



Management's Discussion and Analysis

(in United States dollars, unless otherwise stated)

For the Three Months Ended March 31, 2021

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This Management's Discussion and Analysis ("MD&A"), dated April 27, 2021, relates to the financial condition and results of the consolidated operations of Alamos Gold Inc. ("Alamos" or the "Company"), and should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2020 and unaudited condensed consolidated interim financial statements for the three months ended March 31, 2021, and notes thereto. The financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IFRS" or "GAAP"). All results are presented in United States dollars ("US dollars" or "\$"), unless otherwise stated.

Statements are subject to the risks and uncertainties identified in the Cautionary Note Regarding Forward-Looking Statements section of this document. United States investors are also advised to refer to the section entitled Cautionary Note to United States Investors on page 35.

Overview of the Business

Alamos is a Canadian-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 mine in Sonora State, Mexico. In addition, Alamos has a significant portfolio of development stage projects in Canada, Mexico, Turkey, and the United States. Alamos employs more than 1,700 people and is committed to the highest standards of sustainable development and ethical business practices.

The Company's common shares are listed on the Toronto Stock Exchange (TSX: AGI) and the New York Stock Exchange (NYSE: AGI). Further information about Alamos can be found in the Company's regulatory filings, including the Company's Annual Information Form, available on SEDAR at www.sedar.com, on EDGAR at www.sec.gov, and on the Company's website at www.alamosgold.com.

Highlight Summary

	Three Months Ended March 31,	
	2021	2020
Financial Results (in millions)		
Operating revenues	\$227.4	\$176.9
Cost of sales ⁽¹⁾	\$139.3	\$120.3
Earnings from operations	\$76.3	\$46.2
Earnings before income taxes	\$75.1	\$40.5
Net earnings (loss)	\$51.2	(\$12.3)
Adjusted net earnings ⁽²⁾	\$49.1	\$29.4
Earnings before interest, depreciation and amortization ⁽²⁾	\$119.6	\$76.7
Cash provided by operations before working capital and cash taxes ⁽²⁾	\$119.6	\$81.7
Cash provided by operating activities	\$99.3	\$56.6
Capital expenditures (sustaining) ⁽²⁾	\$23.6	\$17.5
Capital expenditures (growth) ^{(2) (3)}	\$43.5	\$41.3
Capital expenditures (capitalized exploration) ⁽⁴⁾	\$5.5	\$4.5
Free cash flow ⁽²⁾	\$9.9	(\$6.7)
Operating Results		
Gold production (ounces)	125,800	110,800
Gold sales (ounces)	126,482	111,854
Per Ounce Data		
Average realized gold price	\$1,798	\$1,582
Average spot gold price (London PM Fix)	\$1,794	\$1,583
Cost of sales per ounce of gold sold (includes amortization) ⁽¹⁾	\$1,101	\$1,076
Total cash costs per ounce of gold sold ⁽²⁾	\$757	\$759
All-in sustaining costs per ounce of gold sold ⁽²⁾	\$1,030	\$1,010
Share Data		
Earnings per share, basic and diluted	\$0.13	(\$0.03)
Adjusted earnings per share, basic and diluted ⁽²⁾	\$0.13	\$0.08
Weighted average common shares outstanding (basic) (000's)	392,776	391,341
Financial Position (in millions)		
Cash and cash equivalents ⁽⁵⁾	\$238.2	\$220.5

⁽¹⁾ Cost of sales includes mining and processing costs, royalties, and amortization expense.

⁽²⁾ Refer to the "Non-GAAP Measures and Additional GAAP Measures" disclosure at the end of this MD&A for a description and calculation of these measures.

⁽³⁾ Includes growth capital from operating sites. Excludes the Island Gold royalty repurchase completed in March 2020 for \$54.8 million.

⁽⁴⁾ Includes capitalized exploration at Island Gold, Young-Davidson and Mulatos.

⁽⁵⁾ Comparative cash and cash equivalents balance as at December 31, 2020.

	Three Months Ended March 31,	
	2021	2020
Gold production (ounces) ⁽¹⁾		
Young-Davidson	48,000	28,700
Mulatos	35,600	42,600
Island Gold	42,200	38,800
Gold sales (ounces)		
Young-Davidson	48,022	28,905
Mulatos	38,578	43,822
Island Gold	39,882	39,127
Cost of sales (in millions) ⁽²⁾		
Young-Davidson	\$62.0	\$43.8
Mulatos	\$48.2	\$46.0
Island Gold	\$29.1	\$30.5
Cost of sales per ounce of gold sold (includes amortization)		
Young-Davidson	\$1,291	\$1,515
Mulatos	\$1,249	\$1,050
Island Gold	\$730	\$780
Total cash costs per ounce of gold sold ⁽³⁾		
Young-Davidson	\$873	\$1,093
Mulatos	\$915	\$812
Island Gold	\$466	\$452
Mine-site all-in sustaining costs per ounce of gold sold ^{(3),(4)}		
Young-Davidson	\$1,075	\$1,242
Mulatos	\$1,039	\$958
Island Gold	\$732	\$670
Capital expenditures (sustaining, growth and capitalized exploration) (in millions) ⁽³⁾		
Young-Davidson ⁽⁵⁾	\$21.9	\$27.0
Mulatos ⁽⁶⁾	\$18.8	\$7.4
Island Gold ⁽⁷⁾	\$27.4	\$22.1
Other	\$4.5	\$6.8

⁽¹⁾ Production for the three months ended March 31, 2020 included 700 ounces from El Chanate which transitioned to the reclamation phase of the mine life in 2019. There was no production from El Chanate for the three months ended March 31, 2021.

⁽²⁾ Cost of sales includes mining and processing costs, royalties and amortization.

⁽³⁾ Refer to the "Non-GAAP Measures and Additional GAAP Measures" disclosure at the end of this MD&A for a description and calculation of these measures.

⁽⁴⁾ For the purposes of calculating mine-site all-in sustaining costs, the Company does not include an allocation of corporate and administrative and share based compensation expenses.

⁽⁵⁾ Includes capitalized exploration at Young-Davidson of \$1.0 million for the three months ended March 31, 2021 (\$nil for the three months ended March 31, 2020).

⁽⁶⁾ Includes capitalized exploration at Mulatos of \$nil for the three months ended March 31, 2021 (\$0.5 million for the three months ended March 31, 2020).

⁽⁷⁾ Includes capitalized exploration at Island Gold of \$4.5 million for the three months ended March 31, 2021 (\$4.0 million for three months ending March 31, 2020); Capital expenditures exclude the Island Gold royalty repurchase for \$54.8 million for the three months ended March 31, 2020.

2021 Highlights

First Quarter 2021

- Production of 125,800 ounces of gold, above the top end of quarterly guidance, and a 14% increase from the first quarter of 2020, driven by significantly higher production at Young-Davidson and another record quarter at Island Gold
- Young-Davidson produced 48,000 ounces of gold and generated mine-site free cash flow¹ of \$22.3 million. The strong performance was driven by record mining rates of 7,791 tonnes per day ("tpd") from the new lower mine infrastructure, exceeding the targeted mining rate of 7,500 tpd
- Island Gold produced a record 42,200 ounces of gold and generated mine-site free cash flow¹ of \$26.0 million, net of growth expenditures and capitalized exploration of \$16.8 million
- Generated free cash flow¹ of \$9.9 million, net of \$16.8 million of capital advances for the La Yaqui Grande project and the Phase III expansion at Island Gold, and \$18.2 million in cash taxes paid in Mexico, primarily related to 2020
- Sold 126,482 ounces of gold at an average realized price of \$1,798 per ounce for record revenues of \$227.4 million
- Generated cash flow from operating activities of \$99.3 million (\$119.6 million, or \$0.30 per share, before changes in working capital¹), a 75% increase compared to the first quarter of 2020
- Consolidated total cash costs¹ of \$757 per ounce, all-in sustaining costs ("AISC")¹ of \$1,030 per ounce and cost of sales of \$1,101 per ounce were all in line with annual guidance, despite the impact of the stronger than budgeted Canadian dollar
- Realized adjusted net earnings¹ of \$49.1 million, or \$0.13 per share¹, which includes adjustments for unrealized foreign exchange gains of \$2.3 million, recorded within deferred taxes and foreign exchange, and other one-time losses of \$0.2 million. Adjusted net earnings increased 67% compared to the first quarter of 2020
- Recorded net earnings of \$51.2 million, or \$0.13 per share
- Ended the quarter with cash and cash equivalents of \$238.2 million and equity securities of \$26.7 million. During the quarter, the Company generated \$20.7 million in cash on the liquidation of certain equity securities and realized an after-tax gain of \$9.3 million (recorded within equity)
- Paid a quarterly dividend of \$9.8 million, or US\$0.025 per share (annualized rate of US\$0.10 per share), representing a 25% increase from the previous quarter
- Repurchased 200,262 common shares at a cost of \$1.5 million, or \$7.35 per share, under the Company's Normal Course Issuer Bid ("NCIB")
- Reported year end 2020 Mineral Reserves of 9.9 million ounces, up from 9.7 million ounces at the end of 2019 with additions at Island Gold, Young-Davidson and Lynn Lake more than offsetting mining depletion. This included an 8% increase in Mineral Reserves, as well as a 40% increase in Inferred Mineral Resources at Island Gold, for a combined increase of 1.0 million ounces
- Appointed John Fitzgerald as Vice President, Projects with Mr. Fitzgerald to lead all engineering, procurement and construction activities for the Company's development projects
- Advanced development of La Yaqui Grande, with pre-stripping rates ramping up to 48,000 tpd by the end of March and the project on track to achieve commercial production in the third quarter of 2022
- Subsequent to quarter-end, the Company announced it will file a \$1 billion investment treaty claim against the Republic of Turkey for expropriation and unfair and inequitable treatment, among other things, with respect to its Turkish projects

⁽¹⁾ Refer to the "Non-GAAP Measures and Additional GAAP Measures" disclosure at the end of this MD&A for a description and calculation of these measures.

Environment, Social and Governance Summary Performance

Health and Safety

- Recordable injury frequency rate¹ of 1.99, an improvement from 2.25 in 2020
- Lost time injury frequency rate¹ of 0.27, an increase from 0.14 in 2020
- Performed 18,000 COVID-19 tests on employees, contractors and visitors as part of an enhanced screening program

During the first quarter of 2021, the Company improved its overall health and safety performance by reducing its recordable injury frequency rate, with 22 recordable injuries reported (26 in the first quarter of 2020). However, the Company experienced three lost time injuries (two in the first quarter of 2020) resulting in an increase to the lost time injury frequency rate. Alamos strives to maintain a safe, healthy working environment for all, with a strong safety culture where everyone is continually reminded of the importance of keeping themselves and their colleagues healthy and injury-free. The Company's overarching commitment is to have all employees and contractors return *Home Safe Every Day*.

The World Health Organization declared COVID-19 a pandemic on March 11, 2020. The Company responded rapidly and proactively and implemented several initiatives to help protect the health and safety of our employees, their families and the communities in which we operate.

Specifically, each mine site activated established crisis management plans and developed site-specific plans that have enabled them to meet and respond to changing conditions associated with COVID-19. The Company has adopted the advice of public health authorities and is adhering to government regulations with respect to COVID-19 in the jurisdictions in which it operates.

The following measures have been instituted at sites to prevent the potential spread of the virus:

- Medical screening for all personnel prior to entry to site for symptoms of COVID-19
- Testing of personnel at all operating sites prior to starting their work rotation
- Training on proper hand hygiene and social distancing
- Remote work options have been implemented for eligible employees
- Social distancing practices have been implemented for all meetings, huddles and transportation
- Mandatory use of personal protective equipment for employees where social distancing is not practicable
- Rigid camp and site hygiene protocols have been instituted and are being followed
- Elimination of all non-essential business travel
- Required 14-day quarantine for any employees returning from out of country travel
- In addition, since the COVID-19 pandemic began the Company's teams in Canada, Mexico, and Turkey have donated their time, medical supplies, and funds to help combat the effects and spread of the virus

COVID 19 - Impact on Operations

Given the significant precautionary measures taken by the Company, and thanks to the dedication of its employees, contractors and stakeholders, operations remain relatively unaffected by COVID-19. All of the Company's operations continue to incur additional costs related to testing of personnel, lodging and transportation, which have been included in mining and processing costs. These incremental costs have increased total cash costs globally by approximately \$25 per ounce and are expected to be incurred throughout 2021.

Environment

- Zero significant environmental incidents during the first quarter of 2021
- Advanced permitting for the Phase III expansion of Island Gold and the Lynn Lake Project
- Advanced construction of the power line which will connect the Mulatos Mine to grid power and eliminate the need for site diesel power generation, reducing greenhouse gas emissions by 12% annually

The Company's mine sites operated in compliance with applicable environmental regulations, with zero incidents or spills that triggered reporting to external agencies in the first quarter of 2021. The Company is committed to preserving the long-term health and viability of the natural environment that surround its operations and projects. This includes investing in new initiatives to reduce our environmental footprint with the goal of minimizing the environmental impacts of our activities, and offsetting any impacts that cannot be fully mitigated or rehabilitated.

Community

- Donated time, medical supplies, food supplies and funds across all operations and projects to help combat the effects and spread of COVID-19 in local communities

Alamos believes that excellence in sustainability provides a net benefit to all stakeholders. The Company continues to engage with local communities to understand local challenges and priorities, and to offer support during the COVID-19 pandemic. Ongoing investments in local infrastructure, health care, education, cultural and community programs has continued through the COVID-19 pandemic, with appropriate health and safety protocols.

Governance and Disclosure

- Integrated ESG metrics into the Interactive Analyst Center on the Company website
- Advanced the 2020 Environmental, Social and Corporate Governance (ESG) Report, which will be published in the second quarter of 2021

Alamos maintains the highest standards of corporate governance to ensure that corporate decision-making reflects its values, including the Company's commitment to sustainable development. During the quarter the Company continued to advance its implementation of the Responsible Gold Mining Principles, developed by the World Gold Council as a framework that sets clear expectations as to what constitutes responsible gold mining.

⁽¹⁾ Frequency rate is calculated as incidents per 200,000 hours worked.

2021 Business Developments

Investment Treaty Claim Against the Republic of Turkey

On April 20, 2021, the Company announced that its Netherlands wholly-owned subsidiaries Alamos Gold Holdings Coöperatief U.A. and Alamos Gold Holdings B.V. (the "Subsidiaries") will file an investment treaty claim against the Republic of Turkey for expropriation and unfair and inequitable treatment, among other things, with respect to the Kirazlı, Ağı Dağı and Çamyurt gold development projects in Turkey. The claim will be filed under the Netherlands-Turkey Bilateral Investment Treaty (the "Treaty"), and is expected to exceed \$1 billion, representing the value of the Company's Turkish assets.

In its effort to secure the renewal of its mining licenses, the Company has attempted to work cooperatively with the Turkish government, has raised with the Turkish government its obligations under the Treaty, has sought to resolve the dispute by good faith negotiations, and has made considerable effort to build support among stakeholders and host communities. The Turkish government has failed to provide the Company with a reason for the non-renewal or a timeline for renewal of its licenses.

Bilateral investment treaties are agreements between countries to assist with the protection of investments. The Treaty establishes legal protections for investment between Turkey and the Netherlands. The Subsidiaries directly own and control the Company's Turkish assets. The Subsidiaries invoking their rights pursuant to the Treaty does not mean that they relinquish their rights to the Turkish project, or otherwise cease the Turkish operations. The Company will continue to work towards a constructive resolution with the Republic of Turkey.

Alamos and the Subsidiaries are being represented by the leading Canadian law firm Torys LLP, with a team that includes John Terry and former Canadian Supreme Court Justice, the Hon. Frank Iacobucci. The Company is also being supported by its strategic advisor John Baird, former Canadian Minister of Foreign Affairs and Senior Advisor to Bennett Jones LLP.

The failure by the Republic of Turkey to renew the mining licenses since their expiry, the failure of discussions with the Republic of Turkey to date to resolve the situation, and the resulting current decision to proceed with a bilateral investment treaty claim is an impairment trigger for accounting purposes. As a result, Alamos and the Subsidiaries expect to incur an after-tax impairment charge of approximately \$215 million, which will be recorded in the second quarter 2021 financial statements. The non-cash impairment charge reflects the Company's entire net carrying value of the Turkish assets.

2020 Year-End Mineral Reserve and Resource Update

On February 23, 2021, the Company reported its updated Mineral Reserves and Resources as of December 31, 2020. Highlights include the following:

Island Gold's Mineral Reserves and Resources increased by a combined 1.0 million ounces, net of mining depletion, including:

- 8% increase in Proven and Probable Mineral Reserves to 1.3 million ounces (4.2 million tonnes ("mt") grading 9.71 grams per tonne of gold ("g/t Au")), net of mining depletion
- 40% increase in Inferred Mineral Resources to 3.2 million ounces (6.9 mt grading 14.43 g/t Au) with grades also increasing 9% reflecting further higher grade additions in Island East

- Combined Mineral Reserves and Resources now total 4.7 million ounces, a 27% increase from the end of 2019 and 155% increase from the 1.8 million ounces at the time of acquisition in 2017, net of 508,000 ounces of mining depletion
- Growth highlights significant upside potential to Phase III Expansion Study, with the 2020 Mineral Reserve and Resource additions expected to increase already attractive economics

Global Proven and Probable Mineral Reserves increased to 9.9 million ounces of gold (204 mt grading 1.50 g/t Au), up from 9.7 million ounces at the end of 2019 with increases at Island Gold, Young-Davidson and Lynn Lake more than offsetting 555,000 ounces of mining depletion.

Global Measured and Indicated Mineral Resources of 6.9 million ounces of gold (196 mt grading 1.09 g/t Au) were down 3%, reflecting the conversion to Mineral Reserves at Young-Davidson and Lynn Lake.

Global Inferred Mineral Resources increased 16% to 7.0 million ounces of gold (132 mt grading 1.65 g/t Au), with grades also increasing 15% driven by significantly higher grade additions at Island Gold which totaled 910,000 ounces (grading 18.59 g/t Au).

Dividend Increased for Second Consecutive Quarter

On February 24, 2021, the Company announced a further 25% increase in its dividend to an annual rate of US\$0.10 per share, which was paid on March 31, 2021. This represented a 67% increase in the dividend over the past two quarters, aligned with the Company's long-term capital allocation strategy of increasing returns to shareholders.

Outlook and Strategy

	2021 Guidance				
	Young-Davidson	Island Gold	Mulatos	Other ⁽²⁾	Total
Gold production (000's ounces)	190 - 205	130 - 145	150 - 160		470 - 510
Cost of sales, including amortization (in millions)⁽⁴⁾	\$255	\$108	\$177	—	\$540
Cost of sales, including amortization (\$ per ounce)⁽⁴⁾	\$1,290	\$785	\$1,145	—	\$1,105
Total cash costs (\$ per ounce)⁽¹⁾	\$790 - \$840	\$430 - \$480	\$840 - \$890	—	\$710 - \$760
All-in sustaining costs (\$ per ounce)⁽¹⁾					\$1,025 - \$1,075
Mine-site all-in sustaining costs (\$ per ounce)⁽¹⁾⁽³⁾	\$1,000 - \$1,050	\$750 - \$800	\$1,060 - \$1,110	—	
Amortization costs (\$ per ounce)⁽¹⁾	\$475	\$330	\$280	—	\$370
Capital expenditures (in millions)					
Sustaining capital ⁽¹⁾	\$40 - \$45	\$40 - \$45	\$30 - \$35	\$—	\$110 - \$125
Growth capital ⁽¹⁾	\$25 - \$30	\$80 - \$85	\$95 - \$100	\$10	\$210 - \$225
Total Sustaining and Growth Capital⁽¹⁾	\$65 - \$75	\$120 - \$130	\$125 - \$135	\$10	\$320 - \$350
Capitalized exploration ⁽¹⁾	\$7	\$20	\$—	\$7	\$34
Total capital expenditures and capitalized exploration⁽¹⁾	\$72 - \$82	\$140 - \$150	\$125 - \$135	\$17	\$354 - \$384

⁽¹⁾ Refer to the "Non-GAAP Measures and Additional GAAP" disclosure at the end of this MD&A for a description of these measures.

⁽²⁾ Includes growth capital and capitalized exploration at the Company's development projects (Turkey, Lynn Lake, Esperanza and Quartz Mountain).

⁽³⁾ For the purposes of calculating mine-site all-in sustaining costs at individual mine sites, the Company does not include an allocation of corporate and administrative and share based compensation expenses to the mine sites.

⁽⁴⁾ Cost of sales includes mining and processing costs, royalties, and amortization expense, and is calculated based on the mid-point of guidance.

The Company's objective is to operate a sustainable business model that can support growing returns to all stakeholders over the long-term through growing production, expanding margins, and increasing profitability. This includes a balanced approach to capital allocation focused on generating strong ongoing free cash flow while re-investing in high-return internal growth opportunities and supporting higher returns to shareholders.

Despite a challenging environment with COVID-19, operations remain essentially unaffected and the Company continues to deliver on its key objectives. This included a strong start to the year with production of 125,800 ounces in the first quarter, exceeding quarterly guidance, and marking a 14% increase from the first quarter of 2020. The strong performance was driven by another record quarter of production at Island Gold, and record underground mining rates at Young-Davidson for the second consecutive quarter. Total cash costs and all-in sustaining costs in the quarter were both in line with annual guidance despite the stronger than budgeted Canadian dollar in the quarter.

In addition to the strong ongoing operational performance, the Company continues to advance its high-return organic growth initiatives. Development activities on the Phase III expansion at Island Gold are ramping up in parallel to an expanded exploration effort following up on the successful 2020 program which drove another significant increase in high-grade Mineral Reserves and Resources. Construction of the higher grade La Yaqui Grande project is also ramping up and remains on track for commercial production in the third quarter of 2022. The Company expects to generate strong ongoing free cash flow while funding these high return growth initiatives and supporting the recently increased dividend. The Company generated \$9.9 million of free cash flow¹ in the first quarter, net of capital advances of \$16.8 million for the La Yaqui Grande project and the Phase III expansion at Island Gold, and \$18.2 million of cash taxes paid in Mexico, mainly related to 2020 income and mining taxes.

Gold production in the second quarter of 2021 is expected to be between 115,000 and 120,000 ounces, a slight decrease from the first quarter, reflecting lower planned grades at Island Gold. Total cash costs and all-in sustaining costs in the second quarter are expected to be slightly above annual guidance assuming the Canadian dollar and Mexican peso remain at current levels. Full year cost guidance was based on a USD/CAD foreign exchange rate of \$0.75:1 and a MXN/USD foreign exchange rate of 21:1. At current Canadian dollar foreign exchange rates of approximately USD/CAD \$0.80:1, total cash costs and all-in sustaining costs would increase by approximately \$30 per ounce for the remainder of the year.

Gold production at Young-Davidson is expected to increase by 45% in 2021 (based on the mid-point of guidance), driven by significantly higher mining rates following the completion of the lower mine expansion in July 2020. Underground mining rates increased to average a record 7,791 tpd in the first quarter, outperforming the targeted rate of 7,500 tpd. Mining rates are expected to average 7,500 tpd in the second quarter with an additional mining horizon being added in the second half of the year which will support the increase to design rates of 8,000 tpd. Total cash costs and mine-site all-in sustaining costs are expected to decrease 20% and 16%, respectively, from 2020 (based on the mid-point of guidance), reflecting higher mining rates and productivity improvements with the transition to the lower mine infrastructure. Combined with lower capital spending, this is

expected to drive record mine-site free cash flow of approximately \$120 million in 2021 assuming an \$1,800 per ounce gold price.

Island Gold delivered another record quarter of production reflecting higher grades mined and processed. As previously guided, grades are expected to decrease through the year and average slightly above 10 g/t Au for the full year. Gold production and total cash costs for the full year are expected to be in the same range as 2020 and consistent with the parameters outlined in the Phase III expansion study released in July 2020. A total of \$25 million has been budgeted for exploration at Island Gold, a significant increase from \$12.9 million spent in 2020. The larger program will follow up on another extremely successful drilling campaign in 2020 whereby Mineral Reserves were more than replaced and now total 1.3 million ounces grading 9.71 g/t Au (4.2 mt) and Inferred Mineral Resources increased 40% to 3.2 million ounces with grades also increasing 9% to 14.43 g/t Au (6.9 mt).

The Mulatos District is expected to produce 150,000 to 160,000 ounces of gold in 2021, up 3% from 2020 (based on the mid-point of guidance). Cerro Pelon, the Mulatos pits, and surface stockpiles will supply all production in 2021. In parallel, the Company continues to advance construction of the high grade La Yaqui Grande project, which is expected to keep production in the Mulatos District at approximately 150,000 ounces per year at significantly lower costs.

The Company continues to advance permitting of the Lynn Lake project, with approval of its Environmental Impact Statement ("EIS") expected mid-2022. The 2021 capital budget for Lynn Lake is \$13 million, including \$6 million for development activities to support the permitting process and \$7 million for exploration. The Company expects to make a construction decision following the conclusion of the EIS permitting process.

Subsequent to the end of the quarter, the Company announced that its Netherlands wholly-owned subsidiaries will file an investment treaty claim against the Republic of Turkey for expropriation and unfair and inequitable treatment, among other things, with respect to the Kirazlı, Ağı Dağı and Çamyurt gold development projects in Turkey. The claim will be filed under the Netherlands-Turkey Bilateral Investment Treaty, and is expected to exceed \$1 billion, representing the value of the Company's Turkish assets. In its effort to secure the renewal of its mining licenses, the Company has attempted to work cooperatively with the Turkish government, has raised with the Turkish government its obligations under the Treaty, has sought to resolve the dispute by good faith negotiations, and has made considerable effort to build support among stakeholders and host communities. The Turkish government has failed to provide the Company with a reason for the non-renewal or a timeline for renewal of its licenses. As a result of the Treaty claim, Alamos and the Subsidiaries expect to incur an after-tax impairment charge of approximately \$215 million, which will be recorded in the second quarter of 2021 financial statements. The non-cash impairment charge reflects the Company's entire net carrying value of the Turkish assets.

The Company's liquidity position remains strong, ending the first quarter with \$238.2 million of cash and cash equivalents, \$26.7 million in equity securities, and no debt. Additionally, the Company has a \$500.0 million undrawn credit facility, providing \$738.2 million of liquidity. The Company expects strong ongoing free cash flow generation in 2021 while continuing to fund its high-return internal growth initiatives.

Young-Davidson

The Young-Davidson mine is located near the town of Matachewan in Northern Ontario, Canada. The property consists of contiguous mineral leases and claims totaling 5,587 ha and is situated on the site of two past producing mines that produced over one million ounces of gold between 1934 and 1957. The Young-Davidson mine declared commercial production in 2013.

Young-Davidson Financial and Operational Review

	Three Months Ended March 31,	
	2021	2020
Gold production (ounces)	48,000	28,700
Gold sales (ounces)	48,022	28,905
Financial Review (in millions)		
Operating Revenues	\$86.1	\$45.7
Cost of sales ⁽¹⁾	\$62.0	\$43.8
Earnings from operations	\$24.1	\$1.9
Cash provided by operating activities	\$44.2	\$8.1
Capital expenditures (sustaining) ⁽²⁾	\$9.5	\$4.2
Capital expenditures (growth) ⁽²⁾	\$11.4	\$22.8
Capital expenditures (capitalized exploration) ⁽²⁾	\$1.0	\$—
Mine-site free cash flow ⁽²⁾	\$22.3	(\$18.9)
Cost of sales, including amortization per ounce of gold sold ⁽¹⁾	\$1,291	\$1,515
Total cash costs per ounce of gold sold ⁽²⁾	\$873	\$1,093
Mine-site all-in sustaining costs per ounce of gold sold ^{(2),(3)}	\$1,075	\$1,242
Underground Operations		
Tonnes of ore mined	701,162	390,367
Tonnes of ore mined per day	7,791	4,290
Average grade of gold ⁽⁴⁾	2.25	2.17
Metres developed	3,352	3,202
Mill Operations		
Tonnes of ore processed	733,221	464,744
Tonnes of ore processed per day	8,147	5,107
Average grade of gold ⁽⁴⁾	2.23	1.93
Contained ounces milled	52,536	28,851
Average recovery rate	91%	91%

⁽¹⁾ Cost of sales includes mining and processing costs, royalties and amortization.

⁽²⁾ Refer to the "Non-GAAP Measures and Additional GAAP Measures" disclosure at the end of this MD&A for a description and calculation of these measures.

⁽³⁾ For the purposes of calculating mine-site all-in sustaining costs, the Company does not include an allocation of corporate and administrative and share based compensation expenses.

⁽⁴⁾ Grams per tonne of gold ("g/t Au").

Young-Davidson produced 48,000 ounces of gold in the first quarter of 2021, a significant increase from the prior period due to the shutdown of the Northgate shaft starting in February 2020 to complete the lower mine tie-in. Underground mining rates have steadily increased since the completion of the lower mine expansion in July 2020, averaging a record 7,791 tpd in the first quarter. This exceeded the targeted rate of 7,500 tpd, further demonstrating the expanded capacity of the lower mine infrastructure. Underground mining rates are expected to average approximately 7,500 tpd in the second quarter of 2021 while an additional mining horizon is being added to increase sustainable mining rates to the design rate of 8,000 tpd in the second half of the year.

The average mined grade was 2.25 g/t Au in the quarter, in line with guidance. Mill throughput averaged a record 8,147 tpd in the first quarter. Milling rates exceeded mining rates in the quarter with excess underground ore that had been mined and stockpiled in 2020 supplementing mill feed. Mill throughput is expected to equal underground mining rates moving forward. Mill recoveries averaged 91% in the quarter, in line with guidance and the prior year period.

Grades mined and milled are expected to increase for the remainder of 2021, and combined with higher mining rates, production is expected to increase in the second half of the year.

Financial Review

First quarter revenues of \$86.1 million were 88% higher than the prior year quarter, reflecting both a higher realized gold price and increased ounces sold. Sales in the prior year quarter were impacted by the temporary shutdown of the Northgate shaft to complete the lower mine expansion, which commenced in February of 2020.

Cost of sales (which includes mining and processing costs, royalties, and amortization expense) of \$62.0 million in the first quarter were also higher than the prior year period, driven by an 80% increase in tonnes mined, partially offset by lower underground mining costs per tonne. Underground mining costs were CAD \$48 per tonne in the quarter, significantly lower than the comparative period of 2020, driven by productivity improvements following the transition to the lower mine infrastructure in July. Per tonne underground mining costs in the first quarter of 2021 were slightly higher than in the second half of 2020, reflecting the allocation of operating and capital development, and are expected to decrease in the second half of the year.

Total cash costs of \$873 per ounce and mine-site AISC of \$1,075 per ounce were 20% and 13% lower, respectively, than the comparative period in 2020, driven by higher throughput and higher grades mined. Total cash costs in the quarter were above guidance due to the impact of the stronger Canadian dollar, as well as the sequencing of grades mined which were planned to be lowest in the first quarter. Total cash costs and mine-site AISC are expected to decrease in the second half of the year due to higher mining rates and grades mined.

Capital expenditures in the quarter included \$9.5 million of sustaining capital and \$11.4 million of growth capital. Capital expenditures in 2021 are expected to decrease to a range of \$65 million to \$75 million, compared to spending of \$101.7 million in 2020, reflecting the completion of the lower mine expansion.

Young-Davidson has demonstrated a continuous increase in mining rates since completion of the lower mine expansion, driving strong free cash flow growth. This included mine-site free cash flow of \$22.3 million in the first quarter of 2021, and \$53.1 million in the first two full quarters operating from the new lower mine infrastructure. Higher mining rates and grades mined in the second half of the year are expected to drive production higher, supporting strong ongoing free cash flow generation for the remainder of 2021 and beyond.

Island Gold

The Island Gold mine is a high grade, low cost underground mining operation located just east of the town of Dubreuilville, Ontario, Canada, 83km northeast of Wawa. Alamos holds 100% of all mining titles related to the Island Gold property, which comprises approximately 15,000 ha. The mine began production in October 2007.

Island Gold Financial and Operational Review

	Three Months Ended March 31,	
	2021	2020
Gold production (ounces)	42,200	38,800
Gold sales (ounces)	39,882	39,127
Financial Review (in millions)		
Operating Revenues	\$71.5	\$61.9
Cost of sales ⁽¹⁾	\$29.1	\$30.5
Earnings from operations	\$41.8	\$31.2
Cash provided by operating activities	\$55.5	\$41.7
Capital expenditures (sustaining) ⁽²⁾	\$10.6	\$8.5
Capital expenditures (growth) ⁽²⁾	\$12.3	\$9.6
Capital expenditures (capitalized exploration) ⁽²⁾	\$4.5	\$4.0
Capital advances	\$2.1	\$—
Mine-site free cash flow ⁽²⁾	\$26.0	\$19.6
Cost of sales, including amortization per ounce of gold sold ⁽¹⁾	\$730	\$780
Total cash costs per ounce of gold sold ⁽²⁾	\$466	\$452
Mine-site all-in sustaining costs per ounce of gold sold ^{(2),(3)}	\$732	\$670
Underground Operations		
Tonnes of ore mined	103,276	112,881
Tonnes of ore mined per day ("tpd")	1,148	1,240
Average grade of gold ⁽⁴⁾	13.29	11.69
Metres developed	1,951	1,952
Mill Operations		
Tonnes of ore processed	109,285	105,927
Tonnes of ore processed per day	1,214	1,164
Average grade of gold ⁽⁴⁾	13.03	11.73
Contained ounces milled	45,784	39,945
Average recovery rate	96%	97%

⁽¹⁾ Cost of sales includes mining and processing costs, royalties, and amortization.

⁽²⁾ Refer to the "Non-GAAP Measures and Additional GAAP Measures" disclosure at the end of this MD&A for a description and calculation of these measures.

⁽³⁾ For the purposes of calculating mine-site all-in sustaining costs, the Company does not include an allocation of corporate and administrative and share based compensation expenses.

⁽⁴⁾ Grams per tonne of gold ("g/t Au").

Island Gold achieved another record in the first quarter, producing 42,200 ounces. This represents a 9% increase from the comparative period in 2020, reflecting higher grades mined and processed.

Underground mining rates averaged 1,148 tpd in the first quarter, a 7% decrease from the prior year period. Mining rates are expected to increase to 1,200 tpd in the second quarter and for the remainder of the year. Underground grades mined averaged 13.29 g/t Au in the first quarter, above the Mineral Reserve grade as planned. As previously guided, grades mined and gold production are expected to decrease through the year with grades averaging slightly above 10 g/t Au for the full year.

Mill throughput of 1,214 tpd in the first quarter was consistent with guidance and higher than tonnes mined due to processing stockpiled ore. Mill recoveries averaged 96% in the quarter, in line with guidance and the prior year period.

Financial Review

Island Gold generated revenues of \$71.5 million in the first quarter, a 16% increase compared to the prior year period, reflecting a significantly higher realized gold price.

Cost of sales (includes mining and processing costs, royalties and amortization expense) of \$29.1 million in the first quarter were consistent with the comparative period of 2020. Mining and processing costs increased by 5%, reflecting additional expenses in the quarter primarily related to COVID-19 testing and related costs, as well as the impact of a stronger Canadian dollar. This was partially offset by lower amortization per ounce in 2021, resulting from the increase in Mineral Reserves and Resources in 2020.

Total cash costs of \$466 per ounce in the first quarter were slightly higher than in the prior year period, due to the impact of the strengthening Canadian dollar on mining and milling costs, partially offset by higher grades mined. Mine-site AISC of \$732 per ounce were 9% higher than in the prior year given higher sustaining capital spending. Total cash costs and mine-site AISC were in line with 2021 guidance.

Total capital expenditures were \$27.4 million in the first quarter, including \$4.5 million of capitalized exploration. Spending was focused on lateral development, surface infrastructure, and engineering of the Phase III expansion. This included \$10.6 million of sustaining capital and \$12.3 million of growth capital. In addition, Island Gold advanced \$2.1 million for long lead time items supporting the Phase III expansion.

Island Gold generated mine-site free cash flow of \$26.0 million in the first quarter, driven by strong ongoing operating margins. Since acquisition in November 2017, Island Gold has generated over \$200.0 million of free cash flow.

Mulatos

The Mulatos mine is located within the Salamandra Concessions in the Sierra Madre Occidental mountain range in the State of Sonora, Mexico. The Company controls a total of 28,972 hectares of mineral concessions in proximity to the Mulatos mine. The mine achieved commercial production in 2006.

Mulatos Financial and Operational Review

	Three Months Ended March 31,	
	2021	2020
Gold production (ounces)	35,600	42,600
Gold sales (ounces)	38,578	43,822
Financial Review (in millions)		
Operating Revenues	\$69.8	\$69.3
Cost of sales ⁽¹⁾	\$48.2	\$46.0
Earnings from operations	\$19.8	\$22.0
Cash provided by operating activities	\$9.9	\$21.5
Capital expenditures (sustaining) ⁽²⁾	\$3.5	\$4.8
Capital expenditures (growth) ⁽²⁾	\$15.3	\$2.1
Capital expenditures (capitalized exploration) ⁽²⁾	\$—	\$0.5
Capital advances	\$14.7	\$—
Mine-site free cash flow ⁽²⁾	(\$23.6)	\$14.1
Cost of sales, including amortization per ounce of gold sold ⁽¹⁾	\$1,249	\$1,050
Total cash costs per ounce of gold sold ⁽²⁾	\$915	\$812
Mine site all-in sustaining costs per ounce of gold sold ^{(2),(3)}	\$1,039	\$958
Open Pit Operations		
Tonnes of ore mined - open pit ⁽⁴⁾	910,953	1,918,464
Total waste mined - open pit ⁽⁶⁾	2,461,923	2,338,917
Total tonnes mined - open pit	3,372,876	4,257,380
Waste-to-ore ratio (operating)	1.09	0.59
Crushing and Heap Leach Operations		
Tonnes of ore stacked	1,833,786	2,033,111
Average grade of gold processed ⁽⁵⁾	0.93	1.25
Contained ounces stacked	54,723	81,933
Average recovery rate	65%	52%
Ore crushed per day (tonnes) - combined	20,300	22,300

⁽¹⁾ Cost of sales includes mining and processing costs, royalties, and amortization.

⁽²⁾ Refer to the "Non-GAAP Measures and Additional GAAP Measures" disclosure at the end of this MD&A for a description and calculation of these measures.

⁽³⁾ For the purposes of calculating mine-site all-in sustaining costs, the Company does not include an allocation of corporate and administrative and share based compensation expenses.

⁽⁴⁾ Includes ore stockpiled during the quarter.

⁽⁵⁾ Grams per tonne of gold ("g/t Au").

⁽⁶⁾ Total waste mined includes operating waste and capitalized stripping, but excludes tonnes mined at La Yaqui Grande.

Mulatos produced 35,600 ounces in the first quarter, 16% lower than in the prior year quarter, reflecting lower tonnes and grades stacked on the leach pad.

Tonnes of ore mined in the first quarter decreased compared to the prior year period with mining activities within the main Mulatos pit focused on pre-stripping of the El Salto portion of the pit. Ore was primarily mined from the Cerro Pelon pit in the quarter. Total tonnes mined is exclusive of pre-stripping activities at La Yaqui Grande.

Total crusher throughput in the first quarter averaged 20,300 tpd for a total of 1,833,786 tonnes stacked at a grade of 0.93 g/t Au, consistent with annual guidance. Tonnes stacked in the quarter exceeded tonnes mined due to the processing of lower recovery surface stockpiles, which were mined in previous years. Grades stacked were 26% lower than in the prior year period, as the prior year benefited from higher grade ore from the Cerro Pelon pit. The recovery rate of 65% in the quarter was in line with guidance.

Financial Review

Revenues of \$69.8 million in the first quarter were in line with the prior year, as fewer ounces sold were offset by a higher realized gold price.

Cost of sales (includes mining and processing costs, royalties and amortization expense) of \$48.2 million in the first quarter were higher than in the comparative period, primarily due to higher processing charges related to surface stockpiles and higher amortization of \$334 per ounce in the quarter, due to a higher proportion of ore coming from Cerro Pelon which carries a higher amortization per ounce charge. Total cash costs of \$915 per ounce were higher than in the prior year period as a result of lower grades stacked, and an increasing proportion of lower recovery surface stockpiles stacked in the quarter.

Capital spending totaled \$18.8 million in the first quarter, of which \$3.5 million was sustaining capital primarily related to capitalized stripping at El Salto. Additionally, \$14.7 million of advance payments were made to vendors for equipment related to the La Yaqui Grande project. Mine-site AISC of \$1,039 per ounce in the quarter was higher than in the prior year period, consistent with the increase in total cash costs.

Construction of the La Yaqui Grande project continues to progress with \$15.0 million of growth capital spent in the quarter, mainly related to pre-stripping activities, in addition to the above noted \$14.7 million of advance payments to vendors.

Mulatos generated mine-site free cash flow of \$6.1 million, before spending of \$29.7 million of growth capital and capital advances related to La Yaqui Grande. Including all capital spending, mine-site free cash flow was negative \$23.6 million reflecting the ramp up of construction activities at La Yaqui Grande and the timing of cash tax payments. Mulatos paid \$18.2 million in taxes in the quarter, mainly related to 2020 year end income and mining taxes.

First Quarter 2021 Development Activities

Island Gold (Ontario, Canada)*Phase III Expansion Study*

On July 14, 2020 the Company reported results of the positive Phase III expansion study conducted on its Island Gold mine. Based on the results of the study, the Company is proceeding with an expansion of the operation to 2,000 tpd. This follows a detailed evaluation of several scenarios which demonstrated the shaft expansion as the best option, having the strongest economics, being the most efficient and productive, and the best positioned to capitalize on further growth in Mineral Reserves and Resources. The Phase III expansion is expected to drive average annual gold production to 236,000 ounces per year starting in 2025 upon completion of the shaft, representing a 70% increase from 2020 production. This will also reduce total cash costs to an average of \$403 per ounce and mine-site all-in sustaining costs to \$534 per ounce to starting in 2025.

The Phase III expansion study was based on Mineral Reserves and Resources at Island Gold as of December 31, 2019 and does not include the significant growth over the past year as outlined in the 2020 year end Mineral Reserve and Resource statement. Incorporating this growth is expected to improve already attractive economics. This growth included an 8% increase in Mineral Reserves to 1.3 million ounces of gold (4.2 mt grading 9.71 g/t Au) and a 0.9 million ounce, or 40%, increase in Inferred Mineral Resources to 3.2 million ounces with grades also increasing 9% to 14.43 g/t Au (6.9 mt).

The Company is currently focused on permitting and detailed engineering of the shaft and associated infrastructure, including the hoisting plant and surface civil works. Project tendering and contract awarding remains ongoing, with procurement of long lead time items scheduled for later this year. Shaft expansion permitting is anticipated to be completed in 2022 with the sinking of the shaft expected to begin in 2023.

During the first quarter of 2021, the Company spent \$12.3 million on advancing capitalized development, surface infrastructure and detailed engineering and permitting activities. Capital spending is expected to increase through the remainder of the year, consistent with full year growth capital guidance of between \$80 to \$85 million.

Mulatos District (Sonora, Mexico)

La Yaqui Grande

On July 28, 2020, the Company reported results of an internal study completed on its fully permitted La Yaqui Grande project located in the Mulatos District in Sonora, Mexico. La Yaqui Grande is located approximately 7 kilometres (straight line) from the existing Mulatos operation and adjacent to the past producing La Yaqui Phase I operation. As with La Yaqui Phase I, La Yaqui Grande is being developed with an independent heap leach pad and crushing circuit. Construction activities commenced in the third quarter of 2020 and commercial production is expected in the third quarter of 2022.

La Yaqui Grande is expected to produce an average of 123,000 ounces of gold per year starting in the third quarter of 2022 at mine-site all-in sustaining costs of \$578 per ounce, significantly reducing the Mulatos District all-in sustaining costs from the mid-point of 2021 guidance of \$1,085 per ounce. This will replace higher cost production from the main Mulatos pit, keeping combined production at approximately 150,000 ounces per year. Initial capital is expected to be \$137 million to be spent over a two year period.

With the mining contractor mobilizing to site late last year, construction activities ramped up significantly in the first quarter of 2021. Capital spending totaled \$15.0 million in the quarter, and \$25.1 million since the start of construction. In addition, the Company advanced \$14.7 million to contractors which is reflected in other current assets on the balance sheet.

First quarter activities at La Yaqui Grande included:

- Safe ramp up of construction activities with approximately 800 employees and contractors on rotation and more than 450,000 hours worked with no lost time injuries
- Advanced earthworks on the waste rock dump, heap leach facility and water treatment plant
- Over three million tonnes of waste mined, with the contractor reaching mining rates of approximately 48,000 tpd by the end of March
- Camp facilities substantially complete

La Yaqui Grande Site Overview



Lynn Lake (Manitoba, Canada)

The Company released a positive Feasibility Study on the Lynn Lake project in December 2017 outlining average annual production of 143,000 ounces over a 10 year mine life at average mine-site all-in sustaining costs of \$745 per ounce.

The project economics based on the 2017 Feasibility Study at a \$1,500 per ounce gold price include an after-tax IRR of 21.5% and an after-tax NPV of \$290 million (12.5% IRR at a \$1,250 per ounce gold price). During the second quarter of 2020, the Company filed the Environmental Impact Statement ("EIS") with the federal government. The federal and provincial permitting process is expected to take approximately two years, with a construction decision planned for 2022.

Development spending (excluding exploration) was \$0.7 million in the first quarter of 2021 to support the ongoing permitting process.

Kirazlı (Çanakkale, Turkey)

On October 14, 2019, the Company suspended all construction activities on its Kirazlı project following the Turkish government's failure to grant a routine renewal of the Company's mining licenses, despite the Company having met all legal and regulatory requirements for their renewal. In October 2020, the Turkish government refused the renewal of the Company's Forestry Permit. The Company had been granted approval of all permits required to construct Kirazlı including the Environmental Impact Assessment approval, Forestry Permit, and GSM (Business Opening and Operation) permit, and certain key permits for the nearby Ağı Dağı and Çamyurt Gold Mines. These permits were granted by the Turkish government after the project earned the support of the local communities and passed an extensive multi-year environmental review and community consultation process.

On April 20, 2021, the Company announced that its Netherlands wholly-owned subsidiaries Alamos Gold Holdings Coöperatief U.A. and Alamos Gold Holdings B.V. will file an investment treaty claim against the Republic of Turkey for expropriation and unfair and inequitable treatment, among other things, with respect to its Turkish projects. The claim will be filed under the Netherlands-Turkey Bilateral Investment Treaty, and is expected to exceed \$1 billion, representing the value of the Company's Turkish assets.

Alamos has had an active presence in Turkey since 2010. Over that time frame, the Company's Turkish operations have met all legal and regulatory requirements, complied with best practices relating to sustainable development including meeting the highest environmental and social management standards, created hundreds of jobs, and developed trusting relationships with the local communities. Alamos and the Subsidiaries have invested over \$250 million in Turkey, unlocked over a billion dollars worth of project value, and contributed over \$20 million in royalties, taxes and forestry fees to the Turkish government. Over the life of the project, government revenues alone are expected to total \$551 million. Additionally, Alamos and the Subsidiaries have invested \$25 million to date towards various community and social initiatives.

In its effort to secure the renewal of its mining licenses, the Company has attempted to work cooperatively with the Turkish government, has raised with the Turkish government its obligations under the Treaty, has sought to resolve the dispute by good faith negotiations, and has made considerable effort to build support among stakeholders and host communities. The Turkish government has failed to provide the Company with a reason for the non-renewal or a timeline for renewal of its licenses.

Alamos and the Subsidiaries are being represented by the leading Canadian law firm Torys LLP, with a team that includes John Terry and former Canadian Supreme Court Justice, the Hon. Frank Iacobucci. The Company is also being supported by its strategic advisor John Baird, former Canadian Minister of Foreign Affairs and Senior Advisor to Bennett Jones LLP.

Bilateral investment treaties are agreements between countries to assist with the protection of investments. The Treaty establishes legal protections for investment between Turkey and the Netherlands. The Subsidiaries directly own and control the Company's Turkish assets. The Subsidiaries invoking their rights pursuant to the Treaty does not mean that they relinquish their rights to the Turkish project, or otherwise cease the Turkish operations. The Company will continue to work towards a constructive resolution with the Republic of Turkey. If required, Alamos and the Subsidiaries are confident in the Subsidiaries' ability to recover and enforce any favourable judgement pursuant to this Treaty, which will be rendered by three independent international arbitrators. Although timelines with respect to bilateral investment treaty arbitration can vary depending on procedural steps and delay tactics employed by nation states, it is estimated to have finality within five years. A portion of the cost of such an arbitral process is expected to be recovered as part of the arbitration process.

During the quarter, the Company spent \$1.5 million at Kirazlı on holding costs and government, public and community relations initiatives. The Company expects ongoing holding costs will be approximately \$1.0 to \$2.0 million per year during the Treaty claim process.

First Quarter 2021 Exploration Activities

Island Gold (Ontario, Canada)

The 2021 exploration drilling program is focused on expanding high-grade mineralization in the down-plunge and lateral extensions of the Island Gold deposit with the objective of adding new near-mine Mineral Resources across the two kilometre long Island Gold deposit. The Company continued its strong track record of exploration success and Mineral Reserve and Resource growth in 2020, with an 8% increase in Mineral Reserves to 1.3 million ounces of gold (4.2 mt grading 9.71 g/t Au) and a 0.9 million ounce, or 40% increase in Inferred Mineral Resources to 3.2 million ounces with grades also increasing 9% to 14.43 g/t Au (6.9 mt).

Surface diamond drilling programs continued with four drill rigs operating in the first quarter. This included three surface directional rigs focused on mine exploration, and one focused on testing regional exploration targets. Three underground diamond drill rigs operated through the quarter, including one focused on underground directional drilling. A total of 3,728 m of surface directional drilling, 2,530 m of surface regular drilling, 1,913 m of underground directional drilling and 6,863 m of standard underground exploration drilling was completed in the first quarter of 2021. Assays remain outstanding on the majority of the drilling completed in the first quarter given longer turnaround times experienced throughout the industry. The Company has secured an arrangement with an alternate assay laboratory where turnaround times are expected to improve significantly.

Surface exploration drilling

A total of 3,728 m of surface directional drilling was completed in four holes during the first quarter as part of the surface directional drilling program. Directional drilling targeted areas peripheral to the Inferred Mineral Resource blocks below the 1,000 m level, with drill hole spacing ranging from 75 m to 100 m. The area that was targeted by the surface directional drill program extends approximately 2,000 m in strike length between the 1,000 m and 1,500 m elevation below surface. The regional diamond drilling program started in February and 2,530 m was completed in four holes within the first quarter.

Underground exploration drilling

During the first quarter of 2021, four holes totaling 1,913 m of underground directional drilling, and 48 holes totaling 6,863 m of underground standard exploration drilling was completed from the 740 and 840 levels. The objective of the underground drilling is to identify new Mineral Resources close to existing Mineral Resource or Reserve blocks. A total of 214 m of underground exploration drift development was completed on the 490, 790, and 840 levels during the first quarter of 2021.

Total exploration expenditures during the first quarter were \$5.1 million, of which \$4.5 million was capitalized.

Young-Davidson (Ontario, Canada)

A total of \$7 million has been budgeted for Young-Davidson for 2021, representing the first significant exploration program since 2011, with the focus of the last several years being on the completion of the lower mine expansion. Underground exploration drilling during the first quarter was focused on two target areas totaling 3,274 m completed in five holes. Drilling from the 8960-level exploration drill bay established in the lower mine infrastructure is continuing to target to the west and down-plunge of existing Mineral Reserves and Resources. Drilling is targeting syenite-hosted mineralization and is also continuing to test higher-grade mineralization in the hanging wall mafic-ultramafic stratigraphy. Drilling also commenced from the 9470-3580 drill bay, targeting to the east of existing Mineral Reserves and Resources, between the 9440- and 9375-levels. Exploration spending totaled \$1.0 million in the first quarter, all of which was capitalized.

Mulatos District (Sonora, Mexico)

The Company has a large exploration package covering 28,972 hectares with the majority of past exploration efforts focused around the Mulatos mine. Exploration has moved beyond the main Mulatos pit area and is focused on earlier stage prospects throughout the wider district.

During the first quarter of 2021, exploration activities were focused on the near-mine, Puerto del Aire trend with 2,054 m of drilling completed in five drill holes. Regional targets at Carboneras and Los Ciegos were also tested with eight holes completed totaling 2,096 m. Exploration activities also began on the Los Venados property, which has an option agreement with Aloro Mining, including surface mapping and sampling, and the start of an initial drill program. During the first quarter, the Company expended \$1.8 million of exploration spending.

Lynn Lake (Manitoba, Canada)

In the first quarter of 2021, 2,373 m of drilling was completed in 11 holes at MacLellan. The drill program planning was also completed for the second and third quarters of 2021 at Gordon, as well as several advanced-stage and regional targets. Design

and planning for the 2021 summer field season also commenced, with the focus on continuing to advance a pipeline of prospective regional exploration targets. Exploration spending totaled \$1.0 million in the first quarter which was capitalized.

Key External Performance Drivers

Gold Price

The Company's financial performance is largely dependent on the price of gold, which directly affects the Company's profitability and cash flow. The price of gold is subject to volatile price movements and is affected by numerous factors, such as the strength of the US dollar, supply and demand, interest rates, and inflation rates, all of which are beyond the Company's control. During the first quarter of 2021, the Company realized an average gold price of \$1,798 per ounce, slightly above the average London PM Fix price of \$1,794 per ounce mainly due to gains on gold hedging contracts entered in 2020.

As at March 31, 2021, the Company had 9,000 ounces hedged for the second quarter of 2021 which ensure a minimum average realized gold price of \$1,853 per ounce and a maximum average realized gold price of \$2,255 per ounce, regardless of the movement in gold prices during the period. Subsequent to quarter-end, the Company added 46,000 ounces of collars for the period of April to December 2021, which ensure a minimum average realized gold price of \$1,700 per ounce and a maximum average realized gold price of \$1,920 per ounce.

Foreign Exchange Rates

At the Company's mine sites, a significant portion of operating costs and capital expenditures are denominated in foreign currencies, including Mexican pesos and Canadian dollars. Fluctuations in the value of these foreign currencies compared to the US dollar can significantly impact the Company's costs and cash flow. In the first quarter of 2021, the Canadian dollar averaged approximately \$1.27 CAD to \$1 USD, compared to \$1.30 CAD to \$1 USD in the fourth quarter of 2020. The Mexican peso ("MXN") averaged 20.34 MXN to \$1 USD in the first quarter of 2021 compared to 20.54 MXN to \$1 USD in the fourth quarter of 2020.

The Company recorded a foreign exchange loss of \$0.2 million in the first quarter related to the translation of the Company's net monetary assets resulting from changes in period-end foreign exchange rates. The Canadian Dollar strengthened 1% relative to the US dollar, ending at \$1.26 CAD to \$1 USD at March 31, 2021 compared to a rate of \$1.27 CAD to \$1 USD at December 31, 2020. The Mexican peso weakened 3% to 20.51 MXN to \$1 USD at March 31, 2021 compared to a rate of 19.88 MXN to \$1 USD at December 31, 2020.

In addition, the movement of the CAD and MXN rates generated a non-cash foreign exchange gain of \$2.5 million in the first quarter of 2021 on the revaluation of monetary tax and deferred tax balances, which is recorded within deferred tax expense.

The Company actively manages its currency exposure through a hedging program, which resulted in a realized foreign exchange gain of \$0.9 million during the first quarter. The Company applies hedge accounting; accordingly, these realized gains and losses have been applied against operating and capital costs at the operating mines.

Summarized Financial and Operating Results

(in millions, except ounces, per share amounts, average realized prices, AISC and total cash costs)

	Three Months Ended March 31,	
	2021	2020
Gold production (ounces)	125,800	110,800
Gold sales (ounces)	126,482	111,854
Operating Revenues	\$227.4	\$176.9
Cost of sales ⁽¹⁾	\$139.3	\$120.3
Earnings from operations	\$76.3	\$46.2
Earnings before income taxes	\$75.1	\$40.5
Net earnings (loss)	\$51.2	(\$12.3)
Adjusted net earnings ⁽²⁾	\$49.1	\$29.4
Earnings (loss) per share, basic	\$0.13	(\$0.03)
Adjusted earnings per share ⁽²⁾	\$0.13	\$0.08
Total assets	\$3,684.4	\$3,503.8
Total non-current liabilities	657.0	721.7
Cash flow from operations	\$99.3	\$56.6
Dividends per share, declared and paid	0.025	0.015
Average realized gold price per ounce	\$1,798	\$1,582
Cost of sales per ounce of gold sold, including amortization ⁽¹⁾	\$1,101	\$1,076
Total cash costs per ounce of gold sold ⁽²⁾	\$757	\$759
All-in sustaining costs per ounce of gold sold ⁽²⁾	\$1,030	\$1,010

⁽¹⁾ Cost of sales includes mining and processing costs, royalties and amortization.

⁽²⁾ Refer to the "Non-GAAP Measures and Additional GAAP Measures" disclosure at the end of this MD&A for a description and calculation of these measures.

Review of First Quarter 2021 Financial Results

Operating Revenue

The Company sold 126,482 ounces of gold in the first quarter for record revenues of \$227.4 million, a 29% increase from the prior year period driven by higher realized gold prices and more ounces sold. The 13% increase in ounces sold was primarily due to increased production at Young-Davidson. In addition, the average realized gold price in the first quarter was \$1,798 per ounce compared to \$1,582 per ounce in the prior year period.

Cost of Sales

Cost of sales were \$139.3 million in the first quarter, an increase from \$120.3 million in the prior year period.

Mining and Processing

Mining and processing costs increased to \$92.7 million from \$82.5 million in the prior year period. The increase in mining costs was driven by significantly higher mining rates at Young-Davidson in 2021, with reduced mining rates and production during the tie-in period of the Northgate shaft in the prior year period. In addition, the stronger Canadian dollar and Mexican peso and costs related to COVID-19 preventative measures at all three operations have increased costs compared to the prior year.

Consolidated total cash costs in the quarter were \$757 per ounce compared to \$759 per ounce in the prior year period. The slight decrease in total cash costs was primarily driven by lower unit mining costs at Young-Davidson, as well as higher grades mined at Island Gold in the quarter, partially offset by the impact of foreign exchange and COVID-19 preventative costs.

AISC of \$1,030 per ounce was in line with the prior year period, with lower total cash costs offset by higher sustaining capital expenditures at Mulatos.

Royalties

Royalty expense was \$3.1 million, a 29% increase compared to \$2.4 million in the prior year period, due to more ounces sold and a higher realized gold price.

Amortization

Amortization of \$43.5 million for the first quarter was higher than in the prior year due to more ounces sold. On a per ounce basis, amortization was \$344 per ounce.

Earnings from Operations

The Company recognized earnings from operations of \$76.3 million, compared to \$46.2 million in the prior year period. The increase in earnings from operations was driven by a 29% increase in revenues and stronger operating margins.

Net Earnings

The Company reported net earnings of \$51.2 million in the first quarter compared to a net loss of \$12.3 million in the prior year period. The increase in net earnings from the prior year was due to higher earnings from operations and a lower effective tax rate. In the prior year period, the significant volatility in the Canadian dollar and Mexican peso resulted in a \$36.8 million foreign exchange loss recorded in deferred tax expense, which increased the effective tax rate and negatively impacted net earnings. In 2021, the impact was a \$2.5 million foreign exchange gain. On an adjusted basis, earnings of \$49.1 million or \$0.13 per share for the first quarter were 67% higher than in the prior year, driven by higher operating margins. Adjusted earnings reflect adjustments for one-time gains and losses, as well as foreign exchange movements recorded in deferred taxes and foreign exchange loss.

Consolidated Expenses and Other

(in millions)

	Three Months Ended March 31,	
	2021	2020
Exploration expense	(\$2.9)	(\$2.0)
Corporate and administrative expense	(6.1)	(6.2)
Share-based compensation expense	(2.8)	(2.2)
Finance expense	(1.0)	(0.8)
Foreign exchange loss	(0.2)	(5.1)
Other gain	—	0.2

Exploration

Exploration expense mainly relates to expenditures on early-stage exploration projects and corporate exploration support. Expenses incurred in the first quarter related to activities at Mulatos and corporate support, as the majority of spending at Island Gold and Young-Davidson was capitalized.

Corporate and administrative

Corporate and administrative costs include expenses relating to the overall management of the business that are not part of direct mine operating costs. These costs are incurred at the corporate office located in Canada. Corporate and administrative costs were consistent with the prior year period.

Share-based compensation

Share-based compensation expense was \$2.8 million in the first quarter, an increase compared to the prior year period due to the impact of a higher share price on the revaluation of outstanding cash-based long-term incentives.

Finance expense

Finance expense was consistent with the prior year period and primarily relates to standby fees on the credit facility and accretion of the decommissioning liability.

Foreign exchange loss

A foreign exchange loss of \$0.2 million was recorded in the first quarter, lower than the prior year as the impact of the strengthening Canadian dollar was offset by the weakening Mexican peso relative to the US dollar on foreign denominated net monetary assets and liabilities. In the prior year, both the Canadian dollar and Mexican peso weakened significantly against the US dollar during the period.

The Company applies hedge accounting to its Canadian and Mexican foreign currency option and forward contracts, which reduces the impact of unrealized foreign exchange movements on net earnings. During the first quarter, the Company realized a gain of \$0.9 million on settled foreign exchange contracts. In addition, the outstanding contracts had a mark-to-market loss of \$0.2 million, net of tax, which is recorded within other comprehensive income.

The Company will continue to experience non-cash foreign currency gains or losses on monetary assets and liabilities, primarily as a result of fluctuations between the US dollar and both the Canadian dollar and Mexican peso.

Other gain

Other gains and losses in the first quarter include an unrealized mark-to-market gain on gold option contracts and other one-time charges.

Consolidated Income Tax Expense

The Company is subject to tax in various jurisdictions, including Mexico and Canada. There are a number of factors that can significantly impact the Company's effective tax rate including the geographic distribution of income, varying rates in different jurisdictions, the non-recognition of tax assets, mining allowances, foreign currency exchange rate movements, changes in tax laws and the impact of specific transactions and assessments. Due to the number of factors that can potentially impact the effective tax rate and the sensitivity of the tax provision to these factors, it is expected that the Company's effective tax rate will fluctuate in future periods.

In the first quarter of 2021, the Company recognized a current tax expense of \$5.9 million and a deferred tax expense of \$18.0 million, compared to a current tax recovery of \$0.3 million and deferred tax expense of \$53.1 million in the same period of 2020. The current income tax expense in 2021 primarily related to income tax expense in Mexico. The deferred tax expense was primarily driven by the increased use of tax pools compared to accounting depreciation during the period, offset by changes to foreign exchange rates during the period.

The Company's Mulatos mine in Mexico, as well as the Young-Davidson and Island Gold mines in Canada, pay income taxes based on their tax functional currency which is the Mexican peso and Canadian dollar, respectively. The legal entity financial statements for Mulatos, Young-Davidson and Island Gold include foreign exchange and other income items that differ from the US dollar functional currency financial statements. The total foreign exchange impact recorded within taxes in the first quarter of 2021 was a \$2.5 million recovery (2020 - \$36.8 million expense).

Financial Condition

	March 31, 2021	December 31, 2020	
Current assets	\$498.8	\$473.4	Current assets increased compared to the prior year, primarily driven by an increase in cash and cash equivalents and other current assets. The increase in cash and cash equivalents is mainly attributable to free cash flow generated at the mine-sites during the year of \$24.7 million, and proceeds of \$20.7 million from the sale of equity securities. In addition, other assets have increased due to capital advances to contractors related to La Yaqui Grande in Mexico and the Phase III expansion at Island Gold.
Long-term assets	3,185.6	3,163.1	The increase in long-term assets was driven by capital expenditures in the quarter, partially offset by amortization.
Total assets	\$3,684.4	\$3,636.5	
Current liabilities	\$136.0	\$146.9	Current liabilities are lower due to income tax payments made in the quarter in Mexico, primarily related to 2020 income and mining taxes.
Non-current liabilities	657.0	638.1	Non-current liabilities are higher than the prior year as a result of an increase in the deferred income tax liability driven by a significant increase in earnings before income taxes.
Total liabilities	\$793.0	\$785.0	
Shareholders' equity	\$2,891.4	\$2,851.5	The increase in Shareholders' equity was driven by net income generated during the period, partially offset by dividends issued and shares repurchased under the NCIB.
Total liabilities and equity	\$3,684.4	\$3,636.5	

Liquidity and Capital Resources

The Company's strategy is based on achieving positive cash flow from operations to internally fund operating, capital and project development requirements, generate returns for its shareholders, and bolster the balance sheet. Material increases or decreases in the Company's liquidity and capital resources will be substantially determined by the success or failure of the Company's operations, exploration, and development programs, the ability to obtain equity or other sources of financing, the price of gold, and currency exchange rates.

As at March 31, 2021, the Company had cash and cash equivalents of \$238.2 million and \$26.7 million in equity securities, compared to \$220.5 million and \$43.7 million, respectively, at December 31, 2020. In addition, the Company has access to \$500.0 million of liquidity available under its credit facility. In the opinion of management, the Company's liquidity position of \$764.9 million at March 31, 2021 comprised of cash and cash equivalents, equity securities and availability under the credit facility, together with cash flows from operations, is sufficient to support the Company's normal operating requirements and capital commitments on an ongoing basis.

Cash Flow

(in millions)

	Three Months Ended March 31,	
	2021	2020
Cash flow provided by operating activities	\$99.3	\$56.6
Cash flow used in investing activities	(71.8)	(118.1)
Cash flow used in financing activities	(10.1)	95.2
Effect of foreign exchange rates on cash	0.3	(1.8)
Net (decrease) increase in cash	17.7	31.9
Cash and cash equivalents, beginning of period	220.5	182.8
Cash and cash equivalents, end of period	\$238.2	\$214.7

Cash flow provided by operating activities

In the first quarter of 2021, operating activities generated cash flow of \$99.3 million compared to \$56.6 million in the same period in 2020, a 75% increase driven by more ounces sold and higher operating margins. Cash flow from operating activities in 2021 included an \$18.2 million outflow for cash taxes in Mexico, primarily related to 2020 income and mining taxes.

Cash flow provided by operations before working capital and taxes paid was \$119.6 million in the first quarter compared to \$81.7 million in the prior year period. Working capital changes in the quarter mainly reflect the cash tax payment in Mexico.

Cash flow used in investing activities

In the first quarter of 2021, capital expenditures of \$72.6 million were higher than expenditures of \$63.3 million in the first quarter of 2020. The increase was driven by the ramp up of construction activities at La Yaqui Grande, partially offset by lower spending at Young-Davidson, as the lower mine expansion was completed in the third quarter of 2020. In addition, investing activities in the quarter were impacted by \$16.8 million in capital advances related to La Yaqui Grande and Island Gold.

Other key investing activities during the quarter included the disposition of various equity securities held, generating proceeds of \$20.7 million in the quarter. In addition, the Company purchased \$3.1 million of shares in other public companies.

Cash flow used in financing activities

During the first quarter, the Company declared a dividend of \$0.025 per share, or \$9.8 million. Of this amount, \$8.6 million was paid in cash and the remainder was issued in shares pursuant to the Company's dividend reinvestment plan. The Company also repurchased and cancelled 200,262 shares in the quarter for \$1.5 million or \$7.35 per share.

Credit Facility

The Company has access to an undrawn credit facility (the "Facility") of \$500.0 million. The Facility bears interest at a rate of Libor plus 1.875% on drawn amounts and stand-by fees of 0.42% on undrawn amounts. The Facility expires in December 2023.

The Facility is secured against all of the material present and future assets, property and undertakings of the Company. The Facility contains various covenants customary for a loan facility of this nature, including limits on indebtedness, asset sales and liens. It contains financial covenant tests that include (a) a minimum interest coverage ratio of 3.0:1.0 and (b) a maximum net leverage ratio of 3.5:1.0, both as defined in the agreement. As at quarter end, the Company is in compliance with the covenants.

Outstanding Share Data

	April 27, 2021
Common shares	392,739,331
Stock options	4,641,726
Deferred share units	1,008,051
Performance share units	1,314,908
Restricted share units	2,532,487
	402,236,503

Related party transactions

There were no related party transactions during the year other than those disclosed in the Company's consolidated financial statements for the three-months ended March 31, 2021.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Financial Instruments

The Company seeks to manage its exposure to fluctuations in commodity prices, fuel prices and foreign exchange rates by entering into derivative financial instruments from time to time.

Commodity option and forward contracts

As at March 31, 2021, the Company held option contracts to protect against the risk of a decrease in the value of the gold price on a portion of gold sales.

The following gold collar contracts are outstanding as of March 31, 2021:

Period Covered	Contract type	Ounces subject to contract	Average purchase put option	Average sold call option
Q2 2021	Collars	9,000	\$1,853	\$2,255

The fair value of these contracts was an asset of \$1.3 million as at March 31, 2021 (December 31, 2020 - nil). For the three months ended March 31, 2021, the Company realized a gain of \$0.3 million related to the settlement of option contracts which is recorded in operating revenues (for the three months ended March 31, 2020 - realized losses \$0.1 million). The Company recorded an unrealized gain of \$1.3 million for the three months ended March 31, 2021 (for the three months ended March 31, 2020 recorded an unrealized loss of \$0.2 million). The Company has elected to not apply hedge accounting to gold option contracts, with changes in fair value recorded in net earnings.

Subsequent to quarter-end, the Company added 46,000 ounces of hedges for the period of April to December 2021, which ensure a minimum average realized gold price of \$1,700 per ounce and a maximum average realized gold price of \$1,920 per ounce.

Foreign currency contracts

As at March 31, 2021, the Company held option contracts to protect against the risk of an increase in the value of the Canadian dollar and Mexican peso versus the US dollar. These option contracts are for the purchase of local currencies and the sale of US dollars, which settle on a monthly basis, and are summarized as follows:

Canadian dollar contracts

Period Covered	Contract type	Contracts (CAD\$ Millions)	Average minimum rate (USD/CAD)	Average maximum rate (USD/CAD)
2021	Collars	30.0	1.31	1.38

Mexican Peso contracts

Period Covered	Contract type	Contracts (MXN Millions)	Average minimum rate (MXN/USD)	Average maximum rate (MXN/USD)
2021	Collars	1,620.0	20.62	23.75
2022	Collars	105.0	20.50	23.14

The fair value of these contracts was an asset of \$2.9 million at March 31, 2021 (December 31, 2020 - asset of \$4.3 million). For the first quarter of 2021, the Company realized gains of \$0.9 million on the foreign currency contracts (for the three months ended March 31, 2020 - realized loss of \$0.5 million) which has been applied against operating and capital costs.

Fuel contracts

The Company enters into option contracts to hedge against the risk of an increase in the price of diesel fuel. These option contracts are for the purchase of New York Harbour Ultra Low Sulfur Diesel ("ULSD") contracts, which settle on a monthly basis, and the Company believes this is an appropriate manner of managing price risk.

As at March 31, 2021, the Company has hedged 756,000 gallons of diesel at a range of \$1.00 to \$1.50 per gallon.

For the three months ended March 31, 2021, the Company recorded an unrealized gain of \$0.2 million in accumulated other comprehensive loss related to the fuel hedges (three months ended March 31, 2020, the Company recorded an unrealized loss of \$0.8 million).

Summary of Quarterly Financial and Operating Results

	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
Gold ounces produced	125,800	120,400	117,100	78,400	110,800	122,100	121,900	125,200
Gold ounces sold	126,482	121,831	116,035	74,605	111,854	127,148	119,392	128,457
Operating Revenues	\$227.4	\$226.6	\$218.4	\$126.2	\$176.9	\$186.0	\$172.9	\$168.1
Earnings from operations	\$76.3	\$81.3	\$88.0	\$12.1	\$46.2	\$41.6	\$37.5	\$28.2
Net earnings (loss)	\$51.2	\$76.9	\$67.9	\$11.7	(\$12.3)	\$38.0	\$17.7	\$23.6
Earnings (loss) per share, basic	\$0.13	\$0.20	\$0.17	\$0.03	(\$0.03)	\$0.10	\$0.05	\$0.06
Adjusted net earnings ⁽¹⁾	\$49.1	\$58.2	\$56.9	\$9.8	\$29.4	\$32.1	\$23.4	\$17.7
Adjusted earnings per share, basic ⁽¹⁾	\$0.13	\$0.15	\$0.14	\$0.03	\$0.08	\$0.08	\$0.06	\$0.05
Earnings before interest, taxes, depreciation and amortization ⁽¹⁾	\$119.6	\$133.6	\$130.5	\$40.9	\$76.7	\$88.4	\$78.4	\$69.1
Cash provided by operating activities	\$99.3	\$131.4	\$130.8	\$49.6	\$56.6	\$77.8	\$67.9	\$72.3
Average realized gold price	\$1,798	\$1,860	\$1,882	\$1,692	\$1,582	\$1,463	\$1,448	\$1,309

⁽¹⁾ Refer to the "Non-GAAP Measures and Additional GAAP Measures" disclosure at the end of this MD&A for a description and calculation of these measures.

For the past eight quarters, production and gold ounces sold have been relatively consistent, with the exception of the first and second quarters of 2020. Production was lowest in the second quarter of 2020, driven by temporary suspensions at both Island Gold and Mulatos due to COVID-19, and lower production at Young-Davidson as the lower mine tie-in was completed. Operations returned to full capacity in the third and fourth quarters of 2020, leading to higher production at Young-Davidson following completion of the lower mine tie-in, helping support record revenues in the first quarter of 2021.

Earnings from operations and cash flow from operating activities have continuously improved since the second quarter of 2019 as a result of a higher gold price and lower operating costs, resulting in higher margins on ounces produced and positive cash

flow from operations. The fourth quarter of 2020 represented record adjusted net earnings, cash flow from operations and earnings before interest, taxes, depreciation and amortization.

Non-GAAP Measures and Additional GAAP Measures

The Company has included certain non-GAAP financial measures to supplement its Consolidated Financial Statements, which are presented in accordance with IFRS, including the following:

- adjusted net earnings and adjusted earnings per share;
- cash flow from operating activities before changes in working capital and taxes received;
- company-wide free cash flow;
- total mine-site free cash flow;
- mine-site free cash flow;
- net cash;
- total cash cost per ounce of gold sold;
- all-in sustaining cost ("AISC") per ounce of gold sold;
- mine-site all-in sustaining cost ("Mine-site AISC") per ounce of gold sold;
- sustaining and non-sustaining capital expenditures; and
- earnings before interest, taxes, depreciation, and amortization

The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-GAAP financial measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Management's determination of the components of non-GAAP and additional measures are evaluated on a periodic basis influenced by new items and transactions, a review of investor uses and new regulations as applicable. Any changes to the measures are fully noted and retrospectively applied as applicable.

Adjusted Net Earnings and Adjusted Earnings per Share

"Adjusted net earnings" and "adjusted earnings per share" are non-GAAP financial measures with no standard meaning under IFRS which exclude the following from net earnings:

- Foreign exchange gain (loss)
- Items included in other gain (loss)
- Certain non-reoccurring items
- Foreign exchange gain (loss) recorded in deferred tax expense
- The income and mining tax impact of items included in other gain (loss)

Net earnings have been adjusted, including the associated tax impact, for the group of costs in "other gain (loss)" on the consolidated statement of comprehensive income. Transactions within this grouping are: the fair value changes on non-hedged derivatives; the renunciation of flow-through exploration expenditures; and loss on disposal of assets. The adjusted entries are also impacted for tax to the extent that the underlying entries are impacted for tax in the unadjusted net earnings.

The Company uses adjusted net earnings for its own internal purposes. Management's internal budgets and forecasts and public guidance do not reflect the items which have been excluded from the determination of adjusted net earnings. Consequently, the presentation of adjusted net earnings enables shareholders to better understand the underlying operating performance of the core mining business through the eyes of management. Management periodically evaluates the components of adjusted net earnings based on an internal assessment of performance measures that are useful for evaluating the operating performance of our business and a review of the non-GAAP measures used by mining industry analysts and other mining companies.

Adjusted net earnings is intended to provide additional information only and does not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other companies. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure is not necessarily indicative of

operating profit or cash flows from operations as determined under IFRS. The following table reconciles this non-GAAP measure to the most directly comparable IFRS measure.

(in millions)

	Three Months Ended March 31,	
	2021	2020
Net earnings (loss)	\$51.2	(\$12.3)
Adjustments:		
Foreign exchange loss	0.2	5.1
Other gain	—	(0.2)
Unrealized foreign exchange (gain) loss recorded in deferred tax expense	(2.5)	36.8
Other income tax and mining tax adjustments	0.2	—
Adjusted net earnings	\$49.1	\$29.4
Adjusted earnings per share - basic and diluted	\$0.13	\$0.08

Cash Flow from Operating Activities before Changes in Working Capital and Cash Taxes

"Cash flow from operating activities before changes in working capital and cash taxes" is a non-GAAP performance measure that could provide an indication of the Company's ability to generate cash flows from operations, and is calculated by adding back the change in working capital and taxes received to "Cash provided by (used in) operating activities" as presented on the Company's consolidated statements of cash flows. "Cash flow from operating activities before changes in working capital" is a non-GAAP financial measure with no standard meaning under IFRS.

The following table reconciles the non-GAAP measure to the consolidated statements of cash flows.

(in millions)

	Three Months Ended March 31,	
	2021	2020
Cash flow from operating activities	\$99.3	\$56.6
Add: Changes in working capital and cash taxes	20.3	25.1
Cash flow from operating activities before changes in working capital and cash taxes	\$119.6	\$81.7

Company-wide Free Cash Flow

"Company-wide free cash flow" is a non-GAAP performance measure calculated from the consolidated operating cash flow, less consolidated mineral property, plant and equipment expenditures. The Company believes this to be a useful indicator of our ability to operate without reliance on additional borrowing or usage of existing cash company-wide. Company-wide free cash flow is intended to provide additional information only and does not have any standardized meaning under IFRS and may not be comparable to similar measures of performance presented by other mining companies. Company-wide free cash flow should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

(in millions)

	Three Months Ended March 31,	
	2021	2020
Cash flow from operating activities	\$99.3	\$56.6
Less: mineral property, plant and equipment expenditures ⁽¹⁾	(72.6)	(63.3)
Less: capital advances	(16.8)	—
Company-wide free cash flow	\$9.9	(\$6.7)

⁽¹⁾ Mineral property, plant and equipment expenditures exclude the Island Gold royalty repurchase of \$54.8 million in the first quarter of 2020.

Mine-site Free Cash Flow

"Mine-site free cash flow" is a non-GAAP financial performance measure calculated as cash flow from mine-site operating activities, less mineral property, plant and equipment expenditures. The Company believes this to be a useful indicator of our ability to operate without reliance on additional borrowing or usage of existing cash. Mine-site free cash flow is intended to provide additional information only and does not have any standardized meaning under IFRS and may not be comparable to similar measures of performance presented by other mining companies. Mine-site free cash flow should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Total Mine-Site Free Cash Flow		Three Months Ended March 31,	
		2021	2020
<i>(in millions)</i>			
Cash flow from operating activities		\$99.3	\$56.6
Add: operating cash flow used by non-mine site activity		10.3	14.7
Cash flow from operating mine-sites		\$109.6	\$71.3
Mineral property, plant and equipment expenditure ¹		\$72.6	\$63.3
Capital advances		16.8	—
Less: capital expenditures from development projects, and corporate		(4.5)	(6.8)
Capital expenditure and capital advances from mine-sites		\$84.9	\$56.5
Total mine-site free cash flow		\$24.7	\$14.8

⁽¹⁾ Excludes a royalty repurchase of \$54.8 million at Island Gold in the first quarter of 2020

Young-Davidson Mine-Site Free Cash Flow		Three Months Ended March 31,	
		2021	2020
<i>(in millions)</i>			
Cash flow from operating activities		\$44.2	\$8.1
Mineral property, plant and equipment expenditure		(21.9)	(27.0)
Mine-site free cash flow		\$22.3	(\$18.9)

Mulatos Mine-Site Free Cash Flow		Three Months Ended March 31,	
		2021	2020
<i>(in millions)</i>			
Cash flow from operating activities		\$9.9	\$21.5
Mineral property, plant and equipment expenditure		(18.8)	(7.4)
Capital advances		(14.7)	—
Mine-site free cash flow		(\$23.6)	\$14.1

Island Gold Mine-Site Free Cash Flow		Three Months Ended March 31,	
		2021	2020
<i>(in millions)</i>			
Cash flow from operating activities		\$55.5	\$41.7
Mineral property, plant and equipment expenditure ¹		(27.4)	(22.1)
Capital advances		(2.1)	—
Mine-site free cash flow		\$26.0	\$19.6

⁽¹⁾ Excludes a royalty repurchase of \$54.8 million at Island Gold in the first quarter of 2020

Net Cash

The Company defines net cash as cash and cash equivalents less long-term debt.

Total Cash Costs per ounce

Total cash costs per ounce is a non-GAAP term typically used by gold mining companies to assess the level of gross margin available to the Company by subtracting these costs from the unit price realized during the period. This non-GAAP term is also used to assess the ability of a mining company to generate cash flow from operations. Total cash costs per ounce includes mining and processing costs plus applicable royalties, and net of by-product revenue and net realizable value adjustments. This metric excludes COVID-19 costs incurred in the period. Total cash costs per ounce is exclusive of exploration costs.

Total cash costs per ounce is intended to provide additional information only and does not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other mining companies. It should not be considered in

isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure is not necessarily indicative of cash flow from operations under IFRS or operating costs presented under IFRS.

All-in Sustaining Costs per ounce and Mine-site All-in Sustaining Costs

The Company adopted an "all-in sustaining costs per ounce" non-GAAP performance measure in accordance with the World Gold Council published in June 2013. The Company believes the measure more fully defines the total costs associated with producing gold; however, this performance measure has no standardized meaning. Accordingly, there may be some variation in the method of computation of "all-in sustaining costs per ounce" as determined by the Company compared with other mining companies. In this context, "all-in sustaining costs per ounce" for the consolidated Company reflects total mining and processing costs, corporate and administrative costs, share-based compensation, exploration costs, sustaining capital, and other operating costs.

For the purposes of calculating "mine-site all-in sustaining costs" at the individual mine-sites, the Company does not include an allocation of corporate and administrative costs and share-based compensation, as detailed in the reconciliations below.

Sustaining capital expenditures are expenditures that do not increase annual gold ounce production at a mine site and excludes all expenditures at the Company's development projects as well as certain expenditures at the Company's operating sites that are deemed expansionary in nature. For each mine-site reconciliation, corporate and administrative costs, and non-site specific costs are not included in the all-in sustaining cost per ounce calculation.

All-in sustaining costs per gold ounce is intended to provide additional information only and does not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other mining companies. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The measure is not necessarily indicative of cash flow from operations under IFRS or operating costs presented under IFRS.

Total Cash Costs and All-in Sustaining Costs per Ounce Reconciliation Tables

The following tables reconciles these non-GAAP measures to the most directly comparable IFRS measures on a Company-wide and individual mine-site basis.

Total Cash Costs and AISC Reconciliation - Company-wide		Three Months Ended March 31,	
		2021	2020
<i>(in millions, except ounces and per ounce figures)</i>			
Mining and processing		\$92.7	\$82.5
Royalties		3.1	2.4
Total cash costs		95.8	84.9
Gold ounces sold		126,482	111,854
Total cash costs per ounce		\$757	\$759
Total cash costs		\$95.8	\$84.9
Corporate and administrative ⁽¹⁾		6.1	6.2
Sustaining capital expenditures ⁽²⁾		23.6	17.5
Share-based compensation		2.8	2.2
Sustaining exploration		1.3	1.5
Accretion of decommissioning liabilities		0.7	0.7
Total all-in sustaining costs		\$130.3	\$113.0
Gold ounces sold		126,482	111,854
All-in sustaining costs per ounce		\$1,030	\$1,010

⁽¹⁾ Corporate and administrative expenses exclude expenses incurred at development properties.

⁽²⁾ Sustaining capital expenditures are defined as those expenditures which do not increase annual gold ounce production at a mine site and exclude all expenditures at growth projects and certain expenditures at operating sites which are deemed expansionary in nature. Total sustaining capital for the period is as follows:

	Three Months Ended March 31,	
	2021	2020
<i>(in millions)</i>		
Capital expenditures per cash flow statement	\$72.6	\$63.3
Less: non-sustaining capital expenditures at:		
Young-Davidson	(12.4)	(22.8)
Mulatos	(15.3)	(2.6)
Island Gold	(16.8)	(13.6)
Corporate and other	(4.5)	(6.8)
Sustaining capital expenditures	\$23.6	\$17.5

Young-Davidson Total Cash Costs and Mine-site AISC Reconciliation		
	Three Months Ended March 31,	
	2021	2020
<i>(in millions, except ounces and per ounce figures)</i>		
Mining and processing	\$40.6	\$30.8
Royalties	1.3	0.8
Total cash costs	\$41.9	\$31.6
Gold ounces sold	48,022	28,905
Total cash costs per ounce	\$873	\$1,093
Total cash costs	\$41.9	\$31.6
Sustaining capital expenditures	9.5	4.2
Accretion of decommissioning liabilities	0.2	0.1
Total all-in sustaining costs	\$51.6	\$35.9
Gold ounces sold	48,022	28,905
Mine-site all-in sustaining costs per ounce	\$1,075	\$1,242

Mulatos Total Cash Costs and Mine-site AISC Reconciliation		
	Three Months Ended March 31,	
	2021	2020
<i>(in millions, except ounces and per ounce figures)</i>		
Mining and processing	\$34.9	\$35.3
Royalties	0.4	0.3
Total cash costs	\$35.3	\$35.6
Gold ounces sold	38,578	43,822
Total cash costs per ounce	\$915	\$812
Total cash costs	\$35.3	\$35.6
Sustaining capital expenditures	3.5	4.8
Sustaining exploration	0.8	1.0
Accretion of decommissioning liabilities	0.5	0.6
Total all-in sustaining costs	\$40.1	\$42.0
Gold ounces sold	38,578	43,822
Mine-site all-in sustaining costs per ounce	\$1,039	\$958

Island Gold Total Cash Costs and Mine-site AISC Reconciliation		
	Three Months Ended March 31,	
	2021	2020
<i>(in millions, except ounces and per ounce figures)</i>		
Mining and processing	\$17.2	\$16.4
Royalties	1.4	1.3
Total cash costs	\$18.6	\$17.7
Gold ounces sold	39,882	39,127
Total cash costs per ounce	\$466	\$452
Total cash costs	\$18.6	\$17.7
Sustaining capital expenditures	10.6	8.5
Total all-in sustaining costs	\$29.2	\$26.2
Gold ounces sold	39,882	39,127
Mine-site all-in sustaining costs per ounce	\$732	\$670

Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA")

EBITDA represents net earnings before interest, taxes, depreciation, and amortization. EBITDA is an indicator of the Company's ability to generate liquidity by producing operating cash flow to fund working capital needs, service debt obligations, and fund capital expenditures.

EBITDA does not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other mining companies. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following is a reconciliation of EBITDA to the consolidated financial statements:

	Three Months Ended March 31,	
	2021	2020
<i>(in millions)</i>		
Net earnings (loss)	\$51.2	(\$12.3)
Add back:		
Finance expense	1.0	0.8
Amortization	43.5	35.4
Deferred income tax expense	18.0	53.1
Current income tax expense (recovery)	5.9	(0.3)
EBITDA	\$119.6	\$76.7

Additional GAAP Measures

Additional GAAP measures are presented on the face of the Company's consolidated statements of comprehensive income (loss) and are not meant to be a substitute for other subtotals or totals presented in accordance with IFRS, but rather should be evaluated in conjunction with such IFRS measures. The following additional GAAP measures are used and are intended to provide an indication of the Company's mine and operating performance:

- *Earnings from operations* - represents the amount of earnings before net finance income/expense, foreign exchange gain/loss, other income/loss, loss on redemption of senior secured notes and income tax expense

Accounting Estimates, Policies and Changes

The preparation of the Company's consolidated financial statements in accordance with IFRS requires management to make estimates and judgments that affect the amounts reported in the consolidated financial statements and accompanying notes. The critical estimates and judgments applied in the preparation of the Company's condensed interim consolidated financial statements for the three months ended March 31, 2021 are consistent with those used in the Company's consolidated financial statements for the year ended December 31, 2020.

Accounting Policies and Changes

The accounting policies applied in the condensed interim consolidated financial statements for the three months ended March 31, 2021 are consistent with those used in the Company's consolidated financial statements for the year ended December 31, 2020, with the exceptions listed in note 2 of the condensed interim consolidated financial statements for the three months ended March 31, 2021.

Internal Control over Financial Reporting

Management is responsible for the design, implementation and operating effectiveness of internal control over financial reporting. Under the supervision of the Chief Executive Officer and Chief Financial Officer, management evaluated the effectiveness of the Company's internal control over financial reporting as of March 31, 2021. In making the assessment, management used the criteria set forth in Internal Control - Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on a review of internal control procedures at the end of the period covered by this MD&A, management determined internal control over financial reporting was appropriately designed as at March 31, 2021.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting that occurred during the quarter ended March 31, 2021 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Disclosure Controls

Management is also responsible for the design and effectiveness of disclosure controls and procedures. The Company's Chief Executive Officer and Chief Financial Officer have each evaluated the effectiveness of the Company's disclosure controls and procedures as at March 31, 2021 and have concluded that these disclosure controls and procedures were appropriately designed.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that internal controls over financial reporting and disclosure controls and procedures, no matter how well designed and operated, have inherent limitations. Therefore, even those systems determined to be properly designed and effective can provide only reasonable assurance that the objectives of the control system are met.

Cautionary Note to United States Investors

Measured, Indicated and Inferred Resources: All resource and reserve estimates included in this news release or documents referenced in this news release have been prepared in accordance with Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") - CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (the "CIM Standards"). NI 43-101 is a rule developed by the Canadian Securities Administrators, which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The terms "Mineral Reserve", "Proven Mineral Reserve" and "Probable Mineral Reserve" are Canadian mining terms as defined in accordance with NI 43-101 and the CIM Standards. Investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into reserves. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, except in very limited circumstances. Investors are cautioned not to assume that all or any part of an Inferred Mineral Resource exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations.

International Financial Reporting Standards: The condensed consolidated financial statements of the Company have been prepared by management in accordance with International Financial Reporting Standard 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board. These accounting principles differ in certain material respects from accounting principles generally accepted in the United States of America. The Company's reporting currency is the United States dollar unless otherwise noted.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains or incorporates by reference "forward-looking statements" and "forward-looking information" as defined under applicable Canadian and U.S. securities legislation. All statements, other than statements of historical fact, which address events, results, outcomes or developments that the Company expects to occur are, or may be deemed, to be, forward-looking statements. Forward-looking statements are generally, but not always, identified by the use of forward-looking terminology such as "expect", "believe", "anticipate", "intend", "estimate", "forecast", "budget", "target", "outlook", "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.

Such statements include information as to strategy, plans or future financial or operating performance, such as the Company's expansion plans, project timelines, production plans and expected sustainable productivity increases, expected increases in mining activities and corresponding cost efficiencies, expected drilling targets, expected sustaining costs, expected improvements in cash flows and margins, expectations of changes in capital expenditures, forecasted cash shortfalls and the Company's ability to fund them, cost estimates, projected exploration results, reserve and resource estimates, expected production rates and use of the stockpile inventory, expected recoveries, sufficiency of working capital for future commitments and other statements that express management's expectations or estimates of future performance.

Alamos cautions that forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by the Company at the time of making such statements, 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.

Such factors and assumptions underlying the forward-looking statements in this document include, but are not limited to: changes to current estimates of mineral reserves and resources; changes to production estimates (which assume accuracy of projected ore grade, mining rates, recovery timing and recovery rate estimates and may be impacted by unscheduled maintenance; labour and contractor availability and other operating or technical difficulties); operations may be exposed to new diseases, epidemics and pandemics, including the effects and potential effects of the global COVID-19 widespread pandemic; the impact of the COVID-19 pandemic on the broader market and the trading price of the Company's shares; provincial and federal orders or mandates (including with respect to mining operations generally or auxiliary businesses or services required for our operations) in Canada, Mexico, the United States and Turkey; the duration of regulatory responses to the COVID-19 pandemic; governments and the Company's attempts to reduce the spread of COVID-19 which may affect many aspects of the Company's operations including the ability to transport personnel to and from site, contractor and supply availability and the ability to sell or deliver gold dore bars; fluctuations in the price of gold or certain other commodities such as, diesel fuel, natural gas, and electricity; changes in foreign exchange rates (particularly the Canadian Dollar, Mexican Peso, U.S. Dollar and Turkish Lira); the impact of inflation; changes in our credit rating; any decision to declare a quarterly dividend; employee and community relations (including maintaining social license to operate in Turkey); litigation and administrative proceedings (including but not limited to the investment treaty claim announced on April 20, 2021 to be commenced against the Republic of

Turkey by the Company's Netherlands wholly-owned subsidiaries, Alamos Gold Holdings Coöperatief U.A. and Alamos Gold Holdings B.V.); disruptions affecting operations; availability of and increased costs associated with mining inputs and labour; expansion delays with the Phase III Expansion Project at the Island Gold mine; inherent risks associated with mining and mineral processing; the risk that the Company's mines may not perform as planned; uncertainty with the Company's ability to secure additional capital to execute its business plans; the speculative nature of mineral exploration and development, including the risks of obtaining and maintaining necessary licenses and permits, including the necessary licenses, permits, authorizations and/or approvals from the appropriate regulatory authorities for the Company's development stage and operating assets; labour and contractor availability (and being able to secure the same on favourable terms); contests over title to properties; expropriation or nationalization of property; inherent risks and hazards associated with mining including environmental hazards, industrial accidents, unusual or unexpected formations, pressures and cave-ins; changes in national and local government legislation (including tax and employment legislation), controls or regulations in Canada, Mexico, Turkey, the United States and other jurisdictions in which the Company does or may carry on business in the future; increased costs and risks related to the potential impact of climate change; failure to comply with environmental and health and safety laws and regulations; disruptions in the maintenance or provision of required infrastructure and information technology systems; risk of loss due to sabotage, protests and other civil disturbances; 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. The litigation against the Republic of Turkey, described above, results from the actions of the Turkish government in respect of the Company's projects in the Republic of Turkey. Such litigation is a mitigation effort and may not be effective or successful. If unsuccessful, the Company's projects in Turkey may be subject to resource nationalism and further expropriation; the Company may lose the full value of its assets and gold mining projects in Turkey and its ability to operate in Turkey. Even if successful, there is no certainty as to the quantum of any damages award or recovery of all, or any, legal costs. Any resumption of activities in Turkey, including renewal of the requisite operating licenses or permits, or even retaining control of its assets and gold mining projects in Turkey can only result from agreement with the Turkish government. The litigation may have an impact on foreign direct investment in the Republic of Turkey which may result in changes to the Turkish economy, including but not limited to high rates of inflation and fluctuation of the Turkish Lira which may also affect the Company's relationship with the Turkish government, the Company's ability to effectively operate in Turkey, and which may have a negative effect on overall anticipated project values.

Additional risk factors and details with respect to risk factors affecting the Company's ability to achieve the expectations set forth in the forward-looking statements contained in this MD&A are set out in the Company's 40-F/Annual Information Form for the year ended December 31, 2020 under the heading "Risk Factors", which is available on the SEDAR website at www.sedar.com or on EDGAR at www.sec.gov. The foregoing should be reviewed in conjunction with the information found in this MD&A.

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.

Qualified Persons

Chris Bostwick, FAusIMM, Alamos' Vice President, Technical Services, who is a qualified person within the meaning of National Instrument 43-101 ("Qualified Person"), has reviewed and approved the scientific and technical information contained in this MD&A.