

## NOVO19 CAPITAL CORP. AND NOBEL RESOURCES INC. ENTER INTO LETTER OF INTENT FOR BUSINESS COMBINATION

**Toronto, Ontario, September 22, 2020** – **Novo19 Capital Corp.** (“**Novo19**” or the “**Corporation**”), an unlisted reporting issuer in British Columbia and Alberta, is pleased to announce it has entered into a letter of intent dated September 17, 2020 (the “**LOI**”) with Nobel Resources Inc. (“**Nobel**”), a private company incorporated under the laws of the Province of Ontario with mining assets located in Chile, pursuant to which Novo19 and Nobel have agreed to complete an arrangement, amalgamation, share exchange, or similar transaction to ultimately form the resulting issuer (the “**Resulting Issuer**”) that will continue on the business of Nobel (the “**Transaction**”), subject to the terms and conditions outlined below. Concurrently with the completion of the Transaction, the Resulting Issuer will seek to list its common shares for trading on a nationally recognized stock exchange in Canada.

Nobel is an Ontario corporation with a head office in Toronto Ontario. Nobel, through its option agreement with Mr. Gunther Stromberger (90%) and Ms. Elsa Duarte Horta (10%) (the “**Option Agreement**”), holds interests in the Algorrobo IOCG Copper Project (the “**Project**” or “**Algorrobo**”), located in the coastal IOCG (Iron, Oxide, Copper, Gold) belt in northern Chile, approximately 25km from the port of Caldera on the Pacific Ocean. Pursuant to the Option Agreement, Nobel can acquire a 100% ownership interest in the Project.

Algorrobo is an extensively mineralized IOCG (Iron Oxide Copper-Gold) system in one of the most important producing IOCG belts globally and is relatively unexplored except for an extensive history of small-scale mining. Production from the Project is sold to Enami, the Chilean government mining company that has processing facilities (mill and smelter) in Copiapo approximately 50 km to the south. The Project is permitted for mining which is a key advantage for Nobel. The Project is located in the Atacama region of northern Chile. This area is host to numerous deposits including the Candelaria Mine with one of the large copper reserves in Chile estimated at 600 million tonnes of ore grading 0.95% copper, 3.84 million ounces of Gold and 576 million ounces of Silver.

Management and Board of the Resulting Issuer will include:

David Gower, (P.Geol), CEO and Director

Mr. Gower has held Executive and Director positions with several junior and midsize mining companies for the past 12 years, including Emerita Resources Corp, and President of Brazil Potash Corp. David spent over 20 years with Falconbridge (now Glencore) as Director of Global Nickel and PGM exploration and as a member of the Senior Operating Team for mining projects and operations. He led exploration teams that made brownfield discoveries at Raglan and Sudbury, Matagami Falcondo and greenfield discoveries at Araguaia in Brazil, Kabanga in Tanzania and Amazonas, Brazil. Mr. Gower is a Director of Alamos Gold Inc.

Lawrence Guy, Director

Mr. Guy is Chief Executive Officer of North 52nd Asset Management Inc and Chair of Emerita Resources Corp. Previously, Larry was a Portfolio Manager with Aston Hill Financial Inc. Prior to Aston Hill, Mr. Guy was Chief Financial Officer and Director of Navina Asset Management Inc a company he co founded that was subsequently acquired by Aston Hill Financial Inc. Mr. Guy has also held senior offices at Fairway Capital Management Corp and First Trust Portfolios Canada Inc.

Mr. Guy holds a Bachelor of Arts degree from the University of Western Ontario and is a Chartered Financial Analyst

Vernon Arseneau, (P.Geo), COO and Director

Mr. Arseneau has over forty years of experience in exploration, project management and development, of which the last twenty-five have been in South America, principally in Peru, Chile, and Argentina. Mr. Arseneau spent 20 years working as exploration manager and senior geologist for Noranda Inc in Canada and South America. He was general manager of Noranda's Peru office and project manager of the El Pachon porphyry Cu Mo project in Argentina. He has consulted on numerous base and precious metals projects including as Vice President Exploration for Zincore Metals Inc and was responsible for the exploration and feasibility studies of two zinc deposits and the discovery of the Dolores Cu Mo porphyry, Peru. More recently, he was COO of Royal Road Minerals Ltd exploring for gold in Colombia and Nicaragua. Vern holds a Bachelor of Science in geology.

Greg Duras, CFO

Mr. Duras is a senior executive with over 20 years of experience in the resource sector in corporate development, financial management and cost control positions. Mr. Duras has held the position of CFO at several publicly traded companies, including Savary Gold Corp, Nordic Gold Corp., and Avion Gold Corp. He is currently CFO of Red Pine Exploration. Greg is a Certified General Accountant and a Certified Professional Accountant and holds a Bachelor of Administration from Lakehead University.

Damian Lopez, Corporate Secretary

Mr. Lopez is a corporate securities lawyer who works as a legal consultant to various Toronto Stock Exchange and TSX Venture Exchange listed companies. He previously worked as a securities and merger acquisitions lawyer at a large Toronto corporate legal firm, where he worked on a variety of corporate and commercial transactions. Mr. Lopez obtained a Juris Doctor from Osgoode Hall and he received a Bachelor of Commerce with a major in Economics from Rotman Commerce at the University of Toronto.

Nobel and Novo19 are arm's length parties to one another. The valuations of Novo19 and the Nobel are to be determined by the parties. Nobel is seeking to complete an equity financing in September 2020 for minimum gross proceeds of CDN\$1 million and maximum gross proceeds of CDN\$1.5 million. It is anticipated that an additional financing for gross proceeds of between CDN\$5 million and CDN\$7 million will be completed upon closing of the Transaction. Nobel currently has 18 million common shares issued and outstanding, and no options or warrants issued.

The material terms and conditions of the LOI are non-binding, and completion of the Transaction is conditional on, among other matters, completion of due diligence, satisfactory determination of valuations, completion of the financings, the execution of a definitive agreement (the "**Definitive Agreement**") to be negotiated between the parties, and the listing for trading of the Resulting Issuer's common shares on a nationally recognized stock exchange in Canada.

There is no assurance that the parties will settle on satisfactory respective valuations, that the financings will be completed, or that a Definitive Agreement will be successfully negotiated or entered into. The common shares of Novo19 are not currently listed for trading on any stock

exchange. The parties will seek to list the common shares of the Resulting Issuer on a nationally recognized stock exchange in Canada.

### **Further Information**

Novo19 will provide further and more comprehensive details in respect of the Transaction and the financings in due course by way of subsequent press releases as information becomes available.

All information contained in this press release with respect to Nobel and Novo19 (but excluding the terms of the Transaction) was supplied by the parties respectively, for inclusion herein, without independent review by the other party, and each party and its directors and officers have relied on the other party for any information concerning the other party.

### **About the Algorrobo Project**

The Project is located approximately 850 km north of Santiago, in Region III, Province of Chanaral, Chile. The Project is located in the southern Atacama Desert, with the city of Copiapo located approximately 43 km to the southeast and the port at Caldera 25 km to the east.

The Project consists of 21 “Angela” and 11 “Roble” tenures, comprising a total of 6,161 ha (15,224 acres).

The Project hosts high grade copper mineralization with exploration and development potential for significant expansion that is consistent with an Iron oxide-copper-gold deposit (IOCG) along the western margin of both the Chilean Iron Belt and the Atacama Fault Zone. The Cerro Negro Norte iron deposit, having and similar structural setting and possible associated IOCG-style mineralization, is located approximately 15 km east of the Project. Manto Verde (120 million tonnes grading 0.73% Cu (Marschik et al 2011), approximately 30 km north) and the Punta del Cobre (>120 Mt grading 1.5% Cu, 0.2 to 0.6 g/t Au, and 2 to 8 g/t Ag (van Angeren 2005)) – Candelaria (Lundin) (366 Mt grading 1.08 % Cu, 0.26 g/T Au, and 5g/T Ag (Raab 2010)) belt (approximately 60 km south) are examples of IOCG deposits similarly located in the belt and are considered to be possible analogues for mineralization and economic potential for the Project.

From the 1920’s until 1997, sporadic manual production on a limited basis was undertaken by local miners on extensions of the veins previously mined at the Project. Mining operations to date on the Project, and immediately area, resulted in approximately 35 mines, ranging from near surface workings to more extensive operations extending several hundred metres below surface. The Project has only been exploited to very shallow depths.

Within the old mines on adjacent properties to the Project, copper, as copper oxides, were mined to an approximate depth of 120 meters, with copper sulfide ores mined below to greater depth (i.e. 450 meters in the Viuda Mine). The mineralized trends are very well defined by abundant workings, both historical and those arising from more recent work, ranging from shallow pits and workings to mine development extending to depths up to 450 m below surface. Taken together, these workings delineate three major structures and a vast number of minor veins, having clearly evident surface extent of at least 1.3 km, with an interpreted potential surface extent of at least 4 km. In addition to the Major Veins, a number of subordinate, subsidiary and/or undeveloped veins are present between the Major Veins, defining the “Main Mineralized Trend”. Veins on which the more significant workings have been developed are described as ranging between 1.2 and 3.5 metres at, or near, surface, and thickening with increasing depth up to 5 metres.

Analyses of select grab samples from the recently developed drifts, False Estaca and Descubridora, document “Direct Smelting Ore” grades of representative grab samples of Brochantite-bearing, high grade “Direct Smelting Ore” from Acme Analytical Laboratories S.A. in Copiapo confirm grades in excess of 30% copper. Independent analysis of a representative grab sample of Brochantite (Cu<sub>4</sub>SO<sub>4</sub>(OH)<sub>6</sub>), submitted to Acme lab in Santiago, returned an analysis of 34.27% Cu and 36 g/t Ag.

### **Qualified Person**

The scientific and technical information in this news release has been reviewed and approved by Mr. Vernon Arseneau, P.Geo, and Mr. David Gower P.Geo., Qualified Persons as defined by National Instrument 43-101 of the Canadian Securities Administrators.

### **For further information:**

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### **Forward-Looking Information**

This press release contains “forward-looking information” and “forward-looking statements” (collectively, “**forward-looking statements**”) within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this press release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected” “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this press release, forward-looking statements relate, among other things, to: the Transaction and certain terms and conditions thereof; the business of Novo19 or Nobel, the financings; the listing application; shareholder, director and regulatory approvals; and future press releases and disclosure. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; and the delay or failure to receive shareholder, director or regulatory approvals. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, neither Novo19 nor Nobel assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

**No stock exchange has reviewed the contents of this press release or the merits of the Transaction.**

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws, unless an exemption from such registration is available.

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