



ALAMOS GOLD INC.

The Honourable Greg Rickford
Minister of Energy, Northern Development and Mines
99 Wellesley Street West
Room 5630, Whitney Block
Toronto, ON M7A 1W3

July 21, 2021

Dear Minister Rickford,

Alamos Gold is pleased to show our appreciation for the work that the Ontario Government has done to support the mining sector and nurture a dynamic business climate in Northern Ontario. This includes Ontario's recent announcement of the *Comprehensive Electricity Plan* to reduce electricity costs for larger industrial consumers. In addition, we appreciate the progress made on red tape burden reduction, the announcement of new programs to support the skilled trades, among other initiatives.

Another key program is the Northern Industrial Electricity (NIER) Program. We would like to express our support of its five-year extension. NIER has proven to be vital for companies like ours, which operate in the north, as we rely on electricity rate stability over a multi-year period and reduced electricity costs. This in turn allows us to continue to invest, recruit and retain local jobs, and unlock development opportunities.

To provide an example, NIER was an instrumental program for our Young-Davidson mine to stay on track with its lower mine infrastructure construction, which was successfully completed in July 2020. The mine would have only had a remaining life of 4 years were it not for this construction. Instead, it means that for at least 13 years, Young-Davidson will produce over 200,000 ounces of gold per year and continue to sustain approximately 1,000 FTEs, in addition to other [economic and socioeconomic benefits](#) in the region.

To provide another example of the importance of the NIER program, our Island Gold mine was approved to participate in March 2020. This approval came at an important time for us as it was at the beginning of the unprecedented challenge of COVID-19. That same month, Alamos Gold announced a voluntary suspension of operations at our Island Gold Mine, in recognition that this operation has a unique set up with both a local community and fly-in, fly-out workforce. NIER provided us with stability of electricity rates during what was an unstable period. More on our response to COVID-19 can be found in this [report](#).

Looking to the future, NIER will be essential for Island Gold mine, which is beginning a USD \$514M shaft expansion project, which will double the mine life, and result in a very positive impact on the regional economy for years to come. The project will allow Island Gold to support over 3,100 jobs regionally related to the capital investment, and 400 regional jobs for our operational activities. As with the Young-Davidson expansion, we anticipate that the NIER program will be very useful in providing greater electricity price certainty to ensure the Island Gold lower mine expansion is completed as planned.

As we look to our future, we are hopeful that NIER can continue to be among the initiatives that the Government of Ontario offers to help reduce energy costs, sustain jobs and support a thriving economy in northern Ontario.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'R. Thompson', with a long horizontal flourish extending to the right.

Rebecca Thompson
VP, Public Affairs
Alamos Gold Inc.