

Novo Announces Closing of Brokered and Non-Brokered Financings Totaling C\$56 Million

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VANCOUVER, Aug. 27, 2020 - [Novo Resources Corp.](#) (the "Company" or the "Novo"; TSX-V: NVO) is pleased to announce that it has closed its previously announced and increased brokered and concurrent non-brokered private placements of subscription receipts (the "Offering") of the Company to raise gross proceeds of approximately C\$56 million (collectively, the "Offering"). The Offering was undertaken in conjunction with Novo's planned acquisition of [Millennium Minerals Ltd.](#) (the "Acquisition") (please refer to the Company's news releases dated August 4, 2020, August 5, 2020, and August 11, 2020 for further details).

Gross proceeds of approximately C\$51 million were raised from the brokered private placement (the "Brokered Offering") and gross proceeds of approximately C\$5 million were raised from the non-brokered private placement (the "Non-Brokered Offering"). The Brokered Offering was conducted through a syndicate of agents co-led by Clarus Securities Inc. and Stifel GMP (the "Co-Lead Agents"), together with PI Financial Corp., CIBC Capital Markets and Haywood Securities Inc. (the "Agents"). In total, the Company issued 17,192,379 Subscription Receipts at a price of C\$3.25 per Subscription Receipt for total gross proceeds of approximately C\$56 million (approximately US\$42.6 million), which included the exercise of the option granted to the Agents.

The net proceeds from the Offering will be used to fund the Acquisition, for capital expenditures relating to the restart of [Millennium Minerals Ltd.](#)'s infrastructure, and for general corporate working capital purposes related thereto.

We are very pleased with the level of interest in these financings, commented Quinton Hennigh, Chairman and President of Novo Resources. The Offering provides necessary capital to move Beatons Creek closer to production over the next few months. Novo is delighted to be on a solid path forward.

The Subscription Receipts were issued pursuant to a subscription receipt agreement (the "Subscription Receipt Agreement") entered into by the Company, the Co-Lead Agents, and Olympia Trust Company as subscription receipt agent. Pursuant to the Subscription Receipt Agreement, the proceeds from the Offering except for 50% of the Agents' 6% cash commission and all of the Agents' expenses (the "Escrowed Funds") will be held in escrow pending satisfaction of certain conditions including, amongst others, (a) the satisfaction or waiver of each of the conditions precedent to the Acquisition other than the completion of financings to raise the funds required to pay the cash portion of the purchase price for the Acquisition which will be completed concurrently with the release of the Escrowed Funds; and (b) the receipt of all required regulatory (including TSX Venture Exchange) approvals in connection with the Acquisition (the "Escrow Release Conditions"). If the Escrow Release Conditions have not been satisfied prior to 5:00 p.m. (Toronto time) on November 2, 2020 (the "Termination Time"), the holders of Subscription Receipts will receive a cash amount equal to the issue price of their Subscription Receipts and a proportionate amount of any interest that has been earned on the Escrowed Funds, and the Subscription Receipts will be null and void.

Provided that the Escrow Release Conditions have been satisfied prior to the Termination Time, each Subscription Receipt will automatically be exchanged for one unit of Novo (a "Unit"), each Unit comprised of one common share of Novo (a "Share") and one-half of one Share purchase warrant (a "Warrant"), with each whole Warrant entitling the holder thereof to acquire one Share at a price of C\$4.40 until August 27, 2023, on the date that is the earlier of :

1. the date that is three business days following the issuance by the British Columbia Securities Commission, as principal regulator, of a receipt (the "Final Receipt") of the Qualifying Jurisdictions (as defined below) for a final short form prospectus qualifying the distribution of the Units underlying the Subscription Receipts; and
2. December 28, 2020.

The Company has agreed to use its commercially reasonable efforts to obtain the Final Receipt by 5:00 p.m. (Toronto time) on November 25, 2020 (the "Qualification Deadline"). In the event the Final Receipt is not obtained by the Qualification Deadline, the Units will be comprised of one Share and one whole Warrant (rather than one-half of one Warrant).

The Subscription Receipts issued under the Offering were sold pursuant to private placement exemptions in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Nova Scotia (the "Qualifying Jurisdictions"). The Subscription Receipts and the Warrants, and the Shares underlying the Subscription Receipts and the Warrants respectively, are subject to a statutory hold period in accordance with Canadian securities legislation expiring on December 28, 2020 unless sooner qualified under the Qualifying Prospectus. Securities of the Company sold in the Offering in the United States or to, or for the benefit of, U.S. persons constitute "restricted securities" under U.S. securities laws and, accordingly, are also subject to additional resale restrictions. The Offering is subject to final acceptance of the TSX Venture Exchange.

Cash finder's fees of C\$34,125 were paid in conjunction with the Non-Brokered Offering.

About Novo Resources Corp.

Novo's focus is primarily to explore and develop gold projects in the Pilbara region of Western Australia, and Novo has built up a significant land package covering approximately 13,750 square kilometres with varying ownership interests. In addition to the Company's primary focus, Novo seeks to leverage its internal geological expertise to deliver value-accretive opportunities to its shareholders. 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

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, statements as to the use of the net proceeds from the Brokered Offering and the Non-Brokered Offering, the completion of the Acquisition and the intended filing of a final prospectus to qualify the Shares and Warrants underlying the Subscription Receipts within certain timeframes. 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, obtaining TSX Venture Exchange final approval to the Brokered Offering, the Non-Brokered Offering and the Acquisition, satisfaction of the other conditions precedent to the completion of the Acquisition, the ability for the Company to obtain a final receipt within the intended timeframes and obtaining all requisite securities regulatory approvals in connection therewith and customary risks of the mineral resource exploration industry.

This news release does not constitute an offer for sale, or a solicitation of an offer to buy, in the United States or to any "U.S. Person" (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "1933 Act")) of any equity or other securities of Novo. The securities of Novo have not been, and will not be, registered under the 1933 Act or under any

state securities laws and may not be offered or sold in the United States or to a U.S. Person absent registration under the 1933 Act and applicable state securities laws or an applicable exemption therefrom.

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