

Nullagine Gold Project Update

08.06.2021 | [GlobeNewswire](#)

VANCOUVER, June 08, 2021 - [Novo Resources Corp.](#) ("Novo" or the "Company") (TSX: NVO & NVO.WT; OTCQX: NSRPF) is pleased to provide an operations update from its Beatons Creek conglomerate gold project in Nullagine, Western Australia (the "Nullagine Gold Project") following its recent exploration update (refer to the Company's news release dated June 3, 2021) and previous operational update (refer to the Company's news release dated April 29, 2021).

Highlights

- No lost time injuries to date at the Nullagine Gold Project
- Record gold production of 5,064 oz Au for May 2021, realizing revenue of C\$10.8 million (A\$11.5 million) from the sale of 4,754 oz Au at an average realized gold price of A\$2,407
- Mining and processing rates continue to increase month-on-month
- May 2021 month-end cash balance of C\$45.2 million (excluding fair value of investments of approximately C\$204 million)

Safety

The lost time injury frequency rate for the past twelve months remains at zero for the Nullagine Gold Project and also for the Company; a significant achievement for a company rapidly growing its workforce and making the transition from explorer to production. Ongoing development of safety and management systems, particular to Novo and its culture, are progressing well with wide acceptance across the Company.

Gold Production

Gold production at the Nullagine Gold Project has increased month-on-month project to date, with a record month of 5,064 ounces poured during May 2021 (refer to Figure 1). Gold production is anticipated to continue to increase due to improved throughput rates and recovery in the mill combined with improved grade as higher grade conglomerates at Grant's Hill are accessed and brought into the mine schedule.

Figure 1 is available at <http://ml.globenewswire.com/Resource/Download/502a29d5-d769-43b6-b232-28cecd12499>

Processing

Mill throughput has continued to increase month-on-month. The processing plant is currently operating at an annualized rate of 1.5 mtpa (refer to Figure 2), with demonstrated capacity to achieve a throughput rate of approximately 1.8 mtpa. A total of 124 kt of mineralized material was processed in May, with recovery of 94.5% achieved. This follows a major planned shutdown in April which saw the first reline of the processing plant since acquiring [Millennium Minerals Ltd.](#) in September 2020 (refer to the Company's news releases dated August 4, 2020, and September 8, 2020). During May 2021, gravity gold accounted for the majority of gold production (61%) versus 39% from carbon-in-leach (CIL), with the processing plant achieving a total recovery of 94.5%. Management is satisfied with processing plant performance, with all key operational metrics within expected parameters and a cohesive and capable operational crew bedded in and operating the facility productively and safely.

Mining

Mining productivities have continued to improve as the operation matures, with the operation gradually transitioning from constrained mining areas on ridges to broader benches that allow for larger equipment to

operate more productively (*refer to Figure 2*). Iron Mine Contracting Pty Ltd has been working cooperatively with Novo technical staff to continue to improve operational performance and has demonstrated excellent flexibility in meeting operational equipment and personnel requirements. Mine scheduling has been optimized to allow one of the three current dig fleets to relocate to undertake a planned tailings dam lift expected during the third quarter of 2021 (*refer to Figure 3*).

Figure 2 is available at

<http://ml.globenewswire.com/Resource/Download/35a48951-6858-49c7-8b77-7ac991f78128>

Figure 3 is available at

<http://ml.globenewswire.com/Resource/Download/fe95f457-5a7c-4c00-99dc-1fe4ab1685c9>

Following a competitive tender process, the operation will transition from an interim drill and blast arrangement to a 24-month contract awarded to Ozland Drill and Blast Pty Ltd ("Ozland"). Importantly, Ozland will be mobilizing a new and highly productive T45 Atlas Copco blast hole drill rig to site during the month of June. This drill consumes substantially less diesel fuel as compared to other traditional drills and has technical advantages of being able to self-locate drill collars and also boasts 'measure while drilling' capabilities that will assist in more efficient blast designs and possibly contribute to further technical knowledge to accurately locate mineralized horizons.

Grade Control Assays

Novo recently announced a commercial arrangement with Intertek Testing Services (Australia) Pty Ltd ("Intertek") (*refer to the Company's news release dated May 18, 2021*) with respect to gaining priority access to two Chrysos photon assay machines at its new state of the art mineral assay laboratory complex in Perth, WA, whilst retaining access to MinAnalytical's facilities at Perth and Kalgoorlie, WA. Installation of the two machines at Intertek's facility is proceeding according to schedule, with assay results now being received from the first machine with commissioning of the second machine well underway. Intertek is also conducting sample preparation works in Perth, and is expected to transition to site sample preparation in the third quarter of 2021. It is expected that the backlog of outstanding assays will be processed by August 2021 at which point the Company can achieve a sample assay turnaround time that will proactively support mining operations.

Novo Financial Position

The Company's cash reserves increased to C\$45.2 million as at May 31, 2021 as a result of the Company's recently closed special warrant financing (*refer to the Company's news release dated April 14, 2021, May 4, 2021, and May 26, 2021*) along with operational revenue of C\$10.8 million (A\$11.5 million) from the sale of 4,754 ounces of gold and 543 ounces of silver in May 2021. The Company does not have any hedging facilities in place, allowing full exposure to the improving gold price of approximately A\$2,440 (US\$1,890). In addition to its cash reserves, the Company's portfolio of investments held a fair value of approximately C\$204 million as at May 31, 2021¹.

"The Company has navigated a complex and rapid project commencement without recording a lost time injury which is a testament to the site culture and calibre of the team" commented Rob Humphryson, Novo's Chief Executive Officer and a director. "Despite a resources boom across the resources hotspot of Western Australia, Novo has attracted a group of team-oriented, practical, and resilient people that have put their collective shoulders to the wheel, negotiated challenging operational conditions, and extreme heat and rain events to continually drive the project forward. The team continues to identify and resolve operational challenges as they arise, whilst importantly building the foundations for solid relationships with local stakeholders."

Dr. Quinton Hennigh (P.Geo.) 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 news release. Dr. Hennigh is a director of Novo and its president and chairman.

Cautionary Statement

The decision by the Company to produce at the Nullagine Gold Project was not based on a feasibility study of mineral reserves demonstrating economic and technical viability and, as a result, there is an increased uncertainty of achieving any particular level of recovery of minerals or the cost of such recovery, including increased risks associated with developing a commercially mineable deposit. Historically, such projects have a much higher risk of economic and technical failure. There is no guarantee that that anticipated production costs will be achieved. Failure to achieve the anticipated production costs would have a material adverse impact on the Company's cash flow and future profitability.

About Novo

Novo is commissioning its flagship Beatons Creek gold project while exploring and developing its prospective land package covering approximately 14,000 square kilometres in the Pilbara region of Western Australia. 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

Chairman and President

Forward-looking information

Some statements in this news release contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, planned mining and processing activities; that gold production is anticipated to continue to increase; the anticipated annualized mill throughput rate; that the backlog of outstanding assays will be processed by August 2021; and that the Company's use of the Ozland T45 Atlas Copco blast hole drill rig will assist in more efficient blast designs and possibly contribute to further technical knowledge to accurately locate mineralized horizons. 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, customary risks of the resource industry and the risk factors identified in Novo's annual information form for the 11-month fiscal year ended December 31, 2020, which is available under Novo's profile on SEDAR at www.sedar.com. Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, Novo assumes no obligation to update or to publicly announce the results of any change to any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If Novo 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.

¹ This value excludes the fair value of warrants held in GBM Resources Ltd. and [Kalamazoo Resources Ltd.](#). Novo's ability to dispose of its investments is subject to certain thresholds pursuant to its senior secured credit facility with Sprott Private Resource Lending II (Collector), LP. Please refer to the Company's management discussion and analysis for the 11-month fiscal year ended December 31, 2020, which is available under Novo's profile on SEDAR at www.sedar.com. Novo's investment in [New Found Gold Corp.](#) is subject to escrow requirements pursuant to National Instrument 46-201 *Escrow for Initial Public Offerings*. The value of Novo's holdings in Elementum 3D, Inc. ("E3D") is based on E3D's most recent financing price of US\$2.50 per share. The fair value of Novo's investments is based on closing prices of its investments and relevant foreign exchanges rate as at May 31, 2021.

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