

To our shareholders,

The past year was one of significant positive changes for the Company. We believe that the consolidation of three of the Lundin Group's junior exploration companies, Canadian Gold Hunter, Suramina and Sanu, into NGEX has created a company that is very well positioned to benefit from several powerful long term trends affecting both the global economy and the mining industry.

- Despite the disruption caused by the financial crisis, the underlying fundamentals that drove the commodity boom through the last decade remains intact. Increasing demand for commodities, driven by growth in developing economies, is paired with a general lack of significant new discoveries to replace resources that continue to be depleted through mining of existing deposits. This story is particularly robust for copper and gold.
- Reserve replacement is increasingly difficult for the major mining companies who have reduced in-house exploration and increasingly rely on acquisitions to replace and add to reserves. This trend is particularly acute for gold companies who are more and more turning to porphyry copper gold deposits to replace mined ounces.
- Companies from Asia have emerged as strong competitors for the acquisition of large, long life resources located anywhere in the world, but particularly on the Pacific basin.

All of the above will make an exploration company that controls copper-gold deposits with access to Pacific tidewater and good exploration potential particularly valuable in the coming years. This underpins the investment case for NGEX which controls significant copper-gold resources in North and South America as well as copper-zinc-gold resources in Africa. NGEX's combined resource base of 673 million pounds of copper and 833,000 ounces of gold in Measured and Indicated Resources and, 4.4 million pounds of copper and 4.8 million ounces of gold in Inferred Resources, located in attractive mining jurisdictions, with significant exploration upside are likely to be of great interest to a wide variety of mining companies and this in time has the potential to deliver significant value for NGEX shareholders.

The merger of the three regional exploration companies resulted in a very large and diverse portfolio. Over the six months since completing the transactions that created NGEX we have ranked our projects and prioritized those which have the best potential to create value through investing our own exploration dollars. We believe that can best be done on our copper and copper-gold projects and particularly those where we can add value to existing resources, Our current areas of focus are:

- Porphyry copper-gold projects in South America
  - Los Helados, Chile
  - Josemaria, Argentina
- Copper-gold ± (zinc) massive sulfide projects in Eritrea
  - Hambok and surrounding license

We are also funding smaller earlier stage programs that have the potential to generate this type of project in the future including a copper project in Congo and copper projects in Chile.

It is not practical to fund or staff all of our exploration ideas and therefore we have an ongoing successful effort to attract partners and realize value for good ideas that we are not funding ourselves. Divestments and partnerships are an important source of additional funding that does not dilute existing shareholders and allows us maintain exposure to a wider variety of projects in a cost effective manner. Approximately 30% of our total exploration budget comes from partners such as JOGMEC who are our partners in South America. In the course of the year, we divested our interest in the Caballo Blanco gold Project in Mexico and the Nyieme gold project in Burkina Faso. There will be additional divestments as we complete ongoing discussions regarding other projects where we feel we can add value and decrease risk by bringing in partners. Where possible we plan to retain a share in the upside of projects that we like by retaining a partial interest, taking payment in shares and/or retaining royalties.

As a result of income from divestments, primarily the sale of Caballo Blanco, and an \$8.7 million financing completed late last year, the Company is well funded and can fund all its existing programs as well as take advantage of new opportunities, or follow up on success in any of its existing programs.

Our long term goal for NGEX is to create significant market value by acquiring or discovering a project with major exploration potential and defining a world class resource. The acquisition or discovery of a flagship project is a major objective for 2010. We believe that we can best do this by focusing on projects that are between the discovery and resource stage. It does not matter whether we make the discovery ourselves or acquire them at an early stage - it is only important that we add value through exploration. Along the way we will try to realize value for our near misses and any good opportunities that are a better fit for others.

The past year was a year of consolidation and rationalization for NGEX. Our intent is to make 2010 a year of significant value addition and growth.

On behalf of the Board of Directors,

Wojtek Wodzicki  
President and CEO

March 23, 2010