TORONTO, ONTARIO--(Marketwired - Jul 26, 2017) - Detour Gold Corp. (TSX:DGC) ("Detour Gold" or the "Company") reports its operational and financial results for the second quarter of 2017. This release should be read in conjunction with the Company's second quarter 2017 Financial Statements and MD&A on the Company's website or on SEDAR. All amounts are in U.S. dollars unless otherwise indicated.

In this news release, the Company uses the following non-IFRS measures: total cash costs, all- in sustaining costs ("AISC"), realized gold price, average realized margin, adjusted net earnings (loss), and adjusted basic net earnings (loss) per share. Refer to the Company's MD&A and at the end of this news release for an explanation and discussion of these non-IFRS measures.

Highlights

- Gold production of 150,138 ounces
- Record mill throughput of 60,259 tpd and mining rate of 277,000 tpd
- Total cash costs of $706 per ounce sold and AISC of $1,123 per ounce sold
- Revenues of $180.1 million on gold sales of 142,970 ounces at an average realized price of $1,257 per ounce
- Earnings from mine operations of $42.6 million
- Repurchased $17.5 million (face value) of convertible notes
- Net earnings of $24.4 million ($0.14 per share) and adjusted earnings of $26.4 million ($0.15 per share)
- Cash and short-term investments balance of $128.3 million at June 30, 2017
- Closed $500 million bank debt facility
- Positive drilling results from Zone 58N

"We delivered our strongest quarter operationally resulting in record gold production of over 150,000 ounces," said Paul Martin, President and CEO*. "This was achieved both from the mine fleet expansion and the commencement of positive results from our operational review, along with continued strong performance from the mill. With our refinancing completed, we look forward to continued momentum in the second half of this year."*

Q2 2017 Summary Operational Results

- Gold production totaled 150,138 ounces, in line with projections for the second quarter.

- Mill throughput in the second quarter was 5.5 million tonnes (Mt), inclusive of a planned shutdown in June to replace SAG and ball mill liners on both lines and conduct maintenance work on the primary crusher. Head grade for the quarter was 0.95 grams per tonne (g/t) and mill recoveries averaged 90%, both in line with budget.

- A total of 25.2 Mt (ore and waste) was mined in the second quarter (equivalent to mining rates of 277,000 tpd). The increase in mining rate was due to additions to the mining fleet (CAT6060 shovel commissioned in late March and two haul trucks commissioned in February and April, respectively) together with the benefit of productivity gains from the opening up of mining areas in the pit. Subsequently, two additional haul trucks were commissioned (one at quarter end and the other in July). Both Phase 1 (including the Campbell pit area) and Phase 2 mining are on track with the mine plan.

Detour Lake Mine Statistics

	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Ore mined (Mt)	4.9	4.8	5.8	5.0	5.5
Waste mined (Mt)	20.4	17.0	15.0	18.5	16.4
Total mined (Mt)	25.2	21.8	20.9	23.5	21.9
Strip ratio (waste:ore)	4.2	3.6	2.6	3.7	3.0
Mining rate (tpd)	277,000	242,000	227,000	256,000	241,000
Ore milled (Mt)	5.5	5.2	5.5	5.2	5.3
Head grade (g/t Au)	0.95	0.88	0.90	0.88	0.92
Recovery (%)	90	89	90	87	89
Mill throughput (tpd)	60,259	58,114	60,052	56,453	58,466
Mill operating time (%)	87	85	86	84	87
Ounces produced (oz)	150,138	131,418	143,512	127,758	139,359
Ounces sold (oz)	142,970	134,213	144,668	113,845	131,606
Average realized price ($/oz)	$ 1,257	$ 1,216	$ 1,210	$ 1,281	$ 1,230
Total cash costs ($/oz sold)	$ 706	$ 788	$ 855	$ 802	$ 691
AISC ($/oz sold)	$ 1,123	$ 1,118	$ 1,132	$ 1,042	$ 1,030
Mining (Cdn$/t mined)	$ 2.83	$ 2.92	$ 3.25	$ 2.66	$ 2.75
Milling (Cdn$/t milled)	$ 9.63	$ 10.26	$ 8.74	$ 11.74	$ 9.55
G&A (Cdn$/t milled)	$ 3.35	$ 3.46	$ 3.46	$ 3.46	$ 3.03

Note: Totals may not add up due to rounding. G&A includes costs related to agreements with Aboriginal communities.

- Total cash costs of $706 per ounce sold in the second quarter reflected a scheduled plant shutdown, partially offset by lower electricity costs and a stronger U.S. dollar than plan.
- AISC were $1,123 per ounce sold in the second quarter and reflected sustaining capital expenditures of $41.2 million and deferred stripping costs of $8.6 million.
- Sustaining expenditures included $30.0 million for mining (mainly relating to the purchase of two haul trucks and significant components to the mobile fleet), $4.4 million for the construction of the tailings facility, $3.1 million for processing, and $3.7 million for site infrastructure, G&A and other.

Q2 2017 Financial Review

- Revenues for the second quarter were $180.1 million. The Company sold 142,970 ounces of gold at an average realized price of $1,257 per ounce.
- Cost of sales for the second quarter totaled $137.5 million, including $35.6 million of depreciation (or $249 per ounce sold).
- Earnings from mine operations for the second quarter totaled $42.6 million.
- Net earnings for the second quarter were $24.4 million ($0.14 per share). Adjusted earnings in the second quarter amounted to $26.4 million ($0.15 per share).

Liquidity and Capital Resources

- Cash and short term investments totaled $128.3 million at June 30, 2017, following the repurchase of $17.5 million of convertible notes in May.

Summary Financial Data

(in $ millions unless specified)	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Metal sales	180.1	163.7	176.6	152.0	166.7
Production costs	101.8	106.4	123.9	91.3	93.4
Depreciation	35.6	35.1	47.8	35.5	39.2
Cost of sales	137.5	141.5	171.7	126.8	132.6
Earnings from mine operations	42.6	22.2	4.8	25.2	34.0
Net income (loss)	24.4	6.0	(13.5)	9.7	(30.7)
Net income (loss) per share	0.14	0.03	(0.08)	0.06	(0.18)
Adjusted net earnings (loss)	26.4	10.5	(6.0)	1.3	3.9
Adjusted net earnings (loss) per share	0.15	0.06	(0.03)	0.01	0.02

Note: Totals may not add up due to rounding.

Financial Risk Management

- As at June 30, 2017, the Company had $159.0 million of zero-cost collars to hedge its Canadian dollar costs whereby it can sell U.S. dollars at an average rate of 1.31 and can participate up to an average rate of 1.38.
- As at June 30, 2017, the Company had 90,000 ounces of zero-cost collars to protect its gold sales from July to December 2017. The collars have an average range of $1,208 to $1,342 per ounce.
- As at June 30, 2017, the Company had a total of 14 million litres of outstanding diesel contracts at an average rate of $0.41 per litre, which will settle on a net basis.

Exploration Update

- Zone 58N assay results from the winter drilling program of 19,453 metres continued to confirm the underground mining potential of Zone 58N. Significant intercepts (uncut gold assay reported) included:

  - 14.71 g/t over 29.3 m, including 48.04 g/t over 6.5 m (DLD-17-377)
  - 5.87 g/t over 41.4 m, including 27.43 g/t over 7.0 m (DLD-17-381)
  - 23.55 g/t over 6.5 m (DLD-17-351A)
  - 7.17 g/t over 21.8 m, including 21.02 g/t over 6.8 m (DLD-17-376)
  - 23.66 g/t over 4.0 m (DLD-17-366)
  - 7.34 g/t over 18.7 m, including 20.5 g/t over 6.0 m (DLD-17-351A)
  - 6.22 g/t over 29.0 m, including 12.11 g/t over 14.0 m (DLD-17-374)
  - 4.93 g/t over 25.0 m, including 17.74 g/t over 6.0 m (DLD-17-355)
  - 4.87 g/t over 35.0 m (DLD-17-363C)

- A drilling program of 14,000 metres is starting at the end of July to continue with the infill drilling at Zone 58N between vertical depths of 250 and 450 metres at an approximate spacing of 35 metres. The Company expects to report a mineral resource estimate by year-end.

- Drilling program of 1,155 metres in three holes completed east of the current tailings facility (TMA area) with no significant assay results to report. A 6,000 metre drilling program is scheduled to commence this fall targeting IP anomalies and following up on the 2016 drilling results.

- Airborne geophysical survey started over the entire Burntbush grassroot property located 70 kilometres south of the Detour Lake mine.

2017 Outlook

- Detour Gold's guidance for 2017 is unchanged at between 550,000 and 600,000 ounces of gold at total cash costs of $690 to $750 per ounce sold. All-in sustaining costs are expected to be towards the upper end of the guidance range of $1,025 and $1,125 per ounce sold due to additional payments for mine equipment and the strengthening of the Canadian dollar on its unhedged operating and capital costs in the second half of the year.

- Mine plan is on target for approximately 100 Mt to be mined from the Detour Lake pit in 2017 with the current available fleet of six shovels and 32 haul trucks supported by the addition of a ROM fleet.

- The Company has advanced delivery of some mining equipment as it continues to position itself for higher tonnages in 2018 and beyond. It has committed to the purchase of its seventh shovel (CAT6060) and two additional haul trucks (#33 and #34 CAT795), which are scheduled to arrive at site at year-end.

- Gold recovery is expected to improve during the second half of the year with the commissioning of the lead nitrate system having started in July; the oxygen control system was operational at the end of the second quarter.

- Projected capital expenditures for 2017 remain as previously stated at approximately $160 to $180 million, including $15 million of capitalized stripping and $5 million of non-sustaining expenditures for the development of West Detour.

- In July, the Company entered into a $500 million Senior Secured Credit Facility (the "Bank Facility") with its existing bank group comprised of a $300 million Revolving Credit Facility for a tenor of four years and a $200 million Term Loan for a tenor of three years. The Bank Facility replaced the Company's Senior Secured Credit Facility of Cdn$135 million.

- On July 14, the Company drew the full Term Loan and $100 million of the Revolving Credit Facility and, together with cash on-hand of $29.3 million, defeased the outstanding convertible notes. The $329.3 million (which includes the final interest payment of $8.8 million) was placed on deposit with the convertible note trustee and the holders of the convertible notes will be paid at the maturity date (November 30, 2017).

Technical Information

The scientific and technical content of this news release was reviewed, verified and approved by Drew Anwyll, P.Eng., Senior Vice President, Technical Services and Guy MacGillivray, P.Geo., Exploration Manager, Qualified Persons as defined by Canadian Securities Administrators National Instrument 43-101 "Standards of Disclosure for Mineral Projects."

For Zone 58N drilling campaign, samples were prepared at ALS Laboratories in Sudbury and assayed at their Val d'Or, Québec or Vancouver, B.C laboratories. Analysis for gold is done on sawn half core samples (size HQ or NQ) using 50 grams fire assay (AAS finish). Samples with higher grade gold (>5 g/t) or with visible gold are re-assayed using the pulp and fire assay with gravimetric finish procedures. The Company's quality control checks include the insertion of standard reference materials and blank samples to monitor the precision and accuracy of the assay data.

Conference Call

The Company will host a conference call on Thursday, July 27, 2017 at 10:00 AM E.T. where senior management will discuss the second quarter operational and financial results. Access the conference call as follows:

- Via webcast, go to www.detourgold.com and click on the "Q2 2017 Results Conference Call and Webcast" link on home page
- By phone toll free in Canada and the United States 1-800-319-4610
- By phone internationally 416-915-3239

A playback will be available until August 27, 2017 by dialing 604-674-8052 or 1-855-669-9658 within Canada and the United States, using pass code 1532. The webcast and presentation slides will be archived on the Company's website.

Detour Lake Site Visit

Detour Gold will be hosting a site visit on July 31, 2017. The presentation will be posted on the Company's website on home page.

About Detour Gold

Detour Gold is an intermediate gold producer in Canada that holds a 100% interest in the Detour Lake mine, a long life large-scale open pit operation.

Detour Gold Corp., Commerce Court West, 199 Bay Street, Suite 4100, P.O. Box 121, Toronto, Ontario M5L 1E2

Non-IFRS Financial Performance Measures

The Company has included certain non-IFRS measures in this news release. The Company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. The non-IFRS measures are 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. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

The non-IFRS measures are defined below and are reconciled with the reported IFRS measures. Refer to the Company's Second Quarter 2017 MD&A for full details. For other periods, refer to the corresponding MD&A for details. The tables below are in thousands of dollars, except where noted.

Total cash costs

Detour Gold reports total cash costs on a sales basis. Total cash costs include production costs such as mining, processing, refining and site administration, agreements with Aboriginal communities, less non-cash share-based compensation and net of silver sales divided by gold ounces sold to arrive at total cash costs per gold ounce sold. The measure also includes other mine related costs incurred such as mine standby costs and current inventory write downs. Production costs are exclusive of depreciation. Production costs include the costs associated with providing the royalty in kind ounces.

All-in sustaining costs

The Company believes this measure more fully defines the total costs associated with producing gold. The Company calculates all- in sustaining costs as the sum of total cash costs (as described above), share-based compensation, corporate general and administrative expense, exploration and evaluation expenses that are sustaining in nature, reclamation cost accretion, sustaining capital including deferred stripping, and realized gains and losses on hedges due to operating and capital costs, all divided by the total gold ounces sold to arrive at a per ounce figure.

Other companies may calculate these measures differently as a result of differences in underlying principles and policies applied. Differences may also arise to a different definition of sustaining versus non-sustaining capital.

	Three months ended		Six months ended	
		June 30		June 30
In thousands of dollars, except where noted	2017	2016	2017	2016
Gold ounces sold	142,970	131,606	277,183	269,214
Total Cash Costs Reconciliation				
Production costs	$ 101,815	$ 93,419	$ 208,250	$ 182,803
Less: Share-based compensation	(542)	(2,010)	(745)	(3,368)

Less: Silver sales	(388)	(405)	(861)	(805)
Total cash costs	$ 100,885	$ 91,004	$ 206,644	$ 178,630
Total cash costs per ounce sold	$ 706	$ 691	$ 746	$ 664
All-in Sustaining Costs Reconciliation				
Total cash costs	$ 100,885	$ 91,004	$ 206,644	$ 178,630
Sustaining capital expenditures[1]	49,846	28,678	88,667	43,514
Accretion on decommissioning and restoration provision	52	42	99	93
Site share-based compensation	542	2,010	745	3,368
Realized losses on operating hedges[2]	197	272	708	1,656
Corporate administration expense[3]	8,465	13,124	12,467	20,454
Sustaining exploration expenditures[4]	523	485	1,185	1,328
Total all-in sustaining costs	$ 160,510	$ 135,615	$ 310,515	$ 249,043
All-in sustaining costs per ounce sold	$ 1,123	$ 1,030	$ 1,120	$ 925

[1]Based on property, plant and equipment additions per the cash flow statement, which includes deferred stripping. Non-sustaining capital expenditures included in the cash flow statement have been excluded. Sustaining capital expenditures includes the value of fully commissioned assets with deferred payment terms. Non-sustaining capital expenditures primarily relate to West Detour.

[2]Includes realized gains and losses on derivative instruments related to operating hedges (foreign exchange and diesel hedges only) as disclosed in the "Derivative instruments" section of this document. These balances are included in the statement of comprehensive earnings (loss), within caption "net finance cost".

[3]Includes the sum of corporate administration expense, which includes share-based compensation, per the statement of comprehensive earnings (loss), excluding depreciation within those figures.

[4]Includes the sum of sustaining exploration and evaluation expense, which includes share-based compensation, per the statement of comprehensive earnings (loss), excluding depreciation within those figures. Non-sustaining exploration and evaluation expense, primarily relates to costs associated with Zone 58N, regional exploration, and Burntbush property.

Average realized price and Average realized margin

Average realized price and average realized margin per ounce sold are used by management and investors use these measures to better understand the gold price and margin realized throughout a period.

Average realized price is calculated as metal sales per the statement of comprehensive loss and includes realized gains and losses on gold derivatives, less silver sales. Average realized margin represents average realized price per gold ounce sold less total cash costs per ounce sold.

	Three months ended	June 30	Six months ended	June 30
In thousands of dollars, except where noted	2017	2016	2017	2016
Metal sales	$ 180,067	$ 166,656	$ 343,779	$ 329,670
Realized gain (loss) on gold contracts	-	(4,372)	6	(5,663)
Silver sales	(388)	(405)	(861)	(805)
Revenues from gold sales	$ 179,679	$ 161,879	$ 342,924	$ 323,202
Gold ounces sold	142,970	131,606	277,183	269,214
Average realized price	$ 1,257	$ 1,230	$ 1,237	$ 1,201
Less: Total cash costs per gold ounce sold	(706)	(691)	(746)	(664)
Average realized margin per gold ounce sold	$ 551	$ 539	$ 491	$ 537

Adjusted earnings and Adjusted basic earnings per share

Adjusted earnings and adjusted basic earnings per share are used by management and investors to measure the underlying operating performance of the Company. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods.

Adjusted earnings is defined as net earnings adjusted to exclude specific items that are significant, but not reflective of the underlying operations of the Company, including: fair value change of the convertible notes, the impact of foreign exchange gains and losses, deferred income and mining taxes, non-cash unrealized gains and losses on derivative instruments, accretion on convertible notes, unwinding of discount on decommissioning and restoration provisions, impairment provisions and reversals thereof, and other non-recurring items. Adjusted basic earnings per share is calculated using the weighted average number of shares outstanding under the basic method of loss per share as determined under IFRS.

	Three months ended	June 30	Six months ended	June 30
In thousands of dollars, except where noted	2017	2016	2017	2016
Basic weighted average shares outstanding	174,639,264	173,186,380	174,609,824	172,519,591
Adjusted earnings and Adjusted basic earnings per share reconciliation				
Net income (loss)	$ 24,416	$ (30,719)	$ 30,426	$ (3,099)
Adjusted for:				
Fair value (gain) loss of the convertible notes[1]	(54)	25,743	(852)	34,344
Accretion on convertible notes[1]	7,501	8,301	15,350	16,336
Accretion on decommissioning and restoration provision[1]	52	42	99	93
Non-cash unrealized (gain) loss on derivative instruments[2]	(2,154)	3,304	(1,835)	9,030
Foreign exchange (gain) loss[1]	(1,982)	29	(2,678)	(744)
Deferred income and mining taxes	(1,352)	(2,834)	(3,564)	(40,808)
Adjusted earnings	$ 26,427	$ 3,866	$ 36,946	$ 15,152
Adjusted basic earnings per share	$ 0.15	$ 0.02	$ 0.21	$ 0.09

[1]Balance included in the statement of comprehensive earnings (loss) caption "Net finance cost". The related financial statements include a detailed breakdown of "Net finance cost".

[2]Includes unrealized gains and losses on derivative instruments as disclosed in the "Derivative Instruments" note in the related financial statements. The balance is grouped with "Net finance cost" on the statement of comprehensive earnings (loss).

The Company has included the additional IFRS measure:

Earnings (loss) from mine operations

Earnings (loss) from mine operations provides useful information to investors as an indication of the Company's principal business activities before consideration of how those activities are financed, sustaining capital expenditures, corporate administration expense, exploration and evaluation expenses, loss on disposal of assets, finance cost, and taxation.

Forward-Looking Information

This press release contains certain forward-looking information as defined in applicable securities laws (referred to herein as "forward-looking statements"). Forward-looking statements relate to future events or future performance and reflect current expectations or beliefs regarding future events and include, but are not limited to, statements with respect to: (i) the amount of mineral resources and mineral reserves and exploration targets; (ii) the amount of future production over any period; (iii) assumptions relating to recovered grade, average ore recovery, internal dilution, mining dilution and other mining parameters set out in the technical reports, studies and disclosure of the Company; (iv) assumptions relating to revenues, operating cash flow and other revenue metrics set out in the Company's disclosure materials (v) mine expansion potential and expected mine life; (vi) expected time frames for completion of permitting and regulatory approvals; (vii) future capital and operating expenditures; (viii) future exploration plans; (ix) future gold prices; and (x) sources of and anticipated financing requirements. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets", or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Specifically, this press release contains forward-looking statements regarding a drilling program of 14,000 metres beginning at the end of July to continue with the infill drilling at Zone 58N and the Company's expectation of reporting a mineral resource estimate by year-end, a 6,000 metre drilling program commencing this fall in the TMA area, 2017 gold production of between 550,000 and 600,000 ounces, 2017 total cash costs of $690 to $750 per ounce sold, 2017 AISC to be towards the upper end of the guidance range of $1,025 to $1,125 per ounce sold, mine plan on target for approximately 100 Mt to be mined in 2017, arrival of Company's seventh shovel and two haul trucks at year-end, gold recovery improving during the second half of the year, 2017 capital expenditures of approximately $160 to $180 million, and the holders of the convertible notes being paid on November 30, 2017.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which are beyond Detour Gold's ability to predict or control and may cause Detour Gold's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, gold price volatility, changes in debt and equity markets, a reduction in the Company's available cash resources, the uncertainties involved in interpreting geological data, risks relating to variations in recovered grades and mining dilution, variations in rates of recovery, changes or delays in mining development and exploration plans, the success of mining, development and exploration plans, changes in project parameters, risks related to the receipt of regulatory approvals, increases in costs, environmental compliance and changes in environmental legislation and regulation, delays in the consultation and permitting process for West Detour, interest rate and exchange rate fluctuations, general economic conditions and other risks involved in the gold exploration and development industry, as well as those risk factors discussed in the section entitled "Description of Business - Risk Factors" in Detour Gold's 2016 AIF and in the continuous disclosure documents filed by Detour Gold on and available on SEDAR at www.sedar.com.

Forward-looking statements in this press release are also based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about the following: a constant gold price of $1,200/oz in 2017, a constant diesel fuel price of C$0.70 per litre in 2017, a constant CAD/US exchange rate of 1.30 in 2017 and a constant power cost of C$0.03 per kilowatt hour in 2017; the availability of financing for exploration and development activities; operating and capital costs; the Company's available cash resources in 2017; the Company's ability to attract and retain skilled staff; the mine development and production schedule and related costs; dilution control; sensitivity to metal prices and other sensitivities; the supply and demand for, and the level and volatility of the price of, gold; timing of the receipt of regulatory and governmental approvals for development projects and other operations; the timing and results of consultations with the Company's Aboriginal partners; the supply and availability of consumables and services; the exchange rates of the Canadian dollar to the U.S. dollar; energy and fuel costs; required capital investments; estimates of net present value and internal rate of returns; the accuracy of reserve and resource estimates, production estimates and capital and operating cost estimates and the assumptions on which such estimates are based; market competition; ongoing relations with employees and impacted communities and general business and economic conditions. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements contained herein are made as of the date hereof, or such other date or dates specified in such statements. Detour Gold undertakes no obligation to update publicly or otherwise revise any forward-looking statements contained herein whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements.

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