



## TOREX REPORTS SECOND QUARTER 2017 FINANCIAL AND OPERATIONAL RESULTS

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

TORONTO, Ontario, August 10, 2017 - Torex Gold Resources Inc. (the "Company" or "Torex") (TSX:TXG) is pleased to report production of 74,487 ounces of gold and its financial results for the second quarter of 2017, as ramp-up continues at its El Limón Guajes Mine (ELG) in southwest Mexico. This release should be read in conjunction with the Company's second quarter 2017 Financial Statements and MD&A on the Company's website or on SEDAR.

Fred Stanford, President & CEO of Torex stated: "Q2, 2017 was an excellent operating quarter, with significant progress made in the ramp-up of the operations. The processing plant team increased throughput by 26% over Q1, and effectively achieved design throughput levels in June. The mining team increased production by 30% over Q1. Operating costs per tonne were within 2% of target and recoveries at 86%, were consistent with design expectations at the grade processed. The costs per ounce sold were significantly affected by the timing of revenues and the grade processed in the quarter. There were approximately 10,000 ounces 'produced' in the quarter, for which, based on timing of shipments, revenue was not received. (Over 7,000 ounces in dore, and over 3,000 ounces of gold in carbon fines awaiting processing.) The average grade processed in the quarter, at 2.37 g/t is 9% below the average reserve grade. Such variability in grade is expected for a skarn deposit. The tonnes mined in the quarter reconciled positively (113%) against the reserve model for grade. There were higher grade tonnes available to be mined, but they sit below the pit wall that was damaged in the rock slide of 2016. The safety catch benches were lost in that slide and with rainfall at 180% of average in the first half of the rainy season, out of an abundance of caution, most of the mining of this high grade has been deferred to Q4 and potentially Q1, 2018, depending on the length and continued severity of the rainy season." He added, "Providing guidance during the unpredictability of a ramp-up is a bit of a mugs game, but our current expectation is that we will be at the low end of provided guidance for ounces and that will put us at the high end for costs per ounce. Unfortunately, since the rainy season tends to end around the end of Q3, achieving guidance will be dependent on getting the high grade tonnes through in Q4. The Sub-Sill is another source of high grade tonnes, which will be helpful. The drilling programs in the Sub-Sill continue to provide very encouraging results and an update will be provided in the near future. The SART plant construction continues to track to schedule."

### HIGHLIGHTS

#### Ramp up progresses very well

- **Plant throughput** in the quarter, 1,189 kt, averaged 13,063 tpd, or 93% of design capacity of 14,000 tpd in the quarter, and 13,790 tpd in June.
- **Mine production** in the quarter, 8,376 kt, averaged 92,044 tpd, an increase of 30% over the prior quarter.
- **Gold recovery** in the quarter averaged 86%, consistent with design expectations for the lower grades processed.

#### Positive grade reconciliation for the quarter of 113% to the reserve model

- **Positive total ounce reconciliation** of 102% to the reserve model for the quarter.

#### 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.

### Higher grade tonnes deferred to H2/2017 as a safety precaution during a heavy rainy season

- **Average grade** in the quarter of 2.37 gpt is lower than reserve grade, resulting in higher costs per ounce.

### Outlook

- The Company expects to be at the low end of the annual guidance for ounces resulting in the higher end for costs per ounce.

### Sub-Sill infill drilling continues to impress with a 97% hit ratio

- **Sub-Sill** infill drilling demonstrated the continuity of high grade gold mineralization and initial very high grade Sub-Sill ore was delivered to the processing plant in June 2017.

### Financial results

- **Net income** totalled \$5.1 million, or \$0.06 per share, on a basic and diluted basis for the quarter, and \$14.0 million, or \$0.18 per share, on a basic and \$0.17 per share on a diluted basis for the six months ended June 30, 2017.
- **Adjusted net earnings**<sup>1</sup>, which excludes, amongst other items, unrealized derivative and foreign exchange gains and losses, totalled \$0.8 million, or \$0.01 per share on a basic and diluted basis for the quarter, and \$6.7 million, or \$0.08 per share on a basic and diluted basis for the six months ended June 30, 2017.
- **Earnings from mine operations** totalled \$14.9 million for the quarter, and \$30.9 million for the six months ended June 30, 2017.
- **Cash flow from operations** totalled \$15.3 million for the quarter, and \$35.1 million for the six months ended June 30, 2017.
- **Revenue** totalled \$86.6 million and **cost of sales** totalled \$71.7 million, or \$1,048 per ounce of gold sold for the quarter. **Revenue** totalled \$173.6 million and **cost of sales** totalled \$142.7 million, or \$1,026 per ounce of gold sold for the six months ended June 30, 2017.
- **Gold sold** for the quarter totalled 68,398 ounces sold for total proceeds of \$84.9 million at an **average realized gold price**<sup>1</sup> of \$1,241 per ounce. Gold sold for the six months ended June 30, 2017 totalled 139,145 ounces for total proceeds of \$171.7 million at an average realized gold price<sup>1</sup> of \$1,234 per ounce.
- **Cash balances** as at June 30, 2017 totalled \$77.2 million (including restricted cash of \$15.7 million).
- **Total cash costs**<sup>1</sup> of \$706 per ounce of gold sold for the quarter, and \$688 per ounce of gold sold for the six months ended June 30, 2017.
- **All-in sustaining costs**<sup>1</sup> of \$991 per ounce of gold sold for the quarter, and \$957 per ounce of gold sold for the six months ended June 30, 2017.
- **Ore in stockpile** as at June 30, 2017 was 0.5 million tonnes at an average estimated grade of 1.51 gpt.

---

<sup>1</sup> 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 Q2 2017 Management's Discussion and Analysis for further information and a detailed reconciliation.

*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

Corporate Office: 130 King St. West, Suite 740, Toronto, ON, M5X 2A2, Canada – Tel: (647) 260 1500 Fax: (416) 304 4000  
www.torexgold.com

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 Second 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:

#### TOREX GOLD RESOURCES INC.

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

Gabriela Sanchez  
Vice President Investor Relations  
Tel.: (647) 260-1503  
Email: gabriela.sanchez@torexgold.com

## 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 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, continued 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 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.