TORONTO, Sept. 13, 2016 (GLOBE NEWSWIRE) -- Alacer Gold Corp. (“Alacer” or the “Corporation”) (TSX:ASR) (ASX:AQG) is pleased to announce positive results from the Prefeasibility Study (“PFS”) establishing a maiden resource and reserve for the 50%[1] owned Gediktepe Project (formerly known as Dursunbey) in Western Turkey.

Rod Antal, Alacer’s President & Chief Executive Officer, stated, “We are excited to announce the significant milestone achieved at Gediktepe. The PFS demonstrates that Gediktepe is an economic and technically viable project and establishes it as a valuable part of our portfolio of mining assets.

It is an outstanding result and a credit to our partner, Lidya Mining, and to our team who have converted a grassroots exploration target into a discovery and advanced it to a PFS study, all in the span of just four years. Not only does this achievement illustrate our ability to capture and convert value from exploration, it also demonstrates the great prospectivity in Turkey.

The Gediktepe project has moved into a detailed study phase where we will complete basic engineering and more technical studies. Permitting and some site preparations will be undertaken concurrent with these detailed studies. During this period, the various options for development of Gediktepe will be assessed.”

Key Highlights
(all currency in US dollars and all metrics on a 100% basis)

The Gediktepe Project is located in Balıkesir Province, about 370 km west of Ankara and 190 km to the south of Istanbul. Gediktepe will be owned on a 50%/50% basis with our joint venture partner, Lidya Mining, upon completion of the claw back right exercised by Alacer. The estimated claw back cost is $7.1 million at June 30, 2016. Lidya Mining is the operator of Gediktepe.

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

Overall Project Economics

- Total payable metals of 400,000 ounces of gold, 8 million ounces of silver, 315 million pounds of copper and 780 million pounds of zinc
- Life-of-mine (“LoM”) production over 12 years of 1.8 million ounces on a Gold Equivalent Ounce[2] (“AuEq”) basis
- Pre-production capital expenditure of $120 million
- An additional $126 million in project capital required for the sulfide ore flotation plant and related infrastructure

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[1] Gediktepe will be owned on a 50%/50% basis with our joint venture partner, Lidya Mining, upon completion of the claw back right exercised by Alacer.
[2] Gold Equivalent Ounce (AuEq) is a non-IFRS measure with no standardized definition under IFRS which converts non-gold production into gold equivalent ounces. Calculation of AuEq converts payable metals into revenue using metal prices of $1,250 per ounce for
gold, $18.25 per ounce for silver, $2.75 per pound for copper, $1.00 per pound for zinc, and then the total revenue is divided by the gold price of $1,250 per ounce.

- Project after-tax net present value at 5% (“NPV”) is $475 million
- Project after-tax, unlevered internal rate of return (“IRR”) of 47%
- Project payback achieved in 2.5 years from start of production
- After-tax free cash flow of $745 million generated over the LoM
- LoM average costs on a AuEq basis:
  - Total Cash Costs[3] of $613 per ounce AuEq
  - All-in Sustaining Costs[2] of $625 per ounce AuEq
  - All-in Costs[2] of $759 per ounce AuEq

Oxide Ore Overview

- Oxide ore processing of 3,000 tonnes per day for over three years at a conventional heap leach facility
- LoM oxide ore production of 300,000 ounces AuEq (250,000 ounces of gold and 3.6 million ounces of silver)

- Oxide Proven and Probable Reserves of 3.2 million tonnes with an average gold grade of 2.95 gpt and an average silver grade of 77.7 gpt
    - Oxide Measured and Indicated Resources[4] of 3.8 million tonnes with an average gold grade of 2.60 gpt (320,000 ounces gold contained) and an average silver grade of 69.0 gpt (8.5 million ounces silver contained)
- Oxide capital expenditure of $111 million
- Oxide LoM average costs on a AuEq basis:
    - Total Cash Costs[2] of $387 per ounce AuEq
    - All-in Sustaining Costs[2] of $387 per ounce AuEq
    - All-in Costs[2] of $763 per ounce AuEq

Sulfide Ore Overview

- Sulfide processing of 6,500 tonnes per day over a 10-year period utilizing two 4 stage flotation circuits to produce a copper concentrate and a zinc concentrate
- LoM sulfide production of 700 million pounds on a Copper Equivalent[5] (“CuEq”) basis (315 million pounds of copper, 780 million pounds of zinc, 150,000 ounces of gold and 4.6 million ounces of silver)
- Sulfide Proven and Probable Reserves of 21.7 million tonnes of ore grading 0.99% copper, 2.35% zinc, 0.93 gpt gold and 35.3 gpt silver

- Sulfide Measured and Indicated Resources[3] of 32.2 million tonnes with average grades of 0.90% copper (642 million pounds copper contained), 1.93% zinc (1,370 million pounds zinc contained), 0.77 gpt gold (800,000 ounces gold contained) and 29.5 gpt silver (30.5 million ounces silver contained)
- Sulfide capital expenditure of $135 million which includes $9 million in pre-production capital, $104 million spent during the first two years of production and $22 million in sustaining capital
- Sulfide LoM average costs on a CuEq basis:
    - Total Cash Costs[2] of $1.45 per pound CuEq
    - All-in Sustaining Costs[2] of $1.48 per pound CuEq
    - All-in Costs[2] of $1.67 per pound CuEq

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[3] Total Cash Costs, All-in Sustaining Costs, and All-in Costs are non-IFRS financial performance measures with no standardized definitions under IFRS. For further information and a detailed reconciliation, please see the “Non-IFRS Measures” section of the Corporation’s MD&A for the three months ended June 30, 2016.
[4] Mineral Resources are inclusive of Mineral Reserves.
[5] Copper Equivalent (CuEq) is a non-IFRS measure with no standardized definition under IFRS which converts non-copper production into copper equivalent pounds. Calculation of CuEq converts payable metals into revenue using metal prices of $1,250 per ounce for gold, $18.25 per ounce for silver, $2.75 per pound for copper, $1.00 per pound for zinc, and then the total revenue is divided by the copper price of $2.75 per pound.

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

Gediktepe Overview

http://www.globenewswire.com/NewsRoom/AttachmentNg/884bffe5-3088-4836-a8fa-b6a8f5c20c8d

The Gediktepe deposit was discovered in April 2013 with the second drill hole (DRD-002) intersecting 26.5m at 7.9g/t gold and 77g/t silver from surface[6]. Oxide mineralization is enriched in gold and silver, whereas sulfide mineralization includes gold, silver, copper and zinc. The deposit continues to be open at depth and along strike.

Production and Cost Summary

Gediktepe will be an open pit mine and is well serviced being close to existing infrastructure and connects to the national power grid. Production at Gediktepe will start with the processing of oxide ores using a conventional heap leach and Merrill Crowe process (gold and silver precipitation by zinc). The Merrill Crowe plant recovers more silver than a carbon adsorption process and is appropriate for this deposit due to the high silver content in the oxide ores. Average life-of mine recoveries for the oxide ore is 83% for gold and 45% for silver.

Production will transition from oxide processing to sulfide processing in year 3 of the operation. Sulfide ore processing will be via two 4 stage flotation circuits, one for copper recovery and one for zinc recovery. The flotation circuits will produce concentrates that will be shipped offsite for processing through copper and zinc smelters. Metallurgical tests for the sulfide flotation of Gediktepe ores yielded recoveries in copper concentrate of 69% for copper, 17% for gold and 12% for silver and recoveries in zinc concentrate of 82% for zinc, 16% for gold and 22% for silver.

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[6] See Alacer announcements “Alacer Announces Exploration Results in Turkey”, dated September 14, 2014 and February 24, 2014, on the Corporation’s website at www.alacergold.com, on SEDAR at www.sedar.com or on ASX at www.asx.com.au.

The following is a LoM production profile on an AuEq basis.

http://www.globenewswire.com/NewsRoom/AttachmentNg/3485c879-7cbf-421b-a51d-58b2a884aad7

The table below provides a summary of the estimated capital costs for the Gediktepe Project.

Project Area	US$ millions (100%)	
Oxide Processing Facility		
Plant	$	46
Infrastructure	$	35
Geotechnical and Project Engineering	$	7
Private Land Purchase	$	2
Pre-Production Mining	$	3
Contingency	$	18
Oxide Capital	$	111
Sulfide Processing Facility		
Plant	$	81
Infrastructure	$	30
Contingency	$	24
Sulfide Capital	$	135
TOTAL PROJECT CAPITAL	$	246

Rounding differences will occur

Project capital outlined above does not include reclamation costs that total $23 million and occur in years five and thirteen.

Unit Cost Metrics (Life-of-Mine Average)		
Mining	per tonne mined	$ 1.45
Oxide Ore Processing	per tonne oxide processed	$ 9.51
Sulfide Ore Processing	per tonne sulfide processed	$ 11.88
Site Support Costs	per tonne total processed	$ 7.45
Offsite Costs	per tonne total processed	$ 15.71

Financial Summary

The economic analysis was predicated on the capital and operating costs summarized above and are based on the following parameters and are estimated in fourth quarter 2015 US$:

- Gold price of $1,250 per ounce;
- Silver price of $18.25 per ounce;
- Copper price of $2.75 per pound;
- Zinc price of $1.00 per pound; and
- US$/Turkish Lira exchange rate: 3.0.

The project remains economically feasible over the entire range of the sensitivity analysis. Financial results appear to be most sensitive to metal prices and least sensitive to changes in operating cost. Spider graphs depicting the results on project NPV and IRR by varying the OPEX, CAPEX and metal price inputs are provided below.

http://www.globenewswire.com/NewsRoom/AttachmentNg/fde3ac54-ba74-44cc-9cfb-f396e8e462b4

The following is a sensitivity table of discount rates used to calculate after tax NPV.

Discount Rate		NPV (US$M)	
5.0	%	$	475

7.5	%	$	382
10.0	%	$	309

Permitting

The Environmental Impact Assessment (“EIA”) permit was received in July 2016. With receipt of the EIA, work has now commenced on securing the additional necessary Forestry permits before a construction decision can be made.

Next Steps

The PFS has demonstrated that the Gediktepe Project is technically and financially feasible. The Project will now move into a detailed study phase where technical work will continue to advance along with basic engineering. During this next phase, necessary land use permits will be secured and financing options will be considered. A key component of this phase will be the creation of the development schedule including key milestones.

Maiden Mineral Resource and Mineral Reserve Estimates

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

The updated Mineral Reserves referenced in this press release have been subjected to a PFS in which open pit designs and a mine production schedule were developed. The PFS contemplates oxide ore processing by heap leach and sulfide ore processing by flotation. The PFS finds that the recovery of metals is technically and financially feasible, generating positive returns on plant and infrastructure investments.

Mineral Resources for the Gediktepe Deposit (As of June 1, 2016) (100% Basis)

			Head Grades				Contained Metal			
Material Type	NSR Cutoff	Tonnages	Au	Ag	Cu	Zn	Au	Ag	Cu	Zn
Classification	$/t	ktonnes	gm/t	gm/t	%	%	koz	koz	klb	klb
Oxides										
Measured	$ 11.70	1,722	2.645	66.5	0.12	0.16	146.4	3,680		
Indicated	$ 11.70	2,110	2.561	71.0	0.18	0.35	173.7	4,817		
Meas+Ind.	$ 11.70	3,832	2.599	69.0	0.15	0.26	320.2	8,497		
Inferred	$ 11.70	213	1.574	63.1	0.13	0.17	10.8	432		
Sulfides										
Measured	$ 15.67	12,027	0.777	28.5	1.00	1.89	300.4	11,030	263,824	501,133
Indicated	$ 15.67	20,180	0.773	30.1	0.85	1.95	501.5	19,506	378,158	867,540
Meas+Ind.	$ 15.67	32,207	0.774	29.5	0.90	1.93	802.0	30,536	641,982	1,368,673
Inferred	$ 15.67	1,685	0.807	31.7	0.98	1.80	43.7	1,719	36,256	66,866
Oxides+Sulfides										
Measured	11.70/15.67	13,749	1.011	33.3	0.89	1.67	446.9	14,710	263,824	501,133
Indicated	11.70/15.67	22,290	0.942	33.9	0.79	1.80	675.3	24,323	378,158	867,540
Meas+Ind.	11.70/15.67	36,039	0.968	33.7	0.82	1.75	1,122.1	39,033	641,982	1,368,673
Inferred	11.70/15.67	1,898	0.893	35.3	0.88	1.62	54.5	2,151	36,256	66,866

Note: Mineral Resources are inclusive of Mineral Reserves. Mineral Resources are shown on a 100% basis, of which Alacer will own 50%. The key assumptions, parameters, and methods used to estimate the Mineral Resources and Mineral Reserves are provided in the appendices to this announcement and the NI 43-101 Technical Report filed simultaneously with this announcement. We are not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed. Rounding differences will occur.

Mineral Reserves for the Gediktepe Deposit (As of June 1, 2016) (100% Basis)

	Cutoff	Oxide Mineral Reserves					Payable Metal			
Classification	NSR	Oxide	Gold	Silver	Copper	Zinc	Gold	Silver	Copper	Zinc
	$/Tonne	Ktonnes	gm/t	gm/t	%	%	Kozs	Kozs	Mlbs	Mlbs
Proven	15.16	1,456	2.98	74.7	0.12	0.17	118.0	1,541.4		
Probable	15.16	1,767	2.93	80.3	0.18	0.35	133.6	2,010.9		

Proven+Probable	15.16	3,223	2.95	77.7	0.15	0.27	251.6	3,552.3		
	Cutoff	Sulfide Mineral Reserves					Payable Metal			
Classification	NSR	Sulfide	Gold	Silver	Copper	Zinc	Gold	Silver	Copper	Zinc
	$/Tonne	Ktonnes	gm/t	gm/t	%	%	Kozs	Kozs	Mlbs	Mlbs
Proven	14.55	10,425	0.84	31.0	1.04	2.05	64.3	1,924.6	160.2	326.6
Probable	14.55	11,267	1.00	39.3	0.93	2.63	83.4	2,724.8	154.6	452.6
Proven+Probable	14.55	21,692	0.93	35.3	0.99	2.35	147.7	4,649.4	314.8	779.2
	Cutoff	TOTAL MINERAL RESERVES					Payable Metal			
Classification	NSR	Total	Gold	Silver	Copper	Zinc	Gold	Silver	Copper	Zinc
	$/Tonne	Ktonnes	gm/t	gm/t	%	%	Kozs	Kozs	Mlbs	Mlbs
Proven	15.16/14.55	11,881	1.11	36.3	0.93	1.82	182.3	3,466.0	160.2	326.6
Probable	15.16/14.55	13,034	1.26	44.9	0.83	2.32	217.0	4,735.6	154.6	452.6
Proven+Probable	15.16/14.55	24,915	1.19	40.8	0.88	2.08	399.3	8,201.7	314.8	779.2

Note: Mineral Reserves are shown on a 100% basis, of which Alacer will own 50%. The Mineral Reserves methodology, cut-off grades, and the key assumptions, parameters, and methods used to estimate the Mineral Resources and Mineral Reserves are provided in the appendices to this announcement and the NI 43-101 Technical Report filed simultaneously with this announcement. We are not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates in this announcement to apply and have not materially changed. Rounding differences will occur.

About Alacer

Alacer is a leading intermediate gold mining company, with an 80% interest in the world-class Çöpler Gold Mine in Turkey operated by Anagold Madencilik Sanayi ve Ticaret A.S. (“Anagold”), and the remaining 20% owned by Lidya Madencilik Sanayi ve Ticaret A.S. (“Lidya”). The Corporation’s primary focus is to leverage its cornerstone Çöpler Mine and strong balance sheet to maximize portfolio value, maximize free cash flow, minimize project risk and, therefore, create maximum value for shareholders.

The Çöpler Mine is located in east-central Turkey in the Erzincan Province, approximately 700 miles southeast from Istanbul, Turkey and 340 miles east from Ankara, Turkey’s capital city.

Alacer is actively pursuing initiatives to enhance value beyond the current mine plan:

- Çöpler Oxide Production Optimization – expansion of the existing heap leach pad to 58 million tonnes continues to advance. All required land use permits for the Heap Leach Pad Phase 4 (“HLP4”) expansion have been received. The Corporation continues to evaluate opportunities to optimize and extend oxide production beyond the current reserves, including a new heap leach pad site to the west of the Çöpler Mine.
- Çöpler Sulfide Project – the Sulfide Project will deliver long-term growth with robust financial returns and adds over 20 years of production at Çöpler. The Sulfide Project will bring Çöpler’s remaining life- of-mine gold production to 4 million ounces at All-in Sustaining Costs3 averaging $645 per ounce. The Environmental Impact Assessment and all required land use permits for construction have been approved. Detailed information regarding the Çöpler Sulfide Project can be found in the Technical Report dated June 9, 2016 entitled “Technical Report on the Çöpler Mine and Çöpler Sulfide Expansion Project” (“the Updated Technical Report”) available on SEDAR at www.sedar.com and on the Corporation’s website.
- The Corporation continues to pursue opportunities to further expand its current operating base and to become a sustainable multi-mine producer with a focus on Turkey. The systematic and focused exploration efforts in the Çöpler District, as well as in other regions of Turkey are progressing. Çakmaktepe Southeast, Çakmaktepe East, Çakmaktepe North and Bayramdere are the main focus in the Çöpler District, which are shallow, oxide targets with favorable metallurgy and have the potential to add oxide production within the next two years. In the region, Gediktepe Project has advanced with a maiden resource and reserve released in third quarter 2016 and development options are being evaluated.

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

Cautionary Statements

Except for statements of historical fact relating to Alacer, certain statements contained in this press release constitute forward-looking information, future oriented financial information, or financial outlooks (collectively “forward-looking information”) within the meaning of Canadian securities laws. Forward-looking information may be contained in this document and other public filings of Alacer. Forward-looking information often relates to statements concerning Alacer’s future outlook and anticipated events or results and, in some cases, can be identified by terminology such as “may”, “will”, “could”, “should”, “expect”,

“plan”, “anticipate”, “believe”, “intend”, “estimate”, “projects”, “predict”, “potential”, “continue” or other similar expressions concerning matters that are not historical facts.

Forward-looking information includes statements concerning, among other things, preliminary cost reporting in this document; production, cost and capital expenditure guidance; ability to expand the current heap leach pad, development plans for processing sulfide ore at Çöpler; results of any gold reconciliations; ability to discover additional oxide gold ore, the generation of free cash flow and payment of dividends; matters relating to proposed exploration, communications with local stakeholders and community relations; negotiations of joint ventures, negotiation and completion of transactions; 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, announcements and analysis, the timing of construction and development of proposed mines and process facilities; capital and operating expenditures; ability to draw under the credit facility and satisfy conditions precedent including execution of security and construction documents; economic conditions; availability of sufficient financing; exploration plans; receipt of regulatory approvals and any and all other timing, exploration, development, operational, financial, budgetary, economic, legal, social, geopolitical, regulatory and political matters that may influence or be influenced by future events or conditions.

Such forward-looking information and statements are based on a number of material factors and assumptions, including, but not limited in any manner to, those disclosed in any other of Alacer’s filings, and include the inherent speculative nature of exploration results; the ability to explore; communications with local stakeholders and community and governmental relations; status of negotiations of joint ventures; weather conditions at Alacer’s operations, commodity prices; the ultimate determination of and realization of mineral reserves; existence or realization of mineral resources; the development approach; availability and receipt of required approvals, titles, licenses and permits; sufficient working capital to develop and operate the mines and implement development plans; access to adequate services and supplies; foreign currency exchange rates; interest rates; access to capital markets and associated cost of funds; availability of a qualified work force; ability to negotiate, finalize and execute relevant agreements; lack of social opposition to the mines or facilities; lack of legal challenges with respect to the property of Alacer; the timing and amount of future production and ability to meet production, cost and capital expenditure targets; timing and ability to produce studies and analysis; capital and operating expenditures; economic conditions; availability of sufficient financing; the ultimate ability to mine, process and sell mineral products on economically favorable terms and any and all other timing, exploration, development, operational, financial, budgetary, economic, legal, social, geopolitical, regulatory and political factors that may influence future events or conditions. While we consider these factors and assumptions to be reasonable based on information currently available to us, they may prove to be incorrect.

You should not place undue reliance on forward-looking information and statements. Forward-looking information and statements are only predictions based on our current expectations and our projections about future events. Actual results may vary from such forward-looking information for a variety of reasons including, but not limited to, risks and uncertainties disclosed in Alacer’s filings at www.sedar.com and other unforeseen events or circumstances. Other than as required by law, Alacer does not intend, and undertakes no obligation to update any forward-looking information to reflect, among other things, new information or future events.

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

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Appendix 1

Basis for Production Targets and Forecast Financial Information

The production targets in this announcement are underpinned solely by Probable Reserves and are based on Alacer's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions.

The estimated Mineral Reserves and Mineral Resources underpinning the production targets have been prepared by a competent person or persons in accordance with the requirements of the JORC Code, as specified in the Appendix 2 - JORC Code Table 1.

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

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

Qualified Person Statement

All Mineral Reserves and Mineral Resources referenced in this announcement are estimated in accordance with NI 43-101 standards and the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. While terms associated with various categories of “Mineral Reserve” or “Mineral Resource” are recognized and required by Canadian regulations, they may not have equivalent meanings in other jurisdictions outside Canada and no comparison should be made or inferred. Actual recoveries of mineral products may differ from those estimated in the Mineral Reserves and Mineral Resources due to inherent uncertainties in acceptable estimating techniques. In particular, Inferred Mineral Resources have a great amount of uncertainty as to their existence, economic and legal feasibility. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. Investors are cautioned not to assume that all or any part of the Mineral Resources that are not Mineral Reserves will ever be converted into Mineral Reserves.

The Mineral Resources and Mineral Reserves disclosure in this announcement was estimated and approved by Mr. John Marek, SME Registered Member, President and Senior Mining Engineer of Independent Mining Consultants, Inc..

The information in this announcement which relates to the Mineral Resources estimate and Ore Reserves are based on, and fairly represents, the information and supporting documentation prepared by Mr. Marek and he has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and are Qualified Persons pursuant to NI 43-101.

The scientific and technical information in this announcement is based on information compiled by John M. Marek, PE, who is an independent consultant. Mr. Marek has sufficient experience with respect to the technical and scientific matters set forth above to be a “qualified person” for the purposes of NI-43‐101 in the areas of competency for Geology, Resource Modeling, Engineering and Mine Design.

Mr. Marek consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Summary for the purposes of ASX Listing Rules 5.8 and 5.9

Please also refer to the JORC Code Table 1 contained in Appendix 2 to this announcement for information relating to the estimates of Ore Reserves and Minerals Resources for the Gediktepe Project, and a copy of which can be found on www.sedar.com, the Australian Securities Exchange and on our website www.alacergold.com.

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

Drilling completed through August 5, 2015 was used to generate the geologic model and estimate mineral resources. The mineral resource is based on a combination of Reverse circulation (RC) and diamond core drilling for a total of 487 holes. RC drilling was utilized for 184 holes and the remaining 303 holes were by diamond drilling.

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

The geologic model contains various schist units and ore types used within the resource model to define grade boundaries. The geologic and resource model used both the RC drilling and core holes to model boundaries and estimate metal grade.

Drilling Techniques
Drilling is primarily vertically oriented holes with a limited number of high angle drill holes. Approximately 38% of the drilling was RC with 62% diamond drill core. Drill hole spacing in Gediktepe varies from 25 m to 50 m centres. The central portion of the mineralized body is drilled at 25 m spacing with outer regions drilled to 50 m centres (refer to “Diagrams” in Section 2 of JORC Table 1 showing hole collar map). There was a total of 57,536 m of drilling used in the resource model.

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

Sampling and Sub-sampling
Diamond drill core was sampled as half core at 1 to 2m intervals to geological contacts.

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

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

Drill samples collected in 2013 were sent to the SGS laboratory in Ankara. In 2014 and 2015, samples were prepared and analyzed at ALS İzmir, Turkey. All analyses for gold were undertaken via fire assay. A 33 element assay suite including Ag, Cu, Pb, and Zn was completed for each sample by inductively coupled plasma (ICP).

Mineral Resources

Estimation Methodology
Block grade estimation utilized ordinary linear kriging, respecting domain boundaries defining rock types, grade populations and oxidation surface. Modeling parameters were setup to account for extreme grade values, rotation of the mineralized zones and selected mine equipment capability. Reported Mineral Resources contain no allowances for unplanned dilution, or mining recovery.

Mineral Resources Classification
Mineral Resources were classified based on the number of composites used to estimate a block, the average distance between the block center and all the composites used to estimate the block.

Indicated Mineral Resources required blocks to be estimated with four or more composites and having an average distance to the closest composite less than 75 meters. A block was also indicated if the block was within the sulfide mineralized unit with three composites used during the estimation and less than 75 meters to the closest composite. Measured blocks required gold grade estimation using the maximum number of composites and the average distance to the closet composite of 35 meters or less.

Reasonable Prospects of Eventual Economic Extraction
To meet the reasonable prospects of eventual economic extraction criteria for reporting resources, Mineral Resources are tabulated within a floating cone algorithm using a gold price of $1,200/oz, $18/oz for silver,
$3.00/lb copper and $1.20/lb for zinc. Process recoveries and concentrate quality are based on metallurgical testing and judgement regarding the performance of a full scale plant. The metallurgical recoveries used for the floating cone inputs are shown in the table below and vary by grade, process, and concentrate.

Process Recoveries for Floating Cone Input	
Oxide Ore	
Gold: 65.921% *(Au grade g/t)^.2314 (87.5% max)	
Silver: 45%	
Sulfide Ore	
Metal Recovery to Copper Concentrate:	*Metal Recovery to Zinc Concentrate:*
Copper: 66%	Zinc: 84%
Gold: 32%	Gold: 0%
Silver: 17%	Silver: 17%

Cut-offs vary by processing method. The oxide cutoff grades were based on the income net of refining of $11.70/tonne combining the values of gold and silver. Sulfide cutoff grades for the resource were based on a net smelter return (NSR) of $15.67/t combining the benefits of gold, silver, copper, and zinc.

Processing costs used were $6.92/t in oxide and $10.89/t for sulfide; a G&A cost of $4.78/t of ore processed was also applied. A mining cost of $1.47/t was used as input to the floating cone algorithm. Mineral Resources are reported inclusive of Ore Reserves.

Ore Reserves

Material Assumptions for Ore Reserves
The Ore Reserves were estimated as part of a PFS with all material assumptions being documented in this release and in the JORC Code Table 1 contained in Appendix 2 of this announcement. All operating and capital costs as well as revenue streams were included in the PFS financial model. The PFS finds that the recovery of metals is technically and financially feasible, generating positive returns on plant and infrastructure investments.

Ore Reserves Classification
Ore Reserves are estimated on the basis of detailed design and scheduling of the Gediktepe open pit. The pit boundaries were guided by the results of multiple applications of the floating cone algorithm. The pit shell is estimated using metal values of $1,000/oz for Au, $2.50/lb for Cu, $15.00/oz for Ag, and $1.00/lb for Zn. These metal values were then varied by revenue factors ranging from 0.4 to 1.4 in order to find the preferred pit size and geometry to use as a basis for detailed design.

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

Mining Method
The Gediktepe deposit will be mined by conventional open pit hard rock mining methods. Polimetal currently plans to utilize a contract mining company to move the ore and waste from the mine.

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

Cut-off Grade
The cutoff grade for material sent to the crusher is $15.16/tonne Net of Smelter for oxides and $14.55/tonne Net of Smelter for sulfides. These are “internal” cutoff grades because they correspond to the sum of the processing and G&A costs. The estimate of processing + G&A costs for oxides was $15.16/tonne and the estimate of processing + G&A costs for sulfides was $14.55/tonne.

Estimation Methodology
Mining dilution was accounted for in the block estimation process and no additional factor was added or applied to the block model.

Oxide gold recoveries have been calculated by an equation dependent on head grade. The maximum recovery for gold is 87.5%. Oxide silver recovery is estimated at 45%. Sulfide recoveries are dependent on the process stream entering either the zinc or copper concentrate. Sulfide gold recovery is estimated at 15.7% in the zinc concentrate and 17.2% in the copper concentrate. Sulfide silver recovery is estimated at 21.5% in the zinc concentrate and 12.3% in the copper concentrate. Sulfide zinc recovery is estimated at 81.5% in the zinc concentrate. Sulfide copper recovery is estimated at 69.2% in the copper concentrate.

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

The project will require the development of a number of infrastructure items in order to operate. The current approach to the project is a combination of oxide heap leaching followed by sulfide flotation. Therefore, both heap leach facilities and tailing storage facilities will be required.

Most of the project area falls into forest land and will need forestry permits from the General Directorate of Forestry and Prime Ministry. The project as shown in the PFS will require a total 379.2 hectares of forest permit area over the life of the mining operation.

Appendix 2 - JORC Code Table 1

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

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation

	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard meas appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instrume examples should not be taken as limiting the broad meaning of sampling.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any m or systems used.
Sampling techniques	
	Aspects of the determination of mineralization that are Material to the Public Report.
	In cases where ‘industry standard’ work has been done this would be relatively simple (eg &lsqu circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge f assay’). In other cases more explanation may be required, such as where there is coarse gold that has problems. Unusual commodities or mineralization types (eg submarine nodules) may warrant disclosure of de
Criteria	JORC Code explanation
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and deta diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type,*
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*
	Measures taken to maximize sample recovery and ensure representative nature of the samples.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurr preferential loss/gain of fine/coarse material.

Criteria	JORC Code explanation
Logging	*Whether core and chip samples have been geologically and geotechnically logge* *Mineral Resource estimation, mining studies and metallurgical studies.*
	Whether logging is qualitative or quantitative in nature. Core (or costean, channe
	The total length and percentage of the relevant intersections logged. *If core, whether cut or sawn and whether quarter, half or all core taken.*
Sub-sampling techniques and sample preparation	*If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled w*

Criteria	JORC Code explanation
	For all sample types, the nature, quality and appropriateness of the sample preparation te
	Quality control procedures adopted for all sub-sampling stages to maximise representivity
	Measures taken to ensure that the sampling is representative of the in situ material collec *field duplicate/second-half sampling.*
	Whether sample sizes are appropriate to the grain size of the material *being sampled.*
	The nature, quality and appropriateness of the assaying and laboratory procedures used *considered partial or total.*
Quality of assay data and laboratory tests	
	For geophysical tools, spectrometers, handheld XRF instruments, etc, *the parameters used in determining the analysis including instrument make and model, re* *applied and their derivation, etc.*
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external l acceptable levels of accuracy (ie lack of bias) and precision have been established.

Criteria	JORC Code explanation

	The verification of significant intersections by either independent or alternative company pers
Verification of sampling and assaying	*The use of twinned holes.*
	Documentation of primary data, data entry procedures, data verification, data storage (physic
	Discuss any adjustment to assay data.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), tren locations used Mineral Resource estimation.*

Criteria	JORC Code explanation
	Specification of the grid system used.
	Quality and adequacy of topographic control.
	Data spacing for reporting of Exploration Results.
Data spacing and distribution	*W*hether the data spacing and distribution is sufficient to establish the · *degree the Mineral Resource and Ore Reserve estimation procedure(s) and classificat*
	Whether sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible st considering the deposit type.*
	If the relationship between the drilling orientation and the orientation of key min introduced a sampling bias, this should be assessed and reported if material.
Sample security	*The measures taken to ensure sample security.*
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material is ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness settings.*
	The security of the tenure held at the time of reporting along with any known impediments the area.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*

Geology	*Deposit type, geological setting and style of mineralization.*
Drill hole Information	*A summary of all information material to the understanding of the exploration results includ information for all Material drill holes:* *-- easting and northing of the drill hole collar* *-- elevation or RL (Reduced Level -- elevation above sea level in metres) of the drill hole c* *-- dip and azimuth of the hole* *-- down hole length and interception depth* *-- hole length.* *If the exclusion of this information is justified on the basis that the information is not Materi from the understanding of the report, the Competent Person should clearly explain why thi*

Criteria	JORC Code explanation
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum g high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths procedure used for such aggregation should be stated and some typical examples of such agg detail.*
Relationship between mineralization intercept lengths	*The assumptions used for any reporting of metal equivalent values should be clearly stated.* *These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralization with respect to the drill hole angle is known, its nature sho* *If it is not known and only the down hole lengths are reported, there should be a clear stateme hole length, true width not known’).*
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included f reported. These should include, but not be limited to a plan view of drill hole collar locations an*

Criteria	JORC Code explanation
http://www.globenewswire.com/NewsRoom/AttachmentNg/82e326af-55d2-4004-8bf9-f214e17396dc	
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative repo grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*
Other substantive *exploration data*	*Other exploration data, if meaningful and material, should be reported i*ncluding (but not limited t geophysical survey *results; geochemical survey results; bulk samples – size and method results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions* *Diagrams clearly highlighting the areas of possible extensions, including the main geological inte areas, provided this information is not commercially sensitive.*

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation
Database integrity	** Measures taken to ensure that data has not been corrupted by, for example, transcription or keying error collection and its use for Mineral Resource estimation purposes.* ** Data validation procedures used.*
Site visits	** Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* ** If no site visits have been undertaken indicate why this is the case.*
Geological interpretation	** Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* ** Nature of the data used and of any assumptions made.* ** The effect, if any, of alternative interpretations on Mineral Resource estimation.* ** The use of geology in guiding and controlling Mineral Resource estimation.* ** The factors affecting continuity both of grade and geology.*
Dimensions	** The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan v* *surface to the upper and lower limits of the Mineral Resource.*

Criteria	JORC Code explanation
Estimation and modelling techniques	** The nature and appropriateness of the estimation technique(s) applied and key assumptions grade values, domaining, interpolation parameters and maximum distance of extrapolation fro assisted estimation method was chosen include a description of computer software and paran* ** The availability of check estimates, previous estimates and/or mine production records and w estimate takes appropriate account of such data.* ** The assumptions made regarding recovery of by-products.* ** Estimation of deleterious elements or other non-grade variables of economic significance (eg characterisation).* ** In the case of block model interpolation, the block size in relation to the average sample spa* ** Any assumptions behind modelling of selective mining units.* ** Any assumptions about correlation between variables.* ** Description of how the geological interpretation was used to control the resource estimates.* ** Discussion of basis for using or not using grade cutting or capping.* ** The process of validation, the checking process used, the comparison of model data to drill h data if available.*
Moisture	** W*hether the tonnages are estimated on a dry basis or with natural moisture, and the method content.

Cut-off parameters	** The basis of the adopted cut-off grade(s) or quality parameters applied.*

Criteria	JORC Code explanation
Mining factors or assumptions	** Assumptions made regarding possible mining methods, minimum mining dimensions and in mining dilution. It is always necessary as part of the process of determining reasonable prosp extraction to consider potential mining methods, but the assumptions made regarding mining estimating Mineral Resources may not always be rigorous. Where this is the c*ase, this shoul the basis of the mining assumptions made.
Metallurgical factors or assumptions	** The basis for assumptions or predictions regarding metallurgical amenability. It is always ne determining reasonable prospects for eventual economic extraction to consider potential met assumptions regarding metallurgical treatment processes and parameters made when report always be rigorous. W*here this is the case, this should be reported with an explanation of the assumptions made.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is alwa process of determining reasonable prospects for eventual economic extraction to consider th of the mining and processing operation. While at this stage the determination of potential env a greenfields project, may not always be well advanced, the status of early consideration of t impacts should be reported. Where these aspects have not been considered this s*hould be r environmental assumptions made.

Criteria	JORC Code explanation
	** Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, wh dry, the frequency of the measurements, the nature, size and representativeness of the samples.*
Bulk density	** The bulk density for bulk material must have been measured by etc), moisture and differences between rock and zones*
	** Discuss assumptions for bulk density estimates used in the* evaluation process of the different materials.

	** The basis for the classification of the Mineral Resources into varying confidence categories.*
Classification	** Whether appropriate account has been taken of all relevant factors input data, confidence in continuity of geolog values,*
	** Whether the result appropriately reflects the Competent Person’s view of the deposit.*
Audits or reviews	** The results of any audits or reviews of Mineral Resource estimates.*

Criteria	JORC Code explanation
Discussion of relative accuracy/ confidence	** Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resou approach or procedure deemed appropriate by the Competent Person. For example, the applicatio geostatistical procedures to quantify the relative accuracy of the resource within stated confidence is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accu estimate.*
	** The statement should specify whether it relates to global or local estimates, and, if local, state the should be relevant to technical and economic evaluation. Documentation should include assumptio used.*
	** These statements of relative accuracy and confidence of the estimate should be compared with p available.*

Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation
Mineral Resource estimate for conversion to Ore Reserves	** Description of the Mineral Resource estimate used as a basis for the conversio*
	** Clear statement as to whether the Mineral Resources are reported additional t*
Site visits	** Comment on any site visits undertaken by the Competent Person and the outc*
	** If no site visits have been undertaken indicate why this is the case.*
Study status	** The type and level of study undertaken to enable Mineral Resources to be con*
	** The Code requires that a study to at least Pre-Feasibility Study level has been Ore Reserves. Such studies will have been carried out and will have determined economically viable, and that material Modifying Factors have been considered.*
Cut-off parameters	** The basis of the cut-off grade(s) or quality parameters applied.*

Criteria	JORC Code explanation

Mining factors or assumptions	** The method and assumptions used as reported in the Pre- Feasibility or Feasibility Study to convert the Mi an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed* ** The choice, nature and appropriateness of the selected mining method(s) and other mining parameters inc design issues such as pre-strip, access, etc.* ** The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control drilling.* ** The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropri* ** The mining dilution factors used.* ** The mining recovery factors used.* ** Any minimum mining widths used.* ** The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the ou inclusion.* ** The infrastructure requirements of the selected mining methods.*
Metallurgical factors or assumptions	** The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* ** Whether the metallurgical process is well-tested technology or novel in nature.* ** The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallu applied and the corresponding metallurgical recovery factors applied.* ** Any assumptions or allowances made for deleterious elements.* ** The existence of any bulk sample or pilot scale test work and the degree to which such samples are consid of the orebody as a whole.* ** For minerals that are defined by a specification, has the ore reserve estimation been based on the appropr meet the specifications?*

Criteria	JORC Code explanation
Environmental	** The status of studies of potential environmental impacts of the mining and processing operation. Details of waste r haracterisation and the consideration of potential sites, status of design options considered and, where applicable, th approvals for process residue storage and waste dumps should be reported.*
Infrastructure	** The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accesse*

	* *The derivation of, or assumptions made, regarding projected capital costs in the study.*	
	* *Allowances made for the content of deleterious elements.*	
Costs	* *The source of exchange rates used in the study.*	
	* *Derivation of transportation charges.*	
	* *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc*	

Criteria	JORC Code explanation	Co
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Revenue factors	* The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter	* M
	* The derivation of assumptions made of metal or commodity	Th
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Criteria	JORC Code explanation
	* The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect s and demand into the future.
Market assessment	*A customer and competitor analysis along with the identification of likely market windows for the product.
	* Price and volume forecasts and the basis for these forecasts.
	* For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.
Economic	* The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence o economic inputs including estimated inflation, discount rate, etc. assumptions and inputs.

Criteria	JORC Code explanation

Social	** The status of agreements with key stakeholders and matters leading to social license to operate.*
	** To the extent relevant, the impact of the following on the project and/or on the estimation and classification of th Reserves:*
	** Any identified material naturally occurring risks.*
Other	** The status of material legal agreements and marketing arrangements.*
	** The status of governmental agreements and approvals critical to the viability of the project, such as mineral tene and government and statutory approvals. There must be reasonable grounds to expect that all necessary Govern approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight ar materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contin*
	** The basis for the classification of the Ore Reserves into varying confidence categories.*
Classification	** Whether the result appropriately reflects the Competent Person’s view of the deposit.*
	** The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*
*A*udits or reviews	** The results of any audits or reviews of Ore Reserve estimates.*
	** Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostat procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the*
Discussion of relative accuracy/ confidence	** The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonn should be relevant to technical and economic evaluation. Documentation should include assumptions made and used.*
	** Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors th material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current stud*
	** It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative a confidence of the estimate should be compared with production data, where available.*