



CONTACT:

Jeffrey Wilson
V.P. Corporate Communications
Phone: (604) 694-1742
Toll Free in Canada and USA:
1(888) 694-1742
Email: jwilson@geologix.ca

Dunham Craig
President & CEO
Phone: (604) 694-1742
Email: dcraig@geologix.ca
Website: www.geologix.ca

PRESS RELEASE

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TEPAL PRELIMINARY ECONOMIC ASSESSMENT MINE PLAN ESTIMATES \$348 MILLION NET POSITIVE PRE-TAX CASHFLOW

Vancouver, B.C., October 12, 2010 – Geologix Explorations Inc. (the “Company” or “Geologix”) is pleased to announce the positive results from the Tepal project’s NI-43-101 Preliminary Economic Assessment Study (“PEA”) completed by SRK Consulting Inc. (“SRK”) of Vancouver B.C. The study is based on the existing NI-43-101 resource estimation previously announced and filed on SEDAR, and does not take into consideration pending results from the current 5,000 metre drill program underway at the project. See the PDF version of this release or the Company’s website for accompanying section and site plan. Significant highlights of the PEA and mine plan include:

- 989,000 ounces of gold mined in the life of mine (“LOM”) plan
- 351M lb of copper in LOM plan
- **2.06M ounces gold equivalent* in mine plan**
- **157,000 ounces gold equivalent* per year production rate**
- **Cash costs on a co-product basis: gold = \$358/ounce, copper = \$1.09/pound**
- \$348M net positive earnings before interest, taxes, depreciation and amortization (“EBITDA”)
- \$258M net present value (“NPV”) at a 5% discount
- 28% internal rate of return (“IRR”)
- 87% of current resource converts to PEA mine plan

Gold equivalent is estimated using \$900/oz. Au and \$2.75 Cu metal prices: (Cu lbs \$2.75)/\$900 = gold oz. Please refer to Tables 1 and 3 below for separated copper and gold production.

Dunham Craig, President and CEO stated “We are very pleased with the results of this PEA as they exceed our initial expectations of the potential economics of the existing resource and fit perfectly with our target criteria of developing a mid-sized or greater gold-copper production project. Using \$900 gold and \$2.75 copper as a base case, the current mine plan delivers a robust pre-tax economic model and NPV, and when you contemplate the significant upside to metal prices, along with the exploration expansion potential currently being explored through our ongoing drill programs, we see significant growth potential for this project. We plan on proceeding full tilt with developing Tepal as a core asset for the Company and its shareholders.”

The Tepal PEA mine plan consists of conventional flotation concentration of 58.7 million tonnes of sulphide ore followed by smelting, and heap leaching 10 million tonnes of the oxide cap. All processes and equipment use standard technology that has been common mining practice for years. The PEA considers purchasing all new mining and plant equipment.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

The Tepal Project PEA base case uses metal prices fixed at \$900/oz. gold and \$2.75 copper. Financial estimates are earnings before income tax and depreciation allowance (“EBITDA”) and all dollars are \$US. Highlights of the PEA are:

Table 1 - Tepal PEA Mine Plan**

PEA Base Case:	(NI-43-101)	Average	Average		Gold Equivalent*	
Tepal Mine Plan	Tonnes	Gold g/t	Gold Oz.	Copper %	Copper lbs.	oz.
Sulphide Ore Mined Open Pit	58,700,000	0.45	849,000	0.23	265,370,000	1,660,000
Oxide Ore Mined Open Pit	10,000,000	0.45	150,000	0.24	147,130,000	594,000
Total Ore Mined	68,700,000		989,000		351,000,000	2,061,000

**The PEA mine plan considers Indicated and Inferred resources and cannot be classified as “Reserves”. Further infill drilling will be conducted for the purpose of improving Inferred Resources to Measured or Indicated categories.

The Current Tepal NI-43-101 Resource to PEA Mine Plan Conversion rate is 87%. Approximately 2/3 of the mine plan resources are in the Inferred Category. The average strip ratio is 0.75 tonnes waste to 1 tonne ore (0.75:1).

Table 2 – Tepal NPV and IRR at Base Case and Variable Metal Prices

Tepal PEA (\$ Millions)	\$900 Au, \$2.75 Cu	\$1000 Au, \$3.00Cu	\$1200 Au, \$3.50 Cu
Project NPV (5% Discount)	\$258	\$357	\$555
Project IRR	28%	35%	49%

The PEA mine plan is designed, and capital is estimated on a 25,000 tonnes per day (“tpd”) processing plant facility and a 10,000 tpd heap leach facility. The current mine will provide an average of 23,000 tpd throughput leaving additional capacity for expansion in the facility for additional throughput potentially added through exploration. Average annual production for the life of the mine is displayed in Table 3 below:

Table 3 – Production: Base Case

Average Mine Production	Unit	Average Payable Production per year	Total Payable Production
Gold	oz.	68,500	616,000
Copper	lbs.	29,000,000	259,900,000
Gold Equivalent*	oz.	157,111	1,434,355

Table 4 –Base Case Average Operating Cost on a Co-Product Basis

Base Case Operating Cost (“OPEX”) per Equivalent Payable Metal		
OPEX per Au equivalent	\$/oz Eq. Au payable	\$358
OPEX per Cu equivalent	\$/lb Eq. Cu payable	\$1.09

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Table 5 - Total Project Capital Cost***

Tepal PEA		Year 0	Year 1	Year 2	Year 3	Year 9	Total
Total Capital Cost	M\$	\$105.1	\$181.5	\$3.3	\$1.7	\$1.5	\$293.0

***Total capital is inclusive of initial, sustaining, EPCM and closure costs. A 10% contingency has been applied.

Table 6 – Base Case Mine Plan Details

Tepal PEA Mine Plan Details - Life of Mine Averages			
Mine Type			Open Pits (2)
Strip Ratio (Waste t/Ore t)		(Waste t/Ore t)	0.75:1
Oxide			
Oxide tonnes processed			10,000,000
Daily Heap Leach Rate			6700 tpd
Oxide Gold Recovery			78.4%
Oxide Copper Recovery			14.3%
Oxide Processing			Crush 1/2", Heap Leach
Sulphide			
Sulphide tonnes processed			58,700,000
Sulphide Plant Design Capacity			25,000 tpd
Sulphide Mine Plan Throughput			22,000 tpd
Sulphide Gold Recovery			60.7%
Sulphide Copper Recovery			87.4%
Sulphide Processing			Grind/Standard Flotation/Concen
Primary Grind Size			~140 micron
Flotation Concentration Ratio			110 t ore=1 t concentrate
Concentrate Grade			25.1% Cu, 33.8 g/t Au
Smelter Penalties			None
Operating Costs			
Mining (Owner fleet)		\$/t mined	\$1.35
Mining (Owner fleet)		\$/t processed	\$2.37
Sulphide ore		\$/t milled	\$4.30
Oxide Ore		\$/t leached	\$4.31
G&A and sustaining capital		\$/t milled	\$0.63
Average operating cost		\$/t ore	\$7.35
Royalties			
NSR Royalty			2.5%
Payback at Variable Metal Prices			
Base Case: \$900Au, \$2.75 Cu			4.4 years
\$1000 Au, \$3.00 Cu			3.9 years
\$1200 Au,\$3.50 Cu			3.3 years
Mine Life			9 years

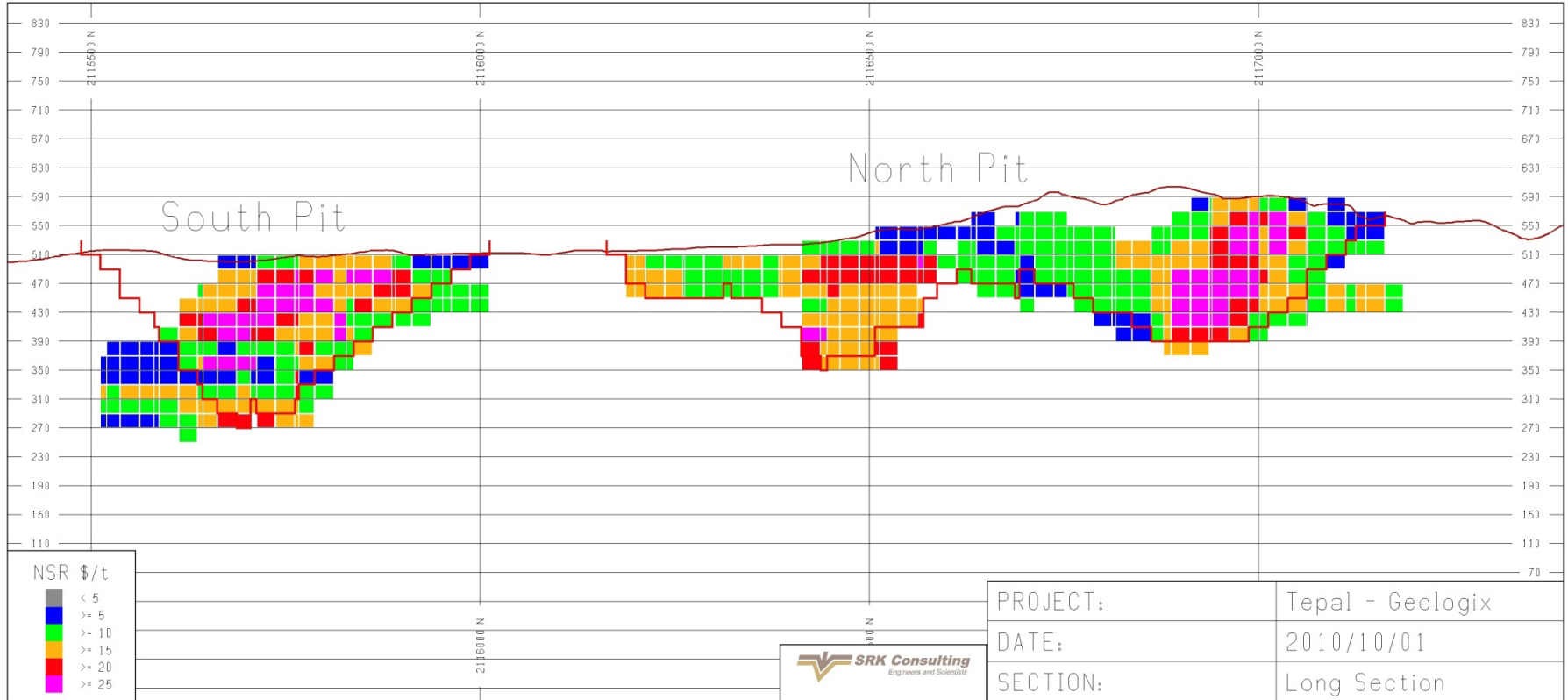
Mr. Gordon Doerksen, P. Eng., PE, Principal Consultant and Project Manager, SRK Consulting Limited, Vancouver, BC, Canada and Mr. Dunham L. Craig, P. Geo, President and CEO of Geologix Explorations Inc., Vancouver, BC, are 'qualified persons' for the purposes of National Instrument 43-101 Standards of Disclosure for Mineral Properties of the Canadian Securities Administrators, have reviewed and verified the data contained in this news release.

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Geologix Explorations Inc. is a mineral exploration company focused on acquiring, exploring and developing mineral resource opportunities with the potential to host world class mineral deposits. The Company's primary focus is the Tepal Gold-Copper Porphyry Project in Michoacán State, Mexico, where the Company is aggressively exploring for potential resource expansion, of the project in its ongoing effort to upgrade and increase the scale of this emerging project.



Tepal – North and South Pit Long Section



Tepal – PEA Site Plan

