December 3, 2010

NEWS RELEASE

Detour Gold Announces Closing of
US$500 Million Unsecured Convertible Note Private Placement

Detour Gold Corporation (TSX: DGC) ("Detour Gold" or the "Company") is pleased to announce the closing of the previously announced issuance of US$500 million of 5.50% senior unsecured convertible notes.

US$250 million of notes were purchased by a syndicate of underwriters led by BMO Capital Markets and including RBC Capital Markets and UBS Securities Canada Inc., and US$250 million of notes (including US$75 million of Class A notes ("Class A notes")) were purchased by Paulson & Co. Inc., on behalf of the several investment funds and accounts managed by it. The notes were sold on a private placement basis (the "Private Placement").

The notes will mature on November 30, 2017. The notes will be convertible by the holders thereof, at any time prior to their maturity in accordance with the terms of the indentures governing the notes, into common shares of the Company ("Common Shares") at a conversion price of US$38.50 per Common Share. The Class A notes are convertible, at the sole election of the Company, into either Common Shares at a conversion price of US$38.50 per Common Share or the cash equivalent of the market price of such number of Common Shares. The Class A notes are redeemable at the option of the Company at any time after issuance; all other notes are redeemable at the option of the Company at any time after November 30, 2013, provided that, in each case, the volume weighted average trading price of the Common Shares for 30 consecutive trading days is at least 130% of the conversion price at the time of the notice of redemption and subject to the conversion rights of the noteholders.

Detour Gold intends to use the proceeds from the Private Placement to finance the development of its wholly-owned Detour Lake gold project in northeastern Ontario.

“The closing of this private placement marks another significant milestone in the development of the Detour Lake project as we now have the majority of project funding in place. We are on track with procurement and detailed engineering and, with provincial approvals in hand, the construction of the Detour Lake mine is scheduled to start this month” said Gerald Panneton, President and CEO of Detour Gold.

About Detour Gold

Detour Gold is a Canadian gold exploration and development company whose focus is to advance the development of its Detour Lake gold project located in northeastern Ontario. Detour Gold's shares trade on the Toronto Stock Exchange under the trading symbol DGC.
The notes, the Class A notes and the Common Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy such securities.

Forward-Looking Information
This press release contains certain forward-looking information as defined in applicable securities laws (referred to herein as "forward-looking statements"). Specifically, this press release contains forward-looking statements regarding the intended use of proceeds from the Private Placement. Forward-looking statements involve known and unknown risks, uncertainties and other factors which are beyond Detour Gold's ability to predict or control and may cause actual results, performance or achievements to be materially different from any of future results, performance or achievements expressed or implied by forward-looking statements. 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 Detour Gold's 2009 annual information form. Such forward-looking statements are also 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; the estimated timeline for the development of the Detour Lake gold project; the supply and demand for, and the level and volatility of the price of, gold; the accuracy of reserve and resource estimates and the assumptions on which the reserve and resource estimates are based; the receipt of necessary permits; market competition; ongoing relations with employees and impacted communities; and general business and economic conditions. Accordingly, readers should not place undue reliance on forward-looking statements. Detour Gold undertakes no obligation to update publicly or otherwise revise any forward-looking statements contained herein whether as a result of new information or future events or otherwise, except as may be required by law.