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NEWS RELEASE

NGEX RESOURCES INC. AND FILO MINING CORP. ANNOUNCE CLOSING OF SPIN-OUT OF FILO MINING CORP.

August 16, 2016: NGEx Resources Inc. (TSX: NGQ) (OMX: NGQ) (“NGEx” or the “Company”) and Filo Mining Corp. (“Filo Mining”) are pleased to announce that the previously announced spin-out of the Company’s wholly-owned Filo del Sol property (the “Filo del Sol Project”) into a wholly-owned subsidiary of NGEx by a Plan of Arrangement under the *Canada Business Corporations Act* (the “Arrangement”) has been completed. The Company obtained the final order approving the Arrangement from the Supreme Court of British Columbia on August 15, 2016, and the Arrangement became effective at 12:01 a.m. (Vancouver time) on August 16, 2016.

Pursuant to the Arrangement, NGEx will distribute 100% of the common shares of Filo Mining (the “Filo Common Shares”) it received under the Arrangement to holders (“NGEx Shareholders”) of common shares of NGEx (the “NGEx Common Shares”) on a pro rata basis, such that NGEx Shareholders will receive one Filo Common Share for every four NGEx Common Shares held as of the effective date of the Arrangement.

NGEx Shareholders of record as of August 23, 2016 (the “Record Date”) will be entitled to receive Filo Common Shares in respect of the NGEx Common Shares they hold. No additional action is required by NGEx Shareholders in order to receive Filo Common Shares, and NGEx Shareholders will retain any certificates or direct registration statements representing their NGEx Common Shares. It is currently anticipated that the NGEx Common Shares will begin trading on an ex-distribution basis on the TSX on August 19, 2016, two trading days before the Record Date, meaning that on and after such date, purchasers of NGEx Common Shares will no longer have an attaching right to receive Filo Common Shares in accordance with the Arrangement. Similarly, it is anticipated that the NGEx Common Shares will begin trading on an ex-distribution basis on the Nasdaq Stockholm Exchange (“OMX”) on August 22, 2016, one trading day before the Record Date.

The Company has applied for a listing of the shares of Filo Mining on the TSX Venture Exchange (“TSX-V”) and Nasdaq First North Exchange under the trading symbol “FIL”. Any such listing will be subject to Filo Mining fulfilling all of the requirements of the TSX-V and the Nasdaq First North Exchange, respectively.

NGEx will provide further guidance at a later date on the timing for any listing of the Filo Common Shares on the TSX-V and Nasdaq First North Exchange.

About NGEx

NGEx is a Canadian mineral exploration company with exploration projects in Chile and Argentina. The Company’s shares are listed on the TSX and on Nasdaq Stockholm under the symbol “NGQ”. The Company’s focus is on advancing its Project Constellation which contemplates the integrated development of two large copper-gold deposits, the Los Helados and the Josemaria deposits, located 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 60.78% interest and Pan Pacific Copper Co., Ltd. holds approximately a 39.22% interest. Josemaría is part of a joint venture in which the Company holds 60% and Japan Oil, Gas, and Metals National Corporation (JOGMEC) owns 40%.

About Filo Mining

Filo Mining is a Canadian mineral exploration company which holds a 100% interest in the Filo del Sol Project on the border of Chile's Region III and adjacent San Juan Province, Argentina. The Company and Filo Mining have applied for a listing of the shares of Filo Mining on the TSX-V and Nasdaq First North Exchange under the trading symbol "FIL". Built on a foundation of experienced management and focused on advancing exploration projects in Chile and Argentina, Filo Mining is well positioned to build shareholder value through discovery and resource development.

Additional Information

This information is information that NGEEx is obliged to make public pursuant to the Swedish Securities Market Act and/or the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, on August 16, 2016 at 3:15pm Pacific Time.

On behalf of the board of directors of NGEEx and Filo Mining,

Wojtek Wodzicki,
President and CEO,
NGEEx and Filo Mining

For further information, please contact: Sophia Shane, Corporate Development (604) 689-7842.

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 risk of the Company not obtaining stock exchange approvals to proceed with the Arrangement or stock exchange approvals for the listing of Filo Common Shares; the risk of unexpected tax consequences to the Arrangement, the risk of unanticipated material expenditures required by the Company prior to completion of the Arrangement; risks of the market valuing NGEEx and Filo Mining in a manner not anticipated by the Company; risks relating to the benefits of the Arrangement not being realized or as anticipated; 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, 2015, 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 statements with respect to completion of the Arrangement; the listing of Filo Mining common shares on the TSX-V and Nasdaq First North; the timing of listing of Filo Mining common shares; 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.