TOREX GOLD RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023

This Management's Discussion and Analysis of the financial condition and results of operations ("MD&A") for Torex Gold Resources Inc. ("Torex" or the "Company") was prepared as at November 13, 2023 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and related notes for the three and nine months ended September 30, 2023. It should also be read in conjunction with the Company's audited consolidated financial statements and annual MD&A for the year ended December 31, 2022. This MD&A contains forward-looking statements that are subject to risks and uncertainties as discussed under "Cautionary Notes". This MD&A also includes the disclosure of certain non-GAAP financial measures. Refer to "Non-GAAP Financial Performance Measures" which identifies the non-GAAP financial measures discussed in this MD&A for further information, including a reconciliation to the comparable measures in accordance with the IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar figures included herein are United States dollars ("U.S. dollar") unless otherwise stated.

HIGHLIGHTS

- **Strong safety performance continues:** Despite the substantial increase in activity during the quarter with the construction of the Media Luna Project, there were no lost-time injuries in the quarter. Exited the quarter with a lost-time injury frequency ("LTIF") rate of 0.47 per million hours worked on a rolling 12-month basis. On October 18, the Company reached 10 million hours worked without a lost-time injury ("LTI") at its El Limón Guajes (ELG) Mine Complex for the third time since 2020.

- **Hurricane Otis:** In late October, the category 5 hurricane Otis made landfall near Acapulco, Mexico, approximately 300 kilometres from the ELG Mine Complex. The Company's employees are safe and both the operations and assets are unaffected.

- **Gold production:** Delivered gold production of 85,360 ounces ("oz") for the quarter (YTD - 315,785 oz) driven by the processing of lower grade and stockpiled ore during the intense stripping period associated with the layback at the El Limón open pit, partially offset by a record mining rate at ELG Underground of 2,321 tpd (YTD - 1,993 tpd). With mining of the higher-grade benches started in late September and gold production of 41,450 oz in October despite an extended planned shutdown, the Company remains on track to meet annual production guidance of 440,000 to 470,000 oz.

- **Gold sold:** Sold 81,752 oz of gold (YTD - 305,956 oz) at an average realized gold price[1] of $1,944 per oz (YTD - $1,932 per oz), contributing to revenue of $160.1 million (YTD - $600.2 million).

- **Total cash costs[1] and all-in sustaining costs[1]:** Total cash costs of $1,086 per oz sold (YTD - $858) and all-in sustaining costs of $1,450 per oz sold (YTD - $1,257). All-in sustaining costs margin[1] of $494 per oz sold (YTD - $675), implying an all-in sustaining costs margin[1] of 25% (YTD - 34%). Cost of sales was $133.0 million (YTD - $408.5 million) or $1,627 per oz sold in the quarter (YTD - $1,335), impacted by the appreciation of the Mexican peso and the high strip, low grade phase of the open pit mine plan resulting in the lower average gold grade of ore processed. Given the ongoing strength of the Mexican peso as well as the combination of higher than budgeted mine volumes (open pit and underground) and plant throughput with lower processed grades (greater reliance on lower grade stockpiles during Q2 and Q3), full year total cash costs guidance is now estimated at $840 to $870 per oz sold and full year all-in sustaining costs guidance is now estimated at $1,160 to $1,200 per oz sold.

- **Net income and adjusted net earnings[1]:** Reported net income of $10.5 million or earnings of $0.12 per share on a basic basis and $0.09 per share on a diluted basis (YTD - $154.0 million, or $1.79 per share on a basic basis and $1.77 per share on a diluted basis). Adjusted net earnings of $11.1 million or $0.13 per share on a basic basis and $0.13 per share on a diluted basis (YTD - $99.3 million, or $1.16 per share on a basic basis and $1.15 per share on a diluted basis). Net income includes a net derivative gain of $18.1 million (YTD - $6.2 million gain) related to gold forward contracts entered into to mitigate downside price risk during the construction of the Media Luna Project. In the third quarter of 2023, the Company entered into a series of zero-

[1] These measures are non-GAAP financial measures. Refer to "Non-GAAP Financial Performance Measures" for further information and a detailed reconciliation to the comparable IFRS measures.

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 between September 2023 and December 2024 for a total notional value of $65.9 million. In October 2023, the Company entered into an additional series of zero-cost collars between October 2023 and December 2024 for a total notional value of $41.4 million.

- **EBITDA[1] and adjusted EBITDA[1]:** Generated EBITDA of $79.4 million (YTD - $307.2 million) and adjusted EBITDA of $61.2 million (YTD - $299.6 million).
- **Cash flow generation:** Net cash generated from operating activities totalled $44.2 million (YTD - $180.8 million) and $52.6 million (YTD - $207.3 million) before changes in non-cash operating working capital, including income taxes paid of $12.0 million (YTD - $104.2 million). Negative free cash flow[1] of $69.7 million (YTD - $161.1 million) net of cash outlays for capital expenditures, lease payments and interest, including borrowing costs capitalized.
- **Strong financial liquidity:** The Company extended and increased the available credit facilities with a syndicate of international banks in the quarter, now providing a total of $300.0 million in available credit maturing in 2026. The quarter closed with net cash[1] of $188.3 million, including $209.4 million in cash and $21.1 million of lease-related obligations, no borrowings on the credit facilities of $300.0 million and letters of credit outstanding of $7.9 million, providing $501.5 million in available liquidity.
- **Media Luna Project:** Media Luna Project expenditures totalled $98.7 million during the quarter (YTD - $242.3 million), with a remaining project spend of $507.5 million. Expenditures during this period were primarily focused on continued development of the Guajes Tunnel and South Portals, with development of the Guajes Tunnel reaching 5,160 metres and South Portal Lower reaching 2,325 metres by end of the third quarter. As of September 30, 2023, physical progress on the Project was approximately 49%, with detailed engineering, procurement activities, underground development, and surface construction advancing. As of September 30, 2023, the Company had commitments in place for $591.2 million of project expenditures (approximately 68% of total budgeted expenditures). With $242.3 million invested year-to-date and the level of spending expected to increase further in the fourth quarter of 2023, the full year Media Luna Project expenditure guidance has been lowered to $360 to $390 million reflecting the redistribution in timing of expenditures. Quarterly expenditures are expected to remain elevated through the third quarter of 2024 before declining with the commissioning of the upgraded processing plant.
- **Exploration and Drilling Activities:** In September, the Company announced initial assay results from the 2023 drilling program at EPO[2]. Results from the 2023 program continue to highlight the potential to upgrade Inferred Resources to the Indicated category and expand Inferred Resources through step-out drilling to the north and south of the deposit. Results from the 2023 program will be incorporated into the year-end Mineral Resource update and will form the basis of an internal study evaluating the feasibility of developing an economic mining front at EPO, which could leverage the infrastructure currently being developed for Media Luna, including the Guajes Tunnel. Overall, the positive results from the 2023 drilling program at EPO support ongoing resource expansion and reserve growth, which in turn supports the Company's strategic focus on filling the mill with higher-grade feed beyond 2027.

[1] These measures are non-GAAP financial measures. Refer to “Non-GAAP Financial Performance Measures” for further information and a detailed reconciliation to the comparable IFRS measures.
[2] For more information on EPO drilling results, see the Company’s news release titled “Torex Gold Reports Results From 2023 Drilling at EPO” issued on September 5, 2023, and filed on SEDAR at www.sedar.com and on the Company’s website at www.torexgold.com.

OPERATING AND FINANCIAL HIGHLIGHTS

Table 1.

In millions of U.S. dollars, unless otherwise noted		Three Months Ended			Nine Months Ended	
		Sep 30, 2023	Jun 30, 2023	Sep 30, 2022	**Sep 30, 2023**	Sep 30, 2022
Operating Results						
Lost-time injury frequency[1]	/million hours	**0.47**	0.58	0.10	**0.47**	0.10
Total recordable injury frequency[1]	/million hours	**1.24**	1.66	1.69	**1.24**	1.69
Gold produced	oz	**85,360**	107,507	122,208	**315,785**	357,839
Gold sold	oz	**81,752**	105,749	119,834	**305,956**	351,209
Total cash costs[2]	$/oz	**1,086**	848	760	**858**	736
Total cash costs margin[2]	$/oz	**858**	1,112	955	**1,074**	1,081
All-in sustaining costs[2]	$/oz	**1,450**	1,308	1,059	**1,257**	999
All-in sustaining costs margin[2]	$/oz	**494**	652	656	**675**	818
Average realized gold price[2]	$/oz	**1,944**	1,960	1,715	**1,932**	1,817
Financial Results						
Revenue	$	**160.1**	211.3	209.3	**600.2**	652.0
Cost of sales	$	**133.0**	138.1	146.2	**408.5**	418.0
Earnings from mine operations	$	**27.1**	73.2	63.1	**191.7**	234.0
Net income	$	**10.5**	75.3	43.9	**154.0**	154.2
Per share - Basic	$/share	**0.12**	0.88	0.51	**1.79**	1.80
Per share - Diluted	$/share	**0.09**	0.85	0.51	**1.77**	1.77
Adjusted net earnings[2]	$	**11.1**	37.9	34.6	**99.3**	128.8
Per share - Basic[2]	$/share	**0.13**	0.44	0.40	**1.16**	1.50
Per share - Diluted[2]	$/share	**0.13**	0.44	0.40	**1.15**	1.50
EBITDA[2]	$	**79.4**	125.3	127.8	**307.2**	386.8
Adjusted EBITDA[2]	$	**61.2**	105.7	107.8	**299.6**	355.6
Cost of sales	$/oz	**1,627**	1,306	1,220	**1,335**	1,190
Net cash generated from operating activities	$	**44.2**	89.6	102.4	**180.8**	276.0
Net cash generated from operating activities before changes in non-cash operating working capital	$	**52.6**	92.8	91.3	**207.3**	271.5
Free cash flow[2]	$	**(69.7)**	(37.4)	32.0	**(161.1)**	85.4
Cash and cash equivalents	$	**209.4**	285.3	339.2	**209.4**	339.2
Lease-related obligations	$	**21.1**	11.5	3.1	**21.1**	3.1
Net cash[2]	$	**188.3**	273.8	336.1	**188.3**	336.1

1. On a 12-month rolling basis, per million hours worked.
2. Total cash costs, total cash costs margin, all-in sustaining costs, all-in sustaining costs margin, average realized gold price, adjusted net earnings, EBITDA, adjusted EBITDA, free cash flow and net cash are non-GAAP financial measures with no standardized meaning under IFRS. Refer to "Non-GAAP Financial Performance Measures" for further information and a detailed reconciliation to the comparable IFRS measures.

The following abbreviations are used throughout this document: $ (United States dollar), C$ (Canadian dollar), TCC (total cash costs), AISC (all-in sustaining costs), Au (gold), AuEq (gold equivalent), Ag (silver), Cu (copper), oz (ounce), gpt (grams per tonne), koz (thousand ounces), moz (million ounces), kt (thousand tonnes), mt (million tonnes), m (metres), km (kilometres), w:o (waste to ore), and tpd (tonnes per day).

TABLE OF CONTENTS

COMPANY OVERVIEW

Torex Gold Resources Inc. is an intermediate gold producer based in Canada, engaged in the exploration, development and operation of its 100% owned Morelos Property (the "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.

In addition to realizing the full potential of the Morelos Property, the Company is seeking opportunities to acquire assets that enable diversification and deliver value to shareholders.

GUIDANCE

Full year production guidance of 440,000 to 470,000 oz is maintained with the fourth quarter of 2023 expected to be the strongest quarter of the year driven by higher grades from the El Limón open pit and continued strong performance from the ELG Underground.

Full year cost guidance has been revised given the ongoing strength of the Mexican peso as well as the combination of higher than budgeted mine volumes (open pit and underground) and plant throughput with lower processed grades (greater reliance on lower grade stockpiles during Q2 and Q3). As a result, full year total cash costs ("TCC") guidance is now estimated at $840 to $870 per ounce of gold sold ($740 to $780 previously) and full year all-in sustaining costs guidance is now estimated at $1,160 to $1,200 per ounce of gold sold ($1,080 to $1,130 previously). The increase in TCC guidance also reflects a greater proportion of waste stripping expensed versus capitalized.

Sustaining capital expenditure guidance remains unchanged.

Non-sustaining capital expenditure guidance for the Media Luna Project has been lowered to $360 to $390 million (previously $390 to $440 million) reflecting the redistribution in expenditure from 2023 to 2024 relative to the timing assumed in the Technical Report baseline.

Media Luna infill drilling and ELG non-sustaining capital expenditure guidance also remains unchanged.

The following table summarizes the Company's performance to date relative to 2023 guidance:

Table 2.

In millions of U.S. dollars, unless otherwise noted		Initial 2023 Guidance	Revised 2023 Guidance	Q3 2023 YTD Performance
Gold Production	oz	440,000 to 470,000	No change	315,785
Total Cash Costs[1]	$/oz	740 to 780	840 to 870	858
All-in Sustaining Costs[1]	$/oz	1,080 to 1,130	1,160 to 1,200	1,257
Capitalized Stripping	$	55 to 65	No change	49.0
ELG Sustaining Capital Expenditures[1]	$	60 to 70	No change	50.6
Sustaining Capital Expenditures[1]	$	115 to 135	No change	99.6
Media Luna Project	$	390 to 440	360 to 390	242.3
Media Luna Infill Drilling	$	20	No change	12.2
ELG Non-Sustaining Capital Expenditures[1]	$	2	No change	1.9
Non-Sustaining Capital Expenditures[1]	$	412 to 462	382 to 412	256.4

1. These measures are non-GAAP financial measures. Refer to "Non-GAAP Financial Performance Measures" for further information and a detailed reconciliation to historical IFRS measures.

Gold production in the third quarter of 2023 was impacted by a heavy focus on waste stripping in the El Limón open pit, reliance on lower grade run-of-mine ore from the open pits and a drawdown of stockpiles. Production is expected to return to usual levels in the fourth quarter of 2023, with higher processed grades and increased ore production as the period of heavy waste stripping subsides. As a result, the Company is well on track to achieve annual production guidance.

2023 OBJECTIVES

The following table summarizes the Company's objectives for 2023:

Environment, Social & Governance (ESG)
Safety – no fatalities, no lost time injuries
Climate – Complete Year 1 workplan on commitment to deliver 10% absolute reduction of GHG emissions by 2030
ESG – Substantially complete outstanding requirements for compliance with World Gold Council's Responsible Gold Mining Principles, International Cyanide Management Code and Global Industry Standard for Tailings Management
Environmental protection – zero reportable spills of 1,000 litres or more that report to a natural water body
Operations
Production – 440,000 to 470,000 oz of gold produced
Cost Control:
Total cash costs of $740 to $780 per oz
All-in sustaining costs of $1,080 to $1,130 per oz
ELG mine and plant sustaining capital expenditure of $60 million to $70 million, including $10 million for power related projects and $15 million in underground development that in prior years was classified as non-sustaining
ELG capitalized stripping of $55 million to $65 million
ELG non-sustaining capital expenditure of $2 million
Set up for growth
Media Luna non-sustaining capital expenditure of $390 million to $440 million, excluding $20 million of drilling costs
Strip 38 million tonnes of waste in the open pits; 13,000 metres of development in ELG Underground
Complete Media Luna exploration drilling program – $20 million of capital expenditures to execute 55,000 metres of drilling
Completion of power-related projects to increase draw to 45 megawatts (MW); submit application for further increase to 65 MW
Execute over 2,000 metres of development at Guajes Tunnel
Execute plan to increase ELG Underground mining rates
Complete ELG Brownfield Exploration Program – 57,000 metres of drilling and $12 million in expenditures
Continue Morelos Exploration Program – $2 million for mapping and sampling of select greenfield targets

FINANCIAL RESULTS

Table 3.

In millions of U.S. dollars, unless otherwise noted		Three Months Ended		Nine Months Ended	
		Sep 30, 2023	Sep 30, 2022	**Sep 30, 2023**	Sep 30, 2022
Revenue	$	**160.1**	209.3	**600.2**	652.0
Gold	$	**157.3**	205.5	**589.6**	638.3
Silver	$	**1.0**	0.6	**3.8**	2.0
Copper	$	**1.8**	3.2	**6.8**	11.7
Cost of sales	$	**133.0**	146.2	**408.5**	418.0
Production costs	$	**86.8**	88.7	**255.0**	252.8
Royalties	$	**4.8**	6.2	**18.1**	19.5
Depreciation and amortization	$	**41.4**	51.3	**135.4**	145.7
Earnings from mine operations	$	**27.1**	63.1	**191.7**	234.0
General and administrative expenses	$	**3.1**	4.8	**17.5**	15.9
Exploration and evaluation expenses	$	**1.9**	2.2	**5.1**	6.5
Other expenses	$	**2.4**	-	**4.6**	-
Derivative gain, net	$	**(18.1)**	(20.0)	**(6.2)**	(28.8)
Finance income, net	$	**(2.0)**	(0.8)	**(8.2)**	(0.7)
Foreign exchange gain	$	**(0.1)**	(0.3)	**(0.9)**	(0.5)
Current income tax expense	$	**12.1**	32.3	**47.5**	93.9
Deferred income tax expense (recovery)	$	**17.3**	1.0	**(21.7)**	(6.5)
Net income	$	**10.5**	43.9	**154.0**	154.2
Per share - Basic	$/share	**0.12**	0.51	**1.79**	1.80
Per share - Diluted	$/share	**0.09**	0.51	**1.77**	1.77
Adjusted net earnings[1]	$	**11.1**	34.6	**99.3**	128.8
Per share - Basic[1]	$/share	**0.13**	0.40	**1.16**	1.50
Per share - Diluted[1]	$/share	**0.13**	0.40	**1.15**	1.50
Cost of sales	$/oz	**1,627**	1,220	**1,335**	1,190
Total cash costs[1]	$/oz	**1,086**	760	**858**	736
Total cash costs margin[1]	$/oz	**858**	955	**1,074**	1,081
All-in sustaining costs[1]	$/oz	**1,450**	1,059	**1,257**	999
All-in sustaining costs margin[1]	$/oz	**494**	656	**675**	818
Average realized gold price[1]	$/oz	**1,944**	1,715	**1,932**	1,817

1. These measures are non-GAAP financial measures. Refer to “Non-GAAP Financial Performance Measures” for further information and a detailed reconciliation.

THIRD QUARTER 2023 FINANCIAL RESULTS

Revenue totalled $160.1 million

Revenue decreased 24% primarily due to a 32% decrease in gold ounces sold, partially offset by a higher average realized gold price. The Company sold 81,752 ounces of gold at an average realized gold price[1] of $1,944 per oz in the third quarter of 2023, compared to 119,834 ounces at an average realized gold price of $1,715 per oz in the third quarter of 2022. The average realized gold price in the third quarter of 2023 includes a realized gain of $1.6 million on gold forwards compared to $nil in the comparative period. The 32% decrease in ounces sold resulted from a 30% decrease in gold produced, primarily due to the lower average gold grade of ore mined and processed. With the depletion of the Guajes open pit during the second quarter of 2023, mining activities focused on completing the stripping of low-grade ore in the layback to extend the life of the El Limón open pit. As a result, lower-grade stockpiled ore was processed to supplement ore mined during the quarter. The lower average gold grade of ore mined from the El Limón open pit and processed was partially offset by the record mining rates from ELG Underground.

Cost of sales was $133.0 million or $1,627 per oz sold

Cost of sales was $13.2 million or 9% lower than the third quarter of 2022; however, it was 33% higher on a per oz basis due to a 32% decrease in gold ounces sold. Production costs were lower than the comparative period primarily due to the lower ounces sold and lower Mexican profit sharing expensed in the third quarter of 2023, partially offset by the appreciation of the Mexican peso in 2023 relative to the comparative period and lower capitalized stripping, as the El Limón open pit layback neared completion. Royalties, representing 2.5% of proceeds from all metal sales and an additional 0.5% of proceeds from gold and silver sales, were lower than the comparative period due to the lower revenue described above. Depreciation and amortization expense was lower than the third quarter of 2022 on a total basis primarily due to the decrease in ounces of gold sold. For 2023, depreciation and amortization expense is expected to range between $175 million to $200 million.

Total Cash Costs[1] were $1,086 per oz sold

TCC in the quarter increased relative to the comparative period, primarily due to the decrease in ounces of gold sold described above and the higher stripping expensed, partially offset by the marginally lower production costs on a total basis.

All-in Sustaining Costs[1] were $1,450 per oz sold

The increase in AISC relative to the third quarter of 2022 was primarily due to the decrease in gold ounces sold, partially offset by lower sustaining capital expenditures, including the lower capitalized stripping described above.

General and administrative expenses of $3.1 million

General and administrative expenses primarily comprise corporate office employee costs, share-based compensation, and professional fee costs. General and administrative expenses were lower than the third quarter of 2022 primarily due to the higher gain on remeasurement of share-based payments as a result of the decrease in the Company's share price during the quarter ($3.1 million in the third quarter of 2023 and $0.3 million for the comparative period), partially offset by higher employee costs, share-based compensation expense, and consulting and other professional fees.

Other expenses of $2.4 million

Other expenses comprise expenditures related to an upgrade and consolidation of the Company’s enterprise resource planning system to support the integration of the Media Luna Project into the operations and broader optimization opportunities. Other expenses in the third quarter of 2023 also includes training expenditures related to the Media Luna Project, which must be expensed for accounting purposes. For 2023, other expenses are expected to be up to $10 million.

[1] Refer to “Non-GAAP Financial Performance Measures” for further information and a detailed reconciliation.

Derivative gain, net, of $18.1 million

The Company has taken initiatives to mitigate price uncertainty during the development of the Media Luna Project. As at September 30, 2023, the remaining gold forward contracts have a weighted average price of $1,956 per oz to sell a total of 184,500 ounces of gold between October 2023 and December 2024. As at September 30, 2023, the remaining MXN/USD foreign exchange collar contracts have a weighted average put strike (floor) rate of 17.07:1 and a weighted average call strike (ceiling) rate of 20.00:1 to settle a notional value of $62.1 million between October 2023 and December 2024. These derivatives have not been designated as hedges; therefore, movements in the fair value of the derivatives are recognized in net income each period.

The Company realized a gain of $1.6 million on the 43,500 ounces of gold forwards that settled in the third quarter of 2023 at a weighted average price of $1,957 per oz, which on average was higher than the gold spot prices at the time of settlement. An unrealized derivative gain of $16.5 million was recognized in the third quarter of 2023 due to gold forward prices weakening during the quarter, compared to a $20.0 million unrealized derivative gain in the comparative period.

Finance income, net of finance costs, of $2.0 million

The increase in finance income, net of finance costs, was primarily related to higher interest income due to higher interest rates.

Foreign exchange gain of $0.1 million

The foreign exchange gain in the third quarter of 2023 and the foreign exchange gain in the comparative period were insignificant.

Current income and mining tax expense of $12.1 million

The decrease in current income and mining tax expense over the comparative period was primarily due to lower income before taxes resulting from the decrease in revenue, coupled by the currency translation of the tax liability due to the depreciation of the Mexican peso at quarter-end.

Deferred income tax expense of $17.3 million

The deferred income tax expense was primarily driven by the tax effect of currency translation on the tax base and the change in the valuation of the unrealized hedges, partially offset by higher depreciation for accounting than for tax purposes, which reduced the difference between the book value and tax value of the assets in the deferred tax calculation. As at September 30, 2023, the closing value of property, plant and equipment for tax purposes was $23.5 billion pesos and the closing value of inventory for tax purposes was $2.1 billion pesos.

Net income of $10.5 million

Net income for the quarter was $10.5 million compared to net income of $43.9 million in the third quarter of 2022. The decrease in net income was primarily due to the 32% decrease in gold ounces sold, partially offset by a lower net income tax expense and the higher average realized gold price.

YEAR TO DATE 2023 FINANCIAL RESULTS

Revenue totalled $600.2 million

Revenue decreased 8% primarily due to a 13% decrease in gold ounces sold, partially offset by a higher average realized gold price. The Company sold 305,956 ounces of gold at an average realized gold price[1] of $1,932 per oz in the nine months ended September 30, 2023, compared to 351,209 ounces at an average realized gold price of $1,817 per oz in the nine months ended September 30, 2022. The average realized gold price in the nine months ended September 30, 2023 includes a realized gain of $1.5 million on gold forwards compared to $nil in the comparative period. The 13% decrease in ounces sold primarily resulted from a 12% decrease in gold produced. The decrease in gold production was largely due to the lower average gold grade of ore mined and processed and lower ore tonnes mined at the ELG open pits, partially offset by the higher processing plant throughput and an increase in the mining rates from ELG Underground. The lower average gold grade of ore processed was primarily due to an increase in the processing of lower grade run-of-mine ore and stockpile ore as a result of the depletion of the Guajes open pit during the second quarter and the layback to extend the life of the El Limón open pit.

Cost of sales was $408.5 million or $1,335 per oz sold

Cost of sales was 2% lower compared to the nine months ended September 30, 2022; however, was 12% higher on a per oz basis due to the 13% decrease in gold ounces sold. Production costs were higher than the comparative period primarily due to the appreciation of the Mexican peso and higher cyanide costs as a result of increased prices, partially offset by higher capitalized stripping and lower Mexican profit sharing expensed in the nine months ended September 30, 2023. Royalties were lower than the comparative period due to a decrease in ounces sold, partially offset by a higher average realized gold price. Depreciation and amortization expense was lower than the nine months ended September 30, 2022 on a total basis, in line with the decrease in gold ounces sold.

Total Cash Costs[1] were $858 per oz sold

TCC in the nine months ended September 30, 2023 increased relative to the comparative period, primarily due to the higher production costs and the decrease in ounces of gold sold described above, partially offset by the higher capitalized stripping related to the layback to extend the life of the El Limón open pit.

All-in Sustaining Costs[1] were $1,257 per oz sold

The increase in AISC relative to the nine months ended September 30, 2022 was primarily due to higher planned sustaining capital expenditures, including the increased capitalized stripping described above, coupled with the higher total cash costs per oz of gold sold.

General and administrative expenses of $17.5 million

General and administrative expenses were higher than the nine months ended September 30, 2022. Excluding the gain on remeasurement of share-based payments ($1.3 million in the nine months ended September 30, 2023 and $2.1 million for the comparative period), general and administrative expenses would have been higher compared to the nine months ended September 30, 2022, primarily due to higher employee costs, travel expenses and other professional fees, partially offset by lower consulting fees.

Other expenses of $4.6 million

Other expenses in the nine months ended September 30, 2023 were $4.6 million and relate to an enterprise resource planning system project and training expenditures related to the Media Luna Project, compared to $nil in the comparative period.

Derivative gain, net, of $6.2 million

The Company realized a gain of $1.5 million on the 97,500 ounces of gold forwards that settled in the nine months ended September 30, 2023 at a weighted average price of $1,938 per oz, which on average was higher than the gold spot prices at the time of settlement. An unrealized derivative gain of $4.7 million was recognized in the nine

[1] Refer to “Non-GAAP Financial Performance Measures” for further information and a detailed reconciliation.

months ended September 30, 2023 as a result of gold forward prices weakening during the year, compared to the $28.8 million unrealized derivative gain in the comparative period.

Finance income, net of finance costs, of $8.2 million

The increase in finance income, net of finance costs, was primarily related to higher interest income due to higher interest rates and higher average cash on hand.

Foreign exchange gain of $0.9 million

The foreign exchange gain in 2023 and the comparative period were insignificant.

Current income and mining tax expense of $47.5 million

The decrease in current income and mining tax expense over the comparative period was primarily due to the derecognition of a provision for an uncertain tax position of $15.2 million in the first quarter of 2023, the tax deduction for the payment of the site-based employee profit sharing program for 2022 in the second quarter of 2023 and a decrease in revenue, partially offset by the currency translation of the tax liability due to the 9.0% appreciation of the Mexican peso since the beginning of 2023.

Deferred income tax recovery of $21.7 million

The higher deferred income tax recovery was primarily driven by higher depreciation for accounting than for tax purposes, which reduced the difference between the book value and tax value of the assets in the deferred tax calculation and the tax effect of currency translation on the tax base.

Net income of $154.0 million

Net income in the nine months ended September 30, 2023 was $154.0 million compared to net income of $154.2 million in the nine months ended September 30, 2022. The decrease in net income was primarily due to a lower net derivative gain on gold forward and foreign exchange collar contracts and a 13% decrease in gold ounces sold, partially offset by a lower net income tax expense, the higher average realized gold price, the increase in interest income.

RESULTS OF OPERATIONS

The following table summarizes the mining activities for the Company's ELG Mine Complex:

Table 4.

		Three Months Ended			Nine Months Ended	
		Sep 30, 2023	Jun 30, 2023	Sep 30, 2022	**Sep 30, 2023**	Sep 30, 2022
Mining[1]						
Total ELG Open Pits						
Ore tonnes mined	kt	**1,026**	644	883	**2,586**	2,931
Waste tonnes mined	kt	**10,131**	11,124	9,097	**29,693**	26,015
Total tonnes mined	kt	**11,157**	11,768	9,980	**32,279**	28,946
Ore tonnes mined per day	tpd	**11,153**	7,074	9,598	**9,473**	10,736
Waste tonnes mined per day	tpd	**110,122**	122,243	98,880	**108,764**	95,293
Strip ratio	w:o	**9.9**	17.3	10.3	**11.5**	8.9
Average gold grade of ore mined	gpt	**1.84**	2.72	3.02	**2.94**	3.20
ELG Underground						
Ore tonnes mined	kt	**214**	174	143	**544**	401
Ore tonnes mined per day	tpd	**2,321**	1,913	1,554	**1,993**	1,468
Average gold grade of ore mined	gpt	**5.19**	4.79	6.06	**5.05**	6.01
ELG Open Pits and Underground						
Ore tonnes mined	kt	**1,240**	818	1,026	**3,130**	3,332
Ore tonnes mined per day	tpd	**13,474**	8,987	11,152	**11,466**	12,204
Average gold grade of ore mined	gpt	**2.42**	3.16	3.44	**3.30**	3.54
Processing[1]						
Total tonnes processed	kt	**1,206**	1,210	1,199	**3,592**	3,457
Average plant throughput	tpd	**13,107**	13,293	13,037	**13,158**	12,667
Average gold recovery	%	**88.7**	88.3	89.8	**88.2**	88.3
Average gold grade of ore processed	gpt	**2.47**	3.13	3.38	**3.03**	3.60
Gold produced	oz	**85,360**	107,507	122,208	**315,785**	357,839
Gold sold	oz	**81,752**	105,749	119,834	**305,956**	351,209
Financial Metrics						
Total cash costs[2]	$/oz	**1,086**	848	760	**858**	736
Total cash costs margin[2]	$/oz	**858**	1,112	955	**1,074**	1,081
All-in sustaining costs[2]	$/oz	**1,450**	1,308	1,059	**1,257**	999
All-in sustaining costs margin[2]	$/oz	**494**	652	656	**675**	818
Average realized gold price[2]	$/oz	**1,944**	1,960	1,715	**1,932**	1,817

1. Rounding may result in apparent summation differences.
2. These measures are non-GAAP financial measures. Refer to "Non-GAAP Financial Performance Measures" for further information and a detailed reconciliation.

Mining

A total of 1,240 kt of ore were mined in the third quarter of 2023, including 1,026 kt from the ELG open pits and 214 kt from ELG Underground. Average waste to ore strip ratio (“strip ratio”) in the open pits was 9.9:1. Excluding 277 kt of long-term, low-grade ore, the average gold grade of ore mined was 2.83 gpt.

In the third quarter of 2022, 1,026 kt of ore were mined, including 883 kt from the ELG open pits and 143 kt from ELG Underground, with an average strip ratio in the open pits of 10.3:1. Excluding 66 kt of long-term, low-grade ore, the average gold grade of ore mined was 3.61 gpt.

As at September 30, 2023, there were 4.2 mt of ore in stockpiles at an average grade of 1.14 gpt. Excluding 2.8 mt of long-term, low-grade stockpiles at an average grade of 0.96 gpt, the remaining 1.4 mt of ore in stockpiles are at an average grade of 1.50 gpt.

Plant Performance

Plant throughput in the third quarter of 2023 achieved an average rate of 13,107 tpd, marginally lower than the preceding quarter, resulting in a year-to-date average of 13,158 tpd. The average gold recovery for the quarter was 88.7%, higher than the recovery of 88.3% in the previous quarter, predominantly impacted by the depletion of the Guajes open pit, and therefore a higher proportion of higher recovery ore. In the third quarter of 2023, the Company incurred $7.1 million in cyanide costs at a consumption rate of 2.03 kilograms per tonne milled, compared to $9.2 million in the second quarter of 2023 at a consumption rate of 2.64 kilograms per tonne milled, reflecting lower consumption due to the decrease of copper and iron sulfides in mill ore feed.

Gold Production and Sales

In the third quarter of 2023, 85,360 ounces of gold were produced and 81,752 ounces of gold were sold. Production in the third quarter of 2023 was lower than the comparative period in the prior year primarily due to the lower average gold grade of ore processed.

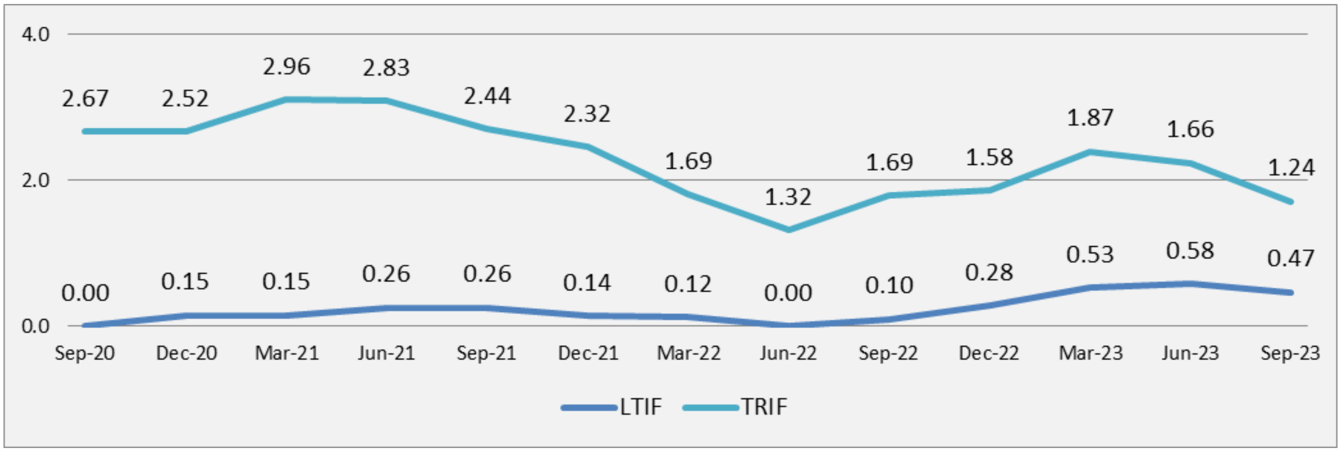
ENVIRONMENT, SOCIAL & GOVERNANCE

Safety

The Company completed the third quarter of 2023 with no lost-time injuries and no fatalities. With the continued significant increase of activity at site with the construction of the Media Luna Project, safety and reporting of all incidents, including near misses, continues to be a key focus. As at September 30, 2023, the Company’s lost-time injury frequency (LTIF) was 0.47 and its total recordable injury frequency (TRIF) was 1.24. Both rates include employees and contractors and are calculated per million hours worked on a rolling 12-month basis. In October, the Company surpassed 10 million hours worked without a lost-time injury at ELG for the third time since 2020 (excludes employees and contractors associated with the Media Luna Project).

The Company completed the optimization of the SmartCap system on all open pit mobile equipment as part of its fatigue risk management program and has started a fatigue risk management pilot program with the drivers of the people transportation vehicles. The data collected on the open pit mobile equipment throughout 2023 will enable implementation of the system across the underground mobile fleet in 2024.

Lost-Time Injury Frequency and Total Recordable Injury Frequency Per Million Hours Worked on a Rolling 12-Month Basis: September 2020 – September 2023



Environment & Climate Change

There were no reportable spills or environmental incidents during the quarter and there are currently no material claims, demands, or legal proceedings against the Company related to environmental matters. The Company remains on track to achieve its 2023 objective of zero reportable spills of 1,000 litres or more that report to a natural water body.

The Company continued to make progress on permitting in the third quarter of 2023. In August, an application was submitted to SEMARNAT for a modification of the Company's MIA-Integral permit to include the new in-pit tailings facility planned as part of the Media Luna Project.

The Company also continued to make progress in the third quarter on its climate change strategy released in November 2022, which includes an established pathway to achieve a 10% absolute reduction in greenhouse gas (GHG) emissions by 2030. Progress continued on construction of the Company's new 8.7-megawatt solar plant, with land preparation work continuing during the quarter, including the relocation of flora and fauna and construction of a 3-meter-wide perimeter firewall. Civil earthworks began in September, and the first batch of sea containers carrying solar photovoltaic (PV) equipment was delivered to the site. Plant construction is scheduled to commence in November 2023 once all equipment is delivered, with commissioning now scheduled for Q1 2024 pending receipt of an operating permit from SEMARNAT, which is currently under review. It is anticipated that the new solar plant will reduce Scope 2 GHG emissions by up to 8.6% and overall emissions by up to 3.9% from 2021 baseline.

Community Relations and Local Development

Relationships with local communities continue to be positive and productive. The Company continued to implement unique community development agreements (known locally as CODECOPs) with eleven local communities during the quarter. The CODECOPs define community investment projects to be delivered in partnership with local communities, as defined by local CODECOP committees. Projects associated with the 2023 CODECOPs include infrastructure, water, sewage, and health initiatives.

As part of the Company's organizational purpose statement '*To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch*', the Company is deeply committed to fostering local procurement and local business development. In September, the Company participated in the first annual 'Guerrero Mining Forum', organized through the Guerrero Mining Council, to foster increased participation by Guerrero-based companies in Mexico's mining industry. Senior representatives of the Government of Guerrero were in attendance as well as senior municipal officials to demonstrate support for this initiative.

ESG Performance, Disclosure and Reporting Standards

A consolidated 3-year ESG workplan has been developed to support the implementation of global ESG standards adopted by the Company, including the World Gold Council Responsible Gold Mining Principles (RGMPs), the Global Industry Standard on Tailings Management (GISTM), the Voluntary Principles on Security and Human Rights (VPSHR) and the International Cyanide Management Code (ICMC). In the quarter, the Company continued work to substantially complete outstanding work items within full compliance deadlines, as follows:

- RGMPs: Internal compliance by end of 2023; third-party assurance of full compliance by September 2024;
- ICMC: Full compliance audit to be initiated by May 2024;
- GISTM: Full compliance audit to be completed by August 2025.

A key requirement of the RGMPs is to complete an assessment against the World Gold Council (WGC) Conflict-Free Gold Standard (CFGS), aimed at ensuring that gold produced by members does not contribute to unlawful armed conflict or contribute to human rights abuses or breaches of international humanitarian law. During the quarter, an assessment against the CFGS was completed, and third party limited assurance was received from KPMG. The Company's inaugural Conflict Free Gold Report, along with the associated assurance, can be found on the ESG Reporting Portal of the Company's website at www.torexgold.com.

Mexico Economic Impact Study

In late October, in conjunction with the 35th annual International Mining Convention in Acapulco, the Company released the results of an Economic Impact Study completed by Deloitte LLP to assess the economic impact of the Company's mining operations and capital investments during the 2022 representative year in Mexico and within the State of Guerrero. The Study traces how the Company's expenditures and investments benefited the federal and state economies in 2022, considering direct impact (including the employment and income of workers directly employed and contracted); indirect impact (associated with businesses that provide goods and services); and induced impact (associated with the spending of wages and salaries earned by employees and suppliers).

Highlights of the Economic Impact Study include:

- Annual contribution of $960 million to Mexico's gross domestic product (GDP), including $600 million to Guererro, representing 3% of the State's total annual GDP;
- 12,912 jobs created or sustained annually in Mexico, which translates to 25.8 jobs generated for every $1 million that the Company spends in Mexico;
- 3,539 jobs created or sustained annually in Guerrero, which represents 7.1 jobs generated for every $1 million that the Company spends in Guerrero;
- $168.4 million annually to labour income in Mexico and $54.5 million to labour income in Guerrero;
- Annual contributions of $278.2 million to government revenues in Mexico;
- Combined annual capital and operating expenditures of $506 million.

The full Economic Impact Study can be found on the Company's website at www.torexgold.com.

DEVELOPMENT ACTIVITIES

Media Luna Project Update

Following the completion of the Media Luna Feasibility Study and receipt of project approval by the Board of Directors, the Company commenced the execution phase of the Media Luna Project on April 1, 2022. During the third quarter of 2023, good progress was made with respect to underground development and construction, which included another notable quarter of advance in the schedule-critical Guajes Tunnel and mobilization of the underground construction contractor. Breakthrough of the Guajes Tunnel is now expected by year-end, three months ahead of schedule. Significant progress was also made on engineering, which is expected to drive increased procurement activity through year-end. Surface construction continued with pad and foundation preparation with several key areas advanced during the quarter. The pace of construction is set to pick up in Q4 as concrete works ramp up, larger equipment deliveries to the south side commence with the completion of the Mazapa bypass road, and steel erection at the flotation plant begins before year-end. The Media Luna Project is now soundly at the halfway mark and tracking to schedule and budget.

Total budgeted spend post March 31, 2022 related to the development of Media Luna have tracked reasonably well to the initial budget of $874.5 million, noting the strength of the Mexican peso and general inflationary pressures have been headwinds to manage. As at September 30, 2023, the Company had incurred $367.0 million of project period expenditures (approximately 42% to date) with $591.2 million of expenditures committed or incurred (approximately 68% to date).

A summary of the Project expenditures can be found in the following table.

Table 5.

In millions of U.S. dollars, unless otherwise noted		Media Luna Project Capital
Per 2022 Technical Report	$	848.4
Adjustment for Q1 2022 underspend	$	26.1
Total budgeted spend post March 31, 2022	$	874.5
Expenditures incurred post March 31, 2022[1,2]	$	367.0
Remaining spend[2]	$	507.5
Percentage complete - relative to budgeted spend	%	42
Percentage complete - construction progress	%	49

1. Cumulative capital expenditures incurred on the Media Luna Project from commencement of construction as of April 1, 2022.
2. Excludes borrowing costs capitalized.

During Q3, $98.7 million was invested in the project, the highest quarterly spend to date. With $242.3 million invested year-to-date and the level of spending expected to increase further in Q4 2023, the full year Media Luna Project expenditure guidance has been lowered to $360 to $390 million (previously $390 to $440 million) reflecting the redistribution in timing of expenditures. Quarterly expenditures are expected to remain elevated through Q3 2024 before declining with the commissioning of the upgraded processing plant.

To manage the capital expenditure risk related to a further strengthening of the Mexican peso, the Company has placed several zero cost collars for a total notional amount of $103.5 million of peso-related project expenditures. The average floor price of the collars is 17.38 Mexican pesos per U.S. dollar and the average ceiling price is 20.0, with the collars covering the remaining project period (October 2023 and December 2024). Approximately 40% to 50% of the remaining expenditures are expected to be denominated in pesos. The initial upfront capital cost of developing Media Luna assumed a Mexican peso of 20.0, which, weighted by quarterly expenditures, has averaged 18.4 since the project commenced on April 1, 2022.

As at quarter-end, development of Media Luna was tracking to plan, with the project 49% complete, up from 35% at the end of Q2 2023. Detailed engineering is at the 70% completion mark, while procurement is 52% complete, with several purchase orders and contract awards pending at quarter-end. Based on the current schedule, the tie-in of upgrades to the processing plant are still on track to occur over a four-week period during the fourth quarter of

2024, which will allow for commissioning and first concentrate production in late 2024 and commercial production in early 2025.

The Company has also added a Media Luna Project construction update section to its website that includes a gallery timeline of the project (https://torexgold.com/assets/projects-media-luna/construction-progress/).

During the quarter, the Company executed numerous key purchase orders including the ore/waste pass grizzlies, press frames and chutes, fabrication of the copper concentrate building structure, ore bins and associated steel infrastructure, underground 15 kV electrical cable, as well as numerous pumps required throughout the processing plant and in the underground. For the surface plant, several key orders and contracts were awarded including civil works for the copper concentrate building, civil works for the 230 kV switchyard, and site-wide concrete supply and installation contracts. Steel fabrication packages have been released for both the water treatment and flotation plant areas in anticipation of beginning to erect steel for the flotation plant by year-end.

First equipment deliveries of a diesel scoop truck and a diesel haul truck were made at the end of September. Delivery of the first electric jumbo is scheduled for December, with the remainder of the battery electric/diesel fleet expected to be delivered steadily over the next two years.

The pace of detailed engineering continued to increase during the third quarter with a focus on design that supports the advancement of priority construction activities and purchase orders. Key underground engineering activities included advancing critical electrical systems design for procurement, completing critical underground ore and waste handling infrastructure design for construction, and completion of the Hazard and Operability Analysis ("HAZOP") workshops for the underground facilities. For the surface facilities, the first phase of flotation area steel, including the pipe rack from grinding and the water treatment plant, were released for fabrication along with other process areas being detailed for release to shops. The balance of the electrical single line diagrams were issued to finalize equipment requirements. Requests for quotes were sent to vendors for the remaining surface facilities. HAZOP workshops for surface facilities were also completed.

Steady progress was made in advancing the Guajes Tunnel and South Portal Lower. Breakthrough of the Guajes Tunnel on the south side of the Balsas River is expected in late December, well ahead of the March 2024 breakthrough date assumed in the Technical Report. A majority of the conveyor table segments are now at site, as are approximately half of the conveyor belt segments, with the remainder in transit. As of the end of September, the Guajes Tunnel had advanced 5,160 metres and South Portal Lower had advanced 2,325 metres, leaving approximately 970 metres of tunnel advance remaining until breakthrough.

Breakthrough of Guajes Tunnel expected in late December (advance rates as at end of September)

Steady progress was also made on ventilation and in-mine development during the quarter. The second 175 metre raise has progressed 67% and will be completed in Q4 2023, allowing for ventilation between the upper and lower parts of the mine. As of the end of September, there were twenty active headings, including eleven in Media Luna Lower and nine in Media Luna Upper. Development in areas of key infrastructure advanced, including access to the top and bottom of the main ore bins and completion of the rock breaker #1 and conveyor #3 areas. Vertical development of the first ore pass also commenced. Some challenges were experienced with increased water infiltration at the lower section of the internal ramp which was controlled through established grouting protocols. Development across all headings continued to advance, with monthly development rates increasing in the latter half of the quarter. Overall, ground conditions remain excellent.

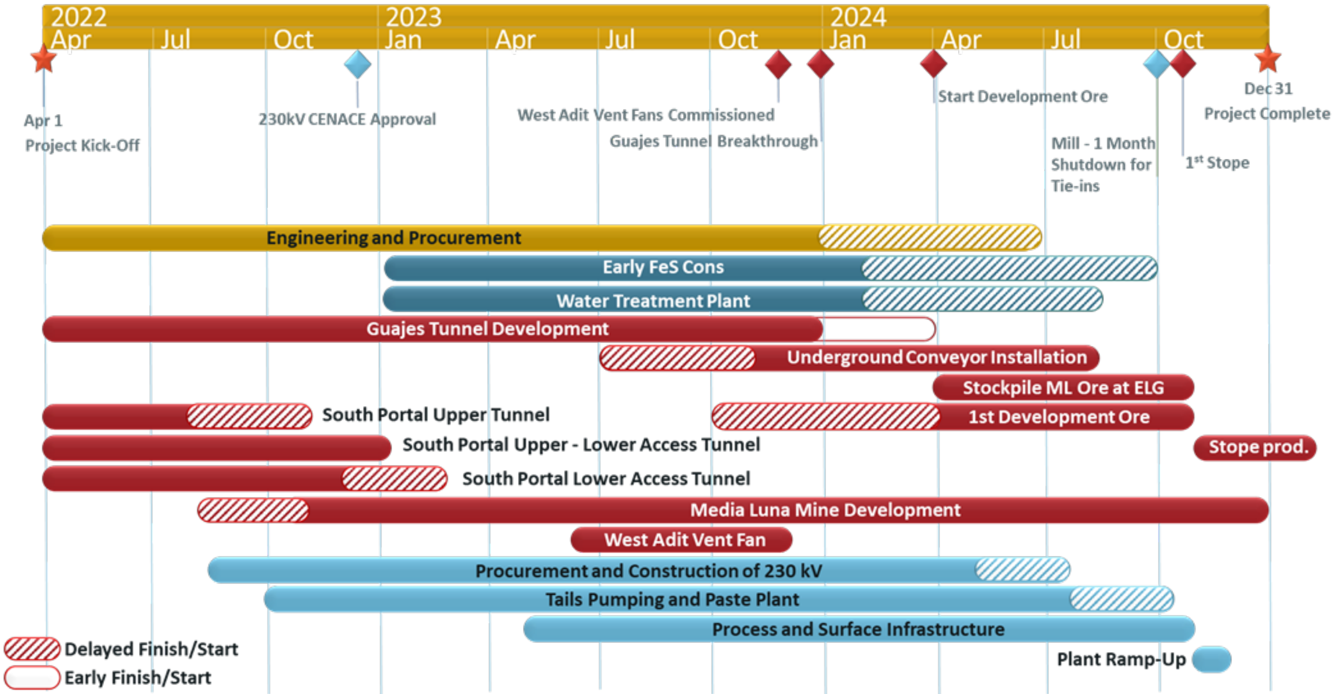
Surface Construction On the north side of the Balsas River, the relocated security structure was completed and foundation work began in the water treatment plant area. Additional camp modules to house project staff were also installed. Extension of the main water management culvert below the area of the new flotation plant was completed, allowing the final placement of the remaining civil backfill that extends the flotation area pad. Relocation of the power distribution and installation of new buried power conduits around the flotation plant were completed to allow for the removal of the overhead power lines in Q4 2023. This work enabled the start of the concrete foundations for the flotation plant and tower crane to begin.

On the south side of the Balsas River, expansion of the construction camp pad was completed and additional two-storey camp modules were placed for occupation in Q4 2023 as the underground contractor continues to mobilize. Concrete foundation installation for the backup generator area began and will be completed in Q4 2023, allowing work to start on the paste plant foundations. The mine pipeline access drift, specifically for the paste and return water lines into the mine, was completed. Work continued on both the Mazapa – San Miguel bypass road and the Mazapa bridge, with the first concrete headwall completed. This will be completed in Q4 2023 to accept deliveries of larger equipment related to both the paste plant and the underground construction. Both the sedimentation pond and decant pond dams are nearing completion, with construction of the concrete spillway started on the sedimentation dam.

In parallel with development and construction activities, the surface and underground operational readiness strategy is progressing to plan. Operational readiness teams are accountable for ensuring that processes and systems for all new work areas are established and ready in advance of the handover from the project team to operations. This includes workforce transition planning and training, developing the operating strategy (including all standard operating procedures), maintenance plans for all fixed and mobile equipment, blend and feed strategies, detailed commissioning plans, first fills, concentrate shipment logistics, and all other requirements to ensure a smooth ramp-up to commercial production in Q1 2025.

Based on progress made during Q3 2023 and a detailed review of both the surface and underground schedules completed late in the quarter, the overall project end dates are unchanged compared to the prior plan outlined within the inaugural Media Luna update press release published on February 9, 2023, with some movement within the plan as set out below.

A summary of the Media Luna Project schedule can be found in the following chart.



Initiatives to expedite the delivery of the paste plant filter presses are progressing and the delivery schedule has been maintained with further initiatives under review. The Company is also working to expedite the underground electrical equipment to reduce schedule risk given delivery times for this equipment are some of the longest for the project. As noted in the previous Media Luna update, plans for the early installation of the FeS flotation circuit and water treatment plant have been adjusted. Given the Company's success with reducing cyanide consumption levels over the past several quarters, the business benefits of a single schedule for construction and commissioning the FeS circuit and water treatment plant at the same time as the Cu flotation circuit outweighed the benefits to landing the FeS circuit early.

In terms of underground development, schedule gains have been made since the last update as we are now forecasting the Guajes Tunnel breakthrough in late December. Consequently, first development ore and first stope have been rescheduled to facilitate haulage directly through the Guajes Tunnel to avoid stockpiling and rehandling from the south side. Given tunnelling is ahead of schedule, installing anchors for the conveyor tables was rescheduled to post-breakthrough to avoid any coordination issues with the tunneling and anchoring crews. The revised execution plan will not impact the installation and commissioning of the Guajes Tunnel conveyor, which remains on track for completion in August 2024.

The current project plan relative to the Technical Report reflects the Company's estimates for the completion of key project deliverables. These updated deliverables have not impacted the overall project schedule given the original plan had assumed the potential for schedule adjustments and the possibility for supply chain disruptions.

More detail on the Media Luna Project, including the feasibility study results, can be found in the Company's most recent Technical Report dated effective March 16, 2022, filed on March 31, 2022 ("Technical Report").

EXPLORATION AND DRILLING ACTIVITIES

During the third quarter of 2023, the drilling programs at ELG Underground and the Media Luna cluster continued to progress. Both programs are key facets of the Company's strategy to grow reserves and resources and to optimize and extend the mine life at ELG with a view to filling the mill with higher-grade feed beyond 2027.

The positive results reported on September 5, 2023 at EPO support the potential for ongoing resource expansion and future growth of the Media Luna Cluster[1]. The initial assay results from the 2023 drilling program at EPO continue to highlight the potential to upgrade additional Inferred Resources while expanding mineralization to the north and to the south, where the deposit remains open. Results from the 2023 program will be incorporated into the year-end Mineral Resource update and will form the basis of an internal study evaluating the feasibility of developing an economic mining front at EPO, while using the infrastructure that is currently being developed for Media Luna, including the Guajes Tunnel.

The Company is investing $39.0 million in exploration and drilling in 2023, with the purpose of increasing the overall resource and reserve base of the Morelos Property.

Table 6.

In millions of U.S. dollars		**Total Q3 2023 YTD Expenditure**	Guided 2023 Expenditure	Total 2022 Expenditure
Media Luna drilling - capitalized[1]	$	**12.2**	20.0	19.2
ELG:				
ELG infill and step-out drilling - capitalized[2]	$	**5.4**	6.0	4.0
ELG near mine program - expensed[3]	$	**3.9**	6.0	5.3
Regional exploration and drilling - expensed[3]	$	**1.2**	2.0	3.2
Definition and grade control drilling - expensed[4]	$	**5.5**	5.0	4.8
Total	$	**28.2**	39.0	36.5

1. Included in non-sustaining capital.
2. Includes $4.2 million in sustaining capital and $1.2 million in non-sustaining capital.
3. Included in exploration and evaluation expenses as reported on the Condensed Consolidated Interim Statements of Operations and Comprehensive Income.
4. Included in production costs as reported on the Condensed Consolidated Interim Statements of Operations and Comprehensive Income.

ELG Infill and Step-Out Drilling

Infill and step-out drilling is carried out annually at ELG to increase the confidence in the Mineral Resource models used in the mine plans and to expand the existing resources along extensions to current operations. The infill drilling is targeting to upgrade Inferred Resources to the Measured and Indicated Resource categories at open pit and underground deposits. Step-out drilling is targeting to expand known mineralization and/or upgrade mineralized material to new Mineral Resources in lateral and vertical extensions, as well as expanding underground resource in other zones.

During the third quarter of 2023, the infill and step-out drilling program at ELG Underground for 2023 was completed, totalling 29,931 metres. The advanced underground exploration program continued with three drill rigs in full operation and focused on the El Limón Sur Trend with 6,000 metres in 20 holes, and the El Limón Deep deposit with 2,085 metres in 11 holes. Holes have been logged and samples delivered to the lab. The geological information is consistent in terms of confirming the geological model, and the mineralization in the areas with existing Inferred Resources and in lateral and vertical extensions along structurally controlled feeders. Results will be incorporated in the Q4 2023 resource model update.

The excellent results from the mine exploration in 2022 and year to date in 2023 are consistently returning high-grade intercepts in several sections of the mine. In particular, along extensions at depth, the Company has focused the exploration efforts on high-grade north-south feeders controlled by faults and preferably hosted in the contact of the intrusive and the marbles. The drilling completed during 2023 to explore the underground potential of the El Limón Sur area, intercepted mineralization down to the 400 m elevation, which is 125 m below the lowest Inferred

[1] For more information on EPO drilling results, see the Company's news release titled "Torex Gold Reports Results From 2023 Drilling at EPO" issued on September 5, 2023, and filed on SEDAR at www.sedar.com and on the Company's website at www.torexgold.com.

Resource at Sub-Sill and 275 m below the lowest elevation of Inferred Resources at El Limón Deep, generating potential for significant upside at depth. Also, the step-out drilling has identified the vertical extension of the mineralization at El Limón West, down to the 575 m elevation, which is almost 200 m below the El Limón Sur final pit. This result reinforces the potential for a new mining front within ELG Underground close to the existing infrastructure.

ELG Near Mine Drilling Program

The objective of the near mine drilling program is to identify additional satellite orebodies within the ELG Mine Complex. Over the last year, the ELG operations and exploration geology teams have conducted an extensive evaluation of the potential for additional discoveries around ELG mining areas. Nine well-supported target areas in the near-mine setting have been identified. The 2023 program allocated a total of 27,000 metres to test the best ranked targets for new underground resources along the El Limón Trend and move the three targets with economic intercepts to advanced exploration stage.

During the third quarter of 2023, 6,068 metres in 17 holes were drilled to test the underground potential south and east of the current underground operations. Considering the outstanding underground mineral potential of the El Limón Sur Trend, a drilling program was prepared for the second half of this year focused on identifying the best sections along the trend to define high-grade resources to follow up on starting in 2024. The program includes 11,200 metres in 35 holes, of which 50% was completed by the end of the third quarter of 2023.

The geological drilling results confirmed the presence and continuity of skarn laterally and at depth along El Limón Sur Trend with analytical assays pending. Results from holes drilled to test the potential extension of mineralization in the Guajes area to the northwest and the magnetic anomaly at El Limón East are also pending.

Media Luna Drilling

The drilling objectives for the current year in the Media Luna Cluster are to categorize a significant portion of the Inferred Resources as Indicated Resources, expand the Inferred Resources by defining the north and south extension of EPO, and complete an initial drill testing phase in Media Luna West.

During the third quarter of 2023, a total of 16,580 metres were drilled in the Media Luna Cluster, completing the categorization program in EPO and drilling program in Media Luna West, while progress was made in exploration to the north and south of the EPO footprint.

A structural study based on a new approach for a potential deposit in the district identified at least three north-south oriented thick-skin faults, with one of them controlling the known deposits in the district. The Cuajiote fault is believed to be responsible for the ELG and Media Luna Cluster mineralization. Specifically in EPO, it opens up exploration potential to the south and up to the Todos Santos target towards the north.

Results from the 2023 program continue to highlight the potential to upgrade Inferred Resources to the Indicated category and expand Inferred Resources through step-out drilling to the north and south of the deposit, as was reported in a press release issued on September 5, 2023[1].

At EPO, drilling results from the resource categorization program have been positive, with infill drilling along the southern end of the deposit returning intercepts with similar grades and widths as previous drilling. Several drill holes returned favorable assay results including 9.78 grams per tonne gold equivalent ("gpt AuEq")[2] over 21.3 m in drill hole ML23-957D; 11.08 gpt AuEq[2] over 5.3 m in ML23-941D; 5.08 gpt AuEq[2] over 5.0 m in ML23-954D; 7.11 gpt AuEq[2] over 14.1 m in ML23-938D; and 3.96 gpt AuEq[2] over 49.75 m in ML23-933D. A substantial percentage of the Inferred Resources in the south will be upgraded to Indicated Resources. The returned intercepts are consistent as they exhibit similar thickness and grades to those defined by the 2022 drilling program, confirming the extension

[1] For more information on EPO drilling results, see the Company's news release titled "Torex Gold Reports Results From 2023 Drilling at EPO" issued on September 5, 2023, and filed on SEDAR at www.sedar.com and on the Company's website at www.torexgold.com.

[2] The gold equivalent grade calculation used is as follows: AuEq (g/t) = Au (g/t) + Ag (g/t) * 0.011385 + Cu (%) * 1.621237 and use the same metal prices ($1,550/oz gold, $20/oz silver, and $3.50/lb copper) and metallurgical recoveries (85% gold, 75% silver, and 89% copper) used in the Mineral Resource estimate for the EPO deposit.

of Indicated Resources to the south and the expanding Inferred Resources immediately to the west and east of the current block model.

Initial results from the resource expansion program have also been encouraging, with four step-out holes confirming the mineralized footprint of the deposit approximately 500 m to the north of the current block model. Notable assay results from the resource expansion program include 6.14 gpt AuEq[1] over 15.75 m and 4.04 gpt AuEq[1] over 11.2 m in drill hole ML23-942; 4.69 gpt AuEq[1] over 3.1 m, 4.49 gpt AuEq[1] over 3.4 m, and 6.26 gpt AuEq[1] over 3.0 m in ML23-935; 4.80 gpt AuEq[1] over 8.6 m in ML23-956; as well as 7.99 gpt AuEq[1] over 7.1 m and 8.81 gpt AuEq[1] over 6.2 m in ML23-949A. The intercepts show a strong structural control of the mineralization by the dykes with assays demonstrating a higher proportion of copper mineralization relative to gold.

At Media Luna West, the Company has completed the initial drill testing with seven holes totalling 5,000 metres drilled. Although the assays are pending, the geological results confirm another north-northeast structural corridor parallel to EPO.

Regional Exploration and Drilling

The Morelos Property covers 29,000 hectares of highly prospective terrain in the endowed Guerrero Gold Belt in Mexico. Multiple target areas have been identified through geological mapping and sampling. The Company allocated $1.2 million in the 2023 budget to fund the expansion of the district exploration program within the Morelos Property.

During the third quarter of 2023, district structural study and extensive fieldwork along the property revisiting the multiple gold occurrences were completed. The identification of maar-diatreme systems in several of the occurrences with preserved steam-heated alteration validates the current structural context, providing the evidence of preserved blocks with potential for epithermal systems. Additionally, significant gold anomalies hosted in some of these breccia bodies, associated with intermediate argillic alteration suggest potential for Intermediate Sulphidation systems.

The field reconnaissance and new structural approach has reoriented the targeting process and prioritizing delineation activities in the El Naranjo and Todo Santos areas. Notably, the latter area is strategically positioned along the north-south corridor, bridging the gap between the ELG and Media Luna Cluster.

[1] The gold equivalent grade calculation used is as follows: AuEq (g/t) = Au (g/t) + Ag (g/t) * 0.011385 + Cu (%) * 1.621237 and use the same metal prices ($1,550/oz gold, $20/oz silver, and $3.50/lb copper) and metallurgical recoveries (85% gold, 75% silver, and 89% copper) used in the Mineral Resource estimate for the EPO deposit.

FINANCIAL CONDITION REVIEW

Summary of the Condensed Consolidated Interim Statements of Financial Position

The following table summarizes key financial position items as at September 30, 2023:

Table 7.

In millions of U.S. dollars		Sep 30, 2023		Dec 31, 2022
Cash and cash equivalents	$	**209.4**	$	376.0
Value-added tax receivables		**49.9**		48.2
Inventory		**119.0**		120.2
Deferred income tax assets		**111.2**		90.4
Property, plant and equipment		**1,162.0**		931.9
Other assets		**62.6**		26.6
Total assets	$	**1,714.1**	$	1,593.3
Accounts payable and accrued liabilities	$	**129.7**	$	132.8
Income taxes payable		**66.1**		107.9
Deferred income tax liabilities		**10.4**		11.4
Decommissioning liabilities		**36.2**		40.5
Lease-related obligations		**21.1**		3.9
Other liabilities		**5.9**		6.7
Total liabilities	$	**269.4**	$	303.2
Total shareholders' equity	$	**1,444.7**	$	1,290.1

Cash and cash equivalents

The Company ended the third quarter of 2023 with cash and cash equivalents on hand of $209.4 million. The Company primarily holds cash balances in U.S dollars but also holds accounts in Canadian dollars and Mexican pesos for operating and administrative purposes.

Value-added tax ("VAT") receivables

VAT receivables increased by $1.7 million compared to December 31, 2022, primarily as a result of the currency translation as the VAT receivables are primarily denominated in Mexican pesos, partially offset by receipts of refunds related to 2022 and prior years. The VAT receivables balance fluctuates as additional VAT is paid and refunds are received, as well as with the movement of the Mexican peso exchange rate relative to the U.S. dollar and any provisions. As at September 30, 2023, the VAT receivables of $49.9 million comprises $48.6 million in current assets and $1.3 million in non-current assets.

Inventory

The marginal decrease in inventory is due to lower stockpile and gold in-circuit ending balances, partially offset by an increase in finished goods primarily due to the timing of pours.

Deferred income tax assets

The deferred tax asset primarily relates to tax pools and temporary differences in Mexico. The increase in the deferred tax asset is primarily driven by higher depreciation for accounting than for tax purposes, which reduces the difference between the book value and tax value of the assets in the determination of deferred tax, as well as the tax effect of currency translation on the tax base.

Property, plant and equipment

Property, plant and equipment increased primarily due to additions of $373.0 million, of which $242.3 million relates to Media Luna construction, partially offset by depreciation of $137.5 million and a decrease in the estimated discounted closure and rehabilitation costs on decommissioning liabilities of $5.4 million. Refer to Table 11 for a breakdown of capital expenditures in the nine months ended September 30, 2023.

Other assets

The other assets balance includes accounts receivable, prepaid expenses, advances and deposits, income taxes receivable, derivative contract assets and lease-related assets. The increase in other assets is primarily due to the recognition of assets of $16.1 million relating to advances and promissory notes in connection with equipment purchase agreements with suppliers that were assigned to financiers for which the underlying assets are not yet available for use by the Company. The increase in other assets is also due to an increase in income taxes receivable of $17.1 million as a result of higher income tax installments paid compared to a lower income tax expense.

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities have decreased marginally since December 31, 2022, primarily due to the timing and payments of trade payables. Accounts payable and accrued liabilities is generally highest at year end due to the full year accrual of the site-based profit sharing program and the timing of payments over the holiday season.

Decommissioning liabilities

Decommissioning liabilities decreased by $4.3 million primarily due to the effect of discounting, partially offset by increases due to additional disturbances as a result of ongoing mining operations and the development of Media Luna and the effect of foreign exchange rate changes.

Income taxes payable

The decrease in the balance is primarily due to corporate income tax payments of $74.8 million and the 7.5% Mexican mining royalty of $29.4 million paid in the first quarter of 2023 in respect of 2022, partially offset by income tax expense of $47.5 million.

Lease-related obligations

The increase in lease-related obligations is primarily due to $16.1 million of promissory notes in connection with leasing arrangements for which the underlying assets are not yet available for use by the Company. The promissory notes are accounted for as financial liabilities in accordance with IFRS 9, *Financial Instruments*. As at September 30, 2023, the lease-related obligations of $21.1 million comprises $19.6 million in current liabilities and $1.5 million in non-current liabilities.

Other liabilities

Other liabilities include a current liability of $1.1 million and a non-current liability of $0.9 million relating to the derivative contracts based on gold forward and foreign exchange collar prices as at September 30, 2023.

DEBT FINANCING

Revolving Facility and Term Loan

On August 3, 2023, the Company (as borrower) executed an amendment to the Fourth Amended and Restated Credit Agreement (the “FARCA”) with the Bank of Montreal, Bank of Nova Scotia, Canadian Imperial Bank of Commerce, ING Capital LLC, and National Bank of Canada, increasing the capacity of the secured debt facility (the "Debt Facility") to $300.0 million. The capacity on the Revolving Facility increased from $150.0 million to $200.0 million and the Term Facility remains unchanged at $100.0 million. As at September 30, 2023, the Company had $nil borrowings on the Debt Facility and had utilized $7.9 million for letters of credit, reducing the available liquidity of the Debt Facility to $292.1 million (December 31, 2022 - $nil, $3.4 million and $246.6 million, respectively). Proceeds of the Debt Facility may be used for general corporate purposes, including certain development expenditures and acquisitions, in all cases subject to the conditions of the Debt Facility.

This Debt Facility incorporated Sustainability-Linked Loan ("SLL") targets, which integrate ESG performance measures. The SLL includes incentive pricing terms related to achieving various Sustainability Performance Targets ("SPTs") including those in safety, climate change, and alignment with the World Gold Council's Responsible Gold Mining Principles ("RGMPs"). The SPTs are aligned with the Company's sustainability targets described in the "2023 Objectives" section of this MD&A.

The Debt Facility bears an interest rate of Term SOFR (subject to a zero floor), a forward-looking term rate based on SOFR, plus a credit spread adjustment and an applicable margin based on the Company's leverage ratio. The applicable margin applied is 2.50% based on a leverage ratio less than 1.0 times, 2.75% at a ratio less than 2.0 times, 3.00% at a ratio less than 2.5 times, and 3.50% at a ratio equal to or greater than 2.5 times. The credit spread adjustment is 0.10%. Prior to the August 3, 2023 amendment, the credit spread adjustment ranged from 0.10% to 0.25%.

The $200.0 million Revolving Facility matures on December 31, 2026 and is subject to quarterly commitment reductions of $12.5 million commencing on March 31, 2025 and increasing to $25.0 million commencing on March 31, 2026. Prior to the August 3, 2023 amendment, the $150.0 million Revolving Facility matured on December 31, 2025 and was subject to quarterly commitment reductions of $12.5 million commencing on March 31, 2024. The $100.0 million Term Facility can be drawn until December 31, 2024, matures on June 30, 2026 and is subject to four equal quarterly repayment instalments commencing on September 30, 2025. Prior to the August 3, 2023 amendment, the $100.0 million Term Facility could be drawn until December 31, 2023, matured on June 30, 2025 and was subject to four equal quarterly repayment instalments commencing on September 30, 2024. Both the Revolving Facility and Term Facility can be repaid in full anytime without penalty.

The Debt Facility permits spending to facilitate the development of the Media Luna Project and other existing and future projects of the Company. The development expenditures are subject to the conditions of the Debt Facility, including compliance with financial covenants related to maintaining a net leverage ratio of less than or equal to 3.0, an interest coverage ratio of greater than or equal to 3.0 and minimum liquidity of $50.0 million on and before June 30, 2025 and decreasing to the greater of $30.0 million and 20% of the Debt Facility commitment thereafter. Prior to the August 3, 2023 amendment, the Company was required to maintain a minimum liquidity of the greater of $30.0 million and 20% of the Debt Facility commitment. The Debt Facility is secured by all of the assets of the Company and its material subsidiaries, which currently are its subsidiaries with a direct or indirect interest in the ELG Mine Complex and/or the Media Luna Project.

As at September 30, 2023, the Company was in compliance with the financial and other covenants under the FARCA. The FARCA is available under the Company's profile on SEDAR at www.sedar.com.

LIQUIDITY AND CAPITAL RESOURCES

The total assets of the Company as at September 30, 2023 were $1,714.1 million (December 31, 2022 - $1,593.3 million), which includes $209.4 million in cash and cash equivalents (December 31, 2022 - $376.0 million).

Net cash generated from operating activities before changes in non-cash operating working capital was $207.3 million during the nine months ended September 30, 2023, compared to $271.5 million during the nine months ended September 30, 2022. The decrease in net cash generated from operating activities before changes in non-cash operating working capital of $64.2 million is largely due to the decrease in ounces of gold sold, higher income taxes paid and higher production costs, partially offset by a higher average realized gold price and higher interest income due to higher interest rates.

Net cash used in investing activities during the nine months ended September 30, 2023 was $343.3 million compared to $185.8 million during the nine months ended September 30, 2022. Net cash used in investing activities was higher primarily due to an increase in additions to property, plant and equipment predominately related to the Media Luna Project.

Net cash used in financing activities during the nine months ended September 30, 2023 related to lease principal payments of $3.2 million, interest paid of $1.4 million and transaction costs related to the FARCA amendment of $1.2 million. The net cash used in financing activities for the comparative period related to lease principal payments of $3.0 million, interest paid of $1.2 million and transaction costs related to the FARCA of $1.7 million.

The Company does not currently have any debt outstanding and has $192.1 million available under the Revolving Facility with $7.9 million utilized for letters of credit, and $100.0 million available under the Term Facility. The Revolving Facility matures on December 31, 2026 and is subject to quarterly commitment reductions of $12.5 million commencing on March 31, 2025. The Term Facility can be drawn until December 31, 2024, matures on June 30, 2026 and is subject to four equal quarterly repayment instalments commencing on September 30, 2025. The Company expects to fund the development of the Media Luna Project and its exploration plans using available liquidity, forecasted future cash flow, and available credit facilities.

During the second and third quarters of 2023, Minera Media Luna, S.A. de C.V. ("MML") executed purchase agreements with suppliers for the primary production equipment, underground support equipment and personnel transport equipment for operations at Media Luna totalling $99.3 million. Subsequently, the purchases were assigned to financiers who will own the equipment once constructed by the suppliers. In connection with the arrangement, MML and the financiers executed master leasing agreements which required the financiers to provide advance payments to the suppliers ahead of equipment being delivered. In the event of non-compliance of the purchase agreements by the suppliers, MML is obligated to provide payment to the financiers for the advance payments paid to date. In connection with advanced payments made by the financiers ahead of equipment being delivered by the suppliers, MML executed interest-bearing promissory notes totaling $16.1 million. The promissory notes act as surety for the financiers. The promissory notes are accounted for as financial liabilities in accordance with IFRS 9, *Financial Instruments*.

As at September 30, 2023, the Company’s contractual obligations included office lease agreements; office equipment leases; long-term land lease agreements with Rio Balsas, Real del Limón, Atzcala, Puente Sur Balsas and Valerio Trujano Ejidos and the individual owners of land parcels within certain of those Ejido boundaries; and contractual commitments related to the purchases of goods and services used in the operation of the ELG Mine Complex and the Media Luna Project. All long-term land lease agreements can be terminated within one year at the Company’s discretion at any time without penalty.

In addition, production revenue from certain concessions is subject to a 2.5% royalty payable to the Mexican Geological Survey agency. The royalty is accrued based on revenue and is payable on a quarterly basis. In January 2023, the Company paid $5.6 million for the 2.5% royalty relating to the fourth quarter of 2022. In April 2023, the Company paid $5.9 million for the 2.5% royalty relating to the first quarter of 2023. In July 2023, the Company paid $5.4 million for the 2.5% royalty relating to the second quarter of 2023. As at September 30, 2023, the Company had accrued $4.0 million for the 2.5% royalty relating to the third quarter of 2023, which was paid in October 2023 (December 31, 2022 - $5.6 million relating to the fourth quarter of 2022, which was paid in January 2023).

The Company is subject to a mining tax of 7.5% on taxable earnings before the deduction of taxes, interest, depreciation and amortization, and a royalty of 0.5% on sales of gold, silver and platinum. Both the mining tax and royalty are payable to the Servicio de Administración Tributaria on an annual basis in March of the following year. In March 2023, the Company paid $34.2 million in respect of the 7.5% and 0.5% royalties for 2022. As at September 30, 2023, the Company has accrued $15.7 million and $3.0 million for the 7.5% and 0.5% royalties to be paid in March 2024, respectively (December 31, 2022 - $28.0 million and $4.3 million accrued for the 7.5% and 0.5% royalties to be paid in March 2023, respectively).

Gold production in the third quarter of 2023 was impacted by a heavy focus on waste stripping in the El Limón open pit, reliance on lower grade run-of-mine ore from the open pits and a drawdown of stockpiles. Production is expected to return to usual levels in the fourth quarter of 2023, with higher processed grades and increased ore production as the period of heavy waste stripping subsides. As a result, the Company is well on track to achieve annual production guidance. Given timing of tax and employee profit sharing payments, the Company’s net cash generated from operating activities is generally weighted towards the second half of the year as was the case in 2022 and

2021. Production in the third quarter of 2023 was lower than production during the second quarter of 2023, primarily due to lower average grade of ore processed, a marginally lower processing plant throughput, partially offset by higher ore tonnes mined and a higher average gold recovery.

The trends that affect the Company's liquidity are further described in the "Economic Trends" section of this MD&A.

For discussion of liquidity risks, refer to sections "Financial Risk Management" and "Risks and Uncertainties" of this MD&A.

Contractual Commitments

Table 8.

		Payments Due by Period				
In millions of U.S. dollars		Total	Less than 1 year	1-3 years	4-5 years	Greater than 5 years
Operating commitments[1]	$	306.2	194.1	112.1	-	-
Capital commitments[1]	$	360.1	268.5	70.2	15.2	6.2
Accounts payable and accrued liabilities	$	129.7	129.7	-	-	-
Derivative contracts	$	2.0	1.1	0.9	-	-
Lease-related obligations	$	21.9	20.0	1.6	0.3	-
Total	$	819.9	613.4	184.8	15.5	6.2

1. Certain contractual commitments may contain cancellation clauses; however, the Company discloses its commitments based on management's intent to fulfill the contracts.

OUTSTANDING SHARE DATA

Table 9.

Outstanding Share Data as at November 13, 2023	Number
Common shares	85,885,453
Common share options[1]	24,707
Restricted share units[2, 3]	527,161
Performance share units[4]	600,162

1. Each common share option is exercisable into one common share of the Company. No new common share options may be granted and the plan will be terminated once all outstanding common share options are exercised or have expired.
2. Each restricted share unit is redeemable for one common share of the Company.
3. The balance includes both Restricted Share Units ("RSUs") and Employee Restricted Share Units ("ERSUs") issued under the Restricted Share Unit Plan ("RSU Plan") and the Employee Share Unit ("ESU Plan"), respectively.
4. The number of performance share units that vest is determined by multiplying the number of units granted to the participant by an adjustment factor, which ranges from 0 to 2.0. Therefore, the number of units that will vest and be settled may be higher or lower than the number of units originally granted to a participant. The adjustment factor is based on the Company's total shareholder return relative to a group of comparable companies over the applicable period. Under the terms of the plan, the Board of Directors is authorized to determine the adjustment factor.

NON-GAAP FINANCIAL PERFORMANCE MEASURES

The Company has presented certain non-GAAP financial measures in this document. The Company believes that these measures, while not a substitute for measures of performance prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. These measures do not have any standardized meaning prescribed under IFRS, and, therefore, may not be comparable to other issuers.

Total Cash Costs

Total cash costs is a common financial performance measure in the gold mining industry; however, it has no standardized meaning under IFRS and as such, it may not be comparable to similar financial measures disclosed by other issuers. The Company reports total cash costs on a per oz sold basis. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, such as costs of sales and net cash generated from operating activities, certain investors use this information to evaluate the Company’s performance and ability to generate operating income and cash flow from its mining operations. Management uses this metric as an important tool to monitor operating costs. In addition, the Compensation Committee of the Board of Directors uses certain of these measures, together with other measures, to set incentive compensation goals and assess performance. Total cash costs are calculated as production costs and royalties less by-product sales.

All-In Sustaining Costs (“AISC”)

AISC is a common financial performance measure in the gold mining industry; however, it has no standardized meaning under IFRS and as such, it may not be comparable to similar financial measures disclosed by other issuers. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, such as cost of sales and net cash generated from operating and investing activities, certain investors use this information to evaluate the Company’s operating performance and its ability to generate free cash flow from current operations. Management uses this metric as an important tool to monitor operating and capital costs. In addition, the Compensation Committee of the Board of Directors uses certain of these measures, together with other measures, to set incentive compensation goals and assess performance.

Torex reports AISC in accordance with the guidance issued by the World Gold Council (“WGC”). The WGC definition of AISC seeks to extend the definition of total cash costs by adding corporate general and administrative costs, reclamation and remediation costs (including accretion and amortization), sustaining exploration and study costs (capitalized and expensed), capitalized stripping costs, sustaining capital expenditures and sustaining leases, and represents the total costs of producing gold from current operations. Non-sustaining costs are primarily those related to new operations and major projects at existing operations that are expected to materially benefit the current operation. The determination of classification of sustaining versus non-sustaining requires judgement by management. AISC excludes income tax payments, interest costs, costs related to business acquisitions, costs related to growth projects and other expenses not related to ongoing operations. Consequently, these measures are not representative of all of the Company’s cash expenditures. In addition, the calculation of AISC does not include depreciation and amortization expense as it does not reflect the impact of expenditures incurred in prior periods. Therefore, it is not indicative of the Company’s overall profitability. Other companies may quantify these measures differently because of different underlying principles and policies applied. Differences may also occur due to different definitions of sustaining versus non-sustaining capital. In November 2018, the WGC updated its guidance for AISC. The Company adopted the updated guidance beginning January 1, 2019.

Reconciliation of Total Cash Costs and All-in Sustaining Costs to Cost of Sales

Table 10.

In millions of U.S. dollars, unless otherwise noted		Three Months Ended **Sep 30, 2023**	Jun 30, 2023	Sep 30, 2022	Nine Months Ended **Sep 30, 2023**	Sep 30, 2022
Gold sold	oz	**81,752**	105,749	119,834	**305,956**	351,209
Total cash costs per oz sold						
Production costs and royalties	$	**91.6**	93.1	94.9	**273.1**	272.3
Less: Silver sales	$	**(1.0)**	(1.3)	(0.6)	**(3.8)**	(2.0)
Less: Copper sales	$	**(1.8)**	(2.1)	(3.2)	**(6.8)**	(11.7)
Total cash costs	$	**88.8**	89.7	91.1	**262.5**	258.6
Total cash costs per oz sold	$/oz	**1,086**	848	760	**858**	736
All-in sustaining costs per oz sold						
Total cash costs	$	**88.8**	89.7	91.1	**262.5**	258.6
General and administrative costs[1]	$	**6.2**	5.9	5.0	**18.7**	17.8
Reclamation and remediation costs	$	**1.1**	1.3	1.4	**3.8**	4.0
Sustaining capital expenditure	$	**22.4**	41.4	29.4	**99.6**	70.6
Total all-in sustaining costs	$	**118.5**	138.3	126.9	**384.6**	351.0
Total all-in sustaining costs per oz sold	$/oz	**1,450**	1,308	1,059	**1,257**	999

1. This amount excludes a gain of $3.1 million, gain of $1.8 million and gain of $0.3 million for the three months ended September 30, 2023, June 30, 2023, and September 30, 2022, respectively, and a gain of $1.3 million and gain of $2.1 million for the nine months ended September 30, 2023 and September 30, 2022, respectively, in relation to the remeasurement of share-based payments. This amount also excludes corporate depreciation and amortization expenses totalling $0.1 million, $nil and $0.1 million for the three months ended September 30, 2023, June 30, 2023, and September 30, 2022, respectively, $0.2 million and $0.2 million for the nine months ended September 30, 2023 and September 30, 2022, respectively, within general and administrative costs. Included in general and administrative costs is share-based compensation expense in the amount of $1.2 million or $15/oz for the three months ended September 30, 2023, $1.2 million or $11/oz for the three months ended June 30, 2023, $0.8 million or $7/oz for the three months ended September 30, 2022, $4.3 million or $14/oz for the nine months ended September 30, 2023 and $3.4 million or $10/oz for the nine months ended September 30, 2022. This amount excludes other expenses totalling $2.4 million, $1.6 million and $nil for the three months ended September 30, 2023, June 30, 2023, and September 30, 2022, respectively, and $4.6 million and $nil for the nine months ended September 30, 2023 and September 30, 2022, respectively.

Reconciliation of Sustaining and Non-Sustaining Costs to Capital Expenditures

Table 11.

In millions of U.S. dollars		Three Months Ended **Sep 30, 2023**	Jun 30, 2023	Sep 30, 2022	Nine Months Ended **Sep 30, 2023**	Sep 30, 2022
Sustaining	$	**16.5**	19.5	12.8	**50.6**	30.0
Capitalized Stripping (Sustaining)	$	**5.9**	21.9	16.6	**49.0**	40.6
Non-sustaining	$	**0.8**	0.4	4.3	**1.9**	15.0
Total ELG	$	**23.2**	41.8	33.7	**101.5**	85.6
Media Luna Project	$	**98.7**	77.2	32.5	**242.3**	80.6
Media Luna Infill Drilling/Other	$	**4.2**	4.9	5.4	**12.2**	17.2
Working Capital Changes & Other	$	**(13.7)**	0.6	(3.0)	**(19.4)**	3.0
Capital expenditures[1]	$	**112.4**	124.5	68.6	**336.6**	186.4

1. The amount of cash expended on additions to property, plant and equipment in the period as reported in the Condensed Consolidated Interim Statements of Cash Flows.

Average Realized Gold Price and Total Cash Costs Margin Per Oz of Gold Sold

Average realized gold price and total cash costs margin per oz of gold sold are non-GAAP financial measures that do not have a standardized meaning under IFRS and as such, they may not be comparable to similar financial measures disclosed by other issuers. Management and certain investors use these measures to better understand the gold price and margin realized throughout a period.

Average realized gold price is calculated as revenue per the Condensed Consolidated Interim Statements of Operations and Comprehensive Income, less silver sales and copper sales, adjusted for realized gains (losses) on gold contracts where applicable, divided by ounces of gold sold. Total cash costs margin per oz of gold sold reflects average realized gold price per oz of gold sold, less total cash costs per oz of gold sold.

Reconciliation of Average Realized Gold Price and Total Cash Costs Margin Per Oz of Gold Sold to Revenue

Table 12.

In millions of U.S. dollars, unless otherwise noted		**Three Months Ended**			**Nine Months Ended**	
		Sep 30, 2023	Jun 30, 2023	Sep 30, 2022	**Sep 30, 2023**	Sep 30, 2022
Gold sold	oz	**81,752**	105,749	119,834	**305,956**	351,209
Revenue	$	**160.1**	211.3	209.3	**600.2**	652.0
Less: Silver sales	$	**(1.0)**	(1.3)	(0.6)	**(3.8)**	(2.0)
Less: Copper sales	$	**(1.8)**	(2.1)	(3.2)	**(6.8)**	(11.7)
Add: Realized gain (loss) on gold contracts	$	**1.6**	(0.6)	-	**1.5**	-
Total proceeds	$	**158.9**	207.3	205.5	**591.1**	638.3
Total average realized gold price	$/oz	**1,944**	1,960	1,715	**1,932**	1,817
Less: Total cash costs	$/oz	**1,086**	848	760	**858**	736
Total cash costs margin	$/oz	**858**	1,112	955	**1,074**	1,081
Total cash costs margin	%	**44**	57	56	**56**	59

All-in Sustaining Costs Margin and All-in Sustaining Costs Margin Per Oz of Gold Sold

AISC margin and AISC margin per oz of gold sold are non-GAAP financial measures that do not have a standardized meaning under IFRS and as such, they may not be comparable to similar financial measures disclosed by other issuers. Management and certain investors use these measures to evaluate the Company's performance and ability to generate operating income to fund its capital investment and service its debt. AISC margin is calculated as revenue per the Condensed Consolidated Interim Statements of Operations and Comprehensive Income, less silver sales, copper sales, realized gains (losses) on gold contracts where applicable, and AISC. All-in sustaining costs margin per oz of gold sold reflects the average realized gold price per oz of gold sold less all-in sustaining costs per oz of gold sold.

Reconciliation of All-in Sustaining Costs Margin to Revenue

Table 13.

		Three Months Ended			Nine Months Ended	
In millions of U.S. dollars, unless otherwise noted		**Sep 30, 2023**	Jun 30, 2023	Sep 30, 2022	**Sep 30, 2023**	Sep 30, 2022
Gold sold	oz	**81,752**	105,749	119,834	**305,956**	351,209
Revenue	$	**160.1**	211.3	209.3	**600.2**	652.0
Less: Silver sales	$	**(1.0)**	(1.3)	(0.6)	**(3.8)**	(2.0)
Less: Copper sales	$	**(1.8)**	(2.1)	(3.2)	**(6.8)**	(11.7)
Add: Realized gain (loss) on gold contracts	$	**1.6**	(0.6)	-	**1.5**	-
Less: All-in sustaining costs	$	**(118.5)**	(138.3)	(126.9)	**(384.6)**	(351.0)
All-in sustaining costs margin	$	**40.4**	69.0	78.6	**206.5**	287.3
Total all-in sustaining costs margin	$/oz	**494**	652	656	**675**	818
Total all-in sustaining costs margin	%	**25**	33	38	**34**	44

Adjusted Net Earnings and Adjusted Net Earnings Per Share

Adjusted net earnings and adjusted net earnings per share (basic and diluted) are non-GAAP financial measures that do not have a standardized meaning under IFRS and as such, they may not be comparable to similar financial measures disclosed by other issuers. Management and certain investors use these metrics to measure the underlying operating performance of the Company. Presenting these measures from period to period helps management and investors evaluate earnings trends more readily in comparison with results from prior periods.

Adjusted net earnings is defined as net income (loss) adjusted to exclude specific items that are significant but not reflective of the underlying operating performance of the Company, such as: the impact of unrealized foreign exchange (gains) losses, unrealized (gains) losses on derivative contracts, impairment losses, remeasurement of share-based payments, derecognition of provisions for uncertain tax positions and the tax effect of currency translation on tax base, net of the tax effect of these adjustments. Adjusted net earnings per share amounts are calculated using the weighted average number of shares outstanding on a basic and diluted basis as determined under IFRS.

Reconciliation of Adjusted Net Earnings to Net Income

Table 14.

In millions of U.S. dollars, unless otherwise noted		Three Months Ended			Nine Months Ended	
		Sep 30, 2023	Jun 30, 2023	Sep 30, 2022	**Sep 30, 2023**	Sep 30, 2022
Basic weighted average shares outstanding	shares	**85,885,453**	85,884,895	85,843,808	**85,879,934**	85,827,656
Diluted weighted average shares outstanding	shares	**86,401,220**	86,565,950	86,039,606	**86,409,988**	86,059,576
Net income	$	**10.5**	75.3	43.9	**154.0**	154.2
Adjustments:						
Unrealized foreign exchange loss (gain)	$	**1.4**	(2.5)	0.3	**(1.6)**	(0.3)
Unrealized gain on derivative contracts	$	**(16.5)**	(15.3)	(20.0)	**(4.7)**	(28.8)
Remeasurement of share-based payments	$	**(3.1)**	(1.8)	(0.3)	**(1.3)**	(2.1)
Derecognition of provisions for uncertain tax positions	$	**-**	-	-	**(15.2)**	-
Tax effect of above adjustments	$	**5.2**	5.9	6.0	**2.1**	9.4
Tax effect of currency translation on tax base	$	**13.6**	(23.7)	4.7	**(34.0)**	(3.6)
Adjusted net earnings	$	**11.1**	37.9	34.6	**99.3**	128.8
Per share - Basic	$/share	**0.13**	0.44	0.40	**1.16**	1.50
Per share - Diluted	$/share	**0.13**	0.44	0.40	**1.15**	1.50

Earnings before Interest, Taxes, Depreciation and Amortization (“EBITDA”) and Adjusted EBITDA

EBITDA and Adjusted EBITDA are non-GAAP financial measures that do not have a standardized meaning under IFRS and as such, they may not be comparable to similar financial measures disclosed by other issuers. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use these measures to evaluate the operating performance of the Company. Presenting these measures from period to period helps identify and evaluate earnings trends more readily in comparison with results from prior periods. EBITDA is defined as net income (loss) adjusted to exclude depreciation and amortization, net finance (income) costs and income tax expense (recovery). Adjusted EBITDA is defined as EBITDA adjusted to exclude specific items that are significant but not reflective of the underlying operating performance of the Company, such as the impact of unrealized foreign exchange (gains) losses, unrealized (gains) losses on derivative contracts, remeasurement of share-based payments, and certain impairment losses (if applicable).

Reconciliation of EBITDA and Adjusted EBITDA to Net Income

Table 15.

		Three Months Ended			Nine Months Ended	
In millions of U.S. dollars		**Sep 30, 2023**	Jun 30, 2023	Sep 30, 2022	**Sep 30, 2023**	Sep 30, 2022
Net income	$	**10.5**	75.3	43.9	**154.0**	154.2
Finance income, net	$	**(2.0)**	(3.2)	(0.8)	**(8.2)**	(0.7)
Depreciation and amortization[1]	$	**41.5**	45.0	51.4	**135.6**	145.9
Current income tax expense	$	**12.1**	18.6	32.3	**47.5**	93.9
Deferred income tax expense (recovery)	$	**17.3**	(10.4)	1.0	**(21.7)**	(6.5)
EBITDA	$	**79.4**	125.3	127.8	**307.2**	386.8
Adjustments:						
Unrealized gain on derivative contracts	$	**(16.5)**	(15.3)	(20.0)	**(4.7)**	(28.8)
Unrealized foreign exchange loss (gain)	$	**1.4**	(2.5)	0.3	**(1.6)**	(0.3)
Remeasurement of share-based payments	$	**(3.1)**	(1.8)	(0.3)	**(1.3)**	(2.1)
Adjusted EBITDA	$	**61.2**	105.7	107.8	**299.6**	355.6

1. Includes depreciation and amortization included in cost of sales, general and administrative expenses and exploration and evaluation expenses.

Free Cash Flow

Free cash flow is a non-GAAP financial measure with no standardized meaning under IFRS and as such, it may not be comparable to similar financial measures disclosed by other issuers. The Company defines free cash flow as net cash generated from operating activities less cash outlays for capital expenditures, lease payments and interest, including borrowing costs capitalized to property, plant and equipment. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's operating performance and its ability to fund operating and capital expenditures without reliance on additional borrowing.

In the first quarter of 2023, the Company revised the calculation of free cash flow to include lease payments, which were previously excluded. The prior periods have been recast to conform with this change. The Company believes that this disclosure more consistently treats all capital expenditure, irrespective of whether it was financed, leased or paid for in cash. As a result, free cash flow reflects total cash outflows related to both capital expenditures and leases.

Table 16.

		Three Months Ended			Nine Months Ended	
In millions of U.S. dollars		**Sep 30, 2023**	Jun 30, 2023	Sep 30, 2022	**Sep 30, 2023**	Sep 30, 2022
Net cash generated from operating activities	$	**44.2**	89.6	102.4	**180.8**	276.0
Less:						
Additions to property, plant and equipment[1]	$	**(112.4)**	(124.5)	(68.6)	**(336.6)**	(186.4)
Lease payments	$	**(1.0)**	(1.4)	(1.5)	**(3.2)**	(3.0)
Interest paid[2]	$	**(0.5)**	(1.1)	(0.3)	**(2.1)**	(1.2)
Free cash flow	$	**(69.7)**	(37.4)	32.0	**(161.1)**	85.4

1. The amount of cash expended on additions to property, plant and equipment in the period as reported on the Condensed Consolidated Interim Statements of Cash Flows.
2. Including borrowing costs capitalized to property, plant and equipment.

Net Cash

Net cash is a non-GAAP financial measure with no standardized meaning under IFRS and as such, it may not be comparable to similar financial measures disclosed by other issuers. Net cash is defined as total cash and cash equivalents and short-term investments less debt adjusted to exclude unamortized deferred financing charges and lease-related obligations at the end of the period. These measures are used by management, and may be used by certain investors, to measure the Company's debt leverage.

Table 17.

In millions of U.S. dollars		**Sep 30, 2023**	Jun 30, 2023	Dec 31, 2022	Sep 30, 2022
Cash and cash equivalents	$	**209.4**	285.3	376.0	339.2
Less: Lease-related obligations	$	**(21.1)**	(11.5)	(3.9)	(3.1)
Net cash	$	**188.3**	273.8	372.1	336.1

Unit Cost Measures

Unit cost measures are non-GAAP financial measures with no standardized meaning under IFRS and they may not be comparable to similar financial measures disclosed by other issuers. The Company defines unit cost measures as components of production costs calculated on a per unit basis (tonnes mined or tonnes processed). The Company believes that, in addition to conventional measures prepared in accordance with IFRS, such as costs of sales, certain investors use this information to evaluate the Company's operating performance and, in addition to sales, its ability to generate operating income and cash flow from its mining operations. Management uses this metric as an important tool to monitor operating costs.

Table 18.

	Three Months Ended						Nine Months Ended			
In millions of U.S. dollars, unless otherwise noted	**Sep 30, 2023**		Jun 30, 2023		Sep 30, 2022		**Sep 30, 2023**		Sep 30, 2022	
Gold sold (oz)	**81,752**		105,749		119,834		**305,956**		351,209	
Tonnes mined - open pit (kt)	**11,157**		11,768		9,980		**32,279**		28,946	
Tonnes mined - underground (kt)	**214**		174		143		**544**		401	
Tonnes processed (kt)	**1,206**		1,210		1,199		**3,592**		3,457	
Total cash costs:										
Total cash costs ($)	**88.8**		89.7		91.1		**262.5**		258.6	
Total cash costs per oz sold ($)	**1,086**		848		760		**858**		736	
Breakdown of production costs	**$**	**$/t**	**$**	**$/t**	**$**	**$/t**	**$**	**$/t**	**$**	**$/t**
Mining - open pit	**33.4**	**2.99**	32.1	2.73	28.6	2.87	**93.9**	**2.91**	81.8	2.82
Mining - underground	**17.0**	**79.61**	14.3	82.29	13.2	91.89	**43.9**	**80.70**	35.0	87.30
Processing	**39.8**	**32.96**	43.0	35.60	38.2	31.82	**122.5**	**34.10**	113.5	32.82
Site support	**13.9**	**11.51**	14.3	11.84	12.8	10.64	**40.3**	**11.21**	36.1	10.44
Mexican profit sharing (PTU)	**0.8**	**0.66**	5.3	4.38	5.9	4.96	**11.6**	**3.22**	19.8	5.72
Capitalized stripping	**(5.9)**		(21.9)		(16.6)		**(49.0)**		(40.6)	
Inventory movement	**(12.1)**		(0.9)		5.2		**(9.5)**		3.3	
Other	**(0.1)**		0.5		1.4		**1.3**		3.9	
Production costs	**86.8**		86.7		88.7		**255.0**		252.8	

ADDITIONAL IFRS FINANCIAL MEASURES

The Company has included the additional IFRS measures "Earnings from mine operations" and "Net cash generated from operating activities before changes in non-cash operating working capital" in its financial statements.

"Earnings from mine operations" provides useful information to management and investors as an indication of the Company's principal business activities before consideration of how those activities are financed, investments made in respect of sustaining capital expenditures, and costs of corporate general and administrative expenses, exploration and evaluation expenses, other expenses, foreign exchange gains and losses, derivative gains and losses, finance costs and income, and taxation.

"Net cash generated from operating activities before changes in non-cash operating working capital" provides useful information to management and investors as an indication of the cash flows from operations before consideration of the impact of changes in operating working capital in the period.

ECONOMIC TRENDS

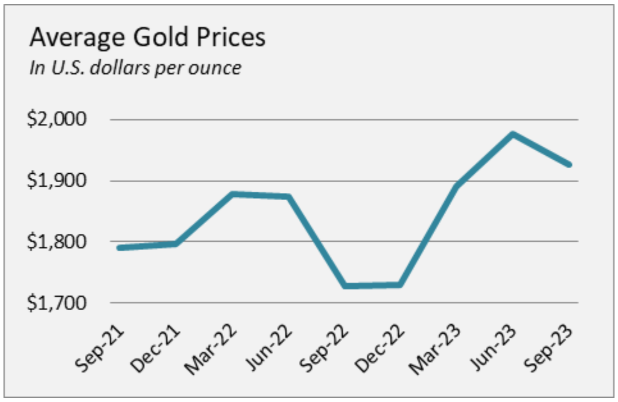
The market price for gold and foreign currency exchange rates are the most significant external factors that affect the Company's financial performance.

Table 19.

		Three Months Ended		Nine Months Ended	
		Sep 30, 2023	Sep 30, 2022	**Sep 30, 2023**	Sep 30, 2022
Average market spot prices[1]					
Gold	$/oz	**1,926**	1,734	**1,931**	1,831
Closing market exchange rates[2]					
Mexican peso : U.S. dollar	Peso : $	**17.6**	20.1	**17.6**	20.1
Canadian dollar : U.S. dollar	C$: $	**1.35**	1.37	**1.35**	1.37
Average market exchange rates[2]					
Mexican peso : U.S. dollar	Peso : $	**17.1**	20.2	**17.8**	20.3
Canadian dollar : U.S. dollar	C$: $	**1.34**	1.31	**1.35**	1.28

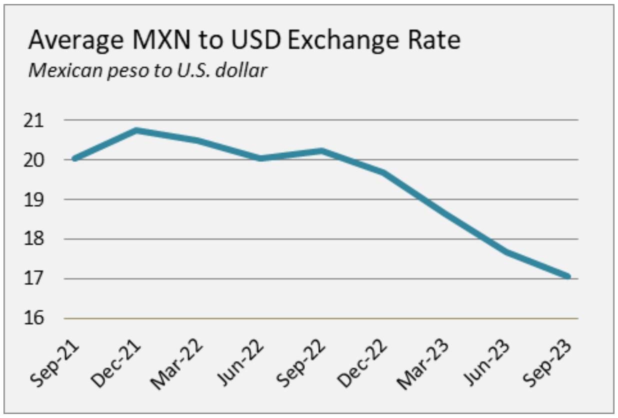
1. Source: Bloomberg
2. Sources: Bank of Mexico, Bank of Canada

Metal prices



The Company's profitability and operating cash flows are significantly impacted by the price of gold. From December 31, 2022 to September 30, 2023 based on closing prices, gold prices increased 1%. From December 31, 2021 to September 30, 2022 based on closing prices, gold prices decreased 8%. The Company has taken initiatives to mitigate price uncertainty during the development of the Media Luna Project. As at September 30, 2023, the remaining gold forward contracts have a weighted average price of $1,956 per ounce to sell 184,500 ounces of gold between October 2023 and December 2024. For details of the remaining gold forward contracts, refer to Table 21.

Foreign exchange rates



The functional currency of the Company and its subsidiaries is the U.S. dollar, and it is, therefore, exposed to financial risk related to foreign exchange rates. Changes in exchange rates are expected to have an impact on the Company's results. In particular, approximately 55% of the Company's payments for the nine months ended September 30, 2023 were incurred in Mexican pesos. In addition, the Company is exposed to foreign exchange risk on its non-U.S. dollar denominated monetary assets and liabilities. The average exchange rates of the Mexican peso relative to the U.S. dollar were 17.1 and 20.2 pesos to $1 during the three months ended September 30, 2023 and 2022, respectively, representing a 15.7% appreciation in the Mexican peso. The Company has taken initiatives to mitigate price uncertainty during the development of the Media Luna Project. As at September 30, 2023, the remaining MXN/USD foreign exchange collar contracts have a weighted average put strike (floor) rate of 17.07:1 and a weighted average call strike (ceiling) rate of 20.00:1 to settle a notional value of $62.1 between October 2023 and December 2024. For details of the remaining foreign exchange collar contracts, refer to Table 22. The annual impact on operating costs of a change by 1 Mexican peso relative to the U.S. dollar is expected to be approximately $10 million. In addition, approximately 40% to 50% of the remaining Media Luna Project capital expenditures are expected to be denominated in Mexican pesos.

SUMMARY OF QUARTERLY RESULTS

Quarterly Results for the Eight Most Recently Completed Quarters

Table 20.

		2023			2022				2021
In millions of U.S. dollars, unless otherwise noted		**Sep 30**	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
Financial Results									
Revenue	$	**160.1**	211.3	228.8	216.5	209.3	235.0	207.7	202.0
Net income (loss)	$	**10.5**	75.3	68.2	34.6	43.9	70.3	40.0	(0.5)
Per share - Basic	$/share	**0.12**	0.88	0.79	0.40	0.51	0.82	0.47	(0.01)
Per share - Diluted	$/share	**0.09**	0.85	0.79	0.40	0.51	0.80	0.46	(0.01)

For each of the eight most recently completed quarters, the financial data was prepared in accordance with IFRS. The presentation and functional currency are in U.S. dollars. The quarterly results are unaudited. Sum of all the quarters may not add up to annual or year to date totals due to rounding.

Net income (loss) has fluctuated based on, among other factors, the quantity and grade of ore mined and processed, gold prices, foreign exchange rates, current and deferred income tax recoveries and expenses, cost of reagents consumed, interest income, and impairment losses particularly in the fourth quarter of 2021. Gold prices affect the Company's realized sales prices of its gold production, and gains and losses on the gold forward contracts entered into. Fluctuations in the value of the Mexican peso and Canadian dollar relative to the U.S. dollar affect the Company's operating and corporate expenses, foreign currency derivative gains and losses, income taxes, and the value of non-U.S. dollar denominated monetary assets and liabilities such as cash, amounts receivable, accounts payable and debt. Changes in the value of the Mexican peso also impact the tax basis of non-monetary assets and liabilities considered in the Company's deferred tax assets and liabilities.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Refer to Notes 3 and 4 in the Company's audited consolidated financial statements for the years ended December 31, 2022 and 2021.

RECENT ACCOUNTING PRONOUNCEMENTS

Refer to Note 3 in the Company's audited consolidated financial statements for the years ended December 31, 2022 and 2021.

FINANCIAL RISK MANAGEMENT

The Company examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include liquidity risk, foreign currency risk, commodity price risk and interest rate risk, and are detailed in Note 17 of the Company's audited consolidated financial statements for the years ended December 31, 2022 and 2021.

Commodity Price Risk

The Company has taken initiatives to mitigate price uncertainty during the development of the Media Luna Project.

In the first quarter of 2022, the Company executed monthly forward price contracts on future gold production to sell 138,000 ounces of gold (approximately 25% of production) between October 2022 and December 2023 at a weighted average price of $1,921 per oz.

In the fourth quarter of 2022, the Company executed additional monthly forward price contracts on future gold production. Under the contracts, the Company will sell 60,000 ounces of gold between January 2024 and December 2024 at a weighted average price of $1,916 per oz.

In January 2023, the Company executed additional monthly forward price contracts on future gold production. Under the contracts, the Company will sell 48,000 ounces of gold between January 2024 and December 2024 at prices ranging from $1,960 per oz to $1,974 per oz (or at a weighted average price of $1,967 per oz).

In March 2023, the Company executed additional monthly forward price contracts on future gold production. Under the contracts, the Company will sell 66,000 ounces of gold between July 2023 and June 2024 at prices ranging from $2,009 per oz to $2,012 per oz (or at a weighted average price of $2,010 per oz).

Table 21.

Settlement Date (Quarter)	Weighted Average Price ($/oz)	Quantity (Oz)
Q4 2023	1,957	43,500
Q1 2024	1,966	43,500
Q2 2024	1,966	43,500
Q3 2024	1,939	27,000
Q4 2024	1,939	27,000
Total	1,956	184,500

Foreign Currency Risk

In September 2023, the Company entered into a series of zero-cost collars whereby it sold a series of call option contracts and purchased a series of put option contracts for $nil cash premium to hedge against changes in foreign exchange rates of the Mexican peso between September 2023 and December 2024 for a total notional value of

$65.9 million, with a weighted average put strike (floor) rate of 17.07:1 and a weighted average call strike (ceiling) rate of 20.00:1.

In October 2023, the Company entered into an additional series of zero-cost collars whereby it sold a series of call option contracts and purchased a series of put option contracts for $nil cash premium to hedge against changes in foreign exchange rates of the Mexican peso between October 2023 and December 2024 for a total notional value of $41.4 million, with a weighted average put strike (floor) rate of 17.84:1 and a weighted average call strike (ceiling) rate of 20.00:1.

Table 22.

Settlement Date (Quarter)	Weighted Average Put Strike (Floor) rate (MXN/USD)	Weighted Average Call Strike (Ceiling) rate (MXN/USD)	Weighted Average Collar Amount (USD)
Q4 2023	17.38	20.00	30,500,000
Q1 2024	17.38	20.00	29,500,000
Q2 2024	17.38	20.00	24,500,000
Q3 2024	17.38	20.00	11,500,000
Q4 2024	17.38	20.00	7,500,000
Total	17.38	20.00	103,500,000

RISKS AND UNCERTAINTIES

The Company is subject to various operational, financial, compliance and other risks, uncertainties, contingencies and other factors which could materially adversely affect the Company's future business, operations, and financial condition and could cause such future business, operations and financial condition to differ materially from the forward-looking statements and information contained in this MD&A and as described under the heading "Cautionary Notes".

Management monitors the principal risks and uncertainties to the Company's business, financial condition, and results of operations for new or elevated risks and supplements, when necessary, its disclosure under "Financial Risk Management" and below. Readers are cautioned that no enterprise risk management framework or system can ensure that all risks to the Company, at any point in time, are accurately identified, assessed, managed or effectively controlled and mitigated.

The nature of the Company's activities and the locations in which it operates mean that the Company's business generally is exposed to significant risk factors, known and unknown, many of which are beyond its control.

Mining Law Reforms

On June 7, 2023, minority members of the Chamber of Deputies (one of the two Chambers of the Mexican Congress) filed an unconstitutionality action against the Mining Law Reforms; however, it is uncertain when the outcome of such action will be known or if it will be successful. While it is expected that the Company's existing mining concessions and other permits will not be materially impacted by the Mining Law Reforms based on an initial analysis, the process to the enactment of the legislation came very quickly. Given that the legislation contains substantial reforms, and associated regulations have not yet been enacted to give effect to the more general provisions of the legislation for the purpose of interpretation and clarification on operating parameters, it is too early to know how the Mining Law Reforms will be interpreted and applied. As such, the legislation and its implementation has not yet been advanced to the level of clarity required for the Company to analyze all potential business impacts. Given these uncertainties, Torex has filed an amparo lawsuit with a view to taking all possible precautions to protect the interests of our shareholders by maintaining our ability to operate uninterrupted while providing significant employment in the region and making meaningful community investments. While this precautionary measure has been taken, the Company will continue to work cooperatively with the Mexican government towards the constructive advancement of the Mining Law Reforms that will ultimately set the stage for responsible mining in Mexico for decades to come. Until such time as a full analysis of the legislation and the pending regulations is complete or the outcome of the unconstitutionality action or the amparo lawsuit is known, there can be no assurance that the Mining Law Reforms will not have a material impact on the Company's operations and plans.

For a comprehensive discussion of risks faced by the Company, which may cause the actual financial results, performance or achievements of the Company to be materially different from the Company's estimated future results, performance or achievements expressed or implied by forward-looking information or forward-looking statements, please refer to the Company's latest Annual Information Form ("AIF"), available under the Company's profile on SEDAR at www.sedar.com and on the Company's website.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The President and Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control framework was designed based on the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

There was no change in the Company's internal control over financial reporting that occurred during the third quarter of 2023 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure. The Company's President and Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design of the disclosure controls and procedures, that as at September 30, 2023, the Company's disclosure controls and procedures have been designed effectively to provide reasonable assurance that material information is made known to them by others within the Company.

Limitations of Controls and Procedures

The Company's management, including the President and Chief Executive Officer and Chief Financial Officer, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

QUALIFIED PERSONS

The scientific and technical information contained in this MD&A pertaining to Mineral Reserves has been reviewed and approved by Johannes (Gertjan) Bekkers, P.Eng., Vice President, Mine Technical Services of Torex Gold Resources Inc. and a Qualified Person under NI 43-101.

The scientific and technical information contained in this MD&A pertaining to Mineral Resources, drilling results and exploration results have been reviewed and approved by Carolina Milla, P.Eng., Principal, Mineral Resources of Torex Gold Resources Inc. and a Qualified Person under NI 43-101.

All other scientific and technical information contained in this MD&A has been reviewed and approved by Dave Stefanuto, P. Eng., Executive Vice President, Technical Services and Capital Projects of Torex Gold Resources Inc. and a Qualified Person under NI 43-101.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company's most recent annual information form, is available under the Company's profile on SEDAR at www.sedar.com, and is available upon request from the Company.

Mineral Reserve Estimate – Morelos Complex (December 31, 2022)

Table 23.

	Tonnes (kt)	Au (gpt)	Ag (gpt)	Cu (%)	Au (koz)	Ag (koz)	Cu (Mlb)	AuEq (gpt)	AuEq (koz)
Media Luna Underground									
Proven	-	-	-	-	-	-	-	-	-
Probable	23,017	2.81	25.6	0.88	2,077	18,944	444	4.54	3,360
Proven & Probable	**23,017**	**2.81**	**25.6**	**0.88**	**2,077**	**18,944**	**444**	**4.54**	**3,360**
ELG Open Pit									
Proven	2,821	4.65	5.5	0.15	421	495	9	4.73	429
Probable	5,582	2.46	3.9	0.15	442	699	18	2.54	456
Proven & Probable	**8,403**	**3.20**	**4.4**	**0.15**	**863**	**1,195**	**27**	**3.27**	**885**
ELG Underground									
Proven	829	6.22	7.7	0.28	166	204	5	6.60	176
Probable	1,734	5.64	7.1	0.24	314	393	9	5.96	332
Proven & Probable	**2,563**	**5.83**	**7.3**	**0.25**	**480**	**598**	**14**	**6.17**	**508**
Surface Stockpiles									
Proven	4,655	1.26	3.1	0.07	188	470	7	1.30	195
Probable	-	-	-	-	-	-	-	-	-
Proven & Probable	**4,655**	**1.26**	**3.1**	**0.07**	**188**	**470**	**7**	**1.30**	**195**
Total Morelos Complex									
Proven	8,306	2.90	4.4	0.12	776	1,170	22	2.99	800
Probable	30,332	2.91	20.5	0.70	2,833	20,037	471	4.25	4,148
Proven & Probable	**38,638**	**2.91**	**17.1**	**0.58**	**3,609**	**21,206**	**493**	**3.98**	**4,947**

Notes to accompany Mineral Reserve table:

1. Mineral Reserves were developed in accordance with CIM (2014) guidelines.
2. Rounding may result in apparent summation differences between tonnes, grade, and contained metal content. Surface Stockpile Mineral Reserves are estimated using production and survey data and apply the same gold equivalent ("AuEq") formula as ELG Open Pits.
3. AuEq of Total Reserves is established from combined contributions of the various deposits.
4. The qualified person for the Mineral Reserve estimate is Johannes (Gertjan) Bekkers, P. Eng., VP of Mines Technical Services.
5. The qualified person is not aware of mining, metallurgical, infrastructure, permitting, or other factors that materially affect the Mineral Reserve estimates.

Notes to accompany the Media Luna Underground Mineral Reserves:

6. Mineral Reserves are based on Media Luna Indicated Mineral Resources with an effective date of October 31, 2021.
7. Media Luna Underground Mineral Reserves are reported above a diluted ore cut-off grade of 2.2 g/t AuEq.
8. Media Luna Underground cut-off grades and mining shapes are considered appropriate for a metal price of $1,400/oz gold ("Au"), $17/oz silver ("Ag") and $3.25/lb copper ("Cu") and metal recoveries of 85% Au, 79% Ag, and 91% Cu.
9. Mineral Reserves within designed mine shapes assume long-hole open stoping, supplemented with mechanized cut-and-fill mining and includes estimates for dilution and mining losses.
10. Media Luna Underground AuEq = Au (g/t) + Ag (g/t) * (0.0112) + Cu (%) * (1.6946), accounting for metal prices and metallurgical recoveries.

Notes to accompany the ELG Open Pit Mineral Reserves:

11. Mineral Reserves are founded on Measured and Indicated Mineral Resources, with an effective date of December 31, 2022, for ELG Open Pits (including El Limón, El Limón Sur and Guajes deposits).
12. ELG Open Pit Mineral Reserves are reported above an in-situ cut-off grade of 1.2 g/t Au.
13. ELG Low Grade Mineral Reserves are reported above an in-situ cut-off grade of 0.88 g/t Au.
14. It is planned that ELG Low Grade Mineral Reserves within the designed pits will be stockpiled during pit operation and processed during pit closure.
15. Mineral Reserves within the designed pits include assumed estimates for dilution and ore losses.
16. Cut-off grades and designed pits are considered appropriate for a metal price of $1,400/oz Au and metal recovery of 89% Au.
17. Mineral Reserves are reported using a Au price of US$1,400/oz, Ag price of US$17/oz, and Cu price of US$3.25/lb.
18. Average metallurgical recoveries of 89% for Au, 30% for Ag, and 23% for Cu.
19. ELG Open Pit (including surface stockpiles) AuEq = Au (g/t) + Ag (g/t) * (0.0041) + Cu (%) * (0.4114), accounting for metal prices and metallurgical recoveries.

Notes to accompany ELG Underground Mineral Reserves:

20. Mineral Reserves are founded on Measured and Indicated Mineral Resources, with an effective date of December 31, 2022, for ELG Underground (including Sub-Sill, El Limón Deep, Sub-Sill South and El Limón Sur Deep deposits).
21. Mineral Reserves were developed in accordance with CIM guidelines.
22. El Limón Underground Mineral Reserves are reported above an in-situ ore cut-off grade of 3.2 g/t AuEq and an in-situ incremental cut-off grade of 1.05 g/t Au.
23. Cut-off grades and mining shapes are considered appropriate for a metal price of $1,400/oz Au and metal recovery of 90% Au.

24. Mineral Reserves within designed mine shapes assume mechanized cut and fill mining method and include estimates for dilution and mining losses.
25. Mineral Reserves are reported using a Au price of US$1,400/oz, Ag price of US$17/oz, and Cu price of US$3.25/lb.
26. Average metallurgical recoveries of 90% for Au, 62% for Ag, and 63% for Cu, accounting for the planned copper concentrator.
27. ELG Underground AuEq = Au (g/t) + Ag (g/t) * (0.0083) + Cu (%) * (1.1202), accounting for metal prices and metallurgical recoveries.

Mineral Resource Estimate – Morelos Complex (December 31, 2022)

Table 24.

	Tonnes (kt)	Au (gpt)	Ag (gpt)	Cu (%)	Au (koz)	Ag (koz)	Cu (Mlb)	AuEq (gpt)	AuEq (koz)
Media Luna Underground									
Measured	1,823	5.29	42.0	1.38	310	2,460	55	8.06	473
Indicated	25,567	3.02	30.1	1.05	2,486	24,708	589	5.11	4,196
Measured & Indicated	**27,390**	**3.17**	**30.9**	**1.07**	**2,796**	**27,168**	**645**	**5.30**	**4,669**
Inferred	7,322	2.54	23.0	0.88	598	5,422	143	4.27	1,006
ELG Open Pit									
Measured	3,161	4.67	5.7	0.16	475	576	11	4.76	484
Indicated	8,143	2.35	4.1	0.15	615	1,073	26	2.42	635
Measured & Indicated	**11,304**	**3.00**	**4.5**	**0.15**	**1,090**	**1,650**	**37**	**3.08**	**1,119**
Inferred	1,385	1.92	2.2	0.06	85	100	2	1.95	87
ELG Underground									
Measured	1,741	5.94	8.0	0.34	332	450	13	6.58	369
Indicated	3,274	5.54	8.1	0.28	583	854	20	6.08	640
Measured & Indicated	**5,016**	**5.68**	**8.1**	**0.30**	**916**	**1,304**	**33**	**6.26**	**1,009**
Inferred	1,480	5.45	10.2	0.30	259	485	10	6.05	288
EPO Underground									
Measured	-	-	-	-	-	-	-	-	-
Indicated	4,050	2.37	34.8	1.48	308	4,528	132	5.16	671
Measured & Indicated	**4,050**	**2.37**	**34.8**	**1.48**	**308**	**4,528**	**132**	**5.16**	**671**
Inferred	5,634	1.79	31.3	1.17	324	5,668	145	4.04	732
Total Morelos Complex									
Measured	6,725	5.17	16.1	0.54	1,117	3,486	80	6.13	1,325
Indicated	41,035	3.03	23.6	0.85	3,992	31,164	767	4.66	6,143
Measured & Indicated	**47,760**	**3.33**	**22.6**	**0.80**	**5,110**	**34,650**	**847**	**4.86**	**7,468**
Inferred	15,821	2.49	23.0	0.86	1,267	11,675	299	4.15	2,112

Notes to accompany the Mineral Resource Table:
1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are depleted above a mining surface or to the as-mined solids as of December 31, 2022.
3. Mineral Resources are reported using a gold (“Au”) price of US$1,550/oz, silver (“Ag”) price of US$20/oz, and copper (“Cu”) price of US$3.50/lb.
4. Gold equivalent (“AuEq”) of Total Mineral Resources is established from combined contributions of the various deposits.
5. Mineral Resources are inclusive of Mineral Reserves.
6. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
7. Numbers may not add due to rounding.
8. The estimate was prepared by Ms. Carolina Milla, P.Eng. (Alberta), Principal, Mineral Resources

Notes to accompany Media Luna Underground Mineral Resources:
9. The effective date of the estimate is December 31, 2022.
10. Mineral Resources are reported above a 2.0 g/t AuEq cut-off grade.
11. Metallurgical recoveries at Media Luna average 85% for Au, 79% for Ag, and 91% for Cu.
12. Media Luna Underground AuEq = Au (g/t) + (Ag (g/t) * 0.0119) + (Cu (%) * 1.6483). AuEq calculations consider both metal prices and metallurgical recoveries.
13. The assumed mining method is from underground methods, using a combination of long hole stoping and cut and fill.

Notes to accompany the ELG Open Pit Mineral Resources:
14. The effective date of the estimate is December 31, 2022.
15. Average metallurgical recoveries are 89% for Au, 30% for Ag and 23% for Cu.
16. ELG Open Pit AuEq = Au (g/t) + (Ag (g/t) * 0.0043) + (Cu (%) * 0.4001). AuEq calculations consider both metal prices and metallurgical recoveries.
17. Mineral Resources are reported above an in-situ cut-off grade of 0.78 g/t Au.
18. Mineral Resources are reported inside an optimized pit shell. Underground Mineral Reserves at El Limón Deep within the El Limón shell have been excluded from the open pit Mineral Resources.

Notes to accompany ELG Underground Mineral Resources:
19. The effective date of the estimate is December 31, 2022.
20. Average metallurgical recoveries are 90% for Au, 86% for Ag and 93% for Cu, accounting for the planned copper concentrator.
21. ELG Underground AuEq = Au (g/t) + (Ag (g/t) * 0.0123) + (Cu (%) * 1.600). AuEq calculations consider both metal prices and metallurgical recoveries.
22. Mineral Resources are reported above a cut-off grade of 3.0 g/t AuEq.
23. The assumed mining method is underground cut and fill.

Notes to accompany EPO Underground Mineral Resources:

24. The effective date of the estimate is December 31, 2022.
25. Mineral Resources are reported above a 2.0 g/t AuEq cut-off grade.
26. Metallurgical recoveries at EPO average 85% for Au, 75% for Ag, and 89% for Cu.
27. EPO Underground AuEq = Au (g/t) + Ag (g/t) * (0.0114) + Cu % * (1.6212). AuEq calculations consider both metal prices and metallurgical recoveries.
28. The assumed mining method is from underground methods using a long hole stoping.

CAUTIONARY NOTES

Forward-Looking Statements

This MD&A 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, information with respect to the future mining, development and exploration plans concerning the Morelos Property; the adequacy of the Company’s financial resources; the Company’s key strategic objectives 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; plans to realize the full potential of the Morelos Property and opportunities to acquire assets that enable diversification and deliver value to shareholders; the Company’s 2023 objectives as described in the MD&A; and the summary of the Media Luna Project schedule. Forward-looking information also includes, but is not limited to, the following forward-looking statements: the Company remains on track to meet annual production guidance of 440,000 to 470,000 ounces; with $242.3 million invested year-to-date and the level of spending expected to increase further in the fourth quarter of 2023, the full year Media Luna Project expenditure guidance has been lowered to $360 to $390 million reflecting the redistribution in timing of expenditures; quarterly expenditures are expected to remain elevated through the third quarter of 2024 before declining with the commissioning of the upgraded processing plant; results from the 2023 program will be incorporated into the year-end Mineral Resource update and will form the basis of an internal study evaluating the feasibility of developing an economic mining front at EPO, while using the infrastructure that is currently being developed for Media Luna, including the Guajes Tunnel; overall, the positive results from the 2023 drilling program at EPO support ongoing resource expansion and reserve growth, which in turn supports the Company's strategic focus on filling the mill with higher-grade feed beyond 2027; full year production guidance of 440,000 to 470,000 oz is maintained with the fourth quarter of 2023 expected to be the strongest quarter of the year driven by higher grades from the El Limón open pit and continued strong performance from the ELG Underground; the Company is well on track to achieve annual production guidance; plant construction is scheduled to commence in November 2023 once all equipment is delivered, with commissioning now scheduled for Q1 2024 pending receipt of an operating permit from SEMARNAT, which is currently under review; it is anticipated that the new solar plant will reduce Scope 2 GHG emissions by up to 8.6% and overall emissions by up to 3.9% from 2021 baseline; breakthrough of the Guajes Tunnel is now expected by year-end, three months ahead of schedule; significant progress was also made on engineering, which is expected to drive increased procurement activity through year-end; the pace of construction is set to pick up in Q4 as concrete works ramp up, larger equipment deliveries to the south side commence with the completion of the Mazapa bypass road, and steel erection at the flotation plant begins before year-end; quarterly expenditures are expected to remain elevated through Q3 2024 before declining with the commissioning of the upgraded processing plant; based on the current schedule, the tie-in of upgrades to the processing plant are still on track to occur over a four-week period during the fourth quarter of 2024, which will allow for commissioning and first concentrate production in late 2024 and commercial production in early 2025; steel fabrication packages have been released for both the water treatment and flotation plant areas in anticipation of beginning to erect steel for the flotation plant by year-end; delivery of the first electric jumbo is scheduled for December, with the remainder of the battery electric/diesel fleet expected to be delivered steadily over the next two years; breakthrough of the Guajes Tunnel on the south side of the Balsas River is expected in late December, well ahead of the March 2024 breakthrough date assumed in the Technical Report; concrete foundation installation for the backup generator area began and will be completed in Q4 2023, allowing work to start on the paste plant foundations; schedule gains have been made since the last update as we are now forecasting the Guajes Tunnel breakthrough in late December; the ELG infill drilling is targeting to upgrade Inferred Resources to the Measured and Indicated Resource categories at open pit and underground deposits and step-out drilling is targeting to expand known mineralization and/or upgrade mineralized material to new Mineral Resources in lateral and vertical extensions, as well as expanding underground resource in other zones; the potential for a new mining front within ELG Underground close to the existing infrastructure; the outstanding underground mineral potential of the El Limón Sur Trend; exploration potential to the south and up to the Todos Santos target towards the north; results from the 2023 program continue to highlight the potential to upgrade Inferred Resources to the Indicated category and expand Inferred Resources through step-out drilling to the north and south of the deposit; and a substantial percentage of the Inferred Resources in the south will be upgraded to Indicated Resources.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans,” “expects,” or “does not expect,” “is expected,” “budget,” “scheduled,” “goal,” “estimates,” “forecasts,” “intends,” “anticipates,” or “does not anticipate,” “believes”, “potential”, “objective”, “target”, “guided”, “trends” or “tends” or variations of such words and phrases or statements that certain actions, events or results “may,” “could,” “would,” “might,” or “will be taken,” “will 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 risks factors included herein and elsewhere in the Company’s public disclosure, including without limitation the Technical Report, the AIF, annual MD&A and the Climate Change Report.

Forward-looking information and statements are based on the assumptions discussed in the Technical Report, AIF and this MD&A, the annual MD&A, the Climate Change Report, and such other 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. The forward-looking information contained herein is presented for the purposes of assisting investors in understanding the Company’s expected financial and operating performance and the Company’s plans and objectives and may not be appropriate for other purposes. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

November 13, 2023