

## **NEWS RELEASE**

# **NGEX THIRD QUARTER 2013 FINANCIAL AND OPERATIONAL HIGHLIGHTS**

**Vancouver, November 8, 2013 (TSX:NGQ) NGEx Resources Inc.** ("NGEx" or the "Company") is pleased to announce its financial and operating results for the three and nine months ended September 30, 2013.

### **THIRD QUARTER HIGHLIGHTS**

During the three months ended September 30, 2013 there was no active exploration on the Company's projects in Chile and Argentina due to the South American winter. However, updated Mineral Resource estimates that included drilling completed earlier this year were announced for the Josemaria and Los Helados Projects. Teck carried out an exploration program at the GJ project in British Columbia.

- At Los Helados, following an extensive drilling program totaling 32,207 metres (32 holes) completed earlier in the year, 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.
- At Josemaria, following a drilling program totaling 8,242 metres (18 holes) completed earlier in the year, 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.

### **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. This 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 2013 has resulted in a significant increase to the resource base at Los Helados.

- Copper contained in Indicated Resources has increased by 48% to 15.26 billion pounds (October 2012 – 10.34 billion pounds).
- Gold contained in Indicated Resources has increased by 34% to 8.90 million ounces (October 2012 – 6.65 million ounces).
- Indicated Resources have increased by 55% to 1.73 million tonnes (October 2012 – 1.11 million tonnes).

The drilling completed this year has defined the eastern, southern, and western limits of the known breccia body at Los Helados. However, the structure remains open to the north, and 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. While the known body at Los Helados comes to surface, many porphyry copper systems host multiple breccia bodies and there is potential for further additional surface or sub-cropping discoveries in the vicinity.

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

A total of 820 metres were drilled at Filo del Sol during the 2012/2013 season. The drill program was concluded on February 18, 2013. The 2012/2013 drill 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. Significant results received since the last quarterly report, include:

- FSDH08 with 38.1 metres of 1.23% copper, 0.21 g/t Au and 10.9 g/t Ag and FSDH11 with 65 metres of 0.77 g/t Au.

The results of this season's drilling expand the previously identified high grade copper zone at Filo del Sol and extend the broader zone of disseminated copper, gold, and silver mineralization that surrounds the high grade zone. Results from this year's drilling, combined with previously released drilling, are encouraging and support plans for a larger drill program next season. A drill program expected to total up to 8,000 metres is planned to begin late in the fourth quarter of 2013.

### **Los Helados-Josemaria Trend, Argentina**

An additional 1,437 metres in 4 holes was drilled on early stage porphyry copper-gold targets located between Los Helados and Josemaria. These targets are part of the NGEx-PPC joint venture that includes Los Helados and Filo del Sol. The drill holes intersected encouraging porphyry style alteration with low grade copper and gold values. Further work is required to follow-up these results.

### **Josemaria Project, Argentina**

A total of 8,242 metres in 18 diamond drill holes was completed during the 2012/2013 season. The focus of the program was the expansion of the zone of high-grade supergene mineralization discovered at the end of the 2011/2012 field season in holes JMDH49 and JMDH50 as well as resource conversion from Inferred to Indicated classification. The high-grade zone was extended some 200 metres to the north and now has approximate dimensions of 350 metres north to south and at least 250 metres east to west. It remains open to the west of holes JMDH69 and JMDH72 towards a large area of leached capping that has not yet been drill tested. The drilling completed during 2013 has resulted in a significant increase to the resource base at Josemaria as compared to the January 2013 Mineral Resource update.

- Copper contained in Indicated Resources has increased by 17% to 6.1 billion pounds (January – 5.2 billion pounds).
- Gold contained in Indicated Resources has increased by 18% to 6.6 million ounces (January – 5.6 million ounces).
- Indicated Resources have increased by 20% to 789 million tonnes (January – 656 million tonnes).

### **Conceptual Studies**

In addition to the drilling completed this season the Company has initiated conceptual level studies, including mining engineering, process design, metallurgical testwork and baseline infrastructure options. The scoping level metallurgical program for Los Helados is expected to conclude in the fourth quarter while the program at Josemaria is expected to conclude in the first quarter of 2014. Geotechnical work at Los Helados was completed in the second quarter and preliminary mine development options were identified for further evaluation later in 2013 and into 2014 once the resource models are refined. Options identified so far include stand-alone development of Josemaria and/or Los Helados as well as an integrated project exploiting resources from both deposits. This work is ongoing and expected to continue into 2014.

### **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, and the program is now complete. The holes were drilled 600 metres apart along the trend of the tourmaline breccia. Assay results were received during the second quarter of 2013. Highlights include:

<b>Drill Hole</b>	<b>From</b>	<b>To</b>	<b>Length</b>	<b>Cu %</b>
CLMH01	90.0	240.0	150.0	0.155
CLMH02	70.00	108.00	38.0	0.210
CLMH02	282.00	298.00	16.0	0.516
CLMH03	46.00	156.00	110.0	0.160
Incl	116.00	124.00	8.0	1.028

\*Colmillos 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.

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. The higher grade intervals cut in CLMH02 and CLMH03 are encouraging indications that higher grade portions of the system may be identified with additional drilling.

### **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 project has a Measured and Indicated resource of 153.3 million tonnes grading 0.32% copper and 0.37 g/t gold, at a cutoff grade of 0.20% copper which contains 1.09 billion pounds of copper and 1.82 million ounces of gold. The resource estimate was prepared by Qualified Person Mr. Gary Giroux P.Eng. and is filed on SEDAR under the Company's profile.

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 \$9.1 million to December 31, 2012. Teck has advised the Company that it 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.
- 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.

All samples submitted for assay are currently awaiting results. A summary of results will be provided once received by the Company from Teck.

## **RESULTS OF OPERATIONS**

The Company's net loss for the quarter ended September 30, 2013 was \$2.2 million or \$0.01 per share as compared to a loss of \$3.3 million or \$0.02 share for 2012. Net loss from continuing operations for the third quarter of 2013 was \$2.1 million or \$0.01 per share compared with a net loss from continuing operations of \$3.2 million or \$0.02 per share for 2012. Net loss from discontinued operations, comprising mainly of expenditures to wind-up the Company's operations in Eritrea, was \$0.1 million for both the quarter ended September 30, 2013 and September 30, 2012.

The net loss from continuing operations was lower for the third quarter ended September 30, 2013 compared to the same period in 2012. In the third quarter of 2012, the Company had incurred an unrealized loss of \$0.8 million from the change in value of the Company's shares of Goldgroup Mining Inc. Subsequently, the change in value of these shares continued to be included in other comprehensive loss.

The net loss for the nine months ended September 30, 2013 was \$25.3 million or \$0.15 per share as compared to a loss of \$25.2 million or \$0.16 per share for the nine months ended September 30, 2012. The slight increase in loss of \$0.1 million was primarily due to increased exploration and project investigation expenditures of \$3.1 million on the Company's projects in South America, offset by lower write-down of mineral properties interests.

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 for the foreseeable future.

## **LIQUIDITY AND CAPITAL RESOURCES**

At September 30, 2013, the Company had cash and working capital of \$18.4 million and \$18.2 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 net proceeds of \$33.3 million received from the completion of a private placement of 10 million shares at \$3.40 per share in the first quarter of 2013, offset mainly by exploration and general and administration expenses.

Net cash used in operating activities was \$30.3 million for the nine months ended September 30, 2013 and consisted primarily of exploration and project investigation expenditures and conceptual studies work of \$20.4 million and a net decrease of \$7.8 million in non-cash working capital due to decreased exploration activity in the third quarter of 2013 due to the South American winter.

Cash flow from financing activities was \$33.3 million, which comprised of net proceeds of \$33.3 million from the completion of a private placement of 10 million shares at \$3.40 per share and the exercise of stock options.

Net cash used in investing activities was \$1.2 million, which consisted primarily of expenditures relating to mineral property option payments and equipment purchases.

The Company anticipates that its current financial position will provide sufficient working capital to fund its share of planned exploration and project investigation expenditures, which are discretionary, and corporate expenses for the next twelve months. 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. 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.

Updated resource estimates for the Los Helados and Josemaria projects were completed during the third quarter. Metallurgical and geotechnical testing and a preliminary assessment of development options for the Los Helados and Josemaria deposits including a preliminary evaluation of possible synergies between the deposits will continue through the coming quarters. This work is ongoing and expected to continue into 2014. Planning for next year's exploration program is underway and is expected to include drilling to follow-up shallow high grade mineralization intersected at Josemaria and a drill program that may if successful, lead to an initial resource estimate at the Filo del Sol project. Exploration work on the South American projects is expected to resume during the fourth quarter of 2013. In addition, baseline environmental work in both Chile and Argentina has begun. These programs are tailored to the environmental approvals and permitting process. Subsequent to the financing completed earlier this year, the Company has sufficient funds to complete its planned exploration programs.

NGEx continues to focus on adding to its resource base and further definition of its core copper-gold projects located in Region III, Chile and adjacent San Juan Province, Argentina. The district is an emerging copper-gold porphyry cluster that includes NGEx's 60% owned Los Helados, Josemaria, and Filo del Sol projects as well as the nearby Caserones copper mine, which is 75% owned by NGEx's joint venture partner Pan Pacific Copper Co. Ltd.

Wojtek Wodzicki, President and CEO, commented, "We continued to make good progress on our core South American projects during the quarter. The highlight of the quarter was the release of updated resource estimates for Los Helados and Josemaria which resulted in a significant upgrading of both resources. More than two thirds of our resources are now in the Indicated category and the infill drilling confirmed robust high grade cores to both deposits. Together, Los Helados and the Josemaria deposit located 12 km to the southeast host a combined Indicated resource at a 0.3% CuEq cutoff of 21.4 billion pounds of copper, 15.5 million ounces of gold, and 107 million ounces of silver with additional mineralization in the Inferred category. We believe that the exploration potential in the District continues to be excellent and we hope to build on this year's success during the next season of exploration drilling that will focus on further expanding our resource base in the district by testing possible extensions of Josemaria and completing sufficient drilling to permit calculation of an initial resource at Filo del Sol. In parallel with the planned exploration programs we continue to assess development options for all the projects."

### **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

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

### **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 three month period ended September 30, 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 estimation of commodity prices, mineral reserves and resources, the realization of mineral reserve estimates, capital expenditures, costs and timing of the development of new deposits, 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 reserve and 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 reserves" or "mineral resources" are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions that the mineral reserves and 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.