

## NGEx Reports First Quarter 2015 Results

VANCOUVER, BRITISH COLUMBIA--(Marketwired - May 7, 2015) -NGEx Resources Inc. (TSX:NGQ) (NASDAQ OMX:NGQ) ("NGEx" or the "Company") is pleased to announce its operating and financial results for the three months ended March 31, 2015 and to provide an update on results of work on its projects to during the quarter.

### HIGHLIGHTS AND SIGNIFICANT EVENTS

#### *Filo del Sol Project, Argentina*

- On February 19, 2015, the Company announced the results from the first eight holes of the drill program at the Filo del Sol Project which included 72 metres of 339 g/t silver.
- On April 16, 2015 the Company announced the results from the remaining fourteen holes drilled at the Filo del Sol Project. Highlights included 42 metres of 1.13 g/t gold and 145.6 g/t silver. The drill holes completed this year continue to extend the high-grade silver resource announced on December 2, 2014 and confirm that this resource is part of a much larger mineralized system.

#### *Corporate Activities*

- 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") for a cash payment of \$15,000 and an initial tranche 600,000 common shares of VMS. An additional 1,200,000 shares are payable upon achievement of project milestones.

### LOS HELADOS PROJECT, CHILE

On October 20, 2014, the Company announced the results of a PEA completed on the Los Helados Project. The study defines a robust resource which forms a strong base for a mining and processing solution, indicating that Los Helados has the potential to become a large, low cost mine producing a quality precious metal-rich concentrate. Further studies are in progress during the next 12 months which will focus on opportunities to improve project returns by seeking ways to reduce initial capital costs through realizing potential synergies with other deposits in the region, as well as opportunities to optimize the grade mined during the early years of production, reduce the time to ramp up to full production, increase the tonnage mined, and potentially to improve metallurgical recoveries. Work is ongoing and a variety of potential development scenarios continue to be considered.

For more detailed information on the PEA and the Resource Estimate refer to the National Instrument 43-101 Technical Report summarizing the results of the PEA and updated Mineral Resource Estimate which can be found on SEDAR ([www.sedar.com](http://www.sedar.com)) and on the Company's website ([www.ngexresources.com](http://www.ngexresources.com)). The PEA was prepared by AMEC International Ingeniería y Construcción Limitada ("AMEC") of Santiago, Chile, under the direction of Anthony George, Project Manager (NGEx Resources).

Field work resumed in the first quarter of 2015 with a total of 2,210 metres drilled. Three holes were completed during the quarter. Drilling was focused on converting a portion of the Indicated Resource to Measured as well as geotechnical drilling in the volume of the conceptual block cave. Baseline environmental programs, including a review of areas for potential infrastructure are ongoing. Field and desktop work in support of the environmental studies were carried out during the current quarter.

### JOSEMARIA PROJECT, ARGENTINA

Josemaria is a large copper/gold porphyry project located in San Juan Province, Argentina. The Josemaria deposit is located 11 kilometres southeast of Los Helados. The project is being explored under a Joint Exploration Agreement with Japan Oil, Gas and Metals National Corporation ("JOGMEC") in which the Company holds a 60% interest and JOGMEC holds a 40% interest. Each party funds its pro-rata share of expenditures.

### *Engineering Studies*

Metallurgical test work and baseline environmental programs continued during the first quarter of 2015. Field work in support of the environmental program was carried out during the first quarter. The Company is considering a scoping level study to evaluate the potential for a combined Los Helados-Josemaria operation.

### FILO DEL SOL PROPERTY, ARGENTINA

The Filo del Sol Project straddles the international border between San Juan Province, Argentina and Region III, Chile. The Filo del Sol Project is comprised of adjacent mineral titles in Chile and Argentina which are 100% controlled by the Corporation through direct ownership or option agreements.

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. Overlapping mineralizing events, combined with weathering effects, have created several different styles of mineralization at Filo del Sol, including copper-gold porphyry, structurally-controlled gold, manto-style high-grade silver (+/- copper) and high-grade supergene copper enrichment.

A total of 7,060 metres of drilling was completed in 22 holes during the 2014/2015 program which finished on March 4, 2015. All of these holes were reverse circulation (RC) drilling, with the exception of a single diamond drill hole which was abandoned at 156 metres depth. A total of 4,137 metres in 17 holes was completed during the first quarter. On February 19, 2015, the Company announced the results from the first eight holes of the drill program at the Filo del Sol Project which included 72 metres of 339 g/t silver. The results of the remaining 14 drill holes were announced on April 16, 2015 and included 42 metres of 1.13 g/t gold and 145.6 g/t silver.

In addition to the drilling, a new surface geological map was produced based on extensive fieldwork during the quarter, and the area covered by surface geochemical sampling was extended. The results of the work completed this year supports the Company's view that the current Filo del Sol resource is part of a much larger mineralized system with significant exploration upside.

### 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.

## RESULTS OF OPERATIONS

The Company's net loss for the three months ended March 31, 2015 was \$12.6 million or \$0.07 per share as compared to a loss of \$9.4 million or \$0.05 share for 2014.

Both exploration and project investigation expenses and net loss from continuing operations for the first quarter ended March 31, 2015 increased when compared to the first quarter ended March 31, 2014. This is due to expenditures at the Filo del Sol Project. Effective September 1, 2014, the Company acquired the 40% interest in the Filo del Sol Project held by PPC. Therefore, during the three months ended March 31, 2015, the Company funded 100% of expenditures at the Filo del Sol Project. In addition, the Company incurred drilling expenditures at the Los Helados Project during the first quarter of 2015 which was offset by reduced activity at the Josemaria Project. During the three months ended March 31, 2014, the Company recognized 60% of the expenditures at the Filo del Sol Project since PPC funded 40% of the expenditures.

The Company also recognized a foreign exchange gain of \$0.8 million on its U.S. dollar-denominated cash during the three months ended March 31, 2015 from the strengthening of the U.S. dollar against the Canadian dollar compared to a foreign exchange loss of \$0.6 million during the three months ended March 31, 2014. This offset a portion of the increased in exploration and project investigation expenditures.

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 costs reported by the Company for the Los Helados Project and the Josemaria Project represent 60% of actual expenditures. In addition to expenditures reported by the Company, each of PPC and JOGMEC fund its 40% pro-rata share of expenditures at the Los Helados Project and Josemaria Project, respectively under joint exploration agreements.

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 objectives.

## LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2015, the Company had cash and working capital of \$15.0 million and \$5.0 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 exploration expenditures incurred and general and administrative expenses.

Net cash used in operating activities was \$14.9 million for the three months ended March 31, 2015 and consisted primarily of the loss from operations of \$12.6 million, which included exploration expenditures of \$12.4 million and was adjusted for the impact of non-cash items and changes in non-cash working capital items.

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 our 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 satisfactory terms. Based on the amount of funding raised, the Company's exploration program may be tailored accordingly.

## OUTLOOK

At Los Helados, the completion of the PEA helped identify a number of opportunities to potentially improve the project economics. These include:

- Exploring regional synergies for capital and operating cost reductions;
  - Through potential synergies and cooperative development plans with other regional operators to utilize spare capacity of process plants and infrastructure, including desalination plants, water pipeline routes and ports;
  - A scoping study on the potential to develop a combined Los Helados-Josemaria operation;
  - Through expanding the resource base within our regional land package which includes the Josemaria and Filo del Sol Projects - all within 20 kilometres of the Los Helados deposit;
- Extending the life of mine and project cash-flow of the Los Helados resource through the application of a variable cut-off grade which has the potential to add tonnage to the proposed mine plan;
- Increasing metallurgical recoveries with further test work and optimization;
- Reviewing the suitability of High Pressure Grinding Roll technology (HPGR) which has the potential to reduce overall power use and costs; and
- Delineating more or higher-grade feed material for the process plant through continued exploration.

Work on these opportunities will continue for the rest of the year and the results are expected to be incorporated into a possible scoping level study to evaluate the potential for a combined Los Helados-Josemaria operation. Baseline environmental programs will continue.

The results of the drilling completed at Filo del Sol will be incorporated into an updated resource estimate. The results of the surface mapping and geochemical sampling and the drilling will be interpreted over the coming quarter and used to generate additional drill targets to be tested in the future.

## ANNUAL GENERAL MEETING

The Company also announces that the Annual General Meeting of Shareholders will be held on Thursday, June 11, 2015, at 10:00 a.m. (Vancouver time) at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

## 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 and Nasdaq Stockholm 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 is 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, NGEx holds a 100% interest in Filo del Sol amongst an extensive portfolio of other 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 have earned a 51% 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 17, 2015 available at [www.sedar.com](http://www.sedar.com).

### Additional Information

NGEx's consolidated financial statements for the three months ended March 31, 2014 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).

The information in this release is subject to the disclosure requirements of NGEx Resources Inc. under the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was publicly communicated on May 7, 2015 at 2:00 p.m. Pacific Time.

### 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, opportunities to improve project economics, estimation of commodity prices, mineral resources, costs, the success of exploration activities, expectations with regard to adding to mineral resources through exploration, 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, 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 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 others 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.

NGEx Resources Inc.  
Sophia Shane  
Corporate Development  
(604) 689-7842  
(604) 689-4250 (FAX)  
ngexresources@namdo.com  
www.ngexresources.com

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