

TORONTO, ONTARIO--(Marketwired - Nov 1, 2016) - [Detour Gold Corp.](#) (TSX:DGC) ("Detour Gold" or the "Company") reports its operational and financial results for the third quarter of 2016. This release should be read in conjunction with the Company's third quarter 2016 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.

Q3 2016 Highlights

- Gold production of 127,758 ounces
- Total cash costs of \$802 per ounce sold and AISC of \$1,042 per ounce sold
- Revenues of \$152.0 million on gold sales of 113,845 ounces at an average realized price of \$1,281 per ounce
- Earnings from mine operations of \$25.2 million
- Repurchased \$60 million of convertible notes
- Net earnings of \$9.7 million (\$0.06 per share) and adjusted net earnings of \$1.3 million (\$0.01 per share)
- Cash and short-term investments balance of \$115.6 million at September 30, 2016
- Staking of the 494 square kilometre Burntbush property on the Casa Berardi trend

Q3 2016 Summary Operational Results

- Gold production totaled 127,758 ounces, exceeding the Company's guidance of 120,000 ounces for the quarter (refer to news release September 6, 2016).
- Mill throughput totaled 5.2 million tonnes (Mt) at an average grade of 0.88 grams per tonne (g/t) and average recoveries of 87%. Grade was higher than planned as result of mining the higher grade Calcite Zone faster than projected following the heavy rainfalls in mid-August.
- Recoveries were impacted during the quarter by operational issues in the recovery circuit, including a contaminant in the cyanide delivery system. Recoveries are expected to return to 90% in the fourth quarter.
- The processing plant averaged 56,453 tpd in the third quarter, slightly lower than projected as a result of an extended planned shutdown during the period (8 days equivalent vs 6 days equivalent), which included a major electrical shutdown of 24 hours, replacing the primary crusher concave, rebuilding the 410-conveyor apron feeder, and replacing the SAG and ball mills liners.
- A total of 23.5 Mt (ore and waste) was mined in the third quarter (equivalent to mining rates of 256,000 tpd). Mining sequence was negatively impacted by the rainfall event of mid-August with mining of the Calcite Zone resuming on September 24.
- At the end of the third quarter, run-of-mine stockpiles stood at 6.1 Mt grading 0.63 g/t (approximately 124,000 contained gold ounces).
- At the end of September, the Company commenced processing the screened portion (<2 inches) of both the low and medium grade stockpiles. The Company plans to process approximately 400,000 tonnes by year-end. The results of the fines test, which are expected by year-end, will determine costs and how to best integrate the processing of fines in the mine plan and assess the use of the by-products for road and tailings construction.
- The Company increased its water pumping capacity for the pit from 14,000 cubic metres per day to 28,000 cubic metres per day and added stand-by (emergency) pumps. The Company is expecting to have an updated water management plan by year-end, which will address future sump design and ultimate pumping capacity in each development phase of the pit.
- All-in sustaining costs of \$1,042 per ounce sold for the quarter were lower than expected as a result of a slower capital spending profile during the quarter despite higher costs for the planned mill shutdown.
- Mining unit costs were slightly lower than prior quarter due to more tonnes mined despite higher unplanned maintenance costs. Processing unit costs were higher than prior quarter due to the added contractor cost for the fines project, higher costs for the planned mill shutdown and higher consumables to regain recovery levels.

Detour Lake Mine Operation Statistics

	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Ore mined (Mt)	5.0	5.5	5.8	6.3	6.5
Waste mined (Mt)	18.5	16.4	15.2	15.7	17.0
Total mined (Mt)	23.5	21.9	21.0	22.0	23.5
Strip ratio (waste:ore)	3.7	3.0	2.6	2.5	2.6
Mining rate (tpd)	256,000	241,000	231,000	239,000	255,000
Ore milled (Mt)	5.2	5.3	4.7	5.1	5.2
Head grade (g/t Au)	0.88	0.92	0.91	0.98	0.86
Recovery (%)	87	89	91	91	90
Mill throughput (tpd)	56,453	58,466	52,165	55,522	56,015
Mill availability (%)	84	87	88	86	85
Ounces produced (oz)	127,758	139,359	127,136	146,417	128,222
Ounces sold (oz)	113,845	131,606	137,608	132,209	126,241
Average realized price (\$/oz)	\$1,281	\$1,230	\$1,172	\$1,102	\$1,164
Total cash cost per oz sold (\$/oz)	\$802	\$691	\$637	\$694	\$766
AISC per oz sold (\$/oz)	\$1,042	\$1,030	\$824	\$858	\$1,071
Mining (Cdn\$/t mined)	\$2.66	\$2.75	\$2.94	\$2.63	\$2.69
Milling (Cdn\$/t milled)	\$11.74	\$9.55	\$9.08	\$9.24	\$8.64
G&A (Cdn\$/t milled)	\$3.46	\$3.03	\$3.51	\$3.15	\$3.19

Note: Mill availability is defined as mill operating time. Totals may not add up due to rounding.

Q3 2016 Selected Financial Information

Summary Financial Data

(in \$ millions unless specified)

	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Metal sales	152.0	166.7	163.0	145.7	142.4
Production costs	91.3	93.4	89.4	92.5	98.0
Depreciation	35.5	39.2	42.8	44.1	41.1
Cost of sales	126.8	132.6	132.2	136.6	139.1
Earnings from mine operations	25.2	34.0	30.8	9.1	3.4
Net income (loss)	9.7	(30.7)	27.6	(40.8)	(44.3)
Net income (loss) per share	0.06	(0.18)	0.16	(0.24)	(0.26)
Adjusted net earnings (loss)	1.3	3.9	11.3	(4.4)	(13.3)
Adjusted net earnings (loss) per share	0.01	0.02	0.07	(0.03)	(0.08)
Net cash generated from operations before changes in working capital	47.9	61.5	61.1	51.5	38.6

Note: Totals may not add up due to rounding.

Q3 2016 Financial Performance

- Metal sales for the third quarter were \$152.0 million. The Company sold 113,845 ounces of gold at an average realized price of \$1,281 per ounce, lower than the average price of the LBMA Gold Price Auction of \$1,335 per ounce due to the Company's gold hedging program. At quarter-end, the in-circuit inventory rose to 37,000 ounces due to the delayed maintenance of the gold recovery circuit. The Company expects this level to drop in the fourth quarter by approximately 10,000 ounces.
- Cost of sales for the third quarter totaled \$126.8 million, including \$35.5 million of depreciation (or \$311 per ounce sold).
- Earnings from mine operations for the third quarter totaled \$25.2 million.
- The Company recorded net earnings of \$9.7 million (\$0.06 per share) in the third quarter. Adjusted net earnings in the third quarter amounted to \$1.3 million (\$0.01 per share) and exclude non-cash items such as the impact of foreign exchange resulting in a deferred tax expense and change in the fair value of the Company's convertible notes.

Q3 2016 Liquidity and Capital Resources

- Operating cash flow was \$38.3 million for the third quarter.
- During the third quarter, sustaining capital expenditures were \$19.8 million, including \$10.0 million for the tailings facility, \$8.1 million for the mine, \$0.8 million for the plant, and \$0.9 million for others. Deferred stripping costs totaled \$1.6 million for the period. Non-sustaining capital expenditures totaled \$0.9 million for the third quarter.

- Cash and short term investments totaled \$115.6 million at September 30, 2016, following the repurchase of \$60 million of convertible notes in August. The Company's Cdn\$85 million revolving credit facility remains fully undrawn.

Financial Risk Management

- As at September 30, 2016, the Company had a total of 30,000 ounces of outstanding gold forward hedge contracts at an average price of \$1,206 per ounce to be settled during 2016.
- As at September 30, 2016, the Company had \$60 million of zero-cost collars to hedge its Canadian costs whereby it can sell US dollars at a rate of no lower than 1.28 and can participate at a rate of up to 1.35.
- The Company has entered into hedges for approximately 40% of its diesel consumption for the first quarter of 2017, representing approximately 6 million litres.

West Detour Project

- The Company continued its discussions with provincial authorities and its engagement with its Aboriginal partners in the third quarter.
- The Company worked closely with its Aboriginal partners during 2015 and 2016 in order to ensure the draft Environmental Study Report ("ESR") scheduled to be filed prior to year-end 2016 would reflect their input. However, one of the Company's Aboriginal partners has a newly elected Chief and Council who may require additional time to familiarize themselves with the West Detour project and may not be in a position to comment on the ESR prior to year-end. As the Company's preference would be to have the support of all Aboriginal partners prior to filing the ESR, it is not currently in a position to confirm that the ESR will be filed prior to year-end however the Company remains committed to completing the permitting process.
- The Company will provide an update on West Detour when it provides its final 2017 guidance in January 2017. Additional details are provided in a separate news release that was issued concurrently with this one - Preliminary 2017 Outlook.

Exploration

- The Company has completed approximately 77,000 metres of drilling in 2016 on the Detour Lake property.
- At Zone 58N, the Company completed its Phase 2 drilling program (summer/fall) for the year with 46 holes totaling 15,249 metres. The drilling program at a 25 metre spacing (from surface to 250 metres) is essentially complete with assay results expected at year-end. Drilling is expected to resume in early 2017.
- The initial assessment of Zone 58N has conceptualized an exploration program and subsequent underground development of a 600 to 1,200 tpd project. The development of a geological model including all the drilling data to date and the Phase 2 assays (still pending) will assist in defining the 2017 drilling program and in better understanding the conceptual development program. The results of this initial assessment are expected in the first quarter of 2017.
- In the area east of the current tailings facility, the Company completed 19 drill holes totaling 6,195 metres. The recent trenching results and drilling has identified gold mineralization over a strike length of 1.2 kilometres. Assay results and interpretation are expected at year-end.
- As part of its regional exploration program, four drill holes were completed for a total of 1,262 metres on the Massicotte claims (eastern end of the Detour Lake property in Québec).
- On September 15, 2016, the Company staked the 494 km² Burntbush property located 70 kilometres south of the Detour Lake mine along the western end of the Casa Berardi trend.

2016 Guidance

On September 6, 2016, the Company revised its 2016 guidance as a result of having to delay access to the Calcite Zone (main source of ore for the second half of 2016) due to the heavy rainfalls experienced in mid-August.

Gold production for 2016 is expected to be at the mid-point of the revised guidance.

	Prior Guidance	Revised Guidance
Gold production (oz)	540,000-570,000	525,000-545,000
Total cash costs (\$/oz sold)	\$640-700	\$700-750

All-in sustaining costs (\$/oz sold) \$920-980 \$970-\$1,020

Although mining rates improved quarter over quarter in 2016, year-to-date the operation is approximately 4.8 Mt behind its budgeted mine plan. In 2017, the Company will be working towards further increasing its mining rate by adding equipment to the ancillary and ore re-handling fleets, increasing efficiency of haulage fleet, and implementing area-based planning for the entire Detour Lake pit.

With the slower progress in the area of the Campbell pit to date (reported on July 28, 2016), the Company commenced a recovery plan in September to recoup 0.5 Mt in this area by year-end. The success of this plan is key in de-stacking the north area of the Campbell pit to expose the higher grade benches for 2017 production.

The 2017 preliminary outlook is provided in a separate news release that was issued concurrently with this one (refer to news release - Preliminary 2017 Outlook).

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, 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 on Wednesday, November 2, 2016 at 8:30 AM E.T. where senior management will discuss the third quarter operational and financial results and 2017 preliminary outlook. Access the conference call as follows:

- Via webcast, go to www.detourgold.com and click on the "Q3 2016 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 November 30, 2016 by dialing 604-674-8052 or 1-855-669-9658 within Canada and the United States, using pass code 00853. The webcast and presentation slides will be archived on the Company's website.

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.

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 Third Quarter 2016 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 (also known as unwinding of the discount on decommissioning and restoration provisions), 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 this measure 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.

In thousands of dollars, except where noted	Three months ended September 30		Nine months ended September 30	
	2016	2015	2016	2015
Gold ounces sold	113,845	126,241	383,059	354,034
Total Cash Costs Reconciliation				
Production costs	\$ 91,348	\$ 97,981	\$ 274,151	\$ 295,864
Less: Electricity adjustment ¹	-	-	-	(7,732)
Less: Share-based compensation	172	(755)	(3,196)	(1,753)
Less: Silver sales	(248)	(551)	(1,053)	(1,044)
Total cash costs	\$ 91,272	\$ 96,675	\$ 269,902	\$ 285,335
Total cash costs per ounce sold	\$ 802	\$ 766	\$ 705	\$ 806
All-in Sustaining Costs Reconciliation				
Total cash costs	\$ 91,272	\$ 96,675	\$ 269,902	\$ 285,335
Sustaining capital expenditures ²	21,385	27,386	64,899	82,972
Accretion on decommissioning and restoration provision	31	63	124	143
Site share-based compensation	(172)	755	3,196	1,753
Realized losses on operating hedges ³	69	4,545	1,725	6,696
Corporate administration expense ⁴	5,146	6,442	25,600	22,324
Sustaining exploration expenditures ⁵	931	(697)	2,259	909
Total all-in sustaining costs	\$ 118,662	\$ 135,169	\$ 367,705	\$ 400,132
All-in sustaining costs per ounce sold	\$ 1,042	\$ 1,071	\$ 960	\$ 1,130

¹ Reflects adjustment related to electricity consumption in prior years (refer to December 31, 2015 MD&A for additional details).

² 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. Non-sustaining capital expenditures in 2016 relate to West Detour.

³ 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 the MD&A. These balances are included in the statement of comprehensive income (loss), within caption "net finance income and costs".

⁴ Includes the sum of corporate administration expense, which includes share-based compensation, per the statement of comprehensive income (loss), excluding depreciation within those figures.

⁵ Includes the sum of sustaining exploration and evaluation expense, which includes share-based compensation, per the statement of comprehensive income (loss), excluding depreciation within those figures. Non-sustaining exploration and evaluation expense, primarily relate to costs associated with Lower Detour.

Average realized price and Average realized margin

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

In thousands of dollars, except where noted	Three months ended September 30		Nine months ended September 30	
	2016	2015	2016	2015
Metal sales	\$ 152,046	\$ 142,427	\$ 481,716	\$ 417,328
Realized gain (loss) on gold contracts	(5,988)	5,112	(11,651)	9,295
Silver sales	(248)	(551)	(1,053)	(1,044)
Revenues from gold sales	\$ 145,810	\$ 146,988	\$ 469,012	\$ 425,579
Gold ounces sold	113,845	126,241	383,059	354,034
Average realized price	\$ 1,281	\$ 1,164	\$ 1,224	\$ 1,202
Less: Total cash costs per gold ounce sold	(802)	(766)	(705)	(806)
Average realized margin per gold ounce sold	\$ 479	\$ 398	\$ 519	\$ 396

Adjusted net earnings (loss) and Adjusted basic net earnings (loss) per share

Adjusted net earnings (loss) and adjusted basic earnings (loss) 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 net earnings (loss) is defined as net earnings (loss) 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, including the foreign exchange on 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 net earnings (loss) per share is calculated using the weighted average number of shares outstanding under the basic method of loss per share as determined under IFRS.

In thousands of dollars, except where noted	Three months ended September 30		Nine months ended September 30	
	2016	2015	2016	2015
Basic weighted average shares outstanding	174,487,277	170,711,206	173,180,274	168,762,602
Adjusted net earnings (loss) and Adjusted basic net earnings (loss) per share Reconciliation				
Net income (loss)	\$ 9,679	\$ (44,287)	\$ 6,580	\$ (122,749)
Adjusted for:				
Fair value (gain) loss of the convertible notes ¹	(16,767)	(9,207)	17,577	1,477
Accretion on convertible notes ¹	7,913	7,454	24,249	21,549
Accretion on decommissioning and restoration provision ¹	31	63	124	143
Non-cash unrealized (gain) loss on derivative instruments ²	(6,220)	5,484	2,810	2,561
Foreign exchange (gain) loss ¹	193	(2,180)	(551)	(2,523)
Foreign exchange on deferred income taxes	6,491	29,332	(34,317)	54,096
Electricity adjustment ³	-	-	-	7,732
Adjusted net earnings (loss)	\$ 1,320	\$ (13,341)	\$ 16,472	\$ (37,714)
Adjusted basic net earnings (loss) per share	\$ 0.01	\$ (0.08)	\$ 0.10	\$ (0.22)

¹ Balance included in the statement of comprehensive income (loss) caption "Net finance income and costs". The related financial statements include a detailed breakdown of "Net finance income and costs".

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 income and costs" on the statement of comprehensive income (loss).

³ Reflects adjustment related to electricity consumption in prior years (refer to December 31, 2015 MD&A for additional details).

The Company has included the additional IFRS measures:

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 income and costs, and taxation.

Forward-Looking Information

This news release contains certain forward-looking information as defined in applicable securities laws (referred to herein as "forward-looking statements"). Specifically, this news release contains forward-looking statements regarding, among other things, recoveries returning to 90% in the fourth quarter 2016; the processing of approximately 400,000 tonnes of LG and MG fines by year-end; the receipt of test results of the fines test at year-end 2016; having an updated water management plan by year-end 2016; a reduction of approximately 10,000 ounces of gold in the in-circuit inventory in the fourth quarter 2016; one of the Company's Aboriginal partners requiring additional time to familiarize itself with the West Detour project and not being in a position to comment on the ERS prior to year-end 2016; the Company not currently being in a position to confirm the filing of the ESR prior to year-end; the Company providing an update on West Detour in January 2017; the resumption of the drilling program at Zone 58N in early 2017; receipt of assay results from Zone 58N at year-end 2016; result of an initial assessment for Zone 58N in the first quarter of 2017; receipt of assay results and interpretation for the area east of the current tailings facility at year-end 2016; 2016 gold production being expected to be at the mid-point of the revised guidance; gold production of between 525,000 and 545,000 ounces in 2016 at total cash costs of \$700 to \$750 per ounce sold and all-in sustaining costs of \$970 to \$1,020 per ounce sold; the success of the Campbell pit recovery plan being key in de-stacking the area of the Campbell pit to recover 0.5 Mt by year-end and to expose the higher grade benches for 2017 production and the Company working towards

further increasing its mining rate by adding equipment, increasing efficiency of the haulage fleet and implementing area based planning.

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, 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, 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 2015 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 and related costs; the mine production schedule; the success and timing of the Company's mining and development plans, including the Campbell pit recovery plan and the ability of the Company to process fines from low and medium grade stock piles; 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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