

TORONTO, ONTARIO--(Marketwired - Jan 30, 2017) - [Detour Gold Corp.](#) (TSX:DGC) ("Detour Gold" or the "Company") today announces fourth quarter and full year 2016 operating results and 2017 guidance for its Detour Lake mine located in northeastern Ontario.

All 2016 numbers are preliminary figures, unaudited and subject to final adjustment. All amounts are in U.S. dollars unless otherwise indicated. The Company's fourth quarter and full year 2016 financial results will be released on March 9, 2017.

2016 Highlights

- Annual gold production of 537,765 ounces; fourth quarter gold production of 143,512 ounces
- Annual average mill throughput of 56,792 tpd and mining rate of 239,000 tpd; fourth quarter average mill throughput of 60,052 tpd and mining rate of 227,000 tpd
- All-in sustaining costs⁽¹⁾ ("AISC") estimated at \$1,005 per ounce sold; fourth quarter estimated AISC⁽¹⁾ of \$1,124 per ounce sold
- Debt reduction of \$142 million
- Year-end cash and short-term investments balance of approximately \$129 million
- Positive drilling results from Zone 58N

Paul Martin, President and CEO, commented: *"2016 finished on a positive note with our best gold production quarter of the year. The mill performed at the highest level to date following the successful modification of the 410-conveyor. The mining rate did not achieve our target in 2016, leading to our decision of accelerating capital and adding to our mining fleet commencing in 2017 to meet our operational targets."*

2017 Guidance

Gold production (oz) 550,000-600,000

Total cash costs⁽¹⁾ (\$/oz sold) \$690-\$750

All-in sustaining costs⁽¹⁾ (\$/oz sold) \$1,025-\$1,125

⁽¹⁾ Refer to the section on Non-IFRS Performance Measures at end of the news release.

2016 Fourth Quarter and Full Year Operational Results

- Gold production of 143,512 ounces in the fourth quarter bringing total gold production to 537,765 ounces for the year, in line with revised guidance of 525,000 to 545,000 ounces.
- In the fourth quarter, the mill facility processed a record 5.5 million tonnes (Mt) of ore at an average grade of 0.90 g/t with average recoveries of 90%. For the year, the mill processed 20.8 Mt of ore as planned, an increase of 1 Mt over the prior year. Head grade of 0.90 g/t and recoveries of 89% were below plan for the year by 6% and 2%, respectively.
- A total of 20.9 Mt (ore and waste) was mined in the fourth quarter (equivalent to mining rates of 227,000 tpd), below plan mainly as a result of lower shovel availability. The Campbell pit recovery plan which started in September remained on target at year-end. For the year, a total of 87.4 Mt was mined, approximately 9.3 Mt below plan.
- At the end of December, run-of-mine stockpiles stood at 7.0 Mt grading 0.65 g/t (approximately 145,000 contained gold ounces).
- From September to year-end, the Company conducted a large-scale test where it crushed and screened approximately 1.9 Mt of low and medium grade stockpiles (average grade of approximately 0.48 g/t) to <2 inches. The screened portion (<2 inches), equivalent to 665,000 tonnes, was processed through the mill at an estimated grade of 0.79 g/t (or 65% grade improvement). The other crushed material generated during this process can be used for the tailings and road construction. The Company will evaluate these results along with the prior testwork to assess the best approach of integrating the fines in the operations.

2016 Detour Lake Mine Operation Statistics

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2016	2015
Ore mined (Mt)	5.8	5.5	5.0	5.8	22.3	23.0
Waste mined (Mt)	15.2	16.4	18.5	15.0	65.1	67.7
Total mined (Mt)	21.0	21.9	23.5	20.9	87.4	90.7
Strip ratio (waste:ore)	2.6	3.0	3.7	2.6	2.9	2.9
Mining rate (tpd)	231,000	241,000	256,000	227,000	239,000	249,000
Ore milled (Mt)	4.7	5.3	5.2	5.5	20.8	19.8
Head grade (g/t Au)	0.91	0.92	0.88	0.90	0.90	0.88
Recovery (%)	91	89	87	90	89	91

Mill throughput (tpd)	52,165	58,466	56,453	60,052	56,792	54,114
Mill operating time (%)	88	87	84	86	86	84
Ounces produced (oz)	127,136	139,359	127,758	143,512	537,765	505,558
Ounces sold (oz)	137,608	131,606	113,845	144,668	527,727	486,243

Note: Totals may not add due to rounding.

- Sustaining capital expenditures for 2016 are estimated at approximately \$100 million, at the low end of the revised guidance of \$100 and \$110 million, and include approximately \$16 million for capital purchases originally planned in 2017-18 (including three CAT795 trucks, bringing the hauling fleet to 28 trucks at year-end). Capitalized stripping costs totaled approximately \$3 million. The Company incurred approximately \$2 million of non-sustaining expenditures for the development of West Detour.
- AISC⁽¹⁾ for 2016 are estimated at \$1,005 per ounce sold, within the revised guidance of \$970 to \$1,020 per ounce sold. For the fourth quarter, AISC are estimated at \$1,124 per ounce sold and were impacted by accelerated capital expenditures in the quarter.

2017 Guidance

- Gold production is expected to be between 550,000 and 600,000 ounces for 2017 with production being the lowest in the first quarter.
- The mine plan calls for approximately 100 million tonnes (Mt) to be mined from the Detour Lake pit in 2017. Mining rates are expected to trend higher starting in the second quarter with the addition of a CAT6060 shovel and four CAT795 trucks, bringing the available fleet to six shovels and 32 trucks, supported by the addition of a new ROM fleet. The average waste to ore ratio for the year is estimated at 3.6:1. There are specific months during the year where this strip ratio will be above the life of mine pit average and stripping costs will be capitalized.
- The Detour Lake operation is forecast to process 21 to 22 Mt of ore in 2017. Head grades are expected improve after the first quarter. The Company does not anticipate processing fines during the year and will continue to engineer its low-grade stockpiles (0.4-0.5 g/t) for future use.
- 2017 AISC⁽¹⁾ are expected to range from \$1,025 to \$1,125 per ounce sold, with total cash costs from \$690 to \$750 per ounce sold. Due to the variability of gold production and the timing of capital expenditures, the Company expects that the first quarter actual all-in sustaining costs will be significantly above the yearly guidance.

2017 Capital expenditures

Capital Expenditures (\$ millions)

Sustaining	
Mining	\$78
Processing	6
Tailings	40
Site infrastructure, G&A & other	31
Total sustaining	155
Capitalized stripping	14
Development	5
Total capital expenditures	\$160-\$180

- Sustaining expenditures include an investment of approximately \$40 million for mining equipment to advance the Phase 2 mining and increase mining rates (one CAT6060 shovel, four CAT795 trucks and ROM fleet) and \$30 million of accelerated capital for the construction of Cell 2 of the tailings facility (\$9 million), the replacement of the contractor camp (\$17 million) and the lead nitrate project (\$4 million). Approximately \$23 million of these sustaining expenditures will be paid in 2018.
- The Company is expected to incur non-sustaining expenditures of \$5 million for the development of West Detour.

Key assumptions used for the 2017 guidance include:

Gold price of \$1,200/oz CAD/US FX rate of 1.30
Diesel fuel price of C\$0.70 per litre Power cost of C\$0.03 per kilowatt hour

2017 Exploration

- The total exploration budget for the Detour Lake property is approximately \$6 million, of which \$4 million is non-sustaining expenditures for definition drilling of Zone 58N (Lower Detour), an underground high grade gold target located 6 kilometers south of the Detour Lake processing plant. The balance is considered sustaining and will be used to explore other targets on the property.

- Drilling activity has commenced on Zone 58N to continue the infill drilling program between 250 and 450 metres.

2017 Financial Outlook

- The 2017 corporate general and administrative expense is estimated at \$21 million and excludes share-based compensation. Share-based compensation for the Company is estimated at \$11 million, assuming no change in the share price year-over-year. The Company expects to record interest expense and pay interest costs of approximately \$20 million on the convertible notes in 2017.
- The Company re-purchased \$142 million of convertible notes in 2016, reducing the amount due at maturity on November 30, 2017 to \$358 million. The Company is evaluating refinancing opportunities for the convertible notes and its bank credit facility which expires on August 31, 2017.
- As at December 31, 2016, the Company had \$161 million of zero-cost collars to hedge its Canadian dollar costs whereby it can sell US dollars at a rate no lower than 1.30 and can participate up to a rate of 1.40. For 2017, approximately 75% of operating costs and 65% of capital costs are expected to be denominated in Canadian dollars; however, the majority of planned capital expenditures for 2017 are based on exchange rates that were fixed at the time of entering into the contract.

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 Tuesday, January 31, 2017 at 10:00 AM E.T.

Access the conference call as follows:

- Via webcast, go to www.detourgold.com and click on the "2017 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 internationally 416-915-3239

A playback will be available until February 28, 2017 by dialing 604-674-8052 or 1-855-669-9658 within Canada and the United States, using pass code 1141. 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.

Notes

(1) 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 2016 Financial Statements and MD&A are expected to be issued on March 9, 2017. Reconciliation of these figures will be included.

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 below), 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.

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 and depletion. Production costs include the costs associated with providing the royalty in kind ounces.

All-in sustaining costs do not have any standardized meaning whether under IFRS or otherwise and therefore may not be comparable to other issuers. Accordingly, other companies may calculate All-in sustaining costs 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. All-in sustaining costs 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.

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 2016 AISC of approximately \$1,005 per ounce sold and approximately \$1,124 per ounce sold for the fourth quarter, 2016 year-end cash and short-term investments balance of approximately \$129 million, 2016 sustaining capital expenditures of approximately \$100 million, 2016 capitalized stripping costs of approximately \$3 million, and 2016 non-sustaining expenditures for the development of West Detour of approximately \$2 million, 2017 expected gold production between 550,000 and 600,000 ounces, 100 Mt mined from the Detour Lake pit in 2017, mining rates trending higher in the second quarter of 2017, the addition of a CAT6060 shovel and four CAT795 trucks, an estimated average waste to ore ratio for 2017 of 3.6:1, the processing of 21 to 22 Mt of ore in 2017 from the Detour Lake operation, head grades improving after the first quarter of 2017, the Company not processing fines in 2017, 2017 AISC range of \$1,025 to \$1,125 per ounce sold with estimated total cash costs of \$690 to \$750 per ounce sold, 2017 capital expenditures between \$160 and \$180 million and the use and classification of such expenditures, 2017 exploration budget of \$6 million and how such funds are to be spent, 2017 estimated corporate general and administrative expenses of \$21 million, exclusive of share-based compensation, estimated 2017 share-based compensation of \$21 million, estimated interest expense and interest costs of \$20 million on the convertible notes in 2017, the refinancing by the Company for the convertible notes and credit facility on or before their respective maturity dates of November 30, 2017 and August 31, 2017, and for 2017 approximately 75% of the Company's operating costs and 65% of the Company's capital costs in 2017 will be denominated in Canadian dollars, with the majority of planned capital expenditures for 2017 based on exchanged rates fixed at the time of entering into the applicable contract.

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, the ability of the Company to refinance its convertible notes and credit facility on or before maturity (November 30, 2017 and August 31, 2017, respectively) on acceptable terms, 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 2015 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\$0.30 per kilowatt hour in 2017, the ability of the Company to refinance its convertible notes and credit facility on or before maturity (November 30, 2017 and August 31, 2017, respectively) on acceptable terms, 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 schedule and related costs; the mine production schedule; year-end face position in the Campbell pit area; 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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