

Exploration News

Codelco (state-owned)

Plans to drill around 120,000m around its El Teniente division in Region VI to detect and confirm the existence of mineral resources which could justify the development of new projects in the district. The work is expected to cost US\$50M and take 10 years to complete with drilling beginning next December. The work was detailed in an Environmental Impact Study entitled Geological Prospecting Plan 2016-2026 submitted to the Environmental Impact Assessment System and covers an area totalling 2,633h to the N and S of the El Teniente mine. The six areas are La Huifa, Camino Puquios, Quebrada Teniente and Quebrada Coya (to the north) and Entorno Rajo Sur, Agua Amarga and Quebrada Matadero (to the south).

La Huifa: Calcopryrite, bornite, Cu Oxides (45,000m), October 2016-April 2019.

Camino Puquios: Porphyry-dioritic bodies associated with tourmaline breccia and, in at least one, Cu oxides (30,000m), October 2019-April 20121

Quebrada Teniente: Resources associated with El Teniente deposit. (20,000m) October 2021-April 2023

Quebrada Coya: Geology similar to other areas of El Teniente, (5,000m) October 2023-April 2024.

Rajo Sur: To the S of the El Teniente crater. (12,000m) October 2024-April 2025.

Agua Amarga and Quebrada Matadero: Both areas contain an epothermal system featuring moderate-to-intense quartz-sericitic alteration-mineralization. (8,000m) October 2025-April 2026.

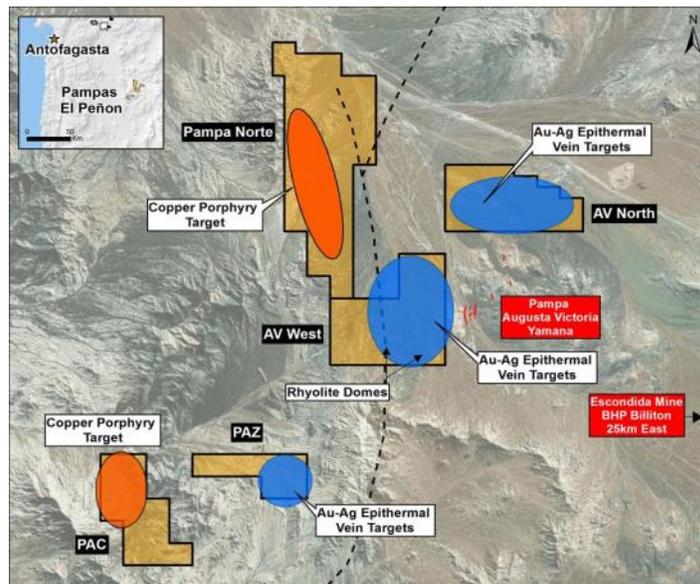


Codelco's El Teniente division in Region VI

Arena Minerals (TSXV: AN)

Has opened negotiations with Rouge Resources (TSXV: ROU) to sell its Pampa El Peñon Au project in Region II. AN plans to transfer its stake, held through two option agreements with SQM (NYSE: SQM), to ROU in exchange for 8.6M ROU shares and the payment of US\$750,000 in cash and a commitment to spend US\$1.8M on the project, reflecting ANs outstanding commitments under the options. "We are very pleased to enter into this transaction with ROU. The disposition of ANs interest in Pampas El Peñon is consistent with ANs prospector generator model of leveraging partners' capital to advance projects while still generating economic benefit for AN shareholders," said AN CEO William Randall. The LoI between AN and ROU is subject to ROU raising at least US\$2.5M through a private placement. Pampas El Peñon covers 3,400h over 13 claims and lies N and W of Yamana Gold's (TSX: YRI) Pampa Augusta Victoria mine that forms part of the El Peñon mine complex (2015 production: 227,000oz Au, 7.7Moz Ag).

To date, AN and SQM have invested more than US\$1M in mapping, sampling, trenching and limited near-surface drilling designed to define the location of epithermal Au-Ag veins.



ANs Pampa El Peñon Project in Region II

NGEx Resources (TSXV: NGQ)

Plans to transfer its Filo del Sol Ag-Cu-Au Project, located in Region III and the Argentinean province of San Juan, to its subsidiary Filo Mining Corp. The transaction forms part of a restructuring plan designed to offer improved value to shareholders and focus on its 60%-owned Constellation project, which is also located on the border between the two countries. "For the last several years investors have understandably focused on the opportunity provided by the Constellation Project. The proposed spinout will allow NGQ to focus on further advancement of the Constellation Project and on continued efforts to lay the groundwork to enable development of this project," said CEO Wojtek Wodzicki. In addition to the transfer of the project, the deal includes the payment of US\$3M in cash. NGQ will also distribute all Filo Mining shares to its shareholders at the rate of one share of Filo Mining for every four NGQ shares held at the moment the deal is closed, scheduled for mid-August. Lukas Lundin will become chairman of Filo Mining, Wojtek Wodzicki will continue as CEO, Joyce Ngo will become CFO and Bob Carmichael, VP Explorations.

Auryn Mining Chile SpA (private)

Has begun the preparation of a mine located on the Caren property, part of its Alto de Lipangue project in the Metropolitan Region. The work, which is being led by Peruvian specialists, will take approximately two months to complete and after which production will begin. Auryn Mining Chile SpA acquired 100% of the mining rights in exchange for 25M shares as agreed under a MoU signed with Medinah Mining Chile and Medinah Minerals (OTCBB-Pink: MDMN). The mine is permitted to produce up to 5,000tpm @ 15g/t Au but capacity could be lifted within 6-8 months. Auryn plans to produce 5,000oz Au by end-2016 and 25,000oz Au in 2017. Revenue from the Caren mine will provide the funds to advance exploration work at Pegaso Negro and drilling work on the Merlin-Fortuna targets. Meanwhile, Gary Goodin, lawyer and director of MDMN has been named to board of Auryn Minería Chile SpA. MDMN owns 25% of Auryn Minería Chile SpA.