NGEx Minerals Ltd.

NGEX REPORTS Q3 2023 RESULTS; RESUMPTION OF DRILLING AT LUNAHUASI AFTER $85.7 MILLION FINANCING

VANCOUVER, BC, Nov. 24, 2023 /CNW/ - **NGEx Minerals Ltd.** (TSXV: NGEX) **("NGEx Minerals" "NGEx" or the "Company")** is pleased to report its results for the three and nine months ended September 30, 2023. View PDF

Wojtek Wodzicki, President and CEO, commented, "Following the closing of the oversubscribed, non-brokered private placement in August, which generated over $83 million in net proceeds, NGEx has now resumed drilling at Lunahuasi. The equity financing not only fully funds the highly anticipated 2023-2024 Lunahuasi campaign currently underway, but also provides significant optionality to increase the scope of the program in response to encouraging results.

The initial drill program completed at Lunahuasi in Q2 2023 returned some of the highest grades seen in the Vicuña District to date, including DPDH002 which intersected 60 metres at 7.52% copper equivalent. The 2023-2024 follow-up program, which has now ramped up to four rigs, will initially focus on defining and expanding the zone of high-grade mineralization intersected in the maiden campaign. As additional targeting work is completed, we will also test other high potential targets, including zones of outcropping high-grade mineralization within the broader 11 km^2 alteration system. The Company anticipates that initial assay results will be available late in the fourth quarter of 2023 or early in the first quarter of 2024, subject to drilling rates and assay turn-around times, which would cap off a very successful year for the Company."

Q3 2023 and Subsequent Period Highlights

- On August 11, 2023, the Company closed a non-brokered private placement, whereby the Company sold 13,178,460 common shares at a price of $6.50 per common share (the "Financing"). The Financing generated gross proceeds of $85.7 million, or $83.2 million net of related share issuance costs.
  - The common shares issued under the Financing are subject to a hold period expiring on December 12, 2023.

- In July 2023, NGEx received and released its final drill results from the maiden 2023 drill campaign undertaken from January to May 2023 at its 100%-owned Lunahuasi Project, located in San Juan, Argentina, which comprised a total of 4,912 metres ("m") of diamond drilling. The initial drill program intersected a large swarm of quartz-sulphide veins carrying high values of copper, gold and silver, confirming the newest major discovery in the emerging Vicuña District.
  - Highlights from the 2023 program include:
    - DPDH002, which returned 60.0m at 7.52% copper equivalent ("CuEq") from 212.0m and 10.0m at 7.08% CuEq from 574.0m;
    - DPDH005, which returned 33.4m at 3.50% CuEq from 636.0m; and
    - DPDH007, which returned 90.0m at 4.05% CuEq from 74.0m and 20.8m at 8.08% CuEq from 439.2m.
  - The Company's current interpretation is that the veins intersected at Lunahuasi and the surrounding 11 km^2 alteration zone were created by one or more porphyry copper-gold systems and that the grades and thickness of the mineralization observed are positive indicators of the strength and potential of the source system(s).

- In October 2023, the Company commenced its 2023-2024 follow-up field and drill campaign at Lunahuasi, which has since ramped up to four diamond rigs.
  - The Lunahuasi program as currently planned, targets approximately 15,000m of drilling, with an initial focus around defining and expanding the zone of high-grade mineralization intersected in the maiden 2023 campaign.
  - As guided by additional targeting work planned for early in the 2023-2024 campaign, the Company will also look to drill test other high potential targets, including zones of outcropping high-grade mineralization within the broader 11 km^2 alteration system.

- In July 2023, the Company also released the final assay results from its successful 2022-2023 drill program at its approximately 69%-owned Los Helados Project, located in Region III, Chile.
  - The 2022-2023 program, which finished in May 2023, completed 10,450m of diamond drilling in 11 holes, and successfully extended the recently discovered high-grade satellite Fenix and Alicanto Zones, which are distinct from, and in addition to, the Condor Zone, the high-grade breccia phase around which the current Los Helados Resource estimate is centered.
  - Although detailed geophysical surveys and geological mapping completed during the 2022-2023 Los Helados field program generated a number of new exploration targets with similar signatures as the Condor, Fenix and Alicanto Zones for potential exploration, the Company has decided to defer further exploration at Los Helados in order to focus its field personnel and resources at Lunahuasi.

Q3 2023 Drilling Results

Drilling and assay results from the 2022-2023 season's drill programs at Lunahuasi, including those received and released during the third quarter of 2023 are discussed in news releases dated April 4, 2023, and July 4, 2023. Los Helados results are

discussed in news releases dated January 26, 2023, April 13, 2023, and July 18, 2023.

Financial Results

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

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2023	2022	2023	2022
Exploration and project investigation	4,469	4,539	30,489	22,885
General and administration ("G&A")	4,300	1,704	6,879	3,150
Net loss	4,311	6,068	29,197	24,395
Basic and diluted loss per share	0.02	0.04	0.17	0.16

The financial information in this table was selected from the Company's condensed interim consolidated financial statements for the three and nine months ended September 30, 2023 (the "Financial Statements"), which are available on SEDAR+ at **www.sedarplus.ca** *and the Company's website* **www.NGExMinerals.com**.

Selected Financial Information

(In thousands of Canadian dollars)

	September 30, 2023	December 31, 2022
Cash and cash equivalents	66,050	23,249
Working capital	80,344	20,222
Mineral properties	3,853	3,903
Total assets	88,412	32,312

The financial information in this table was selected from the Financial Statements, which are available on SEDAR+ at **www.sedarplus.ca** *and the Company's website* **www.NGExMinerals.com**.

The Company incurred a net loss of $4.3 million during the three months ended September 30, 2023, comprised primarily of $4.5 million in exploration and project investigation costs and $4.3 million in G&A costs, which have been partially offset by a gain of approximately $4.4 million resulting from the use of marketable securities for the purposes of facilitating intragroup funding transfers. For the comparative 2022 period, the Company reported a net loss of $6.1 million, consisting primarily of $4.5 million in exploration and project investigation costs and $1.7 million in G&A costs, which were partially offset by a gain of approximately $0.2 million resulting from the use of marketable securities for the purposes of facilitating intragroup funding transfers.

Liquidity and Capital Resources

As at September 30, 2023, the Company had cash of $66.1 million and net working capital of $80.3 million, compared to cash of $23.2 million and net working capital of $20.2 million as at December 31, 2022. The Company's cash increased during the nine months ended September 30, 2023, due primarily to net proceeds received from the Financing and $887,243 in gross proceeds received pursuant to the exercise of stock options during the period. The cash inflows have been partially offset by $15.0 million used for the purchase of short-term investments and funds used in operations, including mineral property and surface access rights payments, and for general corporate purposes.

About NGEx Minerals

NGEx Minerals is a copper and gold exploration company based in Canada, focused on exploration of the Lunahuasi copper-gold-silver project in San Juan Province, Argentina, and the nearby Los Helados copper-gold project located approximately nine kilometres northeast in Chile's Region III. Both projects are located within the Vicuña District, which includes the Caserones mine, and the Josemaria and Filo del Sol deposits.

NGEx Minerals owns 100% of Lunahuasi and is the majority partner and operator for the Los Helados project, subject to a Joint Exploration Agreement with Nippon Caserones Resources LLC, which is the indirect 49% owner of the operating Caserones open pit copper mine located approximately 17 kilometres north of Los Helados. Lundin Mining Corporation holds the remaining 51% stake in Caserones.

The Company is listed on the TSX Venture Exchange under the trading symbol "NGEX". NGEx Minerals is part of the Lundin Group of Companies.

Additional information relating to NGEx Minerals Ltd. may be obtained or viewed on the SEDAR+ website at www.sedarplus.ca.

Qualified Persons and Technical Notes

The scientific and technical disclosure for the Los Helados and Lunahuasi Projects included in this news release have been reviewed and approved by Bob Carmichael, B.A.Sc., P.Eng. who is the Qualified Person as defined by NI 43-101. Mr. Carmichael is Vice President, Exploration for the Company. Additional details on the drill results disclosed above can be found in the Company's press releases dated January 26, 2023, April 4, 2023, April 13, 2023, July 4, 2023 and July 18, 2023.

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"). All statements other than statements of historical facts included in this document constitute forward-looking information, including but not limited to, statements regarding: exploration and development plans and expenditures, including the size, scope, nature, timing and foci of the Company's future exploration programs, particularly at Los Helados and Lunahuasi; whether current interpretation of the exploration and/or drill results to date at Los Helados or Lunahuasi will be confirmed by future work, including statements regarding prospectivity of exploration properties, the accuracy of a geological model, the ability to extend and define of the Fenix, Alicanto and Condor Zones at Los Helados, or the scale, grade, or significance of the system that is the source of the high-grade mineralization intersected during the 2023 drill campaign at Lunahuasi, or the Company's ability to locate it; the expected results or success of exploration activities; the future uses of the Company's cash and working capital; the success of future exploration activities; potential for the discovery of new mineral deposits or expansion of existing mineral deposits; ability to build shareholder value; expectations with regard to adding to Mineral Resources through exploration; expectations with respect to the conversion of Inferred Resources to an Indicated Resource classification, or the conversion of Indicated Resources to a Measured Resource classification; and the ability to execute the planned work programs. Words such as "plans", "expects" or "does not expect", "is expected", "budgets", "scheduled", "estimates", "forecasts", "targets", "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 and similar expressions identify forward-looking information.

Forward-looking information is necessarily based upon various estimates and assumptions including, without limitation, the expectations and beliefs of management as outlined above. Although the Company believes that these factors and expectations are reasonable as at the date of this document in light of management's experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown risks, uncertainties and other factors may cause actual results or events to differ materially from those anticipated in such forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, without limitation: 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 in the Company's share price; changes to government regulation of mining activities; environmental risks; unanticipated reclamation or remediation expenses; title disputes or claims; limitations on insurance coverage; assumptions that the Company will be able to carry out exploration program at Lunahuasi as planned; fluctuations in the current price of and demand for commodities; material adverse changes in general business and economic conditions, particularly in Argentina with respect to uncertainty around exchange rate and other economic policies potentially affecting the Company as a result of the outcome of the 2023 presidential elections in Argentina, as well as other factors associated with ongoing financial instability in Argentina; the availability of financing if and when needed on reasonable terms; risks related to material labour disputes, accidents, or failure of plant or equipment; and other risks, uncertainties and other factors identified in the Company's periodic filings with Canadian securities regulators which are available on SEDAR at www.sedar.com under the Company's profile.

The forward-looking information contained in this news release is based on information available to the Company as at the date of this news release. Except as required under applicable securities legislation, the Company does not undertake any obligation to publicly update and/or revise any of the included forward-looking information, whether as a result of additional information, future events and/or otherwise. 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.

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For further information: NGEx Investor Relations, Email: info@ngexminerals.com, Website: www.ngexminerals.com

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Additional assets available online: Documents (1)

https://ngexminerals.mediaroom.com/2023-11-24-NGEX-REPORTS-Q3-2023-RESULTS-RESUMPTION-OF-DRILLING-AT-LUNAHUASI-AFTER-85-7-MILLION-FINANCING