

# 121 Mining Investment Americas

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NOVAGOLD

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## REGARDING FORWARD-LOOKING STATEMENTS

This presentation includes certain “forward-looking information” and “forward-looking statements” (collectively “forward-looking statements”) within the meaning of applicable securities legislation, including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein, including, without limitation, statements regarding the permitting, potential development, exploration, construction and operation of Donlin Gold and statements relating to NOVAGOLD’s future operating and financial performance and production estimates are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as “expects”, “anticipates”, “believes”, “intends”, “estimates”, “potential”, “possible”, “poised”, and similar expressions, or statements that events, conditions, or results “will”, “may”, “could”, “would” or “should” occur or be achieved. These forward-looking statements may also include statements regarding the exploration potential of Donlin Gold; anticipated mine life; perceived merit of properties; anticipated permitting timeframes; exploration and drilling results and budgets; mineral reserve and resource estimates; work programs; capital expenditures; timelines; strategic plans; benefits of the project; market prices for precious metals, including the potential performance of the price of gold; whether the final \$75 million promissory note from the sale of Galore Creek will mature and be payable; potential shareholder returns; or other statements that are not statements of fact. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from NOVAGOLD’s expectations include the uncertainties involving unexpected cost increases, which could include significant increases in estimated capital and operating costs; the need for additional financing to explore and develop properties and availability of financing in the debt and capital markets; risks related to the outbreak of the coronavirus global pandemic (COVID-19); uncertainties involved in the interpretation of drilling results and geological tests and the estimation of reserves and resources; the need for continued cooperation with Barrick Gold Corporation for the continued exploration and development of the Donlin Gold property; the need for cooperation of government agencies and native groups in the development and operation of properties; risks of construction and mining projects such as accidents, equipment breakdowns, bad weather, non-compliance with environmental and permit requirements; unanticipated variation in geological structures, ore grades or recovery rates; the need to obtain permits and governmental approvals; fluctuations in metal prices and currency exchange rates; whether a positive construction decision will be made regarding Donlin Gold or Galore Creek; and other risks and uncertainties disclosed in NOVAGOLD’s annual report filed on Form 10-K for the year-ended November 30, 2019, and subsequently in NOVAGOLD’s quarterly reports filed on Form 10-Q, with the United States Securities and Exchange Commission, Canadian securities regulators, and in other NOVAGOLD reports and documents filed with applicable securities regulatory authorities from time to time. Copies of these filings may be obtained at no charge by visiting our Investor Relations website at [www.novagold.com](http://www.novagold.com) or the SEC’s website at [www.sec.gov](http://www.sec.gov) or at [www.sedar.com](http://www.sedar.com). NOVAGOLD’s forward-looking statements reflect the beliefs, opinions and projections of management on the date the statements are made. NOVAGOLD assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

Forward-looking statements are based on a number of material assumptions, including but not limited to the following, which could prove to be significantly incorrect: our ability to achieve production at any of our mineral exploration and development properties; estimated capital costs, operating costs, production and economic returns; estimated metal pricing, metallurgy, mineability, marketability and operating and capital costs, together with other assumptions underlying our resource and reserve estimates; our expected ability to develop adequate infrastructure and that the cost of doing so will be reasonable; assumptions that all necessary permits and governmental approvals will be obtained and the timing of such approvals; assumptions made in the interpretation of drill results, the geology, grade and continuity of our mineral deposits; our expectations regarding demand for equipment, skilled labor and services needed for exploration and development of mineral properties; and that our activities will not be adversely disrupted or impeded by development, operating or regulatory risks.

## CAUTIONARY NOTE CONCERNING RESERVE & RESOURCE ESTIMATES

This presentation uses the terms “mineral resources”, “measured mineral resources”, “indicated mineral resources” and “inferred mineral 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”) Industry Guide 7 (“Industry Guide 7”) does not recognize them. Under Industry Guide 7, 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. United States investors are cautioned that they should not assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. Further, inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Disclosure of “contained ounces” is permitted disclosure under Canadian regulations, however, Industry Guide 7 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 mineral resources contained in this presentation may not be comparable to information made public by United States companies subject to Industry Guide 7 reporting and disclosure requirements. The Company has no reserves, as that term is defined under Industry Guide 7.

On October 31, 2018, the SEC adopted a final rule (“New Final Rule”) that will replace Industry Guide 7 with new disclosure requirements that are more closely aligned with current industry and global regulatory practices and standards, including NI 43-101. Companies must comply with the New Final Rule for the first fiscal year beginning on or after January 1, 2021, which for NOVAGOLD would be the fiscal year beginning December 1, 2021. While early voluntary compliance with the New Final Rule is permitted, NOVAGOLD has not elected to comply with the New Final Rule at this time.

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 presentation have been prepared in accordance with NI 43-101 and the CIM Definition Standards.

## Technical Reports and Qualified Persons

The documents referenced below provide supporting technical information for the Donlin Gold project.

Project	Qualified Person(s)	Most Recent Disclosure
Donlin Gold	Gordon Seibel R.M. SME Kirk Hanson P.E.	“Donlin Creek Gold Project Alaska, USA, NI 43-101 Technical Report on Second Updated Feasibility Study” prepared by AMEC, effective November 18, 2011, amended January 20, 2012 (the “Second Updated Feasibility Study”).

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 contained in this presentation.

## Securing the health and safety of NOVAGOLD and Donlin Gold employees, partners, and contractors

### Highlights of NOVAGOLD's Response at Offices and Donlin Gold Project Site

✓	Office employees asked to work from home, avoid all non-essential travel, adhere to good hygiene practices, and, if they must visit the office, engage in social distancing
✓	Screening all employees and contractors visiting the Donlin Gold project site prior to their departure for site and periodically during their stay. Should any individual exhibit any symptoms of illness, they will be evaluated and if needed, be isolated and evacuated
✓	Implementing more frequent sanitization practices
✓	Regularly conducting safety meetings designed to address sound hygiene and sanitization practices
✓	Requesting all employees to monitor their health and consult health professionals if feeling any symptoms of illness

**As a precautionary measure, and to align with the State of Alaska Department of Health and Social Services recommendations, travel restrictions and other COVID-19 measures in the region, the drill program was temporarily paused, and the site is in care and maintenance. Donlin Gold is currently evaluating re-opening the camp and continuing the 2020 drill program.**

# ▶ DONLIN GOLD: Strong Support for Responsible Mining & Development

## Mining is an important part of Alaska's economy with six producing mines

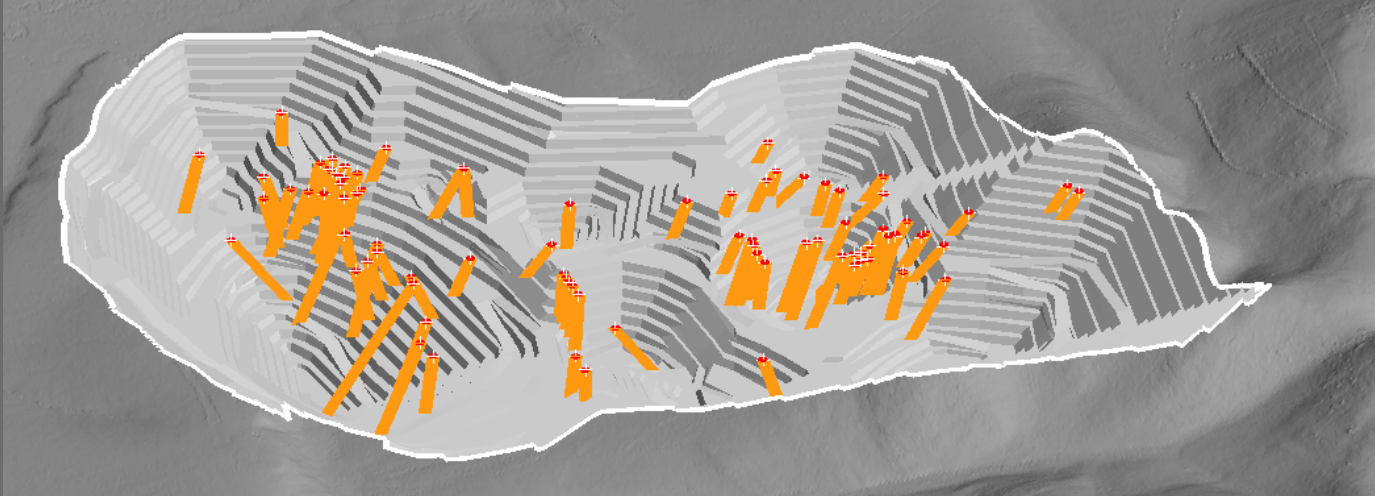
- 50/50 partnership with Barrick Gold
- Positioned to become one of the largest gold mines in the world
- Unique, large-scale open pit project with superior grade in an environment of declining gold reserves, production and average grades
- Key Federal and State permits are in place
- Alaska has a long mining history and respect for socially and environmentally responsible mine development



## Progressing the project in an efficient, responsible and cost-effective manner

With Key Federal Permits In-Hand, Donlin Gold Secured Additional Permits in the First Quarter	
✓	Mine and Transportation Facility Land Use Leases and Authorizations – <i>issued January 2, 2020</i>
✓	Easements for Mine Access Road and Fiber Optic Cable – <i>issued January 2, 2020</i>
✓	Pipeline Right-of-Way agreement & lease authorizations – <i>issued January 17, 2020 (State plans to reissue decision with enhanced record on cumulative effects)</i>
Advancing Technical Work	
	Drill program preparations and work began in February and continued through March, with 80 holes and 22,000 meters planned. The program was temporarily paused, and the site is in care and maintenance until travel restrictions and other COVID-19 measures in the region are eased. Donlin Gold is currently evaluating re-opening the camp and continuing the 2020 drill program.
	NOVAGOLD and Barrick continued to advance the multi-year site investigation program that commenced in mid-2019 as part of the project’s dam safety certification application
Ongoing External Affairs & Community Investment	
	Responding to urgent community needs during the COVID-19 pandemic and partnering with Calista Corporation and The Kuskokwim Corporation in ongoing community engagement in environmental management, safety, training, educational, health, and cultural initiatives

Preparations commenced in February for Donlin Gold's largest drill program in 12 years



- Three drill rigs mobilized by early March with a focus on early-life mining within ACMA and Lewis areas that have the potential to add value
- Validating the recent geologic and resource modeling concepts and testing for extensions of high-grade zones in both intrusive (igneous) and sedimentary rocks
- Planned 80 core holes / 22,000-meter drill program targeting average hole depth of 275 meters
- Program timeline is subject to change in response to the COVID-19 global health crisis
- Results from the drill program will be used by the owners to make a decision on next steps

### Continued active external affairs and community engagement during pandemic

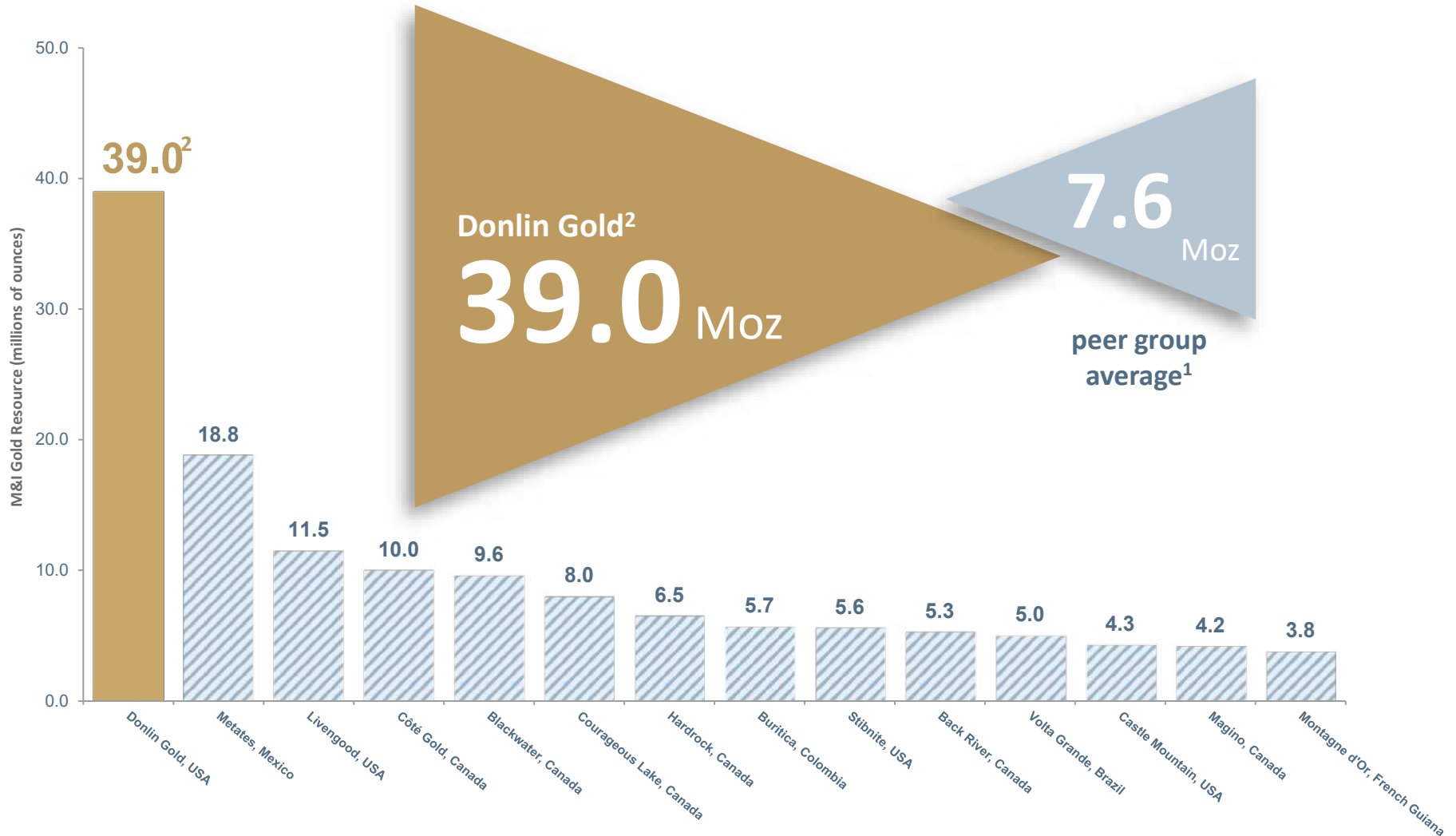
- Food deliveries to middle Kuskokwim villages commenced in mid-April. Donlin Gold partnered with The Kuskokwim Corporation and Tribal councils to coordinate and deliver food and supplies to communities now without regular air carrier service
- Donlin Gold has partnered with Aniak village that acts as a regional center to establish a food distribution center/food bank. Food and supplies are delivered by the tribe to residents homebound due to medical/health issues, quarantine requirements, or other reasons
- When we temporarily closed Donlin Gold project camp in early April, we donated thousands of pounds of food to food banks and homeless shelters
- Assembled and shipped 1,400 face mask making kits to 56 Y-K villages. Coordinated with Tribal administrators to identify community members to make the masks for Elders and COVID-susceptible people
- Working with Bethel Community Services Foundation on Bethel needs and potential partnerships



*Delivering food to Red Devil, AK, April 2020*

# ▶ DONLIN GOLD: Largest Gold Development Project in its Category<sup>1</sup>

A resource more than five times the size of the peer group average



1) Peer group data based on company documents, public filings and websites as of June 1, 2020. Comparison group of 13 projects based on large (2Moz P&P cut off), North/South American gold-focused development projects with >75% projected revenues from gold.

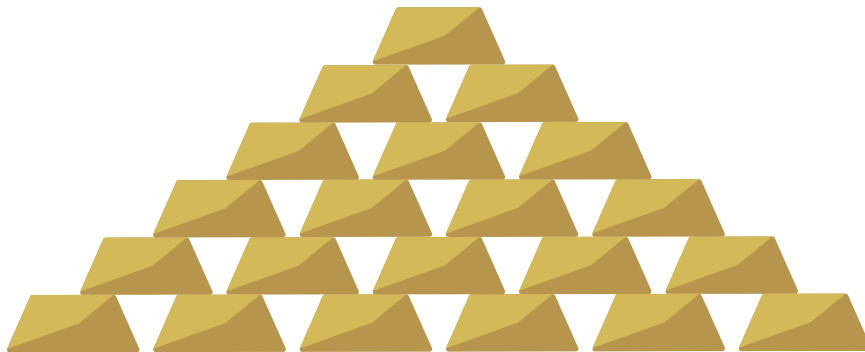
2) Represents 100% of measured and indicated mineral resources, inclusive of mineral reserves, of which NOVAGOLD's share is 50%. See "Cautionary Note Concerning Reserve and Resource Estimates" and "Mineral Reserves & Mineral Resources" table on slides 2 and 34.



# ► DONLIN GOLD: Double the Industry Average Grade<sup>1</sup>

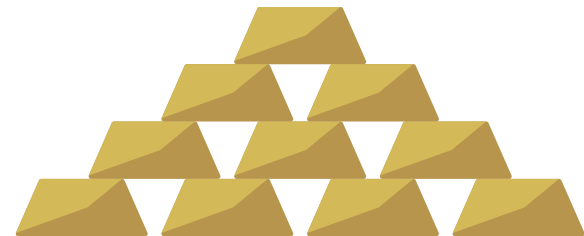
Among the world's highest-grade known open-pit gold deposits

2.24<sub>g/t</sub>



Donlin Gold average grade<sup>2</sup>

1.05<sub>g/t</sub>



World average grade<sup>1</sup>

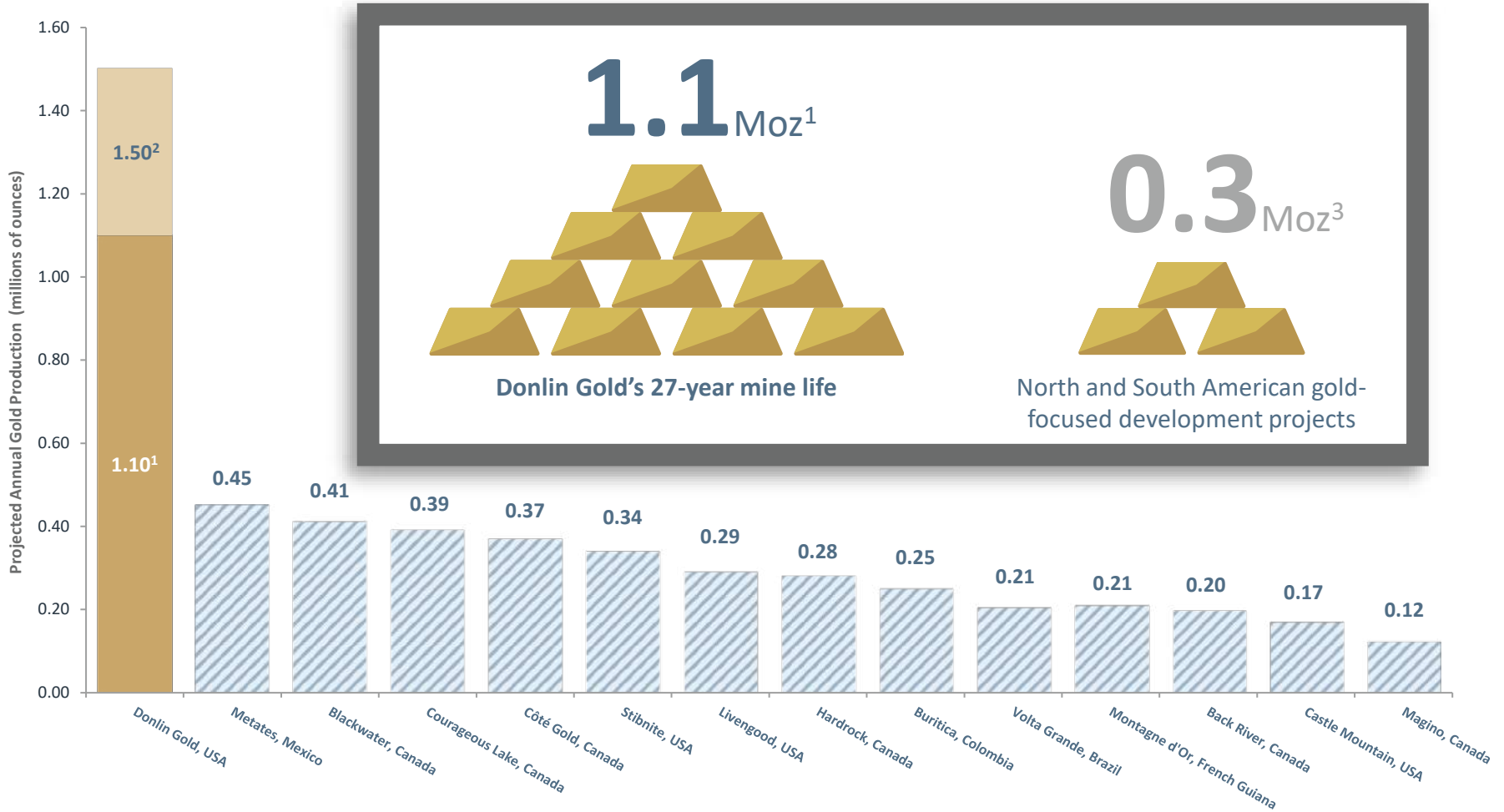
While industry average grades are declining, Donlin Gold's grade provides resilience through commodity price cycles

1) 2019 average grade of open-pit and underground deposits with gold as primary commodity and over 1Moz in measured and indicated resources, sourced from S&P Global Market Intelligence.

2) Represents average grade of measured and indicated mineral resources, inclusive of mineral reserves. See "Cautionary Note Concerning Reserve and Resource Estimates" and "Mineral Reserves & Mineral Resources" table on slides 2 and 34.

# ► DONLIN GOLD: Positioned to be One of the World's Largest Gold Mines

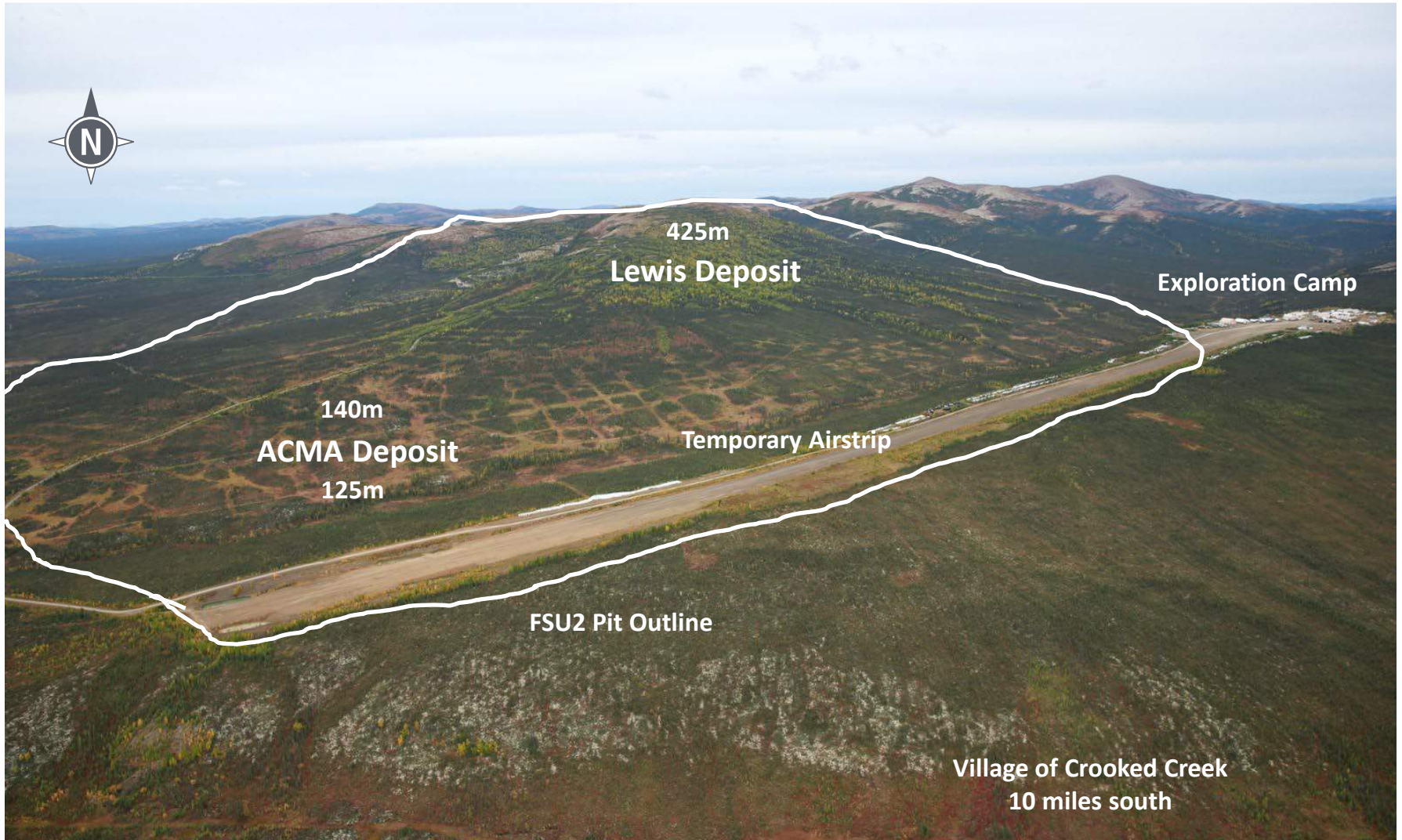
## Positioned to become a million-ounce gold producer<sup>1</sup>



1) Anticipated annual gold production during full life of mine if put into production as contemplated in the Second Updated Feasibility Study. See "Cautionary note concerning Reserve & Resource Estimates" and "Mineral Reserves & Mineral Resources" table on slides 2 and 34.  
 2) Anticipated annual gold production during first five full years of mine life if put into production as contemplated in the Second Updated Feasibility Study. See "Cautionary note concerning Reserve & Resource Estimates" and "Mineral Reserves & Mineral Resources" table on slides 2 and 34.  
 3) Average of comparison group data of 13 projects based on large (2Moz P&P cut off), North/South American gold-focused development projects with >75% projected revenues from gold, as per latest company documents, public filings and websites as of June 2020.

# ▶ DONLIN GOLD: Private Land Designated for Mining

Topography amenable to site development with year-round operations

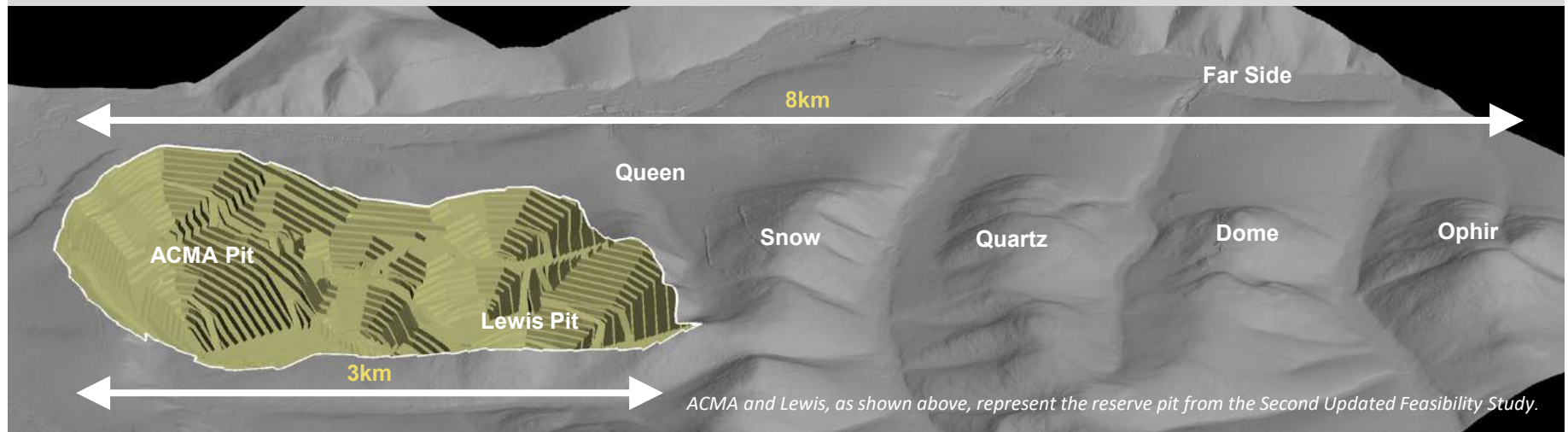


# ► DONLIN GOLD: Excellent Exploration Potential

## Substantial exploration upside potential along the 8 km-long mineralized trend

### The next big gold discovery could be at Donlin Gold

- From 2006 to 2011, M&I resources increased 135% (16.6Moz<sup>1</sup> to 39.0Moz<sup>2</sup>) through a well-executed exploration program, resulting in a gold resource defined with approx. 1,400 drill holes totaling more than 339,000 meters to date
- Reserves and resources are contained within just 3 km of an 8 km-long mineralized trend
- Inferred mineral resource: 6Moz of gold (92M tonnes grading 2.02 g/t Au) mainly inside the reserve pit<sup>3</sup>
- Future exploration potential exists to expand current resource along strike and at depth



1) Represents measured and indicated mineral resources previously reported by NOVAGOLD and supported by a past technical report, "Preliminary Assessment, Donlin Creek Gold Project, Alaska, USA", effective September 20, 2006. Represents 100% of measured and indicated mineral resources reported, of which NOVAGOLD's share was 70% in September 2006. Measured resources totaled 20 million tonnes grading 2.56 grams per tonne, and indicated resources totaled 196 million tonnes grading 2.39 grams per tonne. This estimate has been superseded by the estimate contained in the Second Updated Feasibility Study effective November 18, 2011 and amended January 20, 2012. For current mineral reserves and resources, refer to "Cautionary Note Concerning Reserve & Resource Estimates" and "Mineral Reserves & Mineral Resources" table on slides 2 and 34.

2) Represents 100% of measured and indicated mineral resources, inclusive of mineral reserves, of which NOVAGOLD's share is 50%. See "Cautionary Note Concerning Reserve and Resource Estimates" and "Mineral Reserves & Mineral Resources" table on slides 2 and 34.

3) Represents 100% of inferred mineral resources, of which NOVAGOLD's share is 50%. See "Cautionary Note Concerning Reserve and Resource Estimates" and "Mineral Reserves & Mineral Resources" table on slides 2 and 34. Inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically.

### The Donlin Gold project location was specifically selected for its resource development potential

- The Alaska Native Claims Settlement Act<sup>1</sup> (ANCSA) of 1971 resolved Alaska Native land claims, allotting 44 million acres for land use to Native Corporations
  - **Benefits include resource revenue sharing under ANCSA Sections 7(i) and 7(j) distributions dividing the revenues earned from resource extraction between regional Native Corporations and between regional and village Native Corporations**
  - Other benefits include shareholder employment opportunities, scholarships, and preferential contract considerations
- **Land valuable for resource potential was selected by regional Corporations under ANCSA and resource development companies were invited by the Native Corporations to explore the land**
- **Donlin Gold has Life-of-Mine agreements with Calista and TKC**
  - Calista Corporation – owns the subsurface mineral rights for the Donlin Gold project
  - The Kuskokwim Corporation – controls surface land for the Donlin Gold project



CALISTA CORPORATION

Calista Corporation and The Kuskokwim Corporation are the two Native Corporations with an owner's interest in the development of the selected lands to support the economic prosperity of their shareholders





A healthy treasury to advance Donlin Gold to the next stage of development

TREASURY

**\$141<sub>M</sub>**

cash and term deposit  
balance on February 29, 2020

PLANNED SPENDING

**\$31<sub>M</sub>**

anticipated 2020 expenditures  
disclosed on January 22, 2020<sup>2</sup>

GALORE CREEK PROCEEDS <sup>1</sup>

**\$75<sub>M</sub>**

in 2021

**\$25<sub>M</sub>**

in 2023

**\$75<sub>M</sub>**

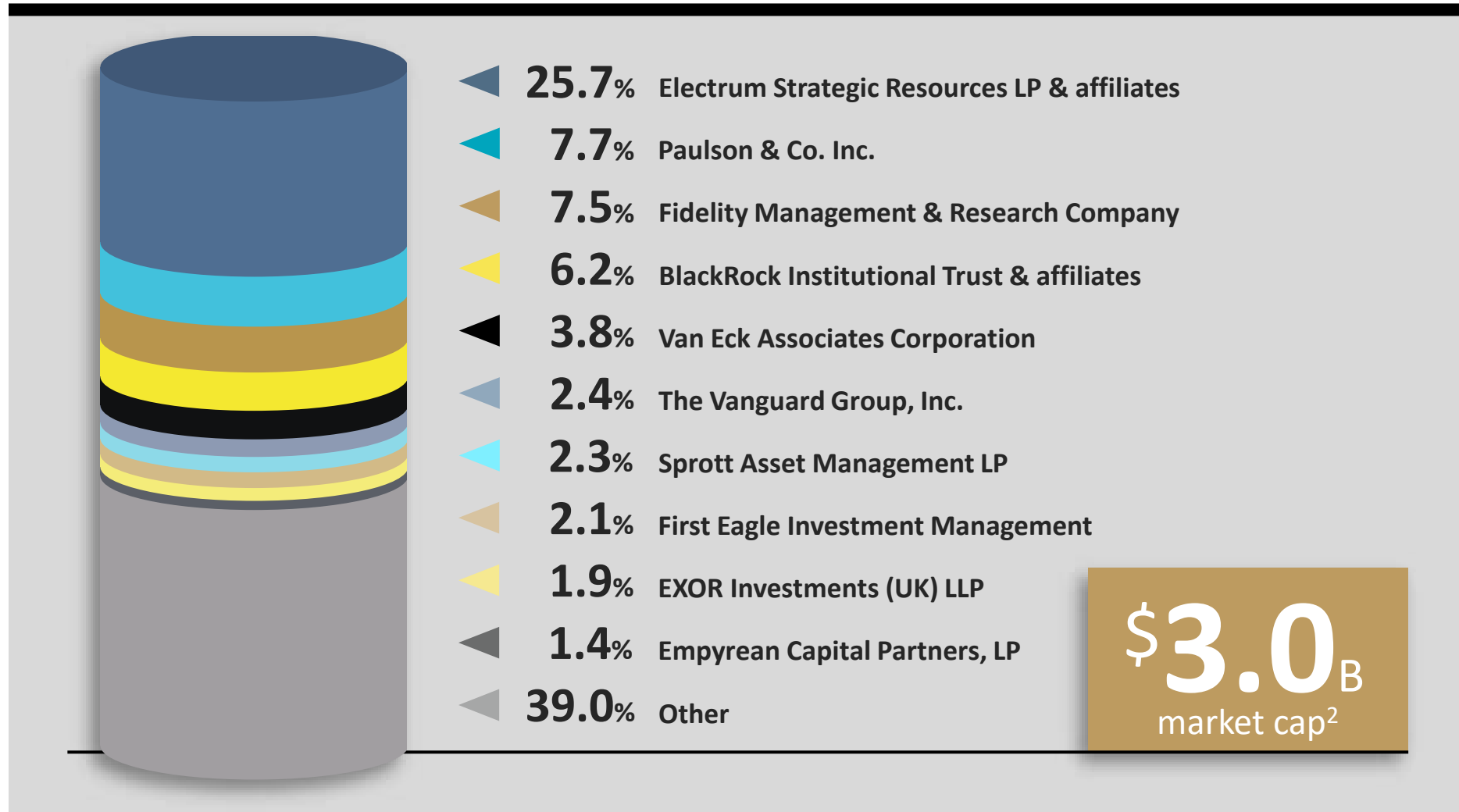
upon construction approval

1) Formerly 50%-owned by NOVAGOLD. Deferred compensation on sale of Galore Creek includes \$100M; \$75M on earlier of Pre-Feasibility Study or July 27, 2021 and \$25M on earlier of Feasibility Study or July 27, 2023.

2) Budget includes \$20M to Donlin Gold and \$11M G&A.

## ► NOVAGOLD: Strong Institutional Shareholder Support

61% of shares issued & outstanding held by 10 largest shareholders<sup>1</sup>



1) Shareholder positions are based on the latest 13-D, 13-F or 13-G filings and Nasdaq Research as of March 31, 2020.

2) Market Capitalization based on 328.7 million shares issued and outstanding and NOVAGOLD share price of \$9.03 as of June 1, 2020.



# Redefining A Tier-One Asset.

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**At some point, you're bound to run out of superlatives:** exceptional reserve size and production capability, a grade that's twice the industry average, significant exploration upside, extraordinary leverage to a higher gold price, a location in a favorable jurisdiction, and strong Alaska Native Corporation and community partnerships. **But it does, in fact, get even better. ►**

NOVAGOLD

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**Dr. Thomas Kaplan,  
Chairman**

JP Morgan:

Those who see in the major currencies just different shades of the same long-term liabilities should simply remain long the world's legacy reserve currency –  
**gold.**

“JP Morgan Sees Currency Debasement Payback Risk from Stimulus”

*Bloomberg, May 21, 2020*

# ► GOLD: Bullish Conviction is no Longer a Rarity with Leading Investors



"Gold is a currency. We have dollars, we have euros, we have yen and we have gold. If you don't have [10% of your assets in] gold, there is no sensible reason other than that you don't know history or you don't know the economics of it."

**Ray Dalio, Bridgewater Associates, May 2015**

"If the above things [North Korea, U.S. Debt ceiling] go badly, it would seem that gold (more than other safe-haven assets like the dollar, yen and treasuries) would benefit, so if you don't have 5%-10% of your assets in gold as a hedge, we'd suggest you relook at this. Don't let traditional biases, rather than an excellent analysis, stand in the way of you doing this."

**Ray Dalio, Bridgewater Associates, August 2017**



"I spoke about how physical gold is far better than "paper gold" for the opposite but related reason that tanked May WTI today. What if the "paper gold" vehicles wanted to take delivery of their futures and the counter party couldn't deliver?"

**Jeffrey Gundlach, Founder, DoubleLine Capital, April 20, 2020**

Based on classic chart reading, Gundlach said an "explosive, potential energy" of a huge "head-and-shoulders bottom" base was signaling a move of \$1,000 in gold prices. "It's getting almost exciting...something big is happening."

**Jeffrey Gundlach, Founder, DoubleLine Capital, April 2018**



"My favorite trade in the next 12 to 24 months is gold."... "If the price can break through \$1,400 it will push to \$1,700 an ounce rather quickly."... "We've had 75 years of expanding globalization and trade... and now all of a sudden it's stopped. That would make one think that it's possible we go into a recession; it would make one think that rates in the United States go back down to the zero bound level; gold in that situation is going to scream. [Gold] will be the antidote for people with equity portfolios."

**Paul Tudor Jones, Tudor Investment Corp., June 2019**



"[Higher inflation and U.S. budget and trade deficits ballooning] could happen quickly or it could happen a decade from now but it's definitely in the range of possibilities. And when you look at the geopolitical strife, how many foreign entities really want to hold dollars? And what are they going to hold? Gold stands out."

**Greg Jensen, Bridgewater Associates, January 2020**



"Central banks are continuing their greatest experiment in monetary policy in the history of the world... nearly all classes of investment have been boosted by the rising monetary tide. Meanwhile, growth remains anemic, with weak demand and deflation in many parts of the developed world... we saw interesting opportunities in other currencies as well as gold, the latter reflecting our concerns about monetary policy and every declining real yields..."

**Jacob Rothschild, RIT Capital Partners, August 2016**



"This is a perfect environment for gold to take center stage," Singer wrote, as spot gold traded at about \$1,741 an ounce. Fair value for the metal, the fund believes "is literally multiples of its current price."

**Paul Singer, Elliot Management, April 16, 2020**

"We have thought, and still think, that confidence in central banks and policymakers has been unjustified and thus could erode or collapse at any time.... Investors should come to grips, intellectually and viscerally, with the likelihood that most financial and monetary policymakers' knowledge of the world is somewhere between 'close to nothing' and 'way less than zero.'"

**Paul Singer, Elliot Management, August 2017**



"...there is a good case to be made that a shift in emerging markets towards accumulating gold would help the international financial system function more smoothly and benefit everyone"

**Kenneth Rogoff, Professor of Economics and Public Policy at Harvard University, Former Chief Economist of the IMF, May 2016**

# ► GOLD: Both a Diversifier and a Hedge for this Economic Cycle

“Gold’s long-term prospect is up, up and up, and the reason why I say that is money supply is up, up and up,” Mobius, who set-up Mobius Capital Partners LLP last year after three decades at Franklin Templeton Investments, told Bloomberg TV. He added: “I think you have to be buying at any level, frankly.”

**Mark Mobius, Mobius Capital Partners LLP, August 2019**



“It’s very hard to imagine that we are going to get out of this without inflationary or deflationary consequences, which opens risks and opportunities for the absolute and real price of gold going forward.”

**Matthew McLennan, First Eagle Gold Fund, Barron’s, March 26, 2020**



“For the first time in my life, I bought gold because it is a good hedge...Supply is shrinking and that is going to have a positive impact on the price....The amount of capital being put into new gold mines is almost nonexistent.”

**Sam Zell, Founder of Equity Group Investments, Bloomberg TV interview, January 18, 2019**



“We have long argued that gold is the currency of last resort, acting as a hedge against currency debasement when policymakers act to accommodate shocks such as the one being experienced now.”

**Jeffrey Currie, Head of Commodities, Goldman Sachs, Financial Times March 24, 2020**



“We’re constructive on gold. We think it’s going to be a valuable portfolio hedge. We’re multi-asset investors: we think about its effect on the entire portfolio, and what we see value in right now is gold’s value as a diversifier”

**Russ Koesterich, Portfolio Manager at BlackRock Global Allocation Fund, in Bloomberg interview January 6, 2019**



“We haven’t seen flows like this since the first half of 2016 – when the gold market really took off. There seems to be a change in sentiment and investor psychology. People are waking up to the fact that we are late in the economic cycle and we could be ending [it] in the next year or two. That brings more risk into the system; that’s why gold is moving up.”

**Joe Foster, Portfolio Manager and Strategist, VanEck, in Financial Times interview, January 15, 2019**



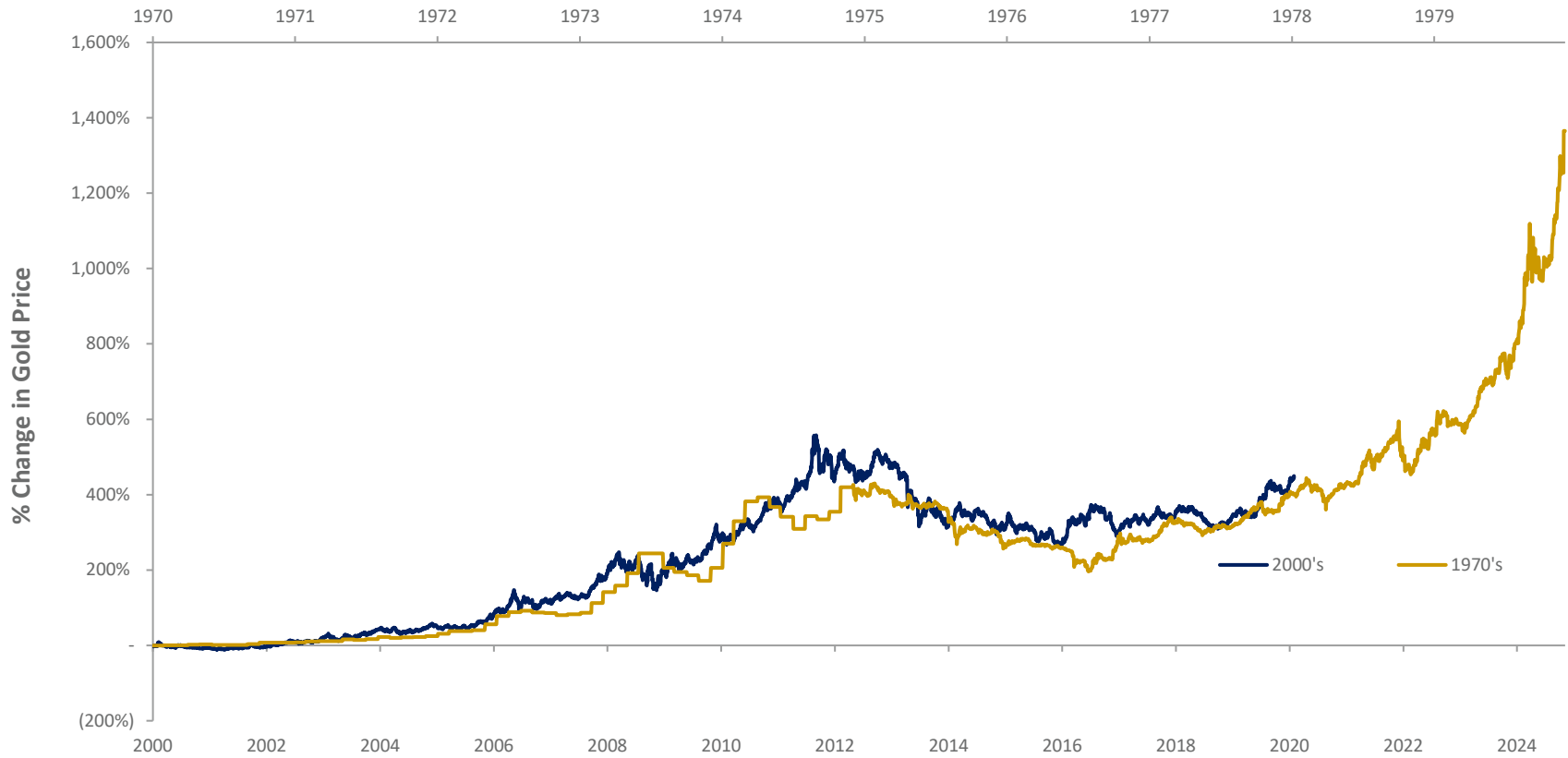
“A lengthy correction lasting until 2016 and subsequent churning resulted in the establishment of a powerful multi-year basing structure. From this base and with strong macroeconomic tailwinds, we believe new highs well above \$1,900 can be achieved over the next four years...Despite enthusiastic advocacy and much chatter from investment luminaries, including Ray Dalio, Jeff Gundlach, Seth Klarman and others, gold remains severely and inappropriately underrepresented in the portfolios of fiduciaries, endowments and family offices.”

**John Hathaway, Senior Portfolio Manager, Sprott Gold Equity Fund, April 22, 2020**



# ► GOLD: History is Repeating a Bull Market Pattern

We've only just begun: parallel structure of 1970-1977 bull market



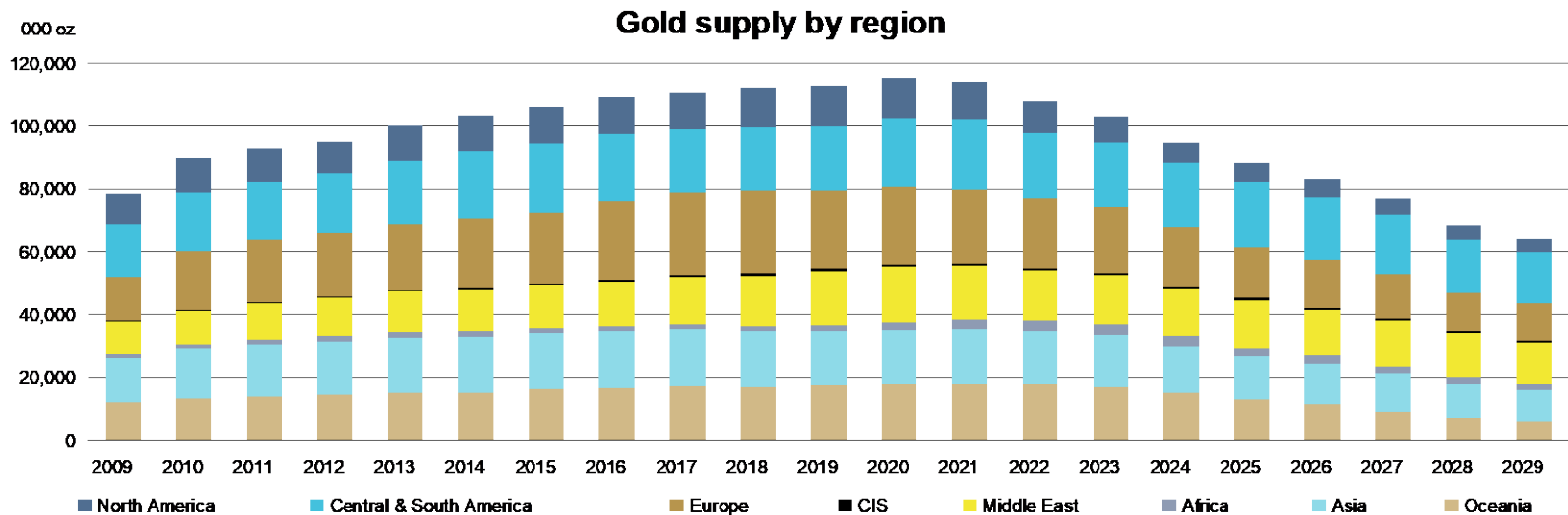
Since 2011, gold has mostly followed the same structure<sup>1</sup>, including the mid-cycle correction from 1975 to 1977

# ► GOLD: Decline in Discoveries and Grade as Global Production Peaks

## Mine supply is set to decline after years of increases

- Existing mines are being depleted and grades are declining, while few new discoveries have been identified to replace them
- Existing mine production at 26 of the world's largest miners is forecast to decline 13% by 2022 and 47% by 2027<sup>1</sup>
- \$130 billion in cumulative capex is forecast to sustain current gold output to 2026<sup>1</sup>
- Gold supply from stable jurisdictions represents a small percentage of total production<sup>1</sup>

Gold production from major existing mines could fall sharply post 2020 onwards<sup>2</sup>



1. Citi Research, Global Gold Project Book “\$130bn capex needed to sustain production”, May 16, 2018; reserve and production profiles of the 26 companies under Citi Research coverage, which represent ~38% of 2018 global mine production.

2. AME Metals & Mining/Strategic Market Study Q2 2019; Barrick Gold presentation, February 2020.

# ► GOLD: Sharp Underinvestment Impedes Output Growth

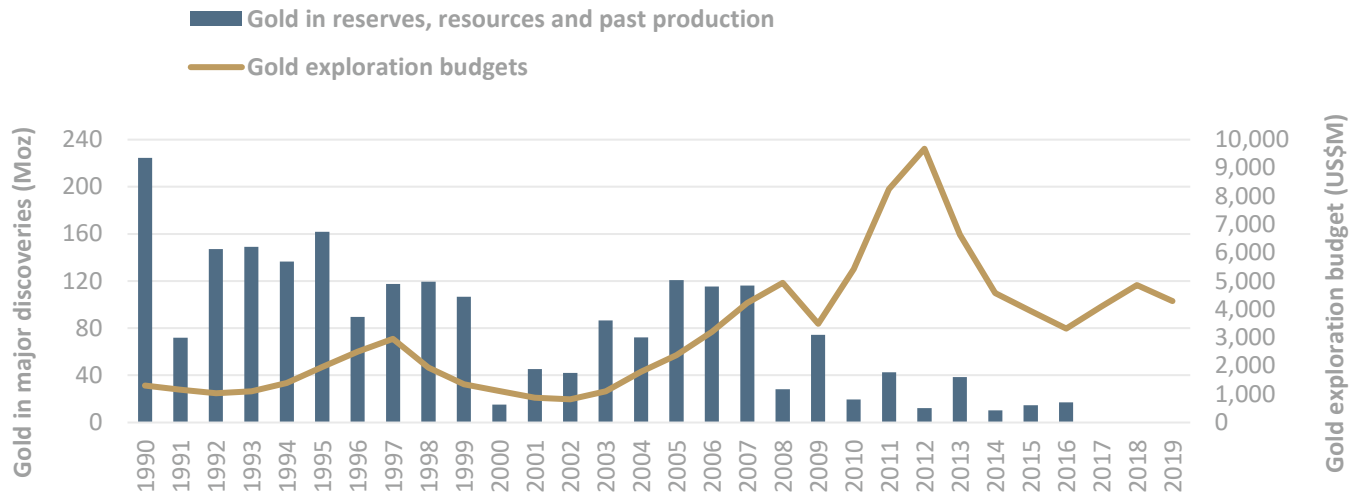
In 2012, mining companies began implementing aggressive cost-cutting measures and curtailing expansion plans in an effort to protect margins, as shareholders abandoned growth stories in favor of maximizing returns from existing operations

- Exploration budgets for gold fell by ~65% from a peak in 2012 to a 10-year low 2016, according to S&P Global
- Though exploration budgets increased in 2017 and 2018, the current gold exploration budget remains ~50% below its 2012 level

The shift to lower-reward late-stage and mine-site exploration programs reflects aversion to risk, yet the industry depends on grassroots and early-stage exploration for significant new discoveries

- Over the past 10 years, only 25 major new deposits have been identified, containing 154.3Moz of Au, which represents only 7% of the gold discovered over the past 30 years<sup>1</sup>. No major discoveries have been made in the past three years

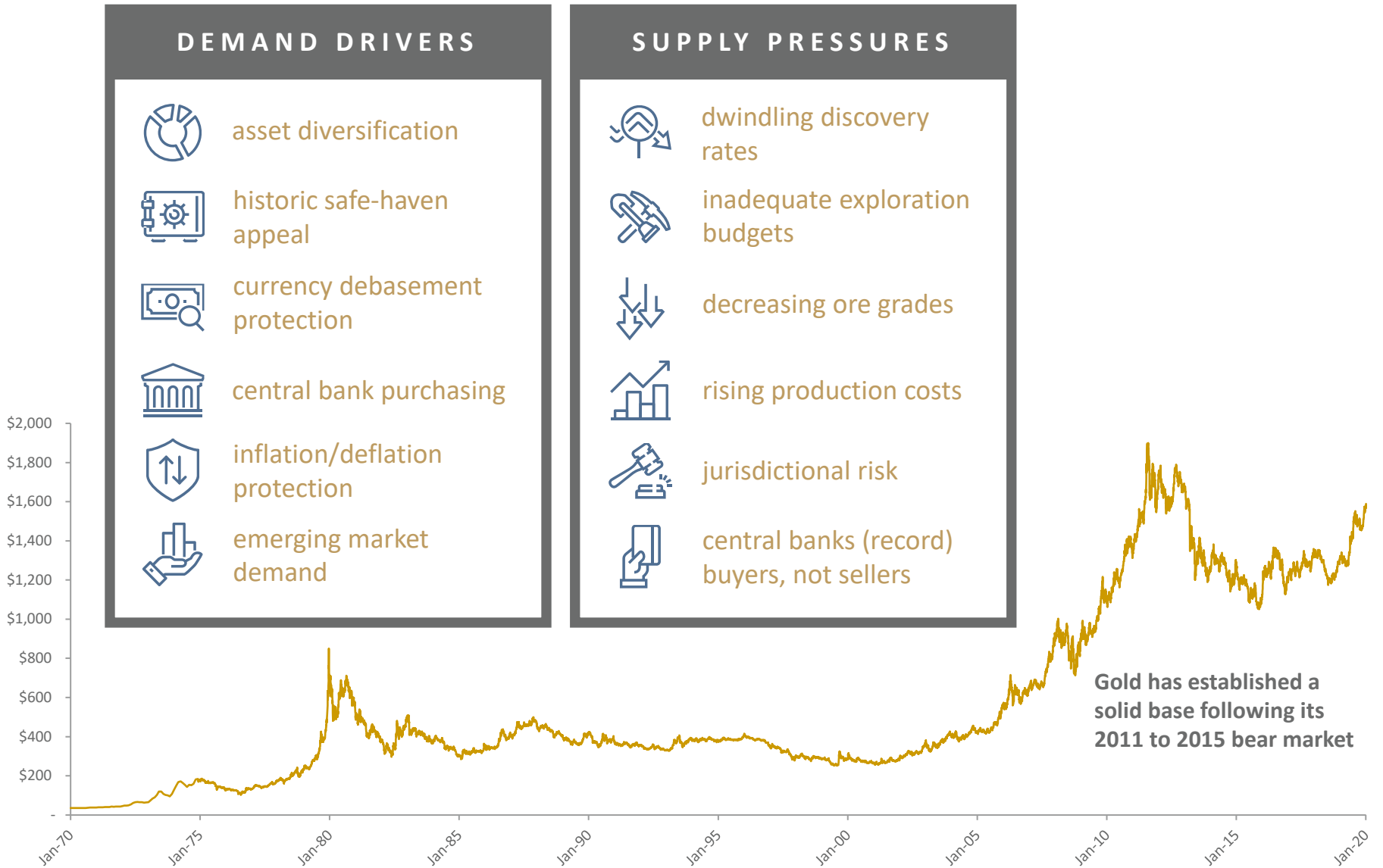
High-quality assets are few; of 135 assets not yet in production, only 30 have greater than 10 Moz of gold in reserves and resources. **Only nine of these assets have a grade of 1 g/t or greater<sup>1</sup>**



**NOVAGOLD believes that long-term spending cuts could exert additional pressure on the industry pipeline, and cause the discovery rate, and consequently the production rate, to decline even more rapidly**

1) S&P Global Market Intelligence, "A decade of underperformance for gold discoveries", May 5, 2020. Gold contained in reserves, resources and past production, as calculated by S&P Global Market Intelligence. Grade refers to combined Reserves and Resources.

# ► GOLD: Supply Decreases as Demand Pressure Increases



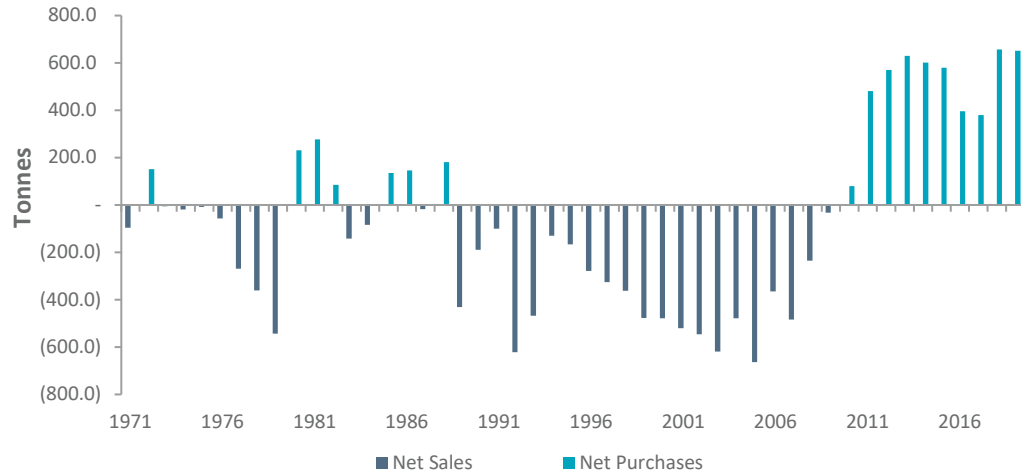


# ► GOLD: Central Banks are the Ultimate “Insider Buyers”

## Diversify foreign exchange reserves, protect against systemic risk

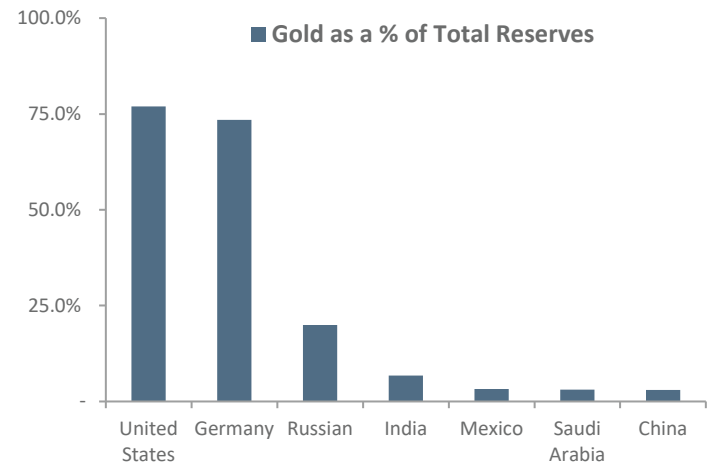
- In an important paradigm shift that had a substantial impact on gold supply, central banks became net purchasers of gold in 2009, led by emerging markets looking to diversify away from U.S. dollar-denominated assets.
- Central banks have been net buyers for 10 consecutive years. During this time, central banks have added 5,019 tonnes back to global official gold reserves, with an annual average of around 500 tonnes, compared with average annual net sales of 443 tonnes in the preceding decade.
- The 5,019 tonnes surge in demand over the last decade, more than offsetting the 4,426 tonnes of net sales between 2000-2009, means that reported global official gold reserves are now only 10% below the all-time high of 38,491 tonnes seen in 1966.
- In 2019, global reserves grew by 650.3 tonnes, the second highest annual total for the past 50 years. In total, 15 central banks increased their gold reserves by at least one tonne in 2019, highlighting the breadth of buying.
- The desire to diversify central bank foreign exchange portfolios from the U.S. dollar, which still represents over 60% of global forex reserves, is one of the key reasons to buy gold.

Central Bank Gold Purchases: 10-Years of Net Purchases



1) Source: Metals Focus, Refinitiv GFMS, World Gold Council, February 2020.

Emerging Markets: Room to Grow Gold Reserves

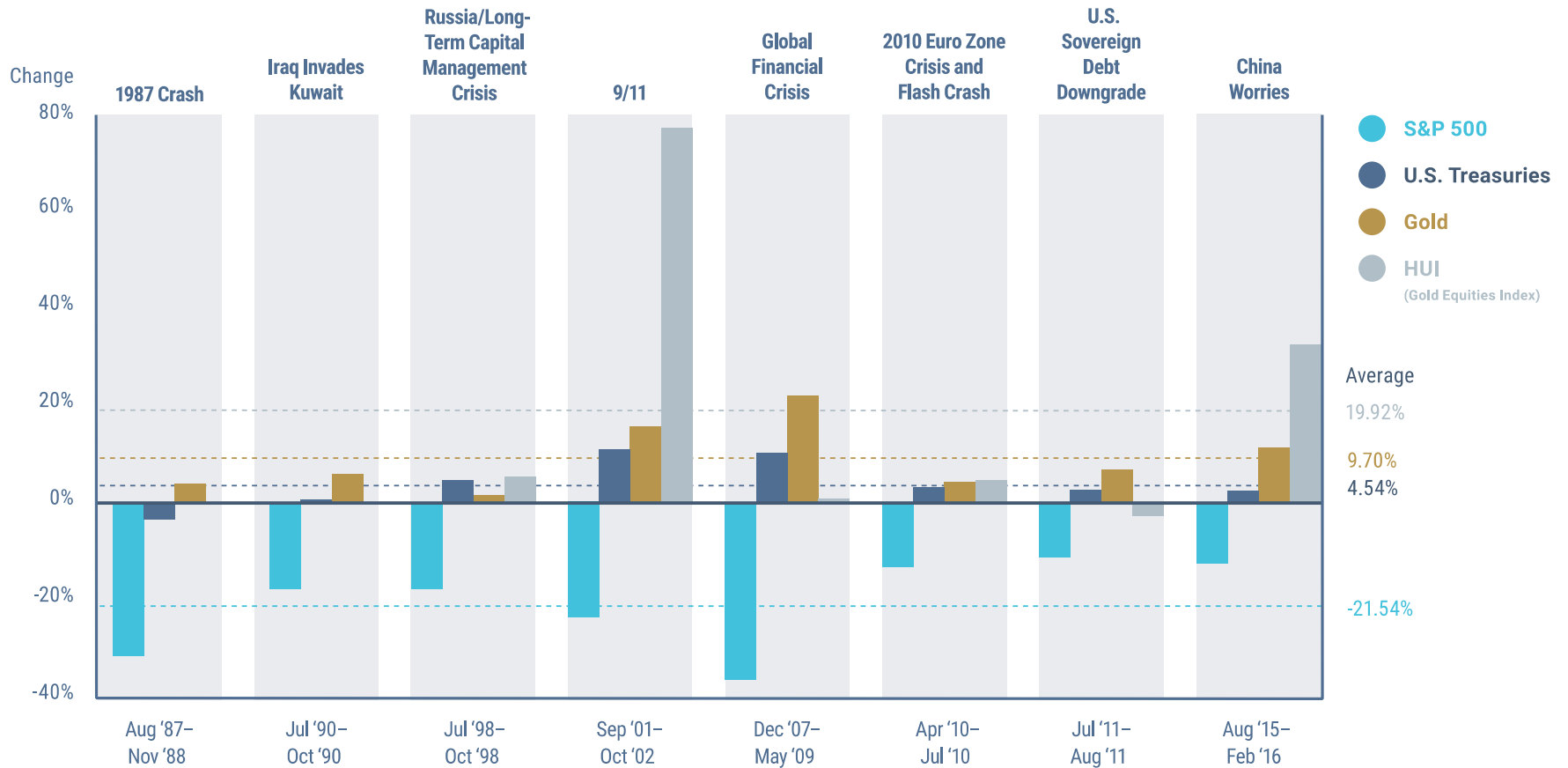


Source: World Gold Council

# ► GOLD: Outperforms Other Asset Classes in a Recession

## Solid protection from asset market dislocations

Gold is an effective hedge during risky times in financial markets. Over the past three decades, gold rose an average of almost 10% during volatile times, while broader equities recorded an average loss of ~22%.



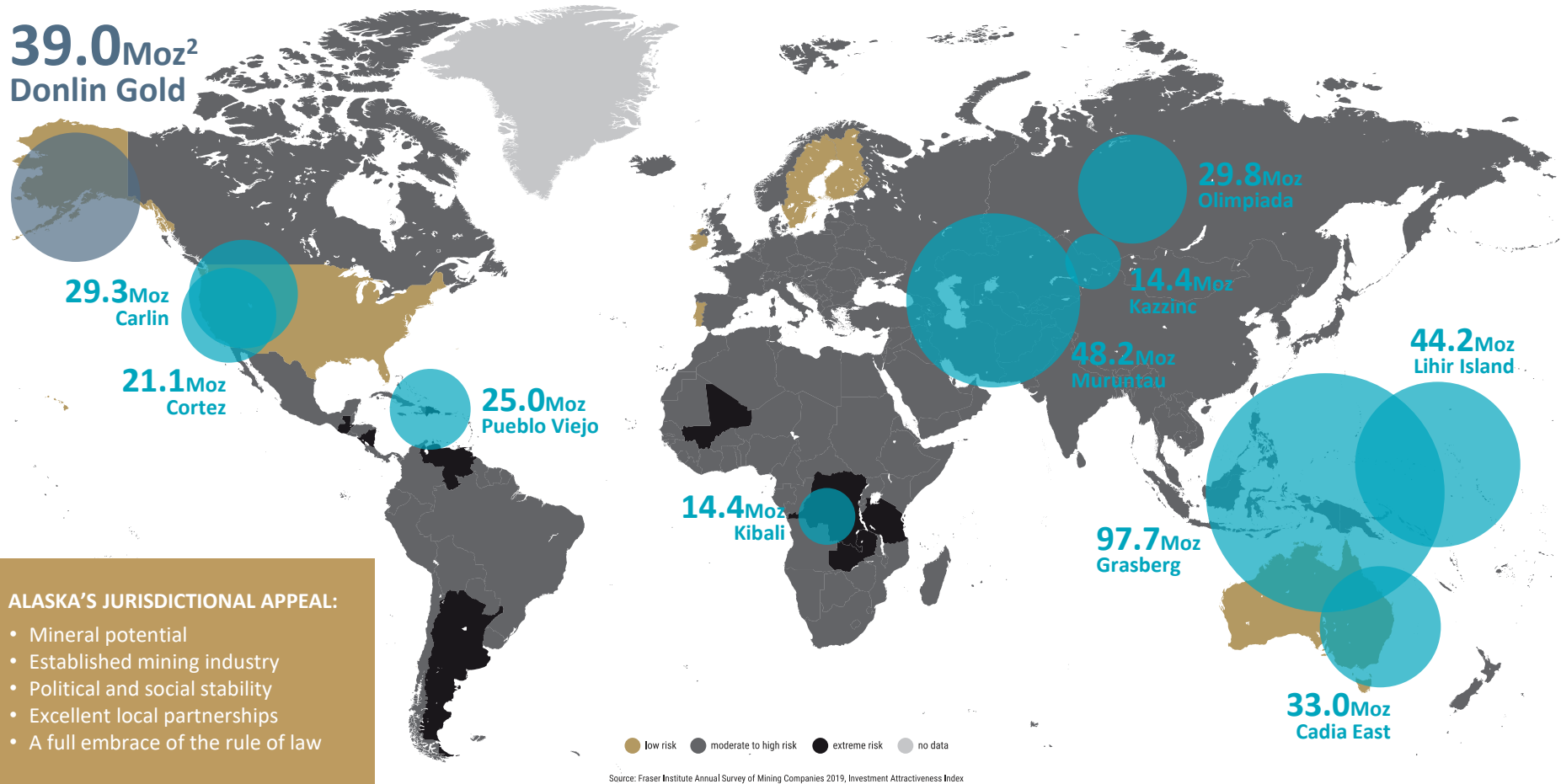
**The Kaplan Doctrine:**

**Acquire category-killer assets that give the greatest leverage to the underlying investment thesis in jurisdictions that will allow one to keep the fruits of that leverage.**

**Dr. Thomas Kaplan**  
*Chairman, NOVAGOLD*

# ► DONLIN GOLD: One of the Few Large Gold Projects in a Safe Jurisdiction

Top 10 gold producing operations comparison<sup>1</sup> just three operations produced >1Moz in 2019 globally



1) Estimates provided by S&P Global Intelligence. Slide shows the latest reported measured & indicated resources (inclusive of reserves) of the top 10 gold producing operations from 2019 as per SNL Metals & Mining, an offering of S&P Global Market Intelligence. The three mining operations that produced greater than 1 million ounces in 2019 are Muruntau (2,829koz), Olimpiada (1,386koz), and Carlin (1,315koz).

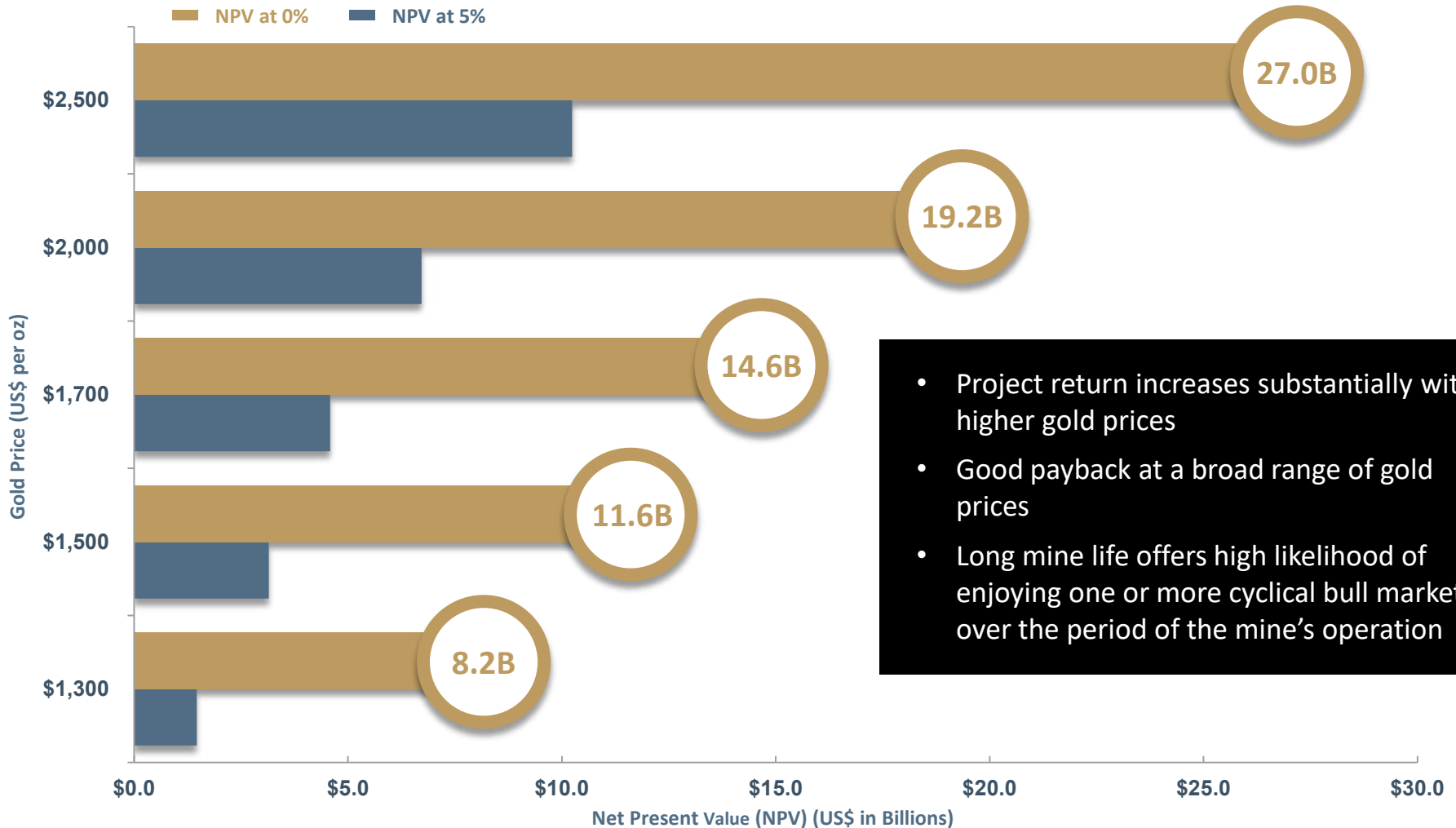
2) Represents 100% of measured and indicated mineral resources, inclusive of mineral reserves, of which NOVAGOLD's share is 50%. Donlin Gold is not in production and a construction decision has not been made at this time. See "Cautionary Note Concerning Reserve and Resource Estimates" and "Mineral Reserves & Mineral Resources" table on slides 2 and 34.

# ▶ DONLIN GOLD: Significant Value Upside with Higher Gold Prices

Donlin Gold NPV<sup>1</sup> increases ~20x with ~2x increase in gold price

Net Present Value (NPV) (US\$ in Billions)

■ NPV at 0% ■ NPV at 5%



- Project return increases substantially with higher gold prices
- Good payback at a broad range of gold prices
- Long mine life offers high likelihood of enjoying one or more cyclical bull markets over the period of the mine's operation

1) Donlin Gold estimates as per the Second Updated Feasibility Study. All dollar figures are in USD, represent 100% of the project of which NOVAGOLD's share is 50%, and reflect after-tax net present value (at 0% and 5% discount rates) of the Donlin Gold project using the feasibility study reference date of 1/1/2014 (start of Year -05) as the first year of discounting. Estimated project development costs of approximately \$172M to be spent prior to the reference date are treated as sunk costs. At a 5% discount rate, the net present value is: \$1,465M @ \$1,300 gold; \$3,147M @ \$1,500 gold; \$4,581M @ \$1,700 gold; \$6,722M @ \$2,000 gold; and \$10,243M @ \$2,500 gold. The project requires a gold price of approximately \$902 per ounce to break even on a cash flow basis.

# ► **NOVAGOLD: Focused on Building Strong Relationships and Delivering Value**

## Decade-plus track record of successfully translating vision into shareholder value

- **Culture of mutual respect between NOVAGOLD and people in remote villages and throughout Alaska**
  - Well established partnership with Native Corporations
    - Employment, scholarships, workforce development and environmental programs in the region
    - Resource development for future benefit of all stakeholders
- **Advancement of Donlin Gold**
  - 2011 updated Feasibility Study
  - 2017 drill campaign
  - 2018 receipt of Record of Decision and major federal permits
  - 2019-2020 receipt of key State permits
- **Enhancement of value of Galore Creek and successful monetization of the asset**
  - 2011 pre-Feasibility Study
  - Sale of NOVAGOLD's 50%-interest to Newmont Corp. for up to \$275M
- **Spin-out of 100%-owned Ambler project to form NovaCopper (now Trilogy Metals)<sup>1</sup>, now with market capitalization of greater than \$280M<sup>2</sup>**
- **Time-tested relationship with Barrick Gold, NOVAGOLD's equal partner in Donlin Gold**
  - 14-year history of building value with an unwavering focus on stakeholder wealth creation; technical excellence; environmental stewardship; and social responsibility
  - Constructive and positive relationship with Barrick management
    - Positive legacy of successful past engagements
    - Respect for Barrick's corporate objectives, including renewed focus on geology

1) As per the press release titled "NovaGold Shareholders Overwhelmingly Approve the NovaCopper Spin-Out", dated March 29, 2012.

2) As of June 1, 2020.

# ▶ NOVAGOLD: Outperforming the Gold ETFs

Higher 52-week return compared to the GDX and GDXJ gold ETFs tracking indices



Source: Bloomberg, May 12, 2020.

Stable long-term partnerships underscore unparalleled attributes of the Donlin Gold project

## Supportive Stakeholders



### **SAFE GEOPOLITICAL ENVIRONMENT**

Alaska, top-rated mining jurisdiction

### **STRONG BALANCE SHEET**

\$140.7M cash + term deposits as of February 29, 2020

### **ACCOMPLISHED LEADERSHIP TEAM**

Extensive experience with large-scale operations

### **PROLIFIC PRODUCTION PROFILE**

Donlin Gold expected to be one of industry's top producing assets; strong leverage to gold price

### **TIER ONE ASSET**

Large, high-grade gold deposit with major permits received



# Appendix

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NOVAGOLD

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# NOVAGOLD: Mineral Reserves & Mineral Resources

Donlin Gold (100% basis)*	Tonnage	Grade	Metal content
GOLD	kt	g/t Au	koz Au
<b>Reserves<sup>(1)</sup></b>			
Proven	7,683	2.32	573
Probable	497,128	2.08	33,276
P&P	504,811	2.09	33,849
<b>Resources<sup>(2)</sup>, inclusive of Reserves</b>			
Measured	7,731	2.52	626
Indicated	533,607	2.24	38,380
M&I	541,337	2.24	39,007
Inferred	92,216	2.02	5,993

\* Mineral reserves and resources are reported on a 100% basis. NOVAGOLD and Barrick each own 50% of the Donlin Gold project.

**Donlin Gold approximate cut-off grades (see Resources Footnotes):**  
**Reserves<sup>1</sup> : 0.57 g/t gold**  
**Resources<sup>2</sup> : 0.46 g/t gold**

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

- a) This resource estimate has been prepared in accordance with NI 43-101 and the CIM Definition Standard, unless otherwise noted.
- b) See numbered footnotes below on resource information.
- c) Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade and contained metal content
- d) Tonnage and grade measurements are in metric units. Contained gold is reported as troy ounces.

- 1) Mineral Reserves are contained within Measured and Indicated pit designs, and supported by a mine plan, featuring variable throughput rates, stockpiling and cut-off optimization. The pit designs and mine plan were optimized on diluted grades using the following economic and technical parameters: Metal price for gold of US\$975/oz; reference mining cost of US\$1.67/t incremented US\$0.0031/t/m with depth from the 220 m elevation (equates to an average mining cost of US\$2.14/t), variable processing cost based on the formula  $2.1874 \times (\%) + 10.65$  for each US\$/t processed; general and administrative cost of US\$2.27/t processed; stockpile rehandle costs of US\$0.19/t processed assuming that 45% of mill feed is rehandled; variable recoveries by rock type, ranging from 86.66% in shale to 94.17% in intrusive rocks in the Akivik domain; refining and freight charges of US\$1.78/oz gold; royalty considerations of 4.5%; and variable pit slope angles, ranging from 23° to 43°. Mineral Reserves are reported using an optimized net sales return value based on the following equation:  $\text{Net Sales Return} = \text{Au grade} * \text{Recovery} * (\text{US}\$975/\text{oz} - (1.78 + (\text{US}\$975/\text{oz} - 1.78) * 0.045)) - (10.65 + 2.1874 * (\%) + 2.27 + 0.19)$  and reported in US\$/tonne. Assuming an average recovery of 89.54% and an average 5% grade of 1.07%, the marginal gold cut-off grade would be approximately 0.57 g/t, or the gold grade that would equate to a 0.001 NSR cut-off at these same values. The life of mine strip ratio is 5.48. The assumed life-of-mine throughput rate is 53.5 kt/d.
- 2) Mineral Resources are contained within a conceptual Measured, Indicated and Inferred optimized pit shell using the following assumptions: gold price of US\$1,200/oz; variable process cost based on  $2.1874 * (\text{sulphur grade}) + 10.6485$ ; administration cost of US\$2.29/t; refining, freight & marketing (selling costs) of US\$1.85/oz recovered; stockpile rehandle costs of US\$0.20/t processed assuming that 45% of mill feed is rehandled; variable royalty rate, based on royalty of 4.5% \* (Au price – selling cost). Mineral Resources have been estimated using a constant Net Sales Return cut-off of US\$0.001/t milled. The Net Sales Return was calculated using the formula:  $\text{Net Sales Return} = \text{Au grade} * \text{Recovery} * (\text{US}\$1,200/\text{oz} - (1.85 + ((\text{US}\$1,200/\text{oz} - 1.85) * 0.045))) - (10.65 + 2.1874 * (\%) + 2.29 + 0.20)$  and reported in US\$/tonne. 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 great uncertainty as to their existence and whether they can be mined legally or economically. See “Cautionary Note Concerning Reserve & Resource Estimates” on slide 2.

## Technical Reports and Qualified Persons

The documents referenced below provide supporting technical information for the Donlin Gold project.

Project	Qualified Person(s)	Most Recent Disclosure
Donlin Gold	Gordon Seibel R.M. SME Kirk Hanson P.E.	“Donlin Creek Gold Project Alaska, USA, NI 43-101 Technical Report on Second Updated Feasibility Study” prepared by AMEC, effective November 18, 2011, amended January 20, 2012 (the “Second Updated Feasibility Study”).

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