Torex Gold
RESOURCES INC.

TOREX GOLD PROVIDES 2020 OPERATIONAL OUTLOOK

(All amounts expressed in U.S. Dollars unless otherwise stated)

TORONTO, Ontario, January 14, 2020 – Torex Gold Resources Inc. (the “Company” or “Torex”) (TSX: TXG) expects to produce between 420,000 and 480,000 ounces of gold in 2020, with the mid-point of guidance relatively in line with the 454,810 ounces of gold produced in 2019. Total cash costs1 are expected to range between $640 and $670 per ounce of gold sold. All-in sustaining costs1 are anticipated to range between $900 and $960 per ounce of gold sold.

2020 Operational Outlook

Gold production	420,000 to 480,000 ounces
Total cash cost per ounce of gold sold1	$640 to $670
All-in sustaining cost per ounce of gold sold1	$900 to $960
Capitalized waste stripping *Other sustaining investment* Sustaining capital expenditures	*$51 million* *$34 million* $85 million
Non-sustaining capital expenditures	$82 million

Fred Stanford, President and CEO of Torex, stated:

“In 2020 we expect our El Limón Guajes mine to deliver a similar production result to the record performance achieved in 2019. This level of production with continuing strength in the gold market, positions the Company to deliver another year of strong operating cash flow, which we expect to direct towards advancing Media Luna, testing Muckahi, and reducing outstanding debt.

“Growth related capital expenditures are anticipated to increase year-over-year as we invest $49 million in the Media Luna project. This investment will include a feasibility study, early works to begin the access tunnel to the deposit, and further infill drilling. In addition, we have budgeted capital for the development of the ELD deposit, which will be mined using the Muckahi Mining System. Sustaining capital expenditures are expected to increase relative to 2019 levels. There will be a greater portion of waste stripping being capitalized. There will be investment in rebuilding a large portion of the open pit fleet to extend its life to match the mine life. There is also ongoing underground development and required investment in the processing plant to ensure operating availability through to the end of the mine life of the open pits and beyond for Media Luna.

“Cost guidance has increased relative to 2019 performance, due largely to a change in accounting for stockpile inventory for open pit and underground ore. A second factor is an expected continuation of elevated soluble iron in the ores to be processed. Soluble iron increases reagent costs and, while we are trialing new methods to reduce reagent consumption, we expect the levels of soluble iron in feed that occurred in the latter half of 2019 to continue through 2020.”

2020 Production Outlook

Gold production performance is expected to continue at high levels of between 420,000 and 480,000 ounces. The grade in each quarter is expected to be relatively consistent (as consistent as a skarn can be). If we experience variability in gold production on a quarter by quarter basis, it is expected to be due to SAG Mill throughput variability. The drive system for the SAG Mill has been experiencing vibration, which points to an alignment issue. In January, we took an 88-hour shutdown to correct alignment. If the alignment doesn’t stay corrected, then the worst-case scenario is a 7-day outage to re-grout or replace the sole plates under the mill. At this point it is impossible to tell, if or when this 7-day outage might be required. The possibility of it occurring is included in the guidance range.

2020 Cost Outlook
The change in total cash cost guidance compared to 2019 performance is largely due to accounting for stockpile inventory for open pit and underground separately, on a per ounce basis, rather than on a combined tonnes basis. The impact on total cash costs is estimated to average $25 per ounce gold sold, with the impact expected to decline quarter-over-quarter. Additionally, given the potential for elevated levels of soluble iron to persist with the processing of ore from Sub-Sill and El Limon Sur, processing costs are expected to be around $30 per tonne, similar to the levels experienced during H2 2019.

The increase in all-in sustaining cash cost guidance reflects the factors noted above, as well as investments in the plant required to sustain production through to and including the development of Media Luna.

The strip ratio for 2020 is expected to be 6.8:1 with approximately 55% of mined waste rock expensed and the remainder capitalized.

2020 Capital Expenditure Outlook
The Company expects to incur $85 million in sustaining capital expenditures during 2020 of which $51 million is related to capitalized waste stripping. The remaining budgeted spend is earmarked towards investment to sustain operations within the open-pit (rebuilding the mining fleet which is nearing end of its recommended life cycle), underground operations (ventilation and development to open up the ore body at depth), and the processing plant (improve/maintain the efficiency of the mill/leach circuits and to sustain operations, including future ore from Media Luna).

Non-sustaining related capital expenditures in 2020 are guided at $82 million. A majority of the growth-related expenditures are expected to be directed towards Media Luna and developing the ELD deposit. The $49 million of investment targeted at Media Luna includes $11 million for a feasibility study, $25 million for tunnel excavation under the Balsas River, and $13 million to complete a subsequent infill drill program, which is expected to be completed in time to include the results in the feasibility study. Capital investment for developing the ELD underground deposit is guided to $27 million, of which $19 million is for underground development and mining activities, which will include the further testing of Muckahi.

The infill drill program completed last year was successful in upgrading 25% of the June 2015 Inferred resource to the Indicated category. An updated resource estimate has been press released with the detailed results. With the feasibility mine plan only able to use Measured & Indicated resources, the Company believes a subsequent infill drill program could be completed in time to be incorporated into the feasibility study. The additional Indicated resources are expected to enhance the mine life outlined in the feasibility study as well as the underlying economics of the project outlined in the feasibility study.

1 Refer to “Non-IFRS Financial Performance Measures” in the Company’s September 30, 2019 MD&A for further information and a detailed reconciliation.

About Torex Gold Resources Inc.
Torex is an intermediate gold producer based in Canada, engaged in the exploration, development, and operation of its 100% owned Morelos Gold Property, an area of 29,000 hectares in the highly prospective Guerrero Gold Belt located 180 kilometres southwest of Mexico City. The Company’s principal assets are the El Limón Guajes mining complex (“ELG” or the “ELG Mine Complex”), comprising the El Limón, Guajes and El Limón Sur open pits, the El Limón Guajes underground mine including zones referred to as Sub-Sill and ELD, and the processing plant and related infrastructure, which is in the commercial production stage as of April 1, 2016, and the Media Luna deposit, which is an early stage development project, and for which the Company issued an updated preliminary economic assessment in September 2018 (the “Technical Report”). The property remains 75% unexplored.

For further information, please contact:

TOREX GOLD RESOURCES INC.

Fred Stanford
President and CEO
Direct: (647) 260-1502
Email: fred.stanford@torexgold.com

Dan Rollins
Vice President, Corporate Development & Investor Relations
Direct: (647) 260-1503
Email: dan.rollins@torexgold.com

CAUTIONARY NOTES

Muckahi Mining System

The Technical Report includes information on Muckahi. It is important to note that Muckahi is experimental in nature and has not been tested in an operating mine. Many aspects of the system are conceptual, and proof of concept has not been demonstrated. Drill and blast fundamentals, standards and best practices for underground hard rock mining are applied in the Muckahi, where applicable. The proposed application of a monorail system for underground transportation for mine development and production mining is unique to underground hard rock mining. There are existing underground hard rock mines that use a monorail system for transportation of materials and equipment, however not in the capacity described in the Technical Report. Aspects of Muckahi mining equipment are currently in the design and test stage. The mine design, equipment performance and cost estimations are conceptual in nature, and do not demonstrate technical or economic viability. The Company has completed the development and the first phase of testing the concept for the mine development and production activities and will move to optimization in 2020 to further verify the viability of Muckahi.

Forward Looking Statements

This press release contains "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities legislation. Notwithstanding the Company's efforts, there can be no guarantee that the Company will not face unforeseen delays or disruptions of its operations including without limitation: information with respect to the projected gold production, total cash cost per ounce of gold sold, AISC per ounce of gold sold, capitalized waste stripping and other sustaining investments, and non-sustaining capital expenditures; expectation that the projected gold production levels with continued strength in the gold market, positions the Company to deliver another year of strong operating cash flow; expectation that such cash flow would be directed towards advancing Media Luna, testing Muckahi, and reducing outstanding debt; expectation that growth related capital expenditures will increase year-over-year; plans to invest $49 million in the Media Luna project; plans to include in such investment a feasibility study, early works to begin the access tunnel to the deposit, and further infill drilling on the Media Luna project; the budgeted capital for the development of the ELD deposit; plans to mine the ELD deposit using the Muckahi mining system; expectation that the sustaining capital expenditures will increase relative to 2019 levels; in relation to such increase in sustaining capital, expectation that a greater portion of waste stripping will be capitalized, there will be investment in rebuilding a large portion of the open pit fleet to extend its life to match the mine life, there will be ongoing underground development, and investment in the processing plant will be required to ensure operating availability through to the end of the mine life of the open pits and beyond for Media Luna; the expectation that elevated levels of soluble iron in feed that occurred in the latter half of 2019 to continue through 2020; plans to trial new methods to reduce reagent consumption; the expectation that grade will be relatively consistent in each quarter; the expectation that if there is variability in production in 2020, it may be due to SAG mill throughput variability; if there is SAG mill variability due to the alignment in the drive system of the SAG mill failing to remain corrected, potential for a future plant shutdown to complete repairs; the estimated time frame to complete such repairs, if needed; the expected impact of the accounting for stockpile inventory on total cash cost guidance and expectation that the impact will decline quarter-over-quarter; the expected processing costs per tonne; the expected strip ratio for 2020 and allocation between waste rock expense and capital; planned non-sustaining related capital expenditures in 2020 including growth-related expenditures as detailed herein for Media Luna and for ELD; the expectation that the additional infill drilling program on the Media Luna deposit will be completed in time so that the results may be included in the feasibility study; the expectation that such infill drilling program will increase the Indicated resources of the Media Luna project and such additional Indicated resources will enhance the mine life outlined in the feasibility study as well as the underlying economics of the project outlined in the feasibility study. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", "believes", “future” or variations of such words and phrases or state that certain actions, events or results “can”, "may", "could", "would", "might", "be achieved", “appears” or “bodes well”. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including, without limitation, uncertainty involving skarns deposits, risks associated with mine production and gold production, risks associated with cost estimates, uncertainty related to reducing the reagent consumption in connection with soluble iron in the ore feed, risks associated with identifying source of vibration experienced by the SAG mill, and those risk factors identified in the Technical Report and the Company’s annual information form and management’s discussion and analysis. Forward-looking information are based on the assumptions discussed in the Technical Report and such other reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances at the date such statements are made. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by applicable securities laws.