

# **Novo Resources Corp.**

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## **NOVO ANNOUNCES NON-BROKERED CONVERTIBLE DEBENTURE FINANCING WITH GOLD REDEMPTION RIGHT**

**VANCOUVER, BC**, January 14, 2016 - **Novo Resources Corp.** (“**Novo**” or the “**Company**”) (TSX-V: NVO; OTCQX: NSRPF) is pleased to announce that it intends to undertake a non-brokered convertible debenture financing (the “**Debentures**”) to raise approximately \$2 million. The proceeds will be used to aggressively pursue the Company’s trial mining plans at its Beatons Creek project in Western Australia. Each Debenture issued by the Company will have a principal amount of CAD \$1,100 (approximately US \$775). The Debentures will not bear interest and will mature on January 12, 2017. The Company may repay, in whole or in part, the Debentures at any time prior to the maturity date. Each Debenture is convertible into common shares of the Company at \$0.67 per common share (the “**Equity Conversion Right**”).

Each Debenture will also convey a gold redemption right (the “**Gold Redemption Right**”) whereby the Company will have the right, prior to December 15, 2016, to give the Debenture holders notice that it intends to repay them with gold produced from the Company’s Beatons Creek project at a redemption price of CAD \$1,100 per ounce (a 30% discount on the current market price of gold in CAD \$) of gold provided that the Company has produced at least 2,500 ounces of gold from its Beatons Creek project (the “**Threshold Production Amount**”). Permit applications for a 30,000 tonne trial mine were submitted to regulators on December 1, 2015, and approvals are expected by late first quarter, 2016 (*please see the Company’s news release dated December 17, 2015, for more details*).

If the Company reaches or exceeds the Threshold Production Amount before December 15, 2016 but has not provided the Debenture holders with notice to exercise the Gold Redemption Right by January 2, 2017, the Debenture holders will have the right to give the Company notice of exercise of the Gold Redemption Right, the Equity Conversion Right, or that they require repayment of the Debenture principal in cash.

If the Company does not reach the Threshold Production Amount before December 15, 2016, the Debenture holders will have the right to exercise the Equity Conversion Right or require the repayment of the Debenture principal in cash.

If a Debenture holder has not given the Company notice of its election by the Maturity Date, the Debenture principal will be repaid in cash.

The Debentures will be sold pursuant to private placement exemptions in Canada and may be offered in other jurisdictions where they can be issued, exempt from any prospectus, registration or other similar requirements. The Debentures are subject to a number of conditions including receipt of approval of the TSX Venture Exchange.

The Debentures and any shares issued in connection with a conversion of the Debentures will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities law legislation.

### **About Novo Resources Corp.**

Novo's focus is to evaluate, acquire and explore gold properties. Indirect subsidiaries of Novo hold a 100% interest in the core of the Beatons Creek gold project, a 70% interest in approximately 1,800 square kilometers surrounding Beatons Creek and at nearby Marble Bar, and a 100% interest in the Blue Spec gold-antimony project, all in the Pilbara region, Western Australia. For more information, please contact Leo Karabelas at (416) 543-3120 or e-mail [leo@novoresources.com](mailto:leo@novoresources.com).

On Behalf of the Board of Directors,

### **Novo Resources Corp.**

*“Quinton Hennigh”*

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Quinton Hennigh  
CEO and President

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.*

### **Forward-looking information**

Some statements in this news release contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, statements as to the expected results from the trial mining process. Forward-looking statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, without limitation, the ability to successfully market the debentures and customary risks of the mineral resource exploration industry.