

South Grass Valley

Project Update

March 2018



TSX.V: NGE OTCQB: NVDEF



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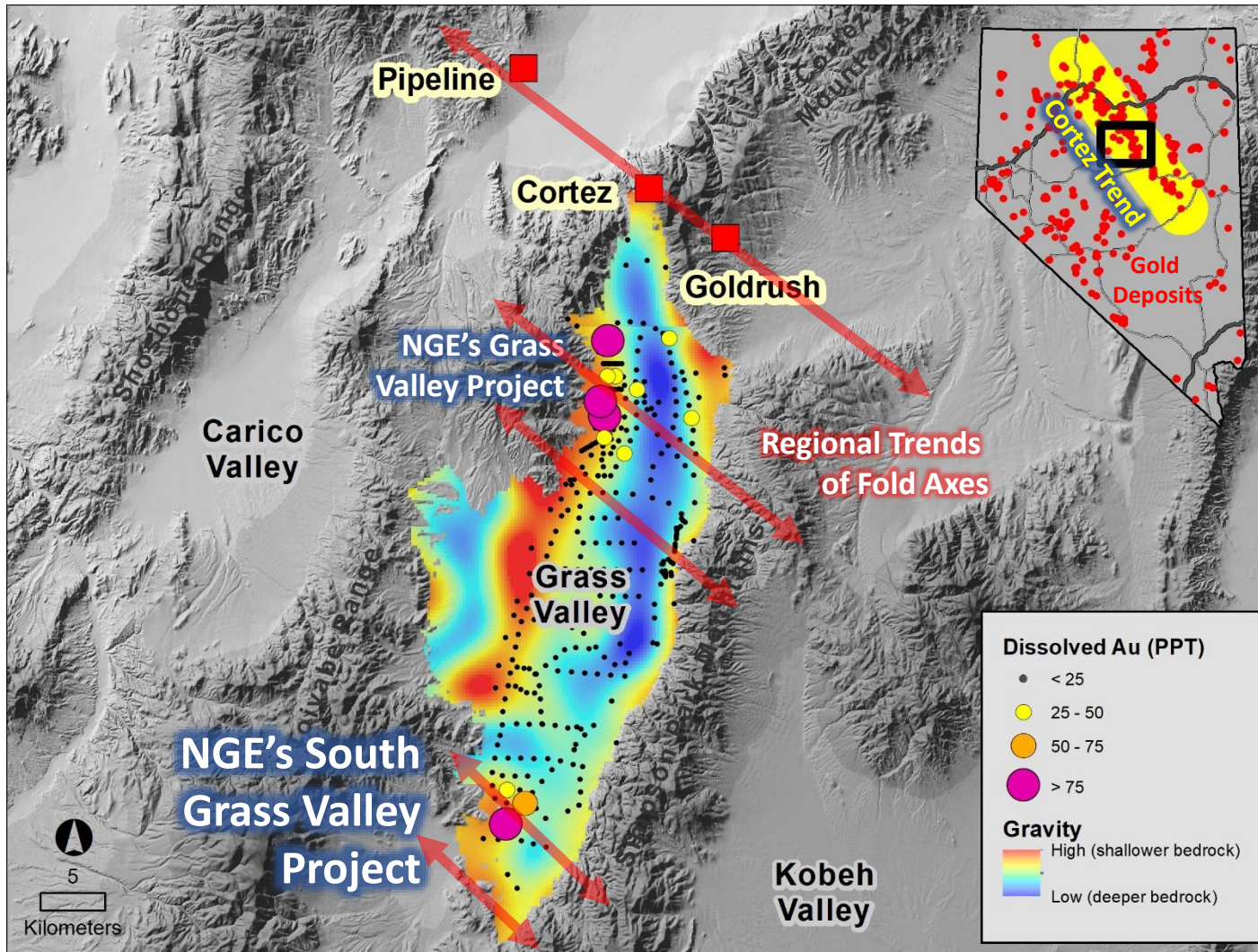


This Presentation contains certain "forward-looking statements" including, without limitation, expectations, beliefs, plans and objectives regarding the timing and nature of estimated future exploration, success of exploration activities, and potential transactions and ventures discussed. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are the risks inherent in mineral exploration, the need to obtain additional financing, environmental permits, the availability of needed personnel and equipment for exploration and development, fluctuations in the price of minerals, and general economic conditions.

Wade A. Hodges, CEO of Nevada Exploration Inc., is the Qualified Person, as defined in National Instrument 43-101, and has prepared the technical and scientific information contained in this Presentation.

Grass Valley Basin

Generative exploration for Carlin-Type Gold Deposits (CTGDs)



Grass Valley Basin

650 km² covered search space along Cortez Trend, south of Cortez complex (Pipeline-Cortez-Goldrush: 40 Moz)

NGE's basin-scale exploration program

Range-front mapping suggests a series of NW-trending, east-verging asymmetric anticlines and thrust faults have repeated and attenuated the primary host rock stratigraphy south of Cortez on both sides of Grass Valley

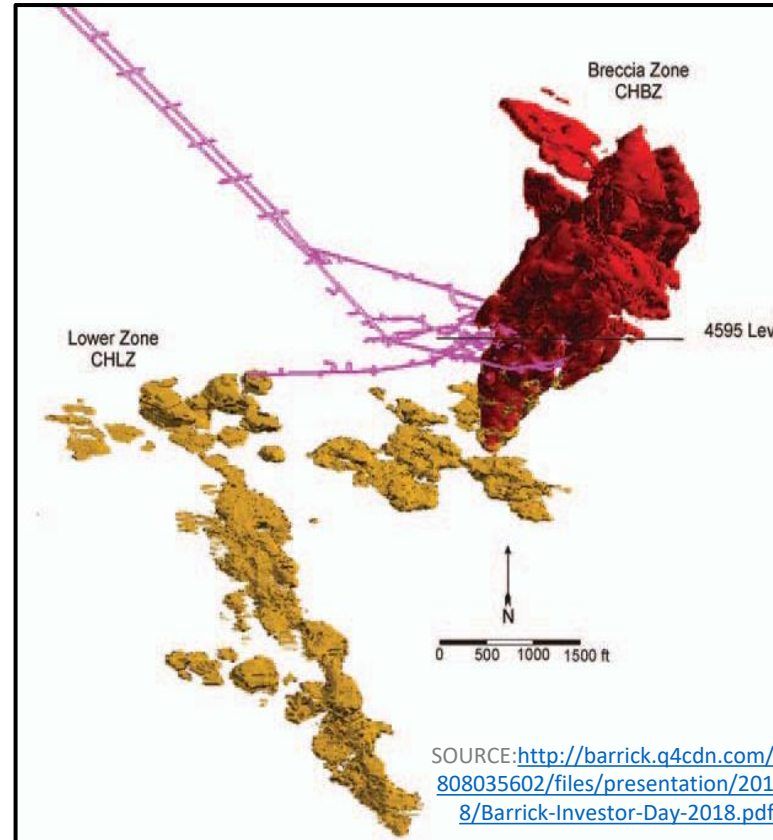
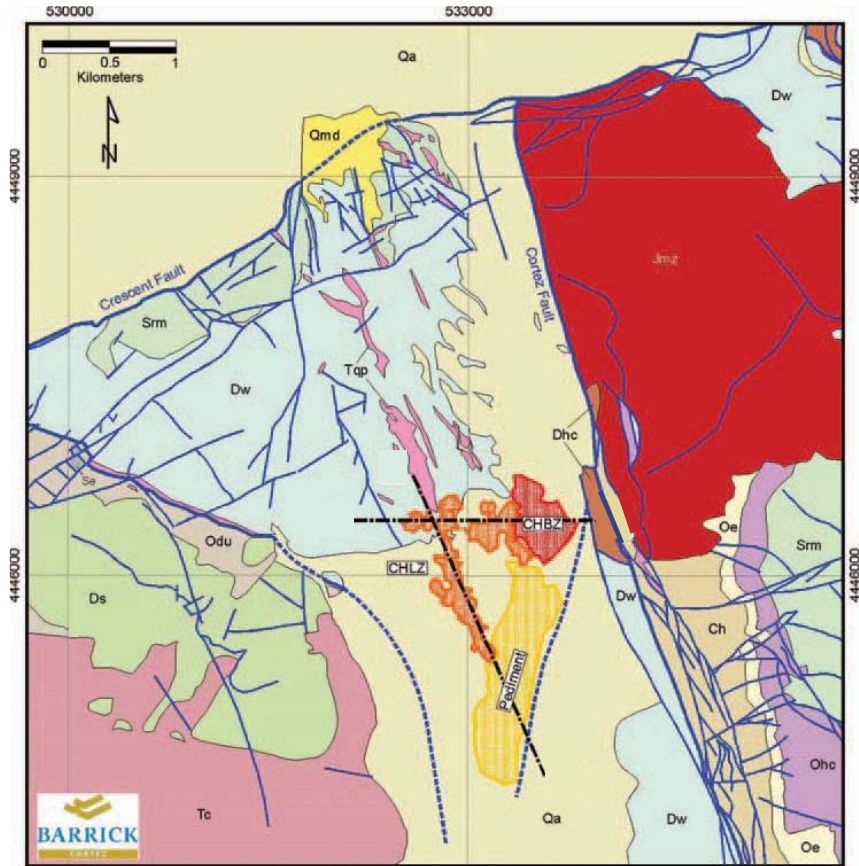
Gravity geophysics suggests areas of shallow bedrock and a major N-S structural corridor heading south of Cortez adjacent to prospective geologic units in the ranges

Based on the proximity to Cortez and on regional features of exploration significance: shallow bedrock, favourable host units in a complex structural setting, and range-exposed hydrothermal alteration, NGE completed a systematic, hydrogeochemistry exploration program across Grass Valley

Results defined two areas of significant enriched gold in groundwater at **South Grass Valley** and **Grass Valley** (see map), with concentrations reaching levels known to exist around large gold deposits in the Cortez Trend

Geology of nearby major CTGD deposits

Cortez Hills – Barrick



Host units: gold mineralization occurs in overlying exotic conglomerates; iron-rich sections of the Ordovician to Devonian carbonate sequences of Hanson Creek, Roberts Mtns., Wenban, and Horse Canyon Formations near Tertiary dikes.

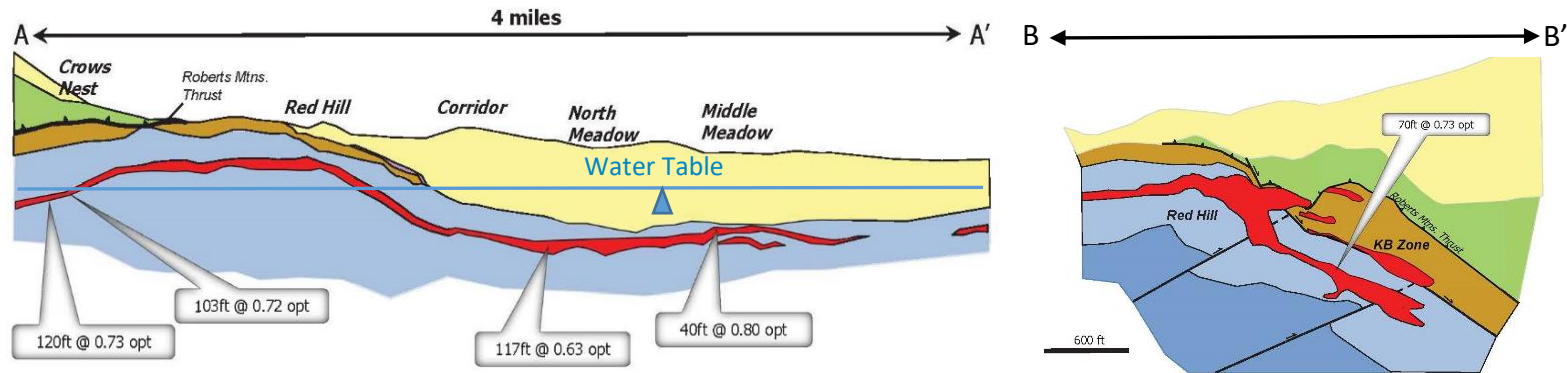
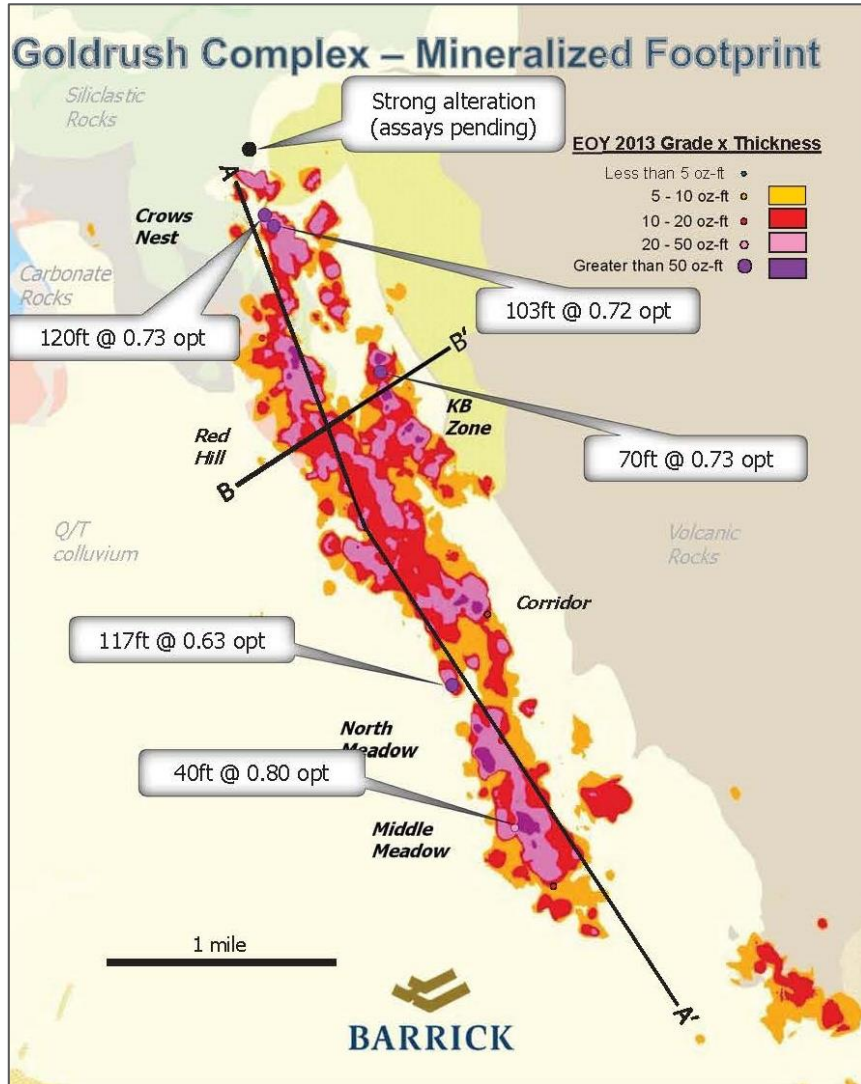
Structural controls: the Cortez Hills Breccia Zone (CHBZ) is conical in shape with an elliptical cross section and crosscuts stratigraphy. It has gradational margins with the surrounding country rock, and large (>10 m) blocks of country rock are present within the breccia body itself. Zonation within the breccia body consists of a higher energy polymictic portion in the center of the pipe grading outward to rotated breccia and a peripheral shell of crackle breccia. The Cortez Hills Lower Zone (CHLZ), is interpreted to be a fluid feeder structure into the base of the CHBZ.

Alteration and Mineralization: Extensive decarbonatization, bleaching, recrystallization with complex calcite and realgar veining occurred pre-, syn-, and post-brecciation, including extensive deep post-breccia oxidation. High grade gold mineralization (15 g/t) is spatially associated with the central heterolithic portion of the breccia in solid-solution with arsenic- and mercury-bearing rims on secondary pyrite, and gold grade drops rapidly in the surrounding rotated and crackle breccias.

| | | | | | | | |
|-----|-----------------|-----|---|-----|----------------------------------|------|-----------------------------|
| Qmd | Mine Dumps | Jms | Jurassic monzonite | Dhc | Devonian Horse Canyon Formation | Oe | Ordovician Eureka Quartzite |
| Qa | Alluvium | Ds | Devonian Slaven Formation | Dw | Devonian Wenban Limestone | Ch | Cambrian Hamburg Formation |
| Tc | Caetano Caldera | Se | Silurian Elder Formation | Srm | Silurian Roberts Mtns. Formation | CHBZ | Cortez Hills Breccia Zone |
| Tqp | Qtz porphyry | Odu | Ordovician Upper Plate undifferentiated | Ohc | Ordovician Hanson Creek Dolomite | CHLZ | Cortez Hills Lower Zone |
| | | | | | | | CHP |
| | | | | | | | Cortez Hills Pediment |

Geology of nearby major CTGD deposits

Goldrush – Barrick



Host units: gold mineralization occurs disseminated in the iron-rich rocks of a +1,300 m thick sequence of Ordovician to Devonian carbonate rocks comprising the lower plate of the Roberts Mountains Thrust (Hanson Creek, Roberts Mtns., Wenban, and Horse Canyon Formations) exposed through overlying time-equivalent upper-plate siliciclastic rocks

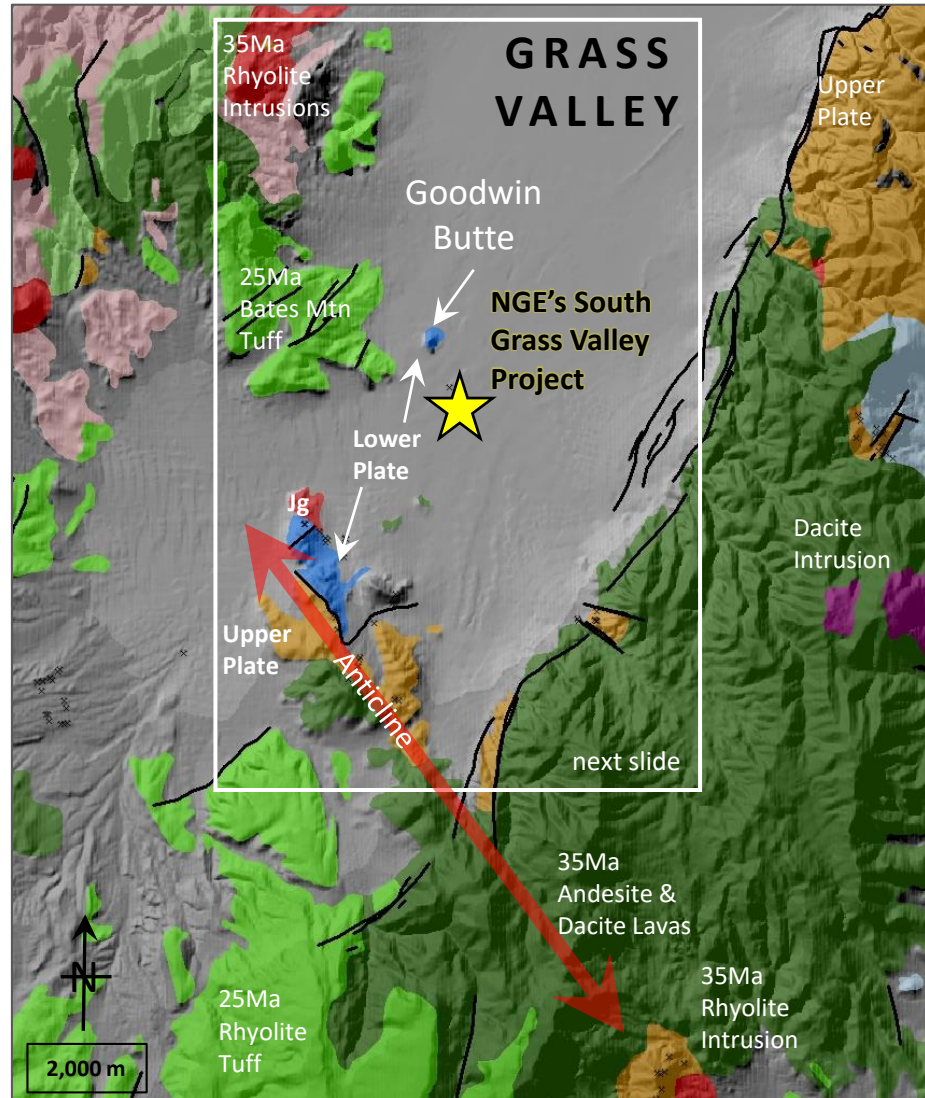
Structural controls: large, asymmetric, east-directed anticline and thrusts are primary controls on mineralization, through repetition or attenuation of the stratigraphic section and increased permeability within the axial plane of folds and high-angle fault corridors that were active during mineralization

Alteration and Mineralization: Extensive decarbonatization, bleaching, re-crystallization and remobilized carbon is confined largely to a unit of the Wenban Formation, with higher-grade gold mineralization associated with silica- and pyrite-rich breccia. Gold occurs as arsenic- and mercury-bearing rims on secondary pyrite

SOURCE: <http://barrick.q4cdn.com/808035602/files/presentation/2018/Barrick-Investor-Day-2018.pdf>

Regional features of exploration significance

Exposed geology at southern end of Grass Valley



Regional structural fabric and ground preparation

A Jurassic intrusive (Jg), similar in both composition and age (~168 Ma) to the Mill Canyon stock adjacent to the Cortez Hills and Goldrush deposits, is located at the southern end of the valley, and may have played an important role in structurally preparing the area for later mineralizing fluids similar to that envisioned for the Mill Canyon stock in the Cortez district

Exposures of lower and upper plate rocks through post-mineral volcanics of the Simpson Park Mountains suggest a NW-SE trending anticlinal upwarp paralleling the important regional ore-controlling structural trend associated with Cortez Hills and Goldrush deposits

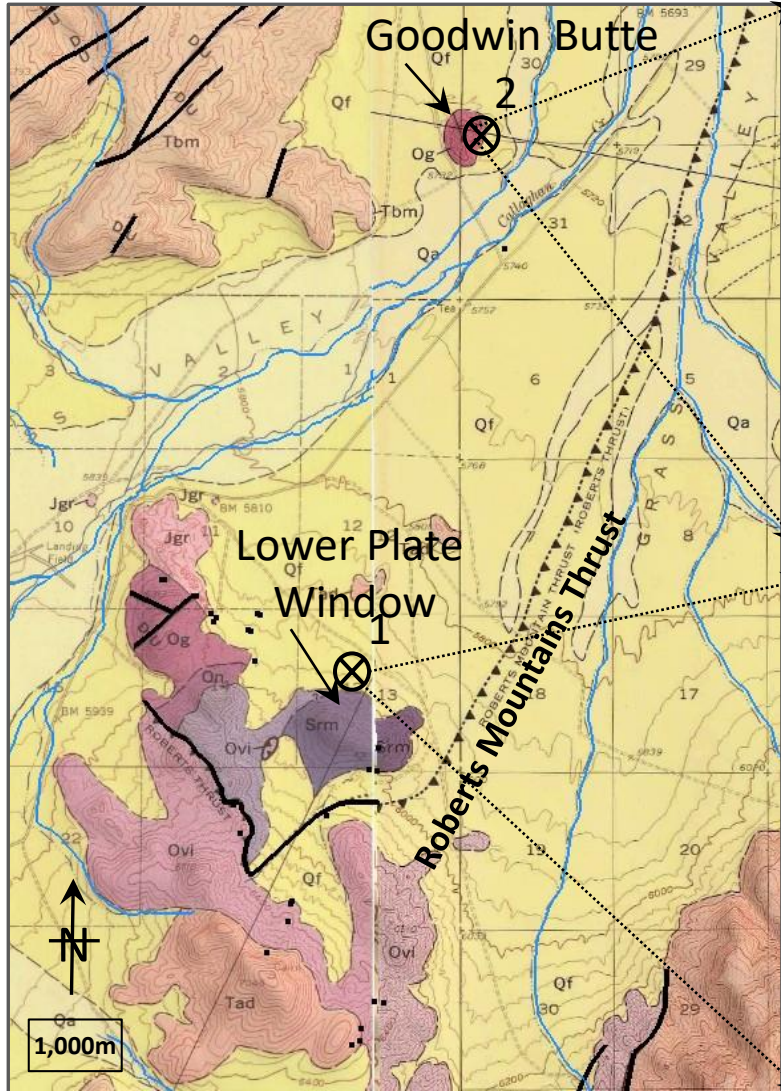
Cortez Hills Mineralization (35.7Ma) is spatially associated with the volcanism that was active in the Grass Valley region between 40Ma and 25Ma and that is also seen surrounding the South Grass Valley Project area

The Roberts Mountains Thrust Fault is exposed in outcrop and can be projected NNW beneath the shallow cover of sand and gravel and marks the top of the package of favourable lower plate host rocks

NE-directed folding and thrust faulting through repetition or attenuation of the stratigraphic section would likely increase permeability within the axial plane of regional folds and high-angle fault corridors

NGE mapping and rock sampling program

South Grass Valley Project



Calcite + FeOx Breccia with Moderate-level indicator element chemistry

| | |
|----|-----------|
| Au | 1.0 ppb |
| As | 306 ppm |
| Ba | 1,590 ppm |
| Sb | 46.7 ppm |
| Tl | 0.50 ppm |
| W | 13.6 ppm |



Silicified Roberts Mtn Formation with low-level indicator element chemistry

| | |
|----|----------|
| Au | 3.0 ppb |
| As | 110 ppm |
| Ba | 338 ppm |
| Sb | 10.2 ppm |
| Tl | 0.09 ppm |
| W | 6.3 ppm |

Characteristic CTGD host rock units exposed at Goodwin Butte and lower plate window 5 km to SSW

A >700 m thick sequence of favorably iron-rich, permeable and chemically reactive lower plate carbonate host rocks can be projected beneath the alluvial cover between the two exposures:

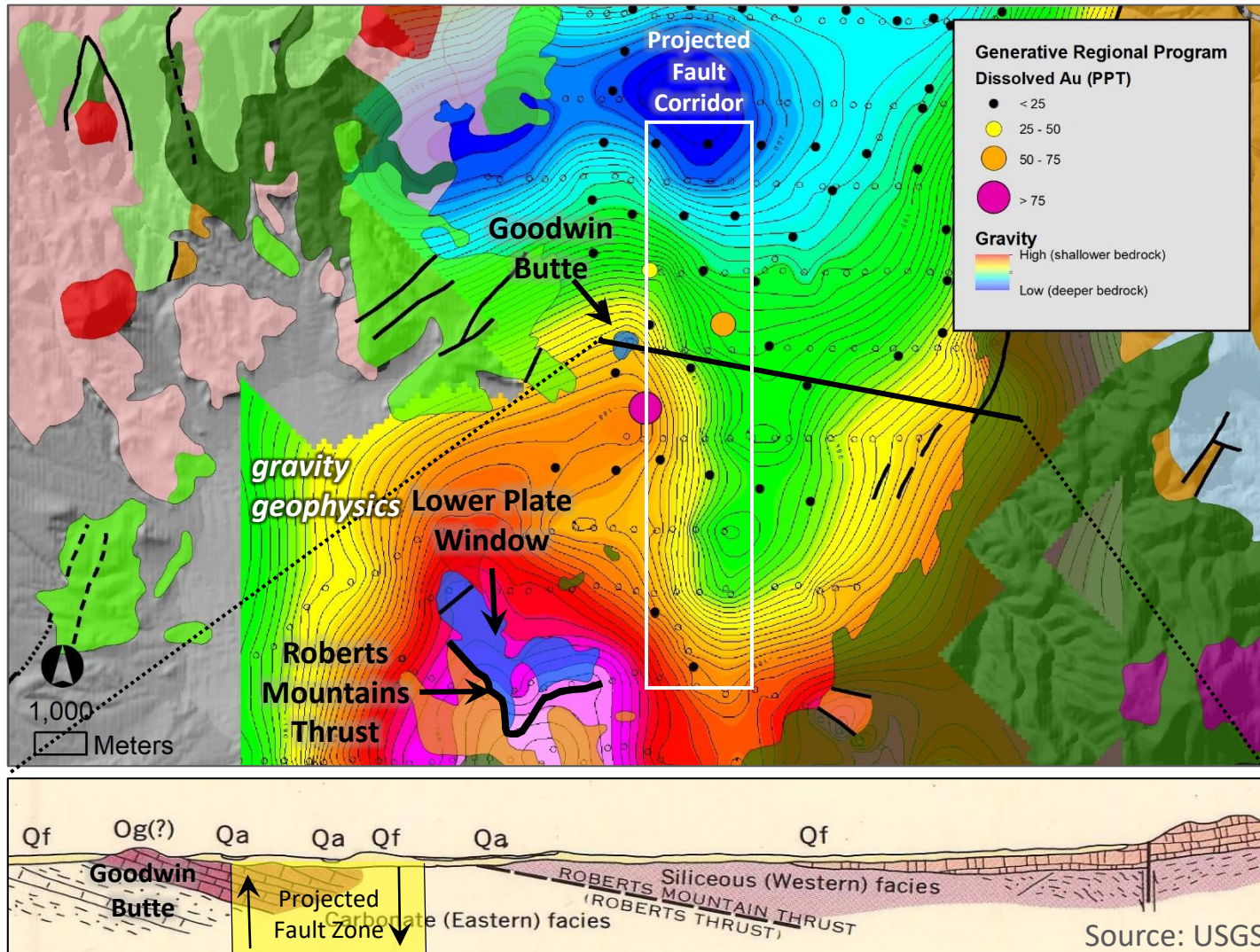
- Srm – Silurian Roberts Mtn. Formation
- Ohc - Ordovician Hansen Creek Formation (38m)
- Oa – Ordovician Antelope Valley Limestone (240m)
- On – Ordovician Ninemile Limestone (80m)
- Og – Ordovician Goodwin Limestone (335m)

Rock sampling and mapping confirmed CTGD-style alteration and trace-element geochemistry

- 1) Hydrothermally altered (argillized, decarbonatized, recrystallized and silicified) Roberts Mountains host rock with elevated As-Ba-Sb-Tl-W geochemistry
- 2) Calcite-cemented, rock-flour breccia at Goodwin Butte with 3x higher CTGD trace-element concentrations

South Grass Valley geologic setting

Results of early sampling and geophysical programs



NGE's early work confirmed presence of many critical components needed to source a CTGD

Favourable CTGD host units outcropping at the Project with alteration and geochemistry packages consistent with an historically active hydrothermal system

Gravity geophysics and mapping suggest favourable host units extend under relatively shallow cover over most of the Project

Favourable geology intersected by a >10 km long high-angle fault corridor projecting under the cover based on mapping and gravity geophysics, which provides a potential major conduit to source mineralized hydrothermal fluids

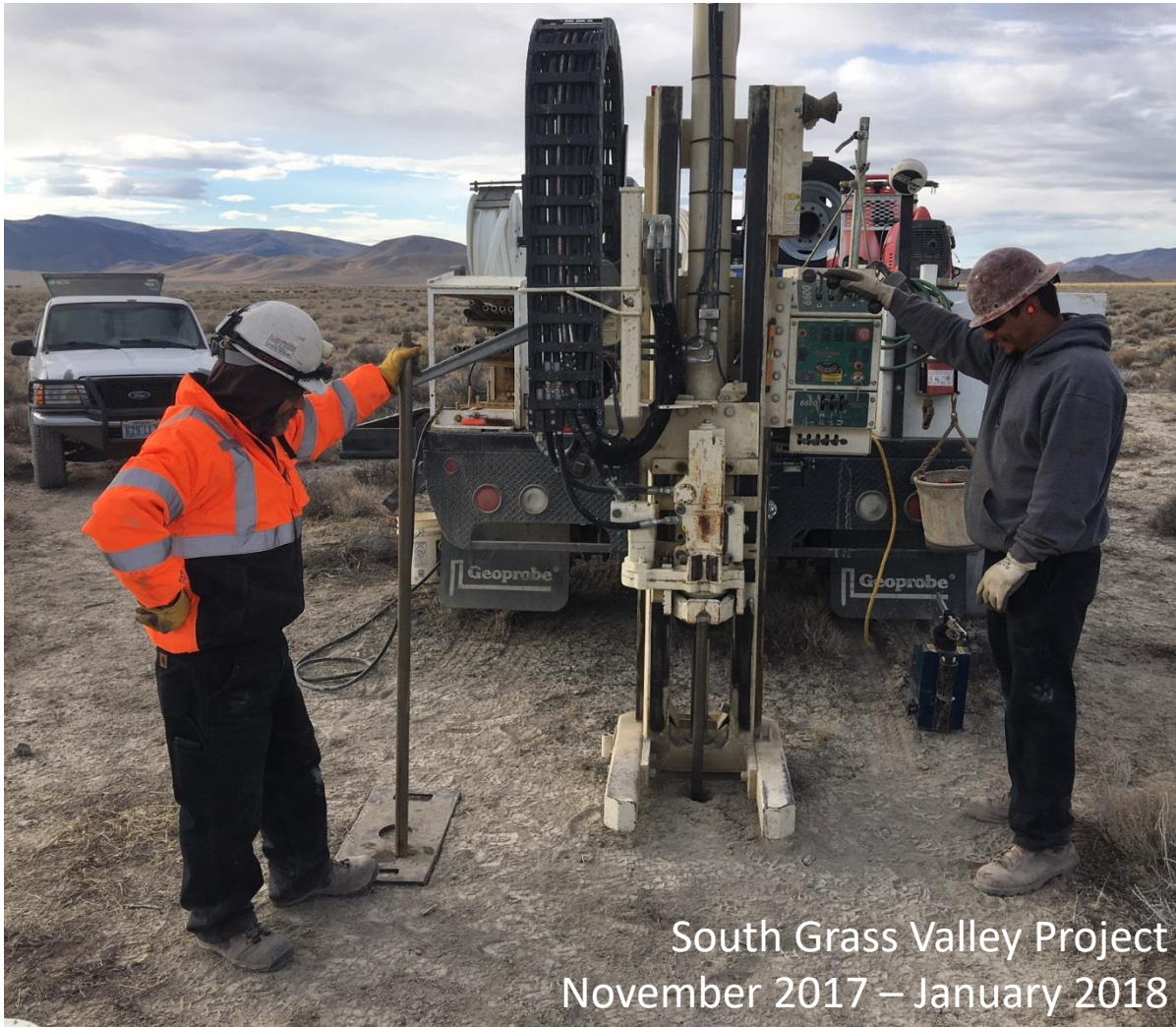
NGE's regional-scale hydrogeochemistry program discovered highly-enriched dissolved Au coincident with the favourable geologic setting, which provided strong support for the presence of mineralization

At this point, still relatively large target

Next stage required constraining the search space

Detailed hydrogeochemistry program

Constraining the search space and vectoring under cover



Objective

Constrain the target with infill boreholes to establish support for and to direct deeper conventional drill testing

2017 – 2018 Program

Collected 168 new groundwater samples from 69 new boreholes to infill the original boreholes from the regional generative program

At all boreholes, NGE also collects water table elevation measurements to establish direction of groundwater flow

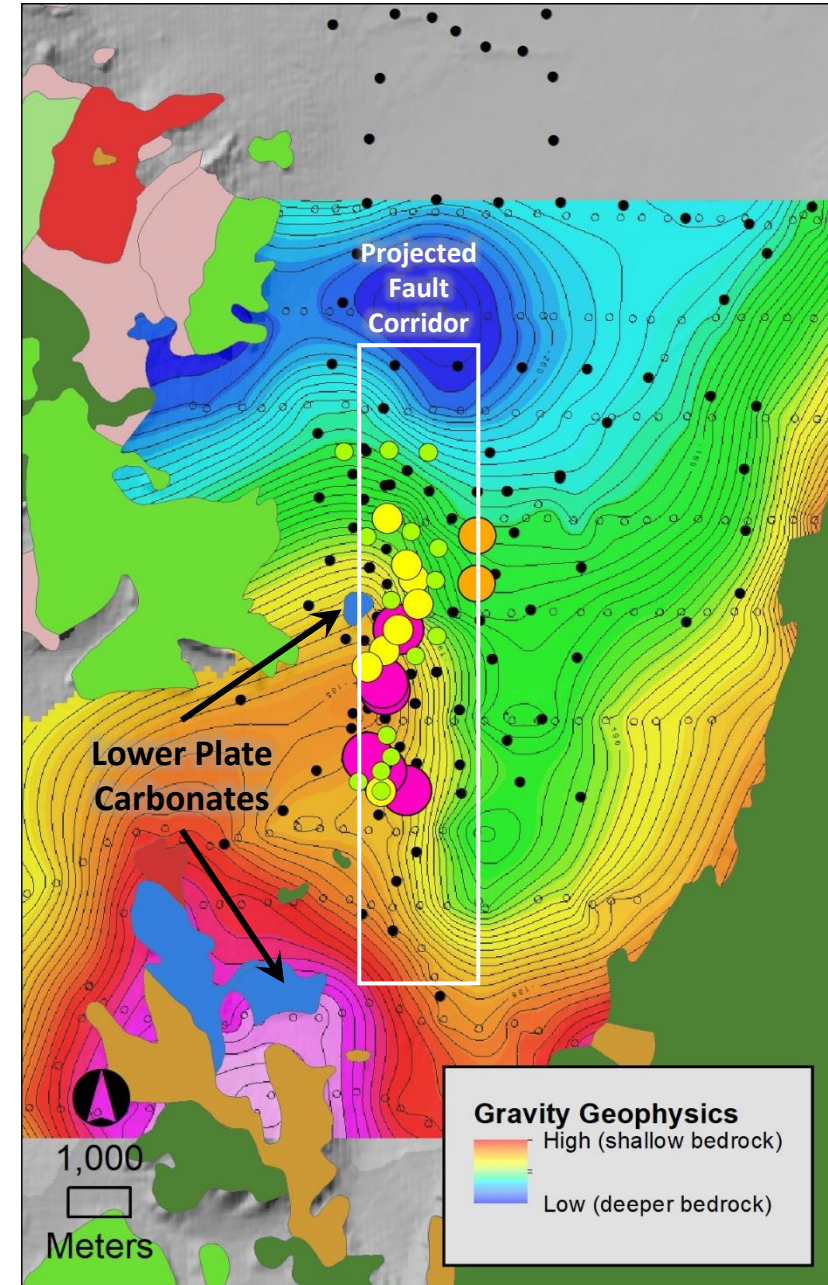
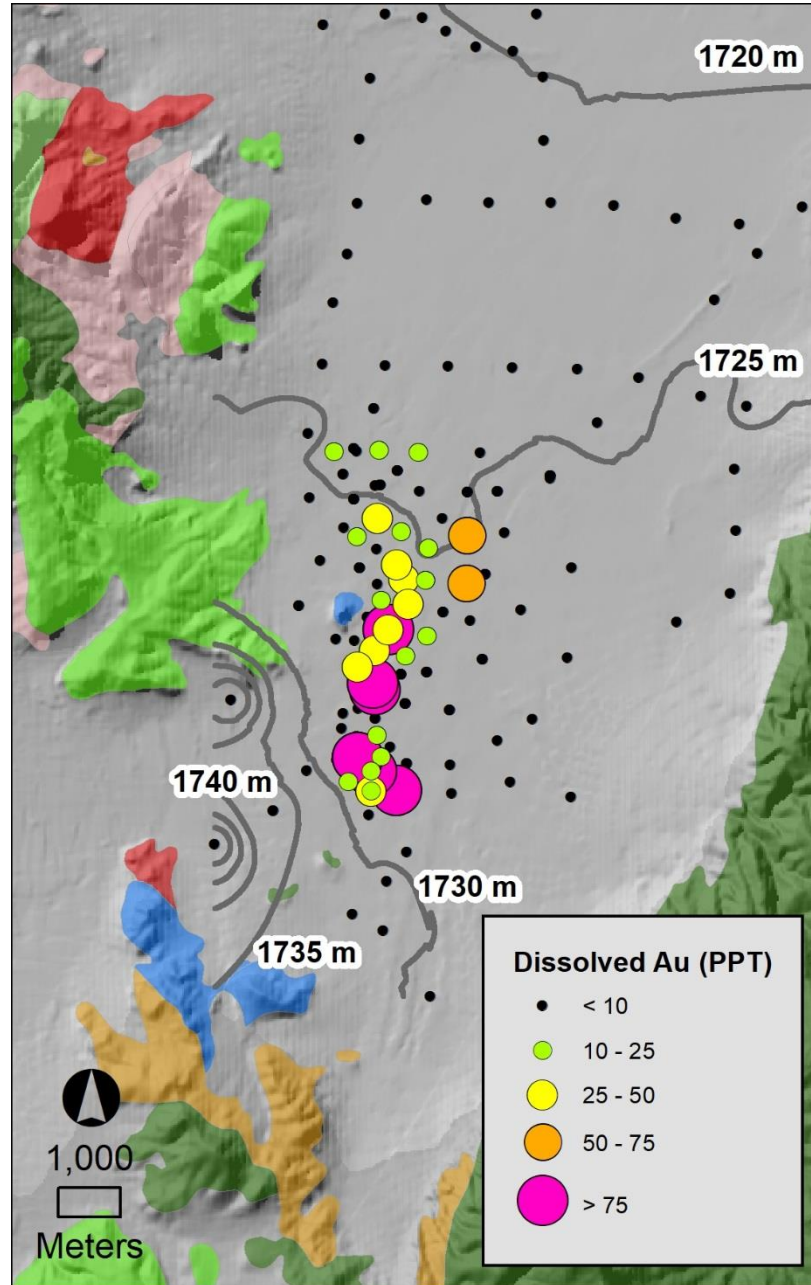
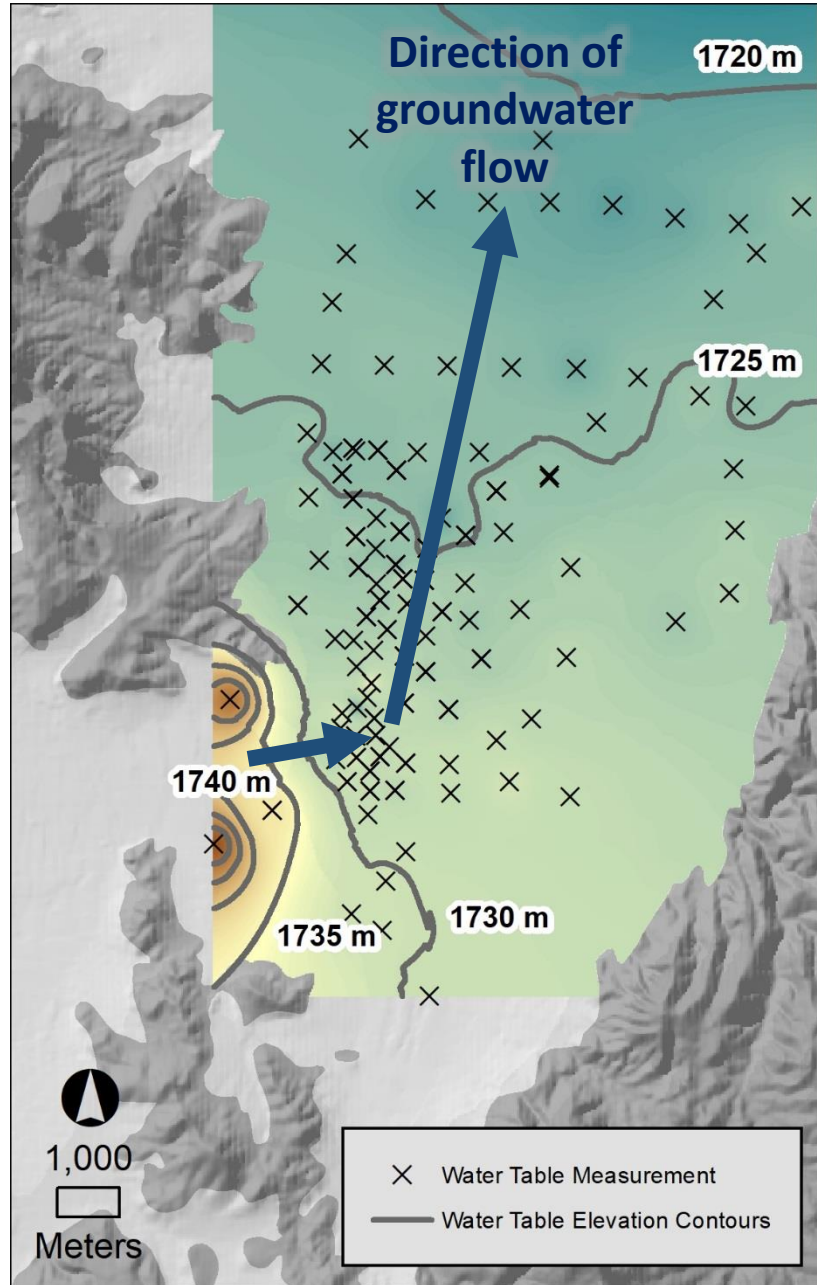
Results

Established direction of groundwater flow from southwest to north

Defined focused lineament (approx. 1,000 x 4,000 m) of enriched gold, arsenic, antimony, barium, thallium, tungsten, and sulfate, representing a footprint consistent in size and magnitude (gold up to 800x background) as seen around Lone Tree and Twin Creeks, large known gold deposits in the Cortez Trend

The focused zone of enrichment in groundwater is coincident with the major projected fault corridor seen in the gravity

Results from all NGE boreholes to date (234 samples from 135 boreholes)



South Grass Valley: a new district-scale project

Critical components of large Tier-1 CTGDs in Nevada



| Critical components at project-scale | Supporting evidence at South Grass Valley | Status at South Grass Valley |
|---|---|---|
| <p>(1) Favorable structural corridors or other conduits of increased permeability</p> | <ul style="list-style-type: none"> The Project is located along a regional NW-SE fold fabric closely associated with: a Jurassic intrusive, the Roberts Mountains thrust fault, and a period of Tertiary volcanism - each of which correlate closely in terms of age and timing with the major structural and rock preparation features associated with the mineralization at Cortez Hills and Goldrush at the north end of Grass Valley A significant, reactivated, high-angle, N-S fault corridor exposed in the range-front south of the Project extends northward across the Project beneath cover towards the projection of the Roberts Mountains Thrust Fault The projection of the high-angle, N-S fault corridor (exposed in the range-front to the south) beneath the Project is supported by the gravity geophysics, which shows characteristic steep contrast between the west (up) and east (down) side of the projected fault corridor over a length of >10 km | <p>A major, reactivated, N-S, high-angle fault corridor projects under the cover at the Project, and represents a significant potential conduit to support the formation of a large mineral system, all within a larger NW-SE fold setting similar to that at Cortez Hills and Goldrush</p> |
| <p>(2) Favorable host-rocks</p> | <ul style="list-style-type: none"> Mapping at Goodwin Butte and at the lower plate window 5 km to the SSW identified an approximately 700 m thick sequence of favorable, iron-rich, permeable, and chemically reactive lower plate carbonate host rocks that host CTGDs in other areas of the region These favourable host rocks can be projected over a large area (>10km²) beneath the shallow alluvial cover between the two exposures using gravity and air magnetic geophysics | <p>Confirmed presence of thick sections of characteristic, lower plate, CTGD host units in outcrop, which also project beneath shallow cover across large areas of the Project</p> |
| <p>(3) Favorable zones of increased permeability in contact with the pathways described in (1) above</p> | <ul style="list-style-type: none"> In addition to establishing the presence of a thick sequence of favourably reactive and permeable lower plate carbonate units, rock sampling at Goodwin Butte and at the lower plate window 5 km to the SSW also identified calcite cemented hydrothermal breccia, replacement silicification and decalcification which further highlights the enhanced permeability of these units to support the hydrothermal fluid flow needed to deposit CTGD-style mineralization | <p>The permeability of the carbonate and brecciated units seen in outcrop at the Project confirms that these favourable host units, which sit proximal to the projected major N-S, high-angle, fault corridor, is well suited to support CTGD-style mineralization</p> |

South Grass Valley: a new district-scale project

Critical components of large Tier-1 CTGDs in Nevada



| Critical components at project-scale | Supporting evidence at South Grass Valley | Status at South Grass Valley |
|--------------------------------------|---|--|
| (4) Favorable alteration | <ul style="list-style-type: none"> • Silicification, argillization, bleaching, decarbonatization, and remobilized and recrystallized calcite as veinlets and carbonate rock-flour breccia fillings in range-front exposures show clearly that hydrothermal fluids were moving proximal to zones of increased permeability – even in areas that are good as other areas • The distance between Goodwin Butte and the lower-plate window exposed to the SSW suggests hydrothermal fluids operated beneath the adjacent cover between the two exposures, over an area large enough to support the presence of a large hydrothermal system | <p>The alteration seen at both Goodwin Butte and the lower plate window 5 km to the south confirms that hydrothermal fluids were active across a large area at the Project, resulting in an alteration footprint consistent in scale with those surrounding major nearby mineral systems at Cortez Hills and Goldrush</p> |
| (5) Favorable geochemistry | <ul style="list-style-type: none"> • Rock sampling of altered units seen in Goodwin Butte and the lower plate window 5 km to the SSW has identified characteristic CTGD geochemistry, with elevated concentrations of Arsenic (As), Antimony (Sb), Barium (Ba), Thallium (Th), and Tungsten (W) • The samples from Goodwin Butte are from an irregular carbonate breccia (seemingly not fault-related). The breccia is cemented with calcite and jarositic rock flour and unexpectedly contains three times the concentration of CTGD trace-elements than visually ‘better-looking’ decalcified and silicified exposures of Roberts Mtns Formation rocks exposed 5km to the SSW suggesting a likely hydrothermal origin peripheral to larger system beneath the adjacent cover to the east of Goodwin Butte • Results of groundwater sampling borehole program have identified a focused lineament covering approximately 1,000 x 4,000 metres defined by enriched concentrations of Gold (Au), Arsenic (As), Antimony (Sb), Barium (Ba), Thallium (Tl), Tungsten (W), and Sulfate (SO₄), taken to be indicative of oxidizing, secondary pyrite, which is intimately associated with Nevada’s CTGDs • The gold-in-groundwater footprint at the Project is consistent in terms of size and magnitude (gold up to 800x background) as seen around large gold deposits in the Cortez Trend, such as Lone Tree and Twin Creeks | <p>The enriched geochemistry package seen in both bedrock and groundwater at the Project is consistent in terms of composition and scale with that seen surrounding many of Nevada’s CTGD’s deposits, and provides strong support that the hydrothermal fluids that were active across large areas of the project were pregnant and could potentially provide the source for economic gold mineralization where they intersect favourable depositional conditions, including suitably-permeable iron-rich host rocks</p> |

South Grass Valley: a new district-scale project

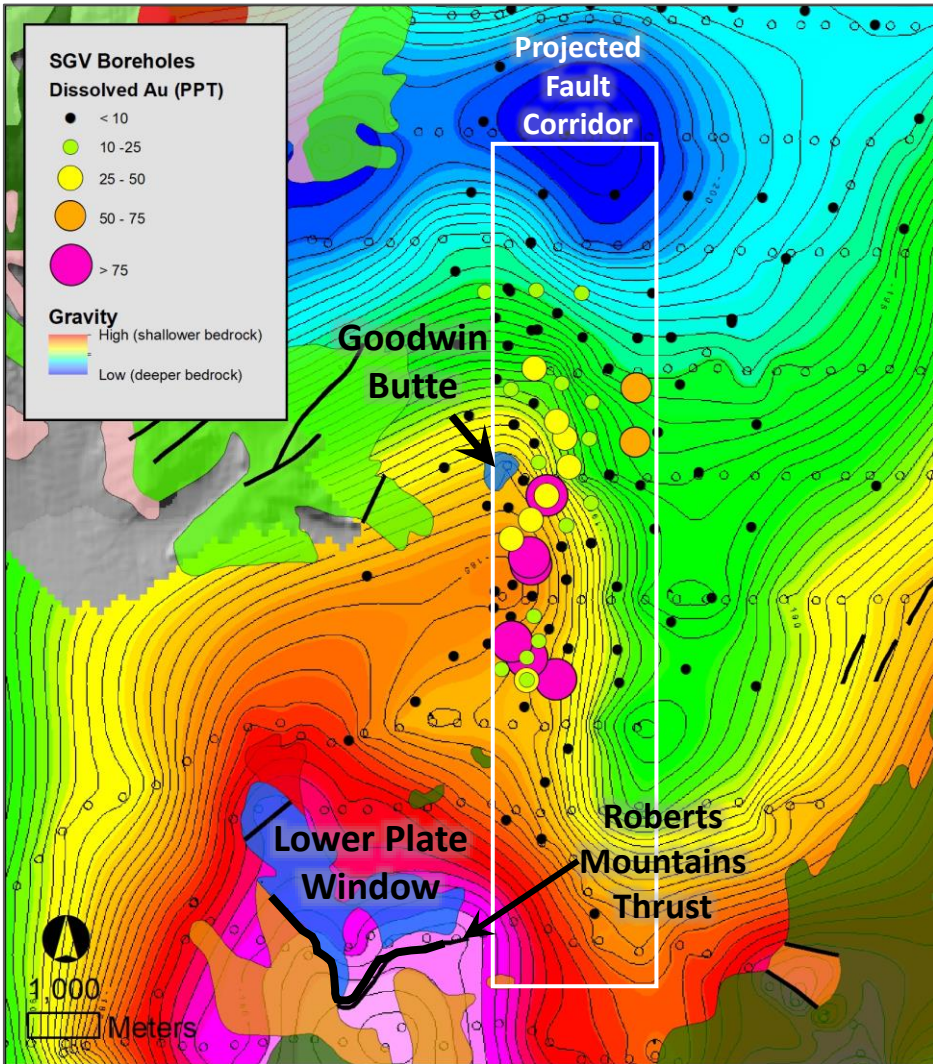
Critical components of large Tier-1 CTGDs in Nevada



| Critical components at project-scale | Supporting evidence at South Grass Valley | Status at South Grass Valley |
|--------------------------------------|--|---|
| (6) Favorable mineralization | <p>TO BE TESTED FOR AT POINTS OF INTERSECTION OF ALL OF CRITICAL COMPONENTS (1) THRU (5):</p> <ul style="list-style-type: none"> • As-Sb-Hg-Tl sulfides including realgar, orpiment, and stibnite • Arsenic-rich secondary pyrite, commonly as very-fine-grained rims and overgrowths (no crystal faces) • Potentially economic intervals of gold mineralization over tens of meters | |
| (7) Favorable size | <p>REQUIRED: CONFIRM THAT ALL CRITICAL COMPONENTS ARE PRESENT AND INTERSECT OVER AN AREA LARGE ENOUGH TO SUPPORT A LARGE 5 - 10 Moz AU DEPOSIT</p> <ul style="list-style-type: none"> • Significant favourable structural corridors/conduits: CONFIRMED • Widespread favourable host rocks: CONFIRMED • Suitable permeability where host units meet structural corridors/conduits: CONFIRMED • Large alteration footprint: CONFIRMED • Characteristic enriched gold and related trace-element geochemistry: CONFIRMED • Presence and scale of potentially economic mineralization: TO BE DETERMINED | <p>The required potential structural setting, host-rocks, permeability, alteration footprint, rock geochemistry, and hydrogeochemistry at South Grass Valley all compare favourably to the scale of the mineral systems at Cortez Hills and Goldrush, and provide strong support and focus for a deeper drilling program to test for the presence and scale of potentially economic gold mineralization</p> |

A new district-scale target

South Grass Valley Project

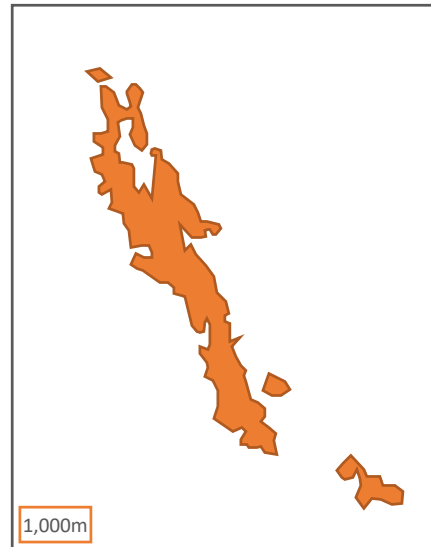


Nearby deposit footprints at Cortez (at same scales as map)

Cortez Hills



Goldrush



Focused target exhibiting critical components of CTGD

Large area of favourable, lower plate, carbonate host rocks with characteristic alteration and geochemistry packages intersected by the projection of a major high-angle fault corridor

Using hydrogeochemistry, NGE has added the necessary but otherwise missing support for mineralization, in this case a focused zone of highly enriched concentrations of gold in groundwater

Target similar in size to nearby large CTGDs

With a 1,000 x 4,000 meter zone of significant gold in groundwater enrichment located along a >10 km long high-angle fault corridor that intersects likely 10 – 20 km² of favourable host rocks, the scale of the target is comparable to the size of the mineralized systems at both Cortez Hills and Goldrush

With support for mineralization along the focused N-S fault corridor, NGE has defined a discrete and testable target for next-stage deeper drilling

Project summary

Current status and next milestones



- Grass Valley is an important underexplored covered search space immediately south of Barrick's Cortez complex
- Regional exploration work had identified the geology at South Grass Valley as prospective based on the presence of favourable structures, host rocks, alteration, and geochemistry, but had yet to identify support for gold mineralization
- With a regional-scale borehole program, followed by a detailed infill program, NGE has established strong support for gold mineralization, defining a 1,000 x 4,000 metre zone of highly enriched gold in groundwater coincident with the major structural corridor that intersects the projections of the favourable exposed geology
- The size of the resulting target is consistent with the size of the footprints of the large gold deposits to the north: Cortez Hills and Goldrush
- NGE controls this new district-scale target with 22 km² of 100% owned claims
- NGE expects the next stage of the Project to focus on completing one or more E-W fences of deeper core holes across the N-S lineament of enriched gold in groundwater to test the intersection of the projected coincident N-S fault corridor and lower plate carbonate host rocks for evidence of gold mineralization in bedrock