

## NGEx Reports First Quarter 2014 Results

VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 5, 2014) -NGEx Resources Inc. (TSX:NGQ) ("NGEx" or the "Company") is pleased to announce its operating and financial results for the three months ended March 31, 2014 and to provide an update on results of work on its projects to date.

### HIGHLIGHTS AND SIGNIFICANT EVENTS

The Company had a very successful first quarter led by excellent results from exploration drilling at Filo del Sol which produced some of the highest grade copper, gold, and silver intercepts to date. The Company also made good progress on the conceptual engineering studies underway at Los Helados. On the corporate front, the Company announced its intention to seek a secondary listing of the Company's shares on the Nasdaq OMX Stockholm in Sweden. Highlights from the quarter are listed below.

#### *Los Helados*

- Work continued on evaluating development options for the Los Helados project with good progress on evaluation of potential mining methods and development of high level processing flow sheets. Good progress was also made on baseline environmental studies including the installation of weather stations and other monitoring equipment. The Company is currently targeting completion of a Preliminary Economic Assessment in the fourth quarter of 2014 although the exact timing will depend on progress over the next few months.

#### *Josemaria*

- On February 21, 2014, the Company announced the initial drilling results from the 2013/2014 field season at the Josemaria Project including the interception of 0.54% copper and 0.11g/t gold over 340 metres.
- On April 24, 2014 the Company announced the results of the final seven holes drilled this year at the Josemaria Project.
- The Company believes that the drilling completed during the 2013/2014 field season achieved its primary objective of defining the high grade zone at the north end of Josemaria. The results of step out drilling to the north and west indicate a possible continuation of the system beyond the limits of the current resource. The results of this year's drilling will be incorporated into an updated resource estimate and once the results of ongoing metallurgical test work are received the Company intends to complete an updated Technical Report for Josemaria.

#### *Filo del Sol*

- On March 17, 2014, the Company announced the results of the first seven of 23 holes drilled during its 2013/2014 field season at the Filo del Sol Project which expanded the high grade zone.
- On April 10, 2014, the Company announced the results of ten additional holes drilled at the Filo del Sol Project which included some of the highest copper and silver grades intercepted to date including an intercept of 5.80% copper over 22 metres.
- On April 30, 2014 the Company announced the results from the final nine holes drilled in the first quarter of 2014 at Filo del Sol which included an intercept of 7.59% copper over 10 metres and 314.5 g/t silver over 12 metres.
- The Company is encouraged by the results of this year's exploration program at Filo del Sol which is emerging as a potentially significant new discovery. The Company is particularly excited about the high copper, silver, and gold grades in the manto zone and by the potential for a large scale porphyry copper-gold deposit beneath the manto zone. The Filo del Sol alteration zone is one of the largest in this part of the Andes and drilling to date has tested only a small portion of it. Mineralization is open in all directions and at depth the Company believes that there is excellent potential to further extend it through additional drilling.

#### *Corporate*

- On April 29, 2014 the Company announced that it intends to apply for a secondary listing of its common shares (the "Shares") in Sweden on Nasdaq OMX Stockholm ("Nasdaq OMX"). Trading on Nasdaq OMX is

subject to a number of conditions including affiliation of the Shares to Euroclear Sweden, sufficient shareholder distribution in Sweden and publication of a prospectus that is approved by the Swedish Financial Supervisory Authority. The Company's objective is to have the listing completed by the middle of 2014.

#### *Los Helados Project, Chile*

The Company is conducting a high level assessment of possible development options for the Los Helados Project. The scope of this ongoing option study includes an evaluation of potential mining methods and production rates, geotechnical drilling, ongoing metallurgical test work, including comminution studies, and development of high level processing flow sheets and mass balances. Work, including review of areas for potential infrastructure, is ongoing and a variety of potential development scenarios continue to be considered.

Baseline environmental programs, including review of areas for potential infrastructure are underway, with field work in progress and expected to continue until the onset of winter weather during the second quarter.

#### *Josemaria Project, Argentina*

A total of 7,302 metres of diamond drilling in 14 holes was completed during the field season which spanned the fourth quarter of 2013 and the first quarter of 2014. Results from seven holes were released on February 21, 2014, and assays for the remaining seven holes were released on April 24, 2014. A total of 3,608 metres of diamond drilling in eight holes was completed at Josemaria during the first quarter. Two of the holes were designed to provide geotechnical information, and six tested for an extension of the Josemaria mineralization to the west. The drilling completed this season largely defined the high grade zone of supergene mineralization at the north end of the deposit. A number of step out holes drilled several hundred metres to the west and northwest of the current resource boundary intercepted copper-gold mineralization with grades close to average grades for the deposit suggesting that the system is still open in that direction. The Company plans to incorporate the results of this year's drilling into an updated resource estimate. Once the metallurgical test work that is currently underway is complete we expect to be in a position to complete an updated NI 43-101 Technical Report during the fourth quarter of 2014.

Mine engineering studies at the Josemaria project are on hold while the Company focuses its efforts on the studies underway at Los Helados. Metallurgical test work and baseline environmental programs, including review of areas for potential infrastructure continued during the quarter. Field work in support of the environmental program was carried out during the quarter.

#### *Filo del Sol Property, Argentina*

The 2013/2014 drill program which began in December 2013 was designed to provide sufficient data to allow the estimation of an initial mineral resource for the stratabound, high-grade silver-copper zone which forms part of this large mineralized system. A secondary goal was to explore the area to the north of the current drilling, where the geological interpretation suggests the occurrence of a feeder zone to the stratabound mineralization.

A total of 8,208 metres of drilling in 23 holes were completed during the season (7,968 of these in the first quarter), which ended on March 5, 2014. On March 17, 2014, the Company announced the results of the first seven holes which significantly extended the previously identified manto zone and expanded the broader zone of disseminated copper, gold, and silver mineralization that surrounds the high grade zone. On April 10 the Company announced results from ten additional holes drilled during the 2014 drill program. Highlights include:

- VRC70 which intersected 22 metres of 5.80% copper (from 146m) in the supergene blanket plus a 6 metre interval of 12.41 g/t gold (from 120m);
- VRC72 which intersected the high-grade manto zone with 12 metres of 907 g/t silver (from 176m), extending the zone 140 metres to the east of previous drilling (VRC34);
- All drill holes terminated in porphyry mineralization.
- Results for the remaining six holes were released on April 30 which included an intercept of 7.59% copper over 10 metres and 314.5 g/t silver over 12 metres.
- Now that complete drill results have been received the Company plans to start work on an initial resource estimate for the Filo del Sol project. This is expected to be complete in the fourth quarter of 2014.

## RESULTS OF OPERATIONS

The Company's net loss for the quarter ended March 31, 2014 was \$9.4 million or \$0.05 per share as compared to a loss of \$17.1 million or \$0.10 share for 2013. Net loss from continuing operations for the first quarter of 2014 was \$9.4 million or \$0.05 per share compared with a net loss from continuing operations of \$17.0 million or \$0.10 per share for 2013.

Exploration and project investigation expenditures during the first quarter of 2014 mainly relate to exploration activity at Filo del Sol and conceptual studies on the Los Helados and Josemaria projects. In the first quarter of 2014, exploration and project investigation expenditures were lower than the same quarter in 2013 due to a reduction in drilling activity at Los Helados and Josemaria offset by costs relating to conceptual studies at these properties and the commencement of drilling at Filo del Sol. In aggregate, a total of 11,576 metres of drilling on the Company's South American projects was completed in the first quarter of 2014 compared to approximately 30,000 metres in the first quarter of 2013.

The net loss from continuing operations was \$7.7 million lower for the first quarter ended March 31, 2014 compared to the same period in 2013. This is mainly due to a decrease of \$7.2 million of exploration and project investigation expenditures as explained above. In addition, the Company recorded an unrealized gain of \$352,000 in the first quarter of 2014 from the change in value of the Company's shares of Goldgroup Mining Inc. compared to an unrealized loss of \$286,000 in the first quarter of 2013.

The Company's business is not driven by seasonal trends, but rather the achievement of project milestones such as the achievement of various technical, environmental, socio-economic and legal objectives, including obtaining the necessary permits, preparation of engineering designs, as well as receipt of financings to fund these objectives.

#### LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2014, the Company had cash and working capital of \$10.8 million and \$5.2 million, respectively, as compared to cash and working capital of \$21.3 million and \$14.2 million, respectively, at December 31, 2013. The decrease in cash and working capital is primarily a result of exploration and general and administration expenses incurred during the period.

Net cash used in operating activities was \$10.4 million for the three months ended March 31, 2014 and consisted primarily of the loss from operations of \$9.4 million, which included exploration and project investigation expenditures and conceptual studies work of \$8.2 million and was adjusted for the impact of non-cash items and changes in non-cash working capital.

Cash flow from financing activities was \$0.3 million, which comprised of proceeds from the exercise of stock options.

Net cash used in investing activities was \$0.4 million, which consisted primarily of expenditures relating to mineral property option payments.

As the Company is an exploration company and has no sources of revenue, the Company expects that it will operate at a loss for the foreseeable future. Further funding is required in order for the Company to meet its existing obligations, commitments and fund ongoing exploration. Factors that could affect the availability of financing include the progress and results of exploration properties, the state of international debt and equity markets, investor perceptions and expectations and the global financial and copper markets. Historically, operating, capital and exploration requirements have been funded primarily from equity financing, joint ventures, disposition of mineral properties and investments. There can be no assurance that such financing will be available to the Company in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. Based on the amount of funding raised, the Company's exploration program may be tailored accordingly.

#### OUTLOOK

The Company's efforts are focused on large scale copper-gold-silver targets that demonstrate the potential for world class discoveries and exploration opportunities in the region. The Company is focused on its South American copper-gold projects including its very significant Los Helados project in Chile as well as the Josemaria and Filo del Sol projects in Argentina. In addition, the Company continues to evaluate opportunities elsewhere in Chile and Argentina.

The 2013/2014 exploration drill programs at Josemaria and Filo del Sol are now complete and remaining drill results are expected to be received during the second quarter. Once complete drill results are received the Company plans to start work on an initial resource estimate for the Filo del Sol project. This is expected to be complete in the third quarter of 2014. Until all drill results are received, the Company does not have sufficient data to commence this assessment.

The Company continues to advance the engineering studies at Los Helados to assess possible development options in addition to completing the metallurgical test work program at Josemaria. Baseline work in support of the environmental programs at both properties will progress.

The Company intends to apply for a secondary listing on Nasdaq OMX in Stockholm Sweden Trading on Nasdaq OMX is subject to a number of conditions including affiliation of the Shares to Euroclear Sweden, sufficient shareholder distribution in Sweden and publication of a prospectus that is approved by the Swedish Financial Supervisory Authority. The Company's objective is to have the listing completed by the third quarter of 2014. The Company hopes that the secondary listing in Stockholm will complement its existing listing on the TSX and increase liquidity and depth of distribution of the Company's shares.

Wojtek Wodzicki, President and CEO, commented, "NGEx made good progress on its core South American copper-gold projects during the first quarter. The highlight of the quarter was the outstanding drill results from the Filo del Sol project which included some of the highest grade holes we have ever drilled in an area that includes our Los Helados and Josemaria projects. We believe that Filo del Sol has excellent potential to become our third major discovery. We also made good progress in assessing development options for the Los Helados project which continues to be the core project for the Company with great potential to generate value as we move it along the path for development. The combination of the outstanding exploration results from Filo del Sol with the solid progress we made in assessing the development options for Los Helados is an excellent illustration of NGEx's value proposition. We believe that NGEx offers an attractive combination of large, high quality resources, and growth potential through ongoing exploration that will over time create significant value for our shareholders."

#### About NGEx

NGEx is a Canadian mineral exploration company with exploration projects in Chile, Argentina, and Canada. The Company's shares are listed on the Toronto Stock Exchange under the symbol "NGQ". The Company's focus is on advancing its South American projects which include several large copper-gold systems including the Josemaria, Los Helados, and Filo del Sol projects, located on a land package that the Company holds in Chile's Region III and adjacent San Juan Province, Argentina. Los Helados and Filo del Sol are part of a joint venture in which the Company holds 60% and Pan Pacific Copper Co., Ltd. holds 40%. Josemaria is part of a joint venture in which the Company holds 60% and Japan Oil, Gas, and Metals National Corporation (JOGMEC) owns 40%. In addition, the Company holds an extensive portfolio of 100% owned early stage exploration projects located in Chile and Argentina. It also owns a 100% interest in the GJ copper and gold project located in British Columbia Canada. The GJ project is optioned to Teck Resources who are earning up to a 75% interest.

On behalf of the board

Wojtek Wodzicki, President and CEO

#### Qualified Person

The disclosure of scientific and technical information in this news release regarding NGEx's projects, has been reviewed and approved by Mr. Bob Carmichael, B.A.Sc, P.Eng., Vice President, Exploration for the Company, who is a Qualified Person in accordance with the requirements of National Instrument 43-101. For a description of the quality assurance program and quality control measures applied by NGEx, please see NGEx's Annual Information Form dated March 31, 2014 available at <http://www.sedar.com>.

#### Additional Information

NGEx's consolidated financial statements for the year ended December 31, 2013 and related management's discussion and analysis are available on NGEx's website at [www.ngexresources.com](http://www.ngexresources.com) or under its profile on SEDAR at [www.sedar.com](http://www.sedar.com).

#### Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, concerning the business, operations and financial performance and condition of NGEx Resources Inc. Forward-looking information includes, but is not limited to, statements with respect to the timing and nature of any potential development scenarios, estimation of commodity prices, mineral resources, costs, the success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining activities, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may",

"could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotations thereof. All such forward-looking information is based on the opinions and estimates of the relevant management as of the date such statements are made and are subject to important risk factors and uncertainties, many of which are beyond the Company's ability to control or predict.

Forward-looking information is necessarily based on estimates and assumptions that are inherently 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 but not limited to: risks and uncertainties relating to, among other things, changes in commodity prices, currency fluctuation, financing, unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations as well as other risks and uncertainties described under "Risks Factors" in the Company's Annual Information Form available under the Company's profile at [www.sedar.com](http://www.sedar.com) and the Company's website.

Although the Company has attempted to identify important factors that would 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, estimated, or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking information contained in this document is qualified by these cautionary statements. Readers should not place undue reliance on forward-looking information.

Forward-looking information is provided for the purpose of providing information about management's current expectations and plans and allowing investors and other to get a better understanding of the Company's operating environment. These factors are not, and should not be construed as being, exhaustive. Statements relating to "mineral resources" are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions that the mineral resources described can be profitably produced in the future. The forward-looking information contained in this press release is expressly qualified by this cautionary statement. The Company expressly disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.

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