

Record Monthly Production From Nullagine Gold Project

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HIGHLIGHTS

- Continuing excellent safety record with no LTIs recorded at the Company's Beatons Creek conglomerate gold project (the "Nullagine Gold Project")
- Record monthly gold production of 8,589 oz Au in July, a 46% increase over June
- 7,899 ounces of gold sold in July, generating revenue of C\$17.8 million¹ (A\$19.2 million), a 50% increase over June
- Record number of grade control assays processed in July (> 68,000 PhotonAssays), expecting to clear the assay backlog by October 2021
- Exploration drilling ongoing at near-mine and East Pilbara conglomerate and orogenic basement targets
- July month-end cash balance of C\$49 million, representing 6% growth since June
- Fair value of Novo's investments of approximately C\$170 million²

"I'm delighted with the continuing positive trajectory of the Nullagine Gold Project as the team adjusts to mining and processing this completely new style of conglomerate gold mineralization," commented Rob Humphryson, CEO and a director of the Company. "The site team is functioning cohesively as they perfect the geological and mining methods required to underpin a sustained and successful operation."

VANCOUVER, British Columbia, Aug. 05, 2021 -- [Novo Resources Corp.](#) ("Novo" or the "Company") (TSX: NVO, NVO.WT & NVO.WT.A) (OTCQX: NSRPF) is pleased to provide an operations update from the Nullagine Gold Project after another record month of growth. Subsequent updates will be provided on a quarterly basis.

NULLAGINE GOLD PROJECT

Gold Production

Gold production at the Nullagine Gold Project for July 2021 was a record month of 8,589 ounces produced during July 2021 (Figure 1).

Figure 1 available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/2ca66d77-f304-4d7a-ad47-c07238b102d8>

Processing

Mill throughput continued to increase month-on-month. As anticipated in the Company's news release dated June 8, 2021, the processing plant's annualized rate is increasing towards 1.8 mtpa (Figure 2). A total of 148 kt of gold-bearing conglomerate material was processed in July. Recovery rates are also stabilizing around 95%. July's processing head grade was 1.94 g/t Au.

Mining

Mined mineralized and waste material was lower in July with some of the Company's contract mining fleet allocated to assist with initial preparatory works for an upcoming tailings storage facility expansion.

Figure 2 is available at

Operational Improvements

Intertek Testing Services (Australia) Pty Ltd ("Intertek") has now fully commissioned two Chrysos PhotonAssay machines at its Maddington (Perth) facility (Figure 3) (*refer to the Company's news release dated May 18, 2021*) and processed a total of 68,235 PhotonAssays (including QA/QC samples) in July. This compares favourably against average sample returns per month over the past six months. Assuming that July's processing rates continue, the Company expects that its backlog of grade control samples will be cleared by the end of October 2021 which will significantly improve the Company's ability to optimize recovery of mineralized material at the Nullagine Gold Project.

Figure 3 is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/ecab7496-1b94-4a0a-b84b-8549698fbcd2>

Intertek have also been selected to design and manage a site-based sample preparation laboratory at the Nullagine Gold Project. The lab setup is proceeding rapidly, with commissioning expected to be completed by mid-August. To date the crusher/dryer facility, ducting refurbishment, and pad extensions have all been completed, with lab personnel expected to arrive on site early next week.

Exploration

Exploration works at the Nullagine Gold Project accelerated during June as reverse circulation ("RC") drilling was completed at several conglomerate (Beatons Extended and Skyfall) and orogenic basement (Margies, Cutlass and AU81 north) targets, all located within a 50 km radius of the Company's Golden Eagle processing facility. A series of additional high priority targets more recently delineated within the Nullagine Gold Project area by detailed geological mapping, rock chip sampling and soil sampling are also scheduled for drill testing in the latter half of 2021 (Daisy Central, Red Ensign, GENNE, Parnell, Vulture).

Further afield, RC drilling commenced in July at one of Novo's high priority orogenic vein targets at the Talga Project (Figure 4), testing strike and depth potential, and grade continuity of the mineralised lode systems at McPhees and NW Australian. Rock samples collected by Novo combined with detailed mapping define a mineralized corridor approximately three kilometres long and include assay results with best grades of 81.4 g/t Au, 46.9 g/t Au, 35.1 g/t Au and 30.0 g/t Au (*refer to the Company's news release dated June 3, 2021*). These results are not necessarily representative of mineralization at Talga. This prospect is located some 30 km to the north of the town of Marble Bar (150km north of Nullagine) and is suitable for haulage to the Company's Golden Eagle processing facility at the Nullagine Gold Project.

Figure 4 is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/98935ffd-3258-41e4-b5ba-22f594d488d1>

Novo Financial Position

Novo's cash position and working capital remains robust, with cash reserves of C\$49 million as at July 31, 2021 as compared to cash reserves of C\$46.3 million as at June 30, 2021. Operational cash inflows accounted for most of this increase, with only approximately C\$0.6 million attributable to stock option exercises and asset dispositions.

In addition to its cash reserves, the Company's portfolio of investments held a fair value of approximately C\$170 million² as at July 31, 2021. Volatility in the value of the Company's portfolio is mostly attributable to the Company's 9.83% holdings in [New Found Gold Corp.](#) (TSXV: NFG).

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 the backlog of PhotonAssays is expected to be cleared by October 2021; and that the processing plant's annualized rate is expected to reach 1.8 mtpa. 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 Converted to Canadian dollars using the July 1 - 31, 2021 average foreign exchange rate of 0.9294.

² 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's 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. Except for its investment in E3D, the fair value of Novo's investments is based on closing prices of its investments and relevant foreign exchanges rates as at July 31, 2021.

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