



NEWS RELEASE

NGEX REPORTS THIRD QUARTER 2018 RESULTS

Vancouver, November 6, 2018 - NGEx Resources Inc. (TSX: NGQ) (OMX: NGQ) (“NGEx” or the “Company”) is pleased to announce its results for the three and nine months ended September 30, 2018.

HIGHLIGHTS

During the quarter, the Company progressed on the previously announced Preliminary Feasibility Study (“PFS”) on its 100% owned Josemaría Project in San Juan Province, Argentina. The PFS will evaluate the development of an open pit mine and adjacent processing plant to exploit the Josemaría deposit as a stand-alone project and is expected to be finished by the first quarter of 2019.

Key qualities and strengths of the Josemaría Project include:

- A near surface supergene enrichment zone that contains an Indicated Resource of 150 million tonnes at 0.56% copper and 0.38 grams per tonnes gold for a copper equivalent (CuEq) grade of 0.76% (0.6% CuEq cut-off);
- The potential to produce an annual average of 185,000 tonnes of copper, 345,000 ounces of gold and 1.2 million ounces of silver in the first 5 years of production;
- Straightforward metallurgy producing a high-quality copper concentrate with high gold and silver content;
- A low strip ratio;
- Nearby water supply from aquifers in Argentina; and
- A well defined permitting regime and strong support for mining development from the San Juan Provincial and National authorities in Argentina.

A number of positive improvements expected from the Josemaría Project since the completion of the Preliminary Economic Assessment (the “Constellation PEA”) in 2016. In particular:

- With full ownership of the Josemaría Project following the Company’s buyout of its Japanese partner's interest in 2017, NGEX's attributable share of the net present value of the PFS project increases from 60% to 100%.
- The PFS will target mining more of the Josemaría deposit rather than the 37% contemplated by the Constellation PEA which focused on early feed to support the development of Los Helados.
- The PFS economics are expected to benefit from the proposed decrease in the Argentine corporate tax rate from the 35% used in the Constellation PEA to 25% starting January 1, 2020.

Work on the PFS during the quarter included a geotechnical review and re-logging of existing core to increase confidence in the pit geotechnical assumptions. Site geotechnical work and soil classification laboratory work

was completed in support of infrastructure and facilities design. A small metallurgical sampling and test work program was also initiated during the quarter with results expected for inclusion in the PFS.

OUTLOOK

The Company continues to optimize and de-risk its advanced stage projects by exploring options and alternatives to advance each deposit towards eventual development. Management continues to pursue the following opportunities to add value to the Company's projects:

- Completion of a PFS study of the Josemaría deposit as a stand-alone project;
- Environmental baseline studies in support of environmental assessments and project permitting; and
- Exploring opportunities for potential development partnerships as well as synergies and cooperative development plans with other regional operators to use spare capacity of processing plants and infrastructure, including port facilities. Innovative development concepts, such as those used at Teck & Goldcorp's Nueva Unión Project and Barrick & Goldcorp's Norte Abierto Project, demonstrate an opportunity to share infrastructure on a regional scale by connecting multiple deposits.

The Company expects to complete the PFS on a standalone development scenario for the Josemaría deposit by the first quarter of 2019. Depending on the outcome of the study and a decision by the Company's board of directors, the next step would be a Feasibility Study with the eventual objective of advancing the project towards permitting and eventual development. Los Helados continues to provide additional flexibility to further expand the project on a larger district scale.

In addition to work programs planned for the Company's advanced-stage projects, the Company will continue to advance its early-stage field projects in the upcoming season. In particular, the Company will use the information gathered from the scout drilling campaign at Nacimientos to plan a more extensive drill program. The Company will also continue to evaluate exploration projects for potential acquisitions and to lay the groundwork for its next generation of projects.

SELECTED FINANCIAL INFORMATION

(in thousands)

	September 30, 2018	December 31, 2017
Cash	3,947	6,789
Working capital	2,810	(986)
Mineral properties	13,335	10,056
Total assets	19,483	18,299
Long-term liabilities	653	580

LIQUIDITY AND CAPITAL RESOURCES

The Company completed a \$12.5 million non-brokered, private placement on January 3, 2018, raising a total of \$12.1 million in net proceeds for use towards ongoing exploration activities and corporate working capital expenditures. The \$0.9 million working capital deficiency as at December 31, 2017 was remediated upon completion of the private placement in January 2018. In addition to the funds raised from the private

placement, the Company received \$1.2 million in cash from share option exercises during the first nine months of 2018.

The cash received was used towards the advancement of the exploration projects and general corporate purposes during 2018. As the Company does not have any sources of revenue, it relies on funding from equity financing, disposition of mineral properties and investments, or short-term credit facilities to meet its existing obligations, commitments, and to fund ongoing exploration. The Company plans to use the majority of its cash towards its key exploration projects in South America and general corporate activities. On an ongoing basis, management evaluates and adjusts as necessary its planned level of activities, including planned exploration and administrative costs to ensure adequate levels of working capital are maintained.

FINANCIAL RESULTS

<i>(in thousands, except per share amounts)</i>	Three months ended		Nine months ended	
	September 30,		September 30,	
	2018	2017	2018	2017
Exploration expenses	1,433	868	6,247	3,669
General and administration and other items ("G&A")	390	578	2,544	2,740
Net loss	1,823	1,446	8,791	6,409
Basic and diluted loss per share	0.01	0.01	0.04	0.03

The Company's net loss for the three and nine months ended September 30, 2018 was \$1.8 million and \$8.8 million respectively, compared to \$1.4 million and \$6.4 million for the same periods in 2017. The increase in the net loss reflects the Company's investment in the Nacimientos and Josemaría projects during the first nine months of 2018, which resulted in an increase in overall exploration and project investigation expenditures. In particular, the Company initiated engineering work to explore a stand-alone development option for the Josemaría deposit and advanced ongoing environmental studies in support of potential future development, resulting in a \$1.1 million increase in exploration expenditures at Josemaría for the first nine months of 2018 compared to 2017. Exploration costs at Nacimientos and Acay for the nine month period ended September 30, 2018 totaled \$2.7 million compared to \$0.3 million for the same period in 2017. The Company completed a three-hole scout drilling campaign to test and confirm the geological model at the Nacimientos project and conducted surface exploration work on the Acay project during the first nine months of 2018.

Overall general and administrative ("G&A") costs for the nine month period in 2018 totaled \$2.6 million which is slightly higher than the costs incurred over the nine month period in 2017. Reduction in the incentive bonus paid in 2018 is offset by a higher share-based compensation, which is a non-cash charge reflecting the expense associated with the vesting of outstanding options during the period. The Company hosted a site visit for investors and analysts, participated in a number of industry conferences and undertook several promotional marketing trips during 2018, resulting in higher promotion and public relation costs in the current year.

As a result of the significant Argentina peso devaluation during 2018, the Company reported a \$2.2 million foreign currency translation adjustment up to June 30, 2018. Effective July 1, 2018, the Company applied hyperinflation accounting and restated the financial statements of its Argentine subsidiaries which use the Argentine Peso as its functional currency before being included in the consolidated financial statements in

accordance with IAS 29. The initial adoption of IAS 29 resulted in the recognition of a \$4.6 million opening translation adjustment to other comprehensive income and a \$33,000 net monetary gain to adjust Argentine transactions for the period into a measuring unit current as of September 30, 2018.

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 Jamie Beck, P. Eng. (ON). Mr. Beck is the Company's Vice-President of Corporate Development and Projects and a QP 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 TSX and on Nasdaq Stockholm under the symbol "NGQ". The Company's focus is on advancing the development of its two large copper-gold deposits, Los Helados and Josemaría ("Project Constellation"), located in Chile's Region III and adjacent San Juan Province, Argentina. The Company owns a 100% interest in the Josemaría project and is the majority partner and operator for the Los Helados project. Los Helados is subject to a Joint Exploration Agreement with its joint exploration partner in Chile, Pan Pacific Copper.

Additional Information

For further details with regards to the Project Constellation, please refer to the technical report titled "Project Constellation incorporating the Los Helados Deposit, Chile and the Josemaría Deposit, Argentina NI 43-101 Technical Report on Preliminary Economic Assessment" with an effective date of February 12, 2016 and an amended signature date of March 31, 2016 (the "Project Constellation Report"). The Project Constellation Report was prepared by Amec Foster Wheeler International Ingeniería y Construcción Limitada ("AMEC") and is available for review under the Company's profile on SEDAR (www.sedar.com) and on the Company's website (www.ngexresources.com).

This information is information that NGEx Resources Inc. is obliged to make public pursuant to the Swedish Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, on November 6, 2018 at 4:30 p.m. Pacific Time.

On behalf of the board

Wojtek Wodzicki
President and CEO

For further information, please contact: Michelle Fyfe, Investor Relations Manager at (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 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.

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 mineral resources and cost estimates, changes in commodity and metal prices, currency fluctuation, financing, unanticipated resource grades and recoveries, 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 more fully described under "Risks Factors", and elsewhere, in the Company's most recent Annual Information Form available under the Company's profile at www.sedar.com and the Company's website.

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 with respect to the timing of the PFS on the Josemaría deposit, work programs and studies, terms and conditions of a credit Facility; engagement with potential development partners or acquirers; the Company's expectations and estimates with respect to mineral resources and cost estimates and other assumptions used in the PEA and expectations from the PEA; the assumptions used in the updated mineral resources estimates for the Los Helados and Josemaría deposits; exploration and development expenditures; the timing and nature of any potential development scenarios; opportunities to improve project economics; potential regional synergies and cooperative development plans with other regional operators, exploration targets, estimations for copper and other commodity prices, mineral resources, costs, success of exploration activities; expectations with regard to the timing of the PFS on the Josemaría deposit, adding to mineral resources through exploration; permitting time lines; ability to obtain surface and water rights and property interests; currency exchange rate fluctuations; operations in a hyperinflation economy; 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.