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(All amounts are expressed in United States dollars, unless otherwise stated)

Tuesday, March 16, 2010

**Alamos Gold Reports Record Earnings on Record 2009 Gold  
 Production and Declares Inaugural Dividend**

Toronto, Ontario - Alamos Gold Inc. (TSX: AGI) ("Alamos" or the "Company") reports financial results for the fourth quarter and year-ended December 31, 2009, announces inaugural semi-annual dividend, and provides a brief update on mine operations, exploration, and development activities.

**Fourth Quarter 2009 Highlights:**

- Record quarterly gold production of 48,000 ounces.
- Revenues of \$52.6 million on gold sales of 49,145 ounces.
- Operating cash flows before working capital changes totalled \$30.0 million, or \$0.27 per basic share.
- Record quarterly earnings of \$20.1 million, or \$0.18 per basic share.
- Record-low cash operating cost of \$266 per ounce of gold sold.
- Total cash cost of \$320 per ounce of gold sold.

**Full-Year 2009 Highlights:**

- Reported a third consecutive year of increased production growth with 178,500 ounces of gold produced, an increase of 18% over 2008.
- Revenues of \$171.4 million on gold sales of 177,824 ounces.
- Operating cash flows before working capital changes of \$88.5 million, or \$0.83 per basic share.
- Earnings of \$56.0 million, or \$0.52 per basic share.
- Cash operating costs of \$278 per ounce of gold sold.
- Total cash operating costs of \$327 per ounce of gold sold.
- Cash and short-term investment balances amounted to \$186.9 million at December 31, 2009.

**Subsequent to year-end, the Company:**

- Acquired two advanced-stage gold exploration properties, Ađi Dađı and Kirazlı, in the Biga Mineral District of northwestern Turkey.
- The Board of Directors declared a dividend of \$0.03 per common share payable on April 30, 2010 to shareholders of record on April 15, 2010.

Commenting on the annual results, John A. McCluskey, President and Chief Executive Officer, stated "Alamos achieved record gold production for a third consecutive year, while reporting the lowest per ounce cash costs in its history. The Mulatos Mine's low cost structure, combined with the current gold price environment, generates tremendous cash flows from operations that continue to fund our exploration and production expansion projects in Mexico.

This ability to generate strong cash flows also contributed to the Company's decision to acquire the Ađi Dađı and Kirazlı gold projects in northwestern Turkey, our first step towards low-cost production growth from outside of the Mutatos District. We expect Ađi Dađı and Kirazlı to make considerable contributions to the Company's production profile in the future, and do so without any external funding."

"I am also pleased to announce, as part of our long-term strategy to maximize shareholder value, that the Board of Directors has initiated a semi-annual dividend. This dividend allows us to reward our shareholders by returning a portion of the cash we generated from operations. The Board of Directors will evaluate the amount of the dividend semi-annually, depending on our cash balances and alternative uses of capital for growth, but I am confident that Alamos will be able to consistently pay a dividend moving forward."

"With a clean balance sheet, strong cash flow from operations, continued organic growth driven by exploration success, and with the expectation that our recently acquired assets in Turkey will make a meaningful contribution to production over the medium-term, Alamos has positioned itself to be one of the highest growth companies in the gold mining sector. I expect the Company to continue to have strong performance with its capacity to fund future expansion projects, aggressive exploration programs, as well as accretive acquisitions."

## **Review of Financial Results**

Alamos reported record gold sales, cash flows from operations, and earnings for the fourth quarter and year-ending 2009. Financial results improved significantly over 2008, driven by higher gold production, higher realized gold prices, and lower cash operating costs per ounce.

Revenue in the fourth quarter of 2009 reached a record level of \$52.6 million, representing a 62% increase over revenue of \$32.4 million in the fourth quarter of 2008. In 2009, revenue of \$171.4 million increased 29% over revenue of \$133.0 million in 2008. The rise in revenues is attributable to a combination of a 17% increase in the number of ounces sold and a 10% increase in the average realized gold price. The number of ounces sold increased in 2009 compared to 2008 as a result of higher gold production.

The Company generated record cash flows from operations before changes in non-cash working capital of \$30.0 million (\$0.27 per basic share) and a record \$34.8 million (\$0.32 per basic share) after changes in non-cash working capital in the fourth quarter of 2009. The \$34.8 million provided by operating activities represents a 111% increase over the \$16.5 million (\$0.17 per basic share) generated in the fourth quarter of 2008. For 2009, cash generated from operations before changes in non-cash working capital totalled \$88.5 million (\$0.83 per basic share) and \$95.6 million (\$0.90 per basic share) after changes in non-cash working capital, representing increases of 61% and 45% over 2008 levels, respectively.

Earnings in the fourth quarter of 2009 also reached a record level of \$20.1 million (\$0.18 per basic share), compared to \$9.1 million (\$0.10 per basic share) in the same period of 2008. Earnings for the full-year 2009 increased 90% over 2008, to \$56.0 million (\$0.52 per basic share).

Capital expenditures in the fourth quarter of 2009 were \$17.2 million, compared with \$8.3 million from the same period last year. Capital expenditures totalled \$36.6 million for the full-year 2009, compared with \$25.0 million the previous year.

During 2009, the Company's cash and short-term investments balance increased by \$143.1 million as a result of a \$62.2 million bought deal financing completed in the first quarter of the year combined with strong cash flows from operations. At December 31, 2009, the Company had \$186.9 million in cash and cash equivalents and short-term investments compared to \$43.8 million at December 31, 2008.

Subsequent to the end of the year, as part of its acquisition of the Ađi Dađi and Kirazli gold projects, Alamos paid \$40.0 million and issued 4 million common shares of the Company to the vendors as consideration for the projects.

Alamos continues to have no debt and remains unhedged to future movements in the price of gold.

Key financial metrics for the fourth quarter of 2009 compared to the fourth quarter of 2008, and on a full-year basis for 2009 and 2008 are presented at the end of this release in Table 1.

### **Review of Operational Results**

Operational performance in 2009 beat guidance in terms of both production and costs.

As previously announced, the Mulatos Mine produced 178,500 ounces in 2009, an increase of 18% over gold production of 151,000 ounces in 2008. Gold production levels increased significantly in 2009 compared to 2008, primarily as a result of positive grade, tonnage, and recovery reconciliations relative to the block model combined with several operational improvement initiatives undertaken by the Company that ultimately resulted in gold production above budgeted levels.

Record-low cash operating cost of \$266 per ounce and total cash cost (including the 5% royalty) of \$320 per ounce combined with a \$1,071 realized average gold price per ounce, resulted in a cash margin of \$751 per ounce in the fourth quarter of 2009. For the full-year, cash operating costs were \$278 per ounce of gold sold and total cash cost per ounce of gold sold was \$327, below the Company's guidance of \$335 per ounce and representing reductions of 19% and 16% over 2008, respectively. With an average realized gold price of \$964 per ounce for the year, the average realized cash margin per ounce was \$637, an increase of 31% over 2008. The low per ounce costs for the fourth quarter and year-ending 2009 are a direct result of continued recovery improvements, operational efficiencies, and a favourable exchange rate between the Mexican peso and the dollar.

Key operational metrics and production statistics for the four quarters of 2009 compared, and on a full-year basis compared to 2008 are presented at the end of this press release in Tables 2 and 3.

### **Inaugural Dividend**

As part of the Company's long-term strategy to maximize shareholder value, the Company's Board of Directors has authorized a dividend of \$0.03 per common share, payable on April 30, 2010 to shareholders of record at the close of business on April 15, 2010. It is the intention of

the Board of Directors to review the amount of the dividend on a semi-annual basis depending upon the Company's cash balances and alternative uses of capital for growth.

### **Project Updates**

The Company continues to forecast gold production of 160,000 to 175,000 ounces from the Mulatos Mine at a total cash cost (including the 5% royalty) of \$338 per ounce in 2010. For additional details, please refer to the Company's January 7, 2010 press release, which outlines the Company's 2010 guidance, capital budget, and exploration plans.

In the coming weeks, the Company expects to release the results of a scoping study to increase crusher throughput at Mulatos, an updated mineral reserve and resource statement for the Mulatos Mine as of December 31, 2009, plus assay results from ongoing drill programs at the San Carlos and Puerto del Aire Extension zones at Mulatos. Drilling continues at Mulatos with three reverse-circulation rigs and one core rig.

With respect to the Company's activities in Turkey, the Company has made significant progress since acquiring the Ađi Dađı and Kirazlı projects in early 2010. The Company has established an administrative office in Ankara, taken possession of the two exploration camps, and now has more than 20 employees in Turkey.

With respect to the Company's exploration and development plans in northwestern Turkey, two core drill rigs have been mobilized to site and a 20,000-metre in-fill and extension drilling program will commence shortly at the Baba and Deli mineral resource areas on the Ađi Dađı property. The primary objectives of the drilling program will be to collect representative samples for geotechnical and metallurgical testing for use in a pre-feasibility study ("PFS") for the Ađi Dađı and Kirazlı projects and to upgrade the existing inferred mineral resources to the measured and indicated categories. Two additional core rigs are scheduled to be mobilized in mid-April and another two core rigs are expected to arrive in mid-June.

Alamos plans to release a preliminary economic assessment, or scoping study, regarding the potential economics of the Ađi Dađı and Kirazlı projects soon. With respect to the PFS for these projects, consultants have been selected and metallurgical testing, geotechnical work, and the Environmental Impact Assessment ("EIA") studies have commenced. The timing for the completion of the PFS will be determined after the completion of the scoping study.

### **Reminder of 2009 Year-End Financial Results Conference Call and Webcast**

The Company's senior management will host a conference call today, Tuesday, March 16, 2010 at 11:00 am EDT (08:00 am PDT) to discuss the 2009 fourth quarter and year-end results, and to provide an update of the Company's operating, exploration, and development activities.

Participants may join the conference call by dialling 1 (800) 355-4959 or 1 (416) 695-6623 for call outside Canada and the United States.

A recorded playback of the conference call can be accessed after the event until March 30, 2010 by dialling 1 (800) 408-3053 or 1 (416) 695-5800 for calls outside Canada the United States. The pass code for the conference call playback is 6413365, followed by the # key. A

live and archived audio webcast will also be available on the Company's website at [www.alamosgold.com](http://www.alamosgold.com).

This press release should be read in conjunction with Alamos's audited consolidated financial statements for the year-ended December 31, 2009 and 2008 and associated Management Discussion and Analysis ("MD&A"), which are available from the Company's website, [www.alamosgold.com](http://www.alamosgold.com), in the "Investors" section under "Annual & Quarterly Reports", and on SEDAR ([www.sedar.com](http://www.sedar.com)).

## About Alamos

Alamos is an established Canadian-based gold producer that owns and operates the Mulatos Mine in Mexico, and has exploration and development activities in Mexico and Turkey. The Company employs nearly 500 people in Mexico and Turkey and is committed to the highest standards of environmental management, social responsibility, and health and safety for its employees and neighbouring communities. Alamos has over US\$147 million cash on hand, is debt-free, and unhedged to the price of gold. Alamos' common shares are traded on the Toronto Stock Exchange under the symbol "AGI".

FOR FURTHER INFORMATION, PLEASE CONTACT:

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*The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*

## Cautionary Non-GAAP Statements

The Company believes that investors use certain indicators to assess gold mining companies. They are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared with GAAP. "Cash flow from operating activities before changes in non-cash working capital" is a non-GAAP performance measure which could provide an indication of the Company's ability to generate cash flows from operations, and is calculated by adding back the change in non-cash working capital to "Cash provided by (used for) operating activities" as presented on the Company's consolidated statements of cash flows. "Mining cost per tonne of ore" is a non-GAAP performance measure which could provide an indication of the mining and processing efficiency and effectiveness at the Mine. It is determined by dividing the relevant mining and processing costs by the tonnes of ore processed in the period. "Cost per tonne of ore" is usually affected by operating efficiencies and waste-to-ore ratios in the period. "Cash operating costs per ounce" and "total cash costs per ounce" as used in this analysis are non-GAAP terms 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. These non-GAAP terms are also used to assess the ability of a mining company to generate cash flow from operations. There may be some variation in the method of computation of "cash operating costs per ounce" as determined by the Company compared with other mining companies. In this context, "cash operating costs per ounce" reflects the cash operating costs allocated from in-process and dore inventory associated with ounces of gold sold in the period. "Cash operating costs per ounce" may vary from one period to another due to operating efficiencies, waste-to-ore ratios, grade of ore processed and gold recovery rates in the period. "Total cash costs per

ounce" includes "cash operating costs per ounce" plus applicable royalties. Cash operating costs per ounce and total cash costs per ounce are exclusive of exploration costs.

### **Cautionary Note**

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This News Release includes certain "forward-looking statements". All statements other than statements of historical fact included in this release, including without limitation statements regarding forecast gold production, gold grades, recoveries, waste-to-ore ratios, total cash costs, potential mineralization and reserves, exploration results, and future plans and objectives of Alamos, are forward-looking statements that involve various risks and uncertainties. These forward-looking statements include, but are not limited to, statements with respect to mining and processing of mined ore, achieving projected recovery rates, anticipated production rates and mine life, operating efficiencies, costs and expenditures, changes in mineral resources and conversion of mineral resources to proven and probable reserves, and other information that is based on forecasts of future operational or financial results, estimates of amounts not yet determinable and assumptions of management.

Exploration results that include geophysics, sampling, and drill results on wide spacings may not be indicative of the occurrence of a mineral deposit. Such results do not provide assurance that further work will establish sufficient grade, continuity, metallurgical characteristics and economic potential to be classed as a category of mineral resource. A mineral resource which is classified as "inferred" or "indicated" has a great amount of uncertainty as to its existence and economic and legal feasibility. It cannot be assumed that any or 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 all or any part of mineral deposits in these categories will ever be converted into proven and probable reserves.

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.

There can be no assurance that forward-looking statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Alamos' expectations include, among others, risks related to international operations, the actual results of current exploration activities, conclusions of economic evaluations and changes in project parameters as plans continue to be refined as well as future prices of gold and silver, as well as those factors discussed in the section entitled "Risk Factors" in Alamos' Annual Information Form. Although Alamos has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

**Table 1: Financial Highlights**

	Q4 2009	Q4 2008	2009	2008
Cash provided by operating activities before changes in non-cash working capital (000) <sup>(1)</sup>	\$30,015	\$17,054	\$88,541	\$54,936
Changes in non-cash working capital (000)	\$4,764	(\$590)	\$7,066	\$10,834
Cash provided by operating activities (000)	\$34,779	\$16,464	\$95,607	\$65,770
Earnings before income taxes (000)	\$28,467	\$8,679	\$78,245	\$39,021
Earnings (000)	\$20,081	\$9,140	\$55,962	\$29,380
Earnings per share				
- basic	\$0.18	\$0.10	\$0.52	\$0.31
- diluted	\$0.18	\$0.09	\$0.51	\$0.30
Weighted average number of common shares outstanding				
- basic	109,225,000	96,028,000	106,765,000	95,428,000
- diluted	111,257,000	97,300,000	108,749,000	97,111,000

<sup>(1)</sup> A non-GAAP measure calculated as cash provided by operating activities as presented on the consolidated statements of cash flows and adding back changes in non-cash working capital.

**Table 2: Production Summary & Statistics <sup>(1)</sup>**

Production Summary	Q1	Q2	Q3	Q4	2009	2008
Ounces produced <sup>(1)</sup>	46,000	42,000	42,500	48,000	178,500	151,000
Ore crushed (tonnes)	1,068,000	1,072,000	1,119,000	1,037,000	4,296,000	4,741,000
Grade (g/t Au)	1.71	1.92	1.68	1.94	1.81	2.01
Contained ounces stacked	58,716	66,174	60,439	64,345	249,700	306,377
Ratio of ounces produced to contained ounces stacked	78%	63%	70%	75%	71%	49%
Ore mined (tonnes)	1,047,000	1,026,000	1,155,000	1,092,000	4,320,000	4,780,000
Waste mined (tonnes)	1,532,000	1,081,000	751,000	1,064,000	4,428,000	6,559,000
Total mined (tonnes)	2,579,000	2,107,000	1,906,000	2,156,000	8,748,000	11,339,000
Waste-to-ore ratio	1.46	1.05	0.65	0.97	1.02	1.37
Ore crushed per day (tonnes)	11,700	11,800	12,200	11,300	11,800	13,000

<sup>(1)</sup> Reported gold production for Q1-Q3 2009 has been adjusted to reflect final refinery settlement. Reported gold production for Q4 and 2009 is subject to final refinery settlement and may be adjusted.

**Table 3: Production Costs & Statistics**

<b>Costs per tonne summary</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>2009</b>	<b>2008</b>
Mining cost per tonne of material (ore and waste)	\$1.46	\$1.93	\$2.15	\$1.93	\$1.84	\$1.50
Waste-to-ore ratio	1.46	1.05	0.65	0.97	1.02	1.37
Mining cost per tonne of ore	\$3.60	\$3.97	\$3.54	\$3.81	\$3.73	\$3.56
Crushing/conveying cost per tonne of ore	\$1.78	\$1.65	\$1.66	\$2.11	\$1.80	\$2.00
Processing cost per tonne of ore	\$2.26	\$2.74	\$2.62	\$2.34	\$2.49	\$2.28
Mine administration cost per tonne of ore	\$1.57	\$1.65	\$1.88	\$2.10	\$1.80	\$1.67
Total cost per tonne of ore	\$9.21	\$10.01	\$9.70	\$10.36	\$9.82	\$9.51