Novo Resources Corp.

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NOVO TARGETS RESOURCE EXPANSION AND PREFEASIBILITY AT BEATONS CREEK

VANCOUVER, BC, May 16, 2017 - **Novo Resources Corp.** (**"Novo"** or the **"Company"**) (TSX-V: NVO; OTCQX: NSRPF) is pleased to announce that since closing its $15 million private placement on May 4, it has laid out aggressive plans to move its 100% controlled Beatons Creek gold project toward production.

Path Forward

Through the remainder of 2017, Novo plans to complete the following critical steps at Beatons Creek:

- Undertake approximately 10,000 meters of reverse circulation ("RC") drilling and collect approximately 800 trench ("costean") samples with the aim of expanding and upgrading near-surface mineral resources. RC drilling and costean sampling have recently begun with targeted completion by mid June. Novo anticipates announcing a continual stream of assay results over the next two to three months.
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- Novo is targeting completion of a prefeasibility study for the Beatons Creek gold project by fourth quarter of 2017.
- Advance production-related permitting at Beatons Creek. Novo has recently hired an in-house environmental scientist, Chris Goti, M.Sc. Environmental Management, Queens University Belfast. Mr. Goti was most recently at Millennium Minerals Ltd., an Australian gold producer active in the Nullagine region, where he oversaw all aspects of permitting activity.

Processing Scheme at Beatons Creek

As discussed in a news release dated March 7, 2017, Novo presented a case for conventional gravity + carbon-in-leach ("CIL") processing at Beatons Creek based upon exceptionally high gold recoveries from cyanidation tests performed early this year.

Further data from recent cyanidation testwork conducted by ALS Global, Perth, supports Novo's gravity + CIL processing concept (see nearby table). Even at a coarse grind size of 280 microns, gravity + CN leach recoveries exceed 96% with over 50% of gold recovered by gravity and the remainder by CN leach. CN and lime consumption is low.

These results are very promising for several reasons:

- Coarser grinding translates to lower power requirements for milling, a potentially significant cost savings for the project.
- Coarse tailings allows for consideration of dry stacking as a means of tailings disposal, a potentially cheaper alternative to conventional tailings ponds.
- Water can be readily recovered from tailings for re-use in milling meaning lower overall water consumption, a potential cost savings.
- Reagent consumption is low which translates to lower processing costs.

Novo is currently contemplating a scenario whereby material is processed at a mill to be constructed on the Blue Spec mining leases. While this adds a component of transport to the mining scenario, Novo anticipates complexities around permitting will be reduced since the Blue Spec mine is outside of the town of Nullagine's watershed.

Cyanidation Test Results from Beatons Creek

Sample	Test Conditions	Grind Size (P80 µm)	Gravity Gold Recovery (%)	Gravity + CN Gold Recovery (%)	Calculated Head Grade (gpt Au)	Lime Consumption (kg/tonne)	CN consumption (kg/tonne)
IGR Gravity Tailings	40% Solids - 1.0kg/t NaCN - pH 10.5	250	53.3	97.1	2.79	2.02	0.18
	40% Solids - 1.0kg/t NaCN - pH 10.5	212	75.4	98.9	5.64	1.99	0.16
	40% Solids - 1.0kg/t NaCN - pH 10.5	150	59.0	97.1	3.49	2.21	0.24
	40% Solids - 1.0kg/t NaCN - pH 10.5	106	49.1	98.1	2.58	2.08	0.27
	40% Solids - 0.75kg/t NaCN - pH 10.0	280	66.1	98.6	5.05	1.83	0.21
	40% Solids - 0.5kg/t NaCN - pH 10.0	280	71.0	98.6	5.73	1.93	0.19
Edwards Block Bulk Sample	40% Solids - 1.0kg/t NaCN - pH 10.5	250	81.9	98.9	6.09	1.13	0.20
	40% Solids - 1.0kg/t NaCN - pH 10.5	212	82.7	99.1	6.48	1.00	0.20
	40% Solids - 1.0kg/t NaCN - pH 10.5	150	44.1	97.3	1.50	0.98	0.20
	40% Solids - 1.0kg/t NaCN - pH 10.5	106	88.0	99.4	6.62	1.00	0.19
	40% Solids - 0.75kg/t NaCN - pH 10.0	280	55.3	96.8	2.16	0.62	0.21
	40% Solids - 0.5kg/t NaCN - pH 10.0	280	66.2	98.3	2.89	0.74	0.25

"Following our $15 million placement, we are in a strong position to advance Beatons Creek toward production," commented Dr. Quinton Hennigh, President, CEO and director of Novo Resources Corp. "Our first goal is to expand and upgrade mineral resources in preparation for completion of a prefeasibility study later this year. Recent cyanidation

results are very encouraging and indicate a gravity + CIL scenario for processing is ideally suited for the project and will form the basis of our prefeasibility study. With the addition of an in-house environmental scientist, Chris Goti, we are able to concurrently pursue production-related permits. We welcome him to the team as we prepare for a busy year."

Quinton Hennigh (Ph.D., P.Geo.) is the Qualified Person pursuant to National Instrument 43-101 responsible for, and having reviewed and approved, the technical information contained in this news release. Dr. Hennigh is President, CEO and a Director of Novo Resources Corp.

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 Beatons Creek gold project, a 70% interest in properties surrounding Beatons Creek and Marble Bar, a 100% interest in the Blue Spec gold-antimony project, and options covering approximately 400 square km over the Mosquito Creek Basin, all in the Pilbara region, Western Australia. Novo also controls a 100% interest in approximately 2 sq km covering much of the Tuscarora Au-Ag vein district, Nevada. For more information, please contact Leo Karabelas at (416) 543-3120 or e-mail leo@novoresources.com.

On Behalf of the Board of Directors,

Novo Resources Corp.

"*Quinton Hennigh*"
Quinton Hennigh
CEO and President

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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 receipt of results from various exploration and testing activities. 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, customary risks of the mineral resource exploration industry as well as Novo having sufficient cash to fund the planned drilling and other exploration activities.