

DETOUR GOLD

Leading Proxy Advisory Firms ISS and Glass Lewis Recommend Detour Gold Shareholders vote FOR the Transaction with Kirkland Lake Gold

ISS and Glass Lewis both state that the proposed transaction is in the best interest of Detour Gold's shareholders.

Deadline to Vote by Proxy is 10:00 AM (Toronto Time) on January 24, 2020

January 16, 2020 – Detour Gold Corporation (TSX: DGC) (“Detour Gold” or the “Company”) today announced that leading proxy advisory firms Institutional Shareholder Services Inc. (“ISS”) and Glass Lewis & Co., LLC (“Glass Lewis”) have each recommended that Detour Gold shareholders vote FOR the proposed transaction whereby Kirkland Lake Gold Ltd. (“Kirkland Lake Gold”) has agreed to acquire all of the issued and outstanding common shares of Detour Gold pursuant to a plan of arrangement (the “Transaction”).

Pursuant to the Transaction, all of the issued and outstanding common shares of Detour Gold would be exchanged at a ratio of 0.4343 of a Kirkland Lake Gold common share per Detour Gold common share. The terms of the Transaction are further described in the management information circular of Detour Gold filed with the Canadian securities regulatory authorities on December 23, 2019.

Mick McMullen, President and Chief Executive Officer, stated: *“We are pleased that both ISS and Glass Lewis have recommended that shareholders vote in favor of the Transaction. The support of these leading independent proxy advisors further demonstrates that the Transaction represents a compelling opportunity for our shareholders to participate in the creation of a diversified, low-cost and growth-oriented senior gold producer with enhanced financial flexibility. Their recommendations also acknowledge the very thorough strategic review process run by Detour Gold, which culminated in the Transaction. We are confident that the Transaction will provide our shareholders with compelling benefits, for all of the reasons that were articulated by ISS and Glass Lewis in their reports.”*

Proxy Advisory Firm Recommendations

In making its recommendation FOR the Transaction, ISS concluded, among other things, that:

- *“The expected diversification of risk will protect shareholders against the significant loss that could result from having all of Detour's business in just one asset...”*
- *“Kirkland's offer does not appear to be opportunistic as it is made during times of multiyear highs for the price of DGC shares and the price of gold.”*
- *“Ultimately, the proposed deal is the product of a robust process led by a Detour board that has executed a remarkable turnaround, and the merger provides for participation in a diversified company under the leadership of a widely respected Kirkland management team.”*
- *“DGC shareholders are recommended to vote in favor of the proposed merger. ISS is likewise recommending that KL shareholders approve the transaction.”*

In making its recommendation FOR the Transaction, Glass Lewis noted, among other things, that:

- *“In our opinion, following the 2018 proxy contest, the reconstituted Detour board and management team conducted a thorough review of the Company's strategic and transaction alternatives.”*

- *“...we recognize that a combination involving strategically complementary companies, such as the proposed merger of Kirkland and Detour, presents a mutually-beneficial path for gold producers to achieve greater scale, asset diversification and potential synergies as they strive to deliver greater returns and enhance value for shareholders.”*
- *“...in considering the interests and likely preferences of Detour's shareholder base as a whole, we're inclined to believe that the reduced risk of becoming part of a larger entity with multiple assets, additional exploration and development opportunities, and a lower cost structure presents an enhanced risk/reward profile for the majority of Detour's shareholders.”*
- *“...the implied and current market premiums for Detour appear to be fair and reasonable, in our view.”*
- *“We also note that the implied purchase price for Detour represents a premium of 11% to the consensus analyst estimate of Detour's NAV per share as of the day before the merger announcement. The implied NAV premium for Detour compares to an average of 2% and a median of 5% paid in the 16 precedent transactions since the beginning of 2011 for which consensus NAV estimates were available (Source: S&P Capital IQ). Given that some of the precedent transactions included in our analysis involved larger-scale, lower-cost, multi-asset producers, we find the implied valuation multiples for Detour, a higher-cost, single-asset producer, to be generally favorable and consistent with the reasonable ranged observed across the prior transactions completed in the industry”*
- *“Thus, the primary benefits of the arrangement for Detour shareholders include an unaffected one-day market premium of 24%, elimination of single-asset risk, addition of investment exposure to two high-quality mines, significantly enhanced financial strength to fund the continued development of Detour Lake, participation in Kirkland's capital return program, and the enhanced trading liquidity and capital markets profile of the combined company”*
- *“...having considered Detour's status as a single-asset, high-cost producer, the current industry and market conditions which are supportive of consolidation, the strategic and financial benefits associated with the proposed combination for existing Detour shareholders, as well as the generally favorable terms of the arrangement for such holders, we believe the proposed transaction likely represents the best path forward to enhance shareholder value at this time.”*

Special Meeting of Detour Gold Shareholders on January 28, 2020

The special meeting of Detour Gold shareholders to consider the Transaction (the “Special Meeting”) is scheduled to be held on January 28, 2020, at 10:00 AM (Toronto time) at Commerce Court West, Suite 5300, 199 Bay Street, Toronto, Ontario. For Detour Gold, completion of the Transaction is subject to, among other things, the approval by at least 66 2/3 percent of the votes cast by its shareholders either voting in person or represented by proxy at the Special Meeting.

The Detour Gold Board of Directors, with the recommendation of a special committee of independent directors, has unanimously recommended that Detour Gold shareholders vote FOR the Transaction.

Shareholders are reminded that the deadline for receipt of proxies for the Special Meeting is 10:00 AM (Toronto time) on January 24, 2020 or 48 hours (excluding weekends and holidays in the Province of Ontario) prior to the time of any adjourned or postponed Special Meeting.

Detour Gold shareholders may contact Laurel Hill Advisory Group, the Company's proxy solicitation agent and shareholder communications advisor, for questions and assistance in voting their shares:

Laurel Hill Advisory Group
North America Toll Free: 1-877-452-7184
Collect Calls outside North America: 1-416-304-0211
Email: assistance@laurelhill.com

About Detour Gold

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

For further information, please contact:

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Cautionary Note regarding Forward-Looking Information

This news release contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking statements. All forward-looking statements, including those herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release speak only as of the date of this news release or as of the date or dates specified in such statements.

Specifically, this news release contains forward-looking statements regarding items including, but not limited to: expectations regarding timing of the Special Meeting; whether the proposed Transaction will be consummated and the expected potential benefits of the Transaction.

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, the results of the life of mine plan ("2018 LOM Plan"), 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, support of the Company's Indigenous communities, interest rate and exchange rate fluctuations, the ability to consummate the Transaction; the ability to obtain requisite court, regulatory and shareholder approvals and the satisfaction of other conditions to the consummation of the Transaction on the proposed terms and schedule; the ability of Kirkland Lake Gold and Detour Gold to successfully integrate their respective operations and employees and realize synergies and cost savings at the times, and to the extent, anticipated; the potential impact of the Transaction on exploration activities; the potential impact of the announcement or consummation of the Transaction on relationships, including with regulatory bodies, employees, suppliers, customers and competitors; general economic conditions and other risks involved in the gold exploration, development and production industry, as well as those risk factors listed in the sections entitled "Part I — The Arrangement — Risk Factors Related to the Arrangement", "Part I — The Arrangement — Risk Factors Related to the Operations of the Combined Company", Appendix G, "Information Concerning Detour Gold — Risk Factors", Part I — The Arrangement — Certain Canadian Federal Income Tax Considerations" and "Part I — The Arrangement — Certain United States Federal Income Tax Considerations to U.S. Holders" in Detour's management information circular dated December 20, 2019 and in the continuous disclosure documents filed by Detour Gold on and available on SEDAR at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. Actual results and developments and the results of the 2018 LOM Plan are likely to differ, and may differ materially or materially and adversely, from those expressed or implied by forward-looking statements, including those contained in this news release. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for exploration and development activities; operating and capital costs; results of operations; the Company's available cash resources; the Company's ability to attract and retain skilled staff; the mine development and production schedule and related costs; dilution control; sensitivity to metal prices and other sensitivities; the supply and demand for, and the level and volatility of the price of, gold; timing of the receipt of regulatory and governmental approvals for development projects and other operations;

the timing and results of consultations with the Company's Indigenous partners; the supply and availability of consumables and services; the exchange rates of the Canadian dollar to the U.S. dollar; energy and fuel costs; required capital investments; estimates of net present value and internal rate of returns; the accuracy of mineral reserve and mineral resource estimates, production estimates and capital and operating cost estimates and the assumptions on which such estimates are based; market competition; ongoing relations with employees and impacted communities and general business and economic conditions.

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.