



TOREX ANNOUNCES 2016 YEAR END FINANCIAL AND OPERATIONAL RESULTS

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

TORONTO, Ontario, February 23, 2017 - Torex Gold Resources Inc. (the "Company" or "Torex") (TSX:TXG) announced today its financial and operational results for the year ended December 31, 2016. This release should be read in conjunction with the Company's 2016 Financial Statements and MD&A on the Company's website or on SEDAR.

Fred Stanford, President & CEO of Torex stated: "280,000 ounces of gold in the first year of the ramp up, speaks to the quality of the deposit, the constructed asset, and the skill of the team in navigating through the technical and social start-up challenges. The ramp-up is expected to be completed during 2017, as solutions are in hand for the two remaining material technical issues. Construction is underway on the SART plant to manage the soluble copper and a decision has been made to increase tailings filtration capacity." He added, "2017 will also be an exciting year from a development perspective as step-out drilling on the Sub-Sill discovery is planned and delivered, a resource estimate is prepared, and access is completed to allow material from this zone to be processed before year end. Media Luna is also poised to take a major step forward in 2017 with permits expected for an access ramp that we intend to start developing before year end. It promises to be an interesting year as we complete the ramp up of ELG and prepare the Company for the next stage of growth."

The ELG Mine achieved commercial production in late March 2016, ahead of schedule and under budget. For accounting purposes, commercial production commenced April 1, 2016. As this is the Company's first year in the production stage, comparative figures for certain measures or data are not available or are not meaningful.

HIGHLIGHTS

- **Commercial production** announced on March 30, 2016 ahead of schedule and under budget, reaching an average of more than 60% of plant design throughput of 14,000 tpd for 30 days. For accounting purposes, the transition to production was reflected commencing April 1, 2016.
- **Net income** of \$41.0 million since the commencement of commercial production, and \$3.2 million for the year. Net income for the fourth quarter of 2016 totalled \$10.7 million.
- **Adjusted net earnings**¹, which excludes, amongst other items, unrealized derivative and foreign exchange losses, totalled \$51.1 million, or \$0.65 per share on a basic and \$0.64 per share on a diluted basis since the commencement of commercial production, and \$4.3 million for the fourth quarter of 2016.
- **Earnings from mine operations** of \$119.9 million since the commencement of commercial production and \$33.8 million for the fourth quarter of 2016.
- **Cash flow from operations** totalled \$167.4 million and \$51.7 million for the year and the quarter, respectively.
- **Revenue** of \$312.5 million and **cost of sales** of \$192.6 million, or \$789 per ounce of gold sold, since the commencement of commercial production. For the fourth quarter of 2016, revenues were \$102.3 million and cost of sales were \$68.6 million, or \$823 per ounce of gold sold.
- **Gold sold** totalled 275,613 ounces in 2016 for total proceeds of \$347.2 million. The average realized gold price¹ was \$1,263 per ounce since the commencement of commercial production. Gold sold in the fourth quarter of 2016 totalled 83,259 ounces for total proceeds of \$102.6 million. The average realized gold price in the fourth quarter of 2016 was \$1,232 per ounce.

- **Cash balances** as at December 31, 2016 totalled \$127.4 million (including restricted cash of \$23.4 million).
- **Gold production** totalled 279,937 ounces in 2016, and 80,955 in the fourth quarter of 2016.
- **Total cash costs**¹ of \$543 per ounce of gold sold since the commencement of commercial production, and \$539 per ounce of gold sold in the fourth quarter of 2016.
- **All-in sustaining costs**¹ of \$733 per ounce of gold sold since the commencement of commercial production, and \$746 per ounce of gold sold in the fourth quarter of 2016.
- **Plant throughput** averaged 9,877 tpd since the commencement of commercial production or 71% of design capacity of 14,000 tpd, and 9,233 tpd in the fourth quarter of 2016 or 66% of design capacity of 14,000 tpd.
- **Average gold grade processed** was 3.25 gpt since the commencement of commercial production, and 3.49 gpt in the fourth quarter of 2016.
- **Average gold recovery rate** was 86% since the commencement of commercial production, and 89% in the fourth quarter of 2016.
- **Grade reconciliation**, from start of mining at the Guajes Pit, shows 4% less ounces produced than was predicted by the reserve model (2% more tonnes and 6% less grade).
- **Ore in stockpile** as at December 31, 2016 was 0.8 million tonnes at an average estimated grade of 2.05 gpt.

¹ Total cash costs, all-in sustaining costs, average realized gold price and adjusted net 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 2016 Management's Discussion and Analysis for further information and a detailed reconciliation. As the transition to the production phase commenced April 1, 2016, year-to-date amounts for these measures only include data starting April 1, 2016.

The following table summarizes key operating and financial highlights on a quarterly basis for 2016:

		Three months ended				Year ended
		December 31, 2016	September 30, 2016	June 30, 2016	March 30, 2016	December 31, 2016
<i>In thousands of U.S. dollars, unless otherwise noted</i>						
Operating Data ¹						
Mining						
Ore tonnes mined	kt	853	869	684	516	2,922
Waste tonnes mined	kt	5,982	5,648	3,933	3,418	18,981
Total tonnes mined	kt	6,835	6,517	4,617	3,934	21,903
Strip ratio	waste:ore	7.0	6.5	5.8	6.6	6.5
Average gold grade of ore mined	gpt	3.03	3.08	3.18	2.60	3.01
Ore in stockpile	mt	0.8	0.8	0.8	1.1	0.8
Processing						
Average plant throughput	tpd	9,233	10,134	10,168	7,361	9,226
Average gold recovery	%	89	89	82	76	85
Average gold grade of ore processed	gpt	3.49	3.13	3.15	2.73	3.15
Production and sales						
Gold produced	oz	80,955	77,915	83,256	37,811	279,937
Gold sold	oz	83,259	80,064	80,772	31,518	275,613
Financial Data ¹						
Revenue ²	\$	102,312	108,061	102,132	-	312,505
Cost of sales	\$	68,557	63,657	60,396	-	192,610
Earnings from mining operations	\$	33,755	44,404	41,736	-	119,895
Net income (loss)	\$	10,708	23,615	6,666	(37,831)	3,158
Per share - Basic ³	\$/share	0.13	0.30	0.08	(0.48)	0.04
Per share - Diluted ³	\$/share	0.13	0.30	0.08	(0.48)	0.04
Adjusted net earnings ⁴	\$	4,266	24,763	22,115	-	51,144
Per share - Basic ^{3,4}	\$/share	0.05	0.31	0.28	-	0.65
Per share - Diluted ^{3,4}	\$/share	0.05	0.31	0.28	-	0.64
Cost of sales	\$/oz	823	795	748	-	789
Total cash costs ⁴	\$/oz	539	517	571	-	543
All-in sustaining costs ⁴	\$/oz	746	699	754	-	733
Average realized gold price ^{2,4,5}	\$/oz	1,232	1,308	1,252	-	1,263
Cash and cash equivalents	\$	104,019	93,658	74,079	30,481	104,019
Restricted cash	\$	23,428	18,250	27,896	34,619	23,428
Working capital	\$	124,523	120,245	82,442	3,715	124,523
Total debt	\$	406,700	405,900	401,887	376,690	406,700
Total assets	\$	1,206,389	1,167,132	1,154,256	1,106,246	1,206,389
Total liabilities	\$	522,493	495,394	511,473	473,359	522,493

- For accounting purposes, the transition to the production phase commenced on April 1, 2016. As such, comparative figures for certain measures or data are not available or are not meaningful and data related to the pre-production period may not be representative. Further, sum of the quarter results may not add up to the annual due to rounding.
- Proceeds from sales of gold and silver prior to achieving commercial production of \$38.9 million were offset against the construction costs for the ELG Mine (as defined herein).
- Effective June 30, 2016, the Company implemented a consolidation of its outstanding common shares on the basis of one post-consolidation share for every ten pre-consolidation shares (the "Consolidation"). Per share data reflects the Consolidation. Comparatives were restated.
- Adjusted net earnings, total cash costs, all-in sustaining costs, and average realized gold price are financial performance measures with no standard meaning under International Financial Reporting Standards ("IFRS"). Refer to "Non-IFRS Financial Performance Measures" for further information and a detailed reconciliation. As transition to the production phase commenced April 1, 2016, year-to-date amounts for these measures only include data starting April 1, 2016.
- Average realized gold price includes realized gains from gold derivative contracts of \$12.1 per ounce for the three months ended December 31, 2016 and realized losses from gold derivative contracts of \$9.3 per ounce for the period from April 1, 2016 to December 31, 2016. Refer to "Non-IFRS Financial Performance Measures" for further information and a detailed reconciliation. As transition to the production phase commenced April 1, 2016, these measures are not available or meaningful for periods prior to this date. Year-to-date amounts for these measures only include data starting April 1, 2016.

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 (EST) where senior management will discuss the 2016 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.

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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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, completing the remaining construction and commissioning of the mine and processing facilities of the ELG Mine, including the SART plant and addition to the tailings filtration plant ("TFP"), achieving full production, plans to complete a mineral resource estimate on the Sub-sill area, plans to complete the access ramps to El Limon Deep and Sub-sill targets and the exploration tunnel for Media Luna, plans to mine and process the material from the Sub-sill area, future exploration and development, safety and security, and access to the ELG Mine. 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 timely completion of development and construction of the ELG Mine, including the SART plant and TFP, to bring it into full production, 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.