

NOVO News Release

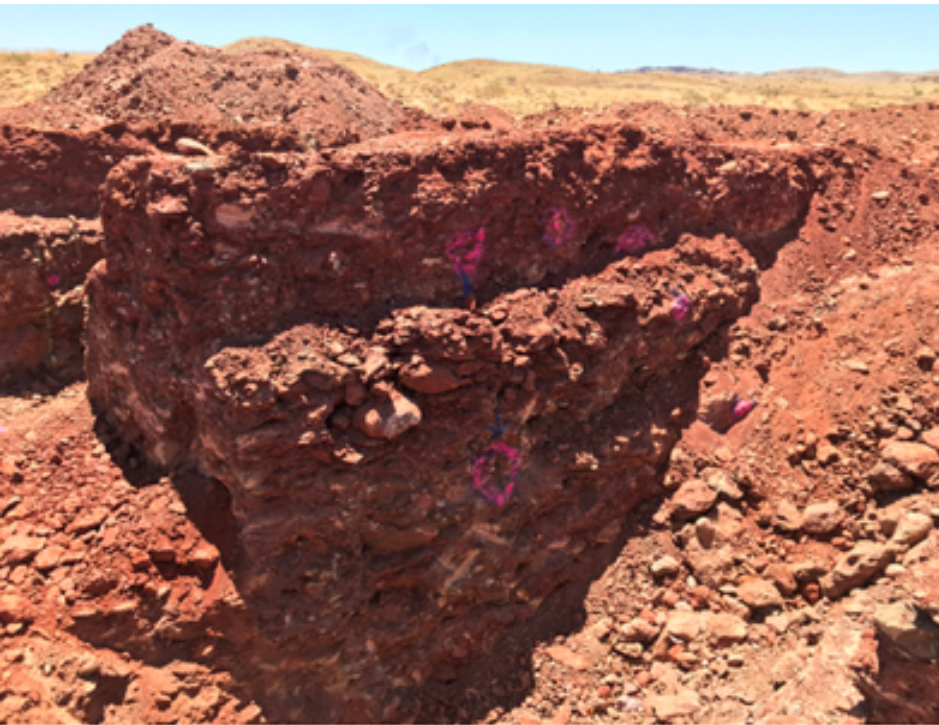
November 2, 2017



Novo has opened seven trenches with an eighth underway (please see Figure 1 below) and many more planned. Trenches are being dug with a 40-tonne excavator and range in depth from one to three meters. All trenches have encountered targeted conglomerate units with the exception of trench 5 which encountered older basement rocks.



Example 40 Ton Excavator (not in Novo Release)

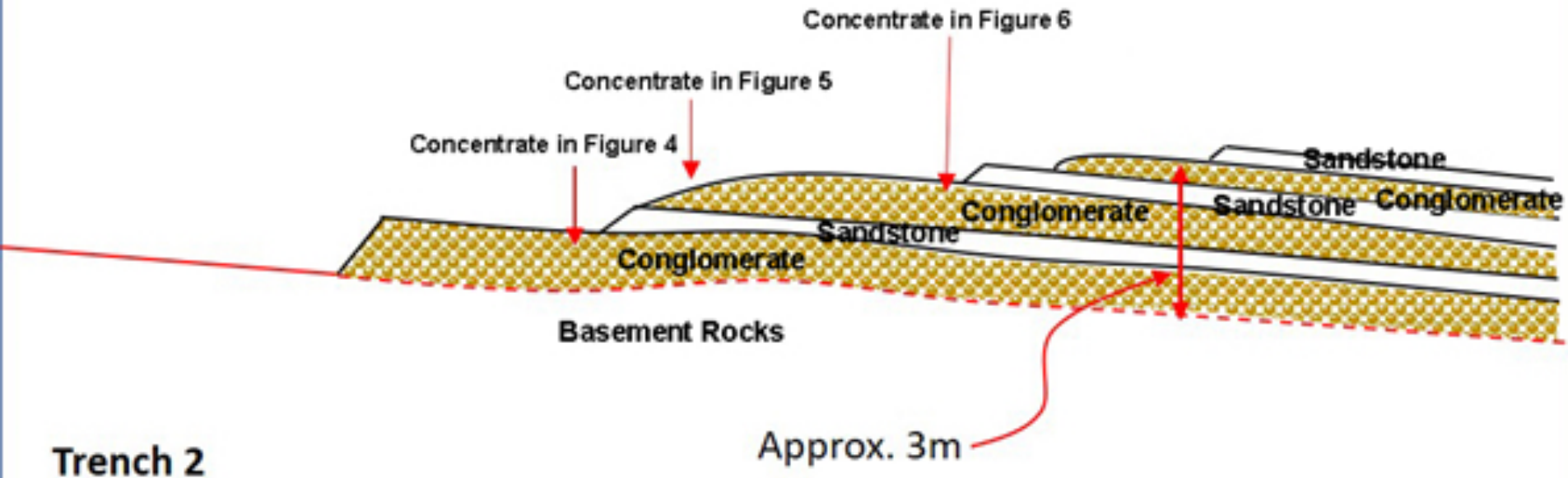


“Upon opening, the geology of each trench is mapped and marked in preparation for sampling (please see Figure 2 below). Select walls and floors are swept with a metal detector, and strikes are marked with paint and geo-referenced with a differential GPS system. Sampling is generally conducted in areas that have not been swept with a metal detector so as to avoid sampling bias. Samples are collected in sealable steel drums. Novo has hired full-time, independent scrutineers to oversee all sampling activities and seal sample drums.”

W

Looking North

E



“As observed in recent core holes, conglomerate horizons are interbedded with thin sandstone layers (please see Figure 3 below). Beds dip at shallow angles, generally less than five degrees, southeast. The lowermost conglomerate unit rests unconformably atop older basement rocks including gabbro, metabasalt and metasedimentary rocks. Up to eight discrete conglomerate beds are evident with some displaying characteristics of a fluvial (river) origin and others displaying traits suggesting reworking in a shallow marine environment. Novo considers the depositional environment to be near-shore with sea level rising and falling over time, an environment suited for reworking of gravels and concentrating gold.”

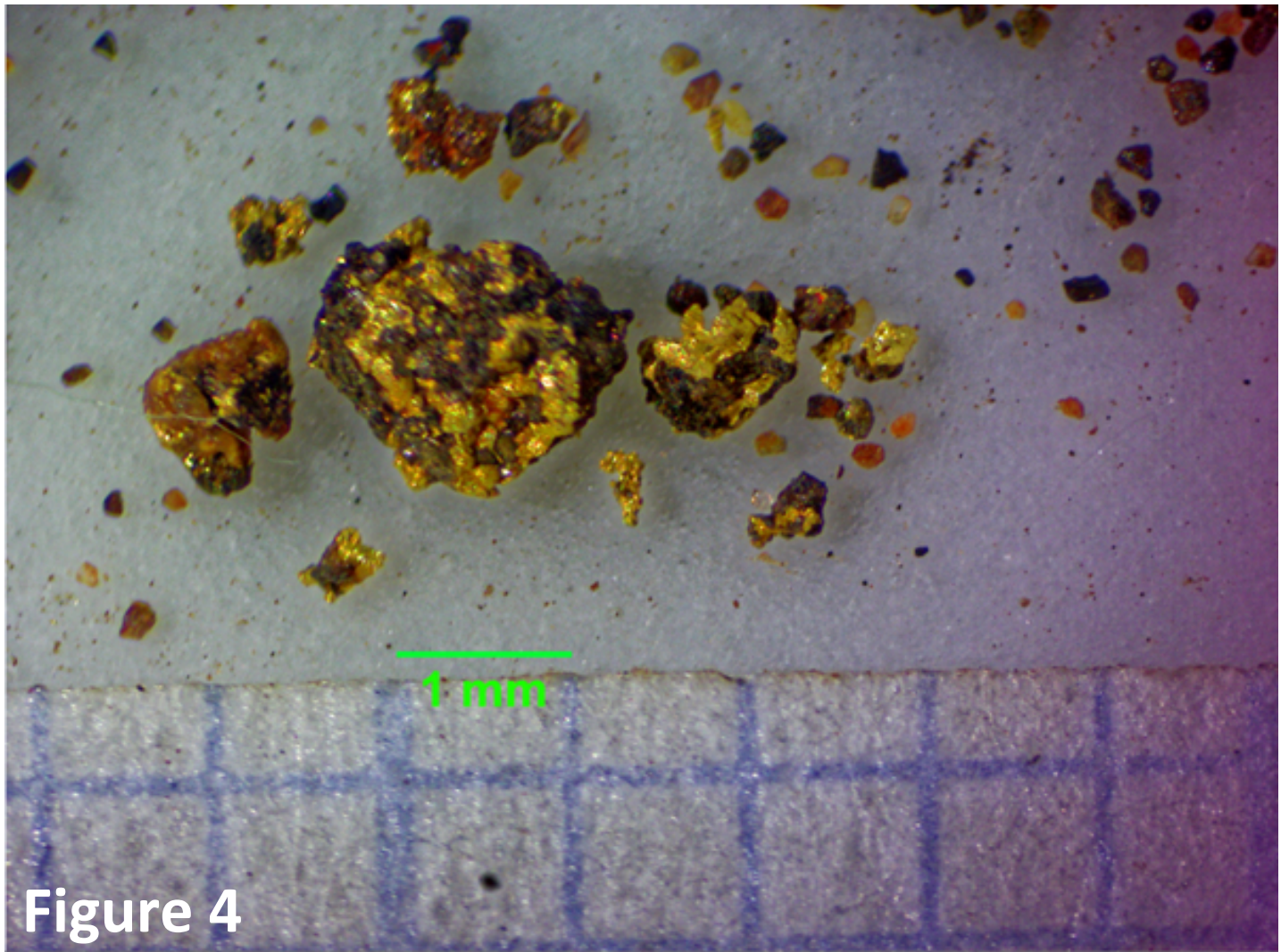


Figure 4

Gold particles recovered from panning of a grab sample from the lowest most conglomerate exposed in trench 2. Although the center nugget is about 2 mm across, the rest are smaller than 1 mm across. Note that most gold particles have minor dark brown rock matrix attached.

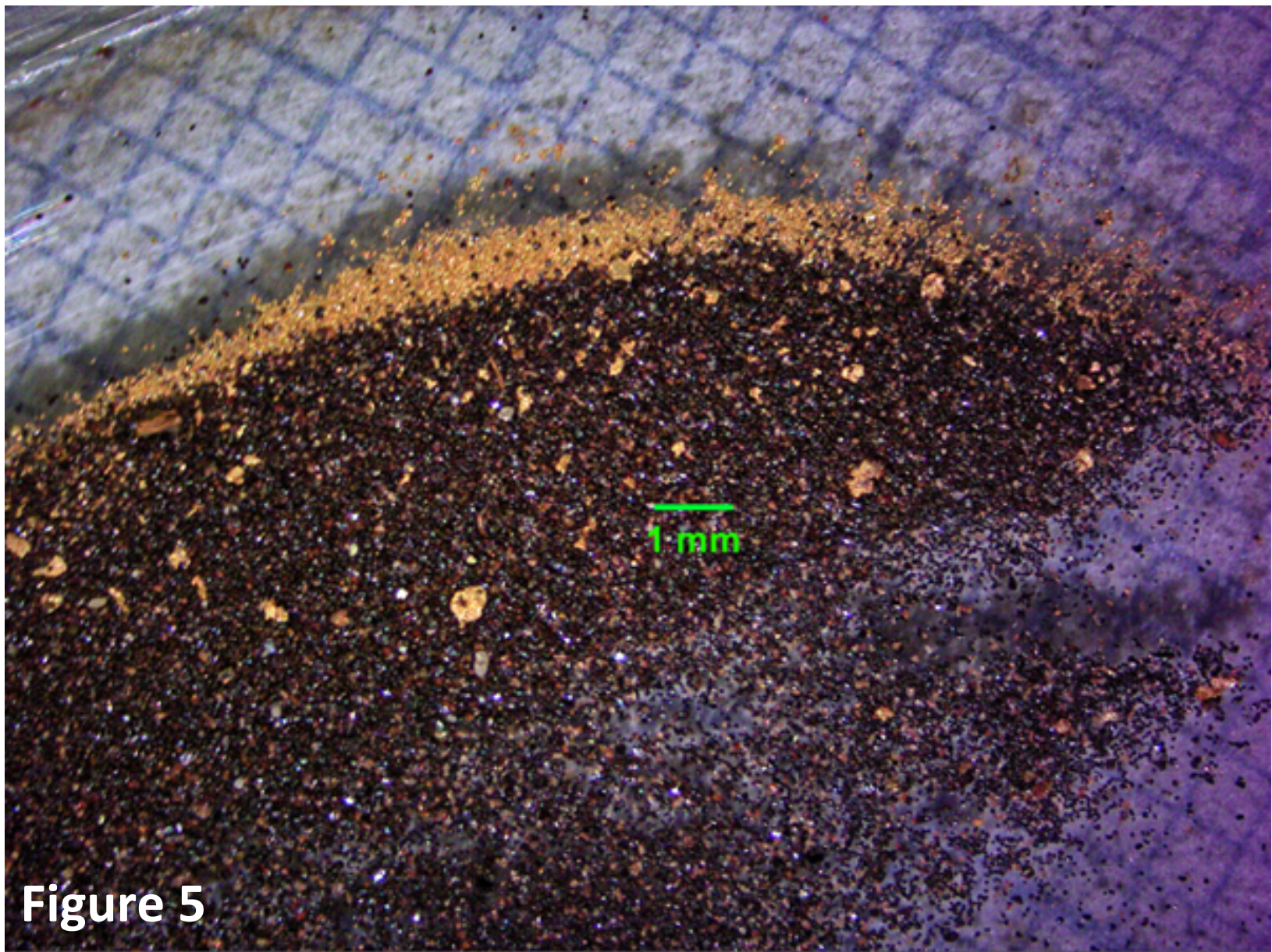
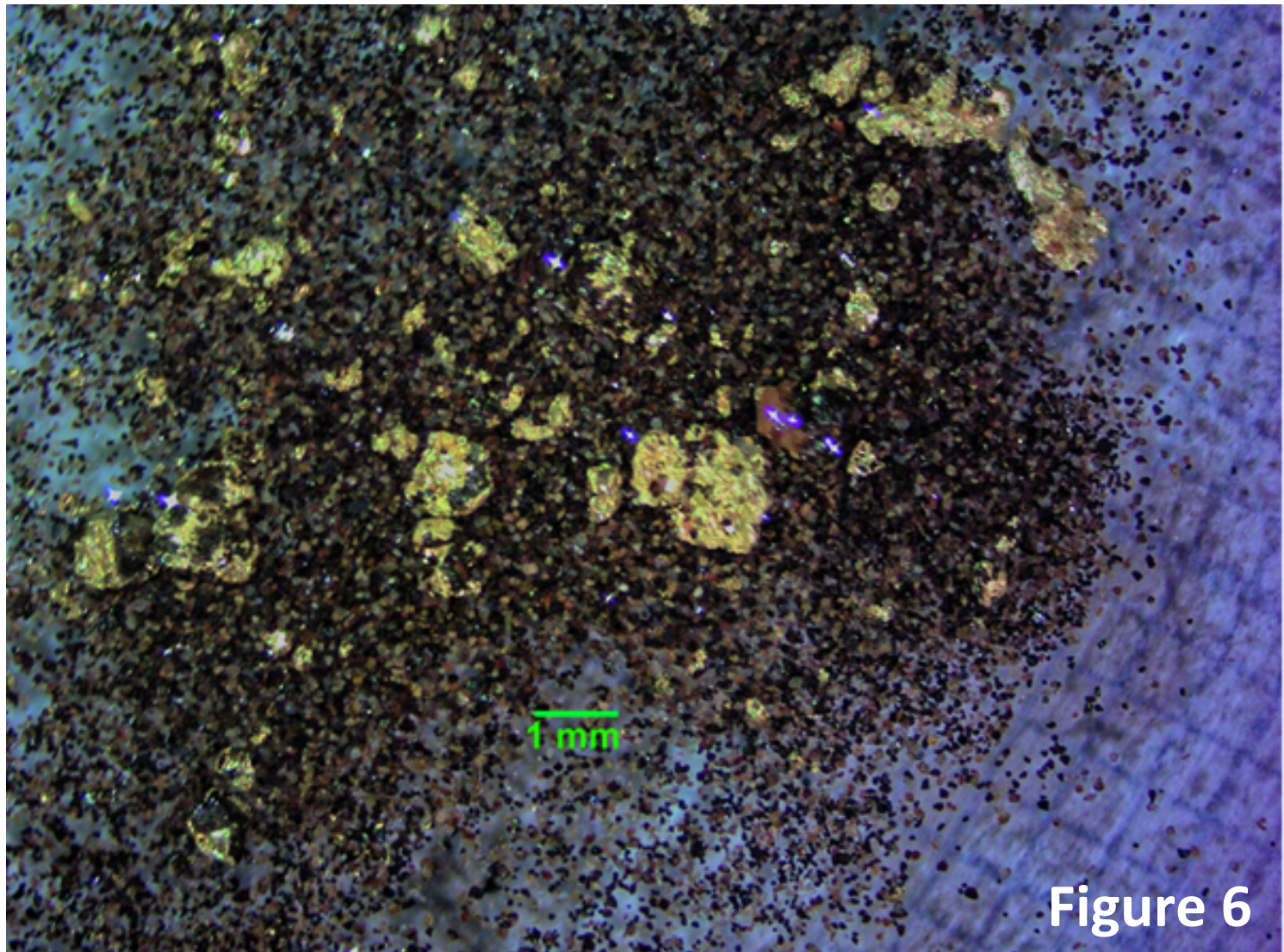


Figure 5

“Fine gold particles panned from a grab sample near the base of the second conglomerate horizon exposed in trench 2. Most of the gold particles along the top edge of the image are less than 100 microns across.”



“Gold particles panned from the second conglomerate horizon exposed in trench 2. Although several grains are over 1 mm across, most are considerably finer.”