

NGEx Minerals Reports Q2 2021 Results

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VANCOUVER, Aug. 27, 2021 - [NGEx Minerals Ltd.](#) (TSXV: NGEX) ("NGEx Minerals" or the "Company") is pleased to announce its results for the three and six months ended June 30, 2021. View PDF version.

Q2 2021 HIGHLIGHTS AND OUTLOOK

Wojtek Wodzicki, President & CEO, commented, "It appears that we are now in the early stages of a strong market for commodities, and so the timing could not be better to drill test the highly prospective Valle Ancho Project, in Argentina's Catamarca Province. Our initial reconnaissance program from the 2019/2020 field season, as well as historic exploration from the 1990's, identified several compelling exploration targets, which we are excited to drill test for the first time.

Our focus through most of last year and early 2021 was business development, as the COVID-19 pandemic resulted in travel restrictions that largely kept us out of the field. However, with improvements in the COVID situation globally, including Argentina, we are optimistic that we can execute an efficient and safe program starting this fall."

During the second quarter of 2021, the Company began planning a field and drill program at its Valle Ancho Project. The Company is party to an option agreement with the Province of Catamarca, whereby it may earn a 100% interest in Valle Ancho making US\$8.2 million in total project expenditures by the end of 2022.

As of the date of this news release, approximately US\$6.5 million remains on the earn-in, which the Company intends to fund an exploration campaign commencing in the third quarter of 2021. The 2021/2022 program will consist of airborne geophysics as well as diamond drilling to test several targets including following up on unverified, historical drill intersections from the 1990's which returned 62 metres at 1.0 g/t gold and 108 metres at 1.0 g/t gold.

The Valle Ancho Project consists of a significant land package, covering approximately 1,000 km² of underexplored and highly prospective ground, located on the Argentine side of Chile's renowned Maricunga Gold Belt. An initial exploration program was undertaken at Valle Ancho during the 2019/2020 field season, which consisted of a review of historical data, mapping and sampling, and the undertaking of an airborne geophysical survey over the project area to identify, develop and prioritize targets for further evaluation. The 2019/2020 field program was successful in outlining a number of targets for further work including large targets with outcropping porphyry copper mineralization, two targets with outcropping epithermal gold mineralization and a copper skarn target.

FINANCIAL RESULTS

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

	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Exploration and project investigation	356	484	758	2,351
General and administration ("G&A")	454	345	885	751
Net loss	836	843	1,577	2,913
Basic and diluted loss per share	0.01	0.01	0.01	0.02

The financial information in this table was selected from the Company's condensed interim consolidated financial statements for the three and six months ended June 30, 2021 (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)		
	June 30,	December 31,
	2021	2020
Cash	469	899
Working capital (deficit)	(879)	550
Mineral properties	4,035	4,106
Total assets	5,287	5,378

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 \$0.8 million during the three months ended June 30, 2021, comprised primarily of \$0.4 million in exploration and project investigation costs and \$0.5 million in G&A costs. For the comparative 2020 quarter, the Company reported a net loss of \$0.8 million, consisting mainly of \$0.5 million in exploration and project investigation costs and \$0.3 million in G&A costs.

The net loss of the three months ended June 30, 2021, was generally consistent with the net loss of the comparative 2020 quarter due to the cessation of field activity and reduced discretionary expenditures since April 2020 in response to COVID-19.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2021, the Company had cash of \$0.5 million and a working capital deficit of \$1.1 million, compared to cash of \$0.9 million and net working capital of \$0.5 million as at December 31, 2020. The decrease in the Company's cash and net working capital is due primarily to funds used in operations, including mineral property and surface access rights payments, and for general corporate purposes, which has been partially offset by amounts drawn against US\$3.0 million credit facility, as described below.

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, and are related parties by virtue of their combined shareholding in the Company in excess of 20%.

The Company plans to use the majority of its cash and the funds available from the 2021 Facility towards maintenance of Los Helados, commencing a 2021/2022 exploration campaign at Valle Ancho, progressing its business development efforts, and general corporate activities.

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.

Valle Ancho drill results are historical in nature and, although NGEx Minerals has no reason to believe that the analytical data reported here is inaccurate, the Company has not completed its own sampling to independently verify the assay results. Please refer to the Company's News Release dated September 8, 2019 for additional information on the veracity of this data.

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 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, including those pertaining to a 2021/2022 program at Valle Ancho; the ability and/or willingness of the Company to meet the remaining earn-in expenditure at Valle Ancho to secure a 100% interest therein; the timing and nature of work undertaken to advance the Los Helados Project or the Valle Ancho 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.

Contact

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 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 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

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Cautionary Note to U.S. Readers

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.

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