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## NEWS RELEASE

# NGEx Signs Agreement With Namibian Copper on Eritrean Base Metal Projects

**January 17, 2012...** NGEx Resources Inc. (TSX:NGQ) ("NGEx") is pleased to announce that it has entered into a definitive agreement (the "Agreement") whereby Namibian Copper NL ("Namibian Copper") of North Perth, Western Australia will acquire Sanu Resources, Inc. ("Sanu"), a wholly owned indirect subsidiary of NGEx (the "Transaction"). Sanu holds certain exploration licenses in Eritrea including the Hambok copper-zinc deposit (the "Property"). Please see the NI 43-101 Technical Report on the Hambok Deposit, dated January 23, 2009 and filed at [www.sedar.com](http://www.sedar.com) for details.

Pursuant to the Agreement, Namibian Copper will acquire all of the issued and outstanding shares of Sanu for consideration of 50,000,000 ordinary shares of Namibian Copper (the "Shares"). Upon completion of the transaction, Sanu will be a wholly-owned subsidiary of Namibian Copper and it is anticipated that NGEx will be the largest single shareholder of Namibian Copper with approximately 40% of its share capital. The Shares will be subject to an escrow agreement in the form prescribed by Appendix 9A of the Australian Stock Exchange ("ASX") listing rules. A further Contingent Payment of \$7,500,000 to NGEX is due upon the commencement of commercial mining operations, however, if prior to the commencement of commercial mining operations, a third party acquires 50% or more of the outstanding voting or equity securities of Namibian Copper or any one or more of its subsidiaries (including Sanu), then 50% of the Contingent Payment will be immediately due and payable to NGEX, with the balance of the Contingent Payment due upon the commencement of commercial mining operations. In addition NGEx will be reimbursed for certain costs incurred from June 1, 2011 to the closing date under an ongoing work program on the Property. The Transaction is subject to certain conditions precedent including any shareholder approval under the Australian Corporations Act 2001 and any approvals under the ASX Listing Rules for the issue of the shares and will not close until all conditions are satisfied.

Commenting on the Transaction, Wojtek Wodzicki, President and CEO of NGEx, said, "The agreement with Namibian Copper is positive for both companies. It will allow NGEx to focus on its South American copper-gold projects including Los Helados in Chile, while maintaining exposure to the upside potential of the Eritrean projects through a substantial shareholding in Namibian Copper. Namibian Copper has a strong and experienced management team with significant project development experience in Africa. We believe that they are well placed to aggressively move the projects forward to the benefit of their shareholders and those of NGEx as well as the people and government of Eritrea. We look forward to their success."

In conjunction with the decision to focus on its South American projects NGEx has relinquished its Bada potash exploration license in Eritrea. The objective of the Company's exploration program at Bada was to test for shallow potash mineralization. Wide-spaced exploration drilling conducted in 2011 encountered thick sections of overburden and did not intersect potash or other salt units.

On behalf of the Board,

Dr. Wojtek Wodzicki  
President and CEO

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

### **Cautionary Statement Regarding Forward-looking Information**

This press release contains forward-looking statements that involve risks and uncertainties. These forward-looking statements relate to, among other things, expectations contained in this press release that are not historical fact. NGEx's expectations regarding the Agreement depends in part on Namibian Copper's ability to raise capital from private investors. When used in this press release, the words "plan", "expect", "believe", and similar expressions generally identify forward-looking statements. These statements reflect NGEx's current expectations. They are subject to a number of risks and uncertainties, including, but not limited to, the failure by either party to satisfy any of the conditions precedent to completion. In light of the risks and uncertainties surrounding the option, investors should understand that the Company cannot assure investors that the forward-looking statements contained in this press release will be realized.