



Allied Nevada Gold Corp.
9600 Prototype Court
Reno, NV 85921
Tel: 775-358-4455
Fax: 775-358-4458

Allied Nevada Appoints Vice President, Technical Services

Mine & Mill Engineering, Inc. Awarded Engineering Contract for Crushing System at Hycroft

October 26, 2009 – Reno, Nevada – Allied Nevada Gold Corp. (“Allied Nevada” or the “Company”) (TSX: ANV; NYSE-Amex: ANV) is pleased to announce that Scott Anderson has joined the executive team as Vice President, Technical Services with the primary responsibility of managing the detailed engineering study for the potential crushing expansion at its wholly owned Hycroft gold mine located near Winnemucca, Nevada. In addition to general technical service requirements for the Company, Scott will also manage the feasibility study to determine the potential of oxide and sulphide mineralization at Hycroft.

Mr. Anderson has over 28 years of global mining experience with a significant technical background and aptitude for mine engineering and development. Mr. Anderson was most recently a consultant, providing technical advice to a range of global mining companies. Prior to this, he held various technical positions with Barrick Gold Corporation, Kinross Gold Corporation and Freeport Indonesia, a division of Freeport McMoRan.

Allied Nevada has awarded Mine & Mill Engineering, Inc. (“Mine & Mill”) a contract to complete basic engineering including capital and operating cost estimates for its proposed crushing system expansion at Hycroft. The Company completed an internal study in September (*see press release dated September 10, 2009 at www.alliednevada.com*) aimed at optimizing production levels at Hycroft which considered the implementation of a crushing and conveying system and included an analysis of various potential mining rates. Mine & Mill, a global consulting, engineering, project and construction management organization, is expected to complete this work by the end of 2009.

“Scott Anderson will fill a key role within the management team as we continue to assess optimization programs and visualize the ultimate plans for Hycroft. With Scott’s appointment and the decision to use Mine & Mill to develop capital and operating costs for the crushing system at Hycroft, we are moving along as quickly and responsibly as possible to begin realizing the full potential of the Hycroft mine,” remarked Scott Caldwell, President & CEO.

The internal study considered crushing high silica content ore at Hycroft to improve gold recovery beyond the current expected average recovery of 56.6%. Historical gold recovery of crushed material from the Crofoot pit at Hycroft suggests that crushing ore may result in gold recoveries of approximately 75%, though further metallurgical testing is required to confirm those recoveries from our proven and probable reserves. This metallurgical testing will also establish expected silver recoveries for crushed ore. Current production of silver from our

existing run of mine heap leach indicates that we are recovering approximately 10% of the contained silver. Historic test work shows that ultimate silver recovery is approximately 30%, however, metallurgical test work is under-way to confirm ultimate silver recoveries.

A proposed crushing system would consist of a three-stage crushing and screening plant, overland conveyors and a stacking tower. This system would be capable of crushing six million tons per annum and, based on crusher circuit capacity and mining rates, approximately 60% of the ore mined each month would be crushed. It is expected that, subject to additional metallurgical testing and final engineering, the purchase and installation of equipment would take place in 2010 for initial production in early 2011. If we are able to achieve an average recovery rate of 68% for both run of mine and crushed ore and a continued 30% increase in tons mined, we believe that gold production at Hycroft could be increased by up to 45% in the first five years following full implementation of the crushing and conveying system.

Estimates for operating and capital costs as well as throughput and metals recovery rates are based on historic recovery and cost data and independent operating cost data in the region. The internal study used a capital cost estimate of approximately \$25 million, an operating cost of \$1.25 per ton of ore crushed, and an expected gold and silver recovery of approximately 75% and 10%, respectively. The internal study indicated that if we were to selectively crush the higher grade ore, the ore crushed would contain 25% higher gold grades than the average gold grade of the deposit of 0.55 grams per tonne at a higher recovery rate than the run of mine ore.

For further information on Allied Nevada, please contact:

Scott Caldwell
President & CEO
(775) 358-4455

Tracey Thom
Vice President, Investor Relations
(416) 409-6007

or visit the Allied Nevada website at www.alliednevada.com

Cautionary Statement Regarding Forward Looking Information

This press release contains forward-looking statements within the meaning of the U.S. Securities Act of 1933 and the U.S. Securities Exchange Act of 1934 (and the equivalent under Canadian securities laws), that are intended to be covered by the safe harbor created by such sections. Such forward-looking statements include, without limitation; expectations regarding the outcome of engineering studies; expectations regarding the outcome of feasibility studies; expectations regarding the cost, financing and the purchase and installation of equipment for the proposed crushing system and the anticipated benefits of such system; expectations regarding potential expansions and growth opportunities at Hycroft; expectations regarding the amount of future gold and silver production from the Hycroft mine; expectations regarding the potential improvement of recoveries of gold and silver at Hycroft; expectations regarding anticipated operating and capital costs; estimates of cash balances; and other statements that are not historical facts. Forward-looking statements address activities, events or developments that Allied Nevada expects or anticipates will or may occur in the future, and are based on current expectations and assumptions. Although Allied Nevada management believes that its expectations are based on reasonable assumptions, it can give no assurance that these expectations will prove correct. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, among others, risks relating to Allied Nevada's lack of operating history; risks that Allied Nevada's acquisition, exploration and property advancement efforts will not be successful; risks relating to fluctuations in the price of gold and silver; the

inherently hazardous nature of mining-related activities; uncertainties concerning reserve and resource estimates; uncertainties relating to operating and capital costs; uncertainties regarding estimated recovery rates; and uncertainties relating to obtaining approvals and permits from governmental regulatory authorities; as well as those factors discussed in Allied Nevada's filings with the U.S. Securities and Exchange Commission (the "SEC") including Allied Nevada's latest Annual Report on Form 10-K and its other SEC filings (and Canadian filings) including, without limitation, its latest Quarterly Report on Form 10-Q. The Company does not intend to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable securities laws.

The technical contents of this news release have been reviewed and verified by J. Michael Doyle, Vice President, Operations of Allied Nevada Gold Corp., who is a Qualified Person as defined by National Instrument 43-101.