



ALAMOS GOLD INC.



INVESTING IN OUR

FUTURE

2018

SUSTAINABILITY
REPORT





At a Glance	2
About this Report	4
Message from the President and CEO	6
Our Values	8
Committed to Sustainability	10
Alamos Properties	18
Our People	22
Workplace Health and Safety	30
Community and Stakeholder Engagement	40
Environmental Responsibility	54
Governance	70
GRI Index	76
Corporate Information	83

Visible gold underground at the Island Gold mine, Canada



Alamos Gold Inc. (“Alamos” or the “Company”) is a Canada-based intermediate gold producer with diversified North American production from the Young-Davidson and the Island Gold mines in northern Ontario, Canada and the Mulatos and El Chanate mines in Sonora State, Mexico. In addition, Alamos has a significant portfolio of development stage projects in Canada, Mexico, Turkey, and the United States.

We have an established track record of strong financial performance, low-cost production, and are committed to the highest standards of sustainable development and ethical business practices.

2018 At a Glance

PEOPLE

1,652

Alamos employees
in Canada, Mexico,
Turkey, and the USA
(not including contractors)

RECORD PRODUCTION

505,000

ounces of gold
18% above 2017

LOW AISC

\$989/oz

all-in sustaining
costs in line
with guidance

2003

Alamos Gold is formed through
the merger of National Gold
and Alamos Minerals

2005

Production begins
at the Mulatos mine

2010

Acquires Ağı Dağı, Kirazlı
and Çamyurt development
properties in Turkey

2017

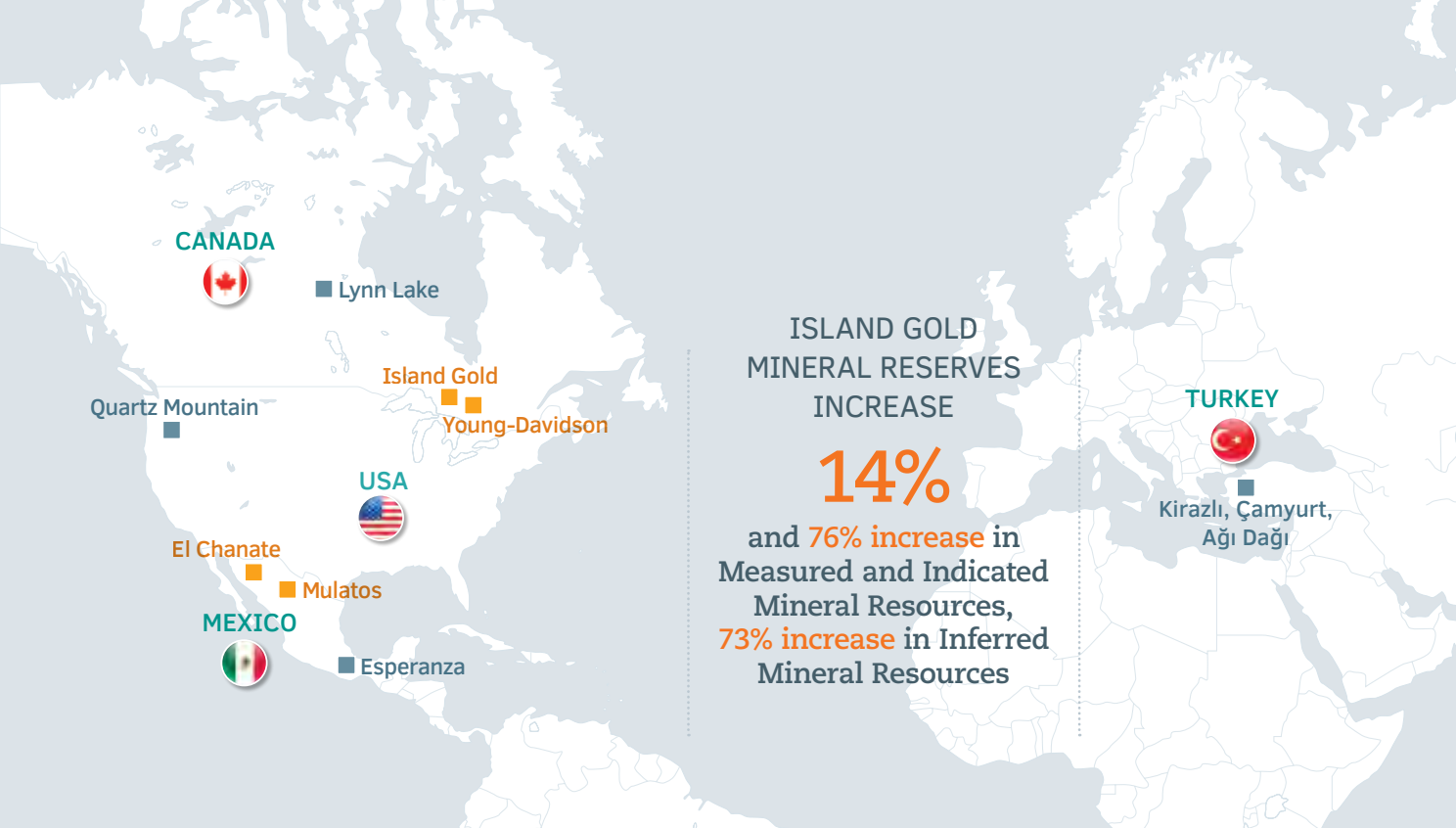
Acquires Richmont mines
and its key property,
Island Gold, a long-life,
high-grade underground
mine in Ontario, Canada

2018

Receives the GSM (Business
Opening and Operation)
permit required for
developing the Kirazlı Project

2018

Mining activities cease at
El Chanate and the operation
transitions to residual leaching



ISLAND GOLD
MINERAL RESERVES
INCREASE

14%

and **76% increase** in
Measured and Indicated
Mineral Resources,
73% increase in Inferred
Mineral Resources

2013

Acquires Quartz Mountain
(Oregon, USA) and
Esperanza (Morelos, Mexico)
development properties

2015

Merges with AuRico Gold Inc.,
gaining the Young-Davidson
mine (Ontario, Canada) and
the El Chanate mine (Sonora,
Mexico) and development
properties in Canada

2016


Acquires Carlisle Goldfields
Limited, Canada

2019

Receives the Operating
Permit for the Kirazlı Project



About this Report



Alamos is proud to present its fifth annual Sustainability Report, covering the period from January 1 through December 31, 2018. This report discusses our achievements at our four operating mines. Data from our exploration and development projects including projects in Turkey, Mexico, and the USA are only included when appropriate. We do not report on the environmental and broader sustainability aspects of our Canadian head office or our regional offices.

This report is based on data collected in 2018 and does not re-state information provided in earlier reports. Compared to previous reports, some reporting categories have been modified to follow the revised GRI Sustainability Reporting Standards, but there are no significant changes in scope, boundary, or measurement methods.

For any questions regarding this report or its contents please contact us at info@alamosgold.com.



Our Stakeholders

This report is written for our key stakeholders: employees, investors, lenders, business partners, host governments and the communities in which we operate. The identification of key stakeholders is an ongoing process, and we strive to maintain open and constructive dialogue with each of our stakeholder groups.

Alamos senior and site management meet frequently with stakeholders. We value their input and apply it to the development and refinement of our sustainability practices.

Employees and contractors are encouraged to engage with and provide feedback to mine management and our Toronto head office regarding our sustainability practices and performance. In addition to existing reporting systems in place between our sites and head office, we maintain an anonymous reporting system, which is available for any employee, contractor or supplier with concerns regarding unethical conduct, corruption, or non-compliance with laws or policies.

Stakeholders or the general public can contact the Directors or Executive Officers regarding our sustainability performance through the Alamos head office, at the Annual General Meeting, or by e-mail at info@alamosgold.com.

Message from the President and CEO

2018 was a year of mixed milestones. We experienced the strongest year in company history: the highest production, highest revenues, and strongest cash flow – all at the lowest production costs per ounce of gold.

However, as we approached year end, we were deeply saddened to experience a fatal accident that took the lives of two employees following an unexpected slope failure in the Mulatos open pit. Mining at Mulatos was put on hold for an investigation as we reviewed and ultimately revised many of our guidelines and training, and offered support and counselling to those affected.

On behalf of everyone at Alamos, I extend my sympathy to the families, friends and colleagues of those we lost and those who were injured. We are committed to reversing these trends, and to reinforce the message of the *Home Safe Every Day* safety leadership program. *Home Safe Every Day* has made a real difference where it has been established; we have been strengthening its message at our Mexican and Canadian operations, and are preparing to introduce it in Turkey.

This Sustainability Report is a scorecard of sorts, reporting on our performance in 2018 and setting out our expectations for the future. For our stakeholders, the year's production metrics are important: we produced 505,000 ounces of gold, 18% more than 2017. Our revenues of \$651.8 million, and our cash flow from operations of \$213.9 million were both company records. Our AISC (all-in sustaining costs) of \$989 per ounce were below 2017. With an average annualized Total Shareholder Return (TSR) of 10%, we are a leader in delivering shareholder value among our peers, and expect this to continue: a predicted steady decline

in AISC from 2019 through 2021 should lead to improved margins and a strong future for Alamos shareholders.

In 2018, we made progress in our sustainability initiatives. After an extensive review of our Corporate Values, we revised them to reflect the company we are today. The Values (on page 9) underlie what we do as an organization. These values support our Sustainability Policy, which we have revised and updated this year. The new Policy and Values ensure that sustainability is factored into every business decision. We are also working with each site to develop Sustainability Standards that are aligned with the new Policy framework, and these will guide local actions with respect to community relationships, environment policies, health and safety, and security standards.

This year we have seen an increase in industry-wide concern over mine tailings. At Alamos, we have reviewed our standards for inspection and maintenance of tailings facilities and increased our level of disclosure. On our website alamosgold.com you can now find a page dedicated to tailings management, which I invite you to visit for comprehensive information on each site's management technologies and status.

In 2018, El Chanate mine ceased active mining and the operation is now dedicated to residual leaching and preparing for closure. I am pleased to report that their safety statistics did not decline: 2018 was their fourth consecutive year without a single lost-time incident (LTI). Both El Chanate and Mulatos were again named *Socially Responsible Mining Companies* by CEMEFI, the Mexican Center for Philanthropy, an award that both mines have earned for many consecutive years.



The Mulatos mine approached the milestone of two million ounces of gold produced (which they surpassed in early 2019). Mine expansion there resulted in the relocation of one local village from Mulatos to Matarachi, which was a multi-year project that we undertook with extensive consultation and collaboration with the communities involved. In 2018 we completed construction of the new village's elementary school, kindergarten, sports fields and much of the new housing. In October 2018, I was honoured to attend the opening ceremonies for the school. New families have already begun to move in, and construction continues on roads and streets, as well as the new community centre. CEMEFI awarded us *Best Corporate Social Responsibility Practice 2019* in the category of *Connecting with the Community*, thanks largely to our successful voluntary relocation of residents.

Throughout 2018 our exploration teams were successful in adding resources and converting resources into reserves. Island Gold mine is especially worthy of comment, where exploration

that began in 2018 delivered positive results. In early 2019, they confirmed continued high-grade mineralization close to our underground operation, which potentially extends the mine's life, and in turn will benefit all our stakeholders, including our workers and the local communities.

In closing, I want to express my gratitude to everyone, at every Alamos mine, development project and office, and of course the Board of Directors. We enjoy peer-leading growth prospects, with six low-cost projects in our development pipeline. I believe that continued exploration success can potentially lead us to 700,000-ounce-a-year production for ten years or more. I also believe that we can achieve that goal with unflinching attention to safety, so every worker can be confident that they will return *Home Safe Every Day*.

John A. McCluskey
President and CEO



*Thrive
with us*

OUR VALUES

We are a family. Alamos is an entrepreneurial company and that spirit is seen every day in our energetic and dynamic get-it-done ethos. We are a community of people who are passionate about our work. We are open and honest with each other.

We take care of each other and we all thrive on teamwork. We look out for our own safety and are passionate about the safety of our teammates. We take great pride in our work. We see ourselves as forward looking, agile and highly adaptable in problem solving.

Our core values drive our conduct and expectations for employees, contractors and suppliers in every country and community in which we operate. They reinforce and underscore our Company culture and help conceptualize our goal to create a lasting legacy that provides a net benefit.

In 2018 Alamos undertook an exercise to review and clarify the Company's corporate values. Through employee engagement and interviews it had become apparent that not all of our employees could recall the Alamos values. In turn we simplified and clarified our values. "Thrive with us" is supported by five core values, which we hold as equal.



Safety

Our first job is to make sure that our employees come Home Safe Every Day.



Teamwork

We are sustained by teamwork. Our Company and our people thrive on it.



Environmental Sustainability

We consider the natural environment, where we conduct our activities, with the highest regard.



Integrity

We are here to do right by the people and places that we touch with our work.



Commitment

We are passionately committed to the well being of our Company, people, our stakeholders and the places where we mine.

Committed to Sustainability

Since our inception, we have embraced the principles of sustainable development in all aspects of business, in each of the jurisdictions in which we conduct activities. The guiding principle of sustainable development is to *meet the needs of the present without compromising the ability of future generations to meet their own needs.**



Our Commitments

Exercise vigilance in all phases of the mining process so as to protect life, health and the environment, and seek ways to minimize our environmental footprint. We will meet, and where possible exceed, regulatory requirements in our environmental performance.

Design, construct, operate and close facilities in ways that are based on the efficient and economic use of energy and materials and the protection of the environment, and that comply with applicable laws and international guidelines. Reclamation and remediation objectives will be factored into decision-making through all phases of the mine life cycle.

Provide the necessary training, equipment and systems to our employees and contractors in order to facilitate their commitment and accountability to the Alamos Sustainability Policy, and enhance their capabilities in its implementation, including through the use of integrated systems to manage environmental and sustainability risks.

* World Commission on Environment and Development. *Our Common Future*. Oxford University Press, 1987

When commercially viable, use the best available technologies to continuously improve the safe, efficient use of resources, processes and materials.

Define strategies for facilitating meaningful engagement with host communities in a spirit of honesty, accountability, integrity and legality.

Work to understand the priorities and cultures of the communities in which we conduct our operations, so as to effectively support appropriate community development programs that provide long-lasting benefits beyond the life of our mines.

Seek to maximize employment, business and economic opportunities for local communities from our existing operations and new projects. Emphasize employment opportunities for the local workforce by the provision of education and training consistent with the needs of the Company. Purchase from local communities where quality and technical factors permit.

Conduct all of our activities in accordance with accepted standards in the protection and promotion of human rights, respecting the culture, customs and values of our host communities.

Conduct periodic monitoring and audits to ensure compliance with the Alamos Sustainability Policy, as well as all relevant legislation, guidelines and standards, and to produce an annual report.

Regularly prepare, review and update site-specific environmental and sustainability plans including consultation with local communities and regulators, specifically including an assessment of potential risks.

We continually refine these sustainability objectives based on industry best practices, stakeholder feedback, and relevant laws and policies of government and NGO research.

Through fair and equal opportunity employment practices, Alamos' employees and their families have the tools and resources to give their children a prosperous future.



Alamos employee at the Mulatos mine, Mexico

Responsible Gold Mining Principles

As a member of the World Gold Council, Alamos is a proud supporter of the newly released *Responsible Gold Mining Principles*. The ten Principles provide a framework that sets clear expectations for consumers, investors and the downstream gold supply chain as to what constitutes responsible gold mining, addressing key environmental, social and governance issues for the gold mining sector. They're designed to provide confidence to governments, investors, employees and contractors, communities, supply chain partners and civil society that gold has been produced responsibly.

Following the release of the Principles in September 2019, Alamos shall implement and align to the framework, and obtain external assurance to provide further confidence that the gold we produce is responsibly mined.



Former truck tires used as buffers for haul-truck parking at the Mulatos mine, Mexico



The Alamos Sustainability Framework

The Alamos Sustainability Framework consolidates our various sustainability-related policies and practices into a single, principled, comprehensive sustainability framework. There are four areas of focus: People, Community and Stakeholder Engagement, Environment, and Values and Governance. The framework was developed by our Technical and Sustainability Committee who are responsible for monitoring our overall sustainability performance. At each site these policies are overseen by site management.

The Alamos Sustainability Management Framework – which guides the management of our initiatives – was developed to be practical and adaptable. Through 2018 and into 2019, we will continue to advance the management framework, which will ultimately apply across all aspects of our business.

GRI Declaration

This report has been prepared in accordance with the Global Reporting Initiative's (GRI) Sustainability Reporting Standards "Core" requirements. The GRI is an independent institution that has developed voluntary guidelines for sustainability reporting. We believe that the GRI Standards help us to maintain a high standard of transparency, clarity and comparability, and that applying the GRI Standards demonstrates our commitment to transparent reporting, especially in those categories that are most important to our stakeholders. Under the GRI Standards, companies must focus their reporting on topics that reflect the Company's significant economic, environmental and social impacts, or matters that could substantively influence the assessments and decisions of our stakeholders. More information on the framework can be found at www.globalreporting.org. A GRI "Core" Content Index can be found at the back of this report.

Bargaining and Freedom of Association

All Alamos workers enjoy the right to freedom of association as provided by applicable labour law. At our Mexican operations, more than half of our employees are covered by collective bargaining agreements. We do not believe that the right to exercise freedom of association and collective bargaining is at risk at any Alamos location.

Compliance with Laws and Regulations

In 2018, there were no legal actions taken against the Company for anti-competitive behaviour, anti-trust, and monopoly practices, and no form of

non-monetary sanction was taken against any of our mines. With the exception of two fines for minor incidents at Young-Davidson and Island Gold (see page 56), there were no significant fines or non-monetary sanctions levied against Alamos for non-compliance with laws and regulations during 2018.

Anonymous Reporting

Our Code of Business Conduct and Ethics incorporates leading ethical practices including an anonymous reporting system that includes provisions allowing any Director, officer, employee or consultant to communicate a concern or complaint confidentially and anonymously, with the expectation of a timely response and the



Leaching circuit at the Mulatos mine, Mexico



We work to ensure that through fair and equal opportunity employment practices, our employees and their families have the tools and resources to give their children a prosperous future.

TABLE 1 | PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

Mulatos	El Chanate	Young-Davidson	Island Gold
58%	55%	0%	0%

assurance that there will be no retribution or negative consequences. Concerns and complaints, or suggestions for process improvements, can be reported securely and anonymously by phone or website using the independently-hosted NAVEX Global EthicsPoint platform. All employees have been informed of the system, and the channels for communicating concerns are visibly posted at all operations and offices and on our website.

Human Rights

Alamos respects internationally proclaimed human rights and conducts all of our activities in accordance with accepted standards in the protection and promotion of human rights. Alamos has adopted the World Gold Council's *Conflict-Free Gold Standard*, and publishes a report to summarize our conformance to the requirements of this Standard. All employees and contractors working on our sites are provided with and required to

adhere to the Alamos Code of Business Conduct and Ethics. Human rights-related grievances and complaints may be filed in any of the languages we operate in through the NAVEX whistleblower hotline (via telephone or electronically), reported directly to a supervisor or to a member of the Human Resources or Legal Team in person or by telephone/email.

In 2018, 23 complaints and grievances were filed via the whistleblower hotline:

- › 14 hotline reports were determined to have no basis for review
- › 9 reports were deemed worthy of further investigation:
 - 1 report alleged the falsification of information
 - 1 was an alleged human-rights related grievance



Equipment maintenance at the Mulatos mine, Mexico

- 2 reports alleged conflict of interest issues
- 2 reports alleged theft
- 3 reports complained of employee treatment

All the investigations have been completed and closed.

At Young-Davidson, all security employees have completed violence and harassment training. At our other sites we work with reputable independent contractors to provide security services, and are currently implementing a new Security Standard as part of our corporate governance procedures to further ensure the safety and security of our operations and local communities.

Workplace Diversity, Non-Discrimination and Equity

At Alamos, we do not discriminate on the basis of race, religion, ethnicity, national origin, colour, gender, age, sexual orientation, citizenship, veteran status, marital status or disability or any other grounds prohibited by law. Harassment, including

sexual, physical and verbal, is prohibited. We do not allow forced or compulsory labour, and no operation or supplier was assessed to present a significant risk for potential incidents of compulsory labour.

In 2018, two incidents of harassment were reported. At Mulatos, an employee filed a complaint concerning harassment, and at Island Gold, a contractor filed a harassment complaint. Both incidents were internally reviewed, investigated, remediation plans put in place and closed according to our policy.

There were zero incidents concerning the violation of Indigenous peoples' rights reported in 2018, zero incidents of child labour reported in 2018, nor were any operations considered to have significant risk for incidents of child labour. Alamos condemns all use of child labour and will not knowingly employ a person nor retain a contractor who employs a person who is under the legal age of employment. We work to ensure that through fair and equal opportunity employment practices, our employees and their families have the tools and resources to give their children a prosperous future.



Awards and Achievements

Health and Safety Awards

- › For the third year in a row, El Chanate received the **Safe Company Award** from the Mexican Labor Secretary in recognition of the site's safety and health management programs.
- › At the 2019 Ontario Mine Rescue Competition, **Island Gold's Steve Pinel came third in the Technician category**. Mine Rescue competitions assess rescue teams' mining emergency response knowledge, firefighting skills, first aid response, use of emergency equipment and decision-making ability under stress during a simulated emergency.

CSR Awards

- › Both the **Mulatos and El Chanate mines continue to be recognized as Socially Responsible Mining Companies by CEMEFI**, the Mexican Center for Philanthropy and the Alliance for Corporate Responsibility. This marks the eleventh consecutive year that Alamos has been recognized with this award.
- › For the second time, the **El Chanate mine received the Mexico Without Child Labor (MEXSTI) award** from the Mexican Secretary of Labor and Social Prevention. This recognizes the mine's diligence and contributions in the prevention and eradication of child labour.
- › **El Chanate was also recognized by the International Forum of Mining Education and Training** for the site's ongoing commitment to safety education and training.

Alamos Properties

OPERATING MINES

Young-Davidson Mine

Ontario, Canada

100% Ownership,
acquired in 2015



Location

Northern Ontario, Canada, 60 km west of Kirkland Lake

Description

Underground gold mine

Production

2018: 180,000 ounces of gold at AISC of \$1,017/ounce

2019: 180,000 to 190,000 ounces of gold at AISC of \$940-980/ounce

Island Gold Mine

Ontario, Canada

100% Ownership,
acquired in 2017



Location

Northern Ontario, Canada, 83 km northeast of Wawa, Ontario

Description

Underground gold mine

Production

2018: 105,800 ounces of gold at AISC of \$781/ounce

2019: 135,000 to 145,000 ounces of gold at AISC of \$730-770/ounce

Mulatos Mine
Sonora, Mexico

100% Ownership,
acquired in 2003



Location

Sonora, Mexico, in the Sierra Madre occidental mountain range

Description

Open-pit, heap-leach gold mine

Production

2018: 175,500 ounces of gold at
AISC of \$855/ounce

2019: 150,000 to 160,000 ounces of gold at AISC
of \$860-900/ounce

PROCESSING MINED ORE

El Chanate Mine
Sonora, Mexico

100% Ownership,
acquired in 2015



Location

Northwest of Sonora, Mexico, 280 km northwest of Hermosillo (170 km southwest of Tucson, Arizona)

Description

Former open-pit gold mine

Production

2018: 43,700 ounces at
AISC of \$1,317/ounce

2019: 15,000 to 25,000 ounces of gold at
AISC of \$1,200

Notes

Mining ceased in 2018. The plant continues to process mined ore. Mine closure activities are underway.

Alamos Properties

DEVELOPMENT PROPERTIES

Kirazlı, Ađı Dađı, amyurt
anakkale Province, Turkey

100% Ownership,
acquired in 2010



Location

anakkale Province, Turkey

Description

Feasibility studies for Ađı Dađı and Kirazlı estimate average annual production of 177,600 ounces of gold at an AISC of \$411 (Ađı Dađı) and 104,000 ounces of gold and 617,000 ounces of silver at an AISC of \$373 (Kirazlı) over a six-and five-year mine life respectively.

Notes

Environmental Impact Assessments for the Kirazlı and Ađı Dađı projects have received approval from the Turkish Ministry of Environment and Urbanization. In March 2019, Kirazlı received its Operating Permit from the Turkish Department of Energy and Natural Resources.

Kirazlı Gold Project

For more information on the Kirazlı Gold Project, including independent environmental impact and economic contribution assessments, and a fact sheet, please visit www.alamosgold.com/mines-and-projects/development-projects/kirazli-turkey

Lynn Lake
Manitoba, Canada

100% Ownership,
acquired in 2016



Location

Manitoba, Canada

Description

One of the highest grade open pit gold deposits in Canada with infrastructure in place.

Notes

Currently in the advanced engineering and permitting phase.

Esperanza

Morelos, Mexico

100% Ownership,
acquired in 2013



Location

Morelos, Mexico

Description

The project has an expected six-year mine life with average production of approximately 103,000 ounces of gold per year.

Notes

In the permitting phase. Baseline is being compiled for the planned resubmission of the project's Environmental Impact Assessment (EIA).

Quartz Mountain

Oregon, USA

100% Ownership,
acquired in 2013



Location

Oregon, USA

Description

Advanced stage exploration project.

Our People

As Alamos has grown into a multi-mine company with operations and projects in Canada, Mexico, Turkey and the USA, we have not lost sight of the fact that our people are our most valuable asset. We seek to recruit the best, and to train our employees for rewarding careers with Alamos.

We treat our people fairly and without discrimination, with full regard and respect for their human rights. We know that our success depends on their efforts, and in return we strive to maintain a strong safety culture in which everyone is continually reminded of the importance of keeping themselves and their colleagues healthy and injury-free.

At every one of our operations, we design our workplaces to improve overall health and well being and support a wide array of employee events, community service clubs and holiday celebrations.



Employee Engagement

Our business success depends on our ability to recruit and retain the most promising employees – people who share our commitment to sustainable development that benefits all stakeholders. We take great care in every step of the employment process, with emphasis on equality, diversity, workplace safety and employee welfare.

Over 99% of Alamos employees are employed full-time in Canada, Mexico and Turkey. Across the organization, we strive to hire as many local and regional people as is feasible, at all levels, including management and non-management

employees. To attract strong candidates, we pay above average starting wages and offer a variety of employee benefits.

In some cases, such as in Mexico, our mines are in remote locations with difficult access and little opportunity to hire locally. In these instances we rely predominantly on a fly-in-fly-out workforce. At other sites, such as Island Gold and Young-Davidson, we work closely with local communities and municipalities to hire locally and facilitate the relocation of employees into these communities through incentives such as housing subsidies.



We take great care in every step of the employment process, with emphasis on equality, diversity, workplace safety and employee welfare.



Geologists examining drill core at the Mulatos mine, Mexico

TABLE 2 | 2018 TOTAL NUMBER OF EMPLOYEES, BY GENDER

	CANADA				MEXICO			TURKEY	TOTAL
	Young-Davidson	Island Gold	Lynn Lake	Toronto Office	El Chanate	Mulatos	Hermosillo Office	Combined Operations	
Total employees	621	348	17	53	134	406	53	20	1,652
Female	8%	11%	24%	38%	12%	5%	53%	25%	11%
Male	92%	89%	76%	62%	88%	95%	47%	75%	89%

TABLE 3 | 2018 TOTAL NUMBER OF EMPLOYEES, BY CONTRACT TYPE

	CANADA				MEXICO			TURKEY	TOTAL
	Young-Davidson	Island Gold	Lynn Lake	Toronto Office	El Chanate	Mulatos	Hermosillo Office	Combined Operations	
Permanent Female	48	37	3	18	14	19	27	4	170
Permanent Male	568	311	7	29	118	371	25	14	1,443
Temporary Female	1	0	1	2	2	3	1	1	11
Temporary Male	4	0	6	4	0	13	0	1	28



An involved workforce drives performance. We believe engaging with and supporting our workforce is the key aspect to both attracting and retaining talent.

TABLE 4 | 2018 TOTAL NUMBER OF EMPLOYEES, BY EMPLOYMENT TYPE

	CANADA				MEXICO			TURKEY	TOTAL
	Young-Davidson	Island Gold	Lynn Lake	Toronto Office	El Chanate	Mulatos	Hermosillo Office	Combined Operations	
Full-time permanent Female	48	36	3	18	14	19	27	4	169
Full-time permanent Male	568	311	7	28	118	371	25	14	1,442
Part-time permanent Female	0	1	0	0	0	0	0	0	1
Part-time permanent Male	0	0	0	1	0	0	0	0	1

All employee statistics are as of Dec 31, 2018. Excludes temporary employees.



Core shack at the Young-Davidson mine, Canada

TABLE 5 | ENTRY LEVEL HOURLY WAGE, COMPARED TO LOCAL MINIMUM WAGE, BY GENDER

	CANADA (\$CAD/hr)				MEXICO (\$MXN/hr)			TURKEY (₺TL/hr)
	Young-Davidson	Island Gold	Lynn Lake	Toronto Office	El Chanate	Mulatos	Hermosillo Office	Combined Operations
Entry level wage for males and females*	21.7	24.3	20.0	24.0	39.41	33.77	33.77	7.88
Local minimum wage (same M/F)	14.0	14.0	11.70	14.0	11.04	11.04	11.04	7.12
Percentage above minimum wage	55%	74%	72%	71%	257%	206%	206%	11%

* The starting wage applies the same for males and females. We believe in pay equity and do not differentiate wages by gender.

TABLE 6 | EMPLOYEES HIRED FROM LOCAL COMMUNITIES

	CANADA				MEXICO			TURKEY
	Young-Davidson	Island Gold	Lynn Lake	Toronto Office	El Chanate	Mulatos	Hermosillo Office	Combined Operations
Management	100%	35%	0%	100%	13%	3%	100%	11%
Workforce	100%	57%	60%	100%	74%	14%	90%	40%

Note: Management refers to employees at Superintendent, Manager and above. Local communities refers to the closest neighbouring village(s) or population centre(s) to the office or site. At Young-Davidson, Local Communities refers to Kirkland Lake and surrounding communities within a 2-hour drive.



Shift supervisor at the Mulatos mine open pit, Mexico

TABLE 7 | BENEFITS PROVIDED TO FULL-TIME EMPLOYEES VS. TEMPORARY OR PART-TIME EMPLOYEES

	CANADA				MEXICO			TURKEY
	Young-Davidson	Island Gold	Lynn Lake	Toronto Office	El Chanate	Mulatos	Hermosillo Office	Combined Operations
Benefits Offered to Full-Time Employees								
Life insurance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Health care (additional to Government-provided care)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Disability/Invalidity coverage	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Parental leave	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Retirement provision	Yes	Yes	Yes	Yes	No	Yes	Yes	No
Stock ownership	Yes	No	Yes	Yes	Yes	Yes	Yes	No
Benefits Offered to Temporary/Part-Time Employees								
Life insurance	No	No	No	Yes	Yes	Yes	Yes	No
Health care (additional to Government-provided care)	No	No	No	Yes	No	Yes	Yes	No
Disability/Invalidity coverage	No	No	No	No	No	Yes	Yes	No
Parental leave	No	No	No	No	Yes	Yes	Yes	No
Retirement provision	No	No	No	No	No	No	No	No
Stock ownership	No	No	No	No	No	No	No	No

Performance Measurement

We believe an engaged workforce drives performance. For employees in Canada and Turkey, and supervisors and above in Mexico, performance is measured annually. Performance is measured against a set of regional and, for some, company-wide annual objectives. Members of the respective Human Resources departments conduct training sessions on objective setting, self-assessments and performance evaluation. Annually, they conduct a quality audit on the performance management program itself. We believe engaging with and supporting our workforce is the key aspect to both attracting and retaining talent.

TABLE 8 | 2018 TOTAL EMPLOYEE HIRES

2018 New Hires	Total New Hires	Percent of Total Employee Population
By Country		
Canada	279	27%
Mexico	57	10%
Turkey	2	10%
TOTAL	338	20%
By Gender		
Female	65	4%
Male	273	16%
By Age Group		
< 30	112	7%
30 – 50	172	10%
> 50	54	3%

TABLE 9 | 2018 EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY AGE GROUP, BY GENDER AND REGION*

	CANADA								MEXICO						TURKEY	
	Young-Davidson		Island Gold		Lynn Lake		Toronto		El Chanate		Mulatos		Hermosillo Office		Combined Operations	
	New hires	Employees leaving	New hires	Employees leaving	New hires	Employees leaving	New hires	Employees leaving	New hires	Employees leaving	New hires	Employees leaving	New hires	Employees leaving	New hires	Employees leaving
TOTAL	161	158	97	88	2	1	19	8	9	86	43	83	5	2	2	6
Under 30	52	65	28	36	1	0	10	4	3	8	16	23	1	1	1	0
30-50	80	66	48	29	1	1	8	4	6	69	25	54	4	1	0	5
Over 50	29	27	21	23	0	0	1	0	0	9	2	6	0	0	1	1
By Gender																
Female	16%	11%	12%	8%	100%	100%	47%	63%	89%	15%	14%	4%	40%	50%	50%	17%
Male	84%	89%	88%	92%	0%	0%	53%	37%	11%	85%	86%	96%	60%	50%	50%	83%

* Total hire and turnover statistics include full-time and part-time employees, students, co-op and temp contracts.

Workplace Health and Safety



Mine Rescue Team training at the Young-Davidson mine, Canada



We invest heavily in creating and maintaining a safe, healthy working environment at all our mines and development projects. Our overarching commitment is to have all employees and contractors return *Home Safe Every Day*. In order to achieve this objective, we:

- › **Provide training, equipment and systems** to employees and contractors.
- › **Conduct safety leadership coaching programs** for frontline supervisors.
- › **Comply with all applicable health and safety regulations**, laws and international guidelines.
- › **Conduct periodic monitoring and audits** to ensure compliance with our Health and Safety Policy, as well as all applicable legislation, guidelines and standards, and to produce an annual report.
- › **Follow OHSAS 18001 or ISO 45001** parameters to identify, minimize and manage health and safety risks in the workplace, and to set targets and measure results against those targets.
- › **Encourage employees and contractors** to continuously reduce health and safety risks; to take responsibility for their own health and safety, and that of their fellow workers.
- › **Ensure that all persons are appropriately informed** of the relevant health and safety policies and procedures through induction prior to access to the Company's sites.
- › **Recognize, promote, and reward safety performance** and achievements, with programs and initiatives of encouragement and positive reinforcement.

Unfortunately 2018 saw an increase to the number of recordable injuries among employees and contractors across our sites, particularly at our Young-Davidson and Island Gold operations. The year ended with a tragic accident at the Mulatos mine: on December 13, 2018, an unexpected slope failure occurred within the El Salto area of the Mulatos open pit as a team of contractors and geologists were preparing the area for mining. Two geologists were unable to avoid the ground movement and were fatally injured. We were devastated by the incident, and continue to offer counselling and support to the employees and families affected. A full investigation followed, and its findings have been acted upon by the mine team.

The tragedy reminds us all that we cannot let our focus on safety waver. We must continue to put safety first at all times, to ensure that all our employees and contractors return *Home Safe Every Day*.

In response to this incident, and to the increase in safety incidents at other sites, we are reviewing our Corporate Health and Safety Policy and plan to implement new safety standards with enhanced guidance and requirements.

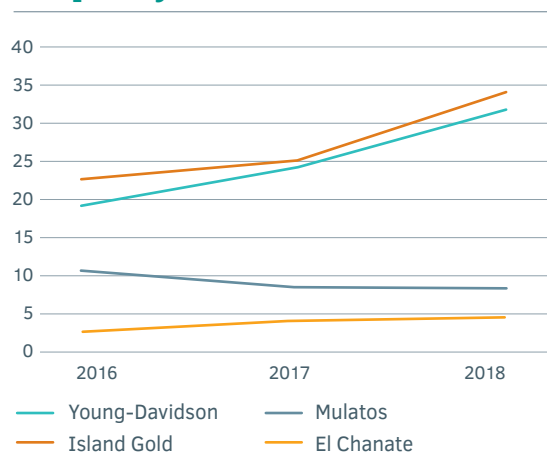
New corporate standards are planned to explicitly address and improve safety leadership, hazard identification and mitigation, occupational health and hygiene, community health and well being, and various protocols for higher-risk activities (e.g., ground control, working at heights, energy isolation, lifting and rigging, machine guarding, etc.).

Safety is an Alamos core value and we recognize the continued investment required for education, training, new equipment and technology so that we can improve workforce safety and achieve zero harm.



Site doctor at the Mulatos mine, Mexico

Total Recordable Injury Frequency Rate*



* Injury Frequency Rate calculated per million person-hours worked.



Inspecting the face prior to drilling at the Island Gold mine, Canada

TABLE 10 | 2018 HEALTH AND SAFETY PERFORMANCE*

Incident Type	CANADA			MEXICO		TURKEY
	Young-Davidson	Island Gold	Lynn Lake	El Chanate	Mulatos	Combined Operations
Medical Aid Injury (MAI)	29	7	1	5	17	2
Restricted Work Injury (RWI)	16	12	1	0	7	0
Lost Time Injury (LTI)	3	3	0	0	4	0
Fatalities	0	0	0	0	2	0
Total Hours Worked during reporting period	1,510,066	642,167	35,318	1,190,873	3,692,758	60,983

* Employees and Contractors.

TABLE 11 | OVERALL INJURY FREQUENCY RATES* 2016 - 2018

	2016	2017	2018
Lost Time Injury Frequency Rate** (LTIFR)	0.57	0.26	1.68
Total Recordable Injury Frequency Rate (TRIFR)	11.45	11.51	15.28

* Injury Frequency Rate calculated per million person-hours worked.

** LTIFR includes fatalities.



Cable bolt drilling underground at the Island Gold mine, Canada

Health and Safety Governance

The Alamos Health and Safety Policy sets company-wide parameters, and each site has the flexibility to design specific supporting procedures and practices.

The Technical and Sustainability Committee of the Board, supported by our Chief Operating Officer, monitors our performance and drives our ongoing safety strategy.

TABLE 12 | WORKFORCE REPRESENTED IN MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEES

	CANADA				MEXICO		TURKEY
	Young-Davidson	Island Gold	Lynn Lake	Toronto	El Chanate	Mulatos	Combined Operations
Does the site have a formal health and safety committee to monitor and advise on occupational safety programs with joint management/labour representation?	Yes	Yes	No – Too few employees	Yes	Yes	Yes	No – Too few employees
Levels at which the committees typically operate (e.g., site level, multi-facility, region, group or company level)	Site level	Site level	N/A	Site level	Site level	Site level	N/A



The *Home Safe Every Day* program, our flagship safety training program, reinforces awareness of safety tools and attitudes, risk detection and safety analysis in routine and non-routine tasks.



Inspecting mine filtration equipment at the Mulatos mine, Mexico

Safety Leadership

In recent years our *Home Safe Every Day* safety leadership program has become an integral component of our day-to-day safety performance. In 2018, the Young-Davidson mine made significant progress in their implementation of the program, after it had been previously introduced at the Mulatos mine. We will continue to roll out this program across the entire organization in 2019 and beyond.

Safety and Skills Training

Safety and skills training is a central aspect of our workforce development programs. All employees and contractors must complete mandatory induction and health and safety training as a condition to entering and working at our sites, and annual refresher training is required. The *Home Safe Every Day* program, our flagship safety training program, reinforces awareness of safety tools and attitudes, risk detection and safety analysis

in routine and non-routine tasks. In addition, we provide job-specific safety training to supervisors, heavy equipment operators and other specialist trades and professions to ensure they're capable and qualified to perform their roles. Training programs can use both internal and external instructors while addressing a combination of safety-related and broader skills development, depending on the employees' role. Training can range from working at heights, rigging and fall protection, to computer skills development and our one-day *Home Safe Every Day* safety leadership program. We provide a variety of different training programs depending on each employees' role, job hazard analyses and their responsible duties.

At all Alamos operations, workers contribute to the development and implementation of the safety system in place. In larger operations, there are formal Health and Safety Committees with the participation of both workers and management.

TABLE 13 | HEALTH AND SAFETY MANAGEMENT SYSTEMS IN PLACE

	CANADA			MEXICO		TURKEY
	Young-Davidson	Island Gold	Lynn Lake	El Chanate	Mulatos	Combined Operations
Is there an H&S management system on site?	Yes	Yes	Yes	Yes	Yes	Yes*
% of workforce covered	100%	100%	100%	100%	100%	100%
Is system audited internally or externally?	Yes – Internal reviews	Yes – internal and external audits	Yes – Internal reviews	Yes – Internal and external audits	Yes – Internal and external audits	No – Will begin once fully implemented

*In Turkey, the OHS system was being implemented in 2018, and implementation continues in 2019.



Building a Safety
Culture at the
Kirazlı Project

At the Kirazlı project, Tarkan's objective is, simply, to build the safest mine in Turkey. He states, "In this job, you can never really know how many accidents you have prevented. But I know we are having an impact."

"I thought, if I could prevent an injury – even a single injury – it would be very meaningful." Twenty years ago, Tarkan Yazıcı changed careers from mining engineering to health and safety. Back then, the concept of safety as a profession was very new in Turkey. "There were no professional schools. We learned from books and trained on the job." Today he holds multiple national and international certifications.

At the Kirazlı project his objective is, simply, to build the safest mine in Turkey. He states, "In this job, you can never really know how many accidents you have prevented. But I know we are having an impact."

The biggest challenge, he says, is creating a culture of safety. "Eighty percent of our workforce comes from nearby villages and towns, where there is no industrial experience." He and his team are teaching new work skills and new habits – new ways to think about working safely.

"I tell our employees that we don't want to knock on their door and tell their family they have been injured. That is the message that gets through."

Tarkan Yazıcı

Health, Safety and Environment Manager, Turkey



Community and Stakeholder Engagement

At Alamos, we believe that excellence in sustainability helps ensure a net benefit to all stakeholders, including helping local residents and host governments build communities that will have brighter futures beyond our presence.

Generating Positive Returns for All Stakeholders

In each of our host communities, we engage in ongoing dialogue in order to understand their priorities and expectations. Only through social engagement, participation and support can we succeed in understanding local challenges and priorities and building long-term partnerships.

At all times, we are respectful of local traditions, beliefs, culture, language, and all the defining features of a community, including Indigenous communities.



Children on their way to school in Matarachi village, Mexico



TABLE 14 | OPERATIONS WITH IMPLEMENTED LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENTS AND DEVELOPMENT PROGRAMS

	CANADA			MEXICO		TURKEY
	Young-Davidson	Island Gold	Lynn Lake	El Chanate	Mulatos	Combined Operations
Does the site have a formal community engagement program?	Yes	Yes	Yes	Yes	Yes	Yes
Has the site undertaken a social impact assessment with participation of the local community?	No	No	Yes	Yes	In Process	Yes
Does the site have a community development program based on community needs?	No	No	Yes	Yes	In Process	Yes
Does the site have a stakeholder engagement plan based on stakeholder mapping?	No	No	In Process	Yes	In Process	In Process
Does the site have a broad-based stakeholder committee or community consultation plan?	No	No	Yes	No	Yes	Yes
Does the site have a formalized grievance mechanism?	No	No	No	Yes	Yes	No

TABLE 15 | 2018 COMMUNITY INVESTMENTS AND VOLUNTARY CONTRIBUTIONS ('000s \$USD)

	CANADA			MEXICO		TURKEY	OTHERS*	TOTAL
	Young-Davidson	Island Gold	Lynn Lake	El Chanate	Mulatos	Combined Operations		
Payments to local communities as part of land use agreements, not including land purchases	1,594	770	57	436	-	-	-	2,858
Voluntary donations and investments of funds where the beneficiaries are external to the Company	26	5	29	2	141	499	331	1,033
Community infrastructure investments and social programs	21	-	-	-	4,827	17	-	4,865
TOTAL	1,640	775	86	438	4,968	516	331	8,756

*Quartz Mountain, Esperanza and Corporate Office.

Indigenous Rights

We respect the collective and customary rights, culture and connection to the land of Indigenous peoples, and work closely with our local communities to be a good neighbour and partner of choice. We also collaborate with and obtain input from Indigenous communities around our mines, to help when making business decisions that may affect Indigenous-related matters.

The Island Gold mine, the Young-Davidson mine and the Lynn Lake Gold Project are within the traditional territory of Indigenous peoples. At the Young-Davidson mine, we have Impact Benefit Agreements in place with the Matachewan First Nation and Temagami First Nation. We regularly engage in community meetings and operational updates with all relevant parties. The Island Gold mine has a Community Benefits Agreement in place with the Missanabie Cree First Nation. At Lynn Lake, we have an Exploration Agreement in place with Marcel Colomb First Nation and are in frequent dialogue with eleven other Indigenous groups.

Community Investments

Every Alamos operation and office invests in its local community, in the areas where the need is greatest. Depending on the communities' requirements, and in consultation with local leaders, we make significant and ongoing contributions to education, recreation, health centres, community festivals, and other cultural activities. In some communities, we build infrastructure and provide equipment and supplies. We provide educational scholarships and contribute essentials, such as school uniforms, sports equipment and other supplies. Wherever we operate we strive to be a respected and welcomed member of the community.

To support the economies of our local communities, we offer training and education, including programs in language, literacy and life skills, and technical training to help community members acquire the qualifications for long-term employment in the mining industry.

Young-Davidson

In 2018, the Young-Davidson mine ran education initiatives and site tours to support Aboriginal Women in Mining and participated in Career Day Fairs at local schools. In addition, the mine sponsored Kirkland Lake's Winter Carnival and Fish Derby, which brings family and friends together to celebrate the community. We funded upgrades to the local gym, the Matachewan Get Fit Centre, which included new windows, interior lighting, shower upgrades, flooring, and a generator (which allows the centre to be used as an emergency services centre for the town of Matachewan). In partnership with Kirkland Lake Gold, we ran the Scoop Bucket Challenge Food Drive, a very successful program in support of the local Food Bank.

El Chanate

At the El Chanate mine we continue to foster our strong relationship with the neighbouring *Ejido 16 de Septiembre*. The communities in the area are in need of the basics: water, education, and nutritional skills, and we provide support in many forms. In the past we renovated and improved schools, and for one school, built a water purification system. We continue to collaborate with *Centro de Bachillerato Tecnológico Agropecuario (CBTA)* to help improve farming practices and develop crops that will become a revenue stream for the school.

In 2018, some of our donations were directed to emergency medical resources: we donated a fully equipped ambulance to the Red Cross of Pitiquito.



Emergency Response Team at Island Gold mine, Canada



We continue to support the Sewing Workshop Project, which trains women in employable skills, and for which El Chanate received the *Canadian Outstanding Business Award in Social Responsibility* from the Canadian Chamber of Commerce in Mexico.

On average, the Red Cross of Pitiquito handles 100 emergency calls and 120 calls for medical assistance per week. They had requested repairs for an existing ambulance – one of their fleet of two – but on examination, we chose to replace it entirely, to provide better and more reliable emergency service to the community.

We continue to support the Sewing Workshop Project, which trains women in employable skills, and for which El Chanate received the *Canadian Outstanding Business Award in Social Responsibility* from the Canadian Chamber of Commerce in Mexico.

Island Gold

The Island Gold mine supports local communities through participation in numerous projects, including assisting with hazmat training sessions for fire department volunteers, contributing to an annual garbage pick-up day, and matching-funds



Gifts for children of our neighbour communities at El Chanate



New sports fields in Matarachi village, Mexico

participation in a fundraiser for Amyotrophic Lateral Sclerosis that contributed \$4,500 (for a total of \$9,000 raised). Island Gold also contributed to the purchase of ice maintenance equipment for the local arena.

Mulatos

For the Mulatos community, 2018 was a year of preparation for moving to a new location. The relocation plans were the result of lengthy negotiation and dialogue with the Ejido Mulatos. In 2018, construction was completed on new housing, as well as a new elementary school, kindergarten, and sports fields. John McCluskey, Alamos' President and CEO, and members of our executive and management team attended the opening ceremonies for the new school complex. The first families began to move into the new village in January 2019, and construction continues on more streets and a new community centre, which will be completed in 2019.

The mine's medical clinic serves as the primary health facility for the Mulatos and Matarachi

communities, serving hundreds of people of all ages, for routine and critical health care services.

In 2018, among many improvements to the clinic, we installed a USD \$40,000 clinical analysis laboratory – the first on-site clinical laboratory in a Mexican mine. Equipped with state-of-the-art semi-automated analysis equipment, the lab can run sophisticated blood and urine tests, and can process up to 50 samples simultaneously, providing accurate results at least eight times faster than when tests had to be sent to outside labs.

Since 2009, the Mulatos mine's educational scholarship program has provided scholarships for students, from elementary school to university. The mine also donates school supplies such as notebooks, shoes, pencils, and backpacks. Our sports initiative donates uniforms and sports equipment to four communities and supports municipal and sporting events that bolster community spirit and contribute to overall health and welfare.

Lynn Lake

At Lynn Lake, our staff work in close collaboration with the local First Nation leadership to improve employment opportunities and to inform communities on the mine's activities. We have discussed the project's potential disturbance and alteration of the land and water, and any effects on vegetation and wildlife, with an emphasis on how traditional practices and Indigenous rights may be affected. All concerns are voiced and mitigation strategies discussed.

In 2018, as part of our ongoing research and as part of the Environmental Impact Assessment, the Lynn Lake project produced a social impact assessment, a socio-economic report, and a report on traditional knowledge and traditional land



In 2018, construction was completed on new housing, as well as a new elementary school, kindergarten, and sports fields. The first families began to move into the new village in January 2019.

and resource use. We also initiated collaborative discussions with local Indigenous communities and government representatives on developing skills training programs, with a mutually aligned goal of building a local mining workforce.

In 2018 we donated \$10,000 to the Dreamcatchers Committee, part of a registered charity that was set up to provide opportunities to youth and young adults around Lynn Lake. The Committee drives project proposals and helps with allocating funds. This year's funds have sponsored a summer camp for kids, the local winter carnival and fish derby, the Lake Friendship Centre's Christmas Cheer program, the Lynn Lake Santa Claus for kids in need, the local Junior Rangers, and money for food and other consumables in the "Share it on Sherritt" program.

Our educational contributions included judging science projects at the 2018 high school science fair.

Late in 2018, we were invited to present a "success story" of our positive relationship building with Indigenous communities, at the 2019 AME Roundup mining convention in Vancouver. Representatives of the Marcel Colomb First Nation were invited, along with an Alamos representative, to participate in a panel discussion.

Turkey

The Stakeholder Advisory Committee (SAC) for the Kirazlı project meets on a regular basis. The committee includes the elected village heads (mukhtars) of Kirazlı, Karacalar, Karaibrahimler, Alanköy, Yukarışapçı and Aşağışapçı. Its purpose



Alamos employees participate in the Lynn Lake Canada Day Parade



Gallipoli tours of Doğu Biga with villagers from around the Kirazlı project, Turkey



Market and charity shelter built in Kızılaelma Village, Turkey

is to inform and respond to villagers' requests and concerns in an official and transparent way. The SAC discusses a wide variety of topics including village contributions, employment, and issues that affect village daily life. The committee collectively decides on community development projects. The Kirazlı project's contributions have included:

- › A tanker truck for fire and irrigation use
- › Building a fruit loading platform in one village
- › Renovating and improving the electrical substation in Kumarlar village
- › Ongoing major infrastructure projects, including the construction of a water reservoir, a bypass road and a 35 km electrical line
- › Building water depots in four villages
- › Establishing charity spaces in three villages
- › Expanding our school scholarship program to reach 87 students, from primary school to university

- › Landscaping local cemeteries and a mosque garden
- › Continuing our well-received Gallipoli Tours of Doğu Biga
- › Improving signage at the historical tourist highlight of Balaban Hill, where Atatürk, the founder of modern Turkey, visited in 1934, and mounted memorial busts of Atatürk in Kirazlı and Karabrahimler villages
- › Supported and attended various village festivals



Fire and irrigation tanker supplied to Söğütalan village, Turkey

TABLE 16 | 2018 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED ('000s \$USD)

	CANADA			MEXICO		TURKEY	OTHERS*	TOTAL
	Young-Davidson	Island Gold	Lynn Lake	El Chanate	Mulatos	Combined Operations		
Direct Economic Value Generated								
Revenues	230,898	135,334	-	57,099	224,300	106	861	648,598
Economic Value Distributed								
Operating costs (goods and services)	174,652	96,007	3,636	50,759	135,106	18,764	-12,791	466,132
Employee wages and benefits	62,052	32,892	1,363	5,335	35,893	1,620	18,906	158,034
Payments to providers of capital	247	-	-8	-	-	-	10,410	10,649
Payments to governments**	892	96	15	2	5,511	2,730	50	9,295
Community investments	1,640	775	86	438	4,968	516	331	8,756
Economic Value Retained	-8,558	5,564	-5,092	564	42,823	-23,524	-16,045	-4,268

* Quartz Mountain, Esperanza and Corporate Office.

** Calculated in accordance with GRI Standard Disclosure 201-1. For payments to Government reported in accordance with ESTMA, see Table 18.

Alamos supports the elimination of bribery and corruption by disclosing our payments to government in accordance with the *Canadian Extractive Sector Transparency Measures Act (ESTMA)*. Since 2016 we have published an ESTMA Report on our website. Programs such as ESTMA and the *Extractive Industries Transparency Initiative (EITI)* are important mechanisms for improving revenue transparency, strengthening systems and enhancing stakeholder trust in the mining and metals industry.

Toronto (Head Office)

The Alamos head office regularly provides donations and sponsorships to a variety of local NGOs, groups and community initiatives. We are an annual sponsor and volunteer for *Lawyers Feed the Hungry*, a program that provides meals to the hungry and financial support to charitable

agencies that help with hunger relief. We also participate and sponsor the *Mining 4 Life initiative*, where money raised is invested in the economic and social well being of communities around the world by helping to create and support sustainable health and education solutions for children in need. In 2017 we supported the *Hospital Activity Book for Children*, which provides books and activities targeting children to help them manage their thoughts, fears and concerns while experiencing critical circumstances. We also made an \$85,000 contribution to the *Princess Margaret Cancer Foundation*, one of the top five cancer research centres in the world, to support their melanoma fellowship. Other donations and sponsorships made during the year supported local junior sporting teams, mining students from University of British Columbia, the *Society of Economic Geologists Canada Foundation*, the *Heart and Stroke Foundation* and the *Arthritis Society*.



Children playing at the new elementary school in Matarachi village, Mexico

TABLE 17 | 2018 SPEND ON LOCAL SUPPLIERS ('000s \$USD)

	CANADA			MEXICO		TURKEY	OTHERS	TOTAL
	Young-Davidson	Island Gold	Lynn Lake	El Chanate	Mulatos	Combined Operations		
% Spend on Local Suppliers*	24%	16%	1%	20%	0%	0%	13%	11%
Total spend on operation procurement/purchases	120,519	90,390	2,985	56,194	201,349	18,506	7,119	497,062
Local spend on operation procurement/purchases	29,480	14,390	38	11,050	1,005	80	899	56,941

* Vendors located within the local municipality and/or district.

Note: Mulatos is a remote mine with a fly-in-fly-out workforce and minimal local businesses or infrastructure. Opportunities for local procurement are therefore extremely limited. Projects in Lynn Lake and Turkey are not operational and therefore have not yet reached their potential for local supplier spend.

TABLE 18 | 2018 ESTMA REPORT SUMMARY ('000s \$USD)

Country	Taxes	Royalties	Fees	Infrastructure Improvement Payments	TOTAL 2018	TOTAL 2017
Canada	960	-	1,290	30	2,280	2,020
Mexico	4,480	990	1,980	4,670	12,120	5,150
Turkey	-	-	3,760	-	3,760	9,720
TOTAL	5,440	990	7,030	4,700	18,160	16,890



Building Meaningful Community Relations in Lynn Lake

“Alamos makes significant investments in the community – in education, committees, and partnerships – to achieve a mutually beneficial relationship. Our focus is on having the community, not the Company, decide where funds are allocated.”

“You don’t build strong ties with Indigenous communities if you only have meetings. You have to be involved.” A Professional Biologist, Michael Raess is responsible for the Environmental, Health and Safety (EHS) aspects of the Lynn Lake project, as well as community relations with the twelve Indigenous communities affected. “Don’t just talk business,” he says. “Learn about each community’s culture, traditional practices and their histories.”

In Michael’s opinion, Alamos has done many things right in Lynn Lake. “Alamos started the engagement process early. We focused on in-person visits and participation in community events.” It’s essential, he says, to keep an open mind. “Not all Indigenous communities are alike. The key is to spend time with them and get to know people.” Living in the community is key. “I see community members regularly at events, or simply bumping into each other in town.”

And you have to act on what you hear. “We listen to recommendations and we adapt our project accordingly. Alamos makes significant investments in the community – in education, committees, and partnerships – to achieve a mutually beneficial relationship. Our focus is on having the community, not the Company, decide where funds are allocated.”

Michael Raess

*Manager, Environment and Community Relations,
Lynn Lake, Manitoba, Canada*

Environmental Responsibility



At Alamos, we are committed to preserving the long-term health and viability of the natural environments affected by our projects and operations. We continually invest in new initiatives to reduce our environmental footprint.

Our objective is to minimize the environmental impacts of our operations, and to offset any impacts that cannot be fully mitigated or rehabilitated. Throughout our history, we have continually strived to meet or exceed international environmental standards related to our activities.



Saplings at the Mulatos mine nursery, Mexico



Cerro Pelon pit at the Mulatos mine, Mexico

In 2018, our mines operated in compliance with applicable environmental regulations, with the exception of minor spills and an operating non-conformance. At Island Gold, three oil spills (a total of 1,083 litres spilled) were contained, cleaned and reported to authorities. At Young-Davidson, two reportable spills of transmission oil (150 litres) and propane (20 litres) also occurred. Both were reported to the relevant authorities and First Nations, and cleaned up immediately with no lasting impacts.

In addition to the minor spills above, both Island Gold and Young-Davidson received environmental fines of \$10,000 and \$20,250 respectively during the reporting period. On 3 May 2018, Island Gold started effluent discharge but failed to meet the relevant toxicity parameters. At Young-Davidson, an environmental penalty was received relating to a tailings discharge that occurred in December 2017. Neither incident resulted in any significant impact on the downstream natural environment, and both incidents were quickly remediated by each site. No other environmental fines or penalties were incurred.

TABLE 19 | 2018 MATERIALS USED BY WEIGHT AND VOLUME (metric tonnes)

	CANADA		MEXICO	
	Young-Davidson	Island Gold	El Chanate	Mulatos
Ore treated	2,683,962	369,767	3,066,456	6,886,855
Waste rock mined	442,298	120,255	5,764,440	8,730,828
Overburden removed	0	0	0	0
Cyanide used	2,075	218	7,794	5,933

Cyanide Management

Cyanide is commonly used in processing gold. It is used in the processing stage, most notably at our heap leach operations in Mexico, where a sodium cyanide solution is trickled over the mined ore. The cyanide solution dissolves gold elements within the rock and eventually passes down to an impermeable liner at the bottom of the leach pad.

From there it is pumped to the gold recovery unit for stripping and recovery.

The circuit is “closed”, with a secondary liner and a leak detection system to ensure no cyanide can escape. The cyanide is recycled and re-used. All cyanide processing is managed under the supervision of the relevant government authorities, following the principle of “zero discharge”. Alamos has been safely using cyanide at its operations since 2005.

Energy Use

TABLE 20 | 2018 DIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE (Gigajoules / GJ)

	CANADA		MEXICO	
	Young-Davidson	Island Gold	El Chanate	Mulatos
Diesel – Stationary (power generation)	542	807	0	567,597
Diesel – Mobile (vehicle use)	225,271	99,955	267,290	698,178
Diesel – Other (explosives)	0	0	238	5,937
Propane – Heating (underground mine air)	232,670	87,786	0	0
Propane – Other (paste plant)	2,938	0	0	0
Gasoline – Mobile	5,782	5,647	15,059	19,405
TOTAL	467,202	194,195	282,586	1,291,118
Data source	Warehouse reports and internal records			

TABLE 21 | 2018 ENERGY CONSUMPTION OUTSIDE OF THE ORGANIZATION (GJ)

	CANADA		MEXICO	
	Young-Davidson	Island Gold	El Chanate	Mulatos
Electricity (purchased)	843,243	278,711	74,671	0
Electricity (generated on site)	0	0	0	162,205
Data source	Invoices	Invoices	Invoices	Internal metering

Energy Reduction

At many operations, energy and cost reduction initiatives were put in place, ranging from equipment shutdowns at times of peak demand (Young-Davidson and El Chanate) to the

replacement of high-intensity lights with LED bulbs (Mulatos). At Mulatos the LED bulbs save nearly 42,000 kWh in electricity a year. Mulatos is one mine with significant opportunity for energy and emission savings, and we plan to permit and construct a powerline to the site in late 2019,

TABLE 22 | 2018 ENERGY INTENSITY (GJ)

	CANADA		MEXICO		TOTAL
	Young-Davidson	Island Gold	El Chanate	Mulatos	
Per tonne of ore mined	0.57	1.37	0.12	0.15	0.24
Per tonne of ore treated	0.49	1.28	0.12	0.19	0.26
Per ounce of gold production	7.28	4.47	8.18	7.39	6.81



At Mulatos we plan to permit and construct a powerline to the site in late 2019, with the promise of tremendous energy and emission savings.



Water trucks help to reduce dust and improve air quality along mine roads

with the promise of tremendous energy and emission savings.

We recognize the significant opportunities available to us to prioritize energy efficiency and reduction opportunities, and we are looking to incorporate new emission and energy standards to further incentivize this.

Water Management and Water Use

The Young-Davidson mine sources its water from the local Montreal River. El Chanate's water is sourced from local groundwater, and the water used by the Mulatos mine comes from the Mulatos River and the Yecora aquifer. Island Gold's water is from the Maskinonge River. None of our mine water sources are proclaimed conservation areas, though the Mulatos River is recognized as a priority hydrological region. All water sources are self-replenishing, and our water draw is fully permitted by the relevant regulatory authorities. In no case does our water draw account for an average of 5 percent or more of the annual average volume

of the source water body. In 2018, there were no significant detrimental impacts on any water source or related downstream habitat due to the extraction of water.

We have comprehensive surface and ground water monitoring programs at all of our operating sites, where we conduct sampling and analysis using externally qualified and independent laboratories. All our water withdrawals, use and discharge fall under rigorous environmental monitoring requirements, both internally by our Environment Team members and externally by independent auditors and government inspectors.

At Mulatos, Young-Davidson, and Island Gold, water is treated using treatment plants and holding ponds (aided by natural degradation via bacteria), to mitigate downstream impacts on local ecosystems. At El Chanate waste water is treated prior to discharge, using biodigestion and microorganisms to break down any biodegradable material in the water. In 2016, a comprehensive review of site water balances and water management facilities was conducted at both



Mine water discharge point at the Island Gold mine, Canada

Mulatos and Young-Davidson to develop long-term water management strategies. Measures to contain and treat mine contact water were implemented at Mulatos and have been very successful in mitigating off-site migration. At Young-Davidson, additional effluent treatment strategies were implemented and commissioned in 2018.

Our Turkish and Lynn Lake projects have been designed to minimize water use during construction and operation. Water management and treatment are incorporated into project designs in order to minimize the use of fresh water, develop appropriate diversion strategies and drainage systems that will allow the separate collection

TABLE 23 | 2018 WATER WITHDRAWAL BY SOURCE (thousands of m³)

	CANADA		MEXICO	
	Young-Davidson	Island Gold	El Chanate	Mulatos
Fresh surface water (lakes, rivers, etc.)	273	450	0	795
Brackish surface water/seawater	0	0	0	0
Rainwater	0	192	0	924
Groundwater – renewable	753	1,025	1,411	0
Groundwater – non-renewable	0	0	0	30
Municipal supply	0	0	0	0
Wastewater from another organization	0	10	0	0
TOTAL	1,027	1,677	1,411	1,719

and management of contact and non-contact water. Any contact water that exceeds processing requirements will be treated at an on-site facility, and only be discharged once it complies with regulations. At the Kirazlı project, we are

constructing an independent water reservoir that will provide water for the operation as well as clean drinking water for nearby communities. No water will be sourced from or discharged to the nearby Atikhisar reservoir or watershed to ensure we have

TABLE 24 | 2018 WATER DISCHARGE BY DESTINATION (thousands of m³)

	CANADA		MEXICO	
	Young-Davidson	Island Gold	El Chanate	Mulatos
Fresh surface water (lakes, rivers, etc.)	749	2,095	0	580
Municipal/industrial wastewater treatment plant	0	0	0	0
Brackish surface water/seawater	0	0	0	0
Groundwater	0	0	6	0
Wastewater for another organization	0	0	0	0
TOTAL WATER DISCHARGE	749	2,095	6	580
Type of effluent treatment used	Biological treatment and settling ponds	Batch treatment	Biodigestion with aerobic bacteria	Lime softening

TABLE 25 | 2018 WATER CONSUMPTION (thousands of m³)

	CANADA		MEXICO	
	Young-Davidson	Island Gold	El Chanate	Mulatos
Total Water Consumption (water withdrawals - water discharges)	278	-418*	1,405	1,140

* Water discharges at Island Gold exceeded water withdrawals, resulting in negative consumption (-418,000m³). The site is lowering its water balance in advance of construction in 2020.

TABLE 26 | 2018 WATER RECYCLING AND TREATMENT (thousands of m³)

	Young-Davidson	Island Gold	El Chanate	Mulatos	TOTAL
Total Water Recycled Volume of water recycled and reused in the year	3,666	399	6	49	4,120
Total Water Use (consumed + recycled)	3,944	-19	1,411	1,189	6,524
Percent Recycled (total water recycled / total water used)	93%	100%*	0.4%	4%	59%
Water Treatment Volume of water treated by Company water treatment plants in the year	760	-	6	628	1,394

* 2018 water discharge volumes exceeding water withdrawals, the site's net water use was negative. It is not possible to have a negative water recycling rate, so we adjusted the water consumption value to 0 for the purpose of this calculation.

no impacts on what is a valuable local water source.

Air Emissions

At all of our mines, air emissions are regularly monitored. Our monitoring programs include

sampling of emissions from stationary sources such as power generators, boilers, and furnaces, and continual air sampling in the areas surrounding our mines, to prevent any effects on surrounding communities.

TABLE 27 | 2018 DIRECT (SCOPE 1) GREENHOUSE GAS EMISSIONS (tonnes of CO₂ equivalent)

	CANADA		MEXICO	
	Young-Davidson	Island Gold	El Chanate	Mulatos
Stationary sources	14,366	5,531	1,540	44,304
Mobile sources	16,069	7,348	19,739	54,975
Other	794*	3,117*	-	1,752**
TOTAL	31,228	15,996	21,279	101,031
Quantification method	Quantified in accordance with the Greenhouse Gas Protocol using provincial (Ontario) and federal (Canada and Mexico) emission factors and reporting guidelines where applicable. El Chanate and Mulatos emissions are reported in accordance with the Registro Nacional de Emisiones (RENE).			

* Emissions associated with wood burning and other waste emissions.

** Emissions associated with combustion of explosives, the releases of refrigerants, and fugitive emissions from landfill, water treatment plant and oxidation ponds.



Haul trucks parked at the Mulatos mine, Mexico



TABLE 28 | 2018 INDIRECT (SCOPE 2) GREENHOUSE GAS EMISSIONS (tonnes of CO₂ equivalent)

	CANADA		MEXICO	
	Young-Davidson	Island Gold	El Chanate	Mulatos
Electricity consumption	7,261	2,400	10,931	0

TABLE 29 | 2018 GHG INTENSITY (tonnes of CO₂ equivalent)

	CANADA		MEXICO		TOTAL
	Young-Davidson	Island Gold	El Chanate	Mulatos	
Per tonne of ore mined	0.017	0.053	0.011	0.012	0.013
Per tonne of ore treated	0.014	0.050	0.011	0.015	0.015
Per ounce of gold production	0.214	0.174	0.737	0.576	0.376

Waste Management

At all Alamos sites, waste management programs are in place with facilities and procedures to separate and manage hazardous and non-hazardous wastes, including domestic wastes. Wastes that are stored on site are done in accordance with industry best practices and the

applicable legislative minimum requirements. Our employees are trained in the proper storage and handling of hazardous and non-hazardous wastes. The transportation and offsite disposal of wastes are carried out by licensed contractors in accordance with local regulatory requirements.

TABLE 30 | 2018 WASTE (HAZARDOUS AND NON-HAZARDOUS) AND DISPOSAL METHODS (tonnes)

	CANADA		MEXICO		Examples
	Young-Davidson	Island Gold	El Chanate	Mulatos	
Reused waste					
Hazardous	136	0	0	0	Used oil
Non-hazardous	0	0	0	0	-
Recycled waste					
Hazardous	0	0	0	357	Used oil, rags, filters and rags impregnated with oil, contaminated soil, batteries
Non-hazardous	525	60	62	727	Cardboard, paper, plastic, scrap steel, iron, manganese, paperboard, HDPE geomembrane, aluminum, tires, bronze and PET
Composting					
Non-hazardous	0	0	0	83	Food scraps
Recovery, including energy recovery					
Non-hazardous	0	1	0	0	-
Incineration (mass burn)					
Hazardous	0	5	0	0	-
Non-hazardous	497	0	0	0	Clean wood
Landfill					
Non-hazardous	887	1,188	19	566	Domestic waste
Other					
Hazardous	46	0	0	0	Contaminated soil and other waste not including waste oil
Total					
Hazardous	182	5	0	357	
Non-hazardous	1,909	1,248	80	1,375	

Tailings Management

The safe and responsible management of tailings is essential to protecting our natural environment, and tailings management is a core concern for Alamos, as it is for our neighbouring communities. Tailings – a by-product of the mineral recovery process – are often a liquid slurry of finely crushed

rock, water, and additives. After ore processing, tailings are pumped to engineered surface storage facilities.

All Alamos tailings facilities are designed, constructed, and operated in compliance with stringent regulatory requirements. When designing



As an organization that is committed to returning our properties to thriving, healthy ecosystems, we practice progressive reclamation. We begin to restore disturbed lands, including areas of the leach pad and waste dumps, as soon as they are no longer required.

our tailings facilities we work with independent experts to assess the environment and potential risks of operational constraints and natural phenomena such as seismic events and flooding. We locate the facilities with consideration to local communities and environmentally sensitive areas.

For more on our rigorous tailings design and management practices, see the Tailings Management section of our website: www.alamosgold.com/sustainability/Tailings-Management.

Artisanal Mining

There were no instances at any Alamos site in 2018 of artisanal mining. Artisanal miners – who work independently and not as employees – operate without authorization. Their activities can be a cause of environmental damage.

Reclamation

Since every mine will eventually close, reclamation planning is an integral part of mining. To plan for the costs related to closure, funds are set aside for each mine's eventual reclamation. We update our mine closure plans and budgets annually, which includes independent examinations and reviews of our closure budgets by third-party experts. These budgets are part of our Asset Retirement Obligation (ARO): a legal obligation to account and put money aside for the decommissioning, reclamation and environmental remediation activities at every location where we operate. We frequently update our closure and reclamation plans in accordance with legislated requirements and industry best practices.

As an organization that is committed to returning our properties to thriving, healthy ecosystems,



Progressive rehabilitation at El Chanate, Mexico

we practice progressive reclamation. We begin to restore disturbed lands, including areas of the leach pad and waste dumps, as soon as they are no longer required. Our parallel reclamation efforts include reforestation, treatment of runoff water, and re-contouring slopes with topsoil and vegetation. Our intent is to complete a significant portion of the reclamation work years before the

mine’s expected closure, which has positive effects on the natural environment, our host communities and our employees.

At Young-Davidson, we’ve taken additional responsibility to cover, re-seed and rehabilitate portions of historic tailings (prior to Alamos’ ownership) and the main mine site.

TABLE 31 | 2018 AMOUNT OF LAND DISTURBED AND REHABILITATED (hectares)

	CANADA		MEXICO	
	Young-Davidson	Island Gold	El Chanate	Mulatos
Total mine lease area	5,039	7,296	4,400	30,356
Land area disturbed by mine activity and not yet rehabilitated (opening balance)	334	143	398	656
Land newly disturbed in 2018	0	0	0	60
Land rehabilitated in 2018	0	0	84	0
Total disturbed land that has not been rehabilitated (closing balance)	334	143	314	716
Total land reclaimed over the life of the mine	1	0	224	30

TABLE 32 | OPERATIONS WITH CLOSURE PLANS

	CANADA		MEXICO		TURKEY
	Young-Davidson	Island Gold	El Chanate	Mulatos	Combined Operations
Is the closure/reclamation plan and associated financial obligation reviewed on an annual basis?	Yes	Yes	Yes	Yes	Yes

Our Mexican mines run their own nurseries to provide trees for their reforestation programs. As El Chanate reached the end of active mining, we increased our progressive reclamation activities. We reforested 84 hectares over the year, bringing the total reforested area to over 224 hectares. Reclamation will continue, as it does at all our sites.

Biodiversity

By its very nature, mining can have a profound impact on the local environment and biodiversity. However, when budgeted and planned for, impacts can be effectively managed, mitigated and reversed over the long-term. At our mines in Canada, impacts on biodiversity as a consequence of our mining activity are relatively limited due to the smaller surface footprint and scale of our underground mines. However in Mexico, where our open pit mines have a larger footprint, the potential impacts on biodiversity can be more profound. Impacts on biodiversity can range from direct habitat decline due to tree clearing and land use, impacts on vegetation and changes in plant organisms present in the mine area, to impacts to water quality. Impacts on biodiversity can also be positive. Water discharged from our sites often exceed the quality parameters of water found around our mines. At Young-Davidson, historic mine tailings located within the property have since been covered and seeded to reintroduce vegetation to what was


previously unusable land. At the end of mine life, our objective is to rehabilitate and reintroduce biodiversity to its original state before mining.



Native plant seeds about to be planted and cultivated for future mine rehabilitation needs



Protecting
Water Quality
at Island Gold

A photograph of a boat on a lake with a forest in the background. The boat is in the foreground, and the water is in the middle ground. The forest is in the background. The image is partially obscured by a green banner at the top and a white curved shape on the right side.

“There is integrity in this company, and a respect for the environment that extends right to the corporate level. I’ve seen emails from the COO discussing water treatment options. I am impressed. This company goes above and beyond.”

“There are so many aspects to water management. The way this job crosses disciplines is unique.” When Nish Logeswaran was a recent graduate in Environmental Engineering, the opportunities in mining were an eye-opener. “In Environmental Engineering alone, there are civil engineering aspects and water resource engineering,” he explains. “There’s the hydrogeology of groundwater flows and water treatment. You have to monitor water quality and do computer modelling of water flows. When I was in school, people were specializing in any one of these areas. But in mining you have to deal with all of it.” He smiles. “That’s what I like about this job.”

From his first job with a junior mining company in Northern Ontario, his career led him to Alamos and the Young-Davidson mine, then to a promotion to Environmental Superintendent at Island Gold.

Nish notes the commitment to sustainability he sees at Alamos. “There is integrity in this company, and a respect for the environment that extends right to the corporate level. I’ve seen emails from the COO discussing water treatment options. I am impressed. This company goes above and beyond.”

Nishanthan Logeswaran

Environmental Superintendent, Island Gold mine

Governance

Alamos maintains the highest standards of corporate governance to ensure that our corporate decision-making incorporates our values, including our commitment to sustainable development.



Ground-based radar provides real-time monitoring of slope stability at the Mulatos mine, Mexico

The Board of Directors

The Board's primary responsibility is to provide governance and stewardship. They are responsible for all final decisions of the Company. Each member is required to exercise their business judgment in a manner consistent with their fiduciary duties. In particular, Directors are required to act honestly and in good faith, with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board discharges its responsibility for supervising the management of the business and affairs of the Company by delegating the day-to-day management of the Company to senior officers. The Board oversees the Company's systems of corporate governance and financial reporting and controls to ensure that the Company reports adequate and fair financial information to shareholders and engages in ethical and legal corporate conduct. Its goal is to ensure that Alamos continues to operate as a successful business, and to optimize financial returns to increase



Lunch break underground at the Young-Davidson mine, Canada

the Company's value over time while effectively managing the risks confronting the organization.

Nine of our ten Directors are independent, and one, the President and CEO, is not independent. At each Board meeting, the independent Directors meet in the absence of the non-independent member, who does not participate in these sessions. The Chairman of the Board is not an executive officer; he is an independent Director and is not involved in day-to-day operations of the Company.

Board policy also states that Directors should, as much as possible, be independent from each other. No members of our Board currently serve together on the boards (or board committees) of other public companies.

The Board's gender diversity policy states that 50% of new director positions will be filled by female candidates. Since 2015 the Board has taken on three new female members, bringing the balance to three women and seven men.

Board Members

- › Paul J. Murphy (Chair)
- › John A. McCluskey
- › Elaine Ellingham
- › David Fleck
- › David Gower
- › Claire M. C. Kennedy
- › Ronald E. Smith
- › Kenneth Stowe
- › J. Robert S. Prichard
- › Monique Mercier

Committee Members

› Audit Committee*

Ronald E. Smith (Chair), Elaine Ellingham, David Fleck, Kenneth Stowe

› Human Resources

David Gower (Chair), Claire M. C. Kennedy, J. Robert S. Prichard, Monique Mercier

› Corporate Governance and Nominating Committee**

David Fleck (Chair), Claire M. C. Kennedy, J. Robert S. Prichard, Monique Mercier

› Technical and Sustainability Committee***

Kenneth Stowe (Chair), Elaine Ellingham, David Gower

* Executive-level responsibility for economic topics

** Executive-level responsibility for social topics

*** Executive-level responsibility for environmental topics

Technical and Sustainability Committee

The Technical and Sustainability Committee has a key oversight role, including obligations to:

- › **Review goals, policies and programs** relative to sustainability issues, including health, safety, social responsibility and environmental matters.
- › **Review health, safety and environment audits** and management's activities to maintain appropriate internal and external audits.
- › **Review management reports on sustainability** matters, including health, safety, social responsibility and environmental matters, and the Sustainability Report.
- › **Monitor management's risk management** processes related to sustainability matters and report to the Board on the effectiveness of such processes.
- › **Visit project sites periodically** (as individuals or as a committee), to become familiar with the nature of the operations, and to review relevant sustainability-related objectives, procedures and performance, including health, safety, social responsibility and environmental matters.
- › **Review and monitor the Alamos Sustainability Policy** and the Alamos Health and Safety Policy and related activities of the Corporation to ensure that the Corporation is in compliance with applicable laws and legislation.
- › **Report to the Board** following each meeting of the Committee and at such other times as the Board may consider appropriate.

The Vice-President of Sustainability and External Affairs is the highest executive responsible for sustainability performance.

Alamos Sustainability Framework

The Alamos Sustainability Framework is comprised of these formal policies:

- › Alamos Sustainability Policy
- › Alamos Health & Safety Policy
- › Alamos Risk Management Program
- › Alamos Technical and Sustainability Committee Charter
- › Alamos Code of Business Conduct and Ethics

Each Alamos location designs its own supporting procedures and practices, including site level health and safety management systems, within the parameters of the Alamos Sustainability Management System Framework.

Late in 2016, we initiated a comprehensive review of our sustainability strategy in the context of our Company's current status and future growth potential. In 2017, we initiated efforts to redefine our Corporate Values and develop a more concise message about what it means to be a part of Alamos. In 2018, our new Corporate Values were defined and finalized. In 2019 we will review and update our sustainability and governance policies to align with these new Corporate Values and the newly released Responsible Gold Mining Principles. Our objective is to finalize a new Sustainability Policy in 2019 with a view to implement supporting Sustainability Standards in 2020. We will continue to develop a best-in-class Sustainability Performance Management System that will serve our Company's needs as we continue to grow.

Shareholder Engagement

Our core stakeholder groups include our investors, shareholders, employees, local communities, and suppliers.

Alamos management communicates regularly with our shareholders and other stakeholders through timely dissemination of information and reporting of quarterly and annual operating and financial results. Executive Officers make regular presentations to stakeholders, including employees and major shareholders, and all new information and presentations are made readily available on the Alamos website. Shareholders are invited to communicate with the Board through the annual meeting, or by contacting the Board through our General Counsel. Shareholders can also propose resolutions for consideration at a shareholders' meeting.

Strategic Planning

Alamos' strategic planning incorporates the principles of sustainable development. Each year, the Company's Executive Officers develop and recommend a strategic plan for approval by the Board. Management carries out periodic reviews of the strategic plan, and recommends annual corporate objectives, a budget and a long-term financial plan, which are presented to the Board for approval. When appropriate, the Officers of the Company also provide presentations on strategic issues.

Risk Management

In order to make informed decisions on corporate strategy, we need a thorough understanding of any associated risks, including those relating to sustainability. In 2012, we adopted the Alamos Risk Management Program, which is intended to ensure our strategic objectives while protecting our assets, stakeholders, reputation, and the environment. Its objectives are to:

- › **Understand the risks** associated with our business activities through integrating the outputs of various risk functions.

- › **Reduce the likelihood and consequences** of adverse effects to acceptable levels. In relation to health, safety and environmental issues, risks should be managed to a point that is as low as reasonably practicable.
- › **Strive to make informed decisions** based on understanding the risk tolerance levels, and the reward-to-risk balance at corporate and operating levels.
- › **Continuously improve our management of risk**, thereby providing greater certainty on the delivery of objectives.

The Risk Committee is responsible for overseeing and monitoring, from a process standpoint, the Alamos Risk Management Program. The Risk Committee is comprised of the Alamos CEO, CFO, COO, VP General Counsel, VP Development & Construction, VP Sustainability & External Affairs and VP Finance. The Risk Committee conducts risk identification and review processes, not less than quarterly to identify any emerging risks, determine the effectiveness of current risk management strategies and, where appropriate, develops new risk management strategies. The Risk Committee also has responsibility for ensuring that a robust risk management process is in place, and for monitoring the overall risk profile of the Company as well as the effectiveness of risk controls.

The Risk Committee undertook a comprehensive risk assessment, which involved an analysis of issues at the corporate and mine site levels to identify emerging risks, mitigating activities, and opportunities for improved monitoring and management. An entity-level risk matrix was developed, which identified several sustainability-related risks.

Our goal is to ensure a single, integrated, principled approach to risk management throughout the organization. To achieve this, and to ensure that



Alamos employees at the Mulatos mine, Mexico

our employees and contractors are informed about the program and their responsibilities, we focus on education, effective policy implementation and continuous risk assessments.

Anti-Bribery and Anti-Corruption Policy

Alamos takes a zero-tolerance approach to bribery and corruption. All personnel are expected to conduct business legally and ethically, and to comply with the Alamos Anti-Bribery and Anti-Corruption Policy and all related applicable laws.

This Policy sets out our commitment to honest and ethical conduct and the need for compliance with applicable laws, rules and regulations in this area. We have processes in place to cultivate a Company-wide culture of awareness and compliance education, as well as a system for internal reporting of potential violations and responding to reports of potential violations.

We do not make contributions to political parties or politicians. While we participate in public policy discussions through our memberships in the Canadian Chamber of Commerce, the Canadian Chamber of Commerce in Mexico, and the Ontario Mining Association, we do not take positions on public policy or participate in public policy development and lobbying.

There were no legal actions taken against us in 2018 related to corruption, nor for anti-competitive behaviour or anti-trust violations. Except for environmental penalties related to one reportable environmental incident at Young-Davidson and one at Island Gold, there were no other significant fines or non-monetary sanctions levied against us for non-compliance with laws and regulations.

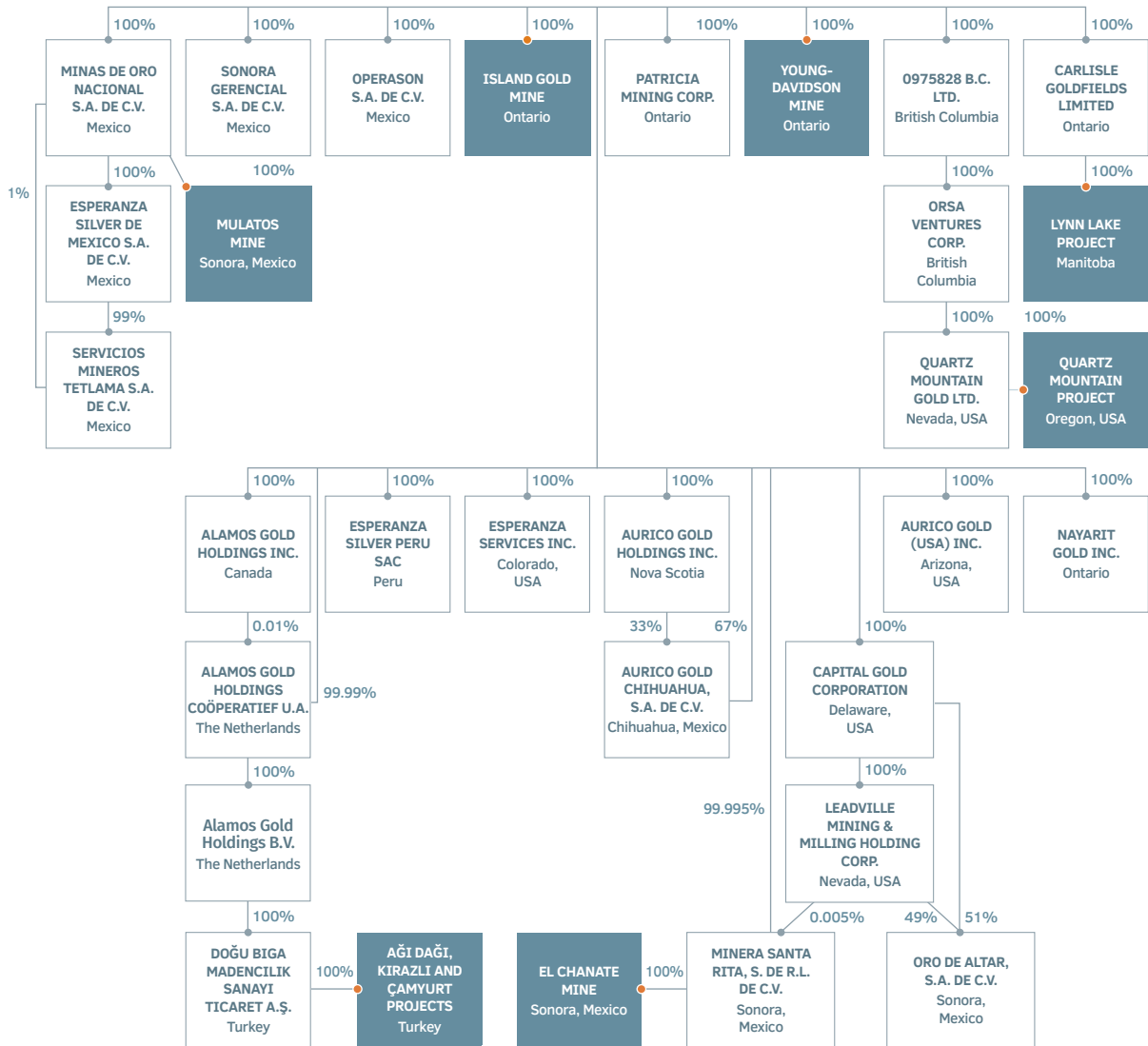
Our compliance procedures are reviewed at least annually by legal counsel and updated as appropriate. We also conduct periodic reviews and testing of the standards, procedures and codes.

Organizational Profile

Alamos is a corporation existing pursuant to the laws of Ontario, Canada, and is listed on the Toronto Stock Exchange and New York Stock Exchange. The Corporate headquarters of Alamos are located in

Toronto, Ontario, Canada. Alamos holds its assets through a number of directly and indirectly held wholly-owned subsidiaries, as set out in the chart below as at December 31, 2018.

Alamos Gold Inc., Ontario



GRI Index

GLOBAL REPORTING INITIATIVE (GRI) 2018 CONTENT INDEX

Governance (100)

General (102)		Page
102-1	Name of the organization	1
102-2	Activities, brands, products, and services	1, 2, 3
102-3	Location of headquarters	5
102-4	Location of operations	3, 18
102-5	Ownership and legal form	75
102-7	Scale of the organization	2, 3, 75
102-8	Number of employees - by employment contract - by region - by gender	25
102-10	Significant changes to the organization and its supply chain	4
102-11	Precautionary Principle or approach	70, 73
102-14	Statement from senior decision-maker	6
102-16	Values, principles, standards, and norms of behaviour	9, 10
102-17	Mechanisms for advice and concerns about ethics	14, 15, 72
102-18	Governance structure of the organization, including committees under the highest governance body Identify any committees responsible for decision making on economic, environmental and social impacts	71
102-20	Executive-level responsibility for economic, environmental, and social topics	71
102-21	Processes for stakeholder consultation on economic, environmental, and social topics.	5, 11, 42, 72
102-22	Composition of the highest governance body and its committees	71
102-23	Is the chair of the highest governance body also an executive officer? If so, why, and what is their function?	71
102-24	Nomination and selection processes for the highest governance body and its committees	71
102-26	Role of highest governance body in setting the organization's purpose, values, and strategy related to economic, environmental and social impacts	70
102-32	Highest governance body's role in reviewing/ approving sustainability reporting	71, 72
102-40	List of stakeholder groups	5, 72

Global Reporting Initiative (GRI) 2018 Content Index – Continued

102-41	Percentage of total employees covered by collective bargaining agreements	14
102-42	Basis for identifying and selecting stakeholders	5, 13
102-43	Approach to stakeholder engagement - frequency/type of engagement by stakeholder group, and whether any engagement was specifically for the report	5, 72
102-46	Defining report content and topic boundaries	13
102-47	List of material topics	13
102-48	Restatements of information	4
102-49	Changes in reporting	4
102-50	Reporting period	4
102-51	Date of most recent report	4
102-52	Reporting cycle	4
102-53	Contact point for questions regarding the report	4, 5
102-54	Reporting “in accordance” with GRI Standards	13
102-55	GRI Content Index	76
Management Approach (103)		
103-2	Grievance mechanisms (Labour, Human Rights etc.) and grievance claims, filed and addressed	15, 16, 74
Economics (200)		
Economic Performance (201)		
201-1	Direct economic value generated and distributed - incl. revenues, operating costs, employee wages and benefits, donations and other community investments, retained earnings, and payments to capital providers and payments to governments	50 - 51
Market Presence (202)		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	27
202-2	Proportion of senior management hired from the local community/communities	27
Indirect Economic Impacts (203)		
203-1	Infrastructure investments and services supported	43 - 51
Procurement Practices (204)		
204-1	Proportion of spending on local suppliers	51
Anti-Corruption (205)		
205-1	Operations assessed for risks related to corruption	74

Global Reporting Initiative (GRI) 2018 Content Index – Continued

205-2	Communication and training about anti-corruption policies and procedures	50, 74
205-3	Confirmed incidents of corruption and actions taken	74
Anti-Competitive Behaviour (206)		
206-1	Number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	14
Environment (300)		
Materials (301)		
301-1	Materials used by weight or volume	56
301-2	Recycled input materials used	57, 61, 64
301-3	Reclaimed products and their packaging materials	64
Energy (302)		
302-1	Energy consumption within the organization	57
302-2	Energy consumption outside of the organization	57
302-3	Energy intensity	58
302-4	Initiatives to reduce energy consumption (through energy-efficiency or renewable energy) and resultant reductions	58
Water (303)		
303-1	Water withdrawal by source	59 - 60
303-2	Water sources significantly affected by withdrawal of water	59 - 60
303-3	Volume/or percent of water recycled and reused	61
Biodiversity (304)		
304-2	Significant impacts on protected areas and areas of high biodiversity value	67
304-3	Habitats protected or restored	65
Emissions (305)		
305-1	Direct (Scope 1) GHG emissions	62
305-2	Indirect (Scope 2) GHG emissions	63
305-4	GHG emissions intensity	63
Effluents and Waste (306)		
306-1	Water discharge by quality and destination	61
306-2	Weight of waste by type and disposal method	64
306-3	Significant spills (number and volume)	56
306-4	Transport of hazardous waste	63

Global Reporting Initiative (GRI) 2018 Content Index – Continued

306-5	Water bodies affected by water discharges and/or runoff	59 - 61
Environmental Compliance (307)		
307-1	Fines or non-monetary sanctions for non-compliance with environmental laws and regulations	56
People and Communities (400)		
Employment (401)		
401-1	New employee hires and employee turnover by age group, gender and region	25
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	28
Occupational Health and Safety (403)		
403-1	Health and Safety Management Systems in place	34
403-2	Types and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	33
403-4	Worker participation and consultation in health and safety committees	37
403-5	Health and safety training provided to workers	37
403-6	Promotion of worker health and provision of non-occupational medical and healthcare services	32, 43, 44, 46, 47, 50
403-8	Workers covered by an occupational health and safety management system	37
403-9	Work-related injuries: numbers and rates of injuries and fatalities and total hours worked	33
Training and Education (404)		
404-2	Programs for upgrading employee skills and transition assistance programs	37
404-3	Percentage of employees receiving regular performance and career development reviews	29
Diversity and Equal Opportunity (405)		
405-2	Ratio of basic salary and remuneration of women to men	27
Non-discrimination (406)		
406-1	Incidents of discrimination and corrective actions taken	15, 16
Child Labour (406)		
408-1	Operations and suppliers at significant risk for incidents of child labour	16
Forced or Compulsory Labour (409)		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	16
Security Practices (410)		

Global Reporting Initiative (GRI) 2018 Content Index – Continued

410-1	Security personnel trained in human rights policies or procedures	16
Rights of Indigenous Peoples (411)		
411-1	Incidents of violations involving rights of indigenous peoples and actions taken	16
Human Rights (412)		
412-1	Operations that have been subject to human rights reviews or impact assessments	15, 16
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	15
Local Communities (413)		
413-1	Operations with local community engagement, impact assessments, and development programs	40 - 51
413-2	Operations with significant actual and potential negative impacts on local communities	40 - 51
Public Policy (315)		
415-1	Value of political contributions by country and recipient/beneficiary	50
Socioeconomic Compliance (419)		
419-1	Fines and non-monetary sanctions for non-compliance with laws and regulations in the social and economic area	14



Sapling at the Mulatos mine nursery, Mexico

Cautionary Statements

Certain statements contained or incorporated by reference in this report constitutes forward-looking statements or forward-looking information within the meaning of applicable Canadian and U.S. securities laws and are referred to herein as “forward-looking statements”. All statements other than statements of historical fact, are forward-looking statements and are generally, but not always, identified by the use of forward-looking terminology such as “expect”, “is expected”, “believe”, “is intended”, “estimate”, “forecast”, “guidance”, “budget”, “continue”, “plan” or variations of such words and phrases and similar expressions or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved or the negative connotation of such terms. Forward-looking statements in this report include the Company’s sustainability strategy, environmental and workplace health and safety programs, corporate social responsibility, governance, forecast gold production, gold grades, recoveries, waste-to-ore ratios, all-in sustaining costs, total cash costs and future plans and objectives based on forecasts of future operational or financial results, estimates of amounts not yet determinable and assumptions of management.

Forward-looking statements are necessarily based upon several estimates and assumptions that, while considered reasonable by the Company as at the date of this report in light of management’s experience and perception of current conditions and expected developments, are inherently subject to significant business, economic, legal, political and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements, and undue reliance should not be placed on such statements and information. Such factors and assumptions underlying the forward-looking statements in this report include, but are not limited to: changes to current estimates of mineral reserves and mineral resources; the speculative nature of mineral exploration and development, risks in obtaining and maintaining necessary licenses, permits and authorizations; changes to production estimates (which assume accuracy of projected ore grade, mining rates, recovery timing and recovery rate estimates which may be impacted by unscheduled maintenance, labour and contractor availability and other operating or technical difficulties); fluctuations in the price of gold; changes in foreign exchange rates; the impact of inflation; employee and community relations; litigation and administrative proceedings; disruptions affecting operations; expropriation or nationalization of property; political or economic developments in Canada, Mexico, the United States, Turkey and other jurisdictions in which the Company may carry on business in the future; inherent risks and hazards associated with mining including environmental hazards, industrial accidents, unusual or unexpected formations, pressures and cave-ins; increased costs and risks related to the potential impact of climate change; the risk that the Company’s mines may not perform as planned; increased costs associated with mining inputs and labour; contests over title to properties; changes in national and local government legislation (including taxation), controls or regulations; the costs and timing of construction and development of new deposits; the impact of global liquidity and credit availability and the values of assets and liabilities based on projected future cash flows; risks arising from holding derivative instruments; and business opportunities that may be pursued by the Company.

Additional risk factors that may affect the Company’s ability to achieve the expectations set forth in the forward-looking statements contained in this report are described in the Company’s latest Annual Information Form and Management’s Discussion and Analysis, each under the heading “Risk Factors”, available on the SEDAR website at www.sedar.com or on EDGAR at www.sec.gov, and should be reviewed in conjunction with this report. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.

Note to U.S. Investors

Alamos prepares its disclosure in accordance with the requirements of securities laws in effect in Canada, which differ from the requirements of U.S. securities laws. Terms relating to mineral resources in this report are defined in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum’s Standards, Best Practices and Guidance for Mineral Resources and Mineral Reserves. The United States Securities and Exchange Commission (the “SEC”) permits mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. Alamos may use certain terms, such as “Measured Mineral Resources”, “Indicated Mineral Resources”, “Inferred Mineral Resources” and “Probable Mineral Reserves” that the SEC does not recognize (these terms may be used in this report and are included in the Company’s public filings, which have been filed with the SEC and the securities commissions or similar authorities in Canada).

Corporate Information

Directors

Paul J. Murphy B.Comm., FCPA
Chairman

John A. McCluskey
President, Chief Executive
Officer and Director

Elaine Ellingham MBA, M.Sc., P.Geo.
Director

David Fleck B.A. (Economics), MBA
Director

David Gower M.Sc., P.Geo.
Director

Claire M. C. Kennedy B.A.Sc.
(Chemical Engineering), LL.B.,
P.Eng, ICD.D
Director

Monique Mercier Ad.E.
Director

J. Robert S. Prichard OC, O.Ont
Director

Ronald E. Smith BBA, FCPA, ICD.D
Director

Ken Stowe B.Sc., M.Sc.
(Mining Engineering)
Director



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Management

John A. McCluskey
President, Chief Executive Officer
and Director

Jamie Porter BACS, CA-CPA,
CPA (Illinois)
Chief Financial Officer

Peter MacPhail B.A.Sc., P. Eng.
(Mineral Engineering)
Chief Operating Officer

Christine Barwell CHRP, CCP,
GRP, MBA
Vice President, Human Resources

Chris Bostwick B.Sc., FAusIMM
(Mining Engineering)
Vice President, Technical Services

Luis Chavez B.A., M.Sc., Ph.D.
(Energy and Mineral Economics)
Senior Vice President, Mexico

Andrew Cormier B.Sc., P. Eng.
(Extractive Metallurgy)
Vice President of Construction
and Development

Nils F. Engelstad B.A., LL.B, LL.M, MA
Vice President, General Counsel

Greg Fisher B.Comm., CA-CPA
Vice President, Finance

Scott Parsons, BBA, CFA
Vice President, Investor Relations

Christopher Rockingham B.Sc., MBA
Vice President of Exploration

Colin Webster, B.Sc., P. Eng.
(Mining Engineering)
Vice President, Sustainability
and External Affairs

Head Office

Toronto
181 Bay Street, Suite 3910
Toronto, ON M5J 2T3

T 416 368-9932
TF 1 866 788-8801
F 416 368-2934

Mexico Office

**Minas de Oro National,
S.A. de C.V.**

A wholly-owned subsidiary
of Alamos Gold Inc.

Calle de los Pimas 81
Parque Industrial
Hermosillo, Sonora, Mexico,
C.P. 83299

Turkey Office

Alamos Gold. Inc.

4. Cad. No: 10/1 Kat:1
06550 Çankaya/Ankara

Investor Inquiries

Scott K. Parsons BBA, CFA
Vice President, Investor Relations

T 416 368-9932 x 5439
E sparsons@alamosgold.com

Website

www.alamosgold.com

Sustainability Contact

Colin Webster, B.Sc., P. Eng.
(Mining Engineering)
Vice President, Sustainability
and External Affairs

T 416 368-9932
E info@alamosgold.com



ALAMOS GOLD INC.

www.alamosgold.com