



NEWS RELEASE

NGEX RESOURCES ANNOUNCES PROPOSED SPIN-OUT OF LOS HELADOS AND ITS OTHER EXPLORATION PROPERTIES

Vancouver – April 17, 2019: NGEx Resources Inc. (TSX: NGQ, Nasdaq Stockholm: NGQ) ("NGEx", or the "Company") is pleased to announce its intention to spin out its Los Helados Project and exploration portfolio into a wholly-owned subsidiary of NGEx, 11264796 Canada Inc. ("Spinco"), through a Plan of Arrangement under the Canada Business Corporations Act (the "Arrangement"). The Arrangement is designed to deliver greater value to shareholders by unlocking the value of the Los Helados Project moving forward. In parallel, the Company believes that additional value will be created at NGEx as the Company transitions into a well defined, single purpose vehicle focused on advancing the development of the Josemaría Project in San Juan, Argentina. The Arrangement is anticipated to provide greater market awareness of the Company, Spinco, and their respective assets, and offer both the Company and Spinco increased flexibility to advance their respective assets without unnecessary dilution to the other.

The Los Helados Project is a large copper-gold porphyry deposit located in Chile's Region III and is comprised of adjacent mineral titles in Chile and Argentina which are majority controlled by the Company through direct ownership or option agreements. Upon completion of the Arrangement, Spinco will hold an approximate 63% interest in the Los Helados Project along with a portfolio of exploration interests. Over time, it is anticipated that Spinco will add new projects to its portfolio in addition to advancing Los Helados.

NGEx will retain its 100% owned Josemaría Project with a focus on advancing development of the project. During the fourth quarter of 2018, the Company completed a Preliminary Feasibility Study ("PFS") on Josemaría. The PFS evaluated a stand-alone development option which contemplates an open pit mine with a shallow, high-grade starter pit. The PFS estimates that the Josemaría Project has an after-tax NPV of US\$2.0 billion using an 8% discount rate and an IRR of 18.7% at US\$3.00 per pound copper.

With the PFS complete, the Company intends to advance development of the Josemaría by completing a feasibility study ("FS"), securing water rights, and advancing its environmental permitting plans. Field work in support of the FS, including resource and geotechnical drilling was completed during the first quarter of 2019. The Company is targeting completion of the Feasibility Study in 2020.

Wojtek Wodzicki, President and CEO of NGEx, said "In 2016, NGEx created value for shareholders through the spin out of it's Filo del Sol project. We hope to repeat that success by separating our more advanced Josemaría Project in Argentina and our Los Helados Project in Chile. The proposed spinout will allow NGEx to focus on advancing the development of Josemaría. The recently completed PFS shows robust economics and confirms the potential of Josemaría. Long term copper fundamentals appear strong, and it is our understanding that the global project pipeline is at multi-decade lows. We believe that this scarcity may lead to increased valuations for companies with construction-ready projects and we plan to work towards advancing Josemaría towards that status. The creation of Spinco is expected to enhance shareholder value by bringing increased investor focus to the potential that we see at Los Helados. The Los Helados Project hosts a large mineral resource which the Company believes has synergies with our exploration partner, Pan Pacific Copper ("PPC"), and their adjacent operations in Chile. We also see Spinco as an excellent platform for the growth of our exploration business."

The Transaction

Further to the Company's December 20, 2018 news release, following consultation with its advisors, the Company is structuring the Arrangement as a proposed spin out of the Los Helados Project, rather than of its Josemaría Project. The Arrangement will include a transfer of the Los Helados Project and exploration assets, along with approximately \$7.3 million in cash, to Spinco. Pursuant to the Arrangement, NGEx intends to distribute 100% of the common shares of Spinco it receives to NGEx shareholders on a pro rata basis. NGEx shareholders will be entitled to receive one common share of Spinco for every two common shares of NGEx held as of the effective

date of the Arrangement, expected to be in June 2019. There will be no change in shareholders' holdings in NGEx as a result of the Arrangement.

Each outstanding stock option of NGEx (an "NGEx Option") will be deemed to be exchanged for a fully-vested replacement stock option of NGEx (an "NGEx Replacement Option") and one-half of one (0.5) fully-vested stock option of Spinco (a "Spinco Option"), and the exercise prices for the NGEx Replacement Options and the Spinco Options will be adjusted to reflect the relative value of the shares.

The Arrangement will be subject to Toronto Stock Exchange ("TSX"), regulatory and court approval, as well as approval by not less than two-thirds of the votes cast at the special meeting (the "Meeting") of NGEx shareholders and optionholders (together, the NGEx Securityholders") voting as a single class, scheduled for on or about June 19, 2019. The record date for the Meeting has been set as May 3, 2019. Full details of the Arrangement will be included in the management information circular to be sent to NGEx Securityholders in connection with the Meeting.

In connection with the Arrangement, the Company proposes to change its name to "Josemaria Resources Inc", and Spinco to change its name to "NGEx Resources Inc."

Mr. William Rand will become chairman of Spinco. The names of additional directors are expected to be announced in the near future. The management team of Spinco will consist of Dr. Wojtek Wodzicki as CEO, Ms. Joyce Ngo as Interim CFO and Mr. Bob Carmichael as VP Exploration. Changes and additions to the management team will be made as needed following completion of the Arrangement.

The Company intends to apply for a listing of the shares of Spinco on the TSX Venture Exchange ("TSX-V"). Any such listing will be subject to Spinco fulfilling all of the requirements of the TSX-V.

About the Los Helados Project

Los Helados is a large copper-gold porphyry deposit located approximately 125 kilometres southeast of the city of Copiapo in Region III of Chile. Los Helados is subject to a Joint Exploration Agreement with Pan Pacific Copper Co., Ltd. ("PPC") (the "PPC JEA"), whereby the Company holds approximately a 63% interest and PPC holds approximately a 37% interest. PPC is the majority partner and operator of the Caserones Mine located approximately 12 kilometres from Los Helados.

Los Helados has a Mineral Resource at a base case 0.33% Copper Equivalent ("CuEq") cutoff, as follows:

- 2,099 million tonnes at a grade of 0.38% copper, 0.15 g/t gold, and 1.37 g/t silver for a copper equivalent grade of 0.48% (17.6 billion pounds of copper, 10.1 million ounces of gold, and 92.5 million ounces of silver) in the Indicated Resource category; and
- 827 million tonnes at a grade of 0.32% copper, 0.10 g/t gold, and 1.32 g/t silver for a copper equivalent grade of 0.39% (5.8 billion pounds of copper, 2.7 million ounces of gold, and 35.1 million ounces of silver) in the Inferred Resource category.

Copper Equivalent (CuEq) is calculated using US\$3.00/lb copper, US\$1,300/oz gold and US\$23/oz Ag, and includes a provision for selling costs and metallurgical recoveries corresponding to three zones which vary with depth. The formulas used are: $CuEq\% = Cu\% + 0.6264 \cdot Au\ (g/t) + 0.0047 \cdot Ag\ (g/t)$ for the Upper Zone (surface to ~250m); $Cu\% + 0.6366 \cdot Au\ (g/t) + 0.0077 \cdot Ag\ (g/t)$ for the Intermediate Zone (~250m to ~600m); $Cu\% + 0.6337 \cdot Au\ (g/t) + 0.0096 \cdot Ag\ (g/t)$ for the Deep Zone (> ~600m).

Mineral Resources are reported within a block cave underground mining shape based on US\$13.07/tonne operating costs and including a provision for capital expenditure. The base case cutoff grade of 0.33% CuEq was derived through an economic evaluation of several block cave shapes developed over a range of different cutoff grades and is the cutoff grade which results in a zero net present value.

The Mineral Resource estimate for the Los Helados Project has an effective date of September 19, 2014 and was prepared by Gino Zandonai, B.Sc., M.Sc. Registered Member of the Comision Calificadora de Competencias en Recursos y Reservas Mineras (Chilean Mining Commission) in accordance with NI 43 101. Mr. Zandonai is the Qualified Person for the estimate and is independent of the Company. For more information about the current resource estimate, including, without limitation, data verification, quality assurance and quality control measures, sampling methods and other estimation procedures, refer to the technical report titled "Technical Report on the Los Helados Porphyry Copper-Gold Deposit, Chile" dated December 14, 2018, with an effective date of May 27, 2017 (the "Los Helados Report") available under the Company's profile on SEDAR (www.sedar.com).

About the Josemaria Project

The Josemaría Project is a copper-gold (Cu-Au) porphyry deposit located in the Andes Mountains of San Juan Province, Argentina, approximately 350 km northwest of the city of San Juan, Argentina. The Company holds a 100% interest in the Josemaría Project.

On November 20, 2018, the Company announced the positive PFS results on the Josemaría Project. On December 19, 2019 the Company subsequently filed a technical report on the Josemaría Project entitled "NI 43-101 Technical Report, Prefeasibility Study for the Josemaría Copper-Gold Project, San Juan Province, Argentina"

(the "Josemaría PFS") dated December 19, 2018, with an effective date of November 20, 2018. Included in the Josemaría PFS is an initial probable mineral reserve of 1,008 million tonnes at a grade of 0.29% copper, 0.21 g/t gold and 0.92 g/t silver (or 0.41% CuEq).

Copper Equivalent (CuEq) was calculated using total payable revenue from all metals in the mine plan, converting to payable copper, and back calculating for grade based on life of mine average copper recoveries and payables.

The mineral reserve estimate for the Josemaría Project has an effective date of November 20, 2018 and was prepared by Robert McCarthy, P.Eng., in accordance with NI 43-101. Mr. McCarthy is the Qualified Person for the estimate and is independent of the Company. For more information about the PFS and the mineral reserve estimate, including, without limitation, data verification, quality assurance and quality control measures, sampling methods, parameters and assumptions and other estimation procedures, refer to the Josemaría PFS available under the Company's profile on SEDAR.

Qualified Persons

Technical disclosure for the Los Helados Project and the Josemaría Project included in this press release, has been reviewed and approved by Bob Carmichael, P. Eng. (BC). Mr. Carmichael is NGE's Vice-President of Exploration and a Qualified Person ("QP") under National Instrument 43-101 Standards of Disclosure for Mineral Projects.

About NGE

NGE is a Canadian mineral exploration company with projects in Chile and Argentina. The Company's shares are listed on the TSX and on the Nasdaq Stockholm under the symbol "NGQ". The Company's current focus is on advancing the development of its two, large copper/gold deposits, Los Helados and Josemaría, located in Chile's Region III and adjacent San Juan Province, Argentina, respectively. The Company owns a 100% interest in the Josemaría project and is the majority partner and operator for the Los Helados project, subject to a Joint Exploration Agreement with its joint exploration partner, Pan Pacific Copper. The Company is also actively seeking new exploration projects and carrying out earlier stage exploration on projects with large scale potential.

Additional Information

This information is information that NGE Resources Inc. is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, on April 17, 2019 at 6:00 p.m. Pacific Time.

On behalf of the board

Wojtek Wodzicki,
President and CEO

For further information, please contact: Michelle Fyfe, Investor Relations Manager (604) 689-7842.

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.

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 risk of the Company not obtaining court, NGE Securityholder or stock exchange approvals to proceed with the Arrangement; the risk of unexpected tax consequences to the Arrangement, the risk of unanticipated material expenditures required by the Company prior to completion of the Arrangement; risks of the market valuing NGE

and Spinco in a manner not anticipated by the Company; risks relating to the benefits of the Arrangement not being realized or as anticipated, Spinco being unable to add additional properties to its portfolio, the potential dilution at the Josemaría Project, the inherent uncertainties regarding cost estimates, changes in commodity prices, currency fluctuation, financing, unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, anticipated synergies not being realized, political risk and related economic risk and unanticipated environmental impact on operations, as well as other risks uncertainties and other factors, including, without limitation, those referred to in the "Risks and Uncertainties" section of the press release, the Company's Annual Information Form for the year ended December 31, 2018, under the heading "Risks Factors", and elsewhere, which 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.

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 completion of the Arrangement; the availability of working capital for both NGEx and Spinco; tax consequences of the Arrangement; benefits of the Arrangement, obtaining NGEx Securityholder, court and TSX approvals of the Arrangement; the listing of Spinco common shares on the TSX-V; the change of name of NGEx and Spinco, the composition of Spinco's management and board of directors; the timing for mailing of an information circular; holding NGEx's meeting and completing the Arrangement; the effective date of the Arrangement; the potential development of the Josemaría and Los Helados Projects, including whether dilution will occur; acquisition of exploration properties for the Spinco exploration portfolio, the results of the Josemaría PFS and after-tax net present value, expected timing for, and completion of, a FS on the Josemaría Project, advancement of the Josemaría Project, estimation of commodity prices, mineral resources, costs and the success of exploration activities; expectations with regard to adding to mineral resources through exploration; permitting time lines; ability to obtain surface rights and property interests; synergies with PPC, 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.

The forward-looking statements contained in this news release are made as at the date of this news release and NGEx 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. 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.