

Torex Gold Provides 2024 Operational Guidance and Updated Five-year Production Outlook

2024 is a pivotal year that sets up for strong continued production and future free cash flow from Morelos

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

Toronto, Ontario--(Newsfile Corp. - January 16, 2024) - Torex Gold Resources Inc. (the "Company" or "Torex") (TSX: TXG) provides 2024 operational guidance as well as an updated five-year production outlook for the Morelos Complex, which includes the ELG Mine Complex ("ELG") and Media Luna Project ("Media Luna").

TABLE 1: 2024 OPERATIONAL GUIDANCE

		2024 Guidance	2023 Guidance ¹
Production			
Gold Equivalent ²	AuEq oz	410,000 to 460,000	Not provided
Gold	oz	400,000 to 450,000	440,000 to 470,000
Total Cash Costs³			
Gold Equivalent basis ^{4a}	\$/oz AuEq sold	\$900 to \$950	Not provided
By-Product basis ^{4b}	\$/oz Au sold	\$860 to \$910	\$840 to \$870
All-in Sustaining Costs³			
Gold Equivalent basis ^{4c}	\$/oz AuEq sold	\$1,130 to \$1,190	Not provided
By-Product basis ^{4d}	\$/oz Au sold	\$1,100 to \$1,160	\$1,160 to \$1,200
Sustaining Capital Expenditures^{4e}			
Sustaining	M\$	\$50 to \$60	\$60 to \$70
Capitalized Waste Stripping	M\$	\$5	\$55 to \$65
Total Sustaining	M\$	\$55 to \$65	\$115 to \$135
Non-Sustaining Capital Expenditures^{4f}			
Media Luna Project	M\$	\$350 to \$400	\$360 to \$390
Media Luna Cluster Drilling/Other	M\$	\$10 to \$15	\$22
Total Non-Sustaining	M\$	\$360 to \$415	\$382 to \$412

1) 2023 guidance was revised in November. For more information, see the press release dated November 14, 2023, titled Torex Gold Reports Third Quarter 2023 Results found on our website, www.torexgold.com

2) Gold equivalent (AuEq) production includes Au and AuEq values for silver (Ag) and copper (Cu) sold assuming metal prices of \$1,900/oz gold, \$23/oz silver, and \$3.75/lb copper.

3) 2024 guidance assumes a realized gold price of \$1,900/oz and MXN:USD of 18.0.

4) Refer to "Non-GAAP Financial Performance Measures" in the Company's September 30, 2023 MD&A for further information and a detailed reconciliation. See also the Cautionary Notes to this press release.

a) Total cash costs on a gold equivalent basis (\$ per AuEq sold) not previously disclosed, however are comparable to the previously disclosed total cash costs on a by-product basis.

b) Total cash costs on a by-product basis (net of silver and copper revenues) in 2023 have averaged \$858 per ounce Au sold through Q3.

- c) All-in sustaining costs per ounce AuEq sold not previously disclosed, however are comparable to the previously disclosed all-in sustaining costs on a by-product basis.
- d) All-in sustaining costs (net of by-product silver and copper revenue) in 2023 have averaged \$1,257 per ounce Au sold through Q3.
- e) Sustaining capital expenditures in 2023 have totaled \$99.6 million (including \$49.0 million of capitalized waste) through Q3.
- f) Non-sustaining capital expenditures in 2023 have totaled \$256.4 million (including \$242.3 million on Media Luna Project) through Q3.

Jody Kuzenko, President and CEO of Torex, stated:

"2024 will be a transformational year for Torex as we wind down the ELG Open Pits, continue steady production from ELG Underground, commence stope mining at Media Luna, complete an internal economic study on developing EPO, and further bolster our ongoing drilling success, all while running one of the safest operations in the industry. With 2024 expected to be the final year of significant investment in the Media Luna Project, Torex is well positioned to return to positive free cash flow in 2025.

"Gold equivalent ("AuEq") production in 2024 is guided at 410,000 to 460,000 ounces, which is modestly stronger than the 400,000 to 450,000 ounces forecast in the previous five-year production outlook. Lower production year-over-year reflects a one-month shutdown of the processing plant during Q4 to complete the upgrades and tie-ins necessary to start processing ore from Media Luna and producing copper concentrate.

"All-in sustaining costs in 2024 are guided at \$1,130 to \$1,190 per ounce AuEq sold, highlighting the outlook for robust margins and cash flow generation again this year, particularly if the price of gold remains at current levels. This strong projected cash flow, combined with over \$500 million of available liquidity at the end of September, places Torex on solid footing to fully fund Media Luna internally (\$508 million remaining at the end of Q3), continue meaningful investment in drilling, and maintain at least \$100 million of cash on the balance sheet.

"In addition to releasing 2024 guidance, we have updated and extended our five-year production outlook to 2028. Gold equivalent production through 2027 remains consistent with the previous five-year outlook with average annual production of over 450,000 ounces. For 2028, gold equivalent production is forecast at 350,000 to 400,000 ounces, which is materially higher than the 337,000 ounces estimated in the 2022 Technical Report ("Technical Report"), reflecting the benefit of reserve additions over the last two years. Work to strengthen the longer-term production outlook for Morelos in 2028 and beyond is ongoing - in 2024 this will include completing an internal prefeasibility study on EPO and continuing to aggressively drill-off ELG Underground.

"With an exceptionally strong fourth quarter just behind us, and strong momentum coming into 2024, we are well positioned to deliver on production and cost expectations, bring Media Luna into production by year end, and demonstrate the potential to further strengthen the long-term production and free cash flow profile of the Morelos Complex."

Starting in 2024, Torex plans to begin reporting production, sales, total cash costs, and all-in sustaining costs on a gold equivalent basis which reflects the projected increase in copper and silver production with the start-up of Media Luna. Production and sales by individual metal will continue to be reported, as will by-product total cash costs and all-in sustaining costs for 2024.

2024 PRODUCTION GUIDANCE

Gold equivalent production in 2024 is guided at 410,000 to 460,000 ounces including 400,000 to 450,000 ounces of gold ("Au"). The modest improvement in gold equivalent production relative to the previous five-year outlook reflects a greater contribution from ELG Underground as the targeted mining rate of 2,000 tonnes per day ("tpd") was achieved about a year ahead of schedule.

The mine plan for 2024 includes a full year of production scheduled from ELG, with the open pits starting to wind down mid-year and ELG Underground maintaining consistent levels of production throughout the

year. Ore production from Media Luna starts in Q2 and continues to ramp up thereafter. The surplus ore mined in 2024 provides contingency and optionality for the commissioning schedule of the Media Luna surface infrastructure, including upgrades and tie-ins to the processing plant.

From a processing perspective, gold equivalent production is expected to be relatively consistent through the first three quarters of the year, with the lowest quarter of production being Q4 given the planned one-month shutdown of the processing plant. During the shutdown, upgrades to the processing plant will be carried out as part of the Media Luna Project, including the tie-in of the copper and iron sulphide flotation circuits, regrind mills and water treatment plant, as well as the installation of a variable speed drive on the ball mill.

The level of copper and silver produced is expected to increase significantly in Q4 post the commissioning of the new processing plant infrastructure. Based on the current project schedule, the first sale of copper concentrate is anticipated to occur before year end.

2024 COST GUIDANCE

Total cash costs on a gold equivalent basis are guided at \$900 to \$950 per ounce AuEq sold during 2024 and \$860 to \$910 per ounce Au sold on a by-product basis (net of copper and silver revenue). Total cash costs (by-product basis) are modestly higher than guided in 2023. This primarily reflects the lower forecast production year-over-year given the planned one-month shutdown of the processing plant during Q4 and initial start-up costs related to Media Luna. Total cash costs (by-product basis) in 2023 are expected to be at the upper end of the guided range of \$840 to \$870 per ounce Au sold for the full year.

All-in sustaining costs on a gold equivalent basis are guided at \$1,130 to \$1,190 per ounce AuEq sold during 2024 and \$1,100 to \$1,160 per ounce Au sold on a by-product basis. All-in sustaining costs (by-product basis) are modestly lower than guided in 2023, primarily reflecting a significant decline in capitalized waste stripping with completion of the layback last September. All-in sustaining costs (by-product basis) in 2023 are expected to be at the upper end of the guided range of \$1,160 to \$1,200 per ounce Au sold for the full year.

The midpoint of cost guidance for 2024 assumes an average Mexican peso to U.S. dollar of 18:1 for the full year. Similar to last year, a one Mexican peso change relative to the U.S. dollar has an approximate \$10 million impact on operating costs.

2024 CAPITAL EXPENDITURE GUIDANCE

Total sustaining capital expenditures in 2024 are guided at \$55 to \$65 million, including \$5 million of capitalized stripping.

Sustaining capital expenditures are guided at \$50 to \$60 million in 2024, lower than the \$60 to \$70 million guided in 2023, which included approximately \$10 million of one-time power related projects. Excluding the one-time power costs, sustaining capital expenditures (excluding capitalized waste stripping) are consistent with 2023 and include \$30 million of development in ELG Underground, \$10 million for plant maintenance and \$5 million in lease-related payments.

The significant decrease in capitalized waste stripping relative to the \$55 to \$65 million guided in 2023 reflects a significantly lower strip ratio year-over-year in the ELG open pits (4.6 versus 8.6) and a greater proportion of waste stripping expensed versus capitalized given the completion of a layback last year.

Total non-sustaining capital expenditures are guided at \$360 to \$415 million in 2024, which include \$350 to \$400 million on account of Media Luna compared to \$360 to \$390 million guided in 2023. Expenditures on Media Luna are expected to remain relatively consistent through Q3 before declining in Q4 as development activities wind down ahead of commissioning in Q4. The \$50 million range reflects year-end carryover potential both in 2023 and in 2024, given that commercial production is anticipated in

early 2025. The remaining expenditures are related to drilling within the Media Luna Cluster.

2024 DRILLING & EXPLORATION PLANS

Torex plans to invest approximately \$30 million in drilling and exploration in 2024 and an additional \$5 million for grade control and definition drilling. In total, 96,500 metres of drilling is planned for 2024 with the goal of increasing reserves and resources to maintain the current production profile beyond 2027 and extend the overall reserve life of the Morelos Complex beyond 2033. Details of the planned exploration programs are as follows:

- Media Luna Cluster:** Approximately \$15 million is earmarked for drilling at the Media Luna Cluster (39,000 metres). The 2024 program includes \$10 million for infill and expansionary drilling at EPO (24,000 metres) in support of completing a prefeasibility study during the second half of the year. Based on the success of a small program at Media Luna West last year, follow-up drilling (12,000 metres, expensed) is planned in 2024 to better understand the resource potential of the target. In addition, an inaugural drilling program (3,000 metres, expensed) is planned at Todos Santos, which is a high-priority target located between ELG and Media Luna.
- ELG Underground:** Approximately \$12 million is budgeted for infill and step-out drilling at ELG Underground (54,500 metres) with the goal of continuing to add reserves and extend the life of the operation. The multi-pronged program will be focused on defining the high-grade potential along the El Limón Sur and El Limón Deep trends as well as extending high-grade resources within the Sub-Sill and El Limón West trends.
- Morelos District:** Approximately \$3 million is earmarked to conduct near-mine and regional exploration and drilling (3,000 metres) across the Morelos Property. The focus of this program is to drill test a potential cluster of mineralization at the El Naranjo target located northwest of EPO, and to further explore a selection of new targets identified near ELG and within the Atzcala area.

For 2024, approximately \$10 to \$15 million of drilling and exploration related expenditures have been included in non-sustaining capital expenditure guidance and \$5 million has been included in sustaining capital expenditure guidance. The remaining expenditures are expected to be classified as exploration expenses.

FIVE-YEAR PRODUCTION OUTLOOK (2024 - 2028)

Apart from the modest improvement to 2024 production guidance, there have been no changes to the production outlook through 2027. In 2028, gold equivalent production is forecast to be between 350,000 and 400,000 ounces, which is materially higher than the 337,000 ounces outlined in the Technical Report. The improved outlook in 2028 relative to the Technical Report reflects the benefit of reserve additions over the last two years, which has pushed out the processing of lower-grade stockpiles to mid-2030 from late 2027.

TABLE 2: FIVE-YEAR PRODUCTION OUTLOOK FOR THE MORELOS COMPLEX

Production (koz) ^{1,2,3}	Actual	Outlook 2021	Outlook 2022	Outlook 2023	Outlook 2024	2022 Technical Report
2021 (Au)	468	430 to 470				
2022 (Au)	474	430 to 470	430 to 470			
2023 (Au)	454	400 to 450	420 to 460	440 to 470		436
2024 (AuEq)		300 to 350 (Au)	385 to 425	400 to 450	410 to 460	405
2025 (AuEq)			415 to 455	425 to 475	425 to 475	434
2026 (AuEq)				425 to 475	425 to 475	457
2027 (AuEq)				450 to 500	450 to 500	480
2028 (AuEq)					350 to 400	337

- 1) Payable gold production (Au) disclosed for 2023 and prior periods. Payable gold equivalent production (AuEq) disclosed for 2024 and beyond given increased contribution from copper and silver with the forecast start-up of Media Luna in Q4 2024.
- 2) AuEq production includes Au and AuEq values for Ag and Cu sold assuming metal prices of \$1,900/oz Au, \$23/oz Ag, and \$3.75/lb Cu for 2024; \$1,800/oz Au, \$21/oz Ag, and \$3.50 Cu for 2025; and \$1,700/oz Au, \$21/oz Ag, and \$3.50/lb Cu for 2026 onwards. AuEq production takes into account these respective metal prices and metallurgical recoveries for gold, silver, and copper by deposit.
- 3) For additional information on the Company's mineral reserve estimate as at December 31, 2022, please see the Company's latest annual information form entitled "Annual Information Form for the Year Ended December 31, 2022", dated March 30, 2023 ("AIF") which includes the metal recovery assumptions in Table 3 on page 20. The AIF is filed on SEDAR+ at www.sedarplus.ca.

A breakdown of Torex's Mineral Reserves and Resources as at December 31, 2022 can be found in the press release dated March 28, 2023 titled *Torex Gold Reports Year-End 2022 Reserves & Resources*, found on our website at www.torexgold.com.

CASH FLOW SEASONALITY

Per usual, there will be seasonality in cash flow. In Q1, cash flow from operations will be impacted by the payment of the Mexican-based Mining Tax (accrued throughout the year and paid out the following March) and Corporate Income Tax owing at year end. Taxes paid will be reflected in cash flow from operations prior to changes in non-cash working capital. In Q2, cash flow from operations after changes in non-cash working capital will be impacted by the employee profit sharing payment ("PTU") which is accrued throughout the year and paid out in full in May of the following year.

Unlike in prior years, cash flow from operations is also expected to be lower during Q4, which is anticipated to be the lowest quarter of production given the planned shutdown of the processing plant to complete upgrades and tie-ins to begin processing ore from Media Luna.

ADDITIONAL GOLD PRICE PROTECTION SECURED FOR 2024

As part of the Company's ongoing work to reduce price risk during the build-out of Media Luna, Torex has placed additional forward sales contracts in Q3 2024, increasing the gold volume from 27,000 ounces to 44,000 ounces. This brings the total volume of gold hedged to 158,000 ounces for the year at an average price of \$1,972 per ounce (Table 3).

As reported in Q3 2023, the Company has also entered into a series of foreign exchange zero-cost collars whereby it sold call option contracts and purchased put option contracts for \$nil cash premium to hedge against changes in foreign exchange rates of the Mexican peso. This was to protect the exposure of peso-denominated expenditures for the Media Luna Project. At this time, there have been no changes to the hedges put in place compared to what was previously reported.

TABLE 3: 2024 GOLD FORWARDS AND MEXICAN PESO COLLARS

All amounts in U.S. dollars		2024				Total (Average)
		Q1	Q2	Q3	Q4	
Gold Forward Contracts						
Gold Volumes	koz	43.5	43.5	44.0	27.0	158.0
Gold Price	\$/oz	\$1,966	\$1,966	\$2,006	\$1,939	\$1,972
MXN/USD Collars						
Collar Amount (USD)	M\$	\$29.5	\$24.5	\$11.5	\$7.5	\$73.0
Average Floor (MXN)	MXN/USD	17.38	17.38	17.38	17.38	17.38
Average Ceiling (MXN)	MXN/USD	20.00	20.00	20.00	20.00	20.00

ABOUT TOREX GOLD RESOURCES INC.

Torex is an intermediate gold producer based in Canada, engaged in the exploration, development, and operation of its 100% owned Morelos Property, an area of 29,000 hectares in the highly prospective

Guerrero Gold Belt located 180 kilometres southwest of Mexico City. The Company's principal asset is the Morelos Complex, which includes the El Limón Guajes ("ELG") Mine Complex, the Media Luna Project, a processing plant, and related infrastructure. Commercial production from the Morelos Complex commenced on April 1, 2016 and an updated Technical Report for the Morelos Complex was released in March 2022. Torex's key strategic objectives are to optimize and extend production from the ELG Mine Complex, de-risk and advance Media Luna to commercial production, build on ESG excellence, and to grow through ongoing exploration across the entire Morelos Property.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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QUALIFIED PERSON

The technical and scientific information in this press release, with respect to the Company's 2024 production outlook and strip ratio as well as five-year production outlook, has been reviewed and approved by Richard Jundis, P. Eng, Principal Mining Engineer, Technical Services and Capital Projects of the Company, and a qualified person under National Instrument 43-101.

CAUTIONARY NOTES

NON-GAAP FINANCIAL PERFORMANCE MEASURES

Total cash costs per oz of gold and gold equivalent sold ("TCC"), all-in sustaining costs per ounce of gold and gold equivalent sold ("AISC"), sustaining capital expenditures, non-sustaining capital expenditures and realized gold price are financial performance measures with no standard meaning under Generally Accepted Accounting Principles ("GAAP") and might not be comparable to similar financial measures disclosed by other issuers. The most directly comparable financial measure that is disclosed in the primary financial statements of the Company to which TCC and AISC relates is cost of sales. The most directly comparable financial measure that is disclosed in the primary financial statements of the Company to which sustaining capital expenditures and non-sustaining capital expenditures relates is capital expenditures. The most directly comparable financial measure that is disclosed in the primary financial statements of the Company to which realized gold price relates is revenue. Please refer to the "Non-GAAP Financial Performance Measures" section (the "MD&A Information") in the Company's management's discussion and analysis (the "MD&A") for the quarter ended September 30, 2023, dated November 13, 2023, available on SEDAR+ at www.sedarplus.ca for further information with respect to TCC, AISC, sustaining capital expenditures, non-sustaining capital expenditures and realized gold price and a detailed reconciliation of these non-GAAP financial performance measures with the most directly comparable measure under IFRS. The MD&A Information is incorporated by reference into this press release.

FORWARD-LOOKING INFORMATION

This press release contains "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, the 2024 operational guidance for 2024 including gold and gold equivalent production, TCC, AISC, sustaining capital expenditures and non-sustaining capital expenditures and the five year

production outlook; the expected wind down of the ELG open pits, continued steady production from ELG Underground, the commencement of stope mining at Media Luna, completion of an internal economic study on developing EPO, and ongoing drilling success and safety performance; with 2024 expected to be the final year of significant investment in the Media Luna Project, Torex is well positioned to return to positive free cash flow in 2025; a one-month shutdown of the processing plant during Q4 to complete the upgrades and tie-ins necessary to start processing ore from Media Luna and producing copper concentrate; the outlook for robust margins and cash flow generation again this year, particularly if the price of gold remains at current levels; strong projected cash flow combined with over \$500 million of available liquidity at the end of September places Torex on solid footing to fully fund Media Luna internally (\$508 million remaining at the end of Q3), continue meaningful investment in drilling, and maintain at least \$100 million of cash on the balance sheet; the guided gold equivalent production in 2024 through to 2028; completing an internal prefeasibility study on EPO and continuing to aggressively drill-off ELG Underground; the projected increase in copper and silver production with the start-up of Media Luna; the mine plan for 2024 includes a full year of production scheduled from ELG, with the open pits starting to wind down mid-year, and ELG Underground maintaining consistent levels of production throughout the year; ore production from Media Luna starts in the Q2 and continues to ramp up thereafter; the surplus ore mined in 2024 provides contingency and optionality for the commissioning schedule of the Media Luna surface infrastructure, including upgrades and tie-ins to the processing plant; gold equivalent production is expected to be relatively consistent through the first three quarters of the year, with the lowest quarter of production being Q4 given the planned one-month shutdown of the processing plant; during the shutdown, upgrades to the processing plant will be carried out as part of the Media Luna Project, including the tie-in of the copper and iron sulphide flotation circuits, regrind mills and water treatment plant, as well as the installation of a variable speed drive on the ball mill; the level of copper and silver produced is expected to increase significantly in Q4 post the commissioning of the new processing plant infrastructure; the first sale of copper concentrate is anticipated to occur before year end; total cash costs (by-product basis) in 2023 are expected to be at the upper end of the guided range of \$840 to \$870 per ounce Au sold for the full year; all-in sustaining costs (by-product basis) in 2023 are expected to be at the upper end of the guided range of \$1,160 to \$1,200 per ounce Au sold for the full year; expenditures on Media Luna are expected to remain relatively consistent through Q3 before declining in Q4 as development activities wind down ahead of commissioning in Q4; year-end carryover potential both in 2023 and in 2024, given that commercial production is anticipated in early 2025; Torex plans to invest approximately \$30 million in drilling and exploration in 2024 and an additional \$5 million for grade control and definition drilling; in total, 96,500 metres of drilling is planned for 2024; 2024 drilling and exploration plans at the Media Luna Cluster, ELG Underground and Morelos District; cash flow from operations is also expected to be impacted during Q4, which is anticipated to be the lowest quarter of production given the planned shutdown of the processing plant to complete upgrades and tie-ins to begin processing ore from Media Luna; and Torex's key strategic objectives are to optimize and extend production from the ELG Mining Complex, de-risk and advance Media Luna to commercial production, build on ESG excellence, and to grow through ongoing exploration across the entire Morelos Property. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "expects", "planned", "guided", "strategy", "target", "goal", "objective" or variations of such words and phrases or statements that certain actions, events or results "will", or "is expected to" occur. 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, without limitation, risks and uncertainties identified in the Company's technical report (the "Technical Report") released on March 31, 2022, entitled "NI 43-101 Technical Report ELG Mine Complex Life of Mine Plan and Media Luna Feasibility Study", which has an effective date of March 16, 2022, Company's annual information form ("AIF") and management's discussion and analysis ("MD&A") or other unknown but potentially significant impacts. Forward-looking information is based on the reasonable assumptions, estimates, analyses and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances at the date such statements are made. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not

to be as anticipated. 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. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by applicable securities laws. The Technical Report, AIF and MD&A are available filed on SEDAR+ at www.sedarplus.ca and available on the Company's website at www.torexgold.com.



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