

NGEx Announces Intention to Spin-Out Josemaria Project

VANCOUVER, Dec. 12, 2018 /CNW/ - **NGEx Resources Inc. (TSX: NGQ, OMX: NGQ)** ("NGEx", or the "Company") is pleased to announce the intention to spin-out its 100% owned Josemaría Project (the "Project") located in San Juan province, Argentina, into a standalone public company.

The President and CEO of NGEx, Mr. Wojtek Wodzicki stated, *"Given the positive results of the recent Pre-Feasibility Study of the Josemaría Project, which demonstrated robust economics, we believe that NGEx shareholders would benefit from having the Project in a stand alone vehicle which can then be fast-tracked towards a feasibility study and further development, without diluting the Company's interest in its other assets, including the Los Helados Project. In 2016, NGEx successfully spun-out its Filo del Sol project in a similar fashion and we hope to repeat that success with Josemaría and, if the spin-out transaction is completed, the newly formed company would be well positioned to deliver a construction ready project into what many analysts anticipate will be a strong copper market."*



The completion of any spin-out and any listing of the resulting entity will be subject to completion of a definitive agreement, regulatory approval, including the approval of the TSX, the approval of shareholders of the Company and the Supreme Court of British Columbia. The final terms of the structure, including the spin-out ratio to NGEx shareholders, retained equity level and timing of the record date are expected to be determined in due course, and remain subject to definitive documentation and approval by the board of directors and will be provided in due course. Notwithstanding the foregoing, the board of directors reserve the right to elect not to proceed with any spin-out.

About NGEx

NGEx is a Canadian mineral exploration company with projects in Chile and Argentina. The Company's shares are listed on the TSX and on the OMX under the symbol "NGQ". The Company's main focus is on advancing the development of its two, large copper/gold deposits, Los Helados and Josemaría, located in Chile's Region III and adjacent San Juan Province, Argentina. The Company owns a 100% interest in the Josemaría project and is the majority partner and operator for the Los Helados project, subject to a Joint Exploration Agreement with its joint exploration partner in Chile, Pan Pacific Copper ("PPC"). The Company is also actively seeking new exploration projects and carrying out earlier stage exploration on projects with large scale potential.

Additional Information

The information was submitted for publication, through the agency of the contact person set out below, on December 12, 2018 at 5:00 p.m. Pacific Time.

On behalf of the board

Wojtek Wodzicki,
President and CEO

Cautionary Note Regarding Forward-Looking Statements

Certain statements made and information contained herein in the news release constitutes "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation (collectively, "forward-looking information"). The forward-looking information contained in this news release is based on information available to the Company as of the date of this news release. Except as required under applicable securities legislation, the Company does not intend, and does not assume any obligation, to update this forward-looking information. Generally, this forward-looking information can frequently, but not always, be identified by 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 statements that certain actions, events, conditions or results "will", "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotations thereof.

All statements, other than statements of historical fact included herein including, without limitation, statements regarding the proposed spin-out of the Josemaria Project, board, shareholder, court and regulatory approval for the spin-out and business strategy. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; and the additional risks identified in the annual information form of the Company or other reports and filings with the TSX and applicable Canadian securities regulators. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

SOURCE NGEx Resources Inc.

For further information: Michelle Fyfe, Investor Relations (604) 806-3077.

<https://ngex.mediaroom.com/2018-12-12-NGEx-Announces-Intention-to-Spin-Out-Josemaria-Project>