

NGEx Minerals Reports Q4 2019 Results and Provides Statement on Readiness and Response to COVID-19

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VANCOUVER, April 16, 2020 - [NGEx Minerals Ltd.](#) (TSXV: NGEX) ("NGEx Minerals" or the "Company") is pleased to announce its Q4 2019 results for the year ended December 31, 2019, and provide its outlook for the coming year. PDF Version.

2019 HIGHLIGHTS, OUTLOOK AND STATEMENT ON READINESS AND RESPONSE TO COVID-19

Following its spin-out from [Josemaria Resources Inc.](#) ("Josemaria") in July 2019, NGEx Minerals has pursued its objective of positioning itself as a top tier mineral exploration-development investment.

During the second half of 2019, the Company's focus was the evaluation of the newly optioned Valle Ancho Project, approximately 100,000 Ha (1,000 km²) of highly prospective ground located in the Province of Catamarca, Argentina, which is on the northern side of Chile's prolific Maricunga Gold Belt. The Company's interest in this vast land package is subject to an option agreement with the Province of Catamarca, which allows the Company to earn a 100% interest by making US\$8.2 million in expenditures on the project over a two-year period. Past exploration of Valle Ancho had yielded some interesting results, including two copper porphyry prospects and one gold prospect, however no significant work has been undertaken in the area for almost 20 years.

During the 2019/2020 exploration field season, the Company successfully completed an initial field program at the Valle Ancho Project. This initial campaign included a review and compilation of historical data, analysis of satellite imagery, field examination, surface sampling and mapping of existing prospects, and the undertaking of an airborne geophysical survey over the project area to identify, develop and prioritize targets for further evaluation and potential drill testing.

As a result of the intensification of the COVID-19 pandemic, and its arrival in Argentina, the Company's 2019/2020 field program was curtailed, with demobilization of personnel and equipment by the end of March 2020. The Company is responding to COVID-19 within the framework of internal protocols, and local and national health authority requirements and recommendations. The health and safety of the Company's employees, contractors, visitors, and stakeholders has been, and remains, NGEx Minerals' top priority. The Company's project facilities and offices have implemented travel restrictions, surveillance, monitoring and response plans to reduce the risk of COVID-19 exposure and outbreak, including health screening of personnel when arriving at project sites. All non-critical business travel has also been curtailed. The Company will continue to monitor the situation and is prepared to implement additional changes to minimize any potential impacts of the global outbreak that might emerge at the Company's project site or offices, as necessary. As part of its response to the COVID-19 epidemic and the attendant economic turmoil the Company has implemented immediate cost savings measures including cuts to discretionary expenditures. In addition, the Company's senior management team have mutually agreed to make reductions to senior management salaries, with rollbacks ranging between approximately 10% to 25% for the duration of the crisis.

The foregoing notwithstanding, the Company confirms that it remains on track to achieve its operating objectives for the 2019/2020 field season, as the majority of planned exploration initiatives were successfully completed prior to the curtailment of the field program. Processing and interpretation of results from the sampling and airborne surveys undertaken during the 2019/2020 field season are currently in progress.

Following completion of the aforementioned spin-out from Josemaria, the Company increased its business development efforts, which are directed towards identifying new projects for potential acquisition. This is expected to be a significant focus for the Company going forward and we anticipate that the ongoing COVID-19-related economic turmoil may create opportunities for acquisition.

Wojtek Wodzicki, NGEx Minerals' President and CEO, commented, "We prioritize the health and safety of our employees and stakeholders, and we responded quickly to the growing COVID-19 concerns by calling an early end to our field program. Being said, even having curtailed the program, we are still expecting to achieve our primary operating objective for the 2019/2020 field season, which is to complete initial reconnaissance and target development on the recently optioned Valle Ancho Project. We are confident that the Company's strong financial position and experienced management team will enable us to navigate the current economic challenges and emerge as a stronger, more resilient organization."

to have this exciting new project in our portfolio, and data collected from the recent program will guide our next steps. In addition, we have also increased our business development efforts as we look for new projects for potential acquisition. Through the exploration of our current mineral interests and targeted acquisitions, particularly during times of economic downturn, we will continue to work towards positioning NGEEx Minerals as a premier investment opportunity.

Lastly, we strive to align management compensation with our shareholders, and the salary rollback, which will have the most significant impact on senior management, is a way to demonstrate that the entire organization is committed to addressing the challenges ahead.

FINANCIAL RESULTS

(In thousands of Canadian dollars, except per share amounts)

	Three months ended Year ended			
	December 31,		December 31,	
	2019	2018	2019	2018
Exploration and project investigation	1,092	533	3,850	4,756
General and administration ("G&A")	441	323	1,451	1,487
Net loss	1,549	960	5,307	6,337
Basic and diluted loss per share	0.01	0.01	0.04	0.05

The financial information in this table was selected from the Company's consolidated financial statements for the year ended December 31, 2019 (the "Financial Statements"), which are available on SEDAR at www.sedar.com and the Company's website www.ngexminerals.com.

SELECTED FINANCIAL INFORMATION

(In thousands of Canadian dollars)

	December 31,	December 31,
	2019	2018
Cash	5,559	256
Working capital	5,321	79
Mineral properties	4,765	4,535
Total assets	10,840	5,003

The financial information in this table was selected from the Financial Statements, which are available on SEDAR at www.sedar.com and the Company's website www.ngexminerals.com.

The Company incurred a net loss of \$5.3 million during the year ended December 31, 2019, of which \$3.9 million and \$1.4 million respectively related to exploration and project investigation costs and G&A costs, compared to a net loss of \$6.3 million during the year ended December 31, 2018. The variance is primarily due to a significantly smaller field program undertaken in the 2019 period. Namely, in 2018, the Company undertook a three-hole drill campaign to test its Nacimiento Project, whereas the 2019 year's work consisted primarily of continuing environmental baseline data collection at Los Helados, while conducting preliminary reconnaissance on Valle Ancho.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2019, the Company had cash of \$5.6 million and net working capital of \$5.3 million, compared to cash of \$0.1 million and net working capital of \$0.1 million, as at December 31, 2018. The increase in the Company's cash and net working capital is due primarily to the receipt of \$7.3 million in cash from Josemaria pursuant to the aforementioned spin-out.

The Company plans to use the majority of its cash towards its key exploration projects in South America and general corporate activities.

As an exploration company with no sources of revenue, the economic viability of the Company's long-term business plan is impacted by its ability to obtain financing, and global economic conditions impact the general availability of financing through public and private debt and equity markets, as well as through other avenues. Accordingly, the Company is cognisant of the continued deterioration of global financial markets coinciding with the COVID-19 pandemic and plans to reduce discretionary expenses and senior management salaries and will be exercising additional caution and prudence in the management and deployment of its current working capital. In this regard, the Company will continue to evaluate and adjust its planned exploration and development activities to ensure that adequate levels of working capital are maintained.

ABOUT NGEX MINERALS

NGEx Minerals is a Lundin Group copper and gold exploration company based in Canada with projects in Chile and Argentina. NGEx holds the large-scale Los Helados copper-gold deposit, located in Chile's Region III, as well as other early-stage projects located in Argentina. NGEx is the majority partner and operator for the Los Helados Project, subject to a Joint Exploration Agreement with its joint exploration partner in Chile, Pan Pacific Copper Co., Ltd. NGEx is actively seeking to add to its portfolio of projects as part of its overall growth strategy. The company is listed on the TSXV under the trading symbol NGEx.

ADDITIONAL INFORMATION

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

The information contained in this news release was accurate at the time of dissemination but may be superseded by subsequent news release(s). The Company is under no obligation nor does it intend to update or revise the forward-looking information contained herein, whether as a result of new information, future events or otherwise.

QP AND TECHNICAL INFORMATION

Technical information in this news release has been reviewed and approved by Bob Carmichael, B.Sc., P.Eng., who is a Qualified Person as defined by NI 43-101. Mr. Carmichael is Vice President, Exploration for the Company.

On behalf of NGEX Minerals,

Wojtek Wodzicki,
President and CEO

Cautionary Note Regarding Forward-Looking Statements

Certain statements made and information contained herein in the news release constitutes "forward-looking information" or "forward-looking statements" within the meaning of applicable securities legislation (collectively, "forward-looking information"). The forward-looking information contained in this news release is based on information available to the Company as of the date of this news release. Except as required under applicable securities legislation, the Company does not intend, and does not have an 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 terms, or phrases or statements that certain actions, events, conditions or results "will", "may", "could", "would", "might" or "will be achieved" or "occur" or "be achieved" or the negative connotations thereof. All statements other than statements of historical fact may

