ALAMOS GOLD INC.
MANAGEMENT DISCUSSION AND ANALYSIS

This management discussion and analysis (MD&A)of the operating results and financial position of Alamos Gold Inc. and its subsidiaries (the "Company") is for the three month period ended March 31, 2005 compared with the three month period ended March 31, 2004. Information is current to April 18, 2005. It should be read in conjunction with the Annual Information Form and other information filed by the Company at www.sedar.com.

Introduction

The Company is a development stage mineral exploration company with a gold project under construction in Sonora, Mexico, and prospective exploration targets in and around the project.

The MD&A should be read in conjunction with the attached Consolidated Financial Statements of the Company and related Notes (the "Financial Statements"), which have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) for interim reporting (for more complete disclosure see Summary of Significant Accounting Policies Note 2 to the December 31, 2004 Financial Statements) in United States dollars. These principles differ in certain material respects from accounting principles generally accepted in the United States (U.S. GAAP). Significant differences between GAAP and U.S. GAAP applicable to the Company as at December 31, 2004 and described in Note 19 to the December 31, 2004 Financial Statements, do not consider additional GAAP/U.S. GAAP differences which may exist in the treatment of convertible debentures issued in February 2005.

Note to U.S. Investors

All references to mineral reserves and resources contained in this MD&A are determined in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators and CIM Standards. While the terms "mineral resource," "measured mineral resource," "indicated mineral resource," and "inferred mineral resource" are recognized and required by Canadian regulations, they are not defined terms under SEC standards in the United States. As such, information contained in this MD&A concerning descriptions of mineralization and resources under Canadian standards may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC. "Indicated mineral resource" and "inferred mineral resource" have a great amount of uncertainty as to their existence and a great uncertainty as to their economic and legal feasibility. It can not be assumed that all or any part of an "indicated mineral resource" or "inferred mineral resource" will ever be upgraded to a higher category of resource. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.

In June 2004 the Company completed the Mulatos Feasibility Study Phase One – Estrella Pit. Gold reserves within the Estrella Pit consist of 36.4 million tonnes of ore grading 1.6 grams per tonne (g/t) at varying cutoff grades, beginning at 0.8 g/t, yielding 2.0 million ounces of contained gold of which 1.4 million is recoverable.

Highlights

- Closed a C$50.0 million convertible debenture issue in February 2005;
- Spent over $5.7 million on development at Mulatos, plus $6.3 million on equipment;
- Spent $0.3 million on several exploration targets in the Salamandra group of concessions.

Assessment of Gold Market

Gold continued to trade in a narrow band in the first quarter of 2005, between $410 and $435 per ounce and was at $425 on April 18, 2005. The price of gold is attractive for the Company, which prepared its feasibility study and reserves using a base case of $350 per ounce. At these levels, the price of gold has had and may continue to have a positive impact on the economics of the feasibility study for Phase I development of the Mulatos deposit. However, it is not possible to forecast future gold price trends and their impact on future results from operations.

Projects

The Company's major asset is its 21,300-hectare Salamandra group of concessions in Sonora, Mexico, which includes the Mulatos deposit and nine other exploration targets identified to date. The Mulatos deposit consists of several contiguous mineralized zones which contain gold resources of approximately 62.2 million tonnes of ore grading 1.5 g/t at a 0.6 g/t gold cutoff, measured and indicated, excluding resources contained in the Gap, El Victor and San Carlos zones. In June 2004, a feasibility study was completed on the Estrella zone of the Mulatos deposit, which contained gold reserves of 36.4 million tonnes of ore grading 1.6 g/t at varying cutoff grades, beginning with 0.8 g/t in the early years and declines to the internal cutoff in later years to enhance economics. Reserves are 2.0 million ounces of contained gold, of which 1.4 million ounces are recoverable, based on metallurgical testing. The reserves were prepared using a gold price assumption of $350 per ounce. Total projected capital cost, including a $7.7 million contingency, was set at $72.3 million. The feasibility study projects cash operating costs at $174 per ounce. Production is subject to a sliding scale net smelter royalty, which at current gold prices above $400, is set at a rate of 5% of the value of gold and silver, less certain allowed refining and transportation costs.

Construction of the mine at Mulatos began in the third quarter of 2004 and operations are expected to commence in the third quarter of 2005. Feasibility level rates of production are not expected until year end.

The Company has completed drilling at Southeast Extension Zone and is currently drilling at El Salto and with the goal of adding to its mineral reserve base around the Estrella pit. Thirty-three holes (7,059 meters) have been completed to date at El Salto with 11 holes (2,226 meters) remaining in the current drill program. The Company intends to issue a new reserve report after all drilling has been incorporated into a new reserve model. The Company has also commenced a development program which involves underground drifting through the Escondida, Gap and El Victor zones and establishing drill locations underground to test ore continuity and high-grade structures. The first round of the underground development was shot at El Victor on April 12, 2005. Portal collaring at the Escondida end is due April 20, 2005.

Total planned exploration and development expenditures around the Estrella Zone, for the Excondida – El Victor underground development and regional targets is budgeted at $6.0 million for 2005, which includes expenditures contingent on follow-up work, if warranted.

Operating Activities

The Company recorded net loss for the three months ended March 31, 2005 of $1.1 million ($0.01 per share), compared with $0.5 million ($0.01 per share) in the comparable period in 2004. Increased costs partly relate to the issuance of convertible debentures in February 2005, offset in part by increased interest income from the cash on hand obtained from the debentures. Certain corporate operating costs were also higher in the current period.

The Company received C$50 million ($41.1 million) from the issuance of convertible debentures, before related financing costs. The debentures are classified as a liability, with the exception of the portion relating to their conversion feature, which is classified as an equity component, resulting in the carrying value of the debentures being less than their face value. The discount is being accreted over the term of the debentures – in the first quarter of 2005 the amount of accretion of the debenture discount was $245,470. Interest accrued on the debenture amounted to $350,694, of which $36,796 was capitalized to mineral properties and $313,898 (2004 - $64,902, relating to the H. Morgan loan, repaid in December 2004) was charged to operations. $1.2 million in deferred financing costs associated with the debenture was allocated to the debt portion of the debenture and capitalized. This amount is being amortized on a straight line basis over the term of the debt; amortization expense for the first quarter of 2005 was $40,000 (2004 - $nil) and charged to operation as a financing cost. The balance of deferred financing costs, $416,000, was netted against the equity portion of the debenture.

Salaries and management compensation increased to $217,286 in the first quarter of 2005, up from $134,712 in 2004 as a result of the addition of staff in 2005 required by the increase in corporate activity and non-capitalized portion of Mexican operations administration. Increase in activities in the Company's Mexican office also contributed to higher office and administration costs not allocated to exploration projects in 2005 ($149,038) compared with the same period in 2004 ($54,066).

The Company incurred a small loss on foreign exchange of $93,751 in 2005 (2004 – gain of $16,430) mainly resulting from the conversion of part of the proceeds of the Canadian dollar debenture into United States dollars. Interest income of $281,171 (2004 - $11,051) increased due to the increase in cash balances from a $23 million equity financing in November 2004 and a $41.1 million convertible debenture financing in February 2005, less development expenditures and equipment purchases relating to the development of the Mulatos deposit.

There were no stock option grants during the first quarter of 2005, and consequently no valuation expense relating to stock-based compensation (2004 - $82,775 relating to the grant of 110,000 share purchase options).

Summary of Quarterly Results

The following table shows consolidated loss by quarter for the previous eight quarters, on a dollar and per share basis. As the Company is still in the exploration and development stage, it has no sales or revenue. Per share figures are basic and fully diluted.

Loss by quarter	Q1	Q2	Q3	Q4
	$	$	$	$
2005	1,138,479			
Per share	0.01			
2004	457,407	1,437,139	400,458	1,477,220
Per share	0.01	0.02	0.01	0.02
2003		316,255	520,575	980,701
Per share		0.01	0.01	0.02

Non-cash compensation was recorded in the amount of $403,989 in Q4 2003 and $82,775, $469,189 and $392,000 in Q1, Q2 and Q4 respectively of 2004, reflecting the value of the grant of stock options to personnel. Q1-2005 contains charges relating to convertible debentures issued in February 2005.

Financial and Other Instruments

Company's financial assets and liabilities consist of cash and cash equivalents, receivables, accounts payable and accrued liabilities and the debt portion of a convertible debenture, some of which are denominated in Canadian dollars or Mexican pesos. These accounts are recorded at cost, except for the convertible debentures, which approximates their fair value at each reporting period value in United States dollars. The convertible debenture is recorded at the discounted value of future cash flows, using the Company's risk adjusted discount rate of 12.6% and is adjusted quarterly for changes in the Canadian dollar to United States dollar exchange rate. The amount of debenture discount is accreted to the carrying value of the debenture on a quarterly basis. The Company is vulnerable to financial gain or loss as a result of foreign exchange movements against the United States dollar. In the first quarter 2005, the Company recorded a loss of $93,751, mainly on conversion of a portion of its Canadian dollar cash received from the debenture financing, into United States dollars, while in 2004 a small gain of $16,430 was recorded. The Company minimizes its foreign exchange risk by maintaining low net account balances in Canadian dollars and Mexican pesos, to the extent possible.

The Company has placed its cash and cash equivalents in short-term liquid deposits or investments which provide a revised rate of interest upon maturity.

Investment in Mineral Exploration and Development

Net expenditures on mineral properties increased during the first quarter of 2005 to $6.0 million from $1.2 million in the same period in 2004. The increased activity reflects the Company's ongoing development of Phase I of the Mulatos deposit, which is projected in its June 2004 feasibility study to cost $72.3 million.

At the end of March 2005 the Company had spent to date an estimated $34.6 million on construction and procurement at Mulatos. During the first quarter of 2005 major expenditures included $2.0 million on the leach pad, $0.7 million on facilities including a camp and other buildings, $0.4 million on water systems, and $0.8 million on mine access and haul roads. Leach pad construction is progressing, with 25,000 m^2 of plastic liner in place. Gold-bearing colluvial material is currently being screened to act as an overliner. Storm pond excavation is complete and ready for lining with plastic.

Equipment purchases, rehabilitation and installation amounted to $6.3 million and included $2.4 million for refurbishing the three-stage crusher, $0.9 million for the conveyor and $1.9 million for mining equipment. The Company spent $1.1 million on the gold recovery plant where structural steel and machinery are in place and ready for piping and electrical work.

The Company also recorded an increase of $41,000 in its valuation of asset retirement obligations (AROs), based on ongoing development work at Mulatos. This valuation reflects the discounted cash flows anticipated for future removal and site restoration and is added to the cost of the relevant mineral property.

Capital Resources and Liquidity

In February 2005, the Company issued $41.1 million (C$50 million) 5.5% convertible unsecured subordinated debentures maturing on February 15, 2010, net of a 3.5% underwriters' fee. The debentures bear interest at an annual rate of 5.5%, payable semi-annually in arrears on February 15 and August 15 of each year. The debentures are convertible into common shares at a rate of 188.6792 common shares for each C$1,000 principal amount of debentures. In certain circumstances, the debentures may be redeemed in whole or in part at the option of the company after February 15, 2008.

The debentures are classified as a liability, with the exception of the portion relating to their conversion features, which are classified as an equity component, resulting in the carrying value of the debentures being less than their face value.

The Company ended March 31, 2005 with almost $54.0 million in cash, cash equivalents and short-term investments, compared with $28.1 million at December 31, 2004. The Company also had $2.4 million in funds set aside to pay the first year estimated interest on the convertible debentures, in accordance with the terms of the trust indenture. At March 31, 2005 the estimated cost to complete the Mulatos project construction and procurement was $41 million.

At March 31, 2005, the Company had $54.0 million in working capital, an increase from working capital of $29.0 million at December 31, 2004. The most significant component of the change in working capital was the increase in cash, cash equivalents and short-term investments by almost $26 million from December 2004 balances. The increase in cash and short-term investments resulted primarily from funds received from the $41.1 million convertible debenture issue in February 2005, and from the receipt of $960,613 from the exercise of warrants. Payables increased from $1.0 million at December 2004 to $2.5 million at March 2005 in response to increased construction activities at Mulatos. The other significant change in working capital resulted from the increase in contractor advances, to support equipment mobilization, from $1.7 million to $2.2 million.

The Company is adequately funded to carry out further development work at Mulatos. It has an exploration budget of $6 million for the year and expects to have a working capital requirement of up to $5 million or more throughout 2005, depending on the level of gold in-process inventory, inventory of spare parts, and the timing of recovery of refundable sales taxes. First gold pour is expected in the third quarter of 2005, although sustained production at the feasibility rate is expected before year end.

Strategic Outlook

In the first quarter of 2005 the Company focused on advancing the construction of the Mulatos mine, and continued development drilling at El Salto, adjacent to the Mulatos deposit. The Company expects to begin gold production in the third quarter of 2005. It also expects to have a revised reserve model in the third quarter which will incorporate drilling results adjacent to the current pit model.

The Company expects to advance the Escondida-El Victor underground drift development and to develop drill sites along the drift.

At Los Bajios, the site of exploration drilling in 2004, the Company is undertaking a 13.5 line-km 3D IP survey. Along with recently completed geologic mapping the Company is obtaining a better understanding of the geology which will assist in developing prospective mineralization targets which may lie below barren overburden.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements, except for purchase obligations described in the attached table.

Commitments Table (by period)

The following table lists as at March 31, 2005 information with respect to the Company's contractual obligations.

Contractual Obligations ($)	Total	Less than 1 year	1- 3 years	3 – 5 years	More than 5 years
	Payments due by period				
Long-Term Debt Obligations [1]	52,670,000	2,270,000	4,540,000	45,860,000	-
Capital (Finance) Lease Obligations	-	-	-	-	-
Operating Lease Obligations	-	-	-	-	-
Purchase Obligations [2]	15,000,000	15,000,000	-	-	-
Other Long-Term Liabilities reflected on the Company's Balance Sheet under the GAAP of the primary financial statements [3]	300,000	-	-	-	300,000
Others	-	-	-	-	
Total	**67,970,000**	**17,270,000**	**4,540,000**	**45,860,000**	**300,000**

Contractual obligations exclude expenses, except as noted, of a fixed nature expected to be incurred in the normal course of operations.

(1) The Company issued CDN$50 million ($41.1 million) in convertible debentures due in February, 2010, unless converted into common shares of the Company at the option of the holder, with an annual interest rate of 5.5%.

(2) Based on contracts in force as at March 31, 2005, out of a total estimated cost to completion of $41 million.

(3) Estimated asset retirement obligations, presented on a non-discounted cash-flow basis.

Related Party Transactions

The Company received consulting services from one director on a fee for services basis. There are no ongoing contractual arrangements or commitments resulting from these transactions. Total contractual fees paid were $16,100 (2004 - $79,000 to a director and officer of the Company). In 2004, consulting services were subject to the terms of an annual renewable services contract for an officer and director – the form of this services contract was discontinued in the fourth quarter of 2004. These transactions have occurred in the normal course of operation and are measured at their fair value.

Outstanding Share Data

The Company has one class of common shares: as of April 18, 2005, there were 77,117,918 common shares outstanding.

The Company has a stock option plan: as of April 18, 2005, there were 3,603,483 stock options granted and outstanding, all of which have vested.

The Company has outstanding as of April 18, 2005, 4,565,000 share purchase warrants.

The Company has outstanding as of April 18, 2005, face value of C$50,000,000 convertible debentures.

Risk and Uncertainties

Except for historical information contained in this discussion and analysis, disclosure statements contained herein are forward-looking, as defined in the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those in such forward-looking statements.

This MD&A contains forward-looking statements concerning the Company's plans for its properties and other matters. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Statements concerning reserves and mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed, and in the case of mineral resources or mineral reserves, such statements reflect the conclusion based on certain assumptions that the mineral deposit can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking statements." Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements.

The nature of risks and uncertainties are discussed more fully in the Annual Information Form filed by the Company and in the December 31, 2004 MD&A and apply to this period under review.