

# Torex Gold Integrates EPO Deposit into Morelos Mine Plan

## Updated mine plan shows a robust long-term production profile that comes with a low risk, capital efficient development plan for EPO

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

Toronto, Ontario--(Newsfile Corp. - September 4, 2024) - Torex Gold Resources Inc. (the "Company" or "Torex") (TSX: TXG) reports an updated life-of-mine plan for the Morelos Complex which incorporates the EPO underground deposit following completion of an internal pre-feasibility study on the deposit. The Company will be hosting an Analyst & Investor Day tomorrow morning at 10:00 AM ET to discuss the results of the study along with an update on the wider business, including the Company's multi-year exploration strategy.

Jody Kuzenko, President & CEO of Torex, stated:

"The results of the internal pre-feasibility study on the EPO deposit significantly enhance our strategy to deliver robust, long-term, value accretive production out of the Morelos Complex in a highly efficient way by leveraging infrastructure associated with the Media Luna Project. With the addition of EPO into the updated mine plan, we have further bolstered the cash flow capability of our world-class asset, with continued upside as the prospectivity of the Morelos Property continues to show itself through the drill bit. Notable highlights of the study are as follows:

- With the addition of EPO mineral reserves, the production profile of the Morelos Complex is now firmly established at a minimum of 450 thousand ounces gold equivalent ("koz AuEq") per year through 2030 on the mineral reserve case alone;
- EPO upfront capital expenditures are estimated at a lean \$81.5 million, given the ability to leverage the investment made in infrastructure as part of the Media Luna Project - the strategy in constructing Media Luna was to ensure that the relevant infrastructure was sized sufficiently to handle further additions from the Media Luna Cluster and the south side of the Morelos Property. The Guajes Tunnel, conveyor and ore handling systems, paste plant, mineral processing facilities, and power and water infrastructure will all be utilized for EPO;
- The "fill the mill" goal is achieved - with the mill sized at 10,600 tonnes per day ("tpd") capacity subsequent to the four-week tie in period scheduled in Q4 2024, the combination of Media Luna production (~7,500 tpd) + ELG Underground (~2,000 tpd) + EPO (average of ~1,700 tpd with opportunity to increase capacity up to 2,300 tpd) results in the mill being full, with mine plan optionality, flexibility, and contingency built in;
- EPO is a low-risk brownfield addition to the life of mine plan - the close proximity to Media Luna infrastructure requires approximately 2,200 metres ("m") of upfront lateral development to access EPO and connect to the Media Luna ore handling system (including a 550 m ventilation adit), which facilitates overlapping use of the Media Luna mobile fleet and personnel, and minimizes permitting requirements;
- The timing of EPO derisks the Media Luna ramp up and complements an already robust liquidity outlook - development and the associated capital investment is scheduled to start mid-2025, with the majority of the modest capital expected to be incurred in 2026 and initial production expected late that year;

- EPO will further complement the Company's exposure to the copper ("Cu") market - with 143 million pounds ("Mlb") at a grade of 1.29% Cu within the inaugural EPO mineral reserve of 781 koz AuEq.

"Assuming Inferred Resources from ELG Underground and EPO can be upgraded and brought into the mine plan, annual production of at least 450 koz AuEq could be maintained through 2033. Drilling to upgrade these resources and convert to reserves is underway at ELG Underground, which has a strong track record of reserve replacement and resource growth, and at EPO where we will focus on upgrading Inferred Resources located near planned underground development and infrastructure at EPO. In addition, drilling at Media Luna is expected to resume in 2025 with the goal of expanding and extending the reserve life.

"With first ore production from EPO expected in late 2026, we continue to build on our established track record of doing what we say we will do, which has solidified Morelos as a foundational asset. The strong cash flow potential will place Torex in a unique position to drive shareholder value from multiple avenues. This includes unlocking the full potential of Morelos via exploration, the expected return to positive free cash flow in mid-2025, as well as leveraging future balance sheet strength in order to return capital to shareholders and pursue accretive growth opportunities to enhance, strengthen, and diversify our business."

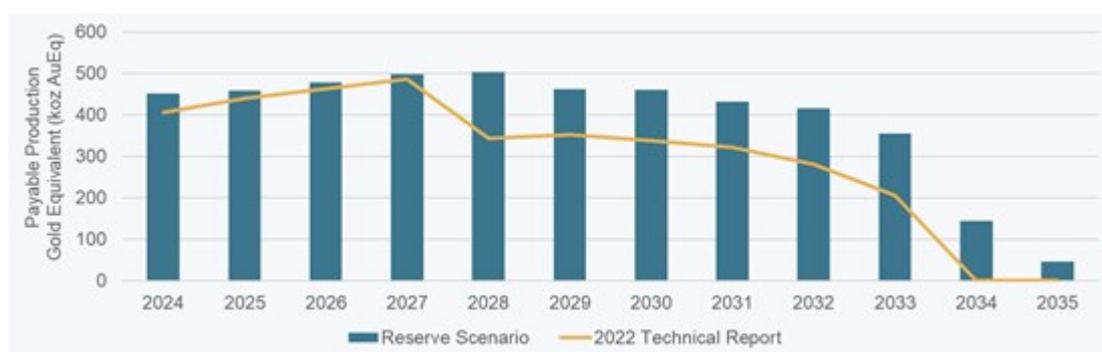
Payable AuEq production estimates referenced in this release assume the same metal prices used to estimate year-end 2023 mineral reserves (\$1,500/oz gold ("Au"), \$19/oz silver ("Ag"), and \$3.50/lb Cu). AuEq mineral reserves and resources are based on corresponding metal prices and metallurgical recoveries for Au, Ag, and Cu, with details for each deposit outlined in Table 5 and Table 6.

## MORELOS COMPLEX PRODUCTION

Based on year-end 2023 mineral reserves for the Morelos Complex and incorporating newly defined reserves for EPO (together, the "reserve scenario"), AuEq payable production is forecast to average 422 koz AuEq on an annualized basis through 2035. The reserve scenario is based on annualized payable production of 288 koz Au, 1,697 koz Ag, and 47.9 Mlb Cu. Of the total payable AuEq production estimated for the Morelos Complex, approximately 68% is attributable to Au, 27% to Cu, and the remainder to Ag.

Annual payable production under the reserve scenario is expected to average 473 koz AuEq through 2030 before declining as the proportion of lower-grade stockpiles processed increases. Supporting annual production rates above 450 koz AuEq beyond 2030 will require displacing lower-grade stockpiles by delineating additional reserves from ELG Underground, EPO, Media Luna, and/or other potential sources within the Media Luna Cluster.

**Figure 1: Life-of-mine gold equivalent payable production profile for the Morelos Complex including inaugural mineral reserves from EPO (reserve scenario)**



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## Notes to figure:

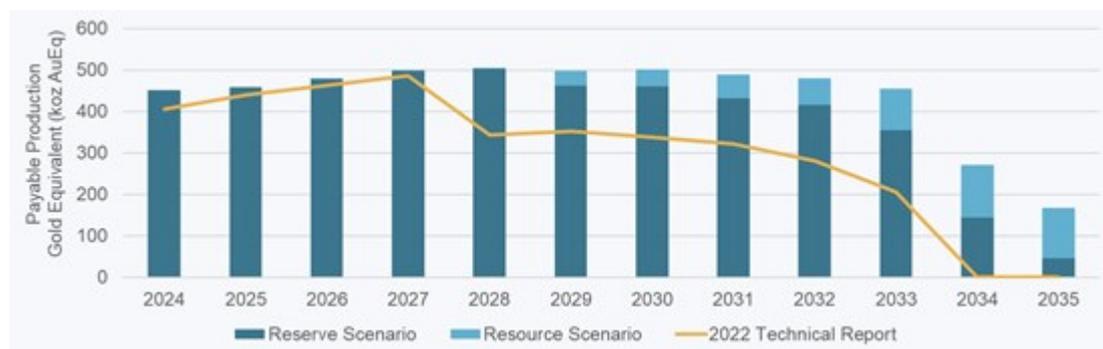
1. Reserve scenario based on mineral reserves for Morelos Complex including EPO reserves and production through H1 2024 (see Table 5).
2. AuEq production is reported on a payable basis.
3. AuEq values are calculated using the same metal prices used to estimate mineral reserves (\$1,500/oz Au, \$19/oz Ag, and \$3.50/lb Cu).

The reserve scenario compares favourably to the production profile outlined in the March 2022 Technical Report ("Technical Report"), which forecast annual payable production to average 375 koz AuEq on an annualized basis through 2033 (adjusted for the same metal prices for Au, Ag, and Cu as year-end 2023 mineral reserves). Annualized AuEq payable production between 2024 and 2033 in the Technical Report was based on annualized production of 257 koz Au, 1,567 koz Ag, and 41.9 Mlb Cu.

The improvement over the Technical Report production profile reflects mineral reserve additions within ELG Open Pit and ELG Underground since year-end 2021 reserves were published, inaugural reserves from EPO, and higher mining rates at ELG Underground.

Assuming Inferred Resources within ELG Underground and EPO can be upgraded and brought into the mine plan via infill drilling ("resource scenario"), annualized payable production of at least 450 koz AuEq could be supported through 2033, given the ability to defer the processing of lower-grade stockpiles to later in the mine life.

## Figure 2: Annual production at least 450 koz AuEq could be maintained through 2033 should Inferred Resources at EPO and ELG Underground be upgraded to mineral reserves (resource scenario)



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## Notes to figure:

1. Resource scenario based on mineral reserves for Morelos Complex including EPO reserves (see Table 5) as well as Inferred Resources from ELG Underground and EPO that have not yet been proven to be economically viable.
2. AuEq production is reported on a payable basis.
3. AuEq values are calculated using the same metal prices used to estimate mineral reserves (\$1,500/oz Au, \$19/oz Ag, and \$3.50/lb Cu).

The resource scenario reflects the potential impact on the Morelos Complex production profile should future infill drilling be successful in replacing mined reserves at ELG Underground (established history of reserve replacement and growth) and future drilling at EPO is able to upgrade Inferred Resources proximal to planned infrastructure near mineral reserves. Note that the resource scenario is for illustrative purposes only, as Inferred Resources have not been deemed to be economically viable and require additional drilling to upgrade them to the reserve category. The resource scenario assumes the same Au, Ag, and Cu prices as used to calculate AuEq production in the reserve scenario.

## UPDATED FIVE-YEAR PRODUCTION OUTLOOK

As a result of incorporating EPO into the Morelos Complex life-of-mine plan, the Company's five-year outlook for the Morelos Complex has been updated to reflect the improved production forecast in 2028. The production outlook between 2024 and 2027 remains unchanged (Table 1).

**Table 1: Updated five-year production outlook for the Morelos Complex**

Production (koz)	Actual	Outlook 2021	Outlook 2022	Outlook 2023	Outlook 2024	Updated Outlook 2024	2022 Technical Report
2021 (Au)	468	430 to 470					
2022 (Au)	474	430 to 470	430 to 470				
2023 (Au)	454	400 to 450	420 to 460	440 to 470			436
2024 (AuEq)		300 to 350 (Au)	385 to 425	400 to 450	410 to 460	<b>410 to 460</b>	405
2025 (AuEq)			415 to 455	425 to 475	425 to 475	<b>425 to 475</b>	434
2026 (AuEq)				425 to 475	425 to 475	<b>425 to 475</b>	457
2027 (AuEq)				450 to 500	450 to 500	<b>450 to 500</b>	480
2028 (AuEq)					350 to 400	<b>450 to 500</b>	337

### Notes to table:

1. AuEq production is reported on a payable basis.
2. Updated outlook for 2024 based on mineral reserves for Morelos Complex including EPO reserves (see Table 5).
3. AuEq payable production for updated outlook based on the same metal prices used to estimate mineral reserves (\$1,500/oz Au, \$19/oz Ag, and \$3.50/lb Cu). AuEq payable production in the Technical Report based on \$1,600/oz Au, \$21/oz Ag, and \$3.50/lb Cu.

For 2028, payable production is now estimated at 450 to 500 koz AuEq compared to the prior estimate of 350 to 400 koz AuEq and the Technical Report estimate of 337 koz AuEq. The increase primarily reflects the benefit of higher-grade feed from EPO and deferral of lower grade stockpiles to later in the mine life.

## EPO - INAUGURAL MINERAL RESERVES DECLARED

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 (Table 2). 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 (6,979 kt at 5.14 gpt AuEq).

**Table 2: Mineral reserve and resource estimates for EPO Underground**

	Tonnes (kt)	Au (gpt)	Ag (gpt)	Cu (%)	Au (koz)	Ag (koz)	Cu (Mlb)	AuEq (gpt)	AuEq (koz)
<b>Mineral Reserves</b>									
Proven	-	-	-	-	-	-	-	-	-
Probable	5,029	2.27	29.8	1.29	367	4,820	143	4.83	781

<b>Proven &amp; Probable</b>	5,029	2.27	29.8	1.29	367	4,820	143	4.83	781
<b>Mineral Resources (Inclusive of Mineral Reserves)</b>									
Measured	-	-	-	-	-	-	-	-	-
Indicated	6,979	2.66	30.0	1.27	597	6,728	195	5.14	1,153
<b>Measured &amp; Indicated</b>	<b>6,979</b>	<b>2.66</b>	<b>30.0</b>	<b>1.27</b>	<b>597</b>	<b>6,728</b>	<b>195</b>	<b>5.14</b>	<b>1,153</b>
Inferred	4,960	2.00	37.0	1.24	318	5,908	136	4.52	721

Notes to table:

1. Mineral reserves as of June 30, 2024; for additional information on EPO mineral reserves, refer to accompanying notes for EPO in Table 5.
2. Mineral resources as of December 31, 2023; for additional information on EPO mineral resources, refer to accompanying notes for EPO in Table 6.
3. Mineral resources are inclusive of mineral reserves.

A sizeable portion of the 721 koz AuEq of Inferred Resources at EPO (4,960 kt at 4.52 gpt AuEq) are located in close proximity to planned underground development, which, if future infill drilling is successful in upgrading to the Indicated and/or Measured Resource categories, could potentially be brought into the mine plan if deemed economic. Infill drilling targeting to update a portion of Inferred Resources is underway and results to the cut-off date are expected to be included in the year-end 2024 mineral reserve and resource update for the Morelos Complex.

AuEq values for mineral reserves and resources are estimated using metallurgical recoveries and metal prices for Au, Ag, and Cu. Refer to Table 5 and Table 6 for details on mineral reserves and resources including a breakdown of tonnes, grades, and contained metal estimates by deposit as well as metal prices and metallurgical recoveries.

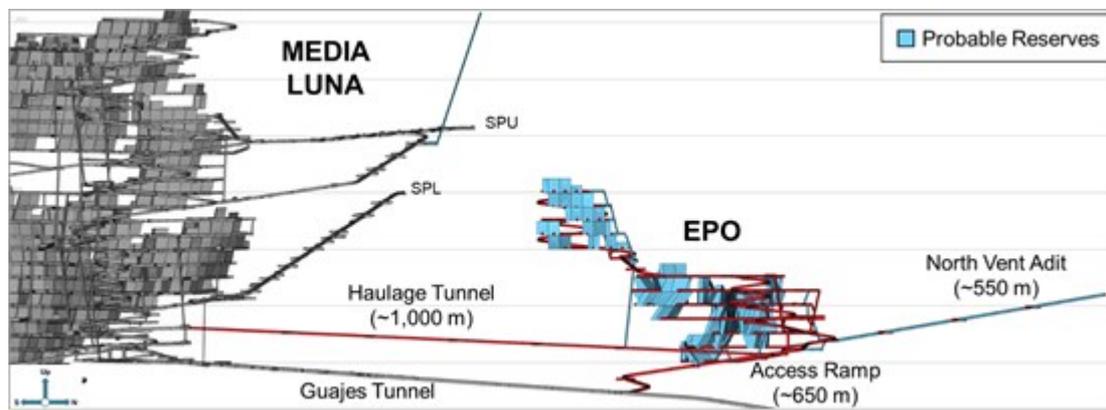
## **EPO - UNDERGROUND MINING**

Development of EPO is anticipated to commence in mid-2025 with first ore production expected in late 2026. EPO will be accessed via a 650 m ramp off the Guajes Tunnel with ore transported back to the ore handling system at Media Luna via a 1,000 m truck haulage tunnel. Ventilation will leverage existing infrastructure at Media Luna and be supplemented by a 550 m ventilation adit to the north. In total, approximately 2,200 m of upfront underground development is required to access EPO, with additional vertical and lateral development required to access initial stopes and commence mining.

Underground mining rates at EPO are expected to average 1,680 tpd on an annualized basis between 2027 and 2035 with the option to increase capacity up to 2,300 tpd through additional incremental investment. Future mining rates at EPO and ELG Underground will depend on future reserve growth and implied reserve lives, with production from both mines likely to deliver a combined 3,100 tpd of ore, taking into account a steady state mining rate of 7,500 tpd at Media Luna.

EPO will be mined predominantly via long-hole open stoping using battery electric equipment. Ore is expected to be trucked, via the haulage tunnel, to the existing ore handling system at Media Luna and subsequently transported via the Guajes Tunnel conveyor to the processing plant on the north side of the Balsas River. Excess capacity in the paste plant currently being constructed at South Portal Upper ("SPU") will be utilized for backfilling mined-out stopes in EPO.

**Figure 3: EPO will leverage significant infrastructure put in place as part of the Media Luna Project, including the Guajes Tunnel conveyor, paste plant, as well as power and water infrastructure**



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Underground mining costs at EPO are expected to average approximately \$51 per tonne mined over the life of the mine, with unit costs during initial years expected to be elevated given higher levels of lateral development during 2027 and 2028. Average underground mining costs at EPO are expected to be approximately 30% higher than the life-of-mine average mining costs forecast at Media Luna, directly related to the lower mining rates at EPO and underground hauling costs to truck ore from EPO to the ore handling system at Media Luna. Haul costs could be reduced in the future should truck haulage be replaced by conveyor haulage, which will depend on the expectation of future reserve growth. Mining costs assume a Mexican peso of 20.0 per U.S. dollar.

## EPO - PROCESSING

Ore mined from the Morelos Complex (ELG Open Pit, ELG Underground, Media Luna Underground, and EPO Underground) as well as surface stockpiles will be processed through the upgraded processing facility located on the north side of the Balsas River. Upgrades to the existing processing plant are expected to be finalized during a planned four-week shutdown in Q4 2024 as part of the Media Luna Project.

Upgrades to the existing circuit are required to deal with higher levels of Cu and iron sulphides ("Fe-S") within the Media Luna and EPO deposits relative to those found within the ELG Mine Complex. Additions to the current processing plant include Cu flotation and Fe-S flotation circuits, a water treatment plant, and various associated modifications to the existing processing facilities. The addition of Cu and Fe-S flotation circuits will positively impact overall Cu and Ag recoveries. The paste plant being developed outside of SPU is expected to result in approximately 50% of tailings deposited underground with the remainder deposited in the soon-to-be-commissioned Guajes In-Pit Tailings Facility.

The current processing facility is expected to operate at 13,000 tpd through late Q4 2024 and once the ramp-up period for the flotation circuits is completed in early Q1 2025, the plant will operate at steady-state throughput of 10,600 tpd. Ore from EPO will be processed with ore from Media Luna and ELG Underground, while ELG Open Pit ore and surface stockpiles are likely to be batch processed, bypassing the Cu flotation circuit.

On a standalone basis, total metallurgical recoveries specific to EPO are estimated at 88% for Au, 84% for Ag, and 86% for Cu. Based on current forecasts, approximately 43% of contained Au, 69% of Ag, and 83% of Cu are expected to be recovered to copper concentrate, with 45% of contained Au, 15% of Ag, and 3% of Cu recovered to doré and other saleable products.

Processing costs for the Morelos Complex are forecast to average approximately \$37 per tonne of ore over the life of the operation. Processing costs are based on an average Mexican peso of 20.0 per U.S. dollar.

## EPO - CAPITAL EXPENDITURES

Development of EPO 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.

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 (Table 3).

**Table 3: EPO is expected to be a capital efficient development project given the ability to leverage the investment made in infrastructure as part of the Media Luna Project**

	2025	2026	Total
Direct costs	\$10.7	\$41.3	\$52.0
Indirect costs	\$2.3	\$11.3	\$13.6
Contingency costs	\$3.4	\$12.6	\$16.0
<b>Total project costs</b>	<b>\$16.4</b>	<b>\$65.1</b>	<b>\$81.5</b>

### Notes to table:

1. Values subject to rounding

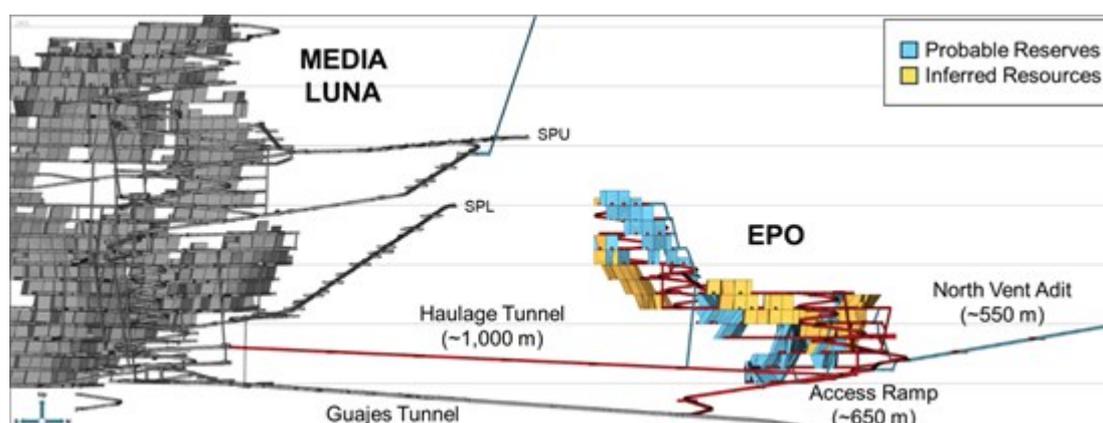
During 2024, \$1.8 million of non-sustaining capital expenditures are expected to be incurred for progressing the internal EPO feasibility study as outlined in the *EPO - Next Steps* section below.

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

## EPO - NEXT STEPS

Infill drilling at EPO is currently underway to upgrade additional mineral resources to the Indicated category, with an early specific focus on Inferred Resources located in close proximity to reserves. A total of 6,500 m of infill drilling at EPO is planned in 2024.

**Figure 4: Focus of future drilling will be on upgrading Inferred Resources located near planned infrastructure and development at EPO in order to upgrade and convert to mineral reserves**



To view an enhanced version of this graphic, please visit:

Concurrently, step-out drilling at EPO is targeting to expand the mineralized footprint of the deposit to the north, which will support a future trade-off study regarding truck haulage or conveyor haulage between EPO and the ore handling system at Media Luna. A total of 14,500 m of step-out drilling at EPO is planned in 2024, with most of the drilling to the north of the deposit.

The drilling focus at EPO is expected to continue over the next few years, with surface drilling to be complemented by underground drilling once the necessary development is in place. Underground drilling at EPO is expected to be more cost effective than surface drilling and will allow Torex to more efficiently target Inferred Resources near planned underground development, with the aim of bringing the resources into reserves.

The year-end 2024 mineral resource estimate will be used to complete an internal feasibility study on EPO in H1 2025, with the intention of confirming and refining the results of the pre-feasibility study prior to commencing development in mid-2025.

## **EPO - PERMITTING**

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.

## **EPO - DEPOSIT GEOLOGY**

At EPO, the main host unit is the Morelos Formation that is cut by an intrusive phase of the Media Luna granodiorite, followed by multiple generations of late felsic dikes predominantly oriented northwest and northeast. Finally, a dome and phreatomagmatic breccia event, with an apparent north-south control, crosscuts the whole sequence.

EPO is located to the east of the major Cuajote fault, within a structural block characterized by multiple second-order structures. These structures are recognized at surface and in drill core, and exhibit north-south, north-northeast, and subordinate northwest orientations. The north-south oriented Copalillo and Todos Santos faults control the main alteration - mineralization event.

Early-stage calc-silicate alteration is related to a proximal "aborted" skarn event containing anomalous molybdenum values and traces of Cu and Au. The latter grades into CRD-style mineralization that is associated with the main Cu and Ag mineralization event.

Mineralizing fluids are believed to have originated from a deeper magmatic source, younger than the Media Luna granodiorite stocks, which have not yet been identified at surface. A late IS-epithermal mineralization event, related to the phreatomagmatic activity, increases the Au volume and grade.

Dykes and sills are deemed to have been previously emplaced along the same feeder structures of the mineralization event and constitute traps for the mineralized bodies. Given that Au precipitates due to the buffer exerted by the early-stage calc-silicate alteration and sulphide mineralization, it occurs as free Au and is dissociated from the early Cu event mainly related to chalcopyrite.

## **ANALYST & INVESTOR DAY**

Torex will host an Analyst & Investor Day to discuss the results of the EPO pre-feasibility study along with an update on the wider business, including the Company's multi-year exploration strategy.

The Analyst & Investor Day will be held tomorrow (Thursday, September 5, 2024) at 10:00 AM ET. Those who wish to participate in the event virtually can register for the webcast via the following link:

A replay of the webcast will be available on the Company's website at <https://torexgold.com/investors/upcoming-events/>.

**Table 4: Operational assumptions for EPO deposit (based on mineral reserves)**

<b>Summary of Results</b>			
<b>EPO Reserve Case<sup>1</sup></b>			
Annualized mining rate (2027 to 2035) <sup>2</sup>		1,680 tpd	
Maximum mining rate		2,300 tpd	
Ore processed		5,029 kt	
	<b>Au (gpt)</b>	<b>Ag (gpt)</b>	<b>Cu (%)</b>
Grade processed	2.27	29.8	1.29
	<b>Au (koz)</b>	<b>Ag (koz)</b>	<b>Cu (Mlb)</b>
Contained metal processed	367	4,820	143
	<b>Au (%)</b>	<b>Ag (%)</b>	<b>Cu (%)</b>
Recovery - Cu concentrate	43.0	69.0	83.0
Recovery - Doré/other	45.0	15.0	3.0
Recovery - Total	88.0	84.0	86.0
	<b>Au (koz)</b>	<b>Ag (koz)</b>	<b>Cu (Mlb)</b>
Recovered - Cu concentrate	158	3,326	119
Recovered - Doré/other	165	723	4
Recovered - Total	323	4,049	123
	<b>Au (%)</b>	<b>Ag (%)</b>	<b>Cu (%)</b>
Payable - Cu concentrate	98.25	90.00	96.50
Payable - Doré/other	99.96	99.50	96.50
Payable - Weighted average	99.12	91.70	96.50
	<b>Au (koz)</b>	<b>Ag (koz)</b>	<b>Cu (Mlb)</b>
Payable Produced/Sold - Cu concentrate	155	2,993	115
Payable Produced/Sold - Doré/other	165	719	4
Payable Produced/Sold - Total	320	3,713	119
<b>Capital Expenditures</b>			
Upfront capital expenditures		\$81.5 million	
Sustaining capital expenditures		\$65.7 million	
<b>Operating Costs (excluding PTU)<sup>3</sup></b>			
Average mining cost		~\$51 per tonne mined	
Average processing cost <sup>4</sup>		~\$37 per tonne processed	
Average site support cost <sup>5</sup>		~\$14 per tonne processed	

Notes to table:

1. Contained metal, recovered metal, and payable production/sold subject to rounding.
2. Annualized mining rate based on estimated tonnes mined from EPO from 2027 onwards; annual mining rates vary depending on feed sources for the processing plant.
3. Operating costs exclude mandated profit sharing ("PTU") as well as royalties.
4. Average processing cost is for entire Morelos Complex and is based on current mineral reserves and forecast ore blending assumptions.
5. Average site cost is for entire Morelos Complex.

Torex is an intermediate gold producer based in Canada, engaged in the exploration, development, and operation of its 100% owned Morelos Property, an area of 29,000 hectares in the highly prospective Guerrero Gold Belt located 180 kilometres southwest of Mexico City. The Company's principal asset is the Morelos Complex, which includes the El Limón Guajes ("ELG") Mine Complex, the Media Luna Project, a processing plant, and related infrastructure. Commercial production from the Morelos Complex commenced on April 1, 2016 and an updated Technical Report for the Morelos Complex was released in March 2022. Torex's key strategic objectives are: 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.

## **FOR FURTHER INFORMATION, PLEASE CONTACT:**

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## **MINERAL RESERVES AND RESOURCES**

For additional information on mineral reserves and resources, please see Tables 5 and 6 attached to this news release and the Company's annual information form filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website at [www.torexgold.com](http://www.torexgold.com).

## **QUALIFIED PERSONS**

The scientific and technical information contained in this news release pertaining to mineral resources and EPO deposit geology has been reviewed and approved by Rochelle Collins, P.Geo., (PGO #1412) Principal, Mineral Resource Geologist with Torex Gold Resources Inc. "a qualified person" ("QP") as defined by NI 43-101.

The scientific and technical information contained in this news release pertaining to mineral reserves, the mine and metal production, mining rates, updated life of mine plan, updated five-year production outlook and EPO underground mining have been reviewed and approved by Johannes (Gertjan) Bekkers P.Eng., the Vice-President, Mines Technical Services for Torex Gold, who is a QP as defined by NI 43-101.

Scientific and technical information contained in this news release pertaining to processing operations, metallurgy and recoveries has been reviewed and approved by Stuart J Saich, P.E., a Fellow of the Australian Institute of Mining and Metallurgy (FAUSIMM # 222028) and a QP as defined by NI 43-101. Mr. Saich is a process engineering consultant and company director of Consultoria e Ingenieria Promet101 Ltda. and is independent of Torex.

The technical and scientific information in this press release pertaining to the estimated EPO sustaining and non-sustaining capital expenditures and such other scientific and technical information not referred to in the foregoing has been reviewed and approved by Dave Stefanuto, P. Eng, Executive Vice President, Technical Services and Capital Projects of the Company, and a QP as defined by NI 43-101.

## **CAUTIONARY NOTES ON FORWARD-LOOKING STATEMENTS**

This press release contains "forward-looking statements" and "forward-looking information" within the

meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the future mining, development and exploration plans concerning the Morelos Property; inaugural mineral reserves declared at EPO; and EPO mining and processing operations. Forward-looking information also includes, but is not limited to, the following forward-looking statements: we have further bolstered the cash flow capability of our world-class asset, with continued upside as the prospectivity of the Media Luna Cluster continues to show itself through the drill bit; with the addition of EPO mineral reserves, the production profile of the Morelos Complex is now firmly established at a minimum of 450 thousand ounces gold equivalent ("koz AuEq") per year through 2030 on the mineral reserve case alone; EPO upfront capital expenditures are estimated at a lean \$81.5 million; the combination of Media Luna production (~7,500 tpd) + ELG Underground (~2,000 tpd) + EPO (average of ~1,700 tpd with opportunity to increase capacity up to 2,300 tpd); development and the associated capital investment is scheduled to start mid-2025, with the majority of the capital expected to be incurred in 2026 and initial production expected later that year; assuming Inferred Resources from ELG Underground and EPO can be upgraded and brought into the mine plan, annual production of at least 450 koz AuEq could be maintained through 2033; drilling at Media Luna is expected to resume in 2025 with the goal of expanding and extending the reserve life; the strong cash flow potential will place Torex in a unique position to drive shareholder value from multiple avenues; this includes unlocking the full potential of Morelos via exploration, the expected return to positive free cash flow in mid-2025, as well as leveraging future balance sheet strength in order to return capital to shareholders and pursue accretive growth opportunities to enhance, strengthen, and diversify our business; based on year-end mineral reserves for the Morelos Complex and incorporating newly defined reserves for EPO (together, the "reserve scenario"), AuEq payable production is forecast to average 422 koz AuEq on an annualized basis through 2035; annual payable production under the reserve scenario is expected to average 473 koz AuEq through 2030 before declining as the proportion of lower-grade stockpiles processed increases; assuming Inferred Resources within ELG Underground and EPO can be upgraded and brought into the mine plan via infill drilling ("resource scenario"), annualized payable production of at least 450 koz AuEq could be supported through 2033, given the ability to defer the processing of lower-grade stockpiles to later in the mine life; for 2028, payable production is now estimated at 450 to 500 koz AuEq; infill drilling targeting to update a portion of Inferred Resources is underway and is expected to be included in the year-end 2024 mineral reserve and resource update for the Morelos Complex; development of EPO is anticipated to commence in mid-2025 with first ore production expected in late 2026; underground mining rates at EPO are expected to average 1,680 tpd on an annualized basis between 2027 and 2035 with the option to increase capacity up to 2,300 tpd; future mining rates at EPO and ELG Underground will depend on future reserve growth and implied reserve lives, with production from both mines likely to deliver a combined 3,100 tpd of ore, taking into account a steady-state mining rate of 7,500 tpd at Media Luna; underground mining costs at EPO are expected to average approximately \$51 per tonne mined over the life of the mine, with unit costs during initial years expected to be elevated given higher levels of lateral development during 2027 and 2028; average underground mining costs at EPO are expected to be approximately 30% higher than the life-of-mine average mining costs forecast at Media Luna; upgrades to the existing processing plant are expected to occur during a planned four-week shutdown in Q4 2024; the current processing facility is expected to operate at 13,000 tpd through late Q4 2024 and once the ramp-up period for the flotation circuits is completed in early Q1 2025, the plant will operate at steady-state throughput of 10,600 tpd; on a standalone basis, total metallurgical recoveries specific to EPO are estimated at 88% for Au, 84% for Ag, and 86% for Cu; based on current forecasts, approximately 43% of contained Au, 69% of Ag, and 83% of Cu are expected to be recovered copper concentrate, with 45% of contained Au, 15% of Ag, and 3% of Cu recovered to doré and other saleable products; processing costs for the Morelos Complex are forecast to average approximately \$37 per tonne over the life of the operation; development of EPO is expected to be capital efficient; 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, approximately 20% of the upfront budget is likely to be incurred in 2025; approximately \$1.8 million of non-sustaining capital expenditures are expected to be incurred in 2024 for progressing the EPO feasibility study; total sustaining capital expenditures over the life of EPO are forecast at \$65.7 million; amendments to environmental approvals are expected to occur over the next several quarters and are not expected to impact development

activities; a total of 6,500 m of infill drilling at EPO is planned in 2024; a total of 14,500 m of step-out drilling at EPO is planned in 2024, with a majority of the drilling to the north of the deposit; the drilling focus at EPO is expected to continue over the next few years, with surface drilling to be complemented by underground drilling once the necessary development is in place; underground drilling at EPO is expected to be more cost effective than surface drilling and will allow Torex to more efficiently target Inferred Resources near planned underground development at EPO, with the aim of bringing the resources into reserves; the year-end 2024 mineral resource estimate will be used to complete an internal feasibility study on EPO in H1 2025, with the intention of confirming and refining the results of the pre-feasibility study prior to commencing development in mid-2025

Generally, forward-looking information can be identified by the use of forward-looking terminology such as "expect", "plan", "strategy", "schedule", "guide", "continue", or variations of such words and phrases or statements that certain actions, events or results "will" occur or are "on track" to occur. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including, without limitation, risks and uncertainties identified in the technical report ("Technical Report") titled ELG Mine Complex Life of Mine Plan and Media Luna Feasibility Study, with an effective date of March 16, 2022, and a filing date of March 31, 2022, and in the Company's annual information form ("AIF") and management's discussion and analysis ("MD&A") or other unknown but potentially significant impacts. Forward-looking information is based on the reasonable assumptions, estimates, analyses and opinions of management made in light of its experience and perception of trends, current conditions and expected developments as set out in the news release, Technical Report, AIF and MD&A, and other factors that management believes are relevant and reasonable in the circumstances at the date such statements are made. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by applicable securities laws. The Technical Report, AIF and MD&A are filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and available on the Company's website at [www.torexgold.com](http://www.torexgold.com).

**Table 5: Mineral Reserve Estimate - Morelos Complex**

	Tonnes (kt)	Au (gpt)	Ag (gpt)	Cu (%)	Au (koz)	Ag (koz)	Cu (Mlb)	AuEq (gpt)	AuEq (koz)
<b>Media Luna Underground</b>									
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
<b>Proven &amp; Probable</b>	<b>23,569</b>	<b>2.71</b>	<b>24.9</b>	<b>0.86</b>	<b>2,050</b>	<b>18,877</b>	<b>448</b>	<b>4.43</b>	<b>3,360</b>
<b>ELG Underground</b>									
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
<b>Proven &amp; Probable</b>	<b>3,504</b>	<b>5.28</b>	<b>7.7</b>	<b>0.30</b>	<b>594</b>	<b>867</b>	<b>23</b>	<b>5.81</b>	<b>654</b>
<b>EPO Underground</b>									
Proven	-	-	-	-	-	-	-	-	-
Probable	5,029	2.27	29.8	1.29	367	4,820	143	4.83	781
<b>Proven &amp; Probable</b>	<b>5,029</b>	<b>2.27</b>	<b>29.8</b>	<b>1.29</b>	<b>367</b>	<b>4,820</b>	<b>143</b>	<b>4.83</b>	<b>781</b>
<b>ELG Open Pit</b>									
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
<b>Proven &amp; Probable</b>	<b>5,553</b>	<b>3.09</b>	<b>4.8</b>	<b>0.18</b>	<b>552</b>	<b>851</b>	<b>23</b>	<b>3.16</b>	<b>565</b>

<b>Surface Stockpiles</b>									
Proven	4,972	1.17	2.8	0.07	187	443	8	1.20	192
Probable	-	-	-	-	-	-	-	-	-
<b>Proven &amp; Probable</b>	<b>4,972</b>	<b>1.17</b>	<b>2.8</b>	<b>0.07</b>	<b>187</b>	<b>443</b>	<b>8</b>	<b>1.20</b>	<b>192</b>
<b>Total Morelos Complex</b>									
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
<b>Proven &amp; Probable</b>	<b>42,627</b>	<b>2.74</b>	<b>18.9</b>	<b>0.69</b>	<b>3,751</b>	<b>25,858</b>	<b>645</b>	<b>4.05</b>	<b>5,552</b>

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 & 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 & 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 g/t 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.

**Table 6: Mineral Resource Estimate - Morelos Complex**

	Tonnes (kt)	Au (gpt)	Ag (gpt)	Cu (%)	Au (koz)	Ag (koz)	Cu (Mlb)	AuEq (gpt)	AuEq (koz)
<b>Media Luna Underground</b>									
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
<b>Measured &amp; Indicated</b>	<b>27,451</b>	<b>3.14</b>	<b>30.4</b>	<b>1.06</b>	<b>2,774</b>	<b>26,791</b>	<b>640</b>	<b>5.23</b>	<b>4,618</b>
Inferred	7,330	2.54	23.0	0.88	598	5,408	142	4.25	1,001
<b>ELG Underground</b>									
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
<b>Measured &amp; Indicated</b>	<b>8,176</b>	<b>4.89</b>	<b>7.6</b>	<b>0.31</b>	<b>1,285</b>	<b>2,002</b>	<b>55</b>	<b>5.48</b>	<b>1,441</b>
Inferred	2,396	4.60	8.0	0.35	355	620	19	5.28	407
<b>EPO Underground</b>									
Measured	-	-	-	-	-	-	-	-	-
Indicated	6,979	2.66	30.0	1.27	597	6,728	195	5.14	1,153
<b>Measured &amp; Indicated</b>	<b>6,979</b>	<b>2.66</b>	<b>30.0</b>	<b>1.27</b>	<b>597</b>	<b>6,728</b>	<b>195</b>	<b>5.14</b>	<b>1,153</b>
Inferred	4,960	2.00	37.0	1.24	318	5,908	136	4.52	721
<b>ELG Open Pit</b>									
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
<b>Measured &amp; Indicated</b>	<b>6,110</b>	<b>3.07</b>	<b>4.7</b>	<b>0.17</b>	<b>602</b>	<b>929</b>	<b>23</b>	<b>3.13</b>	<b>615</b>
Inferred	399	2.06	1.5	0.05	26	19	0	2.08	27

<b>Total Morelos Complex</b>									
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
<b>Measured &amp; Indicated</b>	<b>48,717</b>	<b>3.36</b>	<b>23.3</b>	<b>0.85</b>	<b>5,258</b>	<b>36,449</b>	<b>913</b>	<b>5.00</b>	<b>7,828</b>
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

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.



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