Form 51-102F3
Material Change Report

Item 1. Name and Address of Company

Novo Resources Corp. (the "**Company**")
1075 West Georgia St., Suite 1980
Vancouver, BC, V6E 3C9

Item 2. Date of Material Change

March 10, 2016

Item 3. News Release

News release dated March 10, 2016 was disseminated through TheNewswire.ca.

Item 4. Summary of Material Change

The Company closed a non-brokered convertible debenture financing.

Item 5.1 Full Description of Material Change

The Company closed a non-brokered convertible debenture financing (the "**Debentures**") to raise gross proceeds of $2,071,300. The proceeds will be applied to the Company's trial mining operation at its Beatons Creek project in Western Australia once the necessary permits have been issued. Each Debenture issued by the Company has a principal amount of CDN$1,100. The Debentures will not bear interest and will mature on January 12, 2017. The Company may repay, in whole or in part, the Debentures at any time prior to the maturity date. Each Debenture is convertible into common shares of the Company at $0.67 per common share (the "**Equity Conversion Right**").

Each Debenture also includes a gold redemption right (the "**Gold Redemption Right**") whereby the Company will have the right, prior to January 2, 2017, to give the Debenture holders notice that it intends to repay them with gold produced from the Company's Beatons Creek project at a redemption price of CDN$1,100 per ounce of gold provided that the Company has produced at least 2,000 ounces of gold (reduced from the previously announced 2,500 ounces) from its Beatons Creek project (the "**Threshold Production Amount**") by December 15, 2016.

If the Company reaches or exceeds the Threshold Production Amount before December 15, 2016 but has not provided the Debenture holders with notice to exercise the Gold Redemption Right by January 2, 2017, the Debenture holders will have the right to give the Company notice of exercise of the Gold Redemption Right, the Equity Conversion Right, or that they require repayment of the Debenture principal in cash.

If the Company does not reach the Threshold Production Amount before December 15, 2016, the Debenture holders will have the right to exercise the Equity Conversion Right or require the repayment of the Debenture principal in cash. If a Debenture holder has not given the Company notice of its election by the Maturity Date, the Debenture principal will be repaid in cash.

The Debentures and any shares issued in connection with a conversion of the Debentures will be subject to a statutory hold period expiring July 10, 2016.

Akiko Levinson, a director of the Company, purchased 50 Debentures. Ms. Levinson has entered into the same form of subscription agreement with the Company as entered into by the other subscribers of Debentures.

The Company is relying on an exemption from the requirement in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") to obtain a formal valuation; specifically the Company is relying on the exemption provided in section 5.5(b) of MI 61-101 as its shares are only listed or quoted on the TSX Venture Exchange and the OTCQX.

The Company is relying on an exemption from the requirement in MI 61-101 to obtain minority shareholder approval to Ms. Levinson's participation in the Financing; specifically, the Company is relying on the exemption provided in section 5.7(1)(a) of MI 61-101 as the fair market value of the Debentures being purchased by Ms. Levinson will not exceed 25% of the Company's market capitalization.

Item 5.2 **<u>Disclosure of Restructuring Transactions</u>**

Not applicable.

Item 6. **<u>Reliance on subsection 7.1(2) of National Instrument 51-102</u>**

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102, state the reasons for such reliance.

Not applicable.

Item 7. **<u>Omitted Information</u>**

Not applicable

Item 8. **<u>Executive Officer</u>**

Herrick Lau, Chief Financial Officer
Telephone: 604 688 9588

Item 9. **<u>Date of Report</u>**

March 10, 2016