

Novo to Advance Egina Gold Project by Way of US \$30 Million Farmin & Joint Venture With Sumitomo Corporation

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VANCOUVER, June 07, 2019 - [Novo Resources Corp.](#) ("Novo" or the "Company") (TSX-V: NVO; OTCQX: NSRPF) is pleased to announce that it has entered into a US \$30 million farmin and joint venture agreement (the "Agreement") with Sumitomo Corporation of Tokyo, Japan, and its wholly-owned Australian subsidiary (together, "Sumitomo") in order to advance Novo's Egina project (the "Project") located approximately 80 km south-southwest of Port Hedland, WA.

The Project is comprised of wholly-owned Novo tenure, including tenements acquired through the recent acquisition of Farno-McMahon ("Farno"), tenements into which Novo is currently earning an interest under a binding memorandum of agreement with ASX-listed [Pioneer Resources Ltd.](#), and a tenement into which ASX-listed De Grey Mining Ltd. is currently earning an interest under a farmin and joint venture agreement executed with Farno prior to its acquisition by Novo (please see the Company's news releases dated September 17, 21, and October 1, 2018 - <http://novoresources.com/news-media/news/>).

Pursuant to the Agreement, Sumitomo is entitled to earn, through farmin arrangements, up to a 40% interest in the Project by spending up to US\$30 million (approximately C\$40.2 million) over three years, with a required minimum of US\$5 million per phase defined by a program and budget (approximately C\$6.7 million). Sumitomo has the right to elect not to continue with the farmin arrangement and, if this right is exercised, it is expected that any amounts advanced under the farmin arrangement will be converted into common shares of Novo through a shares for debt settlement at the higher of C\$2.00 and the minimum price permitted as at the date the right is exercised, subject to receipt of TSX Venture Exchange approval. Any shares issued to Sumitomo pursuant to such a debt settlement will be subject to a twelve-month contractual hold period (inclusive of the required four-month statutory hold period) and orderly sale restrictions. The Agreement also contains a mechanism by which Sumitomo can participate in an expanded project area.

"Novo's Egina project is an early-stage, high-potential gold project," commented Dr. Quinton Hennigh, Chairman and President of [Novo Resources Corp.](#) "Sumitomo, upon conducting their own technical review, has developed a similar opinion. It is remarkable for an exploration company to team up with a world-class finance partner like Sumitomo. With Sumitomo's financial backing, we aim to quickly advance Egina through exploration and test-extraction phases with the ultimate goal, should results prove favourable, of setting the project on a path to production. Novo has been developing the relationship with Sumitomo for many years, built on a foundation of mutual trust and respect. The combined teams have the technical capacity to advance this unique gold deposit and we are honoured to work with Sumitomo's capable technical team."

About Novo Resources Corp.

Novo's focus is to explore and develop gold projects in the Pilbara region of Western Australia, and Novo has built up a significant land package covering approximately 12,000 sq km with varying ownership interests. For more information, please contact Leo Karabelas at +1-416-543-3120 or e-mail leo@novoresources.com

On Behalf of the Board of Directors,

[Novo Resources Corp.](#)

“Quinton Hennigh”

Quinton Hennigh

Chairman and President

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Forward-looking information

Some statements in this news release contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, the statements as to the Agreement and the Project. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, without limitation, receipt of TSX Venture Exchange approval to the Agreement and customary risks of the resource industry, economic conditions and risks and uncertainties inherent to the mineral exploration industry as well as the performance of services by third parties and the issuance of necessary approvals and permits by regulatory authorities.

A PDF accompanying this announcement is available at:

<http://ml.globenewswire.com/Resource/Download/322649cc-b7f2-44b1-8ba7-be6d3a959389>

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