

Detour Gold Reports Fourth Quarter and Full Year 2014 Operating Results and Provides 2015 Guidance

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TORONTO, ONTARIO--(Marketwired - Jan 15, 2015) - [Detour Gold Corp. \(TSX:DGC\)](#) ("Detour Gold" or the "Company") today announces fourth quarter and full year 2014 operating results and 2015 guidance for its Detour Lake mine located in northeastern Ontario. Details of the Company's financial performance, including capital and operating costs, will be included in its fourth quarter and full-year 2014 financial results to be released in March 2015. All amounts are in U.S. dollars unless otherwise indicated.

2014 Highlights

- Gold production of 456,634 ounces, achieving lower end of guidance
- Preliminary total cash cost of \$930 per ounce sold¹, at mid-point of guidance; with fourth quarter estimated total cash costs of \$875 per ounce sold¹
- Exited 2014 at an average mill throughput rate of 54,310 tpd and mining rate of 234,000 tpd for December
- Estimated total capital expenditures in line with guidance of \$125-135 million
- Cash and short-term investments balance of approximately \$135 million at December 31, 2014

Paul Martin, President and CEO, commented: *"We are pleased to announce that we achieved our production and cost guidance for 2014 and ended the year with \$135 million in cash and short-term investments. By year-end, the mill was performing within 1% of design capacity and mining rates were improving with an average of 234,000 tpd in December. Building upon this momentum is our key priority for 2015. We are optimistic that the initiatives we have underway, including improvements in the mining rate and the potential of processing of fines from our stockpiles, can further enhance our 2015 performance and enable us to achieve the higher end of our production guidance and lower end of our total cash cost guidance."*

2014 Fourth Quarter and Full Year Operational Results

The Company reported gold production of 116,770 ounces for the fourth quarter, bringing total gold production to 456,634 ounces for the year. This represents an increase of 97% over 2013 gold production of 232,287 ounces. Total cash costs for 2014 are estimated at \$930 per ounce sold¹.

In the fourth quarter, the mill facility processed 4.7 million tonnes (Mt) of ore at an average grade of 0.85 grams per tonne (g/t) with recoveries of 91%. The processing plant continued to show progress with throughput rates averaging 51,142 tonnes per day (tpd) for the quarter, including 51 days at above design capacity of 55,000 tpd. Mill availability for the quarter was 4% below expectations at 83%. In December, the mill reached 54,310 tpd, 99% of its design capacity, with 87% availability and milling rates of 2,604 tonnes per operating hour (tpoh).

A total of 19.7 Mt was mined during the fourth quarter (equivalent to 214,000 tpd), with December showing significant improvement with an average mining rate of 234,000 tpd. The

main driver for the mining rate progress is higher drill productivity which increased 40% from September to December resulting in a higher drilled and blasted inventory at the end of December.

At the end of December, the run-of-mine ore stockpiles totaled 0.8 Mt grading 0.76 g/t.

During 2014, the block model reconciled positively both on tonnes and grade, giving approximately 4% more

ounces.

2014 Detour Lake Mine Operation Statistics

	Q1 2014	Q2 2014	Q3 2014	Q4 2014	2014
Ore mined (Mt)	4.88	2.89	4.20	4.30	16.28
Waste mined (Mt)	14.29	16.11	14.71	15.39	60.49
Total mined (Mt)	19.17	19.00	18.91	19.69	76.77
Strip ratio (waste:ore)	2.9	5.6	3.5	3.6	3.7
Mining rate (tpd)	213,000	209,000	206,000	214,000	210,000
Ore milled (Mt)	4.08	4.42	4.53	4.71	17.73
Head grade (g/t Au)	0.90	0.91	0.88	0.85	0.88
Recovery (%)	91	91	90	91	91
Mill throughput (tpd)	45,282	48,569	49,186	51,142	48,563
Mill availability (%)	80	83	81	83	81
Ounces produced (oz)	107,154	117,366	115,344	116,770	456,634
Ounces sold (oz)	84,560	107,206	106,334	124,913	423,013

2015 Guidance

The Company's guidance for 2015 is as follows:

	2015 Guidance
Gold production (oz)	475,000-525,000
Total cash costs (\$/oz sold) ¹	\$780-\$850
All-in sustaining costs (\$/oz sold) ^{1,2}	\$1,050-\$1,150

At the mid-point of the guidance, the Detour Lake operation is forecast to process approximately 19.7 Mt of ore (approximately 54,000 tpd) at an average grade of 0.86 g/t gold with gold recovery of 91.5%, equivalent to approximately 500,000 ounces of gold.

Gold production is expected to gradually increase over the first three quarters (110,000 to 120,000 ounces per quarter), with the fourth quarter forecasted to be significantly higher (up to 155,000 ounces) due to access to higher grade ore during that period. Total cash costs¹ are therefore expected to be relatively consistent in the first nine months of 2015, at approximately \$900 per ounce sold, and decline to below \$700 per ounce sold in the fourth quarter. This significant reduction reflects the higher gold production and the building of stockpile inventories in the fourth quarter. It is expected that the run-of-mine (ROM) stockpile will be 1.8 Mt averaging 0.80 g/t, or approximately 46,000 ounces of gold, at the end of 2015.

At the mid-point of the guidance, the 2015 mine plan anticipates a total of approximately 87 Mt to be mined (equivalent to mining rates of 238,000 tpd). Approximately 222,000 tpd will be mined using five shovels (two CAT7495s and three CAT6060s) with the remaining 16,000 tpd for pre-stripping using one CAT6030 excavator and CAT777 trucks (equivalent to approximately 6 Mt for the year). The average waste to ore ratio for the year is estimated at 3.5:1. There are specific months during the year where this strip ratio will be above the life of mine average of 3.5:1 and stripping costs will be capitalized.

Continued progress in increasing the mining rate is key to the Company's operational success in 2015 and beyond. A 10,000 tpd change in the annualized mining rate for 2015 is estimated to impact gold production by approximately 10,000 ounces.

Projected sustaining capital expenditures for 2015 are estimated to be between \$90 and \$100 million. In addition, capitalized stripping costs related to the development of the open pit are expected to range from \$20 to \$25 million. Overall, budgeted capital expenditures are expected to be weighted in the second and third quarters.

The 2015 corporate general and administrative expense is estimated at \$20 million. The exploration budget is estimated at \$2 million and will be allocated to a limited drilling program to test the depth extension of the high-grade mineralization encountered earlier this year in Zone 58N of the Lower Detour area and to other surface exploration work on the property.

The following price and cost assumptions were used to forecast the 2015 guidance: gold price of \$1,200/oz,

diesel fuel price of \$0.82 per litre, power cost of \$0.04 per kilowatt hour, and exchange rate of \$1.00US:\$1.15Cdn.

Ongoing optimization efforts

The Company is initiating a number of optimization efforts not reflected in the 2015 guidance which, if successful, would result in additional production and cost improvements in 2015 and beyond:

- Further reductions of consumables and reliance on contractors;
- Installation and testing of a pebble extraction system; and
- Processing the enriched zone of the low-grade stockpile.

Financial Risk Management

The Company's financial position at year-end was approximately \$135 million in cash and short term investments after making debt repayments of approximately \$57 million during the year. Given the gold price volatility seen in 2014, the Company continues to use its gold sales risk management program and currently has 80,000 ounces of forward sales at an average price of \$1,229 per ounce for the first half of 2015. Furthermore, the Board has approved the extension of the gold sales risk management program for up to 50% of 2015 projected production.

The Company has entered into "zero-cost" collars to hedge a portion of its Canadian dollar expenditures. The Company has hedged \$135 million whereby it will purchase Canadian dollars at no worse than 1.10 and can participate up to 1.19.

Life of Mine Plan Optimization

The Company has initiated a review of its current life of mine plan (February 2014) and is evaluating a number of options to further optimize the Detour Lake mining operation. This evaluation will focus on a tonnage rationalization update to confirm whether the current life of mine plan maximizes returns after considering the capital investment necessary to increase the annual mine output to a maximum of 140 Mt. The review will also evaluate whether Block A should be included as a mineral reserve and incorporated into the life of mine plan as a second pit feed source. The progress made on the pebble extraction and segregation of fines will dictate whether these opportunities can be incorporated in the revised mine plan. It is anticipated that an updated life of mine plan will be announced in the second half of 2015.

Upcoming News Flow

The Company expects to announce the following updates in the first quarter of 2015:

- Fourth quarter and full-year 2014 financial results, including year-end 2014 mineral reserve/resource update for Detour Lake (March)

Technical Information

The scientific and technical content of this news release has been reviewed, verified and approved by Drew Anwyll, P.Eng., Senior Vice President Technical Services, a Qualified Person as defined by Canadian Securities Administrators National Instrument 43-101 "Standards of Disclosure for Mineral Projects".

Conference Call

The Company will host a conference call and webcast on Thursday, January 15, 2015 at 10:00 AM E.T. The details of the conference call are as follows:

- Via webcast, go to www.detourgold.com and click on the "Fourth Quarter & Full Year 2014 Operating Results and 2015 Guidance Conference Call and Webcast" link on home page
- By phone toll free in Canada and the United States 1-800-319-4610
- By phone International 416-915-3239

The conference call will be recorded and playback of the call will be available after the event by dialing toll free in Canada and the United States 1-800-319-6413, or internationally 604-638-9010, pass code 1532 (available up to February 25, 2015).

About Detour Gold

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

Non-IFRS Financial Performance Measures

The Company has included non-IFRS measures in this press release: "total cash costs" and "all-in sustaining costs". 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. Other companies may calculate these measures differently.

Detour Gold reports total cash costs on a sales basis. Total cash costs per gold ounce include production costs such as mining, processing, refining and site administration, 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. Production costs are exclusive of depreciation and depletion. Production costs include the costs associated with providing the royalty in kind ounces.

Starting in 2015, the Company will report "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 per ounce of gold sold as the aggregate 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 and deferred stripping costs.

The following items are excluded from all-in sustaining costs: non-sustaining capital expenditures and exploration costs that are expected to materially increase production, financing costs and tax expense. Consequently, this measure is not representative of all of the Company's cash expenditures. In addition, the Company's calculation of all-in sustaining costs, does not include depletion and depreciation expense.

Forward-Looking Information

This press release contains certain forward-looking information as defined in applicable securities laws (referred to herein as "forward-looking statements"). Specifically, this press release contains forward-looking statements regarding preliminary total cash costs of \$930 per ounce sold in 2014; estimated total cash costs of \$875 per ounce sold in the fourth quarter of 2014; total capital expenditures of between \$125 and \$135 million in 2014; the Company being optimistic that the initiatives it has underway, including improvements in the mining rate and the potential of processing of fines from our stockpiles, can further enhance its 2015 performance and enable it to achieve the higher end of the production guidance and lower end of the total cash cost guidance; production of between 475,000 and 525,000 ounces of gold in 2015 at an estimated total cash cost of \$780 to \$850 per ounce of gold sold and all-in sustaining costs of between \$1,050 and \$1,150 per ounce sold; processing of approximately 19.7 Mt of ore in 2015 at an average grade of 0.86 g/t gold with gold recovery of 91.5%, equivalent to approximately 500,000 ounces of gold; 2015 gold production gradually increasing over the first three quarters (110,000 to 120,000 ounces per quarter) and up to 155,000 ounces in the fourth quarter of 2015; estimated total cash costs of approximately \$900 per ounce sold in the first nine months of 2015 and below \$700 per ounce sold in the fourth quarter of 2015; approximately 87 Mt to be mined in 2015; an estimated waste to ore ratio in 2015 of 3.5:1; year-end 2015 run-of-mine stockpiles

of 1.8 Mt averaging 0.80 g/t; a 10,000 tpd change in the annualized mining rate for 2015 having an impact on gold production of approximately 10,000 ounces; sustaining capital expenditures in 2015 to range from \$90 to \$100 million; capitalized stripping costs in 2015 to range from \$20 to \$25 million; G&A costs of \$20 million and exploration expenditures of \$2 million in 2015; and an updated life of mine plan for Detour Lake in the second half of 2015.

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, the uncertainties involved in interpreting geological data, increases in costs, environmental compliance and changes in environmental legislation and regulation, 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 2013 AIF and in the continuous disclosure documents filed by Detour Gold on and available on SEDAR at www.sedar.com. Such forward-looking statements are also based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for exploration and development activities; operating and capital costs; the Company's ability to attract and retain skilled staff; the mine development schedule; 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 supply and availability of consumables and services; the exchange rates of the Canadian dollar to the U.S. dollar; energy and fuel costs; the accuracy of reserve and resource estimates and the assumptions on which the reserve and resource 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.

¹ Refer to the section on Non-IFRS Financial Performance Measures at end of the press release.

² All-in sustaining costs represent total cash costs, plus share-based compensation, corporate general and administrative expense, exploration and evaluation expenses that are sustaining in nature, reclamation cost accretion, sustaining capital and deferred stripping costs.

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