

Alacer Gold Corp.
Unaudited Interim
Consolidated Financial Statements

September 30, 2016

Alacer Gold Corp.

Consolidated Statements of Financial Position (unaudited)

(expressed in thousands of U.S. dollars)

| | Note | As of September 30, 2016 | As of December 31, 2015 |
|--|------|--------------------------------|-------------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | \$ 253,867 | \$ 360,745 |
| Receivables and other | 5 | 17,357 | 11,552 |
| Inventories | 6 | 60,930 | 57,748 |
| | | <u>332,154</u> | <u>430,045</u> |
| Mineral properties and equipment, net | 7 | 396,446 | 325,358 |
| Deferred tax asset | 8 | 39,894 | 776 |
| Other assets | 9 | 85,455 | 59,439 |
| Total assets | | <u>\$ 853,949</u> | <u>\$ 815,618</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 10 | \$ 31,715 | \$ 23,767 |
| Current income tax liabilities | | 2,352 | 2,407 |
| | | <u>34,067</u> | <u>26,174</u> |
| Asset retirement obligation | 13 | 22,191 | 21,231 |
| Other long-term liabilities | 14 | 9,230 | 3,962 |
| Total liabilities | | <u>65,488</u> | <u>51,367</u> |
| Equity | | | |
| Equity attributable to owners of the corporation | | | |
| Share capital | 15 | 1,474,361 | 1,473,183 |
| Reserves | | 15,041 | 14,760 |
| Deficit | | (836,792) | (851,155) |
| | | <u>652,610</u> | <u>636,788</u> |
| Non-controlling interest in subsidiary | 17 | 135,851 | 127,463 |
| Total equity | | <u>788,461</u> | <u>764,251</u> |
| Total liabilities and equity | | <u>\$ 853,949</u> | <u>\$ 815,618</u> |

The accompanying notes are an integral part of these consolidated financial statements.

Alacer Gold Corp.

Consolidated Statements of Profit and Comprehensive Profit (unaudited)

(expressed in thousands of U.S. dollars)

| | Note | For the three months ended September 30, | | For the nine months ended September 30, | |
|--|------|---|------------------|--|------------------|
| | | 2016 | 2015 | 2016 | 2015 |
| Revenues | | | | | |
| Gold sales | | \$ 28,005 | \$ 60,260 | \$ 103,575 | \$ 186,214 |
| Cost of sales | | | | | |
| Production costs | | 18,045 | 27,756 | 61,736 | 71,128 |
| Depreciation, depletion and amortization | | 7,026 | 11,587 | 27,572 | 36,135 |
| Total cost of sales | | <u>25,071</u> | <u>39,343</u> | <u>89,308</u> | <u>107,263</u> |
| Mining gross profit | | 2,934 | 20,917 | 14,267 | 78,951 |
| Other costs | | | | | |
| Exploration and evaluation | | 531 | 450 | 1,731 | 1,513 |
| General and administrative | | 3,450 | 2,899 | 8,145 | 8,475 |
| Share-based employee compensation costs | | 1,992 | 732 | 6,058 | 3,999 |
| Foreign exchange (gain) loss | | 2,209 | (386) | 2,662 | 4,255 |
| Share of loss on investments accounted for using the equity method | 18 | 3,272 | 1,553 | 7,608 | 3,339 |
| Other (gain) loss | 19 | <u>(1,063)</u> | <u>(612)</u> | <u>3,114</u> | <u>(357)</u> |
| Profit (loss) before income tax | | (7,457) | 16,281 | (15,051) | 57,727 |
| Income tax (benefit) expense | 8 | <u>(10,093)</u> | <u>5,135</u> | <u>(37,802)</u> | <u>5,559</u> |
| Total net profit and comprehensive profit | | <u>2,636</u> | <u>\$ 11,146</u> | <u>22,751</u> | <u>\$ 52,168</u> |
| Net profit and comprehensive profit attributable to: | | | | | |
| Owners of the corporation | 20 | \$ 77 | \$ 7,356 | \$ 14,363 | \$ 36,628 |
| Non-controlling interest | 17 | 2,559 | 3,790 | 8,388 | 15,540 |
| Total net profit and comprehensive profit | | <u>\$ 2,636</u> | <u>\$ 11,146</u> | <u>\$ 22,751</u> | <u>\$ 52,168</u> |
| Total net profit per share - Basic | 20 | \$ 0.00 | \$ 0.03 | \$ 0.05 | \$ 0.13 |
| Total net profit per share - Diluted | 20 | \$ 0.00 | \$ 0.03 | \$ 0.05 | \$ 0.13 |

The accompanying notes are an integral part of these consolidated financial statements.

Alacer Gold Corp.

Consolidated Statements of Cash Flows (unaudited)

(expressed in thousands of U.S. dollars)

| | Note | For the three months ended September 30, | | For the nine months ended September 30, | |
|--|------|---|-------------------|--|-------------------|
| | | 2016 | 2015 | 2016 | 2015 |
| Cash provided by (used in): | | | | | |
| Operating activities | | | | | |
| Total net profit and comprehensive profit | | \$ 2,636 | \$ 11,146 | \$ 22,751 | \$ 52,168 |
| Non-cash items: | | | | | |
| Depreciation, depletion and amortization | | 7,112 | 11,766 | 27,839 | 36,682 |
| Unrealized (gain) loss on financial instruments (hedge) | 19 | (1,376) | - | 7,521 | - |
| Unrealized foreign exchange impacts | | 1,496 | (2,463) | 1,531 | 1,437 |
| Share-based employee compensation costs | | 1,992 | 732 | 6,058 | 3,999 |
| Other non-cash expenses and items not affecting cash | | (756) | 2,409 | (2,815) | 7,059 |
| Deferred taxes | 8 | (11,722) | (1,296) | (40,024) | (2,212) |
| Net change in non-cash working capital | 21 | 2,486 | 10,452 | 4,795 | (18,403) |
| | | <u>1,868</u> | <u>32,746</u> | <u>27,656</u> | <u>80,730</u> |
| Investing activities | | | | | |
| Mineral properties and equipment | | (43,698) | (16,076) | (98,050) | (44,615) |
| Sulfide ore stockpile | | (4,223) | (2,139) | (18,143) | (7,201) |
| Equity investments | | (5,601) | - | (10,662) | (2,548) |
| Contract advances and payables, net | | (3,740) | (959) | (3,282) | (1,031) |
| | | <u>(57,262)</u> | <u>(19,174)</u> | <u>(130,137)</u> | <u>(55,395)</u> |
| Financing activities | | | | | |
| Finance facility costs | | (1,713) | (734) | (3,345) | (1,638) |
| | | <u>(1,713)</u> | <u>(734)</u> | <u>(3,345)</u> | <u>(1,638)</u> |
| Increase (decrease) in cash and cash equivalents | | (57,107) | 12,838 | (105,826) | 23,697 |
| Cash and cash equivalents - beginning balance | | 311,395 | 356,585 | 360,745 | 346,615 |
| Effect of exchange rates on changes in cash held in foreign currencies | | (421) | (586) | (1,052) | (1,475) |
| Cash and cash equivalents – ending balance | | <u>\$ 253,867</u> | <u>\$ 368,837</u> | <u>\$ 253,867</u> | <u>\$ 368,837</u> |

The accompanying notes are an integral part of these consolidated financial statements.

Alacer Gold Corp.

Consolidated Statements of Changes in Equity (unaudited)

(expressed in thousands of U.S. dollars)

| | Attributable to owners of the Corporation | | | Total | Non-controlling interest | Total Equity |
|--|---|------------------|---------------------|-------------------|--------------------------|-------------------|
| | Share capital | Reserves | Deficit | | | |
| Balance at January 1, 2015 | \$ 1,471,303 | \$ 13,655 | \$ (897,786) | \$ 587,172 | \$ 108,465 | \$ 695,637 |
| Profit for the period | - | - | 36,628 | 36,628 | 15,540 | 52,168 |
| Transactions with owners of the corporation: | | | | | | |
| Share plans - exercises | 853 | (1,291) | - | (438) | - | (438) |
| Amortization of share-based awards | - | 2,527 | - | 2,527 | - | 2,527 |
| Recognition of liability portion of share-based awards | - | 420 | - | 420 | - | 420 |
| Total transactions with owners of the corporation | 853 | 1,656 | - | 2,509 | - | 2,509 |
| Balance at September 30, 2015 | <u>\$ 1,472,156</u> | <u>\$ 15,311</u> | <u>\$ (861,158)</u> | <u>\$ 626,309</u> | <u>\$ 124,005</u> | <u>\$ 750,314</u> |
| | | | | | | |
| Balance at January 1, 2016 | \$ 1,473,183 | \$ 14,760 | \$ (851,155) | \$ 636,788 | \$ 127,463 | \$ 764,251 |
| Profit for the period | - | - | 14,363 | 14,363 | 8,388 | 22,751 |
| Transactions with owners of the corporation: | | | | | | |
| Share plans - exercises | 1,178 | (1,178) | - | - | - | - |
| Amortization of share-based awards | - | 1,459 | - | 1,459 | - | 1,459 |
| Recognition of liability portion of share-based awards | - | - | - | - | - | - |
| Total transactions with owners of the corporation | 1,178 | 281 | - | 1,459 | - | 1,459 |
| Balance at September 30, 2016 | <u>\$ 1,474,361</u> | <u>\$ 15,041</u> | <u>\$ (836,792)</u> | <u>\$ 652,610</u> | <u>\$ 135,851</u> | <u>\$ 788,461</u> |

The accompanying notes are an integral part of these consolidated financial statements.

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

1. General information

Alacer Gold Corp. ("Alacer" or the "Corporation") is an intermediate gold mining company with an 80% interest in the Çöpler Gold Mine in Turkey operated by Anagold Madencilik Sanayi ve Ticaret A.S. ("Anagold") owned 80% by Alacer and 20% by Lidya Madencilik Sanayi ve Ticaret A.S. ("Lidya Mining").

The Corporation is incorporated under the laws of the Yukon Territory, Canada. The address of its registered office is 3081 Third Avenue, Whitehorse, Yukon, Y1A 4Z7. Corporate administrative services are provided by Alacer Management Corp.

These unaudited interim consolidated financial statements of the Corporation as of and for the period ended September 30, 2016 are comprised of the Corporation and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The Corporation is the ultimate parent.

2. Basis of presentation

These unaudited interim consolidated financial statements of the Corporation have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. The accounting policies applied in these unaudited interim consolidated financial statements are consistent with those used in the Group's audited consolidated financial statements for the year ended December 31, 2015. There have been no changes from the accounting policies applied in the December 31, 2015 financial statements.

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. In management's opinion, all adjustments considered necessary for a fair presentation have been included in these interim financial statements. Interim results are not necessarily indicative of the results expected for the financial year. Actual annual results may differ from interim estimates. The significant judgments made by management applied in the preparation of these unaudited interim consolidated financial statements are consistent with those applied and disclosed in the Group's audited consolidated financial statements for the year ended December 31, 2015. For a description of the Group's critical accounting estimates and assumptions, please refer to the Group's audited consolidated financial statements and related notes for the year ended December 31, 2015.

Certain comparative amounts in the financial statements and in the footnotes to these financial statements have been changed to conform to the presentation of the current year financial statements and footnote disclosure.

These unaudited interim consolidated financial statements were authorized for issue by the Board of Directors on October 26, 2016.

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

3. Accounting Changes

a) New accounting standards issued but not yet effective

The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective until financial years beginning January 1, 2017 or after and have not been early adopted. Pronouncements that are not applicable to the Group have been excluded from those described below.

i) Accounting standards effective on or after January 1, 2017:

- A. The International Accounting Standards Board (“IASB”) has issued a new standard for the recognition of revenue, IFRS 15 – *Revenue from Contracts*. This standard will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognized when control of a good or service transfers to a customer, so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach, entities recognize transitional adjustments in retained earnings on the date of initial application (i.e. January 1, 2018), without restating the comparative period. Entities will only need to apply the new rules to contracts that are not completed as of the date of initial application. The standard is effective for annual reporting periods beginning on or after January 1, 2018. Early adoption is permitted. The Corporation is currently evaluating the impact that the adoption will have on its results of operations, financial position and disclosures.
- B. IFRS 9 addresses the classification, measurement and de-recognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In July 2014, the IASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Corporation continues to monitor and assess the impact of this standard.
- C. In January 2016, the IASB issued IFRS 16 – *Leases* which establishes the principles that an entity should use to determine the recognition, measurement, presentation and disclosure of leases for both parties to a contract: the customer (‘lessee’) and the supplier (‘lessor’). IFRS 16 replaces the previous leases Standard, IAS 17, *Leases*, and related Interpretations. IFRS 16 is effective from January 1, 2019 though a company can choose to apply IFRS 16 before that date but only in conjunction with IFRS 15 *Revenue from Contracts with Customers*. The Company is currently assessing the impact of this standard.

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

4. Cash and cash equivalents

| | 30-Sep 2016 | 31-Dec 2015 |
|------------------------------|------------------------|------------------------|
| Cash at banks and on hand | \$ 23,361 | \$ 15,748 |
| Money market funds and other | 230,506 | 344,997 |
| | <u>\$ 253,867</u> | <u>\$ 360,745</u> |

Cash is deposited at banks and financial institutions and earns interest based on market rates.

5. Receivables and other

| | 30-Sep 2016 | 31-Dec 2015 |
|-------------------------------------|------------------------|------------------------|
| Consumption taxes recoverable (VAT) | \$ 6,924 | \$ 8,263 |
| Non-trade receivables | 3,106 | 1,484 |
| Prepaid expenses and advances | 7,228 | 1,775 |
| Other current assets | 99 | 30 |
| | <u>\$ 17,357</u> | <u>\$ 11,552</u> |

6. Inventories

| | 30-Sep 2016 | 31-Dec 2015 |
|----------------------|------------------------|------------------------|
| Work-in-process | \$ 50,071 | \$ 48,625 |
| Finished goods | 2,713 | 106 |
| Oxide ore stockpiles | 1,436 | 1,256 |
| Supplies and other | 6,710 | 7,761 |
| | <u>\$ 60,930</u> | <u>\$ 57,748</u> |

There were no write-downs of inventory to net realizable value in 2015 or 2016. A reserve for obsolescence of \$2.0 million (2015 - \$0.9 million) is included in the Supplies and other balance above. The Corporation's sulfide ore stockpiles are classified as a non-current asset, as shown in note 9.

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

7. Mineral properties and equipment, net

| | Mineral properties ¹ | Mining plant and equipment | Construction-in-progress ² | Non-producing properties ² | Total |
|--------------------------------------|---------------------------------|----------------------------|---------------------------------------|---------------------------------------|------------|
| Balance at January 1, 2016 | \$ 114,519 | \$ 80,625 | \$ 18,007 | \$ 112,207 | \$ 325,358 |
| Additions | - | - | 61,429 | 37,868 | 99,297 |
| Transfers | 3,755 | 3,333 | (7,088) | - | - |
| Disposals | - | (628) | - | - | (628) |
| Rehabilitation provision | 893 | - | - | - | 893 |
| Depreciation, depletion | (16,019) | (12,455) | - | - | (28,474) |
| Balance at September 30, 2016 | \$ 103,148 | \$ 70,875 | \$ 72,348 | \$ 150,075 | \$ 396,446 |

¹ Mineral properties represents assets subject to depreciation including production stage properties, capitalized mine development costs related to current production, and capitalized pre-production stripping.

² Construction-in-progress and Non-producing properties are not subject to depreciation. Construction-in-progress includes the Sulfide Project costs incurred following construction approval and sustaining capital expenditures. Non-producing properties includes the Sulfide Project costs incurred prior to construction approval and other capitalized mine development costs not yet in production.

8. Income taxes

The following table summarizes activity for the periods ended:

| | For the three months ended | | For the nine months ended | |
|-------------------------------|----------------------------|-------------|---------------------------|-------------|
| | 30-Sep-2016 | 30-Sep-2015 | 30-Sep-2016 | 30-Sep-2015 |
| Current income tax expense | \$ 1,629 | \$ 6,431 | \$ 2,222 | \$ 7,771 |
| Deferred income tax (benefit) | (11,722) | (1,296) | (40,024) | (2,212) |
| Income tax (benefit) expense | \$ (10,093) | \$ 5,135 | \$ (37,802) | \$ 5,559 |

On an interim basis, income tax expense is recognized based on Management's estimate of the corporate annual income tax rate expected for the full year applied to the pre-tax income (loss) of the interim period.

The Corporation has received approval for its third incentive certificate under which it receives incentive tax credits for qualifying expenditures at the Çöpler Gold Mine including the Sulfide Project and Heap Leach Pad expansion. Application of these tax credits reduces accounting income tax expense in the current period and offsets current and future cash tax payments.

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

The deferred tax asset balance is comprised of incentive tax credits and the deferred tax liability is comprised of temporary differences related to taxable income, as summarized below.

| | Consolidated statement of financial position | |
|----------------------------------|---|--------------------|
| | 30-Sep-2016 | 31-Dec-2015 |
| Deferred income tax assets: | | |
| Incentive tax credits recognized | \$ 56,536 | \$ 20,420 |
| Deferred income tax liabilities | (16,642) | (19,644) |
| Deferred income tax asset | \$ 39,894 | \$ 776 |

9. Other assets

| | 30-Sep 2016 | 31-Dec 2015 |
|--|------------------------|------------------------|
| Inventory (sulfide ore stockpiles) | \$ 65,762 | \$ 45,817 |
| Equity accounted investments (Note 18) | 6,466 | 3,413 |
| Finance facility costs (Note 12) | 10,019 | 7,299 |
| Long-term advances and other | 3,147 | 2,819 |
| Marketable security investments | 61 | 91 |
| | \$ 85,455 | \$ 59,439 |

10. Trade and other payables

| | 30-Sep 2016 | 31-Dec 2015 |
|---|------------------------|------------------------|
| Trade payables and accruals | \$ 25,673 | \$ 19,201 |
| Forward sales contract obligation (Hedge) | 3,723 | - |
| Withholding taxes | 562 | 1,518 |
| Royalties payable | 1,757 | 3,048 |
| | \$ 31,715 | \$ 23,767 |

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

11. Financial Instruments – forward sales contracts (Hedging)

The following table is a summary of the carrying amounts of the Corporation's financial instruments that are recognized in the interim consolidated statements of financial position:

| | Financial instrument classification | 30-Sep 2016 |
|-----------------------------|-------------------------------------|-----------------|
| Trade and other payables | Forward sales contract - Short-term | \$ 3,723 |
| Other long-term liabilities | Forward sales contract - Long-term | \$ 3,798 |
| | | <u>\$ 7,521</u> |

The carrying values of all financial liabilities approximate the fair value of 151,771 unsettled forward gold sales contracts as of September 30, 2016.

| Forward Sales Hedge Position | Ounces |
|--|-----------------|
| Unsettled Forward Sales at June 30, 2016 | 160,000 |
| Forward sales added in Q3 2016 | 15,000 |
| Forward sales settled in Q3 2016 | <u>(23,229)</u> |
| Unsettled Forward Sales at September 30, 2016 | 151,771 |
| Forward sales added subsequent to September 30, 2016 | <u>10,393</u> |
| Unsettled Forward Sales at an average of \$1,280 | <u>162,164</u> |

Forward gold sales are settled in cash during the settlement period. Realized and unrealized gains (losses) are recorded as Other Costs in the Consolidated Statement of Profit (Loss) and Comprehensive Profit (Loss). [See note 19]

Fair value methodology

In accordance with IAS 39, a three level hierarchy was evaluated to determine the applicable fair value accounting methodology to be used for the hedge instrument. Level 2 of the hierarchy is applicable and therefore, the Corporation calculates fair value of financial instruments utilizing observable market data and other inputs. The observable market data utilized is the London AM Fix and the forward gold curve.

12. Borrowings

On June 16, 2016, the Corporation signed a \$350 million project finance facility with a syndicate of lenders (BNP Paribas (Suisse) SA, ING Bank A.S., Societe Generale Corporate & Investment Banking and UniCredit Bank Austria AG). The facility has no mandatory hedging, has an 8-year term and interest rates of LIBOR plus 3.5% to 3.95%. Advances under the facility are subject to customary conditions precedent including execution of security documentation and a minimum of \$220 million capital spend at Çöpler. As of September 30, 2016, the Corporation has no outstanding debt balances that are owed for credit facilities or debt arrangements.

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

13. Asset retirement obligation

| | 30-Sep 2016 | 31-Dec 2015 |
|-------------------------------------|------------------------|------------------------|
| Balance, beginning of period | \$ 21,231 | \$ 18,860 |
| Arising during the period | 893 | 2,162 |
| Unwinding of discount | 67 | 209 |
| Balance, end of period | <u>\$ 22,191</u> | <u>\$ 21,231</u> |

Activity for the period includes accretion of the environmental liability as well as recurring additions for new disturbances.

14. Other long-term liabilities

| | 30-Sep 2016 | 31-Dec 2015 |
|---|------------------------|------------------------|
| Forward sales contract obligation (Hedge) | \$ 3,798 | \$ - |
| Share-based compensation | 3,649 | 2,200 |
| Other provisions | 1,783 | 1,762 |
| | <u>\$ 9,230</u> | <u>\$ 3,962</u> |

15. Share capital and share-based payments

a) Share capital

| | Common Shares | |
|--------------------------------------|-----------------------------|---------------------|
| | Number of Shares | \$ |
| Balance at December 31, 2015 | 291,401,496 | \$ 1,473,183 |
| Shares issued: | | |
| On exercise of share-based awards | 15b 640,762 | 1,178 |
| Balance at September 30, 2016 | <u>292,042,258</u> | <u>\$ 1,474,361</u> |

b) Share-based payments

i) Restricted share unit plan

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

| | <u>2016</u> | |
|--|---------------------------|-----------------------------------|
| | Number of RSUs | Weighted average price |
| Outstanding - Beginning of year | 3,130,184 | \$ 1.91 |
| Granted | 1,438,326 | 1.86 |
| Vested and redeemed | (640,762) | 1.91 |
| Forfeited | (1,115,575) | 2.05 |
| Balance at September 30, 2016 | <u>2,812,173</u> | <u>\$ 1.90</u> |

ii) Performance share unit plan

Performance share units are valued based on the period-ending share price and settled in cash and therefore not included in diluted earnings per share calculation.

| | <u>2016</u> |
|--|---------------------------|
| | Number of PSUs |
| Outstanding - Beginning of year | 1,931,875 |
| Granted | 1,009,769 |
| Vested and redeemed | (252,446) |
| Forfeited | (48,239) |
| Balance at September 30, 2016 | <u>2,640,959</u> |

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

iii) Deferred share unit plan

Deferred share units are valued based on the period-ending share price and settled in cash and therefore not included in diluted earnings per share calculation.

| | <u>2016</u> |
|--|---------------------------|
| | Number of DSUs |
| Outstanding - Beginning of year | 202,625 |
| Granted | 244,016 |
| Vested and redeemed | - |
| Forfeited | - |
| Balance at September 30, 2016 | <u>446,641</u> |

16. Group entities

| <u>Alacer Gold Corp.</u> | <u>Country of incorporation</u> | <u>Ownership interest</u> | |
|---|-------------------------------------|---------------------------|------------------------|
| | | <u>30-Sept 2016</u> | <u>31-Dec 2015</u> |
| Alacer Management Corp. | USA | 100% | 100% |
| Alacer Gold Holdings Corp. S.à.r.l. | Luxembourg | 100% | 100% |
| Alacer Gold Corp. S.à.r.l. | Luxembourg | 100% | 100% |
| Alacer Gold Madencilik Anonim Şirketi | Turkey | 100% | 100% |
| Anagold Madencilik Sanayi Ve Ticaret Anonim Şirketi | Turkey | 80% | 80% |
| Kartaltepe Madencilik Sanayi Ticaret Anonim Şirketi | Turkey | 50% | 50% |
| Tunçpınar Madencilik Sanayi Ve Ticaret Anonim Şirketi | Turkey | 50% | 50% |
| Polimetal Madencilik Sanayi Ticaret Anonim Şirketi | Turkey | 20% | 20% |

17. Non-controlling interest

Non-controlling interest represents the interest of Lidya Mining in Anagold, based on investment amounts adjusted for its share of profit or losses. Lidya Mining is entitled to receive dividend payments equaling its share of legally declarable dividends from Anagold. There were no dividend payments made to Lidya Mining in 2015 or 2016 related to Anagold's 2014 and 2015 earnings, respectively, due to expected future capital expenditure commitments, including the Sulfide Project.

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

The following table summarizes activity for the periods ended:

| | For the three months | | For the nine months | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2016 | September 30, 2015 | September 30, 2016 | September 30, 2015 |
| Non-controlling interest, beginning of period | \$ 133,292 | \$ 120,215 | \$ 127,463 | \$ 108,465 |
| Share of profit in Anagold | 2,559 | 3,790 | 8,388 | 15,540 |
| Non-controlling interest, end of period | <u>\$ 135,851</u> | <u>\$ 124,005</u> | <u>\$ 135,851</u> | <u>\$ 124,005</u> |

In the second quarter of 2016, the Corporation entered into a new related party agreement for the construction of the sulfide process plant with an affiliate of our joint venture partner, GAP İNŞAAT YATIRIM VE DIŞ TİCARET A.Ş. ("GAP"). The current scope of work under the contract is valued at \$89 million, of which year-to-date transactions total \$10 million.

18. Investments accounted for using the equity method

The Group has interests in exploration joint ventures that are accounted for using the equity method. The aggregated financial information on these joint ventures are as follows:

| | For the three months ended | | For the nine months ended | |
|---|----------------------------|-----------------------|---------------------------|-----------------------|
| | September 30, 2016 | September 30, 2015 | September 30, 2016 | September 30, 2015 |
| Aggregate amount of the Corporation's share of net losses | \$ 3,272 | \$ 1,553 | \$ 7,608 | \$ 3,339 |

The aggregate amount of the Corporation's share of net losses is the current reporting period's expenditures of the joint ventures.

| | 30-Sep 2016 | 31-Dec 2015 |
|------------------------------------|----------------|----------------|
| Aggregate carrying amount (Note 9) | \$ 6,466 | \$ 3,413 |

The aggregate carrying amount represents the contributions to joint ventures offset by the expenditures of the joint ventures.

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

19. Other (gain) loss

| | For the three months ended | | For the nine months ended | |
|---|----------------------------|-----------------------|---------------------------|-----------------------|
| | September 30, 2016 | September 30, 2015 | September 30, 2016 | September 30, 2015 |
| Finance (income) expense, net | \$ (284) | \$ 5 | \$ (864) | \$ 53 |
| Unrealized (gain) loss on financial instruments (hedge) | (1,376) | - | 7,521 | - |
| Realized loss on financial instruments (hedge) | 984 | - | 984 | - |
| Gain on settlement of Australian tax matter | - | - | (4,444) | - |
| Write-down of property, plant and equipment assets | 2 | - | 47 | 1,122 |
| Non-operating transactions | (389) | (617) | (130) | (1,532) |
| Total other (gain) loss | \$ (1,063) | \$ (612) | \$ 3,114 | \$ (357) |

20. Profit per share

Basic profit per share is calculated by dividing the profit attributable to equity holders of the Corporation by the weighted average number of ordinary shares outstanding during the period.

Diluted profit per share is calculated using the treasury method, except the if-converted method is used in assessing the dilution impact of convertible instruments (until maturity). The if-converted method assumes that all convertible instruments (until maturity) have been converted in determining fully diluted profit per share if they are in-the-money, except where such conversion would be anti-dilutive.

The following table summarizes activity for the three months ended:

| | For the three months ended | | For the nine months ended | |
|---|----------------------------|-----------------------|---------------------------|-----------------------|
| | September 30, 2016 | September 30, 2015 | September 30, 2016 | September 30, 2015 |
| Net profit attributable to owners of the Corporation | \$ 77 | \$ 7,356 | \$ 14,363 | \$ 36,628 |
| Weighted average number of shares outstanding – basic | 291,973,144 | 290,970,713 | 291,929,058 | 290,923,010 |
| Weighted average number of shares outstanding – diluted | 294,785,317 | 294,869,101 | 294,741,231 | 294,821,398 |
| Total net profit per share – basic | \$ 0.00 | \$ 0.03 | \$ 0.05 | \$ 0.13 |
| Total net profit per share – diluted | \$ 0.00 | \$ 0.03 | \$ 0.05 | \$ 0.13 |

Alacer Gold Corp.

Notes to Consolidated Financial Statements (unaudited)

For the three and nine-month periods ended September 30, 2016 and 2015

(expressed in thousands of U.S. dollars, unless otherwise stated)

21. Supplemental cash flow information

The following table summarizes activity, excluding cash and cash equivalents transactions, for the period:

| | For the three months ended | | For the nine months ended | |
|---|----------------------------|------------------|---------------------------|--------------------|
| | 30-Sep-2016 | 30-Sep-2015 | 30-Sep-2016 | 30-Sep-2015 |
| Changes in non-cash working capital accounts: | | | | |
| Trade and other payables | \$ 443 | \$ 3,546 | \$ 7,125 | \$ (3,100) |
| Receivables and other | 3,827 | 4,696 | (1,699) | (1,419) |
| Inventories | (3,327) | (1,455) | (575) | (17,656) |
| Current income tax liabilities | 1,543 | 3,665 | (56) | 3,772 |
| | <u>\$ 2,486</u> | <u>\$ 10,452</u> | <u>\$ 4,795</u> | <u>\$ (18,403)</u> |
| Interest paid, net | \$ - | \$ - | \$ - | \$ - |
| Income taxes paid | \$ 374 | \$ 1,677 | \$ 4,896 | \$ 3,691 |

Form 52-109F2
Certification of Interim Filings
Full Certificate

I, Rodney P. Antal, President and Chief Executive Officer of Alacer Gold Corp., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Alacer Gold Corp. (the “issuer”) for the interim period ended September 30, 2016.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. **Responsibility:** The issuer’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
- 5.1 **Control framework:** The control framework the issuer’s other certifying officer and I used to design the issuer’s ICFR is *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- 5.2 *N/A*
- 5.3 *N/A*

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on July 1, 2016 and ended on September 30, 2016 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: October 26, 2016

(signed) "Rodney P. Antal"

Rodney P. Antal
President and Chief Executive Officer

Form 52-109F2
Certification of Interim Filings
Full Certificate

I, Mark E. Murchison, Chief Financial Officer of Alacer Gold Corp., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Alacer Gold Corp. (the “issuer”) for the interim period ended September 30, 2016.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. **Responsibility:** The issuer’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
- 5.1 **Control framework:** The control framework the issuer’s other certifying officer and I used to design the issuer’s ICFR is *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5.2 N/A

5.3 N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on July 1, 2016 and ended on September 30, 2016, that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: October 26, 2016

(signed) "Mark E. Murchison"
Chief Financial Officer