

AUSTRALIAN  
**RESEARCH**  
INDEPENDENT INVESTMENT RESEARCH

**Novo Resources Corp.**  
(TSX:NVO,OTCQX:NSRPF)

June 2023

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## Investment Profile

Share Price (C\$) at 5 June 2023	0.26
<b>Issue Capital:</b>	
Common Shares (M)	269.2
Options (M)	6.9
Warrants (M)	30.5
Fully Diluted (M)	306.6
Market Capitalisation Undiluted (M)	C\$70.0
12 month L/H (C\$/sh)	0.23-1.20

## Board and Management

### Directors

Michael Spreadborough - Executive Co-Chairman  
 Quinton Hennigh – Non Executive Co-Chairman  
 Michael Barrett – Lead Independent Director  
 Ross Hamilton – Independent Director  
 Amy Jo Stefonick – Independent Director

### Management

Ronan Sabo-Walsh – CFO & Company Secretary  
 Kas De Luca – General Manager Exploration

## Major Shareholders

IMC	7.56%
Eric Sprott	5.20%
Liatam	4.76%
Creasy Group	4.48%
Crescat	4.13%
Agnico Eagle	2.96%
Management & Directors	1.37%

## Share Price Performance



## DISCOVERY WILL BE THE MAJOR SHARE PRICE DRIVER

Novo Resources Corp. (TSX:NVO,OTCQX:NSRPF) is a Canadian listed company that has transitioned to a pure explorer with exploration assets in the Pilbara region of Western Australia near DeGrey's Hemi project and in Victoria, Australia, near Agnico Eagle's Fosterville. Its previous producing asset, the Nullagine Gold Project, has transitioned into care and maintenance. Novo has approximately 10,500 square kilometres of tenements under active exploration in the Pilbara supported by a globally experienced exploration team.

## KEY POINTS

**The Becher area has the most company changing potential near term** - The Becher target area has geology appearing to mirror that containing the 8.5Moz Hemi discovery of De Grey (ASX:DEG) 30km away. An initial program of 30,000m of air core drilling has identified sanukitoid intrusions and fault structures similar to the orogenic environment in which Hemi is found with Becher intersections of up to 8m @ 2.15g/t gold. The Becher geology is overlain with 10-40m of recent cover (80-100m at Hemi). Novo drilling is taking place beside an accelerating drilling program at De Grey's Withnell project (25.6Mt @ 2.0g/t for 1.6Moz) 3km north of Novo's tenements.

**Strong program of drilling planned for 2023 with potential for positive news flow** –

- ◆ **Becher's 20,000m aircore/RC drilling program** is underway and 75% complete with very positive results. Follow-up deeper RC drilling is planned for the September quarter.
- ◆ **Nunyerry North** is expecting to complete access heritage surveys and start an RC drilling program in Q3 2023.
- ◆ **Bellary Dome** area is expecting to see AC/RC drilling at the Catia prospect in Q2 2023.
- ◆ **Belltopper** in Victoria has a diamond drilling program planned for H2 2023
- ◆ **Mosquito Creek Basin** is planning a 15,000m AC drilling program looking under cover, and to follow up extensions at Finucane and surface sampling the Sayshell trend.

**Applying a new model to Victorian gold exploration** – Novo has acquired 100% of its Belltopper project in Victoria by buying out the other joint venture parties. Novo is seeking Fosterville style targets, and in addition has drilled what may be an Intrusion Related Gold System with the Missing Link Granite running 0.26g/t gold over 79.9m. Exploring a historical Victorian gold field for Intrusion Related Gold Systems is a new concept for the region.

**Battery metals exploration providing potential upside and cash flow** – Novo has farmed out the lithium potential in the southern side of its Mosquito Creek Basin tenements to Liatam Mining Pty Ltd, whose board has approved an A\$4M exploration budget. In the West Pilbara, Novo has encountered interesting nickel and copper intersections in tenements adjacent to nickel and lithium explorer Azure, and copper gold explorer Artemis. Battery metals are non-core to Novo, and vNovo has announced that a divestment process is underway.

**Nullagine Gold Project on hold for 2023** – The Resource base within trucking distance of Novo's 1.5 mtpa Golden Eagle processing plant will have to increase before production can restart. The current Resource at Beatons Creek is 3.88 mt at 2.2g/t for 276 koz.

**Strong balance sheet** – At 31 March 2023, Novo had C\$30.6M in cash on hand and marketable securities valued at C\$25.5M.

**Potentially saleable assets** – Novo has a history of extracting value from its tenement portfolio through asset sales, including battery metal and gold assets, and we would expect additional sales and/or joint ventures of non-core assets in the future, when opportunities present.

## COMPANY OVERVIEW

### STRATEGY UNCHANGED

Novo's has transitioned to a pure gold explorer post placing its production asset, the Nullagine Gold Project into care and maintenance. Novo is currently focused on exploring its existing 10,500 square km of Pilbara tenements and its Victorian tenements with a stated objective of looking for standalone gold projects in excess of 1 Moz. The most likely path to this target will comprise:

- ◆ A significant discovery elsewhere, with the most exciting target area being the Egina Gold Camp and particularly Becher and Nunyerry North (Figure 1), with excellent potential for more conventional gold discoveries elsewhere in the portfolio.
- ◆ A build up of the Resource base around Novo's existing 1.5Mtpa oxide processing plant at Golden Eagle and one or more significant discoveries elsewhere allowing a restart of production at the Nullagine Gold Project with Beatons Creek providing base load feed is not expected in the medium term future with Novo continue to explore for additional oxide processing plant feed and having suspended the approval process for Beatons Creek., in combination producing around 100Koz pa and with a life of at least five years.

### FOR THE NEXT 12 MONTHS IT IS ALL ABOUT EXPLORATION

In the Egina Gold Camp, Novo is looking at Becher as a target of the same geological style as De Grey's 8.5Moz Hemi discovery in a look-alike geological environment which has seen no exploration for that kind of target before. Further south, the Nunyerry North and Bellary Dome have developed into a primary targets.

In Victoria, Novo has consolidated 100% ownership of its Belltopper project, with drilling planned in 2023 to follow up the positive intersections in 2022.

The Nullagine Gold Project is strongly leveraged to any exploration success in the Mosquito Creek Basin with the current Beaton's Creek resource not sufficient to support a recommencement of production although a resource update is due in July 2023

Novo management has indicated it would be likely to monetise any non-gold discoveries. We see this strategy as a valid approach to creating shareholder value. Novo has a quality exploration team, and by virtue of its historical land position, has tenements with the same rocks very close to new discoveries by others. It makes sense to test the geology for the same targets provided it does not limit the gold exploration program.

Within this strategy is the current divestment of the significant battery metals (nickel, copper, cobalt) potential in the Karratha district in the Western Pilbara, near the Andover discovery of Azure (ASX:AZS) and the Carlow Castle and Chapman discoveries of Artemis (ASX:ARV).

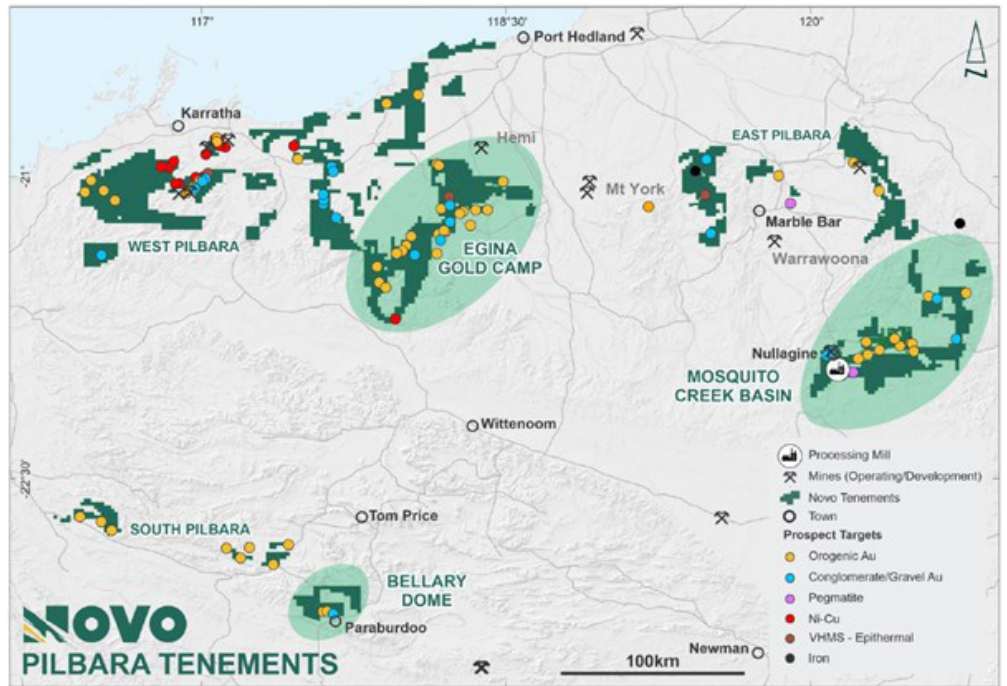
Novo has a strong balance sheet with significant cash and no debt and appears to be funded for its 2023 exploration budget. Existing cash is likely to be supplemented over time by sale of non-core shareholdings and exploration assets.

## EXPLORATION OVERVIEW

Novo has over 10,500 square km (4050 square miles) of tenements in the Pilbara region in the north-west of Western Australia, and an exploration project in Victoria, Australia.

While the production infrastructure is in the Eastern Pilbara, and there is excellent potential there for a number of small discoveries, the best potential for a company changing discovery appears to strongly favour the Egina Gold Camp at present, with Bellary Dome also targeted for drilling in 2023 as well as continued exploration of other tenements across the Pilbara.

Figure 1 Pilbara tenements and project areas



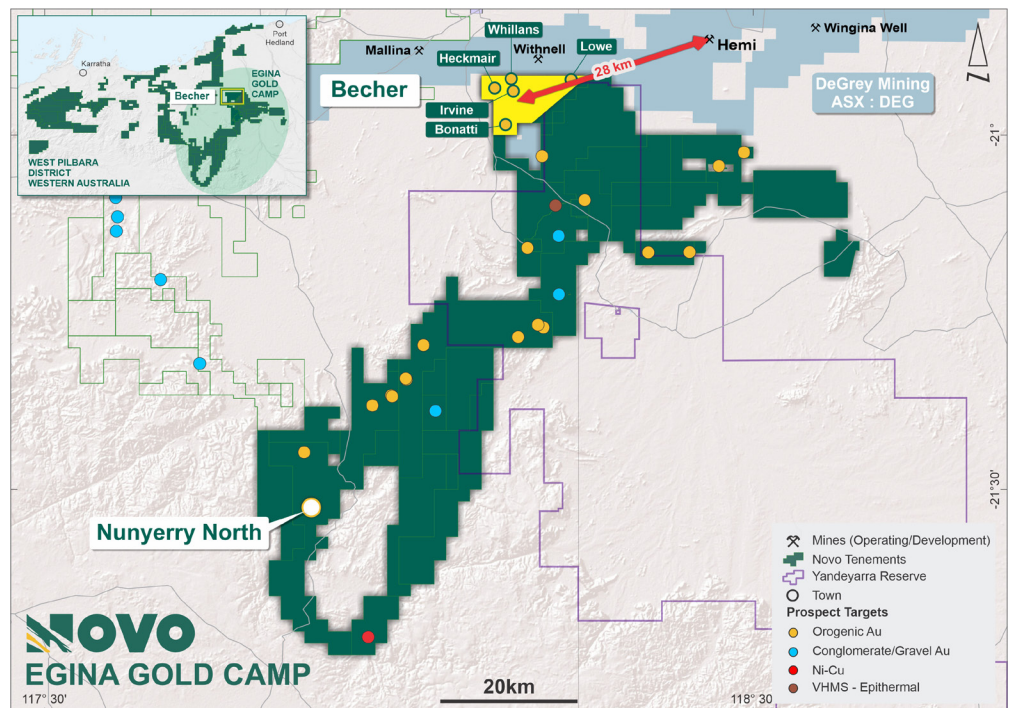
Source: NVO presentation 6 March 2023

There are a number of exploration themes being pursued, including Intrusive Related and Shear Hosted gold at Becher, conglomerate and Shear Hosted gold as well as lithium in the Mosquito Creek Basin, and gold and base metals prospects in West Pilbara.

The lithium exploration is being funded by a joint venture partner with an approved \$4M spending plan.

## EGINA GOLD CAMP

Figure 2 Egina exploration area highlighting near term targets at Becher and Nunyerry North



Source: NVO presentation 23 May 2023

Novo has numerous targets at various stages of work up, but the two getting early attention are Becher and Nunyerry North.



### BECHER (E47/3673 NOVO 100%)

Becher is at the northern end of the Egina Gold Camp (Figure 1) in flat lying country with a cover of wind-blown sand and vegetation.

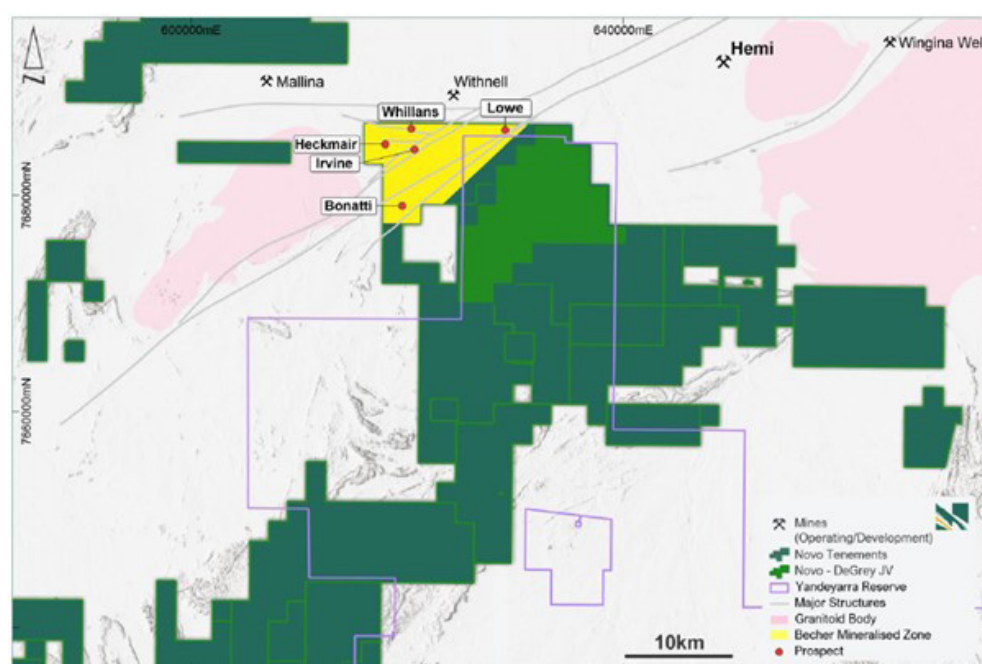
The Becher Project is named after a historical mineralisation discovery in the form of a large north-north-west trending epithermal vein tested to a depth of 150m. Drill results include 3m @ 3.68 g/t Au from 25m, 1m @ 1.04 g/t Au from 30m, 1m @ 1.63 g/t Au from 26m, and 2m @ 1.09 g/t Au from 32m.

The Becher region is interpreted to be a heavily faulted pressure shadow adjacent to a granite intrusion, a combination that appears to be a mirror image of the region in which Hemi was discovered (Figure 5).

In the figure below, the pink represent the ancient granites. Hemi is interpreted to lie in the pressure shadow of the granite to the east, and within a swarm of faulting within that zone.

The Becher target area is interpreted to be a similar pressure shadow of the ancient granite to its west, also in a swarm of faulting.

**Figure 3 Becher geologic environment has features in common with De Grey's intrusive Hemi and shear hosted Withnell discoveries**



Source: NVO release 27 October 2022

The project is one of the company's highest priority targets because:

- ◆ Hemi look-alike geology
- ◆ In same family of shear zones as Hemi
- ◆ Historical geochemical surveys have identified gold-arsenic-antimony anomalies coincident with shear zone corridors
- ◆ The 2022 30,000m air core drilling program identified diorite intrusions typical of those associated with gold deposits in the Mallina Basin, and the drilling intersected gold mineralisation.

Exploration in 2022 has advanced the understanding of the system. Exploration to date has included:

- ◆ Regolith and geological mapping, identifying intensely altered and sulphidised ultramafic rocks within the Irvine prospect (Figure 3)
- ◆ Detailed structural and geological interpretation and the definition of several shear corridors, including the ENE trending Irvine and Bonatti Shears and the E-W trending Whillans and Heckmair Shears. Interpretation of the underlying geology has relied heavily on existing aeromagnetic imagery, defining magnetic stratigraphy including ultramafic and mafic intrusions along with magnetic highs possibly representing "Hemi-type" intrusions with a predominantly sedimentary sequence in the Mallina Formation.

- ◆ A high-resolution low-altitude aeromagnetic survey over the tenement was recently completed, and is being used to finesse geological interpretation and target definition and in turn prioritise aircore drilling.
- ◆ A detailed ground gravity survey has been completed, aiding in the definition of structural architecture, and to finesse potential granitic sanukitoid intrusions and mafic- ultramafic stratigraphy
- ◆ A heritage survey over approximately 70-line km for drill traverses
- ◆ Drilling 30,000 m of regional 640 m to 320 m spaced lines of aircore drilling was largely completed in 2022 and is part of a larger programme which will be continued in 2023. The aim is to test four shear corridors and numerous targets, as well as antimony-arsenic-gold soil anomalies defined by previous explorers.

Drilling highlights from the current 20,000m aircore/RC program include:

- ◆ 3m @ 5.23 g/t Au from 9 m in F1474
- ◆ 3m @ 2.93 g/t Au from 9 m in F1739
- ◆ 3 m @ 2.08 g/t Au from 12 m F1427
- ◆ 3 m @ 1.04 g/t Au from 18 m in F1469
- ◆ 1 m @ 1.57 g/t Au from 30 m in F1603
- ◆ 9 m @ 0.77 g/t Au from 6 m (including 3 m @ 2.05 g/t Au from 6 m) in F1631
- ◆ 15 m @ 0.61 g/t Au from 0 m (including 6 m @ 1.16 g/t Au from 0 m) in F1711
- ◆ 9 m @ 0.39 g/t Au from 51 m in F1597
- ◆ 12 m @ 0.28 g/t Au from 6 m (including 6m @ 0.42 g/t Au from 9 m) in F1498
- ◆ 18 m @ 0.24 g/t Au from 21 m (including 6 m @ 0.39 g/t Au from 24 m) in F1582

Historical results include:

#### **Irvine Prospect**

- ◆ 8m @ 2.15g/t gold from 8m (F0632)
- ◆ 20m @ 0.67g/t gold from 0m (A0034)
- ◆ 2m @ 0.91g/t gold from 66m (A003)
- ◆ 33m @ 0.49g/t gold from 33m (G0005)
- ◆ 20m @ 0.406g/t gold from 32m (G0016)
- ◆ 24m @ 0.39g/t gold from 76m (G0018)

#### **Whillans Prospect**

- ◆ 8m @ 0.20g/t gold from 16m (G0519)
- ◆ 4m @ 0.37g/t gold from 20m (F1136)

#### **Heckmair Prospect**

- ◆ 4m @ 0.40g/t gold from 12m (F0738)
- ◆ 3m @ 0.44g/t gold from 20m (F0858)

#### **Bonatti Prospect**

- ◆ 4m @ 0.99g/t gold from 17m (F1393)
- ◆ 5m @ 0.49g/t gold from 8m (F1242)

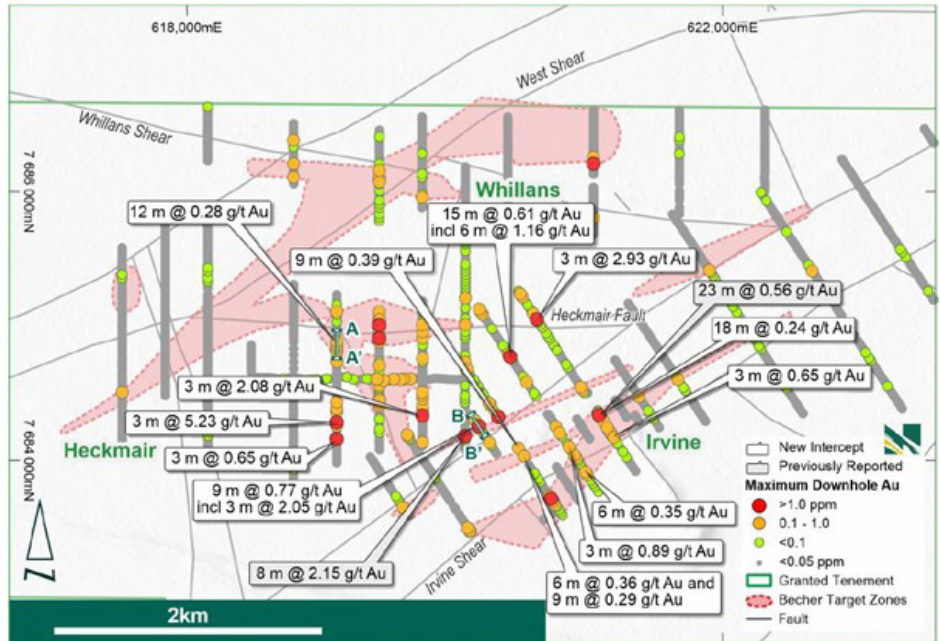
Multi-element assays from end of hole samples identified prospective hornblende-diorite intrusions in the Becher area. These intrusions are commonly associated with gold deposits in the Mallina Basin.

The Heckmair prospect appears to be the largest intrusive target in the area at present, measuring around 3km by 1km. The bulk of Hemi is 4km by 2km in surface area.

While most of the gold grades are low (ie less than 0.6g/t), the presence of golds at all is very positive. These results can be compared to the lack of grade in the results of the initial air core drilling at Hemi's Eagle and Diucon discoveries, which contained almost no indication of gold as shown in Figures 5 and 6.

The Becher Area is believed to be prospective for both Intrusive Related deposits (like Hemi) and structurally controlled Shear Hosted deposits (like Withnell).

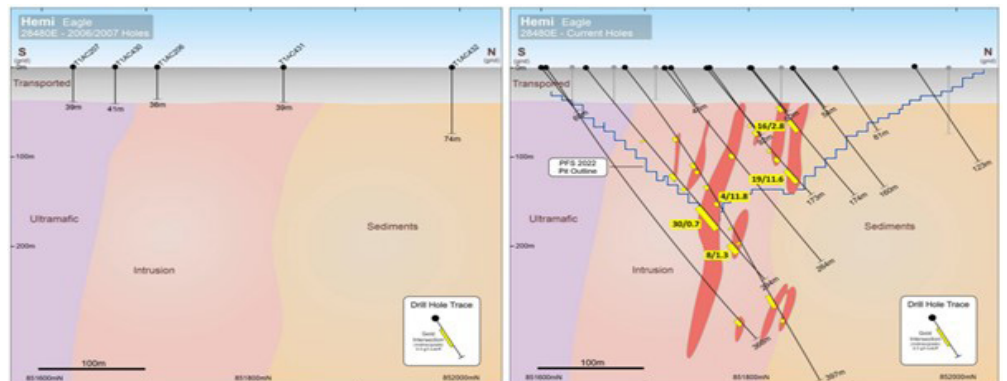
Figure 4 Assay highlights and mapping of intrusive geology following 30,000m air core program of 2022



Source: NVO news release 23 May 2023

De Grey's Hemi discovery as a case study

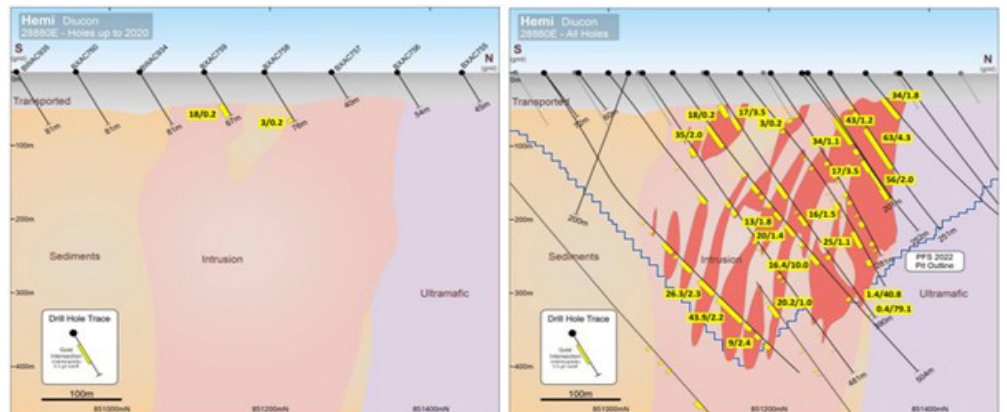
Figure 5. Hemi's initial air core drilling vs current along Eagle deposit drill section 28480E.



Source: DEG presentation 17 February 2023

The bulk of the air core drilling over two of the deposits that comprise Hemi produced very little in way of gold grade, as De Grey demonstrated in the before and after illustrations shown in Figures 5 and 6. However, the air core did locate the intrusive formations which were followed up by RC.

Figure 6 Hemi initial air core drilling vs current for Diucon deposit section 28880E



Source: DEG presentation 17 February 2023



The Hemi target of De Grey Mining was identified using magnetics and aircore drilling over interpreted shear structures hidden under transported cover. The aircore drilling on a 640m by 160m pattern included two highly mineralised holes. BWAC245 (43m @ 3.7g/t Au from 36m, including 12 @ 9.0g/t) was hosted in an interpreted highly sericite altered and quartz sulphide veined shear within the Mallina Basin sediments. Hole BWAC258 (25m @ 2.7g/t from 32m including 8m @ 4.5g/t) was in a quartz veined and altered mafic intrusion. The two holes were approximately 700m apart.

These results were reported on 17 December 2019, when the share price was A\$0.04/sh, and the market capitalisation was A\$42M. With additional aircore drilling, confirming the initial holes, the share price had increased to A\$0.20/sh by mid-February 2020, adding A\$140M in market capitalisation. At that time, the market had 12 holes in two fence lines, 700m apart indicating 30m wide mineralisation to 100m depth at 3.5g/t to 7.5g/t.

Much of the initial drilling at Hemi was unspectacular and its primary success was the identification of the intrusive which prompted deep Reverse Circulation drilling leading to the identification of the large bodies on mineralisation that are known today.

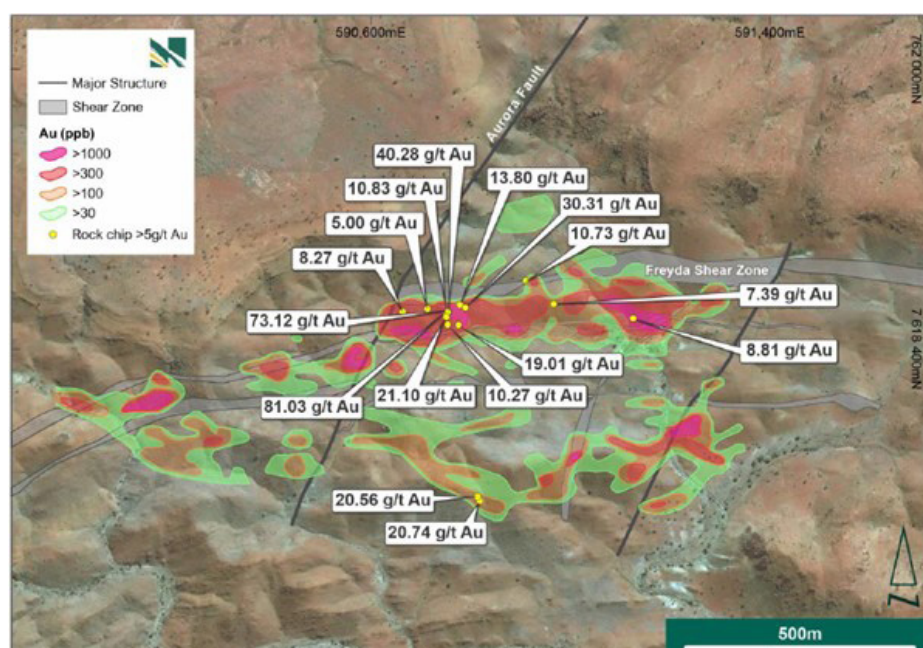
## NUNYERRY NORTH (E47/2973 NOVO 70%)

### Location and Tenure

Nunyerry North is located at the southern end of the Egina Gold Camp in Figure 1. The tenement is a joint venture in which Novo owns 70% with the balance held by Mark Creasy.

Unlike Becher, the topography is rugged and access to drilling positions will be more complex than traditional Western Australian gold exploration.

**Figure 7 Nunyerry North soil geochemical anomalies**



Source: NVO presentation 6 March 2023

### Geology

The Nunyerry North Prospect is a quartz vein-related structurally controlled gold target where a high order soil anomaly has been defined with high grade rock chip samples and favourable structures. The structures include the east west Freyda and Luzia shear zones as detailed in a Novo release on 17 February 2022.

Work in 2022 included extensional grid soil sampling, rock chip sampling and detailed mapping. The additional soil sampling has extended the Nunyerry North anomaly to over 1.4 km strike and defined a second 1.2 km long soil anomaly at greater than 30 ppb gold parallel to and south of the main target. Eight soil samples collected in mid-2022 have returned greater than 1 g/t gold including 2.1 g/t gold and 1.5 g/t gold in soil, making the total to date, 18 soil samples greater than 1 g/t gold over a kilometre strike within the anomalous area.

Heritage surveys and logistics planning are under way for Reverse Circulation (RC) drilling in Q3 2023.

## BELLARY DOME

On 22 March 2023, Novo announced the commencement of a 3,000m Reverse Circulation drilling program at the Catia prospect.

### Location and Tenure

The Bellary Dome project is located in E47/3555 close to the Paraburdoo iron ore mine in the southern Pilbara.

Novo entered into an option agreement over the tenement in June 2020 in respect of the gold rights. Bellary Dome Pty Ltd owns the other mineral rights. The agreement allows Novo to extend the option to 2024 by making additional cash payments. Novo can exercise the option and earn 100% of the gold rights by payment of A\$1M in cash and granting a 2% over-riding royalty on all gold production from the tenement.

### Geology

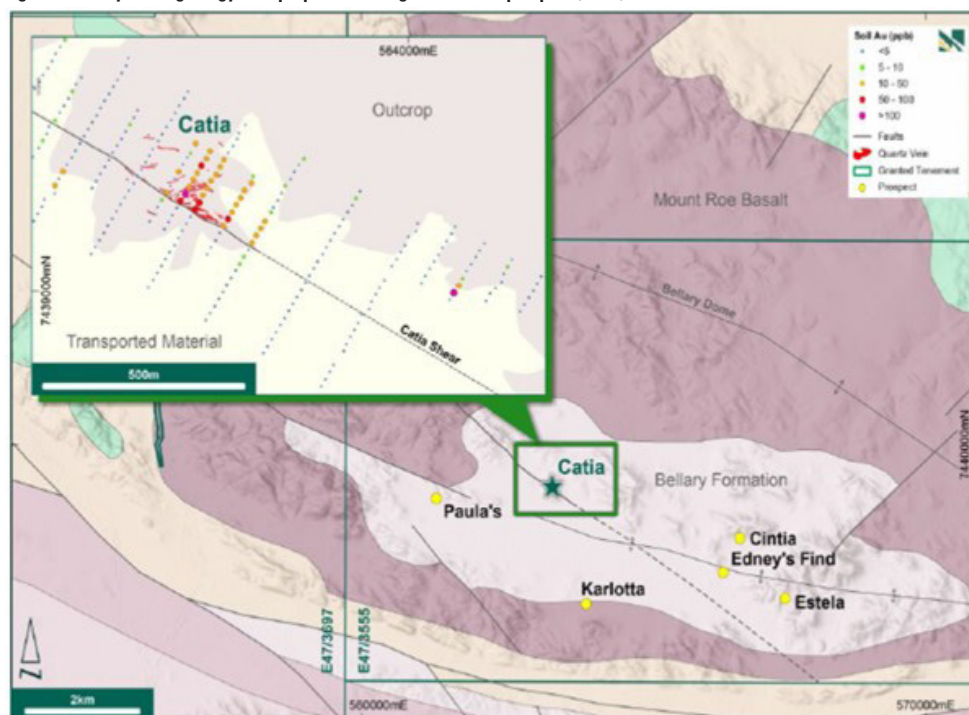
Novo has a number of prospects in this tenement, including Catia and Edney's Find, with Catia being the focus for 2023.

Catia is a structurally complex area comprising sulphidic quartz veins hosted in highly foliated basalt and sedimentary rocks with a potential strike length of 700m. Rock chip samples with significant gold values have been encountered, with soil sampling highlighting a coherent bullseye arsenic-silver-lead-antimony anomaly which could be indicative of a gold deposit below the existing cover of transported colluvium.

The 3000m drilling program is designed to test the visible outcrop and along the strike of the Catia shear zone.

Edney's Find is a conglomerate hosted prospect (refer to the Company's news releases dated 12 June 2020 and 31 July 2020). Prospecting and work by previous explorers has identified numerous watermelon seed gold nuggets, which Novo interpret as being sourced from several kilometres of conglomerate exposure. (NVO release 3 June 2021).

Figure 8 Bellary Dome geology with proposed drilling on the Catia prospect (inset)



Source: NVO release 22 March 2023

## BELLTOPPER PROJECT (PREVIOUSLY MALMSBURY, QUEENS)

### Tenure

Novo acquired 50% of the Malmsbury project (RL6587) from GBM Resources (ASX:GBZ) in May 2021, and 50% of the Queens Project (EL007112) from Kalamazoo (ASX:KZR) in March 2021. Novo now has 100% of both Malmsbury and Queens. To maintain the tenements in good standing, Novo has to spend approximately A\$2.25M pa by 2025.

On 9 March 2023 and 24 April 2023, Novo announced that it would acquire the remaining interests taking its ownership to 100%. The additional joint venture interests were acquired from GBM Resources and Kalamazoo for:

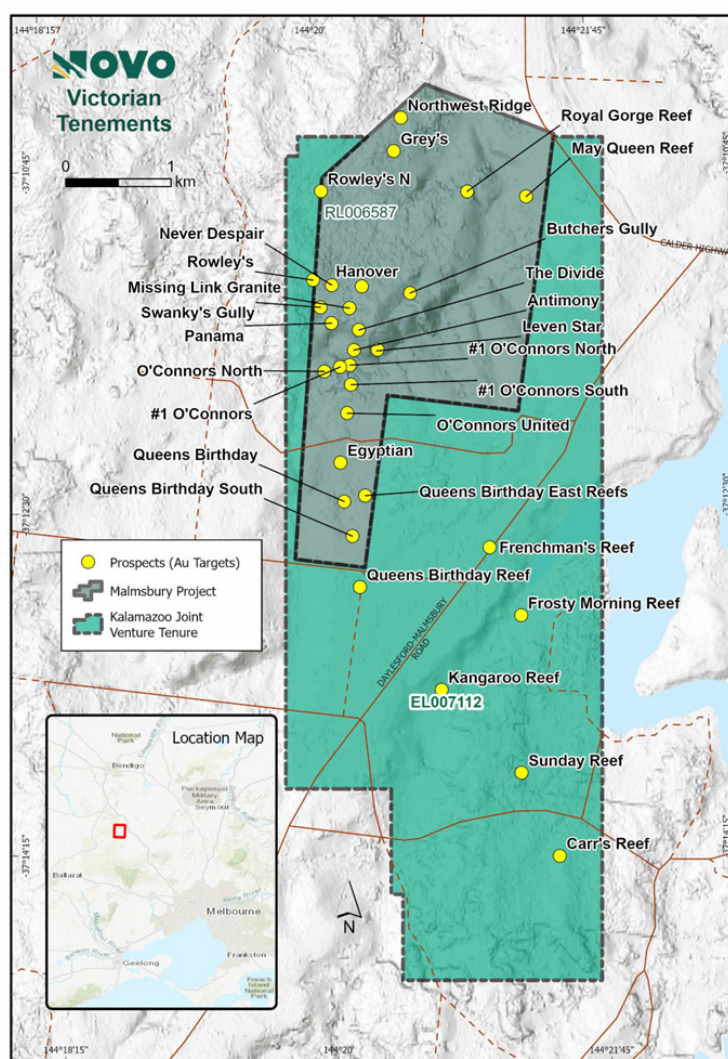
- ◆ A\$1.75M in cash
  - ◆ 6,125,426 common shares worth ~A\$2.34M at the time of the announcement
  - ◆ 2,018,936 warrants exercisable at C\$0.60/sh for a period of 24 months from issue
- GBM Resources retains its previously existing 2.5% maximum net smelter return royalty over RL6587.

This transaction values 100% of the project at A\$8.2M or C\$7.5M.

### Location

Both projects are located 50km south of Agnico Eagle's Fosterville operation in the state of Victoria, Australia and a 100km or two hour drive from the state capital, Melbourne.

Figure 9 Belltopper (Malmsbury and Queens) project



Source: NVO presentation 9 August 2022



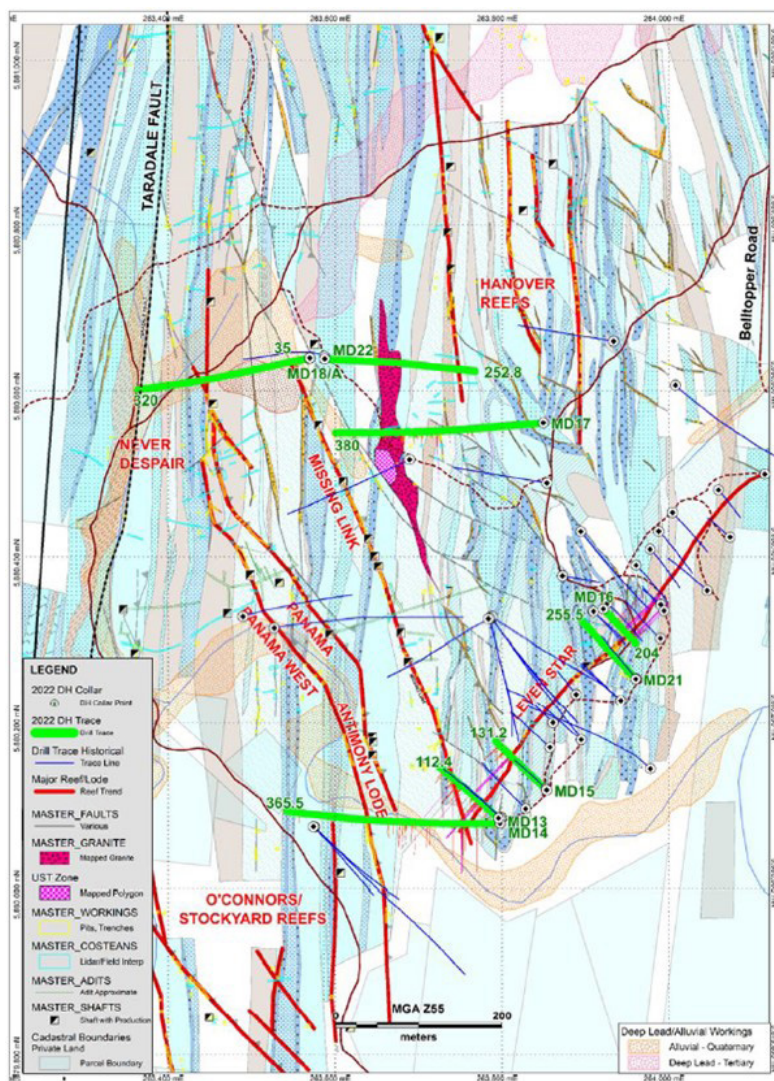
### Malmsbury (RL6587)

Novo has completed a very large data compilation to combine all available data sets including:

- ◆ Historical workings
- ◆ Historical drilling
- ◆ LIDAR topographic survey
- ◆ Soil geochemistry
- ◆ Aeromagnetic and gravity surveys

An IP survey was carried out in the December 2022 quarter.

**Figure 10 Malmsbury geology and recent drilling (2022 program to May: green = completed, pink = proposed)**



Source: NVO release 6 September 2022

The exploration team is keeping an open mind on the targets and gold mineralisation styles, which include:

- ◆ Anticline related (like Fosterville, Bendigo, Castlemaine)
- ◆ Intrusion related (not considered in Victoria before)
- ◆ Intrusion hosted (like Woods Point, Walhalla)
- ◆ Fault/Shear related (like Stawell, Costerfield)

The 1km long Leven Star trend contains a JORC 2012 Resource of 820Kt at 4.0g/t for 104Koz gold that was drilled up by GBZ.

#### Defining the intrusive

The presence of the granite (red in Figure 10 and pink in Figure 11) provides support for the Intrusion related mineralisation model, which would be the first time such a model was applied to Victorian gold exploration.



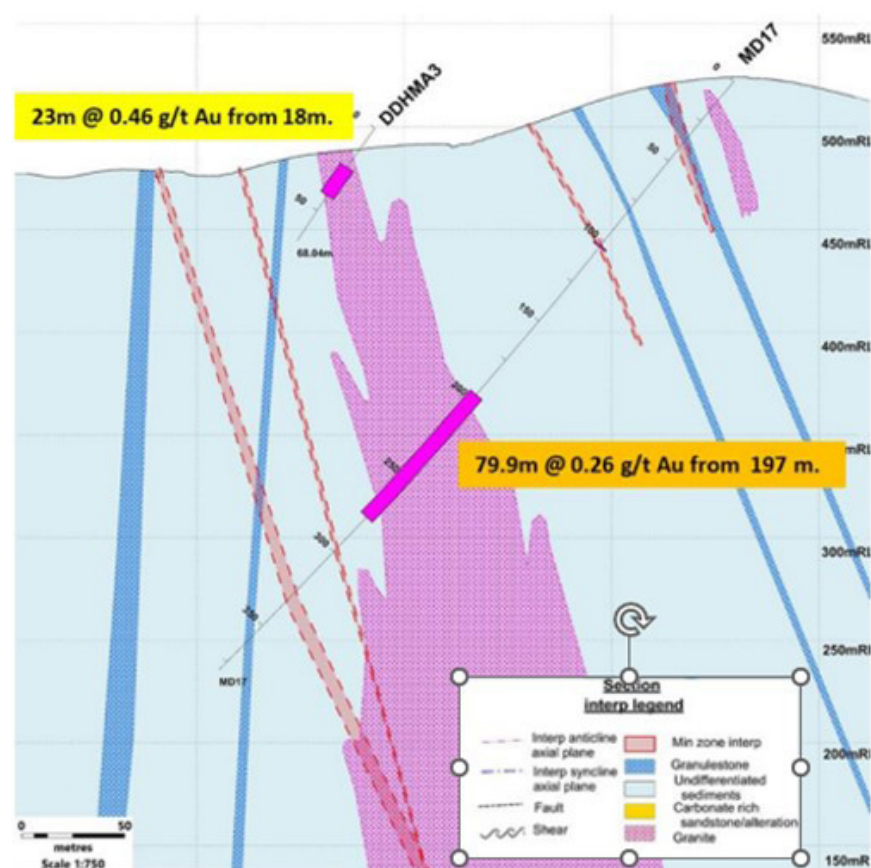
Eight holes totaling approximately 2,525m of a diamond drilling program had been completed through the end of May 2022.

Significant results (10 May 2022, 6 September 2022) include:

- ◆ 0.95m @10g/t from 102.65m (MD17);
- ◆ 14m @ 6.1g/t Au from 120m, 10m @ 4.9g/t Au from 173m and 4m @ 8.6g/t Au from 188m (MD16);
- ◆ 7.75m @ 2.8g/t from 87m (MD15);
- ◆ 7.8m @ 3.6g/t Au from 32.2m (MD13); and
- ◆ 9.1m @ 2.4g/t Au from 65.4m (MD14) .

Drill hole MD17 was drilled to 380 m in a westerly direction to test the recently discovered Missing Link monzogranite at depth, in addition to the Missing Link and Hanover West historic gold reefs. This hole aimed to determine the geometry and gold endowment of the intrusion and targeted the monzogranite for its potential as an Intrusion Related Gold System, in addition to the potential for orogenic vein style mineralisation. It intersected 79.9m at 0.26g/t gold in the granite which is supportive of the Intrusion Related Gold System model, after intersecting the high grade vein at shallower depth (ie 0.95m @ 10g/t). Hole MD22 has intersected 45m of porphyritic intrusive at 0.23g/t gold with visible sulphides 80m to the north of MD17.

**Figure 11 Cross section of Missing Link Granite and Drill hole MD17**



Source: NVO release 21 June 2022

The work program moving forward will involve a larger second phase of diamond drilling to both build on current success and test remaining high-priority targets not drilled in the current round. This is scheduled for 2023.

An Induced Polarisation (IP) survey was completed by the end of 2022 with the intention of defining sulphide rich target zones and enhanced quartz veining within the granite target corridor, in addition to delineating disseminated sulphide haloes around high-priority gold reef targets. The IP survey was supported by additional gravity and magnetic surveys.

Further expansion of systematic soil geochemistry, mapping and rock chip sampling is also scheduled.

### QUEENS (EL007112)

Novo is compiling a comprehensive database on this project including LIDAR and soil geochemistry surveys. There are a number of known mineralised trends, as well as potential for blind discoveries under basalt cover that would have frustrated historical exploration.

Initial drilling is shown in Figure 12 and further drilling on this tenement expected in 2023. MD19 and MD20 were drilled through the O'Connor Reef and Queens Gift Reef with 400m of strike separating them.

The O'Connor was intersected at 257m in MD19 and 244m in MD20. The results were:

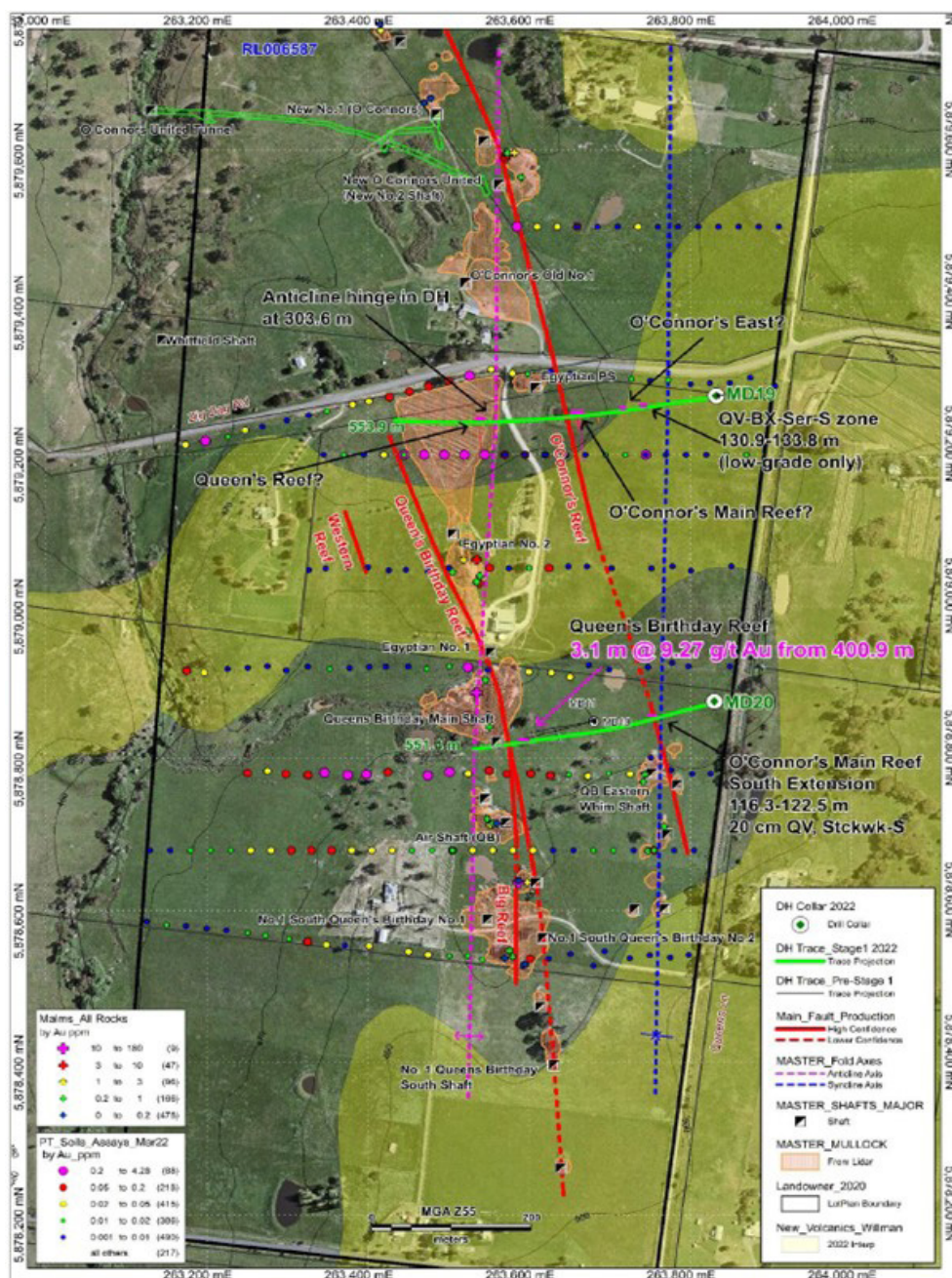
- ◆ 9m @ 1.1g/t gold from 257m (MD19) reported on 6 September 2022
- ◆ 1m @ 1.13g/t gold from 244m (MD20) reported on 18 November 2022

The Queens Birthday Gift was intersected at 423m in MD19 and 400.9m in MD20

- ◆ 1.8m @ 1.29g/t gold from 423m (MD19)
- ◆ 3.1m @ 9.27g/t gold from 400.9m (MD20)

The company believes these intersections are likely to be the actual reef widths.

**Figure 12 Historical gold mining lodes in the Queens joint venture tenement**



Source: NVO release 18 November 2022

## MOSQUITO CREEK BASIN PROJECT AREA

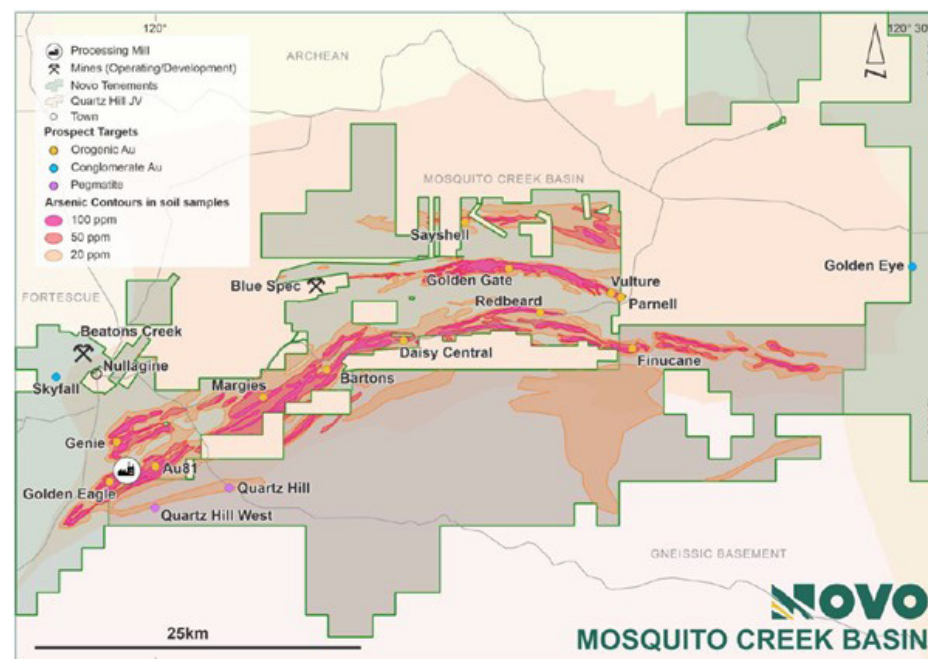
### Location and Tenure

The Mosquito Creek Basin tenements are located to the east of the town of Nullagine in northern Western Australia 195km by road north of the major town of Newman. Novo owns the 1.5Mtpa Golden Eagle oxide gold processing plant which is located at the western end of the basin and is currently on care and maintenance. This asset is covered in the Nullagine Gold Project section. The Golden Eagle Camp serves as a base for the exploration teams.

The tenements comprise the Novo tenements where Novo owns 100% of all minerals, and the Quartz Hill Joint Venture (the southern tenements) where Liatam Mining is spending A\$1.5M to earn an 80% interest in any lithium discovery, with all other minerals remaining the property of Novo. The Quartz Hill Joint Venture is discussed in the Non-Core Assets section.

### Geology

Figure 13 Nullagine Gold Project near mine exploration



Source: NVO release 6 September 2022

Figure 13 highlights the three major shear zones that cross the Mosquito Creek Basin, being the Middle Creek Fault, the Blue Spec Fault, and the Sayshell Trend. All known gold mineralisation in the basin is associated with these structures. The Mosquito Creek Basin is a package of what once were shales and sandstones deposited into a zone where the crust was pulling apart, resulting in the creation of deep seated lystric faults. The sediments have since been metamorphosed and the faults have become the major shear zones tapping deep seated fluid flows which sourced the gold mineralisation.

These shear zones are quite wide, and the gold tends to be deposited within cross cutting structures within the shear zones, generally where the two or more such structures intersect.

The mineralisation is generally refractory and not suitable for processing in the Golden Eagle plant, unless it is within the near surface zone of oxidation. This zone is generally down to around 50m depth, so any oxide discoveries will generally be limited in size due to this depth restriction. As an example, a deposit 500m in length and 10m in width would contain around 600kt to 50m depth. The average grade mined by Millennium was 1.7g/t gold, so at that grade, such a target would contain 33koz.

Where a number of these deposits link together, a more substantial pit can form.



### **Novo strategy is to explore for multiple targets of over 100,000oz of contained gold**

Novo is pursuing two strategies in the Mosquito Creek Basin. 15,000m of air core drilling is planned for 2023 to follow up both sets of targets.

The search for deposits over 100,000oz is focused on two target areas at present, being:

- ◆ the Finucane trend at the eastern end of the Middle Creek Shear and in ground not explored by previous operator Millennium: and
- ◆ the Sayshell trend to the north of the Middle Creek Shear and also not explored by Millennium.

The second strategy is a new look at the Middle Creek Shear following up on detailed high resolution gravity data that was collected in late 2022 from 5,127 station points in a staggered 150m by 150m grid. This will be followed up with air core drilling seeking deposits under cover that have been missed by previous exploration.

Millennium had been exploring for a fairly specific style of target. Novo is more open to targets that could fall outside that style, such as targets close to dolerite or granite intrusions. An example of the Genie deposit, located a few kilometres from the Golden Eagle plant.

Another possible nearby ore source is Skyfall, which is a bedded conglomerate in the same geology as Beatons Creek.

Longer term, there is considerable potential for discovery of refractory gold to combine with the existing refractory inventory, which would require the installation of additional plant at the Golden Eagle processing plant.

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## **NULLAGINE GOLD PROJECT**

### **LOCATION**

The Nullagine Gold Project comprises the Beatons Creek Gold Mine, the Golden Eagle processing plant and 1,200 square kilometres of mining leases and exploration tenements, including the Mosquito Creek Basin tenements.

The Golden Eagle plant has a capacity of 1.5Mtpa and has previously operated at 1.8Mtpa. The mining and processing operations are on care and maintenance.

### **HISTORY**

The Golden Eagle plant was built by Millennium Minerals Limited and was commissioned in August 2012, poured first gold in September 2012 and was declared commercial in January 2013. Trading in Millennium shares was suspended by the ASX on 17 November 2019, administrators were appointed and the plant shut down sometime thereafter.

Novo purchased the operation and tenements from the major creditor and sole shareholder IMC on 4 August 2020, and restarted the processing plant using Beatons Creek material as the sole feed source in February 2021. The operation was declared in commercial production from 1 October 2021.

The mining started at the oxide in the Grants Hill section of the mine then moved to mine oxide in the ridges such as Central and Golden Crown.

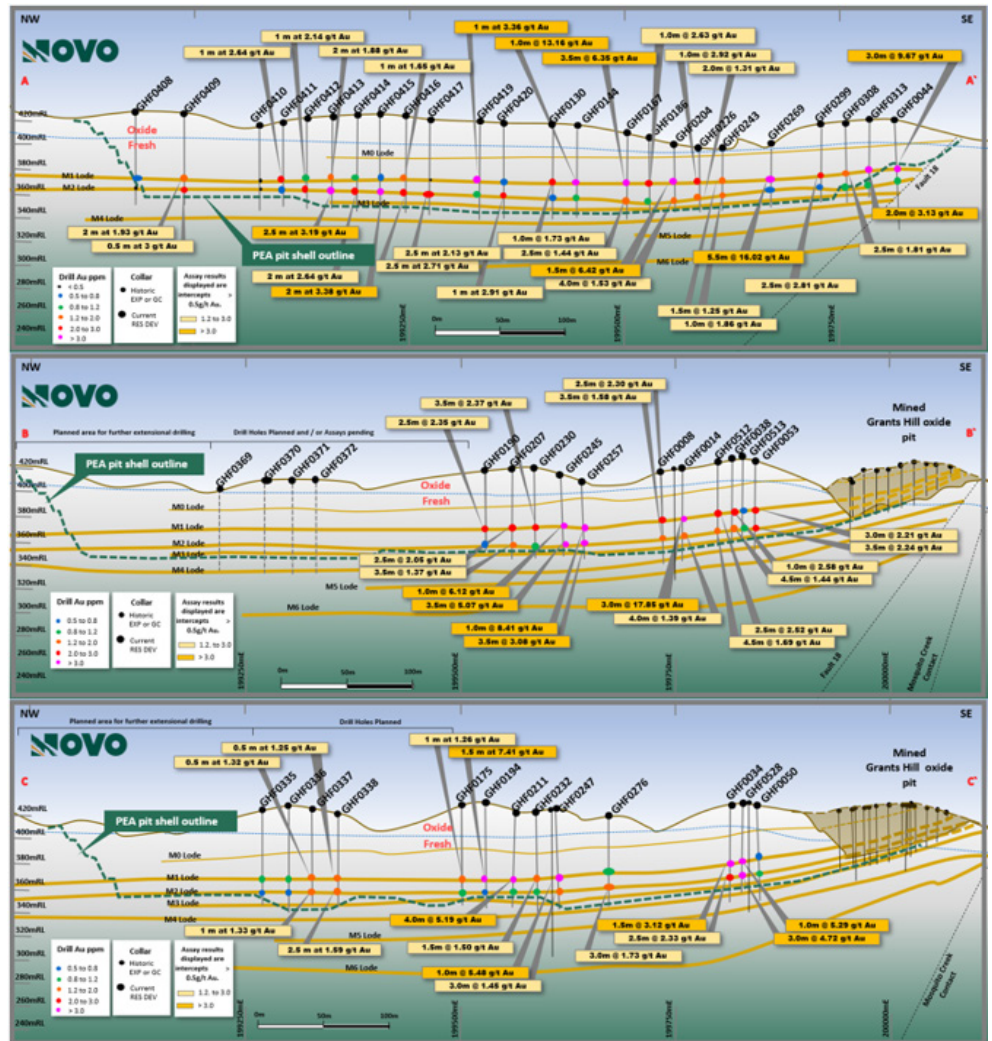
The plan was to mine the oxide first and then the fresh material which at Beatons Creek is not refractory and can be processed in the existing CIL plant with recoveries around 91%. At the time of writing, State Government mining approvals have yet to be received for the fresh material.

Mining ceased near the end of August 2022 and processing finished at the end of September 2022. This is earlier than expected and is driven by the below expectation grade of the oxide, and resultant lack of cash flow.





Figure 16 Cross sections down dip at Beatons Creek (in fresh material) refer Figure 17 sections AA, BB, CC'



Source: NVO release 14 June 2022

## NULLAGINE GOLD PROJECT RESOURCES

### Beaton's Creek Resource

The Resource below is the result of the intensive drilling program in 2022, the operating records of the processing plant and bulk sampling, and is largely contained in the more predictable part of the deposit that sits down dip from the Grants Hill open pit (Figure 15).

However, the Resource model is based on data up to a cutoff of 27 May 2022, and drilling of this deposit continued for most of the second half of 2022, so there could be a further update in the Resource estimate in the second half of 2023. Some mining of the deposit occurred post the cut-off date.

There is no underground Resource estimate.

How much of this Resource would report to a mining Reserve would depend on the gold price (A\$2600/oz assumed) and operating costs. Specifically, the stripping ratio rises relatively quickly as the mineralisation heads north and then stabilises. Depending on whether the economics can absorb the stripping, there will be either a very high or very low conversion into Reserve.

Table 1 Beaton's Creek 2022 Resource (JORC 2012 compliant)

@ 30 June 2022	Oxide			Fresh			Combined		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
Indicated	815	1.3	33	2240	2.8	201	3050	2.4	234
Inferred	445	1.3	18	385	1.9	24	830	1.6	42
Total	1260	1.3	51	2625	2.7	225	3880	2.2	276

Source: SEDAR, Novo Resources NI43-101 Beaton's Creek Resource Update 16 December 2022

The recoveries assume 93% for oxide and 91% for the fresh material. The Resource is calculated at a 0.5g/t cut-off.

If most of the Resource can be converted into Reserves, this deposit would provide a solid base load for the Golden Eagle processing plant, and may be capable of delivering say 750ktpa or 50% of required feed for four years. It would have to be supplemented by oxide feed from other smaller deposits, which may come from discoveries along the Middle Creek Shear or from discoveries at Finucane and Sayshell.

### Historical Resource reported by Millennium (note the oxide has since been mined)

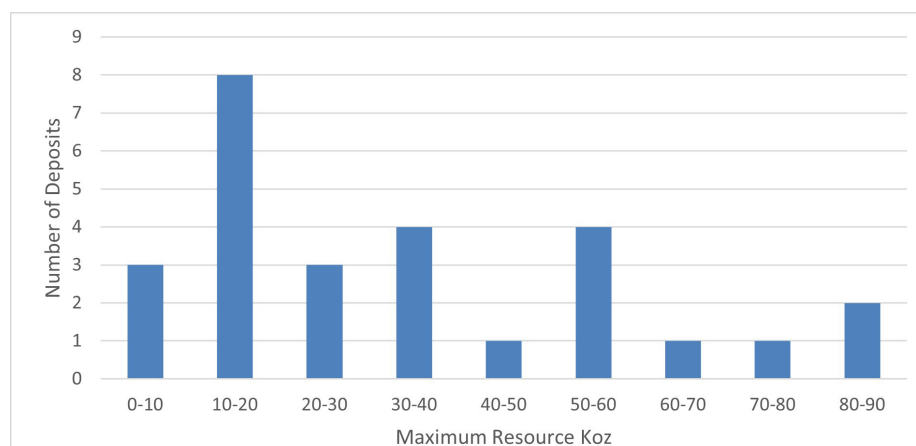
**Table 2 Mosquito Creek Basin Resources and Reserves reported by Millennium a year before closure (JORC 2012 compliant)**

31-Dec-17	Resource			Reserve Oxide			Reserve Sulphide		
	Kt	g/t	Koz	Kt	g/t	Koz	Kt	g/t	Koz
Golden Eagle	7690	1.4	334.4	1500	1.4	66.0	809	1.4	37.0
Bartons UG	630	4.9	97.9	270	4.5	39.0			
Otways	1780	1.1	60.7				312	1.1	11.0
Little Wonder	1160	1.6	60.4				534	1.4	24.0
Au81 West	1210	1.3	51.4	251	1.2	10.0	166	1.2	6.5
Angela	1100	1.3	45.4	184	1.4	8.0			
Shearers	930	1.4	42.4				220	1.6	11.0
Roscoe's	900	1.4	40.4						
Round Hill/Bow Bells	610	1.9	36.4	131	2.6	11.0			
Golden Gate ABC/ Harrier	190	5.4	32.1						
Hopetoun	670	1.4	30.1	68	1.6	3.4			
All Nations	650	1.3	27.2				273	1.5	13.0
Redbeard	280	2.8	25.2	153	3.5	17.0			
Condor	130	4.7	20.3	46	3.6	5.3			
Bartons Open Pit	340	0.1	18.4						
Shearers North	430	1.2	16.5	147	1.3	6.1			
Majuba	350	1.4	16.1						
Gambol's Hill	300	1.6	15.7				53	1.7	2.9
Crossing	360	1.3	14.6	93	1.2	3.5			
Hut	380	1.1	13.8	116	1.2	4.3			
Mundalla	300	1.3	13.1	24	1.6	1.2			
Mustang	250	1.6	13.0	63	2.2	4.4			
Agate	340	1.2	12.6	102	1.3	4.2			
Golden Gate D UG	60	5.4	11.1						
Crow	60	5.1	10.0						
Au81	170	1.8	9.7						
Junction	150	1.7	7.8						
Falcon	80	2.9	7.3						
Buzzard	110	1.8	6.1						
Billjim South	50	3.2	5.5						
Anne de Ville	130	1.3	5.4				37	1.5	1.7
Little Annie	120	1.4	5.2						
Golden Gate G UG	10	3.3	0.7						
Stockpiles	0			473.0	0.9	14.0			
<b>Total</b>	<b>21920</b>	<b>1.6</b>	<b>1107.1</b>	<b>3620</b>	<b>1.7</b>	<b>197.4</b>	<b>2403</b>	<b>1.4</b>	<b>107.6</b>

Source: Millennium Minerals Reserve release 31 July 2018

The oxide Mineral Reserve in the above table was almost certainly consumed by the plant in the balance of 2018 and 2019. Almost all of the remaining ore would be sulphide, so Novo's search for oxide feed for the Golden Eagle plant started from scratch this year.

Figure 17 Estimated deposit endowments show a clustering around 10Koz to 40Koz in the Mosquito Creek Basin



Source: Table 3

Table 3 History of Total JORC 2012 Compliant Mineral Resources declared by Millennium in the Mosquito Creek Basin

Koz	Nov-13	Dec-14	Mar-16	Sep-16	Dec-16	Dec-17	Jun-18	Max
Golden Eagle	805.0	564.0	546.3	546.3	522.7	327.3	334.4	564.0
Bartons Open Pit	141.0	141.0	98.7	94.1	92.3	26.4	18.4	141.0
Bartons UG						98.6	97.9	98.6
Golden Gate G	6.2	5.0	4.7	6.2	6.2	1.3	0.7	6.2
Golden Gate ABC	95.0	42.0	28.0	24.6	24.6	32.8	32.1	95.0
Harrier	8.0	8.0	6.1					8.0
Golden Gate D UG			13.3	11.6	11.6	10.6	11.1	13.3
<b>The rest sorted</b>								
All Nations	88.0	88.0	32.6	50.7	50.7	39.9	27.2	88.0
Shearers	81.0	81.0	71.5	53.8	45.9	36.5	42.4	81.0
Otways	75.0	75.0	71.0	69.4	60.7	61.3	60.7	75.0
Little Wonder	66.8	66.8	30.6	43.6	42.7	61.2	60.4	66.8
Roscoe's	58.9	58.9	57.7	38.7	38.7	39.5	40.4	58.9
Au81	47.5	57.0	43.0	43.0	43.0	44.3	9.7	57.0
Au81 West						21.4	51.4	51.4
Gambol's Hill				50.4	50.4	15.5	15.7	50.4
Angela					45.4	46.4	45.4	46.4
Round Hill/Bow Bells	8.0	8.0	13.8	30.3	36.5	35.3	36.4	36.5
Anne de Ville			11.4	32.5	32.5	25.8	5.4	32.5
Majuba				31.5	31.5	16.4	16.1	31.5
Hopetoun					30.1	30.2	30.1	30.2
Redbeard						20.3	25.2	25.2
Mundalla					20.6	13.4	13.1	20.6
Condor	20.0	19.0	12.9	11.2	18.5	17.8	20.3	20.3
Falcon	18.0	18.0	15.0	7.3	7.3	7.4	7.3	18.0
Shearers North						17.7	16.5	17.7
Junction	15.0	15.0	12.1	7.8	7.7	7.9	7.8	15.0
Crossing				14.6	14.6	14.1	14.6	14.6
Hut				13.8	13.8	14.1	13.8	14.1
Mustang					9.4	9.1	13.0	13.0
Agate					12.60	12.80	12.6	12.8
Crow	10.5	10.5	9.5	10.4	10.4	9.9	10.0	10.5
Buzzard							6.1	6.1
Billjim South							5.5	5.5
Little Annie						5.5	5.2	5.5
<b>Others</b>								
Total	1543.9	1257.2	1078.2	1191.8	1280.4	1120.7	1106.9	1830.6

Source: Millennium JORC 2012 Mineral Resource and Reserve releases at dates shown at top of each column. We have chosen 564koz as the size of the Golden Eagle deposit because it was adjusted down after issues with grade reconciliation, and the higher 805Koz should be seen as incorrect.



The Max column in Table 3 is the largest Mineral Resource reported between November 2013 and June 2018, which we are assuming is an indicator of total endowment. This will not be the actual endowment, because some of the deposits were mined soon after discovery or were being mined as deposit extensions were being added. Millennium did not publicly report production from each pit, so we have not been able to compile an accurate calculation of total endowment by individual pit.

- ◆ Of the deposits discovered in the Mosquito Creek Basin, Golden Eagle is by far the largest and is located within a different formation to the rest of the deposits with slightly different host rock chemistry. It is also located where the Middle Creek Shear is at its narrowest, and it is believed that the combination of the narrowness of the shear zone and the geochemistry is responsible for the size of the deposit.
- ◆ Bartons is also significantly larger than is typical and the underground is part of the original 141Koz so it should be seen as a 141Koz endowment, mainly underground.
- ◆ Golden Gate is a combination of six deposits (A, B, C, D, G and Harrier) totalling what appears to be around 140Koz in total, so around 23Koz per component deposit.
- ◆ These three deposits have been extracted from the list of deposits because either they are anomalous in size or because the way they have been reported over the years makes it difficult to get a clear picture of what components are in which set of numbers.

Figure 17 above shows the distribution of deposits by size based on total contained gold, with 56% of the deposits falling into the 10Koz to 40Koz category on these numbers. If the six Golden Gate group of deposits were added, there would be 60% of the deposits in the 10Koz to 40Koz range.

### Millennium production history

Millennium commissioned the Golden Eagle Processing Plant on 21 August 2012 and reached full production on 6 November 2012.

**Table 4 Millennium production and guidance history**

YE December	2012	2013	2014	2015	2016	2017	2018	2019	LOM
Movement K BCM	800	2841	3678	3588	4061	4539	5810		
Ore Mined Kt	372					1300	2129	1352	
Ore Milled Kt	321	1428	1583	1824	1988	1916	1893	1502	12456
Grade g/t	1.38	1.56	1.66	1.78	1.54	1.35	1.54	1.56	1.56
Contained Koz	14	72	84	104	98	83	94	75	625
Recovery	93%	88%	87%	91%	85%	88%	85%	65%	84%
Fine Gold Koz	12	63	74	91	86	72	80	49	528
Calc	13	63	74	95	84	73	80	49	530
Sales Koz		63	76	92	84	70	81	61	528
AISC A\$/oz			1293	1175	1213	1196	1493	1745	
<b>Guidance</b>									
Ore Milled Kt		1500	1600						
Gold Prodn Koz		78	76	80-85	80-85	80-85	75-80	90-100	
AISC A\$/oz		881 C1	1140	1180-1220	1180-1220	1190-1220	1289-1350	1300-1375	

Source: Millennium Minerals 2011 to 2018 annual reports and 2019 quarterly reports

Tables 3 and 4 show the performance of the Golden Eagle Processing Plant from 2012 to 2019 and the JORC 2012 compliant Mineral Resources over time. Table 2 shows deposit size and grade distribution at June 2018, the last time Millennium disclosed the Mineral Resources and Reserves by individual deposit.

Historically, Millennium operated a business based on deposits containing 10-60koz recoverable oxide, assisted by base load from the Golden Eagle pit. Novo could do the same with Beaton's Creek as part of the base load. Beaton's Creek is a higher quality deposit than Golden Eagle, with higher grade and much better metallurgy.

### Likely target size

While there is always the chance that Novo will find a very large discovery (i.e. over 200koz contained oxide gold) within 60km of the Golden Eagle plant, such a discovery is unlikely because:

1. The oxide ends at around 50m depth
2. Discoveries in the Millennium ground are likely to be small (ie below 30koz) because Millennium probably found the bigger deposits
3. The Sayshell trend and the extension of the Middle Creek Shear in the Novo ground appear to contain less historical workings than in the Millennium ground, which doesn't rule out a bigger discovery but points to a lower endowment, or deeper deposits with less oxide.

### Small will still work

Millennium operated very reliably delivering on guidance for 6 years based on mining small open pits. There is no reason why Novo cannot do the same once it has built sufficient inventory of mineable oxide Mineral Reserves to justify recommencement of production noting the costs involved: plant refurbishment, people recruitment and contractor mobilisation. Novo currently believes it needs around 500 koz of resource to justify such a restart given current mining costs.

There are some key learnings to draw from the production table above:

- ◆ The average grade of the Mosquito Basin Gold Field appears to be around 1.6g/t, and while this can be impacted by choice of cut-off, it provides a very useful guide to the grades of additional discoveries.
- ◆ Mosquito Basin oxide metallurgical recoveries were between 85% and 93%, averaging 88%. Novo achieved 93-94% recoveries of Beatons Creek oxide feed.
- ◆ The plant comfortably processed over 1.9Mtpa of the Mosquito Creek oxide material. Beatons Creek oxide was also processed at run rates of over 1.9Mtpa in multiple quarters, and lower production rates appear to be related to feed shortages rather than plant capacity issues. Going forward, we would expect the plant will be able to comfortably process 1.7Mtpa of Beatons Creek fresh and Mosquito Creek Basin oxide.
- ◆ The operation was very predictable when it was operating in the oxide pits to the end of 2017. It became unpredictable and underperforming once it needed to depend on sulphide sources, and it can be seen from the recoveries in 2019 that the plant was unable to achieve the expected results, with average recoveries at 65%.

## OTHER PROSPECTS

Outside the Mosquito Creek Basin there is excellent potential for significant discoveries in what is very under explored territory. Talga Talga and the Lithium prospects are discussed in the Non-Core Asset section.

### Strattons/Bamboo Creek

These projects are located ~50km east of Marble Bar township, and are prospective for orogenic gold, silver and base metal mineralisation within the Archaean greenstone belt flanking the Mt Edgar Batholith. The greenstone belt is overlain by the Fortescue Formation, which is prospective for conglomerate gold mineralisation. The Company undertook initial exploration work in the Bamboo Creek and Strattons Project areas in late 2022, with results pending at the time of writing.

### Golden Eye

Golden Eye is a new conglomerate target located along the eastern margin of the Mosquito Creek Basin in the East Pilbara, approximately 60 km east of the Golden Eagle Plant. Golden Eye was defined during regional mapping in early December 2021. A previously unidentified 1 to 12m thick buckshot pyrite-bearing cobble conglomerate is exposed at surface for approximately 800 m and is located at the base of the Hardey Formation. The target shows considerable evidence of previous unrecorded prospecting. (NVO release 28 Jan 2022)

### Gully Washer/Miralga

A precious-metal and base-metal rich breccia related to felsic porphyry dykes has been identified at the Gully Washer prospect on the Miralga Project, 30 km west of Marble Bar, with high-grade gold, silver, copper, lead and zinc results returned from Novo rock samples. Best results include 14.8 g/t gold and 6.1 g/t gold with best silver, copper, lead and zinc results exceeding the analytical upper detection limit (500 ppm silver, 2% copper, 1% lead, and 2% zinc respectively). (NVO release 28 Jan 2022)

### Virgin Creek

This is a pebble to cobble conglomerate within the Hardey Formation, which is mapped along a 35km strike extent. Plans include RC drilling to better define mineralised trends, potential bulk sampling for mechanical sorting trials, and extensional mapping to better determine mineralisation potential along strike. (NVO release 3 June 2021)

### Contact Creek

Contact Creek is interpreted as a continuous package of channelised conglomerates ranging between 5 – 20m in thickness within the Bellary Formation, which is mapped along an 18km strike extent. Novo recently completed a costean sampling program in July 2021. Most costeans returned at least low level anomalous gold results. Elevated results typically relate to the basal parts of the coarsest and ferruginous conglomerate channels within the sequence and show good correlation with mapped channels. Follow up work will comprise step out mapping, and potential bulk sampling for mechanised sorting trials. (NVO release 3 June 2021).

## NON-CORE ASSETS

Novo has shown itself to be a very entrepreneurial explorer prepared to work up discoveries and sell them to companies with a better strategic fit. While Novo is likely to sell assets from time to time, it is not possible to say definitively when those sales will occur nor how much will be raised.

Novo has flagged that any non-gold battery metal discoveries would be considered for sale at the appropriate time. Non-core assets include:

- ◆ West Pilbara copper/gold and nickel projects near discoveries by other companies
- ◆ Talga Talga gold discovery near gold producer Calidus
- ◆ Liatam Mosquito Creek lithium farm out interest

### Liatam plans a lithium exploration budget for 2023 of A\$4M (release 23 February 2023)

Unlisted company Liatam Mining is the manager of the Bald Hill lithium and tantalum mine, and has acquired the right to earn up an 80% interest in the lithium potential of Novo tenements on the southern margin of Novo's Mosquito Basin (Quartz Hill Joint Venture).

Liatam took a placement of 12.8M Novo common shares and 3.2M warrants at C\$0.39 per common share allowing Novo to increase cash reserves by C\$5M. The price paid was at a premium to the current market on common shares.

Liatam has to spend A\$1.5M over 24 months to earn an 80% interest in the lithium potential of the Novo tenements, but its board has approved an more aggressive A\$4M spend in 2023.

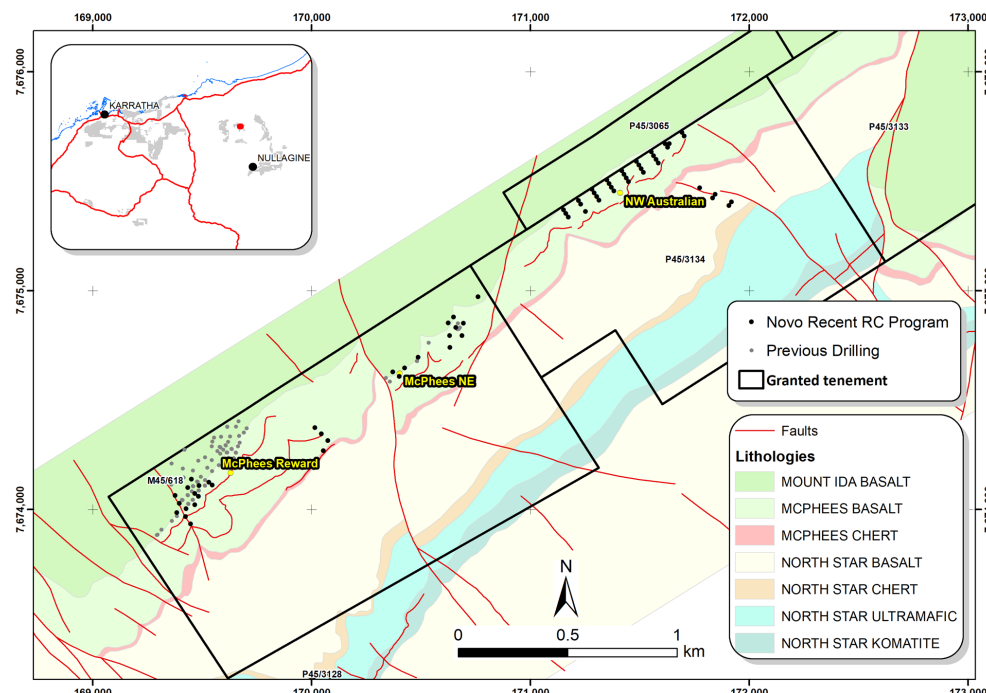
Novo is leveraged to exploration success through its residual 20% interest in the joint venture, and if Liatam's aggressive exploration program delivers discovery, that interest would be a valuable saleable asset.

The lithium potential in the southern part of the Nullagine Gold Project was assessed during late 2021 with exploration undertaken on the Kurrana Pegmatite Swarm, a >10 km long swarm of lithium-caesium-tantalum pegmatites two km north of the Bonnie Downs Granite. At least 200 pegmatites from one to five metres in width have been mapped and 143 rock chip samples of pegmatite and quartz veins along the trend were collected. Some samples contained Li<sub>2</sub>O mineralisation predominantly contained in lepidolite.

### Talga Talga (see NVO releases 3 June 2021, 27 September 2021)

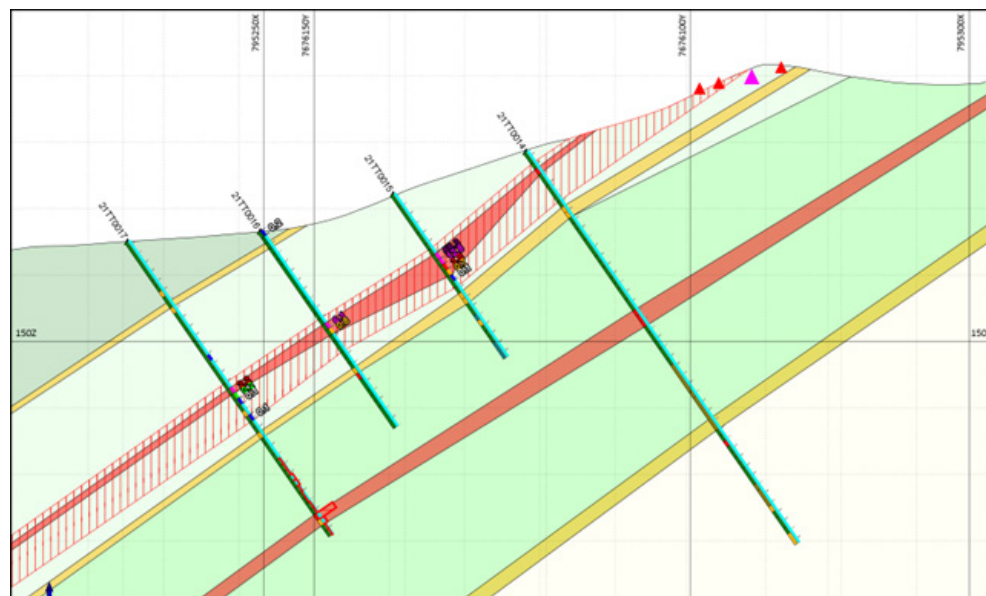
Whilst Novo has not stated its intentions, its Talga Talga discovery may be of strategic interest to Calidus some 30Km away. Novo sold its interest in the Blue Spec gold antimony project to Calidus for C\$17M and 13.3M Calidus shares in early 2021. The shares were sold for A\$7.8M in late 2021 making the cash realised from the sale around C\$24M.

**Figure 18 Talga Talga plan view showing drill hole locations as black dots**



Source: NVO release 27 September 2021

**Figure 19 Talga Talga cross section (red horizon shows drill intersections over 0.7g/t)**



Source: NVO release 27 September 2021

- ◆ Talga Talga comprises gold in lode quartz veins hosted by metamorphosed volcanic and sedimentary rocks of the Warrawoona Supergroup, the same rocks that host ASX-listed Calidus Resources Limited’s (ASX: CAI) Warrawoona gold project approximately 35 km to the south.
- ◆ During July and August 2021, sixty-five shallow RC holes were drilled for a total of 3,240 m, testing three targets along the mineralized corridor. This program constitutes the first phase of drilling, with holes spaced 80 m x 20 m on sections along the mineralized corridor, and with most holes only targeting the first (shallowest) shear.
- ◆ To date 30 drill holes have 1-3m intersections grading between 1g/t and 25.5g/t.

**Purdy’s North (E47/1745 Novo interest 100%)**



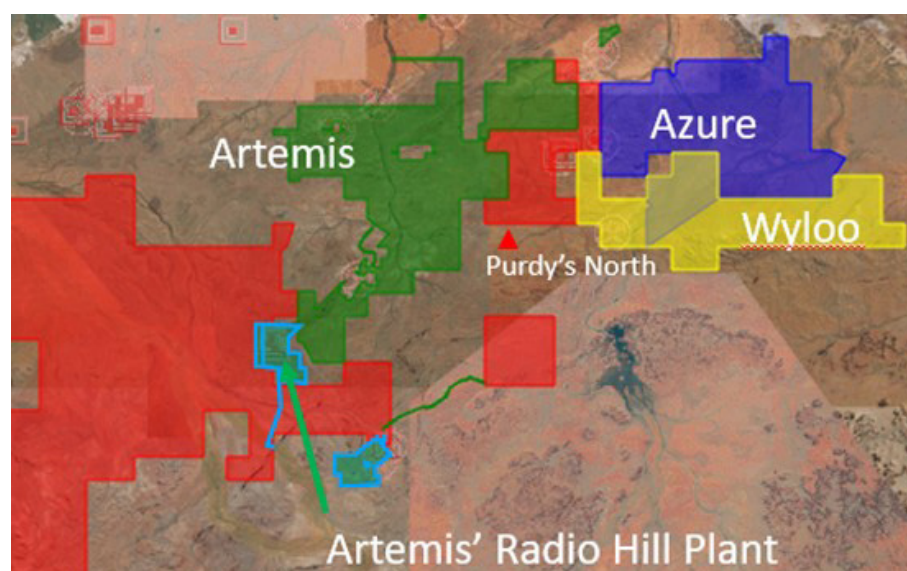
Adjoining Purdy's North to the east is the **Azure/Creasy** joint venture including the Andover nickel cobalt discovery, to the west is Artemis with its Carlow Castle/Chapman gold copper discovery, and to the south is **Wyloo**, a base metal company that has outbid BHP for Toronto listed Noront Resources (cost C\$617M), and recently launched a bid for Australian listed Mincor Resources at A\$760M.

**Artemis** owns the currently shut Radio Hill sulphide processing plant (Figures 20), with a capacity to process nickel sulphide ore of 425,000tpa. The presence of an unused processing plant within roughly 50km by mostly sealed roads of these deposits is a potential path to market.

In mid-2008 Fox placed the Radio Hill operations on care and maintenance due to the weakening copper price which saw copper prices fall to approximately US\$3,000 by the end of 2008. In March 2017 Artemis Resources acquired the Radio Hill Operations, associated infrastructure and tenements from Fox (ARV website).

In November 2017 Artemis appointed Process 26 Engineers and Constructors to refurbish the existing Radio Hill crushing and grinding circuits (announced 27 November 2017), to upgrade the facility by the addition of more crushing equipment and the installation of a new gravity gold extraction circuit.

**Figure 20** Most of the current activity at Purdy's North is in the narrow part of the tenement between Artemis and Azure/Creasy to the east (Novo tenements in red)



Source: Tengraph

The table below shows the most recently reported Resources for both companies, with the estimated market values of Carlow Castle at A\$13.4M and Andover at A\$76.3M, which provides some measure of the value of any similar discovery that Novo might make.

**Table 5** Key financial and Resource metrics for Artemis and Azure

Company	Artemis Resources	Azure Minerals
ASX Code	ARV	AZS
Issued Shares M	1391.4	390.2
Share Price A\$/sh at 7 November 2022	0.014	0.280
Market Cap. A\$M	19.5	109.3
Cash June 2022 A\$M	6.1	8.9
Other Assets (AZS includes \$30M for lithium)	0.0	40
Enterprise Value A\$M	13.4	45.8
Project	Carlow Castle	Andover
Interest in project	100%	60%
Implied Project value	13.4	76.3
Resource Date	13 October 2022	8 February 2023
Resource Mt	8.7	6.0
Gold Koz	374	
Copper Kt	64	28

Company	Artemis Resources	Azure Minerals
Cobalt Kt	8	3
Nickel Kt		66

Source: AZS presentation 22 March 2023; ARV December 2022 quarterly reports + cash raised per release 9 March 2023, Resources per 13 October 2022

## FINANCIAL POSITION

At 31 March 2023, Novo had C\$30.6M cash on hand and C\$25.5M in marketable securities.

**Table 6 Cash outgoings to December 2023 and year end estimated cash balance.**

CASH POSITION	C\$M
Cash 31 March 2023	30.6
Becher 20,000m air core @ C\$150/m	-3.0
Nunyerry North 5,000m RC @ C\$150/m	-0.8
Bellary Dome 5,000m AC/RC @ C\$150/m	-0.8
Belltopper 3,000m diamond drilling @ C\$400/m	-1.2
Mosquito Creek Basin 15,000m AC @ C\$150/m & 1,500m diamond drilling @ C\$400/m	-2.9
Nullagine Gold Project feasibility study and approvals	-0.5
Nullagine Gold Project care & maintenance 10 months @ C\$0.6M/mth	-6.0
Acquisition of Belltopper to 100%	-1.6
Corporate Overheads 10 months at C\$0.7M/mth	-7.0
Cash at December 2023	6.4
Marketable Securities at 6 September 2022	25.5

Source: NVO presentation 6 March 2023, Beatons Creek 43-101 16 December 2022, IIR estimates

The table above includes the estimated cost of the drilling programs using the drilling costs per metre from the Novo Beatons Creek 43-101 report of December 2022 and the proposed expenditures on drilling, feasibility studies and approvals applications in that report. The same drilling costs per metre have been applied to the drilling programs in other project areas using either the published metres (Mosquito Basin, Becher) or IIR estimated metres (Nunyerry North, Bellary Dome, Belltopper).

Overall, Novo has sufficient cash on hand to cover the estimated drilling programs into 2024.

### Funding sources

Potential sources of additional funding includes capital raisings and sales of non-core assets.

## CAPITAL STRUCTURE

### ISSUED CAPITAL

**Table 7 Share structure**

Million	Total
Common shares outstanding	269.2
Stock options	6.9
Warrants	30.5
Fully diluted shares	306.6

Source: NVO presentation 7 September 2022

The company has a very simple capital structure with 87% in issued capital in the form of common shares, and an open share register with no controlling share blocks.

Average daily turnover over the last 12 months has been 260,000 shares per day or around C\$100,000/day.

## SHAREHOLDER STRUCTURE

**Table 8 Major shareholders at 6 June 2023**

IMC	7.56%
Eric Sprott	5.20%
Liatam	4.76%
Creasey Group	4.48%
Crescat	4.13%
Agnico Eagle	2.96%
Management & Directors	1.37%
Balance	69.54%
Total	100.00%

Source: NVO communication

## BOARD AND MANAGEMENT

### Michael Spreadborough - Executive Co-Chairman

Mr Spreadborough has a mining engineer background with over 20 years' experience in mining lead, zinc, uranium, copper, gold and iron ore. He has held roles across the scope of the industry from business and project development to operations and exploration. In recent times he has held the position of CEO of Metals X Limited, Managing Director & CEO of Nusantara Resources and Non-Executive Director of CleanTeQ Holdings. Mr Spreadborough has also held positions as the General Manager – Mining for WMC, Vice President – Mining for BHP Billiton at the world-class Olympic Dam Mine in South Australia and the General Manager – Coastal Operations for Rio Tinto, responsible for port operations and Pannawonica mine site. Previous to those roles he also held the positions of Chief Operating Officer for Inova Resources Ltd (formerly Ivanhoe Australia) and Sandfire Resources.

Mr Spreadborough holds a Bachelor of Mining Engineering from the University of Queensland, an MBA from Deakin University, and a WA First Class Mine Manager's Certificate of Competency. Additionally, he is a member of the AusIMM and also the Australian Institute of Company Directors.

### Dr. Quinton Hennigh - Non-Executive Co-Chairman

Dr Hennigh is an economic geologist with 25 years of exploration experience, mainly gold related. Early in his career, he explored for major mining firms including Homestake Mining Company, Newcrest Mining Ltd and Newmont Mining Corporation. Dr Hennigh joined the junior mining sector in 2007 and has been involved with a number of Canadian listed gold companies including Gold Canyon Resources where he led exploration at the Springpole alkaline gold project near Red Lake Ontario, a 5 million ounce gold deposit. In 2010 he helped start Novo Resources and began assembling its Australian exploration portfolio.

Dr Hennigh obtained a Ph.D. in Geology/Geochemistry from the Colorado School of Mines.

### Michael Barrett - Lead Independent Director & Audit Committee Chair

Mr Barrett is a chartered accountant with over 28 years' experience and is a highly regarded former CFO with extensive board-level strategic experience, combined with hands-on operational experience and deep international capital market experience. During the period of 2004 – 2015 Mr Barret was based in the United States as a CFO of Rio Tinto's energy coal business and led its listing on the NYSE in 2009. Most recently, he was National Lead Partner for Deloitte's energy and resources risk advisory practice, before establishing his own consulting business.

### Ross Hamilton - Independent Director & Sustainability Committee Chair

Mr Hamilton has over 20 years of international experience in sustainability, environmental stewardship, climate change, community engagement, indigenous affairs and stakeholder relations within the mining, metals and large infrastructure sectors. Mr Hamilton is the Founder and Director of an environmental, social and corporate governance focused advisory firm and serves as an expert advisor to the International Finance Corporation and the UN Global

Compact. He previously served as a Director at the International Council on Mining and Metals based in London, UK, and in several leadership roles at BHP in Western Australia.

Mr Hamilton holds a Bachelor of Science (First Class Honours) degree from Monash University and a Master's degree in Sustainability Management from Curtin University.

#### **Amy Jo Stefonick - Independent Director & Nomination and Compensation Committee Chair**

Ms Stefonick has nearly 20 years of experience as a corporate and securities attorney across multiple industries where she advises public companies and their boards of directors on multi-jurisdictional corporate governance matters, U.S. securities laws and complex M&A transactions. Ms Stefonick is currently engaged as a senior legal talent for Axiom Global Inc., a global leader in high-caliber, on-demand legal talent, where she is serving as a Senior Corporate and Securities Counsel for two Nasdaq-listed biotechnology firms, advising on complex corporate and securities matters. Previously, she served as assistant vice president and senior corporate counsel for Janus Henderson Group plc, a global asset management firm headquartered in London and dual-listed on the NYSE and ASX, and was corporate secretary and corporate counsel for Cloud Peak Energy Inc., a coal mining company listed on the NYSE with operations in Wyoming and Montana.

Ms Stefonick holds a Bachelor of Arts degree from Jamestown College (now University of Jamestown) and received her Law Degree from the University of Denver College of Law.

#### **Ronan Sabo-Walsh - Chief Financial Officer & Company Secretary**

Mr Sabo-Walsh has over 12 years' experience in corporate finance. He was employed by a full-service merchant bank providing ongoing financial and back-office support to public companies and served as the Chief Financial Officer of a mineral exploration company listed on the Canadian Securities Exchange prior to joining Novo. Mr Sabo-Walsh has extensive experience with public listings, merger transactions, and public company management, with a focus on natural resources.

Mr Sabo-Walsh holds a Bachelor of Commerce degree in finance from the University of British Columbia in Vancouver, BC, Canada.

#### **Kas De Luca - General Manager- Exploration**

Mrs De Luca has an extensive career in exploration and mining spanning more than 30 years. She joined Novo Resources most recently from Newcrest Mining Limited where she held the role of Regional Exploration Manager, Asia Pacific. In this role she was responsible for strategic planning, project management and generative portfolios. Prior to her stint at Newcrest, she worked for a number of domestic and international mining and exploration companies including Dundee Precious Metals, Thani-Ashanti, Placer Dome, and KCGM, and was also one of the founding directors of successful specialist geological consultancy Jigsaw Geoscience.

Mrs De Luca is a highly qualified exploration specialist with excellent technical, business, and people skills and with a record of effectively establishing and managing high performance teams to success in both near-mine and greenfield environments.





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