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## NOVO EXERCISES RIGHT TO PURCHASE HALF OF COMET WELL ROYALTY

**VANCOUVER, BC**, July 16, 2018 - **Novo Resources Corp.** (“**Novo**” or the “**Company**”) (TSX-V: NVO; OTCQX: NSRPF) is pleased to announce that it has exercised its right of first refusal (the “**ROFR**”) to purchase one-half of a 1% net smelter returns royalty (the “**NSR**”) on the Company’s Comet Well property in the Karratha region of Western Australia (the “**Acquisition**”). The Company is exercising its ROFR and matching the terms of an offer made by International Prospect Ventures Ltd. to the holder of the NSR (the “**Holder**”). The exercise of the ROFR is subject to the approval of the TSX Venture Exchange (“**TSX-V**”).

The consideration payable by the Company to the Holder for the Acquisition includes CAD \$1,750,000 in cash, payable as follows:

- CAD \$1,000,000 upon receipt of TSX-V approval (the “**Approval Date**”);
- CAD \$250,000 on the six-month anniversary of the Approval Date; and
- CAD \$500,000 on the 12-month anniversary of Approval Date.

The consideration payable by the Company also includes the issue to the Holder of such number of Novo common shares, issued at a deemed price per share equal to the volume-weighted average closing price (“**VWAP**”) of the Company’s common shares for the 20 trading days immediately prior to the date of execution of a formal purchase agreement (the “**Execution Date**”), which equals the value of 9% of IZZ’s issued share capital at that date (the “**IZZ Value**”). The IZZ Value will be determined by reference to the number of IZZ’s issued and outstanding common shares at the Execution Date and the VWAP of IZZ’s common shares for the 20 trading days immediately prior to the Execution Date.

The Company has also agreed to pay the Holder a sub-royalty, in cash or satisfied by the issuance of Novo common shares at the Company’s discretion, based on either (i) resource reports being announced by the Company in compliance with either National Instrument 43-101 or the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves for the Comet Well property, demonstrating Measured Mineral Resources or Indicated Mineral Resources of gold, or a combination thereof (together, the “**Announced Resources**”), or (ii) if there are no Announced Resources but the Comet Well property is being mined by the Company, gold produced by the Company (“**Mined Resources**”), as follows:

- For Announced Resources and/or Mined Resources up to 5,000,000 ounces of gold, Novo shall make a payment of CAD \$0.50 per ounce; and
- For Announced Resources and/or Mined Resources over 5,000,000 ounces of gold, Novo shall make a payment of CAD \$1.00 per ounce.

If applicable, any sub-royalty will be paid quarterly, and the obligation to pay the sub-royalty expires on the tenth anniversary of the Approval Date. The sub-royalty is only payable once in respect of Announced Resources that may subsequently become Mined Resources. If a sub-royalty is paid in common shares issued by the Company, the issue price will be determined by reference to the VWAP of the Company’s shares for the last 20 trading days of the relevant quarter.

The Novo common shares to be issued as consideration for the Acquisition, and any shares issued by the Company in satisfaction of any sub-royalty, will be subject to a statutory hold period of four months and one day from the date of issuance in accordance with applicable securities legislation and the policies of the TSX-V as applicable.

“The exercise of this ROFR represents the Company’s commitment to the Comet Well and surrounding properties” commented Dr. Quinton Hennigh, Chairman, President, and a director of Novo Resources Corp. “We

see substantial value in the minimization of any potential profit dilution from future operations in order to maximize the Company's performance, noting that the Holder still retains a 0.5% net smelter returns royalty."

**About Novo Resources Corp.**

Novo's focus is to explore and develop gold projects in the Pilbara region of Western Australia, and Novo has built up a significant land package covering approximately 12,000 sq km. 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

Chairman 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 prospectivity of the Comet Well property. These 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 industry as well as the ability to develop the Comet Well property.