



NOVO RESOURCES CORP.

(TSX: NVO; ASX: NVO; OTCQB: NSRPF)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MARCH 31, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("**MD&A**") of the results of operations and financial condition of Novo Resources Corp. (the "**Company**" or "**Novo**"), dated as of May 06, 2025, should be read in conjunction with the condensed interim consolidated financial statements of Novo for the three months ended March 31, 2025 (the "**Q1 Financial Statements**") and accompanying notes thereto. The Q1 Financial Statements are prepared in accordance with IAS 34 Interim Financial Reporting ("**IAS**") as issued by the International Accounting Standards Board ("**IASB**"). This MD&A includes the results of the Company's subsidiaries, Novo Resources (USA) Corp., Conglomerate Gold Exploration (B.V.I.) Ltd., Karratha Gold Exploration (B.V.I.) Ltd., Conglomerate Gold Exploration Pty. Ltd., Nullagine Gold Pty. Ltd., Beatons Creek Gold Pty. Ltd., Grant's Hill Gold Pty. Ltd., Karratha Gold Pty. Ltd., Rocklea Gold Pty. Ltd., Meentheena Gold Pty. Ltd., and Farno-McMahon Pty. Ltd.

In this MD&A:

"**H1 2025**" means the six-month period ending June 30, 2025.

"**H2 2025**" means the six-month period ending December 31, 2025.

"**Q1 2025**" means the three-month period ended March 31, 2025.

"**Q2 2025**" means the three-month period ending June 30, 2025.

"**Q4 2024**" means the three-month period ended December 31, 2024.

"**Q1 2024**" means the three-month period ended March 31, 2024.

All amounts are expressed in Canadian dollars unless otherwise stated. The average foreign exchange rate was A\$0.9005 to C\$1.00 during Q1 2025 (Q1 2024 – AUD \$0.8865 to C\$1.00). Additional information relating to the Company, including the Company's annual information form for the year ended December 31, 2024, is available under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Australian Stock Exchange (the "ASX") at www.asx.com.au.

Certain non-IFRS financial performance measures¹ are included in this MD&A. The Company believes that these measures, in addition to measures prepared in accordance with IFRS, provide readers with an improved ability to evaluate the Company's underlying performance and compare its results to other companies. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to similar measures presented by other issuers. The non-IFRS financial performance measures included in this MD&A are available liquidity and working capital. Refer to *Non-IFRS Measures* for further details and reconciliations of such non-IFRS measures.

Ms. De Luca (MAIG), 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 MD&A, other than the technical information in relation to Belltopper. Ms De Luca is Novo's General Manager Exploration.

¹ Refer to Non-IFRS Measures on page 20.

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FINANCIAL AND OPERATING HIGHLIGHTS

Q1 2025 Summary

- No significant safety, environment, or community incidents were recorded during Q1 2025.
- Drilling program commenced late March at the Balla Balla Gold Project in the Pilbara, Western Australia.
- Reconnaissance field programs were completed at the Tibooburra and John Bull Gold Projects in northern New South Wales.
- Desktop review of regional geophysics and open file data continues at the Toolunga Project, which is located in the Onslow District of Western Australia
- Cash and short-term investments totalled \$9,045,000 as at March 31, 2025, down from \$14,623,000 as at March 31, 2024 and down from \$10,689,000 as at December 31, 2024.

OVERVIEW OF NOVO

The Company was incorporated on October 28, 2009 pursuant to 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 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" and in the United States on the OTC Market Group's OTCQX International Exchange under the symbol "NSRPF". On January 2, 2025, the Company transitioned its trading platform from the OTCQX to the OTCQB market in the United States. The Company's common shares settled in the form of a CHESSE depository interest (the "CDIs") commenced trading on the ASX under the symbol "NVO" on September 11, 2023.

The Company is engaged primarily in the business of evaluating, acquiring, exploring, and developing natural resource properties with a focus on gold and copper. The Company holds approximately 5,500 sq km of land in the Pilbara region of Western Australia and has an extensive exploration program designed to aggressively advance its targets. The Company has exploration tenure in Victoria, Australia, and also holds equity investments in a number of listed and unlisted companies.

Exploration Program Update Q1-2025

Summary

Limited fieldwork recommenced in the Pilbara (Figure 1) during Q1 2025, focused particularly on an aircore (AC) drilling program at the Balla Balla Gold Project (Balla Balla), which commenced late March. Desktop studies continued at the Toolunga Project in the Onslow District (Figure 1). No field work was completed by De Grey Mining Limited (De Grey) at the Becher Project, part of the Egina farm-in and joint venture agreement (Egina JV).

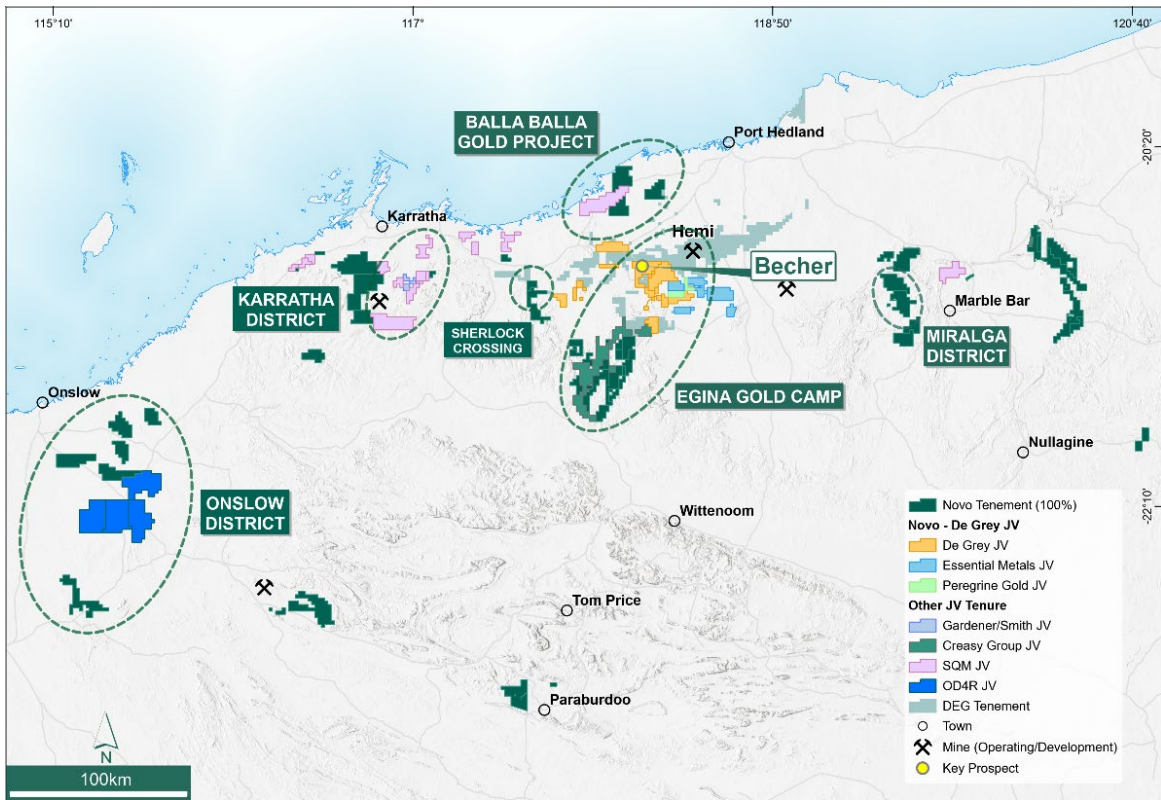


Figure 1 Novo Pilbara and Onslow tenure showing main projects and significant prospects Mar 2025

At the Belltopper Gold Project in Victoria ongoing work continued to refine the exploration target defined in September 2024. Intensive 3-week reconnaissance field programs were completed at the Tibooburra and John Bull Gold Projects in NSW in preparation for reverse circulation (RC) drilling during Q2 2025.

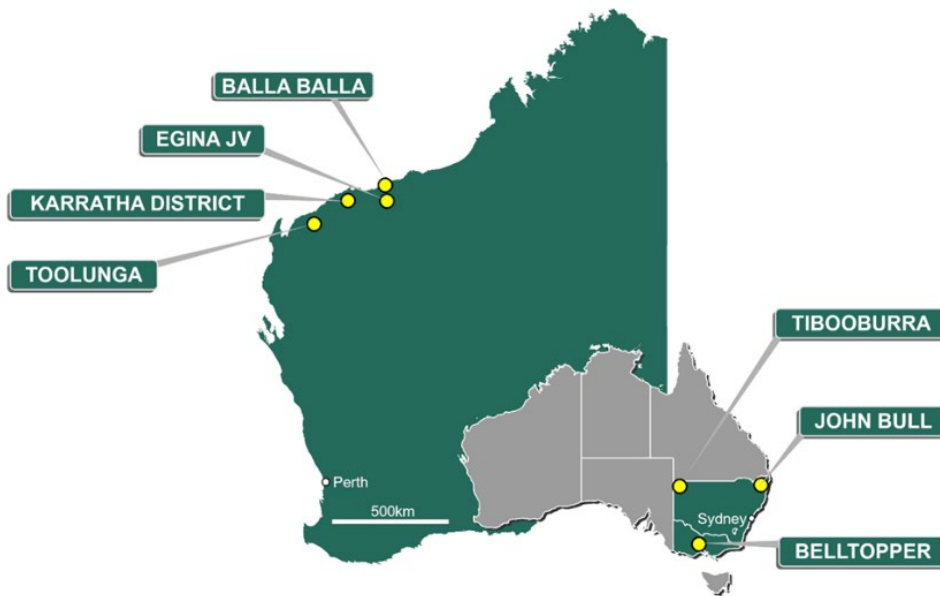


Figure 2 Location of Current Priority Novo Projects including the recent 2024 additions to the portfolio at Toolunga in the Onslow District of northwestern WA and at Tibooburra and John Bull in NSW

Pilbara WA Exploration

Only limited field programs were completed across the Pilbara tenure during Q1 2025 including drill hole pegging and earthworks in preparing for a maiden ~ 6,000 m AC drilling program at Balla Balla. All required compliance to enable the program to proceed in H1 2025 was finalised in late 2024.

Balla Balla Gold Project

Aircore drilling commenced on March 29 2025 in the southwestern sector of the project at the Beaufort prospect, with a total of 19 holes for 376 m completed by month end.

Balla Balla is an early-stage exploration project centred on the Sholl Shear Zone (Figure 3) where Novo has identified several structural and intrusion-related targets over a 10 km trend. The Sholl Shear Zone is a fertile, long lived, crustal-scale feature which trends over 200 km in the northern Pilbara. Geological interpretation has identified folded and offset mafic and ultramafic stratigraphy in complex zones around splays off the Sholl Shear Zone.

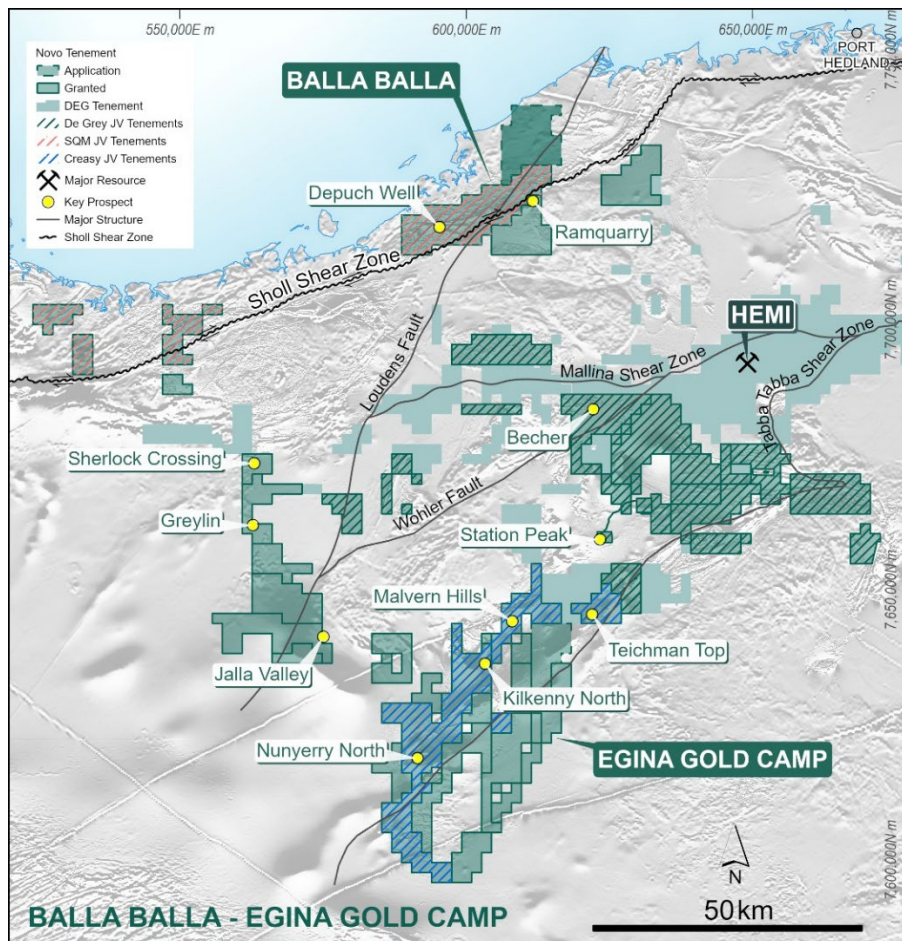


Figure 3 Novo Tenure in the Central Pilbara showing the Egina Gold Camp, Sherlock Crossing Au/Sb Prospect and Balla Balla Gold Project

Targets include interpreted fertile structures and important splay faults of the Sholl Shear Zone that will be targeted in Novo's maiden AC drilling program. The program will test several prospects including Ramquarry, Cockerell, Babbage and Beaufort (Figure 4).

Historical drilling in the areas suggests cover sequences in the order of 25 m vertical depth (maximum). AC drilling is designed to quickly and effectively drill through the unconsolidated cover sequence to the harder basement rocks, whilst also providing a good end of hole basement rock sample for geological identification and geochemical testing purposes.

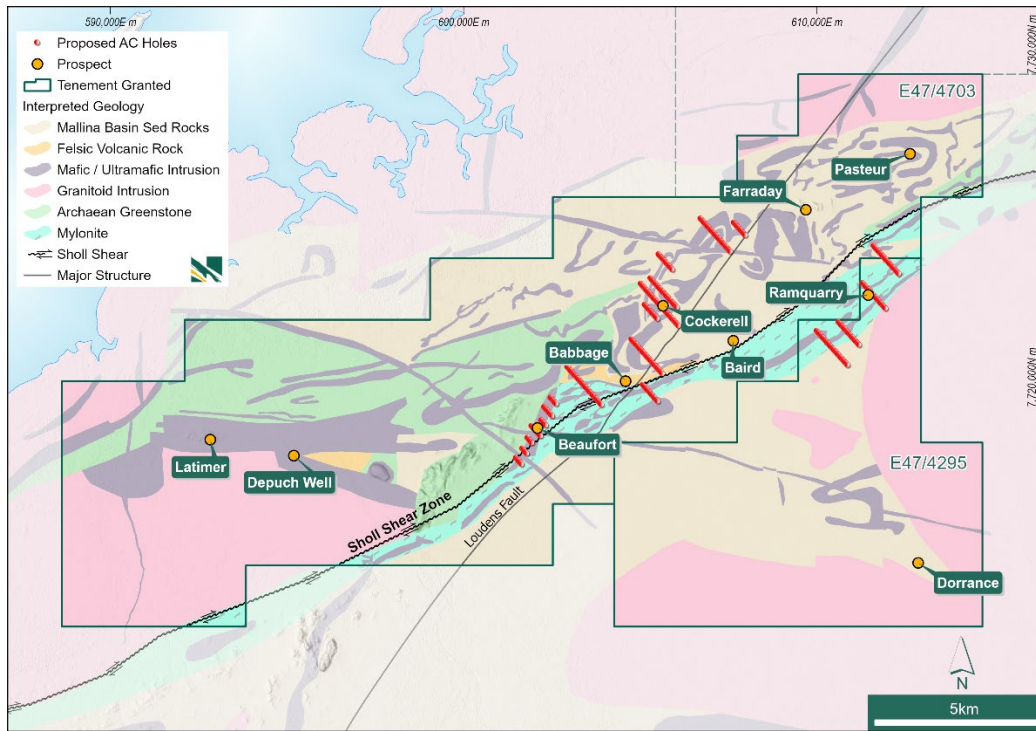


Figure 4 Balla Balla geological interpretation showing complex structure, priority targets and planned AC drill program

Egina Earn-in/JV – De Grey Mining Limited (ASX:DEG)

No field work was completed by De Grey at the Becher Project (Figure 3) during Q1 2025.

De Grey exceeded the A\$7 million minimum expenditure commitment on the Egina JV in September 2024 and have committed to a further spend of A\$18 million by June 30, 2027, to earn 50% in the Becher Project.

Northern Star Resources Limited (ASX: NST) recently announced its intention to acquire De Grey for a deal valued at A\$5 billion, to be finalised in H2 2025.

Forward Programs – Pilbara

Novo plans to complete the maiden ~ 6,000 m AC drilling program at Balla Balla in Q2 2025. Mapping and sampling campaigns are also planned to continue along prioritised areas of the Tabba Tabba Shear Corridor in the Egina Gold Camp and at Miralga (Figure 3).

Smaller and more targeted follow up sampling and mapping is planned on the antimony targets at Sherlock Crossing and Southeast Wyloo. This work is designed to delineate maiden RC drilling programs to test scale and tenor of possible mineralisation.

At the Egina JV, De Grey have committed to a further spend of A\$18 million by June 30 2027.

Onslow District WA

Toolunga Project

The Toolunga project comprises a strategic landholding of 1,524 sq km targeted across the junction of major tectonic boundaries in the Onslow District of WA. The tenure includes:

- Six Exploration License Applications for 634 sq km of 100% owned tenure
- 890 sq km in four Exploration License Applications via an option arrangement with OD4 Rocklea Pty Ltd (OD4R) on the Cane River Project (under which Novo would acquire a 70% interest if the option is exercised).

The tenure is underexplored using systematic, modern exploration technologies yet displays prospectivity for precious and base metal discovery and aligns with Novo’s corporate strategy of exploring for targets with > 1 Moz Au potential.

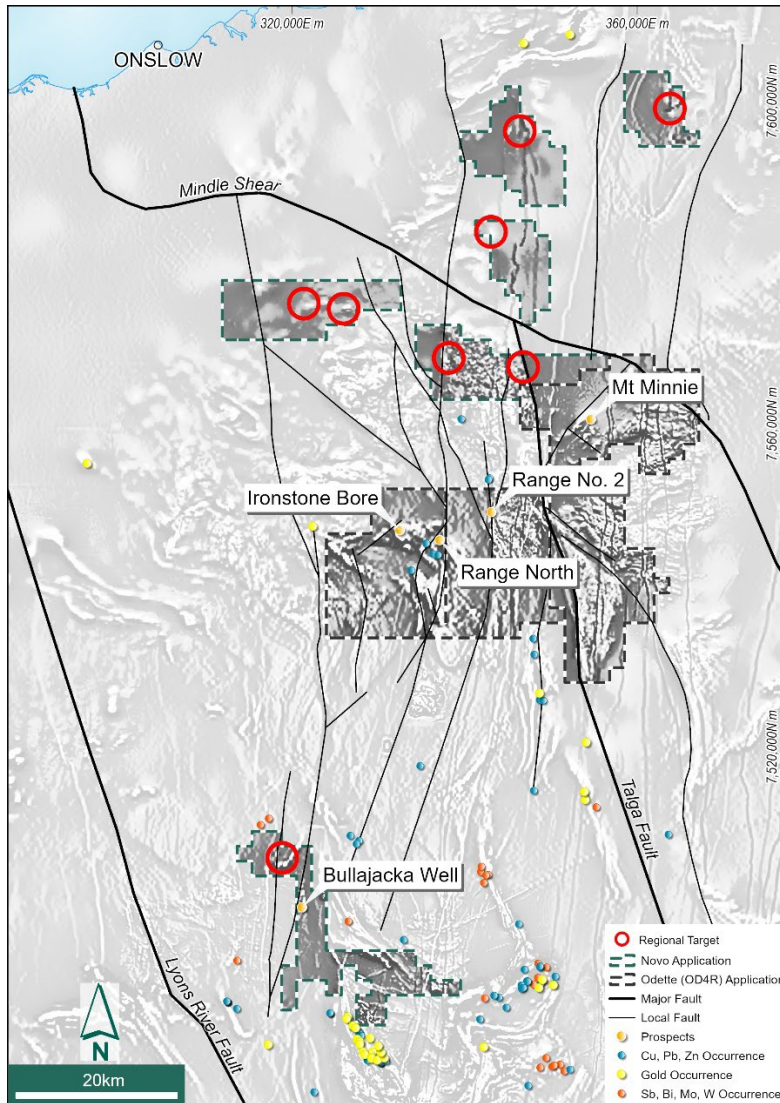


Figure 5 Novo Toolunga Project tenure showing main projects and significant prospects.

Forward Programs - Toolunga

At Toolunga regional and follow-up exploration campaigns are planned to commence on tenement grant, including geophysical surveys, mapping and geochemical sampling programs over known targets to validate historic results and to rapidly advance drill targets.

Victoria Exploration

Belltopper Gold Project

During the quarter, Novo continued to refine the exploration target defined at Belltopper (Figure 2) in September 2024 through geological modelling of priority target reefs following completion of all 2024 drilling and relogging. Going forwards, Novo continues to develop exploration programs to build on recent success with emerging reef discoveries. Drilling programs are being designed to test both high priority conceptual shallow and deeper targets in 2025.

New South Wales Exploration

Intensive 3-week reconnaissance field programs were completed in Q1 2025 at the Tibooburra and John Bull Gold Projects in NSW in preparation for RC drilling during Q2 2025. Programs included detailed structural work, broad scale geological and regolith mapping, surface soil and rock chip geochemical sampling, all improving the geological interpretation and understanding of controls on mineralisation at these projects prior to targeting RC drilling programs.

All assay results were received for the Tibooburra project during the quarter which, in addition to geological mapping and modelling, will provide final support for drill program design. Assays from the John Bull Gold Project are only partly received at March month end.

Tibooburra Gold Project - Albert Goldfields NSW

The Tibooburra Gold Project (Tibooburra) is an advanced exploration opportunity, located in northwestern NSW and covering the historic Albert Goldfield. The tenure includes six granted exploration licences over 630 sq km (Figure 6). The agreement with Manhattan Corporation Limited (Manhattan) (ASX: MHC) grants Novo an option to acquire a 70% interest in the tenements comprising Tibooburra.

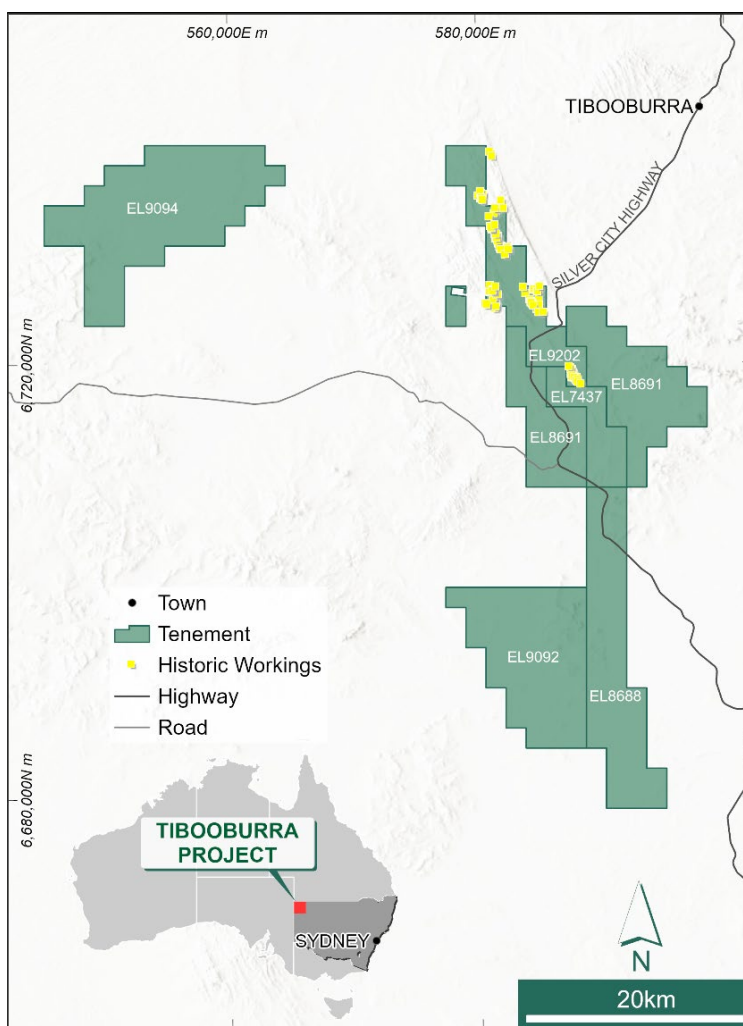


Figure 6 Location and tenure of the Tibooburra Gold Project, NSW

The Tibooburra project area itself displays more than 200 historic workings and over 34 km of mineralised trend on multiple lines of workings, and although several targets have been delineated by previous workers outside of the New Bendigo prospect (including drill-ready targets at New Bendigo and Clone), little systematic modern exploration has been conducted.

The three-week field campaign was completed in February 2025 focussing on the Clone prospect and Clone Trend (~3 km strike trend) comprising geochemical surface sampling and detailed mapping, with all assay results returned during March. The field programs were devised to investigate controls on gold mineralisation and allowed Novo to design a follow up RC drilling program at Clone to validate previous drill results and extend known mineralisation along strike, down dip and down-plunge.

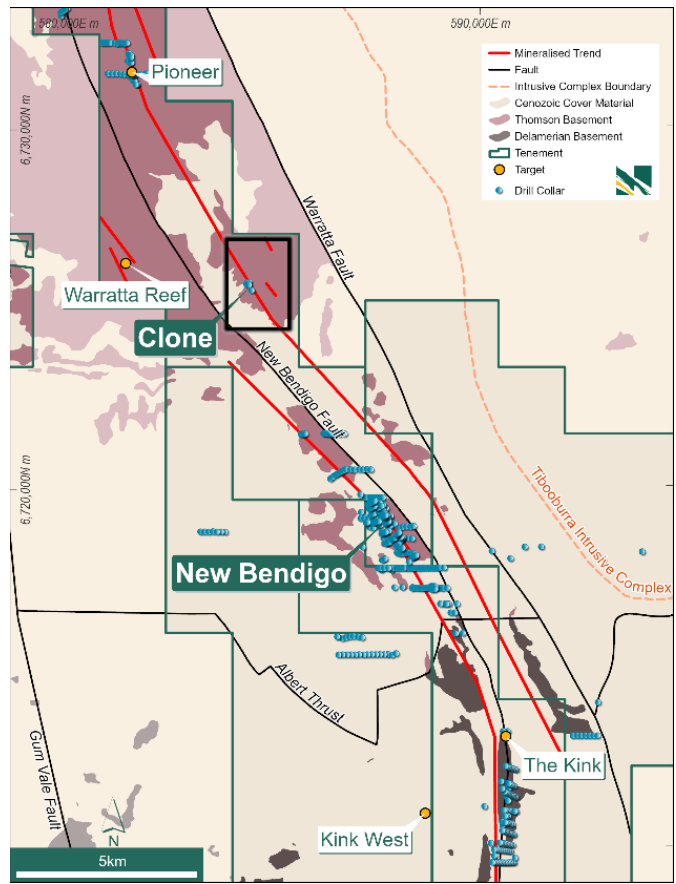


Figure 7 Tibooburra project tenure, with regional geology, drill collars, main prospects, highlighting multiple parallel mineralised trends. Location of field mapping and sampling area shown over Clone by black polygon.

In summary, results from the geological campaign at Clone included the following:

- Peak results returned of 89.6 g/t Au and 41.9 g/t Auⁱ from mullock dump samples associated with historical workings, and 31.4 g/t Au and 10.4 g/t Auⁱ from quartz vein outcrop over 700 m of strike, supporting previous high grade drill results.
- Mapping defined a west dipping thrust (Clone Thrust) associated with high grade gold mineralisation and significant sericite-carbonate alteration.

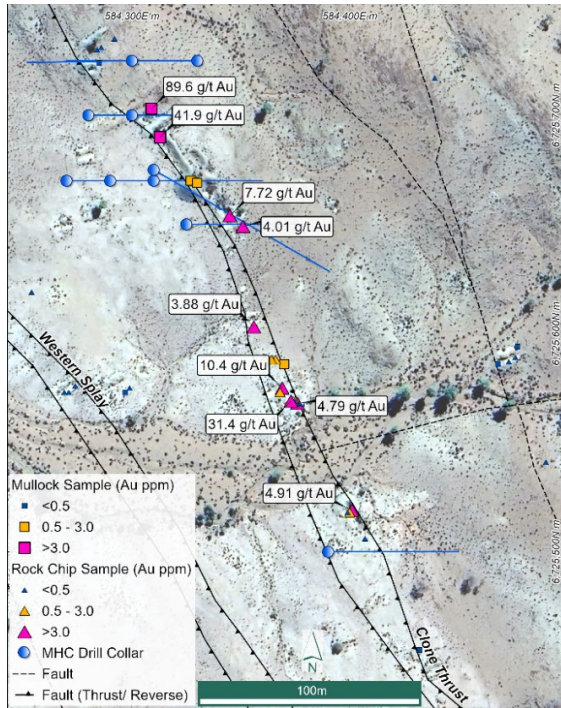


Figure 8 Detailed map showing Manhattan RC drill collars, structural mapping and results from recent Novo rock chip and mullock dump sampling at Clone; results may not be indicative of mineralisation in the district

- Soil sampling defined a ~ 600 m long and up to 250 m wide coherent anomaly > 30 ppb Au, with peak results of 1,585 ppb Au and 1,440 ppb Au¹.

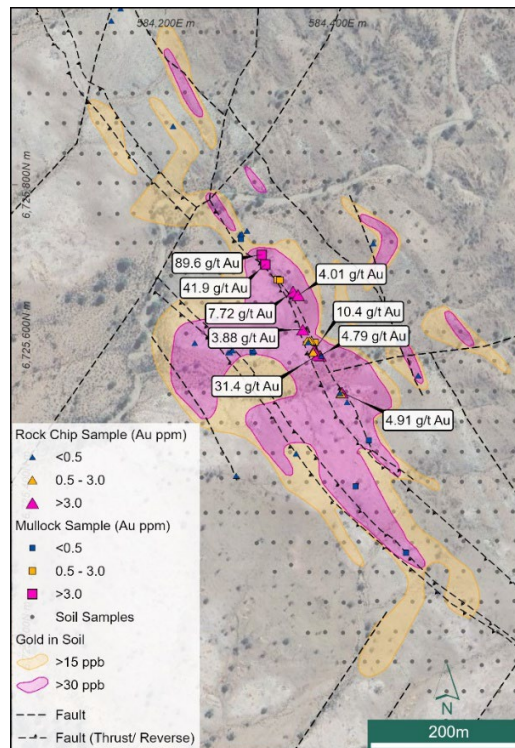


Figure 9 Soil sampling anomaly and rock chip sampling across the main Clone Prospect

A heritage survey was also completed at Clone during the field campaign by the Tibooburra Local Aboriginal Land Council (TLALC). No heritage sites were located on the drill pads or the field track required to access the northern drill holes. An APO for all proposed drillholes and the northern access track was successfully returned in March.

A ~2,000 m targeted RC drilling program is planned to commence in later in H1 2025 to test this high-grade gold mineralised trend. The program will test the Clone Main area across some 500 m strike and to a depth of ~160 m vertical. Earthworks are scheduled to be conducted in H1 2025.

John Bull Gold Project – New England Fold Belt NSW

The John Bull Gold Project (John Bull) is an advanced exploration opportunity, located in the emerging New England district in NSW, Australia. The tenure consists of two tenements and covers some 32 sq km (Figure 10). The agreement with TechGen Metals Limited (TechGen) (ASX: TG1) grants Novo an option to acquire an 80% interest in the Mick Bull tenement EL9121 and a 70% interest in the John Bull tenement EL8389.

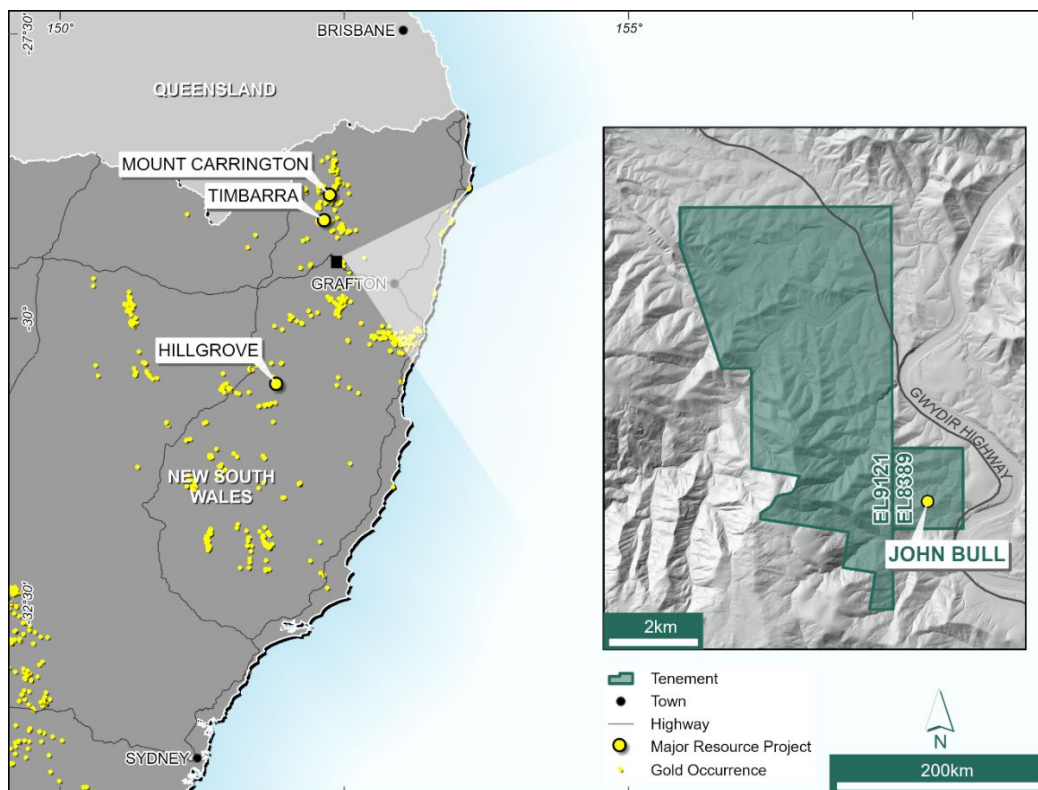


Figure 10 Location of the John Bull Gold Project in northeastern NSW, Australia

An intensive three-week field campaign was completed in March 2025 at John Bull. This work aimed to establish both the local geology and key mineralisation controls at the main drilling area (Figure 11), in addition to understanding the mineralisation in a more regional context. The field programs included various scale mapping and rock chip sampling, in addition to infill and step out soil sampling to be used for characterising local geology, identifying new targets, and investigating current high-value prospects for potential depth or strike extensions or zones of higher-grade mineralisation. Final results from the field programs are pending.

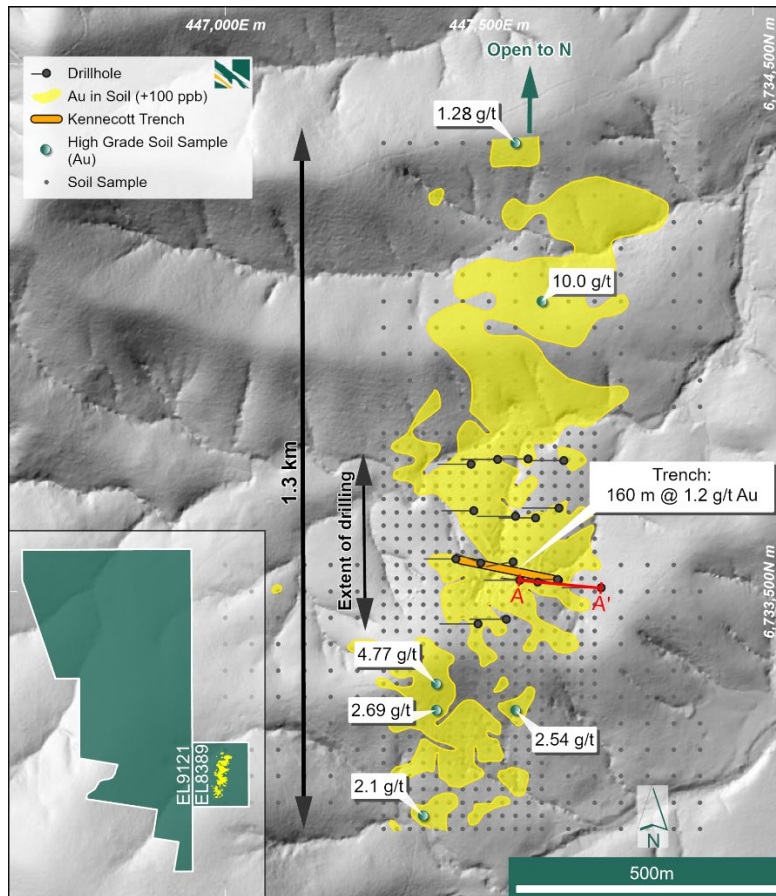


Figure 11 John Bull historic drill hole and costean locations, soil gold geochemical results and historical soil sampling locations. Sample results may not be representative of mineralisation in the district. No assurance can be given that Novo will achieve similar results as part of its exploration activitiesⁱⁱ.

Forward Programs - NSW Projects

RC drilling at both NSW projects is scheduled for Q2 2025, likely commencing at the Clone prospect (Tibooburra), and post completion of the Balla Balla AC drilling program.

SUSTAINABILITY

Health and Safety

The health and safety of the Company's employees, contractors, and communities in which Novo operates is paramount. The Company's total recordable injury frequency rate (12 month rolling average) at the end of Q1 2025 was 14.5. This is up from 12.8 at the end of Q4 2024 due to a reduction in the total number of hours worked. There were no lost time or restricted work injuries during Q1 2025. The Company continues to streamline its health and safety management systems and procedures in line with current activities and risk. A key focus is ensuring systems and protocols are consistent across regional exploration teams and legal requirements and risks are identified and managed following entry into new project work areas (e.g. remote NSW).

Environment

The Company works closely with the West Australian regulatory bodies, particularly the Department of Energy, Mines, Industry Regulation and Safety (“**DEMIRS**”), the Department of Water and Environmental Regulation (“**DWER**”), in Western Australia, the Department of Resources in New South Wales and the Environmental Protection Authority (“**EPA**”) in both states, in order to ensure compliance with requisite regulations. Other states departments the Company is in communication with are the Department of Biodiversity, Conservation and Attractions and Water Corporation, Department of Heritage and Environment and the Department of Primary Industries and Regional Development. The Company is committed to environmental stewardship, particularly considering its vast landholdings in the Pilbara.

Climate change risks have been identified and are included within our corporate risk management plan. The Company’s ongoing climate risk mitigation focuses on reducing operational greenhouse gas emissions, improving resources efficiency, the responsible use of water, and responding to the impact of extreme weather events.

Community and Traditional Owners

As a committed corporate citizen of the Pilbara region of Western Australia and New South Wales, the Company values its relationships with the Indigenous communities and local residents, and communities surrounding the Company’s projects. Novo works closely with the ten Traditional owners who hold interests in the Company’s vast Pilbara-wide tenure holdings. As Novo moves into new exploration areas in NSW we are developing relationships with the custodians of the lands on which we work.

The Company also endeavours to invest in its communities outside the parameters of its contractual obligations, including providing support to community, cultural, education, and sport initiatives.

Novo’s sustainability strategy has been guided by several key global frameworks, including the Global Reporting Initiative, and the International Council of Mining and Metals Mining Principles.

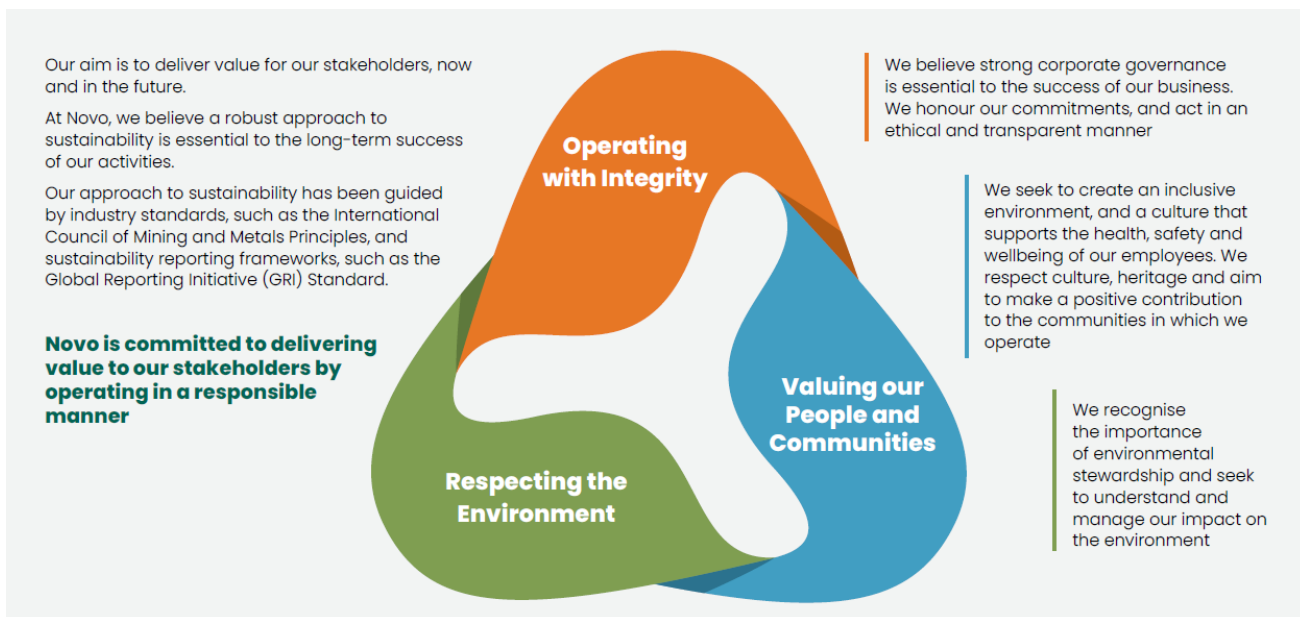


Figure 12: Novo sustainability strategy

FINANCIAL RESULTS

The following table contains quarterly information derived from the Q1 Financial Statements.

	For the three months ended	
	March 31,	March 31,
	2025	2024
	\$'000	\$'000
General and exploration expenditure	(2,903)	(5,387)
Other income, net	1,482	838
Finance items	(204)	(515)
Net loss for the period after tax	(1,625)	(5,064)
Basic and diluted loss per common share	(0.005)	(0.014)

Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024

Net loss after tax in Q1 2025 was \$1,625,000 (Q1 2024 – \$5,064,000), as a result of exploration expenditure and general administration expenditure.

General and Exploration Expenditure

General administration costs in Q1 2025 were \$1,279,000 as compared to \$2,908,000 in Q1 2024. The decrease was primarily due to lower depreciation, accounting, audit, consulting fees and salaries and wages incurred during the quarter.

Exploration expenditure in Q1 2025 totalled \$1,624,000 as compared to \$2,479,000 in Q1 2024. In Q1 2025 the Company focused on field exploration on the new John Bull and Tiboobuura Gold projects in New South Wales. In Q1 2024, field exploration was undertaken in the Pilbara and Victoria including drilling at Belltopper.

Other Income / Expenses

Other income recognized during Q1 2025 totaled \$1,482,000 (Q1 2024 – \$838,000) and relates to a non-cash foreign exchange gain of \$4,000 (Q1 2024 – loss \$5,000), other income of \$127,000 (Q1 2024 – \$29,000) and dividend income of \$1,351,000 declared by San Cristobal Mining Inc (“SCM”). In Q1 2024, an in-specie distribution of \$127,000 was received from Kalamazoo Resources Limited (“KZR”) resulting in the recognition of the Kali Metals Limited (“KM1”) ordinary shares which commenced trading on the ASX on January 8, 2024. Further to this, deferred revenue of \$723,000 was recognised in the statement of profit and loss as SQM Australia Ptd Ltd (“SQM”) advised the Company that several options to acquire tenements would not be exercised. Refer to Note 4 of the Q1 Financial Statements.

Finance Items

The Company incurred interest and finance costs of \$204,000 during Q1 2025 (Q1 2024 – \$515,000); this includes interest earned of \$70,000 (Q1 2024 - \$126,000) offset by non-cash interest expenses of \$12,000 (Q1 2024 – \$37,000) related to leases recognized pursuant to IFRS 16 *Leases* (“IFRS 16”) and a non-cash interest expense of \$261,000 (Q1 2024 - \$307,000) relating to the deferred consideration owing to IMC. Refer to Note 6 of the Q1 Financial Statements.

Other Comprehensive Income

During Q1 2025, a non-cash loss of \$1,000 (Q1 2024 – gain \$6,647,000) represented movements in the fair value of the Company’s marketable securities. The Company’s portfolio consists of holdings in listed and unlisted entities, including GBM Resources Limited (“GBM”), KZR, Elementum 3D Inc. (“E3D”), Calidus Resources Limited (“CAI”), KM1 and San Cristobal Mining Inc (“SCM”).

During Q1 2025, the Company also recognized non-cash gains of \$265,000 (Q1 2024 – loss - \$976,000) pertaining to the foreign exchange impact of the translation of subsidiary financial information. The Company's Australian subsidiaries, which incur most of the Company's expenditure, have an Australian dollar functional currency. Gains or losses are recognized upon translation of income and expenses and assets and liabilities denominated by the Company's Australian subsidiaries in Australian dollars into the Company's Canadian dollar presentation currency. The average foreign exchange rate was A\$0.9005 to C\$1.00 during Q1 2025 (Q1 2024 – A\$0.8865 to C\$1.00).

LIQUIDITY AND CAPITAL RESOURCES

	March 31, 2025 \$'000	December 31, 2024 \$'000	December 31, 2023 \$'000
Cash	9,045	10,689	11,613
Short-term investments	117	116	149
Working capital	5,741	7,100	14,886
Marketable securities	31,921	31,916	34,395
Available liquidity ⁱ	10,364	11,907	23,738
Total assets	83,806	85,273	106,451
Current liabilities excluding current portion of financial liabilities	986	958	3,446
Financial liabilities (current and non-current)	14,685	14,390	18,083
Total liabilities	15,671	15,778	21,529
Shareholders' equity	68,135	69,495	84,922

Available liquidity, which represents the value of the Company's realizable assets, totalled \$10,364,000 as at March 31, 2025 (December 31, 2024 - \$11,907,000). Refer to *Non-IFRS Measures* below. The Company's available liquidity and working capital has decreased since December 31, 2024 due to ongoing ordinary course of business expenditure.

The Company has prepared a cash flow forecast that looks beyond this period and through to the end of May 2026. That extended cash flow forecast takes into account working capital and operating cost assumptions, exploration costs, and capital expenditures, along with foreign exchange rates, and the ability to further realize marketable securities. Based on this, management has concluded that this could indicate a material uncertainty that may cast doubt about the Company's ability to continue as a going concern. Refer to Note 2 in the Q1 Financial Statements.

	For the three months ended	
	March 31, 2025 \$'000	March 31, 2024 \$'000
Cash flow information		
Net cash used in operating activities	(1,665)	(5,154)
Net cash generated from / (used in) investing activities	-	9,120
Net cash generated (used in) / from financing activities	(31)	(654)
Change in cash	(1,696)	3,312

Operating cash outflows totalled \$1,666,000 in Q1 2025 (Q1 2024 – outflows \$5,154,000). The net outflows primarily relate to the net loss generated from ongoing ordinary course of business and exploration expenditures.

Investing cash inflows totalled \$Nil in Q1 2025 (Q1 2024 – inflows \$9,120,000). The Q1 2024 inflows related to cash consideration of \$9,001,000 received from SQM for the Harding Battery Metals Joint Operation transaction.

During Q1 2025, the Company recognized \$31,000 (Q1 2024 – \$654,000) in financing cash outflows, these outflows relate to the principal portion of lease liabilities incurred pursuant to IFRS 16.

SELECTED FINANCIAL INFORMATION

Management is responsible for the Q1 Financial Statements referred to in this MD&A and provides officers' disclosure certifications filed with the securities regulators of the Canadian jurisdictions in which Novo is a reporting issuer. Although the Company's audit committee reviews the Q1 Financial Statements and MD&A and makes recommendations to the Company's board of directors (the "Board"), the Board has final approval of the Financial Statements and MD&A.

SUMMARY OF QUARTERLY RESULTS

The following information is derived from and should be read in conjunction with the Q1 Financial Statements and the consolidated financial statements for each of the past eight quarters which have been prepared in accordance with IFRS applicable to interim financial reporting, including IAS 34.

		1st	4th	3rd	2nd	1st	4th	3rd	2nd	1st
		Quarter 2025	Quarter 2024	Quarter 2024	Quarter 2024	Quarter 2024	Quarter 2023	Quarter 2023	Quarter 2023	Quarter 2023
		March 31,	December	September	June 30,	March 31,	December	September	June 30,	March 31,
		2025	31,	30,	2024	2024	31,	30,	2023	2023
			2024	2024			2023	2023		
Net Profit / (Loss)	\$'000	(1,625)	(5,295)	(5,686)	(7,185)	(5,064)	(48,894)	(9,553)	(11,187)	(16,186)
Basic and Diluted Income (Loss)	\$/share	(0.005)	(0.014)	(0.016)	(0.020)	(0.014)	(0.164)	(0.041)	(0.041)	(0.062)

Variations over the last eight quarters are primarily due to the following factors:

- The Nullagine Gold project was placed into care and maintenance in Quarter 3, 2022 and subsequently divested in Quarter 4, 2023.
- Reduction in corporate activities and personnel costs in line with the divestment.
- Further investments in exploration evaluation assets and property and equipment to support the current exploration projects.

CASH RESOURCES AND 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 Q1 2025, the Company reported a net loss of \$1,625,000 (Q1 2024: \$5,064,000) and had operating net cash outflows of \$1,666,000 (Q1 2024: \$5,154,000). The Company had cash on hand and short-term investments \$9,162,000 at March 31, 2025.

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 funds to meet its commitments and working capital requirements for the 12-month period from the date of signing these condensed interim consolidated financial statements.

This cash flow forecast has been prepared on the following basis:

- Operating costs and exploration expenditures sufficient to meet the Company's minimum contractual requirements are maintained;

- Discretionary expenditure is controlled in line with the Company's prudent working capital management strategy;
- The Company's directors resolve to seek interest from parties, or be part of a joint venture, in relation to the Comet Well and Purdy's North projects; and
- Additional liquidity is able to be generated from the disposal of certain of the Company's assets.

Based on this cash flow forecast, the Company's directors are satisfied that the Company will have access to sufficient cash to continue as a going concern.

If the Company is not able to achieve the assumptions included in the cash flow forecast, it may need to rely on alternative options to secure additional funding, which may include the raising of capital from equity markets.

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.

CONTRACTUAL OBLIGATIONS

As at March 31, 2025, the following contractual obligations were outstanding:

As at March 31, 2025	Within 1 year \$'000	Within 1-2 years \$'000	Within 2-3 years \$'000	Within 3+ years \$'000	Total \$'000
Trade and other payables	986	-	-	-	986
Deferred consideration	2,332	8,971	-	-	11,303
Leases	169	175	119	-	463

As at December 31, 2024	Within 1 year \$'000	Within 1-2 years \$'000	Within 2-3 years \$'000	Within 3+ years \$'000	Total \$'000
Trade and other payables	958	-	-	-	958
Deferred consideration	2,318	8,915	-	-	11,233
Leases	169	174	164	-	507

Note: Deferred consideration - Refer to Financial Results - Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024 - Finance Items.

OFF-BALANCE SHEET TRANSACTIONS

There are currently no off-balance sheet arrangements which have, or are reasonably likely to have, a current or future effect on the financial performance or the financial condition of the Company.

CONTINGENCIES

From time to time, the Company is involved in various claims, litigation and other matters in the ordinary course and conduct of business. Some of these pending matters may take a number of years to resolve. While it is not possible to determine the ultimate outcome of such actions at this time, and inherent uncertainties exist in predicting such outcomes, it is the Company's belief that the ultimate resolution of any such current actions is not reasonably likely to have a material adverse effect on its consolidated financial position or results of operations except as otherwise disclosed.

RELATED PARTY TRANSACTIONS

During Q1 2025, the following amounts were incurred with related parties in the normal course of operations and were measured at the exchange value which represented the amount of consideration established and agreed to by the related parties:

Name	Nature of Compensation	For the three months ended	
		March 31, 2025 \$'000	March 31, 2024 \$'000
Non Executive Co-Chairman & Director	Director fees	36	34
Executive Co-Chairman & Director	Salary	92	111
CFO & Corporate Secretary	Salary	68	66
Former VP, Corporate Communications	Consulting Fees	-	35
Independent Directors	Director Fees	37	58
Share Based Payments	Stock Options	-	83
Total		233	387

Details of these compensation arrangements are outlined in the Company's most recently filed Form 51-102F5 *Information Circular* (available under the Company's profile on SEDAR+ at www.sedarplus.ca with a filing date of May 31, 2024).

From time to time, the Board incentivizes the Company's management, employees, and consultants by issuing incentive stock options. Amounts outlined in the table above represent such portion of the Company's share-based payment expenses which relate to incentive stock options granted to the Company's management and Board, namely the non-executive co-chairman/director, the executive co-chairman/director, an independent director, and the chief financial officer/corporate secretary.

Share-based payments relating to these key management personnel and directors totalled \$Nil during Q1 2025 (Q1 2024 - \$83,000).

CRITICAL ACCOUNTING ESTIMATES

The accounting policies and methods of application applied by the Company are outlined in the Q1 Financial Statements refer to Note 2.

FINANCIAL INSTRUMENTS

The nature and extent of risks arising from the Company's financial instruments are outlined in Q1 Financial Statements refer to Note 13.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management formally assessed the effectiveness of the Company's internal control over financial reporting as at March 31, 2025, and continues to do so on an on-going basis. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework (COSO 2013).

Management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable, not absolute, assurance with respect to financial statement preparation and presentation.

There have been no significant changes in the Company's internal controls during the period ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares without par value ("**Common Shares**"). All issued Common Shares are fully paid and non-assessable.

As of May 06, 2025, the following Common Shares, Common Share purchase warrants ("**Warrants**"), and stock options were issued and outstanding:

	Number of shares	Exercise Price (C\$)	Expiry date
Common Shares *	354,630,279	-	-
Stock Options	3,000,000	1.89	November 22, 2026
Warrants	641,025	0.60	December 22, 2025
Fully Diluted	358,271,304		

* Common shares include 112,422,218 CDIs listed on the ASX.

NON-IFRS MEASURES

Certain non-IFRS measures have been included in this MD&A. The Company believes that these measures, in addition to measures prepared in accordance with IFRS, provide readers with an improved ability to evaluate its underlying performance and to compare it to information reported by other companies. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Available liquidity

The Company believes that available liquidity provides an accurate measure of the Company's ability to liquidate assets in order to satisfy its liabilities. The Company uses this metric to help monitor its risk profile.

Available liquidity includes cash, short-term investments, and assets which are readily saleable within the next 12 months, including cash, receivables, marketable securities (to the extent that an established market exists for such marketable securities, they are free of any long-term trading restrictions, and sufficient historical volume exists to liquidate holdings within 12 months), and gold specimens.

The following table reconciles this non-IFRS measure to the most directly comparable IFRS measure disclosed in the Q1 Financial Statements.

	March 31, 2025 \$'000	December 31, 2024 \$'000	December 31, 2023 \$'000
Cash	9,045	10,689	11,613
Short-term investments	117	116	149
Receivables	271	203	10,445
Marketable securities	834	802	1,434
Gold specimens	97	97	97
Available liquidity	10,364	11,907	23,738

March 31, 2025				
	# of shares	Share price	Foreign exchange	Adjusted value \$'000
Kalamazoo Resources Limited Ordinary Shares	10,000,000	\$0.080	0.897	718
GBM Resources Limited Ordinary Shares	11,363,637	\$0.007	0.897	72
Kali Metals Limited Ordinary Shares	566,947	\$0.088	0.897	45
				834
December 31, 2024				
	# of shares	Share price	Foreign exchange	Adjusted value \$'000
Kalamazoo Resources Limited Ordinary Shares	10,000,000	\$0.074	0.892	660
GBM Resources Limited Ordinary Shares	11,363,637	\$0.008	0.892	81
Calidus Resources Limited Ordinary Shares	566,947	\$0.120	0.892	62
				802

Adjusted working capital

Adjusted working capital is defined as current assets less current liabilities (adjusted for non-cash related items that do not represent an immediate cash obligation) and is used to monitor the Company's liquidity.

The following table reconciles this non-IFRS measure to the most directly comparable IFRS measure disclosed in the Q1 Financial Statements.

JORC COMPLIANCE STATEMENTS

The information in this MD&A that relates to Exploration Results from Novo's Western Australian Gold Portfolio is extracted from Novo's ASX announcement entitled "Promising surface exploration informs Tibooburra RC drilling program" released to ASX on 2 April 2024 which is available to view at www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this MD&A that relates to Exploration Results from Novo's John Bull Project is extracted from Novo's ASX announcement entitled Novo strengthens portfolio with two high-grade projects in NSW, Australia released to ASX on 16 December 2024 which is available to view at www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

CAUTION ON FORWARD-LOOKING INFORMATION

This MD&A contains “forward-looking information” within the meaning of Canadian and Australian securities laws. Forward-looking information in this MD&A includes, but is not limited to, the value of certain Company assets, in particular the fair value of marketable securities held by the Company; the Company’s further potential of its mineral properties; the Company’s planned exploration activities; the Company’s ability to raise additional funds; the Company’s ability to continue as a going concern; the future price of minerals, particularly gold; the estimation of mineral resources; the realization of mineral resource estimates; capital expenditures; success of exploration activities; exploration and development issues; currency exchange rates; government regulation of exploration, development; and social and environmental risks. Estimates regarding the anticipated timing, amount and cost of exploration and development activities are based on numerous factors including but not limited to assumptions underlying mineral resource estimates and the realization of such estimates.

Forward-looking information is characterized by words such as “plan”, “expect”, “budget”, “target”, “schedule”, “estimate”, “forecast”, “project”, “intend”, “believe”, “anticipate” and other similar words or statements that certain events or conditions “may”, “could”, “would”, “might”, or “will” occur or be achieved. Forward-looking information is based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.

Such factors include (but are not limited to): the fluctuating price of gold; reliance on third parties to provide technical services and information, particularly with respect to assay turnaround timeframes; success of exploration, development; health, safety and environmental risks; variations in the estimation of mineral resources; uncertainty relating to mineral resources; the potential of cost overruns; risks relating to government regulation; the impact of Australian laws regarding foreign investment; access to additional capital; volatility in the market price of the Company’s securities; liquidity risk; risks relating to native title and Aboriginal heritage; the availability of adequate infrastructure; the availability of adequate energy sources; seasonality and unanticipated weather conditions; limitations on insurance coverage; the prevalence of competition within the industry; currency exchange rates (such as the United States dollar and the Australian dollar versus the Canadian dollar); risks associated with foreign tax regimes; risks relating to potential litigation; risks relating to the dependence of the Company on outside parties and key management personnel; and risks in the event of a potential conflict of interest.

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements. The assumptions referred to above should be considered carefully by readers.

The Company’s forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this MD&A (or as of the date they are otherwise stated to be made). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada and Australia. If the Company 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.

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- ⁱ Refer to Novo's ASX announcement released to ASX on 02 April 2025 – Promising surface exploration informs Tibooburra RC drilling program.
- ⁱⁱ Refer to Novo's ASX announcement released to ASX on 16 December 2024 – Novo strengthens portfolio with two high-grade projects in NSW, Australia.