

POLICY ON GRANTING EQUITY AWARDS

A. Introduction

The Board of Directors of NOVAGOLD RESOURCES INC. (the "Company") recognizes the importance of adhering to specific practices and procedures in the granting of equity awards. This policy shall apply to all grants of equity awards by the Company, but for purposes of clarity, does not apply to the settlement of equity awards. Equity awards are any compensatory award under the Company's equity compensation plans in the form of common stock or any derivative of common stock, including stock options, stock appreciation rights, dividend equivalents, restricted stock, restricted stock units or performance shares. For clarity, this policy does not apply to regular grants of deferred share units made as compensation for any portion of a non-executive director's annual retainer pursuant to the Company's 2009 Deferred Share Unit Plan, nor does it apply to the Company's contribution to purchases of common stock pursuant to an employee's participation in the Company's Employee Stock Purchase Plan. This policy does not modify the requirements of any equity compensation plans and all equity awards shall only be made in accordance with the terms of the applicable equity compensation plan.

B. Authority to Grant Awards

Unless otherwise determined by the Board of Directors, the Compensation Committee shall review and recommend the equity award grants to the Board of Directors for their approval.

C. Procedure for Granting Awards

The Company will make all equity award grants other than new hire grants once per year on or about December 1st. New hire grants may be made at any time other than: (i) during a "blackout period," as defined in the Company's insider trading policy, or (ii) at a time the Board of Directors is in possession of material, nonpublic information as defined under United States or Canadian securities laws.

The minutes of meetings at which grants of equity awards are made must include the names of the grantees, the number of options, units or shares (or a specific formula for determining such number) to be granted to each grantee, and the vesting terms. All grants will be made pursuant to a standard form of award agreement previously approved by the Compensation Committee unless the Compensation Committee or Board of Directors determines otherwise or unless an applicable employment or consulting agreement specifies otherwise.

D. Recording the Date and Price of Equity Awards

The grant date of any equity awards approved at a meeting of the Compensation Committee or the Board of Directors shall be the date of such meeting unless a later date is established, and in all cases in accordance with the terms of the Company's equity compensation plans. The exercise price (if applicable) for all equity awards will be set in accordance with the Company's equity compensation plans.

E. Error Correction Process

No additions or changes to the list of approved equity awards that was submitted to and approved by the Board of Directors may be made once such list has been approved. In the event that a list contains an omission, the correction will be made by including any omitted grant at the next regular meeting of the Board of Directors, or such earlier date if determined to be necessary or desirable by the Compensation Committee or Board of Directors. If an error or omission occurs, depending on the reason for the error or omission, a decision may be made to adjust the amount of the later grant or the vesting schedule to compensate for the delayed vesting or change in exercise price from the intended grant date to the actual grant date provided all modifications are properly documented and explained.

Adopted November 17, 2023