

DETOUR GOLD CORPORATION

Management's Discussion and Analysis

Third Quarter Ended September 30, 2013

The following Management's Discussion and Analysis ("MD&A") of Detour Gold Corporation ("Detour Gold" or the "Company") is intended to supplement and complement the Company's consolidated financial statements. The MD&A should be read in conjunction with the audited consolidated financial statements and related notes and schedules for the year ended December 31, 2012 which were prepared under International Financial Reporting Standards ("IFRS"). The September 30, 2013 unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB") and IFRS Interpretations Committee. This report is dated November 7, 2013. The Company's public filings, including its most recent Annual Information Form, can be viewed on the SEDAR website (www.sedar.com) and on the Company's website (www.detourgold.com).

All dollar figures stated herein are expressed in thousands of United States dollars, unless otherwise specified. This MD&A contains certain forward-looking statements. Please see the cautionary language at the end of this MD&A.

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BUSINESS OVERVIEW

Detour Gold is a Canadian gold producer engaged in the acquisition, exploration, development and operation of mineral property interests. The Company's primary asset is the Detour Lake mine where the first gold pour occurred in February 2013 after 27 months of construction. The Detour Lake mine continues its ramp up into a large-scale open pit mine. Having declared commercial production on September 1, the processing plant has shown continued improvement and is gradually approaching its nameplate capacity of 55,000 tonnes per day (tpd).

The Detour Lake mine reached commercial production on August 12, having operating for a period of 60 consecutive days (commencing June 13) at an average of 41,428 tpd. The Company's definition of commercial production states that commercial production will be declared on the first day of the calendar month following the mill having operated for a period of 60 consecutive days at an average of 75% or more of the designed production capacity, equivalent to 41,250 tpd. Consequently, commercial production was declared effective September 1.

In addition to its existing operation, the Company believes it has significant exploration potential on its 100% owned Detour Lake property with the Block A gold deposit and encouraging drill results reported from the Lower Detour area, both within five kilometres from the Detour Lake processing plant.

Detour Gold's common shares are listed on the Toronto Stock Exchange (TSX:DGC).

THIRD QUARTER HIGHLIGHTS

- Commercial production reached on August 12 (declared September 1)
- Gold production of 75,672 ounces (80,765 ounces poured) for the quarter
- Mill processing rates averaging 42,142 tonnes per calendar day (or 53,821 tonnes per operating day)
- Mining rates steadily increased from 158,000 tpd in July to 201,000 tpd in September
- Tailings dam construction for 2014 mining operation fully complete
- Gold sales of \$33,088 in September (commercial production period) at an average realized price of \$1,340 per ounce[†]
- Total cash costs per gold ounce[†] of \$1,214 and average realized margin[†] of \$126 per ounce
- Net loss of \$11,846 or \$0.09 per share for the three months ended September 30, 2013
- Cash and short-term investment balance of \$155,973 as at September 30, 2013

[†] "Total cash costs per gold ounce", "Average realized price", and "Average realized margin" are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to the "Non-IFRS Financial Performance Measures" section of this MD&A for reconciliations of these non-IFRS measures.

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OPERATING RESULTS: DETOUR LAKE MINE RAMP-UP

The Detour Lake mine is located in northeastern Ontario, approximately 300km northeast of Timmins and 185km by road northeast of Cochrane. The 630km² Detour Lake property consists of a contiguous block of unpatented mining claims, mining leases and patented claims in the District of Cochrane.

The Detour Lake mine has continued to show improved operating performance over its initial three quarters of operation, which includes two quarters of pre-commercial production operations.

	Q3 Commissioning & Commercial Production Period ¹	Q2 Commissioning Period	Q1 Commissioning Period ²	2013 Q1-Q3
Operating Results				
Ore mined (000's t)	4,161	2,708	1,287	8,155
Waste mined (000's t) (includes overburden)	12,420	9,956	9,123	31,496
Total mined (000's t)	16,581	12,664	10,410	39,651
Waste-to-ore ratio	3.0	3.7	7.1	3.9
Tonnes milled (000's t)	3,877	2,868	1,022	7,767
Head grade (g/t)	0.72	0.76	0.64	0.71
Recovery (%)	85%	82%	80%	83%
Gold ounces produced ³	75,672	57,897	16,841	150,410
Gold ounces sold ⁴	75,600	37,870	4,052	117,522

¹ Commercial production effective September 1, 2013

² Production starting on January 12, 2013 with first production line and on March 9, 2013 with second production line

³ Q3 = 80,765 ounces poured (circuit inventory reduced from 23,189 ounces to 17,998 ounces)

⁴ Gold ounces sold exclude 2% royalty in kind ounces. Refer to MD&A section "Commitments and Contingencies – Detour Lake mine royalty"

Mining

During the third quarter, the open pit operation mined 16.6 million tonnes ("Mt"), of which 12.4 Mt were waste (including 4.16 Mt of overburden and till) for a quarterly waste to ore ratio of 3.0 to 1 (4.16 Mt of ore mined). At the end of September, the run-of-mine ore stockpiles contained over 1.77 Mt grading 0.72 g/t.

Mining rates ramped up during the third quarter averaging 180,222 tpd of total material moved (overburden, ore and waste). Mining rates reached an average of 201,000 tpd in September with a record day at 252,000 tpd. This significant improvement (27% from the start of the quarter) is the result of higher shovel productivity rates, increased pit access, higher blasted rock inventory, and quality of haul roads. The Company targets to exit 2013 at a mining rate of 250,000 tpd.

Pre-stripping activities continued during the quarter to provide access to the higher grade zone (Domain #2) located just west of the former Campbell pit (with an average grade of 1.2 g/t). Mining of Domain #2 is scheduled to start in the fourth quarter.

In preparation for the 2014 mine plan, a contractor with smaller equipment will start working in the south part of the pit to further accelerate pre-stripping (removal of 2 Mt of overburden) and for the construction of a second haulage road south of the pit.

The Company is scheduled to take delivery of an additional hydraulic shovel (CAT 6060) in November along with three haul trucks (CAT 795F) before year-end. In 2014, the Company will have a mining fleet of 23 haul trucks, three hydraulic shovels (CAT 6060), one excavator (CAT 6030) and two rope shovels (CAT 7495).

Milling

During the third quarter, the mill processed a total of 3.88 Mt of ore from a combination of direct feed and run-of-mine stockpiles. The mill facility (both grinding lines) reported an average of 42,142 tonnes (a 33% improvement from the second quarter) processed per calendar day (53,821 tonnes per operating day) with a record day at 58,000 tonnes. There were 12 days in September where the mill processed more than 50,000 tonnes per day.

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Mill availability improved from 68% during the second quarter to 78% during the third quarter. A six-day planned shutdown reduced availability by 10% in September. The planned shutdown was scheduled to change the shell liners for the first time in both SAG mills and included other maintenance that was required after nine months of operation. In the third quarter, design and operational changes were implemented on the secondary crushers' shuttle conveyors which will lead to further improvement in availability during the fourth quarter.

The mill processed 3.88 Mt at an average grade of 0.72 g/t with recoveries of 85% for a gold production of 75,672 ounces. Recovery in the last two months of the quarter averaged 87%. Recovery is expected to further improve in the fourth quarter with higher availability of the gravity circuit.

The head grade was slightly lower than planned in the third quarter due to the lower grade stockpile contribution (487,900 tonnes at 0.57 g/t, or 13% of total feed) and mining dilution of 8% (an improvement over the 12% mining dilution obtained in the second quarter).

In August 2013, the Company received approval from the Ontario government to modify its tailings facility construction design from downstream to centre-line. This design change, which requires less material to be moved, is expected to be implemented starting in 2014.

Detour Gold submitted an application to the Ontario government for a long-term (6 year), fixed rate power contract. Electricity prices in Ontario are variable due to the open nature of the market. Detour Gold is seeking to take advantage of a new rebate program offered by the Ontario Power Authority which, if successful, would provide a fixed energy price through to December 2019.

SUMMARY OF QUARTERLY RESULTS

Prior to the declaration of commercial production on September 1, 2013, all related revenues generated from gold ounces sold were credited against capitalized project costs. Accordingly, comparative financial results do not reflect the results of mining activities.

(\$ thousands, except per share amounts)	2013			2012				2011
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Gold ounces produced	75,672	57,897	16,841	-	-	-	-	-
Gold ounces sold ¹	75,600	37,870	4,052	-	-	-	-	-
Metal sales ²	\$ 33,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Production costs	30,363	-	-	-	-	-	-	-
Depreciation and depletion	2,939	-	-	-	-	-	-	-
Expenses ³	7,896	11,837	12,281	14,710	13,751	15,851	13,907	13,812
Net finance income (costs)	(3,736)	34,934	35,694	30,232	(42,310)	27,942	3,845	58,611
Net earnings (loss)	\$ (11,846)	\$ 23,097	\$ 23,413	\$ 15,522	\$ (56,061)	\$ 12,091	\$ (10,062)	\$ 44,799
Basic earnings (loss) per share	\$ (0.09)	\$ 0.19	\$ 0.20	\$ 0.14	\$ (0.50)	\$ 0.11	\$ (0.09)	\$ 0.45
Diluted earnings (loss) per share	\$ (0.09)	\$ 0.19	\$ 0.20	\$ 0.13	\$ (0.50)	\$ 0.11	\$ (0.09)	\$ 0.44
Additions to property, plant and equipment	\$ 69,387	\$ 101,288	\$ 161,018	\$ 240,003	\$ 259,256	\$ 278,326	\$ 204,663	\$ 206,384

¹ Gold ounces sold exclude 2% royalty in kind ounces. Refer to MD&A section "Commitments and Contingencies – Detour Lake mine royalty".

² All sales prior to commercial production were credited against capitalized project costs.

³ Includes corporate administration and exploration and evaluation expenses.

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Metal sales and Production costs

During the third quarter, the Company produced 75,672 gold ounces and sold 75,600 gold ounces resulting in revenues of \$100,518, of which 50,900 gold ounces and \$67,430 was applied to reduce the capital costs of the mine as they relate to sales during the pre-commercial production period up to September 1, 2013.

During September, the Company sold 24,700 gold ounces at an average realized gold price[†] of \$1,340 per ounce (versus the average London PM fix gold price of \$1,349 per ounce). Total cash costs per ounce of gold[†] sold during the same period were \$1,214, resulting in an average realized margin[†] of \$126 per ounce.

At this stage of the ramp-up of the Detour Lake mine, these costs are reasonable as the operation has still not reached throughput design capacity of 55,000 tpd. Operating costs are expected to gradually decrease as the Company continues to improve mill availability and efficiency of operation.

Results for the previous quarters do not reflect mining activities and are accordingly not comparable.

Corporate administration expense

During the third quarter of 2013, corporate and administrative expenses decreased to \$6,879 which was \$2,067 lower than in the comparable period of 2012. Included in corporate and administrative expense is \$2,084 and \$158 of non-cash costs related to share-based compensation and depreciation expense, respectively (2012-\$3,431 and \$141, respectively). This was primarily as a result of a decline in the share price resulting in a reduction in share based compensation.

For the nine months ending September 30, 2013, corporate and administrative expenses decreased to \$22,646 which was \$4,405 lower than in the comparable period of 2012. Included in corporate and administrative expense is \$8,610 and \$528 of non-cash costs related to share-based compensation and depreciation expense, respectively (2012-\$11,562 and \$427, respectively). This was primarily as a result of a decline in the share price resulting in a reduction in share based compensation.

Exploration and evaluation expenses

Exploration and evaluation expenses in the third quarter of 2013 totaled \$1,017 compared to \$4,805 spent in the comparative quarter of 2012. The reduction in exploration expenses was primarily related to no drilling activities in 2013 on the Block A project as a result of the Company's review of its 2013 spending program which included deferring the completion of a pre-feasibility for the project to 2014. The expenses include \$128 of non-cash share-based compensation expense (2012 - \$270).

For the nine months ending September 30, 2013, exploration and evaluation expenses decreased to \$9,368 which was \$7,090 lower than in the comparable period of 2012. The reduction in exploration expenses was primarily related to no drilling activities in 2013 on the Block A project as a result of the Company's review of its 2013 spending program which included deferring the completion of a pre-feasibility for the project to 2014. The expenses include \$576 of non-cash share-based compensation expense (2012 - \$1,277).

Net finance income and costs

Fair value change of the convertible notes

The loss in earnings of \$11,846 in the third quarter of 2013 reflects lower net finance income and costs, primarily due to an increase in fair value mark to market gain of \$43 the Company incurred on the \$425,000 convertible notes compared to a loss of \$50,129 in the comparable period of 2012. The increase relates to the change in the value of the equity conversion option derivative which primarily resulted from the decrease in the market pricing of the convertible notes which trade Over The Counter as a result of the decrease in the Company's share price. In addition, a mark to market loss on the fair value adjustment of the \$75,000 Class A notes was recognized during the three months ended September 30, 2013 of \$1,125 compared to a loss of \$4,702 in the comparable period. The change in

[†]“Average realized gold price”, “Total cash costs per ounce of gold”, and “Average realized margin” are non-IFRS financial performance measures with no standard meaning under IFRS. Refer to the “Non-IFRS Financial Performance Measures” section of this MD&A for reconciliations of these non-IFRS measures.

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the fair value of the Class A notes is a result of the decreased trading value of the \$425,000 convertible notes which is utilized as the basis for the valuation of the \$75,000 Class A notes which has been adjusted downwards in value due to the absence of a non-call period in these notes as compared to the \$425,000 convertible notes.

The net earnings of \$34,664 in the nine months ended September 30, 2013 reflects higher net finance income and costs, primarily due to an increase in fair value mark to market gain of \$66,923 the Company incurred on the \$425,000 convertible notes compared to a loss of \$23,708 in the comparable period of 2012. The increase relates to the change in the value of the equity conversion option derivative which primarily resulted from the decrease in the market pricing of the convertible notes which trade Over The Counter as a result of the decrease in the Company's share price. In addition, a mark to market gain on the fair value adjustment of the \$75,000 Class A notes was recognized during the nine months ended September 30, 2013 of \$11,325 compared to a loss of \$6,164 in the comparable period. The change in the fair value of the Class A notes is a result of the increased trading value of the \$425,000 convertible notes which is utilized as the basis for the valuation of the \$75,000 Class A notes which has been adjusted downwards in value due to the absence of a non-call period in these notes as compared to the \$425,000 convertible notes.

Foreign exchange

The Company realized a foreign exchange gain of \$1,799 for the quarter ended September 30, 2013 compared to a gain of \$10,134 in the comparable quarter of 2012. The fluctuations in exchange gains and losses arise due to the fact the Company's functional currency is the U.S. dollar, however operates in Canada creating foreign currency exposure with the respect to items not denominated in U.S. dollars.

The Company realized a foreign exchange loss of \$6,275 for the nine months ended September 30, 2013 compared to a gain of \$11,525 in the comparable period of 2012. The fluctuations in exchange gains and losses arise due to the fact the Company's functional currency is the U.S. dollar, however it operates in Canada creating foreign currency exposure with the respect to items not denominated in U.S. dollars.

Interest Income / Other

Interest income in the third quarter of 2013 was \$407 compared to \$1,326 in the third quarter of 2012. Lower interest income resulted from lower average balances in cash, cash equivalents and short-term investments.

Interest income for the nine months ended September 30, 2013 was \$1,340 compared to \$5,689 in the comparable period. Lower interest income resulted from lower average balances in cash, cash equivalents and short-term investments.

FINANCIAL CONDITION REVIEW

	September 30 2013	December 31 2012
Cash and cash equivalents	\$136,992	\$197,807
Short-term investments	18,981	38,404
Property, plant and equipment	2,290,985	2,075,375
Inventories	81,795	4,616
Other assets	21,472	75,445
Total assets	\$2,550,225	\$2,353,243
Trade and other payables	\$102,888	\$141,831
Current and long-term portion of debt	553,482	533,504
Provisions	34,363	36,734
Other liabilities	-	-
Total liabilities	\$690,733	\$712,069
Total equity	\$1,859,492	\$1,641,174

Total assets were \$2,550,225 at September 30, 2013, an increase of \$196,982 compared to December 31, 2012. The increase primarily reflects increases in property, plant and equipment due to the impact of significant capital expenditures related to the construction of the Detour Lake mine and the associated capitalization of pre-commercial

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production start-up losses. The Company's asset base is primarily comprised of non-current assets such as property, plant and equipment, reflecting the capital intensive nature of the mining business. Other significant assets include inventories, cash and cash equivalents and other receivables. Other receivables are mainly comprised of HST receivables, as the Company does not carry any trade receivables.

Total liabilities were \$690,733 at September 30, 2013, a decrease of \$21,336 compared to December 31, 2012. Current and long-term debt of \$553,482 includes a debt totaling \$500,000 (face value) related to the Company's convertible notes which mature November 2017. Refer to Commitments and Contingencies for a schedule of debt and interest repayments.

Total equity was \$1,859,492 at September 30, 2013, an increase of \$218,318 compared to December 31, 2012. The increase resulted primarily from a public offering completed on June 11, 2013, which generated total net proceeds of \$165,600. Additional capital was raised in connection with the December 11, 2012 public offering on January 10, 2013 whereby the underwriters exercised a portion of their over-allotment option for net proceeds of \$7,752.

Liquidity and Capital Resources

As at September 30, 2013, the Detour Lake mine had produced a total of 150,410 ounces of gold (including circuit inventory build-up) and sold 117,522 ounces. While gold production continues to increase during the ramp-up year of operations at the Detour Lake mine, proceeds generated from the sale of gold are not yet sufficient to fully fund operations and the required sustaining capital expenditures.

As at September 30, 2013, the Company's cash and cash equivalents, short-term investments and restricted cash amounted to \$155,973 compared to \$245,997 as at December 31, 2012, as summarized below:

	September 30 2013	December 31 2012
Cash and cash equivalents	\$136,992	\$197,807
Short-term investments	18,981	38,404
Restricted investments	-	9,786
Total	\$155,973	\$245,997

The Company maintains its Canadian and U.S. funds in certificates of deposit or interest bearing accounts at select Canadian chartered banks.

In addition to the cash and short-term investments noted above, the Company has \$20,000 in undrawn capacity remaining within its Cdn\$90,000 (or equivalent USD currency) Revolving Credit Facility.

Management had previously estimated that, provided there were minimum gold sales of 60,000 ounces in the second quarter of 2013 at a gold price of \$1,465 per ounce, the Company would have sufficient liquidity to reach commercial production without the requirement of additional funding but reserved its right to enhance its liquidity position by adding additional funding during the ramp-up period. As a result of a declining gold price, together with a projected shortfall in production for the second quarter of 2013, the Company proceeded with an equity issuance which resulted in net proceeds of approximately \$165,600 in the second quarter of 2013.

The Detour Lake mine attained commercial production in the third quarter of 2013 (see Third Quarter Highlights). However, this may not, in itself, be sufficient to fully fund operations, required sustaining capital expenditures, corporate costs and debt service payments. The Company's definition of commercial production states that commercial production will be declared on the first day of the calendar month following the mill having operated for a period of 60 consecutive days at an average of 75% or more of the designed production capacity and by its nature does not include any variable for the grade of ore mined nor the gold price which have a significant impact on the cash flows of the Company.

The Company has now drawn down \$142,176 from the \$150,000 total equipment leasing facility and has repaid \$26,228 in principal. The Company expects the remaining balance to be drawn down in late 2013 or early 2014 to fully utilize the existing facility. The term of the equipment leasing facility is five years from the date of draw down and is secured by the mobile fleet equipment. Title to the mobile fleet will transfer to the Company at the completion of the lease and can be repaid without penalty at any time. During the lease term, all 795F haul trucks must be maintained

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and repaired by Toromont CAT per the terms of the Maintenance and Repair Contract. The equipment leasing facility provides credit under various tranches, all bearing interest at three month LIBOR plus 4.0% (September 30, 2013 - 4.3%), compounded monthly and payable quarterly. The Company and the lessor have commenced discussions on enhancements to this facility.

On June 11, 2013, the Company closed a public offering and over-allotment of 17,500,000 and 2,625,000 common shares, respectively, at a price of \$8.59 (Cdn\$8.75) per common share for cash consideration of \$172,836 (Cdn\$176,093). In connection with the offering, the underwriters were paid a 4% commission totaling approximately \$6,913 (Cdn\$7,044). Share issuance costs of \$323 (Cdn\$330) were incurred in relation to the offering.

Proceeds on the exercise of stock options for the quarter ended September 30, 2013 were \$1,307, as compared to \$2,878 in the comparative period in 2012.

Subsequent to quarter end, the Company has entered into some short dated Canadian dollar contracts to protect us against the variability of the Canadian dollar relative to the US dollar. These contracts represent an economic hedge of 2013 forecasted expenditures. The Company is considering extending this program into 2014 and is also evaluating a risk management program for its gold sales where it would enter into contracts to protect the gold price during the ramp-up period of the mining operation.

As a result of the significant decrease in the gold price since the first quarter of 2013 and continued volatility in the price of gold, coinciding with the ongoing ramp-up period of the Detour Lake mine, the Company may require, or decide that it would prefer to have, additional funding in place to ensure the uninterrupted operation of the mine and maintenance of its on-going commitments including the requirement to fund principle and interest related to the Company's current debt position.

Contractual obligations and other commitments detailed in the Commitments and Contingencies section of this MD&A summarize certain of our liquidity and capital resources.

Credit Facility

In March 2013, the Company entered into a Cdn\$135,000 senior secured credit facility (the "Facility") with a syndicate of chartered Canadian and Australian banks. The Facility is comprised of a Cdn\$90,000 (or the equivalent amount in U.S. dollars) revolving credit facility (the "Revolving Credit Facility") and a Cdn\$45,000 letter of credit facility (the "LC Facility"). The Facility has a tenor of three years and is available for working capital during the ramp-up period of the Detour Lake mine, financial assurance and general corporate purposes. The previous Cdn\$45,000 letter of credit facility (entered into in December 2012), was terminated upon closing of the Facility.

The Facility contains a financial covenant requiring the Company to maintain at all times a minimum tangible net worth of \$1,081,000, increasing by 50% of positive net income once Completion, as defined in the Facility, is achieved. Positive net income excludes the impact of unrealized gains and losses from mark to market adjustments on the convertible notes.

The Company is also required, prior to completion, to maintain sufficient liquidity to pay all forecasted costs of the Detour Lake mine which are necessary to achieve completion, including, but not limited to, site and corporate operating costs, capital lease payments, royalties, refining costs, capital expenditures, taxes, working capital and amounts the Company has included as budgeted amounts for contingent obligations in respect of construction liens. The Company is in compliance with the covenant at September 30, 2013.

The Facility is subject to a Completion Test ("CT") where the Company must meet the following four criteria concurrently over a consecutive 90 day period prior to September 30, 2014: open pit mining rate of not less than 210,000 tonnes per day total material movement; average mill through put of not less than 49,500 tonnes per day; total gold ounces produced, including in-circuit production, of not less than 124,250 ounces; and site operating costs, including stripping costs, of not more than Cdn\$120,000 or Cdn\$870 per ounce. Failure to achieve the CT constitutes an event of default under the Facility.

The Company expects, to pass the CT prior to September 30, 2014 and has accordingly classified amounts drawn on the Facility as long-term debt. When the Company passes the CT, it will be subject to two additional financial covenants on a quarterly basis as follows: a leverage ratio test requiring a net debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio of not more than 3.5 to 1, and an interest coverage ratio test requiring

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an EBITDA to interest expense ratio of not more than 3.5 to 1. EBITDA and interest expense will be annualized in the periods post the CT.

The interest margin on drawings under the Revolving Credit Facility denoted below are over LIBOR, the Prime Rate or the Base Rate.

	Interest Rate	Standby Fee
Revolving Credit Facility	2 – 3%	0.90%
LC Facility	1.80%	0.54%

At September 30, 2013, the Company had drawn \$70,000 under the Revolving Credit Facility at a rate of 3.2%. In addition, the Company had drawn \$39,519 (Cdn\$40,716) under the LC Facility.

COMMITMENTS AND CONTINGENCIES

Purchase commitments

As at September 30, 2013, the total purchase commitments for capital expenditures for the Detour Lake mine amounted to approximately \$35,095 which are expected to settle over the next twelve months.

Operating leases

The Company has operating lease agreements involving office space and equipment. Future minimum lease payments required to meet obligations that have initial or remaining non-cancelable lease terms are \$243, \$1,025, \$656, \$nil and \$nil for 2013 to 2017, respectively.

Detour Lake mine royalty

The Detour Lake mine is subject to a 2% net smelter royalty payable to Franco-Nevada Canada Holdings Corp. ("FN"). FN has the right to elect, on a yearly basis, to have the royalty paid in cash or in kind. For 2013, FN elected to receive the royalty paid in kind. During the three and nine months ended September 30, 2013, the Company paid in kind 1,600 and 2,631 ounces of gold, respectively (2012 – nil).

Other commitments

Commitments related to long-term debt payments are summarized as follows:

	2013	2014	2015	2016	2017	Thereafter	Total
Repayment of convertible notes	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000
Interest on convertible notes	13,750	27,500	27,500	27,500	27,500	-	123,750
Repayment of finance lease	8,162	32,573	32,573	30,705	22,164	1,727	127,904
Revolving credit facility	-	-	-	70,000	-	-	70,000
Interest on credit facility	563	2,406	2,275	2,275	-	-	7,519
Total debt payable	\$ 22,475	\$ 62,479	\$ 62,348	\$ 130,480	\$ 549,664	\$ 1,727	\$ 829,173

Contingencies

In 2012, North America Construction (1993) Ltd. ("NAC") registered three construction liens totaling Cdn\$66,478 in relation to the Detour Lake mine (the "Liens"). NAC filed two Statements of Claim with the Ontario Superior Court of Justice for payment of these construction lien claims and for breach of contract. The aggregate amount claimed under the Statements of Claim was Cdn\$67,177 of which Cdn\$9,160 related to mass excavation and backfill services and Cdn\$58,017 related to concrete work (the "NAC Actions").

The Company served its Statements of Defence and Counterclaim in response to the NAC Actions on August 7, 2012. Among other things, the Company claimed a set off against any amounts that may be found owing to NAC in relation to the additional costs incurred by the Company resulting from NAC's failure to complete its scope of work on

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time, requiring the Company to hire other contractors to complete same. The claim for set-off and counterclaim was in the amount of Cdn\$23,725. NAC served Statements of Defence to Counterclaim in each of the NAC Actions.

On October 18, 2013, the Company and NAC reached a full and final settlement of the NAC Actions and the Company's Counterclaim in exchange for payment by the Company of Cdn\$19,290 to NAC plus Cdn\$2,500 on each of June 30, 2014 and June 30, 2015, for a total of Cdn\$24,290. Payment of the Cdn\$19,290 has been made by the Company to NAC's counsel and will be held in trust pending the dismissal of both the NAC Actions and the Company's Counterclaim and the removal of the Liens from title which is anticipated to occur in November 2013. It is anticipated that the Liens will be removed from title and the NAC Actions and Company's Counterclaim formally dismissed in November 2013.

The Company had previously accrued Cdn\$21,000 for the NAC Actions.

OUTLOOK FOR 2013

The Company continues to anticipate that the fourth quarter of 2013 will be the highest production quarter of the year. The Company does not believe that it will attain its prior 2013 guidance production target of approximately 270,000 ounces and now expects production of between 240,000 and 260,000 ounces of gold. Total cash costs for the commercial production period (September 1 to year-end) are expected to remain within the Company's previously stated guidance of \$1,100 per ounce.

In 2014, the Company will continue to optimize the operation to reach nameplate capacity of 55,000 tpd by year-end. Preparation of the 2014 budget is well underway. Preliminary numbers indicate 2014 production of between 440,000 and 500,000 ounces of gold at all-in sustaining costs of \$1,150 to \$1,250 per ounce. The Company will provide 2014 guidance (including projected costs, production, grades and other parameters) in January 2014.

In the first quarter of 2014, the Company also plans to report an updated mine plan for Detour Lake, which will include year-end 2013 mineral reserves and resources. The mineral reserves will be estimated at a gold price of US\$1,000 per ounce using a cut-off grade of 0.5 g/t gold (unchanged from prior estimate). The decision to proceed with an expansion of the processing plant (55,000 to 61,000 tpd) is expected to be taken at year-end 2014.

NON-IFRS FINANCIAL PERFORMANCE MEASURES

The Company has included certain non-IFRS measures in this document. 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.

Prior to September 1, 2013, the Company was focused on developing and constructing the Detour Lake Mine. Accordingly, comparative financial results do not reflect the results of mining activities. The non-IFRS measures are defined below and are reconciled with the reported IFRS measures:

Total cash costs per gold ounce

Total cash costs per gold ounce is a common financial performance measure in the gold mining industry but with no standard meaning under IFRS. Detour Gold reports total cash costs on a sales basis. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, such as sales, certain investors use this information to evaluate the Company's performance and ability to generate operating earnings and cash flow from its mining operations. Management utilizes this metric as an important tool to monitor cost performance.

Total cash costs per gold ounce include production costs such as mining, processing, refining and site administration, less non-cash share-based compensation and net of silver sales divided by gold ounces sold to arrive at total cash costs per gold ounce sold. Production costs are exclusive of depreciation and depletion. Production costs include the costs associated with providing the royalty in kind ounces. Other companies may calculate this measure differently.

DETOUR GOLD CORPORATION

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	Three months ended		Nine months ended	
	September 30		September 30	
	2013	2012	2013	2012
Production costs	\$ 30,363	\$ -	30,363	-
Share-based compensation	(377)	-	(377)	-
Silver sales	-	-	-	-
Total cash costs	\$ 29,986	\$ -	\$ 29,986	\$ -
Gold ounces sold	24,700	-	24,700	-
Total cash costs per gold ounce sold	\$ 1,214	\$ -	\$ 1,214	-

Gold ounces sold exclude pre-commercial production ounces (prior to September 1, 2013) as these are credited against capitalized project costs.

Average realized price and average realized margin

Average realized price and average realized margin per ounce sold are financial measures with no standard meaning under IFRS. Management and investors use these measures to better understand the gold price and margin realized throughout a period. Average realized margin represents average realized price per gold ounce less total cash costs per ounce.

Average realized price and average realized margin is intended to provide additional information to investors and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Other companies may calculate this measure differently.

	Three months ended		Nine months ended	
	September 30		September 30	
	2013	2012	2013	2012
Revenues from gold sales	\$ 33,088	\$ -	33,088	-
Gold ounces sold	24,700	-	24,700	-
Average realized price	\$ 1,340	\$ -	\$ 1,340	\$ -
Less: Total cash costs per gold ounce sold	(1,214)	-	(1,214)	-
Average realized margin per gold ounce sold	\$ 126	\$ -	\$ 126	\$ -

ADDITIONAL IFRS FINANCIAL PERFORMANCE MEASURES

The Company has included the additional IFRS measure "Earnings (loss) from mine operations" in the Financial Statements. 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, corporate and exploration and evaluation expenses, finance income and costs, and taxation.

RELATED PARTY TRANSACTIONS

Certain directors, key management personnel and employees of the Company purchased refined gold from the first gold pour of the Detour Lake mine at the prevailing market rates. The sales amounted to \$nil (2012 - \$nil) and \$947 (2012 - \$nil) for the three and nine months ended September 30, 2013, respectively.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that are reasonably likely to have a current or future effect on its financial condition, results of operations or liquidity.

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CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the balance sheet date, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates include, but are not limited to, mineral reserves and resources, the production stage of a mine, the assumptions used in determining decommissioning and restoration, as well as the employee and management bonus plan, provisions, the carrying value of property, plant and equipment, production inventories, recovery of potential deferred tax assets, the fair value of share-based compensation and other share-based payments and the fair value estimate of the equity conversion option derivative related to the convertible notes. Actual amounts could differ materially from the estimates used and accordingly, affect the results of operations.

Mineral Reserves and Resources

The Company estimates its mineral reserves and resources based on information compiled by qualified persons as defined in accordance with the Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure for Mineral Projects requirements. The estimation of future cash flows related to proven and probable mineral reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body. Changes in the proven and probable mineral reserves or measured and indicated and inferred mineral resources estimates may impact the carrying value of property, plant and equipment, decommissioning and site restoration costs and recognition of deferred tax amounts.

Production Stage of a Mine

The determination of the date on which a mine enters the production stage is a significant judgment since capitalization of certain costs ceases upon entering production. As a mine is constructed, costs incurred are capitalized and proceeds from metal sales are offset against the capitalized costs. This continues until the mine is available for use in the manner intended by management, which requires significant judgment in its determination. For the Detour Lake mine, management has determined commercial production as operating the mine for a period of sixty consecutive days at an average of 75% or more of the design production capacity.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. A change in estimate of a recognized provision or liability would result in a charge or credit to profit or loss in the period in which the change occurs, with the exception of decommissioning and restoration costs described below.

Decommissioning and Restoration Provisions

The Company has provisions for decommissioning and restoration costs which include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Decommissioning and restoration costs are a normal consequence of mining and the majority of decommissioning and restoration expenditure is incurred at the end of the life of the mine. Although the ultimate cost to be incurred is uncertain, the Company estimates the respective costs based on engineering studies using current restoration standards and techniques.

Estimated decommissioning and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the mine development or during the production phase, based on the net present value of estimated future costs. Provisions for decommissioning and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are updated annually, unless significant changes are identified during an interim period, during the life of the operation to reflect known developments, such as revisions to cost estimates and to the estimated lives of operations, and are subject to formal review at regular

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intervals. As at September 30, 2013, the estimated long-term portion of the Company's decommissioning and restoration obligation was \$28,621 (Cdn\$28,182) (December 31, 2012 - \$32,543 (Cdn\$32,307)).

Actual costs incurred during the decommissioning and restoration period, and the timing of when these costs will be incurred, could be materially different from the estimates used by management.

Provisions for Employee and Management Bonus Plans

Judgment is required in determining whether a present obligation, legal or constructive, exists in respect of the Company's employee and management bonus plans. When a legal or constructive obligation is determined to exist, provisions are made for employee and management bonuses. Estimating the bonus provisions involves highly subjective assumptions, such as management's assessment of the likelihood and timing of meeting performance criteria, which can materially affect the estimated amount.

As at September 30, 2013, the estimated employee and management bonus provision was \$5,742 (December 31, 2012 - \$4,191).

Property, Plant and Equipment

Following completion of the feasibility study in the second quarter of 2010, activities directly related to the future mine began being capitalized in addition to the original acquisition costs of the property.

The Company will continue to expense exploration costs unrelated to the current development project where proximity and intent do not correlate to the future mine as they remain exploratory in nature. This includes the costs related to the Block A project.

As at September 30, 2013, the Company's net value of its property, plant and equipment interests was \$2,290,985 (December 31, 2012 - \$2,075,375). Mineral reserves and capitalized mine development expenditures are, upon commencement of production, depreciated using a unit of production method based on the estimated economically recoverable reserves to which they relate or are written off if the property is abandoned. The Company estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons. The estimation of recoverable reserves will be impacted by forecasted commodity prices, exchange rates, production costs and recoveries, amongst other factors. Changes in the reserve or resource estimates may impact the carrying value of assets and depreciation and impairment charges recorded in the results of operations.

The net carrying amounts of property, plant and equipment are reviewed for impairment when events and changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, management estimates the recoverable amount of the cash-generating unit to which the asset belongs. To the extent that the net carrying amounts exceed their recoverable amounts, that excess is fully provided against in the period in which this is determined.

Production Inventories

The allocation of costs to inventories and the determination of net realizable value involve the use of estimates. There is a high degree of judgment in estimating future costs, future production levels, contained gold ounces and gold prices. There can be no assurance that actual results will not differ significantly from estimates used in the determination of the carrying value of inventories.

Recovery of Potential Deferred Tax Assets

The Company has carried forward losses that have the potential to reduce tax payments in future years.

Judgment is required in determining whether deferred tax assets are recognized in the consolidated financial statements. Deferred tax assets, including those arising from un-utilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the consolidated statement of financial position date could be impacted.

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Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

Share-based Payments – Employees

During the third quarter, the Company recorded share-based payments related to its employees of \$2,589 (2012 - \$3,701) which were expensed and \$127 (2012 - \$2,938) which were capitalized to property, plant and equipment for the three months ended September 30, 2013. The share-based payment cost is based on an estimate of the fair value on the grant date of stock options issued. This accounting requires estimates of interest rates, expected life of options, stock price volatility and forfeiture rate in the application of the Black-Scholes option pricing model. The Black-Scholes option pricing model requires the input of highly subjective assumptions that can materially affect the fair value estimate.

Deferred Share Units

In May 2013, the Company established a deferred share unit ("DSU") plan for non-executive Directors for the purposes of strengthening the alignment of interests between members of the Board of Directors and shareholders by linking a portion of the annual director compensation to the future value of the Company's common shares.

Each DSU has the same value as one Detour Gold common share (based on the five day volume weighted average trading price). DSUs must be retained until the Director leaves the Board, at which time the cash value of the DSUs is paid out. To the extent that dividends are paid, additional DSUs are granted to reflect dividends paid on Detour Gold's common shares.

As at September 30, 2013, the fair value of the DSUs outstanding were \$633 (December 31, 2012 - \$nil). During the three and nine months ended September 30, 2013, a compensation expense of \$117 and \$633 was recorded (three and nine months ended September 30, 2012 - \$nil).

Fair Value Estimate of the Liability Component of the Senior Unsecured Notes (the "Equity Conversion Option Derivative")

Upon issue of a convertible borrowing, the fair value of the liability component is determined depending on whether the financial instrument is a compound instrument or a hybrid instrument. The Senior Unsecured Notes were determined to be a hybrid financial instrument upon inception, as the Senior Unsecured Notes could be converted to share capital at the option of the holder for the debt amount which varied in the Company's functional currency at the time of the issuance of the Senior Unsecured Notes.

In a hybrid instrument, the liability component is the residual value of the proceeds after the equity conversion option derivative fair value is determined unless the entire convertible financial instrument is designated as a financial liability at fair value through profit or loss, in which case, the entire convertible financial instrument is measured at fair value.

Subsequent to initial recognition, the liability component of a hybrid financial instrument is measured at amortized cost using the effective interest rate method. The equity conversion option of a hybrid financial instrument is marked to market at the consolidated statement of financial position date and changes to fair value are charged or credited in profit or loss.

The equity conversion option derivative was valued upon the initial measurement date and at the financial position reporting date using a convertible note valuation model which includes highly subjective assumptions related to the effective yield and volatility inputs. The input assumptions used in the convertible note valuation as at September 30, 2013, as well as the comparatives at December 31, 2012, are as follows:

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	September 30 2013	December 31 2012
Expected life in years	4.17	4.92
Expected volatility ¹	40%	40%
Risk free rate	1.25%	0.80%
Credit spread	7.71%	7.50%
Foreign exchange spot rate (Cdn\$:U.S.\$)	0.970	1.005
Underlying share price of the Company	\$ 8.47	\$ 25.02
Conversion option exercise price	\$ 38.50	\$ 38.50

¹ Expected volatility is an implied volatility of the Company's common shares based upon the rate a buyer would use to value the Senior Unsecured Notes for purchase.

Based on the Company's valuation as at September 30, 2013, the fair value of the equity conversion option in the Notes was \$5,274 (December 31, 2012 - \$72,197). The decrease in fair value of \$43 (2012 - \$50,129 increase) was recorded to net finance income and costs for the three months ended September 30, 2013.

Fair Value of the Class A Notes

The estimated fair value of the Class A Notes on the financial position reporting date was \$66,750 (December 31, 2012 - \$78,075) and a fair value loss of \$1,125 (2012 - \$4,702) and gain of \$11,325 (2012 - \$6,164 loss) was recognized during the three and nine months ended September 30, 2013, respectively, to net finance income and costs.

Effective September 1, 2013, upon declaring commercial production, the Company made a financial reporting transition from accounting for certain costs as a development stage company to accounting for certain costs as an operating company. The significant financial reporting changes were as follows: the capitalized costs of the Detour Lake mine were transferred from Capital works-in-progress to the relevant asset categories: certain capitalized costs began to be depleted consistent with the Company's established accounting policies; capitalization of interest charges to development costs ceased; capitalization of pre-commercial production operating costs ceased; and recording of mine operations to the income statement, which includes revenues, production costs, depreciation and depletion commenced.

NEW ACCOUNTING POLICIES

Metal Sales

Revenues include sales of refined gold and silver. Revenues are recognized when the significant risks and rewards of ownership have passed to the buyer; it is probable that economic benefits associated with the transaction will flow to the Company; the sale price can be measured reliably; the Company has no significant continuing involvement; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Prior to achieving commercial production, proceeds from metal sales were offset against Capital works-in-progress.

Deferred Share Units (Cash-settled)

Deferred share units are measured on the grant date at fair value and recognized as an obligation. The obligation is re-measured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognized in net earnings. The Company values the obligation based on the change in the Company's share price.

Deferred stripping costs

Stripping costs incurred during the production phase which provide probable future economic benefits, provide identifiable improved access to the ore body and which can be measured reliably are capitalized to mineral properties. Capitalized costs are amortized using a unit-of-production basis over the proven and probable reserve to which they relate. To date, no deferred stripping costs have been recorded.

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NEW ACCOUNTING STANDARDS

The following accounting standards are effective and implemented as of January 1, 2013:

IFRS 10 Consolidated Financial Statements ("IFRS 10") replaces the consolidation guidance in IAS 27 Consolidated and Separate Financial Statements and SIC 12 Consolidation – Special Purpose Entities by introducing a single model to be applied to all entities based on control, irrespective of the nature of the investee. The implementation of IFRS 10 did not have a material impact on the Company's consolidated financial statements.

IFRS 11 Joint Arrangements ("IFRS 11") replaces guidance in IAS 31 Interest in Joint Ventures. Under IFRS 11 joint arrangements are classified as joint operations or joint ventures. Joint operations account for their share of assets, liabilities, revenue and expenses of the joint operations where a joint venture must be accounted for under the equity method of consolidation. The implementation of IFRS 11 did not have a material impact on the Company's consolidated financial statements.

IFRS 12 Disclosure of interest in other entities ("IFRS 12") requires enhanced disclosure about involvement with consolidated and unconsolidated entities, including structured entities commonly referred to as special purpose vehicles or variable interest entities. The implementation of IFRS 12 did not have a material impact on the Company's consolidated financial statements.

IFRS 13 Fair value measurements ("IFRS 13") provides a single source of guidance of how to measure fair value and the related fair value disclosures, where fair value is required or permitted under IFRS. The implementation of IFRS 13 did not have a material impact on the Company's consolidated financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company has not used any hedging instruments or derivatives for hedging purposes.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The control framework that has been used is the COSO (1992) framework. Based on a review of the internal controls by the Chief Executive Officer and the Chief Financial Officer as at September 30, 2013, the Company's internal controls and procedures are appropriately designed to provide reasonable assurance that the financial information is recorded, processed, summarized and reported in a timely manner.

There was no change in the Company's internal controls over financial reporting that occurred during the third quarter of 2013 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Disclosure controls and procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure. The Company's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design effectiveness of the disclosure controls and procedures as of September 30, 2013, which disclosure controls and procedures provide reasonable assurance that material information is made known to them by others within the Company and are appropriately designed.

Limitations of controls and procedures

The Company's management, including the President and Chief Executive Officer and Chief Financial Officer believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well

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designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

OUTSTANDING SHARE DATA

As at November 7, 2013, the date of this MD&A, the Company had the following securities outstanding:

	Number
Common shares	138,153,791
Share purchase options	9,957,076
Senior Unsecured Convertible Notes and Class A Notes	12,987,013

RISKS AND UNCERTAINTIES

The Company is subject to business, operational and financial risks that could cause circumstances to differ materially from those described in forward-looking statements relating to the Company, and could have a material adverse effect upon the Company, its business and future prospectus. For a discussion of the risks and uncertainties that may affect the Company, see the section entitled "Description of Business - Risk Factors" in the Company's 2012 Annual Information Form filed by the Company on and available on the Company's website www.detourgold.com and on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to 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 actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date or dates specified in such statements.

Specifically, this MD&A includes forward-looking statements regarding:

- the Company's strategies and objectives with respect to the Detour Lake property;
- the sufficiency of available funds and the requirement for additional funding;
- the continued ramp-up of the Detour Lake mine;
- the Company's production and cost guidance;
- prices and price volatility for gold;
- higher overall recoveries resulting from the gravity circuit;
- the implementation of the centre-line design of the tailings management area;
- a fixed energy price through to December 2019; and
- general business and economic conditions.

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 discussed in the section entitled "Description of Business – Risk Factors" in the Company's 2012 Annual Information Form filed by the Company on and available on SEDAR at www.sedar.com.

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Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about the following:

- operating and capital costs;
- the estimated timeline for the ramp-up of the Detour Lake mine to a steady state of commercially viable operations;
- the supply and demand for, and the level and volatility of the price of, gold;
- the availability of financing for the Company's exploration and development activities;
- the Company's ability to attract and retain skilled staff;
- timing of the receipt of regulatory and governmental approvals for development projects and other operations;
- the supply and availability of consumables and services;
- the exchange rates of the Canadian dollar to the U.S. dollar;
- energy and fuel costs;
- the accuracy of the Company's mineral reserve and resource estimates and the geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources) and operational and price assumptions on which the mineral reserve and resource estimates are based;
- market competition;
- the Company's ongoing relations with its employees and impacted communities; 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 be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements 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 Concerning Estimates of Measured, Indicated and Inferred 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. 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.

Technical Information

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

DETOUR GOLD CORPORATION
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2013
(UNAUDITED)

DETOUR GOLD CORPORATION
Condensed Interim Consolidated Statements of Financial Position
(Unaudited)
(Expressed in thousands of U.S. dollars)

	Note	September 30 2013	December 31 2012
ASSETS			
Current assets			
Cash and cash equivalents		\$ 136,992	\$ 197,807
Other receivables		12,996	20,953
Short-term investments		18,981	38,404
Restricted investments		-	9,786
Prepaid expenses and deposits		6,341	2,861
Inventories	4	81,795	4,616
Total current assets		257,105	274,427
Non-current assets			
Restricted cash		129	1,173
Deferred charges		2,006	2,268
Property, plant and equipment	5	2,290,985	2,075,375
Total non-current assets		2,293,120	2,078,816
Total assets		\$ 2,550,225	\$ 2,353,243
LIABILITIES			
Current liabilities			
Trade and other payables		\$ 102,888	\$ 141,831
Current portion of long-term debt	6	27,896	15,854
Current portion of provisions		5,742	4,191
Total current liabilities		136,526	161,876
Non-current liabilities			
Long-term debt	6	525,586	517,650
Provisions		28,621	32,543
Total non-current liabilities		554,207	550,193
Total liabilities		690,733	712,069
EQUITY			
Shareholders' equity			
Issued capital	8	1,929,972	1,754,678
Accumulated deficit		(163,120)	(197,784)
Share-based payment reserve		92,640	84,280
Total shareholders' equity		1,859,492	1,641,174
Total liabilities and equity		\$ 2,550,225	\$ 2,353,243

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

DETOUR GOLD CORPORATION**Condensed Interim Consolidated Statements of Comprehensive Income (Loss)**

(Unaudited)

(Expressed in thousands of U.S. dollars, except per share amounts)

	Note	Three months ended September 30		Nine months ended September 30	
		2013	2012	2013	2012
Revenues					
Metal sales		\$ 33,088	\$ -	\$ 33,088	\$ -
Cost of sales					
Production costs	10	30,363	-	30,363	-
Depreciation and depletion		2,939	-	2,939	-
Earnings (loss) from mine operations		(214)	-	(214)	-
Exploration and evaluation	10	1,017	4,805	9,368	16,458
Corporate administration	10	6,879	8,946	22,646	27,051
Earnings (loss) before finance items and taxes		(8,110)	(13,751)	(32,228)	(43,509)
Net finance income (cost)	11	(3,736)	(42,310)	66,892	(10,523)
Earnings (loss) before taxes		(11,846)	(56,061)	34,664	(54,032)
Income and mining tax expense		-	-	-	-
Net earnings (loss) and comprehensive income (loss)		\$ (11,846)	\$ (56,061)	\$ 34,664	\$ (54,032)
Earnings (loss) per share					
Basic	9	\$ (0.09)	\$ (0.50)	\$ 0.27	\$ (0.49)
Diluted	9	\$ (0.09)	\$ (0.50)	\$ 0.27	\$ (0.49)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

DETOUR GOLD CORPORATION
Condensed Interim Consolidated Statements of Cash Flow
(Unaudited)
(Expressed in thousands of U.S. dollars)

	Three months ended		Nine months ended	
	September 30		September 30	
	2013	2012	2013	2012
Operating activities				
Net earnings (loss)	\$ (11,846)	\$ (56,061)	\$ 34,664	\$ (54,032)
Adjustments for:				
Depreciation and depletion	3,098	184	3,464	555
Provisions	726	(1,390)	1,183	1,340
Share-based payments	2,589	3,701	9,563	12,839
Finance income and costs	3,736	42,310	(66,892)	10,523
	(1,697)	(11,256)	(18,018)	(28,775)
Changes in non-cash working capital items:				
Accounts receivable and other assets	(5,829)	16	(7,418)	244
Accounts payable and accrued liabilities	33,217	6,372	30,073	4,233
Inventories	(1,165)	(1,545)	(440)	(1,545)
Net cash generated (used) in operating activities	24,526	(6,413)	4,197	(25,843)
Investing activities				
Property, plant and equipment	(69,387)	(259,256)	(331,693)	(742,246)
Purchase of short-term investments	-	-	(12,675)	(44,403)
Redemption of short-term investments	-	4,965	32,021	110,888
Interest received	-	904	1,340	5,554
Cash deposits held as security	-	-	10,440	-
Net cash used in investing activities	(69,387)	(253,387)	(300,567)	(670,207)
Financing activities				
Issuance of common shares:				
on exercise of options	1,307	2,878	1,307	5,831
on public offerings, net of transaction costs	(166)	-	173,186	265,517
Interest paid on convertible notes	-	-	(13,750)	(13,750)
Net proceeds from finance lease	3,170	45,475	24,771	94,305
Principal payments on finance lease obligation	-	(3,239)	(13,220)	(7,370)
Lease arrangement fee	-	-	-	(2,132)
Revolving credit facility borrowings	-	-	70,000	-
Net cash provided by financing activities	4,311	45,114	242,294	342,401
Effect of exchange rate changes on cash and cash equivalents	(376)	7,764	(6,739)	9,142
Increase (decrease) in cash and cash equivalents	(40,926)	(206,922)	(60,815)	(344,507)
Cash and cash equivalents, beginning of period	177,918	550,294	197,807	687,879
Cash and cash equivalents, end of period	\$ 136,992	\$ 343,372	\$ 136,992	\$ 343,372

Supplemental cash flow information (note 12)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

DETOUR GOLD CORPORATION
Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited)

(Expressed in thousands of U.S. dollars)

	Nine months ended	
	September 30 2013	September 30 2012
Issued capital		
Balance, beginning of period	\$ 1,754,678	\$ 1,351,253
Issued on exercise of options	2,066	9,534
Issued on public offerings, net of transaction costs	173,186	265,517
Issued as consideration for an interest in a mining property	42	10,237
Balance, end of period	1,929,972	1,636,541
Accumulated deficit		
Balance, beginning of period	(197,784)	(159,274)
Net earnings (loss) for the period	34,664	(54,032)
Balance, end of period	(163,120)	(213,306)
Share-based payment reserve		
Balance, beginning of period	84,280	72,237
Share-based payments	9,161	28,497
Exercise of options	(759)	(3,703)
Issued as consideration for an interest in a mining property	(42)	(10,237)
Balance, end of period	92,640	86,794
Total equity	\$ 1,859,492	\$ 1,510,029

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

DETOUR GOLD CORPORATION

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2013

(Unaudited)

(Expressed in thousands of U.S. dollars, except share and per share amounts)

1. CORPORATE INFORMATION

Detour Gold Corporation is a company domiciled in Canada and was incorporated on July 19, 2006 under the Canada Business Corporations Act. The Company is a publicly traded company with its shares listed on the Toronto Stock Exchange (TSX: DGC). The Company's registered and head office is located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2200, Toronto, Ontario, M5J 2J1.

The consolidated financial statements comprise the financial statements of Detour Gold Corporation and its subsidiaries (collectively the "Company").

The Company is a Canadian gold producer engaged in the acquisition, exploration, development and operation of mineral property interests. The business of mining and exploring for minerals involves a high degree of risk, and there can be no assurance that planned exploration and development programs will result in profitable mining operations. The recoverability of amounts shown for capitalized property and equipment is dependent upon the ability of the Company to generate future profitable production or, alternatively, upon disposition of such property at a profit.

Effective September 1, 2013, the Detour Lake mine declared commercial production which we have defined as the first day of the calendar month following the mill having operated for a period of 60 consecutive days at an average of 75% or more of the designed production capacity, equivalent to 41,250 tonnes per day.

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed interim consolidated financial statements (the "financial statements") have been prepared in accordance with IAS 34 *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and IFRS Interpretations Committee. They do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended December 31, 2012.

These financial statements were authorized for issuance by the Board of Directors of the Company on November 7, 2013.

(b) Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ materially from these estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied by the Company in these financial statements are the same as those applied by the Company in its consolidated financial statements as at and for the year ended December 31, 2012.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2012.

DETOUR GOLD CORPORATION

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2013

(Unaudited)

(Expressed in thousands of U.S. dollars, except share and per share amounts)

Effective September 1, 2013, upon declaring commercial production, the Company made a financial reporting transition from accounting for certain costs as a development stage company to accounting for certain costs as an operating company. The significant financial reporting changes were as follows: the capitalized costs of the Detour Lake mine were transferred from Capital works-in-progress to the relevant asset categories; certain capitalized costs began to be depleted consistent with the Company's established accounting policies; capitalization of interest charges to development costs ceased; capitalization of pre-commercial production operating costs ceased; and recording of mine operations to the income statement, which includes revenues, production costs, depreciation and depletion commenced.

(a) New accounting policies

Metal Sales

Revenues include sales of refined gold and silver. Revenues are recognized when the significant risks and rewards of ownership have passed to the buyer; it is probable that economic benefits associated with the transaction will flow to the Company; the sale price can be measured reliably; the Company has no significant continuing involvement; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Prior to achieving commercial production, proceeds from metal sales were offset against Capital works-in-progress.

Deferred Stripping Costs

Stripping costs incurred during the production phase which provide probable future economic benefits, provide identifiable improved access to the ore body and which can be measured reliably are capitalized to mining properties. Capitalized costs are amortized using a unit-of-production basis over the proven and probable reserve to which they relate.

Deferred Share Units (Cash-settled)

Deferred share units are measured on the grant date at fair value and recognized as an obligation. The obligation is re-measured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognized in net earnings. The Company values the obligation based on the change in the Company's share price. Refer to note 10 (c) for additional details.

(b) New accounting standard

The following accounting standards are effective and implemented as of January 1, 2013:

IFRS 10 Consolidated Financial Statements ("IFRS 10") replaces the consolidation guidance in IAS 27 Consolidated and Separate Financial Statements and SIC 12 Consolidation – Special Purpose Entities by introducing a single model to be applied to all entities based on control, irrespective of the nature of the investee. The implementation of IFRS 10 did not have a material impact on the Company's consolidated financial statements.

IFRS 11 Joint Arrangements ("IFRS 11") replaces guidance in IAS 31 Interest in Joint Ventures. Under IFRS 11 joint arrangements are classified as joint operations or joint ventures. Joint operations account for their share of assets, liabilities, revenue and expenses of the joint operations where a joint venture must be accounted for under the equity method of consolidation. The implementation of IFRS 11 did not have a material impact on the Company's consolidated financial statements.

IFRS 12 Disclosure of interest in other entities ("IFRS 12") requires enhanced disclosure about involvement with consolidated and unconsolidated entities, including structured entities commonly referred to as special purpose vehicles or variable interest entities. The implementation of IFRS 12 did not have a material impact on the Company's consolidated financial statements.

IFRS 13 Fair value measurements ("IFRS 13") provides a single source of guidance of how to measure fair value and the related fair value disclosures, where fair value is required or permitted under IFRS. The implementation of IFRS 13 did not have a material impact on the Company's consolidated financial statements. Refer to note 7 for IFRS 13 disclosures.

DETOUR GOLD CORPORATION
Notes to Condensed Interim Consolidated Financial Statements
September 30, 2013

(Unaudited)

(Expressed in thousands of U.S. dollars, except share and per share amounts)

4. INVENTORIES

	September 30 2013	December 31 2012
Ore stockpiles	\$ 12,560	\$ 4,616
In-circuit	23,255	-
Finished metal	15,852	-
Materials and supplies	30,128	-
	\$ 81,795	\$ 4,616

The amount of depreciation included in inventories at September 30, 2013 was \$6,789 (2012 - \$nil).

The Company transferred \$70,686 of in-circuit inventory, finished goods and materials and supplies from Capital works-in-progress account to inventories on September 1, 2013 upon the Detour Lake mine declaring commercial production.

5. PROPERTY, PLANT AND EQUIPMENT

	Land	Mining properties	Plant & equipment	Capital works- in-progress	Total
Cost					
As at January 1, 2012	\$ 393	\$ 79,043	\$ 2,785	\$ 966,308	\$ 1,048,529
Additions (disposals)	123	(131)	833	1,015,396	1,016,221
Decommissioning and restoration provision adjustments	-	-	-	12,660	12,660
As at December 31, 2012	516	78,912	3,618	1,994,364	2,077,410
Additions (disposals)	(320)	1,115	185	299,636	300,616
Transfers in (out)	-	96,174	2,088,741	(2,255,601)	(70,686)
Decommissioning and restoration provision adjustments	-	-	(4,067)	-	(4,067)
As at September 30, 2013	\$ 196	\$ 176,201	\$ 2,088,477	\$ 38,399	\$ 2,303,273
Accumulated depreciation					
As at January 1, 2012	\$ -	\$ -	\$ 1,399	\$ -	\$ 1,399
Charge for the year	-	-	636	-	636
As at December 31, 2012	-	-	2,035	-	2,035
Charge for the period	-	171	10,082	-	10,253
As at September 30, 2013	\$ -	\$ 171	\$ 12,117	\$ -	\$ 12,288
Net book value					
As at December 31, 2012	\$ 516	\$ 78,912	\$ 1,583	\$ 1,994,364	\$ 2,075,375
As at September 30, 2013	\$ 196	\$ 176,030	\$ 2,076,360	\$ 38,399	\$ 2,290,985

Effective September 1, 2013, the Company declared the commencement of commercial production at the Detour Lake mine. The Company transferred the following amounts from Capital works-in-progress: \$70,686 to inventories, \$96,174 to mining property and \$2,088,741 to plant and equipment categories, net of pre-commercial production metal sales of \$126,330. Included in the amounts transferred are capitalized salaries and benefits of \$78,745.

Included in plant and equipment is \$158,256 as at September 30, 2013 (December 31, 2012 - \$154,216) of equipment pledged as security for finance lease obligations as disclosed in note 6(b). This plant and equipment amount was previously included in Capital works-in-progress.

DETOUR GOLD CORPORATION
Notes to Condensed Interim Consolidated Financial Statements
September 30, 2013

(Unaudited)

(Expressed in thousands of U.S. dollars, except share and per share amounts)

6. LONG-TERM DEBT AND CREDIT FACILITIES

		September 30 2013	December 31 2012
Convertible notes	(a)	\$ 366,837	\$ 429,107
Finance lease obligations	(b)	116,645	104,397
Credit facility	(c)	70,000	-
		553,482	533,504
Less: current portion		(27,896)	(15,854)
Long-term debt		\$ 525,586	\$ 517,650

Scheduled debt repayments¹

	2013	2014	2015	2016	2017	Thereafter
Repayment of convertible notes	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -
Interest on convertible notes	13,750	27,500	27,500	27,500	27,500	-
Repayment of finance lease	8,162	32,573	32,573	30,705	22,164	1,727
Revolving credit facility	-	-	-	70,000	-	-
Interest on credit facility	563	2,406	2,275	2,275	-	-
Total debt payable	\$ 22,475	\$ 62,479	\$ 62,348	\$ 130,480	\$ 549,664	\$ 1,727

¹The table illustrates the contractual undiscounted cash flows, and may not agree with the amounts disclosed in the consolidated statement of financial position.

(a) Convertible Notes

	September 30 2013	December 31 2012
Fair value of Class A Notes	\$ 66,750	\$ 78,075
Debt component of Senior Unsecured Notes	296,712	281,096
Fair value of embedded derivatives of Senior Unsecured Notes	5,274	72,197
Interest payable	9,167	2,292
Consent fee	(1,899)	(2,261)
Convertible notes	376,004	431,399
Less: interest payable included in Trade and other payables	(9,167)	(2,292)
Portion of long-term debt represented by Convertible Notes	\$ 366,837	\$ 429,107

On December 3, 2010, the Company completed an offering of Senior Unsecured Convertible notes ("Notes") for total gross proceeds of \$500,000, net proceeds of \$490,808. The Notes bear interest at 5.5% per annum, payable in arrears in equal semi-annual installments on May 31 and November 30 in each year. The Notes mature on November 30, 2017.

The Notes are convertible into common shares of the Company at the option of the holder at any time prior to maturity at a Conversion Price of \$38.50 per share ("Conversion Price"). With respect to the Class A Notes, the Company has the right, in certain circumstances, upon receiving a conversion notice, to elect to satisfy its obligations by delivering either common shares of the Company at the Conversion Price or the cash equivalent thereof to the holder. Additionally, in certain circumstances, if the current market price of the Company's common shares is at least 130% of the Conversion Price, the Company has the right to redeem the Class A Notes at any time, and has the right to redeem all other Notes after November 30, 2014.

The estimated fair value of the Class A Notes on the financial position reporting date was \$66,750 (December 31, 2012 - \$78,075) and a fair value loss of \$1,125 (2012 - \$4,702) and gain of \$11,325 (2012 - \$6,164 loss) was recognized during the three and nine months ended September 30, 2013, respectively, to net finance income and costs.

DETOUR GOLD CORPORATION
Notes to Condensed Interim Consolidated Financial Statements
September 30, 2013

(Unaudited)

(Expressed in thousands of U.S. dollars, except share and per share amounts)

Based on the Company's valuation as at September 30, 2013, the fair value of the equity conversion option in the Notes was \$5,274 (December 31, 2012 - \$72,197). The decrease in fair value of \$43 (2012 - \$50,129 increase) and \$66,923 (2012 - \$23,708 increase) was recorded to net finance income and costs for the three and nine months ended September 30, 2013, respectively.

The embedded derivative was valued upon the initial measurement date and at each subsequent financial position reporting date using a convertible note valuation model. The input assumptions used in the convertible note valuation as at September 30, 2013 and December 31, 2012 are as follows:

	September 30 2013	December 31 2012
Expected life in years	4.17	4.92
Expected volatility ¹	40%	40%
Risk free rate	1.25%	0.80%
Credit spread	7.71%	7.50%
Foreign exchange spot rate (Cdn\$:U.S.\$)	0.970	1.005
Underlying share price of the Company	\$ 8.47	\$ 25.02
Conversion option exercise price	\$ 38.50	\$ 38.50

¹ Expected volatility is an implied volatility of the Company's common shares based upon the rate a buyer would use to value the Senior Unsecured Notes for purchase.

The changes to the obligations related to the Notes are summarized below:

	Class A Notes	Senior Unsecured Notes	Total
Balance, January 1, 2012	\$ 72,569	\$ 342,916	\$ 415,485
Accrued interest payable	4,126	23,374	27,500
Interest paid	(4,126)	(23,374)	(27,500)
Accretion	-	15,965	15,965
Fair value change	5,850	(5,901)	(51)
Balance, December 31, 2012	78,419	352,980	431,399
Accrued interest payable	3,095	17,530	20,625
Interest paid	(2,063)	(11,687)	(13,750)
Accretion	-	15,616	15,616
Fair value change	(11,325)	(66,923)	(78,248)
Consent fee	-	362	362
Balance, September 30, 2013	\$ 68,126	\$ 307,878	\$ 376,004

The Company recorded interest charges, net of interest income earned on the borrowed funds, of \$6,875 (2012 - \$6,875) and \$20,625 (2012 - \$20,625) in the three and nine months ended September 30, 2013, respectively. Accretion costs of \$5,404 (2012 - \$4,640) and \$15,616 (2012 - \$13,407) related to the debt component of the Senior Unsecured Notes were recognized in the three and nine months ended September 30, 2013, respectively. Capitalization of interest charges and accretion costs to Capital works-in-progress ceased when the Detour Lake mine declared commercial production on September 1, 2013. Subsequent interest charges are included in net finance income and costs.

(b) Finance Lease

On February 6, 2012, the Company entered into a mobile fleet equipment finance lease with Caterpillar Financial Services Limited ("CAT Financial"). CAT Financial has agreed to underwrite up to \$150 million in mobile fleet equipment financing to fund the Company's acquisition of CAT mining equipment for the Detour Lake mine. The term of the equipment financing facility is five years from the date of each drawdown and will be secured by the mobile fleet. Title to the mobile fleet will transfer to the Company at the completion of the lease and can be repaid without penalty at any time. During the lease term all 795F haul trucks must be maintained and repaired by Toromont CAT per the terms of the Maintenance and Repair Contract. The facility provides credit under various tranches, all bearing interest at three month LIBOR plus 4.0% (September 30, 2013 - 4.3%, December 31, 2012 - 4.3%), compounded monthly and payable quarterly. Capitalization of interest charges to Capital works-in-progress ceased when the

DETOUR GOLD CORPORATION
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September 30, 2013

(Unaudited)

(Expressed in thousands of U.S. dollars, except share and per share amounts)

Detour Lake mine declared commercial production on September 1, 2013. Subsequent interest charges are included in net finance income and costs.

The finance lease obligations were recorded at the fair value of the leased assets and are repayable by blended quarterly payments of principal and interest as follows:

	September 30, 2013			December 31, 2012		
	Less than one year	Between one and five years	Total	Less than one year	Between one and five years	Total
Future payments	\$ 32,591	\$ 95,312	\$ 127,903	\$ 20,117	\$ 95,286	\$ 115,403
Interest	4,695	6,563	11,258	4,263	6,743	11,006
Present value	\$ 27,896	\$ 88,749	\$ 116,645	\$ 15,854	\$ 88,543	\$ 104,397

(c) Credit Facility

In March 2013, the Company entered into a Cdn\$135,000 senior secured credit facility (the "Facility") with a syndicate of chartered Canadian and Australian banks. The Facility is comprised of a Cdn\$90,000 (or the equivalent amount in U.S. dollars) revolving credit facility (the "Revolving Credit Facility") and a Cdn\$45,000 letter of credit facility (the "LC Facility"). The Facility has a tenor of three years and is available for working capital during the ramp-up period of the Detour Lake mine, financial assurance and general corporate purposes. The previous Cdn\$45,000 letter of credit facility (entered into in December 2012) was terminated upon closing of the Facility.

The Facility contains a financial covenant requiring the Company to maintain at all times a minimum tangible net worth of \$1,081,000 increasing by 50% of positive net income once Completion, as defined below, is achieved. Positive net income excludes the impact of unrealized gains and losses from mark to market adjustments on the convertible notes.

The Company is also required, prior to Completion, to maintain sufficient liquidity to pay all forecasted costs of the Detour Lake mine which are necessary to achieve Completion, including, but not limited to, site and corporate operating costs, capital lease payments, royalties, refining costs, capital expenditures, taxes, working capital and amounts the Company has included as budgeted amounts for contingent obligations in respect of construction liens. The Company is in compliance with the covenant at September 30, 2013.

The Facility is subject to a Completion Test ("CT") where the Company must meet the following four criteria concurrently over a consecutive 90 day period prior to September 30, 2014: open pit mining rate of not less than 210,000 tonnes per day total material movement; average mill throughput of not less than 49,500 tonnes per day; total gold ounces produced, including in-circuit production, of not less than 124,250 ounces; and site operating costs, including stripping costs, of not more than Cdn\$120,000 or Cdn\$870 per ounce. Failure to achieve the CT constitutes an event of default under the Facility.

The Company expects to pass the CT prior to September 30, 2014 and has accordingly classified amounts drawn on the Facility as long-term debt. When the Company passes the CT, it will be subject to two additional financial covenants on a quarterly basis as follows: a leverage ratio test requiring a net debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio of not more than 3.5 to 1, and an interest coverage ratio test requiring an EBITDA to interest expense ratio of not more than 3.5 to 1. EBITDA and interest expense will be annualized in the periods post the CT.

The interest margin on drawings under the Revolving Credit Facility denoted below are over LIBOR, the Prime Rate or the Base Rate.

	Interest Rate	Standby Fee
Revolving Credit Facility	2 – 3%	0.90%
LC Facility	1.80%	0.54%

At September 30, 2013, the Company had drawn \$70,000 under the Revolving Credit Facility at a rate of 3.2%. In addition, the Company had drawn \$39,519 (Cdn\$40,716) under the LC Facility.

DETOUR GOLD CORPORATION
Notes to Condensed Interim Consolidated Financial Statements
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(Expressed in thousands of U.S. dollars, except share and per share amounts)

7. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes the significance of the inputs used in making fair value measurements. The fair value of financial assets and financial liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities.

The fair value of financial assets and financial liabilities in Level 2 include valuations using inputs based on observable market data, either directly or indirectly, other than quoted prices. Level 3 valuations are based on inputs that are not based on observable market data. The Company has no financial instruments categorized in Level 3 (valuation technique using non-observable market inputs) as at September 30, 2013 or December 31, 2012.

Financial assets and financial liabilities measured at fair value on a recurring basis:

	September 30, 2013		December 31, 2012	
	Level 1	Level 2	Level 1	Level 2
Financial assets				
Cash and cash equivalents	\$ 136,992	\$ -	\$ 197,807	\$ -
Financial liabilities				
Class A notes	-	66,750	-	78,075
Senior unsecured notes - embedded derivative	-	5,274	-	72,197
Aggregate fair value	\$ 136,992	\$ 72,024	\$ 197,807	\$ 150,272

The fair values of the Company's financial assets and financial liabilities are:

	September 30, 2013		December 31, 2012	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
<i>Fair value through profit or loss</i>				
Cash and cash equivalents	\$ 136,992	\$ 136,992	\$ 197,807	\$ 197,807
<i>Loans and receivables</i>				
Other receivables	1,419	1,419	1,276	1,276
Short-term investments	18,981	18,981	38,404	38,404
Restricted investments	129	129	10,959	10,959
Total financial assets	\$ 157,521	\$ 157,521	\$ 248,446	\$ 248,446
Financial liabilities				
<i>Fair value through profit or loss</i>				
Class A notes	\$ 66,750	\$ 66,750	\$ 78,075	\$ 78,075
Senior unsecured notes - embedded derivative	5,274	5,274	72,197	72,197
<i>Other financial liabilities</i>				
Trade and other payables	102,888	102,888	141,831	141,831
Long-term debt	483,358	559,622	385,493	482,169
Total financial liabilities	\$ 658,270	\$ 734,534	\$ 677,596	\$ 774,272

The carrying value of cash and cash equivalents, other receivables, short-term investments, restricted investments and trade and other payables approximate their fair values because of their short-term nature.

The carrying value of the Revolving Credit Facility when amounts are drawn approximates its fair value because the interest rates approximate current market rates. The Senior Unsecured Notes (note 6) trade Over The Counter: the fair value of these notes has been estimated using the measurement date closing prices. The fair value of the Class A Notes (note 6) was estimated based on the trading level of the Senior Unsecured Notes and the Company's share price on the measurement date, adjusted to reflect the fact that the Class A Notes are callable at any time when the stock price is at least 130% of the Conversion Price. The fair value of the embedded derivative in the Senior Unsecured Notes was estimated based on the assumptions disclosed in note 6.

DETOUR GOLD CORPORATION
Notes to Condensed Interim Consolidated Financial Statements
September 30, 2013

(Unaudited)

(Expressed in thousands of U.S. dollars, except share and per share amounts)

8. ISSUED CAPITAL

Authorized share capital of the Company is comprised of an unlimited number of voting and participating common shares, without par value. All issued shares are fully paid.

		Number of shares		Amount
Balance, January 1, 2012		101,862,165	\$	1,351,253
Shares issued under:				
Share purchase option plan	i	1,261,626		19,563
Consideration for an interest in a mining property	ii	580,000		15,439
Public offerings		13,890,000		384,542
Less: Transaction costs		-		(16,119)
Balance, December 31, 2012		117,593,791		1,754,678
Shares issued under:				
Share purchase option plan	i	130,000		2,066
Consideration for an interest in a mining property	ii	5,000		42
Public offerings	iii	20,425,000		180,911
Less: Transaction costs		-		(7,725)
Balance, September 30, 2013		138,153,791	\$	1,929,972

- i. Shares issued under the Company's share option plan (note 10 (a)).
- ii. Shares issued to aboriginal groups in connection with the Detour Lake mine (note 10 (b)).
- iii. On June 11, 2013, the Company closed a public offering and over-allotment of 17,500,000 and 2,625,000 common shares, respectively, at a price of \$8.59 (Cdn\$8.75) per common share for cash consideration of \$172,836 (Cdn\$176,093). In connection with the offering, the underwriters were paid a 4% commission totaling approximately \$6,913 (Cdn\$7,044). Share issuance costs of \$323 (Cdn\$330) were incurred in relation to the offering.

In connection with the December 11, 2012 public offering, on January 10, 2013, the underwriters exercised a portion of their over-allotment option and purchased an additional 300,000 common shares at a price of \$26.92 (Cdn\$26.50) per common share for gross proceeds of \$8,075 (Cdn\$7,950). In connection with the offering, the underwriters were paid a 4% commission totaling approximately \$323 (Cdn\$318).

9. BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

	Three months ended		Nine months ended	
	September 30		September 30	
	2013	2012	2013	2012
Net earnings (loss) for the period	\$ (11,846)	\$ (56,061)	\$ 34,664	\$ (54,032)
Basic weighted average shares outstanding	138,075,476	112,691,810	126,084,597	110,971,104
Weighted average shares dilution adjustments:				
Share options	-	-	692,421	-
Convertible notes	-	-	-	-
Diluted weighted average shares outstanding	138,075,476	112,691,810	126,777,018	110,971,104
Earnings (loss) per share				
Basic	\$ (0.09)	\$ (0.50)	\$ 0.27	\$ (0.49)
Diluted	(0.09)	(0.50)	0.27	(0.49)

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The following table lists the equity securities excluded from the computation of diluted earnings (loss) per share. The securities were excluded as the exercise prices relating to the particular security exceed the average market price of the Company's common share of Cdn\$10.11 and Cdn\$14.20 for the three and nine months ended September 30, 2013 (2012 - Cdn\$24.50 and Cdn\$24.67), or the inclusion of the equity securities had an anti-dilutive effect on net earnings (loss).

	Three months ended September 30		Nine months ended September 30	
	2013	2012	2013	2012
Share options	7,274,778	9,970,976	8,225,621	8,225,621
Convertible notes	12,987,013	12,987,013	12,987,013	12,987,013
	20,261,791	22,957,989	21,212,634	21,212,634

10. SHARE-BASED PAYMENTS

For the nine months ended September 30, the share-based payments that have been recognized in these financial statements were as follows:

		Share option plan (a)	Shares to be issued (b)	Addition to share-based payment reserve	Deferred share unit plan (c)	Total share-based payments
Production costs	i	\$ 377	-	377	\$ -	377
Exploration and evaluation	ii	576	-	576	-	576
Corporate administration	iii	7,977	-	7,977	633	8,610
Property, plant and equipment		4,610	(4,379)	231	-	231
Period ended September 30, 2013		\$ 13,540	\$ (4,379)	\$ 9,161	\$ 633	\$ 9,794
Production costs	i	\$ -	\$ -	\$ -	\$ -	\$ -
Exploration and evaluation	ii	1,277	-	1,277	-	1,277
Corporate administration	iii	11,562	-	11,562	-	11,562
Property, plant and equipment		9,249	6,409	15,658	-	15,658
Period ended September 30, 2012		\$ 22,088	\$ 6,409	\$ 28,497	\$ -	\$ 28,497

- i. For the three months ended September 30, 2013 was \$377 (2012 - \$nil)
- ii. For the three months ended September 30, 2013 was \$128 (2012 - \$270)
- iii. For the three months ended September 30, 2013 was \$2,084 (2012 - \$3,431)

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(a) Share Option Plan

The Company's share option plan, as amended and restated effective April 20, 2010, was approved by Detour Gold's shareholders on May 26, 2010 and renewed on May 9, 2013. These share options may be settled in the Company's shares only. The changes to the share options are summarized below:

	Number of options	Weighted average exercise price (i)	Weighted average exercise price (Cdn)
Balance, January 1, 2012	7,512,033	\$ 21.37	\$ 21.73
Granted	2,574,500	24.86	24.73
Forfeited	(230,075)	28.84	28.69
Expired	(97,631)	27.71	27.57
Exercised	(1,261,626)	9.29	9.24
Balance, December 31, 2012	8,497,201	24.36	24.24
Granted	2,139,800	10.45	10.77
Forfeited	(407,900)	24.58	25.32
Expired	(128,125)	17.07	17.59
Exercised	(130,000)	10.17	10.48
Balance, September 30, 2013	9,970,976	\$ 20.94	\$ 21.57

- i. The U.S. dollar weighted average exercise price was calculated using the period end Canadian to U.S. dollar exchange rate (September 30, 2013 - 0.9706)

The weighted average share price on the date of exercise of stock options in 2013 was Cdn\$10.48 in 2013 (2012 - Cdn\$27.54). The fair value of the options granted to employees, officers and directors under the share option plan was measured using the Black-Scholes option pricing model. The grant date fair value is amortized over the vesting period as part of compensation expense. Prior to achieving commercial production, share-based compensation expense related to personnel directly involved in the development of the Detour Lake mine was capitalized as a directly attributable cost of Capital works-in-progress.

The weighted average inputs used in the measurement of fair value at grant date during the nine months ended September 30 were:

		2013	2012
Number of stock options granted		2,139,800	2,574,500
Expected volatility	i	48%	62%
Risk free rate		1.24%	1.33%
Estimated forfeiture rate		3.60%	3.60%
Expected dividend yield		\$nil	\$nil
Expected life in years	ii	3.3	4.3
Fair value (weighted average)	Cdn	\$ 2.60	\$ 12.25
	U.S.	\$ 2.51	\$ 12.22

- i. Expected volatility is measured based on the Company's historical share price volatility over the expected life of the options.
- ii. Commencing in the fourth quarter of 2012, the Company revised its weighted average expected life assumption to 3.3 years for most options granted on or after December 4, 2012 as a result of a decrease in the term of the options granted.
- iii. The U.S. dollar weighted average Black-Scholes value was calculated using the spot Canadian to U.S. dollar exchange rate applicable on the date of grant.

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The following table summarizes information about share options outstanding and exercisable at September 30, 2013:

Exercise price	Options Outstanding				Options Exercisable			
	Number of options	Weighted average exercise price (i)	Weighted average exercise price (Cdn)	Weighted average remaining contractual life (years)	Number of options	Weighted average exercise price (i)	Weighted average exercise price (Cdn)	Weighted average remaining contractual life (years)
\$7.00 - \$12.00	2,546,200	\$ 10.16	\$ 10.47	3.88	781,450	\$ 9.94	\$ 10.24	2.01
\$12.01 - \$17.00	720,688	15.14	15.60	1.16	720,688	15.14	15.60	1.16
\$17.01 - \$22.00	547,500	19.93	20.53	3.45	379,500	19.50	20.09	2.55
\$22.01 - \$27.00	2,723,388	23.52	24.23	4.07	1,431,999	22.85	23.54	3.28
\$27.01 - \$32.00	3,433,200	28.26	29.12	3.88	2,505,339	28.53	29.39	3.46
	9,970,976	\$ 20.94	\$ 21.57	3.71	5,818,976	\$ 22.39	\$ 23.07	2.88

- i. The U.S. dollar weighted average exercise price was calculated using the period end Canadian to U.S. dollar exchange rate (September 30, 2013 - 0.9706)

(b) Shares to be issued

In December 2010 and January 2011, the Company made financial and other commitments in consideration of the Company's interest in a mining property (the "Rights") to various aboriginal groups who asserted aboriginal rights and interests in the area of the Detour Lake mine. The financial compensation provided for in these agreements includes the remaining issuance of up to 350,000 common shares of the Company payable during the construction of the Detour Lake mine in conjunction with certain project milestones and with a final issue scheduled six months after the achievement of commercial production at the Detour Lake mine.

The Company could not reliably measure the fair value of the Rights received from these aboriginal groups as a market price for such Rights does not exist. Instead, these are measured by reference to the fair value of the Company's shares granted, initially estimated on the agreement signing dates and subsequently on the financial position reporting dates. On the date shares are issued, the value of the rights is adjusted to reflect the actual fair value of the shares issued. The Company recognizes the estimated fair value of shares to be issued over the expected vesting period. The fair value estimate costs were capitalized in Capital works-in-progress and subsequently transferred to Mining properties when the Detour Lake mine declared commercial production on September 1, 2013.

Summarized below are the Company's commitments for share-based payments, expected and actual, to the aboriginal groups:

	Expected Issuance			Issued	
	Number of shares	Estimated fair value remaining	Expected vesting period	Number of shares	Fair value on issuance day
September 30, 2013	350,000	2,966	0.4	800,000	22,190
December 31, 2012	355,000	8,881	0.5	795,000	22,148

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(c) Deferred Share Units

In May 2013, the Company established a deferred share unit ("DSU") plan for non-executive Directors for the purposes of strengthening the alignment of interests between members of the Board of Directors and shareholders by linking a portion of the annual director compensation to the future value of the Company's common shares.

Each DSU has the same value as one Detour Gold common share (based on the five day volume weighted average trading price). DSUs must be retained until the Director leaves the Board, at which time the cash value of the DSUs is paid out.

	Number of units
Balance, December 31, 2012	-
Granted	68,850
Settled for cash	-
Balance, September 30, 2013	68,850

As at September 30, 2013, the fair value of the DSUs outstanding were \$633 (December 31, 2012 - \$nil). During the three and nine months ended September 30, 2013, a compensation expense of \$117 and \$633 was recorded (three and nine months ended September 30, 2012 - \$nil).

11. FINANCE INCOME AND COSTS

	Three months ended September 30		Nine months ended September 30	
	2013	2012	2013	2012
Finance income				
Interest income	\$ 407	\$ 1,326	\$ 1,340	\$ 5,689
Other income	7	1,195	7	2,569
	414	2,521	1,347	8,258
Finance costs				
Fair value change of the convertible notes through profit or loss financial instruments	(1,082)	(54,831)	78,248	(29,872)
Unwinding of discount on decommissioning and restoration provisions	(76)	(106)	(145)	(366)
Interest expenses and bank charges	(4,784)	(28)	(4,794)	(68)
Financing expenses	(7)	-	(1,489)	-
Foreign exchange gain (loss)	1,799	10,134	(6,275)	11,525
	(4,150)	(44,831)	65,545	(18,781)
Net finance income and costs	\$ (3,736)	\$ (42,310)	\$ 66,892	\$ (10,523)

12. SUPPLEMENTAL CASH FLOW INFORMATION

	Three months ended September 30		Nine months ended September 30	
	2013	2012	2013	2012
Value of options exercised	\$ 759	\$ 1,556	\$ 759	\$ 3,703
Non-cash consideration for an interest in a mining property	\$ -	\$ -	\$ -	\$ 10,237
Interest paid	\$ 393	\$ 670	\$ 19,368	\$ 15,144

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13. RELATED PARTY TRANSACTIONS

Certain directors, key management personnel and employees of the Company purchased refined gold from the first gold pour of the Detour Lake mine at the prevailing market rates. The sales amounted to \$nil (2012 - \$nil) and \$947 (2012 - \$nil) for the three and nine months ended September 30, 2013, respectively.

14. COMMITMENTS AND CONTINGENCIES

(a) Purchase commitments

As at September 30, 2013, the total purchase commitments for capital expenditures for the Detour Lake mine amounted to approximately \$35,095 which are expected to settle over the next twelve months.

(b) Operating leases

The Company has operating lease agreements involving office space and equipment. Future minimum lease payments required to meet obligations that have initial or remaining non-cancelable lease terms are \$243, \$1,025, \$656, \$nil and \$nil for 2013 to 2017, respectively.

(c) Detour Lake mine royalty

Production from the Detour Lake mine is subject to a 2% net smelter royalty payable to Franco-Nevada Canada Holdings Corp. ("FN"). FN has the right to elect, on a yearly basis, to have the royalty paid in cash or in kind. For 2013, FN elected to receive the royalty paid in kind. During the three and nine months ended September 30, 2013, the Company accrued or paid in kind 1,600 and 2,631 ounces of gold, respectively (2012 - nil).

(d) Other commitments

Commitments related to long-term debt payments are included in note 6.

(e) Contingencies

In 2012, North America Construction (1993) Ltd. ("NAC") registered three construction liens totaling Cdn\$66,478 in relation to the Detour Lake mine (the "Liens"). NAC filed two Statements of Claim with the Ontario Superior Court of Justice for payment of these construction lien claims and for breach of contract. The aggregate amount claimed under the Statements of Claim was Cdn\$67,177 of which Cdn\$9,160 related to mass excavation and backfill services and Cdn\$58,017 related to concrete work (the "NAC Actions").

The Company served its Statements of Defence and Counterclaim in response to the NAC Actions on August 7, 2012. Among other things, the Company claimed a set off against any amounts that may be found owing to NAC in relation to the additional costs incurred by the Company resulting from NAC's failure to complete its scope of work on time, requiring the Company to hire other contractors to complete same. The claim for set-off and counterclaim was in the amount of Cdn\$23,725. NAC served Statements of Defence to Counterclaim in each of the NAC Actions.

On October 18, 2013, the Company and NAC reached a full and final settlement of the NAC Actions and the Company's Counterclaim in exchange for payment by the Company of Cdn\$19,290 to NAC plus Cdn\$2,500 on each of June 30, 2014 and June 30, 2015, for a total of Cdn\$24,290. Payment of the Cdn\$19,290 has been made by the Company to NAC's counsel and will be held in trust pending the dismissal of both the NAC Actions and the Company's Counterclaim and the removal of the Liens from title which is anticipated to occur in November 2013. It is anticipated that the Liens will be removed from title and the NAC Actions and Company's Counterclaim formally dismissed in November 2013.

The Company had previously accrued Cdn\$21,000 for the NAC Actions.