

NEWS RELEASE

NGEX REPORTS THIRD QUARTER 2017 RESULTS

November 9, 2017: NGEx Resources Inc. (TSX: NGQ) (OMX: NGQ) (“NGEx” or the “Company”) is pleased to announce its results for the three and nine months ended September 30, 2017.

HIGHLIGHTS

- The Company continues to take advantage of opportunities to add value to Project Constellation (the “Project”) by evaluating lower cost development options, testing the potential to recover gold from the oxide cap at Josemaría by heap leaching, and continuing baseline environmental studies.
- In addition to the Project, the Company is actively working on building its project portfolio with a focus on copper-gold projects in Chile and Argentina and evaluating a number of other exploration projects in Argentina for potential acquisition.

Wojtek Wodzicki, President and CEO remarked, “After several years of focus on our advanced projects and the successful spinout of Filo del Sol we are ready to build on our track record as one of the most successful explorers in South America. We are using the recent downturn in exploration and our more than 20 years of experience in Argentina to begin to acquire land packages with district scale exploration potential. We are seeing some interesting opportunities and we look forward to updating our investors as those opportunities progress.”

OUTLOOK

During the remainder of 2017, the Company will assess future development options and continue to optimize and de-risk the Project and explore options to advance the Project toward eventual development, including more active engagement with potential development partners or acquirers.

In addition, work is planned to explore the varied development options that the Project provides. Specifically, the Company will seek opportunities to add value, at modest costs, by:

- Continuing to look for opportunities to optimize the engineering studies;
- Continuing ongoing environmental baseline data collection surveys; and
- Exploring potential regional synergies and cooperative development plans with other regional operators to use spare capacity of processing plants and infrastructure, including port facilities. Innovative development concepts, such as those used at Teck & Goldcorp's NuevaUnión Project, open up the potential for sharing infrastructure on a regional scale by connecting deposits via long distance materials handling 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 Los Helados and Josemaria. The Company will also begin field work to develop targets for future drilling on our recently acquired exploration properties. The Company will continue to pursue opportunities to add high quality new copper-gold exploration projects to its existing portfolio in South America.

SELECTED FINANCIAL INFORMATION

(in thousands)

	September 30, 2017	December 31, 2016
Cash	5,048	11,185
Working capital	4,542	10,746
Mineral properties	6,268	6,322
Total assets	12,631	18,968
Long-term liabilities	751	815

FINANCIAL RESULTS

(in thousands, except per share amounts)

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Exploration expenses	868	1,879	3,669	5,207
General and administration ("G&A")	424	927	2,401	2,671
Gain on spin-off transaction	-	(30,032)	-	(30,032)
Net loss / (income)	1,446	(27,812)	6,409	(22,328)
Basic and diluted loss/(income) per share	0.01	(0.14)	0.03	(0.11)

The Company's net loss for the three and nine months ended September 30, 2017 totaled \$1.4 million and \$6.4 million, respectively. The \$30 million gain on the spin-off transaction in 2016 resulted in a net income of \$27.8 million and \$22.3 million for the three and nine months ended September 30, 2016.

The reduction in exploration expenditures and net loss for the three and nine-month period in 2017, relative to 2016, reflect the exclusion of Filo del Sol costs from the Company's 2017 results subsequent to the completion of the spin out of Filo del Sol. Reduction in G&A costs for the three and nine-month period in 2017 relative to 2016 were primarily due to additional professional and corporate costs incurred in 2016 to execute and complete the spinout, as well as recognizing a larger share-based compensation charge in 2016 as a result of the spinout. During 2017, the Company is benefiting from cost savings realized from sharing certain G&A corporate costs with Filo Mining Corp. during the year. A new Argentine legislation exempting the Company from making net worth tax payments over a two-year period starting in 2017 brings \$0.3 million in annual cost savings for the Company. The increase in foreign exchange loss during the third quarter of 2017 mainly reflects the unrealized loss associated with holding excess cash in the US dollar, which weakened relative to the Canadian dollar as at September 30, 2017.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2017, the Company had cash and working capital of \$5.0 million and \$4.5 million, respectively, compared to cash and working capital of \$11.2 million and \$10.7 million, respectively, at December 31, 2016. The decrease in cash and working capital was attributable to ongoing exploration activities and corporate working capital expenditures during the first nine months of 2017.

CREDIT FACILITY

Effective as of November 9, 2017, the Company has secured a US\$1,000,000 credit facility (the "Facility") evidenced by a debenture (the "Debenture") to provide additional financial flexibility to fund general corporate purposes. The Debenture is unsecured and has a term of nine months from the issue date of the Debenture (the "Maturity Date"). No interest is payable during the term of the Debenture, however, any amount of the Facility remaining unpaid and outstanding on or after the Maturity Date shall bear interest at a rate of 5.00% per annum until repaid in full.

The Facility has been issued by an insider of the Company (the "Lender"). The terms of the Facility include the Company issuing to the Lender, subject to approval of the Toronto Stock Exchange, an aggregate of 14,000 Common Shares and an additional 700 Common Shares per month for each US\$50,000 of the Facility outstanding from time to time up to the Maturity Date. All securities issued in conjunction with the Facility will be subject to a four-month hold period under applicable securities law.

The Common Shares to be issued pursuant to the terms of the Debenture will be issued at a price of \$1.04 per share, being the closing price of the Corporation's Common Shares on the Toronto Stock Exchange on November 9, 2017.

The issuance of Common Shares to an insider and the Debenture each constitute a "related party transaction", as defined under Multilateral Instrument 61-101 ("MI 61-101"). The transactions will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of any shares issued to or the consideration paid for the Debenture will exceed 25% of the Company's market capitalization.

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, Los Helados and Josemaria, 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. The Company is also actively seeking new copper-gold projects in Argentina.

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 and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication, through the agency of the contact person set out below, on November 9, 2017 at 4:45 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.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein in the U.S., or in any jurisdiction in which such an offer or sale would be unlawful. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws and may not be offered or sold in the U.S. or to the account or benefit of a U.S. person or a person in the U.S. absent registration or an applicable exemption from the registration requirements.

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 with respect to the anticipated use of proceeds from the Facility, the ability of the Company to satisfy the conditions of the Debenture including repayment of the Facility upon its maturity and the issuance of shares thereunder, and the timing and success in obtaining requisite regulatory approvals, the evaluation of additional properties for potential acquisitions; terms and conditions of a credit Facility; the potential development or sale to a third party of the Constellation Project; cost estimates and other assumptions used in the mineral resources estimates for the Los Helados and Josemaria projects; exploration and development plans and expenditures; the timing and nature of any potential development scenarios, including active engagement with potential development partners or acquirers; opportunities to improve project economics; potential regional synergies and cooperative development plans with other regional operators, exploration targets, estimation of commodity prices, 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.

NO GUTS NO GLORY

NGEX
RESOURCES INC

**THIRD QUARTER REPORT
SEPTEMBER 2017**

This management's discussion and analysis ("MD&A") of the results of operations and financial condition for NGEx Resources Inc. ("the Company", "NGEx", "we" or "us") has been prepared as of November 9, 2017 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the nine months ended September 30, 2017 and the Company's annual audited consolidated financial statements for the year ended December 31, 2016 and the related notes therein (collectively the "Financial Statements") and the MD&A for the fiscal year ended December 31, 2016. The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Report. This MD&A focuses on significant factors that have affected the Company and its subsidiaries and such factors that may affect its future performance. Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein. All dollars amounts are presented in Canadian dollars, unless otherwise indicated.

The effective date of this MD&A is November 9, 2017.

Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein. Additional information about the Company and its business activities is available on SEDAR at www.sedar.com and on the Company's website at www.ngexresources.com.

CORE BUSINESS

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: Los Helados and Josemaria, located in Chile's Region III and adjacent San Juan Province, Argentina respectively. Both Los Helados and Josemaria are subject to Joint Exploration Agreements with joint exploration partners. The Company is the majority partner and operator for both projects.

A Preliminary Economic Assessment of Project Constellation (the "PEA") was completed in early 2016. The PEA contemplates sequential production from an open pit mine at Josemaría (Argentina) followed by a block cave, underground mine at Los Helados (Chile). The two deposits are located approximately 10 kilometres apart, and, it is envisioned that material from both deposits would be processed at a centralized facility. The results of the PEA indicate positive economics and position Project Constellation amongst the largest development projects in South America. According to the PEA, Project Constellation is estimated to produce 150,000 tonnes of copper, 180,000 ounces of gold and 1,180,000 ounces of silver per year for 48 years, and is estimated to have an after-tax NPV (8%) and after-tax IRR of US\$2.61 billion and 16.6%, respectively.

A Technical Report titled "Constellation Project incorporating the Los Helados Deposit, Chile and the Josemaría Deposit, Argentina NI 43-101 Technical Report on Preliminary Economic Assessment" with an effective date of February 12, 2016 and an amended signature date of March 31, 2016 (the "Project Constellation Report") was prepared by Amec Foster Wheeler International Ingeniería y Construcción Limitada ("AMEC") under the direction of Jamie Beck, P. Eng., (NGEx Resources). The report has been filed on SEDAR and is available for review under the Company's profile on SEDAR (www.sedar.com).

The Company has an experienced management team and board with extensive experience in Chile and Argentina and an appropriate mix of geological, engineering, financial, and business skills to advance its projects and to generate value for its shareholders.

The Company's long-term view of the copper market is positive, with the expectation that tightening mine supply, growing demand from developing countries such as China, and increasing world-wide consumer demand for electronic and clean energy technologies, will all contribute to stronger prices and require the development of new greenfield mining projects. The Company's strategy is to create value for its shareholders by expanding and increasing the quality of its resources through successful exploration and advancing the engineering and other studies that are required to prepare its projects for eventual development by the Company and its partners or by third parties. The overall objective is to position the Company as a top tier copper industry investment.

THIRD QUARTER 2017 HIGHLIGHTS

- The Company continues to take advantage of opportunities to add value to Project Constellation by evaluating lower cost development options, testing the potential to recover gold from the oxide cap at Josemaría by heap leaching, and continuing baseline environmental studies.
- The Company is actively working on building its project portfolio with a focus on copper-gold projects in Chile and Argentina and evaluating a number of other exploration projects in Argentina for potential acquisition.

OUTLOOK

During the remainder of 2017, the Company will assess future development options and continue to optimize and de-risk Project Constellation (the "Project") and explore options to advance the Project toward eventual development, including more active engagement with potential development partners or acquirers.

In addition, work is planned to explore the varied development options that the Project provides. Specifically, the Company will seek opportunities to add value, at modest costs, by:

- Continuing to look for opportunities to optimize the engineering studies;
- Continuing ongoing environmental baseline data collection surveys; and
- Exploring potential regional synergies and cooperative development plans with other regional operators to use spare capacity of processing plants and infrastructure, including port facilities. Innovative development concepts, such as those used at Teck & Goldcorp's NuevaUnión Project, open up the potential for sharing infrastructure on a regional scale by connecting deposits via long distance materials handling 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 Los Helados and Josemaría. The Company's ongoing project evaluation program included data reviews and several field visits to a number of mineral projects. The Company will continue to pursue opportunities to add high quality new copper-gold exploration projects to its existing portfolio in South America.

SUMMARY OF QUARTERLY RESULTS

Financial Data for 8 Quarters								
Three Months Ended	Sept-17 <i>(3rd qtr)</i>	Jun-17 <i>(2nd qtr)</i>	Mar-17 <i>(1st qtr)</i>	Dec-16 <i>(4th qtr)</i>	Sept-16 <i>(3rd qtr)</i>	Jun-16 <i>(2nd qtr)</i>	Mar-16 <i>(1st qtr)</i>	Dec-15 <i>(4th qtr)</i>
(In thousands \$ except for per share amounts)								
Exploration and project investigation expenses	868	864	1,937	810	1,880	1,052	2,275	2,740
Net loss / (income)	1,446	1,713	3,250	993	(27,812)	2,113	3,371	1,701
Cash flow used in operating activities	1,240	1,440	2,679	440	2,826	2,618	3,166	1,933
Total basic and diluted (income) / loss per share (i)	0.01	0.01	0.02	(0.00)	(0.14)	0.01	0.02	0.01

(i) As a result of rounding the sum of the quarterly amounts may differ from the year to date.

Changes in net losses and cash flow used in operating activities for the quarter are primarily affected by the level of exploration activity during that period. As camp activities, including drilling, are generally not carried out during the winter season in South America, exploration expenditures and cash flow used in operations are typically lower during the second and third quarter of each year compared to other quarters. The amount of cash resources available and timing of financing also affect the extent of exploration programs and the costs incurred in a given period.

The completion of the spin out of Filo Mining Corp. ("Filo Mining") during the third quarter of 2016 resulted in the recognition of a \$30 million gain and \$28 million net income for that period. Post spin-out exploration expenditures and cash flow used in operating activities were lower than the previous quarters as the results of operations excluded costs incurred on the Filo del Sol project. No significant drilling program has occurred since the completion of the PEA for Project Constellation in the first quarter of 2016, as the Company's focus during 2016 was the spin out of the Filo del Sol Project and adding value to Project Constellation at modest costs.

2017 FINANCIAL UPDATE

The Company's net losses for the three and nine months ended September 30, 2017 totaled \$1.4 million and \$6.4 million, respectively. The \$30 million gain on the spin-off transaction in 2016 resulted in a net income of \$27.8 million and \$22.3 million for the three and nine months ended September 30, 2016.

The reduction in exploration expenditures and net loss for the three and nine month period in 2017, relative to 2016, reflect the exclusion of Filo del Sol costs from the Company's 2017 results subsequent to the completion of the spin out of Filo del Sol. Reduction in general and administration ("G&A") costs for the three and nine month period in 2017 relative to 2016 were primarily due to additional professional and corporate costs incurred in 2016 to execute and complete the spinout, as well as recognizing a larger share-based compensation charge in 2016 as a result of the spinout. During 2017, the Company is benefiting from cost savings realized from sharing certain G&A corporate costs with Filo Mining during the

year. A new Argentine legislation exempting the Company from making net worth tax payments over a two-year period starting in 2017 brings \$0.3 million in annual cost savings for the Company. The increase in foreign exchange loss during the third quarter of 2017 mainly reflects the unrealized loss associated with holding excess cash in the US dollar, which weakened relative to the Canadian dollar as at September 30, 2017.

LIQUIDITY AND CAPITAL RESOURCES

(In thousands \$)	September 30, 2017	December 31, 2016
Cash and cash equivalents	\$ 5,048	11,185
Working capital	4,542	10,746

At September 30, 2017, the Company had cash and working capital of \$5.0 million and \$4.5 million, respectively, compared to cash and working capital of \$11.2 million and \$10.7 million, respectively, at December 31, 2016. The decrease in cash and working capital was attributable to ongoing exploration activities and corporate working capital expenditures during the first nine months of 2017.

As the Company currently does not have any sources of revenue, losses are expected to continue. The Company has a history of obtaining the necessary financing to fund its budgeted exploration and ongoing general and administrative expenditures. Such funding has been primarily from equity financing, joint ventures, disposition of mineral properties and investments. Factors that could affect the availability of financing include the progress and results of our exploration properties and programs, the state of international debt and equity markets, investor perceptions and expectations and the global financial and commodity markets. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. Based on the amount of funding raised, the Company's exploration programs may be tailored accordingly.

On November 9, 2017, the Company obtained an US\$1,000,000 unsecured short-term credit facility from an insider of the Company (the "Facility") to provide additional financial flexibility to fund general corporate purposes. The Company will issue 14,000 common shares to the lender as consideration for providing the Facility in lieu of fees, subject to regulatory approval. In addition, the Company will issue 700 common shares per US\$50,000 of the Facility drawn down and outstanding each month. There is no interest payable in cash during the term of the Facility. The Company has not drawn on the Facility as of November 9, 2017. All securities issued in conjunction with the Facility are subject to a four-month hold period under applicable securities law.

RELATED PARTY TRANSACTIONS

a) Related party services and balances

The Company has a cost sharing arrangement with Filo Mining, a related party by way of providing key management personnel services to the Company. Filo Mining was incorporated during 2016 and spun out of the Company as a separate legal entity. Under the terms of this arrangement, Filo Mining provides executive management and personnel services to NGEEx, while NGEEx provides Administrative services to Filo Mining. These transactions were in the normal course of operations.

	Nine months ended September 30,	
	2017	2016
Administrative services provided to Filo Mining	\$ 40,261	122,930
Executive management and personnel services received from Filo Mining	(1,074,834)	(98,512)

The amounts due to/from Filo Mining and the components of the consolidated balance sheets in which they are included, are as follows:

	September 30, 2017	December 31, 2016
Receivables and other assets	\$ 17,577	56,025
Trade payables and accrued liabilities	(234,225)	(222,049)

b) Key management compensation

The key management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities of the Company and include the Board of Directors and members of the executive management team. Total compensation expense for key management personnel, and the composition thereof, is as follows:

	Nine months ended September 30,	
	2017	2016
Salaries and other payments	\$ 954,525	\$ 493,700
Employee benefits	18,270	33,975
Director fees	120,750	50,250
Share-based compensation	327,610	523,396
	\$ 1,421,155	\$ 1,101,321

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and expenditures on the financial statements. These estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience. Actual results could differ from those estimates and such differences could be material. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

A detailed description of the Company's critical accounting estimates is provided in Note 4 of the audited Consolidated Financial Statements for the year ended December 31, 2016 and in the Critical Accounting Estimates section of the Company's 2016 annual MD&A.

OUTSTANDING SHARE DATA

As at the date of this MD&A, the Company had 213,658,963 common shares outstanding and 6,270,000 share options outstanding under its stock-based incentive plans.

FINANCIAL INSTRUMENTS

The Company classifies its financial instruments as either held-to-maturity, available-for-sale, held for trading, loans and receivables or other financial liabilities. The Company's financial instruments consist of cash and cash equivalents, receivables and other assets, investments, trades payable and accrued liabilities, and amounts due to joint exploration partners. With the exception of investments, the carrying value of its financial investments approximates their fair value due to their immediate or short-term maturity. The fair value of investments is determined directly by reference to quoted market prices in active markets. The Company's financial instruments are exposed to certain financial risks, including credit, market, liquidity and currency risks.

Credit risk associated with cash and cash equivalents is minimal as the Company deposits the majority of its cash with a large Canadian financial institution that has been accorded a strong investment grade rating by a primary rating agency.

Liquidity risk is minimized through the management of its capital structure and careful reviews of its expenditures and cash position on a monthly basis.

Foreign currency risk associated with the Company raising its capital in Canadian dollar while managing foreign operations in South America and incurring its major expenditures in foreign currencies is minimized by maintaining most of its cash in U.S. dollars. The Company does not enter into derivative financial instruments to manage its exposure.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Audit Committee is responsible for reviewing the contents of this document along with the interim quarterly financial statements to ensure the reliability and timeliness of the Company's disclosure while providing another level of review for accuracy and oversight.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosure.

The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. However, due to inherent limitations, internal control over financial reporting may not prevent or detect all misstatements or fraud.

There have not been any changes in the Company's disclosure controls and procedures and the internal control over financial reporting that occurred during the nine months ended September 30, 2017 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations of controls and procedures

The Company's management believes that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any control system also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

RISKS AND UNCERTAINTIES

The Company's operations are speculative due to the high-risk nature of its business which includes the acquisition, financing, exploration, and development of mining properties. The Company and its business are subject to a number of risks and other uncertainties, which should be taken into account in assessing the Company's activities, and include, but are not necessarily limited to, those discussed in the "Risk Factors" section of the 2016 Annual Information Form, which is available on SEDAR at www.sedar.com. A detailed discussion of the Company's risk management process can be found in the "Risk and Uncertainties" section of the Company's 2016 Annual Information Form. There have been no material changes in the risks and uncertainties affecting the Company that were discussed in the Company's 2016 Annual Information Form, which was filed on SEDAR at www.sedar.com.

QUALIFIED PERSON

The technical information in this MD&A has been reviewed by Mr. Bob Carmichael, P. Eng. (BC). Mr. Carmichael is NGEx's Vice President of Exploration and a Qualified Person under National Instrument 43-101 Standards of Disclosure for Mineral Projects. Technical disclosure related to the engineering studies has been reviewed by James Beck, P. Eng. (ON). Mr. Beck is the Company's Vice President of Corporate Development and Projects and a Qualified Person under National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101).

FINANCIAL INFORMATION

The report for the year ended December 31, 2017 is expected to be published on February 21, 2018.

OFF BALANCE SHEET AGREEMENTS

The Company has no off-balance sheet arrangements.

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION AND STATEMENTS

Certain statements made and information contained herein in the MD&A 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 MD&A is based on information available to the Company as of the date of this MD&A. 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 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, 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. uncertainties and other factors, including, without limitation, those referred to in the "Risks and Uncertainties" section of the MD&A, the Company's Annual Information Form for the year ended December 31, 2016, 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 MD&A 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 MD&A. In particular, this MD&A contains forward-looking statements or information with respect to the anticipated use of proceed from the Facility, the ability of the Company to satisfy the conditions of the Debenture including repayment of the Facility upon its maturity and the issuance of shares thereunder, and the timing and success in obtaining requisite regulatory approvals, the evaluation of additional properties for potential acquisitions; terms and conditions of a credit Facility; the potential development or sale to a third party of the Constellation Project; cost estimates and other assumptions used in the PEA and expectations from the PEA; the Company's expectations and estimates with respect to cost estimates and other assumptions used in the PEA and expectations from the PEA; the assumptions used in the updated mineral resources estimates for the Los Helados and Josemaría projects; exploration and development expenditures; the timing and nature of any potential development scenarios; opportunities to improve project economics; potential regional synergies and cooperative development plans with other regional operators, exploration targets, the potential recovery of gold from the oxide cap at Josemaría, the potential acquisition of new copper-gold exploration projects, estimations for copper and other commodity prices, mineral resources, costs, success of exploration activities; expectations with regard to adding to mineral resources through exploration; permitting time lines; ability to obtain surface and water 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.

NGEx Resources Inc.
Condensed Interim Consolidated Balance Sheets
(All amounts expressed in Canadian Dollars, unless otherwise indicated.)

	<i>Note</i>	September 30, 2017	December 31, 2016
ASSETS			
Current assets:			
Cash and cash equivalents		\$ 5,047,745	\$ 11,185,093
Investments		441,095	606,026
Receivables and other assets		347,769	357,822
		5,836,609	12,148,941
Share consideration receivable		436,210	385,600
Equipment and other assets		89,943	111,729
Mineral properties	<i>3</i>	6,268,261	6,321,915
TOTAL ASSETS		\$ 12,631,023	\$ 18,968,185
LIABILITIES			
Current liabilities:			
Trade payables and accrued liabilities		\$ 1,294,926	\$ 1,345,105
Due to joint exploration partner		-	58,261
		1,294,926	1,403,366
Due to joint exploration partner		750,969	815,102
TOTAL LIABILITIES		2,045,895	2,218,468
EQUITY			
Share capital	<i>4</i>	231,947,106	231,912,760
Contributed surplus	<i>5</i>	10,191,060	9,673,280
Deficit		(222,935,610)	(216,526,131)
Accumulated other comprehensive loss		(8,617,428)	(8,310,192)
TOTAL EQUITY		10,585,128	16,749,717
TOTAL LIABILITIES AND EQUITY		\$ 12,631,023	\$ 18,968,185

Subsequent Event (Note 9)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

ON BEHALF OF THE BOARD:

/s/William A. Rand
Director

/s/Wojtek A. Wodzicki
Director

NGEx Resources Inc.

Condensed Interim Consolidated Statements of Comprehensive Loss / (Income)

(All amounts expressed in Canadian Dollars, unless otherwise indicated.)

	<i>Note</i>	Three months ended September 30,		Nine months ended September 30,	
		2017	2016	2017	2016
Expenses					
Exploration and project investigation	6	868,123	1,879,595	3,669,312	5,206,766
General and Administration:					
Salaries and benefits	7	204,092	171,388	1,269,321	581,703
Share-based compensation	5	59,550	258,638	397,036	598,052
Management fees		47,700	74,000	143,100	250,000
Professional fees		56,487	239,532	221,120	675,090
Travel		325	2,892	20,959	37,146
Promotion and public relations		33,594	47,665	101,206	150,658
Office and general		22,445	132,481	248,416	378,605
Operating loss		1,292,316	2,806,191	6,070,470	7,878,020
Other items					
Interest income		(12,574)	(7,415)	(46,540)	(31,442)
Foreign exchange loss / (gain)		183,538	(27,682)	210,017	184,004
Recognition of unrealized loss on investment		-	-	226,142	-
Accretion of share consideration receivable		(16,870)	(37,649)	(50,610)	(112,947)
Other expenses		-	10,274	-	374,692
Gain on investments		-	(523,256)	-	(587,813)
Gain on spin-off transaction		-	(30,032,471)	-	(30,032,471)
Net Loss / (Income)		1,446,410	(27,812,008)	6,409,479	(22,327,957)
Other Comprehensive Loss					
Items that may be reclassified subsequently to net loss/(income):					
Change in fair value of available-for-sale securities		(61,211)	(454,494)	164,931	(1,142,973)
Recognition of unrealized loss on investments to P&L		-		(226,142)	-
Recycle gain on investments		-	526,000	-	574,000
Foreign currency translation adjustment		179,928	(9,093)	368,447	1,190,703
Comprehensive Loss / (Income)		\$ 1,565,127	\$ (27,749,595)	\$ 6,716,715	\$ (21,706,227)
Basic and diluted loss/(income) per common share					
		\$ 0.01	\$ (0.14)	\$ 0.03	\$ (0.11)
Weighted average common shares outstanding		213,495,267	205,078,626	213,484,733	201,435,444

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

NGEx Resources Inc.
Condensed Interim Consolidated Statements of Cash Flows
(All amounts expressed in Canadian Dollars, unless otherwise indicated.)

	For the nine months ended September 30,	
	2017	2016
Cash flows used in operating activities		
Net (loss) / income for the period	\$ (6,409,479)	\$ 22,327,957
Items not involving cash and cash equivalents:		
Depreciation	18,918	21,294
Share-based compensation	526,576	818,726
Unrealized foreign exchange loss	211,534	64,513
Other expenses	-	10,444
Unrealized loss on investments	226,142	-
Gain on disposition and exchange of investments	-	(587,813)
Accretion of share consideration receivable	(50,610)	(112,947)
Gain on spin-off transaction	-	(30,032,471)
Net changes in working capital items:		
Receivables and other	64,060	80,662
Trade payables and accrued liabilities	175,853	(1,087,839)
Due to joint exploration partners	(122,392)	(112,780)
	(5,359,398)	(8,610,254)
Cash flows from financing activities		
Private placement	-	10,548,706
Share issuance from option exercise	25,550	113,767
Cash paid in connection with the Arrangement	-	(3,048,616)
	25,550	7,613,857
Cash flows used in investing activities		
Mineral properties and related expenditures	(530,140)	(264,098)
Proceeds from disposition and exchange of investments	-	700,350
	(530,140)	436,252
Effect of exchange rate change on cash and cash equivalents	(273,360)	(98,998)
Decrease in cash and cash equivalents during the period	(6,137,348)	(659,143)
Cash and cash equivalents, beginning of period	11,185,093	2,112,705
Cash and cash equivalents, end of period	\$ 5,047,745	\$ 1,453,562

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

NGEx Resources Inc.
Condensed Interim Consolidated Statements of Changes in Equity
(All amounts expressed in Canadian Dollars, unless otherwise indicated.)

	Number of shares issued and outstanding	Number of shares reserved for issuance	Share capital	Reserved for issuance	Contributed surplus	Accumulated other comprehensive loss	Accumulated Deficit	Total
Balance, January 1, 2017	213,473,963	-	\$ 231,912,760	\$ -	\$ 9,673,280	\$ (8,310,192)	\$ (216,526,131)	\$ 16,749,717
Share-based compensation	-	-	-	-	526,576	-	-	526,576
Exercise of stock options	35,000	-	34,346	-	(8,796)	-	-	25,550
Change in fair value of available-for-sale securities	-	-	-	-	-	(164,931)	-	(164,931)
Recognition of unrealized loss on investments to P&L	-	-	-	-	-	226,142	-	226,142
Foreign currency translation adjustment	-	-	-	-	-	(368,447)	-	(368,447)
Net loss for the period	-	-	-	-	-	-	(6,409,479)	(6,409,479)
Balance, September 30, 2017	213,508,963	-	\$ 231,947,106	\$ -	\$ 10,191,060	\$ (8,617,428)	\$ (222,935,610)	\$ 10,585,128
Balance, January 1, 2016	187,712,994	20,240	\$ 250,063,406	\$ 1,284	\$ 8,955,949	\$ (7,328,884)	\$ (237,861,437)	\$ 13,830,318
Private placement	17,333,333	-	10,548,706	-	-	-	-	10,548,706
Issuance of shares previously reserved	20,230	(20,240)	1,284	(1,284)	-	-	-	-
Debenture financing consideration	17,406	-	10,444	-	-	-	-	10,444
Transfer of net assets pursuant to spin-out	-	-	(38,965,922)	-	-	-	-	(38,965,922)
Share-based compensation	-	-	-	-	818,726	-	-	818,726
Exercise of stock options	156,667	-	152,987	-	(39,220)	-	-	113,767
Recycle gain on investments	-	-	-	-	-	(574,000)	-	(574,000)
Change in fair value of available-for-sale securities	-	-	-	-	-	1,142,973	-	1,142,973
Foreign currency translation adjustment	-	-	-	-	-	(1,190,703)	-	(1,190,703)
Net income for the period	-	-	-	-	-	-	22,327,957	22,327,957
Balance, September 30, 2016	205,240,630	-	\$ 221,810,905	\$ -	\$ 9,735,455	\$ (7,950,614)	\$ (215,533,480)	\$ 8,062,266

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS

NGEx Resources Inc. and its subsidiaries (collectively referred to as the “Company”) are principally engaged in the acquisition, exploration and development of mineral properties located in South America.

The Company is governed by the Canada Business Corporations Act (“CBCA”) and its registered office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, Canada. The Company’s common shares are listed on the Toronto Stock Exchange (“TSX”) and the Nasdaq Stockholm Stock Exchange (Stock symbol “NGQ”).

2. BASIS OF PRESENTATION

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting.

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the fiscal year ended December 31, 2016. The accounting policies applied in the preparation of these unaudited condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company’s audited consolidated financial statements for the year ended December 31, 2016.

These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on November 9, 2017.

NGEx Resources Inc.
Notes to Unaudited Condensed Interim Consolidated Financial Statements
September 30, 2017
(All amounts expressed in Canadian Dollars, unless otherwise indicated.)

3. MINERAL PROPERTIES

	South America					Total
	Project Constellation (Joint Exploration Agreement)		Projects transferred to Filo Mining pursuant to the Arrangement (Note a)		Other Projects (Argentina)	
	Los Helados (Chile)	Josemaria (Argentina)	Filo del Sol (Argentina)	Tamberias (Chile)		
January 1, 2016	\$ 3,136,996	\$ 3,592,359	\$ 4,042,212	\$ 1,998,910	\$ -	\$ 12,770,477
Additions	264,098	-	-	756,519	-	1,020,617
Write-off of mineral property interests	-	-	(74,413)	-	-	(74,413)
Currency translation effect	50,966	(722,504)	(710,885)	(21,310)	-	(1,403,733)
Transferred to Filo Mining pursuant to the Arrangement (Note a)	-	-	(3,256,914)	(2,734,119)	-	(5,991,033)
December 31, 2016	\$ 3,452,060	\$ 2,869,855	\$ -	\$ -	\$ -	\$ 6,321,915
Additions	393,353	-	-	-	136,787	530,140
Currency translation effect	(112,234)	(449,129)	-	-	(22,431)	(583,794)
September 30, 2017	\$ 3,733,179	\$ 2,420,726	\$ -	\$ -	\$ 114,356	\$ 6,268,261

Note a - The Filo del Sol project was transferred to Filo Mining Corp. ("Filo Mining") on August 16, 2016 pursuant to the Plan of Arrangement under the CBCA (the "Arrangement") as described in the audited consolidated financial statements for the fiscal year ended December 31, 2016. Notwithstanding the transfer of the Filo del Sol mineral property to Filo Mining, the remaining obligation due to PPC and the subsequent settlement through future exploration expenditures on the La Rioja Properties resides with the Company and was not transferred to Filo Mining. The La Rioja Properties are held through a subsidiary of NGEx. As at September 30, 2017, the Company has incurred cumulative expenditures totaling US\$37,819 at the La Rioja properties.

4. SHARE CAPITAL

The Company has authorized an unlimited number of voting common shares without par value. All issued shares are fully paid.

5. SHARE OPTIONS

a) Share Option Plan

The Company has a rolling share option plan which reserves an aggregate of 10% of the issued and outstanding shares of the Company for issuance upon the exercise of options granted.

During the nine months ended September 30, 2017, the Company granted a total of 2,010,000 (2016 – 2,060,000) share options to officers, employees, directors and other eligible persons at an exercise price of \$1.37 per share. Stock options have an expiry date of three years and vest over a period of 24 months from date of grant.

The fair value of each option granted is estimated on the date of grant using the Black-Scholes option pricing model with weighted average assumptions and resulting values for grants as follows:

	September 30, 2017	December 31, 2016
Assumptions:		
Risk-free interest rate (%)	0.76	0.43
Expected life (years)	2.50	2.50
Expected volatility (%)	56.96	59.10
Expected dividend	Nil	Nil
Results:		
Weighted average fair value of options granted (per option)	\$ 0.47	\$ 0.22

The total share-based compensation for the three and nine months ended September 30, 2017 totaling \$526,576 (2016 - \$818,726) was presented on the Statement of Comprehensive Loss as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
General and administration	\$ 59,550	\$ 258,638	\$ 397,036	\$ 598,052
Exploration and project investigation	19,430	88,130	129,540	220,674
	\$ 78,980	\$ 346,768	\$ 526,576	\$ 818,726

NGEx Resources Inc.
Notes to Unaudited Condensed Interim Consolidated Financial Statements
September 30, 2017
(All amounts expressed in Canadian Dollars, unless otherwise indicated.)

b) Share Options Outstanding

The following is a summary of the movements in the number of share options outstanding and their related weighted average exercise prices:

	September 30, 2017		September 30, 2016	
	Number of share issuable pursuant to share options	Weighted average exercise price per share	Number of share issuable pursuant to share options	Weighted average exercise price per share*
Balance at beginning of period	6,375,000	\$ 1.08	5,722,500	\$ 1.54
Granted	2,010,000	1.37	2,060,000	0.61
Exercised ⁽¹⁾	(35,000)	0.76	(156,667)	0.75
Forfeited	-	-	(83,334)	1.61
Expired	(1,930,000)	2.05	(896,666)	2.30
Balance at end of period	6,420,000	\$ 0.96	6,645,833	\$ 1.17

* The weighted average exercise prices for all options granted prior to the completion of the Arrangement on August 16, 2016 are before the exercise price adjustment applied pursuant to the Arrangement as described in the 2016 Annual Report. The exercise prices were adjusted at the time of the Arrangement such that the aggregate In-the-Money amounts for the outstanding options remain the same after the Arrangement.

⁽¹⁾ The weighted average share price on the exercise date for the share options exercised during the nine months ended September 30, 2017 was \$0.97.

The following table summarizes information about the outstanding and exercisable share options at September 30, 2017:

Range of exercise prices	Outstanding Options			Exercisable Options		
	Number of options outstanding	Weighted average remaining contractual life (years)	Weighted average exercise price	Number of options exercisable	Weighted average remaining contractual life (years)	Weighted average exercise price
\$0.50 - \$0.70	1,865,000	1.30	\$ 0.61	1,865,000	1.30	\$ 0.61
\$0.71 - \$0.84	250,000	1.15	\$ 0.79	250,000	1.15	\$ 0.79
\$0.84 - \$0.95	2,295,000	0.57	\$ 0.89	2,295,000	0.57	\$ 0.89
\$0.96 - \$1.50	2,010,000	2.40	\$ 1.37	670,009	2.40	\$ 1.37
	6,420,000	1.38	\$ 0.96	5,080,009	1.36	\$ 0.85

NGEx Resources Inc.
Notes to Unaudited Condensed Interim Consolidated Financial Statements
September 30, 2017
(All amounts expressed in Canadian Dollars, unless otherwise indicated.)

6. EXPLORATION AND PROJECT INVESTIGATION

The Company expensed the following exploration and project investigation costs, all incurred for the South America operations:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Project Constellation (Los Helados)	\$ 353,633	\$ 1,068,477	\$ 2,017,559	\$ 1,918,218
Project Constellation (Josemaria)	91,793	74,939	649,012	289,260
Others	422,697	53,092	1,002,741	894,550
The Filo del Sol Project *	-	683,087	-	2,104,738
	\$ 868,123	\$ 1,879,595	\$ 3,669,312	\$ 5,206,766

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Land holding costs	\$ 44,121	\$ 860,926	\$ 1,069,235	\$ 1,135,403
Drilling, fuel, camp costs and field supplies	79,118	28,609	315,340	322,987
Roadwork, travel and transport	57,831	30,981	165,308	98,969
Engineering studies, consultants, geochemistry and geophysics	13,488	15,294	100,934	196,691
Environmental and community relations	134,579	23,879	379,337	188,965
VAT, other taxes and fees	101,371	17,682	485,681	124,984
Office and general, salaries, and overhead	418,185	184,750	1,023,937	923,732
Share-based compensation	19,430	34,387	129,540	110,297
	868,123	1,196,508	3,669,312	3,102,028
The Filo del Sol Project *	-	683,087	-	2,104,738
	\$ 868,123	\$ 1,879,595	\$ 3,669,312	\$ 5,206,766

* These were costs, including share-based compensation, attributable to the Filo del Sol project during fiscal 2016 which were transferred to Filo Mining on August 16, 2016 pursuant to the Arrangement.

7. RELATED PARTY TRANSACTIONS

a) Related party services and balances

NGEx has a cost sharing arrangement with Filo Mining, a related party by way of providing key management personnel services to the Company. Filo Mining was incorporated during 2016 and spun out of the Company as a separate legal entity pursuant to the Arrangement. Under the terms of this arrangement, Filo Mining provided executive management and personnel services to NGEx, while NGEx provided administrative services to Filo Mining. These transactions were in the normal course of operations.

	Nine months ended September 30,	
	2017	2016
Administrative services provided to Filo Mining	\$ 40,261	122,930
Executive management and personnel services received from Filo Mining	(1,074,834)	(98,512)

The amounts due from/to related parties by the Company, and the components of the consolidated statement of financial position in which they are included, are as follows:

	September 30,	December 31,
	2017	2016
Receivables and other assets	\$ 17,577	\$ 56,025
Trade payables and accrued liabilities	(234,225)	(222,049)

b) Key management compensation

The key management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities and consist of the Board of Directors and members of the executive management team. Total compensation expense for key management personnel, and the composition thereof, is as follows:

	Nine months ended September 30,	
	2017	2016
Salaries and other payments	\$ 954,525	\$ 493,700
Employee benefits	18,270	33,975
Director fees	120,750	50,250
Share-based compensation	327,610	523,396
	\$ 1,421,155	\$ 1,101,321

8. SEGMENTED INFORMATION

The Company is principally engaged in the acquisition, exploration and development of mineral properties in South America. The segments presented below together with the mineral property information presented in Note 3 and Note 6 reflects the way in which management reviews its business performance. Operating segments are reported in a manner consistent with internal reporting provided to executive management who act as the chief operating decision-makers. The Chief Executive Officer is responsible for allocating resources and assessing performance of the operating segments.

The geographic distribution of the non-current assets is as follows:

	At September 30, 2017		At December 31, 2016	
	Equipment and other assets	Mineral properties	Equipment and other assets	Mineral properties
Canada	\$ 79,675	\$ -	\$ 93,400	\$ -
South America	10,268	6,268,261	18,329	6,321,915
	<u>\$ 89,943</u>	<u>\$ 6,268,261</u>	<u>\$ 111,729</u>	<u>\$ 6,321,915</u>

9. SUBSEQUENT EVENT

On November 9, 2017, the Company obtained an US\$1,000,000 unsecured short-term credit facility from an insider of the Company (the "Facility") to provide additional financial flexibility to fund general corporate purposes. The Company will issue 14,000 common shares to the lender as consideration for providing the Facility in lieu of fees, subject to regulatory approval. In addition, the Company will issue 700 common shares per US\$50,000 of the Facility drawn down and outstanding each month. There is no interest payable in cash during the term of the Facility. The Company has not drawn on the Facility as of November 9, 2017. All securities issued in conjunction with the Facility are subject to a four-month hold period under applicable securities law.



Corporate Directory

Company Head Office

Suite 2000 - 885 West Georgia Street
Vancouver, British Columbia V6C 3E8
Canada
Phone: (604) 689-7842
Fax: (604) 689-4250

Registered and Records Office

2200-885 West Georgia St.
Vancouver, British Columbia
Canada, V6C 3E8

Auditors - Pricewaterhouse Coopers LLP

Vancouver, British Columbia
Canada

Registrar and Transfer Agent Computershare Trust Company of Canada

Vancouver, British Columbia
Canada
Phone: (604) 661-9400

Officers

Dr. Wojtek Wodzicki, President and CEO
Bob Carmichael, Vice President Exploration
Jamie Beck, Vice President Corporate
Development and Projects
Joyce Ngo, Chief Financial Officer
Julie Kemp, Corporate Secretary

Directors

Lukas H. Lundin, Chairman (non-executive)
Jack Lundin
David Mullen
Cheri Pedersen
William Rand, Lead Director
Dr. Wojtek Wodzicki

Solicitors - Cassels Brock

Vancouver, British Columbia
Canada

Share Listing

TSX - (NGQ)
CUSIP number 65339B100
Nasdaq Stockholm - (NGQ)
ISIN number CA65339B1004