



SUSTAINABILITY STATEMENT

2022

A NOTE FROM OUR LEADERS

Over the past year, we have been working to progress our approach to sustainability. This statement captures some of the key highlights, including undertaking our first materiality assessment, developing a roadmap to drive improvement, and further building our governance framework to align with our ambitions.

As an organisation, we recognise the importance of responsible mining practices. This requires proactive environmental stewardship. For example, to ensure we mitigate impacts from our operations, we have implemented an expansive groundwater and surface water monitoring program and rehabilitation strategy to ensure we not only meet regulatory requirements, but do not impact our stakeholders.

Climate change is one of the most significant risks facing modern society. We are cognisant that climate change presents both risks and opportunities for our organisation; whilst we endeavour to minimise our risk, we also strive to maximise the opportunities. For us, this means playing our role in the transition to a lower carbon economy.

Our stakeholders and local communities are important to us. Over 12 months, ending June 22, we continued to support our local communities through a number of projects such as establishing the Mantingunya Arts & Culture Centre, upgrading Nullagine Gallop Park Playground, contributing to NAIDOC week festivities, and sponsoring the Karratha Northern Spirit Basketball and Hockey clubs, Port Hedland Turf Club and Annual Cossack Art Awards. We are also in the process of formalising our community investment strategy through the development of a Social Investment Policy and standard. This will provide a clear vision, enabling meaningful investment within our communities.

Recognising the growing demand for transparency in sustainability performance, we have identified a number of actions moving forward to ensure we deliver on our commitment to be open and honest. We see transparency as essential to good governance and responsible operations, moreover being in the best interest of our stakeholders.

In the year to come we will focus on identifying opportunities to further reduce risk and improve our business practices, make meaningful contributions to the communities in which we operate, and investigate decarbonisation and emission reduction pathways.



Michael Spreadborough
Executive Co-Chairman



Ross Hamilton
Independent Director
Sustainability Committee Chair

“ We embrace innovation to responsibly transform minerals for the benefit of our stakeholders ”

ABOUT US



ABOUT US

Novo Resources (Novo) is an innovative gold and battery metals explorer, developer and producer listed on the Toronto Stock Exchange (TSX NVO / OTCQX NSRPF) with offices in Perth, Australia and Vancouver, Canada.

Novo currently holds a significant land package covering approximately 10,500 square kilometres in the Pilbara Region of Western Australia with a focus on gold exploration. We commenced operations at the Nullagine Gold Project through mining of the Beatons Creek gold project in 2021, and paused operations, through a controlled and phased wind-down, in mid-2022. A feasibility study for the Beatons

Creek Fresh project and approvals for potential mining of this project are currently underway.

Looking ahead, Novo has excellent long-term growth opportunities through prospective exploration tenements. Within the context of our growth plans, we recognise the importance of being a responsible operator, environmentally, socially, culturally and economically. This statement presents an overview of our approach to sustainability.



OUR FOCUS ON DELIVERING STAKEHOLDER VALUE



Embrace innovation

Rapid adoption of innovative solutions to maximise opportunities and increase effectiveness and efficiency.



Transform minerals

Monetising mineral inventory through exploration, development, production or commercial arrangements, either wholly or in partnership with others.



Stakeholders

Those that we work with to assist us in achieving our strategy and goals: Shareholders, Employees, Traditional Owners, Communities, Government, and Suppliers.



Delivering value to our stakeholders

To enable our stakeholders to succeed economically, socially, and sustainably.



OUR APPROACH

 **NOVO**



OUR APPROACH TO SUSTAINABILITY

Our approach to sustainability is built around three key pillars, which integrate all aspects of our operations.



OPERATING WITH INTEGRITY: We believe strong corporate governance is essential to the success of our business. We honour our commitments, and act in an ethical and transparent manner.



VALUING OUR PEOPLE AND COMMUNITIES: We seek to create an inclusive environment, and a culture that supports the health, safety and wellbeing of our employees. We respect culture, heritage and aim to make a positive contribution to the communities in which we operate.

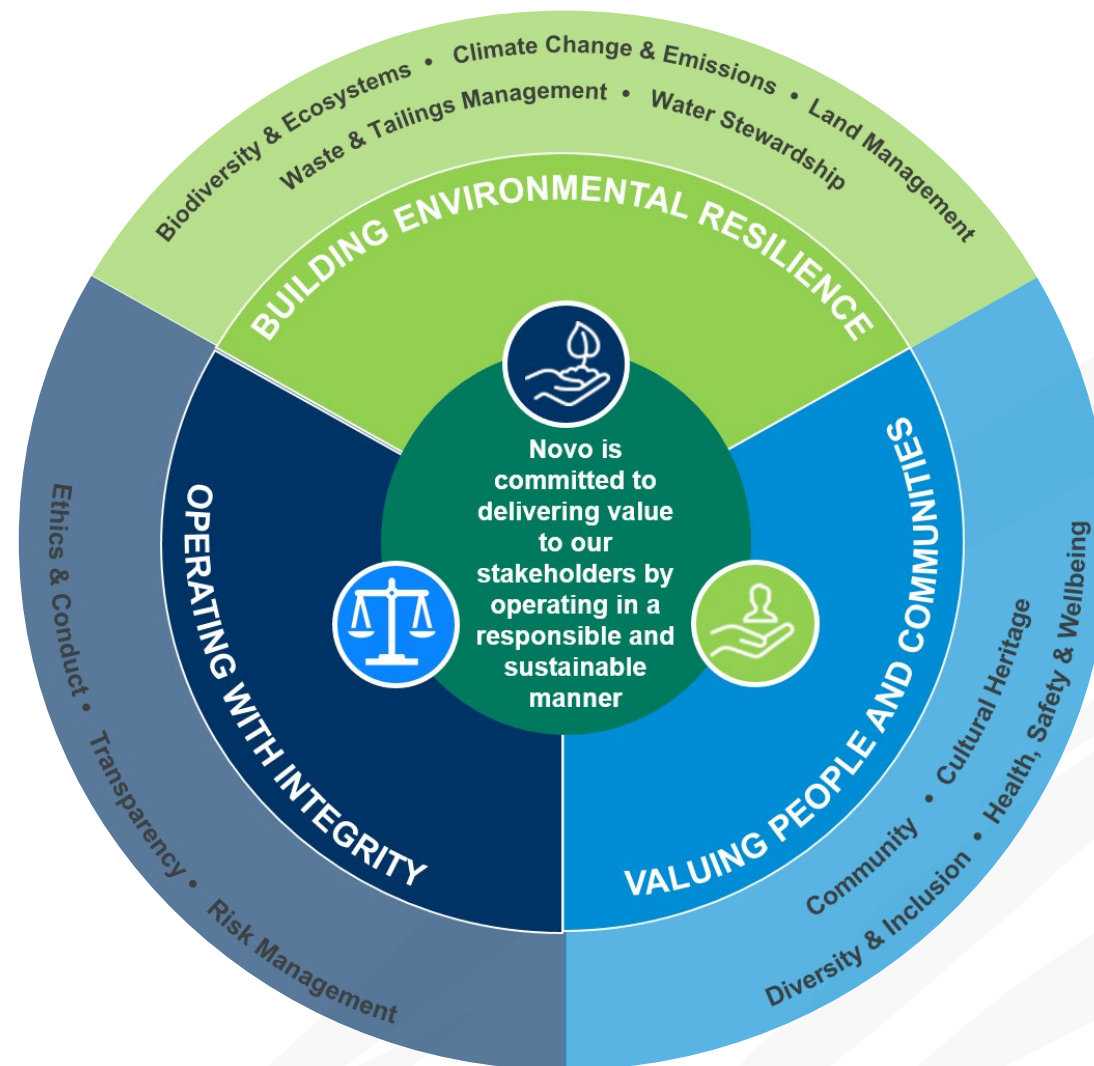


BUILDING ENVIRONMENTAL RESILIENCE: We recognise the importance of environmental stewardship and seek to understand and manage our impact on the environment.

Over the past year, we have made strides in developing and embedding our approach to sustainability. These efforts have been guided by several key global frameworks, including the Global Reporting Initiative (GRI), and the International Council of Mining and Metals (ICMM) Mining Principles.

We conducted a materiality assessment, in line with the GRI, as the foundation for our approach; while the ICMM Principles have guided development of our management system.

We identified the following material topics: governance, biodiversity & ecosystems, climate change and emissions, land management, waste and tailings management, water stewardship, communities, cultural heritage, diversity and inclusion, and health, safety and wellbeing.



MATERIAL SUSTAINABILITY TOPICS



Operating with Integrity

Building Environmental Resilience

Valuing People and Communities



OPERATING WITH INTEGRITY

Strong corporate governance is fundamental to achieving our business strategy and creating long-term value for our stakeholders.

Governance

We recognise the importance of good governance and are committed to operating with the utmost integrity and in an ethical and transparent manner. This underpins our activities and business dealings.

Our governance framework is designed to guide effective and responsible decision making at all levels of our organisation and to support our team in delivery of our business strategy.

We are in the early stages of our sustainability journey and as part of this we have concentrated our efforts on developing a strong foundation on which to build.

This year we have focused on developing and embedding our policies and practices to achieve our commitment to good governance. We have made public our policies and published our first Corporate Governance Statement.

Our key policies and commitments can be found on **[novoresources.com](https://www.novoresources.com)**

Our Values



AUTHENTIC

We are genuine and honest in our dealings



DILIGENT

We tenaciously pursue our goals



ENERGETIC

We are passionate and committed about achieving our goals



RESOURCEFUL

We are nimble and adaptive to our situation, logically identifying and utilising resources available to us

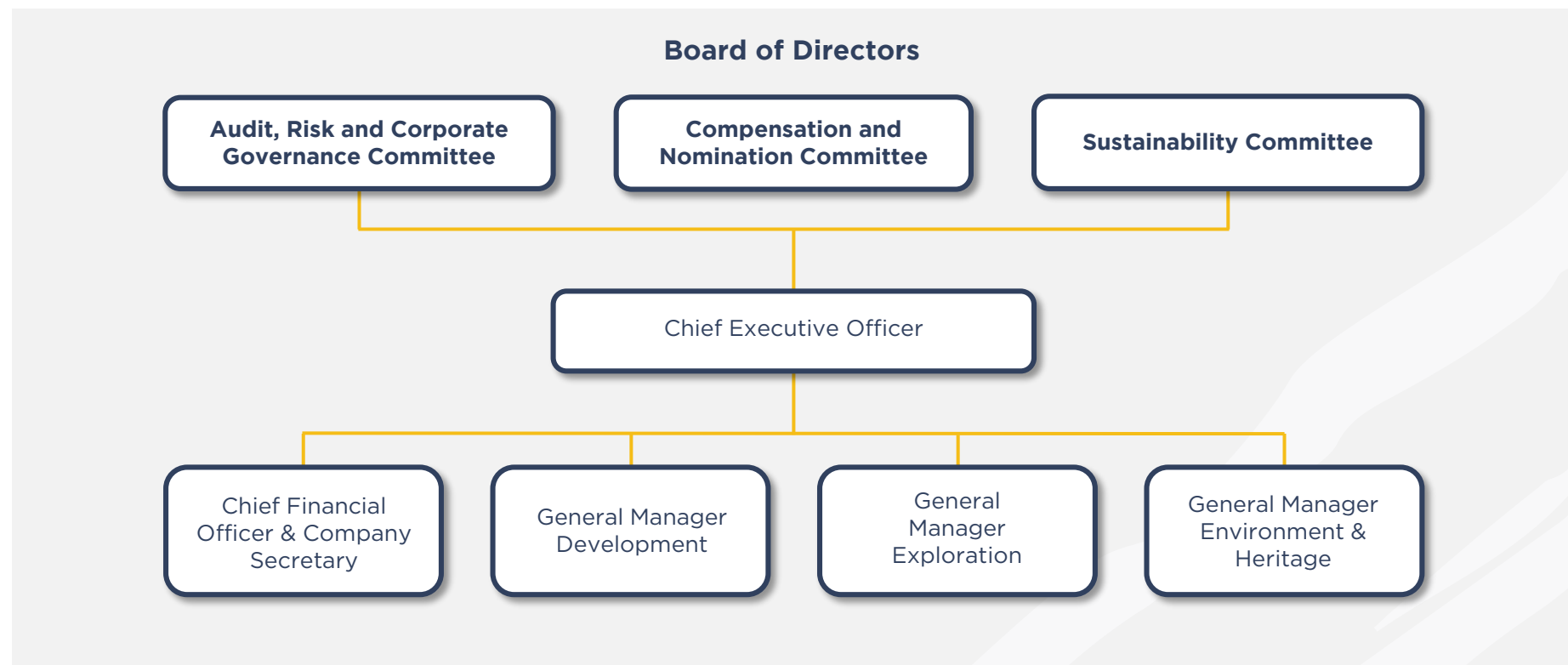


OPERATING WITH INTEGRITY

Strong corporate governance is fundamental to achieving our business strategy and creating long-term value for our stakeholders (cont).

We view transparency and disclosure of our sustainability performance as an integral part of being a responsible operator and also in the best interest of our stakeholders. The Sustainability Committee oversees the implementation of our sustainability commitments.

Our Sustainability Committee is responsible for ensuring appropriate policies, strategies and programs are in place for sustainability matters including monitoring and reviewing our practices and governance in health and safety, environment, communities social performance, cultural heritage and human rights.





VALUING OUR PEOPLE AND COMMUNITIES

Our People are at the heart of everything we do. Nothing is more important than their health, safety and wellbeing. We are committed to creating a workplace that is safe, respectful and inclusive.

3

Serious Potential Incidents* in 12 months end June 22

1

Lost Time Injury in 12 months end June 22**

10.8

Total Recordable Injury Frequency Rate* 12 months end June 22**

Health, Safety and Wellbeing

Our highest priority is the health, safety and wellbeing of our workforce and communities in which we operate. Safety is a critical component in the way we conduct our business and continues to guide our decision-making. As such we emphasize that safety comes before productivity, providing everyone with the power to stop work should they view a potential risk.

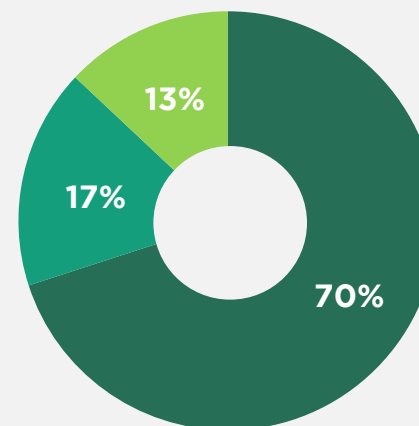
We acknowledge our activities have the potential to impact the health of our people. We have an Employee Assistance Provider (EAP) in place to help support our employees when in need of mental health and wellbeing support. In addition we provide additional support services in key areas such as nutrition, financial and individualised exercise support along with resiliency programs.

We have developed a suite of psychosocial safety awareness tools and rolled out a range of training programs to further support the health, safety and wellbeing of our teams.

Diversity and Inclusion

We are committed to establishing a diverse and inclusive workplace. We value diversity of abilities, experience, perspective, education, gender, background, race and national origin and view diversity and inclusion as essential for the sustainable success of our business.

As of June 2022, 20% of our board and 30% of our workforce was female. We have developed a Diversity and Inclusion Policy which reflects our commitment to a respectful, inclusive and diverse workforce free from prejudice.



Gender Diversity

■ Male

■ Female Corp & Exploration

■ Female Nullagine Gold Project

*Serious Potential Incidents: A potentially serious incident is defined as an incident that is likely to cause a serious injury or illness, and there is reasonable cause to believe that corrective action may need to be taken to prevent recurrence.

**Lost Time Injury: A lost-time injury is defined as an injury or illness that results in lost from work of one day/shift or more.

***Total Recordable Injury Frequency Rate: Total recordable injury frequency rate is the recordable work-related injuries or illnesses requiring medical treatment per million hours worked.



VALUING OUR PEOPLE AND COMMUNITIES

We are committed to establishing relationships with the communities in which we operate based on mutual understanding and respect.

Communities

We are committed to positively contributing to the communities in which we operate. We seek to work in partnership with our communities to achieve long-term social, environmental and economic outcomes through the utilisation of local and regional service suppliers in addition to providing local employment opportunities.

Our aim is to contribute to the social value of our communities through the support of community organisations and programs. We are in the process of developing a community investment strategy to support our decision-making and create shared value.

In 2022, we participated in a range of initiatives such as establishing the Mantingunya Arts & Culture Centre, upgrading the Nullagine Gallop Park Playground, assisting with NAIDOC week festivities, and sponsoring several local sporting and community groups.

Our stakeholders are a critical part of our sustainability journey. We believe our success is dependent upon our ability to listen to, and build strong relationships with them. We recognise that in order to maintain our social licence it is essential we engage with our stakeholders in an ethical, honest and transparent manner.





VALUING OUR PEOPLE AND COMMUNITIES

We are committed to working in partnership with Traditional Owners.

Traditional Owners

We acknowledge the Traditional Owners of the land upon which we operate: the Palyku, Nyamal, Kariyarra, Ngarluma, Yinhawangka, Yindjibarndi, Yaburara and Mardudhunera, Puutu Kunti Kurrama, Pinikura and Dja Dja Wurrung peoples. We recognise their unique cultural heritage, beliefs, and connection to land and water, and pay our respects to their Elders past, present and emerging.

We recognise the importance of building strong relationships with the Traditional Owners. Through ongoing stakeholder engagement we promote mutual understanding and respect with our Traditional Owner groups ensuring we create projects that deliver positive outcomes.

Cultural Heritage

We appreciate our operations have the potential to impact on cultural heritage and we are committed to continuing to work closely with the nine Indigenous groups on whose lands we hold tenure to manage these impacts.

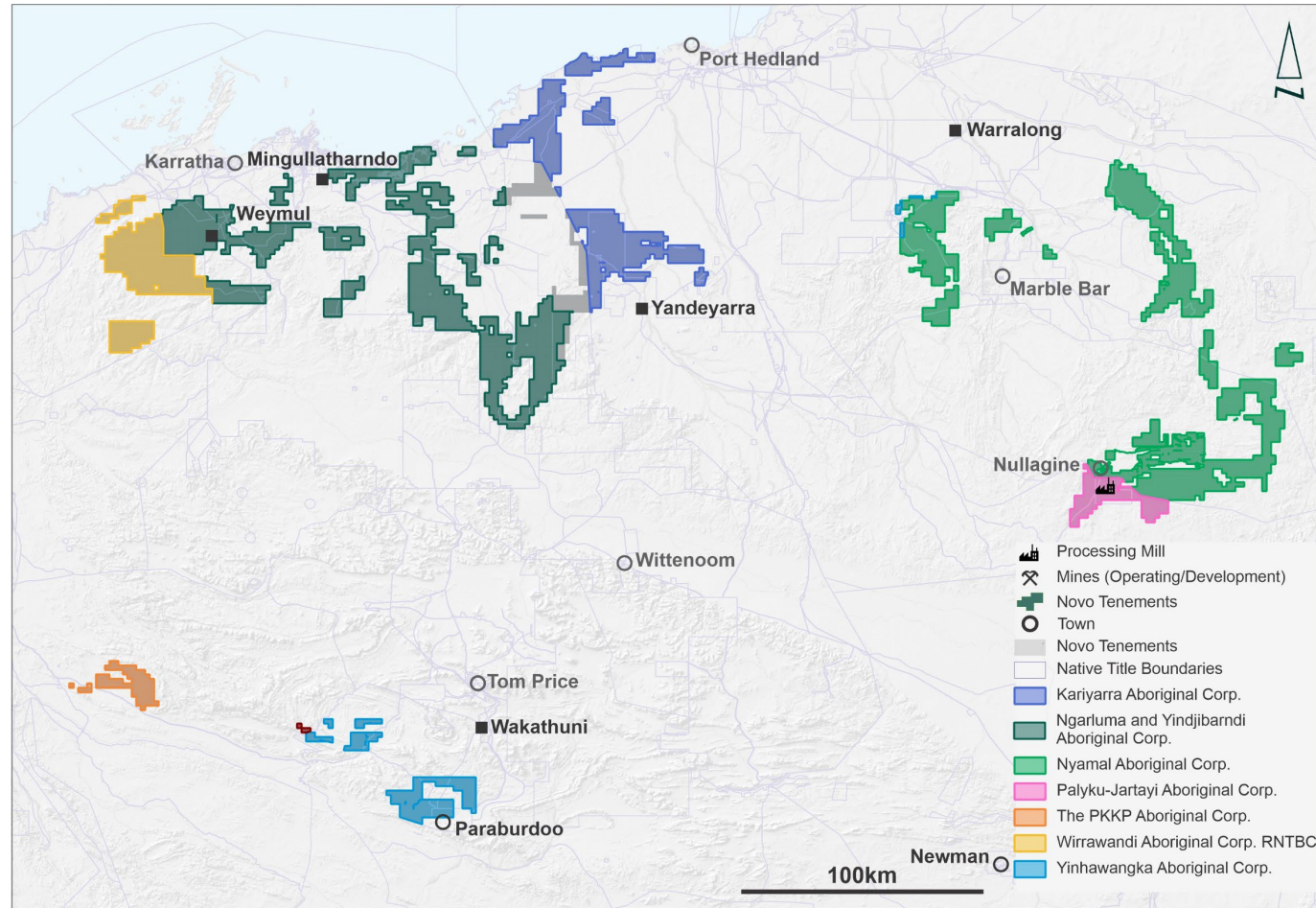
We maintain robust planning and operational controls to ensure heritage sites are fully protected where we operate. Additionally, we routinely undertake Cultural Awareness Training, in line with our Cultural Heritage Policy, with all our personnel to ensure that the acknowledgement of the rights of Indigenous people and their physical, spiritual and cultural connections to the lands and waters are respected.





VALUING OUR PEOPLE AND COMMUNITIES

We are committed to working in partnership with Traditional Owners (cont).





BUILDING ENVIRONMENTAL RESILIENCE

We recognise the importance of environmental stewardship, and we are committed to managing our impacts on the environment today and in the future.

Biodiversity and Ecosystems

We recognise the importance of the environment in which we operate, including the biodiversity values of these areas. The nature of our activities results in us having responsibility for the sustainable management of the land, and biodiversity risks.

We undertake regular studies to ensure we have a thorough understanding of the ecological landscape enabling us to protect priority flora and fauna species. We are in the process of updating our environmental management system, which will formalise our policies, standards and procedures to ensure we meet industry best practice and our commitment to align with the ICMM Mining Principles.

Land Management

Our landholdings in the Pilbara Region are in excess of 10,500 square kilometres, which includes our Nullagine Gold Project. This means we have a sizeable footprint to manage and are committed to doing so in a responsible and sustainable manner.

A key part of our approach to managing our footprint is rehabilitating areas following cessation of our operations. We are currently formalising our approach including closure plans to ensure we are aligned with leading practice.

Climate Change and Emissions

We are committed to managing our emissions and understand that we have a role to play in supporting the global transition to a clean energy future.

We will continue to investigate ways to reduce emissions intensity, manage climate related risk and align with the waste reduction goals of the circular economy.

| | Greenhouse Gas Emissions (t CO ₂ -e) 2021 - 2022 | | | Energy Produced and Energy Consumed (GJ) 2021 - 2022 | | |
|----------------------------|---|-----------|-------------------|--|---------------------|-----------------|
| Entity Name | Scope 1 | Scope 2 | Total Scope 1 & 2 | Energy Consumed Total | Energy Consumed Net | Energy Produced |
| Novo Corporate Head Office | | 51 | 51 | 270 | 270 | |
| Nullagine Gold Project | 46,192 | | 46,192 | 798,697 | 659,321 | 139,376 |
| WA Exploration | 479 | | 479 | 6,819 | 6,819 | |
| TOTAL: | 46,670 | 51 | 46,721 | 805,786 | 666,410 | 139,376 |



BUILDING ENVIRONMENTAL RESILIENCE

We recognise the importance of environmental stewardship, and we are committed to managing our impacts on the environment today and in the future (cont).

Water Stewardship

Water is a critical resource to Novo as well as other water users including the local community and the environment. We are committed to responsibly managing water by exploring reduction, efficiency and recycling opportunities, and actively engaging with our stakeholders. We recognise that this is not only the environmentally responsible thing to do, but it also mitigates our risk, given we operate in locations where rainfall patterns are changing.

To support our management efforts, we have implemented an extensive monitoring program. This program helps us to ensure we do not adversely impact groundwater and surface water regimes.

Waste and Tailings Management

We are committed to managing our waste streams to ensure they are handled, stored and disposed of in a responsible manner. Our most significant waste stream is mineral waste, which is handled, stored and disposed of according to the material properties, environmental factors and regulations.

We are currently working on aligning our tailings management framework with the ICMM Tailings Storage Facility (TSF) governance framework and the Global Industry Standard on Tailings Management.

All waste and tailings management processes are outlined in our Waste and Tailings Management Policy.



A hiker with a backpack is seen from behind, walking along a narrow, rocky trail that winds through a dry, hilly landscape. The terrain is covered with reddish-brown rocks and sparse green grass. In the background, rolling hills stretch towards the horizon under a clear blue sky. A large green rectangular overlay is positioned on the left side of the image, containing the text 'LOOKING FORWARD' and the 'NOVO' logo.

LOOKING FORWARD

 **NOVO**

LOOKING FORWARD



This statement is a culmination of the work that we have done over the past year, with a focus on our material topics. Our efforts have been underpinned and guided by a sustainability roadmap, which has been designed to lead improvement in our performance.

Key aspects of the roadmap, which will be of focus for us over the next six months include the following:



Undertake a climate risk and opportunity assessment. The outputs will help us map out a decarbonisation pathway for the organisation.



Further develop our environmental and social management system to ensure we have the procedures we require to deliver on our ambitions.



Establish targets aligned with our material topics, which will form a basis of our future reporting efforts.



Establish a community investment strategy.

We look forward to 2023, when we intend to publish our first Sustainability Report, in line with international standards.

CAUTIONARY STATEMENT

Certain information contained or incorporated by reference in this Sustainability Statement, including any information as to our sustainability strategy and vision, targets, projects, plans, or future financial or operating performance, constitutes “forward-looking statements”. All statements, other than statements of historical fact, are forward-looking statements. Often, but not always, forward-looking information can be identified by the use of words such as “vision”, “believe”, “expect”, “target”, “plan”, “commitment”, “objective”, “aim”, “intend”, “goal”, “continue”, “budget”, “potential”, “may”, “will”, “can”, “should”, “could”, “would”, and similar expressions. In particular, this Sustainability Statement contains forward-looking statements including, without limitation, with respect to: (i) Novo’s sustainability strategy and vision; (ii) Novo’s environmental, health and safety, corporate social responsibility (including social and economic development, water management, tailings, hazardous waste management, diversity and inclusion, and community relations), human rights and biodiversity programs and policies; (iii) Novo’s climate change strategy and associated greenhouse gas emissions disclosure; and (iv) climate risks.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Novo as at the date of this Sustainability Statement in light of management’s experience and perception of current conditions and expected developments, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements, and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: damage to Novo’s reputation due to the actual or perceived occurrence of any number of events, including negative publicity with respect to Novo’s handling of environmental matters or dealings with community groups, whether true or not; changes in national and local government legislation, taxation, controls or regulations, and/or changes in the administration of laws, policies, and practices; political or economic developments in Canada and Australia; risks associated with diseases, epidemic and pandemics, including the effects and potential effects of the global Covid-19 pandemic; risk of loss due to acts of war, terrorism, sabotage and civil disturbances; litigation and legal and administrative proceedings; contests over title to properties, particularly title to undeveloped properties, or over access to water, power and other required

infrastructure; risks associated with working with partners in jointly controlled assets; employee relations; increased costs and physical risks, including extreme weather events and resource shortage, related to climate change; fluctuations in the spot and forward price of gold or certain other commodities (such as diesel fuel and electricity); the speculative nature of mineral exploration and development; changes in mineral production performance, exploitation, and exploration successes; diminishing quantities or grades of mineral resources; increased costs, delays, suspensions, and technical challenges associated with the development of capital projects and exploration endeavours; exploration or technical difficulties in connection with exploration, development, or care and maintenance activities, including geotechnical challenges, tailings dam and storage facilities failures, and disruptions in the maintenance or provision of required infrastructure and information technology systems; timing of receipt of, or failure to comply with, necessary permits and approvals; non-renewal of key licences by governmental authorities; and failure to comply with environmental and health and safety laws and regulations. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, or flooding (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance.

All of the forward-looking statements made in this Sustainability Statement are qualified by these cautionary statements. Specific reference is made to the most recent management’s discussion and analysis available at www.sedar.com for a more detailed discussion of some of the factors underlying forward-looking statements and the risks that may affect Novo’s ability to achieve the expectations set forth in the forward-looking statements contained in this Sustainability Statement.

Novo disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.



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