



Torex Announces Q1 2016 Results And Updated Life Of Mine Plan

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

TORONTO, Ontario, May 12, 2016 - Torex Gold Resources Inc. (the "Company" or "Torex") (TSX:TXG) announced today its financial results for the three months ended March 31, 2016, as well as an updated life of mine plan for its El Limón Guajes Mine ("ELG Mine" or "ELG").

Fred Stanford, President & CEO of Torex stated: "The team continues to exceed ramp-up expectations. Safety and environmental performance have been excellent, and production results have been consistently ahead of plan. With 19,900 ounces of gold produced in April, more than 1,000 ounces were produced per operating day. Above plan tonnages helped with this achievement, but above plan grades also made a significant contribution. The team is now entrenching the operating routines as we move toward 'steady state' at full production levels. Looking forward, the revised life of mine plan has a mine life that has been reduced to 8.5 years from 10 years. The team is putting the finishing touches on exploration plans that will seek to extend the mine life from a number of near mine targets."

HIGHLIGHTS

ELG Mine Achieved Commercial Production

- On March 30, 2016, the Company announced that the ELG Mine had achieved commercial production ahead of schedule and under budget, reaching an average of more than 60% of design throughput of 14,000 tonnes per day ("tpd") for 30 days. For accounting purposes, the transition to the production phase will be reflected commencing April 1, 2016.
- The plant produced 38,161 ounces of gold during the first quarter and produced 19,900 ounces of gold in April 2016.
- Plant throughput was ahead of plan, averaging 9,100 tpd during the first quarter. In the latter half of April, throughput averaged more than 12,800 tpd, or 91% of design capacity, at an average gold recovery of 85%.
- The current record daily production level of 16,300 tpd was achieved on May 9, 2016, and again on May 10. This exceeded nameplate design capacity of 14,000 tpd by 16%.
- Gold recovery levels during the first quarter ranged from 63.0% to 90.7%, averaging above 80% for March 2016, compared to life of mine design levels of 87.4%.
- The tailings filtration plant is delivering the expected product for dry stack disposal, and throughput has been steadily increasing to match the cadence set by the grinding circuit.

Mining

- At the end of the first quarter, the Company had approximately 1.0 million tonnes of ore stockpiled.
- Commissioning of both the El Limón crusher and RopeCon commenced in March 2016 and was completed in April.
- The resettlement of the Real del Limón village was started during the first quarter and was completed in April 2016.

Temporary Suspension of Operations

- In April 2016, the Company suspended operations at the ELG Mine for a period of 10 days due to an illegal blockade.
- The Company refuted the unjustified claims made and refused to make payments to those engaging in the illegal blockade. After an intervention by the Government of the State of Guerrero, the blockade was lifted on April 14, 2016.
- During the temporary suspension, a number of maintenance, fine tuning, and commissioning activities were completed. These included the replacement of the SAG mill liners, chute adjustments, piping improvements, filter cloth replacement and the final commissioning of the RopeCon.

ELG Mine Life of Mine Plan Update

- In May 2016, the Company completed a Life of Mine (“LOM”) plan update for ELG Mine on a standalone basis. As previously reported, the Company was investigating the location of post-mineralization dike intrusions, and the potential effect of these intrusions on the resource estimate. The updated LOM plan incorporates the results of this recent work. The LOM is now projected to be 8.5 years, a decrease from the previous estimate of 10 years, and the projected gold production for the first 7 years of the LOM is expected to be comparable to the first 7 years of the previous standalone life of mine plan. Refer to “ELG Mine 2016 Life of Mine Plan” below.

Financial Position

- The Company ended the first quarter with cash on hand of \$30.5 million, with an additional \$34.6 million in restricted cash.
- Current cash and restricted cash balances, along with proceeds from gold sales and recoveries of Value Added Tax (“VAT”), are expected to be sufficient to fund operations and settle outstanding liabilities as the plant ramps up to design capacity of 14,000 tpd.
- Proceeds from gold sales during the first quarter of 2016 were \$38.9 million from the sale of 31,518 ounces of gold at an average realized price of \$1,234 per ounce (including proceeds from deliveries under derivative contracts entered into in connection with the Company’s credit agreement). Gold sold subsequent to quarter-end was 29,185 ounces as at May 11, 2016.
- Refunds of VAT of \$9.9 million were received during the first quarter of 2016, with a further \$1.2 million received in April. The Company expects to recover an additional \$28.1 million within the next twelve months.
- Efforts to secure a VAT loan, as a contingency plan for possible delays in the collection of VAT refunds, are advancing and loan documents are under review. The loan is expected to close in the second quarter of 2016 and is expected to provide funds for up to 80% of the outstanding VAT receivables at the time the loan is executed.
- During the first quarter, the Company utilized \$6.2 million of its \$17.4 million Finance Lease Arrangement with Parilease SAS, to finance certain mining equipment.

ELG Mine 2016 LIFE OF MINE PLAN

In May 2016, the Company completed a Life of Mine (“LOM”) plan update for ELG on a standalone basis. As previously reported, the Company was investigating the location of post-mineralization dike intrusions, and the potential effect of these intrusions on the resource estimate. The updated LOM plan incorporates the results of this recent work. The LOM is now projected to be 8.5 years, a decrease from the previous estimate of 10 years, and the projected gold production for the first 7 years of the LOM is expected to be comparable to the first 7 years of the previous standalone life of mine plan.

While there is some depletion recognized in the new reserve estimate, the majority of the decrease comes as a result of new interpretations regarding the mineralization of dikes that cross cut the deposit. In the previous resource estimate, all intrusive dikes were considered to be mineralized. The age dating work done for Media Luna has indicated that intrusive dikes came at different times and have slightly different compositions. The dikes that came before the mineralizing event could carry gold, but those that came after the mineralizing event were barren.

Utilizing this new knowledge of the composition of the various intrusive events, all ELG core was re-logged to identify which dikes were post mineralization. A small drill program was also conducted to test the new interpretation. The tonnes contained in the post mineralizing event dikes were then removed from the resource estimate, resulting in the decrease in reserves.

Another interesting interpretation that came from the re-logging effort, was that the El Limón deposit sits on top of an intrusive sill (the “Sill”). The chemical conditions that allowed the gold to deposit above the Sill also exist below the Sill. Four of six holes that pierced the Sill produced grades and thicknesses that have the potential to be economic. This area will be investigated with a drill program in the near future and has upside potential for the operation. Another area with upside potential is the deeper mineralization that extends at depth underneath the existing final pit shell for the El Limon pit. Options to develop a ramp into this area are being identified now. If some or all of the mineralization can support mineral resource estimation and eventual conversion to mineral reserves, there may be potential to extend the operating mine life for El Limón. The Media Luna Project also provides options to keep the processing plant operating well into the future. These near term exploration programs will provide additional information that will help form the decisions to be made on how best to extend the mine life.

Estimated Gold Sales by Year

2015 Life of Mine vs. 2016 Life of Mine¹

	2015 Life of Mine (thousands oz Gold)	2016 Life of Mine (thousands oz Gold)
2016	275	275
2017	384	383
2018	323	352
2019	312	366
2020	334	323
2021	339	357
2022	387	367
2023	538	393
2024	410	352
2025	297	–
Total	3,600	3,167

Notes to accompany the “Estimated Gold Sales by Year” table

1. Processing volumes remain constant at 14,000 tpd or 5 million tonnes per year.
2. Rounding, as required by reporting guidelines, may result in apparent summation differences.

The 2016 LOM is based on the resource outlined in the following table:

Mineral Resource Estimate El Limón Guajes Mine – Effective December 31, 2015

	Tonnes (millions)	Au Grade (g/t)	Ag Grade (g/t)	Contained Au (millions oz)	Contained Ag (millions oz)
El Limón (including El Limón Sur)					
Measured	7.45	2.56	3.80	0.61	0.91
Indicated	25.17	2.57	5.09	2.08	4.12
Measured and Indicated	32.62	2.57	4.80	2.69	5.03
Inferred	5.44	1.91	3.53	0.33	0.62
Guajes					
Measured	3.65	3.02	3.94	0.35	0.46
Indicated	12.07	2.77	3.34	1.08	1.30
Measured and Indicated	15.72	2.83	3.48	1.43	1.76
Inferred	0.52	1.38	2.55	0.02	0.04
Total El Limón and Guajes					
Measured	11.10	2.71	3.85	0.97	1.37
Indicated	37.24	2.64	4.53	3.16	5.42
Measured and Indicated	48.35	2.65	4.37	4.12	6.79
Inferred	5.96	1.86	3.45	0.36	0.66

Notes to accompany the “Mineral Resource Estimate, El Limón Guajes Mine - Effective December 31, 2015” table

1. The qualified person for the Guajes estimate is Mark Hertel, RM SME, an employee of MPH Consulting. The estimate has an effective date of December 31, 2015. The December 16, 2014 estimate was left unchanged except for depletion through mining and a small area referred to as the GE test area where additional diamond drill information was available.
2. The qualified person for the El Limón estimate is Edward J. C. Orbock III, RM SME, an Amec Foster Wheeler employee. The estimate has an effective date of December 31, 2015.
3. The qualified person for the El Limón Sur area within the El Limón estimate is Mark Hertel, RM SME, an employee of MPH Consulting. The estimate for the El Limón Sur area has an effective date of August 6, 2014.
4. Mineral Resources are reported above a 0.5 g/t Au cut-off grade.
5. Mineral Resources are reported as undiluted; grades are contained grades.
6. Mineral Resources are reported within a conceptual open pit shell.
7. Mineral Resources are reported using a long-term gold price of \$1,380/oz, silver price of \$21.00/oz.
8. The metal prices used for the Mineral Resources estimates are based on Amec Foster Wheeler’s internal guidelines which are based on long-term consensus prices. The assumed mining method is open pit, mining costs used are \$2.60 per tonne, processing costs at \$16.90 per tonne. General and administrative costs are estimated at \$6.20 per tonne processed.
9. Metallurgical recoveries average 87% for gold and 32% for silver.
10. Assumed pit slopes range from 33 to 49 degrees.
11. Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade, and contained metal content.
12. Mineral Resources are reported using topography with mining progress as of December 31, 2015. Mining progress applies to both El Limón and Guajes Mineral Resources.
13. The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Mineral Reserves, with the exclusion of stockpiled ore which is not included within the Mineral Resource table above.
14. Mineral Resources were developed in accordance with CIM (2014) guidelines.

Based on the LOM, the mineral reserve estimates for the ELG Mine at the end of 2015 were as follows:

Mineral Reserve Estimate, El Limón Guajes Mine – Effective December 31, 2015

Reserve Category	Tonnes (millions)	Au Grade (g/t)	Ag Grade (g/t)	Contained Au (millions oz)	Contained Ag (millions oz)
El Limón (including El Limón Sur)					
Proven	6.33	2.65	3.50	0.54	0.71
Probable	20.33	2.60	4.58	1.70	2.99
Proven and Probable	26.66	2.61	4.32	2.24	3.71
Guajes					
Proven	3.56	2.85	3.75	0.33	0.43
Probable	11.72	2.60	3.15	0.98	1.19
Proven and Probable	15.28	2.66	3.29	1.31	1.62
Mine stockpiles					
Proven	1.17	2.17	3.37	0.08	0.13
Total El Limón and Guajes					
Proven	11.07	2.66	3.57	0.95	1.27
Probable	32.05	2.60	4.06	2.68	4.18
Total	43.11	2.62	3.93	3.63	5.45

Notes to accompany the "Mineral Reserve Estimate, El Limón Guajes Mine - Effective December 31, 2015" table

1. The qualified person for the El Limón and Guajes mineral reserve estimate is Victor Barua, AUSIMM member, Manager, Technical Services of Torex Gold Resources Inc.
2. Mineral Reserves are reported based on open pit mining within designed pits above in situ cut-off grades that are 0.80 g/t Au to 1.30 g/t Au for all ore types excluding Breccia ore. Breccia ore cut-off is set at 1.30 g/t Au. Mineral Reserves incorporate an estimate for dilution and mining losses. The cut-off grades and pit designs are considered for the metal price \$ 1,200/oz gold and \$15/oz silver.
3. The table above includes stockpiled ore as at December 31, 2015.
4. Mineral Reserves were developed in accordance with CIM (2014) guidelines.
5. Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade, and contained metal content.

Qualified Persons

The qualified person for the Guajes estimate is Mark Hertel, RM SME, an employee of MPH Consulting. The estimate has an effective date of December 31, 2015.

The qualified person for the El Limón (excluding El Limón Sur) estimate is Edward J. C. Orbock III, RM SME, an Amec Foster Wheeler employee. The estimate has an effective date of December 31, 2015.

The qualified person for the El Limón Sur area within El Limón estimate is Mark Hertel, RM SME, an employee of MPH Consulting. The estimate for the El Limón Sur area has an effective date of August 6, 2014.

The qualified person for the El Limón and Guajes mineral reserve estimate and estimated gold sales by year is Victor Barua, AUSIMM member, Manager, Technical Services of Torex Gold Resources Inc. The estimate for the El Limón and Guajes mineral reserve estimate and estimated gold sales by year have an effective date of December 31, 2015.

Other 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.

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 in an advanced stage of exploration, 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, achieving full production, expected metal recoveries, gold production (including without limitation the estimated gold sales by year) and revenues from operations, the ability to estimated mineral reserves, access to restricted cash balances, if required, the further advances of funds pursuant to the Finance Lease Arrangement (which are subject to certain customary conditions precedent), expected timing and receipt of VAT refunds, the successful completion of the VAT loan transaction, future exploration, 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 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.