



TOREX GOLD ANNOUNCES RECORD-BREAKING QUARTER

Achieves Net Cash Position of \$77 million

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

TORONTO, Ontario, November 3, 2020 –Torex Gold Resources Inc. (the “Company” or “Torex”) (TSX: TXG) announces the Company’s financial and operational results for the three and nine months ended September 30, 2020.

Jody Kuzenko, President & CEO of Torex, stated:

“Q3 was simply extraordinary -- a record-breaking quarter across many facets of the business. Gold sales of 133,036 ounces were the highest in our history, as was the realized gold price of \$1,884 per ounce. The record realized margin of \$1,250 per ounce generated during the quarter underpins our best quarterly financial performance ever, including \$163 million of EBITDA, \$173 million of operating cash flow (\$138 million before changes in working capital) and \$124 million of free cash flow.

“For the first time since commercial production, we achieved a net cash position at quarter end, hitting \$77 million. This represents a \$130 million improvement from last quarter and an impressive \$174 million improvement year-over-year. During Q3, we paid down \$72 million of debt, bringing outstanding debt down to \$155 million. Post quarter end, we paid down an additional \$50 million against our revolver, which deleverages our balance sheet even further.

“Our focus on COVID controls and health and safety did not let up – we closed the quarter with 8.5 million hours worked without a lost time injury and, as of today, that trend continues. In addition to performance excellence on safety, production, and costs, we extended our innovation mindset to labour relations and concluded a new 2-year collective bargaining agreement with our unionized workforce.

“As we head into the final stretch of 2020, we are poised to deliver on full-year guidance. Looking to the future, our primary focus is to continue to deliver consistent and reliable cash flow from ELG, pay down debt, and internally fund and bring Media Luna into production in early-2024 – while continuing to leverage potential opportunities to extend the current production profile of ELG through 2023 and into 2024. We have built up significant momentum in our ability as a team to deliver exceptional operational and financial results, and we are well-positioned to keep it up.”

This release should be read in conjunction with the Company’s September 30, 2020 Financial Statements and MD&A on the Company’s website or on SEDAR. A summary of Torex’s operating and financial results can be found in Table 1.

Q3 2020 Highlights

- **Safety performance:** As at the end September, surpassed 8.5 million hours worked without a lost time injury, with more than 9 million hours to date. A lost-time injury frequency of zero per million hours worked was maintained, with the last lost time injury occurring more than 18 months ago.
- **Labour relations:** Torex and the Mining Union of the Confederation of Mexican Workers (CTM Union) reached a 2-year collective bargaining agreement. While the norm in Mexico is for mining companies and unions to negotiate CBAs on an annual basis, the Company and CTM Union came together to sign a new 2-year agreement.
- **Gold production:** Produced 131,790 ounces, the second-highest quarter of production in the Company’s history.
- **Plant throughput and availability:** Plant throughput averaged 12,870 tonnes per day for the quarter, with average plant availability of 92%.
- **Gold sold:** Record gold sold of 133,036 ounces at a record average realized gold price² of \$1,884 per ounce.
- **Total cash costs¹ and all-in sustaining costs¹:** Total cash costs of \$633 per ounce and all-in sustaining costs of \$877 per ounce.
- **Net income:** Record net income of \$60.3 million, or \$0.71 per share on a basic and \$0.69 per share on a diluted basis.

- **Adjusted net earnings¹:** Record adjusted net earnings of \$51.3 million, or \$0.60 per share on a basic and \$0.59 per share on a diluted basis.
- **EBITDA¹ and Adjusted EBITDA¹:** Record EBITDA of \$162.9 million and record adjusted EBITDA of \$156.2 million.
- **Cash flow from operations:** Record cash flow from operations of \$173.3 million (\$138.1 million prior to changes in non-cash working capital), including income taxes paid of \$19.4 million.
- **Free cash flow¹:** Record free cash flow generation of \$124.2 million after changes in non-cash working capital.
- **Cash balance:** As at the end of September, cash position totaled \$204.0 million, which excludes \$32.0 million of short-term investments related to a 180-day GIC entered into at the start of July.
- **Debt:** Repaid \$71.8 million of outstanding debt during the quarter. Total debt stood at \$155.0 million as of September 30, 2020. In October, the Company made an additional payment of \$50.0 million on the Revolving Facility.
- **Net cash¹:** Exited the quarter in a net cash position of \$77.1 million relative to a net debt position of \$53.5 million at the end of the prior quarter.
- **Losses on derivative contracts:** \$2.7 million in losses on derivative contracts this quarter.

¹ Refer to "Non-IFRS Financial Performance Measures" within the MD&A for further information and a detailed reconciliation.

COVID-19 Update

The enhanced COVID-19 protocols that have been implemented and multi-layered approach to screening has helped mitigate the impact of COVID-19 on our operations, our workforce, and the surrounding communities. At the end of the third quarter, there were 43 confirmed cases of COVID-19 within our workforce, with 33 of these individuals fully recovered. Of these, 40 individuals displayed symptoms and tested positive at home while away from site. Three individuals tested positive after displaying symptoms at site and were quarantined as outlined in the Company's COVID-19 protocols, with contact tracing completed to isolate anyone potentially at risk.

Continued support has been provided for COVID-19 management in neighboring communities, including the implementation of infection prevention education campaigns for adults and children, and the donation and delivery of medical equipment to mitigate spread of the virus.

Conference Call and Webcast Details

The Company will host a conference call today at 9:00 AM (ET) where senior management will discuss the second quarter operating and financial results. Please call the below numbers approximately 10 minutes prior to the start of the call:

- Toronto local or international: 1-416-915-3239
- Toll-Free (North America): 1-800-319-4610
- Toll-Free (France): 0800-900-351
- Toll-Free (Switzerland): 0800-802-457
- Toll-Free (United Kingdom): 0808-101-2791

A live audio webcast of the conference call will be available on the Company's website at www.torexgold.com. The webcast will be archived on the Company's website.

About Torex Gold Resources Inc.

Torex is an intermediate gold producer based in Canada, engaged in the mining, developing and exploring of its 100% owned Morelos Gold 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 assets are the El Limón Guajes mining complex ("ELG" or the "ELG Mine Complex"), comprising the El Limón, Guajes and El Limón Sur open pits, the El Limón Guajes underground mine including zones referred to as Sub-Sill and ELD, and the processing plant and related infrastructure, which commenced commercial production as of April 1, 2016, and the Media Luna deposit, which is an early stage development project, and for which the

Company issued an updated preliminary economic assessment in September 2018 (the “Technical Report”). The property remains 75% unexplored.

For further information, please contact:

TOREX GOLD RESOURCES INC.

Jody Kuzenko
President and CEO
Direct: (647) 725-9982
Email: jody.kuzenko@torexgold.com

Dan Rollins
Vice President, Corporate Development & Investor Relations
Direct: (647) 260-1503
Email: dan.rollins@torexgold.com

CAUTIONARY NOTES

This news release contains “forward-looking statements” and “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to: as we head into the final stretch of 2020, we are poised to deliver on full-year guidance; looking to the future, our primary focus is to continue to deliver consistent and reliable cash flow from ELG, pay down debt, and internally fund and bring Media Luna into production in early-2024 – while continuing to leverage potential opportunities to extend the current production profile of ELG through 2023 and into 2024. We have built up significant momentum in our ability as a team to deliver exceptional operational and financial results, and we are well-positioned to keep it up.; and the expected effectiveness of the enhanced COVID-19 mitigation protocols. 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” 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 associated with the impacts of COVID-19 on the mining, development and exploration operations; and the Company’s ability to achieve the revised 2020 operational outlook; predictability of the grade; fluctuation in gold and other metal prices; currency exchange rate fluctuations; capital and operational cost estimates; satisfying financial covenants under the Company’s debt facility; illegal blockades; dependence on good relationships with employees and contractors and labour unions; the ability to secure necessary permits and licenses; foreign operations and political and country risk; risks associated with skarn deposits; hedging contracts; interest rate risk; as well as those risk factors included herein and elsewhere in the Company’s public disclosure. Notwithstanding the Company’s efforts, there can be no guarantee that the Company’s COVID mitigation protocols and community support will be effective in mitigating the impact of COVID on employees and surrounding communities. Forward-looking information are based on the assumptions discussed in the Company’s annual information form and such other reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances at the date such statements are made. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by applicable securities laws.

Table 1: Operating and Financial Results Summary

		Three Months Ended				Nine Months Ended		
		Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019	Sep 30, 2020	
<i>In millions of U.S. dollars, unless otherwise noted</i>								
Operating Data								
Mining								
Ore tonnes mined	kt	1,521	697	1,837	1,573	1,416	4,055	4,379
Waste tonnes mined	kt	10,097	4,435	11,726	10,795	11,923	26,258	35,654
Total tonnes mined	kt	11,618	5,132	13,563	12,368	13,339	30,313	40,033
Strip ratio ¹	waste:ore	7.2	6.7	6.8	7.3	9.1	6.9	8.7
Average gold grade of ore mined ²	gpt	3.15	3.07	2.52	3.06	3.19	2.85	2.88
Ore in stockpile ³	mt	3.4	3.1	3.1	2.4	1.9	3.4	1.9
Processing								
Total tonnes processed	kt	1,184	688	1,134	1,116	1,139	3,006	3,277
Average plant throughput ⁸	tpd	12,870	7,560	12,464	12,130	12,380	10,971	12,004
Average gold recovery	%	89	89	89	89	89	89	88
Average gold grade of ore processed	gpt	3.83	3.18	3.35	3.87	4.11	3.50	3.56
Production and sales								
Gold produced	oz	131,790	59,508	108,537	125,151	138,145	299,835	329,660
Gold sold	oz	133,036	63,147	108,064	126,910	132,535	304,247	322,427
Financial Data								
Revenue	\$	256.5	109.1	172.0	190.0	198.2	537.6	450.8
Cost of sales ⁵	\$	153.5	91.4	144.1	149.0	130.1	389.0	330.9
Earnings from mine operations	\$	103.0	17.7	27.9	41.0	68.1	148.6	119.9
Net income (loss)	\$	60.3	3.8	(47.0)	35.1	27.4	17.1	36.1
Per share - Basic	\$/share	0.71	0.04	(0.55)	0.41	0.32	0.20	0.42
Per share - Diluted	\$/share	0.69	0.04	(0.57)	0.41	0.32	0.18	0.42
Adjusted net earnings ⁴	\$	51.3	3.6	19.9	34.0	30.8	74.8	33.8
Per share - Basic ⁴	\$/share	0.60	0.04	0.23	0.40	0.36	0.88	0.40
Per share - Diluted ⁴	\$/share	0.59	0.04	0.23	0.40	0.36	0.87	0.39
EBITDA ⁴	\$	162.9	44.8	39.4	102.2	116.6	247.1	228.1
Adjusted EBITDA ⁴	\$	156.2	49.3	67.4	105.1	115.1	272.9	227.8
Cost of sales ⁵	\$/oz	1,154	1,447	1,333	1,174	982	1,279	1,026
Total cash costs ⁴	\$/oz	633	740	794	617	561	712	620
All-in sustaining costs ⁴	\$/oz	877	1,015	975	767	675	941	820
Average realized gold price ⁴	\$/oz	1,884	1,712	1,571	1,481	1,478	1,737	1,379
Cash from operating activities	\$	173.3	2.2	29.5	97.9	122.5	205.0	203.4
Cash from operating activities before changes in non-cash working capital ⁶	\$	138.1	28.1	21.8	101.4	116.9	188.0	225.9
Free cash flow (deficiency) ⁴	\$	124.2	(28.5)	2.1	71.6	96.4	97.8	109.6
Net (cash) debt ⁴	\$	(77.1)	53.5	26.3	21.7	97.2	(77.1)	97.2
Cash and cash equivalents ⁷	\$	204.0	176.9	135.7	161.8	168.0	204.0	168.0
Working capital	\$	186.7	191.9	105.1	96.5	116.7	186.7	116.7
Total debt	\$	155.0	225.2	155.2	174.9	255.7	155.0	255.7
Total assets	\$	1,214.1	1,204.1	1,154.7	1,229.6	1,263.1	1,214.1	1,263.1
Total liabilities	\$	368.8	419.2	373.7	394.8	464.6	368.8	464.6

- Ore mined from the ELG Underground of 114 kt and 246 kt is included in ore tonnes mined and excluded from the strip ratio in the three and nine months ended September 30, 2020. For the three months ended June 30, 2020, March 31, 2020, December 31, 2019, and September 30, 2019, ore mined from the ELG Underground was 31 kt, 101 kt, 98 kt and 102 kt, respectively.
- Included within average gold grade of ore mined is the mined long term, low grade inventory. Excluding the long term, low grade inventory, the average gold grade of ore mined is 3.25 gpt and 3.01 gpt for the three and nine months ended September 30, 2020. For the three months ended June 30, 2020, March 31, 2020, December 31, 2019, and September 30, 2019, excluding the long term, low grade inventory, the average gold grade of ore mined is 3.32 gpt, 2.62 gpt, 3.23 gpt and 3.37 gpt, respectively.
- Included within ore in stockpile is 1.0 mt of long term, low grade inventory, with a carrying value of nil at September 30, 2020. As at June 30, 2020, March 31, 2020, December 31, 2019, and September 30, 2019, the long term, low grade inventory was 1.0 mt, 0.9 mt, 0.8 mt and 0.6 mt, respectively, with nil carrying value. As at September 30, 2020, the long term, low grade inventory has an average grade of 0.87 gpt.
- Adjusted net earnings, total cash costs, all-in sustaining costs, average realized gold price, EBITDA, adjusted EBITDA, free cash flow (deficiency) and net (cash) debt are financial performance measures with no standard meaning under International Financial Reporting Standards ("IFRS"). Refer to "Non-IFRS Financial Performance Measures" in the MD&A for further information and a detailed reconciliation.
- Cost of sales for the three months ended June 30, 2020 and nine months ended September 30, 2020 includes \$11.1 million of care and maintenance costs incurred in the second quarter related to the COVID-19 suspension.
- Cash generated from operating activities before changes in non-cash working capital was amended to exclude current income tax expense in order to align with changes in presentation of the Company's Statement of Cash Flows.
- Cash and cash equivalents exclude \$32.0 million of short-term investments (undertaken in Q3 2020) maturing in January 2021.
- Tonnes per day for the three months ended June 30, 2020 and the nine months ended September 30, 2020 are based on calendar days in the period of 91 and 274 days.
- Sum of quarters may not add to the year to date amounts due to rounding.