



## TOREX AND LENDERS SIGN WAIVER ON LIQUIDITY COVENANT

TORONTO, Ontario, December 22, 2017 - Torex Gold Resources Inc. (the "Company" or "Torex") (TSX:TXG) announces that its wholly owned subsidiary, Minera Media Luna, S.A. de C.V. (MML), has received a waiver signed by BNP Paribas, as Administrative Agent, on behalf of the Lenders to lower the liquidity covenant threshold in the credit agreement of July 21, 2017, from \$50 million to \$30 million until January 31, 2018, with the proviso that the remaining \$25 million available under the credit agreement, and not yet drawn, is counted toward meeting the liquidity covenant threshold but it may not be drawn by MML. In addition, the Company provided an update on the current situation at the ELG site.

Fred Stanford, President & CEO of Torex stated: "A frequently asked question we have received is whether we would breach the liquidity covenants of our Credit Facility. This no cost waiver to temporarily reduce the liquidity covenant is helpful in that it extends the time before liquidity becomes a covenant breach risk. The high quality of support that the Lenders have provided is appreciated and has been consistent throughout their relationship with Torex." He added, "This month we also received VAT returns of US\$13 million, which has helped to reduce liquidity risks."

Meantime, the illegal blockade by Los Mineros Union started on November 3, 2017, continues. On December 19, 2017, a group of workers, community members, and government representatives attempted to cross the blockade to enter the ELG mine site. Los Mineros prevented them from entering and were belligerent throughout the encounter. The majority of the blockaders did not appear to be employees or local community members. Government officials now have a direct experience of the Los Mineros projection of violence and intimidation that employees and community members have been subjected to. Community members have now responded by blockading the blockaders. The risk of violent confrontation continues to escalate and we urge the authorities to restore law and order and diffuse the tensions, so that employees of the Company, contractors, and suppliers, can go back to work and provide for their families.

State government officials have proposed a negotiation between the Company and employees that are aligned with Los Mineros. Previous discussions with the leader of Los Mineros, and the head of their affiliated union, UNIFOR, were unproductive because their suggested solutions were illegal. The Company is prepared to fully engage in the State facilitated negotiation, and will consider all legal suggestions that could lead to a lifting of the blockade and a sustainable business moving forward. Unfortunately, the Company is not optimistic legal solutions will be offered, but believes it is worth engaging and trying to find a productive path forward.

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, the Sub-Sill Project, currently under development, and the Media Luna Project, an early stage development project for which the Company issued a preliminary economic assessment (PEA) in 2015. The property remains 75% unexplored.

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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 a default under the Credit Agreement will not occur in the future, the blockade will be removed and the Company will not face unforeseen delays or disruptions in re-starting operations. Forward-looking information also includes, but is not limited to the Company continuing to meet the requirements of the Credit Agreement, the availability of the government sanctioned process to resolve the labour dispute, including the vote to elect the union, the outcome of such process, the time period to re-start operations in the event that the blockade is removed, the prospect that operations may again be shut down and the circumstances of such shut down. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “purpose”, “budgeted”, “scheduled”, “potentially”, “proposed”, “pending”, “contemplates”, “plans”, “expects”, “estimates”, “intends”, “anticipates”, “believes”, or “subsequent” or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will” 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 activities of the Company to be materially different from those expressed or implied by such forward-looking information, including, without limitation, those risk factors identified in the Company’s annual information form and management’s discussion and analysis. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management 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. 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.