

October 11, 2022

NULLAGINE GOLD PRODUCTION UPDATE

KEY POINTS

- No lost-time injuries recorded during Q3 2022 or year-to-date 2022
- Q3 2022 production of 13,137 oz Au, exceeding operational wind-down guidance¹, bringing total production for year-to-date 2022 to 39,125 oz Au as Phase One operations complete at Beatons Creek²
- Q3 2022 gross revenue of C\$28.0 million (A\$31.4 million)³ generated from sale of 12,426 oz Au
- Additional 1,000 oz Au estimated to be sold in Q4 2022 as gold is stripped from carbon and Beatons Creek transitions to operational pause²
- Strong cash balance as at September 30, 2022 of C\$65.3 million³, which will support ongoing and extensive exploration programs and completion of the Beatons Creek mineral resource estimate update and feasibility study⁴
- Novo continues to engage with relevant regulatory agencies to address environmental appeal queries raised regarding proposed Phase Two operations at Beatons Creek⁵

Table 1: Key Operational and Financial Figures³

		Q4 2021	Q1 2022	Q2 2022	Q3 2022
Mining	(tonnes)	434,133	395,824	421,981	193,173
Processing	(tonnes)	395,310	394,382	398,830	405,071
Grade	(g/t Au)	1.16	1.15	1.02	1.03
Recovery	(%)	91.5%	91.4%	93.5%	90.7%
Gold Production	(oz Au)	12,833	13,378	12,610	13,137
Revenue	(C\$M)	\$29.9	\$31.9	\$29.7	\$28.0
Cash and Cash Equivalents	(C\$M)	\$32.5	\$22.0	\$74.8	\$65.3

VANCOUVER, BC - Novo Resources Corp. (“Novo” or the “Company”) (TSX: NVO, NVO.WT & NVO.WT.A) (OTCQX: NSRPF) provides a 2022 third quarter (“**Q3 2022**”) operational update for the Beatons Creek gold project (“**Beatons Creek**”) and Golden Eagle processing facility (“**Golden Eagle Plant**”), located in Nullagine, Western Australia.

BEATONS CREEK PROJECT

Safety and COVID-19 Update

During Q3 2022 and year-to-date 2022, Novo did not record any lost time injuries.

COVID-19 continues to impact the Company’s cost profile. While mandatory COVID-19 isolation requirements are being eased by the Australian government effective October 14, 2022, supply chain issues are resulting in elevated costs, particularly with respect to fuel and other consumables. Best efforts have been made to mitigate the impacts of the pandemic through the adoption of sound risk management processes. The Company intends to manage such impacts but remains cautious that they may affect all aspects of the Company’s business, including exploration activities.

Operations

During the final quarter of current operations at Beatons Creek before the pause in operations, approximately 193 kt of mineralized material were mined from the Golden Crown and Edwards areas. Backfilling of the Grant’s Hill pit has been completed in compliance with environmental requirements for the pause in

¹ Refer to the Company’s news release dated [July 6, 2022](#).

² Refer to the Company’s news release dated [June 14, 2022](#).

³ These financial figures are unaudited and may differ from final results due to foreign exchange and rounding differences.

⁴ Refer to the Company’s news release dated [June 14, 2022](#).

⁵ Refer to the Company’s news release dated [August 8, 2022](#).

operations¹. Preliminary reshaping of waste landforms has commenced and rehabilitation works of recent drilling areas will continue.

The Golden Eagle Plant processed approximately 405 kt in Q3 2022, with an average head grade of 1.03 g/t Au.

Gold production totalled 13,137 ounces and recovery rates of approximately 90.7% were achieved in Q3 2022.

Q3 2022 gold sales totalled 12,426 ounces of gold and 1,336 ounces of silver for gross revenue of C\$28.0 million (A\$31.4 million)³. Throughout Phase One operations at Beatons Creek, Novo has sold its gold in Australian dollars to ABC Refinery of Sydney, Australia and enjoyed strong gold price performance in Australian dollar terms.

The Company expects to sell an additional 1 koz Au in Q4 2022 as gold is stripped from carbon and Beatons Creek transitions to an operational pause².

Novo is preparing a reply to the appeal received in response to the Western Australian Environmental Protection Authority's decision to not assess the Company's submission regarding proposed Phase Two operations of the Fresh mineral resource at Beatons Creek⁵. The Company continues to engage with relevant regulatory authorities to seek approval to mine the Beatons Creek Fresh mineral resource and expects to make a final investment decision post receipt of results of the mineral resource update and feasibility study which are expected in Q4 2022⁴.

EXPLORATION UPDATE

Drilling continues across priority gold and battery metal targets at Purdy's North and the Becher area in the Pilbara region of Western Australia⁶. The Company will provide an exploration update in early November 2022.

NOVO FINANCIAL POSITION

Novo's cash balance as at September 30, 2022 was C\$65.3 million³ and, as previously reported, Novo is free of long-term debt⁷.

In addition to its existing cash reserves, the Company has an investment portfolio with a fair value of approximately C\$20.5 million as at September 30, 2022⁸.

QP STATEMENT

Dr. Quinton Hennigh (P.Geo.) is the qualified person, as defined under National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, responsible for, and having reviewed and approved, the technical information contained in this news release. Dr. Hennigh is the non-executive co-chairman and a director of Novo.

CAUTIONARY STATEMENT

The decision by the Company to produce at Beatons Creek was not based on a feasibility study of mineral reserves demonstrating economic and technical viability and, as a result, there was an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Production did not achieved forecast. Historically, such projects have a much higher risk of economic and technical failure. There was no guarantee that anticipated production costs would be achieved. Failure to achieve the anticipated production costs had a material adverse impact on the Company's cash flow and future profitability.

⁶ Refer to the Company's news release dated [September 6, 2022](#).

⁷ Refer to the Company's news release dated [August 12, 2022](#).

⁸ This value excludes the fair value of warrants held in GBM Resources Ltd. and other immaterial investments. The value of Novo's holdings in Elementum 3D, Inc. ("E3D") is based on E3D's most recent financing price of US\$8.00 per unit. Except for its investment in E3D and certain other immaterial investments, the fair value of Novo's investments is based on closing prices of its investments and relevant foreign exchanges rate as at September 30, 2022.

The Company cautions that its declaration of commercial production effective October 1, 2021⁹ only indicated that Beatons Creek was operating at anticipated and sustainable levels and it did not indicate that economic results would be realized.

ABOUT NOVO

Novo explores and develops its prospective land package covering approximately 10,500 square kilometres in the Pilbara region of Western Australia, including the Beatons Creek gold project, along with two joint ventures in the Bendigo region of Victoria, Australia. In addition to the Company's primary focus, Novo seeks to leverage its internal geological expertise to deliver value-accretive opportunities to its shareholders. 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.

"Michael Spreadborough"

Michael Spreadborough

Executive Co-Chairman & Acting CEO

Forward-looking information

Some statements in this news release contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, that an additional 1,000 oz Au are estimated to be sold in Q4 2022, the Company's cash balance of C\$65.3 million will support ongoing and extensive exploration programs and completion of the Beatons Creek mineral resource estimate update and feasibility study, the Company intends to manage the impacts of COVID-19, the Company is preparing a response to the appeal received regarding the Western Australian Environmental Protection Authority's decision to not assess the Company's submission regarding proposed Phase Two operations of the Fresh mineral resource at Beatons Creek, the Company continues to engage with relevant regulatory authorities to seek approval to mine the Beatons Creek Fresh mineral resource and expects to make a final investment decision post receipt of results of the mineral resource update and feasibility study which are expected in Q4 2022, and that the Company will provide an exploration update in early November 2022. 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 resource industry and the risk factors identified in Novo's management's discussion and analysis for the six-month period ended June 30, 2022, which is available under Novo's profile on SEDAR at www.sedar.com. Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, Novo assumes no obligation to update or to publicly announce the results of any change to any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If Novo updates any forward-looking statement(s), no inference should be drawn that the Company will make additional updates with respect to those or other forward-looking statements.

⁹ Refer to the Company's news release dated [October 12, 2021](#).