

Novo Resources Corp. Agrees to Acquire Significant Stake in New Found Gold Corp.

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VANCOUVER, March 02, 2020 - [Novo Resources Corp.](#) (“Novo” or the “Company”) (TSX-V: NVO; OTCQX: NSRPF) is pleased to announce that it has subscribed for 15,000,000 common shares of New Found Gold Corp. (“New Found”), a Canadian private exploration company with the largest mineral claim package in the Province of Newfoundland and Labrador. The subscription price will be paid by the issuance of 6,944,444 common shares of Novo (the “Acquisition”). The Acquisition is subject to TSX Venture Exchange approval.

Upon closing of the Acquisition and assuming no further share issuances by New Found or Novo, Novo will own approximately 15.97% of the issued and outstanding shares of New Found and New Found will own approximately 3.73% of the issued and outstanding common shares of Novo. The Acquisition gives Novo a significant stake in yet another promising new gold field and, coupled with the Company’s recent investment in ASX-listed [Kalamazoo Resources Ltd.](#) (please see the Company’s news release dated January 14, 2020 -https://www.novoresources.com/news-media/news/display/index.php?content_id=376), further diversifies the Company’s passive exposure to potentially significant discoveries worldwide.

New Found is focused on exploring its wholly-owned Queensway project (the “Queensway Project”) located near the town of Gander, Central Newfoundland. The first hole from its late 2019 drill program (NFGC-19-01) on the Queensway Project intersected 92.86 g/t Au over 19.0 metres including 285.2 g/t Au over 6.0 metres. This intercept is near surface, starting at 96 m down hole depth. The true width of this intercept is estimated to be 70% based on drill core angles and correlation with historic drilling. The information in this paragraph and the next has been provided to Novo by New Found and has not been verified by Novo.

The Queensway Project comprises 85 km of prospective strike length with strong geological indications that much of the property falls within the prospective high-grade epizonal orogenic regime. In addition to the impressive gold intercept encountered in hole NFGC-19-01, historic work has yielded numerous high-grade surface rock chip and float samples along approximately 20km of strike length on the Appleton and JBP fault zones. An historic gold resource is situated approximately two kilometres from hole NFGC-19-01.

The Province of Newfoundland and Labrador is a favorable exploration and mining jurisdiction. The Province recently launched the “Mining the Future 2030” initiative which envisions five new mines, direct employment of a diverse workforce of more than 6,200 people, CAD \$4 billion in annual mineral shipments, and CAD \$100 million in exploration expenditures by 2030 (please see <https://www.gov.nl.ca/releases/2018/exec/1102n05/>) and bodes well for the future of the Queensway Project.

Eric Sprott, a director of Novo, currently holds 16.79% of the issued and outstanding shares of New Found immediately prior to the Acquisition. As such, New Found is considered a non-arm’s length party to Novo pursuant to TSX Venture Exchange policies.

Pursuant to the terms of the Acquisition, the Company also has the right to appoint a director to the board of directors of New Found at any time for a period of three years from the Acquisition Date provided that the Company holds no less than 10% of New Found’s issued and outstanding shares. The Company has also agreed to certain voting restrictions for a period of three years.

“We at Novo think the Queensway Project represents a very promising new high-grade gold discovery,” commented Dr. Quinton Hennigh, President and Chairman of Novo Resources. “It appears the Queensway Project encompasses an area highly prospective for high-grade epizonal orogenic gold mineralization. We are very pleased to have the opportunity to be part of this exciting discovery and, upon completion of the Acquisition, look forward to supporting New Found as they advance work around hole NFGC-19-01 and the many other high grade showings across the Queensway Project.”

“We are thrilled to welcome Novo as a significant stakeholder in New Found,” commented Collin Kettel, Executive Chairman and Director of New Found. “Following strategic investments in New Found by Eric Sprott and Rob McEwen last year, we are excited to receive further validation of our team’s discovery at the Queensway Project in Newfoundland. We look forward to working with Dr. Quinton Hennigh and the entire Novo team as we continue to advance the Queensway Project.”

The technical content of this news release has been reviewed and approved by Mr. Greg Matheson, P.Geo. Chief Operating Officer of New Found Gold Corp. Mr. Matheson is a "qualified person" as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

About New Found Gold Corp.

New Found is a private exploration company focused on the district scale Queensway Project in Central Newfoundland. As the largest mineral rights holder on the island of Newfoundland the company is uniquely positioned to capitalize on the underexplored nature of this emerging gold district. Further information can be found on the company's website <https://newfoundgold.ca/>. New Found has a strong shareholder base with (post-Acquisition) Palisades Goldcorp owning 48%, Novo 15%, Eric Sprott 14%, Rob McEwen 7%, and management and directors 8%.

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 13,000 sq. km with varying ownership interests. For more information, please contact Leo Karabelas at (416) 543-3120 or e-mail leo@novoresources.com

On Behalf of the Board of Directors, Novo Resources Corp.

“Quinton Hennigh”
Quinton Hennigh, President and Chairman

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Forward-looking information: Some statements in this news release contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, the expected consummation of the Acquisition. Forward-looking 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, the receipt of TSX Venture Exchange approval.

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