

## NGEx 2015 Financial and Operational Highlights

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Feb. 22, 2016) -NGEx Resources Inc. (TSX:NGQ)(NASDAQ OMX:NGQ) ("NGEx" or the "Company") is pleased to announce its operating and financial results for the year ended December 31, 2015 and to provide an update on the results of work on its projects during the year.

### HIGHLIGHTS AND SIGNIFICANT EVENTS

#### Project Constellation

- The results of a Preliminary Economic Assessment (the "Integrated PEA") of Project Constellation, which contemplates the combined development of the Los Helados and Josemaria deposits, were announced on January 7, 2016. Subsequent to that news release, the Argentine government announced the removal of a tax on copper concentrate exports. Accordingly, the financial information presented in this press release incorporates the updated financial analysis reflecting the removal of this tax. The financial results shown in the table below reflect this change and differ from those first reported in the January 7, 2016 news release. The removal of the export tax increases Project Constellation's NPV(8%) to US \$2.61 billion and the IRR to 16.6%.
- The Integrated PEA includes an optimized conceptual mine plan for the Los Helados deposit, which includes several improvements over the standalone Los Helados Preliminary Economic Assessment, which was disclosed in October of 2014.
- The Integrated PEA also includes an updated mineral resource estimate for the Josemaria deposit.

#### Filo del Sol Property, Argentina

- On November 23, 2015, the Company announced an updated mineral resource estimate for its 100% controlled Filo del Sol copper-gold-silver deposit. The updated mineral resource estimate replaces the initial resource estimate released on December 2, 2014, and incorporates data from 24 additional step-out and infill holes from the 2014/2015 drilling program. The results show a significant increase in the size of the resource. Above a 0.3% CuEq cutoff, contained copper has increased by 42%, contained gold has increased by 39% and contained silver has increased by 71%

#### Corporate Activities

- On November 5, 2015, the Company and Teck Resources Limited completed the sale of their respective interests in the GJ Project to Skeena Resources Limited.
- On February 19, 2016, the Company completed a private placement and sold an aggregate of 13,333,333 common shares for gross proceeds of \$8 million.

Wojtek Wodzicki, President and CEO commented, "We are very pleased with the results of our 2015 work programs, especially the Project Constellation PEA which shows robust economics and highlights the potential to develop this project into one of the largest producers of copper, gold, and silver in South America. The recent positive changes to fiscal policies made by the new government in Argentina further enhance the potential of this project. We also delivered a significant increase to the Filo del Sol resource and believe that there is excellent potential to further expand it. As we move into 2016, we will continue to look for ways to add value to our projects through focused, cost effective exploration and targeted engineering studies."

### PROJECT CONSTELLATION

The Integrated PEA of Project Constellation was announced on January 7, 2016 and contemplates an integrated project combining the Los Helados and Josemaria projects, whereby material from both the Los Helados and Josemaria deposits would be processed at a centralized processing plant located in Argentina.

Pursuant to the results of the Integrated PEA, Project Constellation is estimated to produce a life-of-mine annual average of approximately 150,000 tonnes of copper, 180,000 ounces of gold and 1,180,000 ounces of silver over a project life of 48 years from two porphyry deposits. Forecast annual metal production over the first five years of production is 185,000 tonnes of copper, 345,000 ounces of gold and 1,310,000 ounces of silver.

A summary of the findings of the Integrated PEA was announced in a news release dated January 7, 2016. Subsequent to that news release, the Argentine government announced the elimination of an export retention tax that was applicable to copper concentrate exports from Argentina. When the change to the export retention tax was announced, the Company asked the authors of the technical report to update the financial analysis in the PEA to remove this tax. The financial results shown in the table below reflect this change and differ from those first reported in the January 7, 2016 news release. The removal of the export tax increases Project

Constellation's after-tax NPV (8%) from the initial estimate of US \$2.09 billion to US \$2.61 billion and the after-tax IRR from the initial estimate of 14.5% to 16.6% (assuming metal prices of US\$3.00/lb copper, US\$1,275/oz gold and US\$20/oz silver). The initial capital investment for the project is estimated to be US\$3.08 billion. Average operating costs are estimated at US\$9.34/t, with cash costs, net of by-product credits, of US\$1.05 per pound of copper produced.

A National Instrument 43-101 Technical Report with an effective date of February 12, 2016 and titled "Constellation Project incorporating the Los Helados Deposit, Chile and the Josemaria Deposit, Argentina NI 43-101 Technical Report on Preliminary Economic Assessment" (the "Project Constellation Report") was prepared by Amec Foster Wheeler International Ingeniería y Construcción Limitada ("AMEC") under the direction of Jamie Beck P. Eng, Project Manager (NGEx Resources). The report has been filed on SEDAR and is available for review under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)).

Integrated PEA Summary:

Pre-Tax NPV (8%) & IRR	\$4.43 billion NPV	
	20.7% IRR	
After-Tax NPV (8%) & IRR	\$2.61 billion NPV	
	16.6% IRR	
Payback Period (undiscounted, after-tax cash flow)	3.6 Years	
Metals Prices Assumed	\$3.00/lb Cu	
	\$1,275/oz Au	
	\$20.00/oz Ag	
Initial Capital Expenditures	\$3.08 billion	
LOM Sustaining Capital Expenditures	\$4.36 billion	
LOM C-1 Cash Costs (net of by-product credits)	\$1.05/lb Cu payable	
Nominal Mill Capacity	150,000 t/d	
Mine Life	48 years	
	Life of Mine	First 5 years
Average Annual Metal Production (rounded)	150,000 t Cu	185,000 t Cu
	180,000 oz Au	345,000 oz Au
	1,180,000 oz Ag	1,310,000 oz Ag
LOM Average Process Recovery	88.3% Cu	
	72.7% Au	
	61.4% Ag	

\* All figures reported are in 2015 US dollars and on a 100% Project and 100% equity basis valuation.

Note: The reader is advised that the Integrated PEA results in this Press Release are only intended to provide an initial, high-level summary of the project. The Integrated PEA is preliminary in nature and includes the use of inferred mineral resources, which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the Integrated PEA results will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Los Helados is subject to a Joint Exploration Agreement ("PPC JEA") with Pan Pacific Copper Ltd. ("PPC"), whereby the Company holds approximately a 60% interest and PPC holds approximately a 40% interest in the Los Helados Project. Effective September 1, 2015, PPC has elected not to fund its pro-rata share of expenditures and, as a result, has elected to dilute its interest pursuant to the PPC JEA. Accordingly, the Company has funded 100% of the Los Helados project starting September 1, 2015. As at December 31, 2015, PPC's interest in the Los Helados Project has been diluted by approximately 0.3%.

Josemaria is subject to a Joint Exploration Agreement with Japan Oil, Gas, and Metals National Corporation ("JOGMEC"), whereby the Company owns a 60% interest and JOGMEC holds a 40% interest in the Jose Maria project. JOGMEC is funding its pro-rata share of expenditures.

**FILLO DEL SOL PROPERTY, ARGENTINA**

Filo del Sol is a high sulphidation epithermal copper-gold-silver system associated with a porphyry copper-gold system. Filo del Sol is a very large mineralized system, with dimensions based on wide spaced drill holes, of at least 3.7 kilometres in a north-south direction and 1 kilometre in an east-west direction. The mineralized system includes both disseminated and stockwork mineralization and is open in all directions. Filo del Sol is

located on the border between Chile and Argentina and is 100% controlled by NGEx.

An updated Mineral Resource estimate for the Filo del Sol deposit was announced on November 23, 2015. The new resource estimate updates and replaces the initial resource estimate released on December 2, 2014. The updated Mineral Resource estimate incorporates data in 24 additional step-out and in-fill holes from the 2014/2015 drill program, which has resulted in a significant increase in the size of the resource. Above a 0.3% CuEq cutoff, contained copper has increased by 42%, contained gold has increased by 39% and contained silver has increased by 71%.

The Mineral Resource estimate has an effective date of August 26, 2015 and was completed by James N. Gray, P.Geo. of Advantage Geoservices Ltd., an Independent Qualified Person as defined by National Instrument 43-101. Further details of the estimation methods and procedures are described in the Technical Report "Updated Mineral Resource Estimate for the Filo del Sol Property, Region III of Atacama, Chile and San Juan Province, Argentina" dated December 11, 2015 which is available under the Company's profile at [www.sedar.com](http://www.sedar.com) or on the Company's website.

On October 23, 2014, the Company acquired the 40% interest in the Filo del Sol project held by PPC for total cash consideration of US\$7.0 million. The Company paid US\$3.5 million in November 2014, with the remaining US\$3.5 million payable by the earlier of November 1, 2015 or upon completion of an administrative restructuring of certain exploration licenses. As of November 1, 2015, restructuring of the required exploration licenses had not been completed and the Company did not pay the remaining US\$3.5 million. Therefore, as of November 2, 2015 PPC was deemed to have funded US\$3.5 million of exploration expenditures in respect of the remaining La Rioja properties and such deemed amount shall be set-off against any then current or future funding obligations of PPC. NGEx owns a 100% interest in the Filo del Sol project.

#### CORPORATE UPDATE

On April 10, 2015, the Company completed the sale of its 60% interest in the Assean Lake claims in Manitoba to VMS Ventures Inc. ("VMS"). In accordance with the terms of the agreement, the Company received a cash payment of \$15,000 and 600,000 common shares of VMS. In addition, the Company will receive:

- Upon the earliest to occur of the completion of a preliminary economic assessment, a prefeasibility study or a feasibility study, a further 600,000 common shares of VMS; and
- Upon the commencement of commercial production from Assean Lake, a further 600,000 common shares of VMS.

The Company's interest in the Assean Lake claims were written off to nil in the financial statements in previous years.

On November 3, 2015 (the "Closing Date"), the Company and Teck completed the sale of their respective interests in the GJ Project to Skeena Resources Limited ("Skeena"). In accordance with the terms of the agreement dated October 5, 2015, Skeena acquired 100% of the GJ Project in return for the following consideration:

- A cash payment of \$0.5 million and an aggregate of 12,947,538 common shares of Skeena, with a value of \$1,000,000 based on a 10- day weighted average price of \$0.0772 per share as of Closing Date.
- An additional common share consideration valued at \$3 million is payable over five years, with \$1.5 million payable on or before the 2nd anniversary of the Closing Date and the balance of \$1.5 million payable on or before the 5th anniversary of the Closing Date.
- A \$4 million cash payment is payable within 45 days of commercial production from the GJ Project.

The Company and Teck will retain a 2% Net Smelter Return (NSR) Royalty on the GJ block, which contains the GJ Resource. Half of this NSR Royalty can be purchased for \$2 million. Teck and the Company will retain a 1% NSR Royalty on the Northern Block of Claims, half of which can be purchased for \$1 million. Teck and the Company's royalties will be held under separate royalty agreements in favour of Teck and the Company respectively. As such, the Company will hold a 0.98% NSR on the GJ Block and a 0.49% NSR on the Northern Block. The Company will receive 49% of all proceeds from the sale, including a 49% share of the retained royalties, while Teck will receive the remaining 51% share of sale proceeds and retained royalties.

As of the Closing Date, the Company has received \$245,000 in cash and 6,344,294 common shares of Skeena, representing 49% of the initial payment.

#### RESULTS OF OPERATIONS

Overall exploration and project investigation costs for the year ended December 31, 2015 totaled \$19.8 million compared to the \$19.3 million in costs that had incurred in 2014. The \$0.5 million increase in exploration and

project investigation costs reflects the additional costs borne by the Company on the Filo del Sol Project, in which it has a 100% interest, effective as of September 2014. Total costs incurred for Project Constellation during fiscal 2015 were consistent with the prior year, with the Company putting more focus and effort towards the environmental program this year in preparation of the Integrated PEA.

Operating loss totaled \$22.8 million for the year ended December 31, 2015, compared to \$23.9 million for the year ended December 31, 2014. The \$1.1 million decrease in operating loss, for the year ended December 31, 2015, was primarily due to a \$0.4 million reduction in stock based compensation charges and \$0.5 million in overhead savings by paying lower management fees and aligning certain compensation costs with existing market conditions during the year. The decrease in overhead savings was also attributable to management conducting fewer promotional and travel activities in 2015 and certain one-time listing fees associated with the listing on NASDAQ OMX Stockholm in 2014 that were no longer applicable in 2015.

The Company's net loss for the year ended December 31, 2015 was \$21.4 million or \$(0.11) per share as compared to a net loss of \$23.3 million or \$(0.13) per share for the year ended December 31, 2014. The decrease in net loss of \$1.9 million was primarily due to the gain recognized on the disposition of the Asean Lake and the GJ mineral properties and a reduction in corporate overhead costs, as discussed earlier.

The Company's business is driven by: seasonal trends through increased exploration activity during the summer months in South America, as well as 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 activities.

## LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2015, the Company had cash and working capital of \$2.1 million and \$0.9 million, respectively, as compared to cash and working capital of \$28.5 million and \$17.7 million, respectively, at December 31, 2014. The decrease in cash and working capital is primarily a result of funds spent on exploration expenditures and general and administrative expenses.

The operating losses are a reflection of the Company's status as a non-revenue producing mineral exploration company. As the Company has no source of income, losses are expected to continue. The Company finances its exploration activities by raising capital through equity financing, joint ventures or disposition of mineral properties and investments, and additional financings may be required to fund further exploration and corporate expenses. There can be no assurance that such financings will be available to the Company in the amount required at any time, or for any period or, if available, that such financings can be obtained on terms satisfactory to the Company.

On February 19, 2016 the Company closed a CDN \$8 million private placement financing to fund ongoing exploration activities and corporate working capital purposes. In addition, the Company secured a credit facility of US\$525,000 as an additional source of liquidity to manage its cash flow. The financing proceeds will be used towards ongoing work programs in Chile and Argentina and for general corporate purposes. Management will continue to actively find opportunities for cost saving measures in the coming year, in response to the global weakening of the economy.

## OUTLOOK

The completion of the Integrated PEA for Project Constellation was a major milestone for the Company.

The PEA identified additional opportunities to de-risk and add value to Project Constellation, including:

- Land acquisition to secure surface access rights;
- Continued environmental baseline studies;
- Exploring potential regional synergies and cooperative development plans with other regional operators to utilize spare capacity of processing plants and infrastructure, including desalination plants, water pipeline routes and ports; and
- Defining the exploration potential on the remainder of the land package.

The Company plans to pursue these de-risking opportunities during the 2016 work program and will seek to engage with potential partners to lay the groundwork for an eventual transaction. Efforts will be focused on exploring all potential development scenarios for the Project Constellation assets.

At the Filo del Sol Project, the results gathered from the drilling programs conducted to date have improved the Company's understanding of the deposit and highlighted a number of prospective exploration targets on the land package. The work at Filo del Sol will focus on developing these new concepts into drill ready targets. Some preliminary metallurgical testwork is also planned to test the potential for low cost heap leaching of the

near surface oxide mineralization.

## ANNUAL GENERAL MEETING

The Company also announces that the Annual General Meeting of Shareholders will be held on Thursday, June 16, 2016, at 10:00 a.m. (Vancouver time) at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

## Qualified Persons

Technical disclosure for the Company's projects included in this press release, with the exception of the technical disclosure related to ongoing engineering studies, has been reviewed and approved by Bob Carmichael P. Eng. (BC). Mr. Carmichael is NGEx's Vice-President of Exploration and a Qualified Person ("QP") under National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101). Technical disclosure related to the engineering studies has been reviewed and approved by James Beck P. Eng. (ON). Mr. Beck is the Company's Project Manager and a Qualified Person under National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101).

## About NGEx

NGEx is a Canadian mineral exploration company with exploration projects in Chile and Argentina. The Company's shares are listed on the Toronto Stock Exchange and on NASDAQ Stockholm under the symbol "NGQ". The Company's focus is on three advanced exploration stage copper-gold systems located on a contiguous land package that the Company holds in Chile's Region III and adjacent San Juan Province, Argentina. Los Helados is part of a joint venture in which the Company holds approximately a 60% interest and Pan Pacific Copper Co., Ltd. holds approximately a 40% interest. Josemaria is part of a joint venture in which the Company holds 60% and Japan Oil, Gas, and Metals National Corporation (JOGMEC) owns 40%. NGEx holds a 100% interest in the Filo del Sol Project. In addition to these more advanced projects the Company holds a portfolio of 100% owned early stage exploration projects located in Chile and Argentina.

## Additional Information

The information in this release is subject to the disclosure requirements of NGEx Resources under the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was publicly communicated on February 22, 2016 at 6:30 p.m. Eastern 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 press 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 press release is based on information available to the Company as of the date of this press 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 may be forward-looking statements. 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, the inherent uncertainties regarding cost estimates, 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, uncertainties and other factors, including, without limitation, those referred to in the "Risks and Uncertainties" section of the press release, the

Company's Annual Information Form for the year ended December 31, 2014, under the heading "Risks Factors", and elsewhere, which 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.

The Company believes that the expectations reflected in the forward-looking statements and information included in this press release are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements and information should not be unduly relied upon. This statement and information speaks as of the date of the press release. In particular, this press release contains forward-looking statements or information pertaining to the Company's expectations and estimates with respect to cost estimates and other assumptions used in the Integrated PEA and expectations from the Integrated PEA; assumptions used in the updated mineral resources estimates for the Los Helados, Josemaria, and Filo del Sol projects; exploration and development expenditures; the timing and nature of any potential development scenarios; opportunities to improve project economics; estimation of commodity prices, mineral resources, costs and the success of exploration activities; expectations with regard to adding to mineral resources through exploration; permitting time lines; ability to obtain surface rights and property interests; currency exchange rate fluctuations; requirements for additional capital; government regulation of mining activities; environmental risks; unanticipated reclamation expenses; title disputes or claims; limitations on insurance coverage; and other risks and uncertainties.

Forward-looking information is based on certain assumptions that the Company believes are reasonable, including that the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, that the general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and that the Company will not experience any material labour dispute, accident, or failure of plant or equipment. These factors are not, and should not be construed as being, exhaustive. 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 are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

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.

Sophia Shane  
Corporate Development  
(604) 689-7842

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