

TORONTO, ONTARIO--(Marketwired - Apr 27, 2017) - [Detour Gold Corp.](#) (TSX:DGC) ("Detour Gold" or the "Company") reports its operational and financial results for the first quarter of 2017. This release should be read in conjunction with the Company's first 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.

Q1 2017 Highlights

- Gold production of 131,418 ounces
- Average mill throughput of 58,114 tpd and mining rate of 242,000 tpd
- Total cash costs of \$788 per ounce sold and AISC of \$1,118 per ounce sold
- Revenues of \$163.7 million on gold sales of 134,213 ounces at an average realized price of \$1,216 per ounce
- Earnings from mine operations of \$22.2 million
- Repurchased \$20.0 million (face value) of convertible notes
- Net earnings of \$6.0 million (\$0.03 per share) and adjusted net earnings of \$10.5 million (\$0.06 per share)
- Cash and short-term investments balance of \$133.0 million at March 31, 2017
- Updated life of mine plan for the Detour Lake operation issued on March 22, 2017

"We have achieved our operational targets for the first quarter and reduced our debt a further \$20 million from cash flow," said Paul Martin, President and CEO. "We are looking forward to the remainder of the year with gradual operational improvements expected from an expanded mining fleet and success from performance initiatives being implemented at the mine operation."

Q1 2017 Summary Operational Results

- Gold production totaled 131,418 ounces, in line with projections for the first quarter.
- Mill throughput in the first quarter was 5.2 million tonnes (Mt), inclusive of a planned shutdown in January to replace SAG and ball mill liners on both lines. Head grade for the quarter was 0.88 grams per tonne (g/t) and mill recoveries averaged 89%, both in line with budget.
- A total of 21.8 Mt (ore and waste) was mined in the first quarter (equivalent to mining rates of 242,000 tpd). The Company's new CAT6060 shovel was commissioned in late March. Mining around the Campbell pit area is on track.

Detour Lake Mine Statistics

	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Ore mined (Mt)	4.8	5.8	5.0	5.5	5.8
Waste mined (Mt)	17.0	15.0	18.5	16.4	15.2
Total mined (Mt)	21.8	20.9	23.5	21.9	21.0
Strip ratio (waste:ore)	3.6	2.6	3.7	3.0	2.6
Mining rate (tpd)	242,000	227,000	256,000	241,000	231,000
Ore milled (Mt)	5.2	5.5	5.2	5.3	4.7
Head grade (g/t Au)	0.88	0.90	0.88	0.92	0.91
Recovery (%)	89	90	87	89	91
Mill throughput (tpd)	58,114	60,052	56,453	58,466	52,165
Mill operating time (%)	85	86	84	87	88
Ounces produced (oz)	131,418	143,512	127,758	139,359	127,136
Ounces sold (oz)	134,213	144,668	113,845	131,606	137,608
Average realized price (\$/oz)	\$1,216	\$1,210	\$1,281	\$1,230	\$1,172
Total cash costs (\$/oz sold)	\$788	\$855	\$802	\$691	\$637
AISC (\$/oz sold)	\$1,118	\$1,132	\$1,042	\$1,030	\$824
Mining (Cdn\$/t mined)	\$2.92	\$3.25	\$2.66	\$2.75	\$2.94
Milling (Cdn\$/t milled)	\$10.26	\$8.74	\$11.74	\$9.55	\$9.08
G&A (Cdn\$/t milled)	\$3.46	\$3.46	\$3.46	\$3.03	\$3.51

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

- Total cash costs were \$788 per ounce sold in the first quarter, in line with plan. Costs included a scheduled plant shutdown and were impacted by higher consumption rates of certain consumables (mill reagents), higher price for diesel fuel, partially offset by a stronger U.S. dollar than plan.
- AISC were \$1,118 per ounce sold in the first quarter, reflecting sustaining capital expenditures of \$35.4 million and deferred stripping costs of \$3.4 million.
- Sustaining expenditures included \$28.7 million for mining (mainly relating to mining equipment, including the new CAT6060 shovel, and significant components to the mobile fleet), \$3.9 million for the construction of the tailings facility, \$1.5 million for processing, and \$1.3 million for site infrastructure, G&A and other.

Q1 2017 Financial Review

- Revenues for the first quarter were \$163.7 million. The Company sold 134,213 ounces of gold at an average realized price of \$1,216 per ounce.
- Cost of sales for the first quarter totaled \$141.5 million, including \$35.1 million of depreciation (or \$262 per ounce sold).
- Earnings from mine operations for the first quarter totaled \$22.2 million.
- Net earnings for the first quarter were \$6.0 million (\$0.03 per share). Adjusted net earnings in the first quarter amounted to \$10.5 million (\$0.06 per share).

Liquidity and Capital Resources

- Cash and short term investments totaled \$133.0 million at March 31, 2017, following the repurchase of \$20.0 million of convertible notes in March.

Summary Financial Data

(in \$ millions unless specified)	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Metal sales	163.7	176.6	152.0	166.7	163.0
Production costs	106.4	123.9	91.3	93.4	89.4
Depreciation	35.1	47.8	35.5	39.2	42.8
Cost of sales	141.5	171.7	126.8	132.6	132.2
Earnings from mine operations	22.2	4.8	25.2	34.0	30.8
Net income (loss)	6.0	(13.5)	) 9.7	(30.7)	) 27.6
Net income (loss) per share	0.03	(0.08)	) 0.06	(0.18)	) 0.16
Adjusted net earnings (loss)	10.5	(6.0)	) 1.3	3.9	11.3
Adjusted net earnings (loss) per share	0.06	(0.03)	) 0.01	0.02	0.07

Note: Totals may not add up due to rounding.

Financial Risk Management

- As at March 31, 2017, the Company had \$149.0 million of zero-cost collars to hedge its Canadian dollar costs whereby it can sell U.S. dollars at an average rate of 1.30 and can participate up to an average rate of 1.39.
- As at March 31, 2017, the Company had 90,000 ounces of zero-cost collars to protect its gold sales from April to December 2017. The collars have a range of \$1,200 to \$1,330 per ounce.
- As at March 31, 2017, the Company had a total of 21 million litres of outstanding diesel contracts at an average rate of \$0.41 per litre, which will settle on a net basis.

Exploration Update

- The winter drilling program at Zone 58N is completed with approximately 21,805 metres in 58 holes. The drilling program focused between vertical depths of 250 and 450 metres at a 35 metre spacing. Assay results are expected prior to end of the second quarter and will be incorporated in the model and conceptual design in preparation for an advanced underground exploration program.
- Drilling program expected to continue this summer at Zone 58N.

- An Induced Polarization (IP) geophysical survey of 85 line kilometres was completed in the area east of the current tailings facility, along the Sunday Lake Deformation Zone.

2017 Outlook

- Detour Gold's guidance for 2017 is 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 between \$1,025 and \$1,125 per ounce sold.
- Mining rates are expected to commence trending higher starting in the second quarter with the addition of a CAT6060 shovel and four haul trucks, bringing the available fleet to six shovels and 32 trucks and supported by the addition of a ROM fleet.
- Both head grade and gold recovery are expected to improve during the second half of the year. The installation of a lead nitrate and oxygen control system to assist with improving recoveries is expected to be completed in the second quarter and commissioned in the third quarter.
- Projected capital expenditures for 2017 remain as previously stated at approximately \$160 to \$180 million, including \$14 million of capitalized stripping and \$5 million of non-sustaining expenditures for the development of West Detour.
- The Company is in the process of arranging up to \$500 million in bank debt which will be used to repay the outstanding convertible notes (currently \$338 million) and replace the Company's senior secured credit facility of Cdn\$135 million. The Company has received indicative term sheets from the members of its banking syndicate and anticipates, subject to final negotiations, closing the facility by the end of the second quarter of 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, 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 Friday, April 28, 2017 at 10:00 AM E.T. where senior management will discuss the first quarter operational and financial results. Access the conference call as follows:

- Via webcast, go to www.detourgold.com and click on the "Q1 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 May 28, 2017 by dialing 604-674-8052 or 1-855-669-9658 within Canada and the United States, using pass code 1349. The webcast and presentation slides will be archived on the Company's website.

Annual General Meeting of Shareholders

Detour Gold's Annual General Meeting of Shareholders will be held on May 4, 2017 at 2:00 PM in the St. Andrew's Hall (27th Floor) of the St. Andrew's Club & Conference Centre at 150 King Street West in Toronto.

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 First 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.

In thousands of dollars, except where noted	2017	Three months ended March 31	
		2016	
Gold ounces sold	134,213	137,608	
Total Cash Costs Reconciliation			
Production costs	\$ 106,435	\$ 89,384	
Less: Share-based compensation	(203)	(1,358)	
Less: Silver sales	(473)	(400)	
Total cash costs	\$ 105,759	\$ 87,626	
Total cash costs per ounce sold	\$ 788	\$ 637	
All-in Sustaining Costs Reconciliation			
Total cash costs	\$ 105,759	\$ 87,626	
Sustaining capital expenditures ¹	38,822	14,836	
Accretion on decommissioning and restoration provision	47	51	
Site share-based compensation	203	1,358	
Realized losses on operating hedges ²	511	1,383	
Corporate administration expense ³	4,002	7,330	
Sustaining exploration expenditures ⁴	662	843	
Total all-in sustaining costs	\$ 150,006	\$ 113,427	
All-in sustaining costs per ounce sold	\$ 1,118	\$ 824	

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, within caption "net finance income and costs".

3 Includes the sum of corporate administration expense, which includes share-based compensation, per the statement of comprehensive earnings, 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, 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 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.

	Three months ended	
	March 31	
In thousands of dollars, except where noted	2017	2016
Metal sales	\$ 163,712	\$ 163,014
Realized gain (loss) on gold contracts	6	(1,292)
Silver sales	(473)	(400)
Revenues from gold sales	\$ 163,245	\$ 161,322
Gold ounces sold	134,213	137,608
Average realized price	\$ 1,216	\$ 1,172
Less: Total cash costs per gold ounce sold	(788)	(637)
Average realized margin per gold ounce sold	\$ 428	\$ 535

Adjusted net earnings and Adjusted basic net earnings per share

Adjusted net 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 net 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, 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 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	
	March 31	
In thousands of dollars, except where noted	2017	2016
Basic weighted average shares outstanding	174,580,056	171,852,803
Adjusted net earnings and Adjusted basic net earnings per share reconciliation		
Net income	\$ 6,010	\$ 27,620
Adjusted for:		
Fair value (gain) loss of the convertible notes ¹	(798)	8,601
Accretion on convertible notes ¹	7,849	8,035
Accretion on decommissioning and restoration provision ¹	47	51
Non-cash unrealized (gain) loss on derivative instruments ²	319	5,726
Foreign exchange (gain) loss ¹	(696)	(773)
Foreign exchange on deferred income taxes	(2,212)	(37,974)
Adjusted net earnings	\$ 10,519	\$ 11,286
Adjusted basic net earnings per share	\$ 0.06	\$ 0.07

1 Balance included in the statement of comprehensive earnings 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 earnings.

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 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 gradual operational improvements being expected from an expanded mining fleet and success from performance initiatives being implemented at the mine operation, assay results from Zone 58N being expected in the second quarter of 2017, the continuation of the drilling program this summer at Zone 58N, 2017 gold production of between 550,000 and 600,000 ounces, 2017 AISC range of \$1,025 to \$1,125 per ounce sold with estimated 2017 total cash costs of \$690 to \$750 per ounce sold, mining rates being expected to trend higher starting in the second quarter of 2017, head grades and recovery being expected to improve during the second half of the year, the installation of a lead nitrate and oxygen control system being expected to be completed in the second quarter and be commissioned in the third quarter, 2017 capital expenditures of approximately \$160 to \$180 million, the Company arranging up to \$500 million in bank debt which will be used to repay the outstanding convertible notes and replace the Company's senior secured credit facility which, subject to final negotiations, the Company anticipates closing by the end of the second quarter of 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, 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 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 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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