Detour Gold Reports 2017 Fourth Quarter and Year-End Results

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TORONTO, March 8, 2018 /CNW/ - Detour Gold Corp. (TSX: DGC) ("Detour Gold" or the "Company") reports its financ
for the fourth quarter and year ended December 31, 2017. The Company previously released its fourth quarter and full-
operational results on January 16, 2018 and its 2017 mineral reserve and resource statement on February 22, 2018. Al
are in U.S. dollars unless otherwise indicated.

This news release should be read in conjunction with Detour Gold's audited consolidated Financial Statements and rela
and schedules for the year ended December 31, 2017, and related Management's Discussion and Analysis ("MD&A"),
available from the Company's website (www.detourgold.com) under the Investors section and on SEDAR (www.sedar.c
references to non-IFRS measures are denoted with the superscript "1" and are discussed at the end of this news releas

2017 Highlights

- Annual gold production of 571,463 ounces, within mid-range of guidance of 550,000 to 600,000 ounces
- Revenues of $707.8 million on sales of 561,974 ounces of gold at an average realized gold price[1] of $1,256 per o
- Earnings from mine operations of $161.5 million
- All-in sustaining costs ("AISC")[1] of $1,064 per ounce sold, at mid-point of guidance of $1,025 to $1,125 per ounce
- Net earnings of $88.2 million ($0.50 per share) and adjusted earnings[1] of $114.5 million ($0.66 per share)
- Year-end cash and cash equivalents of $134.1 million
- Closed $500 million bank debt facility
- Signed amended Impact Benefit Agreement with Taykwa Tagamou Nation to include the West Detour project
- Proven and probable reserves of 15.8 million ounces of gold at year-end

Q4 2017 Highlights

- Quarterly gold production of 150,046 ounces
- Revenues of $200.0 million
- Earnings from mine operations of $50.0 million
- AISC[1] of $989 per ounce sold
- Net earnings of $16.7 million ($0.10 per share) and adjusted earnings[1] of $40.2 million ($0.23 per share)
- Repaid $30 million on the revolver credit facility

Subsequent Events

- Signed amended Impact Benefit Agreement with Wahgoshig First Nation to include the West Detour project

Selected Financial Information

	2017	2016	2017	2016
(in $ millions unless specified)	Q4	Q4	Annual	Annual
Gold ounces produced	150,046	143,512	571,463	537,765
Gold ounces sold	156,293	144,668	561,974	527,727
Average realized price¹ ($/oz)	1,277	1,210	1,256	1,221
Total cash costs¹ ($/oz sold)	705	855	716	746
AISC¹ ($/oz sold)	989	1,132	1,064	1,007
Unit costs				
Mining (C$/t mined)	2.99	3.25	2.89	2.89
Milling (C$/t milled)	10.51	8.74	9.63	9.78
G&A (C$/t milled)	3.43	3.46	3.37	3.36
Metal sales	200.0	176.6	707.8	658.3
Production costs	110.9	123.9	405.9	398.1
Depreciation and depletion	39.1	47.8	140.4	165.3
Cost of sales	150.0	171.7	546.3	563.4
Earnings from mine operations	50.0	4.8	161.5	94.9
Net earnings (loss)	16.7	(13.5)	88.2	(6.9)
Net earnings (loss) per share	0.10	(0.08)	0.50	(0.04)
Adjusted earnings (loss)¹	40.2	(6.0)	114.5	10.4
Adjusted earnings (loss) per share¹	0.23	(0.03)	0.66	0.06

Note: Totals may not add up due to rounding.

Q4 2017 Financial Review

- Fourth quarter revenues for 2017 were $200.0 million on the sale of 156,293 ounces of gold. Revenues in the cur benefitted from a higher amount of ounces sold and at a higher average realized gold price¹ of $1,277 per ounce, ounce increase from the prior year period.
- Total cash costs¹ for the fourth quarter of 2017 were $705 per ounce sold, representing an 18% decrease from th period. Lower total cash costs in the current period resulted from increased gold sales volumes from the processi grade ore. As well, total cash costs in 2016 were impacted by additional costs associated with testing the process
- Fourth quarter AISC¹ for 2017 decreased to $989 per ounce sold from $1,132 per ounce sold due to lower total ca and the timing of capital expenditures.
- Earnings from mine operations, net earnings and adjusted earnings all reflect higher revenues and lower total cas the current period.

Full Year 2017 Financial Review

- Revenues for the full year 2017 totaled $707.8 million on the sale of 561,974 ounces of gold. The average realize in 2017 was $1,256 per ounce versus $1,221 in 2016, as the Company realized market prices on its 2017 gold sa
- Total cash costs[1] decreased to $716 per ounce sold in 2017 from $746 per ounce sold in 2016, driven by higher g modestly lower processing costs and there were no fines tested in 2017.
- AISC[1] increased by 6% to $1,064 per ounce sold in 2017, primarily as a result of higher planned sustaining capita expenditures. Sustaining capital expenditures in 2017 totaled $174.8 million and included deferred stripping costs million.
- Earnings from mine operations, net earnings and adjusted earnings for 2017 increased year-over-year, due to the impacting higher revenues and lower total cash costs described above.

Liquidity and Capital Resources

- The Company closed a $500 million credit facility in July 2017. The facility is comprised of a $300 million Revolvin Facility for a tenor of four years and a $200 million Term Loan for a tenor of three years.
- The convertible notes matured on November 30, 2017 and $320.5 million was repaid principally by drawing down facility plus interest owed.
- Debt was reduced during the year by $88 million, including a discretionary $30 million payment made in Decembe Revolving Credit Facility.
- As at December 31, 2017, the Company had $134.1 million of cash and cash equivalents, approximately $200 mi available from its bank debt facility, and net debt of $166 million.

Financial Risk Management

- During 2017, the Company entered into a number of gold, foreign exchange and diesel derivative contracts. The gain on these derivative instruments for 2017 was $6.1 million.
- As at December 31, 2017, the Company had $156 million of zero-cost collars to hedge its Canadian dollar costs i whereby it can sell U.S. dollars at an average rate of 1.25 and can participate up to an average of 1.32. This repr hedge coverage ratio of approximately 25% for projected 2018 expenditures.
- The Company does not have any gold hedges as of March 8, 2018.

Upcoming Events

The Company is evaluating the opportunity of improving its near-term gold production and cash flow profile by accelerating access to the higher grades currently being processed in 2021 and 2022. Management anticipates that the results of this assessment on its current LOM plan will be completed in the second quarter of 2018.

Conference Call

The Company will host a conference call on Friday, March 9, 2018 at 9:00 AM E.T. where senior management will discuss the 2017 operational and financial results. Access the conference call as follows:

- Via webcast, go to www.detourgold.com and click on the "2017 Fourth Quarter and Year-End Results Conference Webcast" link on the 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 April 9, 2018 by dialing 604-674-8052 or 1-855-669-9658 within Canada and the United States, using pass code 2102. 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 3, 2018 at 2:00 PM E.T. in the St. Andrew's Lounge (27th Floor) of Vantage Venues at 150 King Street West in Toronto.

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."

About Detour Gold

Detour Gold is an intermediate gold producer in Canada that holds a 100% interest in the Detour Lake mine, a long life large-scale open pit operation. Detour Gold's shares trade on the Toronto Stock Exchange under the trading symbol DGC.

For further information, please contact:

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Non-IFRS Financial Performance Measures (1)
The Company has included certain Non-IFRS measures in this document with no standard meaning under International Financial Reporting Standards ("IFRS"): total cash costs, all-in sustaining costs, average realized gold price and adjusted earnings (loss). Refer to Non-IFRS Financial Performance Measures in the Company's 2017 MD&A for further information.

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.

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, 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 and total cash 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 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. These 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.

	Three months ended		Year ended	
	December 31		December 31	
In millions of dollars, except where noted	2017	2016	2017	2016
Gold ounces sold	156,293	144,668	561,974	527,727
Total Cash Costs Reconciliation				
Production costs	$ 110.9	$ 123.9	$ 405.9	$ 398.1
Less: Share-based compensation	(0.4)	0.2	(1.7)	(3.0)
Less: Silver sales	(0.4)	(0.3)	(1.6)	(1.4)
Total cash costs	110.1	123.8	402.6	393.7
Total cash costs per ounce sold	705	855	716	746
All-in Sustaining Costs Reconciliation				
Total cash costs	$ 110.1	$ 123.8	$ 402.6	$ 393.7
Sustaining capital expenditures[1]	40.6	37.5	174.8	102.4
Accretion on decommissioning and restoration provision	-	-	0.2	0.1
Share-based compensation	0.4	(0.2)	1.7	3.0
Realized (gain) loss on operating hedges[2]	(1.8)	-	(6.2)	1.8
Corporate administration expense[3]	4.8	2.1	22.5	27.6
Sustaining exploration expenditures[4]	0.5	0.5	2.1	2.8
Total all-in sustaining costs	$ 154.6	$ 163.7	$ 597.7	$ 531.4
All-in sustaining costs per ounce sold	$ 989	$ 1,132	$ 1,064	$ 1,007

[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. Non-sustaining capital expenditures primarily relate to the West Detour project.

[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 the MD&A. These balances are included in the statement of comprehensive earnings (loss), within caption "net finance cost".

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

[4]Includes the sum of sustaining exploration and evaluation expense, which includes share-based

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

Average realized price and Average realized margin

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

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

	Three months ended		Year ended	
	December 31		December 31	
In millions of dollars, except where noted	2017	2016	2017	2016
Metal sales	$ 200.0	$ 176.6	$ 707.8	$ 658.3
Realized (gain) loss on gold contracts	-	(1.1)	(0.1)	(12.8)
Silver sales	(0.4)	(0.4)	(1.6)	(1.4)
Revenues from gold sales	$ 199.6	$ 175.1	$ 706.1	$ 644.1
Gold ounces sold	156,293	144,668	561,974	527,727
Average realized price	$ 1,277	$ 1,210	$ 1,256	$ 1,221
Less: Total cash costs per gold ounce sold	(705)	(855)	(716)	(746)
Average realized margin per gold ounce sold	$ 572	$ 355	$ 540	$ 475

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

Adjusted 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 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, deferred income and mining taxes, non-cash unrealized gains and losses on derivative instruments, accretion on long-term debt and decommissioning and restoration provisions, impairment provisions and reversals thereof, and other non-recurring items. Adjusted basic earnings (loss) per share is calculated using the weighted average number of shares outstanding under the basic method of earnings (loss) per share as determined under IFRS.

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Balance included in the statement of comprehensive earnings caption "Net finance cost". The related financial statements include a detailed breakdown of "Net finance cost".

	Three months ended December 31		Year ended December 31	
In millions of dollars, except where noted	2017	2016	2017	2016
Basic weighted average shares outstanding	174,838,628	174,574,001	174,699,112	173,530,610
Adjusted earnings and Adjusted basic earnings per share reconciliation				
Net earnings (loss)	$ 16.7	$ (13.5)	$ 88.2	$ (6.9)
Adjusted for:				
Fair value (gain) loss of the convertible notes[1]	-	(13.0)	(0.9)	4.6
Accretion on debt[1]	5.4	7.6	28.5	31.8
Accretion on decommissioning and restoration provision[1]	-	-	0.2	0.1
Non-cash unrealized (gain) loss on derivative instruments[2]	1.0	(4.5)	(0.5)	(1.7)
Foreign exchange (gain) loss[1]	1.3	0.6	(4.6)	-
Deferred income and mining taxes	15.8	16.8	3.6	(17.5)
Adjusted earnings (loss)	$ 40.2	$ (6.0)	$ 114.5	$ 10.4
Adjusted basic earnings (loss) per share	$ 0.23	$ (0.03)	$ 0.66	$ 0.06

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

Additional IFRS Financial Performance Measures
The Company has included the additional IFRS measure "Earnings (loss) from mine operations" in the news release. Management noted that "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 and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance. 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" 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.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking statements. The forward-looking statements in this news release speak only as of the date of this news release or as of the date or dates specified in such statements.

Specifically, this news release contains forward-looking statements regarding the Company completing an assessment to improve near-term gold production and cash flow profile by accelerating access to the higher grades currently being processed in 2021 and 2022 in the second quarter of 2018.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. 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 listed in the section entitled "Description of Business - Risk Factors" in Detour Gold's 2017 Annual Information Form ("AIF") and in the continuous disclosure documents filed by Detour Gold on and available on SEDAR at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by forward-looking statements, including those contained in this news release. Such statements are 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 available cash resources; the Company's ability to attract and retain skilled staff; the mine development and production schedule and related costs; dilution control; sensitivity to metal prices and other sensitivities; the supply and demand for, and the level and volatility of the price of, gold; timing of the receipt of regulatory and governmental approvals for development projects and other operations; the timing and results of consultations with the Company's Aboriginal partners; the supply and availability of consumables and services; the exchange rates of the Canadian dollar to the U.S. dollar; energy and fuel costs; required capital investments; estimates of net present value and internal rate of returns; the accuracy of mineral reserve and mineral 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; and general business and economic conditions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by forward-looking statements. All forward-looking statements, including those herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements 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.

Information Containing Estimates of Mineral Reserves and Resources
The mineral reserve and resource estimates were prepared in accordance with Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), as required by Canadian securities regulatory authorities. Readers are advised to refer to the latest AIF of the Company and other continuous disclosure documents filed by the Company available at www.sedar.com, for detailed information regarding the mineral reserve and resource estimates. For United States reporting purposes, the United States Securities and Exchange Commission ("SEC") applies different standards in order to classify mineralization as a reserve. In particular, while the terms "measured", "indicated" and "inferred" mineral resources are required pursuant to NI 43-101, the SEC does not recognize such terms. Canadian standards differ significantly from the requirements of the SEC. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories constitute or will ever be converted into reserves. In addition, "inferred" mineral resources have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws, issuers must not make any disclosure of results of an economic analysis that includes inferred mineral resources, except in rare cases.

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