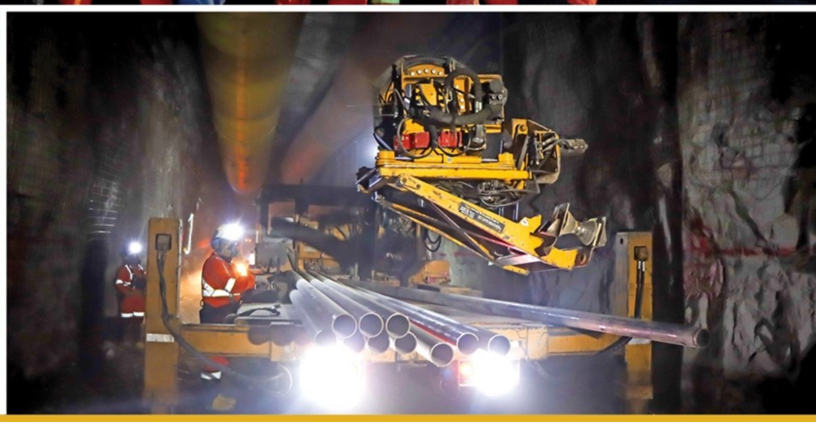
Torex Gold
RESOURCES INC.



MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

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 5, 2024 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, 2024. 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, 2023. 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 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

- **Safety performance:** In August, a fatal injury occurred involving a contractor worker within the Guajes Tunnel while conducting work on the overhead conveyor associated with the Media Luna Project. The Company completed an investigation and is taking actions to prevent a similar incident from ever occurring in the future. There were no other lost-time injuries in the quarter and as at September 30, 2024, the lost-time injury frequency ("LTIF") for the Morelos Complex was 0.28 per million hours worked for both employees and contractors on a rolling 12-month basis.

- **Gold production:** Delivered gold production of 119,412 ounces ("oz") for the quarter (YTD - 348,728 oz), benefiting from the impact of higher average gold grade of ore processed of 3.47 grams per tonne ("gpt") (YTD - 3.32 gpt), with an average gold recovery of 90.7% (YTD - 90.6%), and throughput averaging 12,889 tpd (YTD - 13,073 tpd). On a gold equivalent ounce basis ("oz AuEq"), the Company produced 122,525 oz AuEq[1] for the quarter (YTD - 356,115 oz AuEq[1]). With the plant tie-in as part of the Media Luna Project rescheduled from the fourth quarter of 2024 to the first quarter of 2025, 2024 production guidance has been updated to 450,000 to 470,000 oz (460,000 to 480,000 oz AuEq), from 400,000 to 450,000 oz (410,000 to 460,000 oz AuEq) previously.

- **Gold sold**: Sold 122,130 oz of gold (YTD - 347,285 oz) at a record quarterly average realized gold price[2] of $2,313 per oz (YTD - $2,181 per oz), contributing to record quarterly revenue of $313.7 million (YTD - $820.5 million). On a gold equivalent ounce basis, the Company sold 125,414 oz AuEq[1] for the quarter (YTD - 355,410 oz AuEq[1]). The average realized gold price in the third quarter of 2024 includes a realized loss of $22.8 million or $187 per oz (YTD - $44.2 million or $127 per oz) on gold forward contracts.

- **Total cash costs[2] and all-in sustaining costs[2]:** Total cash costs were $926 per oz sold (YTD - $952 per oz sold) and all-in sustaining costs were $1,101 per oz sold (YTD - $1,179 per oz sold). All-in sustaining costs margin[2] were $1,212 per oz sold (YTD - $1,002 per oz sold), implying an all-in sustaining costs margin[2] of 52% (YTD - 46%). Cost of sales was $170.1 million (YTD - $493.8 million) or $1,393 per oz sold in the quarter (YTD - $1,422 per oz sold). The Company expects to be near the upper end of full year total cash costs guidance of $860 to $910 per oz sold and all-in sustaining costs guidance of $1,100 to $1,160 per oz sold primarily due to higher gold prices given the $281 per oz increase in average realized gold price relative to guidance (assumed a gold price of $1,900 per oz) resulting in increased Mexican profit sharing (year-to-date 2024 impact of $28 per oz) and royalties (year-to-date 2024 impact of $12 per oz), as well as higher consumption of cyanide within the process plant. On a gold equivalent ounce basis, total cash costs were $969 per oz AuEq sold[1] (YTD - $984 per oz AuEq sold[1]) and all-in sustaining costs were $1,139 per oz AuEq sold[1] (YTD - $1,205 per oz AuEq sold[1]) relative to guidance of $900 to $950 per oz AuEq sold[1] and $1,130 to $1,190 per oz AuEq sold[1], respectively.

- **Net income and adjusted net earnings[2]:** Reported net income of $29.2 million or earnings of $0.34 per share on both a basic and diluted basis (YTD - $74.2 million, or $0.86 per share on both a basic and diluted basis). Adjusted net earnings of $65.5 million or $0.76 per share on a basic basis and $0.75 per share on a diluted basis (YTD - $153.8 million, or $1.79 per share on a basic basis and $1.77 per share on a diluted basis). Net income includes a net derivative loss of $16.2 million (YTD - $42.5 million loss) related to gold forward contracts and foreign exchange collars entered into to mitigate downside price risk during the construction of the Media Luna Project. In the third quarter of 2024, the Company entered into an additional series of zero-cost collars to hedge against changes in foreign exchange rates of the Mexican peso between January 2025 and December 2025 for a total notional value of

$72.0 million. Subsequent to September 30, 2024, the Company entered into an additional series of zero-cost collars to hedge against the impact of changes in foreign exchange rates of the Mexican peso on production costs between January 2025 and December 2025 for a total notional value of $12.0 million.

- **EBITDA[2] and adjusted EBITDA[2]:** Generated EBITDA of $155.3 million (YTD - $376.6 million) and adjusted EBITDA of $152.4 million (YTD - $386.8 million).

- **Cash flow generation:** Net cash generated from operating activities totalled $149.5 million (YTD - $326.7 million) and $137.6 million (YTD - $322.6 million) before changes in non-cash operating working capital, including income taxes paid of $17.6 million (YTD - $71.7 million). Negative free cash flow[2] of $0.7 million (YTD - $112.1 million) is net of cash outlays for capital expenditures, lease payments and interest, including borrowing costs capitalized. Negative free cash flow was a direct result of $113.9 million (YTD - $348.5 million) invested in the Media Luna Project.

- **Strong financial liquidity:** As previously announced, in July the Company amended the credit facilities with a syndicate of international banks, replacing the Term Loan Facility (previously $100.0 million available through to the end of 2024), with an increase in the Revolving Credit Facility to $300.0 million (an increase from $200.0 million), with a maturity date in December 2027 (extended from the 2026 maturity), and added a $150.0 million accordion feature which is available at the discretion of the lenders. The quarter closed with $346.6 million in available liquidity[2], including $114.5 million in cash and $232.1 million available on the credit facilities of $300.0 million, net of borrowings of $60.0 million and letters of credit outstanding of $7.9 million.

- **Media Luna Project:** As of September 30, 2024, physical progress on the Project was approximately 87%, with engineering now concluded, procurement down to final deliveries, underground development ahead of schedule, and underground and surface construction advancing. Installation of the Guajes conveyor is almost complete, with commissioning expected imminently. Based on the current schedule related to critical electrical equipment delivery, the tie-in period for the processing plant has been rescheduled to commence in February 2025, with first copper concentrate production in the first quarter of 2025. The updated schedule enables the project team to undertake advance testing on key processing systems outside of the plant tie-in, with a view to potentially reducing the downtime period to less than four weeks. During the quarter, Media Luna Project expenditures totalled $113.9 million (YTD - $348.5 million), with remaining project spend of $110.5 million. For the full year, Media Luna Project spend is expected to be within the guidance range of $430.0 and $450.0 million.

- **EPO Underground Mineral Reserves[3,4]:** In September, the Company reported an updated life-of-mine plan for the Morelos Complex, which incorporates the EPO underground deposit following completion of an internal pre-feasibility study. The EPO deposit hosts a probable reserve of 5,029 thousand tonnes ("kt") at an average AuEq grade of 4.83 grams per tonne ("gpt") for a total of 781 koz AuEq[5]. Mineral reserves include 367 koz Au (2.27 gpt), 4,820 koz Ag (29.8 gpt), and 143 Mlb Cu (1.29%). Mineral reserves for EPO are based on year-end 2023 indicated resources of 1,153 koz AuEq[6] (6,979 kt at 5.14 gpt AuEq).

- **Appointment of New Director:** The Company announced the appointment of Caroline Donally CA(SA) to the Board of Directors effective October 1, 2024. Ms. Donally is an experienced executive and director with a proven track record of value creation in the mining sector. She brings highly specialized commercial and financial skills to the Board, having gained more than 25 years of experience in commerce and finance including areas of private equity, financing, accounting, M&A, tax, and treasury.

- **ESG Performance, Disclosure and Reporting Standards:** The Company received full certification from the International Cyanide Management Institute (ICMI) in October following the completion of an audit for the International Cyanide Management Code (ICMC) during the second quarter of 2024 confirming full compliance. The Company also published its Year 3 Conformance Report outlining compliance with the World Gold Council Responsible Gold Mining Principles (RGMPs).

1 Gold equivalent ounces produced and sold include production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. Refer to "Gold Equivalent Reporting" for the relevant average market prices by commodity and “Guidance” for 2024 guidance assumptions.

2 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.

3 For more information on EPO Underground mineral reserves, see the Company’s news release titled “Torex Gold Integrates EPO Deposit Into Morelos Mine Plan” issued on September 4, 2024, and filed on SEDAR+ at www.sedarplus.ca and on the Company’s website at www.torexgold.com.

4 Mineral reserve and mineral resource estimates for the Morelos Complex can be found in tables 25 and 26, respectively, of this MD&A. AuEq values account for underlying metal prices and metallurgical recoveries used in reserve and resource estimates. For additional information on the mineral reserve and mineral resource estimates for the Morelos Complex, please see the Company’s news release titled "Torex Gold Integrates EPO Deposit Into Morelos Mine Plan” issued on September 4, 2024, and filed on SEDAR+ at www.sedarplus.ca and on the Company’s website at www.torexgold.com.

5 The gold equivalent grade calculation used is as follows: AuEq (gpt) = Au (gpt) + Ag (gpt) * (0.0124) + Cu (%) * (1.6920) and uses the metal prices ($1,500/oz gold (“Au”), $19/oz silver (“Ag”) and $3.50/lb copper ("Cu")) and the metallurgical recoveries (87% Au, 85% Ag, and 92% Cu) as reported for EPO Underground mineral reserves effective June 30, 2024.

6 The gold equivalent grade calculation used is as follows: AuEq (gpt) = Au (gpt) + (Ag (gpt) * 0.0130) + (Cu (%) * 1.6480) and uses the same metal prices ($1,650/oz gold (“Au”), $22/oz silver (“Ag”) and $3.75/lb copper ("Cu")) and the metallurgical recoveries (87% Au, 85% Ag, and 92% Cu) as reported for EPO Underground mineral resources effective December 31, 2023.

OPERATING AND FINANCIAL HIGHLIGHTS

Table 1.

In millions of U.S. dollars, unless otherwise noted		Three Months Ended			Nine Months Ended	
		Sep 30, 2024	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Safety						
Lost-time injury frequency[1]	/million hours	**0.28**	0.22	0.47	**0.28**	0.47
Total recordable injury frequency[1]	/million hours	**1.46**	1.44	1.24	**1.46**	1.24
Operating Results - Gold only basis						
Gold produced	oz	**119,412**	113,822	85,360	**348,728**	315,785
Gold sold	oz	**122,130**	113,513	81,752	**347,285**	305,956
Total cash costs[2]	$/oz	**926**	1,014	1,086	**952**	858
All-in sustaining costs[2]	$/oz	**1,101**	1,239	1,450	**1,179**	1,257
Average realized gold price[2]	$/oz	**2,313**	2,193	1,944	**2,181**	1,932
Operating Results - Gold Equivalent basis						
Gold equivalent produced[3]	oz AuEq	**122,525**	116,350	86,318	**356,115**	319,987
Gold equivalent sold[3]	oz AuEq	**125,414**	115,890	83,297	**355,410**	311,393
Total cash costs[2,3]	$/oz AuEq	**969**	1,040	1,100	**984**	877
All-in sustaining costs[2,3]	$/oz AuEq	**1,139**	1,260	1,456	**1,205**	1,269
Financial Results						
Revenue	$	**313.7**	270.3	160.1	**820.5**	600.2
Cost of sales	$	**170.1**	166.3	133.0	**493.8**	408.5
Earnings from mine operations	$	**143.6**	104.0	27.1	**326.7**	191.7
Net income	$	**29.2**	1.9	10.5	**74.2**	154.0
Per share – Basic	$/share	**0.34**	0.02	0.12	**0.86**	1.79
Per share – Diluted	$/share	**0.34**	0.02	0.09	**0.86**	1.77
Adjusted net earnings[2]	$	**65.5**	52.4	11.1	**153.8**	99.3
Per share – Basic[2]	$/share	**0.76**	0.61	0.13	**1.79**	1.16
Per share – Diluted[2]	$/share	**0.75**	0.60	0.13	**1.77**	1.15
EBITDA[2]	$	**155.3**	123.3	79.4	**376.6**	307.2
Adjusted EBITDA[2]	$	**152.4**	121.2	61.2	**386.8**	299.6
Cost of sales - gold only basis	$/oz	**1,393**	1,465	1,627	**1,422**	1,335
Net cash generated from operating activities	$	**149.5**	97.4	44.2	**326.7**	180.8
Net cash generated from operating activities before changes in non-cash operating working capital	$	**137.6**	112.5	52.6	**322.6**	207.3
Free cash flow[2]	$	**(0.7)**	(62.3)	(69.7)	**(112.1)**	(161.1)
Cash and cash equivalents	$	**114.5**	108.7	209.4	**114.5**	209.4
Debt, net of deferred finance charges	$	**57.7**	53.9	–	**57.7**	–
Lease-related obligations	$	**69.4**	59.0	21.1	**69.4**	21.1
Net (debt) cash[2]	$	**(14.9)**	(5.3)	188.3	**(14.9)**	188.3
Available liquidity[2]	$	**346.6**	345.8	501.5	**346.6**	501.5

1. On a 12-month rolling basis, per million hours worked.
2. Total cash costs, all-in sustaining costs, average realized gold price, adjusted net earnings, EBITDA, adjusted EBITDA, free cash flow, net (debt) cash and available liquidity 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.
3. Gold equivalent ounces produced and sold include production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. Refer to “Gold Equivalent Reporting” for the relevant average market prices by commodity.

THIRD QUARTER REPORT

The following abbreviations are used throughout this MD&A: $ (United States dollar), C$ (Canadian dollar), MXN (Mexican peso), 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), lb (pound), klb (thousand pounds), mlb (million pounds), kt (thousand tonnes), mt (million tonnes), m (metres), km (kilometres), MW (megawatt), kV (kilovoltage), w:o (waste to ore), and tpd (tonnes per day).

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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: integrate and optimize the Morelos Property; deliver Media Luna to full production; grow reserves and resources; disciplined growth and capital allocation; retain and attract best industry talent; and build on ESG excellence. 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.

USE OF NON-GAAP FINANCIAL PERFORMANCE MEASURES

The Company has presented certain non-GAAP financial measures in this MD&A which include: 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, net (debt) cash, available liquidity and unit cost measures. For further information and a detailed reconciliation to the comparable IFRS measures refer to the "Non-GAAP Financial Performance Measures" section of this MD&A. The Company believes that these measures, while not a substitute for measures of performance prepared in accordance with IFRS, provide investors with 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.

GOLD EQUIVALENT REPORTING

In the first quarter of 2024, gold equivalent reporting was incorporated into the MD&A due to the expected increased contribution of copper and silver production from Media Luna in 2025. Gold equivalent ounces produced and sold include production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. The following table provides a summary of the quantities produced and sold and average market prices for each commodity in the respective periods.

Table 2.

		Three Months Ended			Nine Months Ended	
		Sep 30, 2024	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Gold produced	oz	**119,412**	113,822	85,360	**348,728**	315,785
Gold sold	oz	**122,130**	113,513	81,752	**347,285**	305,956
Gold equivalent produced	oz AuEq	**122,525**	116,350	86,318	**356,115**	319,987
Gold equivalent sold	oz AuEq	**125,414**	115,890	83,297	**355,410**	311,393
Average market gold price[1]	$/oz	**2,474**	2,338	1,928	**2,296**	1,930
Silver produced	koz	**73.3**	58.2	37.0	**184.6**	147.1
Silver sold	koz	**75.3**	53.1	44.7	**191.9**	162.9
Average market silver price[1]	$/oz	**29.43**	28.84	23.57	**27.22**	23.40
Copper produced	mlb	**1.3**	1.0	0.3	**2.9**	1.2
Copper sold	mlb	**1.4**	0.9	0.5	**3.2**	1.7
Average market copper price[1]	$/lb	**4.18**	4.42	3.79	**4.14**	3.89

1. Based on the London Bullion Market Association ("LBMA") PM fix for gold, LBMA fix for silver and London Metal Exchange ("LME") cash-settlement price for copper.

GUIDANCE

With the plant tie-in as part of the Media Luna Project rescheduled from the fourth quarter of 2024 to the first quarter of 2025, 2024 production guidance has been updated to 450,000 to 470,000 oz (460,000 to 480,000 oz AuEq), from 400,000 to 450,000 oz (410,000 to 460,000 oz AuEq) previously.

The Company's cost and capital expenditure guidance for 2024 remains unchanged.

The following table summarizes the Company's performance to date relative to 2024 guidance:

Table 3.

In millions of U.S. dollars, unless otherwise noted		2024 Guidance[1,2]	Updated 2024 Guidance	Q3 2024 YTD Performance
Production				
Gold	oz	400,000 to 450,000	450,000 to 470,000	348,728
Gold Equivalent[3]	oz AuEq	410,000 to 460,000	460,000 to 480,000	356,115
Total Cash Costs[4]				
By-Product basis	$/oz	860 to 910	No change	952
Gold Equivalent basis	$/oz AuEq	900 to 950	No change	984
All-in Sustaining Costs[4]				
By-Product basis	$/oz	1,100 to 1,160	No change	1,179
Gold Equivalent basis	$/oz AuEq	1,130 to 1,190	No change	1,205
Sustaining Capital Expenditures[4]				
Sustaining Capital Expenditures	$	50 to 60	No change	49.6
Capitalized Stripping	$	5	No change	1.4
Total Sustaining Capital Expenditures	$	55 to 65	No change	51.0
Non-Sustaining Capital Expenditures[4]				
Media Luna Project	$	430 to 450	No change	348.5
Media Luna Cluster Drilling/ Other	$	10 to 15	No change	7.6
Total Non-Sustaining Capital Expenditures	$	440 to 465	No change	356.1

1. 2024 guidance assumes a MXN:USD of 18.0.
2. 2024 guidance was revised to reflect higher guided non-sustaining capital expenditure for the Media Luna Project, as disclosed in the Company's MD&A dated August 6, 2024.
3. Guided gold equivalent (AuEq) production includes Au and AuEq values for silver (Ag) and copper (Cu) sold assuming metal prices of $1,900/oz gold, $23/oz silver, and $3.75/lb copper. For the nine months ended September 30, 2024, refer to "Gold Equivalent Reporting" for the relevant average market prices by commodity.
4. 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.

The Company expects to be near the upper end of full year total cash costs guidance of $860 to $910 per oz sold and all-in sustaining costs guidance of $1,100 to $1,160 per oz sold primarily due to higher gold prices (guidance assumed a gold price of $1,900 per oz) resulting in increased Mexican profit sharing and royalties, as well as higher consumption of cyanide within the process plant. The higher gold price experienced during the nine months ended September 30, 2024 relative to the $1,900 per oz assumed in the 2024 guidance resulted in higher royalties (third quarter of 2024 impact of $18 per oz and year-to-date 2024 impact of $12 per oz) and Mexican profit sharing (third quarter of 2024 impact of $41 per oz and year-to-date 2024 impact of $28 per oz). In addition, due to revisions of the ELG open pit mine plan, a higher proportion of waste stripping costs that were expected to be capitalized in 2024 are being expensed, resulting in higher TCC.

2024 OBJECTIVES

The following table summarizes the Company's objectives for 2024:

Environment, Social & Governance (ESG)
Safety – no fatalities, lost time injury frequency less than 1
Climate – Complete Year 2 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 – 400,000 to 450,000 oz of gold produced and 410,000 to 460,000 oz produced on an AuEq basis
Cost Control:
Total cash costs of $860 to $910 per oz and $900 to $950 per oz on an AuEq basis
All-in sustaining costs of $1,100 to $1,160 per oz and $1,130 to $1,190 per oz on an AuEq basis
ELG mine and plant sustaining capital expenditure of $50 to $60 million
ELG capitalized stripping of $5 million
Set up for growth
Media Luna non-sustaining capital expenditure of $350 to $400 million, excluding $10 to $15 million of Media Luna Cluster drilling and other costs
Complete internal EPO Preliminary Feasibility Study
Complete Media Luna Cluster drilling program – $15 million of expenditures to execute 39,000 m of drilling; includes $10 million of capital expenditures for infill and expansionary drilling at EPO (24,000 m) and $5 million of expenditures to be expensed for follow up drilling at Media Luna West (12,000 m) and an inaugural drilling program at Todos Santos (3,000 m)
Complete ELG Underground infill and step-out drilling – $12 million in expenditures to execute 54,500 m of drilling
Continue Morelos Exploration Program – $3 million for near-mine and regional exploration and drilling (3,000 m) across the Morelos Property

FINANCIAL RESULTS

Table 4.

In millions of U.S. dollars, unless otherwise noted		**Three Months Ended**		**Nine Months Ended**	
		Sep 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Revenue	$	**313.7**	160.1	**820.5**	600.2
Gold	$	**305.3**	157.3	**801.5**	589.6
Silver	$	**2.2**	1.0	**5.3**	3.8
Copper	$	**6.2**	1.8	**13.7**	6.8
Cost of sales	$	**170.1**	133.0	**493.8**	408.5
Production costs	$	**112.9**	86.8	**326.7**	255.0
Royalties	$	**8.6**	4.8	**23.0**	18.1
Depreciation and amortization	$	**48.6**	41.4	**144.1**	135.4
Earnings from mine operations	$	**143.6**	27.1	**326.7**	191.7
General and administrative expenses	$	**12.7**	3.1	**33.1**	17.5
Exploration and evaluation expenses	$	**2.1**	1.9	**6.2**	5.1
Other expenses	$	**2.4**	2.4	**5.7**	4.6
Derivative loss (gain), net	$	**16.2**	(18.1)	**42.5**	(6.2)
Finance income, net	$	**(0.3)**	(2.0)	**(3.0)**	(8.2)
Foreign exchange loss (gain)	$	**3.5**	(0.1)	**6.9**	(0.9)
Current income tax expense	$	**55.4**	12.1	**106.7**	47.5
Deferred income tax expense (recovery)	$	**22.4**	17.3	**54.4**	(21.7)
Net income	$	**29.2**	10.5	**74.2**	154.0
Per share – Basic	$/share	**0.34**	0.12	**0.86**	1.79
Per share – Diluted	$/share	**0.34**	0.09	**0.86**	1.77
Adjusted net earnings[1]	$	**65.5**	11.1	**153.8**	99.3
Per share – Basic[1]	$/share	**0.76**	0.13	**1.79**	1.16
Per share – Diluted[1]	$/share	**0.75**	0.13	**1.77**	1.15
Cost of sales	$/oz	**1,393**	1,627	**1,422**	1,335
Total cash costs[1]	$/oz	**926**	1,086	**952**	858
All-in sustaining costs[1]	$/oz	**1,101**	1,450	**1,179**	1,257
Average realized gold price[1]	$/oz	**2,313**	1,944	**2,181**	1,932

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

THIRD QUARTER AND YEAR TO DATE 2024 FINANCIAL RESULTS

Revenue totalled $313.7 million (YTD - $820.5 million)

Revenue in the third quarter of 2024 increased 96% relative to the third quarter of 2023, primarily due to a 49% increase in gold ounces sold and a 19% higher average realized gold price[1]. The average realized gold price in the third quarter of 2024 includes a realized loss of $22.8 million ($187 per oz) on gold forward contracts compared to a gain of $1.6 million ($20 per oz) in the third quarter of 2023. The 49% increase in gold ounces sold primarily resulted from a 40% increase in gold produced, primarily due to a higher average gold grade of ore mined and processed, and an increase in the average gold recovery. In the third 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 comparative period, resulting in the lower average gold grade of ore mined and processed.

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

Revenue for the nine months ended September 30, 2024 increased 37% relative to the nine months ended September 30, 2023, primarily due to a 14% increase in gold ounces sold and a 13% higher average realized gold price. The average realized gold price for the nine months ended September 30, 2024 includes a realized loss of $44.2 million ($127 per oz) on gold forward contracts compared to a gain of $1.5 million ($5 per oz) for the nine months ended September 30, 2023. The 14% increase in gold ounces sold primarily resulted from a 10% increase in gold produced, primarily due to a higher average gold grade of ore processed and an increase in the average gold recovery.

Cost of sales was $170.1 million or $1,393 per oz sold (YTD - $493.8 million or $1,422 per oz sold)

Cost of sales in the third quarter of 2024 was $37.1 million or 28% higher than the third quarter of 2023 and 14% lower on a per oz basis, primarily due to the 49% increase in gold ounces sold. Production costs in the third quarter of 2024 were 30% higher than the third quarter of 2023 primarily due to the 49% increase in gold ounces sold, lower capitalized stripping (resulting in higher costs expensed) as the El Limón open pit layback was completed in the third quarter of 2023, an increase in processing costs largely due to higher cyanide consumption and an increase in maintenance costs due to the timing of maintenance activities, an increase in mining costs as a result of higher diesel prices and consumption, and a higher Mexican profit sharing expense in the third quarter of 2024 primarily as a result of higher average realized gold prices, partially offset by the weakening of the Mexican peso (18.9:1 in the third quarter of 2024 relative to 17.1:1 in the third quarter of 2023) and a lower strip ratio due to the decline in the level of waste mined as the open pits near depletion. Royalties, representing 2.5% of proceeds from all metal sales and an additional 0.5% of proceeds from gold and silver sales, were higher than the third quarter of 2023 due to a higher average realized gold price and an increase in ounces sold. Depreciation and amortization expense was 17% higher than the third quarter of 2023 on a total basis and 21% lower on a per oz sold basis primarily due to an increase to the units-of-production depreciation base as a result of the annual reserve and resource update and the addition of the EPO Underground mineral reserves in the third quarter of 2024. The increase in depreciation and amortization expense is primarily due to an increase in gold ounces produced and an increase in the depreciation of the non-cash portion of capitalized stripping.

Cost of sales for the nine months ended September 30, 2024 was $85.3 million or 21% higher than the nine months ended September 30, 2023 and was 7% higher on a per oz basis, partially due to the 14% increase in gold ounces sold. Production costs were 28% higher than the nine months ended September 30, 2023 primarily due to an increase in gold ounces sold, higher cyanide costs as a result of increased consumption, an increase in maintenance costs due to the timing of maintenance activities, lower capitalized stripping, an increase in long-term, low-grade ore mined, an increase in mining costs as a result of higher diesel prices and consumption, and a higher Mexican profit sharing expense primarily as a result of higher average realized gold prices. Royalties were higher than the nine months ended September 30, 2023 due to a higher average realized gold price and an increase in ounces sold. Depreciation and amortization expense was 6% higher than the nine months ended September 30, 2023 on a total basis and 6% lower on a per oz sold basis primarily due to an increase to the units-of-production depreciation base. The increase in depreciation and amortization expense is primarily due to an increase in gold ounces produced and an increase in the depreciation of the non-cash portion of capitalized stripping. For 2024, depreciation and amortization expense is expected to range between $175 to $200 million.

Total Cash Costs[2] were $926 per oz sold (YTD - $952 per oz sold)

TCC in the third quarter of 2024 decreased relative to the comparative period in 2023, primarily due to the 49% increase in gold ounces sold, partially offset by higher production costs and less costs capitalized to stripping as described above.

TCC for the nine months ended September 30, 2024 increased relative to the comparative period in 2023, primarily due to higher production costs and less costs capitalized to stripping as described above, partially offset by the 14% increase in gold ounces sold.

[2] Refer to "Non-GAAP Financial Performance Measures" for further information and a detailed reconciliation.

All-in Sustaining Costs[3] were $1,101 per oz sold (YTD - $1,179 per oz sold)

The decrease in AISC relative to the third quarter of 2023 was primarily due to lower planned sustaining capital expenditures and lower stripping capitalized, coupled with lower total cash costs per oz of gold sold. Capitalized stripping in the third quarter of 2023 was $5.9 million primarily due to the waste tonnes mined related to the layback to extend the life of the El Limón pit.

The decrease in AISC relative to the nine months ended September 30, 2023 was primarily due to lower planned sustaining capital expenditures and lower stripping capitalized, partially offset by higher total cash costs per oz of gold sold. Capitalized stripping in the nine months ended September 30, 2023 was $49.0 million primarily due to higher waste tonnes mined related to the layback to extend the life of the El Limón pit.

General and administrative expenses of $12.7 million (YTD - $33.1 million)

General and administrative expenses primarily comprise corporate office employee costs, share-based compensation, and professional fee costs. Excluding the remeasurement of share-based payments (loss of $3.9 million in the third quarter of 2024 and gain of $3.1 million in the third quarter of 2023), general and administrative expenses would have been $2.6 million higher than the third quarter of 2023, primarily due to higher employee costs, and consulting and other professional fees.

Excluding the remeasurement of share-based payments (loss of $8.9 million for the nine months ended September 30, 2024 and gain of $1.3 million for the nine months ended September 30, 2023), general and administrative expenses would have been $5.4 million higher compared to the nine months ended September 30, 2023, primarily due to higher employee costs, and consulting and other professional fees.

Other expenses of $2.4 million (YTD - $5.7 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 and training expenditures related to the Media Luna Project, which must be expensed for accounting purposes. Other expenses in the third quarter of 2024 were $2.4 million, consistent with the third quarter of 2023.

Other expenses for the nine months ended September 30, 2024 were $5.7 million, compared to $4.6 million for the nine months ended September 30, 2023. For 2024, other expenses are expected to be up to $10 million.

Derivative loss, net, of $16.2 million (YTD - $42.5 million loss)

The Company has taken initiatives to mitigate price uncertainty during the development of the Media Luna Project. As at September 30, 2024, the remaining gold forward contracts to sell a total of 27,000 oz of gold between October 2024 and December 2024 have a weighted average price of $1,939 per oz. As at September 30, 2024, the remaining MXN/USD foreign exchange collar contracts to settle a notional value of $87.3 million between October 2024 and December 2025 have a weighted average put strike (floor) rate of 19.27:1 and a weighted average call strike (ceiling) rate of 21.14:1. These derivatives have not been designated as hedges; therefore, movements in the fair value of the derivatives are recognized in net income each period.

In the third quarter of 2024, the Company recognized a net loss of $15.4 million as a result of the 44,000 oz of gold forwards that settled at a weighted average price of $2,006 per oz, which on average was lower than the gold spot prices at the time of settlement, coupled with the increase in gold forward prices at quarter-end, partially offset by the impact of lower remaining ounces outstanding, compared to the net gain of $18.1 million in the third quarter of 2023.

In the third quarter of 2024, the Company recognized a net loss of $0.8 million on foreign exchange collars, primarily due to the appreciation of the MXN/USD forward exchange rates. The Company realized a gain of $0.1 million on the $5.8 million of foreign exchange collars that settled at a weighted average MXN/USD foreign

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

exchange rate of 18.18:1, which on average was favourable to the spot rate at the time of settlement, compared to the $nil realized derivative (gain) loss in the third quarter of 2023. The remaining foreign exchange collars of $21.6 million expired in the third quarter of 2024 unexercised as the spot rate was favourable at the time of expiry.

For the nine months ended September 30, 2024, the Company recognized a net loss of $41.2 million as a result of the 131,000 oz of gold forwards that settled at a weighted average price of $1,979 per oz, which on average was lower than the gold spot prices at the time of settlement, coupled with the increase in gold forward prices at quarter-end, partially offset by the impact of lower remaining ounces outstanding, compared to the net derivative gain of $6.2 million for the nine months ended September 30, 2023.

For the nine months ended September 30, 2024, the Company recognized a net loss of $1.3 million on foreign exchange collars, primarily due to the appreciation of the MXN/USD forward exchange rates. The Company realized a gain of $1.4 million on the $47.6 million of foreign exchange collars that settled at a weighted average MXN/USD foreign exchange rate of 17.55:1, which on average was favourable to the spot rate at the time of settlement, compared to the $nil realized derivative (gain) loss for the nine months ended September 30, 2023. The remaining foreign exchange collars of $33.8 million expired for the nine months ended September 30, 2024 unexercised as the spot rate was favourable at the time of expiry.

Finance income, net, of $0.3 million (YTD - $3.0 million income)

The decrease in finance income, net, in the third quarter of 2024 and for the nine months ended September 30, 2024 relative to the comparative periods in 2023 was primarily related to lower interest income earned as a result of lower cash on hand.

Foreign exchange loss of $3.5 million (YTD - $6.9 million loss)

The foreign exchange loss in the third quarter of 2024 and for the nine months ended September 30, 2024 was primarily due to the depreciation of the Mexican peso by 6.8% and 16.2%, respectively.

Current income and mining tax expense of $55.4 million (YTD - $106.7 million expense)

The increase in current income and mining tax expense compared to the third quarter of 2023 was primarily due to an increase in earnings from mine operations, partially offset by foreign exchange and the tax effect of the currency translation of the tax liability due to the 6.8% depreciation of the Mexican peso at the end of the third quarter of 2024 compared to the 3.2% depreciation in the prior year.

The increase in current income and mining tax expense compared to the nine months ended September 30, 2023 was primarily due to an increase in earnings from mine operations, a lower deduction for the payment of the 7.5% Mexican mining royalty, a lower recovery from the derecognition of a provision for an uncertain tax position of $12.1 million in the first quarter of 2024 compared to $15.2 million in the prior year and a lower deduction for the payment of the site-based employee profit sharing program for 2023 in the second quarter of 2024 compared to the prior year, partially offset by foreign exchange and the tax effect of the currency translation of the tax liability due to the 16.2% depreciation of the Mexican peso for the nine months ended September 30, 2024 compared to the 9.0% appreciation in the prior year.

Deferred income tax expense of $22.4 million (YTD - $54.4 million expense)

The increase in deferred income tax expense compared to the lower expense in the third quarter of 2023 and the recovery in the nine months ended September 30, 2023 was primarily driven by the tax effect of currency translation on the tax base as a result of a depreciation of the Mexican peso compared to the prior year, 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 determination of deferred tax.

As at September 30, 2024, the closing value of property, plant and equipment for tax purposes was $32.0 billion Mexican pesos and the closing value of inventory for tax purposes was $2.1 billion Mexican pesos.

Net income of $29.2 million (YTD - $74.2 million income)

Net income for the quarter was $29.2 million compared to net income of $10.5 million in the third quarter of 2023. The increase in net income was primarily due to the 49% increase in gold ounces sold and a higher average realized gold price, partially offset by a higher net income tax expense, a higher net derivative loss on gold forward and foreign exchange collar contracts and higher production costs.

Net income for the nine months ended September 30, 2024 was $74.2 million compared to net income of $154.0 million for the nine months ended September 30, 2023. The decrease in net income was primarily due to a higher net income tax expense, a higher net derivative loss on gold forward and foreign exchange collar contracts, higher production costs and lower interest income, partially offset by a higher average realized gold price and the 14% increase in gold ounces sold.

RESULTS OF OPERATIONS

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

Table 5.

		Three Months Ended			Nine Months Ended	
		Sep 30, 2024	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Mining[1]						
Total ELG Open Pits						
Ore tonnes mined	kt	**1,539**	1,622	1,026	**4,130**	2,586
Waste tonnes mined	kt	**4,299**	7,047	10,131	**19,358**	29,693
Total tonnes mined	kt	**5,838**	8,669	11,157	**23,488**	32,279
Ore tonnes mined per day	tpd	**16,731**	17,822	11,153	**15,074**	9,473
Waste tonnes mined per day	tpd	**46,727**	77,440	110,122	**70,648**	108,764
Strip ratio	w:o	**2.8**	4.3	9.9	**4.7**	11.5
Average gold grade of ore mined	gpt	**2.72**	2.61	1.84	**2.68**	2.94
ELG Underground						
Ore tonnes mined	kt	**196**	195	214	**559**	544
Ore tonnes mined per day	tpd	**2,127**	2,145	2,321	**2,039**	1,993
Average gold grade of ore mined	gpt	**4.92**	4.69	5.19	**4.85**	5.05
ELG Open Pits and Underground						
Ore tonnes mined	kt	**1,735**	1,817	1,240	**4,689**	3,130
Ore tonnes mined per day	tpd	**18,858**	19,967	13,474	**17,113**	11,466
Average gold grade of ore mined	gpt	**2.97**	2.84	2.42	**2.94**	3.30
Processing[1]						
Total tonnes processed	kt	**1,186**	1,202	1,206	**3,582**	3,592
Average plant throughput	tpd	**12,889**	13,214	13,107	**13,073**	13,158
Average gold recovery	%	**90.7**	90.5	88.7	**90.6**	88.2
Average gold grade of ore processed	gpt	**3.47**	3.34	2.47	**3.32**	3.03
Gold produced	oz	**119,412**	113,822	85,360	**348,728**	315,785
Gold sold	oz	**122,130**	113,513	81,752	**347,285**	305,956
Gold equivalent produced[2]	oz AuEq	**122,525**	116,350	86,318	**356,115**	319,987
Gold equivalent sold[2]	oz AuEq	**125,414**	115,890	83,297	**355,410**	311,393

1. Rounding may result in apparent summation differences.
2. Gold equivalent ounces produced and sold include production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. Refer to "Gold Equivalent Reporting" for the relevant average market prices by commodity.

Mining

A total of 1,735 kt of ore were mined in the third quarter of 2024, including 1,539 kt from the ELG open pits and 196 kt from ELG Underground. Average waste to ore strip ratio ("strip ratio") in the open pits was 2.8:1. Excluding 199 kt of long-term, low-grade ore, the average gold grade of ore mined was 3.22 gpt.

In the third quarter of 2023, 1,240 kt of ore were mined, including 1,026 kt from the ELG open pits and 214 kt from ELG Underground, with an average strip ratio in the open pits of 9.9:1. Excluding 277 kt of long-term, low-grade ore, the average gold grade of ore mined was 2.83 gpt.

As at September 30, 2024, there were 6.1 mt of ore in stockpiles at an average grade of 1.18 gpt. Excluding

3.7 mt of long-term, low-grade stockpiles at an average grade of 0.98 gpt, the remaining 2.4 mt of ore in stockpiles are at an average grade of 1.51 gpt.

Plant Performance

Plant throughput in the third quarter of 2024 achieved an average rate of 12,889 tpd (YTD - 13,073 tpd), slightly lower than the preceding quarter of 13,214 tpd. The average gold recovery for the quarter was 90.7% (YTD - 90.6%), slightly higher than the recovery of 90.5% in the previous quarter. In the third quarter of 2024, the Company incurred $12.7 million in cyanide costs at a consumption rate of 4.45 kilograms per tonne milled, compared to $10.1 million in the second quarter of 2024 at a consumption rate of 3.33 kilograms per tonne milled, resulting from a higher level of copper and iron sulfides content in mill ore feed. Cyanide levels are expected to remain elevated through the fourth quarter of 2024 based on the ore feed from the ELG Open Pit and ELG Underground.

Gold Production and Sales

In the third quarter of 2024, 119,412 oz of gold were produced and 122,130 oz of gold were sold. Production in the third quarter of 2024 increased relative to the comparative period in the prior year primarily due to higher ore tonnes mined, a higher average gold grade of ore processed, and an increase in the average gold recovery. Production in the third quarter of 2023 was negatively impacted by the processing of lower grade and stockpiled ore during the intense stripping period associated with the layback at the El Limón open pit.

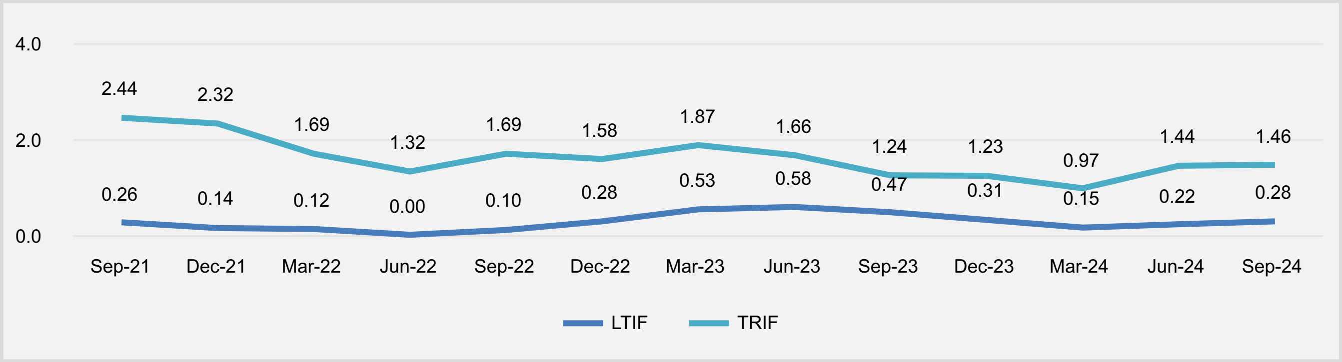
ENVIRONMENT, SOCIAL & GOVERNANCE

Safety

On August 29, 2024, a 40-year-old contractor worker tragically lost his life as a result of a fatal incident in the Guajes Tunnel while conducting work on the overhead conveyor associated with the Media Luna Project. The individual was operating a telehandler equipped with a boom when the incident occurred. The appropriate regulatory authorities were notified completed the necessary investigations, and in September the Secretary of Labor and Social Security subsequently carried out an inspection audit on safety at both the underground and open-pit mines, which found 100% regulatory compliance. The Company completed its own internal investigation and is taking actions to prevent a similar incident from ever occurring in the future.

With the continued increase of activity at site as the construction of the Media Luna Project enters its final phases, vigilance in reporting all safety incidents continued to be a key focus. As at September 30, 2024, the Company's lost-time injury frequency ("LTIF") was 0.28 and its total recordable injury frequency ("TRIF") was 1.46. Both rates include employees and contractors and are calculated per million hours worked on a rolling 12-month basis.

Lost-Time Injury Frequency and Total Recordable Injury Frequency Per Million Hours Worked on a Rolling 12-Month Basis: September 2021 – September 2024



In July, in support of National Chemical Emergencies Readiness and Response Day, the Company conducted an emergency drill focused on responding to environmental emergencies. In September, the Company participated in a national drill simulating an earthquake scenario. Both drills aimed to demonstrate preparedness and response protocols for emergencies with a view to continuous improvement.

World Gold Council Documentary Series: The Journey Continues

Following on from the World Gold Council film 'Gold: A Journey with Idris Elba', Torex has been featured in the pilot episode of a new documentary series called 'The Journey Continues'. The focus of the documentary is how Torex continues to support local communities in Guerrero, and how the Company has created the conditions for young women to rise both inside and outside its operations. The episode was premiered at Gold Forum Americas 2024 in Denver in September, and can be found at: www.journey.gold.

Environment

There were no reportable spills or environmental incidents during the third quarter of 2024 and there are currently no material claims, demands, or legal proceedings against the Company related to environmental matters. As such, the Company is on track to achieve its 2024 objective of zero reportable spills of 1,000 litres or more that report to a natural water body.

The Company continued to advance permitting and other regulatory approvals, and in the third quarter of 2024 received approval from the Mexican energy regulator (CRE) to generate electricity from its new solar plant currently under construction, which is a significant component of the Company's climate change strategy to reduce greenhouse gas emissions.

The Company continues to progress toward voluntary 'Clean Industry Certification' through the federal Environmental Protection Agency (PROFEPA). The certification recognizes companies that operate responsibly and meet or exceed the environmental standards established by Mexican law. As at September 30, 2024, there was 98% progress on the completion of the Action Plan approved by PROFEPA for the Clean Industry Certification. A verification audit took place in October 2024, which is one of the final steps leading to full certification.

Social

During the third quarter of 2024, positive and productive relationships were maintained with local communities. The Company continued to implement unique community development agreements (known locally as CODECOPs) with eleven communities that are in close proximity to the Morelos Complex. The CODECOPs define community investment projects to be delivered in partnership with local communities, as defined by local CODECOP committees. Projects associated with the 2024 CODECOPs include community infrastructure, water, education and health initiatives.

A number of local programs and campaigns were undertaken with local communities. Of note, various activities were undertaken in the third quarter of 2024 to support and strengthen the local fishing sector, which are part of a collaboration agreement with fishing cooperatives in Nuevo Balsas, Puente Sur Balsas, and Atzcala. Key activities included technical assistance to support production of tilapia in the region, the stocking of 5,000 tilapia eggs in local waterways, the cleaning of the El Caracol dam to remove plastics and debris that interfere with local fish health and the establishment of a new processing plant to produce dehydrated devil fish fillets to feed local livestock, which is of particular benefit as devil fish is an invasive species that reduces the population of local fish.

ESG Performance, Disclosure and Reporting Standards

Work continued to progress in the third quarter of 2024 to comply with recognized global sustainability performance and disclosure standards, including the International Cyanide Management Code (ICMC), the World Gold Council Responsible Gold Mining Principles (RGMPs) and the Global Industry Standard on Tailings Management (GISTM).

Following a full compliance audit for the ICMC, which took place in the second quarter of 2024 by a registered ICMC auditor, the Company received the detailed auditor's report, which found 100% compliance with all nine guiding principles and the 29 standards of practice. With the receipt of this report, full certification from the International Cyanide Management Institute (ICMI) was received in October.

In addition, following a three-year conformance period to adopt the World Gold Council RGMPs, comprising of 10 Principles and 51 sub-principles which address key ESG issues material to the gold mining sector, the Company has published its Year 3 Conformance Report, which can be found on the Company's ESG Reporting Portal at https://torexgold.com/responsible-mining-esg/esg-reporting-portal/. Going forward, and in line with guidance from the World Gold Council, the Company will continue to report on ongoing compliance and continuous improvement with respect to the RGMPs as part of the Company's annual Responsible Gold Mining Report.

DEVELOPMENT ACTIVITIES

Media Luna Project Update

Following 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. As at the end of September, Media Luna was 87% complete with engineering now concluded, procurement down to final deliveries, underground development ahead of schedule, and underground and surface construction advancing. As a result of modestly longer delivery windows for critical electrical equipment (primarily switchgear) due in part to recent hurricane activity in the Gulf region, the start of the plant tie-in period has been rescheduled from November 2024 to February 2025, with first copper concentrate production expected in the first quarter of 2025 and commercial production shortly thereafter. As a result of the refined schedule, the project team will have the opportunity to conduct advance testing on key processing plant systems, thereby potentially reducing the time required to complete the tie-ins and upgrades to less than four weeks as originally scheduled.

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

Table 6.

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
Final adjustments for stronger Mexican peso / out-of-scope items (June 30, 2024)	$	75.5
Revised budgeted spend	$	950.0
Expenditures incurred post March 31, 2022[1,2]	$	839.5
Remaining spend[2]	$	110.5
Percentage complete - construction progress	%	87

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 the third quarter of 2024, $113.9 million was spent on Media Luna, bringing the year-to-date total to $348.5 million. The Company still expects full-year project spending to be within the guidance range of $430.0 to $450.0 million. Expenditures in the fourth quarter of 2024 are expected to be lower than the third quarter of 2024 and decline further in 2025 as the project winds down, first copper concentrate production occurs in the first quarter of 2025, and commercial production is declared shortly thereafter.

The capital expenditure impact of the schedule adjustment is expected to be modest, with the project team at site now looking at opportunities to offset the costs associated with the extended project period. Of note, given the longer pre-commercial period with the rescheduled tie-ins, capital expenditures related to accelerated underground development will be classified as non-sustaining for that period, versus sustaining had the prior plant tie-in schedule been maintained.

Project Completion

As at quarter end, development of Media Luna was tracking largely to plan with the project 87% complete, up from 78% at the start of the quarter. Detailed engineering is now complete, and procurement is nearing completion at 97%. Underground development/construction and surface construction are advancing, with completion levels at 77% and 70%, respectively.

Based on the current schedule related to critical electrical equipment delivery, the tie-in period for the processing plant has been rescheduled to commence in February 2025, with first copper concentrate production in the first quarter of 2025. The updated schedule enables the project team to undertake advance testing on key processing systems outside of the plant tie-in, with a view to potentially reducing the downtime period to less than four weeks.

As previously guided, just in time deliveries of critical electrical equipment was anticipated to be a key risk given little float in the schedule. After reviewing the risks around the tie-in period pushing into the December holiday season, weighed against the existing contingency plan associated with the extension of open pit production into the second quarter of 2025 via the layback in the El Limón pit last year, the greater overall benefit to the business mitigated in favour of rescheduling the processing plant tie-in schedule to February 2025.

It should be noted that the ramp-up of the Media Luna underground mine is separate from the completion and commissioning of the processing plant. As such, the revised plant tie-in schedule will have no impact on ore production from Media Luna, which will be stockpiled ahead of wet commissioning of the Cu and FeS flotation circuits.

Engineering

Engineering over the quarter focused primarily on finalization of electrical deliverables and incorporation of vendor information. Engineering work for the project is now complete and will continue to support in the field as necessary to address any installation issues

Procurement

Procurement for Media Luna is substantially complete, sitting at 97% as of the end of the third quarter of 2024, up from 89% at the end of the second quarter of 2024. The level of procurement remaining represents final deliveries of equipment and materials to site as purchase orders, contracts, and detailing are now more than 99% complete. Six of the eight electrical houses (“e-houses”) required for the project have now been delivered, with related switchgear being the most critical delivery outstanding.

Notable orders completed during the quarter included electrical cable, network cabinets and LTE infrastructure for the underground, flotation switchgear, water and slurry pumps, geotextiles for the Guajes pit, fiber optic cable, and carbon steel pipe and fittings. Four battery electric loaders were also delivered to site and have now been commissioned.

Underground Development and Construction

Steady progress was made underground at Media Luna during the quarter. Installation of the Guajes conveyor is nearing completion and commissioning is expected imminently. The breakthrough between Media Luna Upper and Media Luna Lower was achieved at the mine internal ramp, opening up access to three additional mining blocks to support production. The feed chute and chute liner plates were installed at ore pass #8 and tailings feed pipe installation continues to progress in anticipation of the paste plant completion. Vibratory feeders and arch gates below both ore bins 1 and 2 at the 690 level are also substantially complete and commissioning will take place in coordination with the Guajes conveyor (Figure 1).

Following completion of definition drilling for the first seven stopes planned to be taken in the 2024 mine plan, steady progress has been made on definition drilling of stopes in the 2025 mine plan. Drilling to date has yielded positive results with tonnes and grade in line with expectations, aside from some minor spatial variations as is typical with new underground areas. Underground development rates have been strong, with monthly lateral development rates in excess of 1,300 m over the last few months (including over 1,400 m in October) relative to the original budget of 1,200 m per month. As a result, underground development is now slightly ahead of plan.

The Company will continue with aggressive definition drilling and underground development programs in 2025 with the target of having all stopes to be mined in 2026 drilled off by the end of the year and the aim of accelerating underground development. Both programs are expected to de-risk the ramp-up of underground operations to the design rate of 7,500 tonnes per day.

Figure 1: Ore bins feed chutes have been assembled at the 690 level

Surface Construction

Significant progress was made on surface construction, now at 70% complete up from 56% at the start of the quarter. On the north side of the Balsas River, the two e-houses required for the flotation circuit were delivered and installed during the quarter, with electrical cables being run in preparation for the switchgear delivery (Figure 2). Assembly of the FeS regrind mill is now complete, as is the installation of the Cu rougher flotation cells and the thickeners. Steel was erected for the copper concentrate storage and blending building (8 of 8 bays completed). At the water treatment plant, detox tanks for the first phase of water testing were installed (Figure 3) and commissioning activities are expected to start early in the fourth quarter of 2024.

Progress was also made on the installation of power infrastructure. At the 230 kV switchyard, transmission towers have been erected and the grounding grid has been installed (Figure 4). Block work was also completed on the electrical building while electrical trenches and duct banks were put in place. At the 230 kV substation, the two primary transformers have been installed (Figure 5). The transmission line between the switchyard and substation was hung during the quarter with connection to the substation now complete and switchyard expected to be completed in the fourth quarter of 2024.

On the south side of the Balsas River, construction of the paste plant is also progressing well with installation of the thickener, binder silo, and building steel all having noticeably advanced (Figure 6). The paste plant remains on track to be completed in the first quarter of 2025, with commissioning sequenced to occur after the processing plant infrastructure is commissioned.

Figure 2: Construction of the flotation area is advancing, with both e-houses and associated cables now installed. Progress was also made on the installation of the regrind mill and cleaner cells.

Figure 3: Construction of the water treatment plant is ongoing, with detox tanks for the first phase of water testing installed during the quarter

Figure 4: Galvanized towers have been installed at the 230 kV switchyard to support the transmission line between the yard and the substation

Figure 5: The 230 kV substation is substantially complete with main transformers in place

Figure 6: Construction of the binder silo, thickener, and building steel at the paste plant

Operational Readiness

In parallel with development and construction activities, the surface and underground operational readiness strategy continues to advance as planned. 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) and maintenance plans for all fixed and mobile equipment, blend and feed strategies, commissioning plans, first fills, concentrate shipment logistics, and all other requirements for a smooth ramp up.

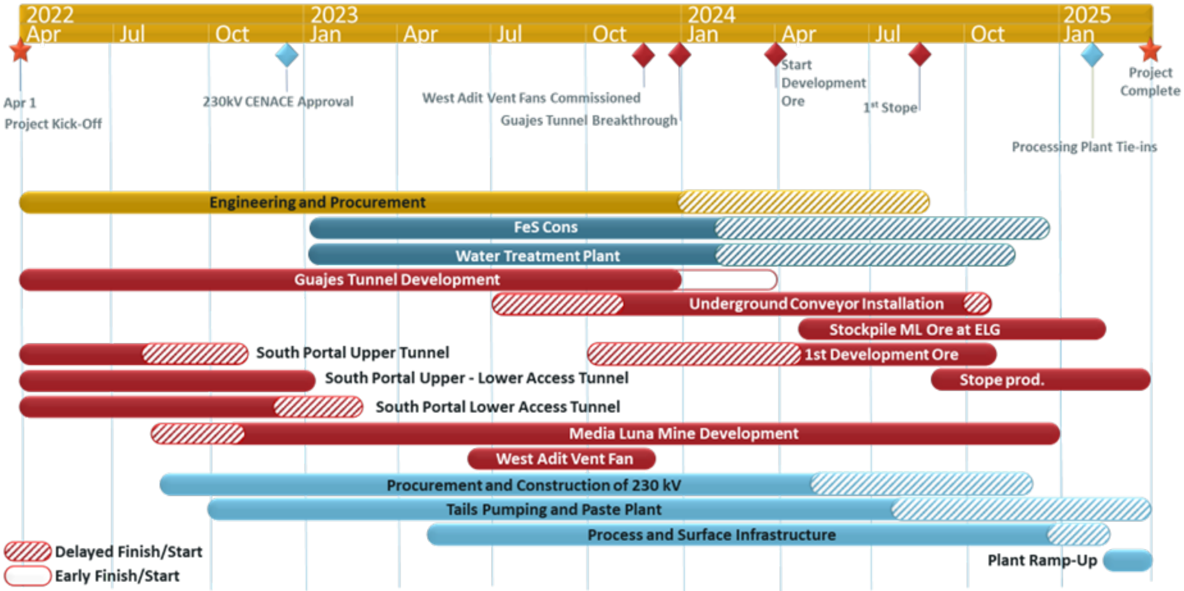
Recruitment of personnel for both the underground and new process areas is well advanced. Of the new Media Luna recruits, 55% transferred from previous ELG operations. The transition training program from open pit to underground operations is now 40% complete and is expected to ramp up as production from the ELG Open Pits winds down. On surface, training for water treatment plant operators began, marking a significant milestone in upskilling the workforce for the upcoming transition. In addition, the operational readiness team continues to develop and advance Standard Operating and Maintenance procedures for the new assets and is tracking to plan at over 70% complete. Spare parts cataloging has been completed with the main original equipment manufacturers (FLSmidth, Metso, Siemens, Sandvik, TAKRAF, and Tramac), which identified approximately 2,300 items deemed necessary to have in stock for ongoing operations. Additionally, the readiness audit for the BEV fleet has been completed ensuring all processes required for safe operation of the fleet are in place.

Negotiations with the various haulage companies for copper concentrate transport to port distribution facilities are complete and contracts are being finalized. The Company is also in the final stages of settling contracts for the sale of copper concentrate to a mix of traders and smelters. Metal payables are in line with that which was incorporated into the most recent Technical Report dated effective March 16, 2022, and filed on March 31, 2022 ("Technical Report").

Project Execution Plan

Based on the updated schedule for the tie-in and upgrades of the processing plant as well as other deliverables, the project execution plan for Media Luna has been updated accordingly (Figure 7).

Figure 7: Project execution plan for the Media Luna Project



More detail on the Media Luna Project, including the Feasibility Study results, can be found in the Technical Report.

EPO Underground

As announced in September 2024, development of EPO is anticipated to commence in mid-2025 with first ore production expected in late 2026. Development is expected to be capital efficient as the underground mine will be able to leverage the investment made in infrastructure as part of the Media Luna Project, including the Guajes Tunnel and conveyor, ore handling system, process plant upgrades, paste plant, as well as power and water infrastructure.

Based on the internal pre-feasibility study, upfront development costs at EPO are estimated at $81.5 million including $16.0 million of contingency. Direct costs of $52.0 million include $26.2 million of upfront underground development and construction. Assuming budget approval within the annual cycle, approximately 20% of the upfront budget is likely to be incurred in 2025.

During 2024, $1.8 million of non-sustaining capital expenditures are expected to be incurred for progressing the internal EPO feasibility study.

Total sustaining capital expenditures over the life of EPO are forecast at $65.7 million, which does not yet consider any future resource definition drilling to upgrade additional resources to reserves and development required to access potential future reserve additions.

As EPO will leverage existing infrastructure and falls within the environmental footprint of the Morelos Complex, permitting requirements are expected to be minimal. Amendments to existing environmental approvals are expected to occur over the next several quarters and are not expected to impact development activities. Permitted power capacity and access to water are more than sufficient to support the planned operation of EPO.

EXPLORATION AND DRILLING ACTIVITIES

On September 4, 2024, the Company announced the results of an internal pre-feasibility study, and the addition of the EPO underground deposit into the updated life-of-mine plan, which significantly enhances the Company's strategy to deliver robust, long-term, value accretive production from the Morelos Complex[1]. With the addition of EPO mineral reserves into the updated mine plan, the production profile of the Morelos Complex is now firmly established at a minimum of 450,000 oz AuEq per year through 2030 on the mineral reserve case alone.

During the third quarter of 2024, the annual drilling programs at ELG Underground and the Media Luna Cluster continued to progress, while at El Naranjo geological delineation concluded and the first phase of the drilling program began. Additionally, the target selection stage at Atzcala has resulted in the identification of three high-quality targets that are expected to be included in the 2025 drilling program.

The drilling and exploration programs are key facets of the Company's multi-year exploration strategy previously reported in the second quarter of 2024. In the nine months ended September 30, 2024, the Company invested $17.4 million with a total of 45,643 m drilled, versus a 2024 budget of $30.0 million. Exploration and drilling spending is expected to continue to increase in the fourth quarter of 2024 and is on track to achieve full year guidance.

Table 7.

In millions of U.S. dollars		**Total Q3 2024 YTD Expenditure**	Guided 2024 Expenditure	Total 2023 Expenditure
ELG Underground:				
ELG infill and step-out drilling - capitalized[1]	$	**4.3**	6.0	5.7
ELG near mine program - expensed[2]	$	**1.6**	6.0	4.8
Media Luna Cluster:				
Media Luna Cluster drilling - capitalized[3]	$	**7.6**	10.0	16.0
Media Luna Cluster drilling - expensed[2]	$	**2.7**	5.0	–
Near-mine and regional exploration and drilling - expensed[2]	$	**1.2**	3.0	2.3
Total[4]	$	**17.4**	30.0	28.8

1. Included in sustaining capital.
2. Included in exploration and evaluation expenses as reported on the Condensed Consolidated Interim Statements of Operations and Comprehensive Income.
3. Included in non-sustaining capital.
4. Excludes definition and grade control drilling costs.

ELG Infill and Step-Out Drilling

The 2024 ELG Underground drilling program aligned with the current exploration strategy is focused on reserve definition, resource delineation, and advanced exploration, targeting extensions of high-grade mineralization along the El Limón Sur, El Limón Deep, El Limón West, and Sub-Sill trends.

At ELG Underground, a total of 10,830 m across 46 drill holes were drilled in the third quarter of 2024, with a total of 29,442 m drilled for the nine months ended September 30, 2024 (total forecasted drilling of 43,200 m for 2024), with the assay results up to April 2024 previously reported on June 27, 2024[2].

Drilling along the El Limón Sur trend was conducted in the northern and southern ore shoots, focused on recategorizing inferred to indicated resources at the northern ore shoot and confirming the continuity between the high-grade mineralization previously intercepted in the deepest part of the southern ore shoot. In the third quarter of 2024, 11 holes totaling 1,795 m were completed at the north ore shoot of El Limón Sur, and 11 holes totaling 2,806 m were completed in the southern ore shoot, with the majority intercepting favorable alterations.

At El Limón Deep, the drilling program is advancing at the western extension at the intersection with El Limón Sur mineralized corridor, with 3,917 m of drilling completed across 13 holes during the third quarter of 2024. Drilling was focused on upgrading existing inferred resources to the indicated category and adding new high-grade inferred resources in the southwest plunging ore shoot. Drilling results have been successful, with multiple intercepts confirming the plunge of mineralization to the southwest and potential for new indicated and inferred resources.

Resource delineation work is being undertaken along the Sub-Sill trend, focused on the Sub-Sill Extension area in the central part of the trend. The objective of the drilling in the third quarter of 2024 was to recategorize inferred resources around the 560 m above sea level, approximately 80 m below the current operation depth. At the Sub-Sill trend, seven holes totaling 1,277 m were completed in the quarter, with the majority of the holes intercepting favorable alterations. Follow-up drilling in the northern extension of the Sub-Sill trend has intercepted mineralization opening up the potential north of the La Flaca fault.

Four holes totaling 1,035 m were drilled at the southern extension of the El Limón West trend, focused on upgrading existing inferred resources to the indicated category and confirming continuity of the mineralization to define new inferred resources. Also, as part of the exploration of the northern continuity of the El Limón West trend, three previous holes oriented towards the El Limón Sur trend were relogged and resampled. These holes identified favorable alteration related to structural continuity that controls mineralization at El Limón West, extending the potential more than 700 m north towards the current known mineralized area.

Media Luna Cluster Drilling

In the third quarter of 2024, 6,545 m were drilled in the Media Luna Cluster, with a total of 16,201 m drilled for the nine months ended September 30, 2024 (total forecasted drilling of 29,000 m for 2024). The exploration strategy for the area is focused on extending the production profile by unlocking the full potential of the cluster.

At EPO, three drilling rigs are dedicated to the exploration program focused on expanding inferred resources in the northern zone and upgrading additional underground resources to the indicated category in the southern zone. A fourth drilling rig was added in October 2024. During the third quarter of 2024, 4,070 m were drilled, with a total of 9,860 m drilled for the nine months ended September 30, 2024 (total forecasted drilling of 18,000 m for 2024). Six drill holes have been completed in the south zone, with intercepted alteration and target-type mineralization as planned. At EPO North, six follow-up drill holes were completed on intercepts reported in 2023, confirming vertical continuity of mineralization for over 100 m. The geological results justified reorienting the program to drill this sector in north-south sections, with the expectation of adding new inferred resources as part of the 2024 year-end mineral reserve and resource update.

At Media Luna West, the advanced exploration program for 2024 continues being executed with one rig. During the third quarter of 2024, 2,475 m were drilled, with a total of 6,341 m drilled for the nine months ended September 30, 2024 (total forecasted drilling of 9,500 m for 2024). During the third quarter of 2024, drilling at Media Luna West continued along east-west sections, confirming the proposed geological-structural model. In the central block at the 500 m elevation, seven drill holes in three sections along 200 m in a north-south direction intersected favorable alteration and mineralization as predicted. Additionally, in the west structural block, at the 400 m elevation, the first drill holes confirmed the continuity and extension of mineralization.

In the Todos Santos area, delineation of drilling targets began, and in parallel, construction of the access roads and platforms are advancing, with the plan to begin the drilling exploration program in November 2024 (total forecasted drilling of 1,500 m for 2024).

Regional Exploration and Drilling

In 2024, the Company plans to invest $3.0 million in the near-mine and regional exploration and drilling program budget, which includes an intermediate drill testing stage program of 3,000 m at El Naranjo focused on completing the geological delineation and testing of the two best ranked drilling targets. Additionally, a target selection program in Atzcala aims to delineate an area of 15 x 5 km, focusing on identifying the top three targets to advance.

At the El Naranjo project, detailed geological delineation is complete, and drilling of the highest-priority targets began in October 2024. The first phase will involve testing three major mineralization controls with two drill holes each. The campaign will start by testing the main breccia body at the intersection of the San Miguel and La Iguana faults, following up on a historic drill hole, which identified IS-type oxidized mineralization in a breccia dyke. The next two holes will be drilled in an east-west section to assess the structural continuity of the main breccia body and the favorable contact between the limestones and the El Naranjo intrusive associated with a magnetic anomaly. Finally, tests will be completed beneath the silica seal, following up on drill hole SS-07, which intercepted mineralization in hypogene vuggy silica controlled by the El Alacran fault and hosted in breccia bodies.

At Atzcala, the delineation of the 15 x 5 km area has been completed, identifying at least three targets with strong evidence supporting inclusion in the 2025 drilling program. In the fourth quarter of 2024, delineation of second-priority targets will be completed, while permitting and drilling plan design continue to progress.

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1 For more information on EPO Underground mineral reserves, see the Company's news release titled "Torex Gold Integrates EPO Deposit Into Morelos Mine Plan" issued on September 4, 2024, and filed on SEDAR+ at www.sedarplus.ca and on the Company's website at www.torexgold.com.

2 For more information on ELG Underground drilling results, see the Company's news release titled "Torex Gold Reports Positive Results From The 2024 ELG Underground Drilling Program" issued on June 27, 2024, and filed on SEDAR+ at www.sedarplus.ca and on the Company's website at www.torexgold.com.

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, 2024:

Table 8.

In millions of U.S. dollars	Sep 30, 2024	Dec 31, 2023
Cash and cash equivalents	**$ 114.5**	$ 172.8
Value-added tax receivables	**71.6**	79.0
Inventory	**133.2**	126.6
Deferred income tax assets	**96.6**	156.5
Property, plant and equipment	**1,595.3**	1,249.0
Other assets	**44.7**	51.9
Total assets	**$ 2,055.9**	$ 1,835.8
Accounts payable and accrued liabilities	**$ 177.2**	$ 148.3
Income taxes payable	**118.5**	86.9
Debt	**57.7**	–
Lease-related obligations	**69.4**	32.0
Decommissioning liabilities	**33.5**	41.0
Deferred income tax liabilities	**–**	5.5
Other liabilities	**29.2**	27.0
Total liabilities	**$ 485.5**	$ 340.7
Total shareholders' equity	**$ 1,570.4**	$ 1,495.1

Cash and cash equivalents

The Company ended the third quarter of 2024 with cash and cash equivalents of $114.5 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 decreased by $7.4 million compared to December 31, 2023, primarily as a result of receipts of refunds related to 2023 and the currency translation as the VAT receivables are primarily denominated in Mexican pesos. 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, 2024, the VAT receivables of $71.6 million comprises $70.4 million in current assets and $1.2 million in non-current assets.

Inventory

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

Deferred income tax assets

The deferred tax asset primarily relates to tax pools and temporary differences in Mexico. The decrease in the deferred tax asset is primarily driven by the tax effect of currency translation on the tax base, 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 determination of deferred tax.

Property, plant and equipment

Property, plant and equipment increased primarily due to additions of $505.5 million, of which $348.5 million relates to the Media Luna Project, partially offset by depreciation of $150.0 million and a decrease in the estimated discounted closure and rehabilitation costs on decommissioning liabilities of $9.1 million. Refer to Table 12 for a breakdown of capital expenditures for the nine months ended September 30, 2024.

Other assets

The other assets balance includes accounts receivable, prepaid expenses, advances and deposits, derivative contract assets and lease-related assets. The decrease in other assets is primarily due to the decrease of $1.9 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 balance decreased as a result of the commencement of new leases as the assets became available for use.

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities has increased since December 31, 2023, primarily due to increased liabilities related to the Media Luna Project as construction advances and the timing of payments and an increase in the share-based compensation liabilities as a result of the increase in the Company’s share price.

Income taxes payable

The increase in the balance is primarily due to current income tax expense of $106.7 million, partially offset by corporate income tax payments of $46.9 million and the 7.5% Mexican mining royalty of $24.8 million paid in the first quarter of 2024 in respect of 2023.

Debt

The increase in debt is due to the drawdowns on the Revolving Credit Facility to fund the development of the Media Luna Project. The carrying amount of debt is presented net of unamortized deferred finance charges.

Lease-related obligations

The increase in lease-related obligations is primarily due to $41.7 million in lease obligations that were recognized for the nine months ended September 30, 2024 as a result of the commencement of new leases for certain pieces of the primary production equipment, underground support equipment and personnel transport equipment for the Media Luna operations. As at September 30, 2024, the lease-related obligations of $69.4 million comprises $27.7 million in current liabilities and $41.7 million in non-current liabilities.

Decommissioning liabilities

Decommissioning liabilities decreased by $7.5 million primarily due to the effects of discounting and foreign exchange rate changes, partially offset by accretion and increases due to additional disturbances as a result of ongoing mining operations and the development of Media Luna.

Other liabilities

Other liabilities includes a current liability of $19.6 million and a non-current liability of $0.5 million relating to the derivative contracts based on gold forward sales and foreign exchange collar prices as at September 30, 2024 and a non-current share-based compensation liability of $9.1 million.

DEBT FINANCING

Debt Facility

On August 3, 2023, the Company (as borrower) executed an amendment (the “2023 Amendment”) to the Fourth Amended and Restated Credit Agreement (the “Fourth ARCA”) with the Bank of Montreal, Bank of Nova Scotia, Canadian Imperial Bank of Commerce, ING Bank N.V. and National Bank of Canada (the “Lenders”), increasing the capacity of the secured debt facility (the “Debt Facility”) to $300.0 million. Prior to July 25, 2024, the Debt Facility consisted of a revolving credit facility (the “Revolving Credit Facility”) and a term loan facility (the “Term Loan Facility”). As a result of the 2023 Amendment, the capacity of the Revolving Credit Facility increased from $150.0 million to $200.0 million and the Term Loan Facility remained unchanged at $100.0 million.

On July 25, 2024, the Company and its Mexican subsidiary (as co-borrowers) executed an amended and restated credit agreement, the Fifth Amended and Restated Credit Agreement (the "Fifth ARCA" or “2024 Amendment”) with the Lenders. The 2024 Amendment maintained the capacity of the Debt Facility at $300.0 million; however, the Term Loan Facility was eliminated and the capacity of the Revolving Credit Facility increased. The 2024 Amendment also includes an accordion feature for an additional $150.0 million in available capacity at the discretion of the Lenders.

During the nine months ended September 30, 2024, the Company drew $60.0 million, net on the Revolving Credit Facility (nine months ended September 30, 2023 - $nil). During the nine months ended September 30, 2024, the maximum balance the Company had outstanding on the Revolving Credit Facility was $60.0 million (nine months ended September 30, 2023 - $nil). As at September 30, 2024, the Company had borrowings of $60.0 million on the Debt Facility and had utilized $7.9 million for letters of credit, reducing the available credit of the Debt Facility to $232.1 million (December 31, 2023 - $nil, $7.9 million and $292.1 million, respectively).

The Debt Facility incorporates 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 RGMPs. The SPTs are aligned with the Company’s sustainability targets described in the “2024 Objectives” section of this MD&A. The 2024 Amendment continues to include sustainability-linked KPIs, which have now been established for 2025 and 2026.

The Debt Facility bears interest at a 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 credit spread adjustment is 0.10%. 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. As at September 30, 2024, the applicable margin was 2.51%. As a result of the 2024 Amendment, there were no changes to the applicable interest rate.

The $300.0 million Revolving Credit Facility matures on December 31, 2027, with no commitment reductions prior to maturity, and can be repaid in full anytime without penalty. Prior to the 2024 Amendment, the $200.0 million Revolving Credit Facility matured on December 31, 2026 and was 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. The $100.0 million Term Loan Facility could have been drawn until December 31, 2024, matured on June 30, 2026 and was subject to four equal quarterly repayment instalments commencing on September 30, 2025. Both the Revolving Credit Facility and Term Loan Facility could have been repaid in full anytime without penalty.

The Debt Facility permits spending for general corporate and working capital purposes and to facilitate the development of the Media Luna Project and other existing and future projects of the Company. The Debt Facility is subject to conditions, 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, prior to the 2024 Amendment, 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. As a result of the 2024 Amendment, the minimum liquidity covenant was replaced with a covenant on tangible net worth of $1.0 billion, plus 50% of positive quarterly net income from January 1, 2024.

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, 2024, the Company was in compliance with the financial and other covenants under the Fifth ARCA.

LIQUIDITY AND CAPITAL RESOURCES

The total assets of the Company as at September 30, 2024 were $2,055.9 million (December 31, 2023 - $1,835.8 million), which includes $114.5 million in cash and cash equivalents (December 31, 2023 - $172.8 million).

Net cash generated from operating activities before changes in non-cash operating working capital was $322.6 million for the nine months ended September 30, 2024, compared to $207.3 million for the nine months ended September 30, 2023. The increase in net cash generated from operating activities before changes in non-cash operating working capital of $115.3 million is largely due to a higher average realized gold price, an increase in gold ounces sold, lower income taxes paid, partially offset by higher production costs.

Net cash used in investing activities for the nine months ended September 30, 2024 was $435.2 million compared to $343.3 million for the nine months ended September 30, 2023. Net cash used in investing activities was higher primarily due to an increase in additions to property, plant and equipment related to the Media Luna Project.

Net cash generated from financing activities for the nine months ended September 30, 2024 related to proceeds from the Revolving Credit Facility of $60.0 million, net, partially offset by lease principal payments of $5.7 million, other borrowing costs paid of $2.0 million and transaction costs related to the 2024 Amendment of $0.7 million. The net cash used in financing activities for the comparative period related to lease principal payments of $3.2 million, other borrowing costs paid of $1.4 million and transaction costs related to the 2023 Amendment of $1.2 million.

The Company had debt outstanding of $60.0 million as at September 30, 2024 and had $232.1 million available under the Debt Facility with $7.9 million utilized for letters of credit. The $300.0 million Revolving Credit Facility matures on December 31, 2027, with no commitment reductions prior to maturity, and can be repaid in full anytime without penalty. Prior to the 2024 Amendment, the $200.0 million Revolving Credit Facility matured on December 31, 2026 and was 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. The $100.0 million Term Loan Facility could have been drawn until December 31, 2024, matured on June 30, 2026 and was subject to four equal quarterly repayment instalments commencing on September 30, 2025. Both the Revolving Credit Facility and Term Loan Facility could have been repaid in full anytime without penalty. The Company expects to fund the development of the Media Luna Project and EPO, and its exploration plans using available liquidity, forecasted future cash flow, and available credit facilities.

During the second and third quarters of 2023, the Company 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 delivered by the suppliers. In connection with the arrangements, the Company 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 with the purchase agreements by the suppliers, the Company 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, the Company executed interest-bearing promissory notes, of which $17.8 million remain outstanding as at September 30, 2024 (December 31, 2023 - $19.7 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* ("IFRS 9"). As at September 30, 2024, a corresponding $17.8 million asset has been recorded in other non-current assets in the Condensed Consolidated Interim Statements of Financial Position (December 31, 2023 - $19.7 million).

As at September 30, 2024, lease obligations included $48.0 million of leases for certain pieces of the primary production equipment, underground support equipment and personnel transport equipment for the Media Luna operations that had been delivered and for which the leases had commenced (December 31, 2023 - $8.0 million of leases for certain pieces of the primary production equipment). As the Company is deemed to have control of the equipment prior to delivery and subsequently, upon entering into the lease agreement, control of the equipment is retained by the Company, the assignment of the purchases to the financiers did not qualify as a sale in accordance with IFRS 15, *Revenue from Contracts with Customers*, and therefore IFRS 16, *Leases*, sale-leaseback accounting was not applied. Rather, the lease obligations are accounted for as financial liabilities in accordance with IFRS 9. Upon commencement of the leases, the Company recognized a corresponding asset in property, plant and equipment in the Condensed Consolidated Interim Statements of Financial Position.

As at September 30, 2024, the Company's contractual obligations included 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.

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. For the nine months ended September 30, 2024, the Company paid $19.1 million for the 2.5% royalty relating to the fourth quarter of 2023 and the first and second quarters of 2024 (nine months ended September 30, 2023 - $16.9 million relating to the fourth quarter of 2022 and the first and second quarters of 2023). As at September 30, 2024, the Company accrued $7.2 million for the 2.5% royalty relating to the third quarter of 2024, which was paid in October 2024 (December 31, 2023 - $7.0 million relating to the fourth quarter of 2023, which was paid in January 2024).

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 2024, the Company paid $29.4 million in respect of the 7.5% and 0.5% royalties for 2023 (paid in March 2023 - $34.2 million for 2022). As at September 30, 2024, the Company accrued $26.1 million and $3.8 million for the 7.5% and 0.5% royalties to be paid in March 2025, respectively (December 31, 2023 - $25.4 million and $4.4 million accrued for the 7.5% and 0.5% royalties to be paid in March 2024, respectively).

With the plant tie-in as part of the Media Luna Project rescheduled from the fourth quarter of 2024 to the first quarter of 2025, gold production in the fourth quarter of 2024 is expected to be relatively consistent with the first three quarters of 2024. Given the 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 2023 and 2022. Production in the third quarter of 2024 was higher than production during the second quarter of 2024, primarily due to the timing of pours and a higher average grade of ore processed.

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 9.

In millions of U.S. dollars		Payments Due by Period Total	Less than 1 year	1-3 years	4-5 years	Greater than 5 years
Operating commitments[1]	$	315.7	186.1	78.2	51.4	–
Capital commitments[1]	$	148.1	136.7	2.8	7.7	0.9
Accounts payable and accrued liabilities	$	177.2	177.2	–	–	–
Derivative contracts	$	20.1	19.6	0.5	–	–
Debt	$	74.5	4.5	9.0	61.0	–
Lease-related obligations	$	83.4	32.2	24.0	26.4	0.8
Total	$	819.0	556.3	114.5	146.5	1.7

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

During the nine months ended September 30, 2024, the Company entered into a power purchase agreement for the delivery of 236,520 megawatt hours of electricity per year over a period of five years, and delivery is expected to commence on or prior to December 31, 2024, at a fixed rate per megawatt hour, subject to annual inflation adjustments. As at September 30, 2024, the agreement is accounted for as an executory contract on the basis that the contract is held for the purpose of the receipt of a non-financial item in accordance with the expected electricity usage by the Company over the contract term. Included in operating commitments as at September 30, 2024 is $97.4 million relating to the power purchase agreement.

OUTSTANDING SHARE DATA

Table 10.

Outstanding Share Data as at November 5, 2024	Number
Common shares	85,986,971
Stock options[1]	24,707
Restricted share units[2, 3]	701,061
Performance share units[4]	787,754

1. Each stock option is exercisable into one common share of the Company. As of January 1, 2022, the Company ceased the issuance of new stock options and the plan will be terminated once all outstanding stock 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, and outstanding at the vesting date, 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 MD&A which include: 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, net (debt) cash available liquidity and unit cost measures. The Company believes that these measures, while not a substitute for measures of performance prepared in accordance with IFRS, provide investors with 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 both a by-product basis (per oz sold) and a gold equivalent basis (per oz AuEq sold). 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 on a by-product basis are calculated as production costs and royalties less by-product sales. Total cash costs on a gold equivalent basis are calculated as production costs and royalties.

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") in 2018. 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 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.

Reconciliation of Total Cash Costs and All-in Sustaining Costs to Production Costs and Royalties

The following table provides a reconciliation of total cash costs and all-in sustaining costs to production costs and royalties as per the Condensed Consolidated Interim Statements of Operations and Comprehensive Income:

Table 11.

		Three Months Ended			Nine Months Ended	
In millions of U.S. dollars, unless otherwise noted		**Sep 30, 2024**	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Gold sold	oz	**122,130**	113,513	81,752	**347,285**	305,956
Total cash costs per oz sold						
Production costs	$	**112.9**	113.0	86.8	**326.7**	255.0
Royalties	$	**8.6**	7.5	4.8	**23.0**	18.1
Less: Silver sales	$	**(2.2)**	(1.6)	(1.0)	**(5.3)**	(3.8)
Less: Copper sales	$	**(6.2)**	(3.8)	(1.8)	**(13.7)**	(6.8)
Total cash costs	$	**113.1**	115.1	88.8	**330.7**	262.5
Total cash costs per oz sold	$/oz	**926**	1,014	1,086	**952**	858
All-in sustaining costs per oz sold						
Total cash costs	$	**113.1**	115.1	88.8	**330.7**	262.5
General and administrative costs[1]	$	**8.8**	7.3	6.2	**24.1**	18.7
Reclamation and remediation costs	$	**1.0**	1.2	1.1	**3.5**	3.8
Sustaining capital expenditure	$	**11.6**	17.0	22.4	**51.0**	99.6
Total all-in sustaining costs	$	**134.5**	140.6	118.5	**409.3**	384.6
Total all-in sustaining costs per oz sold	$/oz	**1,101**	1,239	1,450	**1,179**	1,257
Gold equivalent sold[2]	oz AuEq	**125,414**	115,890	83,297	**355,410**	311,393
Total cash costs per oz AuEq sold						
Production costs	$	**112.9**	113.0	86.8	**326.7**	255.0
Royalties	$	**8.6**	7.5	4.8	**23.0**	18.1
Total cash costs	$	**121.5**	120.5	91.6	**349.7**	273.1
Total cash costs per oz AuEq sold[2]	$/oz AuEq	**969**	1,040	1,100	**984**	877
All-in sustaining costs per oz AuEq sold						
Total cash costs	$	**121.5**	120.5	91.6	**349.7**	273.1
General and administrative costs[1]	$	**8.8**	7.3	6.2	**24.1**	18.7
Reclamation and remediation costs	$	**1.0**	1.2	1.1	**3.5**	3.8
Sustaining capital expenditure	$	**11.6**	17.0	22.4	**51.0**	99.6
Total all-in sustaining costs	$	**142.9**	146.0	121.3	**428.3**	395.2
Total all-in sustaining costs per oz AuEq sold[2]	$/oz AuEq	**1,139**	1,260	1,456	**1,205**	1,269

1. This amount excludes a loss of $3.9 million, loss of $0.8 million and gain of $3.1 million for the three months ended September 30, 2024, June 30, 2024, and September 30, 2023, respectively, and a loss of $8.9 million and gain of $1.3 million for the nine months ended September 30, 2024 and September 30, 2023, respectively, in relation to the remeasurement of share-based payments. This amount also excludes corporate depreciation and amortization expenses totalling $nil, $nil and $0.1 million for the three months ended September 30, 2024, June 30, 2024, and September 30, 2023, respectively, $0.1 million and $0.2 million for the nine months ended September 30, 2024 and September 30, 2023, respectively, within general and administrative costs. Included in general and administrative costs is share-based compensation expense in the amount of $1.6 million or $13/oz ($13/oz AuEq) for the three months ended September 30, 2024, $1.6 million or $14/oz ($14/oz AuEq) for the three months ended June 30, 2024, $1.2 million or $15/oz ($14/oz AuEq) for the three months ended September 30, 2023, $5.5 million or $16/oz ($15/oz AuEq) for the nine months ended September 30, 2024 and $4.3 million or $14/oz ($14/oz AuEq) for the nine months ended September 30, 2023. This amount excludes other expenses totalling $2.4 million, $2.1 million and $2.4 million for

the three months ended September 30, 2024, June 30, 2024, and September 30, 2023, respectively, and $5.7 million and $4.6 million for the nine months ended September 30, 2024 and September 30, 2023, respectively.

2. Gold equivalent ounces produced and sold include production of silver and copper converted to a gold equivalent based on a ratio of the average market prices for each commodity sold in the period. Refer to "Gold Equivalent Reporting" for the relevant average market prices by commodity.

Reconciliation of Sustaining and Non-Sustaining Costs to Capital Expenditures

The following table provides a reconciliation of capital expenditures to additions to property, plant and equipment as reported in the Condensed Consolidated Interim Statements of Cash Flows:

Table 12.

		Three Months Ended			Nine Months Ended	
In millions of U.S. dollars		**Sep 30, 2024**	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Sustaining	$	**11.6**	16.4	16.5	**49.6**	50.6
Capitalized Stripping (Sustaining)	$	**–**	0.6	5.9	**1.4**	49.0
Non-sustaining	$	**–**	–	0.8	**–**	1.9
Total ELG	$	**11.6**	17.0	23.2	**51.0**	101.5
Media Luna Project[1]	$	**113.9**	108.2	98.7	**348.5**	242.3
Media Luna Cluster Drilling	$	**4.4**	1.9	4.2	**7.6**	12.2
Working Capital Changes & Other	$	**14.4**	28.4	(13.7)	**18.8**	(19.4)
Capital expenditures[2]	$	**144.3**	155.5	112.4	**425.9**	336.6

1. This amount includes a realized gain (or a reduction in the capitalized expenditures) of $0.1 million, $0.5 million and $nil for the three months ended September 30, 2024, June 30, 2024, and September 30, 2023, respectively, $1.4 million and $nil for the nine months ended September 30, 2024 and September 30, 2023, respectively, in relation to the settlement of foreign exchange zero cost collars that were entered into to manage the capital expenditure risk related to a further strengthening of the Mexican peso.
2. 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

Average realized gold price and total cash costs margin on a by-product basis (per oz 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 sold reflects average realized gold price per oz sold, less total cash costs per oz sold.

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

The following table provides a reconciliation of average realized gold price and total cash costs margin on a by-product basis (per oz sold) to revenue as per the Condensed Consolidated Interim Statements of Operations and Comprehensive Income:

Table 13.

		Three Months Ended			Nine Months Ended	
In millions of U.S. dollars, unless otherwise noted		**Sep 30, 2024**	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Gold sold	oz	**122,130**	113,513	81,752	**347,285**	305,956
Revenue	$	**313.7**	270.3	160.1	**820.5**	600.2
Less: Silver sales	$	**(2.2)**	(1.6)	(1.0)	**(5.3)**	(3.8)
Less: Copper sales	$	**(6.2)**	(3.8)	(1.8)	**(13.7)**	(6.8)
Less: Realized (loss) gain on gold contracts	$	**(22.8)**	(16.0)	1.6	**(44.2)**	1.5
Total proceeds	$	**282.5**	248.9	158.9	**757.3**	591.1
Total average realized gold price	$/oz	**2,313**	2,193	1,944	**2,181**	1,932
Less: Total cash costs	$/oz	**926**	1,014	1,086	**952**	858
Total cash costs margin	$/oz	**1,387**	1,179	858	**1,229**	1,074
Total cash costs margin	%	**60**	54	44	**56**	56

All-in Sustaining Costs Margin and All-in Sustaining Costs Margin

AISC margin and AISC margin on a by-product basis (per oz 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 on a by-product basis is calculated as revenue per the Condensed Consolidated Interim Statements of Operations and Comprehensive Income, less silver sales, copper sales, realized (losses) gains on gold contracts where applicable, and AISC. All-in sustaining costs margin per oz sold reflects the average realized gold price per oz sold less all-in sustaining costs per oz sold.

Reconciliation of All-in Sustaining Costs Margin to Revenue

The following table provides a reconciliation of all-in sustaining costs margin to revenue as per the Condensed Consolidated Interim Statements of Operations and Comprehensive Income:

Table 14.

		Three Months Ended			Nine Months Ended	
In millions of U.S. dollars, unless otherwise noted		**Sep 30, 2024**	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Gold sold	oz	**122,130**	113,513	81,752	**347,285**	305,956
Revenue	$	**313.7**	270.3	160.1	**820.5**	600.2
Less: Silver sales	$	**(2.2)**	(1.6)	(1.0)	**(5.3)**	(3.8)
Less: Copper sales	$	**(6.2)**	(3.8)	(1.8)	**(13.7)**	(6.8)
Less: Realized (loss) gain on gold contracts	$	**(22.8)**	(16.0)	1.6	**(44.2)**	1.5
Less: All-in sustaining costs	$	**(134.5)**	(140.6)	(118.5)	**(409.3)**	(384.6)
All-in sustaining costs margin	$	**148.0**	108.3	40.4	**348.0**	206.5
Total average realized gold price	$/oz	**2,313**	2,193	1,944	**2,181**	1,932
Total all-in sustaining costs margin	$/oz	**1,212**	954	494	**1,002**	675
Total all-in sustaining costs margin	%	**52**	44	25	**46**	35

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, (gains) losses on 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

The following table provides a reconciliation of adjusted net earnings to net income as per the Condensed Consolidated Interim Statements of Operations and Comprehensive Income:

Table 15.

In millions of U.S. dollars, unless otherwise noted		Three Months Ended			Nine Months Ended	
		Sep 30, 2024	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Basic weighted average shares outstanding	shares	**85,986,516**	85,984,756	85,885,453	**85,973,657**	85,879,934
Diluted weighted average shares outstanding	shares	**87,071,146**	86,888,359	86,401,220	**86,725,279**	86,409,988
Net income	$	**29.2**	1.9	10.5	**74.2**	154.0
Adjustments:						
Unrealized foreign exchange (gain) loss	$	**(0.3)**	2.5	1.4	**1.6**	(1.6)
Unrealized gain on derivative contracts	$	**(6.5)**	(5.4)	(16.5)	**(0.3)**	(4.7)
Loss (gain) on remeasurement of share-based payments	$	**3.9**	0.8	(3.1)	**8.9**	(1.3)
Derecognition of provisions for uncertain tax positions	$	**–**	–	–	**(12.1)**	(15.2)
Tax effect of above adjustments	$	**2.1**	0.8	5.2	**(0.4)**	2.1
Tax effect of currency translation on tax base	$	**37.1**	51.8	13.6	**81.9**	(34.0)
Adjusted net earnings	$	**65.5**	52.4	11.1	**153.8**	99.3
Per share – Basic	$/share	**0.76**	0.61	0.13	**1.79**	1.16
Per share – Diluted	$/share	**0.75**	0.60	0.13	**1.77**	1.15

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, (gains) losses on remeasurement of share-based payments, and certain impairment losses (if applicable).

Reconciliation of EBITDA and Adjusted EBITDA to Net Income

The following table provides a reconciliation of EBITDA and Adjusted EBITDA to net income as per the Condensed Consolidated Interim Statements of Operations and Comprehensive Income:

Table 16.

		Three Months Ended			Nine Months Ended	
In millions of U.S. dollars		**Sep 30, 2024**	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Net income	$	**29.2**	1.9	10.5	**74.2**	154.0
Finance income, net	$	**(0.3)**	(1.0)	(2.0)	**(3.0)**	(8.2)
Depreciation and amortization[1]	$	**48.6**	45.9	41.5	**144.3**	135.6
Current income tax expense	$	**55.4**	25.1	12.1	**106.7**	47.5
Deferred income tax expense (recovery)	$	**22.4**	51.4	17.3	**54.4**	(21.7)
EBITDA	$	**155.3**	123.3	79.4	**376.6**	307.2
Adjustments:						
Unrealized gain on derivative contracts	$	**(6.5)**	(5.4)	(16.5)	**(0.3)**	(4.7)
Unrealized foreign exchange (gain) loss	$	**(0.3)**	2.5	1.4	**1.6**	(1.6)
Loss (gain) on remeasurement of share-based payments	$	**3.9**	0.8	(3.1)	**8.9**	(1.3)
Adjusted EBITDA	$	**152.4**	121.2	61.2	**386.8**	299.6

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 and other borrowing costs paid (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.

Reconciliation of Free Cash Flow to Net Cash Generated from Operating Activities

The following table provides a reconciliation of free cash flow to net cash generated from operating activities as reported in the Condensed Consolidated Interim Statements of Cash Flows:

Table 17.

		Three Months Ended			Nine Months Ended	
In millions of U.S. dollars		**Sep 30, 2024**	Jun 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Net cash generated from operating activities	$	**149.5**	97.4	44.2	**326.7**	180.8
Less:						
Additions to property, plant and equipment[1]	$	**(144.3)**	(155.5)	(112.4)	**(425.9)**	(336.6)
Lease payments	$	**(2.5)**	(1.8)	(1.0)	**(5.7)**	(3.2)
Interest and other borrowing costs paid[2]	$	**(3.4)**	(2.4)	(0.5)	**(7.2)**	(2.1)
Free cash flow	$	**(0.7)**	(62.3)	(69.7)	**(112.1)**	(161.1)

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 (debt) cash

Net (debt) 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 (debt) cash is defined as total cash and cash equivalents and short-term investments less lease-related obligations and debt, adjusted to exclude unamortized deferred finance charges, at the end of the period. This measure is used by management, and may be used by certain investors, to measure the Company's debt leverage.

Reconciliation of Net (debt) cash to Cash and Cash Equivalents

The following table provides a reconciliation of net (debt) cash to cash and cash equivalents as reported in the Condensed Consolidated Interim Statements of Financial Position:

Table 18.

In millions of U.S. dollars		**Sep 30, 2024**	Jun 30, 2024	Dec 31, 2023	Sep 30, 2023
Cash and cash equivalents	$	**114.5**	108.7	172.8	209.4
Less:					
Debt	$	**(57.7)**	(53.9)	–	–
Lease-related obligations	$	**(69.4)**	(59.0)	(32.0)	(21.1)
Deferred finance charges	$	**(2.3)**	(1.1)	–	–
Net (debt) cash	$	**(14.9)**	(5.3)	140.8	188.3

Available Liquidity

Available liquidity 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. Available liquidity is defined as total cash and cash equivalents and short-term investments and the available credit on the Debt Facility (undrawn capacity less letters of credits utilized). This measure is used by management, and may be used by certain investors, to measure the Company's liquidity position.

Reconciliation of Available Liquidity to Cash and Cash Equivalents

The following table provides a reconciliation of available liquidity to cash and cash equivalents as reported in the Condensed Consolidated Interim Statements of Financial Position:

Table 19.

In millions of U.S. dollars		**Sep 30, 2024**	Jun 30, 2024	Dec 31, 2023	Sep 30, 2023
Cash and cash equivalents	$	**114.5**	108.7	172.8	209.4
Add: Available credit of the Debt Facility	$	**232.1**	237.1	292.1	292.1
Available liquidity	$	**346.6**	345.8	464.9	501.5

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.

Reconciliation of Unit Cost Measures to Production Costs

The following table provides a reconciliation of unit cost measures to production costs as per the Condensed Consolidated Interim Statements of Operations and Comprehensive Income:

Table 20.

	Three Months Ended						Nine Months Ended			
In millions of U.S. dollars, unless otherwise noted	**Sep 30, 2024**		Jun 30, 2024		Sep 30, 2023		**Sep 30, 2024**		Sep 30, 2023	
Gold sold (oz)	**122,130**		113,513		81,752		**347,285**		305,956	
Tonnes mined - open pit (kt)	**5,838**		8,669		11,157		**23,488**		32,279	
Tonnes mined - underground (kt)	**196**		195		214		**559**		544	
Tonnes processed (kt)	**1,186**		1,202		1,206		**3,582**		3,592	
Total cash costs:										
Total cash costs ($)	**113.1**		115.1		88.8		**330.7**		262.5	
Total cash costs per oz sold ($)	**926**		1,014		1,086		**952**		858	
Breakdown of production costs	**$**	**$/t**	**$**	**$/t**	**$**	**$/t**	**$**	**$/t**	**$**	**$/t**
Mining - open pit	**25.2**	**4.32**	31.9	3.69	33.4	2.99	**88.7**	**3.78**	93.9	2.91
Mining - underground	**18.3**	**93.21**	16.8	86.18	17.0	79.61	**48.9**	**87.49**	43.9	80.70
Processing	**48.7**	**41.13**	46.0	38.19	39.8	32.96	**137.2**	**38.31**	122.5	34.10
Site support	**14.3**	**12.06**	14.4	11.98	13.9	11.51	**43.0**	**12.00**	40.3	11.21
Mexican profit sharing (PTU)	**5.0**	**4.22**	6.5	5.41	0.8	0.66	**14.5**	**4.05**	11.6	3.22
Capitalized stripping	**–**		(0.6)		(5.9)		**(1.4)**		(49.0)	
Inventory movement	**0.6**		(2.5)		(12.1)		**(6.2)**		(9.5)	
Other	**0.8**		0.5		(0.1)		**2.0**		1.3	
Production costs	**112.9**		113.0		86.8		**326.7**		255.0	

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.

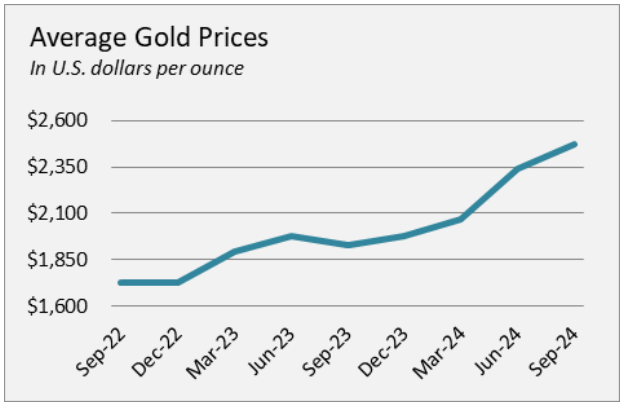
Table 21.

		Three Months Ended		Nine Months Ended	
		Sep 30, 2024	Sep 30, 2023	**Sep 30, 2024**	Sep 30, 2023
Average market spot prices[1]					
Gold	$/oz	**2,474**	1,928	**2,296**	1,930
Closing market exchange rates[2]					
Mexican peso : U.S. dollar	Peso : $	**19.6**	17.6	**19.6**	17.6
Canadian dollar : U.S. dollar	C$: $	**1.35**	1.35	**1.35**	1.35
Average market exchange rates[2]					
Mexican peso : U.S. dollar	Peso : $	**18.9**	17.1	**17.7**	17.8
Canadian dollar : U.S. dollar	C$: $	**1.36**	1.34	**1.36**	1.35

1. Based on the LBMA PM fix.
2. Sources: Bank of Mexico for the Mexican peso and Bank of Canada for the Canadian dollar.

Metal prices

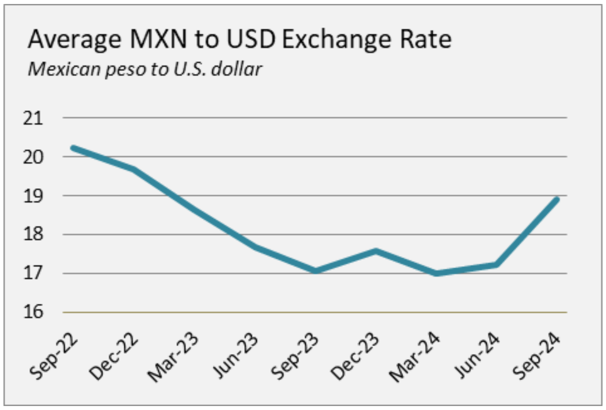
The Company's profitability and operating cash flows are significantly impacted by the price of gold.



From December 31, 2023 to September 30, 2024 based on closing prices, gold prices increased 27%. From December 31, 2022 to September 30, 2023 based on closing prices, gold prices increased 1%. The Company has taken initiatives to mitigate price uncertainty during the development of the Media Luna Project. As at September 30, 2024, the remaining gold forward contracts to sell a total of 27,000 oz of gold between October 2024 and December 2024 have a weighted average price of $1,939 per oz. For details of the remaining gold forward contracts, refer to Table 24.

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, 2024 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 17.7 and 17.8 pesos to $1 for the nine months ended September 30, 2024 and 2023, respectively, representing an 0.3% 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, 2024, the remaining MXN/USD foreign exchange collar contracts to settle a notional value of $87.3 million between October 2024 and December 2025 have a weighted average put strike (floor) rate of

19.27:1 and a weighted average call strike (ceiling) rate of 21.14:1. For details of the remaining foreign exchange collar contracts, refer to Table 23.

SUMMARY OF QUARTERLY RESULTS

Quarterly Results for the Eight Most Recently Completed Quarters

Table 22.

		2024			2023				2022
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	$	**313.7**	270.3	236.5	282.4	160.1	211.3	228.8	216.5
Net income	$	**29.2**	1.9	43.1	50.4	10.5	75.3	68.2	34.6
Per share – Basic	$/share	**0.34**	0.02	0.50	0.59	0.12	0.88	0.79	0.40
Per share – Diluted	$/share	**0.34**	0.02	0.50	0.58	0.09	0.85	0.79	0.40

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 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. 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, VAT receivables, accounts payable and lease-related obligations. 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, 2023 and 2022.

RECENT ACCOUNTING PRONOUNCEMENTS

Refer to Note 3 in the Company's condensed consolidated interim financial statements for the three and nine months ended September 30, 2024 and Note 3 in the Company's audited consolidated financial statements for the years ended December 31, 2023 and 2022.

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, interest rate risk, foreign currency risk and commodity price risk, and are detailed in Note 24 of the Company's audited consolidated financial statements for the years ended December 31, 2023 and 2022.

Foreign Currency Risk

In 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

$107.3 million, with a weighted average put strike (floor) rate of 17.37:1 and a weighted average call strike (ceiling) rate of 20.00:1.

In June 2024, the Company entered into an additional series of zero-cost collars for $nil cash premium to hedge against changes in foreign exchange rates of the Mexican peso between July 2024 and December 2024 for a total notional value of $23.7 million, with a weighted average put strike (floor) rate of 18.21:1 and a weighted average call strike (ceiling) rate of 20.00:1.

During the three months ended September 30, 2024, the Company entered into an additional series of zero-cost collars for $nil cash premium to hedge against changes in foreign exchange rates of the Mexican peso between January 2025 and December 2025 for a total notional value of $72.0 million, with a weighted average put strike (floor) rate of 19.58:1 and a weighted average call strike (ceiling) rate of 21.38:1.

As at September 30, 2024, the remaining MXN/USD foreign exchange collar contracts to settle a notional value of $87.3 million between October 2024 and December 2025 have a weighted average put strike (floor) rate of 19.27:1 and a weighted average call strike (ceiling) rate of 21.14:1.

Subsequent to September 30, 2024, the Company entered into an additional series of zero-cost collars for $nil cash premium to hedge against the impact of changes in foreign exchange rates of the Mexican peso on production costs between January 2025 and December 2025 for a total notional value of $12.0 million, with a weighted average put strike (floor) rate of 20.00:1 and a weighted average call strike (ceiling) rate of 21.68:1.

Table 23.

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 2024	17.80	20.00	15,300,000
Q1 2025	19.64	21.42	21,000,000
Q2 2025	19.64	21.42	21,000,000
Q3 2025	19.71	21.48	19,000,000
Q4 2025	19.59	21.38	23,000,000
Total	19.36	21.20	99,300,000

Commodity Price Risk

Gold prices have fluctuated widely in recent years, and there is no assurance that a profitable market will exist for gold produced by the Company. The Company has taken initiatives to mitigate price uncertainty during the development of the Media Luna Project.

In 2022, the Company executed monthly forward price contracts on future gold production to sell 198,000 oz of gold between October 2022 and December 2024 at a weighted average price of $1,919 per oz.

In 2023, the Company executed additional monthly forward price contracts on future gold production to sell 131,000 oz of gold between July 2023 and December 2024 at a weighted average price of $2,007 per oz.

As at September 30, 2024, the remaining gold forward contracts to sell a total of 27,000 oz of gold between October 2024 and December 2024 have a weighted average price of $1,939 per oz.

Table 24.

Settlement Date (Quarter)	Weighted Average Price ($/oz)	Quantity (oz)
Q4 2024	1,939	27,000
Total	1,939	27,000

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.

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"), filed on SEDAR+ at www.sedarplus.ca and available 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 2024 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, 2024, 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 resources, drilling results and exploration results have been reviewed and approved by Rochelle Collins, P.Geo., Principal, Mineral Resources 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 reserves has been reviewed and approved by Johannes (Gertjan) Bekkers, P.Eng., Vice President, Mines Technical Services 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 filed on SEDAR+ at www.sedarplus.ca, and is available upon request from the Company.

Mineral Reserve Estimate – Morelos Complex

Table 25.

	Tonnes (kt)	Au (gpt)	Ag (gpt)	Cu (%)	Au (koz)	Ag (koz)	Cu (Mlb)	AuEq (gpt)	AuEq (koz)
Media Luna Underground									
Proven	2,001	4.28	33.1	1.09	276	2,129	48	6.48	417
Probable	21,568	2.56	24.2	0.84	1,775	16,749	401	4.24	2,943
Proven & Probable	**23,569**	**2.71**	**24.9**	**0.86**	**2,050**	**18,877**	**448**	**4.43**	**3,360**
ELG Underground									
Proven	1,497	5.77	8.0	0.30	277	385	10	6.28	302
Probable	2,007	4.91	7.5	0.29	317	482	13	5.46	352
Proven & Probable	**3,504**	**5.28**	**7.7**	**0.30**	**594**	**867**	**23**	**5.81**	**654**
EPO Underground									
Proven	-	-	-	-	-	-	-	-	-
Probable	5,029	2.27	29.8	1.29	367	4,820	143	4.83	781
Proven & Probable	**5,029**	**2.27**	**29.8**	**1.29**	**367**	**4,820**	**143**	**4.83**	**781**
ELG Open Pit									
Proven	1,813	4.30	5.4	0.16	251	313	6	4.36	254
Probable	3,741	2.51	4.5	0.20	302	538	16	2.58	310
Proven & Probable	**5,553**	**3.09**	**4.8**	**0.18**	**552**	**851**	**23**	**3.16**	**565**
Surface Stockpiles									
Proven	4,972	1.17	2.8	0.07	187	443	8	1.20	192
Probable	-	-	-	-	-	-	-	-	-
Proven & Probable	**4,972**	**1.17**	**2.8**	**0.07**	**187**	**443**	**8**	**1.20**	**192**
Total Morelos Complex									
Proven	10,283	3.00	9.9	0.32	991	3,269	72	3.52	1,165
Probable	32,345	2.65	21.7	0.80	2,760	22,589	573	4.22	4,387
Proven & Probable	**42,627**	**2.74**	**18.9**	**0.69**	**3,751**	**25,858**	**645**	**4.05**	**5,552**

Notes to accompany the 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:

1. Mineral reserves are based on Media Luna measured & indicated mineral resources with an effective date of December 31, 2023.
2. Media Luna Underground mineral reserves are reported above an in-situ ore cut-off grade of 2.4 gpt AuEq.

3. Media Luna Underground cut-off grades and mining shapes are considered appropriate for a metal price of $1,500/oz gold ("Au"), $19/oz silver ("Ag") and $3.50/lb copper ("Cu") and metal recoveries of 90% Au, 86% Ag, and 93% Cu.
4. 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.
5. Media Luna Underground AuEq = Au (gpt) + Ag (gpt) * (0.0121) + Cu (%) * (1.6533), accounting for metal prices and metallurgical recoveries.

Notes to accompany the EPO Underground mineral reserves:

1. Mineral reserves for EPO Underground have an effective date of June 30, 2024.
2. Mineral reserves are based on EPO Underground indicated mineral resources with an effective date of December 31, 2023.
3. EPO Underground mineral reserves are reported above an in-situ ore cut-off grade of 2.4 gpt AuEq.
4. EPO Underground cut-off grades and mining shapes are considered appropriate for a metal price of $1,500/oz gold ("Au"), $19/oz silver ("Ag") and $3.50/lb copper ("Cu") and metal recoveries of 87% Au, 85% Ag, and 92% Cu.
5. Mineral reserves within designed mine shapes assume long-hole open stoping and include estimates for dilution and mining losses.
6. EPO Underground AuEq = Au (gpt) + Ag (gpt) * (0.0124) + Cu (%) * (1.6920), accounting for metal prices and metallurgical recoveries.

Notes to accompany the ELG Underground mineral reserves:

1. Mineral reserves are founded on Measured and indicated mineral resources, with an effective date of December 31, 2023, for ELG Underground (including Sub-Sill, El Limón Deep and El Limón Sur trend deposits).
2. ELG Underground mineral reserves are reported above an in-situ ore cut-off grade of 2.8 gpt AuEq and an in-situ incremental cut-off grade of 1.6 gpt AuEq.
3. Cut-off grades and mining shapes are considered appropriate for a metal price of $1,500/oz gold ("Au"), $19/oz silver ("Ag") and $3.50/lb copper ("Cu") and metal recoveries of 90% Au, 86% Ag, and 93% Cu, accounting for the planned copper concentrator.
4. Mineral reserves within designed mine shapes assume mechanized cut and fill mining method and include estimates for dilution and mining losses.
5. Mineral reserves are reported using an Au price of US$1,500/oz, Ag price of US$19/oz, and Cu price of US$3.50/lb.
6. ELG Underground AuEq = Au (gpt) + Ag (gpt) * (0.0121) + Cu (%) * (1.6533), accounting for metal prices and metallurgical recoveries.

Notes to accompany the ELG Open Pit mineral reserves and Surface Stockpiles:

1. Mineral reserves are founded on Measured and indicated mineral resources, with an effective date of December 31, 2023, for El Limón and El Limón Sur deposits.
2. ELG Open Pit mineral reserves are reported above an in-situ cut-off grade of 1.2 gpt Au.
3. ELG Low Grade mineral reserves are reported above an in-situ cut-off grade of 0.88 gpt Au.
4. It is planned that ELG Low Grade mineral reserves within the designed pits will be stockpiled during pit operation and processed during pit closure.
5. Mineral reserves within the designed pits include assumed estimates for dilution and ore losses.
6. Cut-off grades and designed pits are considered appropriate for a metal price of $1,500/oz Au and metal recovery of 89% Au.
7. Mineral reserves are reported using an Au price of US$1,500/oz, Ag price of US$19/oz, and Cu price of US$3.50/lb.
8. Average metallurgical recoveries of 89% for Au, 30% for Ag, and 15% for Cu.
9. ELG Open Pit (including surface stockpiles) AuEq = Au (gpt) + Ag (gpt) * (0.0043) + Cu (%) * (0.2697), accounting for metal prices and metallurgical recoveries.

Mineral Resource Estimate – Morelos Complex

Table 26.

	Tonnes (kt)	Au (gpt)	Ag (gpt)	Cu (%)	Au (koz)	Ag (koz)	Cu (Mlb)	AuEq (gpt)	AuEq (koz)
Media Luna Underground									
Measured	1,835	5.26	41.7	1.37	310	2,463	55	8.00	472
Indicated	25,616	2.99	29.5	1.04	2,463	24,328	585	5.03	4,146
Measured & Indicated	**27,451**	**3.14**	**30.4**	**1.06**	**2,774**	**26,791**	**640**	**5.23**	**4,618**
Inferred	7,330	2.54	23.0	0.88	598	5,408	142	4.25	1,001
ELG Underground									
Measured	3,451	5.48	7.9	0.32	608	876	24	6.10	677
Indicated	4,725	4.46	7.4	0.30	677	1,126	31	5.03	765
Measured & Indicated	**8,176**	**4.89**	**7.6**	**0.31**	**1,285**	**2,002**	**55**	**5.48**	**1,441**
Inferred	2,396	4.60	8.0	0.35	355	620	19	5.28	407
EPO Underground									
Measured	-	-	-	-	-	-	-	-	-
Indicated	6,979	2.66	30.0	1.27	597	6,728	195	5.14	1,153
Measured & Indicated	**6,979**	**2.66**	**30.0**	**1.27**	**597**	**6,728**	**195**	**5.14**	**1,153**
Inferred	4,960	2.00	37.0	1.24	318	5,908	136	4.52	721
ELG Open Pit									
Measured	1,812	4.41	5.5	0.16	257	323	6	4.47	261
Indicated	4,299	2.50	4.4	0.18	346	606	17	2.57	355
Measured & Indicated	**6,110**	**3.07**	**4.7**	**0.17**	**602**	**929**	**23**	**3.13**	**615**
Inferred	399	2.06	1.5	0.05	26	19	0	2.08	27
Total Morelos Complex									
Measured	7,098	5.15	16.0	0.55	1,175	3,662	86	6.18	1,409
Indicated	41,619	3.05	24.5	0.90	4,083	32,787	827	4.80	6,418
Measured & Indicated	**48,717**	**3.36**	**23.3**	**0.85**	**5,258**	**36,449**	**913**	**5.00**	**7,828**
Inferred	15,085	2.67	24.7	0.89	1,297	11,955	297	4.45	2,156

Notes to accompany the mineral resource Table:

1. Mineral resources were prepared in accordance with the CIM Definition Standards (May 2014) and the CIM MRMR Best Practice Guidelines (November 2019).
2. Mineral resources are depleted above a mining surface or to the as-mined solids as of December 31, 2023.
3. Gold equivalent (“AuEq”) of total mineral resources is established from combined contributions of the various deposits.
4. Mineral resources for all deposits are based on an underlying gold (“Au”) price of US$1,650/oz, silver (“Ag”) price of US$22/oz, and copper (“Cu”) price of US$3.75/lb.
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 (as at the effective date of the estimate).

Notes to accompany Media Luna Underground mineral resources:

1. The effective date of the estimate is December 31, 2023.
2. Mineral resources for Media Luna Underground are reported above a 2.0 gpt AuEq cut-off grade.
3. Metallurgical recoveries at Media Luna Underground average 90% Au, 86% Ag, and 93% Cu.
4. The assumed mining method is from underground methods, using a combination of long-hole open stoping and mechanized cut-and-fill.
5. Media Luna Underground AuEq = Au (gpt) + (Ag (gpt) * 0.0127) + (Cu (%) * 1.6104), accounting for underlying metal prices and metallurgical recoveries for Media Luna Underground.

Notes to accompany ELG Underground mineral resources:

1. The effective date of the estimate is December 31, 2023.
2. Mineral resources for ELG Underground are reported above a cut-off grade of 2.2 gpt AuEq.
3. Average metallurgical recoveries are 90% Au, 86% Ag, and 93% Cu, accounting for recoveries with planned copper concentrator.
4. The assumed mining method is underground cut and fill.
5. ELG Underground AuEq = Au (gpt) + (Ag (gpt) * 0.0127) + (Cu (%) * 1.6104), accounting for underlying metal prices and metallurgical recoveries for ELG Underground.

Notes to accompany EPO Underground mineral resources:

1. The effective date of the estimate is December 31, 2023.
2. Mineral resources for EPO Underground are reported above a 2.0 gpt AuEq cut-off grade.
3. Metallurgical recoveries at EPO average 87% Au, 85% Ag, and 92% Cu.
4. The assumed mining method is from underground methods, using long-hole open stoping.
5. EPO Underground AuEq = Au (gpt) + (Ag (gpt) * 0.0130) + (Cu (%) * 1.6480), accounting for underlying metal prices and metallurgical recoveries for EPO Underground.

Notes to accompany the ELG Open Pit mineral resources:

1. The effective date of the estimate is December 31, 2023.
2. Mineral resources for ELG Open Pit are reported above an in-situ cut-off grade of 0.78 gpt Au.
3. Average metallurgical recoveries are 89% Au, 30% Ag, and 15% Cu.

4. Mineral resources are reported inside an optimized pit shell, underground mineral reserves at ELD within the El Limón pit shell have been excluded from the open pit mineral resources.
5. ELG Open Pit AuEq = Au (gpt) + (Ag (gpt) * 0.0045) + (Cu (%) * 0.2627), accounting for underlying metal prices and metallurgical recoveries for ELG Open Pit.

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, exploration and drilling plans concerning the Morelos Property; the adequacy of the Company's financial resources; the Company's key strategic objectives to integrate and optimize its Morelos Property, deliver Media Luna to full production, grow reserves and resources, disciplined growth and capital allocation, retain and attract best industry talent and build on ESG excellence; 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 2024 guidance and objectives as described in the MD&A; the exploration and drilling strategy of the Company, and the summary of the Media Luna Project schedule and project expenditures. Forward-looking information also includes, but is not limited to, the following forward-looking statements: the Company expects to be near the upper end of full year total cash costs guidance of $860 to $910 per oz sold and all-in sustaining costs guidance of $1,100 to $1,160 per oz sold primarily due to higher gold prices given the $281 per oz increase in average realized gold price relative to guidance (assumed a gold price of $1,900 per oz) resulting in increased Mexican profit sharing (year-to-date 2024 impact of $28 per oz) and royalties (year-to-date 2024 impact of $12 per oz), as well as higher consumption of cyanide within the process plant; installation of the Guajes conveyor is almost complete, with commissioning expected imminently; based on the current schedule related to critical electrical equipment delivery, the tie-in period for the processing plant has been rescheduled to commence in February 2025, with first copper concentrate production in the first quarter of 2025; the updated schedule enables the project team to undertake advance testing on key processing systems outside of the plant tie-in, with a view to potentially reducing the downtime period to less than four weeks; for the full year, Media Luna Project spend is expected to be within the guidance range of $430.0 and $450.0 million; for 2024, depreciation and amortization expense is expected to range between $175 to $200 million; for 2024, other expenses are expected to be up to $10 million; cyanide levels are expected to remain elevated through the fourth quarter of 2024 based on the ore feed from the ELG Open Pit and ELG Underground; the Company is on track to achieve its 2024 objective of zero reportable spills of 1,000 litres or more that report to a natural water body; a verification audit is planned for the fourth quarter of 2024, which is one of the final steps leading to full certification; the Company will continue to report on ongoing compliance and continuous improvement with respect to the RGMPs as part of the Company's annual Responsible Gold Mining Report; the start of the plant tie-in period has been rescheduled from November 2024 to February 2025, with first copper concentrate production expected in the first quarter of 2025 and commercial production shortly thereafter; the Company still expects full-year project spending to be within the guidance range of $430.0 to $450.0 million; expenditures in the fourth quarter of 2024 are expected to be lower than the third quarter of 2024 and decline further in 2025 as the project winds down, first copper concentrate production occurs in the first quarter of 2025, and commercial production is declared shortly thereafter; the capital expenditure impact of the schedule adjustment is expected to be modest, with the project team at site now looking at opportunities to offset the costs associated with the extended project period; the revised plant tie-in schedule will have no impact on ore production from Media Luna, which will be stockpiled ahead of wet commissioning of the Cu and FeS flotation circuits; the Company will continue with aggressive definition drilling and underground development programs in 2025 with the target of having all stopes to be mined in 2026 drilled off by the end of the year and the aim of accelerating underground development; both programs are expected to de-risk the ramp-up of underground operations to the design rate of 7,500 tonnes per day; the transmission line between the switchyard and substation was hung during the quarter with connection to the substation now complete and switchyard expected to be completed in the fourth quarter of 2024; at the water treatment plant, detox tanks for the first phase of water testing were installed (Figure 3) and commissioning activities are expected to start early in the fourth quarter of 2024; the paste plant remains on track to be completed in the first quarter of 2025, with commissioning sequenced to occur after the processing plant infrastructure is commissioned; the transition training program from open pit to underground operations is now 40% complete and is expected to ramp up as production from the ELG Open Pits winds down; development of EPO is anticipated to commence in mid-2025 with first ore production expected in late 2026; development is expected to be capital efficient as the underground mine will be able to leverage the investment made in infrastructure as part of the Media Luna Project, including the Guajes Tunnel and conveyor, ore handling system, process plant upgrades, paste plant, as well as power and water infrastructure; based on the internal pre-feasibility study, upfront development costs at EPO are estimated at $81.5 million including $16.0 million of contingency; direct costs of $52.0 million include $26.2 million of upfront underground development and construction; assuming budget approval within the annual cycle, approximately 20% of the upfront budget is likely to be incurred in 2025; during 2024, $1.8 million of non-sustaining capital expenditures are expected to be incurred for progressing the internal EPO feasibility study; total sustaining capital expenditures over the life of EPO are forecast at $65.7 million, which does not yet consider any future resource definition drilling to upgrade additional resources to reserves and development required to access potential future reserve additions; as EPO will leverage existing infrastructure and falls within the environmental footprint of the Morelos Complex, permitting requirements are expected to be minimal; amendments to existing environmental approvals are expected to occur over the next several quarters and are not expected to impact development activities; on September 4, 2024, the Company announced the results of an internal pre-feasibility study, and the addition of the EPO underground deposit into the updated life-of-mine plan, which significantly enhances the Company's strategy to deliver robust, long-term, value accretive production from the Morelos Complex; with the addition of EPO mineral reserves into the updated mine plan, the production profile of the Morelos Complex is now firmly established at a minimum of 450,000 oz AuEq per year through 2030 on the mineral reserve case alone; the target selection stage at Atzcala has resulted in the identification of three high-quality targets that are expected to be included in the 2025 drilling program; exploration and drilling spending is expected to continue to increase in the fourth quarter of 2024 and is on track to achieve full year guidance; in the Todos Santos area, delineation of drilling targets began, and in parallel, construction of the access roads and platforms are advancing, with the plan to begin the drilling exploration program in November 2024 (total forecasted drilling of 1,500 m for 2024); in 2024, the Company plans to invest $3.0 million in the near-mine and regional exploration and drilling program budget, which includes an intermediate drill testing stage program of 3,000 m at El Naranjo, focused on completing the geological delineation and testing of the two best ranked drilling targets; additionally, a target selection program in Atzcala aims to delineate an area of 15 x 5 km, focusing on identifying the top three targets to advance; the Company expects to fund the development of the Media Luna Project and EPO, and its exploration plans using available liquidity, forecasted future cash flow, and available credit facilities; gold production in the fourth quarter of 2024 is expected to be relatively consistent with the first three quarters of 2024.

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 5, 2024