

## Reserves and Resources

Galore Creek *	Tonnage (100%)	Grade (100%)	Metal (100%)	NOVAGOLD Share (50%)
<b>COPPER</b>	<b>Mt</b>	<b>% Cu</b>	<b>Mlb Cu</b>	<b>Mlb Cu</b>
<b>Reserves<sup>1</sup></b>				
Proven	69.0	0.61	921	460
Probable	459.1	0.58	5,892	2,946
P&P	528.0	0.59	6,813	3,406
<b>Resources<sup>2</sup>, inclusive of Reserves</b>				
Measured	108.4	0.48	1,146	573
Indicated	706.3	0.50	7,786	3,893
M&I	814.7	0.50	8,932	4,466
Inferred	346.6	0.42	3,226	1,613
<b>GOLD</b>	<b>Mt</b>	<b>g/t Au</b>	<b>koz Au</b>	<b>koz Au</b>
<b>Reserves<sup>1</sup></b>				
Proven	69.0	0.52	1,154	577
Probable	459.1	0.29	4,298	2,149
P&P	528.0	0.32	5,452	2,726
<b>Resources<sup>2</sup>, inclusive of Reserves</b>				
Measured	108.4	0.48	1,656	828
Indicated	706.3	0.28	6,366	3,183
M&I	814.7	0.31	8,022	4,011
Inferred	346.6	0.24	2,697	1,348
<b>SILVER</b>	<b>Mt</b>	<b>g/t Ag</b>	<b>Moz Ag</b>	<b>Moz Ag</b>
<b>Reserves<sup>1</sup></b>				
Proven	69.0	4.94	11.0	5.5
Probable	459.1	6.18	91.2	45.6
P&P	528.0	6.02	102.1	51.1
<b>Resources<sup>2</sup>, inclusive of Reserves</b>				
Measured	108.4	4.10	14.3	7.1
Indicated	706.3	5.38	122.1	61.0
M&I	814.7	5.21	136.4	68.2
Inferred	346.6	4.28	47.7	23.9

\* Mineral reserves and resources are reported on 100% and 50% bases for each project. NOVAGOLD and Teck each own 50% of the Galore Creek project.

**t** = metric tonne  
**oz** = ounce  
**lb** = pound  
**k** = thousand  
**M** = million  
**g/t** = grams/tonne

Approximate cut-off grades  
 (see Reserves and Resources Footnotes):

**Galore Creek**  
 Reserves<sup>1</sup>: C\$10.08 /t NSR  
 Resources<sup>2</sup>: C\$10.08 /t NSR

Notes:

- These reserve and resource estimates have been prepared in accordance with NI43-101 and the CIM Definition Standard, unless otherwise noted.
- See numbered footnotes below on resource information.
- Rounding and significant figures may result in apparent summation differences between tonnes, grade and contained metal.
- Tonnage and grade measurements are in metric units. Contained gold and silver ounces are reported as troy ounces, contained copper pounds as imperial pounds.

## Reserves and Resources Footnotes::

- Mineral Reserves are contained within Measured and Indicated pit designs using metal prices for copper, gold and silver of US\$2.50/lb, US\$1,050/oz, and US\$16.85/oz, respectively. Appropriate mining costs, processing costs, metal recoveries and inter ramp pit slope angles varying from 42° to 55° were used to generate the pit phase designs. Mineral Reserves have been calculated using a 'cashflow grade' (\$NSR/SAG mill hr) cut-off which was varied from year to year to optimize NPV. The net smelter return (NSR) was calculated as follows: NSR = Recoverable Revenue – TCRC (on a per tonne basis), where: NSR = Net Smelter Return; TCRC = Transportation and Refining Costs; Recoverable Revenue = Revenue in Canadian dollars for recoverable copper, recoverable gold, and recoverable silver using metal prices of US\$2.50/lb, US\$1,050/oz, and US\$16.85/oz for copper, gold, and silver, respectively, at an exchange rate of CDN\$1.1 to US\$1.0; Cu Recovery = Recovery for copper based on mineral zone and total copper grade; for Mineral Reserves this NSR calculation includes mining dilution. SAG throughputs were modeled by correlation with alteration types. Cash flow grades were calculated as the product of NSR value in \$/t and throughput in t/hr. The life of mine strip ratio is 2.16.
- Mineral Resources are contained within a conceptual Measured, Indicated and Inferred optimized pit shell using the same economic and technical parameters as used for Mineral Reserves. Tonnages are assigned based on proportion of the block below topography. The overburden/bedrock boundary has been assigned on a whole block basis. Commodity prices used to constrain the Mineral Resources are US\$2.50/lb copper, US\$1,050/oz gold, and US\$16.85/oz silver. Mineral resources have been estimated using a constant NSR cut-off of C\$10.08/t milled. The Net Smelter Return (NSR) was calculated as follows: NSR = Recoverable Revenue – TCRC (on a per tonne basis), where: NSR = Diluted Net Smelter Return; TCRC = Transportation and Refining Costs; Recoverable Revenue = Revenue in Canadian dollars for recoverable copper, recoverable gold, and recoverable silver using the economic and technical parameters mentioned above. The mineral resource includes material within the conceptual M,I&I pit that is not scheduled for processing in the mine plan but is above cut-off. Mineral Resources are inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Inferred Resources are in addition to Measured and Indicated Resources. Inferred Resources have a great amount of uncertainty as to their existence and whether they can be mined legally or economically. It cannot be assumed that all or any part of the Inferred Resources will ever be upgraded to a higher category. See following "Cautionary Note Concerning Reserve & Resource Estimates".

## Cautionary Note Concerning Reserve & Resource Estimates

This summary table uses the term "resources", "measured resources", "indicated resources" and "inferred resources". United States investors are advised that, while such terms are recognized and required by Canadian securities laws, the United States Securities and Exchange Commission (the "SEC") does not recognize them. Under United States standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Investors are cautioned not to assume that all or any part of measured or indicated resources will ever be converted into reserves. Further, inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to "indicated resource", "measured resource", or "mineral reserve" status. Therefore, investors are also cautioned not to assume that all or any part of the inferred resources exist, or that they can be mined legally or economically. Disclosure of "contained ounces" is permitted disclosure under Canadian regulations, however, the SEC normally only permits issuers to report "resources" as in place tonnage and grade without reference to unit measures. Accordingly, information concerning descriptions of mineralization and resources contained in this release may not be comparable to information made public by United States companies subject to the reporting and disclosure requirements of the SEC.

NI 43-101 is a rule developed by the Canadian Securities Administrators, which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all resource estimates contained in this circular have been prepared in accordance with NI 43-101 and the CIM Definition Standards (2010).

## Technical Reports and Qualified Persons

The documents referenced below provide supporting technical information for each of NOVAGOLD's projects.

Project	Qualified Person(s)	Most Recent Disclosures & Filing Date
Galore Creek	Jay Melnyk, P.Eng., AMEC Greg Kulla, P.Geo., AMEC	"Galore Creek Copper-Gold Project NI 43-101 Technical Report on Pre-Feasibility Study, British Columbia – Canada" effective July 27, 2011.

Clifford Krall, P.E., who is the Mine Engineering Manager for NOVAGOLD and a "qualified person" under NI 43-101, has approved the scientific and technical information included in this Reserve and Resource Table.

## Reserve/Resource Definitions<sup>(1)</sup>

A **Mineral Resource** is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

An **Inferred Resource** is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An **Indicated Resource** is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

A **Measured Resource** is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

A **Mineral Reserve** is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

A **Probable Reserve** is the economically mineable part of an Indicated and, in some circumstances, a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

A **Proven Reserve** is the economically mineable part of a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.

1) Definitions as per the "CIM Definition Standards – For Mineral Resources and Mineral Reserves", adopted by CIM Council on November 27, 2010.