

NEWS RELEASE

NGEX REPORTS 2016 RESULTS

February 20, 2017: NGEx Resources Inc. (TSX: NGQ) (OMX: NGQ) (“NGEx” or the “Company”) is pleased to announce its results for the three months and year ended December 31, 2016.

HIGHLIGHTS

The Company achieved a number of significant milestones during fiscal 2016, most notably the release of the results of the Preliminary Economic Assessment (the “Integrated PEA”) of Project Constellation and the completion of the spin out of the Filo del Sol property into Filo Mining Corp. on August 16, 2016.

- On January 7, 2016 the Company published the results of the Integrated PEA for Project Constellation, which contemplates the combined development of the Los Helados and Josemaría deposits, whereby material from both deposits would be processed at a centralized processing plant located in Argentina. The Integrated PEA estimated Project Constellation’s after-tax NPV and after-tax IRR to be US\$2.61 billion and 16.6%, respectively.
- To minimize dilution of the Company’s Project Constellation while further unlocking the value of the Filo del Sol Project, the Company initiated the spin out of the Company’s wholly-owned Filo del Sol property into Filo Mining Corp. through a Plan of Arrangement under the Canada Business Corporations Act. The spin out was completed on August 16, 2016. Filo Mining Corp. common shares began trading on the TSX Venture Exchange and the Nasdaq First North Exchange on August 26, 2016 and September 6, 2016, respectively, under the trading symbol “FIL”.

With the spin out of Filo Mining complete, the Company is focused on advancing its Project Constellation. On September 19, 2016, NGEx provided an update on the Company’s plans to advance Project Constellation and take advantage of opportunities to add value at modest costs by evaluating lower cost development options including: testing the heap leach potential of the oxide cap at Josemaría; and continuing baseline environmental studies. The Company continues to pursue these de-risking opportunities and will seek to engage with potential partners to lay the groundwork for either the eventual development by the Company and its partners or through a sale to a third party. The Company also plans to evaluate a number of earlier stage exploration targets between Los Helados and Josemaría.

During 2016, NGEx completed an agreement which provides surface rights covering the Los Helados deposit, including areas for infrastructure and access, representing an important milestone in Project Constellation’s development. A minimum annual payment of US\$0.5 million is required, with a total of US\$1.2 million paid by the Company to date. Work during the fourth quarter of 2016 focused on developing the metallurgical test program for the oxide cap at Josemaría in addition to regional exploration targeting.

In addition to completing three separate private placements during the year, which sold an aggregate of 25,333,333 common shares for net proceeds totaling \$20.4 million, the Company also received \$0.9 million in cash on November 10, 2016 from the sale of its remaining interests in the GJ royalties including a transfer of its future common share consideration receivable from Skeena Resources Limited.

Mr. Wojtek Wodzicki, President and CEO commented, "NGEx had a very successful year which included the completion of a PEA on Project Constellation and the successful spin out of Filo Mining which created significant value for our shareholders. The company is well financed and well positioned to continue to deliver value as a strengthening copper market and the scarcity of large scale copper development projects increases the value our projects."

FINANCIAL RESULTS

<i>(in thousands, except per share amounts)</i>	Three months ended		Year ended	
	December 31,		December 31,	
	2016	2015	2016	2015
Exploration expenses	810	2,740	6,017	19,837
General and administration ("G&A")	473	250	3,145	3,026
Gain on spin-off transaction	-	-	(30,032)	-
Net (income) / loss	993	1,701	(21,335)	21,377
Basic and diluted (income) / loss per share	(0.00)	0.01	(0.11)	0.11

SELECTED FINANCIAL INFORMATION

<i>(in thousands)</i>	December 31, 2016	December 31, 2015
Cash	11,185	2,113
Working capital	10,746	930
Mineral properties	6,322	12,770
Total assets	18,968	17,008
Long-term liabilities	815	875

Net loss for the fourth quarter of 2016 was lower than the comparative period in 2015 as the exploration expenditures for the fourth quarter of 2016 excluded the costs of operating the Filo del Sol property post spin-off, and no significant drilling activities were performed at Project Constellation. Cost savings from a devalued Argentine peso further contributed to a reduction in exploration and project investigation expenses for the fourth quarter of 2016.

Net income for the fiscal 2016 year totaled \$21 million, compared to net losses reported in prior years. The Company recorded a \$30 million gain for fiscal 2016 as a result of accounting for the spin-out of Filo Mining as a distribution in kind to its shareholders. The distribution to shareholders must be accounted for at fair value under IFRS, with the difference between that value and the carrying amount of the net assets recognized in the statement of comprehensive income. The significant reduction in exploration expenditures for the year is

reflective of the Company not undertaking a drill program at Project Constellation and the operations of the Filo del Sol property being transferred to Filo Mining Corp. as a result of the spin out. Total G&A costs for the current year were overall consistent with the prior year. The slight increase noted for the current year's G&A costs was primarily due to additional professional and regulatory fees incurred to execute and complete the spin-off, offset by other reductions in management fees and corporate travel costs.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2016, the Company had cash and working capital of \$11.2 million and \$10.7 million, respectively, compared to cash and working capital of \$2.1 million and \$0.9 million, respectively, at December 31, 2015.

Net cash used in operating activities during the fiscal 2016 year totaled \$9.0 million. A total of \$6 million were spent on operating the exploration programs in South America, with the remainder used for general and corporate overhead purposes. Going forward, net cash used in operating activities is expected to be reduced, as the Filo del Sol project is operated under a separate entity and with the cost savings through sharing certain expenses with Filo Mining Corp. Based on current cost projections, the Company estimates a reduction of approximately \$0.5 million in general and administration costs in the upcoming 2017 year.

Total cash received from financing activities totaled \$17.7 million, from the completion of three private placements which raised net proceeds of \$20.4 million during the year, offset by the \$3 million paid to Filo Mining in connection with the spin-out.

The Company also received proceeds of \$1.5 million upon the disposition of investments and other mineral property assets. An additional \$0.3 million was received for option exercises during the 2016 year.

With a strong cash and working capital position as at December 31, 2016, the Company is expected to have adequate funds to support its planned exploration activities in South America including the required annual payment for land surface access rights, and for general corporate activities. The credit facility that was initiated at the beginning of the 2016 year matured as of January 20, 2017, with no outstanding balance due.

OUTLOOK

The completion of the spin out of Filo Mining Corp. during the year enables the Company to focus on advancing Project Constellation and on continued efforts to lay the groundwork for the development of this significant flagship project. Work is planned to explore the varied development options that the Project provides in this new mining region. Specifically, the Company sees clear opportunities to add value, at modest costs, by evaluating lower cost development options and identifying other opportunities to improve the Project including:

- Testing the potential recovery of gold from the oxide cap at Josemaría;
- Evaluating high potential regional exploration targets within a few kilometers of the existing deposits and the proposed plant site;
- Continuing baseline environmental studies and community relations programs; and

- Exploring potential regional synergies and cooperative development plans with other regional operators to utilize spare capacity of processing plants and infrastructure, including port facilities. Innovative development concepts such as Teck & Goldcorp's NuevaUnión Project open up the potential for sharing infrastructure on a regional scale by connecting deposits via long distance conveyor systems.

The Company continues to pursue these de-risking opportunities and will seek to engage with potential partners to lay the groundwork for either the eventual development by the Company and its partners or through a sale to a third party. Efforts will be focused on exploring all potential development scenarios for the Project Constellation assets while keeping costs to a minimum.

CORPORATE UPDATE

In addition to the previously announced appointments of Mr. Jack Lundin and Ms. Cheri Pedersen to the Company's Board of Directors effective November 10, 2016, following the retirement of Mr. Conibear from the Board, the Company provides the following corporate update on its management team:

- On November 10, 2016, Ms. Joyce Ngo was appointed Chief Financial Officer. Ms. Ngo previously held the position of Interim Chief Financial Officer and, before that, Corporate Controller.
- On February 1, 2017 Mr. James Beck was appointed Vice President, Corporate Development and Projects. Mr. Beck previously held the position of Director, Corporate Development.

Annual General Meeting

The Company also announces that the annual general meeting of shareholders will be held on Thursday, June 15, 2017, at 10:00 a.m. (Vancouver time) at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

Qualified Persons

Technical disclosure for the Company's projects included in this press release, with the exception of the technical disclosure related to ongoing engineering studies, has been reviewed and approved by Bob Carmichael, P. Eng. (BC). Mr. Carmichael is NGEx's Vice-President of Exploration and a Qualified Person ("QP") under National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101). Technical disclosure related to the engineering studies has been reviewed and approved by James Beck, P. Eng. (ON). Mr. Beck is the Company's Vice-President of Corporate Development and Projects and a QP under National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101).

About NGEx

NGEx is a Canadian mineral exploration company with exploration projects in Chile and Argentina. The Company's shares are listed on the TSX and on Nasdaq Stockholm under the symbol "NGQ". The Company's focus is on advancing its Project Constellation which contemplates the integrated development of two large copper-gold deposits, the Los Helados and the Josemaria deposits, located in Chile's Region III and adjacent San Juan Province, Argentina. Both Los Helados and Josemaría are subject to separate Joint Exploration Agreements with joint exploration partners. The Company is the majority partner and operator for both projects.

Additional Information

For further details with regards to the Project Constellation, please refer to the technical report with an effective date of February 12, 2016 and titled "Project Constellation incorporating the Los Helados Deposit, Chile and the Josemaria Deposit, Argentina NI 43-101 Technical Report on Preliminary Economic Assessment", prepared by Amec Foster Wheeler International Ingeniería y Construcción Limitada ("AMEC"). The Technical Report is available for review under the Company's profile on SEDAR (www.sedar.com) and on the Company's website (www.ngexresources.com).

This information is information that NGEx Resources Inc. is obliged to make public pursuant to the Swedish Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, on February 20, 2017 at 2:30 p.m. Pacific Time.

On behalf of the board

Wojtek Wodzicki
President and CEO

For further information, please contact: Sophia Shane, Corporate Development (604) 689-7842.

Cautionary Note Regarding Forward-Looking Statements

Certain statements made and information contained herein in the press 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 press release is based on information available to the Company as of the date of this press 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 such forward-looking information is based on the opinions and estimates of the relevant management as of the date such statements are made and are subject to important risk factors and uncertainties, many of which are beyond the Company's ability to control or predict.

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 inherent uncertainties regarding cost estimates, changes in commodity and metal prices, currency fluctuation, financing, unanticipated resource grades and recoveries, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations as well as other risks and uncertainties more fully described under "Risks Factors", and elsewhere, in the Company's most recent Annual Information Form available under the Company's profile at www.sedar.com and the Company's website.

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 pertaining to the Company's expectations and estimates with respect to cost estimates and other assumptions used in the

Integrated PEA and expectations from the Integrated PEA; assumptions used in the mineral resources estimates for the Los Helados and Josemaria projects; exploration and development expenditures; the timing and nature of any potential development scenarios; opportunities to improve project economics; 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 and maintain 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.

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.