



# **DETOUR GOLD**

**NOTICE OF ANNUAL AND  
SPECIAL MEETING OF SHAREHOLDERS  
AND  
MANAGEMENT INFORMATION CIRCULAR**

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**APRIL 23, 2010**

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## DETOUR GOLD CORPORATION

200 Bay Street – Suite 2040  
Royal Bank Plaza – North Tower  
Toronto, Ontario M5J 2J1

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an Annual and Special Meeting of shareholders (the “**Meeting**”) of Detour Gold Corporation (the “**Company**”) will be held at the Fairmont Royal York Hotel, Territories Room, 100 Front Street West, Toronto, Ontario on Wednesday, May 26, 2010 at 10:00 a.m. (Toronto time), for the following purposes:

- (a) To receive and consider the audited financial statements of the Company for the year ended December 31, 2009 and the report of the auditors thereon;
- (b) To elect the directors of the Company for the ensuing year;
- (c) To appoint KPMG LLP as auditors of the Company for the ensuing year and to authorize the directors to fix the auditors’ remuneration;
- (d) To consider and, if deemed appropriate, to pass, with or without variation, a resolution approving the Company’s amended and restated share option plan, as more particularly described in the accompanying management information circular, and ratifying certain option grants made thereunder in respect of 495,000 common shares of the Company; and
- (e) To transact such other business as may properly come before the Meeting or any adjournment thereof.

This notice is accompanied by a management information circular, a form of proxy and a copy of the audited financial statements of the Company for the financial year ended December 31, 2009, together with management’s discussion and analysis thereon.

**Shareholders who are unable to attend the Meeting in person are requested to complete and sign the accompanying form of proxy and return it by mail in the enclosed return envelope or by facsimile or by Internet. To be effective, proxies must be received by the Company’s transfer agent, Computershare Investor Services Inc., 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, or by facsimile within North America at 1-866-249-7775, outside North America at (416) 263-9524, or Internet prior to 5:00 p.m. (Toronto time) on Tuesday, May 25, 2010, or if the Meeting is adjourned, by no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to when any adjournment thereof is to be held, or may be deposited with the Chair of the Meeting at any time prior to the commencement of the Meeting or any adjournment thereof. Non-registered shareholders of the Company who have received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your security on your behalf (each an “intermediary”), are required to complete and return the materials in accordance with the instructions provided by such intermediary.**

**DATED** at Toronto, Ontario, this 23<sup>rd</sup> day of April, 2010.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) Gerald Panneton*

**Gerald S. Panneton**  
**President and Chief Executive Officer**

## DETOUR GOLD CORPORATION

200 Bay Street – Suite 2040  
Royal Bank Plaza – North Tower  
Toronto, Ontario M5J 2J1

### MANAGEMENT INFORMATION CIRCULAR

This Management Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Detour Gold Corporation (the “**Company**”) for use at the annual and special meeting (the “**Meeting**”) of its shareholders to be held on May 26, 2010 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Circular, references to “**we**” and “**our**” refer to the Company. “**Common Shares**” means common shares in the capital of the Company. “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own name and “**intermediaries**” refers to stockbrokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

Unless otherwise stated, the information contained in this Circular is given as of April 23, 2010. All dollar amounts referenced herein, unless otherwise indicated, are expressed in Canadian dollars.

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from shareholders of the Company.

#### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

#### Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy FOR such matter.**

## VOTING INSTRUCTIONS

### Registered Shareholders

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed Proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc., by facsimile within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand delivery to Computershare Investor Services Inc., 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone telephone to transmit voting choices to 1-866-732-VOTE (8683). Registered shareholders must follow the instructions of the voice response system and refer to the enclosed Proxy for the holder's account number and the proxy access number; or
- (c) using the Internet through the website of the Company's transfer agent at [www.investorvote.com](http://www.investorvote.com). Registered shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy for the holder's account number and the proxy access number;

in all cases ensuring that the proxy is received prior to 5:00 p.m. (Toronto time) on Tuesday, May 25, 2010, or, if the Meeting is adjourned, by no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to when any adjournment thereof is to be held.

A proxy must be in writing and must be executed by the registered shareholder or by an attorney authorized in writing or, if the registered shareholder is a corporation or other legal entity, by an authorized officer or attorney. Voting by mail is the only method by which a registered shareholder may choose an appointee other than the management appointees named on the enclosed Proxy.

### Beneficial Shareholders

If Common Shares are listed in an account statement provided to a shareholder by a stockbroker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's stockbroker or an agent of that stockbroker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms).

National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators (CSA) requires stockbrokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Stockbrokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients.

### ***If you are a Beneficial Shareholder:***

These securityholder materials are being sent to both registered and non-registered owners of Common Shares. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your

name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Alternatively, you can request in writing that your stockbroker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

### **REVOCATION OF PROXIES**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare Investor Services Inc. by facsimile within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand delivery to Computershare Investor Services Inc., 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or at the address of the registered office of the Company at Royal Bank Plaza, North Tower, 200 Bay Street, Suite 2040, Toronto, Ontario, M5J 2J1, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

It is anticipated that effective June 1, 2010, the Company's registered and head office will change to Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2200, Toronto, Ontario, M5J 2J1.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the most recently completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the approval of the amendment and restatement of the Company's share option plan and as set out herein.

### **RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Board of Directors (the "**Board**") of the Company has fixed April 21, 2010 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a

form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of the Record Date, there were a total of 69,970,219 Common Shares without par value issued and outstanding, each carrying the right to one (1) vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, based on public filings, the only persons or corporations that beneficially owned, or controlled or directed, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at the Record Date were:

Name	Number of Shares	Percentage of Outstanding Shares
Paulson & Co.	10,300,000	14.72%

### VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein.

### ELECTION OF DIRECTORS

The Articles of the Company provide that the Board shall consist of a maximum of ten (10) directors. The Board is currently comprised of nine (9) directors. It is contemplated that ten (10) directors will be elected at the Meeting. The term of office for each of the Company's present directors expires at the conclusion of the Meeting.

Management of the Company proposes to nominate the persons named in the following table for election as directors of the Company. Each director elected will hold office until the conclusion of the next annual general meeting of the Company, or until the director's successor is duly elected or appointed, unless the director's office is earlier vacated in accordance with the Company's by-laws or the director becomes disqualified to act as a director.

The following information concerning the ten (10) nominees for election as directors includes their principal occupations, the date on which they first became a director of the Company, if applicable, and the number of Common Shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by each of them as at the date of this Circular. **The Board of the Company recommends that shareholders vote in favour of the election of the following nominees as directors. In the absence of a contrary instruction, the persons named in the enclosed Proxy intend to vote FOR the election of the directors set out in the following table.**

<b>Name, Current Position with the Company &amp; Province or State &amp; Country of Residence</b>	<b>Present Principal Occupation</b>	<b>Director Since</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
<b>J. Michael Kenyon</b> Executive Chairman and Director Vancouver, British Columbia	Geologist and self-employed mining consultant.	March 11, 2008	40,000
<b>Peter E. Crossgrove<sup>(2)</sup></b> Non-Executive Co-Chairman and Lead Director Toronto, Ontario	Businessman.	March 27, 2009	17,997
<b>Gerald S. Panneton</b> President, Chief Executive Officer and Director Terra Cotta, Ontario	President and Chief Executive Officer of the Company.	July 19, 2006	565,000
<b>Louis Dionne<sup>(3)</sup></b> Director Oakville, Ontario	Professional engineer and self-employed mining consultant.	September 25, 2006	Nil
<b>André Gaumond<sup>(3)(5)</sup></b> Director Lac Beauport, Québec	Professional geologist, President and Chief Executive Officer of Virginia Mines Inc.	March 27, 2009	Nil
<b>Ingrid J. Hibbard<sup>(4)(5)</sup></b> Director Milton, Ontario	Mining and securities lawyer, President and Chief Executive Officer of Pelangio Exploration Inc.	January 31, 2007	470,217
<b>Jonathan Rubenstein<sup>(4)(5)</sup></b> Director Vancouver, British Columbia	Mining executive and lawyer.	March 27, 2009	Nil
<b>Ronald W. Thiessen<sup>(2)(4)</sup></b> Director Vancouver, British Columbia	President and Chief Executive Officer of Hunter Dickinson Inc.	July 19, 2006	222,000
<b>Robert E. Doyle</b> Toronto, Ontario	Mining executive and chartered accountant.	-	Nil
<b>Alex G. Morrison</b> Bellingham, Washington, USA	Mining executive and chartered accountant.	-	Nil

**Notes:**

- (1) The information as to the place of residence, principal occupation and Common Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees individually.
- (2) Current Audit Committee member. Information regarding the Company's Audit Committee can be found in the Company's Annual Information Form dated March 29, 2010 (the "AIF"), a copy of which is filed on SEDAR, under the heading "Item 17 – Audit Committee Information". Philip E. Olson, a director of the Company since January 31, 2007, is also currently a member of the Audit Committee, but will not be standing for re-election at the Meeting.
- (3) Current Technical Committee member. Mr. Olson is also currently a member of the Technical Committee, but will not be standing for re-election at the Meeting.
- (4) Current Compensation Committee member.
- (5) Current Corporate Governance and Nominating Committee member.

**J. Michael Kenyon.** Mr. Kenyon has been a director of the Company since March 11, 2008. Mr. Kenyon is a geologist with 35 years of experience and previously served as President and Chief Executive Officer of Canico Resource Corp. from 2002 to 2005. He also served as a director of Cumberland Resources Ltd. from 1979 to 2007. Mr. Kenyon is Chairman of the board of directors of Troon Ventures Ltd. and a director of African Barrick Gold plc.

**Peter E. Crossgrove.** Mr. Crossgrove has been a director of the Company since March 27, 2009, and is a member of the Audit Committee. He is a member of the Order of Ontario, the Order of Canada and the former Chairman and a founder of Masonite International Inc., a door manufacturing company. Mr. Crossgrove is currently the Chairman and Chief Executive Officer of Excellon Resources Inc. (“**Excellon**”), a producer of silver-lead and silver-zinc concentrate. Prior to January 1993, Mr. Crossgrove was Vice Chairman and Acting Chief Executive Officer of Placer Dome Inc. Mr. Crossgrove sits on boards of several public companies, including Barrick Gold Corporation, Dundee REIT, Lake Shore Gold Corp., Excellon, Quadra Logic Technologies and Pelangio Exploration Inc. (“**Pelangio Exploration**”), as well as several non-profit organizations.

**Gerald S. Panneton.** Mr. Panneton has been a director of the Company since its incorporation on July 19, 2006. Mr. Panneton, a geologist with over 25 years of experience in mineral exploration and development, is also the President and Chief Executive Officer of the Company. Mr. Panneton served as President and Chief Executive Officer of Continental Minerals Corporation from 2006 to 2008, and was Director of Advanced Projects and Evaluation for the Exploration-Corporate Development group at Barrick Gold Corporation from 1998 to 2006. Mr. Panneton has also worked for Lac Minerals Ltd., Placer Dome Exploration Inc. and Vior-Mazarin Group.

**Louis Dionne.** Mr. Dionne has been a director of the Company since September 25, 2006, and is a member of the Technical Committee (Chair). Mr. Dionne is a mining engineer and a self-employed mining consultant. Mr. Dionne was President and Chief Executive Officer of Richmond Mines Ltd. from 2002 to 2005, and was Senior Vice President, Underground Operations, of Barrick Gold Corporation from 1983 to 2001. Mr. Dionne is a director of Aurizon Mines Ltd. and Beaufield Resources Inc.

**André Gaumont.** Mr. Gaumont has been a director of the Company since March 27, 2009, and is a member of the Corporate Governance and Nominating Committee and the Technical Committee. He has worked as a geologist for several organizations, including Noranda Inc., SOQUEM and the Government of Québec. Mr. Gaumont was President, Chief Executive Officer and a director of Virginia Gold Mines Inc. from 1992 until 2006 and is currently President, Chief Executive Officer and a director of Virginia Mines Inc. Mr. Gaumont is a director of the Prospectors and Developers Association of Canada.

**Ingrid J. Hibbard.** Ms. Hibbard has been a director of the Company since January 31, 2007, and is a member of the Compensation Committee and the Corporate Governance and Nominating Committee. Ms. Hibbard is President, Chief Executive Officer and a director of Pelangio Exploration, and was the Chief Executive Officer of PDX Resources Inc. (formerly Pelangio Mines Inc.). Ms. Hibbard is a mining and securities lawyer with over 25 years of experience in the mining industry.

**Jonathan Rubenstein.** Mr. Rubenstein has been a director of the Company since March 27, 2009, and is a member of the Compensation Committee (Chair) and the Corporate Governance and Nominating Committee (Chair). Mr. Rubenstein practised law until 1994 and has been a mining executive since that time. Mr. Rubenstein has served as an officer and/or director for a number of public mining companies, including Cumberland Resources Ltd., Sutton Resources Ltd., Canico Resource Corp., Redcorp Ventures Ltd. and Aurelian Resources Inc. Mr. Rubenstein is currently Chairman and a director of MAG Silver Corp. and a director of Troon Ventures Ltd., Eldorado Gold Corporation and Rio Novo Gold Inc.

**Ronald W. Thiessen.** Mr. Thiessen has been a director of the Company since July 19, 2006, and also served as Chairman of the Board until March 2009. Mr. Thiessen is a member of the Audit Committee (Chair) and Compensation Committee. Mr. Thiessen is President and Chief Executive Officer of Hunter Dickinson Inc. and Amarc Resources Ltd., a director of Anooraq Resources Corporation, Co-Chairman of Continental Minerals Corporation, Chairman of Farallon Resources Ltd., Chairman of Great Basin Gold Ltd., President and Chief Executive Officer of Northern Dynasty Minerals Ltd. and Chairman of Taseko Mines Ltd.

**Robert E. Doyle.** Mr. Doyle is a chartered accountant and chartered director with more than 30 years experience in all facets of international resource exploration, development and production. Most recently, Mr. Doyle co-founded Medoro Resources Limited (“**Medoro**”) and served as its Chief Executive Officer from 2008 to 2009. Mr. Doyle has also held senior executive positions at several other mining and resource companies, and was the Executive Vice President of Pacific Stratus Energy Ltd. from 2006 to 2007, Chief Financial Officer of Coalcorp Mining Inc. from 2005 to 2007 and Chief Financial Officer of Bolivar Gold Corp. from 2003 to 2006. Mr. Doyle has also worked for Lac Minerals Ltd. and Falconbridge Limited. He is a director of Medoro, Golden Star Resources Ltd., Mandalay Resources Corporation and NXA Inc. Mr. Doyle is not currently a director of the Company.

**Alex G. Morrison.** Mr. Morrison is a chartered accountant with over 20 years experience in the mining industry. Mr. Morrison has held senior executive positions at a number of mining companies, most recently serving as Vice President and Chief Financial Officer of Franco-Nevada Corporation from 2007 to 2010. From 2002 to 2007, Mr. Morrison held increasingly senior positions at Newmont Mining Corporation, including Vice President, Operations Services and Vice-President, Information Technology. Prior to that, Mr. Morrison was Vice President and Chief Financial Officer of Novagold Resources Inc., Vice President and Controller of Homestake Mining Company and held senior financial positions at Phelps Dodge Corporation. Mr. Morrison began his career with Pricewaterhouse Coopers LLP. He is not currently a director of the Company.

### **Cease Trade Orders or Bankruptcies**

Except as hereinafter set out, no proposed director of the Company is, as at the date of this Circular, or has been within ten (10) years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that was:

- (i) subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as hereinafter set out, no proposed director:

- (i) is, as at the date of this Circular, or has been within the ten (10) years before the date of this Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (ii) has, within the ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

The foregoing information, not being within the knowledge of the Company, has been furnished by the directors mentioned below.

J. Michael Kenyon, one of the Company's directors, was a director of Crown Resources Corp. ("Crown") from 1989 to November 2001. Crown was NASDAQ listed and subsequently obtained listing on the Toronto Stock Exchange (the "TSX"). In August 2001, primarily due to an unresolved debenture default, Crown's price fell below listing requirements and was no longer quoted. Mr. Kenyon resigned in November 2001. In March 2002, Crown filed a voluntary petition under Chapter 11 of the United States Bankruptcy Code in the District of Colorado. It was reported that the board of directors at the time authorized the filing after failing to resolve the debenture default. In May 2002, it was reported that Crown had secured a court order for reorganization and that it would commence trading on NASDAQ in June 2002. Crown was reportedly acquired by Kinross Gold Corporation in August 2006 in a share exchange.

### **Penalties or Sanctions**

No executive officer or proposed director of the Company has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **APPOINTMENT OF AUDITOR**

KPMG LLP, Chartered Accountants, will be nominated at the Meeting for appointment as auditors of the Company at remuneration to be fixed by the Board. KPMG LLP replaced the Company's former auditors, McGovern, Hurley, Cunningham, LLP, Chartered Accountants ("MHC"), who resigned effective October 19, 2009. The Company appointed KPMG LLP as auditor of the Company effective October 19, 2009. A copy of the reporting package prepared and filed on SEDAR in respect of the change of the Company's auditor is appended hereto as Schedule "A". The auditor's reports of MHC on the financial statements of the Company for the years ended December 31, 2008 and December 31, 2007 do not contain any reservations, and there have been no "reportable events" as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*.

KPMG LLP has offices at Suite 4600, Bay Adelaide Centre, 333 Bay Street, Toronto, Ontario, M5H 2S5.

**The Board of the Company recommends that shareholders vote in favour of the appointment of KPMG LLP as auditors of the Company. In the absence of a contrary instruction, the persons named in the enclosed Proxy intend to vote FOR the appointment of KPMG LLP.**

### **APPROVAL OF SHARE OPTION PLAN**

At the Meeting, the shareholders of the Company will be asked to vote for the amendment and restatement of the Company's share option plan, and to approve all unallocated options, rights and other entitlements under the plan, as described below. In addition, options to acquire an additional 495,000 Common Shares are subject to shareholder ratification at the Meeting.

### **Amendment and Restatement of the Share Option Plan**

The Company's share option plan (the "**Option Plan**") was established to attract, retain and motivate key service providers of the Company and to advance the interests of the Company by enabling such persons to acquire and retain a proprietary interest in the Company through the ownership of Common Shares.

Effective April 20, 2010, the Board unanimously approved certain amendments (the “**Amendments**”) to the Option Plan, subject to the receipt of shareholder and regulatory approvals. The amended and restated Option Plan was accepted for filing by the TSX on April 23, 2010, subject to shareholder approval and meeting the requirements of the TSX, including the filing of applicable documentation.

The Amendments to the Option Plan effect certain changes to the plan of a general administrative or housekeeping nature, including certain changes to simplify the usage of defined terms in the plan. The Amendments also amend the plan in certain other respects, including the following:

- ▶ the definition of “Change of Control” has been updated to set out the specific circumstances where a change of control will be deemed to have occurred, and, in the case of persons acting jointly or in concert, raises the threshold of share ownership required to constitute a “Change of Control” from 20% to 30%;
- ▶ the maximum term of options granted under the Option Plan has been reduced from ten (10) years to seven (7) years. The current practice of the Company is to grant options with 5 year terms;
- ▶ the number of Common Shares issuable to any one Service Provider (defined below) pursuant to the Option Plan has been limited to 2.5% of the outstanding Common Shares; and
- ▶ the specific types of amendments to the Option Plan or any outstanding options that will require shareholder approval has been expanded to include amendments regarding who is eligible for the grant of options, the non-assignability of options and the provisions regarding amendments to the plan itself.

The purpose of the Amendments is to ensure that the procedures set forth in the plan are appropriate to assist the Company in providing directors, executives, key employees and consultants with compensation opportunities that are aligned with the goal of creating of shareholder value over the long-term and to adapt the plan to evolving corporate governance practices.

The full text of the amended and restated Option Plan is attached to this Circular as Schedule “B”. The description of the Option Plan set forth below is subject to and qualified in its entirety by the provisions of such plan. Reference should be made to the provisions of the Option Plan with respect to any particular provision described below.

The Company is required to seek shareholder approval for the amended and restated Option Plan as described below at “Approval Required for Option Plan and Ratification of Prior Options”.

### **Approval of Unallocated Options, Rights and Entitlements under the Option Plan**

The Option Plan is an “evergreen” or “rolling” share option plan which provides that the maximum number of Common Shares which may be reserved and set aside for issue pursuant to the exercise of outstanding options may not exceed 10% of the number of Common Shares issued and outstanding (calculated on a non-diluted basis) from time to time. The rules of the TSX require that all unallocated options, rights or other entitlements under “evergreen” or “rolling” plans must be approved by a majority of the relevant issuer’s directors and by shareholders every three (3) years after its institution.

As noted above, the Board unanimously approved the amended and restated Option Plan on April 20, 2010, subject to receipt of shareholder and regulatory approval. The Board has also unanimously approved all unallocated options, rights and entitlements under the Option Plan. As the Option Plan was initially implemented in connection with the Company’s initial public offering on January 31, 2007, shareholders of the Company will be asked at the Meeting not only to approve the amended and restated Option Plan, but as well to approve all unallocated options, rights and entitlements thereunder.

## **Ratification of Certain Option Grants**

The Board has granted a total of 495,000 options under the Option Plan to certain non-executive employees of the Company (the “**Prior Options**”), representing approximately 0.71% of the issued and outstanding Common Shares as at the Record Date. Of these options, 15,000 are exercisable at the price of \$17.52 per share, expiring March 11, 2015, 80,000 are exercisable at the price of \$19.21 per share, expiring April 6, 2015, 150,000 are exercisable at the price of \$19.69 per share, expiring April 12, 2015, and the remaining 250,000 are exercisable at the price of \$19.61 per share, expiring April 20, 2015. As the Prior Options were granted prior to the approval of the amended and restated Option Plan at the Meeting, they may not be exercised until such time as the shareholders of the Company have approved and ratified such plan. In the event that the shareholders of the Company do not approve the amended and restated Option Plan, the Prior Options will be cancelled.

## **Description of Amended and Restated Option Plan**

The description of the amended and restated Option Plan set out below includes a summary of certain amendments to the vesting and termination provisions of the plan adopted by the Board effective June 3, 2009. Such amendments were adopted by the Board in order to provide additional flexibility with respect to the administration of options under the plan and to provide for more equitable treatment of optionees. Shareholder approval of the June 3, 2009 amendments was not required under TSX policies, and the plan, as amended effective June 3, 2009, was accepted for filing by the TSX on July 8, 2009.

The full text of the amended and restated Option Plan is attached to this Circular as Schedule “B”. The description of the Option Plan set forth below is subject to and qualified in its entirety by the provisions of such plan. Reference should be made to the provisions of the Option Plan with respect to any particular provision described below.

### ***Eligibility***

Pursuant to the terms of the Option Plan, options may be granted to a person who is a director, officer, employee or consultant of the Company (a “**Service Provider**”). Options may also be granted to a company whose share capital is 100% beneficially owned by one or more Service Providers, provided such company undertakes not to transfer ownership or option of any of its shares, nor issue more of its shares (so as to indirectly transfer the benefits of an option), without the prior consent of the Company.

### ***Limitations on Grants***

The Option Plan provides that the maximum aggregate number of securities that may be reserved for issuance under the plan is ten percent (10%) of the Company’s issued and outstanding Common Shares, from time to time. The number of Common Shares issuable to insiders at any time pursuant to the Option Plan, when combined with all of the Company’s other share compensation arrangements (as defined in the Option Plan), may not exceed ten percent (10%) of the issued and outstanding Common Shares. The number of Common Shares issued to insiders within any one (1) year period pursuant to the Option Plan, when combined with all of the Company’s other share compensation arrangements, may not exceed ten percent (10%) of the outstanding Common Shares. The number of Common Shares issuable to any one Service Provider pursuant to the Option Plan may not exceed 2.5% of the outstanding Common Shares.

### ***Determination of Exercise Price***

The exercise price of options is set by the Board at the time they are granted under the Option Plan. Such exercise price cannot be less than the five (5) day Volume Weighted Average Trading Price (VWAP) of the Common Shares, calculated in accordance with TSX policies, on the day before the grant.

### ***Term of Options***

As described above, pursuant to the terms of the amended and restated Option Plan, the maximum term of options granted under the plan has been reduced from ten (10) years to seven (7) years from the day they are granted. The current practice of the Company is to grant options with five (5) year terms.

The Company prohibits directors, officers, employees, consultants, contractors and other service providers of the Company from trading in securities of the Company with knowledge of material non-public information. As it may be difficult from time to time for such personnel (or other insiders) to determine if they are in possession of material non-public information, the Company identifies trading window restrictions (“**blackout periods**”) during which such persons are not to trade in securities of the Company, which includes the exercise of options. The Option Plan provides that options which are not exercisable due to a blackout period at any time within the three (3) business day period immediately prior to their normal expiry date will have such expiry date extended for a period of ten (10) business days following the end of the blackout period.

### ***Vesting***

Vesting of options is at the discretion of the Board, and will generally be subject to (i) the optionee remaining employed by or continuing to provide services to the Company or any of its subsidiaries and affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its subsidiary or affiliate during the vesting period, or (ii) the optionee remaining as a director of the Company or any of its subsidiaries or affiliates during the vesting period. In the event of an occurrence of a Change of Control (as defined in the Option Plan), options which are subject to vesting provisions will be deemed to have immediately vested and become exercisable immediately before the occurrence of the Change of Control.

Effective June 3, 2009, the plan was amended to provide that, subject to the general conditions set out in preceding paragraph, the waiver in whole or in part and at any time and from time to time of the vesting requirements contained in any existing option shall be at the discretion of the Board.

### ***Termination of Options***

No options may be exercised after an optionee has left the employ/office or has been advised his services are no longer required or his service contract has expired, except as described below.

Prior to June 3, 2009, the Option Plan provided that, in the case of the death of an optionee, any vested option held by him at the date of death would become exercisable by the optionee’s lawful personal representatives, heirs or executors until the earlier of one (1) year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option. Effective June 3, 2009, the plan was amended to provide that such options will be exercisable by the optionee’s lawful personal representatives, heirs or executors until the earlier of (i) the date that is one (1) year after the date of death of such optionee or such later date as determined by the Board, and (ii) and the date of expiration of the term otherwise applicable to such option, and any unvested options held at the date of death will immediately terminate, unless discretion with respect to the waiver of vesting is exercised by the Board.

Prior to June 3, 2009, the Option Plan provided that, subject to the other provisions of the plan regarding termination of options, vested options would expire ninety (90) days after the date an optionee ceased to be employed by, provide services to, or be a director or officer of, the Company, and in such case, all unvested options would immediately terminate without right to exercise same. Effective June 3, 2009, the plan was amended to provide that, subject to the other provisions of the plan regarding the termination of options, vested options will expire on the earlier of (i) the date that is one (1) year following the date an optionee ceased to be employed by, provide services to, or be a director or officer of, the Company, or such later date as determined by the Board, and (ii) the date of expiration of the term otherwise applicable to such option, and in such case, all

unvested options will immediately terminate without right to exercise same, unless discretion with respect to the waiver of vesting is exercised by the Board.

Prior to June 3, 2009, the Option Plan provided that, in the event of a director not being nominated for re-election as a director of the Company, although consenting to act and being under no legal incapacity which would prevent the director from being a member of the Board, options granted which were subject to a vesting provision would be deemed to have vested on the date of the meeting upon which the director is not re-elected. Effective June 3, 2009, the plan was amended to provide that, in addition to the forgoing, all such options and previously vested options held by such director will be exercisable until the earlier of (i) the date that is one (1) year following the date of the meeting upon which the director is not re-elected or such later date as determined by the Board and (ii) the date of expiration of the term otherwise applicable to such options.

Prior to June 3, 2009, the Option Plan provided that, if an optionee was dismissed from employment or service for cause, such optionee's options, whether or not vested at the date of dismissal, would immediately terminate without right to exercise same. Effective June 3, 2009, the plan was amended to provide that any vested options held by an optionee dismissed from employment or service for cause will continue to be exercisable until the earlier of (i) the date that is thirty (30) days following the date on which the optionee receives notice of dismissal for cause or such later date as determined by the Board and (ii) the date of expiration of the term otherwise applicable to such option, and that all unvested options will immediately terminate without right to exercise same, unless discretion with respect to the waiver of vesting is exercised by the Board.

#### ***Assignability and Transferability***

Stock options granted under the Option Plan are not assignable or transferable and must be exercised by the optionee, other than in the case of the death of the optionee as described above.

#### ***Amendments to the Option Plan***

The Option Plan provides that the Board may amend the plan without the approval of the shareholders, provided however, that the shareholders of the Company must approve any amendment to the Option Plan which increases the fixed maximum percentage of Common Shares issuable pursuant to the Option Plan. The Option Plan also provides that shareholder approval will be required to amend the Option Plan or an option which:

- (i) reduces the exercise price of an option;
- (ii) extends the term of an option (other than an option that is not exercisable due to a blackout period, as discussed above);
- (iii) increases the level of insider participation under the Option Plan;
- (iv) amends either the provision of the Option Plan with respect to eligibility or the definition of "Service Provider" so as to broaden the categories of persons eligible to receive options under the plan;
- (v) amends the provisions of the Option Plan with respect to the assignability and transferability of options; or
- (vi) amends the provisions of the Option Plan with respect to the ability of the Board to amend or modify the plan or any option granted under the plan, or the types of amendments to the plan or an option granted under the plan which will or will not require shareholder approval.

Examples of amendments to the Option Plan which could be made without the approval of shareholders include the following:

- (i) amendments ensuring continuing compliance with applicable laws, regulations, requirements, rules or policies of any governmental authority or any stock exchange;
- (ii) amendments of a “housekeeping” nature, which include amendments to eliminate any ambiguity or correct or supplement any provision contained in the Option Plan which may be incorrect or incompatible with any other provision thereof;
- (iii) a change in the process by which an optionee who wishes to exercise his or her option may do so, including the required form of payment for the Common Shares being acquired, the form of exercise notice and the place where such payments and notices must be delivered; and
- (iv) changing the vesting provisions of the Option Plan or any option, including to provide for accelerated vesting.

### ***Outstanding Options***

As at the Record Date, there were 3,976,625 options outstanding under the Option Plan, representing approximately 5.7% of the issued and outstanding Common Shares.

In connection with the combination of the Company with PDX Resources Inc. (“**PDX**”) on March 27, 2009, the Company agreed to assume the incentive stock option plan of PDX (the “**PDX Plan**”), subject to certain amendments. These amendments provided, among other things, for the conversion of unexercised PDX options into options exercisable for a total of 542,777 Common Shares of the Company, and that no further options could be granted under the PDX Plan. For information regarding the PDX Plan and the Company’s assumption of the PDX Plan, please see the Joint Management Information Circular of the Company and PDX dated February 20, 2009 with respect to the combination, which is available on SEDAR at [www.sedar.com](http://www.sedar.com). A copy of the Joint Information Circular of the Company and PDX may also be obtained without charge on request from the Company. As at April 21, 2010, there were options exercisable for a total of 411,581 Common Shares of the Company outstanding under the PDX Plan, as amended.

### **Approval Required for the Option Plan and Ratification of Prior Options**

The resolution respecting the approval of the amended and restated Option Plan and the unallocated options, rights and entitlements thereunder, as well as the ratification of the grant of the Prior Options, will require the affirmative vote of a majority of the votes cast thereon at the Meeting.

### **The Resolution**

The text of the proposed resolution to approve the amended and restated Option Plan and the unallocated options, rights and entitlements thereunder, and to ratify the grant of the Prior Options, is as follows:

#### **“IT IS RESOLVED THAT:**

1. the share option plan of the Company, as amended and restated effective April 20, 2010 (as may be amended, varied or supplemented from time to time) (the “**Option Plan**”), a copy of which has been tabled at this Meeting, be and is hereby ratified, confirmed and approved;
2. all unallocated options, rights and other entitlements under the Option Plan are hereby ratified, confirmed and approved;

3. the grant of options under the Option Plan to acquire up to 495,000 common shares of the Company to certain non-executive employees of the Company, as disclosed in the management proxy circular distributed to shareholders in connection with this Meeting, is hereby ratified, confirmed and approved;
4. the Company have the ability to continue granting options under the Option Plan until May 26, 2013, that is until the date that is three (3) years from the date on which shareholder approval of such plan is being sought at the Meeting; and
5. any one director or officer of the Company is hereby authorized, for and on behalf of the Company, to execute and deliver all such documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, or the taking of any such action.”

**The Board of the Company recommends that shareholders vote in favour of the foregoing resolution. In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote FOR the approval of the foregoing resolution.**

#### STATEMENT OF EXECUTIVE COMPENSATION

##### Named Executive Officers

For the purposes of this Circular, a Named Executive Officer (“NEO”) of the Company means each of the following individuals:

- (a) the chief executive officer (“CEO”) of the Company;
- (b) the chief financial officer (“CFO”) of the Company;
- (c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 – *Statement of Executive Compensation* of National Instrument 51-102 – *Continuous Disclosure Obligations*, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

For the fiscal year ended December 31, 2009, the Company had five NEOs: Gerald S. Panneton, President and Chief Executive Officer, Paul Martin, Chief Financial Officer, Patrick Donovan, Vice President, Corporate Development, Derek Teevan, Vice President, Aboriginal and Governmental Affairs, and Paul Chawrun, Director, Technical Services.

##### *Compensation Discussion and Analysis*

The Compensation Committee of the Board (the “**Compensation Committee**”) is responsible for ensuring that the Company has in place an appropriate plan for executive compensation and for making recommendations to the Board with respect to compensation of the Company’s executive officers. The Compensation Committee has adopted a Compensation Committee charter which is available for viewing at the Company’s website at [www.detourgold.com](http://www.detourgold.com). The charter provides, among other things, that the committee shall assist the Board in

carrying out its responsibilities relating to executive and director compensation. The Compensation Committee recommends to the Board what it considers is appropriate compensation based primarily on a comparison of the remuneration paid by the Company with the remuneration paid by other public companies that the committee feels are similarly placed within the mining industry.

The Company's compensation philosophy is based on the following fundamental principles: (i) the Company's compensation strategy must be aligned with the long-term interests of its shareholders, (ii) individual compensation for directors, the CEO, the CFO and executive officers must be linked to individual performance as well as corporate performance, and will therefore fluctuate, and (iii) the level of compensation for directors, the CEO, the CFO and executive officers must be competitive in order to attract and retain high-calibre individuals.

### Executive Compensation Program

To assist in performing its role, the Compensation Committee is authorized to retain independent compensation consultants, and, in 2009, the committee retained Roger Gurr & Associates, Executive Compensation Consultants ("**Gurr & Associates**"), to assess the Company's CEO, CFO and director compensation relative to the marketplace. The Compensation Committee also collects executive compensation data from public filings of other corporations of similar size within the mining industry, and may source surveys on executive compensation which provide competitive data reflecting comparable knowledge, skills and talents, and related compensation levels.

In 2009, the Compensation Committee reviewed and considered data related to compensation levels and programs of a number of companies similar in size and stage of development to the Company. These companies (the "**Peer Group Companies**") were used as the Company's primary peer group as they have similar business characteristics or because they are competitive with the Company for employees or investors. Peer Group Companies were divided into two segments: (i) mid-tier mining companies, including Gammon Gold Inc., Alamos Gold Inc., Northgate Minerals Corporation and Golden Star Resources Ltd., and (ii) and development stage companies, including Osisko Mining Corporation, Minefinders Corporation Ltd., European Goldfields Ltd., Rubicon Minerals Corporation and MAG Silver Corp.

The Compensation Committee also considers the Company's corporate objectives (the "**Corporate Objectives**"), which are established at regular intervals by the Board. In the fourth quarter of each financial year, the achievements of management are reviewed and evaluated by the Compensation Committee and measured against the Corporate Objectives. The degree to which the Corporate Objectives have been achieved are considered by the Compensation Committee along with the individual performance of each executive and the comparative industry data discussed above. Recommendations are then made to the Board with respect to the cash-based annual incentives and the long-term incentives of the senior executives, thereby establishing a direct link between senior executive compensation and the Company's financial and non-financial performance.

During 2009, key Corporate Objectives included: (i) completion of certain Memoranda of Understanding ("**MOUs**") with Aboriginal groups, (ii) adding additional depth and experience to the Company's senior management team to support future development of the Detour Lake project, (iii) completion of infill drilling at the Detour Lake project sufficient to support completion of a National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* pre-feasibility study which details reserves to accepted industry standard, (iv) ensuring financing sufficient to maintain the Detour Lake project schedule, and (v) maintaining a sound control, regulatory and disclosure framework for the Company.

The Compensation Committee met *in camera* (i.e., without management present) in the second quarter and fourth quarter of 2009 to review trends in comparative executive compensation data. During the fourth quarter meeting, the Compensation Committee also reviewed and considered the report provided by Gurr & Associates, which included comparable data for similarly sized companies within the mining industry, and to measure the Company's performance for the year in relation to the Peer Group Companies.

Compensation for the NEOs, as well as for other senior managers, consists of: (i) an annual base salary, (ii) the grant of stock options, and (iii) an annual discretionary bonus, all of which are discussed in further detail below. As a senior executive's level of responsibility increases, a greater percentage of total compensation is based on performance (as opposed to base salary and standard employee benefits) and the mix of total compensation shifts towards bonuses and stock options, thereby increasing the mutuality of interest between senior managers and shareholders.

*(i) Annual Base Salary*

The Compensation Committee recommends the base salary for the NEOs of the Company, which represents the minimum compensation for services rendered during the year. The level of base salary of an NEO is determined by the level of responsibility and the importance of their relative positions to the Company, prior experience, breadth of knowledge and past and expected future performance. NEO base salaries are set at levels which are intended to be competitive with the base salaries paid by corporations of a comparable size within the mining industry, thereby enabling the Company to compete for and retain executives critical to the Company's long term success. Variables such as asset size, level of production or exploration, financial performance and rates of growth influence compensation levels and are analyzed and considered in fixing compensation levels.

With the present high level of competition in the marketplace for qualified mining executives, the CEO and CFO base salary, together with performance bonus, is generally targeted at the 75% quartile of compensation for Chief Executive Officers and Chief Financial Officers of the Peer Group Companies.

During the financial year ended December 31, 2009, the Board concluded, following its own review, that the base salary of the CEO was comparable to the mid-point of the base salaries of other Chief Executive Officers of similarly sized companies within the mining industry and the Peer Group Companies, and accepted the Compensation Committee's recommendation to increase the CEO's 2009 base salary approximately 11%, from \$350,000 to \$390,000, effective July 1, 2009.

Upon the recommendation of the Compensation Committee, the Board also approved the following increases to 2010 NEO base salaries (each expressed as a percentage of 2009 base salary for each NEO), effective January 1, 2010: CEO 15%, CFO 13%, Vice President, Corporate Development 3%, Vice President, Aboriginal and Governmental Affairs 5%, and Director, Technical Services 15%.

In recommending increases to 2010 NEO base salaries, the Compensation Committee considered factors such as the NEOs responsibilities and contribution to business performance and their respective leadership in connection with the success and continued pursuit of the Company's growth strategy.

*(ii) Stock Options*

The Option Plan is administered by the Compensation Committee and is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term, to enable the Company to attract and retain individuals with experience and ability, and to reward individuals for current performance and expected future performance. The Board believes that a key component of aligning the long term interests of management and the directors with those of the shareholders is to provide as part of the overall compensation package an equity participation component.

Upon joining the Company, an initial stock option grant is made which is sufficient to ensure the near term commitment of the director, NEO or employee. The number of options granted is commensurate with the particular position within the Company, the relative supply of qualified personnel available for the position and the competition to attract the individual for the position being filled, as well as the relative level of the option grant as compared to the total shares outstanding for the Company.

Following this initial option grant, periodic grants of stock options are made. During 2009, the Compensation Committee recommended and the Board approved a long term stock option granting strategy whereby semi-annual stock option grants will be made to directors, NEOs and employees of the Company. These semi-annual grants are intended to provide for the longer term commitment of the participants by awarding smaller numbers of options at fixed intervals, resulting in a layering of future maturity dates. The semi-annual grants are broadly based on a matrix which considers the individual's relative position within the organization and their initial stock option grant level. For 2009, the level of semi-annual grants for select positions was established at the following:

<b>Position</b>	<b>Option Grant</b>
Directors	12,500
Executive Chair	37,500
CEO	50,000
CFO	25,000
Senior Management	10,000-15,000

Prior to 2009, individual option grants were primarily determined by an assessment of an individual's current and expected future performance, level of responsibility and the importance of the position to the Company's overall success.

Although the Compensation Committee has discretion to determine the terms and conditions of any option grant in accordance with the provisions of the Option Plan, since the Option Plan's inception, the Compensation Committee has typically recommended that options granted under the Option Plan have a maximum five year term, and be exercisable at the Market Price (defined in the Option Plan to mean the five day Volume Weighted Average Price according to TSX policies) of the Company's Common Shares immediately prior to the date of grant. Pursuant to the terms of the plan, vesting is at the discretion of the Compensation Committee, and, prior to December 10, 2009, the typical practice of the committee was to recommend that options granted under the Option Plan vest as to 30% 12 months following the grant, 30% 24 months following the grant, and as to the remaining 40%, 36 months following the grant.

During 2009, the Compensation Committee also reviewed its practice with respect to vesting provisions applicable to options granted under the Option Plan. Following such review, which included a comparison to development or early-stage production peer-group companies such as Apollo Gold Corporation, Excellon Resources Inc., the Hunter Dickinson group of companies and Osisko Mining Corporation, it was determined that the Company's practice with respect to vesting provisions was more closely aligned with more established operating mining companies, such as Agnico-Eagle Mines Ltd., Barrick Gold Corporation and FNX Mining Company Inc. As a result, the Compensation Committee recommended, and the Board approved effective December 10, 2009, the retroactive application of the vesting schedule set out below to all grants of options under the Option Plan made after June 29, 2007. It is also expected that, until otherwise determined, the vesting schedule set out below will apply generally to all new grants of options under the Option Plan.

Vesting Date	Percentage of Options Vesting New Practice <sup>(1)</sup>	Percentage of Options Vesting Prior Practice
Date of Grant	25%	-
8 months following Date of Grant	25%	-
12 months following Date of Grant	-	30%
16 months following Date of Grant	25%	-
24 months following Date of Grant	25%	30%
36 months following Date of Grant	-	40%

**Note:**

(1) Applicable retroactively to all grants of options under the Option Plan made after June 29, 2007.

Please refer to “Incentive Plan Awards”, below, for information concerning options granted to the NEOs during the most recently completed financial year.

The aggregate number of stock options which may be issued under the Option Plan or in respect of any fiscal year is limited by the terms of the Option Plan and cannot be increased without shareholder approval. Provided the Amendments to the Option Plan are approved at the Meeting, the expiry date for options granted under the plan may be any time up to seven (7) years from the effective date of the grant. In general, to be eligible to receive stock options, individuals must be a director, an officer, an employee or a consultant engaged by the Company.

*(iii) Performance Bonus*

NEOs and other executive officers may be eligible for discretionary cash performance bonuses. The amount awarded, if any, is based upon the level of responsibility and significance of position within the Company, individual performance, the achievement of Corporate Objectives as previously stated, and more general benchmarks, which include operational performance, increasing investor awareness and recognition, and health, safety and environmental performance. In any given year, the Company’s NEOs or other executive officers may be paid a higher, lower, or zero bonus, depending upon relative performance against targets and objectives.

Following its review, the Compensation Committee concluded that management had been successful in achieving most of the Company’s 2009 Corporate Objectives, including the entering into of two MOUs with Aboriginal groups, the addition of the Company’s Vice President, Aboriginal and Governmental Affairs, Director, Technical Services and Chief Geologist, each of whom provides additional depth and experience to the Company’s senior management team to support future development of the Detour Lake project, completion of extensive infill drilling at the Detour Lake project sufficient to support completion of a National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* pre-feasibility study which details reserves to accepted industry standard, and completion of two significant equity financings to ensure funding sufficient to maintain the Detour Lake project schedule.

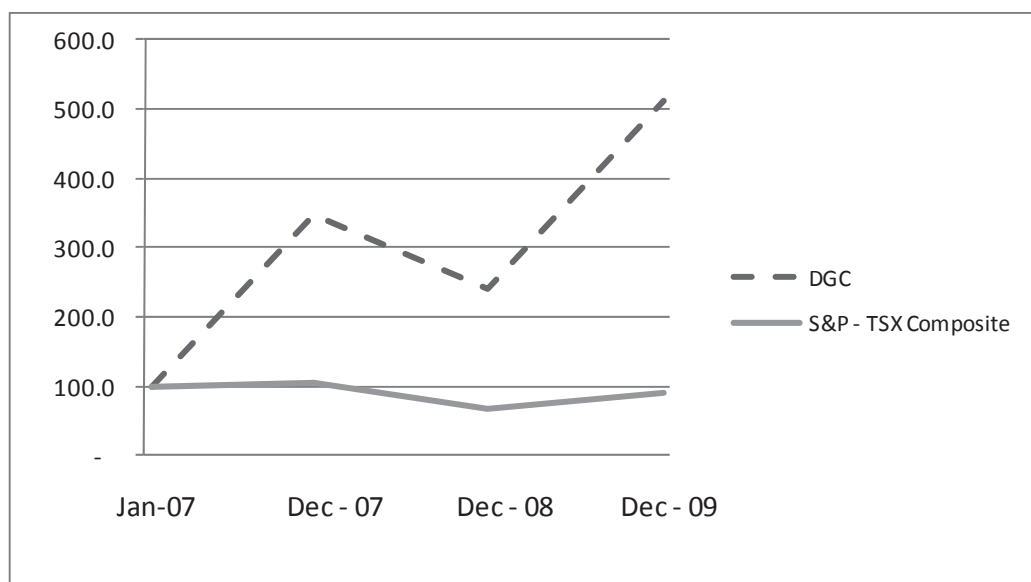
In consideration of the achievement of each NEOs respective objectives, and their contribution to the achievement of the Company’s 2009 Corporate Objectives, the Board, following its own review, accepted the Compensation Committee’s recommendation to pay to the NEOs the following 2009 performance bonuses (expressed as a percentage of 2009 base salary for each NEO): CEO 51%, CFO 47%, Vice President, Corporate Development 11%, Vice President, Aboriginal and Governmental Affairs 18%, and Director, Technical Services 34%.

### ***Other Compensation***

Officers of the Company are also entitled to receive all other benefits that are available to employees of the Company generally.

### ***Performance Graph***

The following graph compares the cumulative shareholder return on a \$100 investment in the Company's Common Shares with the return on a \$100 investment in the S&P/TSX Composite Index from January 31, 2007, the date on which the Company completed its initial public offering (the "IPO"), to December 31, 2007, 2008 and 2009.



### ***Comparison of Cumulative Return<sup>(1)</sup>***

	January 31, 2007	December 31, 2007	December 31, 2008	December 31, 2009
Company's Common Shares	\$100.00	\$347.43	\$242.29	\$510.86
S&P/TSX Composite Index	\$100.00	\$106.13	\$68.96	\$90.12

**Note:**

(1) Assuming an investment of \$100 on January 31, 2007, the date of the Company's IPO.

As described above, the Compensation Committee considers various factors in determining the compensation of the NEOs. Common Share performance is one performance measure that is reviewed but there is no direct correlation between Common Share performance and executive compensation.

The Company operates in a commodities-related business and the Common Share price is directly impacted by the market price of gold, which may fluctuate widely and is affected by numerous factors that are difficult to predict and beyond the Company's control. The Common Share price is also affected by other factors beyond the Company's control, including general and industry-specific economic and market conditions. The Compensation Committee evaluates NEO performance with an emphasis on the Company's business plan and Corporate Objectives, rather than by short-term changes in Common Share price, based on its view that its long-term operating performance will be reflected by stock price performance over the long-term. The trend shown by the performance graph above represents a significant increase in shareholder return, with the exception of

2008, when the Common Share price declined overall during the year. During 2009, the Common Share price increased significantly as the price of gold rose to record levels. Management attributes additional upward trends in the price of the Company's Common Shares on the results of the drilling program at the Detour Lake project, which continued to indicate an expansion of the resource, and the completion by the Company of a pre-feasibility study quantifying the Company's reserves.

Due to a variety of factors, the Company's executive compensation over the same period has also increased, although at a significantly lower rate. Key factors contributing to the increase in executive compensation include the success of the Detour Lake project, a marked increase in competition for qualified mining executives, the Company's need to retain its experienced personnel to continue development of the Detour Lake project, and the increasing size and complexity of the Company's operations as it prepares for its next phase of growth and continues to seek additional capital.

During the period from the Company's IPO on January 31, 2007 to December 31, 2009, the trading price of the Company's Common Shares increased by 411%, compared to a decrease of 10% in the S&P/TSX Composite Index during the same period. During this time, total compensation paid to the CEO, excluding Option-Based Awards, increased by 41%. The Company did not have a full-time CFO until September 22, 2008, when Mr. Martin assumed the role. Since Mr. Martin joined the Company, CFO total compensation, excluding Option-Based Awards, has increased 47%. Since Mr. Donovan joined the Company as Vice-President, Corporate Development effective April 18, 2008, Vice President, Corporate Development total compensation, excluding Option-Based Awards, has increased 33%. Mr. Teevan, Vice President, Aboriginal and Governmental Affairs, and Mr. Chawrun, Director, Technical Services, did not join the Company until 2009.

### ***Summary Compensation Table***

The following table contains a summary of the compensation paid to the Company's NEOs during the eleven month period from the Company's IPO to December 31, 2007, and its financial years completed December 31, 2008 and 2009.

<b>Name of NEO and Principal Position (a)</b>	<b>Year (b)</b>	<b>Salary (\$) (c)</b>	<b>Option-Based Awards<sup>(1)(2)</sup> (\$) (e)</b>	<b>Annual Incentive Plans (\$) (f)</b>	<b>All Other Compensation (\$) (h)</b>	<b>Total Compensation (Salary, Option-Based Awards, Annual Incentive Plans and All Other Compensation)<sup>(2)</sup> (\$) (i)</b>	<b>Total Compensation (excluding value of any Option Based Awards) (\$) (j)</b>
Gerald S. Panneton, President and Chief Executive Officer <sup>(3)</sup>	2009	370,000	759,541	200,000	Nil	1,329,541	<b>570,000</b>
	2008	350,000	Nil	100,000	Nil	450,000	<b>450,000</b>
	2007	Nil	1,467,140	225,000 <sup>(4)</sup>	180,000 <sup>(4)</sup>	1,872,140	<b>405,000</b>
Paul Martin, Chief Financial Officer <sup>(5)</sup>	2009	300,000	355,581 <sup>(6)</sup>	140,000	Nil	795,581	<b>440,000</b>
	2008	64,773	1,791,510	Nil	Nil	1,856,283	<b>64,773</b>
Patrick Donovan, V.P. Corporate Development <sup>(7)</sup>	2009	235,000	194,936	25,000	Nil	454,936	<b>260,000</b>
	2008	176,250	379,185	20,000	Nil	575,435	<b>196,250</b>
Derek Teevan, V.P. Aboriginal and Governmental Affairs <sup>(8)</sup>	2009	198,438	1,215,249	40,000	Nil	1,453,687	<b>238,438</b>

Name of NEO and Principal Position (a)	Year (b)	Salary (\$) (c)	Option-Based Awards <sup>(1)(2)</sup> (\$) (e)	Annual Incentive Plans (\$) (f1)	All Other Compensation (\$) (h)	Total Compensation (Salary, Option-Based Awards, Annual Incentive Plans and All Other Compensation) <sup>(2)</sup> (\$) (i)	Total Compensation (excluding value of any Option Based Awards) (\$) (j)
Paul Chawrun, Director, Technical Services <sup>(9)</sup>	2009	169,792	647,911	60,000	Nil	877,703	229,792

**Notes:**

- (1) The estimated grant date fair value of these options has been calculated using the Black-Scholes model. See discussion below.
- (2) With the exception of options granted in connection with the completion of the Company's IPO on January 31, 2007, which were granted at the IPO price, the options shown were granted with an exercise price equal to the five day Volume Weighted Average Market Price of the Company's Common Shares (calculated in accordance with TSX policies) immediately prior to the date of grant. Accordingly, the values shown for such options do not necessarily reflect in-the-money value at the time of grant. Please see the table under "Incentive Plan Awards" for the in-the-money value of these options on December 31, 2009.
- (3) Mr. Panneton is also a director of the Company. In accordance with the Company's policies, executive officers who are also directors do not receive any compensation for serving as directors or for serving on any committees of directors.
- (4) Prior to January 1, 2008, Mr. Panneton provided the services of President and Chief Executive Officer of the Company via an employment agreement with Hunter Dickinson Inc. During 2007, Mr. Panneton received base compensation of \$180,000 *per annum*, and received a performance bonus of \$225,000. Please see "Panneton Employment Agreement" below for additional information.
- (5) Mr. Martin was appointed Chief Financial Officer of the Company effective September 22, 2008. Please see "Martin Employment Agreement" below for additional information.
- (6) On January 5, 2009, Mr. Martin was granted options to acquire up to 100,000 Common Shares at the exercise price of \$8.35 per share, expiring January 5, 2014. Effective April 20, 2009, Mr. Martin voluntarily cancelled options to acquire up to 100,000 Common Shares at the exercise price of \$10.56, expiring September 22, 2013. As a result, the figure reported reflects a net reduction of \$24,190 in "grant date fair value" of options granted during 2009, calculated using the Black-Scholes model.
- (7) Mr. Donovan was appointed Vice President, Corporate Development effective April 1, 2008. Please see "Donovan Employment Agreement" below for additional information.
- (8) Mr. Teevan was appointed Vice President, Aboriginal and Governmental Affairs effective March 1, 2009. Please see "Teevan Employment Agreement", below for additional information.
- (9) Mr. Chawrun was appointed Director, Technical Services effective January 12, 2009. Please see "Chawrun Employment Agreement" for additional information.

The Company has estimated the "grant date fair value" amounts in the column (e) above using the Black-Scholes model, a mathematical valuation model that ascribes a value to a stock option based on a number of factors, including the exercise price of the option, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security, the expected life of the option, forfeitures, dividend yield and the risk-free rate of return. The assumptions used in the pricing model are highly subjective and can materially affect the estimated fair value.

Calculating the value of stock options using this methodology is very different from a simple “in-the-money” value calculation. In fact, stock options that are well out-of-the-money can still have a significant estimated “grant date fair value” based on a Black-Scholes valuation, especially where, as in the case of the Company, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation. The same caution applies to the total compensation amounts in column (i) above, which are based, in part, on the grant date fair value amounts set out in column (e) above. The total compensation listed in column (j) above has been included to reflect the total compensation of each NEO not including the value of any option-based awards. The value of the in-the-money options currently held by each NEO (based on share price less option exercise price) is set forth in “Outstanding Option-Based Awards” table below.

### ***Employment Contracts***

#### **Panneton Employment Agreement**

Effective January 1, 2008, the Company entered into an employment agreement with Mr. Panneton pursuant to which he agreed to serve as the Company’s President and Chief Executive Officer. Under the terms of the agreement, Mr. Panneton was entitled to an annual base salary of \$350,000, which was increased by the Board to \$390,000 effective July 1, 2009, and \$450,000 effective January 1, 2010. Mr. Panneton is also entitled to receive a performance bonus and stock options at the discretion of the Board. The agreement was initially terminable by the Company by providing Mr. Panneton with six months prior written notice, or payment in lieu of such notice equal to six months’ salary; such notice period was increased by the Board to twenty four months effective July 28, 2009. The agreement may be terminated by Mr. Panneton at any time by providing three months prior written notice. Mr. Panneton may also terminate the agreement if there is a material alteration, reduction or diminution in the duties, responsibilities or status of Mr. Panneton’s position, or if there is a change of control, in which case Mr. Panneton will be entitled to a payment equal to the sum of: (a) twenty four months’ base salary, (b) an amount equal to the bonus payments paid in the immediately preceding fiscal year, and (c) an amount equal to the present value of the group benefits that Mr. Panneton would have enjoyed during the twenty four months immediately following such alteration, reduction or diminution in duties, or change in control.

Prior to January 1, 2008, Mr. Panneton provided the services of President and Chief Executive Officer of the Company via an employment agreement with Hunter Dickinson Inc. During 2007, Mr. Panneton received base compensation of \$180,000 *per annum*, and received a performance bonus of \$225,000.

#### **Martin Employment Agreement**

Effective September 22, 2008, the Company entered into an employment agreement with Mr. Martin pursuant to which he agreed to serve as the Company’s Chief Financial Officer. Under the terms of the agreement, Mr. Martin was entitled to an annual salary of \$300,000, which was increased by the Board to \$340,000 effective January 1, 2010. Mr. Martin is also entitled to receive a performance bonus and stock options at the discretion of the Board. The agreement may be terminated by the Company by providing Mr. Martin with twenty four months prior written notice, or payment in lieu of such notice equal to twenty four months’ salary plus an amount equal to twice the bonus payments paid in the immediately preceding fiscal year. The agreement may be terminated by Mr. Martin at any time by providing two months prior written notice. Mr. Martin may also terminate the agreement if there is a material alteration, reduction or diminution in the duties, responsibilities or status of Mr. Martin’s position, or if there is a change of control, in which case Mr. Martin will be entitled to a payment equal to the sum of: (a) twenty four months’ base salary, (b) an amount equal to twice the bonus payments paid in the immediately preceding fiscal year, and (c) an amount equal to the present value of the group benefits that Mr. Martin would have enjoyed during the twenty four months immediately following such alteration, reduction or diminution in duties, or change in control.

### Donovan Employment Agreement

Effective April 1, 2008, the Company entered into an employment agreement with Mr. Donovan pursuant to which he agreed to serve as the Company's Vice President, Corporate Development. Under the terms of the agreement, Mr. Donovan was entitled to an annual salary of \$235,000, which was increased by the Board to \$242,050 effective January 1, 2010. Mr. Donovan is also entitled to receive a performance bonus and stock options at the discretion of the Board. The agreement is terminable by the Company by providing Mr. Donovan with three months prior written notice, or payment in lieu of such notice equal to three months' salary. Such notice period or payment in lieu of notice will be increased by one month for each full year Mr. Donovan is employed by the Company, to a maximum of twelve additional months. The agreement may be terminated by Mr. Donovan at any time by providing three months prior written notice. Mr. Donovan may also terminate the agreement if there is a material alteration, reduction or diminution in the duties, responsibilities or status of Mr. Donovan's position, or if there is a change of control, in which case Mr. Donovan will be entitled to a payment equal to the sum of: (a) twelve months' base salary, and (b) an amount equal to the present value of the group benefits that Mr. Donovan would have enjoyed during the twelve months immediately following such alteration, reduction or diminution in duties, or change in control.

### Teevan Employment Agreement

Effective March 1, 2009, the Company entered into an employment agreement with Mr. Teevan pursuant to which he agreed to serve as the Company's Vice President Aboriginal and Governmental Affairs. Under the terms of the agreement, Mr. Teevan was entitled to an annual salary of \$225,000, which was increased by the Board to \$236,250 effective January 1, 2010. Mr. Teevan is also entitled to receive a performance bonus and stock options at the discretion of the Board. The agreement may be terminated by the Company by providing Mr. Teevan with eighteen months prior written notice, or payment in lieu of such notice equal to eighteen months' salary plus an amount equal to 1.5 times the bonus payments paid in the immediately preceding fiscal year. The agreement may be terminated by Mr. Teevan at any time by providing eight weeks prior written notice. Mr. Teevan may also terminate the agreement if there is a material alteration, reduction or diminution in the duties, responsibilities or status of Mr. Teevan's position, or if there is a change of control, in which case Mr. Teevan will be entitled to a payment equal to the sum of: (a) eighteen months' base salary, (b) an amount equal to 1.5 times the bonus amount paid in the immediately preceding year, and (c) an amount equal to the present value of the group benefits that Mr. Teevan would have enjoyed during the eighteen months immediately following such alteration, reduction or diminution in duties, or change in control.

### Chawrun Employment Agreement

Effective January 12, 2009, the Company entered into an employment agreement with Mr. Chawrun pursuant to which he agreed to serve as the Company's Director Technical Services. Under the terms of the agreement, Mr. Chawrun is entitled to an annual salary of \$175,000, which was increased by the Board to \$201,250 effective January 1, 2010. Mr. Chawrun is also entitled to receive a performance bonus and stock options at the discretion of the Board. The agreement may be terminated by the Company by providing Mr. Chawrun with six months prior written notice, or payment in lieu of such notice equal to six months' salary. Such notice period or payment in lieu of notice will be increased by one month for each full year Mr. Chawrun is employed by the Company, to a maximum of 12 additional months. The agreement may be terminated by Mr. Chawrun at any time by providing three months prior written notice. Mr. Chawrun may also terminate the agreement if there is a material alteration, reduction or diminution in the duties, responsibilities or status of Mr. Chawrun's position, or if there is a change of control, in which case Mr. Chawrun will be entitled to a payment equal to the sum of: (a) twelve months' base salary, and (b) an amount equal to the present value of the group benefits that Mr. Chawrun would have enjoyed during the twelve months immediately following such alteration, reduction or diminution in duties, or change in control.

## *Incentive Plan Awards*

### Outstanding Option-Based Awards

The following table sets out, for each NEO, the stock options (option-based awards) outstanding as at December 31, 2009. All of the stock options included below which expire on or before January 31, 2012 vest over three years: 30% after 12 months, 30% after 24 months and 40% after 36 months. Stock options included below which expire subsequent to January 31, 2012 vest as to 25% on the grant date, and thereafter as to 25% after each of 8 months, 16 months and 24 months. On December 31, 2009, the closing price of the Company's Common Shares on the TSX was \$17.88.

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$)
Gerald S. Panneton, President and Chief Executive Officer	160,000	3.50	January 31, 2012	2,300,800
	200,000	11.50	December 24, 2012	1,276,000
	50,000	12.10	July 28, 2014	289,000
	50,000	16.39	December 10, 2014	74,500
Paul Martin, Chief Financial Officer	200,000	10.56	September 22, 2013	1,464,000
	100,000	8.35	January 5, 2014	953,000
	25,000	12.10	July 28, 2014	144,500
	25,000	16.39	December 10, 2014	37,250
Patrick Donovan, Vice President, Corporate Development	100,000 <sup>(1)</sup>	6.09	January 31, 2012	1,179,000
	50,000	17.24	April 7, 2013	32,000
	20,000	16.39	December 10, 2014	29,800
Derek Teevan, Vice President, Aboriginal and Governmental Affairs	150,000	9.28	March 9, 2014	1,290,000
	30,000	16.39	December 10, 2014	44,700
Paul Chawrun Director, Technical Services	100,000	8.35	January 12, 2014	953,000
	20,000	16.39	December 10, 2014	29,800

#### Note(s):

- (1) Mr. Donovan was appointed Vice President, Corporate Development effective April 1, 2008. Prior to such date, Mr. Donovan provided consulting services to the Company through an agreement with Hunter Dickinson Inc. These options were granted to Mr. Donovan as partial consideration for such services.

### Value Vested or Earned During the Year

The following table sets out, for each NEO, the aggregate value that would have been realized if all incentive plan awards which vested during the fiscal year ended December 31, 2009 had been exercised on their respective vesting date.

Name	Option-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Gerald S. Panneton, President and Chief Executive Officer	2,517,275	200,000
Paul Martin, Chief Financial Officer	1,253,938	140,000
Patrick Donovan, Vice President, Corporate Development	738,850	25,000
Derek Teevan, Vice President, Aboriginal and Governmental Affairs	656,175	40,000
Paul Chawrun, Director, Technical Services	483,950	60,000

### ***Pension Plan Benefits***

The Company does not have a pension plan or a deferred compensation plan.

### ***Termination and Change of Control Benefits***

Pursuant to the agreements referred to herein entered into by the Company with each NEO, the Company is required to make certain payments upon termination (whether voluntary, involuntary, or constructive), resignation, change of control or a change in the NEOs responsibilities, as applicable. An estimate of the amount of these payments assuming that the triggering event giving rise to such payments occurred on December 31, 2009 is set out in the table below and is more fully described in the description of the NEO employment or consulting agreements above.

Name	Trigger Event		
	Resignation <sup>(1)</sup> (\$)	Termination Without Cause (\$)	Change of Control (\$)
Gerald S. Panneton, President and Chief Executive Officer	97,500	1,180,000	1,180,000
Paul Martin, Chief Financial Officer	50,000	880,000	880,000
Patrick Donovan, Vice President, Corporate Development	58,750	235,000	235,000
Derek Teevan, Vice President, Aboriginal and Governmental Affairs	34,615	397,250	397,500
Paul Chawrun, Director, Technical Services	43,750	87,500	175,000

#### **Notes:**

(1) Assuming the Company waives any applicable notice period.

### **Director Compensation**

The following table sets out, for each non-NEO director, compensation received for the fiscal year ended December 31, 2009.

Name <sup>(1)</sup> (a)	Fees Earned <sup>(2)</sup> (\$) (b)	Option-Based Awards <sup>(3)(4)</sup> (\$) (d)	Non-Equity Incentive Plan Compensation (\$) (e)	All Other Compensation (\$) (g)	Total Compensation (Fees Earned, Option-Based Awards, Non-Equity Incentive Plan Compensation and All Other Compensation) (\$) (h)	Total Compensation (excluding value of any Option-Based Awards) (\$) (i)
Peter E. Crossgrove <sup>(5)</sup>	46,750	1,018,421	Nil	Nil	1,065,171	46,750
Robert A. Dickinson <sup>(6)</sup>	7,350	Nil	Nil	Nil	7,350	7,350
Louis Dionne	44,500	189,886	Nil	234,275 <sup>(7)</sup>	468,661	278,775
André Gaumond <sup>(5)</sup>	36,250	828,535	Nil	Nil	864,785	36,250
Ingrid J. Hibbard	39,550	189,886	Nil	Nil	229,436	39,550
J. Michael Kenyon	56,133	448,849 <sup>(8)</sup>	Nil	62,500 <sup>(7)</sup>	567,482	118,633
Philip E. Olson	47,800	189,886	Nil	Nil	237,686	47,800
Jonathan Rubenstein <sup>(5)</sup>	42,250	828,535	Nil	Nil	870,785	42,250
Ronald W. Thiessen	73,750	189,886	Nil	Nil	263,636	73,750
Judy M. Thomson <sup>(6)</sup>	13,000	Nil	Nil	Nil	13,000	13,000

**Notes:**

- (1) Gerald S. Panneton, the President and Chief Executive Officer, and a director of the Company, is not included in the table above as he is an NEO. Please see Summary Compensation Table above for information regarding Mr. Panneton's compensation.
- (2) The column outlines the compensation paid for board retainers and meeting fees.
- (3) The estimated grant date fair value of these options has been calculated using the Black-Scholes model. See discussion below.
- (4) With the exception of options granted in connection with the completion of the Company's IPO on January 31, 2007, which were granted at the IPO price, the options shown were granted with an exercise price equal to the five day Volume Weighted Average Market Price of the Company's Common Shares (calculated in accordance with TSX policies) immediately prior to the date of grant. Accordingly, the values shown for such options do not necessarily reflect in-the-money value at the time of grant.
- (5) Peter E. Crossgrove, André Gaumond and Jonathan Rubenstein became directors of the Company effective March 27 2009.
- (6) Robert A. Dickinson and Judy M. Thomson ceased as directors of the Company effective March 27, 2009.
- (7) Please see the discussion below following "Schedule of Director Fees" for additional information.
- (8) On January 5, 2009, Mr. Kenyon was granted options to acquire up to 100,000 Common Shares at the exercise price of \$8.35 per share, expiring January 5, 2014. Effective April 20, 2009, Mr. Kenyon voluntarily cancelled options to acquire up to 100,000 Common Shares at the exercise price of \$19.59, expiring March 20, 2013. As a result, the figure reported reflects a net reduction of \$120,810 in "grant date fair value" of options granted during 2009, calculated using the Black-Scholes model.

The Company has estimated the "grant date fair value" amounts in the column (d) above using the Black-Scholes model, a mathematical valuation model that ascribes a value to a stock option based on a number of factors, including the exercise price of the option, the price of the underlying security on the date the option was

granted, and assumptions with respect to the volatility of the price of the underlying security, the expected life of the option, forfeitures, dividend yield and the risk-free rate of return. The assumptions used in the pricing model are highly subjective and can materially affect the estimated fair value.

Calculating the value of stock options using this methodology is very different from a simple “in-the-money” value calculation. In fact, stock options that are well out-of-the-money can still have a significant estimated “grant date fair value” based on a Black-Scholes valuation, especially where, as in the case of the Company, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation. The same caution applies to the total compensation amounts in column (h) above, which are based in part on the grant date fair value amounts set out in column (d) above. The total compensation listed in column (i) above has been included to reflect the total compensation of each non-NEO director not including the value of any option-based awards. The value of the in-the-money options currently held by each non-NEO director (based on share price less option exercise price) is set forth in “Outstanding Option-Based Awards” table below.

### ***Schedule of Director Fees***

Effective July 1, 2009, the Company remunerated its non-executive directors for their services in the capacity as directors as follows:

<b>Function</b>	<b>Annual Retainer (\$)</b>	<b>Meeting Stipend (\$)</b>	<b>Per Diem Fees (\$)</b>
Board of Directors	Executive Chair: 125,000 Non-Executive Lead Director: 15,000 Member: 20,000	1,500	Nil
Audit Committee	Chair: 10,000 Member: Nil	1,500	Nil
Compensation Committee	Chair: 5,000 Member: Nil	1,500	Nil
Corporate Governance and Nominating Committee	Chair: 5,000 Member: Nil	1,500	Nil
Technical Committee	Chair: 5,000 Member: Nil	1,500	Nil

In addition, the Board remunerates any director undertaking additional services as a director on behalf of the Company. In 2009, Mr. Dionne received an additional \$234,275 in director fees for technical contributions related to his appointment to the Technical Committee. On July 1, 2009, Mr. Kenyon assumed the role of Executive Chairman of the Board, and, as a result, ceased receiving the regular Board and meeting fees set out above (including meeting stipends), instead receiving a retainer of \$125,000 per year.

Directors who are executive officers of the Company do not receive any compensation for serving as directors or for serving on any committees of directors.

Directors are reimbursed for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of the Board.

### ***Outstanding Option-Based Awards***

The following table sets out, for each non-NEO director, the stock options (option-based awards) outstanding as at December 31, 2009. All of the stock options included below which expire on or before January 31, 2012 vest over three years: 30% after 12 months, 30% after 24 months and 40% after 36 months. Stock options included below which expire subsequent to January 31, 2012 vest as to 25% on the grant date, and thereafter as to 25%

after each of 8 months, 16 months and 24 months. On December 31, 2009, the closing price of the Company's Common Shares on the TSX was \$17.88.

Name <sup>(1)</sup>	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$)
Peter E. Crossgrove <sup>(2)</sup>	100,000	10.86	April 3, 2014	702,000
	12,500	12.10	July 28, 2014	72,250
	25,000	16.39	December 10, 2014	37,250
Louis Dionne	100,000	3.50	January 31, 2012	1,438,000
	50,000	11.50	December 24, 2012	319,000
	12,500	12.10	July 28, 2014	72,250
	12,500	16.39	December 10, 2014	18,625
André Gaumont <sup>(2)</sup>	100,000	10.86	April 3, 2014	702,000
	12,500	16.39	December 10, 2014	18,625
Ingrid J. Hibbard	100,000	3.50	January 31, 2012	1,438,000
	50,000	11.50	December 24, 2012	319,000
	12,500	12.10	July 28, 2014	72,250
	12,500	16.39	December 10, 2014	18,625
J. Michael Kenyon	100,000	8.35	January 5, 2012	953,000
	37,500	12.10	July 28, 2014	216,750
	37,500	16.39	December 10, 2014	55,875
Philip E. Olson	40,000	3.50	January 31, 2012	575,200
	50,000	11.50	December 24, 2012	319,000
	12,500	12.10	July 28, 2014	72,250
	12,500	16.39	December 10, 2014	18,625
Jonathan Rubenstein <sup>(2)</sup>	100,000	10.86	April 3, 2014	702,000
	12,500	16.39	December 10, 2014	18,625
Ronald W. Thiessen	40,000	3.50	January 31, 2012	575,200
	50,000	11.50	December 24, 2012	319,000
	12,500	12.10	July 28, 2014	72,250
	12,500	16.39	December 10, 2014	18,625

**Notes:**

- (1) Robert A. Dickinson and Judy M. Thomson ceased as directors of the Company effective March 27, 2009, and as such, had no option based awards outstanding as at December 31, 2009.
- (2) Peter E. Crossgrove, André Gaumont and Jonathan Rubenstein became directors of the Company effective March 27, 2009.

**Value Vested or Earned During the Year**

The following table sets out, for each non-NEO director, the aggregate value that would have been realized if all incentive plan awards which vested during the fiscal year ended December 31, 2009 had been exercised on their respective vesting date.

Name <sup>(1)</sup>	Option-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Peter E. Crossgrove <sup>(2)</sup>	378,375	Nil
Louis Dionne	1,204,519	Nil
André Gaumont <sup>(2)</sup>	355,656	Nil

<b>Name<sup>(1)</sup></b>	<b>Option-Based Awards – Value Vested During the Year (\$)</b>	<b>Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)</b>
Ingrid J. Hibbard	1,204,519	Nil
J. Michael Kenyon	544,656	Nil
Philip E. Olson	341,719	Nil
Jonathan Rubenstein <sup>(2)</sup>	355,656	Nil
Ronald W. Thiessen	341,719	Nil

**Notes:**

- (1) Robert A. Dickinson and Judy M. Thomson ceased as directors of the Company effective March 27, 2009, and did not have any incentive plan awards vest during the fiscal year ended December 31, 2009.
- (2) Peter E. Crossgrove, André Gaumond and Jonathan Rubenstein became directors of the Company effective March 27, 2009.

**SECURITIES AUTHORIZED FOR ISSUANCE  
UNDER EQUITY COMPENSATION PLAN**

**Equity Compensation Plan Information**

The following table sets forth details of the Company's compensation plans under which equity securities of the Company are authorized for issuance at the end of the Company's most recently completed financial year.

<b>Plan Category</b>	<b>Number of Common Shares to be Issued Upon Exercise of Outstanding Stock Options (#)</b>	<b>Weighted Average Exercise Price of Outstanding Options (\$)</b>	<b>Number of Common Shares Remaining Available for Future Issuance Under the Equity Compensation Plan (#)</b>
<i>Equity Compensation Plans Approved by Shareholders</i>			
Detour Gold Corporation Option Plan <sup>(1)</sup>	3,706,700	9.63	3,221,923
PDX Plan <sup>(2)</sup>	470,491	7.64	Nil
<i>Equity Compensation Plans Not Approved by Shareholders</i>	Nil	Nil	Nil
<b>Total:</b>	<b>4,177,191</b>		<b>3,221,923</b>

**Notes:**

- (1) The Company's Option Plan was initially implemented in connection with the Company's IPO on January 31, 2007, and, as such, under TSX policies was not then subject to any requirement for shareholder approval. Please see "Approval of Share Option Plan – Approval of Unallocated Options, Rights and Entitlements under the Option Plan".
- (2) For information regarding the PDX Plan and the Company's assumption of the PDX Plan, please see the Joint Management Information Circular of the Company and PDX dated February 20, 2009 with respect to the combination of the Company and PDX, which is available on SEDAR at [www.sedar.com](http://www.sedar.com). A copy of the Joint Information Circular of the Company and PDX may also be obtained without charge on request from the Company.

## **Share Option Plan**

Please see “Approval of Share Option Plan”, above.

The Company has no other equity compensation plans other than the Option Plan and the PDX Plan.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

To the knowledge of management of the Company, except as disclosed elsewhere herein, or in the Joint Management Information Circular of the Company and PDX dated February 20, 2009 with respect to the combination of the Company and PDX (a copy of which is available from the Company or at [www.sedar.com](http://www.sedar.com)), no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company since the commencement of the Company’s most recently completed financial year, or has any interest in any material transaction in the current year other than as set out herein.

## **OTHER INFORMATION**

### **Directors’ and Officers’ Liability Insurance**

The Company maintains liability insurance for its directors and officers acting in their respective capacities. The annual premium payable by the Company in respect of such insurance is \$52,605 and the total amount of insurance purchased for the directors and officers as a group is \$20,000,000, subject to a deductible amount of \$50,000 for each loss. The policy contains standard industry exclusions and no claims have been made thereunder to date.

## **CORPORATE GOVERNANCE**

### **General**

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (CSA) have adopted National Policy 58-201 – *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, which prescribes certain disclosure by the Company of its corporate governance practices. This section sets out the Company’s required annual disclosure of its corporate governance practices and policies.

### ***Board of Directors***

The Board is currently comprised of nine (9) directors. Six (6) of these directors, Peter E. Crossgrove (Non-Executive Co-Chairman), André Gaumond, Ingrid J. Hibbard, Philip E. Olson, Jonathan Rubenstein and Ronald W. Thiessen, are “independent” for the purposes of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). The remaining three (3) directors, J. Michael Kenyon (Executive Chairman), Gerald S. Panneton

(President and Chief Executive Officer) and Louis Dionne are not independent due to Messrs. Kenyon and Panneton's management roles within the Company and Mr. Dionne's role in providing technical services to the Company. As noted above, Mr. Olson will not be standing for re-election at the Meeting.

The names of all other reporting issuers on which directors of the Company serve as a director can be found in the Company's AIF, under the heading "Item 9.1 – Director and Officer Information".

Each Board meeting includes a session where independent members may meet in the absence of management. Independent directors are also free to meet separately at any time or to require management to withdraw during certain discussions. In addition, each of the Audit Committee, Corporate Governance and Nominating Committee and Compensation Committee are comprised entirely of independent directors, and may meet as often as they deem necessary. The Board also has the power to retain independent consultants where it deems necessary.

J. Michael Kenyon, the Executive Chairman of the Board, is not independent. The Chairman's responsibilities include ensuring the Board communicates openly and operates as a cohesive team, and working with the Corporate Governance and Nominating Committee to ensure that processes are in place by which the effectiveness of the Board, its committees and individual directors may be evaluated at regular intervals. The Chairman also acts as the primary spokesperson for the Board, ensuring that management is aware of concerns of the Board, shareholders, other stakeholders and the public. Peter E. Crossgrove, the Non-Executive Co-Chairman of the Board, is independent, and provides leadership for the independent directors.

The Board held seventeen (17) meetings during the most recently completed financial year. The following table sets out the number of meetings held by the Board for the period commencing January 1, 2009 up to and including December 31, 2009 and the attendance record for each of the company's directors.

Director	Meetings Attended
Peter E. Crossgrove <sup>(1)</sup>	11
Robert A. Dickinson <sup>(2)</sup>	3
Louis Dionne	16
André Gaumond <sup>(1)</sup>	12
Ingrid J. Hibbard	15
J. Michael Kenyon	15
Philip E. Olson	16
Gerald S. Panneton	17
Jonathan Rubenstein <sup>(1)</sup>	12
Ronald W. Thiessen	17
Judy M. Thomson <sup>(2)</sup>	5

**Notes:**

- (1) Peter E. Crossgrove, André Gaumond and Jonathan Rubenstein became directors of the Company effective March 27, 2009.
- (2) Robert A. Dickinson and Judy M. Thomson ceased as a directors effective March 27, 2009.

### ***Board Mandate***

The Board does not have a formal written mandate. The responsibilities of the directors and the role of the Board are set out in the Company's corporate governance policies and procedures manual, a copy of which is available by request made in writing to the Company. The Company's current office address is Royal Bank Plaza, North Tower, 200 Bay Street, Suite 2040, Toronto, Ontario, M5J 2J1. It is anticipated that effective June 1, 2010, the Company's registered and head office will change to Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2200, Toronto, Ontario, M5J 2J1.

### ***Position Descriptions***

The Board has not developed written position descriptions for the CEO, the Chairman or the respective Chairs of the Board's committees. The Board is currently of the view that the roles and responsibilities of management, as represented by the CEO, the Board, as represented by the Chairman, and the Board's committees, as represented by their respective Chairs, are clear, and that the limits to such responsibility and the authority of the respective Chairs and the CEO are well understood. The Board is specifically responsible for approving the Company's strategic plan and monitoring performance against the plan. Board approval is also required for all material contracts and business transactions and all debt and equity financing proposals.

### ***Orientation and Continuing Education***

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. To enable each director to better perform his or her duties and to recognize and deal appropriately with issues that arise, the Company will provide the directors with suggestions to undertake continuing director education, the cost of which will be borne by the Company.

### ***Ethical Business Conduct***

The Board has developed a Code of Business Conduct and Ethics (the "**Code**") for its directors, officers, employees and consultants, which is available on the Company's website at [www.detourgold.com](http://www.detourgold.com). Monitoring of violations of the Code and other policies or directives of the Company occurs through the reporting of complaints and concerns using the reporting methods provided for in the Code and the Company's whistleblower policies.

The Board is of the opinion that the fiduciary duties imposed on individual directors by corporate legislation and the common law, and the additional restrictions imposed by exchange rules and applicable securities legislation on an individual director's participation in decisions of the Board in which the director has an interest, are sufficient to ensure that the Board operates independently of management and in the best interests of the Company and to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### ***Nomination of Directors***

The principal mandate of the Corporate Governance and Nominating Committee (the "**Nominating Committee**") is to consider the size and composition of the Board each year and to recommend to the Board the number of directors to be elected by shareholders at the Company's annual meeting. In doing so, the Nominating Committee takes into account the number of directors required to effectively carry out the Board's responsibilities and duties and to maintain a diversity of views and experience. The Nominating Committee has adopted a charter which forms part of the Corporate Governance and Nominating Committee Charter, available on the Company's website at [www.detourgold.com](http://www.detourgold.com). The charter provides, among other things, that the committee shall also assist the Board in carrying out its responsibilities relating to stewardship and governance. The charter is included in the Company's corporate governance policies and procedures manual. The current

members of the Nominating Committee are André Gaumond, Ingrid Hibbard and Jonathan Rubenstein (Chair), all of whom are independent.

### ***Compensation***

The Board determines the compensation for the Chief Executive Officer, Chief Financial Officer and independent directors, based upon the recommendation of the Compensation Committee. The Compensation Committee has adopted a Compensation Committee charter. The charter provides, among other things, that the Compensation Committee shall assist the Board in carrying out its responsibilities relating to executive and director compensation. The charter is available on the Company's website at [www.detourgold.com](http://www.detourgold.com). The current members of the Compensation Committee are Ingrid Hibbard, Jonathan Rubenstein (Chair) and Ronald W. Thiessen, all of whom are independent. During the most recently completed financial year, the Company retained the services of Gurr & Associates to provide the Compensation Committee with comparative information on executive compensation relative to industry peers.

### ***Audit Committee***

The current members of the Company's Audit Committee are: Peter E. Crossgrove, Philip E. Olson and Ronald W. Thiessen (Chair). All of the members of the Audit Committee are independent and financially literate within the meaning of NI 52-110. Additional information regarding the Company's Audit Committee can be found in the Company's AIF under the heading "Item 15 – Audit Committee Information". As noted above, Mr. Olson will not be standing for re-election at the Meeting, and it is anticipated that his successor on the Audit Committee will be appointed following the Meeting.

### ***Other Board Committees***

The Board also has a Technical Committee. The principal purpose of the Technical Committee is to review and report to the Board on specific aspects of the Company's development programs and plans when requested by the President and Chief Executive Officer or the Board. The Technical Committee, which is comprised of Louis Dionne (Chair), André Gaumond and Philip E. Olson, has adopted a written mandate, a copy of which is available by request made in writing to the Company. As noted above, Messrs. Gaumond and Olson are independent. Mr. Dionne may not be considered independent due to his role in providing technical services to the Company. As noted, Mr. Olson will not be standing for re-election at the Meeting.

The Company has no other committees other than described above.

### ***Assessments***

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and process of the Board and its committees. The Board and its committees have considered self-assessment procedures and may formalize procedures to accommodate this in the future. The Board is satisfied with the overall project and corporate achievements of the Company and believes this reflects well on the Board and its practices.

## **MANAGEMENT CONTRACTS**

Since the incorporation of the Company in July 2006, Hunter Dickinson Inc. ("**HDI**"), a privately held corporation, has provided investor services and carried out geological, corporate development, administrative and other management activities for the Company (collectively, the "**Services**"). The Services have been provided by HDI pursuant to a written services agreement (the "**HDI Services Agreement**") as well as on an as-needed and as-available basis. In addition to payment for the Services, the Company has reimbursed third-party costs incurred by HDI in carrying out the Services on a full-cost recovery basis. During the financial year ended December 31, 2009, HDI had certain directors in common with the Company, however no payments were made

by the Company to HDI for Services or related costs from January 1, 2009 to April 1, 2009. The HDI Services Agreement was terminated by mutual consent effective April 1, 2009.

### **SHAREHOLDER PROPOSALS**

In order to be included in proxy material for the Company's 2011 annual meeting of shareholders, shareholder proposals must be received by the Company at its offices no later than January 21, 2011. The Company's current office address is Royal Bank Plaza, North Tower, 200 Bay Street, Suite 2040, Toronto, Ontario, M5J 2J1. It is anticipated that effective June 1, 2010, the Company's registered and head office will change to Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2200, Toronto, Ontario, M5J 2J1.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative financial statements and Management's Discussion and Analysis for the year ended December 31, 2009, copies of which may be obtained on request from the Company. The Company's current office address is Royal Bank Plaza, North Tower, 200 Bay Street, Suite 2040, Toronto, Ontario, M5J 2J1. It is anticipated that effective June 1, 2010, the Company's registered and head office will change to Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2200, Toronto, Ontario, M5J 2J1. The Company may require the payment of a reasonable charge when the request is made by someone other than a shareholder.

The Board of Directors of the Company has approved the contents of this Management Proxy Circular and its sending to the shareholders.

**DATED** at Toronto, Ontario, this 23<sup>rd</sup> day of April, 2010.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) Gerald Panneton*

**Gerald S. Panneton**  
**President and Chief Executive Officer**

**SCHEDULE "A"**

**CHANGE OF AUDITOR REPORTING PACKAGE**



# DETOUR GOLD

October 19, 2009

TO: British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission, Securities Division  
Manitoba Securities Division  
Ontario Securities Commission  
New Brunswick Securities Commission  
Nova Scotia Securities Commission  
Securities Commission of Newfoundland and Labrador  
Registrar of Securities, Prince Edward Island

AND TO: McGovern, Hurley, Cunningham, LLP  
KPMG LLP

## CHANGE OF AUDITOR NOTICE

Detour Gold Corporation (the "Company") has requested McGovern, Hurley, Cunningham, LLP ("MHC") to submit its resignation as auditor of the Company, and MHC has agreed to submit its resignation as auditor of the Company, effective October 19, 2009. The Company has appointed KPMG LLP ("KPMG") as auditor of the Company effective October 19, 2009.

The Audit Committee and the Board of Directors of the Company have considered and approved the decision to change the auditor of the Company.

The Auditor's reports of MHC on the financial statements of the Company for the fiscal years ended December 31, 2008 and December 31, 2007 do not contain any reservations. There have been no "reportable events" as such term is defined in National Instrument 51-102 issued by the Canadian Securities Administrators.

Dated this 19<sup>th</sup> day of October, 2009

## DETOUR GOLD CORPORATION

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Paul Martin  
Chief Financial Officer



McGovern, Hurley, Cunningham, LLP  
Chartered Accountants

October 19, 2009

To: British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission, Securities Division  
Manitoba Securities Division  
Ontario Securities Commission  
New Brunswick Securities Commission  
Nova Scotia Securities Commission  
Securities Commission of Newfoundland and Labrador  
Registrar of Securities, Prince Edward island

Dear Sirs/Mesdames:

**Re: Detour Gold Corporation – Change of Auditor Notice**

Pursuant to National Instrument 51-102 – Continuous Disclosure Obligations, we confirm that we have read the Company's Notice of Change of Auditor dated October 19, 2009 (the "Notice") and based upon our knowledge of the information at this date, we agree with the statements contained in such Notice.

Yours very truly,

McGOVERN, HURLEY, CUNNINGHAM, LLP

Chartered Accountants  
Licensed Public Accountants

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KPMG LLP  
Chartered Accountants  
Suite 3300 Commerce Court West  
PO Box 31 Stn Commerce Court  
Toronto ON M5L 1B2

Telephone (416) 777-8500  
Fax (416) 777-8818  
Internet www.kpmg.ca

Alberta Securities Commission  
British Columbia Securities Commission  
Manitoba Securities Division  
New Brunswick Securities Commission  
Securities Commission of Newfoundland and Labrador  
Nova Scotia Securities Commission  
Ontario Securities Commission  
Registrar of Securities, Prince Edward Island  
Saskatchewan Financial Services Commission, Securities Division

Dear Sirs:

Re: Notice of Change of Auditor of Detour Gold Corporation

We have read the Change of Auditor Notice of Detour Gold Corporation dated October 19, 2009 and are in agreement with the statements contained in such Notice, except that we are not in a position to agree or disagree with the Company's statement in such Notice regarding "reportable events".

Yours very truly,

Chartered Accountants, Licensed Public Accountants

Toronto, Canada  
October 20, 2009

**SCHEDULE "B"**

**DETOUR GOLD CORPORATION  
SHARE OPTION PLAN**

**AMENDED AND RESTATED APRIL 20, 2010**

# DETOUR GOLD CORPORATION

## SHARE OPTION PLAN

**Dated for Reference: January 31, 2007**

**As Amended and Restated: November 13, 2007**

**And as further Amended and Restated: June 3, 2009**

**And as further Amended and Restated: April 20, 2010**

### ARTICLE 1

#### PURPOSE AND INTERPRETATION

##### Purpose

1.1 The purpose of this stock option plan (the “**Plan**”) will be to advance the interests of Detour Gold Corporation (the “**Company**”) by encouraging equity participation in the Company through the acquisition of common shares (“**Common Shares**”) of the Company. It is the intention of the Company that this Plan will at all times be in compliance with the rules and policies of the Toronto Stock Exchange (the “**TSX**”) (the “**TSX Policies**”) and any inconsistencies between this Plan and the TSX Policies, whether due to inadvertence or changes in TSX Policies, will be resolved in favour of the latter.

##### Definitions

1.2 In this Plan:

**Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;

**Associate** has the meaning assigned by the *Securities Act* (Ontario);

**Black Out Period** means the period of time when, pursuant to any policies of the Corporation, any Common Shares may not be traded by certain persons as designated by the Corporation, including any holder of an Option;

**Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant options under this Plan;

**Change of Control** means and shall have occurred if, and only if:

- (a) there is any sale of all or substantially all of the Company’s assets or business to another person or persons pursuant to one or a series of transactions;

(b) at any time any person or persons acting jointly or in concert directly or indirectly beneficially own in the aggregate more than thirty per cent (30%) of the outstanding voting securities of the Company;

(c) a majority of the Board consists of individuals which management of the Company has not nominated for election or appointment as directors; or

(d) the Company completes an acquisition, share exchange, amalgamation, consolidation, merger, arrangement or other business combination and the shareholders of the Company immediately prior to the completion of such transaction hold in the aggregate less than sixty per cent (60%) of the votes attaching to the equity securities of the resulting or remaining parent company immediately after completion of such transaction;

For purposes of this definition of “Change of Control”, the terms jointly or in concert, beneficial ownership and voting securities shall have the respective meanings given to those terms in Part XX of the Securities Act and the number of securities outstanding shall be determined in accordance with Part XX of the Securities Act;

**Common Shares** means common shares without par value in the capital of the Company providing such class is listed on the TSX;

**Company** means Detour Gold Corporation and includes, unless the context otherwise requires, all of its subsidiaries or affiliates and successors according to law;

**Consultant** means a Person or Consultant Company, other than an Employee, Officer or Director that:

(a) provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;

(b) provides the services under a written contract between the Company or an Affiliate and the Person or the Consultant Company;

(c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and

(d) has a relationship with the Company or an Affiliate that enables the Person or Consultant Company to be knowledgeable about the business and affairs of the Company;

**Consultant Company** means for a Person consultant, a company or partnership of which the Person is an employee, shareholder or partner;

**Directors** means the directors of the Company as may be elected from time to time;

**Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;

**Effective Date** for an Option means the date of grant thereof by the Board;

**Employee** means:

- (a) a Person who is considered an employee under the Tax Act (i.e. for whom income tax, employment insurance and/or CPP deductions must be made at source);
- (b) a Person who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
- (c) a Person who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;

**Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;

**Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;

**Insider** means:

- (i) an insider as defined in the TSX Policies or as defined in securities legislation applicable to the Company;
- (ii) an Associate of any person who is an Insider by virtue of clause (i) above;

**Market Price** means the 5-day volume weighted average trading price of the Common Shares as calculated pursuant to the rules of the TSX Company Manual or in the case of Options granted on or prior to the Company's initial public offering, the initial public offering price;

**Officer** means a duly appointed senior officer of the Company;

**Option** means the right to purchase Common Shares granted hereunder to a Service Provider;

**Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A hereto;

**Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;

**Optionee** means the recipient of an Option hereunder;

**Outstanding Shares** means at the relevant time, the number of outstanding Common Shares of the Company from time to time;

**Participant** means a Service Provider that becomes an Optionee;

**Person** means a company or an individual;

**Plan** means this Share Option Plan, the terms of which are set out herein or as may be amended;

**Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in Section 2.2;

**Regulatory Approval** means the approval of the TSX and any other securities regulatory authority that may have lawful jurisdiction over the Plan and any Options issued hereunder;

**Restricted Options** has the meaning set forth in Section 2.8;

**Securities Act** means the *Securities Act* (Ontario), as amended from time to time;

**Service Provider** means a Person who is a bona fide Director, Officer, Employee or Consultant, and also includes a company, of which 100% of the share capital is beneficially owned by one or more Service Providers;

**Share Compensation Arrangement** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;

**Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders at a duly constituted shareholders' meeting;

**Tax Act** means the *Income Tax Act* (Canada);

**TSX** means the Toronto Stock Exchange and any successor thereto; and

**TSX Policies** means the rules and policies of the TSX as amended from time to time.

## **ARTICLE 2 SHARE OPTION PLAN**

### **Establishment of Share Option Plan**

2.1 There is hereby established a Share Option Plan to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

### **Maximum Plan Shares**

2.2 The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is 10% of the Outstanding Shares at the time the Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under share options granted under Share Compensation Arrangements other than this Plan. The number of Common Shares issuable to Insiders at any time pursuant to this Plan, when combined with all of the Company's other Share Compensation Arrangements, may not exceed 10% of the Outstanding Shares; and the number of Common Shares issued to Insiders within any one year period pursuant to this Plan, when combined with all of the Company's other Share Compensation Arrangements, may not exceed 10% of the Outstanding Shares. The number of Common Shares issuable to any one Service Provider pursuant to this Plan may not exceed 2.5% of the Outstanding Shares.

### **Eligibility**

2.3 Options to purchase Common Shares may be granted hereunder to Service Providers from time to time by the Board. Service Providers that are corporate entities will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of the shares in the Service Provider's share capital, nor issue more of its shares (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the prior consent of the Company is obtained.

### **Options Granted Under the Plan**

2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

### **Options Not Exercised**

2.6 In the event an Option granted under the Plan expires unexercised or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issue. For greater certainty Options which are exercised thereupon increase the number available to the Plan by the relevant percentage of outstanding shares as provided hereunder.

## **Powers of the Board**

2.7 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to:

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to Regulatory Approval and Shareholder Approval in accordance with Section 5.6 and Section 5.7, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the written consent of all Optionees, alter or impair any Option previously granted under the Plan unless as a result of a change in TSX Policies;
- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do; and
- (e) in its sole discretion amend this Plan (except for previously granted and outstanding Options) to reduce the benefits that may be granted to Service Providers (before a particular Option is granted) subject to the other terms hereof.

## **Black Out Periods**

2.8 If any Options may not be exercised due to a Black Out Period at any time within the three (3) business day period immediately prior to the normal Expiry Date (the “**Restricted Options**”), the Expiry Date of all Restricted Options will be extended for a period of ten (10) business days following the end of the Black Out Period.

## **ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS**

### **Exercise Price**

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is granted under the Plan, and cannot be less than the Market Price, calculated on the day before the grant.

### **Term of Option**

3.2 An Option can be exercisable for a maximum of seven (7) years from the Effective Date.

## **Vesting of Options**

3.3 Vesting of Options and the waiver in whole or in part and at any time and from time to time of the vesting requirements contained in any existing Option Commitment is at the discretion of the Board, and may generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its subsidiaries and Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its subsidiary or Affiliate during the vesting period; or
- (b) remaining as a Director of the Company or any of its subsidiaries or Affiliates during the vesting period.

In addition, in the event of a Change of Control occurring, Options granted to all Service Providers which are subject to vesting provisions will be deemed to have immediately vested and become exercisable immediately before the occurrence of the Change of Control.

## **Optionee Ceasing to be Director, Employee or Service Provider**

3.4 No Option may be exercised after the Service Provider has left the employ/office or has been advised his services are no longer required or his service contract has expired, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of his death will be exercisable by such Optionee's lawful personal representatives, heirs or executors until the earlier of (i) the date that is one year following the date of death of such Optionee or such later date as determined by the Board and (ii) the date of expiration of the term otherwise applicable to such Option, and all unvested Options will immediately terminate without right to exercise same unless the Board otherwise exercises its discretion with respect to the waiver of vesting pursuant to Section 3.3;
- (b) subject to the other provisions of this Section 3.4, any vested Option will continue to be exercisable until the earlier of (i) the date that is one year following the date on which the Optionee ceases to be employed by, provide services to, or be a director or officer of, the Company or such later date as determined by the Board and (ii) the date of expiration of the term otherwise applicable to such Option, and all unvested Options will immediately terminate without right to exercise same unless the Board otherwise exercises its discretion with respect to the waiver of vesting pursuant to Section 3.3;
- (c) in the case of an Optionee being dismissed from employment or service for cause, any vested Option held by him will continue to be exercisable until the earlier of (i) the date that is 30 days following the date on which the Optionee receives notice of dismissal for cause or such later date as determined by the Board and (ii) the date of expiration of the term otherwise applicable to such Option, and all unvested Options will immediately terminate without right to exercise same unless the Board otherwise exercises its discretion with respect to the waiver of vesting pursuant to Section 3.3;

(d) in the event of a Director not being nominated for re-election as a Director of the Company, although consenting to act and being under no legal incapacity which would prevent the Director from being a member of the Board, all unvested Options granted to such Director will be deemed to have vested on the date of the meeting upon which the Director is not re-elected and all such Options and all previously vested Options held by such Director will be exercisable until the earlier of (i) the date that is one year following the date of the meeting upon which the Director is not re-elected or such later date as determined by the Board and (ii) the date of expiration of the term otherwise applicable to such Options; and

(e) for greater certainty, for the purposes of Subsection 3.4(b), the date on which an Optionee ceases to be employed by, provide services to, or be a director or officer of, the Company, shall be the Optionee's last day of active employment or service, as the case may be, and shall not include any period of statutory, reasonable or contractual notice or any period of deemed employment or salary continuation.

### **Non Assignable**

3.5 Subject to Subsection 3.4(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

### **Adjustment of the Number of Optioned Shares**

3.6 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

(a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;

(b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;

(c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this Subsection 3.6(d);
- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this Section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this Subsection 3.6(f), be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this Section 3.6, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Toronto, Ontario (or in the city of the Company's principal executive office) that the Company may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

## **ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES**

### **Option Commitment**

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof.

### **Manner of Exercise**

4.2 An Optionee who wishes to exercise his Option may do so by delivering

- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and

- (b) cash or a certified cheque payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired.

### **Delivery of Certificate and Hold Periods**

4.3 As soon as practicable after receipt of the notice of exercise described in Section 4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue a certificate to the Optionee for the appropriate number of Optioned Shares. Such certificate issued will bear a legend stipulating any resale restrictions required under applicable securities laws.

4.4 If a Black Out Period is in effect at the time of delivery of the notice referred to in Subsection 4.2(a), then the Optionee will be entitled to deliver the funds referred to in Subsection 4.2 (b) within ten (10) business days following the end of the Black Out Period at which time a share certificate will be delivered to the Optionee against such payment. If such notice and the Exercise Price is delivered during a Black Out Period, the Option will be deemed to be exercised as of the first business day following the expiry of the Black Out Period and if the Exercise Price is delivered following the end of the Black Out Period, the Option will be deemed to be exercised as of the date of delivery of such Exercise Price.

## **ARTICLE 5 GENERAL**

### **Employment and Services**

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee will be voluntary.

### **No Representation or Warranty**

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the Tax Act or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of such Participant and not the Company.

### **Withholding**

5.3 To the extent the exercise of an Option hereunder gives rise to any tax or other statutory withholding obligation (including, without limitation, income and payroll withholding taxes imposed by any jurisdiction), the Board may implement appropriate procedures to ensure that the tax withholding obligations are met. These procedures may include, without limitation, increased withholding from a Optionee's regular compensation, cash payments by an Optionee, or the sale of a portion of the Common Shares acquired pursuant to the exercise

of an Option, which sale may be required and initiated by the Board. Unless otherwise determined by the Board, any such procedure, including offering choices among procedures, will be applied consistently with respect to all similarly situated Optionees in the Plan, except to the extent any procedure may not be permitted under the laws of the applicable jurisdiction.

### **Interpretation**

5.4 The Plan will be governed and construed in accordance with the laws of the Province of Ontario.

### **Continuation of the Plan**

5.5 This Plan will become effective from and after the date hereof, subject to TSX acceptance, and will remain effective provided that the Plan, or any amended version thereof, receives Shareholder Approval on or before each third annual general meeting of the Company.

### **Amendment of the Plan**

5.6 Subject to (i) the requirements of the TSX Policies, and (ii) the receipt of any necessary Regulatory Approval and Shareholder Approval in accordance with Section 5.7, the Board may in its absolute discretion, amend or modify the Plan or any Option granted at any time without the approval of the shareholders of the Company.

### **Shareholder Approval**

5.7 The shareholders of the Company must approve any amendment to the Plan or an Option which

- (a) reduces the Exercise Price of an Option;
- (b) extends the term of an Option beyond the Expiry Date, other than as provided in Section 2.8 hereof;
- (c) increases the level of Insider participation under the Plan;
- (d) increases the fixed maximum percentage of Common Shares issuable under the Plan;
- (e) amends either Section 2.3 hereof or the definition of “Service Provider” so as to broaden the categories of persons eligible to receive Options under the Plan;
- (f) amends Section 3.5 hereof; or
- (g) amends either Section 5.6 or Section 5.7 hereof.

### **Termination**

5.8 The Board reserves the right in its absolute discretion to terminate the Plan with respect to all Plan Shares in respect of Options which have not yet been granted hereunder.

**SCHEDULE A**  
**SHARE OPTION PLAN**  
**OPTION COMMITMENT**

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “**Effective Date**”) \_\_\_\_\_ (the “Company”) has granted to \_\_\_\_\_ (the “Service Provider”), an Option to acquire \_\_\_\_\_ Common Shares (“Optioned Shares”) up to 5:00 p.m., Toronto Time, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “Expiry Date”) at an Exercise Price of Cdn\$\_\_\_\_\_ per share.

Optioned Shares may be acquired as follows:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Company’s Share Option Plan, the terms and conditions of which are hereby incorporated herein.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque payable to the Company from yourself or a cheque payable to the Company from your broker for the aggregate Exercise Price, to the Company. A certificate for the Optioned Shares so acquired will be issued by the transfer agent as soon as possible thereafter.

**DETOUR GOLD CORPORATION**

Per: \_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Employee Signature





## **DETOUR GOLD**

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