

Bre-X 2.0

Could this be for real?

Chen Lin ---Novo Resources visit July, 2019

You may have watched the movie “Gold”, inspired by the famous Bre-X scandal. In the 1990s, Bre-X minerals claimed that they made a giant gold discovery in Indonesia, it turned out to be the biggest fraud in the mining history. The stock went to as high as CAD286.5 at the peak in 1996 and collapsed in 1997. It brought profound changes to the mining industry.

When I was touring the Pilbara project at northern Australia near Karratha, We drove through hundreds of km of flat desert ground. There were gold everywhere, from one side of basin to the other, very consistent. There are estimated 3000+ km² in the basin and Quinton estimate gold content is about 300-700Koz/km². So there could be 1 billion oz of gold in the whole basin and Novo controls very large and most prospect portion of it. Quinton says he is looking for 100 million oz or more gold there and I think he could be conservative. I kept thinking of Bre-X, which claimed to discovered 200 million oz of gold, during my visit. This basin is so big and so much gold in it, this could be the next Bre-X, not the fraud, but a real one! It would be the largest gold discovery of our lifetime if proven to be true.



Quinton Hennigh explains his vision. He believe from here to the mountain far away in the background are likely containing a gold layer about 300-700koz/km²!

This the dream of Novo and it is not proven yet. It will require a lot of work in the next coming years to prove up the gold there. So far Novo has been making good progresses. The most exciting

breakthrough seems to be the ground penetrating radar that can see through the ground and find where the gold rich layer is. This is going to be very important because you can predict where to find gold, the best area to mine and you can even pick new ground when nobody is looking at. How well this new technology works will come out gradually for the rest of 2019. Frankly, I doubt Novo will make a big splash if they have a big success because who wants to alert every competitor when you make a big discovery? It will be tricky for shareholders but I expect the general public get the picture by the end of 2019 or early 2020. **I encourage investors to buy and hold Novo shares in the next 6-12 month because it is most exciting time.**



With Quinton Hennigh at the testing plant.



Holding one of the many gold nuggets.