

NOVAGOLD RESOURCES INC. CODE OF BUSINESS CONDUCT AND ETHICS

As updated January 10, 2014

NOVAGOLD RESOURCES INC. and its subsidiaries (collectively “NOVAGOLD”) are committed to the highest standards of legal and ethical business conduct. This Code of Business Conduct and Ethics (the “Code”) summarizes the legal, ethical and regulatory standards that NOVAGOLD must follow and is a reminder to our directors, officers and employees of the seriousness of that commitment. Compliance with this Code and high standards of business conduct is mandatory for every NOVAGOLD director, officer and employee worldwide.

INTRODUCTION

Our business is becoming increasingly complex, both in terms of the geographies in which we function and the laws with which we must comply. To help our directors, officers and employees understand what is expected of them and to carry out their responsibilities, we have created this Code. Additionally, we have appointed the Company’s Vice President and CFO to serve as the Company Ethics Officer to ensure adherence to this Code.

This Code is not intended to be a comprehensive guide to all our policies and to all our responsibilities under applicable laws and regulations. It provides general guidelines to help resolve the ethical and legal issues encountered in conducting our business. This Code must be complied with. If you have any questions about anything in the Code or appropriate actions in light of the Code, you may contact the Company Ethics Officer or the Chair of the Corporate Governance & Nominations Committee.

We expect each of our directors, officers and employees to read and become familiar with the ethical standards described in this Code and to affirm their agreement to adhere to these standards by signing the Compliance Certificate that appears at the end of this Code. Violations of the law, our corporate policies or this Code may lead to disciplinary action, including dismissal in addition to any sanctions resulting from breach of the law.

This Code provides guidance to you on your ethical and legal responsibilities. We expect all directors, officers and employees worldwide to comply with the Code, and NOVAGOLD is committed to taking prompt and consistent action against violations of the Code. Violation of the standards outlined in the Code may be grounds for disciplinary action up to and including termination of employment or other business relationships. Employees, officers and directors who are aware of suspected misconduct, illegal activities, fraud, abuse of NOVAGOLD’s assets or violations of the standards outlined in the Code are responsible for reporting such matters.

I. We Insist on Honest and Ethical Conduct By All of Our Directors, Officers, Employees and Other Representatives

We place the highest value on the integrity of our directors, our officers and our employees and demand this level of integrity in all our dealings. We insist on not only ethical

dealings with others, but on the ethical handling of actual or potential conflicts of interest between personal and professional relationships.

Under NOVAGOLD's ethical standards, directors, officers and employees share certain responsibilities. It is your responsibility to (a) become familiar with, and conduct NOVAGOLD's business in compliance with, applicable laws, rules and regulations and this Code; (b) treat all NOVAGOLD employees, customers and business partners in an honest and fair manner; (c) avoid situations where your personal interests are, or appear to be, in conflict with NOVAGOLD's interests; and (d) safeguard and properly use NOVAGOLD's proprietary and confidential information, assets and resources, as well as those of NOVAGOLD's customers and business partners.

A) Honest and Ethical Conduct

Directors, officers and employees are required to deal honestly and ethically with our business partners, competitors and other third parties. In our dealings with these parties, we:

- prohibit the making or offering of bribes, kickbacks or any other form of improper payment, directly or indirectly, to any representative of a government, business partner or other third party in order to obtain a contract, some other commercial benefit or government action;
- prohibit our directors, officers and employees from accepting any bribe, kickback or improper payment from anyone;
- prohibit gifts or favors of more than nominal value to or from our business partners;
- limit marketing and entertainment expenditures to those that are reasonable, necessary, prudent, job-related and consistent with our policies;
- require clear and precise communication in our contracts, our advertising, our literature and other public statements and seek to eliminate misstatement of fact or misleading impressions;
- protect all proprietary data provided to us by third parties as reflected in our agreements with them; and
- prohibit our representatives from otherwise taking improper advantage of our business partners or other third parties through inaccurate billing, manipulation, concealment, abuse of privileged information or any other improper practice.

B) Conflicts of Interest; Corporate Opportunities

Our directors, officers and employees should not be involved in any activity that creates or gives the appearance of a conflict of interest. A conflict of interest occurs when a director, officer or employee places or finds himself/herself in a position where his/her private interests conflict with the interests of NOVAGOLD or have an adverse effect on the employee's

motivation or the proper performance of their job. Employees must notify the Company Ethics Officer and officers and directors must notify the Chair of the Corporate Governance & Nominations Committee of the existence of any actual or potential conflict of interest.

No director, officer or employee shall:

- be a consultant to, or a director, officer or employee of, accept personal payment from or otherwise operate an outside business that:
 - competes with NOVAGOLD;
 - supplies products or services to NOVAGOLD; or
 - purchases products or services from NOVAGOLD;
- have any financial interest, including significant stock ownership, which means 10% or more of the common stock, in any entity with which NOVAGOLD does business that might create or give the appearance of a conflict of interest;
- seek or accept any personal loan or services from any entity with which NOVAGOLD does business, except from financial institutions or service providers offering similar loans or services to third parties under similar terms in the ordinary course of their respective businesses;
- be a consultant to, or a director, officer or employee of, or otherwise operate an outside business, if the demands of the outside business would interfere with the director's, officer's or employee's responsibilities to NOVAGOLD (if in doubt, consult the Company Ethics Officer or the Chair of the Corporate Governance & Nominations Committee);
- compete with NOVAGOLD for the purchase or sale of property, services or other interests or take personal advantage of an opportunity in which NOVAGOLD has an interest;
- accept any personal loan or guarantee of obligations from NOVAGOLD, except to the extent such arrangements are legally permissible; or
- conduct business on behalf of NOVAGOLD with immediate family, which includes spouses, children, parents, siblings and persons sharing the same home, whether or not legal relatives.

Should an employee want to conduct work for another mining company, the employee must advise the Company Ethics Officer and receive the permission of the Company Ethics Officer prior to starting work with the other mining company. Should a director or officer want to conduct work for another mining company, the director or officer must advise the Board of Directors and receive permission from the Board of Directors prior to starting work with the other mining company. Should a potential conflict of interest be triggered in either of these situations, the director, officer or employee will not engage in such work.

C) Confidentiality and Corporate Assets

Our directors, officers and employees are entrusted with confidential information and with the confidential information of our business partners. This information may include (1) technical or scientific information about current and future projects, (2) business or marketing plans or projections, (3) earnings and other internal financial data, (4) personnel information, (5) supply and customer lists, (6) other non-public information that, if disclosed, might be of use to our competitors or harmful to our business partners and (7) all business affairs of NOVAGOLD that have not already been made available to the public. This information is our property, or the property of our business partners, and in many cases was developed at great expense. Our directors, officers and employees shall:

- not discuss confidential information with or in the presence of any unauthorized persons, including family members and friends;
- use confidential information only for legitimate business purposes and not for personal gain;
- not disclose confidential information to third parties; and
- not use NOVAGOLD property or resources for any personal benefit or the personal benefit of anyone else. NOVAGOLD property includes NOVAGOLD internet, email and voicemail services, which should be used for business-related activities, and which may be monitored by NOVAGOLD at any time without notice.

D) Health and Safety

NOVAGOLD is committed to making the work environment safe, secure and healthy for its employees and others. NOVAGOLD complies with all applicable laws and regulations relating to safety and health in the workplace. We expect each employee to promote a positive working environment for all. You are expected to consult and comply with all NOVAGOLD rules regarding workplace conduct and safety. You should immediately report any unsafe or hazardous conditions or materials, injuries, and accidents connected with our business and any activity that compromises NOVAGOLD's security to your supervisor. You must not work under the influence of any substances that would impair the safety of others. All threats or acts of physical violence or intimidation are prohibited.

E) Respect for our Employees

NOVAGOLD's employment decisions will be based on reasons related to our business, such as job performance, individual skills and talents, and other business-related factors. NOVAGOLD's policy requires adherence to all national, provincial or other local employment laws. In addition to any other requirements of applicable laws in a particular jurisdiction, the policy prohibits discrimination in any aspect of employment based on race, color, religion, sex, national origin, disability or age, within the meaning of applicable laws.

F) Abusive or Harassing Conduct Prohibited

NOVAGOLD prohibits abusive or harassing conduct by our employees and officers toward others, such as unwelcome sexual advances, comments based on ethnicity, religion or race, or other non-business, personal comments or conduct that make others uncomfortable in their employment with us. We encourage and expect you to report harassment or other inappropriate conduct as soon as it occurs.

II. We Provide Full, Accurate, Timely and Understandable Disclosure

We are committed to providing our shareholders and investors with full, fair, accurate, timely and understandable disclosure in the reports that we file with the United States Securities and Exchange Commission and with the Canadian provincial securities regulators. To this end, where the individual is involved in these activities, our directors, officers and employees shall:

- not make false or misleading entries in our books and records for any reason;
- not condone any undisclosed or unrecorded bank accounts or assets established for any purpose;
- comply with generally accepted accounting principles or International Financial Reporting Standards, as applicable, at all times;
- notify our Chief Financial Officer if there is an unreported transaction or information that is misleading or inaccurate in our public disclosure;
- maintain a system of internal accounting controls that will provide reasonable assurances to management that all transactions are properly recorded;
- maintain books and records that accurately reflect our transactions;
- prohibit the establishment of any undisclosed or unrecorded funds or assets;
- maintain a system of internal controls that will provide reasonable assurances to our management that material information about NOVAGOLD is made known to management, particularly during the periods in which our periodic reports are being prepared and that public disclosure with respect to financial and non-financial information is reported timely and accurately;
- present information in a clear and orderly manner and avoid the use of unnecessary legal and financial language in our periodic reports; and
- not communicate to the public any nonpublic information unless expressly authorized to do so.

III. We Comply With all Laws, Rules and Regulations

We comply with all laws and governmental regulations that are applicable to our activities, including the rules promulgated by any stock exchange on which securities of

NOVAGOLD are listed, and expect all our directors, officers and employees to obey the law. Specifically, we are committed to:

- maintaining a safe and healthy work environment;
- promoting a workplace that is free from discrimination or harassment based on race, color, religion, sex, age, national origin, disability or other prohibited grounds under applicable human rights law;
- supporting fair competition and laws prohibiting restraints of trade and other unfair trade practices;
- conducting our activities in full compliance with all applicable environmental laws;
- keeping the political activities of our directors, officers and employees separate from our business;
- prohibiting any illegal payments, gifts or gratuities to any government officials or political party;
- prohibiting the unauthorized use, reproduction or distribution of any third party's trade secrets, copyrighted information or confidential information;
- prohibiting the sale or export, either directly or through our representatives, of our products to countries where technology-related goods such as ours may not be sold; and
- complying with all applicable securities laws.

Our directors, officers and employees are prohibited from trading our securities while in possession of material nonpublic ("inside") information about NOVAGOLD.

NOVAGOLD encourages all employees to become shareholders on a long-term investment basis. However, management, employees, members of the Board of Directors and others who are in a "special relationship" with NOVAGOLD from time to time, may become aware of corporate developments or plans which may affect the value of NOVAGOLD's shares (inside information) before these developments or plans are made public. Black Out periods occur from time to time and during these Black Out periods, impacted NOVAGOLD employees, officers and directors are prohibited from buying or selling NOVAGOLD's securities. You will be notified of these Black Out periods by NOVAGOLD's General Counsel if you are impacted. In order to avoid civil and criminal insider trading violations, NOVAGOLD has established an Insider Trading Policy. As a prerequisite and condition of employment, all employees and officers must sign an acknowledgment by which they agree to adhere to this policy.

REPORTING AND EFFECT OF VIOLATIONS

Compliance with this Code is, first and foremost, the individual responsibility of every director, officer and employee. We attempt to foster a work environment in which ethical issues and concerns may be raised and discussed with supervisors or with others without the fear of retribution. It is our responsibility to provide a system of reporting and access when you wish to report a suspected violation, or to seek counseling, and the normal chain of command cannot, for whatever reason, be used.

I. Administration

Our Board of Directors has established the standards of business conduct contained in this Code and the Board of Directors and Corporate Governance & Nominations Committee oversee compliance with this Code. Additionally, we have appointed the Company's Vice President and CFO to serve as the Company Ethics Officer to ensure adherence to the Code. While serving in this capacity, the Company Ethics Officer reports to the Board of Directors.

Training on this Code will be included in the orientation of new employees and provided to existing directors, officers and employees on an ongoing basis. To ensure familiarity with this Code, all new directors, officers and employees will be asked to read this Code and sign a Compliance Certificate when joining NOVAGOLD. Employees in key Senior Management, Human Resource, Information Technology and Finance roles will be required to sign this Code on an annual basis.

II. Reporting Violations and Questions

Directors, officers and employees must report, in person or in writing, any known or suspected violations of laws, governmental regulations or this Code to either the Company Ethics Officer or the Chair of the Corporate Governance & Nominations Committee as soon as practicable upon becoming aware of the known or suspected violation. Additionally, directors, officers and employees may contact the Company Ethics Officer or the Chair of the Corporate Governance & Nominations Committee with a question or concern about this Code or a business practice. Any questions or violation reports will be addressed immediately and seriously, and can be made anonymously. If you feel uncomfortable reporting suspected violations to these individuals, you may report matters (i) by calling NOVAGOLD's toll-free whistleblower hotline at 866-286-7018, (ii) by going online at www.openboard.info/ng or (iii) to NOVAGOLD's Outside Counsel. The address and telephone numbers of Outside Counsel are listed in the attachment to this Code.

We will not allow any retaliation against a director, officer or employee who acts in good faith in reporting any violation.

III. Investigations

Our Company Ethics Officer will investigate any reported violations and will determine an appropriate response, including corrective action and preventative measures, in consultation with the Chair of the Corporate Governance & Nominations Committee or the Chief Executive Officer, when required. All reports will be treated confidentially to every extent possible.

IV. Consequences of a Violation

Directors, officers and employees that violate any laws, governmental regulations or this Code will face appropriate, case-specific disciplinary action, which may include reprimand, suspension without pay, demotion or immediate discharge.

V. Waivers and Amendments

Only the Board of Directors may waive application of or amend any provision of this Code. A request for such a waiver should be submitted in writing to the Board of Directors, Attention: Chair of the Corporate Governance & Nominations Committee, for its consideration. NOVAGOLD will promptly disclose all substantive amendments to the Code, as well as all waivers of the Code granted to directors or officers in accordance with applicable laws and regulations.

Names and Addresses

Reporting Contacts

Company Ethics Officer

Name: David Ottewell
Address: 201 South Main, Suite 400
Salt Lake City, Utah 84111
USA
Phone: (801) 639-0516
E-mail: david.ottewell@novagold.com

Chair of our Corporate Governance &
Nominations Committee

Name: Dawn Whittaker
Address: 201 South Main, Suite 400
Salt Lake City, Utah 84111
USA
Phone: (801) 639-0511
E-mail: dawnpwhittaker@outlook.com

Additional Reporting Contacts

Outside Counsel in Canada

Blakes, Cassels & Graydon LLP
Attn: Trisha Robertson
Address: Suite 3500 – 1133 Melville Street
Vancouver, British Columbia
V6E 4E5
Phone: (604) 631-3330
E-mail: trisha.robertson@blakes.com

Outside Counsel in the United States

Dorsey & Whitney LLP
Attn: Kimberley Anderson
Address: 701 Fifth Avenue, Suite 6100
Seattle, Washington
USA 98104
Phone: (206) 903-8803
E-mail: Anderson.kimberley@dorsey.com