

Novo Discusses Plans for Egina

VANCOUVER, British Columbia, Oct. 30, 2018 -- **Novo Resources Corp.** ("**Novo**" or the "**Company**") (TSX-V: NVO; OTCQX: NSRPF) is pleased to discuss recent findings and exploration plans at its recently acquired Egina gold project, Western Australia.

Like Novo's Karratha gold project, Egina is an important part of the Pilbara conglomerate gold province. Not only does Egina have potential to host significant deposits of gold-bearing conglomerates, weathering and erosion appear to have liberated considerable gold from these rocks and redeposited it into extensive surficial lag gravel deposits blanketing much of the area. Gold-bearing gravels can easily be explored as described in Novo's aggressive exploration program described below.

Egina Exploration Model Highlights:

- Egina lies in the heart of the Pilbara conglomerate gold province approximately 120 km east of Novo's Karratha gold project (*please refer to [Figure 1](#)*). Upon recognizing its conglomerate gold potential, Novo began applying for multiple exploration licenses covering much of the core area beginning in 2017. On September 17, 2018, Novo announced two transactions; the acquisition of private company Farno-McMahon Pty Ltd ("**FM**"), and a joint venture with ASX-listed Pioneer Resources Limited, increasing Novo's Egina project to 948 square km. Importantly, purchase of FM included granted mining leases M47/560 and M47/561 covering approximately 11.8 square km of key target areas.
- Three styles of gold mineralization are recognized at Egina: 1) basal Fortescue gold-bearing conglomerates like those at Novo's Karratha gold project, 2) gold-bearing, deflationary and/or marine lag gravels blanketing an erosional terrace covering most of the Egina area, and 3) lode gold mineralization hosted by the underlying Mallina Basin assemblage.
- Given the large size of the target, Novo considers the gold-bearing terrace lag gravels to be the most important immediate target at Egina. Gravel deposits form a continuous sheet across much of the terrace, and their origin is depicted in [Figure 1](#). Where they have been trenched, they are up to 1.5 meters thick and weakly consolidated. Lag gravels rest on weathered Mallina Group sedimentary rocks, and up to 1 meter of soil and sand overlie them.
- Novo has discovered considerable cobbles and boulders of weathered Fortescue-type conglomerate within the lag gravels. Particulate gold has been observed in the matrix of some conglomerate boulders. A few gold nuggets that have been recovered from trenches at Egina remain partially encased in ferruginous rock matrix, some of which display a distinctive melon seed shape similar to nuggets observed at Karratha. Remarkably, halos of fine-grained gold are evident in the residual rock matrix surrounding these nuggets, again strikingly similar to that observed around *in situ* nuggets at Karratha. Novo firmly believes much of the gold in lag gravels is derived from geologically recent weathering and erosion of Fortescue-type conglomerates that once blanketed this area.
- Most gold found at Egina is coarse and water-worn. During the 2018 exploration season, FM focused entirely on metal detecting nuggets within a series of trenches covering an area roughly 500 x 200 meters. Detected nuggets range in size from approximately 0.5-104 grams. As a test for the presence of fine-grained gold, Novo recently assessed gravel from these trenches. Significant numbers of small nuggets up to 4 mm across were recovered along with appreciable very fine gold particles down to approximately 10 microns in size (*please refer to [Figure 1](#)*). Novo finds the presence of fine gold particularly encouraging and believes it may be derived, in part, from weathering of halo gold associated with Fortescue-type nuggets.

2018 Exploration Plans

- Systematic sampling of
 - largely unworked areas of lag gravel within M47/560
 - gravels already excavated but not processed by FM that have shown appreciable fine gold in preliminary testing (*please refer to [Figure 1](#)*)
- Geophysical testwork including ground penetrating radar and ground magnetics to define terrace and channel geometries
- Trench mapping and survey pickup to delineate gravel horizons for input into a 3D model
- Conduct broader-spaced program of alluvial sampling for fine gold and develop coarse gold assessment strategy
- Assess Novo's IGR3000 alluvial processing plant for suitability and engineering modifications ahead of bulk sampling of the terrace gravels in 2019
- Regional 1:2,500 scale mapping to define areas of conglomerate gold and basement gold potential

Novo plans to engage the Kariyarra and Mugarinya Traditional Owner Groups to seek permission to explore on Novo-controlled exploration licenses surrounding M47/560. Environmental regulators will also be engaged regarding permitting requirements for the project, laying the groundwork for Novo to conduct test mining of lag gravels on mining lease M47/560 at Egina beginning after the rainy season, approximately second quarter of calendar 2019.

"Egina is a very special gold-property," commented Dr. Quinton Hennigh, Chairman and President of Novo Resources Corp. "Upon recognizing the potential for conglomerate gold here, we diligently assembled a large land position covering the area. What really caught our attention was the presence of appreciable gold in the lag gravels covering the vast flat terrace system covering the region. Our research over the past few months has led to compelling evidence this gold is likely derived from basal Fortescue conglomerates like those 120 km west at Karratha. We find this particularly intriguing because it suggests there was, in recent geologic time, a potentially large source of detrital gold that has been weathered, eroded, then reconstituted into lag gravels. These unconsolidated gravels are situated within a meter of surface allowing for easy exploration and assessment."

Dr. Quinton Hennigh, P. Geo., the Company's President and Chairman and a qualified person as defined by National Instrument 43-101, has approved the geological content of this news release.

About Novo Resources Corp.

Novo's focus is to explore and develop gold projects in the Pilbara region of Western Australia, and Novo has built up a significant land package covering approximately 12,000 sq km with varying ownership interests. 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

President and Chairman

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(Figure 1 – Images discussing the Egina gold project.

Location Map: *Egina lies approximately 120 km east of Novo's Karratha conglomerate gold project and 200 km northwest of Novo's Beaton's Creek conglomerate gold project.*

Egina Flats: *A vast erosional terrace, partly terrestrial and partly marine in origin, covers most of the country around Egina. This terrace region has yielded alluvial gold since the 1880's. Novo believes this gold was derived from weathering and erosion of Fortescue gold-bearing conglomerates that blanketed this area until recent geologic time.*

Fortescue Basin: *Remnants of Fortescue Group gold-bearing conglomerates and Mt Roe basalt cap small mesas scattered across southern portions of the Egina area.*

Schematic Section through Egina: *As Fortescue Group rocks have been weathered and eroded away, a residual lag gravel has formed containing gold likely derived from them. Wind blown sand and soil cover the lag gravel in most areas. Lode gold deposits in underlying Mallina Basin sedimentary rocks may have also yielded some gold.*

Lag Gravel: *Lag gravels are unconsolidated and easily excavated (top photo). The lag gravel horizon is up to 1.5 meters thick in areas that have recently been trenched (bottom photo). Weathered Mallina Group sedimentary rocks form the platform underneath and wind blown sand and soil rest above the lag gravel.*

Conglomerate: *Novo geologists have found numerous cobbles and boulders of Fortescue-type conglomerate in lag gravels at Egina (top and bottom left photos). These rocks often display rounded patches of iron oxides after weathered pyrite pebbles. Particles of gold have been observed in the matrix of conglomerate boulders (center right photo). A few gold nuggets that have been recovered from trenches at Egina remain partially encased in ferruginous rock matrix (lower right photo). These nuggets display a distinctive melon seed shape similar to nuggets observed at Karratha. Halos of fine-grained gold are evident in the residual rock matrix surrounding these nuggets, again strikingly similar to that observed around in-situ nuggets at Karratha. Novo believes much of the gold in lag gravels is derived from geologically recent weathering and erosion of Fortescue-type conglomerates that once blanketed this area.*

Egina Gold: *A comparison of a melon seed type nugget from Comet Well to a similar one eroded from Fortescue conglomerates at Egina (upper left photo). Recently detected nuggets from Egina range in size from approximately 0.5-104 grams (upper right photo). Novo recently assessed a test sample of gravel from these trenches. Significant numbers of small nuggets up to 4 mm across were recovered along with appreciable very fine gold particles down to approximately 10 microns in size (bottom photo). Novo believes fine-grained gold may be derived, in part, from weathering of halo gold associated with Fortescue-type nuggets. Please note that gold mineralization in the above figure is not necessarily representative of the mineralization hosted on the Egina property.)*

A PDF accompanying this announcement is available at: <http://resource.globenewswire.com/Resource/Download/6befe6d0-5029-4963-8b06-fddb714bd73b>