Extractive Sector Transparency Measures Act - Annual Report

Reporting Entity Name	Alacer Gold Corp.					
Reporting Year	From	2017-01-01	To:	2017-12-31	Date submitted	2018-05-01
Reporting Entity ESTMA Identification Number	E882840		(●) Original Submission ( ) Amended Report			
Other Subsidiaries Included (optional field)						
Not Consolidated						
Not Substituted						

Attestation Through Independent Audit

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest that I engaged an independent auditor to undertake an audit of the ESTMA report for the entity(ies) and reporting year listed above. Such an audit was conducted in accordance with the Technical Reporting Specifications issued by Natural Resources Canada for independent attestation of ESTMA reports.

The auditor expressed an unmodified opinion, dated 2018-05-01, on the ESTMA Report for the entity(ies) and period listed above.
The independent auditor's report can be found at At End of Report.

Full Name of Director or Officer of Reporting Entity	Mark Murchison	Date	*2018-05-01*
Position Title	Chief Financial Officer		

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Reporting Entity Name	Alacer Gold Corp.			Currency of the Report	USD
Reporting Entity ESTMA Identification Number	E882840				
Subsidiary Reporting Entities (if necessary)					

Payments by Payee

Country	Payee Name[1]	Departments, Agency, etc... within Payee that Received Payments[2]	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes[34]
Turkey	Turkish Federal Government		5,910,000	1,280,000	830,000	-	-	-	-	**8,020,000**	Includes $1,780k corporate taxes settled in-kind with VAT receivables, valued at cost.
Turkey	Erzincan Province		-	1,280,000	10,000	-	-	-	30,000	**1,320,000**	
Turkey	Erzurum Province		-	90,000	4,010,000	-	-	-	-	**4,100,000**	
Turkey	Balıkesir Province		-	-	200,000	-	-	-	-	**200,000**	
Turkey	Bigadiç Village		-	-	-	-	-	-	900,000	**900,000**	
Turkey	Yakuplu Village		-	-	-	-	-	-	130,000	**130,000**	
Turkey	Çöpler Village								360,000	**360,000**	
Turkey	İliç Village				30,000				210,000	**240,000**	Includes $50k property donated in-kind, valued at cost.
Turkey	Sabirli Village								490,000	**490,000**	Includes $470k contracted services donated in-kind, valued at cost.
	Report Total		**5,910,000**	**2,650,000**	**5,080,000**	**-**	**-**	**-**	**2,120,000**	**15,760,000**	

Additional Notes:	All amounts paid were in Turkish Lira ("TL"). TL is converted to US Dollars ("USD") based on the exchange rate on the date of the transaction. The average USD to TL rate for 2017 was 1:3.65.

[1] Enter the proper name of the Payee receiving the money (i.e. the municipality of x, the province of y, national government of z).

[2] Optional field.

[3] When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.

[4] Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the Additional notes row or the Notes column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year	From:	2017-01-01	To:	2017-12-31	
Reporting Entity Name	Alacer Gold Corp.			Currency of the Report	USD
Reporting Entity ESTMA Identification Number	E882840				
Subsidiary Reporting Entities (if necessary)					

Payments by Project

Country	Project Name[1]	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes[2,3]
Turkey	Alacer Gold Madencilik Anonim Sirketi	4,130,000	-	-	-	-	-	-	**4,130,000**	
Turkey	Anagold Madencilik Sanayi Ve Ticaret Anonim Sirketi	1,780,000	2,570,000	3,830,000	-	-	-	1,090,000	**9,270,000**	Includes $1,780k corporate taxes settled in-kind with VAT receivables, $50k property donated in-kind, and $470k contracted services donated in-kind, all valued at cost.
Turkey	Kartaltepe Madencilik Sanayi Ticaret Anonim Sirketi	-	70,000	700,000	-	-	-	130,000	**900,000**	
Turkey	Tuncpinar Madencilik Sanayi Ve Ticaret Anonim Sirketi	-	10,000	90,000	-	-	-	-	**100,000**	
Turkey	Polimetal Madencilik Sanayi Ticaret Anonim Şirketi	-	-	460,000	-	-	-	900,000	**1,360,000**	
	Report Total		**2,650,000**	**5,080,000**	**-**	**-**	**-**	**2,120,000**	**15,760,000**	**-**

Additional Notes[3]: All amounts paid were in Turkish Lira ("TL"). TL is converted to US Dollars ("USD") based on the exchange rate on the date of the transaction. The average USD to TL rate for 2017 was 1:3.65.

[1] Enter the project that the payment is attributed to. Some payments may not be attributable to a specific project, and do not need to be disclosed in the "Payments by Project" table.

[2] When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.

[3] Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the "Additional Notes" row or the "Notes" column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.

Introduction

Alacer Gold Corp. ("Alacer" or the "Corporation") is a leading low-cost gold producer, with an 80% interest in the world-class Çöpler Gold Mine in Turkey operated by Anagold Madencilik Sanayi ve Ticaret A.S. ("Anagold"), and the remaining 20% owned by Lidya Madencilik Sanayi ve Ticaret A.S. ("Lidya Mining"). Additionally, Alacer has exploration projects owned 50% by Alacer and 50% owned by Lidya Mining. Refer to the December 31, 2017 AIF for the detailed legal entity organization structure.

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.

Basis of Preparation

The consolidated ESTMA Report has been prepared in accordance with the requirements of the Act and the Natural Resources Canada ("NRCan") Technical Reporting Specifications. The following is a summary of key judgments and policies for the Alacer ESTMA Report.

Payee

For purposes of the Act, a payee is:

a) Any government in Canada or in a foreign state.
b) A body that is established by two or more governments.
c) Any trust, board, commission, corporation or body or other authority that is established to exercise or perform, or that exercises or performs, a power, duty or function of a government for a government referred to in paragraph (a) above or a body referred to in paragraph (b) above.

Payees include governments at any level, including national, regional, state, provincial, local, or municipal levels. Payees may include non-governmental entities if the benefit bestowed would have otherwise been provided by the government. Payees also include any government-owned entities that exercise or perform a power, duty or function of government.

Aboriginal and indigenous groups and organizations may also be regarded as a government payee under the Act. Currently, the Corporation does not make payment to such groups.

The individual department, agency or other body of the payee that received the payment is disclosed, where practical, in the notes section of this Report.

Activities within the scope of the Report

Payments made by Alacer to payees relating to the commercial development of minerals ("commercial development") are disclosed in this Report. Initial processing activities which are integrated with extraction operations are included in commercial development. The Report excludes payments that are not related to Alacer's commercial development activities, as defined by the Act and the NRCan Guidance.

Project

Payments are reported at the project level. A "project" means the operational activities that are governed by a single contract, license, lease, concession or similar legal agreement and form the basis for payment liabilities with a government. However, if multiple such agreements are substantially interconnected, Alacer has aggregated such interconnected agreements into a single "Project" for reporting purposes, as permitted under the NRCan Technical Reporting Specifications.

Payment Categories

The information is reported under the following payment categories.

Taxes
This category may include taxes paid by Alacer on its income, profits or production. Taxes reported include primarily corporate income taxes. Consumption taxes and personal income taxes are excluded.

Royalties
These are payments for the rights to extract resources, typically at a set percentage of revenue less any deductions that may be taken. Royalties paid in kind are also reported under this category. For the year ended December 31, 2017, there were no royalties paid in kind to a payee.

Fees
This category may include rental fees, entry fees and regulatory charges as well as fees or other consideration for licenses, permits or concessions. Amounts paid in ordinary course commercial transactions in exchange for services provided by a payee are excluded unless required for the operating license.

Production entitlements
A payee's share of mineral production under a production sharing agreement or similar contractual or legislated arrangement is reported under this category. For the year ended December 31, 2017, there were no production entitlement payments to a payee.

Bonuses
Signing, discovery, production and any other type of bonuses paid to a payee are reported under this category. For the year ended December 31, 2017, there were no reportable bonus payments to a payee.

Dividends
This payment category consists of dividend payments other than dividends paid to a payee as an ordinary shareholder of Alacer. For the year ended December 31, 2017, there were no reportable dividend payments to a payee.

Infrastructure improvement payments
These are payments which relate to the construction of infrastructure that do not relate primarily to the operational purposes of Alacer. Infrastructure improvement payments consisted of

building village roads and bridges, a water treatment facility and other community development initiatives.

Cash and in-kind payments

Payments are reported on a cash basis, meaning they are reported in the period in which they are paid. In-kind payments are converted to an equivalent cash value based on cost or, if cost is not determinable, the in-kind payment is reported at the fair market value. The valuation method for each payment has been disclosed in the notes section of this Report.

All information is reported in US dollars (“USD”) to be consistent with the currency presented in Alacer’s consolidated financial statements. Payments to the “same payee” that meet or exceed $77,000 USD ($100,000 Canadian Dollar equivalent) in one payment category are disclosed. Payments are rounded to the nearest $10,000 USD.

Payments made in situations of joint operating / joint ventures

Where Alacer has itself made a reportable payment to a payee, regardless of whether Alacer is the operator, the full amount paid has been disclosed; this is the case even where Alacer as the operator has been proportionally reimbursed by its non-operating partners through a partner billing process.

Lidya Mining, our joint venture partner, is not a reporting entity under the ACT. Therefore, payments made by Lidya on behalf of Alacer legal entities, meeting the above definitions, have been included at 100% in the consolidated ESTMA Report.

May 1, 2018

To the Audit Committee of
Alacer Gold Corp.

We have audited the accompanying Extractive Sector Transparency Measure Act (ESTMA) Annual Report of Alacer Gold Corp. (the Corporation) which comprise the schedule of payments by payee and payments by project for the year ended December 31, 2017, and the related notes, which comprise a summary of significant accounting policies and other explanatory information (the ESTMA Report). The ESTMA Report has been prepared by management using the basis of accounting described in the notes, which is in accordance with the Extractive Sector Transparency Measures Act S.C. 2014, c.39, s 376 (the Act).

Management's responsibility for the ESTMA Report
Management is responsible for the preparation of this ESTMA Report in accordance with the basis of accounting described in the notes, and for such internal control as management determines is necessary to enable the preparation of the ESTMA Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on this ESTMA Report based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the ESTMA Report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the ESTMA Report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the ESTMA Report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the ESTMA Report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the Extractive Sector Transparency Measures Act – Annual Report of Alacer Gold Corp. for the year ended December 31, 2017 is prepared, in all material respects, in accordance with the basis of accounting described in the notes.

PricewaterhouseCoopers LLP
PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, Canada M5J 0B2
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Basis of accounting
Without modifying our opinion, we draw attention to the notes to the ESTMA Report, which describes the basis of accounting. The ESTMA Report is prepared to assist ARC Resources Ltd. to comply with the reporting requirements of the Act. As a result, the ESTMA Report may not be suitable for another purpose.

(Signed) "PricewaterhouseCoopers LLP"

Chartered Professional Accountants, Licensed Public Accountants