

# NGEx Minerals Reports 2020 Results

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VANCOUVER, April 15, 2021 - [NGEx Minerals Ltd.](#) (TSXV: NGEX) ("NGEx Minerals" or the "Company") is pleased to announce its 2020 results for the year ended December 31, 2020, and provide its outlook for 2021. [View PDF Version.](#)

## 2020 HIGHLIGHTS AND 2021 OUTLOOK

### Continuation of Business Development Initiatives

The Company's main operating focus for the year ended December 31, 2020 was its project generation and business development activities, which seek to identify potential investment and acquisition targets globally and across various commodities. The objective of these business development initiatives is to grow and diversify the Company's current asset portfolio, and establish NGEx Minerals as a premier exploration-development investment opportunity in the junior resource sector.

NGEx Minerals' President and CEO, Wojtek Wodzicki, commented, "Our focus remains on our business development initiatives. We are encouraged by the number and quality of potential investment targets that our team has identified over recent months and we are confident that in time our efforts will result in the acquisition of additional, high quality assets to our portfolio. We are fortunate to have the luxury of being stringent in our criteria as the Company already holds a world-class copper-gold deposit asset in Los Helados.

We continue to benefit from the strong support of our key shareholders, the Lundin family trusts, which recently extended a \$100 million credit facility to provide financial flexibility to the Company as we continue our business development initiatives.

### Valle Ancho - Potential Confirmed by First Field Campaign

The Company successfully completed its first exploration campaign at the Valle Ancho Project, which was undertaken from October 2019 and March 2020. The project is located in the Province of Catamarca, on the Argentine side of Chile's regional Maricunga Gold Belt. During the field program, the Company achieved its operating objectives, which included review and compilation of historical data, analysis of satellite imagery, field examination, surface sampling and mapping of existing mineralization and the undertaking of an airborne geophysical survey over the project area to identify, develop and prioritize targets for evaluation and potential drill testing.

The results from the surface sampling and airborne geophysical surveys undertaken at the Valle Ancho Project have generated several interesting copper and gold targets for future follow-up, including: two large targets with outcropping porphyry copper mineralization, two targets with outcropping epithermal gold mineralization; and a copper skarn target.

The Valle Ancho Project is subject to an option agreement, for which an extension was granted in August 2020, pursuant to which the Company may earn a 100% interest in the project by making US\$8.2 million in expenditures on the project by December 31, 2021.

The Company has received expressions of interest in Valle Ancho from potential joint venture partners and continues to evaluate these options in conjunction with considering self-funding further work.

## FINANCIAL RESULTS

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

	Three months ended		Year ended	
	December 31,		December 31	
	2020	2019	2020	2019
Exploration and project investigation	563	1,092	3,304	3,850
Write down of mineral property interest	-	-	827	-
General and administration ("G&A")	739	441	1,957	1,451
Net loss	1,302	1,549	5,893	5,307
Basic and diluted loss per share	0.01	0.01	0.05	0.04

The financial information in this table was selected from the Company's consolidated financial statements for year ended December 31, 2020 (the "Financial Statements"), which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company's website [www.ngexminerals.com](http://www.ngexminerals.com).

## SELECTED FINANCIAL INFORMATION

	(In thousands of Canadian dollars)	
	December 31 20,	December 31,
	2020	2019
Cash	899	5,559
Working capital	550	5,321
Mineral properties	4,106	4,765
Total assets	5,378	10,840

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The Company incurred a net loss of \$5.9 million during the year ended December 31, 2020, comprised primarily of \$3.3 million in exploration and project investigation costs, a \$0.8 million write down of its Nacimientos properties, and \$2.0 million in G&A costs. For the comparative year ended December 31, 2019, the Company reported a net loss of \$5.3 million, consisting mainly of \$3.9 million in exploration and project investigation costs and \$1.5 million in G&A costs.

The increase in net loss in the current period is mainly due to the impairment charge recognized on the Nacimientos properties, which is due to the Company having withdrawn from its option to earn into Nacimientos in August 2020. The impact of the impairment loss was partially offset by a gain of approximately \$0.3 million resulting from the use of marketable securities for the purposes of facilitating intragroup funding transfers.

## LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2020, the Company had cash of \$0.9 million and net working capital of \$0.5 million,

compared to cash of \$5.6 million and net working capital of \$5.3 million as at December 31, 2019. The decrease in the Company's cash and net working capital is due primarily to funds used in operations.

The Company plans to use the majority of its cash towards maintenance of its key exploration projects in South America, progressing its business development efforts, and general corporate activities.

As mentioned above, on February 19, 2021, the Company obtained an unsecured US\$3.0 million credit facility (the "2021 Facility") from Zebra Holdings and Investments S.à.r.l. ("Zebra") and Lorito Holdings S.à.r.l. ("Lorito") to provide financial flexibility to fund ongoing exploration and for general corporate purposes. Zebra and Lorito are companies controlled by a trust settled by the late Adolf H. Lundin and report their security holdings in the Company as a joint actor, as the term is defined by Canadian securities regulations.

## ABOUT NGEX MINERALS

NGEx Minerals is a Lundin Group copper and gold exploration company based in Canada with projects in Chile and Argentina. NGEx Minerals 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 Minerals is the majority partner and operator for the Los Helados Project, subject to a Joint Exploration Agreement with its joint exploration partner in Chile, Nippon Caserones Resources Co., Ltd (formerly, Pan Pacific Copper Co., Ltd.). NGEx Minerals 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, 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 the 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" and "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 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 statements contained in this news release include statements regarding: the Company's ability to respond to or navigate, and/or methods by which it responds to or navigates, the COVID-19 pandemic; the expected timing, nature or results of the Company's recent business development initiatives; the expected nature or usefulness of results related to the Company's recently completed field season; potential of identifying prospective targets at the Valle Ancho Project that warrant further evaluation and potential drill testing; the results and impact of future exploration at the Valle Ancho Project; assumptions and interpretations around historical exploration results obtained in regards to the Valle Ancho Project; the exploration potential of the Valle Ancho Property; assumptions and interpretations around the Valle Ancho Project's location relative to the Maricunga Gold Belt and the potential correlation with respect to prospectivity; the timing, amount and duration of reductions to discretionary expenditures and salaries; the materialization of opportunities for the Company to make acquisition of strategic assets; the ability of the Company to secure additional financing and/or the quantum and terms thereof; exploration and development plans and expenditures; the timing and nature of work undertaken to advance the Los Helados Project; the success of future exploration activities; potential for the discovery of new mineral deposits; ability to build shareholder value; expectations with regard to adding to Mineral Resources through exploration; ability to execute the planned work programs; estimation of commodity prices, Mineral Resources, estimations of costs, and 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. Although the Company believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since the Company can give no assurance that such expectations will prove to be correct. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the risks, uncertainties and other factors identified in the Company's periodic filings with Canadian securities regulators. In addition, these statements involve assumptions made 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.

The forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligations to publicly update and/or revise any of the included forward-looking statements, whether as a result of additional information, future events and/or otherwise, except as may be required by applicable securities laws. Forward-looking information is provided for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of the Company's operating environment. 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 anticipated, estimated, or intended. There can be no assurance that such statements will prove to be

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accurate, as actual results and future events could differ materially from those anticipated in such statements. All 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.

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Information concerning the mineral properties of the Company contained in this news release has been prepared in accordance with the requirements of Canadian securities laws, which differ in material respects from the requirements of securities laws of the United States applicable to U.S. companies subject to the reporting and disclosure requirements of the United States Securities and Exchange Commission.

SOURCE [NGEx Minerals Ltd.](#)