfields Superterrane (Cassidy et al., 2006) of the Archean Yilgarn Craton. The Eastern Goldfields Superterrane is made up of metavolcanic and metasedimentary rocks, granites and granitic gneiss and is divided into a number of terranes from southwest to northeast being the Kalgoorlie, Kurnalpi and Burtville Terranes. These tectono-stratigraphic terranes are defined on the basis of distinct volcanic facies, geochemistry and geochronology with the Eastern Goldfields Superterrane ranging in age from 2.81 to 2.66 Ga (billion years). The SKO tenement package is located almost entirely within the well-mineralised Kalgoorlie Terrane. This region is made up predominantly of younger (2.71 – 2.66 Ga) and minor older (>2.73 Ga) greenstone successions. The SKO tenements also extend into the adjacent Kurnalpi Terrane, which is generally slightly older.

Within the SKO tenements, the HBJ orebodies form part of a gold mineralised system along the Boulder-Lefroy shear zone that is over 6 km long and includes the Celebration, Mutoroo, HBJ

and Golden Hope open-pit and underground mines. The HBJ orebodies are hosted within a steeply-dipping, north-northwest-striking package of mafic, ultramafic and sedimentary rocks and schists that have been intruded by felsic to intermediate porphyries. The area is extensively deformed with numerous north-striking shear zones and boudinage of the porphyry intrusions. The main host rock for the Jubilee deposit is the Jubilee Dolerite. In general, gold is associated with sulphides, quartz-carbonate veins and potassic wall rock hydrothermal alteration.

Mineralization

Gold mineralization may occur within regional metamorphic settings ranging from subgreenschist through granulite facies however most of the mineralization in Eastern Goldfields Superterrane occurs in the mid to upper greenschist range often in the brittle-ductile transition zone. It is characterised by a wide zone of pervasive carbonate alteration in the host rock with a central zone of potassium-micas, biotite, sericite (or vanadium, chromium-bearing micas). Mineralization is controlled by a number of regional structures and host-rock lithology, which vary considerably in local ore deposit geometry. There are also a variety of deposit styles, mineralogy and alteration assemblages associated with each deposit.

Exploration

Key areas of exploration focus in 2011 were HBJ, Mt Marion and Shirl, Barbara, Surprise and Pit 28 ("SBS28"). Drilling beneath the HBJ area has demonstrated the prospectivity of this area with further open-pit optimisation and underground feasibility studies in progress. Similarly exploration at Mt Marion has identified continuity of mineralization over a 600 m vertical extent which is also part of an existing underground feasibility study. High grade mineralization has been identified at the SBS28 area. Further drilling will be carried out in 2012 to determine the potential of this area to host a combined open-pit/ underground mining complex. Further drilling will target potential high grade mineralization beneath the Mt Martin, White Hope and Dawn's Hope open-pits.

Mineral Processing

SKO owns and currently operates the Jubilee processing facility which has a processing capacity of 1.2 Mtpa. This is typically achieved by processing a blend of several types of ore from several operating mines. This currently includes ore from the Frog's Leg Mine joint venture (49%), HBJ Open Pit ore and other smaller open-pits. The Jubilee processing facility was commissioned in 1987, and has been maintained in acceptable operating condition for the past 25 years. The process includes three stage crushing, ball milling with integrated gravity gold circuit, leach/CIL, elution electrowinning and smelting. The mill operates consistently at a minimum of 95% availability and a gold recovery efficiency of between 85% to 95%.

The proposed SKOEP calls for a future processing capacity of 2.5 Mtpa. SKO commissioned GR Engineering Services ("GRES") in 2011 to consider the options SKOEP including the various locations. The study included a detailed analysis of the capital and operating costs associated with the different options. The outcome of the study was a recommendation to construct a new 2.5 Mtpa mill to be located at the old New Celebration plant site location, which is considered more central to

the dominant ore source ("HBJ Open-Pit"). A preliminary flow sheet was determined from this initial work. During 2011 GRES also completed a capital estimate to a definitive feasibility study ("DFS") level on the construction of a new 2.5 Mtpa treatment plant as part of the SKOEP considerations.

Resource and Reserve Estimates

The latest SKO resource estimate is dated December 2011 and is presented in Table 1-1. The SKO resources have been updated for changes to HBJ, Pernatty, and Triumph resource estimates in 2011 resulting from infill and extensional drilling and reinterpretation. These resources were further updated for mine depletion to December 31, 2011. The Mt Martin acquisition has been added as a new resource to the SKO resource table. All other existing resources remain unchanged from the previous technical report (SRK 15th Dec, 2010). The overall December 2011 resource represents an increase of 8% of Measured and Indicated Resources and 7% of Inferred Resources to the December 2010 resource.

Table 4-1: SKO Resources December 2011 Summary

	Measured			Indicated			Total M&I			Inferred		
	Tonnes (kt)	**Grade (g/t)**	**Ounces (koz)**	**Tonnes (kt)**	**Grade (g/t)**	**Ounces (koz)**	**Tonnes (kt)**	**Grade (g/t)**	**Ounces (koz)**	**Tonnes (kt)**	**Grade (g/t)**	**Ounces (koz)**
SKO	1,365	2.5	111	37,117	2.1	2,545	38,482	2.1	2,656	33,359	1.9	2,046
Penfolds	0	0	0	1,600	2.3	120	1,600	2.3	120	136	3.4	15
Stockpiles	1,108	1.0	34	166	0.8	4	1,274	0.9	39	5	0.7	0
Total SKO	**2,473**	**1.8**	**146**	**38,884**	**2.1**	**2,669**	**41,357**	**2.1**	**2,815**	**33,500**	**1.9**	**2,061**

The resource estimate contained in the tables above has been reviewed by Mr. Chris Newman, BSc (Hons), MAusIMM, MAIG, Executive Vice President, Exploration, of the Company, a QP under NI 43-101.

The Mineral Reserve estimate as at December 31, 2011 for SKO is shown in Table 1-2.

Table 4-2: SKO Mineral Reserve Estimate as at December 31, 2011

Asset/Project	Lower cut-off grade, Au g/t	Tonnes '000	Grade g/t Au	Contained Ounces '000
HBJ	0.45	9,329	1.3	380
Mt Martin	0.60	1,250	1.9	77
Pernatty	0.60	304	2.3	22
Triumph	0.60	424	1.8	25
Total Stockpiles	-	1,142	1.0	38
Total	**-**	**12,449**	**1.4**	**542**

The reserve estimate contained in the tables above has been reviewed by Mr. Paul Thompson, BSc(Hons), MSc, FAusIMM, Vice President, Technical Services, of the Company, a QP under NI 43-101.

Mining Operations

The SKOEP plan involves initially mining and processing the four deposits and current stockpiles listed in the SKOEP Technical Report, namely HBJ, Mt Martin, Triumph, and Pernatty, and continuing to process the 49% of the underground ore from the Frog's Leg Mine which is operated by La Mancha. The HBJ Open-Pit is currently in production and all future mine planning is based on establishing cutbacks within existing open-pits (HBJ, Mt Martin, Pernatty and Triumph). SKO mining utilises a dry hired and maintained mining equipment fleet owned by Emeco International Pty Ltd. ("Emeco") which is operated by the Company's employees. Drilling and blasting is done by an independent contractor (Jarrahfire). All technical and management work is done by the Company's technical staff working at SKO.

Environmental Assessment

SKO is operating in material compliance with licence conditions.

SKO has compiled a closure cost estimate for all its freehold location lands as well as its mining tenements in which it was determined that the total expected closure estimate for current disturbances and infrastructure is $20.8 million. Of this $13.7 million was allocated to freehold location land and $7.1 million for mining tenements. Although this estimate includes allowances for the closure and rehabilitation of the tailing storage facilities ("TSFs") it does not include any allowance for the rest of the 14 reported contaminated sites.

SKO maintains a comprehensive record of all contaminated sites on its tenements and freehold locations in line with regulatory standards. It is noted that although there is no obligation on SKO to rehabilitate historic disturbance on freehold location land, it has made voluntary commitments regarding such rehabilitation and closure.

All bonds required for SKO's tenements are in place, and the total environmental bonds lodged with the Department of Minerals and Petroleum for Western Australia ("DMP") amounts to $3.6 million.

Subsequent Events – SKO

In July 2012, the Company announced that SKOEP had been deferred following a comprehensive review of the project which demonstrated that more time was required to allow additional geological and mine engineering work to be completed in order to ensure requisite returns on capital are achieved.

The Company increased the tenement holding at SKO to approximately 1,352km2 which now consists of 141 tenements including 16 freehold titles, 6 exploration licences, 47 mining leases, 12 miscellaneous licences and 60 prospecting licences, all held directly by the Company. Key areas of exploration focus in 2012 were Mt Martin, the Shirl-Barbara-Surprise-Pit 28 ("SBS28") complex and on the Boulder-Lefroy Fault Corridor up to 5km north and south of the HBJ Pit. The Company had up to five drills operating throughout 2012 drilling a total of 126,802m including 25,167m diamond drilling, 83,496m reverse circulation drilling and 17,689m of regional aircore drilling.

This exploration program on the Company's SKO tenement package has resulted in the discovery of new resources, most notably the SBS28 mining complex near Coolgardie as well as the extension to known resources throughout the tenements. The Mineral Resource estimate for SKO was updated with these extensions and discoveries as of December 31, 2012, including mining depletion. The estimate (reported inclusive of Reserves) is shown in Table 4-3 below.

Table 4-3 – Mineral Resource for South Kalgoorlie as at December 31, 2012

	Measured			Indicated			Inferred		
Asset / Project	**Tonnes (kt)**	**Au Grade (g/t)**	**Au Ounces (koz)**	**Tonnes (kt)**	**Au Grade (g/t)**	**Au Ounces (koz)**	**Tonnes (kt)**	**Au Grade (g/t)**	**Au Ounces (koz)**
Mt Martin	-	-	-	5,311	1.8	310	3,390	1.7	189
Mt Marion	252	4.9	40	2,591	3.6	301	2,789	3.0	269
HBJ (Loc48/Loc50)	-	-	-	34,418	1.9	2,150	28,938	1.9	1,722
Coolgardie (SBS28)	-	-	-	3,185	2.7	274	2,119	2.3	157
JE Trend	20	1.6	1	805	2.1	55	351	1.3	15
Penfolds	-	-	-	410	2.1	28	109	2.9	10
Other	665	2.0	43	1,127	2.2	79	66	2.8	6
Stockpiles	1,019	0.9	31	168	0.8	4	5	0.7	0
Total / Average	**1,129**	**1.9**	**120**	**48,014**	**2.1**	**3,201**	**37,767**	**2.0**	**2,368**

The Mineral Resource estimate contained in the table above has been reviewed by Mr. Chris Newman, BSc (Hons), MAusIMM, MAIG, Chief Exploration and Geology Officer of the Company, a QP under NI 43-101.

The SKO Measured and Indicated Mineral Resources of 50.0 million tonnes at 2.1g/t gold, containing 3.32 million ounces (at December 31, 2012) represents a 21% increase in tonnes at the same grade for 17% more ounces than the M+I Resource estimate as of December 31, 2011. New and updated resource estimates for Mt. Marion, Mt. Martin and the various projects in the SBS28 area were primarily responsible for the increase in Measured and Indicated Resources for SKO, with the description below of the data used and process undertaken focusing on these resources. For resources that have not changed, refer to "Alacer Gold Corp. South Kalgoorlie Operations, NI 43-101 Technical Report" dated 30 March 2012 for further supporting information.

Drill-hole data used in estimating the SKO Mineral Resources comprised predominantly RC and surface diamond with underground diamond holes used for some deposits. Collar locations for all of the Company's diamond and RC drill holes have been surveyed by mine surveyors. No reliable information exists as to the collar survey techniques for some of the historic holes, although the impact on the resource estimates of the holes without recorded collar survey techniques is

negligible for the updated projects. The Company's drill holes were routinely surveyed down hole using techniques ranging from Eastman Single Shot and Reflex Single Shot cameras to gyroscopic down-hole surveying equipment. Reliable information exists as to the down-hole survey techniques used for historic holes. Drill-hole spacing for the majority of the Mineral Resources at SKO ranged from 5m x 5m to 50m x 50m.

Drill core was logged (lithology, alteration, structure, mineralization, veining) in detail then stored and validated in electronic databases. Following logging, drill core was sawn and half core was submitted for assaying. Dependant on the mineralization geometry and size, sample lengths were constrained by geology, alteration or structural boundaries with lengths varying from 0.2m to 1.2m. RC hole chips, logging of lithology, alteration, mineralization and veining was undertaken on 1m RC samples, with the data stored and validated in electronic databases.

Gold analysis was undertaken using mainly Fire Assay (30 – 50g charges), with other analytical techniques including LeachWell and Aqua Regia generally with an Atomic Absorption Spectrometry finish. Industry standard reference material and blanks were utilized to check on laboratory assay quality control.

Assays were routinely composited to 1m to 2m lengths (depending on the style and geometry of the mineralization) with these composites then assessed for appropriate top-cuts. Top-cuts were applied to mineralized lodes where extreme values were present in the dataset. The bulk densities applied to the Mineral Resources at SKO varied depending on the host lithology and the degree of weathering, with the bulk densities for the larger mineralized systems all based on bulk density measurements taken by the Company.

Grade estimation methodology was generally Ordinary Kriging although some smaller resource estimates used the ID^2 method. The parent block sizes varied from 5m (x), 5m (y) and 5m (z) at Triumph and Pernatty to 20m (x), 20m (y) and 10m (z) for the SBS28 projects and were selected based on the lode geometry and size, as well as the drill density. The size of the sub-cell selected depended on the lode thickness.

The SKO Mineral Resource inventory has been reported using a range of lower cut-off grades to reflect likely mining and haulage scenarios. The majority of the shallow open-pit resources have been reported using a lower cut-off grade of 0.5g/t gold, although at times a lower cut-off grade of 1.0g/t gold was used for thinner or deeper lodes. The three underground resources (Mt Marion, Shirl and HBJ) have been reported using a lower cut-off grade of 1.0g/t gold, reflecting the likely bulk-mining scenario.

The Mineral Resource estimate has been classified based on drill density, data quality, confidence in the geological interpretation and confidence in the estimation.

The Mineral Reserve for SKO is shown in Table 4-4 as at December 31, 2012.

During 2012 the Mineral Reserve at Pernatty was partially mined and the Triumph Open Pit Mineral Reserve was totally depleted. Some stockpiles were also processed during 2012. The Mineral Reserve in the SBS28 area was added in 2012, and is comprised of six small open pits. One other small open pit at TNT was also added to the Mineral Reserve. Similar open pit mining

methods to those described in the document titled "Alacer Gold Corp. South Kalgoorlie Operations NI 43-101 Technical Report" dated march 2012 will be employed.

A new Mineral Reserve was added at HBJ Underground of 1.5M tonnes at 2.5 g/t for 121k contained Ounces.

Table 4-4 Mineral Reserve for SKO as at December 31, 2012

Asset/Project	Proven			Probable			Total Reserves		
	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)
HBJ Open Pit	-	-	-	9,329	1.3	380	9,329	1.3	380
HBJ Underground	-	-	-	1,488	2.5	121	1,488	2.5	121
Mt Martin	-	-	-	1,250	1.9	77	1,250	1.9	77
Pernatty	-	-	-	132	3.5	15	132	3.5	15
SBS28 & Other Open Pits	-	-	-	526	2.7	45	526	2.7	45
Total Stockpiles	1,019	0.9	31	167	0.8	4	1,186	0.9	35
Total	**1,019**	**0.9**	**31**	**12,892**	**1.6**	**643**	**13,911**	**1.5**	**673**

The Mineral Reserve estimate contained in the table above for the open pits and stockpiles has been reviewed by Mr. Paul Thompson, BSc(Hons), MSc, FAusIMM, Vice President, Technical Services, of Alacer, a QP under NI 43-101. The Mineral Reserve estimate contained in the table above for the HBJ Underground has been reviewed by Mr. Tony James, B.Eng, AWASM, FAusIMM President, Australian Operations, of Alacer, a QP under NI 43-101

Conclusions

The geological understanding of the SKO continues to evolve rapidly as work continues on the exploration program and the resource drilling/interpretation to convert known Inferred Resources to Indicated Resources. The knowledge acquired and the conversion rate achieved over the past 12 months confirms the ongoing potential of SKO.

The Company believes that this high level of ongoing resource conversion combined with the proposed exploration and development strategy reflects the potential of the SKOEP.

Reserve estimations have been completed for the Indicated Mineral Resources only for the HBJ, Mt Martin, Pernatty and Triumph open pits. The reserve estimation process involved detailed mine optimizations, using appropriate costs and other suitable modifying factors to generate the highest "practical" cash flow pit shell to guide the mine designs. Each of the four pit designs have been scheduled on a monthly basis to generate both the individual mine schedules and a consolidated SKOEP schedule. Mining, processing and other appropriate costs were then applied to the financial models to generate a pre-tax cash flow model. The cash flow for each of the four open pits was determined to be positive.

The current reserves are based on the new 2.5 Mtpa processing plant as detailed in the SKOEP outlined in the SKOEP Technical Report. These reserves will be mined out in 5 years and processed in a little over 6 years. The Company has plans to continue an active exploration program and to continue converting Mineral Resources to Mineral Reserves as the mining progresses.

The consolidated treatment schedule and associated cash flow forecast discussed in section 22 of the SKOEP Technical Report includes the ore received from the Frog's Leg Mine (49%). The Frog's Leg Mine is managed and operated by La Mancha. The joint venture agreement requires the mine operator to deliver ore to the surface and entitles the Company to remove its share (49%) for treatment at SKO.

Recommendations

The SKOEP will require continual optimisation and review as new information becomes available as the project progresses over time. The new 2.5 Mtpa treatment plant associated with SKOEP will be subject to ongoing evaluation. As of the date of the SKOEP Technical Report, the board of directors of the Company had not made a decision to proceed with the new 2.5 Mtpa treatment plant and on July 16, 2012, the Company announced that more time was required to allow additional geographical and mine engineering work to be completed in order to ensure requisite returns on capital are achieved before proceeding with the SKOEP.

The recommendations itemised below relate to the operating strategy outlined in the SKOEP Technical Report.

- Actively continue with the planned exploration strategy in the area over 2012 ($18 million budget for 2012) and beyond to maximise discovery opportunity and ensure that a high conversion rate from resources to reserves is achieved.

- Complete the resource drilling associated with the northern end of the HBJ open pit including the Mutooroo area and re optimise the resources to increase the reserves associated with the HBJ open pit. This work is expected to be completed in Q1 2012 and estimated cost for this work is included in the $18 million exploration budget listed above.

- Finalise the resource drilling and complete new Mt Martin resource so that a new Mt Martin reserve can be potentially considered in Q2 2012. This work is expected to be complete in Q1 and Q2 2012. Review the potential for a DFS on any potential underground resources associated with Mt Martin. The estimated cost for this work is included in the $18 million exploration budget listed above.

- Optimise the mining schedule and review the mining sequence for the Frogs Leg mine (49%) to potentially improve project value.

- Continually re optimise the HBJ, Mt Martin, Pernatty and Triumph open pits as new information becomes available. This work is included in the normal mining department costs associated with the SKO 2012 operating budget.

- Review the mining schedule associated with the consolidated treatment schedule and financial model as the stockpile volumes are large towards the end of the mine life. Further

work should be evaluated to investigate if a "just in time" mining approach would increase the SKOEP value. This work is included in the normal mining department costs associated with the SKO 2012 operating budget.

- Following review at a prefeasibility level, the HBJ Underground DFS should continue. This is a major resource that requires an in depth mining study and could significantly increase the SKOEP production profile and mine life. The prefeasibility work is included in the $25 million budget for first stage SKOEP listed above. The cost and timing associated with the ongoing DFS for the HBJ underground will be assessed as part of stage 1.

- Following review at a prefeasibility level, the Mt Marion Underground DFS should continue. This is another potential higher grade resource that will potentially enhance the SKOEP production profile and mine life. The prefeasibility work is included in the $25 million budget for first stage SKOEP listed above. The cost and timing associated with the ongoing DFS for the HBJ underground will be assessed as part of stage 1.

- Complete the technical evaluation of the thickened tailings placement option for possible consideration for potential inclusion in SKOEP. No estimated cost and work schedule has been determined for this option at the time of the SKOEP Technical Report, however provision has been made for continued tailings disposal into existing, currently licensed SKO tailings storage facilities.

(5) MARKETS AND CONTRACTS FOR SALE

Markets and contracts for sale:

Gold can be readily sold through numerous markets and buyers throughout the world and it is not difficult to ascertain its market price at any particular time. Because of the active nature of gold markets, the Company is capable of achieving competitively priced transactions at the time of sale. In connection with the Standard Bank credit facility, the Company has entered into an agreement whereby not less than 50% of metal production from Çöpler is sold to Standard Bank.

The Company's gold production is currently refined to market delivery standards by the Perth Mint (Perth, Australia), the Istanbul Gold Refinery (Istanbul, Turkey) and Johnson Matthey (Brampton, Canada). The Company currently believes that due to the availability of alternative refiners, no material adverse effect would result if one of the Company's current refiners were unable to process its product.

DIVIDENDS AND DISTRIBUTIONS

Historically, the Company has not paid a dividend on its common shares. However, on February 10, 2013, the Company announced that it intended to make a distribution to its shareholders of approximately $70 million as a special dividend in connection with, and contingent upon, the closing of the Frog's Leg Transaction.

In addition, on February 10, 2013, the Company announced that it was going to adopt a dividend policy to return a minimum of 20% of free cash flow to the Company's shareholders

annually beginning in 2014. On March 6, 2013, the Company adopted a dividend policy with the following terms:

> Subject to receipt by the Board of a solvency certificate in advance of each annual dividend declaration, the Company shall, at the discretion of the Board, declare an annual dividend beginning in 2014 on all of the issued and outstanding common shares in the aggregate amount equal to twenty percent (20%) of the Company's free cash flow (as determined by the Board in its sole discretion) payable on such dates as the Board may determine appropriate.

The actual timing, payment and amount of any dividends paid by the Company will be determined by the Board of Directors from time to time based upon, among other factors, the cash flow, results of operations and financial condition of the Company, the need for funds to finance ongoing operations, and such other business considerations as the Board of Directors considers relevant.

DESCRIPTION OF CAPITAL STRUCTURE

The Company is authorized to issue an unlimited number of common shares, and an unlimited number of preferred shares, issuable in series. As at March 18, 2013 there were 288,337,473 common shares and no preferred shares outstanding.

Common Shares

Each common share entitles the holder thereof to receive notice of, and to attend, all meetings of the shareholders of the Company and to cast one vote for each common share held at all meetings of the shareholders. Holders of common shares are entitled to receive equally, share for share, all dividends declared by the Board of Directors at its discretion from funds legally available therefore and, upon the liquidation, whether voluntary or involuntary, or any other distribution of assets of the Company for the purpose of winding up its affairs, the holders of common shares are entitled to receive on a pro-rata basis the payment of dividends and distribution of the assets of the Company.

Preferred Shares

Preferred shares may, at any time or from time to time, be issued in one or more series. As at the date of this AIF, there are no preferred shares outstanding. The Board shall fix before issue, the number of, the consideration per share of, the designation of, and the provisions attaching to the shares of each series. Except as required by law or as otherwise determined by the Board of Directors in respect of a series of shares, the holder of a preferred share shall not be entitled to vote at meetings of shareholders.

Preferred shares of each series rank on a priority with the preferred shares of every other series and are entitled to preference over the common shares and any other shares ranking subordinate to the preferred shares with respect to priority and with respect to payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Company. Subject to the rights, privileges, restrictions and conditions that may be attached to a particular series of preferred shares, the Company may redeem all, or from time to time, any part of

the outstanding preferred shares on payment to the holders of the redemption price per share and all unpaid dividends declared on such share. A holder of preferred shares will also be entitled to require the Company to redeem at any time, and from time to time after the date of issue of any preferred shares, all or any number of the preferred shares registered in the name of such holder at the redemption price per share, together with all unpaid dividends declared on such shares.

Debentures

Debentures (the "**Debentures**") were created and issued pursuant to a trust indenture dated April 25, 2007 (the ''**Trust Indenture''**). A supplementary trust indenture was executed on, February 18, 2011 (the "**Supplementary Trust Indenture**"), in order to account for the change in the Company's name. The following is only a summary of the terms and conditions of the Trust Indenture and the Supplementary Trust Indenture and does not purport to be complete. This summary is qualified in its entirety by the actual texts of the Trust Indenture and the Supplementary Trust Indenture which are filed on SEDAR at www.sedar.com.

Holders of Debentures could convert their Debentures into common shares prior to April 30, 2012 at the conversion price, being C$8.00 per common share, representing a ratio of 125 common shares per C$1,000 principal amount of Debentures, subject to satisfaction of certain conditions and with the conversion rate subject to adjustment upon the occurrence of certain events. Upon conversion, the Company had the option to offer and the converting holder of the Debentures had the option to agree to the delivery of cash for all or a portion of the Debentures surrendered in lieu of the Company common shares. On April 30, 2012, all of the Debentures matured and C$53.6 million converted to 6,695,750 common shares prior to maturity. The Company settled the balance of the Debentures in cash.

Share Incentive Plans

On May 13, 2009 at an Annual & Special Meeting of Shareholders, shareholders of the Company approved the Restricted Stock Unit ("**RSU**") Plan (the "**2009 RSU Plan**") with a maximum of 2,000,000 common shares available for issuance and the Deferred Share Unit ("**DSU**") Plan with a maximum of 1,000,000 common shares available for issuance.

As a result of the Merger, the Company's Compensation Committee resolved to alter the Company's equity compensation plans. On June 2, 2011 at an Annual & Special Meeting of Shareholders, shareholders of the Company approved the 2011 RSU Plans and the Australian Non-Executive Directors RSU Plan (collectively, the "**RSU Plans**"). As of June 2, 2011, the RSU Plans are the only equity-based compensation plans of the Company for grants going forward. Following June 2, 2011 no further grants have been made under the Company's Stock Option Plan, 2009 RSU Plan and DSU Plan, respectively, and such equity plans will remain in effect until all grants made under such plans either vest or lapse.

RSUs are notional shares that mirror the market value of the Company's common shares, which may vest at certain intervals over a 3-year period, contingent on certain conditions being attained. This provides such individuals with an additional incentive to further the growth and development of the Company and will encourage them to remain in the employment of the Company. The Compensation Committee of the Board of Directors administers the RSU Plan and selects the individual employees, as well as determines the amounts and terms of such grants. As at March 18, 2013, a total of 2,728,202 RSUs were outstanding.

DSUs are common share equivalent units that mirror the market value of the Company's common shares. Under the DSU Plan, each participant may elect, once each calendar year, to be paid a percentage of his or her annual retainer in the form of DSUs, with the balance being paid in cash. This promotes the interests of the Company by attracting and retaining qualified persons to serve on the Board of Directors and to afford such participants in the DSU Plan an opportunity to receive a portion of their compensation for serving as a director of the Company in the form of securities of the Company. As at March 18, 2013, a total of 54,824 DSUs were outstanding. However, as mentioned above, as at April 30, 2012, no further grants will be made under the DSU Plan.

The Company's Stock Option Plan as amended on February 18, 2011, remains outstanding with a total of 889,218 options outstanding as at March 18, 2013. However, as mentioned above, no further grants will be made under the Stock Option Plan.

MARKET FOR SECURITIES

Common Shares

Following completion of the Merger, on February 18, 2011, the common shares of the Company trade on the TSX under the symbol ASR and the CDIs issued pursuant to the Merger trade on the ASX under the symbol AQG. The following table indicates the high and low price and the volume of the common shares on the TSX for each month of 2012:

Month	High Price	Low Price	Volume
January 2012	$11.30	$9.32	24,879,554
February 2012	$9.82	$9.08	17,424,380
March 2012	$9.59	$8.28	19,042,748
April 2012	$8.45	$8.00	25,277,259
May 2012	$7.94	$4.96	41,025,042
June 2012	$7.07	$4.86	37,947,191
July 2012	$6.36	$4.98	20,226,380
August 2012	$6.48	$5.26	25,480,731
September 2012	$7.30	$5.81	14,096,084
October 2012	$7.20	$5.29	26,011,674
November 2012	$5.50	$4.45	25,176,733
December 2012	$5.20	$4.31	17,543,318

Debentures

The Debentures were listed and posted for trading on the TSX under the symbol ASR.DB. The following table indicates the high and low price of the Debentures on the TSX for January 2012 to April 30, 2012 when the Debentures matured and the Company settled the balance in cash:

Month	High Price	Low Price	Volume
January 2012	$143.62	$116.54	3,316,000
February 2012	$128.47	$115.41	2,498,000
March 2012	$118.00	$104.91	3,236,000
April 2012	$106.07	$99.86	6,076,000

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

Set forth below are the names and municipalities of residence of the directors and officers of the Company as at December 31, 2012, their positions held with the Company, the date on which each became a director or officer and their principal occupations during the preceding five years:

- Rodney P. Antal, of Denver, Colorado, U.S.A has held the position of Chief Financial Officer since March 20, 2012. Mr. Antal's principal occupation during the five preceding years has been acting as Chief Financial Officer of the Corporation. Previous to his position with the Corporation, Mr. Antal was the Chief Financial Officer of Rio Tinto Minerals

- Jan A. Castro, of Walchwil, Switzerland has held the position of Director since January 1997. Mr. Castro's principal occupation during the five preceding years has been serving as Chief Executive Officer of Pala Investments Ltd., a multi-strategy investment company dedicated to investing in, and creating value across, the mining sector both developed and emerging markets. Pala seeks to assist companies in which it has a long-term shareholdings by providing strategic advice and innovative financing solutions. Prior to founding Pala in July 2006, Mr. Castro was Senior Vice President of Investments and Corporate Affairs for Mechel OAO, one of Russia's largest mining and metals companies listed on the New York Stock Exchange. Mr. Castro currently serves as Chairman of the boards of Asian Mineral Resources and Sierra Rutile Ltd., and sits on the board of Nevada Copper Corp. Mr. Castro is a member of the Audit Committee and Corporate Governance & Nominations Committee.

- Edward C. Dowling, Jr., of Castle Rock, Colorado, U.S.A., has held the position of Director since February 20, 2008. Mr. Dowling's principal occupation during the five preceding years has been serving as President and Chief Executive Officer of the Corporation. Previous to his position with the Corporation, Mr. Dowling served as President and Chief Executive Officer of Meridian Gold Inc. Mr. Dowling has 30 years of mining experience and his other leadership roles include: De Beers, Johannesburg, South Africa, as Executive Director, Mining and Exploration; Cleveland-Cliffs as Executive Vice-President - Operations; and

Cyprus Amax Minerals Company in various leadership capacities. Mr. Dowling holds a Bachelor of Science in Mining Engineering as well as a Master of Science and a Doctor of Philosophy in Mineral Processing, all granted from the Pennsylvania State University. Dowling is also a director of Teck Resources and Victoria Gold Company. Mr. Dowling is the Chair of the Environmental, Health, Safety & Sustainability Committee.

- Richard P. Graff, of Denver, Colorado, U.S.A, has held the position of Director since July 24, 2008. Mr. Graff is a retired partner from PricewaterhouseCoopers LLP where he served as the audit leader in the United States for the mining industry. Since his retirement, Mr. Graff has been a consultant to the mining industry and was a member of a Financial Accounting Standards Board task force for establishing accounting and financial reporting guidance in the mining industry. He represents a consortium of international mining companies and has provided recommendations to the International Accounting Standards Board on mining industry issues and to regulators on industry disclosure requirements of securities legislation. He received his undergraduate degree in Economics from Boston College and his post-graduate degree in Accounting from Northeastern University. He serves on the board of directors and is chairman of the audit committees of Yamana Gold Inc. and Dynamic Materials Corporation. Mr. Graff is a member of the Compensation Committee and the Environmental, Health, Safety & Sustainability Committee. Mr. Graff also serves as the Chair of the Audit Committee.

- Timothy J. Haddon, of Denver, Colorado, U.S.A, has held the position of Director since September 1997, during which time he has held the position of Chairman of the Board. Mr. Haddon's principal occupation during the five preceding years has included serving as President of International Natural Resource Management Co. He is a graduate of the Colorado School of Mines and a seasoned mining engineer with over 35 years of international mining and business experience. He spent 23 years working for Texasgulf and Amax with responsibilities in Africa, Australia, Southeast Asia and North and South America. Mr. Haddon was Chief Executive Officer of Amax Gold from 1989 to 1993, Co-founder of First Dynasty Mines in 1994, and President and Chief Executive Officer of Archangel Diamond Corporation through 2002. He also serves on the boards of Thompson Creek Metals (NYSE, TSX), as lead director, and International Tower Hill Mines (TSX, Nasdaq). In January 2013, Mr. Haddon was appointed to the Board of Trustees of the Colorado School of Mines.

- David F. Quinlivan, of Perth, WA, Australia, has held the position of Director since February 5, 2005 and the position of President and Chief Executive Officer since August 1, 2012. Mr. Quinlivan's principal occupation during the five preceding years has been serving as President and Chief Executive Officer of the Corporation. Previous to his position with the Corporation, Mr. Quinlivan served as principal of Borden Mining Services. Mr. Quinlivan, is a mining engineer with extensive mining feasibility and project management experience in Western Australia. He is a fellow of the Australian Institute of Mining and Metallurgy, a Chartered Professional Mining Engineer and he holds a First Class Mine Managers (WA) certificate.

- Amanda Poitra of Highlands Ranch, Colorado, U.S.A., has held the position of Chief Organizational Development and Human Resources Officer since she joined the Corporation in June 2011. Ms. Poitra's principal occupation during the five preceding years has included

serving as Vice President – Human Resources for global manufacturing corporations and serving in other senior global Human Resources and Organizational Development roles in energy and natural resources companies. Prior to joining the Corporation, Ms. Poitra served as the Vice President, Human Resources of Silgan Plastics Corporation. With over thirty years of experience in human resources and organizational development, Ms. Poitra has been involved in several start-up operations, M&A, strategic planning, Labor and Employee Relations, talent management, leadership development, legal compliance and employment law, staffing, diversity/inclusion, policy design, compensation, benefits, performance management, training and international human resources.

- Stephanie J. Unwin, of Perth, WA, Australia, has held the position of Director since September 25, 2001. Ms. Unwin's principal occupation during the five preceding years has been serving as General Manager, Strategy & Business Development since September 2012 and previously as General Counsel and Secretary for the Western Australian electricity generating utility, Verve Energy. In this role, she is responsible for project development of new generation plant builds, long term modelling and analysis of the economic cost of dispatch, long term strategic planning and load utilisation business development opportunities. She is a commercial lawyer with broad regulatory, corporate, commercial and litigation experience. Ms Unwin also currently serves as the Director and Chair of Mumbida Wind Farm Holdings Pty Ltd, South West Solar Development Holdings Pty Ltd and was a director of ASX listed Integra Mining Limited prior to its merger with Silver Lake Resources. Ms. Unwin is a member of the Compensation Committee and serves as the Chair of the Corporate Governance and Nominations Committee.

- Rohan Williams, of Perth, WA, Australia, has held the position of Director since September 25, 2001. Mr. Williams' principal occupation during the five preceding years includes having served as the Corporation's Chief Strategy Officer until December 31, 2011. Prior to that, Mr. Williams was Avoca Resources' founding CEO and Managing Director overseeing its growth from a A$7 million IPO in 2002 through to a A$1 billion ASX200 company at the time of the merger with Anatolia Minerals in 2011 to form Alacer Gold Corp. Prior to joining Avoca he worked with WMC Resources Limited where he held Chief Geologist positions at St Ives Gold Mines and Norseman Gold Operation. He has had over 25 years of experience in exploration, hard rock mining and public company management. Mr. Williams is a member of the Corporate Governance & Nominations Committee and the Environmental, Health, Safety & Sustainability Committee

- Anthony James, of Perth, WA, Australia, has held the position of President – Australian Operations since November 1, 2012. Prior to November 1, 2012, Mr. James served as the Corporation's Executive Vice President – Mine Performance since January 1, 2012, and as Executive Vice President –Projects, beginning in February 17, 2011. Mr. James' principal occupation during the five preceding years also includes having served as Operations Manager of Avoca.

- Chris Newman, of Perth, WA, Australia, has held the position of Chief Exploration and Geology Officer since November 1, 2012. Prior to November 1, 2012, Mr. Newman served as Executive Vice President - Exploration since February 17, 2011. Mr. Newman's principal occupation during the five preceding years also includes having served as Geology Manager of Avoca.

- Louw Smith, of Perth, WA, Australia, has held the position of Chief Technical Services Officer since November 1, 2012. Prior to November 1, 2012, Mr. Smith served as Chief Operating Officer since February 17, 2011. Mr. Smith's principal occupation during the five preceding years includes having served as General Manager – Commercial of Avoca. Prior to joining Avoca, Mr. Smith was General Manager for St Ives Gold Mine in Australia. Other roles include serving as General Manager of Damang Gold Mine in Ghana, Mineral Resources Manager for Agnew Gold Mine, Project Manager Geology for the Arctic Platinum Project in Finland, Technical Services Manager for the Chelopech Mine in Bulgaria and Chief Geologist responsible for the start-up and development for Tarkwa Mine in Ghana.

- Howard Stevenson, of Lone Tree, Colorado, U.S.A., has held the position of President – Turkish Operations since November 1, 2012. Mr. Stevenson's principal occupation during the five preceding years includes having served the Corporation as Chief Development Officer, Executive Vice President – Corporate Development and Chief Operating Officer. Prior to joining the Corporation, Mr. Stevenson served as Vice President – Business Development of Meridian Gold Company and Vice President – Venezuelan Operations of Gold Fields Ltd.

- Geoffrey T. Williams, Jr. of Castle Rock, Colorado, U.S.A., has held the position of Chief Legal Officer and Secretary since May 23, 2012. Mr. Williams' principal occupation during the five preceding years has included serving as Executive Vice President - General Counsel and Secretary of the Corporation. Prior to join the Corporation, Mr. Williams served as the Assistant General Counsel and Secretary of Intrepid Potash, Inc. Prior to joining Intrepid Potash, Inc., Mr. Williams worked as an attorney for several large law firms where he focused on corporate and securities law matters.

All directors hold office until the next annual meeting of shareholders of the Company or until their successors are elected or appointed.

Based on information available to the Company, as of March 18, 2013, approximately 3,270,532 common shares and CDIs of the Company were beneficially owned, directly or indirectly, by the directors and executive officers of the Company as a group, representing approximately .01% of the current outstanding share capital of the Company on a non-diluted basis; 889,218 common shares were reserved pursuant to incentive stock options granted in favour of the directors and executive officers of the Company as a group, and 2,728,202 common shares were reserved for DSUs and RSUs granted in favour of the directors and executive officers of the Company as a group representing, together with the aforementioned common shares, CDIs, stock options, RSUs and DSUs, approximately .01% of the current outstanding share capital of the Company on a fully-diluted basis.

Bankruptcies; Corporate Cease Trade Orders

No director or officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is, or within the past ten years has been, a director or officer of any other issuer that, while that person was acting in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, trustee or receiver manager appointed to hold its assets**.**

No director or officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is, or within the past ten years been, a director or officer of any other issuer that, while that person was acting in that capacity, been the subject of a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, or has been, after the director or officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer the subject of a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, other than Jan Castro who was, a director of Coalcorp Mining Inc. ("**Coalcorp**"), who held such office when the Ontario Securities Commission issued a temporary management cease trade order against the chief executive officer and the then chief financial officer of Coalcorp on February 18, 2009 for failing to file interim financial statements and the related managements' discussion and analysis for the three and six-month periods ended December 31, 2008 beyond the filing deadline of February 16, 2009. Such temporary management cease trade order related to Coalcorp's securities against the chief executive officer and the then chief financial officer of Coalcorp for so long as the interim financial statements, certifications and related managements' discussion and analysis are not filed.

The Ontario Securities Commission issued a further management cease trade order ("**MCTO**") related to the securities of Coalcorp against the chief executive officer of Coalcorp at such time, with respect to the delayed filing of the Coalcorp's annual financial statements, the related managements' discussion and analysis and the annual information form, each for the year ended June 30, 2009. The terms of the MCTO provided that trading in and all acquisitions of securities of the Company, whether direct or indirect, by the chief executive officer must cease until two full business days following the receipts by the OSC of all filings Coalcorp was required to make under Ontario Securities Laws.

In addition, on September 29, 2010, the OSC issued a cease trade order (the "**Temporary Order**") for a period of 15 days against Coalcorp for failure to file its audited annual financial statements, the related managements' discussion and analysis, its annual information form, each for the year ended June 30, 2010, and the certification of the foregoing filings. The Temporary Order provided that, if the default continued, a hearing would be held to consider whether an order should be made that all trading in the securities of Coalcorp cease permanently or for such period as is specified in such order by reason of the continued default. In connection with the Temporary Order Coalcorp's securities were suspended from trading by NEX.

On September 29, 2010, the British Columbia Securities Commission issued a cease trade order (the "**BC Order**") against Coalcorp until such time as it filed the required documentation and the BC Order was revoked.

On October 12, 2010, the OSC issued a cease trade order (the "**ON Order**") against Coalcorp which provided that all trading in the securities of Coalcorp, whether direct or indirect, must cease until the Ontario Order is revoked.

On October 15, 2010, the Manitoba Securities Commission issued a cease trade order (the "**MB Order**", and together with the BC Order and the ON Order, the "**Cease Trade Orders**") against

Coalcorp until such time as it filed the required documentation, paid the outstanding filing fees, if any, and the MB Order was revoked.

Coalcorp applied to have the Cease Trade Orders revoked on October 29, 2010, immediately following the filing of its annual information form, its annual financial statements and the related managements' discussion and analysis, each for the year ended June 30, 2010. Each of the Cease Trade Orders and the MCTO were revoked on November 15, 2010.

Conflicts of Interest

Certain directors and officers of the Company are also directors, officers and shareholders of other companies that are similarly engaged in the mining, exploration and development of mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any property or opportunity. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict is required to disclose his interest and abstain from voting on such matter.

Audit Committee

The Company's Audit Committee is responsible for, among other things, monitoring its accounting and financial reporting practices, the adequacy of its internal accounting systems, controls and procedures, and liaising and reviewing accounting matters with the Company's external auditors. In addition to its audit function, the Audit Committee reviews the risk identification and management process developed by management to confirm it is consistent with the Company's strategy and business plan. The Audit Committee consists of three members, specifically Richard P. Graff (Chair), Timothy J. Haddon, and Jan A. Castro, all of whom are independent of the Company within the meaning of applicable Canadian securities laws and are financially literate. A copy of the Audit Committee's charter is appended to this AIF as Appendix "A".

Mr. Graff is a retired partner from PricewaterhouseCoopers LLP where he served as the audit leader in the United States for the mining industry. Since his retirement, Mr. Graff has been a consultant to the mining industry and was a member of a Financial Accounting Standards Board task force for establishing accounting and financial reporting guidance in the mining industry. He represents a consortium of international mining companies and has provided recommendations to the International Accounting Standards Board on mining industry issues and to regulators on industry disclosure requirements of securities legislation. He received his undergraduate degree in Economics from Boston College and his post-graduate degree in Accounting from Northeastern University. He currently serves on the board of directors and is chairman of the audit committees of Yamana Gold Inc. and Dynamic Materials Corporation.

Mr. Haddon is President and CEO of International Natural Resources Management Company. He is a graduate of the Colorado School of Mines and a seasoned mining engineer with over 35 years of international mining and business experience. He spent 23 years working for Texasgulf and Amax with responsibilities in Africa, Australia, Southeast Asia and North and South America. Mr. Haddon was Chief Executive Officer of Amax Gold from 1989 to 1993, Co-founder of First Dynasty Mines in 1994, and President and Chief Executive Officer of Archangel Diamond Corporation through 2002. He also serves on the boards of Thompson Creek Metals (NYSE, TSX), as lead director, and International Tower Hill Mines (TSX, Nasdaq).

Mr. Castro is Chief Executive Officer of Pala Investments Ltd., a multi-strategy investment company dedicated to investing in, and creating value across, the mining sector both developed and emerging markets. Pala seeks to assist companies in which it has a long-term shareholdings by providing strategic advice and innovative financing solutions. Prior to founding Pala in July 2006, Mr. Castro was Senior Vice President of Investments and Corporate Affairs for Mechel OAO, one of Russia's largest mining and metals companies listed on the New York Stock Exchange. Mr. Castro currently serves as Chairman of the boards of Asian Mineral Resources and Sierra Rutile Ltd., and sits on the board of Nevada Copper Corp.

There has been no recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors. The Audit Committee has not adopted any policies and procedures for the engagement of non-audit services.

The following are audit fees, audit related fees, tax fees and all other fees billed by the Company's external auditors in each of the last two fiscal years.

Fiscal Year	Audit Fees[1]	Audit-Related Fees[2]	Tax Fees[3]	All Other Fees[4]
2012	$853,255	$211,876	$574,651	$248,424
2011	$767,834	$56,678	$121,147	$348,828

(1) "Audit Fees" refer to fees billed for audit services.
(2) "Audit-Related Fees" refer to aggregate fees billed for assurance and related services that reasonably relate to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees".
(3) "Tax Fees" refer to fees billed for advice related to tax compliance, tax advice and tax planning.
(4) "All Other Fees" refer to fees billed for services not included in the categories of "Audit Fees", "Audit-Related Fees" and "Tax Fees".

Other Committees of the Board

Environmental, Health, Safety and Sustainability Committee

The Environmental, Health, Safety and Sustainability Committee reviews and makes recommendations regarding the Company's activities, programs and policies concerning environmental, health, safety and sustainability matters. The Environmental, Health, Safety and Sustainability Committee consists of four members, specifically Rohan Williams, Edward C. Dowling, Jr. (Chair) Richard P. Graff and Timothy J. Haddon.

Corporate Governance and Nominations Committee

The Corporate Governance and Nominations Committee reviews and makes recommendations regarding the Company's approach to corporate governance issues, succession planning and identifying and nominating candidates for executive and non-executive director positions. The Corporate Governance and Nominations Committee consists of three members, specifically Stephanie J. Unwin (Chair), Jan A. Castro and Rohan Williams.

Compensation Committee

The Compensation Committee is responsible for reviewing and making recommendations to the Board of Directors concerning the appointment, compensation, benefits and termination of officers and all other senior employees of the Company and for making recommendations in respect

of the remuneration of the Board of Directors. The Compensation Committee consists of three members, specifically: Timothy J. Haddon (Chair), Stephanie J. Unwin and Richard P. Graff.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Neither the Company, nor any of its subsidiaries, are a party to any material legal proceedings or any material regulatory actions**.**

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the best of the Company's knowledge, no director, executive officer or shareholder who beneficially owns, directly or indirectly, or exercises control or direction over more than ten percent (10%) of the outstanding securities of the Company, or known associate or affiliate of any such person, has or had any material interest, direct or indirect, in any transaction within the last three years or in any proposed transaction, that has materially affected or is reasonably expected to materially affect the Company.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Canadian Stock Transfer Company Inc., 320 Bay Street, Toronto, Ontario M5H 4A6.

MATERIAL CONTRACTS

The Company did not enter into any material contracts in the most recently completed financial year.

As mentioned above, on February 10, 2013, the Company announced that it had entered into a sale and purchase agreement, an interim 12-month toll treatment agreement and an 18-month toll treatment agreement with La Mancha in connection with the Frog's Leg Transaction. Below is a summary of the key terms and conditions of each of these agreements:

Asset Sale and Purchase Agreement

- Parties: La Mancha Resources Australia Pty Ltd, Dioro Resources NL, Avoca Mining Pty Ltd and HBJ Minerals Pty Ltd.
- Date of Agreement: February 9, 2013.
- Consideration: The consideration payable by the Purchaser in connection with the Transaction comprises the following components:
    - a purchase price of:
        - AUD 135,976,508 (the Base Purchase Price); and
        - interest on the Base Purchase Price, calculated at the rate of 7.24% p.a. for the period from and including 1 January 2013 to the Completion Date (the Interest Amount),

      (the Purchase Price), to be paid on the Completion Date in accordance with clause 9.3(b) and to be subject to any Adjustment Amount payable in accordance with clause 10 and Schedule 1;

- deferred consideration in the amount of AUD 5,000,000 to be paid in accordance with clause 5.2(b) (Deferred Consideration); and
- the amount of AUD 25,485,854, which shall be payable in accordance with the terms of the 18-Month Toll Treatment Agreement and the 12-Month Toll Treatment Agreement.

- Key Terms:
  - All of the Company parties (all parties other than La Mancha Resources) sell:
    - the Mungari East JV Sale Interest;
    - the Lake Greta JV Sale Interest; and
    - the Avoca JV Sale Interest.
  - The sale is subject to certain conditions precedent, the main one being the approval of the Australian Foreign Investment Review Board (FIRB).
  - Completion will occur 40 days after signing or 5 days after FIRB approval, whichever occurs later.
  - At completion the relevant parties will enter into the 18 month Toll Treatment Agreement which will supersede the 12 month Toll Milling Agreement

12-month Interim Toll Treatment Agreement

- Parties: La Mancha Resources Australia Pty Ltd, HBJ Minerals Pty Ltd, Dioro Resources NL.
- Date of Agreement: February 9, 2013.
- Consideration: Toll Treatment fee of A$17,062,042 payable quarterly in advance plus variable costs of approximately A$3,361,860.
- Key Terms: HBJ Minerals Pty Ltd will treat all ore from the Mungari East Joint Venture (Frogs' Legs operations) for a period of 12 months subject to an agreed number of tolling days in each quarter.

The 18 month Toll Treatment Agreement

- Parties: La Mancha Resources Australia Pty Ltd, HBJ Minerals Pty Ltd
- Date of Agreement: No yet entered into (will be entered into on completion of the Sale and Purchase Agreement).
- Consideration: Toll Treatment Fee of A$25,593,064 payable quarterly in advance plus variable costs of approximately A$4,892,790.
- Key Terms: Essentially the same terms as the 12 month Toll Treatment Agreement except that the Frogs' Legs operation will be 100% owned by La Mancha Resources

Australia Pty Ltd once this agreement is entered into and it will operate for an 18 month term commencing on 1 January 2013 thus superseding the 12 month Toll Treatment Agreement.

INTEREST OF EXPERTS

Information regarding Çöpler is included in this AIF based upon the Çöpler Technical Report prepared by SRK and RPA in accordance with NI 43-101. As of the date hereof the employees of SRK and RPA own less than one percent of the securities of the Company and its subsidiaries.

Information regarding Higginsville and Frog's Leg Mine is included in this AIF based upon the SRK Technical Report prepared by SRK in accordance with NI 43-101. As of the date hereof, the employees of SRK own less than one percent of the securities of the Company and its subsidiaries.

Information regarding SKO is included in this AIF based upon the technical report prepared by Chris Newman, Executive Vice President – Exploration and Paul Thompson, Vice President – Technical Services, both of the Company in accordance with NI 43-101. The authors are not independent of the Company.

The independent auditors of the Company are PricewaterhouseCoopers LLP, Chartered Accountants, Suite 3000, Box 82, Royal Trust Tower, Toronto, Ontario, Canada M5K 1G8.

ADDITIONAL INFORMATION

Additional information, including remuneration and indebtedness of the directors and officers, principal holders of the Company's securities, options to purchase securities and interests of insiders in material transactions, where applicable, will be contained in the Company's Management Information Circular pertaining to the Annual & Special Meeting of Shareholders of the Company expected to be held at 10:00 a.m. (Denver time) on June 4, 2013. Additional financial information is provided in the Consolidated Financial Statements and MD&A. Such information, along with additional information relating to the Company can be found on SEDAR at www.sedar.com and on the ASX at www.asx.com.au.

Requests for copies pursuant to the foregoing should be made to: The Secretary of the Company, c/o Alacer Management Corp., 9635 Maroon Circle, Suite 300, Englewood, Colorado USA, 80112, USA.

ASX LISTING RULES DISCLOSURE

Distribution and number of CDI holders as at March 18, 2013

Range	Total Holders
1 - 1,000	2,929
1,001 - 5,000	2,404
5,001 - 10,000	559
10,001 - 100,000	447
100,001 - maximum	43
	6,382

As at March 18, 2013, 446 CDI holders hold less than a marketable parcel of shares. There are no restricted securities subject to voluntary escrow on issue.

Substantial shareholders as at March 18, 2013

Substantial shareholders of which the Corporation is aware, are as follows:

Name of share/CDI holder	Number of shares/CDIs held	% held
Pala Investments Limited & Pala Assets Holding Limited	57,556,147	19.96%

Voting rights

For all common shares, voting rights are one vote per member on a show of hands and one vote per share in a poll.

As holders of CDIs are not the registered holders of common shares represented by CDIs, they will not be automatically entitled to vote in person at a general meeting of the Company's shareholders. However, the holder of a CDI can direct CHESS Depositary Nominees Pty Limited ("CDN") to cast votes in a particular manner on their behalf or they can require CDN to appoint the holder (or a person nominated by the holder) as proxy to exercise the votes attaching the common shares represented by the holder's CDIs. In such latter case, a holder of CDIs may, as proxy, attend and vote in person at a general meeting of the Company's shareholders.

Corporate Directory

Directors
Non-Executive Chairman of the Board
Mr. Timothy J. Haddon

Executive Director / President / CEO
Mr. David F. Quinlivan

Non-Executive Directors
Mr. Jan A. Castro
Mr. Richard P. Graff
Mr. Edward C. Dowling, Jr.
Ms. Stephanie J. Unwin
Mr. Rohan I. Williams

Management Office
9635 Maroon Circle, Suite 300
Englewood, Colorado
USA 80112
Telephone: 303-292-1299
Fax: 303-297-0538

Australian Office
Level 3, 18 Parliament Place
West Perth, Western Australia
Australia 6005
Telephone: +61 (0)8 9226 0625
Fax: +61 (0)8 9226 0629

Ankara Office
Yeni Anadolu Mineral Madencilik Sanaya Ve Tie Ltd. STI
(YAMAS) or
Anagold Madencilik Sanayi Ve Ticaret Anonim Şirketi
8.Cadde 77
Sokak No:8/8
Asagi, Ovecler
Turkey Ankara 06460
Telephone: 90-312-472-4970
Fax: 90-312-472-4980

Stock Exchange Listings
Toronto Stock Exchange - Code: ASR
Australian Securities Exchange - Code: AQG

Investor Relations
Lisa Maestas – North America
Telephone: 303-292-1299

Roger Howe- Australia
+61-2-9953-2470

Canadian Share Registry
CIBC Mellon Trust Company, c/o Canadian Stock Transfer Company Inc.
P.O. Box 800, Station B
Montreal, QC H3B 3K3
CANADA
Telephone: 800-387-0825 (toll free in Canada and the United States)
+1-416-682-3860 (international calls)
Web: http://www.canstockta.com/

Australian Share Registry
Link Market Services Limited ("LINK")
Ground Floor, 178 St. Georges Terrace
Perth WA 6000
Or
Locked Bag A14
Sydney South, NSW 1235
AUSTRALIA
Telephone: 1-300-554-474 (investors within Australia)
+61-2-9287-0303 (international calls)
Web: http://www.linkmarketservices.com.au/

Auditors
PricewaterhouseCoopers LLP
Toronto-Dominion Centre, Royal Trust Tower, Suite 3000
77 King Street West
Toronto, Ontario
CANADA M5K 1G8

Legal Counsel and Secretary
Geoffrey T. Williams, Jr.
Chief Legal Officer & Secretary
Alacer Gold Corp.
9635 Maroon Circle, Suite 300
Englewood, Colorado
USA 80112
Telephone: 303-292-1299

APPENDIX A

TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

ALACER GOLD CORP.

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

Terms of Reference

March 14, 2012

PURPOSE

The Audit Committee (the "**Committee**") shall provide assistance to the Board of Directors (the "**Board**") of Alacer Gold Corp. (the "Corporation") in fulfilling its financial reporting and control responsibilities to the shareholders of the Corporation and the investment community. The external auditors will report directly to the Committee. The Committee's primary duties and responsibilities are to:

- Oversee the accounting and financial reporting processes of the Corporation, and the audit of its financial statements, including: (i) the integrity of the Corporation's financial statements; (ii) the Corporation's compliance with legal and regulatory requirements; and (iii) the independent auditors' qualifications and independence.
- Serve as an independent and objective party to monitor the Corporation's financial reporting processes and internal control systems.
- Review and appraise the audit activities of the Corporation's independent auditors.
- Provide open lines of communication among the independent auditors, financial and senior management, and the Board for financial reporting and control matters, and meet periodically with management and with the independent auditors.

PROCEDURES AND ORGANIZATION

A. The Committee shall consist of at least three Board members, composed exclusively of independent directors[2], who are each financially literate[3]. At least one member shall have

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[2] An **independent director** is defined as a director who has no direct or indirect material relationship with the Corporation. A material relationship means a relationship that could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Certain relationships are prescribed by *National Instrument 52-110* as material, including a partner or executive officer of an entity providing paid accounting, consulting, legal, investment banking or financial advisory services to the Corporation. In addition, the composition of the Audit Committee shall comply with the rules and regulations of the Toronto Stock Exchange and any other stock exchanges on which the shares of the Corporation are listed, subject to any waivers or exceptions granted by such stock exchanges.

[3] **Financially literate** means the ability to read and understand a set of financial statements that presents a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements, in accordance with the requirements of National Instrument 52 -110.

accounting or related financial management expertise to qualify as a “financial expert”. A person will qualify as a “financial expert” if he or she possesses the following attributes:

1. an understanding of financial statements and generally accepted accounting principles used by the Corporation to prepare its financial statements;

2. an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;

3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be included in the Corporation’s financial statements, or experience actively supervising one or more persons engaged in such activities;

4. an understanding of internal controls and procedures for financial reporting; and

5. an understanding of audit committee functions.

B. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the Committee Chair and members of the Committee for the ensuing year. It is desirable that at least one member of the previous Committee be carried over to any newly constituted Committee. Any member may be removed from the Committee or replaced at any time by the Board and shall cease to be a member of the Committee upon ceasing to be a director.

C. The Secretary of the Corporation shall be the secretary of the Committee, unless otherwise determined by the Committee.

D. In the absence of the Chair or Secretary at any meeting of the Committee, the members present at the meeting shall appoint one of their members to act as Chair of the Committee meeting and shall designate any director, officer or employee of the Corporation to act as Secretary.

E. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other.

F. The Committee shall have access to such officers and employees of the Corporation, to the Corporation’s independent auditors, and to such information and records of the Corporation as it considers to be necessary or advisable in order to perform its duties and responsibilities.

G. Meetings of the Committee shall be conducted as follows:

(i) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the Chair of the Committee, one of which shall be to review the annual financial statements of the Corporation and three of which shall be to review the interim financial statements of the Corporation. Notice of meetings shall be given to each member not less than 48 hours before the time of the meeting. However, meetings of the Committee may be held without formal notice if all of the members are present and do not object to notice not having been given, or if those absent waive notice in any manner before or after the meeting;

(ii) notice of meeting may be given verbally or by letter, facsimile, email or telephone and need not be accompanied by an agenda or any other material. The notice shall specify the purpose of the meeting;

(iii) the independent auditors shall receive notice of and be entitled to attend all meetings of the Committee; and

(iv) the following management representatives shall be invited to attend all meetings, except those meetings deemed by the Committee as either executive sessions and private sessions with the independent auditors;

(a) Chief Financial Officer

(b) Other management representatives shall be invited to attend as determined by the Committee.

H. The independent auditors shall have a direct line of communication to the Committee through its Chair. The committee, through its Chair, may contact any employee in the Corporation as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper practices or transactions.

I. The Committee shall take to the Board at its next regular meeting all such action it has taken since the previous report.

J. The Chair shall call and convene a meeting of the Committee at the request of the Chief Executive Officer, a member of the Committee, or the auditors of the Corporation.

K. Any matter to be voted upon shall be decided by a majority of the votes cast on the question. In the case of an equality of votes, the Chair shall be entitled to a second or deciding vote.

DUTIES AND RESPONSIBILITIES

A. The general duties and responsibilities of the Committee shall be as follows:

(i) to review the annual consolidated financial statements of the Corporation, including the related notes , management's discussion and analysis thereto for the purpose of recommending approval by the Board prior to release;

(ii) to assist the Board in the discharge of its fiduciary responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls;

(iii) to provide oversight of the management of the Corporation in designing, implementing and maintaining an effective system of internal controls;

(iv) to report periodically the Committee's findings and recommendations to the Board; and

(v) annually review and revision of this Charter as necessary with the approval of the Board provided that this Charter may be amended and restated form time to time without the approval of the Board to ensure that the composition of the Committee and the Responsibilities and Powers of the Committee comply with the applicable laws and stock exchange rules.

B. The duties and responsibilities of the Committee as they relate to the independent auditors shall be as follows:

(i) to recommend to the Board a firm of auditors, established by the Committee to be independent, for recommendation to the shareholders of the Corporation for appointment by the Corporation;

(ii) to review the fee, scope and timing of the audit and other related services rendered by the independent auditors and recommend to the Board the compensation of the independent auditors;

(iii) to pre-approve all non-audit services to be provided to the Corporation by the independent auditors or, alternatively, to adopt specific policies and procedures for the engagement of non-audit services[4]; and

(iv) to provide oversight of the work of the independent auditors and then to review with the independent auditors, upon completion of their audit:

(a) contents of their report;

(b) scope and quality of the audit work performed;

(c) adequacy of the Corporation's financial and auditing personnel;

(d) cooperation received from the Corporation's personnel during the audit;

(e) internal resources used;

(f) significant transactions outside of the normal business of the Corporation;

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[4] According to *Companion Policy 52-110CP to National Instrument* 52-110 *Audit Committees*, it may be sufficient for an audit committee to adopt specific policies and procedures for the engagement of non-audit services as a means of satisfying the requirement to pre-approve non-audit services where the pre-approval policies and procedures are detailed, the audit committee is informed of each non-audit service and the procedures do not include delegation of the audit committee's responsibilities to management.

(g) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems;

(h) the non-audit services provided by the independent auditors; and

(i) "management" letters and recommendations and management's response and follow-up of any identified issues or weaknesses.

(v) to meet quarterly with the auditors in "in camera" sessions to discuss reasonableness of the financial reporting process, system of internal control, significant comments and recommendations and management's performance.

(vi) at least annually, obtaining and reviewing a report prepared by the independent auditors describing (i) the auditors' internal quality control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the auditors, or by any inquiry of investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues; and (iii) all relationships between the independent auditors and the Corporation (to assess auditor independence).

C. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Corporation shall be:

(i) to review the appropriateness and soundness of the Corporation's policies and practices with respect to internal auditing, insurance, accounting and financial controls, including through discussions with the Chief Executive Officer and Chief Financial Officer;

(ii) to review any unresolved issues between management and the independent auditors that could affect financial reporting or internal controls of the Corporation;

(iii) to review the appropriateness and soundness of the Corporation's procedures for the review of the Corporation's disclosure of financial information extracted or derived from its financial statements;

(iv) to establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters;

(v) to establish procedures for the confidential, anonymous submission by the Corporation's employees of concerns regarding questionable accounting or auditing matters; and

(vi) to periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the staff or by the independent auditors have been implemented.

D. The duties and responsibilities of the Committee as they relate to financial risk management shall be:

(i) to inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such financial risk;

(ii) to oversee and monitor management's documentation of the material financial risks that the Corporation faces and update as events change and risks shift;

(iii) to assess the steps management has taken to control identified financial risks to the Corporation;

(iv) to review the following with management, with the objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled:

(a) management's tolerance for financial risks;

(b) management's assessment of significant financial risks facing the Corporation; and

(c) the Corporation's policies, plans, processes and any proposed changes to those policies for controlling significant financial risks; and

(d) to review with the Corporation's counsel, legal matters which could have a material impact on the financial statements.

E. The duties and responsibilities of the Committee as they relate to non-financial risk management shall be:

(i) review the risk identification and management process developed by management to confirm it is consistent with the Corporation's strategy and business plan; and

(ii) review management's assessment of risk at least annually and provide an update to the Board in this regard.

F. Other responsibilities of the Committee shall be:

(i) to review and approve the Corporation's interim financial statements, related notes, and management's discussion and analysis;

(ii) to review, appraise and report to the Board on difficulties and problems with regulatory agencies which are likely to have a significant financial impact;

(iii) to review any earnings press releases before the Corporation publicly discloses such information;

(iv) to review the appropriateness of the accounting policies used in the preparation of the Corporation's financial statements, and consider recommendations for any material change to such policies;

(v) to review and approve the hiring policies of the Corporation regarding employees and former employees of the present and former independent auditors of the Corporation;

(vi) to determine that the Corporation has implemented adequate internal control to ensure compliance with regulatory requirements and that these controls are operating effectively; and

(vii) to develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board.

G. In the carrying out of its responsibilities, the Committee has the authority:

(i) to engage independent counsel and other advisors at the expense of the Corporation, as may be appropriate in the determination of the Committee;

(ii) to set and pay the compensation for any advisors employed by the Committee; and

(iii) to communicate directly with the internal and external auditors.

H. The Committee may delegate to one or more independent members the authority to pre-approve non-audit services, so long as the pre-approval is presented to the full Committee at its first scheduled meeting following such pre-approval.

FORWARD SCHEDULE

The attached schedule provides a planning guide for the Committee's activities

Agenda Items	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Review Audit Committee Terms of Reference		✓		
Review Annual Financial Statements	✓			
Review Management Letter	✓			
Review Interim Financial Statements		✓	✓	✓

Review Risk Management Issues and Processes	✓	✓	✓	✓
Recommend Auditor and compensation		✓		
Review Scope of Audit		✓		
Review Auditor's Fees	✓	✓		
Meet Independently with Auditors	✓	✓	✓	✓
Self Assessment	✓			