NGEx Minerals Announces Planned Exploration Drill Program at Valle Ancho Copper-Gold Project

13.10.2021 | CNW

VANCOUVER, Oct. 12, 2021 - NGEx Minerals Ltd. (TSXV: NGEX) ("NGEx Minerals" or the "Company") is pleased to announce that it has finalized plans for an exploration program on the Valle Ancho Project in Catamarca Province, Argentina, where the Company has an option to earn a 100% interest from the government of the Province of Catamarca. The field program has begun with geophysical surveys underway. A drill program of between 3,000 and 4,000 metres of diamond drilling on several high-potential gold and copper-gold targets identified in 2020 is expected to commence upon receipt of environmental permits. View PDF

Wojtek Wodzicki, President and CEO, commented "NGEx is a generator and incubator of high-quality exploration projects and builds on the Lundin Group's strong track record in Argentina and the region, which includes the grassroots discoveries of Los Helados in Chile, and Josemaria, Filo del Sol, and Veladero in Argentina. A predecessor Lundin Company was instrumental in advancing the Bajo de la Alumbrera deposit in Catamarca Province, Argentina. The Valle Ancho project has many of the same geological characteristics that we saw in the early days of our previous discoveries, and we are very pleased to announce plans to begin drill testing some of the exciting drill targets resulting from our earlier reconnaissance work. Our efforts at Valle Ancho bring the Lundin Group's 30 years of successful investment in Argentina, full circle to where it started with the Bajo de la Alumbrera Copper-Gold Mine, also located in Catamarca Province. We look forward to working with the Catamarca authorities to bring the next chapter of responsible resource development to Catamarca."

About the Valle Ancho Project

The Valle Ancho Project consists of two Exploration and Mining Reserve Areas held by the Province of Catamarca that cover approximately 1,000 km^2 of highly prospective and underexplored ground on the Argentinian side of the Maricunga Gold Belt. More than 100 million ounces of gold have been discovered on the Chilean side of the border whereas the Argentinian side has seen much less exploration despite having similar geology. The Company has entered into an option agreement with the Province of Catamarca and can earn a 100% interest in the project by completing approximately US$8 million in expenditures by December 2022. Of this amount approximately US$1.5 million has been spent to date with the remaining US$6.5 million expected to be invested over the coming field season.

The project area was initially explored in the 1990's resulting in the identification of several interesting gold and copper-gold targets. Despite the encouraging results obtained by earlier explorers the area was not available for exploration for most of the last 20 years. The main targets lie along a major northwest trending structural corridor called the Valle Ancho Lineament. Many of the major deposits in the Andes are spatially related to similar northwest trending lineaments.

The Company carried out an initial field program at the Valle Ancho Project during the 2019/2020 Southern Hemisphere Summer. The exploration program focused on review and compilation of historical data, analysis of satellite imagery, an airborne geophysical survey, field examination, geochemical sampling and mapping of existing prospects to identify, develop and prioritize targets for further evaluation. The program was cut short by the beginning of the COVID-19 pandemic but was still successful in defining several priority targets for drill testing and discovering new zones of gold-silver mineralization which were unrecognized by previous explorers.

The company plans to complete an airborne magnetic survey that was cut short by the pandemic and bad weather in 2020 as well as targeted IP (Induced Polarization) geophysical surveys in order to refine drill targeting. Drill targets that have been defined to date include:

Nordin

The Nordin target is an area of strong hydrothermal alteration and gold-bearing banded quartz veins and hydrothermal breccias surrounded by younger gravel cover and thin volcanic flows - see attached figure. The alteration is typical of the upper levels of an epithermal gold system and similar to that seen in the upper levels of some of the major deposits of the Maricunga Gold Belt located just across the border into Chile. Shallow drilling by a previous operator in the 1990's intersected strongly anomalous gold values from surface including up to 62 metres @ 1.02 g/t gold and 84 metres @ 1.15 g/t gold. The drill holes were oxidized throughout their entire lengths. The Nordin target is open laterally and at depth and the planned NGEx drilling will test for extensions of this mineralization. Much of the Nordin area is covered by shallow talus and younger volcanic flows with occasional areas of outcrop exposed through the younger cover. Prospecting in an area approximately 2 kilometres south of the main Nordin prospect identified another potential drill target in an area of silicified structures and hydrothermal breccias with strongly anomalous gold values ranging from 0.5 g/t to 7.07 g/t with silver values up to 580 g/t.

La Quebrada

La Quebrada is a porphyry copper-gold target. The alteration in La Quebrada outcrops in an erosional window through younger cover rocks and extends over an area of approximately 2.5 km by 1 km. The outcropping mineralization has the characteristics of theleached cap of a porphyry system, with the presence of oxides minerals including jarosite, goethite and hematite and locally copper oxides. Oxide mineralization occurs in veinlets and disseminated and is most intense in areas with a higher density of quartz veining. The 174 rock chip samples taken in the area average 0.5 g/t gold and 0.2% copper which is considered encouraging in an area were the rocks are oxidized and leached. Leaching commonly removes copper which is mobile in a supergene environment and therefore even low-level copper numbers can be important indicators of mineralization at depth. Higher gold and silver numbers were obtained from structurally controlled zones in the area with values ranging up to 8.57 g/t gold and 114 g/t silver.

An initial IP survey is planned in order to characterize the geophysical response of the area and develop targets for the drill program, which is planned to test outcropping mineralization and possible extensions under younger cover rocks.

La Austral

The La Austral target is located approximately 9 kilometres southeast of La Quebrada. It was discovered by NGEx geologists in 2020 through follow-up of a stream sediment anomaly. Mineralization is associated with silica-alunite cemented breccia zones containing strongly anomalous gold. The breccias contain highly silified angular clasts in a matrix of silica, alunite, and jarosite. Initial grab samples of the breccia zone returned values of up to 7.18 g/t gold and 777 g/t silver. Three other samples returned values in excess of 1 g/t Au. All samples were high in eptithermal pathfinder elements Hg-Te-Sb-As-Bi. The Austral target was discovered late in the 2019/2020 season and more work is required to define drill targets but the values obtained to date are encouraging.

IP geophysical surveying and additional geological mapping and sampling is planned for La Austral, leading to drilling of the highest priority areas during the upcoming program.

ABOUT NGEX MINERALS

NGEx Minerals is a 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 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.

Reverse circulation drilling was completed on the Nordin target by Eldorado Gold Corp. during the 1995/1996 season. NGEX has reviewed the original annual exploration report detailing the drilling and sampling methodology as well as the original assay certificates. Samples were collected every two metres, and were split twice resulting in 1/8 of the original sample being retained for analysis. Field duplicates were included in the sample batches, however no assay standards or blanks were included. Analyses were completed by Bondar Clegg Inchcape Testing Services in North Vancouver, Canada. Bondar Clegg Inchape was an accredited assay lab which was independent of Eldorado Gold Corp.. Gold analyses were by fire assay fusion with AAS finish on a 30g sample. In addition, NGEX has reviewed chips from the sample intervals. Drilling, sampling and assaying was done to industry standards at the time, and NGEX has no reason to believe that the analytical data reported here is inaccurate, however the Company has not completed its own sampling to independently verify the assay results.

Sample results reported above from the 2019/2020 NGEx program are grab samples from individual locations and are not associated with a length of width of the mineralized zone.

Samples were collected in the field by NGEx geologists, identified with sample tags and placed in plastic sample bags for transportation to the lab via truck. Samples were delivered to the ALS prep lab in Mendoza, Argentina who sent a prepared sub-sample on to the ALS assay laboratory in Lima, Peru for analysis.

Samples were assayed for gold by fire assay and AAS on a 50g sample (Au-AA24), mercury by by ICP-MS following aqua regia digestion (Hg-MS42) and a suite of 48 elements using ICP-MS and ICP-AES following a four-acid digestion (ALS ME-MS61L) with overlimit (>10,000ppm) copper samples re-analyzed with Cu-AA62.

ALS is an accredited global analytical company which is independent of 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 nature and timing of the work to be undertaken to advance the Valle Ancho Project and the potential for the discovery of extensions of mineralized zones and new exploration targets. For example the Company expects to be able to drill 3,000-4,000 metres however, it has never drilled at Valle Ancho before may encounter unexpected drilling and other challenges, costs, or delays that could prevent the company from completing the expected number of metres. 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 but not limited to risks related to: the ongoing COVID 19 pandemic and the risk that an intensification of the pandemic or an outbreak at the project could impact the company's ability to carry out the program and could cause the program to be shut down, estimations of costs, and permitting time lines; ability to obtain environmental permits, surface rights and property interests in a timely manner; currency exchange rate fluctuations; requirements for additional capital; changes to government regulation of mining activities; environmental risks; unanticipated reclamation or remediation expenses; title disputes or claims; limitations on insurance coverage; and other 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 company will receive the permits required to drill at Valle Ancho in a timely manner, that the current price of and demand for commodities will be sustained or will improve, that the general business and economic conditions in Argentina 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 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 inherent uncertainty thereof.

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.

SOURCE NGEx Minerals Ltd.

Contact
Amanda Strong, Investor Relations, Canada: +1 604 689 7842 or info@NGExminerals.com