



## TOREX REPORTS THIRD QUARTER 2017 FINANCIAL AND OPERATIONAL RESULTS

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

TORONTO, Ontario, November 9, 2017 - Torex Gold Resources Inc. (the "Company" or "Torex") (TSX:TXG) reported today the Company's financial results for the third quarter of 2017, as ramp-up continues at its El Limón Guajes Mine (ELG) in southwest Mexico. The Company also provided the following update to the previously announced blockade situation at ELG.

### ***Blockade Update:***

- This is day 7 of the blockade, that resulted from a conflict between two unions
- The military is patrolling the area and attending the site
- Care and maintenance activities resumed yesterday
- Discussions are underway with the Federal Police (Gendarmerie) to provide security personnel to the site
- Blockades are illegal, but they also have a political aspect to them. Excellent political support has been received from State and Federal governments to advance the legal charges and to find a negotiated resolution to the dispute between the two unions
- The Operations team is optimizing the plan for an efficient plant start up, once the blockade is removed

Fred Stanford, President & CEO of Torex stated: "The current blockade situation overshadows the many successes that the team has accomplished in 2017. These include, ramping up the plant to 90% of design throughput. Achieving design recoveries. Building the SART plant and installing additional tailings filtration capacity. Developing into the Sub-Sill deposit and producing the first development ore in less than a year from the discovery hole. Advancing the Media Luna design, successfully concluding negotiations for long term Media Luna land leases, and beginning the in-fill drill program for Media Luna. On the financial side the project finance debt was renegotiated with improved terms and flexibility for future growth. While it is impossible to be definitive, we expect the blockade to be resolved in the near term and we can then continue to build on the successes of 2017, as we transition into what should be a catalyst rich, and steady state 2018."

*This release should be read in conjunction with the Company's third quarter 2017 Financial Statements and MD&A on the Company's website or on SEDAR.*

## **HIGHLIGHTS**

### **Plant ramp-up focused on closing the 10% gap to design throughput levels**

- **Gold recovery** in the quarter averaged 87%, consistent with design expectations.
- **Plant throughput** in the quarter, 1,152 kt, averaged 12,522 tpd, or 89% of design capacity of 14,000 tpd in the quarter. Throughput in October 2017 of 403 kt, averaged 12,991 tpd, or 93% of design capacity of 14,000 tpd.
- **Mine production** in the quarter, 8,686 kt, averaged 94,413 tpd, an increase of 4% over the prior quarter.
- **Gold produced** totalled 67,337 ounces for the quarter and 212,711 ounces for the nine months ended September 30, 2017.

### **Positive grade reconciliation for the quarter of 114% to the reserve model**

- **Total ounce reconciliation** of 100% to the reserve model for the quarter.

### Higher grade tonnes deferred to Q4/2017 as a safety precaution during a heavy rainy season

- **Average grade processed** in the quarter of 2.35 gpt is lower than average reserve grade, resulting in higher costs per ounce. **Average grade mined** in the quarter was 2.53 gpt.

### Outlook

- Our ramp up has proceeded to the level of 90% of design throughput. With the recent illegal blockade, the Company is expecting to produce less than 300,000 ounces of gold for 2017, below our published guidance targets.

### Sub-Sill growth potential confirmed by step-out drilling

- **Sub-Sill** step-out drilling demonstrated high grade intercepts in the quadrant to the northwest of the current Sub-Sill resource area, and confirmed the potential for additional resources in this direction.
- An update to the Sub-Sill reserve and resource estimate is expected in the fourth quarter of 2017.

### Media Luna Project progressing

- 25-year common land, lease agreement signed for the use of the land required for the exploration, construction, and mining of minerals at Media Luna.
- The Company initiated an in-fill drilling program budgeted at \$15 million to upgrade, to the Indicated confidence level, 25% of the current inferred Media Luna resource of 7.4 million Au Equivalent ounces (51.5Mt @4.48g/t Au Eq.). The program will form the basis for a Media Luna feasibility study scheduled for the second half of 2019.

### New loan facility strengthens balance sheet and increases flexibility for funding growth options

- **Debt refinancing** was announced in June 2017, executed in July, to replace the project finance facility entered in 2014.

### Financial results

- **Net loss** totalled \$1.6 million, or \$0.02 per share, on a basic and diluted basis for the quarter, and **net income** of \$12.4 million, or \$0.16 per share, on a basic and \$0.15 per share on a diluted basis for the nine months ended September 30, 2017.
- **Adjusted net loss**<sup>1</sup>, which excludes, amongst other items, unrealized derivative and foreign exchange gains and losses, totalled \$1.0 million, or \$0.01 per share on a basic and diluted basis for the quarter, and **Adjusted net earnings**<sup>1</sup> of \$5.7 million, or \$0.07 per share on a basic and diluted basis for the nine months ended September 30, 2017.
- **Earnings from mine operations** totalled \$17.1 million for the quarter, and \$48.0 million for the nine months ended September 30, 2017.
- **Cash flow from operations** totalled \$45.1 million for the quarter, and \$80.2 million for the nine months ended September 30, 2017.
- **Revenue** totalled \$100.5 million and **cost of sales** totalled \$83.4 million, or \$1,066 per ounce of gold sold for the quarter. **Revenue** totalled \$274.1 million and **cost of sales** totalled \$226.1 million, or \$1,040 per ounce of gold sold for the nine months ended September 30, 2017.

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<sup>1</sup> Total cash costs, all-in sustaining costs, average realized gold price and adjusted net (loss) earnings are financial performance measures with no standard meaning under International Financial Reporting Standards ("IFRS"). Refer to "Non-IFRS Financial Performance Measures" in the Company's Q3 2017 Management's Discussion and Analysis for further information and a detailed reconciliation.

- **Gold sold** for the quarter totalled 78,254 ounces sold for total proceeds of \$99.9 million at an **average realized gold price**<sup>1</sup> of \$1,277 per ounce. Gold sold for the nine months ended September 30, 2017 totalled 217,399 ounces for total proceeds of \$271.6 million at an average realized gold price<sup>1</sup> of \$1,249 per ounce.
- **Cash balances** as at September 30, 2017 totalled \$80.3 million (including restricted cash of \$13.8 million).
- **Total cash costs**<sup>1</sup> of \$728 per ounce of gold sold for the quarter, and \$703 per ounce of gold sold for the nine months ended September 30, 2017.
- **All-in sustaining costs**<sup>1</sup> of \$1,035 per ounce of gold sold for the quarter, and \$985 per ounce of gold sold for the nine months ended September 30, 2017.
- **Ore in stockpile** as at September 30, 2017 was 0.5 million tonnes at an average estimated grade of 1.52 gpt.

*Please refer to Figure 1 for "Average Tonnage Processed Per Day and Throughput Rate" and Figure 2 for "Guajes and El Limón, Reconciliation of Grade and Ounces".*

### Qualified Persons

Scientific and technical information contained in this news release has been reviewed and approved by Dawson Proudfoot, P.Eng., Vice President, Engineering of Torex Gold Resources Inc. and a Qualified Person under NI 43-101 – Standards of Disclosure for Mineral Projects.

### Conference Call

The Company will host a conference call today at 9:00 am (ET) where senior management will discuss the Third Quarter 2017 operational and financial results.

Access the conference call as follows:

*Webcast access: A live audio webcast of the conference call will be available on the Company's website at [www.torexgold.com](http://www.torexgold.com).*

*Telephone access: Please call the numbers below approximately ten minutes prior to the scheduled start of the call.*  
*Toronto local or international 1 (416) 915-3239*  
*Toll-Free (North America) 1 800-319-4610*  
*Toll-Free (France) 0 800-900-351*  
*Toll-Free (Switzerland) 0-800-802-457*  
*Toll-Free (United Kingdom) 0 808-101-2791*

*The webcast will be archived on the Company's website.*

### About Torex

Torex is an emerging 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 kilometers southwest of Mexico City. Within this property, Torex has the El Limón-Guajes Mine, which announced commercial production in March of 2016 and the Media Luna Project, which is an early stage development project, and for which the Company issued a preliminary economic assessment (PEA) in 2015. The property remains 75% unexplored.

For further information, please contact:

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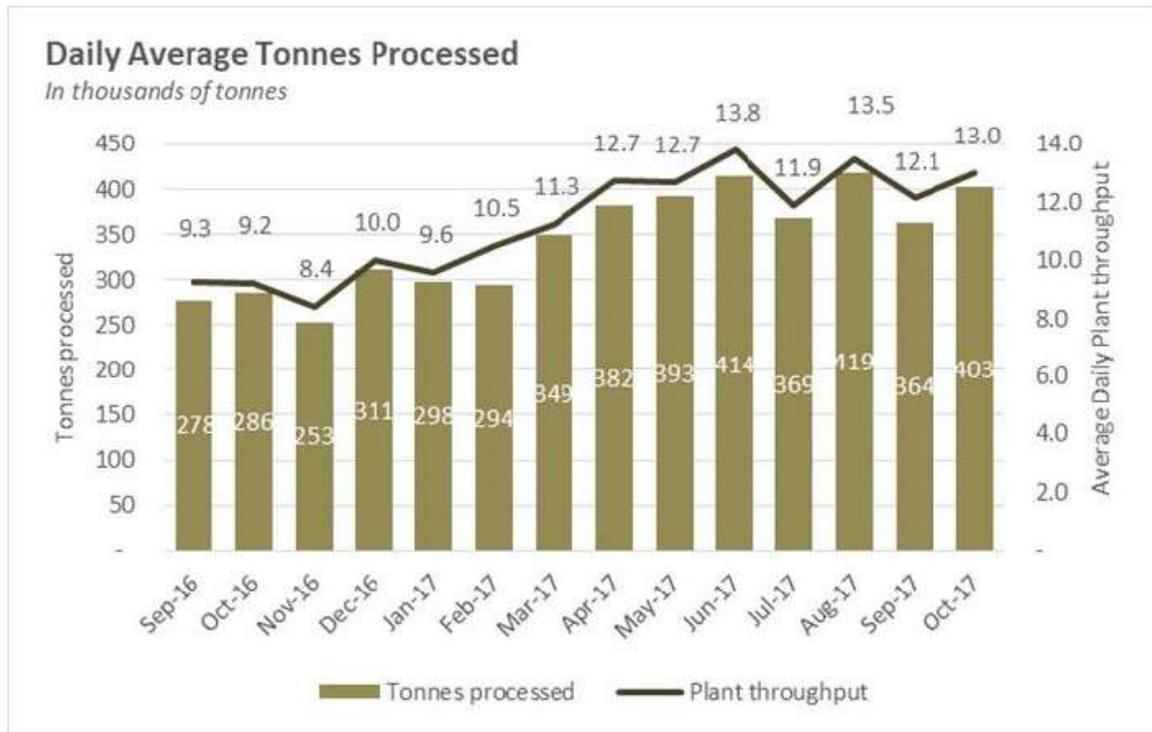
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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

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. Forward-looking information also includes, but is not limited to, the expected resolution of the blockade in the near term, the expected successful ramp-up and achieving full production, the plans to complete the construction of the SART plant on time and budget and expected successful start-up, commissioning and operation of the SART plant and the expected cost saving from the operation of the SART plant, the expected continued operation of the tailings filtration plant at design levels, plans to complete the access ramp to El Limón Deep, plans to mine and process the material from the Sub-Sill area and the expectation that the material will help achieve the production guidance targets, plans to complete the infill and step-out diamond drilling program on the Sub-Sill deposit, plans to upgrade the mineral resource estimate and complete a mine plan for the Sub-sill deposit and other future exploration and development, and continued safety and security. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", "estimates", "intends", "anticipates" or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". 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 those risk factors identified in the Company's annual information form ("AIF") and management's discussion and analysis ("MD&A"). Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management, which may be identified in the AIF or MD&A, made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Such assumptions, estimates, analysis and opinions include, without limitation, the resolution of the blockade in the near term and regaining access to the ELG Mine without disruption, the continued ramp-up to full production and continued operation of the tailings filtration plant at design levels, timely access to the high grade material, the timely completion of construction, start-up and commissioning of the SART plant and expected cost savings, the mineral resource estimate for the Sub-Sill deposit, the timing and receipt of any required approvals and permits, the ability of the Company to obtain qualified personnel, equipment and services in a timely and cost-efficient manner, the ability of the Company to obtain financing on acceptable terms, the ability of the Company to access the Morelos Gold Property and the ability to conclude the land access agreements for Media Luna. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the Company can give no assurance that such expectations will prove to be correct. 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. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Figure 1



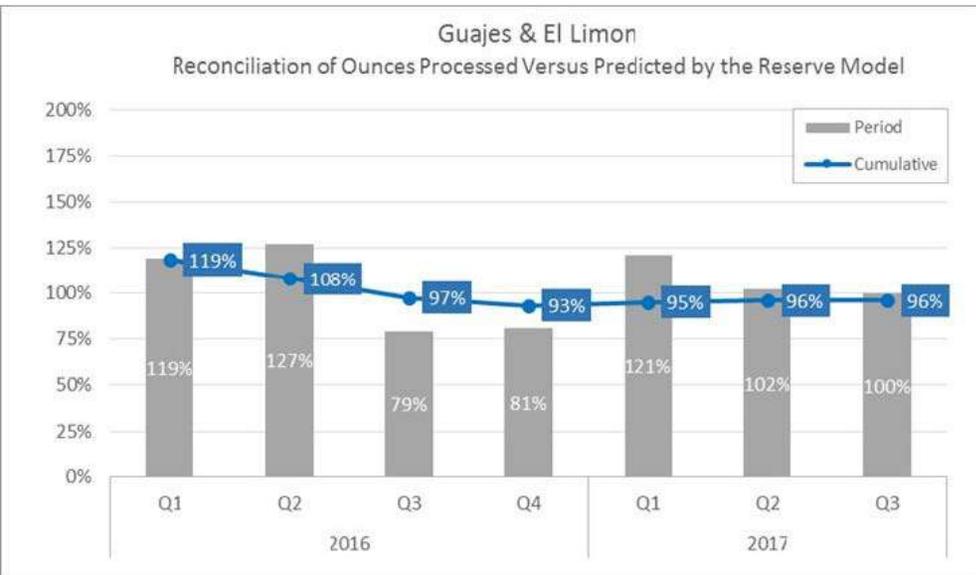


Figure 2

