The Media Luna Skarn-Hosted Gold-Copper-Silver Discovery, Guerrero State, Mexico

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Safe Harbour Statement

This presentation contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information regarding future exploration and development plans concerning the Morelos gold project, including expected drilling results, updated mineral resource and reserve estimates, completion of the 2012 drill program and technical studies, obtaining permits and licenses, project commissioning, executing land agreements and negotiating road allowances, and the Company’s feasibility study (including realization of estimated mineral reserves; expectation that the Morelos gold project will be profitable with positive economics; recoveries; grades; annual production; receipt of all approvals; parameters and assumptions underlying mineral resource and reserve estimates and financial analysis; and gold prices). Generally, forward-looking information can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", or "believes" or variations of such words or state that certain actions, events or results "may", "could", "would", "might", 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 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, risks related to: unexpected events and delays impacting completion of the 2012 drill program, technical studies and updated mineral resource and reserve estimates; exploration results not being consistent with expectations; required permits, licenses and approvals not being obtained on a timely basis; estimated mineral reserves and annual production not being realized; parameters and assumptions underlying mineral resource and reserve estimates and financial analysis being incorrect; and risk factors disclosed in the Company’s annual information form and management’s discussion and analysis for the year ended October 31, 2011. Forward-looking information is based on reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date 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.

Additional technical information is contained in the Company’s feasibility study entitled “Morelos Gold Project, Feasibility Study, Form 45-106F1 Technical Report, Guerrero, Mexico”, dated September 4, 2012 (the “Feasibility Study”). The technical information contained in this presentation is based upon the information contained in the Feasibility Study and prepared by or under the supervision of the authors of the Feasibility Study, who are each qualified persons for the purposes of National Instrument 43-101.
The Media Luna Skarn-Hosted Gold-Copper-Silver Discovery

• Introduction
• Regional Geologic Setting
• District Geology
• Alteration and Mineralization
• Media Luna Geology
• Media Luna Discovery – Summary & Observations
Introduction - Project Location
Introduction

Looking south from the town of Nuevo Balsas at the El Limón-Guajes deposit (outlined) with Media Luna ridge in the background
### Introduction - Project History

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-1998</td>
<td>Morelos Mineral Reserve (Mexican government)</td>
</tr>
<tr>
<td>1998</td>
<td>Teck acquired area and commenced exploration</td>
</tr>
<tr>
<td>2000</td>
<td>El Limón deposit discovered</td>
</tr>
<tr>
<td>2001-2002</td>
<td>Guajes East &amp; West deposits discovered</td>
</tr>
<tr>
<td>2009</td>
<td>Torex acquired project</td>
</tr>
<tr>
<td>2012 (June)</td>
<td>El Limón-Guajes Resource: 5.43 million oz. Au (4.81 M M&amp;I)</td>
</tr>
<tr>
<td>2012 (March)</td>
<td>Media Luna deposit discovered</td>
</tr>
<tr>
<td>2013 (Sept)</td>
<td>Media Luna Maiden Inferred Resource (5.84 M oz. Au eq.)</td>
</tr>
</tbody>
</table>
## Morelos Project Mineral Resources

### El Limón - Guajes Deposits*

<table>
<thead>
<tr>
<th>Resource category</th>
<th>Tonnes (M t)</th>
<th>Au Grade (g/t)</th>
<th>Au Grade (M oz)</th>
<th>Ag Grade (g/t)</th>
<th>Ag Grade (M oz)</th>
</tr>
</thead>
<tbody>
<tr>
<td>M&amp;I</td>
<td>53.8</td>
<td>2.79</td>
<td>4.81</td>
<td>4.84</td>
<td>8.36</td>
</tr>
<tr>
<td>Inferred</td>
<td>10.7</td>
<td>1.8</td>
<td>0.62</td>
<td>4.0</td>
<td>1.39</td>
</tr>
</tbody>
</table>

Mineral Resources are reported above 0.5 g/t Au cut-off grade

### Media Luna Deposit**

<table>
<thead>
<tr>
<th>Resource category</th>
<th>Tonnes (M t)</th>
<th>AuEq Grade (g/t)</th>
<th>AuEq Grade (M oz)</th>
<th>Au Grade (g/t)</th>
<th>Au Grade (M oz)</th>
<th>Ag Grade (g/t)</th>
<th>Ag Grade (M oz)</th>
<th>Cu Grade (%)</th>
<th>Cu (M lb)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inferred</td>
<td>39.9</td>
<td>4.55</td>
<td>5.84</td>
<td>2.6</td>
<td>3.38</td>
<td>24.46</td>
<td>31.39</td>
<td>0.97</td>
<td>852.48</td>
</tr>
</tbody>
</table>

Mineral Resources are reported above 2.0 g/t Au Eq. cut-off grade

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**NI 43-101 Mineral Resources as per Press Release of 15 September 2013
Regional Geologic Setting

modified after Martini et al., 2009
Regional Geologic Setting

Model for evolution of Southern Continental Margin of North America

Early Cretaceous

Late Cretaceous – Early Tertiary

Shortening of the continental margin and deformation of the allochthonous volcano-sedimentary cover as described by Cano et al., 2000.

modified from Martini et al., 2009
Regional Geologic Setting

Stratigraphy of the Guerrero Platform

from Cerca, 2004
Regional Geologic Setting

Magmatism in Southern Mexico

from Cerca, 2004
Regional Geologic Setting
District Geology – Geologic Map

- El Limon-Guajes Feasibility Pit Outline
- Media Luna Resource Boundary
- Faults
- River or lake
- Quaternary sediments
- Tertiary volcanic rock
- Hornfels
- Skam
- Paleocene porphyry
- Paleocene granodiorite
- Cretaceous Mezcalá Fm
- Cretaceous Morelos Fm

Kilometers
District Geology - Stratigraphy

- Cretaceous Mezcal Fm: thin bedded shale, siltstone and sandstone
- Cretaceous Cuautla Fm: thin bedded limestone and siltstone
- Cretaceous Morelos Fm: limestone

Hornfels in Mezcal fm. at El Limón
Cuautla fm. limestone
Morelos fm. limestone
District Geology – Morelos Formation

Along the Balsas River

At Media Luna

~80m
District Geology – Mezcala Formation

In road cuts at Media Luna
District Geology - Intrusions
District Geology - Intrusions

Limon granodiorite (pre-skarn)

FBHQ Feldspar-biotite-hornblende-quartz porphyry (syn-skarn)

FGB Fine-grained biotite-rich andesite (pre-skarn)

FP Feldspar porphyry (pre-skarn)

FBP Feldspar-biotite porphyry (syn- to post-skarn)

QFHP Quartz-feldspar-hornblende porphyry (post-skarn)

4 cm
District Geology - Intrusions

Relative age of intrusions

- granodiorite [66.9 – 65.6 Ma]
- FGB
- FP [66.3 – 65.9 Ma]
- FBHQ [65.7 – 63.9 Ma]
- FBP [64.7 Ma]
- FBP1 [65.9 Ma]
- QFHP [65.3 – 64.9 Ma]
Geochemistry of intrusions

Major elements display normal calc-alkaline differentiation trend
Geochemistry of intrusions

Data from Loucks and Ballard (2002) showing Sr/Y differentiation trends for barren and Cu-Au ore-productive calc-alkaline intrusions
Differentiation trend of typical “barren” calcalkaline intrusive rocks
Geochemistry of intrusions

Differentiation trend of productive Cu-Au ore intrusive rocks

from Loucks and Ballard, 2002
Morelos intrusive rocks plot in ore productive field; note that samples of 35 Ma intrusive rocks plot along barren differentiation trend.
Skarn Alteration

Skarn alteration is present in both intrusive and sedimentary rocks

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-skarn events</td>
<td>includes biotite (potassic) alteration of granodiorite and early intrusions emplaced near granodiorite-marble contact; biotite cpy veinlets and qtz-moly-cpy veins; biotite hornfels in Mezcala Formation</td>
</tr>
<tr>
<td>Prograde skarn</td>
<td>anhydrous skarn minerals dominated by pyroxene and garnet; probably magnetite in exoskarn at the end of this time</td>
</tr>
<tr>
<td>Retrograde skarn</td>
<td>early phlogopite development, then amphibole-calcite, then chlorite-serpentine-calcite veins; most sulfides at this time</td>
</tr>
<tr>
<td>Post-skarn events</td>
<td>pebble dikes; quartz-carbonate±anhydrite veins and carbonate dissolution breccia; argillic alteration around carbonate dissolution breccia</td>
</tr>
</tbody>
</table>
Relative Age of Alteration and Veins

- **Pre-skarn**
  - high temperature
    - 1. bio-cpy vnlt
    - 2. qtz-moly
  - low temperature
    - 3. px, px-Kspar halo
    - 4. px-gar, mt, px-Kspar halo

- **Prograde skarn**
  - high temperature
    - 5. px-phlogopite
  - low temperature
    - 6. amph w/ plag-ill halo; amph+cal+qtz (po, cpy, aspy, Au, Bi)

- **Retrograde skarn**
  - high temperature
    - 7. chl-serp-calcite (po, py, cpy, sp, ga, aspy)
  - low temperature
    - 8. pebble dikes

- **Post-skarn**
  - high temperature
    - 9. qtz-carb (py, stib, aspy)
  - low temperature
    - 10. carb dissolution bx (py/marc)

**Introduction of metals**
Skarn Alteration

Pre-Skarn

- formation of marble in the Morelos fm; hornfels in the Mezcala fm
- emplacement of sills along the granodiorite-marble contact
Skarn Alteration

**Pre-Skarn Alteration**

- weak pervasive biotite in granodiorite and other early intrusions; restricted occurrence
- quartz-molybdenite ± cpy ± Kspar veins form near the upper granodiorite contact; also found in hornfels but not marble
Skarn Alteration

**Prograde Skarn**

- early tan-colored pyroxene veinlets with tan pyroxene halos
Skarn Alteration

Prograde Skarn

- anhydrous skarn minerals dominated by pyroxene and garnet; pyroxene has high-salinity fluid inclusions
- magnetite
- bleached white marble directly above skarn
Skarn Alteration

Retrograde Skarn

- hydrous skarn minerals dominated by phlogopite and amphibole along with calcite, quartz and sulfides
- magnetite replaced by sulfide minerals
- sulfides include pyrrhotite, chalcopyrite, sphalerite, arsenopyrite, cobaltite, bismuthinite
- other minerals are native bismuth, electrum, hedleyite
Skarn Alteration

Post-skarn alteration

- chlorite-calcite-sulfide veins (pyrite, marcasite, arsenopyrite)
- pebble dikes
- carbonate ± anhydrite veins
- carbonate dissolution breccia and associated argillic alteration (fine-grained pyrite or marcasite)
Alteration at Media Luna

CZML-02
358.1 – 361.19m

Drill core from holes CZML-02 and WZML-37 illustrating sharp contact between marble and exoskarn with massive sulfide-oxide

WZML-37
512.80 – 515.83m
Alteration at Media Luna: High Grade

**NEZML-22**
451.44-453.47m
23.1 g/t Au
9.4% Cu

**WZML-47**
806.9-808.13m
25.3 g/t Au
8.0% Cu
Alteration at Media Luna: Retrograde

ML-77 340.5 m: phlogopite replacement of garnet rim

ML-46A 588.35 m: amphibole-cpy-po vein cutting px

WZML-30 588.1 m: massive coarse-grained phlogopite
Alteration at Media Luna: Retrograde

QEMSCAN image

ML-35-569A pyroxene skarn with amphibole-calcite-quartz-cpy-po

Photo of thin section blank
Alteration at Media Luna – Retrograde

Reflected light photomicrographs of mineralized samples from drill hole WZML-07 at 507m
Endoskarn below Mineralization

Drill core from holes ML-46M and NEZML-14 showing examples of pyroxene and garnet-pyroxene veins in granodiorite below mineralization.

ML-46M
623.86-627.65m

NEZML-14
539.05-542.73m
Post-skarn Alteration

TMP-1061 315m calcite-py veins with dark chlorite halo

SS-08 621m pebble dike

TMP-1410 48m carbonate dissolution breccia
Media Luna Deposit

Los Filos pit (Goldcorp)

Ridge above Media Luna

Front side of Media Luna looking SW; Site of ML-02 Discovery hole

Back side of Media Luna; View from El Limón, looking SE
# Media Luna Inferred Resource

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<th>Resource category</th>
<th>Tonnes (M t)</th>
<th>Au Eq. Grade (g/t)</th>
<th>Au Eq. (M oz)</th>
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<th>Au (M oz)</th>
<th>Ag Grade (g/t)</th>
<th>Ag (M oz.)</th>
<th>Cu Grade (%)</th>
<th>Cu (M lb.)</th>
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NI 43-101 Mineral Resources as per Press Release of 16th September 2013
Media Luna – Cross Section Looking NW
Media Luna – 3D view looking north

Topography along section

- Massive sulfide/oxide
- Exoskarn
- Endoskarn
- Granodiorite

500 Meters
Media Luna Discovery History

- Seventeen historic reverse-circulation holes in 3 phases during 2001-2004 with disappointing results
- One of the historic holes (RCML-11) reached 471m depth with the aim of testing the strong magnetic anomaly – the result was inconclusive
- Torex conducted a detailed review of logs and geochemistry for the 17 historic holes
- Several zones of anomalous geochemistry, especially gold, copper, bismuth, zinc and arsenic, were identified within limestone and various felsic intrusive rocks
- Iron content in the drill holes did not support the strong magnetic anomaly observed
- Three diamond drill holes were planned in the area of strongest magnetic response aimed at testing for blind skarn-hosted gold and base metal mineralization
- The first hole drilled, ML-02, intersected massive magnetite with chalcopyrite, pyrite and pyrrhotite in garnet-pyroxene skarn at 501m depth. This intersection returned 15.8m at 2.05 g/t Au, 12 g/t Ag and 0.55% Cu, including 4.4m at 4.27 g/t gold, 9 g/t silver and 0.78% copper
## Gold Skarn Size Comparison

<table>
<thead>
<tr>
<th>District</th>
<th>Location</th>
<th>Gold (M oz)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Morelos El Limon-Guajes Media Luna</strong></td>
<td>Mexico</td>
<td>8.81</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5.43</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3.38</td>
</tr>
<tr>
<td><strong>Los Filos (skarn)</strong></td>
<td>Mexico</td>
<td>4.3 (?)</td>
</tr>
<tr>
<td><strong>Hedley</strong></td>
<td>Canada</td>
<td>3.8</td>
</tr>
<tr>
<td><strong>Nambija</strong></td>
<td>Ecuador</td>
<td>2.7 (?)</td>
</tr>
<tr>
<td><strong>Rio Narcea</strong></td>
<td>Spain</td>
<td>2.4</td>
</tr>
<tr>
<td><strong>Fortitude</strong></td>
<td>USA</td>
<td>2.3</td>
</tr>
<tr>
<td><strong>Kettle River</strong></td>
<td>USA</td>
<td>2.1 (?)</td>
</tr>
</tbody>
</table>
# Copper (Gold) Skarn Size Comparison

<table>
<thead>
<tr>
<th>Deposit</th>
<th>Location</th>
<th>Tonnes (Mt)</th>
<th>Gold Grade (g/t)</th>
<th>Silver Grade (g/t)</th>
<th>Copper Grade (%)</th>
<th>Gold (t)</th>
<th>Copper (Mt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kucing Liar</td>
<td>Irian Jaya</td>
<td>420</td>
<td>1.09</td>
<td>7.01</td>
<td>1.23</td>
<td>458</td>
<td>5.17</td>
</tr>
<tr>
<td>Big Gossan</td>
<td>Irian Jaya</td>
<td>56</td>
<td>0.97</td>
<td>13.45</td>
<td>2.18</td>
<td>54</td>
<td>1.22</td>
</tr>
<tr>
<td>Tintaya</td>
<td>Peru</td>
<td>88</td>
<td>0.18</td>
<td>n/a</td>
<td>1.17</td>
<td>15.8</td>
<td>1.03</td>
</tr>
<tr>
<td>Ertsberg</td>
<td>Irian Jaya</td>
<td>32.6</td>
<td>0.8</td>
<td>9.1</td>
<td>2.30</td>
<td>22</td>
<td>0.75</td>
</tr>
<tr>
<td>Bingham (skarn)</td>
<td>USA</td>
<td>20</td>
<td>1.62</td>
<td>n/a</td>
<td>3.65</td>
<td>32</td>
<td>0.73</td>
</tr>
<tr>
<td>Media Luna</td>
<td>Mexico</td>
<td>39.9</td>
<td>2.63</td>
<td>24.5</td>
<td>0.97</td>
<td>105</td>
<td>0.39</td>
</tr>
<tr>
<td>Ok Tedi (skarn-1988)</td>
<td>PNG</td>
<td>28.9</td>
<td>1.58</td>
<td>n/a</td>
<td>1.25</td>
<td>44</td>
<td>0.36</td>
</tr>
<tr>
<td>Cadia (skarn)</td>
<td>Australia</td>
<td>50.3</td>
<td>0.37</td>
<td>n/a</td>
<td>0.40</td>
<td>18.5</td>
<td>0.2</td>
</tr>
</tbody>
</table>

Resource figures from Jowitt et al., 2013
Morelos Project – District Potential

RTP magnetic image with 3 km high pass filter
Media Luna Project - Summary

• The majority of gold, copper and silver mineralization is hosted in pyroxene-garnet ± magnetite exoskarn along the contact of Paleocene granodiorite with Cretaceous carbonate rock

• Porphyritic felsic dikes and sills intrude both carbonate rocks and granodiorite. These intrusions are both pre- and post-skarn alteration

• There is a clear association of gold, copper and silver with retrograde phlogopite, amphibole, chlorite, calcite ± quartz alteration of exoskarn; sulphidation of skarn assemblages is closely related to retrograde alteration

• Nearly 3.5 M oz of gold, 32 M oz of silver and 400 K t of copper have been discovered to date and the mineralization is open to the south, west and north-northwest
Thank You