



DETOUR GOLD™

AUDIT COMMITTEE MANDATE

1. PURPOSE

1.1 The Audit Committee (the “**Committee**”) is appointed by the Board of Directors (the “**Board**”) of Detour Gold Corporation (“**Detour Gold**” or the “**Company**”) to assist the Board in fulfilling its oversight responsibilities relating to (a) the financial reporting process and the quality, transparency and integrity of the Company’s financial statements and other public disclosures; (b) the Company’s internal controls over financial reporting; (c) the Company’s compliance with legal and regulatory requirements relevant to the financial statements and financial reporting; (d) the internal auditor’s qualifications, independence and performance; (e) the external auditor’s qualifications, independence and performance; and (f) the Company’s enterprise risk management program as it encompasses financial-related risks.

1.2 The Board will revise this Mandate from time to time based on its assessment of the Company’s needs, legal and regulatory developments, and applicable best practices.

2. COMMITTEE COMPOSITION

2.1 The Committee will be composed of at least three directors as designated by the Board from time to time.

2.2 The Chair of the Committee shall be designated by the Board from among the Committee members and shall possess financial expertise.

2.3 All members of the Committee shall be “independent” directors and “financially literate”, as determined by the Board in accordance with applicable securities laws and stock exchange rules.

2.4 The members of the Committee will be appointed by the Board annually at the first meeting of the Board after a meeting of the shareholders at which directors are elected and shall serve until the next annual meeting of shareholders or until their successors are duly appointed or until such member resigns, retires or is removed from the Committee by the Board. The Board may fill any vacancy in the Committee by appointment from among the directors of the Company.

3. COMMITTEE DUTIES AND RESPONSIBILITIES

3.1 **Independent Auditor.** The independent auditor reports to the Committee. In carrying out its responsibilities with respect to the independent auditor, the Committee shall:

- subject to the laws of Canada as to the role of the shareholders in the appointment of independent auditors, recommend to the Board the appointment, compensation and replacement of the independent auditor;
- communicate to the independent auditor that it is ultimately accountable to the Board and the Committee;
- oversee the work of the independent auditor (including the resolution of disagreements between management and the independent auditor regarding financial reporting);

- review the performance of the independent auditor, including the lead partner, on an annual basis;
- review the plan and scope of the quarterly review and annual audit engagements with the independent auditor;
- approve, or recommend to the Board for approval, all audit, audit-related and non-audit engagement fees and terms of the engagement of the independent auditor prior to the commencement of the engagement (the Committee may delegate to one or more Committee members the authority to pre-approve engagements, provided that the decision to do so is presented to the full Committee at its next scheduled meeting);
- on an annual basis, obtain and review a report from the independent auditor regarding the audit firm's internal quality-control procedures and any material issues raised by the most recent internal quality-control review, or peer review, of the audit firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the audit firm and any steps taken to deal with any such issues;
- at least annually, evaluate the independence of the independent auditor, and any potential conflicts of interest and all relationships between the independent auditor and the Company, including obtaining and reviewing a report prepared by the independent auditor describing all relationships between the independent auditor and the Company;
- set the Company's hiring policies with respect to the employment of current or former partners and employees of the independent auditor;
- consult with the independent auditor about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements; and
- ensure the rotation of the lead audit partner having primary responsibility for the audit, the concurring partner responsible for reviewing the audit, and other audit partners as required by law.

3.2 **Internal Auditor.** The internal auditor reports to the Committee. In carrying out its responsibilities with respect to the internal auditor, the Committee shall:

- adopt an Internal Audit Mandate which sets out the role, responsibilities and authority of the internal auditor;
- approve the appointment, compensation and replacement of the internal auditor;
- communicate to the internal auditor that he or she is ultimately accountable to the Board and the Committee;
- oversee the work of the internal auditor (including the resolution of disagreements between management and the internal auditor);
- review the performance of the internal auditor, on an annual basis;
- consult with the internal auditor about the quality of the Company's internal controls;
- review with management and the internal auditor, the activities, staffing, and organizational structure of the internal audit function;

- ensure there are no unjustified restrictions or limitations placed on the internal auditor in the carrying out of his or her functions; and
- review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' International Professional Practices Framework for Internal Auditing consisting of the Definition of Internal Auditing, Code of Ethics and the Standards.

3.3 **Financial Reporting.** The Committee plays a critical role in the review and public release of the Company's financial information. In this regard, the Committee shall:

- review the annual and interim financial statements and related "management's discussion and analysis of financial and operating results" prior to recommending the same for approval by the Board and filing with securities regulatory authorities. The Committee shall, in conducting this review, discuss with management, the internal auditor and the independent auditor:
 - the results of the independent auditor's reviews and audit, any issues arising and management's response, including any restrictions on the scope of the independent auditor's activities or requested information and any significant disagreements with management;
 - the Company's critical accounting policies and practices (and any proposed or actual changes), alternative accounting treatments (including any ramifications of the use of such alternative disclosures and treatments, the treatment preferred by the independent auditor, and an explanation of why the independent auditor's preferred method was not adopted), significant accounting and reporting issues and judgments; material written communications between the independent auditor and management (including management representation letters and any schedule of unadjusted differences) and significant adjustments resulting from the independent auditor's review;
 - whether actual results for the period varied significantly from budgeted, projected or previous results;
 - any significant or unusual events or transactions that require disclosure;
 - any correspondence with regulators or governmental agencies or any employee complaints which raise material issues in regards to the Company's financial statements or accounting policies;
 - the impact of any regulatory and accounting initiatives, as well as any off balance sheet structures, on the Company's financial statements;
 - the independent auditor's perception of the Company's financial and accounting personnel, records and systems, the cooperation which the independent auditor received during the course of its review or audit and the availability of records, data and other requested information and any recommendations with respect thereto;
 - any legal or business matters that may have a material impact on the financial statements or the Company's compliance policies; and
 - whether the independent auditor, the internal auditor and management are satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information, including information extracted or derived from the financial statements and assess the adequacy of such procedures;

- review such other relevant public disclosures containing financial information including guidance with respect to earnings per share, financial information contained in any prospectus, annual information form, annual report, management information circular, material change disclosure of a financial nature, as the Committee may consider necessary; and
- receive confirmation from the Chief Executive Officer (the “**CEO**”) and Chief Financial Officer (“**CFO**”) that reports to be filed have been prepared in accordance with the Company’s disclosure controls and procedures and contain no material misrepresentations or omissions and fairly present, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports; receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by the reports.

3.4 Conduct of the Annual Audit. The Committee shall oversee the annual audit, and in the course of such oversight the Committee shall:

- discuss the planning and conduct of the annual audit with the independent auditor prior to the audit, and shall meet with the independent auditor as may be necessary or appropriate in connection with the audit;
- ascertain that the independent auditor is registered and in good standing with the Canadian Public Accounting Board and that the independent auditor satisfies all applicable Canadian independence standards; and
- make such inquiries of management, the internal auditor and the independent auditor as it deems necessary or appropriate to satisfy itself of the efficacy of the Company’s financial and internal controls and procedures and the auditing process.

3.5 Internal Controls Over Financial Reporting. To ensure the integrity of the Company’s internal control over financial reporting, the Committee shall:

- review and discuss with management, the internal auditor and the independent auditor the effectiveness of the Company’s internal controls over financial reporting, including reviewing and discussing any significant deficiencies in the design or operation of internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s internal controls over financial reporting;
- review and discuss with management, the internal auditor and the independent auditor the Company’s process with respect to risk assessment (including fraud risk), risk management and the Company’s major financial risks and financial reporting exposures, all as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks;
- review the Company’s Code of Business Conduct and Ethics and, in particular, the actions taken to monitor and enforce compliance; and
- establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

3.6 Enterprise Risk Management. The Committee shall assist the Board in fulfilling its oversight responsibilities relating to the Company’s enterprise risk management program by identifying and monitoring financial-related risks and recommending strategies to mitigate against such risks.

3.7 **Related Party Transactions.** The Committee is responsible for reviewing all proposed related party transactions and situations involving a director's or officer's potential or actual conflict of interest that are not required to be dealt with by an independent Committee, other than routine transactions and situations arising in the ordinary course of business, and make recommendations to the Board whether any such transactions, contracts and other arrangements should be approved or continued.

3.8 **Financial Management.** The Committee will recommend the appointment of the CFO to the Board and will review with the CFO the qualifications of new key financial executives involved in the financial reporting process. The Committee will also review succession plans for the CFO and the Controller.

3.9 **Director and Officer Liability.** The Committee will review the Company's insurance program on an annual basis, including the directors' and officers' insurance and indemnities, and consider the adequacy of such coverage.

3.10 **Expense Accounts.** The Committee will establish and review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits and will review the results of the procedures performed in these areas by the internal auditor.

3.11 **Oversight.** While the Committee has the responsibilities and powers set forth in this Mandate, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or are in accordance with applicable rules and regulations. These are the responsibilities of management, the internal auditor and the independent auditor. The Committee, its Chair and any member identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Company, and are specifically not accountable or responsible for the day to day operation or performance of such activities. Although the designation of a member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a member who is identified as having accounting or related financial expertise, like the role of all members, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure.

3.12 **Reporting to Board.** The Committee will report regularly to the Board following meetings of the Committee with respect to such matters as are relevant to the Committee's discharge of its responsibility.

3.13 **Work Plan.** The Committee will review and update, on an annual basis, a work plan for the ensuing year for the Committee to ensure the Committee fulfills its responsibilities on a timely basis.

3.14 **Committee Membership.** The Committee shall recommend to the Corporate Governance and Nominating Committee the qualifications and criteria for membership on the Committee.

3.15 **Review Mandate and Performance.** The Committee will review and assess its own performance and the adequacy of this Mandate and the Internal Audit Mandate at least once a year and report the results of such review and assessment to the Corporate Governance and Nominating Committee along with any proposals for approval.

3.16 **Other.** The Committee shall perform any other activities consistent with this Mandate and applicable law, as the Committee or the Board determines necessary or appropriate.

4. RESPONSIBILITIES OF COMMITTEE MEMBERS

4.1 The primary responsibility of Committee members is to act honestly and in good faith and to exercise their business judgment in what they reasonably believe to be the best interests of Detour Gold and its shareholders. In addition to the responsibilities of Committee members as directors of the Company, the Board has developed the following specific expectations of Committee members to promote the discharge by the Committee members of their responsibilities and to promote the proper conduct of the Committee.

- *Prepare for Meetings.* Committee members are expected to diligently prepare for each meeting, including by reviewing all materials circulated in advance of each meeting and should arrive prepared to discuss the issues presented. Committee members are encouraged to contact the Chair of the Committee, the CEO and any other appropriate executive officer to ask questions and discuss agenda items prior to meetings.
- *Attend at Meetings.* Committee members are expected to maintain a high attendance record at meetings of the Committee. Attendance by telephone or video conference may be used to facilitate a Committee member's attendance.
- *Participate in Meetings.* Committee members are expected to be active and effective participants in the deliberations of the Committee by participating fully and frankly in Board discussions and encouraging free and open discussion of the affairs of the Company.
- *Continuing Education.* Committee members are expected to pursue continuing education opportunities to maintain and enhance their abilities as members of the Committee and ensure that their knowledge of the matters for which the Committee is responsible remains current. The Committee may, if it feels appropriate, seek the Board's approval for having the costs of particular continuing education opportunities assumed by Detour Gold.

5. ACCESS TO MANAGEMENT AND INDEPENDENT ADVISORS

5.1 Committee members will have full access to management of the Company to discuss any matter which the member may wish to discuss or obtain additional information on.

5.2 The Committee has the authority to retain, set the terms of and compensate independent legal, financial or other advisors, consultants or experts that it determines necessary to assist it in carrying out its duties.

5.3 The Committee may conduct any investigation appropriate to its responsibilities, and request any officer or other employee of the Company, or any outside advisor, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee.

6. MEETINGS

6.1 **Scheduling.** Committee meetings are scheduled in advance at appropriate intervals throughout the year. Additional meetings may be called upon proper notice at any time to address specific needs of the Company. The Committee may also take action from time to time by unanimous written consent. A Committee meeting may be called by the Committee Chair, the CEO or any Committee member.

6.2 **Notice.** Notice of the time and place of each meeting of the Committee must be given to each Committee member either by personal delivery, electronic mail, facsimile or other electronic means not less than 48 hours before the time of the meeting. Committee meetings may be held at any time without notice if all of the Committee members have waived or are deemed to have waived notice of the meeting. A Committee member

participating in a Committee meeting is deemed to have waived notice of the meeting. The practice of the Committee is to provide notice of meetings to all directors in order that they may attend the meeting.

6.3 **Agenda.** The Chair of the Committee shall establish the agenda for each Committee meeting in consultation with the Chair of the Board and the CEO. The agenda will be distributed to Committee members in advance of each Committee meeting to allow Committee members sufficient time to review and consider the matters to be discussed. Each Committee member is free to request the inclusion of other agenda items, request the presence of, or a report by, any member of senior management and/or request the consideration of matters that are not on the agenda for that meeting, although voting on matters so raised may be deferred to another meeting to permit proper preparation for a vote on an unscheduled matter.

6.4 **In-Camera Sessions.** Committee members will meet separately at every Committee meeting without management present. The Chair will inform the CEO of the substance of these meetings to the extent that action is required by management.

6.5 **Independent Auditor.** The independent auditor will either be present in person or by teleconference at each quarterly meeting. The Committee will meet privately with the independent auditor (without management present) at each Committee meeting to discuss any matters the Committee believes should be discussed privately.

6.6 **Internal Auditor.** The internal auditor will either be present in person or by teleconference at each quarterly meeting. The Committee will meet privately with the internal auditor (without management present) at each Committee meeting to discuss any matters the Committee believes should be discussed privately.

6.7 **Distribution of Information.** Information and data that are important to the Committee's understanding of the business to be conducted at a Committee meeting will normally be distributed to the Committee members reasonably in advance of the meeting or as soon as practicable. The practice of the Committee is to make the information distributed to Committee members available to all directors.

6.8 **Attendance.** A Committee member who is unable to attend a Committee meeting in person may participate by telephone or teleconference. All directors are welcome to attend meetings of the Committee.

6.9 **Quorum.** A quorum for any Committee meeting is a majority of Committee members.

6.10 **Voting and Approval.** Each Committee member is entitled to one vote and questions are decided by a majority of votes. In case of an equality of votes, the Chair of the meeting has a casting vote. The powers of the Committee may also be exercised by resolution in writing and signed by all of the Committee members.

6.11 **Procedures.** Procedures for Committee meetings are determined by the Chair unless otherwise determined by the by-laws of the Company or a resolution of the Committee.

6.12 **Corporate Secretary.** The Corporate Secretary acts as secretary to the Committee. In the absence of the Corporate Secretary, or at the election of the Committee, the Committee may appoint any other person to act as secretary. The Corporate Secretary keeps minutes of the proceedings of the Committee and circulates copies of the minutes to each Committee member on a timely basis. The minutes of the Committee's meetings are made available for review by the Board.

7. PUBLICATION ON WEBSITE

7.1 This Mandate will be posted on Detour Gold's website: www.detourgold.com.