

## Tahoe Resources 2018 Gold Guidance and Long-Term Outlook

Tahoe Resources' gold guidance for 2018 and multi-year gold outlook is provided below. While Tahoe expects the Guatemalan Constitutional Court to rule in favor of reinstating the Escobal mining license based on existing legal precedent, the Company will not be providing guidance or long-term outlook for silver production or costs until steady operations at Escobal resume and the export credential is issued.

### 2018 Gold Guidance by Mine

	Production (gold - koz)		Cash Costs (\$/oz)		All-in Sustaining Costs (\$/oz)		Project Capital (\$ millions)		Sustaining Capital (\$ millions)		Exploration (\$ millions)	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
La Arena	160	185	650	700	950	1,050	—	—	35	40	1	2
Shahuindo	80	110	750	800	1,050	1,100	80	100	15	20	8	10
Timmins Mines	160	175	800	850	1,050	1,150	45	50	40	55	6	12
<b>Gold total</b>	<b>400</b>	<b>475</b>	<b>725</b>	<b>775</b>	<b>1,000</b>	<b>1,100</b>	<b>125</b>	<b>150</b>	<b>90</b>	<b>115</b>	<b>15</b>	<b>25</b>

(1) See "Cautionary Statement on Forward-Looking Information" and "Cautionary Note on Non-GAAP Financial Measures" in this press release.

(2) All per ounce costs are based on gold ounces recovered.

(3) The top end of the gold production range includes approximately 5 thousand ounces from Escobal.

(4) Numbers may not calculate due to rounding.

### Key Highlights for 2018 Guidance:

- 2018 gold production guidance has shifted downward by 25,000 ounces at either end of the range compared to the initial 2018 guidance provided in January 2017. This change reflects the higher risk of the growth profile related to the timing of the commissioning of the Bell Creek shaft project mid-year and the ramp up of the Shahuindo expansion to 36,000 tonnes per day by the end of 2018. 2018 guidance is also impacted by the initial 144 Gap Mineral Reserve estimate issued on September 21, 2017 which, although increasing the Proven and Probable Mineral Reserves at the Timmins West Mine from 233,000 to 738,000 ounces of gold, was at a lower grade than expected.
- The production forecasts at Shahuindo and Timmins are weighted to the second half of 2018, with the commissioning of the complete crushing and agglomeration circuit at Shahuindo and the Bell Creek shaft expected to begin in the third quarter. The operational ramp up to 36,000 tpd and the completion of the Shahuindo expansion is expected by the end of 2018. Production at La Arena is also weighted in the second half of the year.
- 2018 will be a transition year and the Company anticipates seeing higher total cash costs in 2018 than we saw in 2017 at a range of \$725 to \$775 per ounce. This increase is being driven by the lower grade in the 144 Gap deposit, along with more ounces coming from Shahuindo, both of which have higher cost profiles than La Arena. As expected, the lower cost La Arena will make up a smaller proportion of total production in 2018 than in previous years which will also impact costs. Tahoe is continuously focused on finding ways to increase the profitability of all its mines and lower costs, however this focus is a priority in 2018 at the Timmins operations given the lower grade profile.
- Higher unit costs per ounce of gold produced in 2018 are expected as a result of lower anticipated production levels at La Arena, the increased proportion of production from Shahuindo, as well as a stronger forecasted Canadian dollar impacting the Timmins operations.
- 2018 reflects peak project capital expenditure levels to complete the two near-term expansion projects - with the Shahuindo expansion (including the 36,000 tpd crushing and agglomeration plant) accounting for approximately 65% of the total and the remainder the Bell Creek shaft project. Project capital at the Shahuindo expansion is associated with the completion of the crushing and agglomeration plant, process plant expansion, leach Pad 2B (stated as sustaining capital in previously issued guidance), waste dumps and the power substation. Project capital in Canada relates primarily to the Bell Creek shaft and tailings pond expansion. Approximately \$60 million in project capital was deferred from 2017 and is now expected to be spent in 2018. Despite this shift in timing of spending, both projects remain within their original guidance.

- Sustaining capital expenditures in 2018 are targeted at \$90 to \$115 million for the gold operations. Canada will account for approximately 45% of total gold sustaining capital expenditures in 2018, while La Arena is approximately 30%. A significant proportion of these expenditures relate to the underground drilling and development in Canada, as well as leach pad and waste dump construction at La Arena.
- Exploration expenses (excluding capitalized drilling in the mines) are anticipated to be between \$15 and \$25 million in 2018, including drilling programs designed to expand Mineral Resources at existing operations and to advance longer-term projects in Canada and Peru.

2018 gold cost guidance was calculated based on certain commodity and currency assumptions. The table below includes a sensitivity of the impact of a change in these assumptions on total cash costs and all-in sustaining costs:

	2018 Guidance	Change (+/-)	Impact (+/-)
<b>Commodity assumptions</b>			
Silver (\$/oz)	\$17.50	\$1.00/oz	nil
Diesel (US\$/gal)	\$2.40	10%	\$6/oz gold
<b>Currency assumptions</b>			
CAD/USD	\$1.20	1%	\$9/oz gold
Peruvian sol/USD	3.3	1%	\$2/oz gold

### Long-term outlook

As outlined below, the Company is on track to achieve annual gold production of over a half million ounces in 2019. At that time, total cash costs net of by-product credits and all-in sustaining costs per ounce of gold produced are also projected to improve.

### Multi-Year Gold Guidance

	2018	2019	2020
Gold ounces produced (000's)	400-475	500-550	500-550
Total cash costs per ounce gold produced net of by-product credits	\$ 725-775	\$ 650-700	\$ 650-750
All-in sustaining costs per ounce gold produced net of by-product credits	\$ 1,000-1,100	\$ 950-1,050	\$ 900-1,000
Total corporate G&A (\$millions)	\$ 45-55	\$ 45-55	\$ 45-55
Exploration (\$millions)	\$ 15-25	\$ 15-25	\$ 15-25
Sustaining capital - gold (\$millions)	\$ 90-115	\$ 100-125	\$ 80-100
Project capital (\$millions)	\$ 125-150	\$ 50-70	\$ 0-10

(1) See "Cautionary Statement on Forward-Looking Information" and "Cautionary Note on Non-GAAP Financial Measures" in this press release.

(2) Commodity and currency price assumptions used in the calculation of 2019 and 2020 guidance are the same as those used in the calculation of 2018 guidance. Refer to the "2018 Guidance by mine" section of this press release.

(3) The top end of the gold production range includes approximately 5,000 ounces from Escobal in 2018.

(4) All per ounce costs are based on gold ounces recovered.

(5) Guidance does not include inflation adjustments.

### Key Highlights for Long-term Outlook:

- The Company anticipates that a favorable Constitutional Court ruling would enable it to resume operations at the Escobal mine and that, over a period of 3 to 6 months, it will be able to ramp up its annual silver production to 2014-2016 levels.

- The Company's goal is to reach and sustain 18-21 million ounces of silver production and 500-550 thousand ounces of gold production annually. Meeting this goal for gold production depends on exploration success in delivering additional resources and reserves to replace those mined annually.
- Sustaining capital expenditures for the gold segment are targeted at \$90 to \$115 million for 2018, \$100 - \$125 million in 2019 and \$80 to \$100 million in 2020. Once production is restored to normal levels at the Escobal mine, the Company anticipates annual sustaining capital expenditures for the silver segment targeted at \$30 to \$40 million.
- Although Tahoe expects to continue its evaluation of the La Arena II project with the intent of advancing the project to the prefeasibility or feasibility stage at the appropriate time, the timeline and estimated capital required to progress the project to the next stage are under review. As such, no additional spending has been considered in the multi-year guidance. Until the Company decides to commence the development of any significant new projects, growth capital expenditures will be substantially complete in 2019.
- Exploration expenditures are likely to remain between \$15 and \$25 million annually over the next two years as the Company works to advance its exploration targets to increase gold Mineral Resources and to convert existing gold Mineral Resources into Mineral Reserves. With exploration programs being largely success driven, future expenditure targets will be developed following completion of 2018 drilling programs.

The reconciliation which formed the basis for the ranges in the 2018 total cash cost and all-in sustaining cost guidance is as follows (\$ in thousands):

Total cash costs	La Arena	Shahuindo	Timmins mines	Gold
Production costs	\$ 115,000	\$ 70,000	\$ 140,000	\$ 325,000
Treatment and refining charges	—	—	—	—
Total cash costs before by-product credits	\$ 115,000	\$ 70,000	\$ 140,000	\$ 325,000
By-product credits	—	—	—	—
Total cash costs net of by-product credits	\$ 115,000	\$ 70,000	\$ 140,000	\$ 325,000
Gold ounces produced in doré (000's)	170	90	175	435
Total cash costs per ounce before by-product credits	\$ 676	\$ 778	\$ 800	\$ 747
Total cash costs per ounce net of by-product credits	\$ 676	\$ 778	\$ 800	\$ 747

All-in sustaining costs	La Arena	Shahuindo	Timmins mines	Gold
Total cash costs net of by-product credits	\$ 115,000	\$ 70,000	\$ 140,000	\$ 325,000
Sustaining capital	35,000	15,000	45,000	95,000
Exploration	—	—	4,500	4,500
Reclamation cost accretion	1,000	1,000	1,000	3,000
General and administrative expenses	12,000	9,000	9,000	30,000
All-in sustaining costs	\$ 163,000	\$ 95,000	\$ 199,500	\$ 457,500
Gold ounces produced in doré (000's)	170	90	175	435
All-in sustaining costs per ounce produced net of by-product credits	\$ 959	\$ 1,056	\$ 1,140	\$ 1,052

The reconciliation which formed the basis for the ranges in the multi-year total cash cost and all-in sustaining cost guidance for gold is as follows:

<b>Total cash costs (gold)</b>	<b>2018</b>		<b>2019</b>		<b>2020</b>	
Production costs	\$	325,000	\$	354,500	\$	354,500
Treatment and refining charges		—		—		—
Total cash costs before by-product credits	\$	325,000	\$	354,500	\$	354,500
By-product credits		—		—		—
Total cash costs net of by-product credits	\$	325,000	\$	354,500	\$	354,500
Gold ounces produced in doré (000's)		435		525		525
<b>Total cash costs per ounce before by-product credits</b>	\$	<b>747</b>	\$	<b>675</b>	\$	<b>675</b>
<b>Total cash costs per ounce net of by-product credits</b>	\$	<b>747</b>	\$	<b>675</b>	\$	<b>675</b>

<b>All-in sustaining costs (gold)</b>	<b>2018</b>		<b>2019</b>		<b>2020</b>	
Total cash costs net of by-product credits	\$	325,000	\$	354,500	\$	354,500
Sustaining capital	\$	95,000	\$	125,000	\$	107,000
Exploration	\$	4,500	\$	10,000	\$	6,000
Reclamation cost accretion	\$	3,000	\$	3,000	\$	3,000
Corporate G&A <sup>(1)</sup>	\$	30,000	\$	32,500	\$	28,500
All-in sustaining costs	\$	457,500	\$	525,000	\$	499,000
Gold ounces produced in doré (000's)		435		525		525
<b>All-in sustaining costs per ounce produced net of by-product credits</b>	\$	<b>1,052</b>	\$	<b>1,000</b>	\$	<b>950</b>

<sup>(1)</sup> Numbers may not calculate due to rounding

<sup>(2)</sup> General and administrative expenses have been allocated to gold at 60% of total corporate G&A consistent with 2018.