



RESPONSIBLE
GOLD MINING PRINCIPLES

**YEAR-TWO IMPLEMENTATION
PROGRESS REPORT**

AS AT NOVEMBER 30, 2022

BACKGROUND

In December 2020, Torex Gold Resources Inc. (“we”, “Torex” or the “Company”) became a proud member of the World Gold Council. In so doing, we are committed to supporting and fully implementing the World Gold Council’s Responsible Gold Mining Principles (“RGMPs” or the “Principles”).

Working with its members, the world’s leading gold mining companies, and in conjunction with key industry stakeholders, in September 2019 the World Gold Council (“WGC”) introduced the RGMPs as a set of 10 principles and 51 sub-principles to address key environmental, social and governance (“ESG”) issues material to the gold mining sector. The RGMPs were designed to provide confidence to governments,

investors, employees, communities, supply chain partners and civil society that gold has been produced responsibly.

Supporting and implementing the RGMPs is aligned with our core Company values as well as our longstanding and unwavering commitment to responsible gold mining.

Our efforts to fully adopt the RGMPs are also aligned with our organizational purpose statement: *“To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch.”*





These values and commitments are ingrained in the DNA of our Company and will remain the key foundation of our business success.

1. ETHICAL CONDUCT



We will conduct our business with integrity including absolute opposition to corruption.

2. UNDERSTANDING OUR IMPACTS



We will engage with our stakeholders and implement management systems so as to ensure that we understand and manage our impacts, realize opportunities and provide redress where needed.

3. SUPPLY CHAIN



We will require that our suppliers conduct their businesses ethically and responsibly as a condition of doing business with us.

4. SAFETY AND HEALTH



We will protect and promote the safety and occupational health of our workforce (employees and contractors) above all other priorities and will empower them to speak up if they encounter unsafe working conditions.

5. HUMAN RIGHTS AND CONFLICT



We will respect the human rights of our workforce, affected communities and all those people with whom we interact.

6. LABOUR RIGHTS



We will ensure that our operations are places where employees and contractors are treated with respect and are free from discrimination or abusive labour practices.

7. WORKING WITH COMMUNITIES



We aim to contribute to the socio-economic advancement of communities associated with our operations and to treat them with dignity and respect.

8. ENVIRONMENTAL STEWARDSHIP



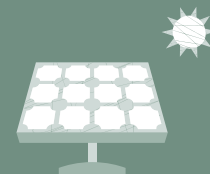
We will ensure that environmental responsibility is at the core of how we work.

9. BIODIVERSITY, LAND USE AND MINE CLOSURE



We will work to ensure that fragile ecosystems, critical habitats and endangered species are protected from damage and we will plan for responsible mine closure.

10. WATER, ENERGY AND CLIMATE CHANGE

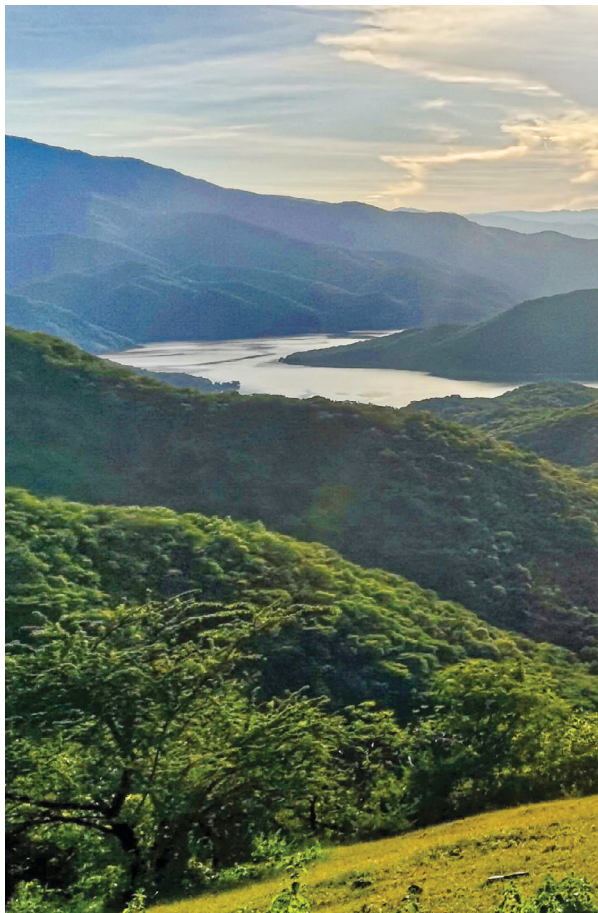


We will improve the efficiency of our use of water and energy, recognizing that the impacts of climate change and water constraints may increasingly become a threat to the locations where we work and a risk to our license to operate.

RGMP IMPLEMENTATION REQUIREMENTS

The WGC has outlined a three-year implementation process for member companies to be in full conformance with the RGMPs. Companies wishing to be recognized as implementing the Responsible Gold Mining Principles are required to do the following:

1. Make a public commitment to align with the RGMPs;
2. Develop internal systems, processes and performance that conform with the Principles;
3. Report publicly on the status of conformance with the Principles; and
4. Obtain independent assurance on conformance with the RGMPs.



YEAR 1

In 2021, Torex declared its public commitment to support and implement the RGMPs and conducted a comprehensive self-assessment of current Company management and performance against the Principles to identify key gaps. Our Year 1 Report, which was independently assured, can be [found here](#).

YEAR 2

Following our Year 1 Report and our self-assessment last year, in 2022 we progressed on a number of key areas where gaps were identified to move closer to full conformance with the RGMPs. This Year 2 Report highlights our Year 2 assessment criteria and implementation progress against these key areas and provides independent assurance of progress made by Torex as of November 30, 2022.

YEAR 3

In Year 3, we will report on our assessment criteria to achieve full internal conformance with the RGMPs at the both the corporate and site level, and as per the timelines set out by the World Gold Council, we will issue public disclosure of our full conformance to the RGMPs through independent assurance of our internal systems, processes, and performance.

BOUNDARY FOR SELF-ASSESSMENT

The scope of this self-assessment includes our operations in Guerrero, Mexico located on our Morelos Property. This covers both our El Limón Guajes (ELG) operations and our Media Luna Project.



YEAR 2 ASSESSMENT CRITERIA AND PROGRESS

Following the comprehensive self-assessment against the RGMPs that Torex completed in Year 1, we identified that while the Company appears to be in conformance with many the principles and sub-principles, there were some gaps identified that require attention with a view to meeting our goal of full conformance. The following table highlights

our Year 2 internally developed assessment criteria that were established to work towards bridging key remaining gaps and to foster continuous improvement even where no gaps were identified. The table highlights progress the Company has made as at November 30, 2022.

YEAR 2 ASSESSMENT CRITERIA	LINK TO PROGRESS AGAINST RGMP PRINCIPLES AND SUB-PRINCIPLES	IMPLEMENTATION PROGRESS
<p>▷ Torex will publish a Year 2 Progress Report on the RGMPs, which includes independent limited assurance, to ensure confidence and credibility associated with our reporting.</p>	<p>PRINCIPLE 1 Ethical Conduct 1.7: We will assign accountability for sustainability performance at the board/executive level. We will report publicly each year our implementation of the RGMPs.</p>	<p>This Report satisfies this assessment criteria. For 2022, Torex has also tied Year 2 progress against RGMPs to executive compensation and company-wide incentive plans to highlight the Company’s strong commitment to conformance.</p>
<p>▷ Torex will conduct a third-party Human Rights Impact Assessment aligned with the United Nations Guiding Principles on Business & Human Rights (“UN Guiding Principles”).</p>	<p>PRINCIPLE 2 Understanding our Impacts 2.3: We will regularly and systematically conduct due diligence for human rights, corruption and conflict risks associated with our activities and in our supply chain with the intention of preventing adverse impacts.</p> <p>PRINCIPLE 5 Human Rights & Conflict 5.1: We will adopt and implement policies, practices and systems based on the UN Guiding Principles on Business and Human Rights. 5.2: We will seek to ensure that we do not cause, and are not complicit in, human rights abuses either directly or through our business relationships.</p>	<p>A Human Rights Impact Assessment was conducted by a global expert in Human Rights, including a site visit conducted in February 2022 involving on-the ground engagement with employees, contractors, service providers, and local communities. Key focus areas of the assessment included potential areas of risk and impact to identify strengths and opportunities for improvement in the areas of labour relations, health & safety, community relations, security management, supply chain management, environmental management, land rights and anti-corruption. A full report was received, including an action plan for continuous improvement.</p>

YEAR 2 ASSESSMENT CRITERIA AND PROGRESS CONT'D

YEAR 2 ASSESSMENT CRITERIA	LINK TO PROGRESS AGAINST RGMP PRINCIPLES AND SUB-PRINCIPLES	IMPLEMENTATION PROGRESS
<p>▷ Torex will conduct a third-party assessment on compliance with the Voluntary Principles on Security and Human Rights.</p>	<p>Principle 2 Understanding our Impacts</p> <p>2.3: We will regularly and systematically conduct due diligence for human rights, corruption and conflict risks associated with our activities and in our supply chain with the intention of preventing adverse impacts.</p> <p>PRINCIPLE 5 Human Rights & Conflict</p> <p>5.2: We will seek to ensure that we do not cause, and are not complicit in, human rights abuses either directly or through our business relationships.</p> <p>5.3: We will manage security-related human rights risks through implementation of the Principles on Security and Human Rights</p>	<p>In conjunction with the Human Rights Impact Assessment that was conducted by third-party experts in February 2022, an assessment was completed to identify potential human rights risks linked to security and to determine the Company's conformance with the Voluntary Principles on Security and Human Rights. A report was received following the assessment, which highlighted high commitment to conformance with the Voluntary Principles. An action plan for continuous improvement was also received.</p>
<p>▷ Torex will provide training to its site security personnel on the Voluntary Principles on Security and Human Rights.</p>	<p>PRINCIPLE 5 Human Rights and Conflict</p> <p>5.2: We will seek to ensure that we do not cause, and are not complicit in, human rights abuses either directly or through our business relationships.</p> <p>5.3: We will manage security-related human rights risks through implementation of the Principles on Security and Human Rights.</p>	<p>During Q3 2022, human rights training was provided to the Company's security personnel at site, including Company personnel, members of the site's private security firm (MSI) and IPAE, the auxiliary security service operated by the state. The purpose of the training was to provide education and increase awareness about the Voluntary Principles. As of October 2022, approximately 200 security team members were trained.</p>

YEAR 2 ASSESSMENT CRITERIA	LINK TO PROGRESS AGAINST RGMP PRINCIPLES AND SUB-PRINCIPLES	IMPLEMENTATION PROGRESS
<p>▷ Torex will enhance our current safety systems with the introduction of a Contractor Management System, to include a clear set of processes to manage health, safety and environmental aspects of work throughout the bidding, work performance and assessment stages of managing a contract.</p>	<p>PRINCIPLE 3 Supply Chain</p> <p>3.1: We will adopt and publish a Supply Chain Policy and support our contractors and suppliers to operate responsibly and to standard of ethics, safety, health, human rights and social and environmental performance comparable with our own. We will conduct risk-based monitoring of compliance.</p>	<p>The Contractor Management System was introduced in early 2022, and now includes:</p> <ul style="list-style-type: none"> ▶ Pre-qualification screening: evaluation of safety performance and potential risks ▶ Post pre-qualification: submission of a health, safety, environment and quality policy or program and a detailed site-specific plan prior to commencing work ▶ Periodic monitoring: review and revision of the scope and nature of the work being performed ▶ Completion audit: evaluation of conformance with the system
<p>▷ Torex will continue to roll out innovative safety training programs and technology to our workforce, namely SafeStart™ and SmartCap, to foster continuous improvement associated with safety in our operations.</p>	<p>PRINCIPLE 4 Safety and Health</p> <p>4.1: We will be proactive in preventing fatalities and injuries to our workforce. Regular safety training will be conducted and personal protective equipment will be supplied at no cost to our workforce. Our objective is zero harm.</p>	<p>In 2022, the Company expanded SafeStart™ training program to include contractors as part of our Contractor Management System. As of the end of Q3, 2022, more than 200 SafeStart™ training sessions were conducted at site.</p> <p>The Company is in the final stages of implementing an innovative fatigue management program (SmartCap) on all open pit mobile equipment at ELG.</p>

YEAR 2 ASSESSMENT CRITERIA AND PROGRESS CONT'D

YEAR 2 ASSESSMENT CRITERIA	LINK TO PROGRESS AGAINST RGMP PRINCIPLES AND SUB-PRINCIPLES	IMPLEMENTATION PROGRESS
<p>▷ Torex will assess the adoption of the Global Industry Standard on Tailings Management (GISTM) in order to reinforce our commitment to global best practices for tailings management.</p>	<p>PRINCIPLE 8 Environmental Stewardship 8.2: Design, build, manage and decommission tailings storage and heap-leaching facilities and large-scale water infrastructure using ongoing management and governance practices in line with widely supported good practice guidelines. We will not develop a new mine that would involve the use of riverine or shallow submarine tailings.</p>	<p>In 2021, a gap analysis was conducted by a third-party expert in tailings management against GISTM, which included recommendations to achieve full compliance. In 2022, the Torex Board of Directors supported Management’s recommendation to formally adopt the GISTM for both our existing Filtered Tailings Storage Facility at ELG and our planned in-pit tailings facility as part of the Media Luna Project.</p>
<p>▷ Torex will continue to work toward compliance with the International Cyanide Management Code (ICMC) in line with expectations set out in the RGMPs.</p>	<p>PRINCIPLE 8 Environmental Stewardship 8.3: We will identify and manage potential risks relating to the transportation, handling, storage and disposal of all hazardous materials. Where our operations use cyanide, we will ensure that our arrangements for the transport, storage, use and disposal of cyanide are in line with the standards of practice set out in the International Cyanide Management Code.</p>	<p>In May 2021, Torex became a signatory to the ICMC. In 2022, the Company continued to progress its action plan to achieve full conformance and certification with the ICMC within the 3-year compliance period.</p> <p>In September 2022, a pre-audit was conducted by a third-party expert to help ensure readiness for the full compliance audit to take place in 2024.</p>

YEAR 2 ASSESSMENT CRITERIA	LINK TO PROGRESS AGAINST RGMP PRINCIPLES AND SUB-PRINCIPLES	IMPLEMENTATION PROGRESS
<p>▷ Torex will conduct a comprehensive energy audit led by a third-party consultant at site to identify opportunities reduce energy and GHG emissions.</p>	<p>PRINCIPLE 10 Water, Energy and Climate Change</p> <p>10.4: We will work to improve the efficiency of our energy use and to minimize our greenhouse gas emissions intensity. We will measure and report on our CO₂ equivalent emissions in line with accepted reporting standards.</p>	<p>In February 2022, a third-party firm with expertise in energy reduction conducted an energy audit at the ELG Mine Complex to identify energy efficiency and GHG emissions reduction opportunities. Key insights into current emissions, over 25 carbon reduction measures, and key action items were provided.</p>
<p>▷ Torex will confirm and disclose its net-zero carbon commitment and associated plan on carbon reduction, including short-term carbon reduction targets.</p>	<p>PRINCIPLE 10 Water, Energy and Climate Change</p> <p>10.3: We will support the objectives of global climate accords through avoidance, reduction or mitigation of carbon emissions. Where relevant, we will work to enhance the ability of our operations and nearby communities to be resilient to the effects of climate change.</p> <p>10.4: We will work to improve the efficiency of our energy use and to minimize our greenhouse gas emissions intensity. We will measure and report on our CO₂ equivalent emissions in line with accepted reporting standards.</p>	<p>In 2022, the goal of establishing a net zero carbon commitment and developing short and longer-term carbon reduction targets was linked to executive compensation and company-wide incentive plans. In November 2022, the Company released its inaugural Climate Change Report aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), which confirmed its net-zero carbon commitment and short-term carbon reduction targets to 2030. The Company's inaugural Climate Change Report can be found here.</p>

ANNUAL INDEPENDENT ASSURANCE

For both our Year 1 and Year 2 RGMP Implementation Progress Report, we retained KPMG to undertake a limited assurance engagement over our implementation progress in accordance with our established assessment criteria. KPMG's Independent Limited Assurance Report is appended to this document.

SUMMARY AND NEXT STEPS

Issuance of this Report fulfills the Year 2 implementation requirements of the RGMPs as set out by the World Gold Council.

Torex will continue progress towards full implementation of the RGMPs through 2023. Where key remaining gaps and areas of continuous improvement have been identified, corresponding action plans with assigned accountabilities are in progress to address them. These plans will build off existing efforts to help achieve third party assurance of our full conformance with the RGMPs in 2024.





ABOUT TOREX GOLD

Torex Gold Resources Inc. (“Torex Gold” or the “Company”) (TSX:TXG) is an intermediate gold producer engaged in the exploration, development and operation of our wholly-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 is based in Canada, with our Corporate Office located in Toronto, Ontario. Torex is currently the second-largest gold producer in Mexico.

In 2021, our workforce was comprised of 1,020 direct employees and 1,689 contractors. We are proud that 99% of our workforce is from Mexico, with over 60% from Guerrero State.

The Company’s mining asset is the Morelos Complex, which includes the El Limón Guajes (“ELG”) Mining Complex, the Media Luna Project, a processing plant and related infrastructure. Commercial production from the Morelos Complex commenced on April 1, 2016 and an updated Technical Report for the Morelos Complex was released in March 2022. Torex’s key strategic objectives are to extend and optimize production from the ELG Mining Complex, de-risk and advance the Media Luna Project to commercial production, build on ESG excellence, and grow organically through ongoing exploration across the entire Morelos Property and through potential value accretive M&A.

APPENDIX

INDEPENDENT PRACTITIONERS' LIMITED ASSURANCE REPORT



TO THE MANAGEMENT OF TOREX GOLD RESOURCES INC. ("TOREX")

We have been engaged by the management of Torex to undertake a limited assurance engagement on Torex's year two Implementation Progress of the Responsible Gold Mining Principles ("RGMPs") presented on pages 4 to 8 of Torex's RGMP Year-Two Implementation Progress Report (the "Report") as at November 30, 2022.

SPECIFIC PURPOSE OF SUBJECT MATTER AND APPLICABLE CRITERIA

The scope of our limited assurance engagement, as agreed with management, is management's Implementation Progress contained in the table on pages 4 to 8 of the Report. There are no mandatory requirements for the preparation, publication or review of management's year two progress on RGMP implementation. As such, Torex has created and applied internally developed Year 2 Assessment Criteria (the "Applicable Criteria") which are listed in the table on pages 4 to 8 of the Report. The Implementation Progress has been prepared in accordance with the Applicable Criteria and as a result may not be suitable for another purpose.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for the preparation and presentation of the Implementation Progress in accordance with the Applicable Criteria, current as at the date of this report.

Management is responsible for determining the appropriateness of the use of the Applicable Criteria.

Management is also responsible for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

PRACTITIONER'S RESPONSIBILITIES

Our responsibility is to express a limited assurance conclusion based on evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (ISAE 3000), *(Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board. ISAE 3000 requires that we plan and perform this engagement to conclude whether a matter(s) has come to our attention that causes us to believe that the Implementation Progress is materially misstated.

ASSURANCE APPROACH

We planned and performed our work to obtain all of the evidence, information and explanations we considered necessary in order to form our conclusion as set out below. Our procedures included:

- ▷ Inquiries of those responsible for completing the activities to self-assess implementation of Torex's internally developed Applicable Criteria;
- ▷ Assessing the suitability and application of the Applicable Criteria in respect of the Implementation Progress;
- ▷ Reviewing relevant evidence and other documentation to support management's statements;
- ▷ Inquiries with relevant staff at the corporate level to understand the data collection and reporting processes for the Implementation Progress; and,
- ▷ Evaluation of the overall presentation of the Implementation Progress in the Report to determine whether the information presented

is consistent with our overall knowledge of, and experience with, Torex's RGMP implementation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, those applied in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower level than the assurance that would have been obtained has a reasonable assurance engagement been performed.

We believe the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

PRACTITIONER'S INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies *International Standard on Quality Control 1* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

SIGNIFICANT INHERENT LIMITATIONS

Non-financial information, such as the Implementation Progress, is subject to more inherent limitations than financial information, given the qualitative

characteristics of the underlying subject matter information and methods used for determining this information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques, which can result in materially different measurements and can impact comparability. It is important to read Torex's Applicable Criteria presented in the table on pages 4 to 8 of the Report.

CONCLUSION

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Implementation Progress as described above and disclosed in the Report as at November 30, 2022, has not been prepared and presented, in all material respect, in accordance with the Applicable Criteria, current as at the date of this report.



Vancouver, Canada
December 20, 2022



CAUTIONARY NOTES

This report contains “forward-looking statements” and “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking statements and information includes, but is not limited to: the Company’s purpose statement “To transform finite mineral resources into lasting prosperity by positively impacting all the lives we touch”; the Company’s commitments as described in the report, including without limitation, commitment to reach net zero GHG emissions, complete carbon reduction measures and achieve GHG emissions targets; plans to implement SmartCap at Media Luna; and the Company’s key strategic objectives to extend and optimize production from the ELG Mining Complex, de-risk and advance the Media Luna Project to commercial production, build on ESG excellence, and grow organically through ongoing exploration across the entire Morelos Property and through potential value accretive M&A. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “commitment”, “plans”, “expects”, or “strategy” or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, or “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 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, risk associated with the ability to complete the actions plans referred to in the report, to achieve full compliance with the RGM Principles in the required time frame and those risk factors identified in the Company’s 2021 Responsible Gold Mining Report, the 2022 Climate Change Report, the technical report titled “Morelos Property - NI 43-101 Technical Report - ELG Mine Complex Life of Mine Plan and Media Luna Feasibility Study” dated effective March 16, 2022 (Technical Report) and the Company’s annual information form (AIF) and management’s discussion and analysis (MD&A) each available under the Company’s profile on SEDAR at www.sedar.com and the Company’s website at www.torexgold.com. Forward-looking statements and information are based on the assumptions discussed in the 2021 Responsible Gold Mining Report, the 2022 Climate Change Report, Technical Report, AIF and MD&A 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.



www.torexgold.com