

Sale of Nullagine Gold Project to Calidus Resources

HIGHLIGHTS

- Novo has executed agreements with Calidus Resources Limited (ASX: CAI) to divest its Nullagine Gold Project in the East Pilbara region of Western Australia on 20 December 2023, with completion occurring on 21 December 2023.
 - Calidus has assumed all obligations, royalties, claims and liabilities relating to the Nullagine Gold Project, including the rehabilitation liability.
 - Novo has received completion consideration of A\$250,000 (in CAI shares) and has a right to receive a further A\$5 million in deferred consideration subject to the achievement of a production milestone relating to the Nullagine Gold Project assets.
 - Novo has revised the terms of its deferred consideration deed with IMC Holdings (originally entered into upon the acquisition of Millennium Minerals Ltd in 2020) to restructure the obligation to pay the balance of the amounts owing under that arrangement over a possible 3 year period.
 - Novo's Nullagine Gold Project was a non-core asset and its disposal was foreshadowed in the Company's ASX IPO prospectus. The sale of the Nullagine Gold Project is another key step in the Company's pursuit of identifying and delivering prospective standalone gold projects with +1 Moz development potential.
-

Novo Executive Co-Chairman Mike Spreadborough said,

"As we continue to execute our exploration growth strategy to define gold deposits with significant development potential, to complete this disposal of Novo's Nullagine Gold Project, which was a non-core asset, is a good outcome for the Company and our shareholders.

"Through this agreement, our financial position is improved with the removal of the existing rehabilitation liability of approximately A\$45 million from our balance sheet.

"Fundamentals on the gold price and the sector generally remain very strong and we look forward to continuing our strong exploration strategy into the first half of 2024 across our extensive, highly prospective portfolio."

VANCOUVER, British Columbia, Dec. 20, 2023 -- **Novo Resources Corp. (Novo or the Company)** (ASX: NVO) (TSX: NVO & NVO.WT.A) (OTCQX: NSRPF) is pleased to announce that it has completed the sale of its Nullagine Gold Project (**NGP**) to Calidus Resources (ASX: CAI). This follows the conclusion of the strategic review of the NGP outlined in the Company's August 2023 ASX IPO prospectus. The sale occurred pursuant to:

- a share sale agreement under which Calidus agreed to acquire all issued shares in Millennium Minerals Pty Ltd (Millennium); and
- an asset sale agreement under which Calidus agreed to acquire additional tenements and assets in the broader Mosquito Creek Basin (from Novo subsidiaries Beatons Creek Gold Pty Ltd, Nullagine Gold Pty Ltd and Rocklea Gold Pty Ltd).

Both agreements were inter-conditional and collectively provided for the acquisition of the NGP by Calidus.

As consideration for the sale, Novo has received A\$250,000 in Calidus Shares. Novo also has a right to receive a further A\$5 million (as deferred consideration) upon the reaching of a production milestone of 100,000 ounces by Calidus with respect to the NGP assets within a 10-year period.

Calidus has assumed all obligations, royalties, claims and liabilities relating to the NGP. This includes the existing rehabilitation liability (of approximately A\$45 million).

IMC HOLDINGS – DEFERRED CONSIDERATION DEED

At the time of acquiring Millennium, Novo entered into a deferred consideration deed with IMC Holdings (the main shareholder of Millennium). Under the terms of that deed, Novo was required to pay deferred consideration, in certain circumstances, up to a total amount of A\$20 million. As part of the sale of NGP (and given that Novo will no longer be able to satisfy any obligation to make payment from any gold produced by Millennium), Novo has renegotiated the terms of the deferred consideration deed with IMC Holdings.

Under the revised arrangements, Novo has agreed to pay a balance of a A\$15.6 million to IMC Holdings by December 2026, with a mechanism for reductions for early payments by Novo.

RELINQUISHMENT OF TENURE

The Company's ongoing exploration program across key Pilbara areas has been successful in identifying targets for exploration follow-up in 2024, along with identifying land tenure that provides no further exploration value or follow-up.

As a result, a planned relinquishment program has been initiated to reduce land tenure holding costs. The combined relinquishment program, transfer of some tenure in accordance with the Harding Battery Minerals JV, and the divestment of NGP has reduced the Pilbara tenure area held or managed by the Company to an estimated ~7.500 sq km.

CONTACT

Investors:	North American Queries:	Media:
Mike Spreadborough +61 8 6400 6100 mike.spreadborough@novoresources.com	Leo Karabelas +1 416 543 3120 leo@novoresources.com	Cameron Gilenko +61 466 984 953 cgilenko@citadelmagnus.com

On Behalf of the Board of Directors:

Novo Resources Corp.

“Michael Spreadborough”
Michael Spreadborough
Executive Co-Chairman and Acting CEO

ABOUT NOVO

Novo explores and develops its prospective land package covering approximately 7,500 square kilometres in the Pilbara region of Western Australia, along with the 22 square kilometre Belltopper project in the Bendigo Tectonic Zone of Victoria, 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.