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**

May 14, 2017

Item 3. **News Release**

News release dated May 16, 2017 was disseminated through GlobeNewswire.com

Item 4. **Summary of Material Change**

The Company reported cyanidation test results from its 100% controlled Beatons Creek gold project ("**Beatons Creek**").

Item 5.1 **Full Description of Material Change**

The Company presented a case for conventional gravity + carbon-in-leach ("**CIL**") processing at Beatons Creek based upon exceptionally high gold recoveries from cyanidation tests performed early this year. Further data from recent cyanidation testwork conducted by ALS Global, Perth, supports the Company's gravity + CIL processing concept (see table). Even at a coarse grind size of 280 microns, gravity + CN leach recoveries exceed 96% with over 50% of gold recovered by gravity and the remainder by CN leach. CN and lime consumption is low.

Cyanidation Test Results from Beatons Creek

Sample	Test Conditions	Grind Size (P80 µm)	Gravity Gold Recovery (%)	Gravity + CN Gold Recovery (%)	Calculated Head Grade (gpt Au)	Lime Consumption (kg/tonne)	CN consumption (kg/tonne)
IGR Gravity Tailings	40% Solids - 1.0kg/t NaCN - pH 10.5	250	53.3	97.1	2.79	2.02	0.18
	40% Solids - 1.0kg/t NaCN - pH 10.5	212	75.4	98.9	5.64	1.99	0.16
	40% Solids - 1.0kg/t NaCN - pH 10.5	150	59.0	97.1	3.49	2.21	0.24
	40% Solids - 1.0kg/t NaCN - pH 10.5	106	49.1	98.1	2.58	2.08	0.27
	40% Solids - 0.75kg/t NaCN - pH 10.0	280	66.1	98.6	5.05	1.83	0.21

	40% Solids - 0.5kg/t NaCN - pH 10.0	280	71.0	98.6	5.73	1.93	0.19
Edwards Block Bulk Sample	40% Solids - 1.0kg/t NaCN - pH 10.5	250	81.9	98.9	6.09	1.13	0.20
	40% Solids - 1.0kg/t NaCN - pH 10.5	212	82.7	99.1	6.48	1.00	0.20
	40% Solids - 1.0kg/t NaCN - pH 10.5	150	44.1	97.3	1.50	0.98	0.20
	40% Solids - 1.0kg/t NaCN - pH 10.5	106	88.0	99.4	6.62	1.00	0.19
	40% Solids - 0.75kg/t NaCN - pH 10.0	280	55.3	96.8	2.16	0.62	0.21
	40% Solids - 0.5kg/t NaCN - pH 10.0	280	66.2	98.3	2.89	0.74	0.25

These results are very promising for several reasons:

- Coarser grinding translates to lower power requirements for milling, a potentially significant cost savings for the project.
- Coarse tailings allows for consideration of dry stacking as a means of tailings disposal, a potentially cheaper alternative to conventional tailings ponds.
- Water can be readily recovered from tailings for re-use in milling meaning lower overall water consumption, a potential cost savings.
- Reagent consumption is low which translates to lower processing costs.

Item 5.2 **Disclosure of Restructuring Transactions**

Not applicable.

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

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. **Omitted Information**

Not applicable

Item 8. **Executive Officer**

Ronan Sabo-Walsh, Chief Financial Officer

Telephone: (778) 330-7824

Item 9. **Date of Report**

August 16, 2017