



**Torex<sup>®</sup> Gold**

**RESOURCES INC.**

TSX: TXG

March 2016

**ELG Mine – Ramp-Up**  
**David Alduenda & Bernie Loyer**

# Safe Harbour Statement



This presentation contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information about Torex Gold Resources Inc. (the "Company") includes, without limitation, information with respect to mine production, estimated grade, recoveries and gold production, the expected date of completion of the El Limón Guajes gold mine (the "ELG Mine") and that the ELG Mine will be profitable, the planned progress of the ramp-up of the processing facilities of the ELG Mine, the expectation that the processing facilities will operate as planned, achieving commercial and full production, the expected revenues from pre and post commercial production and pre and post commercial production processing costs. Generally, forward-looking information can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes", "potential", "predict" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "will", "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including, without limitation, forward-looking statements and assumptions pertaining to the following: risks related to development, mining, future commodity prices, future processing and operating costs, availability and performance of construction contractors, suppliers and consultants, market conditions, safety and security, access to the mineral project, foreign exchange rates, actual results not being consistent with expectations or unexpected events and delays, timing and amount of production not being realized, and financial analyses being incorrect, governmental regulation, and those risk factors identified in the Company's annual information form and management's discussion and analysis. Forward-looking information is based on the 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 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, except in accordance with applicable securities laws.

The scientific and technical data contained in this presentation pertaining to the Media Luna Project and the ELG Mine has been reviewed and approved by Dawson Proudfoot, P.Eng, Vice President, Engineering of the Company. Mr. Proudfoot is a Qualified Person under National Instrument 43-101. Additional technical information is contained in the technical report entitled "Morelos Gold Property, NI 43-101 Technical Report, El Limón Guajes Mine Plan and Media Luna Preliminary Economic Assessment, Guerrero State, Mexico" dated effective August 17, 2015, and filed on September 3, 2015 (the "Technical Report"). The technical information contained in this presentation is based upon the information contained in the Technical Report which is available on SEDAR as [www.sedar.com](http://www.sedar.com) and the Company's website at [www.torexgold.com](http://www.torexgold.com).

# SAFETY ORIENTATION

## ***Our plant is fully operational with those related risks...***

- Personal Protection Equipment required for the tour includes:
  - ✓ Long Sleeved Shirts & Reflective Vests
  - ✓ Hard Hats
  - ✓ Safety Glasses and Steel Toed Boots
  - ✓ Hearing protection
  
- Some of you have been here before. To remind everyone, key risks that you are going to encounter today are:
  - ✓ Dehydration: Hydrate constantly and if you do not feel well, advise your guide.
  - ✓ Footing: Lots of uneven ground and tripping hazards. Pay attention to your surroundings and footing at all times. Stay with your guides.
  - ✓ All areas are now energized and operational.
  - ✓ Reagent Usage including cyanide (no eating or drinking within process areas)
  
- We value your input and particularly your safety observations --- please advise if you note anything that could be a safety risk

***...and some construction activity related risks as well***

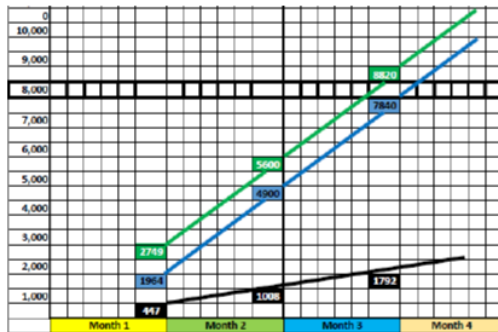
# Ramp-Up Planning

***We planned well in advance to be operationally ready...***

## Commissioning and Ramp-up Workshop



***Following O/R Workshop, with ...***



- Thirty participants from across the site organization including plant designers and metallurgical consultants.
- Examined various ramp-up signatures and industry performance for similar facilities
- Determined two performance curves, either one of which will meet performance expectations. Those curves are driven by two principal factors:
  - Instantaneous Production Rate
  - Plant Uptime (Reliability)
- Determined specific risks to the Ramp-up Plan and in the process of developing actions to mitigate.

- **May 2015** Ramp-Up Workshop
- Focused on **Tonnes** and **Uptime**
- The plan was:
  - ✓ Month 1 – 1964 dmtpd and 28% Uptime
  - ✓ Month 2 – 4900 dmtpd and 50% Uptime
  - ✓ Month 3 – 7840 dmtpd and 70% Uptime
- Always about ounces, but it starts with tonnage and reliability

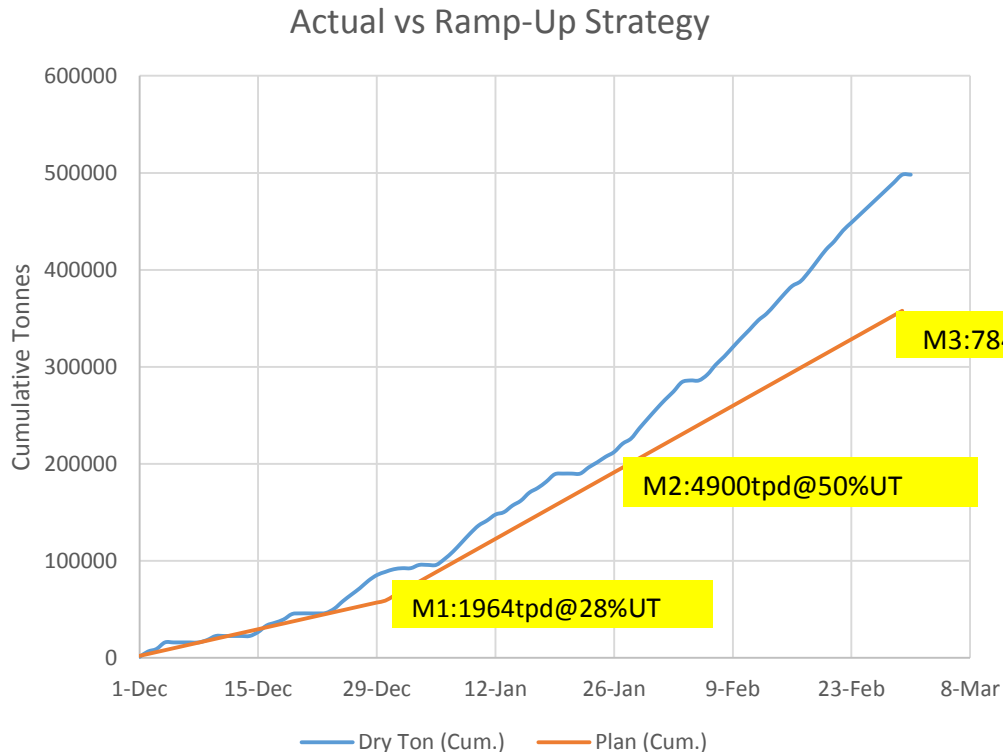
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***...primary focus on compliance to Schedule***

***...and had a team vested in delivering the outcome***

# Ramp-Up Status: Just Completed Month 3

***That team is exceeding the plan...***

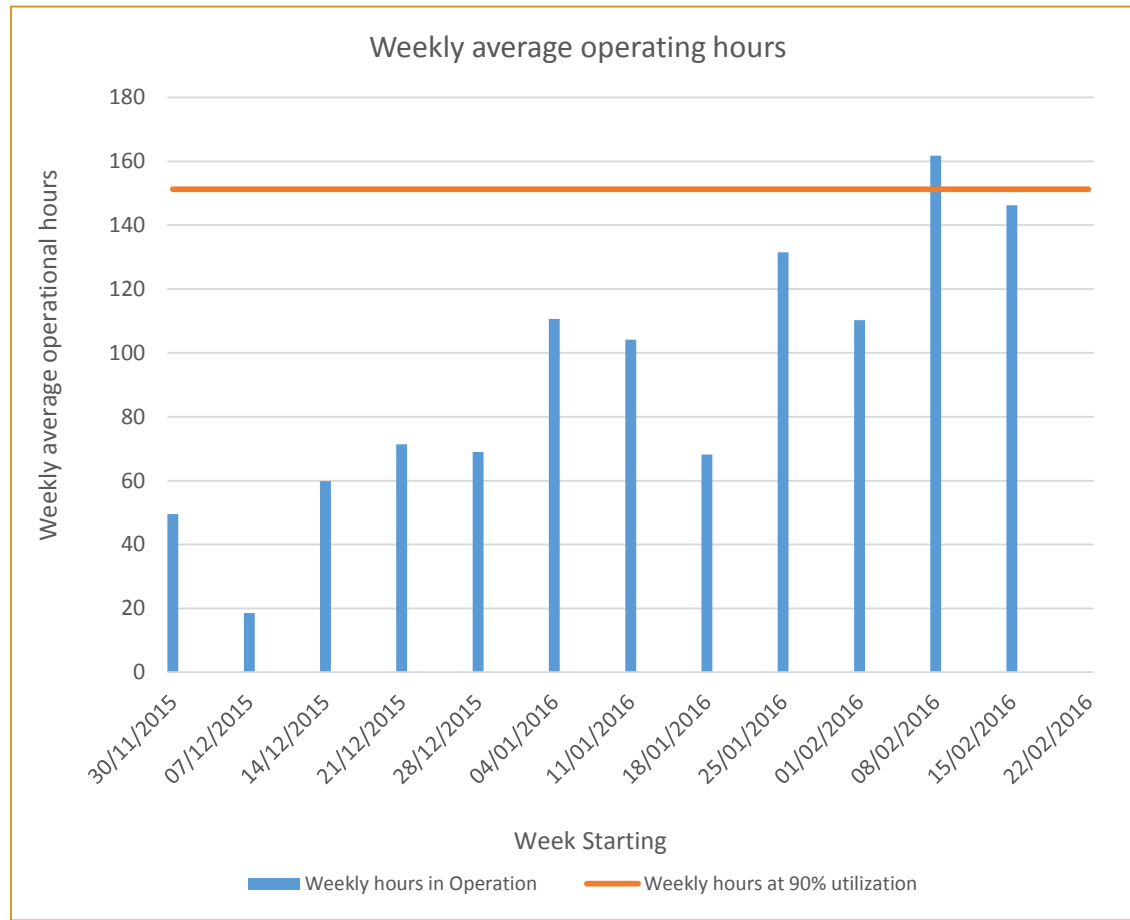


- 1. Ahead in tonnes YTD**
- 2. Overperformance on Plant Reliability for three months**
- 3. Ahead in ounces poured YTD**

***...on tonnes, reliability and ounces***

# Ramp-Up is about many things...

***Runtime trumps everything (in the early days)...***



***...the success speaks to teams using data driven problem solving***

# Ramp-up (aka Discovery Period)

***We discovered nothing extraordinary or unusual...***

#	P	Issue/Concern	Actions / Observations	WHO	O/C	Status
13	1	The 600 TK 006 Tank can be backfilled with TK 2 or 3 tallings if the flush line to the feed pumps is left open.	Need to review installation against drawings.	W.Nelson	OPEN	Drawings indicate a check valve (Reference 600 PD 001, item 6"CK-20/V60273) If there is not a check valve, we need to install one. 04Jan16: Field review is complete. W.Nelson to forward a summary to engineering. Strong link between this issue and item 15. 07Jan: Summary has been sent --- waiting now on DCN from M3. 11Jan: Debate of check valves versus automated valves. PDugan to review the DCN and comment- 11Jan: B.Loyer review and signoff of DCN. And distribute DCN to meeting participants. 14Jan: R.Pyatt has completed review and forwarded to Stuart. Stuart to now review issue with Pat Dugan so that we can move forward with DCN. 27Jan: William developing ERFPP for purchase of materials, eta pending- 4Feb outage looking unlikely. 05Feb: William reports that ETA for items required to implement this modification is about 4 weeks. Execution looks to be mid March. Can a booster be put onto the line which will aid with satisfying greater line pressure? Can we utilize special wheeled hydraulic monitors with/without integral boosters? 4Jan16: This went out to M3 in mid December. (Initiated by F.Alvarez) M3 to review status and options. 07Jan: Modifications to the process water network now received from M3. B.Loyer/D.Alduenda to review and comment on next step. 11Jan14Jan: Comment back to Fred Alvarado regarding Pipe Flo analysis conducted by Andres --- do we go forward with this arrangement or not. Next step is a DCN. 14Jan: B.Loyer to distribute to MML team members. 20Jan27Jan: DCN approved and M3 will now identify execution plan. B.Loyer to have review with Operations team regarding this scope and cost. 04Jan16: William to prepare and submit summary for Engineering review. 07Jan: William to prepare and submit summary for Engineering review, 11Jan/14Jan: Everyone agreed on this approach of the 4" flush line. Dave Vancas to complete DCN for signoff and initiate modification as soon as possible 27Jan: Dave Vancas developing another option that includes all gravity fed line (no valves) to reduce outage time and to send weight to Structural for load calcs . 05Feb: Execution planned for Outage #6. MTD motor start count is 1269. 04Jan16: There is confusion regarding the numbers. B.Loyer to review pump numbers. These are 400 PP 18 and 19 07Jan16: Under review by Pat Dugan. 11Jan/14Jan: Decision to go forward with VFDs for this application. Ashley to prepare DCN and will incorporate into one DCN for all pump vfd requirements. 27Jan: DCN for all 6 VFDs on PP018 /019, 005/006, and 003/004 was approved, m3 purchasing going for quote and to provide ETA on delivery. Engineering has advised that VFDs should not be required once plant reaches steady state. 05Feb: Ashley to provide ETA for hardware. Once we know ETA, MML will schedule install. MTD motor start count is 427. 04Jan16: William to review, summarize and advise on status to Engineering. 07Jan16: Under review by Pat Dugan. 11Jan/14Jan: Decision to go forward with VFDs for this application. Ashley to prepare DCN and will incorporate into one DCN for all pump vfd requirements. 27Jan: DCN for all 6 VFDs on PP018 /019, 005/006, and 003/004 was approved, m3 purchasing going for quote and to provide ETA on delivery. Engineering has advised that VFDs should not be required once plant reaches steady state. 05Feb: Ashley to provide ETA for hardware. Once we know ET, MML will install.
<b>Filter Feed Pumps</b>						
20	1	Because of plant process design, we are restricted to washdown using process water. We need some effective manner in utilizing this water in terms of pressure and flow.	We M3 to review process water network for tie-ins, identifying pressure and flows.	B.Loyer W.Nelson	OPEN	
<b>Wash Down Solution</b>						
30	1	610-TH-001 Recycle Pipe Line, needs re-routing.	Tie-in to flush line and this would solve the routing and perceived sanding concern.	R.Pyatt W.Nelson	OPEN	
<b>Process Pump Speed Control</b>						
38	1	400 PP 018 and 019 are running without a VFD and constantly cycling pump and motor.	Review calculation. Initiated engineering to retrofit a VFD to this pump.	Ashley	OPEN	
39a	1	Pumps 610 PP 005 and 006 are running without a VFD and constantly cycling pump and motor.	Review calculation. Initiated engineering to retrofit a VFD to this pump.	Ashley	OPEN	
<b>Stockpile Drawpoints</b>						
39b	1	Pumps 450 PP 3 and 4 --- CIP tails pumps are not equipped with VFD and are constantly cycling.	Review calculation. Initiated engineering to retrofit a VFD to this pump.	Ashley	OPEN	
43	1	All Kaeser Compressors appear to be overheating.		Ashley	OPEN	04Jan16: Currently have removed building siding with immediate positive results. Need to review with the manufacturer as we are in the cooler part of the year at the moment and this equipment is overheating. Share status of communications with OEM at next meeting. 07Jan: M3 reviewing design criteria and specification. 14Jan: Need to review calcs against the current operating data and determine why the shortfall in performance. What is required to eliminate the overheating issue. (Ashley) 27Jan: Vendor submitted designed change for additional ducting to remove heat, M3 to provide modification to vent from the side of the building. No compressor trips recently, as weather has been noted to be much cooler. 05Feb: M3 to present proposed ducting/cooling arrangement. Are we ok with operating this equipment with doors and side panels removed?

- Originally listed 45 items to check
- We are down to 14 items of which only 4 are considered Priority 1.
- Priority 1 items are being addressed to ensure consistent operation at name plate

***...which is indicative of a robust design***

# Remaining Ramp-Up Risks

## *Principally operational & maintenance practices...*

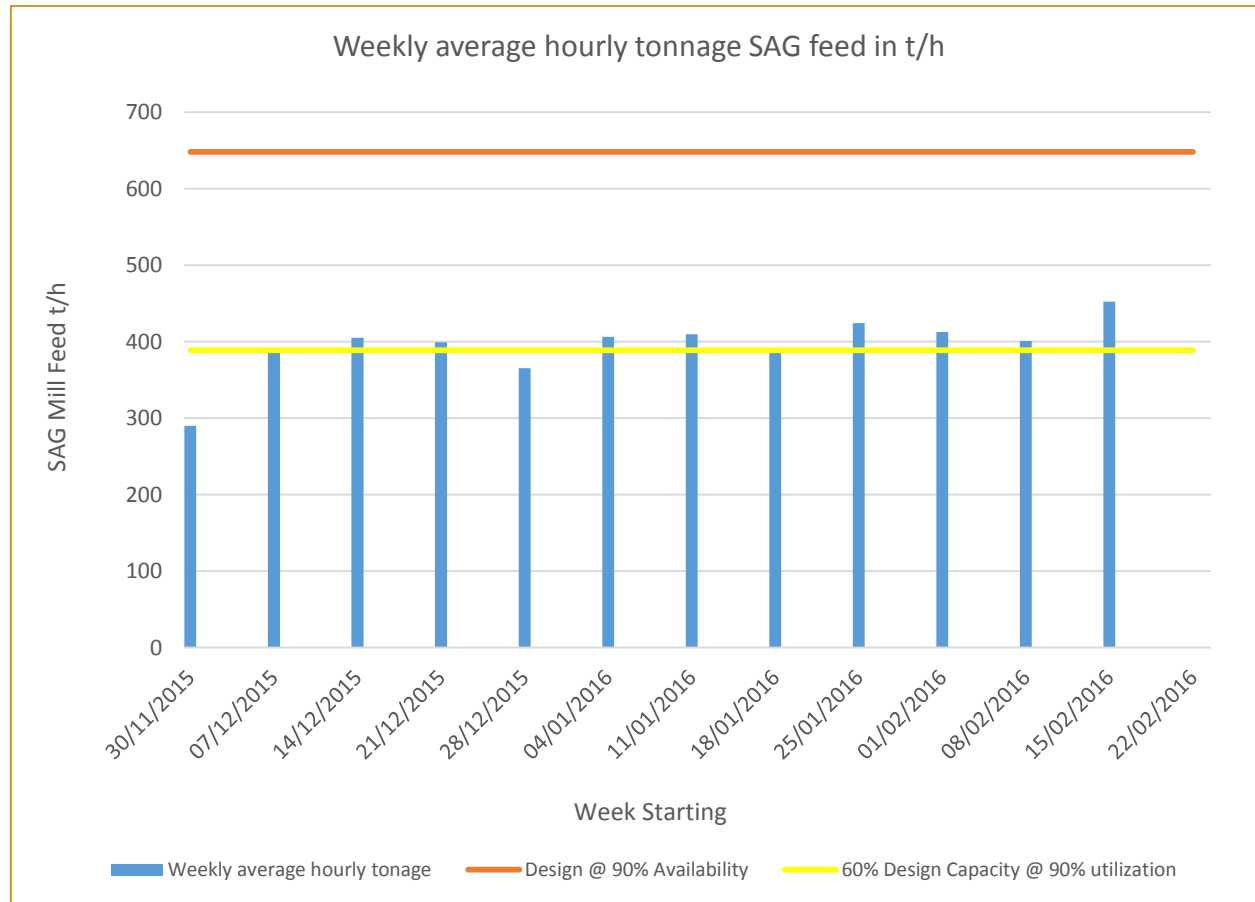
- Keeping copper in solution and out of Dore – Short Term
- Discharging the copper from solution to Dry Stack – Long Term
- Increasing filter plant throughput.
- Managing Tailings Dry Stack Conveyor Network to 90% Utilization
- Equipment Maintenance Plan: Learning & Adjusting

*...and are manageable*



# Current Focus - Increase Milling Rate

***Per plan we ran at 60% of design capacity per hour...***



***...the next step is to move from 400 dtph to 641 dtph***

# Now Increasing Milling Rate

## ***And as expected, bottleneck will surface at Filtration...***

- The filters are operating as designed. All 7 filters are typically available unless going through a cloth change. So equipment reliability is good.
- Utilization is key --- getting cycle times down to about 20 minutes will put us over nameplate.
  - ✓ Currently average cycle time is 30.2 minutes
  - ✓ Now improved to an average of 24.7 minutes on Filter 5
  - ✓ And an average of 26.3 minutes on Filter 7
  - ✓ And an average of 42.4 dry tonnes per cycle
- Key will be cloth selection (currently running three types) and operating practices.
- At the current machine production rate per cycle, the target is 370 cycles per day.

***...but consistently improving cycle time***

# Plant Is Fully Operational

## *Crushing through to TDS...*

### Guajes

Completion of site grading	01Mar
Pond Pumpback Stations Completion of Pond 3/Z3&6	01May
Completion of F/W System	15Mar
I&E Punchlist	01Mar
Emergency Gen Set	13Apr
Wet Commissioning TDS Conv	01Mar
Fire Protection	15Mar
Emergency Gen Set	01Apr

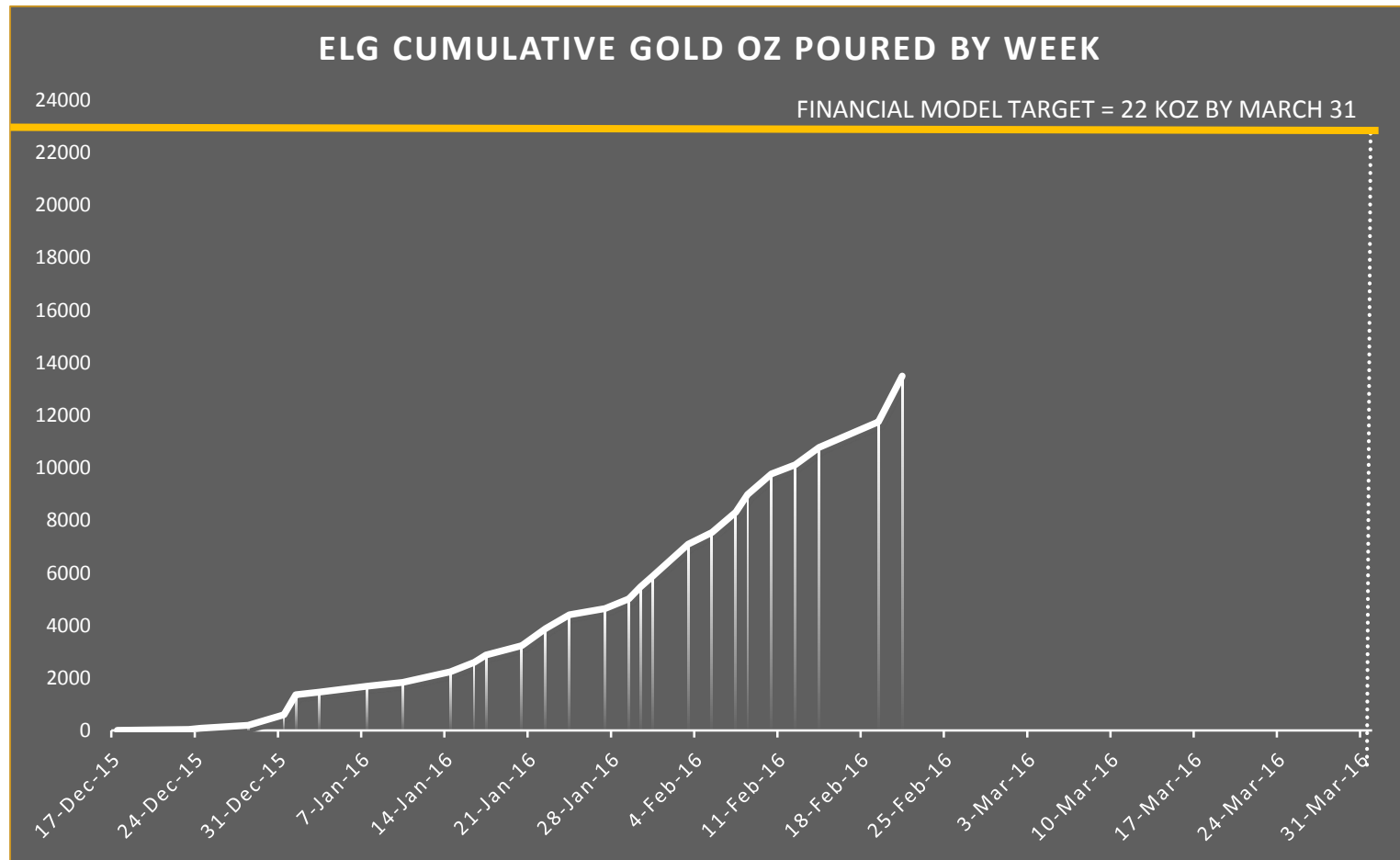
### El Limon + Overall

Pond 5	01Jun
Pond 6 New Spillway Requirement	20Apr
Completion of Crusher Station	29Mar
Dome Foundation	09Mar
Site Access Garita	22Mar
Truck Scale	28Feb
Core Storage Bldg	Q4
Fuel Station	16Apr
Truck Shop	03Mar
Village	15Mar

*...and now completing El Limon and ancillary items.*

# Runtime, Milling Rate and Recovery

***In January leaching was at 82% vs. plan at 77%...***



***...this, plus throughput generated the ounces***