

December 7, 2022

## SHAREHOLDER ADDRESS

Dear Shareholders,

2022 has certainly been a challenging year for Novo. A booming Western Australian mining industry and, to a certain extent, ongoing impacts of COVID-19 continued to impact the Company, with supply chain issues resulting in sharply elevated costs. Most notably, we had to make the difficult decision to transition operations at the Nullagine gold project (“**NGP**”) to care and maintenance while awaiting advice from the Western Australian Environmental Protection Authority on the path forward for approvals to mine the Beatons Creek Fresh Mineral Resource and the need to fully evaluate the economics of mining of the fresh resource.

From a macro perspective, rising interest rates and global inflation have caused, and continue to cause, volatility across all sectors of global capital markets. Historically, such circumstances would see investors move to commodities like gold as a safe haven, however this has not eventuated in 2022. The precious metals sector has been a difficult environment to navigate, particularly due to decreased trading volumes and lack of investor interest.

There have been some significant highlights at Novo across the year. We consolidated ownership of the Egina project and welcomed Sumitomo Corporation as a new shareholder, and we sold our 15 million shares in New Found Gold Corp. (TSXV:NFG) (“**New Found**”) for gross proceeds C\$125.9 million and a return on investment of >650%. This sale enabled us to facilitate repayment of the Company’s senior secured US\$40 million credit facility with Sprott Resource Lending Corp., resulting in Novo being debt free.

The New Found transaction and the pay down of debt have left the Company in a strong financial position, with a cash balance of approximately C\$52 million and C\$20 million in investments as at November 30, 2022.

Over the year and following the Board’s prudent decision to transition operations to care and maintenance, we have shifted focus to aggressively pursuing our exploration strategy to catalyse our next phase of growth. We are committed to driving shareholder value through discovery. Our exploration team has identified an exciting pipeline of targets across our premium and dominant landholding in the Pilbara region of Western Australia, which we will continue to explore and drill in 2023 along with our promising joint ventures in the Bendigo region of Victoria.

Drilling is underway at the Becher gold target, a Hemi-like geologic setting, and at Purdy’s North adjacent to Azure Minerals’ Andover discovery with standout early results being achieved. Importantly, we have also delivered promising gold-in-soil results from work completed earlier in 2022 at our next major exploration target, Nunyerry North. This provides an excellent platform for our next exploration program, which is due to commence in early 2023, weather permitting.

Looking towards 2023, Novo is progressing our growth strategy focused on:

1. Accelerating exploration across our significant landholding, targeting precious and battery metal prospects; and
2. Unlocking value at the NGP.

Novo has excellent long-term growth opportunities, driven by a dedicated focus to ongoing exploration across our premium project portfolio in the Pilbara and Victoria, which comprises highly prospective precious and battery metals targets. We are excited by our exploration opportunities ahead of us and delivering significant newsflow expected to be generated from our exploration programs throughout 2023.

Novo is also committed to continuing development work across key areas of the NGP and progressing key workstreams for the Beatons Creek Fresh Mineral Resource. Importantly, Novo is in advanced discussions with numerous parties regarding infrastructure opportunities at the NGP which have the

potential to offset Novo's care and maintenance holding costs whilst Novo completes further exploration and optimisation of the Beatons Creek mineral resource. The potential for NGP to not significantly draw on cash reserves in 2023 will allow Novo to focus its efforts on its key exploration projects. Updates will be provided in due course.

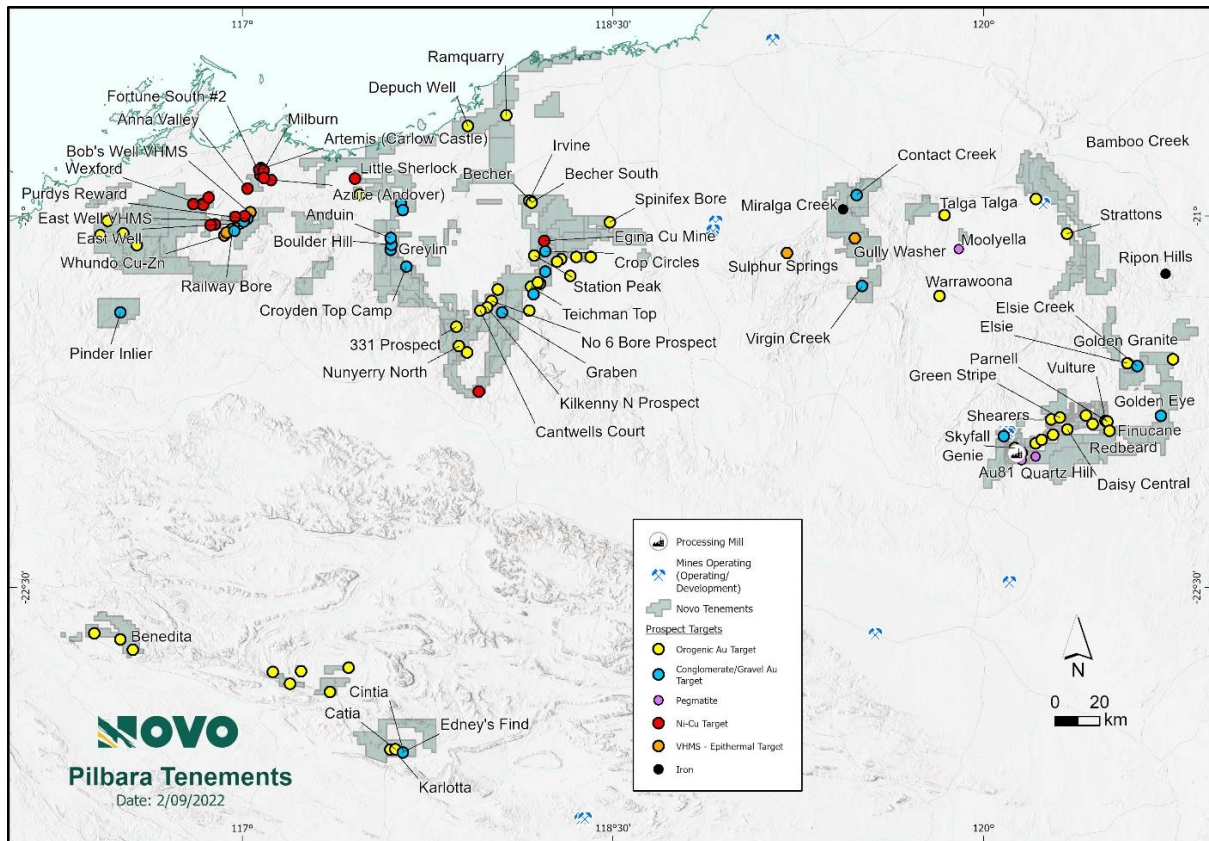


Figure 1: Novo's Pilbara holdings, including key targets.

Crucially, Novo will continue to operate in a responsible and sustainable manner. We are advancing critical ESG objectives, with a focus on becoming recognized for our sustainability performance. The release of our maiden Sustainability Statement in November 2022 was a proud moment. Novo is also in discussions with relevant Western Australian government regulatory agencies regarding its rehabilitation obligations across the NGP to focus our efforts on meaningful reclamation.

We are committed to acting in an ethical and responsible way in the best interests of all our stakeholders, including shareholders, employees, the traditional owners of the lands upon which we work, governments, suppliers, and the communities in which we operate.

We acknowledge that the past 12-18 months have been a tough period for Novo, however we have made great strides in our growth strategy and management believes that the future for the Company is bright. We are excited to be advancing the next phase of our story and have confidence that we are on the right path to success.

On behalf of the Board and the Novo team, I thank you for your support over the year and look forward to updating you on Novo's exciting progress in 2023.

Yours faithfully,

Mr. Michael Spreadborough  
Executive Co-Chairman

Dr. Quinton Hennigh  
Non-executive Co-Chairman

## 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 letter. Dr. Hennigh is the non-executive co-chairman and a director of Novo.

## Forward-looking information

Some statements in this letter contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, that the results of the feasibility study are expected to provide the foundation for a final investment decision, that Novo will continue to explore and drill in the Pilbara and in Victoria in 2023, that Novo's growth strategy is focused on accelerating exploration across its significant landholding, targeting precious and battery metal prospects and unlocking value at the NGP, that a significant amount of newsflow is expected to be generated from 2023 work programs, that Novo's advanced discussions with numerous parties regarding opportunities at the NGP have the potential to offset Novo's care and maintenance holding costs and that a cashflow neutral position at the NGP will allow Novo to focus its efforts on its key exploration projects, that Novo is advancing critical ESG objectives, and that Novo intends to focus its efforts on meaningful reclamation. 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 nine-month period ended September 30, 2022, which is available under Novo's profile on SEDAR at [www.sedar.com](http://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.