

## NGEx 2013 Financial and Operational Highlights

VANCOUVER, BRITISH COLUMBIA--(Marketwired - March 28, 2014) -(TSX:NGQ) NGEx Resources Inc. ("NGEx" or the "Company") is pleased to announce its exploration projects and financial results for the year ended December 31, 2013 and an update of results to date.

### 2013 HIGHLIGHTS

During the year ended December 31, 2013 exploration activity continued on the Company's projects in Chile and Argentina as well as in Canada. Exploration on the Company's South American projects takes place during the South American summer season which typically runs from October until April. Because the field season overlaps the calendar year end, exploration programs are broken out below by field season rather than calendar year.

Highlights from the 2012/2013 season include:

- Completion of 44,000 metres of drilling on the Company's South American projects including Los Helados, Josemaria and Filo del Sol during the 2013 field season (October 2012 to April 2013);
- Updated Mineral Resources estimates as follows:
  - At Los Helados an updated Mineral Resource was estimated at a base case of 0.30% copper equivalent cutoff which increased the copper contained in Indicated Resources by 48% to 15.26 billion pounds and gold contained in Indicated Resources by 34% to 8.90 million ounces. Please see the Technical Report dated October 31, 2013 and amended March 24, 2014 and titled *"Updated Mineral Resource Estimate for the Los Helados Property, Region III of Atacama, Chile"* with an Effective Date of October 15, 2013 for details of the resource estimate. The Report is available under the Company's profile on SEDAR [www.sedar.com](http://www.sedar.com).
  - At Josemaria an updated Mineral Resource was estimated at a base case of 0.30% copper equivalent cutoff which increased the copper contained in Indicated Resources by 17% to 6.1 billion pounds and gold contained in Indicated Resources by 18% to 6.6 million ounces. Please see the Technical Report dated November 13, 2013 and amended March 24, 2014 and titled *"Second Updated Mineral Resource Estimate for the Josemaria Property San Juan Province Argentina"* with an Effective Date of September 27, 2013 for details of the resource estimate. The Report is available under the Company's profile on SEDAR [www.sedar.com](http://www.sedar.com).
- Completion on January 29, 2013 of a non-brokered, private placement of 10 million shares of the Company at a price of \$3.40 per share for gross proceeds of \$34 million.

Exploration programs for the 2013/2014 field season started at all three South American projects prior to the end of 2013 and were completed prior to the date of this press release and therefore are reported below.

Additional highlights from the 2013/2014 field season (November 2013 to date) included:

- At Josemaria, a total of 7,310 metres in 14 holes was completed during the field season.
- At Filo del Sol, a total of 8,208 metres in 23 holes was completed during the field season. 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.
- Both drill programs were completed by March 5, 2014.

#### *Los Helados Project, Chile*

A total of 32,707 metres were drilled at Los Helados during the 2012/2013 field season with 25 new holes completed and seven existing holes deepened. Drilling finished at the end of March 2013. The 2012/2013 field season's drill program included a combination of infill holes designed to convert Inferred resources to Indicated and step-out holes designed to test areas outside the current resource boundary. The drilling completed during the 2012/2013 field season resulted in a significant increase to the resource base at Los Helados.

The drilling completed during the 2012/2013 program defined the eastern, southern, and western limits of the known breccia body at Los Helados; however, the deposit remains open to the north and at depth. Drill holes on the southern and eastern margins cut long intervals of strongly altered and weakly mineralized granite country rock indicating a robust system that extends for a considerable distance beyond the limits of the known breccia. Many porphyry copper systems host multiple breccia bodies and the Company believes that there is potential for further additional surface or sub-cropping discoveries in the vicinity.

#### *Josemaria Project, Argentina*

Drilling for the 2013/2014 field season was initiated in November 2013 and completed in February 2014 with a total of 7,310 metres drilled. This drill program was designed to define the high-grade supergene zone at the north end of the deposit and test for a possible extension of this zone to the northwest of previous drilling. Several larger step-out holes were also planned in order to test a broad area of leached cap extending to the north and northwest of the main deposit area. Two of the holes intersected the supergene zone; JMDH78 with 340 metres at 0.63% CuEq\* (0.54% Cu and 0.11 g/t Au) and JMDH80 with 432.5 metres at 0.61% CuEq\* (0.44% Cu and 0.22 g/t Au). Two holes to collect geotechnical data to help guide mine planning studies were included in this program.

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

In early 2013 a total of 820 metres were drilled at Filo del Sol. The drill program was concluded on February 18, 2013. This drill program which was part of the 2012/2013 summer exploration program, focused on expanding the high-grade copper-silver zone which occurs in the northern part of the mineralized system and has been traced by previous drilling over a distance of at least 1,200 metres.

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, 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.

#### *Conceptual Studies*

#### *Los Helados Project, Chile*

Following receipt of updated resource estimates for the project in the second half of 2013 the Company asked an independent third party engineering group to conduct a high level assessment of possible development options. 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.

#### *Josemaria Project, Argentina*

Following receipt of an updated resource estimate for Josemaria in the second half of 2013 the Company asked an independent third party engineering group to conduct a high level assessment of possible development options for the project. The scope of this ongoing option study includes an evaluation of potential mining methods and production rates, geotechnical drilling, ongoing metallurgical test work, and development of high level processing flow sheets and mass balances.

Work is ongoing and a variety of potential development scenarios continue to be considered. The Josemaria resource includes a shallow higher grade core and opportunities for the early production of this material are being investigated. Metallurgical test work is ongoing at Josemaria. Baseline environmental programs, including review of areas for potential infrastructure are underway, with field work in progress during the current South American summer season.

#### *Colmillos Project, Chile*

The Colmillos project consists of 100% owned exploration licenses covering approximately 3,400 hectares. Mapping and sampling to date have defined a 4.3 by 0.7 kilometre trend of tourmaline breccia bodies with occasional copper oxides and strongly anomalous molybdenum analyses in rock chip samples. Copper mineralized tourmaline breccias are a common feature of many major porphyry copper systems. Three holes totalling 1,482 metres were drilled at Colmillos during the first quarter of 2013. The holes were drilled 600 metres apart along the trend of the tourmaline breccia.

The results from this first ever exploration drilling at Colmillos are encouraging. All three drill holes cut strong porphyry-style alteration and breccia hosted mineralization over appreciable lengths, which suggests that a significant porphyry copper system is present.

#### *GJ Project, British Columbia, Canada*

The GJ Project located in northern British Columbia covers an area of about 150 square kilometres and covers a number of significant mineral showings, including the Donnelly, GJ and North zones. The GJ project is the subject of a NI 43-101 technical report entitled "Technical Report on the GJ Copper-Gold Porphyry Project Laird Mining Division British Columbia, Canada" dated April 30, 2007. The Report is available under the Corporation's profile on SEDAR [www.sedar.com](http://www.sedar.com).

The Company has optioned the GJ Project to Teck Resources Limited ("Teck") whereby Teck can earn an initial 51% interest in the project by spending \$12 million by December 31, 2014 and up to a 75% interest by making exploration expenditures totaling \$44 million by December 31, 2020. Teck has cumulatively spent \$11.7 million to December 31, 2013. Teck carried out an exploration program from July to August 2013 which comprised:

- Drilling of 3 diamond drill holes (GJK-13-237, -238 and -239) comprising a total of 2,027 metres of diamond drilling, the details of which are as follows:
  - GJK-13-237 - Targeting the southern portion of the Donnelly Zone mineralization - EOH 703 metres
  - GJK-13-238 - Targeting the potential for expansion along strike and at depth - EOH 758 metres and,
  - GJK-13-239 - Targeting a shallow expression of the central Donnelly Zone - EOH 566 metres.
  - Significant copper-gold intercepts from the drilling include:

Hole ID	Interval		Length (m)	CU (%)	Au (ppm)	Zone
	From (m)	To (m)				
GJK-12-237	672.00	703.48	31.48	0.10	0.49	Donnelly South
GJK-12-238	634.00	735.50	101.50	0.24	0.20	Donnelly West
<i>incl</i>	679.46	735.50	56.04	0.37	0.23	
GJK-12-239	248.50	455.63	207.13	0.26	0.34	Donnelly
<i>incl</i>	304.50	333.11	28.61	0.49	0.72	

\*Donnelly is a porphyry deposit. Porphyry deposits are characterized by large volumes of relatively homogenous mineralization and drilled lengths are interpreted to be representative of the true width of the mineralized zone.

- Re-logging of existing drill core stored on site;
- Geological mapping of lithology, hydrothermal alteration and mineralization, in combination with lithogeochemical rock sampling of outcropping rock at the Sun Plateau, QC, Cliff and AI zones.
- Collection of 343 soil samples from areas of interest, including the Sun Plateau and infill lines on the Donnelly Plateau.

## RESULTS OF OPERATIONS

The Company's net loss for the year ended December 31, 2013 was \$28.4 million or \$(0.17) per share as compared to a loss of \$33.6 million or \$(0.21) share for the year ended December 31, 2012. Net loss from continuing operations was \$28.3 million or \$(0.17) per share compared with a net loss from continuing operations of \$26.7 million or \$(0.17) per share for 2012. Net loss from discontinued operations for the year ended December 31 2012 was \$6.9 million or \$(0.04) per share.

The increase in net loss from continuing operations of \$1.6 million for the year ended December 31, 2013 was primarily due to a write-down of mineral property interests of \$1.2 million in 2013 and a gain recognized in 2012 of \$2.8 million from the termination of a 1.5% Net Smelter Royalty that the Company held with respect to production from the Caballo Blanco Project in Mexico. This is offset by decreased exploration expenditures of \$1.5 million. Exploration expenditures have decreased mainly as a result of the strengthening of the Canadian dollar relative to the Argentina Pesos. Share-based compensation also decreased by \$0.3 million as a result of decreased stock options granted during 2013.

The net loss from discontinued operations for the year ended December 2013 and 2012 resulted from the Company's decision to divest its non-core African properties and the eventual sale of the Hambok mineral property to Bisha Mining Company in 2012. The net loss in 2012 also includes the write down of the Hambok to net recoverable amount based on its fair value less costs to sell and a \$0.4 million payment to Namibian Copper in connection with the Termination and Mutual Release Agreement on the sale of Hambok.

The operating losses are a reflection of the Company's status as a non-revenue producing mineral exploration company. As the Company has no main source of income, losses are expected to continue.

## LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2013, the Company had cash and working capital of \$21.3 million and \$14.2 million, respectively, as compared to cash and working capital of \$17.3 million and \$9.7 million, respectively, at December 31, 2012. The increase in cash and working capital is primarily a result of proceeds from the non-brokered private placement completed in January 2013 offset by exploration expenditures incurred and general and administrative expenses.

Net cash used in operating activities was \$26.0 million for the year ended December 31, 2013 and consisted primarily of the loss from operations of \$28.4 million, which included exploration expenditures of \$22.7 million and was adjusted for the impact of non-cash items and changes in non-cash working capital items.

Net cash used in investing activities was \$1.4 million consisted of expenditures relating to mineral property option payments and equipment purchases.

Cash flow from financing activities was \$33.4 million, which comprised of proceeds from the non-brokered private placement completed in January 2013 and exercise of stock options.

The Company anticipates that its current financial position will provide sufficient working capital to fund its share of the remaining exploration expenditures in the 2013/2014 field season and corporate expenses. As the Company is an exploration company and has no sources of revenue, additional funding from equity financing, joint ventures or disposition of mineral properties and investments may be required to fund further exploration and corporate expenses. 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.

## OUTLOOK

The Company's exploration efforts are focused on large scale copper-gold targets that demonstrate the potential for world class discoveries and exploration opportunities in the region. The Company is fully focused on its South American copper-gold projects including its very significant Los Helados project in Chile and Josemaria project in Argentina.

The updated resource estimates for Los Helados which were completed during 2013 provide the basis for an ongoing assessment of possible development options for the projects. The scope of this ongoing option study includes an evaluation of potential mining methods and production rates, assessment of geotechnical drilling completed during 2013, ongoing metallurgical test work, including comminution studies, and development of high level processing flow sheets and mass balances. This work will continue during the coming quarters and a variety of potential development scenarios continue to be considered. The Company is currently targeting completion of a Preliminary Economic Assessment of the Los Helados Project for the second half of 2014. Similar studies are underway on the Josemaria project however this work is at an earlier stage and the Company has not yet determined a target date for a Preliminary Economic Assessment. Baseline environmental studies in both Chile and Argentina will also continue through the coming quarters. These programs are tailored to the environmental approvals and permitting process.

The 2013/2014 exploration drill programs at Josemaria and Filo del Sol are now complete and remaining drill results are expected to be received over the next few months. 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.

Subsequent to the financing completed in early 2013, the Company has sufficient funds to complete the remaining exploration programs in the 2013/2014 field season.

Wojtek Wodzicki, President and CEO, commented, "NGEx made good progress on its core South American copper-gold projects during 2013. Key milestones were the significant increases to the resources at Los Helados and Josemaria as well as the progress we made in assessing the development options for these projects. The results received to date from the 2013/2014 exploration program support our view that much more remains to be discovered in the district. Los Helados and Josemaria have quickly progressed from grass roots exploration targets to significant deposits and while a lot remains to be done, the conceptual engineering studies that will continue through 2014, at Los Helados and Josemaria represent the next step in their evolution toward what we hope will one day become producing mines. We believe that the NGEX district 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 contiguous 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 26, 2013 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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