



DETOUR GOLD

(A DEVELOPMENT STAGE COMPANY)

FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2007

(Expressed in Canadian Dollars)

(Unaudited)

These financial statements have not been reviewed by the Company's auditors

DETOUR GOLD CORPORATION
(A DEVELOPMENT STAGE COMPANY)

Balance Sheets

(Expressed in Canadian Dollars)

	March 31, 2007 <i>(unaudited)</i>	December 31, 2006
ASSETS		
Current assets		
Cash and cash equivalents	\$ 32,629,534	\$ 8,022,023
Amounts receivable	322,522	72,225
	<u>32,952,056</u>	<u>8,094,248</u>
Deferred transaction costs	–	453,800
Equipment under capital lease (note 4)	154,077	–
Mineral property interest (note 5)	108,194,080	1,000,000
	\$ 141,300,213	\$ 9,548,048
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,174,814	\$ 611,842
Amounts due to related parties (note 7)	51,414	24,225
Current portion of capital lease obligation (notes 4 and 8)	26,948	–
	<u>1,253,176</u>	<u>636,067</u>
Capital lease obligation (notes 4 and 8)	127,498	–
Future income tax liability (note 5(a))	32,305,000	–
	<u>32,432,498</u>	<u>–</u>
Shareholders' equity		
Share capital (note 6(b))	111,289,541	5,000
Subscription receipts (notes 6(b) and (f))	–	9,494,141
Contributed surplus (notes 6(c) and (d))	690,328	–
Deficit	(4,365,330)	(587,160)
	<u>107,614,539</u>	<u>8,911,981</u>
Nature and continuance of operations (note 1)		
Commitments (note 8)		
Subsequent event (note 6(e))		
	\$ 141,300,213	\$ 9,548,048

The accompanying notes are an integral part of these financial statements

Approved by the Board of Directors

/s/ Gerald S. Panneton

/s/ Ronald W. Thiessen

Gerald S. Panneton
 Director

Ronald W. Thiessen
 Director

DETOUR GOLD CORPORATION
(A DEVELOPMENT STAGE COMPANY)

Statement of Operations

(Unaudited - Expressed in Canadian Dollars)

	Three months ended March 31, 2007
Expenses	
Conference and travel	\$ 66,665
Exploration (schedule)	3,113,332
Interest expense	2,062
Legal, accounting and audit	332,047
Office and administration	130,519
Shareholder communications	69,993
Stock-based compensation - exploration (note 6(c))	110,674
Stock-based compensation - operations and administration (note 6(c))	184,654
Trust and filing	15,165
Loss before other items	\$ 4,025,111
Other items	
Foreign exchange loss	158
Interest income	(247,099)
	(246,941)
Loss for the period	\$ 3,778,170
Basic and diluted loss per common share	\$ 0.14
Weighted average number of common shares outstanding	27,944,444

The accompanying notes are an integral part of these financial statements

Statement of Deficit

(Unaudited - Expressed in Canadian Dollars)

	Three months ended March 31, 2007
Deficit, beginning of the period	\$ 587,160
Loss for the period	3,778,170
Deficit, end of the period	\$ 4,365,330

The accompanying notes are an integral part of these financial statements

DETOUR GOLD CORPORATION
(A DEVELOPMENT STAGE COMPANY)

Statement of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

Cash provided by (used for)	Three months ended March 31, 2007
Operating activities	
Loss for the period	\$ (3,778,170)
Items not involving cash	
Amortization	7,478
Stock-based compensation	295,328
Changes in non-cash operating working capital	
Amounts receivable	(250,297)
Accounts payable and accrued liabilities	562,972
Amounts due to related parties	27,189
	(3,135,500)
Investing activities	
Acquisition of mineral property interest	(4,750,000)
	(4,750,000)
Financing activities	
Issuance of common shares for cash	35,000,000
Share issuance costs	(2,499,880)
Principal payments on capital leases	(7,109)
	32,493,011
Increase in cash and cash equivalents	24,607,511
Cash and cash equivalents, beginning of period	8,022,023
Cash and cash equivalents, end of period	\$ 32,629,534
Components of cash and cash equivalents are as follows:	
Cash	\$ 376,675
Bankers acceptances	32,252,859
	\$ 32,629,534
Supplementary information	
Income taxes paid	\$ -
Interest paid	\$ 2,062
Interest received	\$ 247,099
Non-cash investing and financing activities	
Common shares issued pursuant to acquisition of Detour Lake Property (note 5(a))	\$ 70,000,000
Warrants issued as share issuance costs (note 6(e))	\$ 395,000
Future income tax arising from acquisition of Detour Lake Property (note 5(a))	\$ 32,305,000
Equipment acquired under capital lease (note 4)	\$ 161,555

The accompanying notes are an integral part of these financial statements

DETOUR GOLD CORPORATION
(A DEVELOPMENT STAGE COMPANY)
Schedule of Exploration Expenses
(Unaudited - Expressed in Canadian Dollars)

Detour Lake Property, Canada	Three months ended March 31, 2007
Exploration	
Amortization	\$ 7,478
Assays and analysis	72,300
Drilling	2,110,359
Engineering	40,953
Environmental	10,224
Equipment rentals and leases	3,041
Freight	3,000
Geological	290,989
Graphics	6,034
Site activities	534,658
Travel and accommodation	34,296
Incurred during the period	\$ 3,113,332
Stock-based compensation	110,674
	3,224,006
Cumulative exploration expenditures, December 31, 2006	523,000
Cumulative exploration expenditures, March 31, 2007	\$ 3,747,006

The accompanying notes are an integral part of these financial statements

DETOUR GOLD CORPORATION

(A Development Stage Company)

Notes to Financial Statements

For the three months ended March 31, 2007

(Unaudited - Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Detour Gold Corporation (the "Company") was incorporated on July 19, 2006 under the Canada Business Corporations Act as 6600964 Canada Inc. On August 21, 2006, the Company's name was changed to Detour Gold Corporation. The principal business of the Company is the acquisition, exploration and development of mineral properties.

These financial statements are prepared on the basis that the Company will continue as a going concern. Management recognizes that the Company will need to generate additional financial resources in order to meet its planned business objectives. However, there can be no assurance that the Company will continue to obtain additional financial resources, achieve profitability or positive cash flows. If the Company is unable to obtain adequate additional financing, the Company will need to curtail operations and exploration activities. Failure to continue as a going concern would require that the Company's assets and liabilities be restated on a basis which could differ significantly from the going concern basis.

Operating results for the three month period ended March 31, 2007 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2007, or for any other period.

2. BASIS OF PRESENTATION

These interim financial statements are prepared in accordance with Canadian generally accepted accounting principles and are presented in Canadian dollars. They do not include all the disclosures as required for annual financial statements under generally accepted accounting principles. However, these interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements. These interim financial statements should be read in conjunction with the Company's annual financial statements for the period from inception (July 19, 2006) to December 31, 2006, which have been filed on SEDAR at www.sedar.com.

The Company was incorporated in July 2006; consequently, no comparative figures are presented.

3. SIGNIFICANT ACCOUNTING POLICIES

Except as disclosed below, these financial statements are prepared using the same accounting policies and methods of application as those disclosed in note 3 to the Company's financial statements for the period from inception to December 31, 2006.

DETOUR GOLD CORPORATION

(A Development Stage Company)

Notes to Financial Statements

For the three months ended March 31, 2007

(Unaudited - Expressed in Canadian Dollars)

(a) *Equipment*

Equipment is stated at cost less accumulated amortization. Amortization is provided on a straight-line basis over three to five years, which represents the estimated useful lives of the related equipment. Amortization on equipment used directly on exploration projects is included in exploration expenses until such time as the exploration expenditure is being capitalized.

(b) *New accounting pronouncements*

On January 1, 2007, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Sections 1530, *Comprehensive Income*; Section 3251, *Equity*; Section 3855, *Financial Instruments - Recognition and Measurement*; Section 3861, *Financial Instruments - Disclosure and Presentation*; and Section 3865, *Hedges*. These new standards resulted in no changes to amounts previously reported.

(i) Financial Instruments

Under the new standards, financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as "held-for-trading", "available-for-sale" financial assets, "held-to-maturity", "loans and receivables", or "other" financial liabilities. Held-for-trading financial instruments are measured at their fair value with changes in fair value recognized in net income for the period. Available-for-sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive income until the asset is removed from the balance sheet. Held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method. Derivative instruments, including embedded derivatives, are measured at their fair value with changes in fair value recognized in net income for the period, unless the instrument is a cash flow hedge and hedge accounting applies, in which case changes in fair value are recognized in other comprehensive income.

(ii) Comprehensive Income

Section 1530 establishes standards for reporting and presenting comprehensive income. Comprehensive income, composed of net income and other comprehensive income, is defined as the change in shareholders' equity from transactions and other events from non-owner sources. Other comprehensive income for the Company includes unrealized gains and losses on available-for-sale securities and changes in the fair market value of derivatives designated as cash flow hedges, all net of related income taxes. The components of comprehensive income are disclosed in the statement of operations and comprehensive income. Cumulative changes in other comprehensive income are included in accumulated other comprehensive income ("AOCI") which is presented as a new category in shareholders' equity.

DETOUR GOLD CORPORATION

(A Development Stage Company)

Notes to Financial Statements

For the three months ended March 31, 2007

(Unaudited - Expressed in Canadian Dollars)

(iii) Hedging

Section 3865 specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. As at and during the three month period ended March 31, 2007, the Company had no hedges.

The application of these new standards has had no impact on the Company's financial statements as at and for the three month period ended March 31, 2007, and as such, a statement of comprehensive income has not been included in these financial statements.

4. EQUIPMENT UNDER CAPITAL LEASE

	March 31, 2007		
	Cost	Accumulated amortization	Net book value
Vehicles	\$ 161,555	\$ 7,478	\$ 154,077

	December 31, 2006		
	Cost	Accumulated amortization	Net book value
Vehicles	\$ -	\$ -	\$ -

In January and February 2007, the Company leased four vehicles for the exploration activities at the Detour Lake Property. These capital leases each have three-year terms, expiring in 2009, with imputed interest rates of approximately 10.4% per annum. The leased vehicles are amortized on a straight-line basis over the lease term.

The future minimum lease payments required under these capital leases consist of:

Remainder of 2007	\$ 31,225
2008	41,622
2009	114,977
	<u>187,824</u>
Less: Amount representing interest	(33,378)
Capital lease obligation	<u>154,446</u>
Less: Current portion	(26,948)
Balance of obligation – long term	<u>\$ 127,498</u>

DETOUR GOLD CORPORATION

(A Development Stage Company)

Notes to Financial Statements

For the three months ended March 31, 2007

(Unaudited - Expressed in Canadian Dollars)

5. MINERAL PROPERTY INTEREST

Property Acquisition Costs	Balance at December 31, 2006	Acquired during the period	Balance at March 31, 2007
Detour Lake Property (note 5(a))	\$ 1,000,000	\$ 107,194,080	\$ 108,194,080

Property Acquisition Costs	Balance at inception (July 19, 2006)	Acquired during the period	Balance at December 31, 2006
Detour Lake Property (note 5(a))	\$ -	\$ 1,000,000	\$ 1,000,000

(a) *Detour Lake Property*

In August 2006, the Company entered into an agreement and subsequent amending agreements with Pelangio Mines Inc. ("Pelangio") whereby Pelangio's Detour Lake Property would be acquired by the Company. Of the \$5,000,000 cash payment to be made as partial consideration for the Detour Lake Property, \$1,000,000 was paid in the form of a non-refundable deposit, upon signing of the agreements.

On January 31, 2007, the Company acquired the Detour Lake Property pursuant to the purchase agreements with Pelangio. The consideration paid to acquire the Detour Lake Property was as follows:

Issuance of 20,000,000 common shares, to Pelangio	\$ 70,000,000
Cash payments, to Pelangio	5,000,000
Finders' fees	750,000
Related transaction costs	139,080
	<u>\$ 75,889,080</u>

The total acquisition cost was allocated as follows:

Mineral property interests	\$ 108,194,080
Future income tax liability	(32,305,000)
	<u>\$ 75,889,080</u>

The value of the common shares issued as partial consideration of the acquisition was determined based upon the closing market price of the Company as at the date of closing of the acquisition, January 31, 2007 (\$3.50 per share).

The Company and Pelangio agreed, for income tax purposes, to elect a transfer price jointly under the *Income Tax Act* at an amount of approximately \$10,300,000.

DETOUR GOLD CORPORATION

(A Development Stage Company)

Notes to Financial Statements

For the three months ended March 31, 2007

(Unaudited - Expressed in Canadian Dollars)

6. SHAREHOLDERS' EQUITY

(a) *Authorized share capital*

The Company's authorized share capital consists of an unlimited number of common shares without par value.

(b) *Issued and outstanding common share capital*

	Number of common shares	Amount
Balance, December 31, 2006	5,000,000	\$ 5,000
Shares issued in initial public offering ("IPO") (note 6(f))	10,000,000	35,000,000
Costs related to the initial public offering (note 6(f))	–	(3,209,600)
Shares issued to subscription receipt holders, net (note 6(f))	5,000,000	9,494,141
Shares issued to acquire the Detour Lake Property (note 5(a))	20,000,000	70,000,000
Balance, March 31, 2007	40,000,000	\$ 111,289,541

The common shares issued to acquire the Detour Lake Property are held in escrow until July 31, 2007. The 5,000,000 seed capital common shares issued upon inception, on July 19, 2006, are held in escrow until October 23, 2007.

(c) *Share purchase option plan*

The Company has adopted a rolling stock option plan, whereby 10% of the Company's issued and outstanding share capital may be granted to officers, directors, employees and consultants of the Company. In January 2007, the Company granted 1,385,000 options exercisable at \$3.50 per share until January 31, 2012. Vesting of these options is 30% on January 31, 2008, 30% on January 31, 2009, and 40% on January 31, 2010.

The continuity of share purchase options is as follows:

	Number of options	Weighted average exercise price
Balance, December 31, 2006	–	\$ –
Granted	1,385,000	3.50
Balance, March 31, 2007	1,385,000	\$ 3.50

The exercise prices of all share purchase options granted were at or above the market price at the grant date. Using an option pricing model with the assumptions noted below, the estimated fair value of all options granted during the three months ended March 31, 2007, which have been reflected in the statement of operations, is as follows:

DETOUR GOLD CORPORATION

(A Development Stage Company)

Notes to Financial Statements

For the three months ended March 31, 2007

(Unaudited - Expressed in Canadian Dollars)

	Three months ended March 31, 2007
Exploration - geological	\$ 110,674
Operations and administration	184,654
Total compensation cost recognized in operations, credited to contributed surplus	\$ 295,328

The assumptions used to estimate the fair value of options vesting during the period were as follows: risk-free interest rate – 4%; expected life – 3 years; expected volatility – 66%; expected dividends – nil.

(d) *Contributed surplus*

Balance, December 31, 2006	\$ –
Non-cash stock-based compensation (note 6(c))	295,328
Warrants (note 6(e))	395,000
Balance, March 31, 2007	\$ 690,328

(e) *Warrants*

The Company granted 500,000 common share warrants to agents in relation to the IPO, with each warrant exercisable into one common share in the Company at an exercise price of \$3.85 until January 31, 2008. The warrants have been recorded at an estimated fair value of \$395,000, using the following assumptions: risk-free interest rate – 4%; expected life – 1 year; expected volatility – 62%; expected dividends – nil.

The continuity of share purchase warrants is as follows:

Expiry date	January 31, 2008
Exercise price	\$ 3.85
Balance, December 31, 2006	–
Issued	500,000
Exercised	–
Balance, March 31, 2007	500,000

Subsequent to March 31, 2007, 40,000 warrants were exercised for proceeds of \$154,000.

(f) *Initial Public Offering*

On January 31, 2007, the Company completed an initial public offering of 10,000,000 common shares on the Toronto Stock Exchange. The common shares were issued at a price of \$3.50 per common share, for gross proceeds of \$35,000,000. The Company paid the agents a cash commission, including expenses of \$2,250,588 and 500,000 common share warrants (note 6(e)). In addition, \$564,012 transaction costs were incurred in relation to the initial public offering, with

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(A Development Stage Company)

Notes to Financial Statements

For the three months ended March 31, 2007

(Unaudited - Expressed in Canadian Dollars)

\$249,292 paid during the three month period ended March 31, 2007 and the remainder paid in 2006. In conjunction with the IPO, subscription receipts were converted into common shares of the Company.

7. RELATED PARTY BALANCES AND TRANSACTIONS

	March 31 2007	December 31 2006
Due to related parties		
Hunter Dickinson Inc. (a)	\$ 51,414	\$ 24,225
Pelangio Mines Inc. (b)	–	N/A
	<u>\$ 51,414</u>	<u>\$ 24,225</u>

	Three months ended March 31, 2007
Reimbursement for expenses and services rendered by third parties:	
Hunter Dickinson Inc. (a)	\$ 164,080
Pelangio Mines Inc. (b)	
Exploration costs incurred on behalf of the Company	\$ 1,533,840
Acquisition of Detour Lake Property (note 5)	\$ 75,000,000

(a) *Hunter Dickinson Inc. ("HDI")*

HDI and its wholly-owned subsidiaries are private companies owned equally by ten public companies, and have certain directors in common with the Company. HDI provides geological, technical, corporate development, administrative and management services to, and incurs third party costs on behalf of, the Company on a full cost recovery basis pursuant to an agreement dated July 19, 2006 (and amended from time to time). Balances receivable from, or payable to HDI, have arisen in the normal course of exploration work on the Company's mineral property and from the provision of ongoing administrative and technical services.

(b) *Pelangio Mines Inc. ("Pelangio")*

On January 31, 2007, the Company acquired the Detour Lake Property from Pelangio through the issuance of common shares of the Company and cash, as described in note 5. Pelangio is a Canadian public company which, as a result of this share issuance, became a significant shareholder of the Company effective January 31, 2007. At December 31, 2006, the Company had a balance owing to Pelangio of \$324,681.

In addition to the acquisition of the Detour Lake Property, the Company also paid to Pelangio \$1,533,840 for exploration work conducted on a cost-recovery-only basis on the Company's behalf at the Detour Lake Property.

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Notes to Financial Statements

For the three months ended March 31, 2007

(Unaudited - Expressed in Canadian Dollars)

8. COMMITMENTS

In March 2007, the Company entered into a three year lease agreement for its office premises. The following table lists the Company's material contractual obligations over the next five years.

Contractual obligations (in thousands of dollars)	Total	Remainder of 2007	2008	2009	2010	2011	After 2011
Long term debt	–	–	–	–	–	–	–
Capital lease obligations	\$ 154	\$ 20	\$ 29	\$ 105	–	–	–
Operating leases	\$ 147	\$ 33	\$ 49	\$ 49	\$ 16	–	–
Purchase obligations	–	–	–	–	–	–	–
Other long term obligations (excluding future income taxes)	–	–	–	–	–	–	–
Total	\$ 301	\$ 53	\$ 78	\$ 154	\$ 16	–	–

DETOUR GOLD CORPORATION
THREE MONTHS ENDED MARCH 31, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

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DETOUR GOLD CORPORATION
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MANAGEMENT'S DISCUSSION AND ANALYSIS

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1.1 Date

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited financial statements of Detour Gold Corporation ("Detour" or the "Company") for the three months ended March 31, 2007 and the audited financial statements for the period from inception (July 19, 2006) to December 31, 2006.

This MD&A is prepared as of May 9, 2007. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements.

1.2 Overview

The Company was incorporated on July 19, 2006 as 6600964 Canada Inc. pursuant to the *Canada Business Corporations Act*. Pursuant to articles of amendment filed on August 21, 2006, 6600964 Canada Inc. changed its name to Detour Gold Corporation and removed its private company restrictions. The Company completed its initial public offering ("IPO") on the Toronto Stock Exchange on January 31, 2007.

The Company's principal business is the acquisition, exploration and development of mineral properties. Concurrently with the closing of the IPO, the Company acquired the Detour Lake Property (the "Property") from Pelangio Mines Inc. ("Pelangio"). The Company has no producing properties. The Property totals 242 square kilometers and hosts the Detour Lake gold deposit, which contains an indicated resource of 20.0 million tonnes grading 2.14 g/t gold containing 1,379,500 ounces and inferred resource of 35,400,000 tonnes grading 1.8 g/t containing 2,035,650 ounces. The mineral resource is contained within two pits (West Pit and Calcite Zone) based on a gold price of US\$450/oz. The near-surface deposit is located in the area of the former Detour Lake Mine, which produced 1,764,986 ounces of gold from 1983 to 1999.

Property Activities

Detour Lake Property

On August 21, 2006, the Company entered into a purchase agreement to acquire the Property from Pelangio. On January 31, 2007, the Company completed the acquisition of the Property, assets and rights used in connection with or relating to the Property from Pelangio.

The Property is comprised of certain mining claims, staked claims and mining leases located in Hopper Lake Area, Lower Detour Lake Area, West of Sunday Lake Area and Sunday Lake Area, Porcupine Mining Division of northeastern Ontario, and Massicotte Township, Quebec. As part of the acquisition, Detour also acquired all applicable contracts, geological data, technical reports, feasibility studies, core

DETOUR GOLD CORPORATION
THREE MONTHS ENDED MARCH 31, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

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samples, licences, permits, property, plant, equipment and fixed assets located on or relating to the Property and assumed certain routine liabilities related to the Property.

The consideration paid by the Company to Pelangio for the Property consisted of:

1. 20,000,000 common shares, paid at the time of closing of the acquisition on January 31, 2007.
2. \$5,000,000 cash (of which a \$1,000,000 deposit had been paid on August 30, 2006 and the remaining \$4,000,000 was paid on January 31, 2007).
3. Funding of an approved work program, budgeted at approximately \$1,500,000 with respect to the exploration and development of the Property from August 21, 2006 to January 31, 2007. The Company spent \$523,000 on exploration expenses on the Property during the period ended December 31, 2006 and \$1,200,000 in January 2007.

On January 8, 2007, the Company started a 50,000 metre drilling program (Phase 1). As of March 31, 2007, the Company had completed 66 holes totaling 24,189 metres. The main objective of the drilling campaign is to expand the current near-surface resource and convert a large portion of the inferred resources to the indicated category. Drilling is focused on testing between surface to 350 metres over a strike length of more than two kilometers. The Phase 1 drilling program is expected to be completed during the summer of 2007.

On April 11, 2007, the Company announced the assay results of the first 10 holes of the drilling program (see press release dated April 11, 2007). The results showed that the gold mineralization extends outside of the current resource. All holes announced in the press release were drilled within the unestimated (waste) portion of the US\$450 pit shell (West Pit) and between the two US\$450 pit shells (Gap Zone).

Market Trends

Gold prices have been increasing over the past three years. Overall, the gold price increased from US\$410/oz in 2004 to US\$445/oz in 2005, and although there was some volatility in late 2006, the average price over the year – US\$604/oz – was still a substantial increase from 2005. The gold price has averaged US\$648/oz to mid March of 2007.

DETOUR GOLD CORPORATION
THREE MONTHS ENDED MARCH 31, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

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1.3 Selected Annual Information

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles, and are expressed in Canadian dollars except common shares outstanding.

	As at December 31, 2006
Balance Sheet	
Current assets	\$ 8,094,248
Other assets	1,453,800
Total assets	\$ 9,548,048
Current liabilities	\$ 636,067
Shareholders' equity	8,911,981
Total shareholders' equity & liabilities	9,548,048
Working capital	\$ 7,458,181
Operations	
	For the period from inception (July 19, 2006) to December 31, 2006
Conference and travel	\$ 11,589
Exploration	523,000
Interest expense	11,712
Legal, accounting and audit	23,488
Office and administration	58,173
Shareholder communications	12,692
Trust and filing	5,731
	646,385
Interest income	(59,225)
Loss for the period	\$ 587,160
Basic and diluted loss per common share	\$ 0.12
Weighted average number of common shares outstanding	5,000,000

DETOUR GOLD CORPORATION
THREE MONTHS ENDED MARCH 31, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

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1.4 Summary of Quarterly Results

The following summary is presented in thousands of Canadian dollars except loss per share amount. The Company was incorporated in July 2006, and the quarter ended March 31, 2007 is the first full quarter of activity.

	March 31, 2007
Current assets	\$ 32,952
Mineral property interest	108,194
Other assets	154
Total assets	\$ 141,300
Current liabilities	\$ 1,253
Other liabilities	128
Future income tax liability	32,305
Shareholders' equity	107,614
Total shareholders' equity and liabilities	\$ 141,300
Working capital	\$ 31,699
Expenses (income):	
Conference and travel	\$ 67
Exploration	3,113
Interest expense	2
Legal, accounting and audit	332
Office and administration	131
Shareholder communications	70
Trust and filing	15
Interest income	(247)
Subtotal	3,483
Stock-based compensation	295
Loss for the period	\$ 3,778
Basic and diluted loss per common share	\$ 0.14
Weighted average number of common shares outstanding (thousands)	27,944

DETOUR GOLD CORPORATION
THREE MONTHS ENDED MARCH 31, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

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1.5 Results of Operations

The Company was incorporated on July 19, 2006; consequently no comparative information is provided. For the three months ended March, 31, 2007, the Company incurred a loss of \$3,778,170. The net loss was comprised primarily of exploration expenses of \$3,224,006 and administrative expenses of \$554,164.

The exploration expenses of \$3,224,006 included exploration activities of \$3,113,332 and stock-based compensation expense related to exploration personnel of \$110,674. The primary exploration expenses during the period were \$72,300 for assays and analysis, \$2,110,359 for drilling, \$40,953 for engineering, \$290,989 for geological, \$534,658 for site activities and \$34,296 for travel and accommodation.

Administrative costs during the period were for salaries, office and administration, and legal, accounting and audit fees. Conference and travel expenses totaled \$66,665. Salaries, office and administration costs were \$130,519. Shareholder communications were \$69,993. Trust and filing fees were \$15,165. Legal, accounting and audit expenses were \$332,047, due to the higher level of corporate activity in the first quarter of 2007. Included in administrative costs was stock-based compensation expense of \$184,654.

The Company had interest income of \$247,099 during the first quarter, which was generated from the cash balances on hand resulting from the IPO.

1.6 Liquidity

Historically the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements to sophisticated investors and institutions. On January 31, 2007, the Company successfully completed its IPO of 10,000,000 common shares on the Toronto Stock Exchange ("TSX"). The common shares were issued at a price of \$3.50 per share for total gross proceeds to the Company of \$35,000,000.

The Company's access to exploration financing when the financing is not transaction specific is always uncertain. There can be no assurance of continued access to significant equity funding.

The Company had working capital of approximately \$31,699,000 as at March 31, 2007, which is sufficient to fund its known commitments.

In January and February 2007, the Company entered into capital lease agreements totaling approximately \$162,000 related to four vehicles for exploration activities at the Detour Lake Property. In March 2007, the Company entered into a new three year office lease agreement.

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The following table lists the Company's contractual obligations over the next five years:

Contractual obligations (in thousands of dollars)	Remainder of						
	Total	2007	2008	2009	2010	2011	After 2011
Long term debt	-	-	-	-	-	-	-
Capital lease obligations	\$ 154	\$ 20	\$ 29	\$ 105	-	-	-
Operating leases	\$ 147	\$ 33	\$ 49	\$ 49	\$ 16	-	-
Purchase obligations	-	-	-	-	-	-	-
Other long term obligations (excluding future income taxes)	-	-	-	-	-	-	-
Total	\$ 301	\$ 53	\$ 78	\$ 154	\$ 16	-	-

1.7 Capital Resources

The Company had no material commitments for capital expenditures as of March 31, 2007.

The Company has no lines of credit or other sources of financing which have been arranged but are as yet unused.

1.8 Off-Balance Sheet Arrangements

None

1.9 Transactions with Related Parties

The Company has two related parties with which it has transactions during the period, namely Hunter Dickinson Inc. ("HDI"), and Pelangio Mines Inc. ("Pelangio").

HDI carries out investor services, geological, corporate development, administrative and other management activities for, and incurs third party costs on behalf of, the Company on an as-needed and as-available basis. The Company reimburses HDI on a full cost-recovery basis. HDI has certain directors in common with the Company.

Costs for services rendered by HDI to the Company totaled \$164,080 for the first three months of 2007.

On January 31, 2007, the Company acquired the Detour Lake Property from Pelangio through the issuance of common shares of the Company and cash (the "Property Acquisition"). Pelangio is a Canadian public company which, as a result of this share issuance, became a significant shareholder of the Company effective January 31, 2007. To effect the Property Acquisition, the Company issued 20,000,000 common shares and paid \$5,000,000 to Pelangio. In addition to the Property Acquisition, the Company also paid to Pelangio \$1,533,840 for exploration work conducted on a cost-recovery-only basis on the Company's behalf at the Detour Lake Property during the period.

1.10 Fourth Quarter

Non applicable.

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1.11 Proposed Transactions

There are no material proposed asset or business acquisitions which have been approved by the board of directors requiring disclosure under this section.

1.12 Critical Accounting Estimates

The Company's accounting policies are presented in note 3 of the most recent annual audited financial statements. The preparation of financial statements in accordance with generally accepted accounting principles requires management to select accounting policies and make estimates. Such estimates may have a significant impact on the financial statements. These estimates include:

- mineral resources and reserves, and
- the carrying values of mineral properties,
- the carrying values of property, plant and equipment,
- the estimation of asset retirement obligations, and
- the valuation of stock-based compensation expense.

Actual amounts could differ from the estimates used and, accordingly, affect the results of operations.

Mineral resources and reserves, and the carrying values of mineral property interests, and of property, plant and equipment

Mineral resources and reserves are estimated by professional geologists and engineers in accordance with recognized industry, professional and regulatory standards. These estimates require inputs such as future metals prices, future operating costs, and various technical geological, engineering, and construction parameters. Changes in any of these inputs could cause a significant change in the estimated resources and reserves, which in turn could have a material effect on the carrying value of property, plant and equipment.

The carrying value of mineral properties is also dependant on the valuation used for the common shares and warrants of the Company issued for the acquisition of mineral properties. The value of the common shares issued is the fair market value, based on the trading price of the shares at the agreement and announcement date, pursuant to the terms of the relevant agreement. The Company uses the Black-Scholes pricing model to estimate a value for any warrants issued upon the acquisition of a property. This model, and other models which are used to value options and warrants, require inputs such as expected volatility, expected life to exercise, and interest rates. Changes in any of these inputs could cause a significant change in the carrying value initially recorded for mineral properties.

Site restoration costs (asset retirement obligations)

Upon the completion of any mining activities or exploration activities which cause disturbance to the environment, the Company will ordinarily be required to undertake environmental reclamation activities in accordance with local and/or industry standards. The estimated costs of these reclamation activities are dependent on labor costs, the environmental impacts of the Company's operations, the effectiveness of the chosen reclamation techniques, and on applicable government environmental standards. Changes in any of these factors could cause a significant change in the reclamation expense charged in a period.

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Stock-based compensation expense

From time to time, the Company may grant share purchase options to officers, directors, employees, and service providers. The Company uses the Black-Scholes option pricing model to estimate a value for these options. This model, and other models which are used to value options, require inputs such as expected volatility, expected life to exercise, and interest rates. Changes in any of these inputs could cause a significant change in the stock-based compensation expense charged in a period.

1.13 Changes in Accounting Policies including Initial Adoption

(a) *Equipment*

Equipment is stated at cost less accumulated amortization. Amortization is provided on a straight-line basis over three to five years, which represents the estimated useful lives of the related equipment. Amortization on equipment used directly on exploration projects is included in exploration expenses until such time as the exploration expenditure is being capitalized.

(b) *New accounting pronouncements*

On January 1, 2007, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Sections 1530, *Comprehensive Income*; Section 3251, *Equity*; Section 3855, *Financial Instruments - Recognition and Measurement*; Section 3861, *Financial Instruments - Disclosure and Presentation*; and Section 3865, *Hedges*. These new standards resulted in no changes to amounts previously reported.

(i) *Financial Instruments*

Under the new standards, financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as "held-for-trading", "available-for-sale" financial assets, "held-to-maturity", "loans and receivables", or "other" financial liabilities. Held-for-trading financial instruments are measured at their fair value with changes in fair value recognized in net income for the period. Available-for-sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive income until the asset is removed from the balance sheet. Held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method. Derivative instruments, including embedded derivatives, are measured at their fair value with changes in fair value recognized in net income for the period, unless the instrument is a cash flow hedge and hedge accounting applies, in which case changes in fair value are recognized in other comprehensive income.

(ii) *Comprehensive Income*

Section 1530 establishes standards for reporting and presenting comprehensive income. Comprehensive income, composed of net income and other comprehensive income, is defined as the change in shareholders' equity from transactions and other events from non-owner sources. Other comprehensive income for the Company includes unrealized

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gains and losses on available-for-sale securities and changes in the fair market value of derivatives designated as cash flow hedges, all net of related income taxes. The components of comprehensive income are disclosed in the consolidated statement of operations and comprehensive income. Cumulative changes in other comprehensive income are included in accumulated other comprehensive income ("AOCI") which is presented as a new category in shareholders' equity.

(iii) Hedging

Section 3865 specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. As at and during the three month period ended March 31, 2007, the Company had no hedges.

The application of these new standards has had no impact on the Company's financial statements as at and for the three month period ended March 31, 2007, and as such, a statement of comprehensive income has not been included in financial statements for the three month period ended March 31, 2007.

1.14 Financial Instruments and Other Instruments

None.

1.15 Other MD&A Requirements

Additional information relating to the Company is available on SEDAR at www.sedar.com.

1.15.1 Additional Disclosure for Venture Issuers without Significant Revenue

Not applicable – the Company is a non-venture issuer.

1.15.2 Disclosure of Outstanding Share Data

The following details the share capital structure as at May 9, 2007, the date of this MD&A. These figures may be subject to minor accounting adjustments prior to presentation in future consolidated financial statements.

	Expiry date	Exercise price	Number
Common shares			40,040,000
Share purchase options	January 31, 2012	\$ 3.50	1,385,000
Warrants	January 31, 2008	\$ 3.85	460,000