

# NGEx Reports 2017 Results

22.02.2018 | [Marketwired](#)

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Feb 21, 2018) - [NGEx Resources Inc.](#) (TSX:NGQ)(OMX:NGQ) ("NGEx" or the "Company") is pleased to announce its results for the year ended December 31, 2017.

## HIGHLIGHTS

- On November 13, 2017, the Company acquired the 40% interest in the Josemaría project held by its joint exploration partner Japan Oil, Gas and Metals National Corporation ("JOGMEC") for total cash consideration of US\$21 million. The cash consideration is payable in three installments: US\$3 million paid in December 2017, US\$5 million payable upon a development decision being made, and US\$13 million upon commencement of commercial production from the property. Additionally, JOGMEC retains an option to purchase up to 40% of the concentrate produced from the project based on the prevailing market terms at the time of exercise.

With the acquisition completed, the Company holds a 100% interest in the Josemaría project in San Juan Province, Argentina. The acquisition of the Josemaría interest provides the Company with additional development options. In particular, studies are being planned for a stand-alone development option for the Josemaría project in Argentina focusing on a simple open pit scenario with a shallow, high-grade starter pit.

- In addition to work on the advanced Los Helados and Josemaría projects, the Company increased its focus on early-stage exploration by adding new high-quality copper-gold exploration projects, the Nacimientos and Acaty properties, to its portfolio in Argentina.
- On January 3, 2018, the Company completed a \$12.5 million private placement, selling an aggregate of 12,500,000 common shares for net proceeds of \$12.1 million. Net proceeds of the private placement will be used towards ongoing work programs in Chile and Argentina as well as for general corporate purposes.

Commenting on the quarter and the year Wojtek Wodzicki, President and CEO remarked, "Our purchase of the 40% interest in Josemaría added more than 3 billion pounds of copper and 3 million ounces of gold to NGEx's mineral resources account and will allow us to explore new development scenarios. Ownership of 100% of Josemaría allows us to explore new opportunities to create value including potentially spinning out Josemaría. Our acquisition of two new high potential exploration plays refilled our exploration pipeline. These two transactions position the company to strongly benefit from what we believe is the coming bull market for copper."

## OUTLOOK

During 2018, the Company will assess future development options, continue to optimize and de-risk its projects and explore options to advance them toward eventual development, including more active engagement with potential development partners or acquirers.

Specifically, the Company will seek opportunities to add value, at modest costs, by:

- Evaluating a stand-alone development scenario for Josemaría;
- Continuing to look for opportunities to optimize the engineering studies;
- Continuing ongoing environmental baseline data collection surveys; and
- Exploring potential regional 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 NuevaUnión Project, open up the potential for sharing infrastructure on a regional scale by connecting deposits via long distance materials handling systems.

The Company continues to pursue these de-risking opportunities and will seek to engage with potential partners to lay the groundwork for either the eventual development by the Company and its partner or through a sale to a third party. The Company is also actively working on developing drill targets on its newly acquired Nacimientos and Acay projects for drilling later in 2018.

## SELECTED FINANCIAL INFORMATION

	December 31, 2017	December 31, 2016
Cash	6,789	11,185
Working capital	(986	) 10,746
Mineral properties	10,056	6,322
Total assets	18,299	18,968
Long-term liabilities	580	815

## LIQUIDITY AND CAPITAL RESOURCES

The Company began the process of securing additional sources of financing for its exploration program and operations during the fourth quarter of 2017 and completed a \$12.5 million non-brokered, private placement on January 3, 2018. A total of \$6.5 million was received by the Company prior to the completion of the private placement and, as a result, was recorded as a current liability as at December 31, 2017. Net proceeds raised from the private placement totaled \$12.1 million, which is expected to be adequate in funding forecasted expenditures for the following twelve months. The decrease in cash and working capital from the prior year was attributable to ongoing exploration activities including mineral property acquisitions and corporate working capital expenditures during the year.

## FINANCIAL RESULTS

	Three months ended		Year ended	
	December 31, 2017	2016	December 31, 2017	2016
Exploration expenses	1,384	810	5,053	6,017
General and administration ("G&A")	532	474	2,933	3,145
Gain on spin-off transaction	-	-	-	(30,032 )
Net loss / (income)	1,729	993	7,912	(21,335 )
Basic and diluted loss/(income) per share	0.01	0.00	0.04	(0.11 )

For the fourth quarter of 2017, the Company focused primarily on the acquisition of all remaining interests in the Josemaría project and investing in the Naciemiento and Acay projects, resulting in higher cash spent on operating and investing activities during the last quarter of 2017 compared to the same period in 2016.

The Company's net loss for the year ended December 31, 2017 totaled \$7.9 million. The \$30 million gain on the spin-off transaction in 2016 resulted in a net income of \$21.3 million for the year ended December 31, 2016.

The reduction in exploration expenditures for the year ended December 31, 2017 compared to the prior year reflects the exclusion of Filo del Sol costs from the Company's 2017 results subsequent to the completion of the spin out of [Filo Mining Corp.](#) ("Filo Mining"), though it is partially offset by additional costs incurred on the Nacimientos and Acay projects.

General and administration ("G&A") costs for 2017 were lower than 2016 as the Company incurred additional professional and corporate costs during 2016 to execute and complete the spinout. Not only did the Company benefit from cost savings realized from sharing certain G&A corporate costs with Filo Mining during 2017, a new Argentine legislation exempting the Company from making net worth tax payments over a two-year period starting in 2017 brings an additional \$0.3 million in cost savings for the Company. The reduction in G&A costs were partially offset by a \$0.6 million performance incentive payment made to certain senior management and staff.

## CREDIT FACILITY

On November 9, 2017, the Company obtained an US\$1 million unsecured credit facility from an insider of the Company (the "Facility") to provide additional financial flexibility to fund general corporate purposes. The Company issued a total of 21,467 common shares to the lender as consideration for providing the Facility in lieu of fees to the Company. All amounts outstanding under the Debenture were repaid in full on January 4, 2018. The Facility remains available until August 9, 2018. All securities issued in conjunction with the Facility are subject to a four-month hold period under applicable securities law.

The issuance of Common Shares to an insider and the Debenture each constitute a "related party transaction", as defined under Multilateral Instrument 61-101 ("MI 61-101"). The transactions will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of any shares issued relative to, or the consideration paid for, the Debenture will exceed 25% of the Company's market capitalization.

## 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 James 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 with an effective date of February 12, 2016 and titled "Project Constellation incorporating the Los Helados Deposit, Chile and the Josemaría Deposit, Argentina NI 43-101 Technical Report on Preliminary Economic Assessment", prepared by Amec Foster Wheeler International Ingeniería y Construcción Limitada ("AMEC"). The Technical Report is available for review under the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) and on the Company's website ([www.ngexresources.com](http://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 February 21, 2018 at 6:30 p.m. Pacific Time.

On behalf of the board

Wojtek Wodzicki, President and CEO

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein in the U.S., or in any jurisdiction in which such an offer or sale would be unlawful. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933,

as amended, or any U.S. state securities laws and may not be offered or sold in the U.S. or to the account or benefit of a U.S. person or a person in the U.S. absent registration or an applicable exemption from the registration requirements.

#### 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 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](http://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 anticipated use of proceed from the Facility, and the timing and success in obtaining requisite regulatory approvals, the evaluation of additional properties for potential acquisitions; terms and conditions of a credit Facility; the potential development or sale to a third party of Project Constellation; cost estimates and other assumptions used in the PEA and expectations from the PEA; the Company's expectations and estimates with respect to 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 projects; 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, the potential recovery of gold from the oxide cap at Josemaría, the potential acquisition of new copper-gold exploration projects, estimations for copper and other commodity prices, mineral resources, costs, success of exploration activities; expectations with regard to adding to mineral resources through exploration; permitting time lines; ability to obtain surface and water 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.

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.

## Contact

**Sophia Shane**  
Corporate Development  
(604) 689-7842

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/291408--NGEx-Reports-2017-Results.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer](#)!

---

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!  
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinen](#).