



## **NOVO RESOURCES CORP.**

***(TSX: NVO; ASX: NVO; OTCQX: NSRPF)***

### **CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**(The interim financial statements herein have not been reviewed by an auditor)**

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**FOR THE THREE MONTHS ENDED  
MARCH 31, 2024 AND 2023**

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(Expressed in Canadian Dollars)

**Novo Resources Corp.**  
(Expressed in Canadian Dollars)  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited)

	Note	March 31, 2024 \$'000	December 31, 2023 \$'000
<b>ASSETS</b>			
Current assets			
Cash		14,623	11,613
Short-term investments		146	149
Receivables	3	483	10,445
Prepaid expenses and deposits		598	822
Tax receivable		833	833
<b>Total current assets</b>		<b>16,683</b>	<b>23,862</b>
Non-current assets			
Marketable securities	4	42,095	34,395
Exploration and evaluation assets	5	43,400	44,255
Property, plant and equipment	6	2,103	2,262
Right of use assets	7	904	1,580
Gold specimens		96	97
<b>Total non-current assets</b>		<b>88,598</b>	<b>82,589</b>
<b>Total assets</b>		<b>105,281</b>	<b>106,451</b>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable and accrued liabilities	8	1,689	3,446
Lease liabilities	9	531	1,169
Deferred revenue	5	1,176	1,934
Deferred consideration	10	2,447	2,427
Rehabilitation provision	11	297	-
<b>Total current liabilities</b>		<b>6,140</b>	<b>8,976</b>
Non-current liabilities			
Lease liabilities	9	401	446
Deferred consideration	10	8,500	8,426
Deferred tax liability		4,637	3,681
<b>Total non-current liabilities</b>		<b>13,538</b>	<b>12,553</b>
<b>Total liabilities</b>		<b>19,678</b>	<b>21,529</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	12	415,559	414,901
Reserves	12	61,169	61,753
Accumulated other comprehensive gain	12	5,104	(567)
Accumulated deficit		(396,229)	(391,165)
<b>Total shareholders' equity</b>		<b>85,603</b>	<b>84,922</b>
<b>Total shareholders' equity and liabilities</b>		<b>105,281</b>	<b>106,451</b>

These consolidated financial statements are authorized for issue by the Board of Directors on May 8, 2024. They are signed on the Company's behalf by:

*"Karen O'Neill"*

Karen O'Neill

*"Ross Hamilton"*

Ross Hamilton

**Novo Resources Corp.**

(Expressed in Canadian Dollars)

**Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income / (Loss)**

(Unaudited)

		Three months ended March 31	
		2024 \$'000	Restated 2023* \$'000
General administration	13	(2,908)	(4,448)
Exploration expenditure	14	(2,479)	(3,557)
<b>Loss from operations</b>		(5,387)	(8,005)
Other income / (expenses), net	15	838	(406)
<b>Finance items</b>			
Finance income	16	126	307
Finance costs	16	(641)	(107)
<b>Net loss for the period before tax - continuing operations</b>		(5,064)	(8,211)
Income tax expense		-	(107)
<b>Net loss for the period after tax - continuing operations</b>		(5,064)	(8,318)
<b>Discontinued operations</b>			
Loss from discontinued operation	17	-	(7,868)
<b>Loss for the year</b>		(5,064)	(16,186)
<b>Other comprehensive income / (loss)</b>			
Change in fair value of marketable securities, net of tax - not to be reclassified to profit or loss in subsequent periods	12	6,647	4,098
Foreign exchange on translation of subsidiaries - to be reclassified to profit or loss in subsequent periods	12	(976)	(2,323)
<b>Total other comprehensive income</b>		5,671	1,775
<b>Comprehensive income / (loss) for the period</b>		607	(14,411)
<b>Weighted average number of common shares outstanding</b>		352,765,636	263,093,579
<b>Basic and diluted loss per common share (\$ per share) - loss for the period attributable to ordinary equity holders of the parent</b>		(0.01)	(0.06)
<b>Basic and diluted loss per common share (\$ per share) - continuing operations</b>		(0.01)	(0.03)

\* Income and expenses related to the discontinued operations have been presented as part of 'Loss from discontinued operations' refer to Note 17.

**Novo Resources Corp.**

(Expressed in Canadian Dollars)

**Consolidated Statements of Changes in Equity**

**For the three months ended March 31, 2024 and 2023**

	Note	Number of Shares (unrounded)	Share Capital Amount \$'000	Shares to be issued \$'000	Option Reserve \$'000	Warrant Reserve \$'000	Fair value reserve of financial assets at FVTOCI \$'000	Foreign currency translation reserve \$'000	Accumulated Deficit \$'000	Shareholders' Equity \$'000
<b>Balance – December 31, 2022</b>		249,322,054	396,819	56	43,716	16,359	10,388	(16,016)	(263,354)	187,968
Other comprehensive income / (loss) for the period		-	-	-	-	-	4,098	(2,323)	-	1,775
Loss for the period		-	-	-	-	-	-	-	(16,186)	(16,186)
Comprehensive income / (loss) for the period		-	-	-	-	-	4,098	(2,323)	(16,186)	(14,411)
Share-based payments	12 & 13	-	-	-	205	-	-	-	-	205
Share issuance - Creasy	12	8,431	3	-	-	-	-	-	-	3
<b>Balance – March 31, 2023</b>		249,330,485	396,822	56	43,921	16,359	14,486	(18,339)	(279,540)	173,765
<b>Balance – December 31, 2023</b>		350,945,455	414,901	56	45,105	16,592	21,851	(22,418)	(391,165)	84,922
Other comprehensive income / (loss) for the period		-	-	-	-	-	6,647	(976)	-	5,671
Loss for the period		-	-	-	-	-	-	-	(5,064)	(5,064)
Comprehensive income / (loss) for the period		-	-	-	-	-	6,647	(976)	(5,064)	607
Share-based payments	12 & 13	-	-	-	83	-	-	-	-	83
Share issued pursuant to stock options	12	3,684,824	667	(56)	(611)	-	-	-	-	-
Share issue costs		-	(9)	-	-	-	-	-	-	(9)
<b>Balance – March 31, 2024</b>		354,630,279	415,559	-	44,577	16,592	28,498	(23,394)	(396,229)	85,603

**Novo Resources Corp.**

(Expressed in Canadian Dollars)

**Condensed Interim Consolidated Statements of Cash Flows**

(Unaudited)

	Note	Three months ended March 31	
		2024 \$'000	2023 \$'000
<b>Operating activities</b>			
Net loss for the period before tax		(5,064)	(16,079)
Adjustments:			
Finance income	16	(126)	(307)
Finance costs	16	604	94
Depreciation - fixed assets	6	80	577
Depreciation - right of use assets	7	649	1,125
Foreign exchange		(125)	173
Share based payments	13	83	205
Deferred revenue	15	(723)	-
Loss / (profit) on the sale of assets	15	36	(43)
Change in fair value of marketable securities		-	8
Total non-cash adjustments		478	1,832
Changes in non-cash operating working capital:			
Accounts payable and accrued liabilities		(1,760)	(1,746)
Prepaid expenses and deposits		224	312
Receivables		9,843	1,290
Inventory		-	4,196
		8,307	4,052
Interest income	16	126	307
Tax paid		-	(6,160)
<b>Net cash generated from / (used in) operating activities</b>		<b>3,847</b>	<b>(16,048)</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment		-	(7)
Proceeds from sale of plant and equipment		119	43
<b>Net cash generated from investing activities</b>		<b>119</b>	<b>36</b>
Payment of principal portion of lease liabilities	9	(654)	(1,079)
<b>Net cash used in financing activities</b>		<b>(654)</b>	<b>(1,079)</b>
<b>Net change in cash</b>		<b>3,312</b>	<b>(17,091)</b>
<b>Effect of exchange rate changes on cash</b>		<b>(302)</b>	<b>(279)</b>
<b>Cash, beginning of the period</b>		<b>11,613</b>	<b>47,925</b>
<b>Cash, end of the period</b>		<b>14,623</b>	<b>30,555</b>

## **NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

### **Notes to the Condensed Interim Consolidated Financial Statements**

**(Unaudited)**

**For the three months ended March 31, 2024 and 2023**

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#### **1. NATURE OF OPERATIONS**

Novo Resources Corp. (individually, or collectively with its subsidiaries, as applicable, the "Company" or "Novo") was incorporated on October 28, 2009 pursuant to the provisions of the *Business Corporations Act* (British Columbia) as Galliard Resources Corp. On June 27, 2011, the Company changed its name from Galliard Resources Corp. to Novo Resources Corp. The Company also registered as a foreign company with the Australian Securities & Investments Commission on January 13, 2023. The Company's common shares trade on the Toronto Stock Exchange (the "TSX") under the ticker symbol "NVO", in the United States on the OTC market's OTCQX International Exchange under the symbol "NSRPF". From September 11, 2023 CDI's are traded in Australia on the Australian Securities Exchange (the "ASX") under the ticker symbol "NVO".

The Company is engaged primarily in the business of evaluating, acquiring, exploring, and developing natural resource properties with a focus on gold. The Company's Canadian registered office is located at Suite 2900, 595 Burrard Street, Vancouver, British Columbia, V7X 1J5, Canada. The Company's Australian registered office and operational office and corporate staff are located at Level 3, 46 Ventnor Avenue, West Perth, Western Australia, 6005, Australia.

#### **2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

##### **Statement of compliance**

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"). The accounting policies adopted are consistent with those disclosed in the Company's most recent annual consolidated financial statements. These condensed interim consolidated financial statements do not include all of the information and note disclosures required by International Financial Reporting Standards ("IFRS") for annual financial statements and therefore should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2023.

##### **New and amended Accounting Standards and Interpretations adopted by the Company**

All new and amended accounting standards and interpretations effective from January 1, 2024 have been adopted with no impact on the Company during the period.

##### **Basis of presentation**

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. These consolidated financial statements are presented in Canadian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated. Share quantities are not rounded.

## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months ended March 31, 2024 and 2023

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The preparation of the condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity or where assumptions and estimates are significant to the financial statements are disclosed below within this note.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized during the period in which the estimate is revised if the revision affects only that period, or during the period of the revision and further periods if the review affects both current and future periods. The accounting policies adopted are consistent with prior years.

Australian dollars are referred to as "AUD", and United States dollars are referred to as "USD", in these consolidated financial statements.

#### Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiaries listed below. Control is established by having power over the acquiree, exposure or rights to variable returns from its involvement with the acquiree, and the ability to use its power over the acquiree to affect the amount of the acquiror's returns. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. Inter-company transactions and balances are eliminated upon consolidation. They are de-consolidated from the date that control by the Company ceases.

As at March 31, 2024, the subsidiaries of the Company were as follows:

Company Name	Area of Incorporation	% of Interest
Novo Resources (USA) Corp.	Nevada, USA	100%
Conglomerate Gold Exploration (B.V.I.) Ltd.	Tortola, British Virgin Islands	100%
Karratha Gold Exploration (B.V.I.) Ltd.	Tortola, British Virgin Islands	100%
Conglomerate Gold Exploration Pty Ltd ("CGE")	Western Australia, Australia	100%
Nullagine Gold Pty Ltd ("Nullagine Gold")	Western Australia, Australia	100%
Beatons Creek Gold Pty Ltd ("Beatons Creek")	Western Australia, Australia	100%
Grant's Hill Gold Pty Ltd ("Grants Hill")	Western Australia, Australia	100%
Karratha Gold Pty Ltd ("Karratha Gold")	Western Australia, Australia	100%
Rocklea Gold Pty Ltd ("Rocklea")	Western Australia, Australia	100%
Meentheena Gold Pty Ltd ("Meentheena")	Western Australia, Australia	100%
Farno-McMahon Pty Ltd ("Farno")	South Australia, Australia	100%

\* Millennium Minerals Pty Ltd (Millennium) was disposed on December 20, 2023. Refer to Note 17.

## **NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

### **Notes to the Condensed Interim Consolidated Financial Statements**

**(Unaudited)**

**For the three months ended March 31, 2024 and 2023**

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#### **Going concern**

These condensed interim consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of business activities and the realization of assets and settlement of liabilities in the normal course of business.

For the three months ended March 31, 2024, the Company reported a net loss before tax of \$5,064,000 (March 31, 2023: \$16,079,000) and operating cash inflows of \$3,847,000 (March 31, 2023 outflows: \$16,048,000). The Company had cash on hand and short-term investments of \$13,460,000 at May 8, 2024 and \$14,769,000 at March 31, 2024.

The Directors, in their consideration of the appropriateness of the going concern basis for the preparation of the condensed interim consolidated financial statements have prepared a cash flow forecast demonstrating that the Company will have access to sufficient cash flows to meet its commitments and working capital requirements for the 12-month period from the date of signing these consolidated interim financial statements. Based on the cash flow forecast, operating cost assumptions, exploration costs, and capital expenditures, along with foreign exchange rates, and the ability to further realize marketable securities, the Company's directors are satisfied that the Company will have sufficient cash to continue as a going concern.

Critical elements to managing the Company's cash flows and achieving the forecast cash flows and positive cash balance include managing forecast capital expenditure, determining forecast discretionary exploration expenditure, and realising additional liquidity from the potential to dispose of certain of the Company's assets at favourable prices, in acceptable timeframes, if required.

Should the Company not meet its cash flow forecast or achieve the above, it may need to rely on a number of additional options, including securing additional funding or by raising further capital from equity markets. The directors will continue to manage the Company's activities including the ability to scale back planned projects if required to preserve cash, with due regard to current and future funding requirements. The Company had available liquidity of \$16,575,000 at March 31, 2024.

At the date of signing these condensed interim consolidated financial statements, the directors have reasonable grounds to believe that the Company will be able to achieve the above matters noted and that it is appropriate to prepare the condensed interim consolidated financial statements on the going concern basis.

The conditions above indicate that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern and, therefore, whether it will be able to realize its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the condensed interim consolidated financial statements. The condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.



## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months ended March 31, 2024 and 2023

#### 3. RECEIVABLES

	March 31, 2024 \$'000	December 31, 2023 \$'000
Canadian GST receivable	51	44
Australian GST receivable	391	-
Other receivables at amortized cost	41	10,401
<b>Closing balance</b>	<b>483</b>	<b>10,445</b>

#### 4. MARKETABLE SECURITIES

##### Elementum 3D Inc. – (unlisted)

The Company holds 2,076,560 ordinary shares in Elementum 3D Inc. (“E3D”) which represents a 9.01% (2023: 9.01%) undiluted interest as at March 31, 2024. The Company has recognized the investment at fair value USD \$6.82 per share (2023: USD \$6.82 per share). E3D conducted a series of financings in the prior year which included participation from sophisticated investors. Although the Company did not participate in these financings, the Company recognized the price as an appropriate indicator of E3D’s fair value.

The E3D ordinary shares have been accounted for as marketable securities, they have initially been recognized at fair value and subsequently remeasured at FVTOCI.

##### San Cristobal Mining Inc.– (unlisted)

The Company holds 2,000,000 common shares of San Cristobal Mining Inc.’s (“SCM”) which represents a 4.32% (2023: 4.32%) undiluted interest as at March 31, 2024. The Company has recognized the investment at fair value USD \$8.00 per share based on the private placement that commenced in March 2024, and closed in April 2024. As at December 31, 2023 the fair value of the investment was calculated at USD \$5.38 considering a number of factors including the fair value of SCM by an independent valuer upon acquisition of the San Cristobal Mine further supported by the December 31, 2023 cashflow.

The SCM common shares have been accounted for as marketable securities and have initially been recognized at fair value and subsequently remeasured at FVTOCI.

##### Kalamazoo Resources Limited – (ASX: KZR)

The Company holds 10,000,000 ordinary shares of ASX-listed Kalamazoo Resources Limited (“Kalamazoo”) which represent a 5.72% (2023: 5.78%) undiluted interest in Kalamazoo as at March 31, 2024.

The Kalamazoo ordinary shares have been accounted for as marketable securities, so they have initially been recognized at fair value and subsequently remeasured at FVTOCI.

## **NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

### **Notes to the Condensed Interim Consolidated Financial Statements**

**(Unaudited)**

**For the three months ended March 31, 2024 and 2023**

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#### GBM Resources Limited – (ASX: GBZ)

The Company holds 11,363,637 ordinary shares (the “GBM Shares”) of ASX-listed GBM Resources Limited (“GBM”). The GBM Shares represent a 1.00% (2023: 1.55%) undiluted interest in GBM as at March 31, 2024.

The GBM Shares have been accounted for as marketable securities and have therefore been initially recognized at fair value and will be subsequently remeasured at FVTOCI.

#### Calidus Resources Limited. (ASX: CAI)

The Company holds 1,347,089 ordinary shares in ASX listed Calidus Resources Limited (“Calidus”) which represents 0.18% (2023: 0.22%) undiluted interest in Calidus as at March 31, 2024. The Company received the ordinary shares totalling \$226,000 (AUD \$250,000) as part of the Nullagine Gold Project divestment (see Note 17).

The Calidus ordinary shares have been accounted for as marketable securities. The shares have initially been recognized at fair value and subsequently remeasured at FVTOCI.

#### Kali Metals Limited (ASX: KM1)

The Company received 566,947 ordinary shares totalling \$127,000 (AUD \$141,000) of ASX listed Kali Metals Limited (“KM1”) as an in-specie distribution from Kalamazoo on January 8, 2024. As at March 31, 2024, the Company’s ownership in KM1 is 0.39% (2023: nil).

The KM1 ordinary shares have been accounted for as marketable securities. The shares have initially been recognized at fair value and subsequently remeasured at FVTOCI.

**NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

**Notes to the Condensed Interim Consolidated Financial Statements****(Unaudited)****For the three months ended March 31, 2024 and 2023**

As at March 31, 2024						
	Number of shares	Opening	Additions	Foreign Exchange	Gains / (Losses)	Closing
FVTOCI	Closing balance	Fair Value	\$'000	\$'000	\$'000	Fair Value
		\$'000	\$'000	\$'000	\$'000	\$'000
Elementum 3D Inc. Common Shares	2,076,560	18,733	-	-	459	19,192
San Cristobel Mining Inc. Ordinary Shares	2,000,000	14,230	-	-	7,449	21,679
Kalamazoo Resources Limited Ordinary Shares	10,000,000	1,080	-	(20)	(275)	785
GBM Resources Limited Ordinary Shares	11,363,637	90	-	-	(10)	80
Calidus Resources Limited Ordinary Shares	1,347,089	262	-	(6)	(119)	137
Kali Metals Limited Ordinary Shares	566,947	-	127	(3)	98	222
<b>Closing balance</b>		<b>34,395</b>	<b>127</b>	<b>(29)</b>	<b>7,602</b>	<b>42,095</b>

  

As at December 31, 2023						
	Number of shares	Opening	Additions	Foreign Exchange	Gains / (Losses)	Closing
FVTOCI	Closing balance	Fair Value	\$'000	\$'000	\$'000	Fair Value
		\$'000	\$'000	\$'000	\$'000	\$'000
Elementum 3D Inc. Common Shares	2,076,560	17,636	-	-	1,097	18,733
San Cristobel Mining Inc. Ordinary Shares	2,000,000	676	-	-	13,554	14,230
Kalamazoo Resources Limited Ordinary Shares	10,000,000	1,931	-	(44)	(807)	1,080
GBM Resources Limited Ordinary Shares	11,363,637	449	-	(13)	(346)	90
Calidus Resources Limited Ordinary Shares	1,347,089	-	226	-	36	262
<b>Closing balance</b>		<b>20,692</b>	<b>226</b>	<b>(57)</b>	<b>13,534</b>	<b>34,395</b>

**NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

**Notes to the Condensed Interim Consolidated Financial Statements****(Unaudited)****For the three months ended March 31, 2024 and 2023****5. EXPLORATION AND EVALUATION ASSETS**

	March 31, 2024 \$'000	December 31, 2023 \$'000
<b>Opening balance</b>	44,255	152,477
Acquisitions	-	4,163
Disposals	-	(112,697)
Impairment charge for the year	-	(9,253)
Movement in rehabilitation provision	-	12,770
Foreign exchange	(855)	(3,205)
<b>Closing balance</b>	<b>43,400</b>	44,255

During the year ended December 31, 2023, a number of prospecting tenements were relinquished. The Company recorded an impairment expense of \$6,226,000. The remaining impairment charge of \$1,445,000 and \$1,582,000 relate to the Harding Battery Metals Joint Operation and the Liatam Mining Pty Ltd Quartz Hill Joint Operation respectively.

**East Pilbara****Millennium Property**

On December 21, 2023 the Company entered into a share sale agreement with Calidus to sell the Nullagine Gold Project ("NGP") resulting in a disposal of exploration and evaluation assets totalling \$99,416,000. The adjustment of \$12,770,000 related to the movement in the rehabilitation provision for the NGP tenements before divestment. The Company received consideration of C\$180,000 (AUD\$200,000) in Calidus shares.

**Beatons Creek**

In the prior year the Company also entered into an asset sale agreement with Calidus whereby the Company sold tenements in the broader Mosquito Creek Basin resulting in a disposal of exploration and evaluation assets totalling \$917,000. The Company received consideration of C\$45,000 (AUD\$50,000) in Calidus shares.

**Talga Projects**

A 1.5% net smelter returns royalty is payable on any minerals extracted from the Talga Talga and Mosquito Creek Projects in a commercial mining operation.

## **NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

### **Notes to the Condensed Interim Consolidated Financial Statements**

**(Unaudited)**

**For the three months ended March 31, 2024 and 2023**

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#### **Calidus' Warrawoona Project**

The Company holds a 1% net smelter returns gold royalty over certain tenure comprising Calidus' Warrawoona project in Western Australia.

#### **Paleo-Placer Property**

On January 20, 2023, 8,431 common shares were issued to Mark Gareth Creasy and entities controlled by him (collectively, the "Creasy Group") pursuant to a binding term sheet with the Creasy Group under which Novo has 100% ownership interest of 510km<sup>2</sup> of existing tenure and acquired ownership of an additional 2,390km<sup>2</sup> of highly prospective new tenure in the Pilbara region of Western Australia (the "Creasy Transaction"). The shares were subject to a statutory hold period that expired on May 20, 2023.

#### **Liatam Mining Pty Ltd ("Liatam") - Quartz Hill**

On December 15, 2022 the Company entered into an agreement whereby Liatam had been granted the right to earn an 80% interest in battery mineral rights at the Company's Quartz Hill project.

Liatam was required to spend AUD \$1,500,000 over 24 months in order to complete the earn-in. Novo will be free carried to the earlier of the completion of a bankable feasibility study or Liatam having sole funded AUD \$20,000,000 (including the initial AUD \$1,500,000 million earn-in amount) (the "Contribution Date").

On or around the Contribution Date, Novo would have the right to elect to contribute its pro-rata share of expenditure or convert to a royalty equal to 1% of gross lithium sale proceeds or an amount equal to 20% of any royalty owing to the State of Western Australia on gross battery mineral sale proceeds (other than lithium). Novo had also granted Liatam a one-time right exercisable prior to June 30, 2023, pursuant to which Liatam could add lithium rights over Novo's Pilbara tenements of Liatam's choosing (subject to certain exclusions and tenements which are already subject to arrangements with third parties) to the arrangement and earn-in at an agreed rate. This right had been extended to July 31, 2023. On July 31, 2023, Liatam exercised their right to add lithium rights over additional Novo Pilbara tenements, in addition to that another tenement was added on September 27, 2023. The earn-in is otherwise subject to industry-standard earn-in and joint operation conditions, including coordination of exploration and development activities amongst the parties. Throughout the earn-in, Liatam's exploration activities would be prioritized. Liatam also had the right to terminate the earn-in after spending AUD \$1,750,000. The tenements added, equated to an additional 203km<sup>2</sup> included in the package, these additional tenements increased the required earn in amount to AUD \$1,750,000 from AUD \$1,500,000.

On December 20, 2023 Liatam exceeded the required earn-in amount to form the 80%/20% unincorporated joint venture. The Company received \$180,000 (AUD \$200,000) and recognized an impairment of exploration and evaluation assets totalling \$1,582,000.

Liatam further invested \$1,600,000 (AUD \$1,800,000) through a private placement to obtain 9,000,000 shares at \$0.18 (AUD \$0.20) per share to increase their shareholding from ~3% to ~6%. Refer to note 12.

## **NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

### **Notes to the Condensed Interim Consolidated Financial Statements**

**(Unaudited)**

**For the three months ended March 31, 2024 and 2023**

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#### **West Pilbara**

##### **Bellary Dome Pty Ltd (“Bellary Dome”)**

The Company holds an option to acquire the gold rights (the “Option”) over exploration licence 47/3555 (the “Bellary Tenement”) located in the Southern Pilbara region of Western Australia from Bellary Dome. At any time during the Option Period, the Company may exercise its Option and earn a 100% gold rights interest in the Bellary Tenement and grant Bellary Dome a 2% gross overriding royalty on all gold derived from future production by the Company from the Bellary Tenement.

On July 29, 2022, the Company extended the option period by an additional 12 months by paying \$44,000 (AUD \$50,000) to Bellary Dome. On July 14, 2023, the Company and Bellary Dome agreed to defer the option period to December 31, 2023 by the Company paying an additional \$4,515 (AUD \$5,000) to Bellary Dome. On October 3, 2023 the Company extended the option period for a further 12 months until June 30, 2024 by paying Bellary Dome \$27,000 (AUD \$25,000).

##### **Harding Battery Metals Joint Operation with SQM Australia Ptd Ltd (“SQM”)**

On December 18, 2023 the Company entered into a tenement sale agreement with SQM. Under this agreement cash consideration of \$9,001,000 (AUD \$10,000,000) was payable to the Company for a 75% ownership interest in 5 tenements (Sale Tenements - \$7,067,000) and for an option over 34 additional tenements (Option Tenements - \$1,934,000) at an exercise price of AUD \$1. The Sale tenements resulted in a disposal of exploration and evaluation assets of \$12,365,000 and a loss on sale of \$5,298,000. The consideration allocated to the Option tenements of \$1,934,000 was recognised as deferred revenue which resulted in an impairment of exploration and evaluation assets of \$1,445,000.

The cash consideration was received on January 4, 2024 and on March 14, 2024 SQM advised the Company that 21 Option Tenements would not be exercised resulting in the recognition of \$723,000 of deferred revenue in the statement of profit and loss.

The Company retains 25% ownership interest in the Sale Tenements and the remaining Option Tenements and retains 100% of the gold, silver, PGE, copper, lead and zinc mineral rights. Further to the above transaction the Company and SQM have entered into a 75%/25% joint operation agreement relating to the Sale Tenements where SQM will be the manager and the Company's 25% interest will be free carried by SQM until a decision to mine.

#### **Central Pilbara**

##### **Egina Farm-in and Joint Operation with De Grey Mining Limited (“De Grey”)**

On June 21, 2023 the Company entered into an agreement whereby De Grey was granted the right to earn a 50% interest in the Company's Becher project and surrounding tenure (“Egina JO”).

## **NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

### **Notes to the Condensed Interim Consolidated Financial Statements**

**(Unaudited)**

**For the three months ended March 31, 2024 and 2023**

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De Grey is required to spend AUD \$25,000,000 over 4 years in order to complete the earn-in (“Earn-In”). Once De Grey completes the Earn-In, Novo and De Grey will, under the Egina JO, be required to co-fund exploration expenditure according to their pro-rata interests in the Egina JO. De Grey has the right to terminate the Earn-In after incurring a minimum of AUD \$7,000,000 in exploration expenditure within 18 months (in which case it would forfeit any interest in the relevant tenements).

Certain tenements comprising the Egina project are currently subject to pre-existing joint operations into which Novo has already earned an interest. The agreement between Novo and De Grey includes a mechanism by which such joint operations may be incorporated into the Egina JO, subject to agreement with relevant joint operation partners.

The Earn-In and Egina JO are otherwise subject to industry-standard earn-in and joint operation conditions, including information sharing, quarterly technical meetings, mutual pre-emptive rights and extension of the Earn-In period due to reasonable delays in accessing priority areas of the Egina project. De Grey will manage exploration activities under the Earn-In, and De Grey will also manage the resultant joint operation provided that its interest remains at or above 50%. The Egina JO is also subject to an industry-standard dilution clause, with dilution below 10% resulting in the conversion of a party's interest to a 1% net smelter returns royalty.

De Grey also participated in a Novo private placement by investing \$8,970,000 (AUD \$10,000,000). Refer to note 12.

### **Victoria, Australia**

#### **Malmsbury Project**

On March 9, 2023 the Company announced the acquisition of the residual 50% interest in the Malmsbury Project from GBM. On April 24, 2023 the Company paid \$906,000 (AUD \$1,000,000) and issued 4,037,872 common shares and 2,018,936 transferable warrants (collectively, the “GBM Securities”) to GBM with each warrant entitling GBM to purchase one additional common share of the Company at a price of C\$0.60 until April 24, 2025. All the GBM Securities, and any common shares of the Company issued upon exercise of such warrants, were subject to a statutory hold period that expired on August 25, 2023, along with an additional contractual hold period expiring on April 24, 2024.

GBM has retained its 2.5% net smelter returns royalty. However, Malmsbury is also potentially encumbered by certain pre-existing royalties for which GBM has indemnified Novo.

#### **Queens Project**

On March 9, 2023 the Company announced the acquisition of the residual 50% interest in the Queens Project from Kalamazoo. On April 24, 2023, the Company paid \$680,000 (AUD \$750,000) and issued 2,088,554 common shares (the “Kalamazoo Securities”) to Kalamazoo for its 50% interest in the Queens Project on an encumbrance-free basis. The royalty previously held by Kalamazoo has been terminated in conjunction with this acquisition. All the Kalamazoo Securities were subject to a statutory hold period that expired on August 25, 2023, along with an additional contractual hold period expiring on April 24, 2024.

**NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

**Notes to the Condensed Interim Consolidated Financial Statements**

(Unaudited)

For the three months ended March 31, 2024 and 2023

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**Nevada, USA Region****Tuscarora Property**

American Pacific Mining Corp. ("APM") granted to Novo a 0.5% net smelter returns royalty which APM can repurchase for USD \$500,000 at any time. APM also assumed all of Novo's royalty obligations under its original option agreement underlying the Tuscarora project between Novo and Nevada Select Royalty, Inc.

**Recoverability of exploration and evaluation assets**

The amounts shown as exploration and evaluation assets represent acquisition costs to date, net of amounts written off and costs recovered, and do not necessarily represent present or future values. The recoverability of these amounts from future exploration and any additional amounts required to place the exploration and evaluation assets into commercial production are dependent upon certain factors. These factors include the existence of mineral deposits sufficient for commercial production and the Company's ability to obtain the required additional financing necessary to develop its exploration and evaluation assets.



## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended March 31, 2024 and 2023

#### 6. PROPERTY, PLANT, AND EQUIPMENT

	Office Furniture and Equipment \$'000	Mining Equipment \$'000	Exploration Camp \$'000	Vehicles \$'000	Leasehold Improvement \$'000	Capital WIP \$'000	Total \$'000
<b>Gross carrying amount at cost</b>							
Opening balance - January 1, 2024	117	3,593	289	75	-	90	4,164
Transfers	-	-	-	-	89	(89)	-
Disposals	-	-	(261)	(18)	-	-	(279)
Foreign exchange	(2)	(69)	(5)	(1)	-	(1)	(78)
<b>Closing balance</b>	<b>115</b>	<b>3,524</b>	<b>23</b>	<b>56</b>	<b>89</b>	<b>-</b>	<b>3,807</b>

	Office Furniture and Equipment \$'000	Mining Equipment \$'000	Exploration Camp \$'000	Vehicles \$'000	Leasehold Improvement \$'000	Capital WIP \$'000	Total \$'000
<b>Accumulated depreciation and impairment</b>							
Opening balance - January 1, 2024	(64)	(1,517)	(246)	(75)	-	-	(1,902)
Depreciation	(6)	(65)	(4)	-	(5)	-	(80)
Disposals	-	-	225	18	-	-	243
Foreign exchange	1	31	2	1	-	-	35
<b>Closing balance</b>	<b>(69)</b>	<b>(1,551)</b>	<b>(23)</b>	<b>(56)</b>	<b>(5)</b>	<b>-</b>	<b>(1,704)</b>

**Net book value as at December 31, 2023** 53 2,076 43 - - 90 2,262

**Net book value as at March 31, 2024** 46 1,973 - - 84 - 2,103

	Buildings \$'000	Office Furniture and Equipment \$'000	Mining Equipment \$'000	Dams, Pipelines & Borefields \$'000	Exploration Camp \$'000	Vehicles \$'000	Leasehold Improvement \$'000	Capital WIP \$'000	Critical Spares \$'000	Total \$'000
<b>Gross carrying amount at cost</b>										
Opening balance - January 1, 2023	5,160	1,016	86,648	12,338	661	394	174	-	1,704	108,095
Additions	-	7	-	-	-	-	-	90	-	97
Disposals - assets disposed through sale	(5,051)	(885)	(81,218)	(12,076)	(358)	(222)	-	-	(1,667)	(101,477)
Disposals - Other	-	-	-	-	-	(88)	(174)	-	-	(262)
Foreign exchange	(109)	(21)	(1,837)	(262)	(14)	(9)	-	-	(37)	(2,289)
<b>Closing balance</b>	<b>-</b>	<b>117</b>	<b>3,593</b>	<b>-</b>	<b>289</b>	<b>75</b>	<b>-</b>	<b>90</b>	<b>-</b>	<b>4,164</b>

	Buildings \$'000	Office Furniture and Equipment \$'000	Mining Equipment \$'000	Dams, Pipelines & Borefields \$'000	Exploration Camp \$'000	Vehicles \$'000	Leasehold Improvement \$'000	Capital WIP \$'000	Critical Spares \$'000	Total \$'000
<b>Accumulated depreciation and impairment</b>										
Opening balance - January 1, 2023	(2,556)	(676)	(74,510)	(12,198)	(364)	(390)	(65)	-	(1,704)	(92,463)
Depreciation	(846)	(155)	(996)	(9)	(120)	(3)	(35)	-	-	(2,164)
Assets disposed through sale	3,352	753	72,415	11,946	231	222	-	-	1,667	90,586
Disposals - Other	-	-	-	-	-	88	99	-	-	187
Foreign exchange	50	14	1,574	261	7	8	1	-	37	1,952
<b>Closing balance</b>	<b>-</b>	<b>(64)</b>	<b>(1,517)</b>	<b>-</b>	<b>(246)</b>	<b>(75)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,902)</b>

**Net book value as at December 31, 2022** 2,604 340 12,138 140 297 4 109 - - 15,632

**Net book value as at December 31, 2023** - 53 2,076 - 43 - - 90 - - 2,262

**NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

**Notes to the Condensed Interim Consolidated Financial Statements****(Unaudited)****For the three months ended March 31, 2024 and 2023****7. RIGHT OF USE ASSETS**

	Properties \$'000	Mining Equipment \$'000	Total \$'000
<b>Gross carrying amount at cost</b>			
Opening balance - January 1, 2024	553	10,388	10,941
Foreign exchange	(11)	(201)	(212)
<b>Closing balance</b>	<b>542</b>	<b>10,187</b>	<b>10,729</b>

	Properties \$'000	Mining Equipment \$'000	Total \$'000
<b>Accumulated depreciation and impairment</b>			
Opening balance - January 1, 2024	(10)	(9,351)	(9,361)
Depreciation	(34)	(615)	(649)
Foreign exchange	1	184	185
<b>Closing balance</b>	<b>(43)</b>	<b>(9,782)</b>	<b>(9,825)</b>

<b>Net book value as at December 31, 2023</b>	<b>543</b>	<b>1,037</b>	<b>1,580</b>
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<b>Net book value as at March 31, 2024</b>	<b>499</b>	<b>405</b>	<b>904</b>
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	Properties \$'000	Mining Equipment \$'000	Total \$'000
<b>Gross carrying amount at cost</b>			
Opening balance - January 1, 2023	1,289	12,414	13,703
Additions	549	-	549
Lease modification / reassessment	(1,236)	(1,450)	(2,686)
Assets disposed through sale	-	(309)	(309)
Foreign exchange	(49)	(267)	(316)
<b>Closing balance</b>	<b>553</b>	<b>10,388</b>	<b>10,941</b>

	Properties \$'000	Mining Equipment \$'000	Total \$'000
<b>Accumulated depreciation and impairment</b>			
Opening balance - January 1, 2023	(653)	(6,532)	(7,185)
Depreciation	(256)	(3,169)	(3,425)
Lease modification / reassessment	897	-	897
Assets disposed through sale	-	187	187
Foreign exchange	2	163	165
<b>Closing balance</b>	<b>(10)</b>	<b>(9,351)</b>	<b>(9,361)</b>

<b>Net book value as at December 31, 2022</b>	<b>636</b>	<b>5,882</b>	<b>6,518</b>
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<b>Net book value as at December 31, 2023</b>	<b>543</b>	<b>1,037</b>	<b>1,580</b>
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The Company's on-site laboratory and sample preparation services include various items of laboratory equipment was accounted for as a lease. In the prior year the contract was modified to adjust the cost per minimum sample not tested from AUD\$9.90 to AUD\$6.12 per sample, the right of use asset and the lease liability were adjusted by \$1,450,000 and \$1,536,000, respectively, with a gain of \$86,000 recognised in the statement of profit and loss.

On August 21, 2023 the Company exercised its right to terminate its office lease contract. The lease asset of \$339,000 and the lease liability of \$396,000 were derecognized accordingly and resulted in a gain of \$57,000 recognised in the statement of profit and loss. The Company entered a new office lease contract on December 1, 2023 which has been accounted for as a lease. The term of the office lease is for four years with an option to extend, which has not been taken into account in the calculation.

## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended March 31, 2024 and 2023

The Company also leases properties in Western Australia, to support exploration and operations. The Company applies the recognition exemption for the lease of assets with lease terms of 12 months or less.

#### 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2024 \$'000	December 31, 2023 \$'000
Trade and other payables	347	556
Accrued expenses	986	1,861
Australian GST payable	-	639
Employee entitlements	356	390
<b>Closing balance</b>	<b>1,689</b>	<b>3,446</b>

#### 9. LEASE LIABILITIES

	March 31, 2024 \$'000	December 31, 2023 \$'000
Opening balance	1,615	6,598
Additions	-	541
Accretion of interest	37	377
Lease modification / reassessment	-	(1,933)
Liabilities disposed through sale	-	(126)
Payments	(691)	(3,697)
Foreign exchange	(29)	(145)
<b>Closing balance</b>	<b>932</b>	<b>1,615</b>
Current	531	1,169
Non current	401	446

	Period ending March 31, 2024 \$'000	Period ending March 31, 2023 \$'000
Expense relating to short term and low value assets	12	4
Variable lease payments (included in general administration costs)	-	98

#### 10. DEFERRED CONSIDERATION

	March 31, 2024 \$'000	December 31, 2023 \$'000
Opening balance	10,853	-
Fair value on initial recognition	-	10,812
Accretion of interest	307	-
Foreign exchange	(213)	41
<b>Closing balance</b>	<b>10,947</b>	<b>10,853</b>
Current	2,447	2,427
Non current	8,500	8,426

## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended March 31, 2024 and 2023

With the acquisition of Millennium Minerals Pty Ltd (“Millennium”) in 2020 which was accounted for as an asset acquisition, Novo agreed to pay IMC Resources Gold Holdings Pte Ltd, Heritas Capital Management (Australia) Pty Ltd, and IMC Resources Ltd (collectively, “IMC”) deferred consideration in the form of a fee on future gold production equal to 2% of all gold revenue generated by Novo up to the later of cumulative gold production of 600,000 ounces or cumulative payments of AUD \$20,000,000 having been made to IMC. As at December 19, 2023, the Company has paid AUD \$4,413,000 to IMC on the basis of 88,607 ounces produced since commencement of operations at the Beatons Creek Project.

On December 19, 2023, the Company renegotiated the terms of the deferred consideration agreement with IMC whereby the balance AUD \$15,600,000 (C\$14,041,000) owing is to be repaid by December 2026 with a mechanism for reductions for early repayment. The balance owing has been measured at its fair value; the effective interest rate calculated is approximately 11.25% per annum.

#### 11. PROVISION FOR CLOSURE AND RECLAMATION

	March 31, 2024 \$'000	December 31, 2023 \$'000
Opening balance	-	41,935
Additions	-	1,446
Change in estimate	296	12,550
Disposals	-	(55,931)
Foreign exchange	1	-
<b>Closing balance</b>	<b>297</b>	<b>-</b>

During the quarter the Company decided to decommission its Station Peak exploration camp in the northern part of the Egina Gold Camp. All equipment and facilities are being sold or disposed with the area to be rehabilitated resulting in a charge of \$297,000. The Company calculated the present value using a discount rate of 4.14% and an inflation rate of 3.4%. The Company had estimated that payments will be made between 2024 and 2026.

#### 12. CAPITAL AND RESERVES

##### Authorized

Unlimited number of common voting shares without nominal or par value. All issued common shares are fully paid.

##### Shares issued

During the period ended March 31, 2024 and the year ended December 31, 2023, shares were issued pursuant to the Company's stock options and stock bonus plan (the “Plan”), a non-brokered private placement, and mineral property transactions as follows:

- On January 15, 2024 and March 20, 2024 the Company issued 3,684,824 shares at a fair value of \$0.17 per share, based on the closing price of the Company's common shares on the TSX, to its employees under the Plan.

## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended March 31, 2024 and 2023

- b) On December 29, 2023 the Company issued 9,000,000 share at a fair value of \$0.180 per shares to Liatam. The fair value of the shares is calculated with reference to the quoted price of the shares of the Company.

The shares issued to Liatam are subject to a statutory hold period expiring on April 29, 2024, The Shares will be subject to orderly sale restrictions subsequent to the expiry of the Contractual Hold Period.

- c) On September 11, 2023 the Company was admitted to the ASX and issued 37,500,000 CHES Depository Interests (“CDIs”) at AUD \$0.20 (C\$0.18 at an exchange rate of 0.8739) per CDI raising AUD \$7,500,000 (\$6,554,000). Share issue costs totalled \$500,000.
- d) On June 21, 2023 the Company issued 35,223,670 shares at a fair value of \$0.255 per share to De Grey. The fair value of the shares was calculated with reference to the quoted price of the shares of the Company. Share issue costs totalled \$482,000.

The shares issued to De Grey were subject to a statutory hold period expiring on October 29, 2023, along with an additional voluntary contractual hold period (the “Contractual Hold Period”) expiring on June 28, 2024. The Shares will be subject to orderly sale restrictions subsequent to the expiry of the Contractual Hold Period.

- e) On April 24, 2023 the Company issued 2,088,554 shares at a fair value of \$0.32 per share to Kalamazoo. These shares are subject to a statutory hold expiring on April 24, 2024. The fair value of the shares was calculated with reference to the quoted price of the shares of the Company. Share issue costs totalled \$7,000.
- f) On April 24, 2023 the Company issued 4,037,872 shares at a fair value of \$0.32 per share to GBM. These shares are subject to a statutory hold expiring on April 24, 2024. The fair value of the shares was calculated with reference to the quoted price of the shares of the Company. The Company further issued 2,018,936 warrants entitling GBM to purchase one additional common share of the Company at a price of C\$0.60 until April 24, 2025. Share issue costs totalled \$10,000.
- g) On January 20, 2023 the Company issued 8,431 shares at a fair value of \$0.34 per share to the Creasy Group. The shares are subject to a statutory hold period that expired on May 20, 2023.

### Warrants

The continuity of warrants is as follows:

	March 31, 2024		December 31, 2023	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of the period	11,041,589	1.62	28,527,371	3.63
Granted	-	-	2,018,936	0.60
Expired	-	-	(19,504,718)	(4.40)
Balance, end of the period	11,041,589	1.62	11,041,589	1.62

**NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

**Notes to the Condensed Interim Consolidated Financial Statements****(Unaudited)****For the three months ended March 31, 2024 and 2023**

Full share equivalent warrants outstanding and exercisable as at March 31, 2024 and December 31, 2023:

Expiry Date	Price per share \$	Warrants Outstanding
May 4, 2024	3.00	5,176,500
December 22, 2024	0.60	3,205,128
December 22, 2025	0.60	641,025
April 24, 2025	0.60	2,018,936
		11,041,589

**Share option plan**

Pursuant to the Company's Plan, the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The exercise price of each option ("Option") shall not be less than the closing price of the common shares on the trading day immediately preceding the day on which the Option is granted, less any discount permitted by the TSX.

The Company has 5,775,000 outstanding Options of which 4,775,000 options have fully vested as at December 31, 2023, the remaining 1,000,000 stock options vest over a 1-year period. 20,000 options expired during the period ending March 31, 2024.

The continuity of stock options is as follows:

	March 31, 2024		December 31, 2023	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Options outstanding, beginning of period	5,795,000	2.72	10,000,000	2.79
Expired/cancelled	(20,000)	(3.57)	(4,205,000)	(2.92)
Options outstanding, end of period	5,775,000	2.70	5,795,000	2.72

The options outstanding and exercisable at March 31, 2024 were as follows:

Number Outstanding	Weighted Average Exercise Price \$	Weighted Average Remaining Contractual Life	Number Exercisable	Weighted Average Exercise Price \$
2,775,000	3.57	0.82	2,775,000	3.57
3,000,000	1.89	2.65	2,000,000	1.89
5,775,000	2.70	1.77	4,775,000	2.87

**NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

**Notes to the Condensed Interim Consolidated Financial Statements****(Unaudited)****For the three months ended March 31, 2024 and 2023**

The options outstanding and exercisable at December 31, 2023 were as follows:

<b>Number Outstanding</b>	<b>Weighted Average Exercise Price \$</b>	<b>Weighted Average Remaining Contractual Life</b>	<b>Number Exercisable</b>	<b>Weighted Average Exercise Price \$</b>
2,795,000	3.57	1.33	2,795,000	3.57
3,000,000	1.89	3.15	2,000,000	1.89
5,795,000	2.72	2.24	4,795,000	3.21

For the period ended March 31, 2024, the total share-based payment expense was \$83,000 (period ended March 31, 2023: \$205,000).

**Loss per share**

As the Company has made a loss for the period ended March 31, 2024, all options and warrants on issue are considered antidilutive and have not been included in the calculation of diluted earnings per share. These options and warrants could potentially dilute basic earnings per share in the future. There are 4,775,000 fully vested options and 11,041,589 warrants outstanding as at March 31, 2024. A further 1,000,000 options will vest and become exercisable with the potential to become ordinary shares in the next financial year. No further options or warrants have been issued and no options or warrants have been exercised.

**Nature and purpose of reserves**

The option reserve is used to recognize the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

The warrant reserve is used to recognize the value of equity-settled call options provided as compensation to financing underwriters, if any.

The foreign currency translation reserve is used to recognize exchange differences arising from the translation of the financial statements of foreign subsidiaries.

The reserve of financial assets at FVTOCI is used to recognize movements in fair value of investments where an irrevocable election has been made at initial acquisition to present fair value movements in OCI.

## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended March 31, 2024 and 2023

A reconciliation of the Company's annual movement in accumulated OCI is as follows:

	Movement in FVTOCI \$'000	Foreign exchange on translation of subsidiaries \$'000	Total \$'000
<b>Balance as at December 31, 2022</b>	<b>10,388</b>	<b>(16,016)</b>	<b>(5,628)</b>
Elementum 3D Inc.	1,097	-	1,097
San Cristobel Mining Inc.	13,554	-	13,554
Kalamazoo Resources Limited	(807)	-	(807)
GBM Resources Limited	(346)	-	(346)
Calidus Resources Limited	36	-	36
Deferred tax on marketable securities and share issue costs	(2,071)	-	(2,071)
Foreign exchange on translation of subsidiaries discontinued operations	-	(695)	(695)
Foreign exchange on translation of subsidiaries	-	(5,707)	(5,707)
Total	11,463	(6,402)	5,061
<b>Balance as at December 31, 2022</b>	<b>21,851</b>	<b>(22,418)</b>	<b>(567)</b>
Elementum 3D Inc.	459	-	459
San Cristobel Mining Inc.	7,449	-	7,449
Kalamazoo Resources Limited	(275)	-	(275)
GBM Resources Limited	(10)	-	(10)
Calidus Resources Limited	(119)	-	(119)
Kali Metals Limited	98	-	98
Deferred tax on marketable securities	(955)	-	(955)
Foreign exchange on translation of subsidiaries	-	(976)	(976)
Total	6,647	(976)	5,671
<b>Balance as at March 31, 2024</b>	<b>28,498</b>	<b>(23,394)</b>	<b>5,104</b>

### 13. GENERAL ADMINISTRATION

	Period ending March 31, 2024 \$'000	Period ending March 31, 2023 \$'000
Accounting and audit	266	59
Consulting services	121	681
Insurance	236	339
Legal fees	37	459
Office and general	790	341
Depreciation	729	1,262
Share based payments	83	205
Wages and salaries	646	1,102
<b>Total</b>	<b>2,908</b>	<b>4,448</b>

### 14. EXPLORATION EXPENDITURE

	Period ending March 31, 2024 \$'000	Period ending March 31, 2023 \$'000
Field work	1,673	2,718
Drilling & assay costs	549	451
Office and general	113	144
Tenement administration	144	244
<b>Total</b>	<b>2,479</b>	<b>3,557</b>



## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended March 31, 2024 and 2023

#### 15. OTHER INCOME / (OTHER EXPENSES)

	Period ending March 31, 2024 \$'000	Period ending March 31, 2023 \$'000
Change in fair value of warrants	-	(8)
(Loss ) / profit on sale of property, plant and equipment	(36)	43
Foreign exchange loss	(5)	(441)
Other income	29	-
In specie distribution	127	-
Deferred revenue	723	-
<b>Total</b>	<b>838</b>	<b>(406)</b>

#### 16. FINANCE ITEMS

	Period ending March 31, 2024 \$'000	Period ending March 31, 2023 \$'000
Interest income on bank deposits	126	307
<b>Finance income</b>	<b>126</b>	<b>307</b>
Lease interest expense	37	13
Rehabilitation provision	297	94
Accretion of interest deferred consideration	307	-
<b>Finance costs</b>	<b>641</b>	<b>107</b>

#### 17. DISCONTINUED OPERATION

On December 21, 2023, the Company announced the divestment of NGP to Calidus. The transaction included a share sale agreement where Calidus purchased all the issued shares of Millennium and an asset sale agreement where Calidus acquired additional tenements from Beatons Creek, Nullagine Gold and Rocklea.

As consideration for the sale, the Company received 1,347,089 Calidus shares at A\$0.19 per share totalling A\$250,000 (\$226,000). The Company has a right to receive a further AUD \$5,000,000 (deferred consideration) upon Calidus reaching a production milestone of 100,0000 ounces with respect to the NGP asset within a 10-year period to which the Company has assigned no value. The consideration received towards the sale of shares of Millennium is \$180,000. Calidus assumed all the liabilities associated with Millennium and the tenement package acquired including the rehabilitation liabilities of \$44,904,000. The income and expenditure related to the Nullagine Gold Project for the period ended March 31, 2023 has been presented as a discontinued operation.

## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended March 31, 2024 and 2023

	Period ending March 31, 2024 \$'000	Period ending March 31, 2023 \$'000
General administration	-	760
Exploration expenditure	-	539
Care and maintenance costs	-	6,307
Other income/ expenses	-	262
<b>Total</b>	<b>-</b>	<b>7,868</b>

#### Earnings per share

Basic and diluted loss per common share (\$ per share) - Discontinued operations	-	0.03
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#### Net cash

Operating activities	-	(695)
Investing activities	-	-
Financing activities	-	(20)

## 18. RELATED PARTY DISCLOSURES

### Key Management Personnel Disclosures

During the periods ended March 31, 2024 and 2023, the following amounts were incurred with respect to the key management and directors of the Company:

	Period ending March 31, 2024 \$'000	Period ending March 31, 2023 \$'000
Consulting services - short term employee benefits	35	45
Wages and salaries - short term employee benefits	269	304
Share-based payments	83	205
<b>Total</b>	<b>387</b>	<b>554</b>

## 19. FINANCIAL INSTRUMENTS

### a) Fair value

The Company's financial instruments include cash, short-term investments, receivables, marketable securities, accounts payable, lease liabilities, deferred consideration liability, deferred revenue and accrued liabilities. The fair value hierarchy reflects the significance of inputs in making fair value measurements as follows:

- Level 1 - applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- Level 2 - applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

## NOVO RESOURCES CORP.

(Expressed in Canadian Dollars, unless stated otherwise)

### Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited)

For the three months ended March 31, 2024 and 2023

- Level 3 - applies to assets or liabilities for which there is unobservable market data.

The recorded amounts of cash, short-term investments, other receivables, accounts payable, accrued liabilities, deferred consideration liability, deferred revenue and lease liabilities approximate their respective fair values due to their short-term nature.

Financial Instruments carried at fair value:

- The marketable securities for listed shares are measured using Level 1 inputs. The fair value of marketable securities are measured at the closing market price obtained from the Australian Securities Exchange.
- The marketable securities balance held in E3D is measured using Level 3 inputs. The value of the shares held in E3D was determined using the fair value of USD \$6.82 per share which represents the price at which E3D raised funds with sophisticated third-party investors from August 2023 to January 2024. The share price which is at arm's length and occurred close to balance sheet date is an unobservable input and is considered to be an appropriate measure of fair value of the E3D shares. A 5% movement in the transaction price of E3D shares would have resulted in a movement of \$830,000 in net assets (December 31, 2023: \$810,000) Refer to note 4.
- The marketable securities balance held in SCM is measured using Level 3 inputs. The US \$8.00 per share fair value represents the price at which SCM raised funds through a private placement that commenced in March 2024, completed April 2024. A 5% movement in the transaction price of SCM shares would have resulted in a movement of \$937,000 in net assets. Refer to note 4. As at December 31, 2023 the US\$5.38 per share fair value was determined considering a number of factors including the fair value by SCM by an independent valuer upon acquisition of the San Cristobel Mine further supported by the December 31, 2023 cashflow model. Key assumptions underlying the cashflow model were commodity prices and discount rate. A 5% increase/decrease in the commodity prices would have resulted in a \$2,860,000 increase or \$3,477,000 decrease in net assets respectively. A 5% increase/decrease in the discount rate would have resulted in a movement of \$320,000 in net assets.

	Fair Value Hierarchy			Total \$'000
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
<b>As at March 31, 2024</b>				
<b>Financial assets at Fair Value</b>				
Marketable securities	1,224	-	40,871	42,095
<b>Total March 31, 2024</b>	<b>1,224</b>	<b>-</b>	<b>40,871</b>	<b>42,095</b>
<b>As at December 31, 2023</b>				
<b>Financial assets at Fair Value</b>				
Marketable Securities	1,432	-	32,963	34,395
<b>Total December 31, 2023</b>	<b>1,432</b>	<b>-</b>	<b>32,963</b>	<b>34,395</b>

**NOVO RESOURCES CORP.**

(Expressed in Canadian Dollars, unless stated otherwise)

**Notes to the Condensed Interim Consolidated Financial Statements****(Unaudited)****For the three months ended March 31, 2024 and 2023**

	March 31, 2024 \$'000	December 31, 2023 \$'000
<b>Reconciliation of the fair value measurement of Level 3 unlisted investments</b>		
Opening balance	32,963	18,312
Remeasurement recognised through other comprehensive income	7,908	14,651
<b>Closing balance</b>	<b>40,871</b>	<b>32,963</b>

**20. SEGMENT INFORMATION**

The Company's reportable operating segment consists of exploration operations and is reported in a manner consistent with internal reporting used to assess the performance and make decisions about resources to be allocated to the segment.

The care and maintenance operation disclosed for the period ended March 31, 2023 is no longer reflected in the note below due to the divestment of the Nullagine Gold Project. Refer to Note 17.

The information reported below as at and for the period ended March 31, 2024 and the period ended March 31, 2023 is based on the information provided to the Chief Executive Officer.

March 31, 2024			
	Exploration operations \$'000	Unallocated \$'000	Total \$'000
Segment result - loss for the period before tax	(4,722)	(342)	(5,064)
Total assets	60,817	44,464	105,281
Total liabilities	14,991	4,687	19,678
March 31, 2023			
	Exploration operations \$'000	Unallocated \$'000	Total \$'000
Segment result - loss for the period before tax	(7,383)	(828)	(8,211)
Total assets	87,217	39,473	126,690
Total liabilities	13,939	2,113	16,052