



c/o Suite 2900, 595 Burrard Street  
Vancouver, BC, Canada V7X 1J5

## **NOVO ACQUIRES STAKE IN ASX-LISTED GBM RESOURCES LIMITED AND OPTION OVER MALMSBURY GOLD PROJECT**

**VANCOUVER, BC**, March 30, 2020 - **Novo Resources Corp.** (“Novo” or the “Company”) (TSX-V: NVO; OTCQX: NSRPF) is pleased to announce that it has subscribed for 9,090,909 units (each a “**GBM Unit**”) of ASX-listed GBM Resources Limited (ASX: GBZ) (“**GBM**”) and has been granted an option and an additional earn-in right to acquire up to an aggregate 60% interest in GBM’s Malmsbury gold project (the “**Malmsbury Project**”) located in the Bendigo zone of Australia’s Victorian goldfields (collectively, the “**Transaction**”), with the possibility of the interest being increased to 75% interest, as described below. The Transaction is subject to approval of the TSX Venture Exchange and other customary regulatory approvals for transactions of this nature.

The GBM Units will be paid for by the issuance of 197,907 common shares of Novo which will be subject to a statutory hold period expiring four months from the date of issuance. Each GBM Unit will be comprised of one ordinary share of GBM and one-half-of-one ordinary share purchase warrant (each a “**GBM Warrant**”). Each whole GBM Warrant will be exercisable to purchase one ordinary share of GBM at AUD \$0.11 for a period of 36 months from the date of issuance. Immediately subsequent to the issuance of the GBM Units, Novo will own approximately 4.13% of the issued and outstanding ordinary shares of GBM.

Novo will have a six-month period (the “**Initial Period**”) to confirm social license to explore the Malmsbury Project and conduct other due diligence while awaiting the grant of the Malmsbury Project Retention Licence RL6587 to GBM. At any time during the Initial Period, Novo will have the right to exercise its option (the “**Option**”) to earn a 50% interest in the Malmsbury Project by issuing 1,575,387 common shares to GBM, which will be subject to a statutory hold period of four months from the date of issuance, and reimbursing GBM for validly incurred and documented exploration expenditures on the Malmsbury Project during the Initial Period of up to AUD \$250,000, with such reimbursed amount being credited against the Earn-In Amount (defined below).

If Novo exercises the Option, it will have the right to earn an additional 10% interest in the Malmsbury Project and form a joint venture with GBM by incurring AUD \$5 million in exploration expenditure (the “**Earn-In Amount**”) over a four-year period (the “**Earn-In Period**”), as to a minimum of AUD \$1 million during the first year, and AUD \$1.25 million in each subsequent year, of the Earn-In Period. Any expenditure incurred during any year of the Earn-In Period which surpasses the minimum required amount will be credited against the subsequent year’s commitment. If Novo does not satisfy the Earn-In Amount during the Earn-In Period, Novo’s interest in the Malmsbury Project will decrease to 49%.

However, following satisfaction by Novo of the Earn-In Amount during the Earn-In Period, and delivery to GBM of written notice of its election to increase its interest in the Malmsbury Project to an aggregate 60% interest and initiate a joint venture with GBM (the “**Joint Venture Date**”), GBM will be required to elect to (i) retain its 40% interest in the Malmsbury Project by contributing to 40% of exploration and development expenditure incurred subsequent to the Joint Venture Date, or (ii) dilute its interest in the

Malmsbury Project to 25% upon delivery by Novo of a preliminary economic assessment (the “PEA”) disclosing at least a 1 million ounce gold resource, of which at least 60% must be in the Indicated classification, within 3 years from the Joint Venture Date. In such case, Novo will pay all development expenditure incurred commencing from the Joint Venture Date, but if a decision to mine is made, GBM will reimburse Novo as to 25% of any such development expenditure from a maximum of 80% of Malmsbury Project cash flows.

Novo and GBM will negotiate a royalty arrangement whereby, subsequent to a decision to mine, GBM will be entitled to receive a maximum 2.5% net smelter returns royalty (the “**Maximum Royalty**”). The Malmsbury Project is encumbered by certain pre-existing royalties; where such an encumbrance is present, GBM will only be entitled to an adjusted royalty, being the Maximum Royalty less any pre-existing royalty amount.

The Malmsbury Project is located in the prolific Bendigo Zone of the Victorian Goldfields that has historically produced in excess of 60 million ounces of gold from alluvial and hard rock production and is contiguous with ASX-listed Kalamazoo Resources Limited’s (“**Kalamazoo**”) Castlemaine project. Novo acquired an 8.17% interest in the issued and outstanding ordinary shares of Kalamazoo on January 14, 2020 (please see the Company’s news release dated January 14, 2020: [https://www.novoresources.com/news-media/news/display/index.php?content\\_id=376](https://www.novoresources.com/news-media/news/display/index.php?content_id=376)). Please refer to [Figure 1](#) below for a map of the Malmsbury and Castlemaine projects.

The Malmsbury Project displays many of the characteristics of the epizonal orogenic gold deposit class that includes Kirkland Lake’s Fosterville Mine. The cumulative 8.5 km strike extent of historic pits and mines, and evidence of high-grade gold mineralization are indicators of a large, fertile mineral system. The 1 km long Leven Star Trend has only been drill tested to relatively shallow depths, with very limited modern exploration across the remainder of the goldfield. This highlights the Malmsbury Project as an underexplored project that is a priority for renewed exploration by GBM and Novo.

“We are delighted to reach this option-to-purchase/joint venture and share swap agreement with GBM Resources”, said Dr. Quinton Hennigh, Novo’s president and chairman. “The Malmsbury district hosts one of the closest geologic analogues to the high-grade Fosterville epizonal orogenic gold deposit approximately 50 km to the north. Like Fosterville, Malmsbury is situated along the eastern margin of the Bendigo belt, displays high-level vuggy quartz vein textures, elevated antimony and high gold grades. Historic production from the main part of the Malmsbury district totaled about 90,000 ounces of gold at grades of about one ounce per tonne of gold. This transaction also provides Novo a strategic stake in GBM whose technical team has a track record of discovery. We will be eager to watch them pursue exploration at their other high quality targets.”

“We are delighted to have entered into the Transaction with a quality partner like Novo Resources,” commented Mr. Peter Rohner, managing director and CEO of GBM. “Novo’s chairman and president, Dr. Quinton Hennigh, brings significant knowledge to our exploration efforts. Importantly the JV model enables GBM to accelerate exploration of its highly prospective Malmsbury gold project while focusing GBM’s treasury on the key Mt Coolon epithermal gold field and the opportunity for early cash flow from our earn in on the White Dam heap leach operation at a time of record Australian dollar gold prices.”

Dr. Quinton Hennigh, P. Geo., the Company’s president, chairman, and a director, and a qualified person as defined by National Instrument 43-101, has approved the technical contents of this news release.

#### **About Novo Resources Corp.**

Novo's focus is primarily to explore and develop gold projects in the Pilbara region of Western Australia, and Novo has built up a significant land package covering approximately 13,000 sq km with varying ownership interests. 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](mailto:leo@novoresources.com)

On Behalf of the Board of Directors,

**Novo Resources Corp.**

"Quinton Hennigh"

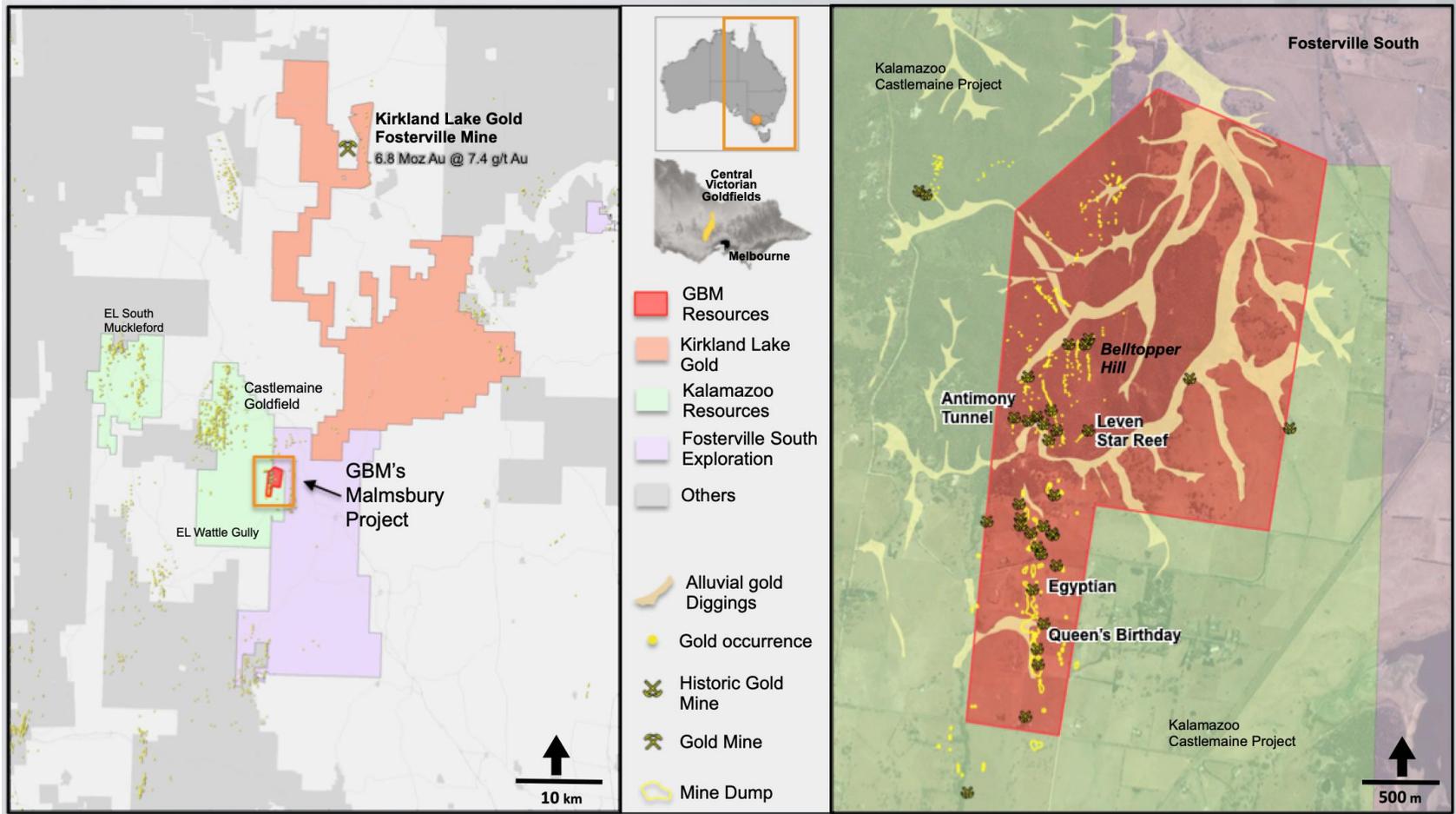
Quinton Hennigh

President and Chairman

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.*

**Forward-looking information**

Some statements in this news release contain forward-looking information (within the meaning of Canadian securities legislation) including, without limitation, the expected consummation of the Transaction. Forward-looking 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, the receipt of TSX Venture Exchange approval.



(Figure 1: Map showing GBM's Malmsbury Project in relation to Kalamazoo's Castlemaine project and Kirkland Lake Gold's Fosterville mine in the Victorian goldfields.)