UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended November 30, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from to

Commission File Number: 001-31913

NOVAGOLD

NOVAGOLD RESOURCES INC.
(Exact Name of Registrant as Specified in Its Charter)

British Columbia (State or Other Jurisdiction of Incorporation or Organization)	**N/A** (I.R.S. Employer Identification No.)
201 South Main Street, Suite 400 **Salt Lake City, Utah, USA** (Address of Principal Executive Offices)	**84111** (Zip Code)

(801) 639-0511
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares	NG	NYSE American Toronto Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer ☒	Accelerated filer ☐	Non-accelerated filer ☐
Smaller reporting company ☐	Emerging growth company ☐	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Based on the last sale price on the NYSE American of the registrant’s common shares on May 31, 2022 (the last business day of the registrant’s most recently completed second fiscal quarter) of $5.59 per share, the aggregate market value of the voting common shares held by non-affiliates was approximately $1,371,290,000.

As of January 17, 2023, the registrant had 333,965,718 common shares, no par value, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the registrant’s definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A not later than April 1, 2023, in connection with the registrant’s fiscal year 2022 annual meeting of shareholders, are incorporated by reference into Part III of this Annual Report on Form 10-K.

NOVAGOLD RESOURCES INC.

TABLE OF CONTENTS

NOVAGOLD RESOURCES INC.

Unless the context otherwise requires, the words "we," "us," "our," the "Company" and "NOVAGOLD" refer to NOVAGOLD RESOURCES INC., a British Columbia corporation, and its subsidiaries as of November 30, 2022.

CURRENCY

References in this report to $ refer to United States currency and C$ to Canadian currency.

See the "Glossary of Technical Terms" for more information regarding some of the terms used in this report.

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements or information within the meaning of Canadian securities laws and the United States Private Securities Litigation Reform Act of 1995 concerning anticipated results and developments in our operations in future periods, planned exploration activities, the adequacy of our financial resources and other events or conditions that may occur in the future. These forward-looking statements may include statements regarding perceived merit of properties, exploration results and budgets, mineral reserves and resource estimates, work programs, anticipated timing of updated reports and/or studies, capital expenditures, operating costs, cash flow estimates, production estimates and similar statements relating to the economic viability of a project, timelines, strategic plans, including our plans and expectations relating to the Donlin Gold project, permitting and the timing thereof, market prices for precious metals, or other statements that are not statements of fact. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute "forward-looking statements" to the extent that they involve estimates of the mineralization that will be encountered if the property is developed.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects", "is expected", "anticipates", "believes", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking statements are based on a number of material assumptions, including those listed below, which could prove to be significantly incorrect:

- our ability to achieve production at the Donlin Gold project;
- 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 retained, 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 the Donlin Gold project
- our activities will not be adversely disrupted or impeded by development, operating or regulatory risks; and
- our expectations regarding the timing and outcome of the appeals to the Donlin Gold 401 Certification (as defined below), the appeals to the State ROW (as defined below) agreement and lease; and the application for water rights.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation:

- uncertainty of whether there will ever be production at the Donlin Gold project;
- our history of losses and expectation of future losses;
- risks related to our ability to finance the development of the Donlin Gold project through external financing, strategic alliances, the sale of property interests or otherwise;
- uncertainty of estimates of capital costs, operating costs, production and economic returns;
- commodity price fluctuations;
- risks related to market events and general economic conditions;
- risks related to the coronavirus global health pandemic (COVID-19) or other endemics/pandemics;

- risks related to the third parties on which we depend for Donlin Gold project activities;
- dependence on cooperation of co-owner in exploration and development of the Donlin Gold project;
- risks related to opposition to our operations at our mineral exploration and development properties from non-governmental organizations or civil society;
- the risk that permits and governmental approvals necessary to develop and operate the Donlin Gold project will not be available on a timely basis, subject to reasonable conditions, or at all;
- risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of our mineral deposits;
- uncertainties relating to the assumptions underlying our resource and reserve estimates, such as metal pricing, metallurgy, mineability, marketability and operating and capital costs;
- risks related to the inability to develop or access the infrastructure required to construct and operate the Donlin Gold project;
- uncertainty related to title to the Donlin Gold project;
- mining and development risks, including risks related to infrastructure, accidents, equipment breakdowns, labor disputes or other unanticipated difficulties with, or interruptions in, development, construction or production;
- competition in the mining industry;
- risks related to governmental regulation and permits, including environmental regulation;
- risks related to our largest shareholder;
- risks related to conflicts of interests of some of the directors and officers of the Company;
- risks related to the need for reclamation activities on our properties and uncertainty of cost estimates related thereto;
- credit, liquidity, interest rate and currency risks;
- risks related to increases in demand for equipment, skilled labor and services needed for exploration and development of the Donlin Gold project, and related cost increases;
- our need to attract and retain qualified management and technical personnel;
- uncertainty as to the outcome of potential litigation;
- risks related to information technology systems;
- risks related to the Company’s status as a “passive foreign investment company” in the United States; and
- risks related to the effects of global climate change on the Donlin Gold project.

This list is not exhaustive of the factors that may affect any of our forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and our actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this Annual Report on Form 10-K under the heading “Risk Factors” and elsewhere.

Our forward-looking statements contained in this Annual Report on Form 10-K are based on the beliefs, expectations and opinions of management as of the date of this report. We do not assume any obligation to update forward-looking statements if circumstances or management’s beliefs, expectations or opinions should change, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

Technical Information

Paul Chilson, P.E., a Qualified Person and an employee of the Company reviewed and approved the scientific and technical information contained in this Annual Report on Form 10-K.

GLOSSARY OF TECHNICAL TERMS

The following technical terms defined in this section are used throughout this Annual Report on Form 10-K.

alluvial	A placer formed by the action of running water, as in a stream channel or alluvial fan; also said of the valuable mineral (e.g. gold or diamond) associated with an alluvial placer.
arsenopyrite	An arsenic iron sulfide mineral (FeAsS).
assay	A metallurgical analysis used to determine the quantity (or grade) of various metals in a sample.
concentrate	A clean product recovered in flotation, which has been upgraded sufficiently for downstream processing or sale.
cut-off grade	When determining economically viable mineral reserves, the lowest grade of mineralized material that can be mined and processed at a profit.
cyanidation	A metallurgical technique, using a dilute cyanide solution, for extracting gold from ore by dissolving the gold into solution.
dike	A tabular igneous intrusion that cuts across the bedding of the host rock.
doré	A semi-pure alloy of gold and silver.
electrowinning	The deposition of gold from solution to cathodes by passing electric current from anodes through gold-bearing solution.
flotation	A process used for the concentration of minerals, especially within base metal systems.
geotechnical	Said of tasks or analysis that provide representative data of the geological rock quality in a known volume.
grade	Quantity of metal or mineral per unit weight of host rock.
greywacke	A variety of sandstone generally characterized by its hardness, dark color, and poorly sorted angular grains of quartz, feldspar, and small rock fragments set in a compact, clay-fine matrix.
host rock	A body of rock serving as a host for other rocks or for mineral deposits.
hydrothermal	Pertaining to hot aqueous solutions of magmatic origin which may transport metals and minerals in solution.
intrusive	Said of igneous rock formed by the consolidation of magma intruded into other rocks.
mafic	Igneous rocks composed mostly of dark, iron- and magnesium-rich minerals.
massive	Said of a mineral deposit, especially of sulfides, characterized by a great concentration of mineralization in one place, as opposed to a disseminated or vein-like deposit.
mineral	A naturally formed chemical element or compound having a definite chemical composition and, usually, a characteristic crystal form.
mineral deposit	A mineralized body which has been physically delineated by sufficient drilling, trenching, and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures.
mineralization	A natural occurrence in rocks or soil of one or more yielding minerals or metals.
net present value (NPV)	The sum of the value on a given date of a series of future cash payments and receipts, discounted to reflect the time value of money and other factors such as investment risk.
ore	Rock containing metallic or non-metallic materials that can be mined and processed at a profit.
placer	An alluvial deposit of sand and gravel, which may contain valuable metals.
porphyry	An igneous rock of any composition that contains conspicuous phenocrysts (large crystals or mineral grains) in a fine-grained groundmass.
pyrite	An iron sulfide mineral (FeS_2), the most common naturally occurring sulfide mineral.
pyrrhotite	An unusual, generally weakly magnetic, iron sulfide mineral with varying iron content (Fe_1-xS (x=0 to 0.2)).
reverse circulation (RC)	A type of drilling using dual-walled drill pipe in which the material drilled, water and mud are circulated up the center pipe while air is blown down the outside pipe.

realgar	An arsenic sulfide mineral (As_4S_4).
reclamation	Restoration of mined land to original contour, use, or condition where possible.
rhyodacite	A volcanic, high-silica rock composed of mostly quartz and feldspar.
sedimentary	Said of rock formed at the Earth’s surface from solid particles, whether mineral or organic, which have been moved from their position of origin and re-deposited, or chemically precipitated.
shale	A fine-grained detrital (transported by wind, water, or ice) sedimentary rock, formed by the consolidation of clay, silt, or mud.
sill	An intrusive sheet of igneous rock of roughly uniform thickness that has been forced between the bedding planes of existing rock.
stibnite	An antimony sulfide mineral (Sb_2S_3).
strike	The direction, or bearing from true north, of a vein or rock formation measured on a horizontal surface.
sulfide	A compound of sulfur and some other metallic element.
syngenetic	Relating to or denoting a mineral deposit or formation produced at the same time as the host rock.
tailings	Uneconomic material produced by a mineral processing plant which is disposed of in a manner meeting government regulation and which may involve a permanent impoundment facility or which may involve the discharge of material to the environment in a manner regulated by the government authority.
vein	A thin, sheet-like crosscutting body of hydrothermal mineralization, principally quartz.
waste rock	Barren or submarginal rock that has been mined but is not of sufficient value to warrant treatment and is therefore removed ahead of the milling processes.

PART I

Item 1. Business

Overview

We operate in the gold mining industry, primarily focused on advancing the Donlin Gold project in Alaska. The Donlin Gold project is held by Donlin Gold LLC ("Donlin Gold"), a limited liability company owned equally by wholly-owned subsidiaries of NOVAGOLD and Barrick Gold Corporation ("Barrick").

We do not produce gold or any other minerals, and do not currently generate operating earnings. Funding to explore our mineral properties and to operate the Company was acquired primarily through previous equity financings consisting of public offerings of our common shares and warrants and through debt financing consisting of convertible notes, and the sale of assets. We expect to continue to raise capital through additional equity and/or debt financings, through the exercise of stock options, and otherwise.

We were incorporated by memorandum of association on December 5, 1984, under the Companies Act (Nova Scotia) as 1562756 Nova Scotia Limited. On January 14, 1985, we changed our name to NovaCan Mining Resources (l985) Limited and on March 20, 1987, we changed our name to NOVAGOLD RESOURCES INC. On May 29, 2013, our shareholders approved the continuance of the corporation into British Columbia. Subsequently, we filed the necessary documents in Nova Scotia and British Columbia, and we continued under the Business Corporations Act (British Columbia) effective as of June 10, 2013. The current addresses, telephone and facsimile numbers of our offices are:

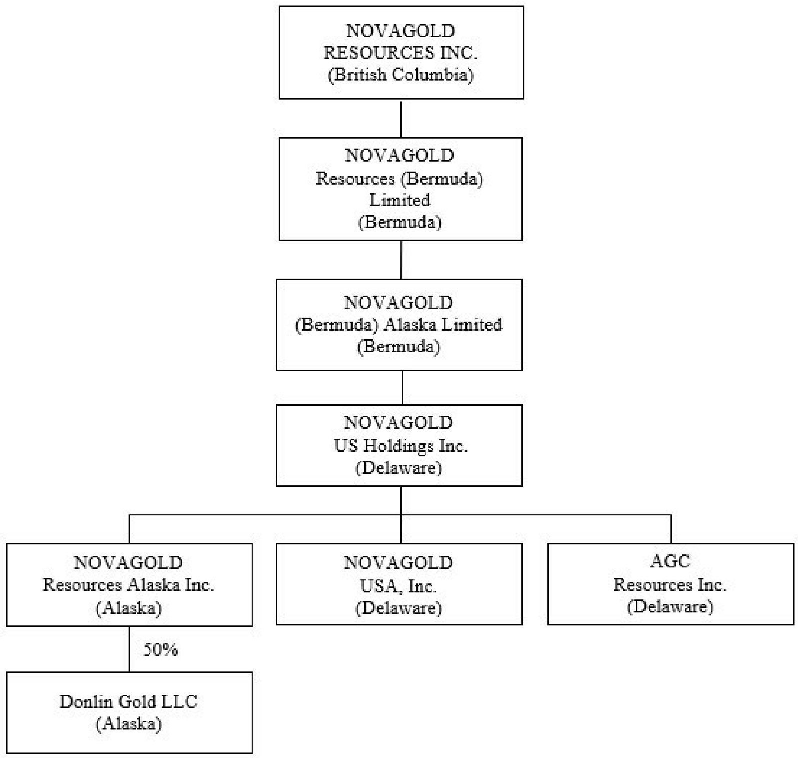
Executive office
201 South Main Street, Suite 400
Salt Lake City, UT, USA 84111
Telephone (801) 639-0511
Facsimile (801) 649-0509

Corporate office
400 Burrard Street, Suite 1860
Vancouver, BC, Canada V6C 3A6
Toll free (866) 669-6227
Facsimile (604) 669-6272

Corporate Structure

As of November 30, 2022, we had the following material, direct and indirect, wholly-owned subsidiaries: NOVAGOLD Resources Alaska, Inc., NOVAGOLD US Holdings Inc., NOVAGOLD USA, Inc., AGC Resources Inc, NOVAGOLD (Bermuda) Alaska Limited and NOVAGOLD Resources (Bermuda) Limited.

The following chart depicts the corporate structure of the Company together with the jurisdiction of incorporation of each of our material subsidiaries and related holding companies. All ownership is 100% unless otherwise indicated.



Human Capital Resources

On November 30, 2022, we had 13 full-time employees, of which four are located in Canada and nine are located in the United States. We also use consultants with specific skills to assist with various aspects of project evaluation, engineering, and corporate governance.

Company Values

Our company culture is the cornerstone of all our human capital programs. Empowering every employee to be their best, affording every employee the opportunity to make a difference, and giving every employee a chance to be heard are core Company values. Our values extend to the communities in which we work. We have adopted a Human Rights Policy focused on our commitment to having a positive influence in the communities where we operate which includes ensuring that we respect human rights.

Diversity

As of the end of fiscal year 2022, 46% of our total workforce were women. Selection of individuals for executive and other positions with the Company is guided by the Company's policy which "prohibits discrimination in any aspect of employment based on race, color, religion, sex, national origin, disability or age." Our Board and management acknowledge the importance of all aspects of diversity including gender, ethnic origin, business skills and experience, because it is right to do so and because it is good for our business. When considering candidates for executive positions, the Board's evaluation considers the broadest possible assessment of each candidate's skills and background with the overriding objective of ensuring that we have the appropriate balance of skills, experience, and capacity that the Company needs to be successful. In the context of this overriding objective, we have determined not to set targets for the percentage of women, or other aspects of diversity, in executive officer positions.

NOVAGOLD is committed to fostering, cultivating, and preserving a culture of diversity, equity and inclusion. Our employees are one of the most valuable assets we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities, and talent that our employees invest in their work represents a significant part of our culture, reputation, and NOVAGOLD's achievements.

NOVAGOLD is dedicated to creating an inclusive work environment for everyone. We embrace and celebrate the unique experiences, perspectives, and cultural backgrounds that each employee brings to our workplace. NOVAGOLD strives to foster an environment where our employees feel respected, valued, and empowered, and our team members are at the forefront in helping us promote and sustain an inclusive workplace.

NOVAGOLD's diversity initiatives are applicable—but not limited—to our practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; and the ongoing development of a work environment built on the premise of gender and diversity equity. To that end, we seek out qualified diverse candidates to encourage them to apply for open positions, either from within or outside of the company. We also seek out opportunities to develop a pipeline of qualified diverse candidates in a particular profession when we are unable to find them ourselves. For example, in 2021 the Company established and funded the NOVAGOLD Mining and Geological Engineering Scholarship at the University of Alaska to help support and encourage undergraduate students seeking bachelor's degrees in Mining or Geological Engineering, with a focus on supporting underrepresented students.

We encourage:

- Respectful communication and cooperation among all employees.
- Teamwork and employee participation, fostering the representation of all employee perspectives.
- Work/life balance through flexible work schedules to accommodate employees' varying needs.
- Learning about and, where appropriate, aiding the communities near NOVAGOLD's projects to promote a greater understanding and respect for diversity in those communities.

Safety and Health

NOVAGOLD's primary objective is to ensure the health and safety of its employees, partners, and contractors, and is reflected in its Health and Safety Policy. The Company has implemented COVID-19 policies at its offices in Salt Lake City and Vancouver designed to ensure the safety and well-being of all employees and the people associated with them. As a result of the COVID-19 pandemic, to reduce risk, our employees have been encouraged to be fully vaccinated against COVID-19, have been asked to work remotely, adhere to good hygiene practices, and engage in physical distancing. Our focus on safety is also reflected at Donlin Gold where a wide-ranging set of policies were implemented at the Donlin Gold project site and Anchorage office to mitigate the spread of COVID-19. Also see section *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations*, below.

Recent Developments

Donlin Gold project

In 2022, Donlin Gold completed a 141-hole drilling program totaling 42,331 meters. As part of a key focus area for the drill program, the tight-spaced grid drilling in structural domains in the Lewis (further infilled to 10m x 10m), West ACMA and Divide areas confirmed recent geological modelling at wider drill-spacing in the immediate area surrounding the grids. It also identified additional short-scale controls that will be incorporated in an update to improve the geological domains used for global resource estimation which will be utilized for strategic mine planning work. In addition, the 14 geotechnical drill holes provided results for advancing efforts to completing the issuance of the Alaska Dam Safety Certifications. With the receipt of the final assay results for the 2022 drill program, an update of the resource model, and completion of trade-off studies, the owners expect to take the next steps in moving the Donlin Gold project up the value chain and leading toward an updated feasibility study decision.

Donlin Gold continued to work in partnership with Calista Corporation ("Calista") and The Kuskokwim Corporation (TKC) in stakeholder and government engagement in the Yukon-Kuskokwim (Y-K) region, Alaska and Washington, D.C. Environmental and social investment in fiscal year 2022 focused on the Y-K region spanned from supporting important health and safety initiatives in remote communities, to cultural preservation efforts and educational programming in collaboration with school districts and other organizations.

For further information, see section *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations*, below.

Reclamation

We will generally be required to mitigate long-term environmental impacts by stabilizing, contouring, re-sloping and re-vegetating various portions of a site after mining and mineral processing operations are completed. These reclamation efforts will be conducted in accordance with detailed plans, which are approved by the appropriate regulatory agencies. In addition, financial assurance acceptable to the regulatory authority with jurisdiction over reclamation must be provided in an amount that the authority determines to be sufficient to allow the authority to implement the approved reclamation plan in the event that the project owners fail to complete the work as provided in the plan.

Government and Environmental Regulations

Our exploration and development activities are subject to various national, state, and local laws and regulations in the United States, which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances, disclosure requirements and other matters. We have obtained or have pending applications for those licenses, permits or other authorizations currently required to conduct our exploration and development programs. We believe that we are in compliance in all material respects with applicable mining, health, safety and environmental statutes and regulations in the United States. There are no current orders or directions relating to us with respect to the foregoing laws and regulations. For a more detailed discussion of the various government laws and regulations applicable to our operations and potential negative effects of these laws and regulations, see section *Item 1A, Risk Factors*, below.

Competition

We compete with other mineral resource exploration and development companies for financing, technical expertise, and the acquisition of mineral properties. Many of the companies with whom we compete have greater financial and technical resources. Accordingly, these competitors may be able to spend greater amounts on the acquisition, exploration, and development of mineral properties. This competition could adversely impact our ability to finance further exploration and to obtain the financing necessary for us to develop the Donlin Gold project.

Availability of Raw Materials and Skilled Employees

Most aspects of our business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, drilling, resource estimating, metallurgy, mine planning, logistical planning, preparation of pre-feasibility and feasibility studies, permitting, engineering, construction and operation of a mine, financing, legal, accounting, investor relations, and community relations. Historically, we have found that we can locate and retain appropriate employees and consultants and we believe we will continue to be able to do so.

The raw materials we require to carry on our business are readily available through normal supply or business contracting channels in the United States and Canada. Historically, we have been able to secure the appropriate equipment and supplies required to conduct our contemplated programs. As a result, we do not believe that we will experience any shortages of required equipment or supplies in the foreseeable future.

Seasonality

Our business can be seasonal as our mineral exploration and development activities take place in southwestern Alaska. Due to the northern climate, work on the Donlin Gold project can be limited due to excessive snow cover and cold temperatures. In general, surface work often is limited to late spring through early fall, although work in some locations is more readily and efficiently completed during the winter months when the ground is frozen.

Gold Price History

The price of gold is volatile and is affected by numerous factors, all of which are beyond our control, such as the sale or purchase of gold by various central banks and financial institutions, inflation, recession, fluctuation in the relative values of the U.S. dollar and foreign currencies, changes in global and regional gold demand, in addition to international and national political and economic conditions.

The following table presents the annual high, low and average daily afternoon London Bullion Market Association (“LBMA”) Gold Price over the past five calendar years on the London Bullion Market ($/ounce):

Year	High	Low	Average
2018	$1,355	$1,178	$1,269
2019	$1,546	$1,271	$1,392
2020	$2,067	$1,474	$1,770
2021	$1,943	$1,684	$1,799
2022	$2,039	$1,628	$1,800
2023 (through January 17)	$1,917	$1,834	$1,876

On January 17, 2023, the afternoon LBMA gold price was $1,914 per ounce.

Data Source: www.kitco.com

Available Information

We maintain a website at www.novagold.com and make available, through the Investors section of the website, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Section 16 filings and all amendments to those reports, as soon as reasonably practicable after such material is electronically filed with the Securities and Exchange Commission (“SEC”). These reports are also available at the SEC website at www.sec.gov. Certain other information, including but not limited to the Company’s Corporate Governance Guidelines, the charters of key committees of its Board of Directors and its Code of Business Conduct and Ethics are also available on the website. Our website and the information contained therein or connected thereto are not intended to be, and are not incorporated into this Annual Report on Form 10-K.

Item 1A. Risk Factors

You should carefully consider the following risk factors in addition to the other information included in this Annual Report on Form 10-K. Each of these risk factors could adversely affect our business, operating results and financial condition, as well as adversely affect the value of an investment in our common shares. The risks described below are not the only ones facing the Company. Additional risks that we are not presently aware of, or that we currently believe are immaterial, may also adversely affect our business, operating results and financial condition. We cannot assure you that we will successfully address these risks and caution that other unknown risks may exist or may arise that may affect our business.

An investment in our securities is speculative and involves a high degree of risk due to the nature of our business and the present stage of exploration and development of our mineral properties. The following risk factors, as well as risks not currently known to us, could materially adversely affect our future business, operations and financial condition and could cause them to differ materially from the estimates described in the forward-looking statements relating to us.

Risks Related to Our Business

We have no history of commercially producing precious metals from our mineral exploration properties and there can be no assurance that we will successfully establish mining operations or profitably produce precious metals.

The Donlin Gold project is not in production or currently under construction, and we have no ongoing mining operations or revenue from mining operations. Mineral exploration and development has a high degree of risk and few properties that are explored are ultimately developed into producing mines. The future development of the Donlin Gold project will require obtaining permits and financing and the construction and operation of mines, processing plants and related infrastructure. As a result, we are subject to all of the risks associated with establishing new mining operations and business enterprises, including:

- the need to obtain necessary environmental and other governmental approvals and permits, and the timing and conditions of those approvals and permits;
- the availability and cost of funds to finance construction and development activities;
- the timing and cost, which can be considerable, of the construction of mining and processing facilities as well as related infrastructure;
- potential opposition from non-governmental organizations, environmental groups or local groups which may delay or prevent development activities;
- potential increases in construction and operating costs due to changes in the cost of labor, fuel, power, materials and supplies, services, and foreign exchange rates;
- the availability and cost of skilled labor and mining equipment; and
- the availability and cost of appropriate smelting and/or refining arrangements.

The costs, timing and complexities of mine construction and development are increased by the remote location of our mineral properties, with additional challenges related thereto, including access, water and power supply, and other support infrastructure. Cost estimates may increase significantly as more detailed engineering work and studies are completed on a project. New mining operations commonly experience unexpected costs, problems and delays during development, construction, and mine start-up. In addition, delays in the commencement of mineral production often occur. Accordingly, there are no assurances that our activities will result in profitable mining operations, or that we will successfully establish mining operations, or profitably produce precious metals at the Donlin Gold project.

In addition, there is no assurance that our mineral exploration activities will result in any discoveries of new ore bodies. If further mineralization is discovered there is also no assurance that the mineralized material would be economical for commercial production. Discovery of mineral deposits is dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit is also dependent upon a number of factors which are beyond our control, including the attributes of the deposit, commodity prices, government policies and regulation, and environmental protection requirements.

We have a history of net losses and expect losses to continue for the foreseeable future.

The Donlin Gold project has not advanced to the commercial production stage and we have no history of earnings or cash flow from operations. We expect to continue to incur net losses unless and until such time the Donlin Gold project commences commercial production and generates sufficient revenues to fund continuing operations. The development of our mineral properties to achieve production will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the process of obtaining required government permits and approvals, the availability and cost of financing, the participation of our partners, and the execution of any sale or joint venture agreements with strategic partners. These factors, and others, are beyond our control. There is no assurance that we will be profitable in the future.

We have a limited property portfolio.

At present, our only material mineral property is the interest that we hold in the Donlin Gold project. Unless we acquire or develop additional mineral properties, we will be solely dependent upon this property. If no additional mineral properties are acquired by us, any adverse development affecting our operations and further development at the Donlin Gold project may have a material adverse effect on our financial condition and results of operations.

Our ability to continue the exploration, permitting, development, and construction of the Donlin Gold project, and to continue as a going concern, will depend in part on our ability to obtain suitable financing.

We have limited financial resources. We will need external financing to develop and construct the Donlin Gold project. According to the S-K 1300 Report, the total initial capital cost estimate for the Donlin Gold project is approximately $7,402 million which includes the costs related to the natural gas pipeline (100% basis). These cost estimates may change materially as our studies are updated. Our failure to obtain sufficient financing could result in the delay or indefinite postponement of exploration, development, construction, or production at the Donlin Gold project. The cost and terms of such financing may significantly reduce the expected benefits from development of the Donlin Gold project and/or render such development uneconomic. There can be no assurance that additional capital or other types of financing will be available when needed or that, if available, the terms of such financing will be favorable. Our failure to obtain financing could have a material adverse effect on our growth strategy and results of operations and financial condition.

We intend to fund our business plan from working capital, the proceeds of financings, and the proceeds received from the sale of our interest in the Galore Creek project. In the future, our ability to continue our exploration, permitting, development, and construction activities, if any, will depend in part on our ability to obtain suitable financing. If we raise additional funding by issuing additional equity securities or other securities that are convertible into equity securities, such financings may substantially dilute the interest of existing or future shareholders. Sales or issuances of a substantial number of securities, or the perception that such sales could occur, may adversely affect the prevailing market price for our common shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in earnings per share.

There can be no assurance that we will commence production at the Donlin Gold project or generate sufficient revenues to meet our obligations as they become due or obtain necessary financing on acceptable terms, if at all. Our failure to meet our ongoing obligations on a timely basis could result in the loss or substantial dilution of our interests (as existing or as proposed to be acquired) in the Donlin Gold project. In addition, should we incur significant losses in future periods, we may be unable to continue as a going concern, and realization of assets and settlement of liabilities in other than the normal course of business may be at amounts materially different than our estimates.

Actual capital costs, operating costs, production and economic returns may differ significantly from those we have anticipated and there are no assurances that any future development activities will result in profitable mining operations.

The capital costs to take the Donlin Gold project into production may be significantly higher than anticipated. As a result of the content updates included in the 2021 Technical Report (as defined below) and S-K 1300 Report (as defined below), the total initial capital cost estimate for the Donlin Gold project is $7,402 million. Likewise, the total sustaining capital estimate is $1,723 million.

We do not have an operating history upon which we can base estimates of future operating costs. Decisions about the development of the Donlin Gold project will ultimately be based upon feasibility studies. Feasibility studies derive estimates of cash operating costs based upon, among other things:

- anticipated tonnage, grades and metallurgical characteristics of the ore to be mined and processed;
- anticipated recovery rates of gold and other precious metals from the ore;
- cash operating costs of comparable facilities and equipment; and
- anticipated climatic conditions.

Capital costs, operating costs, production and economic returns, and other estimates contained in studies or estimates prepared by or for us may differ significantly from those anticipated by our current or future studies and estimates, and there can be no assurance that the initial capital costs incurred to construct, and the sustaining capital and operating costs incurred in operating the Donlin Gold project will not be higher than currently anticipated.

Changes in the market price of gold, which in the past has fluctuated widely, affect our financial condition.

Our profitability and long-term viability will depend, in large part, upon the market price of gold that may be produced from our Donlin Gold project. The market price of gold is volatile and is impacted by numerous factors beyond our control, including:

- global or regional consumption patterns;
- expectations with respect to the rate of inflation;
- the relative strength of the U.S. dollar and certain other currencies;
- interest rates;
- global or regional political or economic conditions, including interest rates and currency values;
- supply and demand for jewelry and industrial products containing gold; and
- sales or purchases by central banks and other holders, speculators, and producers of gold in response to any of the above factors.

We cannot predict the effect of these factors on the price of gold. A decrease in the market price of gold could affect our ability to finance the development of the Donlin Gold project, which would have a material adverse effect on our financial condition and results of operations. There can be no assurance that the market price of gold will remain at current levels or that such prices will improve. An increase in worldwide supply, and consequent downward pressure on prices, may result over the longer term from increased production from the development of new or expansion of existing mines. There is no assurance that if commercial quantities of gold are discovered, that a profitable market may exist or continue to exist for a production decision to be made or for the ultimate sale of gold.

General economic conditions may adversely affect our growth, future profitability and ability to finance.

Some key impacts which can contribute to financial market turmoil potentially impacting the mining industry include contraction in credit markets resulting in a widening of credit risk, imposition of trade tariffs among various countries, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. The prices of gold and gold mining company equities have experienced significant volatility over the past few years.

A decrease in gold prices or tightening of credit in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our ability to finance development and construction of the Donlin Gold project. Specifically:

- global economic conditions could make other investment sectors more attractive, thereby affecting the cost and availability of financing to us and our ability to achieve our business plan;
- the imposition of protectionist or retaliatory trade tariffs by countries may impact our ability to import materials needed to construct our projects or conduct our operations, or to export our products, at prices that are economically feasible for our operations, or at all;
- the volatility of metal prices would impact the economic viability of the Donlin Gold project and any future revenues, profits, losses and cash flow;
- negative economic pressures could adversely impact demand for future production from the Donlin Gold project;
- construction related costs could increase and adversely affect the economics of the Donlin Gold project;
- volatile energy, commodity and consumables prices and currency exchange rates would impact our future production costs; and
- the devaluation and volatility of global stock markets would impact the valuation of our equity and other securities.

The coronavirus (COVID-19) pandemic may affect our operations.

The Company faces risks related to health epidemics/pandemics, and other outbreaks of communicable diseases, which could significantly disrupt its operations and may materially and adversely affect its business and financial conditions.

The Company’s business could be adversely impacted by the effects of COVID-19 or other epidemics/pandemics. The extent to which they impact the Company’s business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include their duration, severity and scope and the actions taken to contain or treat them. In particular, the continued circulation or spread of COVID-19 could materially and negatively impact the Company’s business including without limitation, employee health, workforce productivity, insurance premiums, ability to travel, the availability of industry experts and personnel, restrictions or delays to future Donlin Gold drill and work programs and/or the timing to process drill and other metallurgical testing, and other factors that will depend on future developments beyond the Company’s control, which may have a material and adverse effect on its business, financial condition and results of operations.

There can be no assurance that the Company's personnel will not be impacted by these epidemic/pandemic diseases and ultimately see its workforce productivity reduced and incur increased medical costs or insurance premiums due to these health risks.

We are dependent on a third party that participates in exploration and development of our Donlin Gold project.

Our success with respect to the Donlin Gold project depends on the efforts and expertise of a third party with whom we have an agreement; we hold a 50% interest and the remaining 50% interest is held by a third party that is not under our control or direction. We are dependent on that third party for the progress and development of the Donlin Gold project. The third party may also have different priorities which could impact the timing and cost of development of the Donlin Gold project. The third party may also be in default of its agreement with us, without our knowledge, which may put the mineral property and related assets at risk. The existence or occurrence of one or more of the following circumstances and events could have a material adverse impact on our ability to achieve our business plan, profitability, or the viability of our interests held with the third party, which could have a material adverse impact on our business, future cash flows, earnings, results of operations and financial condition: (i) disagreement with the third party on how to develop and operate the Donlin Gold project efficiently; (ii) inability to exert influence over certain strategic decisions made in respect of the jointly-held Donlin Gold project; (iii) inability of the third party to meet its obligations to the joint business or other parties; and (iv) litigation with the third party regarding joint business matters.

Opposition to our operations from local stakeholders or non-governmental organizations could have a material adverse effect on us.

There is ongoing public concern relating to the effect of mining production on its surroundings, communities, and environment. Local communities and non-governmental organizations (NGOs), some of which oppose resource development, are often vocal critics of the mining industry. While we seek to operate in a socially responsible manner, opposition to extractive industries or our operations specifically or adverse publicity generated by local communities or NGOs related to extractive industries, or our operations specifically, could have an adverse effect on our reputation and financial condition or our relationships with the communities in which we operate. As a result of such opposition or adverse publicity, we may be unable to obtain permits necessary for our operations or to continue our operations as planned or at all. See “Recent Developments” above.

We require various permits to conduct our current and anticipated future operations, and delays or a failure to obtain such permits, or a failure to comply with the terms of any such permits that we have obtained, could have a material adverse impact on us.

Our current and anticipated future operations, including further exploration and development activities and commencement of production on the Donlin Gold project, require permits from various United States federal, state, and local governmental authorities. There can be no assurance that all permits that we require for the construction of mining facilities and to conduct mining operations will be obtainable on reasonable terms, or at all. Delays or a failure to obtain such permits, or a failure to comply with the terms of any such permits that we have obtained, could have a material adverse impact on us.

The duration and success of efforts to obtain and renew permits are contingent upon many variables not within our control. Shortage of qualified and experienced personnel in the various levels of government could result in delays or inefficiencies. Backlog within the permitting agencies could affect the permitting timeline of the various projects. Other factors that could affect the permitting timeline include (i) the number of other large-scale projects currently in a more advanced stage of development which could slow down the review process and (ii) significant public response regarding a specific project. As well, it can be difficult to assess what specific permitting requirements will ultimately apply to the Donlin Gold project.

The quantities for our mineral resources and mineral reserves are estimates based on interpretation and assumptions and may yield less mineral production under actual conditions than is currently estimated.

Unless otherwise indicated, mineralization quantities presented in this Annual Report on Form 10-K and in our other filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are based upon estimates made by our personnel and independent professionals. In addition, these estimates are imprecise and depend upon geologic interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. There can be no assurance that:

- these estimates will be accurate;
- mineral reserve, mineral resource or other mineralization figures will be accurate; or
- this mineralization could be mined, processed, or sold profitably.

Because we have not commenced commercial production at the Donlin Gold project, mineralization estimates may require adjustments, including potential downward revisions based upon further exploration or development work, actual production experience, or changes in the price of gold. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that the percentage of minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or at production scale.

Mineral resource estimates for mineral properties that have not commenced production are based, in many instances, on limited and widely spaced drill hole information, which is not necessarily indicative of the conditions between and around drill holes. Accordingly, such mineral resource estimates may require revision as more drilling information becomes available or as actual production experience is gained. No assurance can be given that any part or all of our mineral resources constitute or will be converted into reserves.

The estimating of mineral reserves and mineral resources is a subjective process that relies on the judgment and experience of the persons preparing the estimates. The process relies on the quantity and quality of available data and is based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. By their nature, mineral resource and reserve estimates are imprecise and depend, to a certain extent, upon analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. There can be no assurances that actual results will meet the estimates contained in studies.

Estimated mineral reserves or mineral resources may have to be recalculated based on changes in metal prices, further exploration or development activity, or actual production experience. In addition, if production costs increase, recovery rates decrease, if applicable laws and regulations are adversely changed, there is no assurance that the anticipated level of recovery will be realized or that mineral reserves or mineral resources as currently reported can be mined or processed profitably. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral reserve or mineral resource estimates. The extent to which mineral resources may ultimately be reclassified as mineral reserves is dependent upon the demonstration of their profitable recovery. Any material changes in mineral resource estimates and grades of mineralization will affect the economic viability of placing a mineral property into production and a mineral property’s return on capital. We cannot provide assurance that mineralization identified at the Donlin Gold project can or will be mined or processed profitably.

The mineral resource and mineral reserve estimates contained in this Annual Report on Form 10-K have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate. Extended declines in market prices for gold may render portions of our mineralization uneconomic and result in reduced reported mineralization. Any material reductions in estimates of mineralization, or of our ability to extract this mineralization, could have a material adverse effect on our ability to implement our business strategy, the results of operations or our financial condition.

We have established the presence of proven and probable mineral reserves at the Donlin Gold project in accordance with the disclosure definition and standards contained in S-K 1300 and in NI 43-101. There can be no assurance that any mineral resource estimates for our mineral projects will ultimately be reclassified as mineral reserves. The failure to establish proven and probable mineral reserves could restrict our ability to successfully implement our strategies for long-term growth and could impact future cash flows, earnings, results of operation and financial condition.

Lack of infrastructure could delay or prevent us from developing advanced projects.

Completion of the development of the Donlin Gold project is subject to various requirements, including the availability and timing of acceptable arrangements for power, water, transportation, access, and facilities. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay development of the project. There can be no assurance that adequate infrastructure, including access and power supply, will be built, that it will be built in a timely manner or that the cost of such infrastructure will be reasonable or that it will be sufficient to satisfy the requirements of the project. If adequate infrastructure is not available in a timely manner, there can be no assurance that:

- the development of the Donlin Gold project will be commenced or completed on a timely basis, if at all;
- the resulting operations will achieve the anticipated production volume; or
- the construction costs and ongoing operating costs associated with the development of the Donlin Gold project will not be higher than anticipated.

Access to the Donlin Gold project is limited and there is no infrastructure that serves the project area. An approximately 507-kilometer natural gas pipeline is needed to supply fuel to the proposed on-site generating plant to provide power for the Donlin Gold project. The proposed pipeline would traverse generally undeveloped areas in Alaska that are difficult to access. Transportation of most of the supplies needed to construct and operate the Donlin Gold project would be accomplished by barging materials on the Kuskokwim River during the annual shipping season which typically occurs from late April to mid-October. Two ports would be needed on the Kuskokwim River, the first located in Bethel, Alaska, where ocean barges would transition materials to river barges; and the second located approximately 320 kilometers upriver from Bethel. A 48-kilometer access road from the upriver port to the project site is needed to deliver the materials. Additionally, a 1,500-meter airstrip would be built to provide year-round access to the project. Terrain, geologic conditions, ground conditions, steep slopes, river levels, ice breakup, weather, climate change impacts and other natural conditions that are beyond our control along the pipeline and transportation routes present design, permitting, construction, and operational challenges for the project. Cost and schedule estimates may increase significantly as more detailed engineering work, geotechnical and geological studies are completed.

Title and other rights to our mineral properties are subject to agreements with other parties.

The subsurface mineral and surface rights at the Donlin Gold project are owned by Calista and TKC, respectively, two Native corporations. Donlin Gold operates on these lands pursuant to a Mining Lease with Calista (“Calista Lease”) and a Surface Use Agreement (“SUA”) with TKC. The ability of Donlin Gold to continue to explore and develop the Donlin Gold project depends upon its continued compliance with the terms and conditions of the Calista Lease and SUA. Furthermore, our ability to continue to explore and develop other mineral properties may be subject to agreements with other third parties, including agreements with Native corporations, for instance.

Our largest shareholder has significant influence on us and may also affect the market price and liquidity of our securities.

Electrum Strategic Resources L.P. (“Electrum”) and its affiliate GRAT Holdings LLC hold in the aggregate 25.3% of our issued and outstanding common shares as of January 17, 2023. Accordingly, Electrum and its affiliates will have significant influence in determining the outcome of any corporate transaction or other matter submitted to the shareholders for approval, including mergers, consolidations, and the sale of all or substantially all of our assets and other significant corporate actions. Unless full participation of all shareholders takes place in such shareholder meetings, Electrum and its affiliates may be able to approve such matters itself. The concentration of ownership of the common shares by Electrum and its affiliates may: (i) delay or deter a change of control of the Company; (ii) deprive shareholders of an opportunity to receive a premium for their common shares as part of a sale of the Company; and (iii) affect the market price and liquidity of the common shares. In conjunction with the January 22, 2009 financing, we provided Electrum with the right to designate an observer at all meetings of the board of directors (the “Board”) and any committee thereof so long as Electrum and its affiliates hold not less than 15% of our common shares. Electrum designated Igor Levental, President of The Electrum Group LLC, the company that manages Electrum’s investments, as its observer at our Board meetings. In July 2010, Mr. Levental was appointed to our Board. Mr. Levental passed away in June 2022 while serving on the Company’s Board. In November 2011, Dr. Thomas S. Kaplan, was appointed Chairman of our Board. Dr. Kaplan is also the Chairman and Chief Executive Officer of The Electrum Group LLC. As long as Electrum and its affiliates maintain its shareholdings in the Company, Electrum will have significant influence in determining the members of the Board. Without the consent of Electrum, we could be prevented from entering into transactions that are otherwise beneficial to us. The interests of Electrum and its affiliates may differ from or be adverse to the interests of our other shareholders. The effect of these rights and Electrum’s influence may impact the price that investors are willing to pay for our shares. If Electrum or its affiliates sell a substantial number of our common shares in the public market, the market price of the common shares could fall. The perception among the public that these sales will occur could also contribute to a decline in the market price of our common shares.

Some of the directors and officers have conflicts of interest as a result of their involvement with other natural resource companies.

Certain of our directors and officers also serve as directors, or have significant shareholdings in, other companies involved in natural resource exploration and development or mining-related activities. To the extent that such other companies may participate in ventures in which we may participate in or in ventures which we may seek to participate in, the directors and officers may have a conflict of interest. In all cases where the directors or officers have an interest in other companies, such other companies may also compete with us for the acquisition of mineral property investments. Any decision made by any of these directors and officers involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company. In addition, each of the directors is required to declare and refrain from voting on any matter in which these directors may have a conflict of interest in accordance with the procedures set forth in the Business Corporations Act (British Columbia) and other applicable laws. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Nonetheless, as a result of these conflicts of interest, the Company may not have an opportunity to participate in certain transactions, which may have a material adverse effect on the Company's business, profitability, financial condition, results of operation, and prospects.

We have ongoing reclamation on some of our mineral properties and may be required to fund additional work that could have a material adverse effect on our financial position.

Land reclamation requirements are generally imposed on mineral exploration companies (as well as companies with mining operations) in order to minimize long term effects of land disturbance. Reclamation may include requirements to:

- treat ground and surface water to applicable water standards;
- control dispersion of potentially deleterious effluents;
- reasonably re-establish pre-disturbance landforms and vegetation; and
- provide adequate financial assurance to ensure required reclamation of land affected by our activities.

Exploration and other activities at the Donlin Gold project site have created disturbance that must be reclaimed. Financial resources spent on reclamation might otherwise be spent on further exploration and development programs. In addition, regulatory changes could increase our obligations to perform reclamation and mine closure activities. There can be no assurance that we will not be required to fund additional reclamation work at the site that could have a material adverse effect on our financial position.

We are exposed to credit, liquidity, and interest rate risk.

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Our cash equivalents and term deposit investments are held through large Canadian chartered banks with high investment-grade ratings. These investments mature at various dates over the current operating period. A portion of the proceeds from the sale of our Galore Creek assets include notes receivable from a subsidiary of Newmont Corporation ("Newmont"), a publicly traded company with investment-grade credit ratings. The notes receivable included a $75 million note receivable of which payment was received on July 27, 2021 and includes a $25 million note receivable upon the earlier of the completion of a Galore Creek project feasibility study or July 27, 2023. An additional $75 million will be receivable if, and when a Galore Creek project construction plan is approved by the owner(s). No value was assigned to the final $75 million contingent note receivable due to the uncertainty with regards to the approval of a Galore Creek project construction plan. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents our maximum exposure to credit risk.

Liquidity risk is the risk that we will not be able to meet our financial obligations as they come due. We manage liquidity risk through the management of our capital structure and financial leverage. Accounts payable and accrued liabilities are due within one year from the balance sheet date.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that we will realize a loss as a result of a decline in the fair value of the term deposit investments is limited because these investments have an original term of less than one year and are generally held to maturity. The promissory note owed to Barrick is variable with the U.S. prime rate. Based on the amount owing on the promissory note as of November 30, 2022, and assuming all other variables remain constant, a 1% change in the U.S. prime rate would result in an increase/decrease of $1.24 million in the interest accrued on the promissory note per annum. For more detail with respect to the promissory note, see section *Item 2, Donlin Gold Project, Alaska*, below.

Risks Related to Our Industry

Mining is inherently risky and subject to conditions or events some of which are beyond our control, and which could have a material adverse effect on our business.

Mining involves various types of risks, including:

- environmental hazards;
- industrial accidents;
- metallurgical and other processing problems;
- unusual or unexpected geologic formations and conditions;
- structural cave-ins or slides;
- flooding;
- fires;
- power outages;
- labor disruptions;
- explosions;
- landslides and avalanches;
- mechanical equipment and facility performance problems;
- availability of materials and equipment;
- metals losses; and
- periodic interruptions due to inclement or hazardous weather conditions.

These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties; personal injury or death, including to employees; environmental damage; delays in construction or mining operations; increased production costs; asset write downs; monetary losses; and possible legal liability. We may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. Insurance against certain environmental risks, including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from mineral production, is not generally available to us or to other companies within the mining industry. We may suffer a material adverse impact on our business if we incur losses related to any significant events that are not covered by our insurance policies.

Exploration, construction, and production activities may be limited or delayed by inclement weather and shortened exploration, construction and operating seasons. For example, Donlin Gold proposes to transport the bulk of the supplies required to operate the Donlin Gold project to the site from ports in the United States and Canada. This would require the supplies to be transported by barge on the Kuskokwim River which is free of ice and open for barge traffic for a limited period each year. Delays in the ice breakup or early freeze-up, low flow levels and water depths, or other conditions affecting the Kuskokwim River could delay or prevent Donlin Gold from transporting supplies to the site. Any such interference with the delivery of needed supplies to the Donlin Gold project could adversely affect the construction or operation of the project and/or the costs associated with these activities which, in turn, would adversely affect our business.

We are subject to significant governmental regulation.

Our operations, exploration and development activities in the United States, are subject to extensive federal, state and local laws and regulations governing various matters, including:

- environmental protection;
- management and use of toxic substances and explosives;
- management of tailings and other wastes generated by our operations;

- management of natural resources;
- exploration and development of mines, production and post-closure reclamation;
- exports;
- price controls;
- taxation and mining royalties;
- regulations concerning business dealings with indigenous groups;
- availability and use of water resources;
- labor standards and occupational health and safety, including mine safety; and
- preservation of historic and cultural resources.

Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining, curtailing or closing operations or requiring corrective measures, installation of additional equipment or remedial actions, any of which could result in us incurring significant expenditures. We may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or a more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspensions of our operations and delays in the exploration and development of our mineral properties.

Our activities are subject to environmental laws and regulations that may increase our costs of doing business and restrict our operations.

Our exploration, potential development and production activities in the United States are subject to regulation by governmental agencies under various environmental laws. To the extent that we conduct exploration activities or undertake new mining activities in other foreign countries, we will also be subject to environmental laws and regulations in those jurisdictions. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, use of water, protection of natural resources, antiquities and endangered species, and reclamation of lands disturbed by mining operations. Environmental legislation and regulations continue to evolve, and the trend has been toward stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on our behalf and may cause material changes or delays in our intended activities. There can be no assurance that future changes in environmental regulations will not adversely affect our business, and it is possible that future changes in these laws or regulations could have a significant adverse impact on some portion of our business, causing us to re-evaluate those activities at that time.

Environmental hazards may exist on our mineral properties that are unknown to us at the present time, and that have been caused by previous owners or operators or that may have occurred naturally. We may be liable for remediating such damage.

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities, causing operations to cease or to be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Our insurance will not cover all of the potential risks associated with mining operations.

Our business is subject to a number of risks and hazards generally including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena, such as inclement weather conditions, floods, hurricanes and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to our properties or the property of others, delays in construction or mining, monetary losses, and possible legal liability.

Although we maintain insurance to protect against certain risks in such amounts as we consider reasonable, our insurance will not cover all the potential risks associated with a mining company's operations. We may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution, or other hazards, as a result of exploration and production is not generally available to us or to other companies in the mining industry on acceptable terms. We might also become subject to liability for pollution or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause us to incur significant costs that could have a material adverse effect on our financial performance and results of operations.

Title and other rights to our mineral properties cannot be guaranteed and may be subject to prior unregistered agreements, transfers or claims and other defects.

We cannot guarantee that title to our mineral properties will not be challenged. We may not have, or may not be able to obtain, all necessary surface rights to develop a mineral property. Title insurance is generally not available for mineral properties and our ability to ensure that we have obtained secure claim to individual mineral properties or mining concessions may be severely constrained. Our mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. We have not conducted surveys of all the mineral properties in which we hold direct or indirect interests. A successful challenge to the precise area and location of these mineral properties could result in us being unable to operate on our mineral properties as permitted or being unable to enforce our rights with respect to our mineral properties. This could result in us not being compensated for our prior investment relating to the mineral property.

Rising metal prices encourage mining exploration, development, and construction activity, which in the past has increased demand for and cost of contract mining services and equipment.

Increases in metal prices tend to encourage increases in mining exploration, development, and construction activities. During past expansions, demand for and the cost of contract exploration, development and construction services and equipment have increased as well. Increased demand for and cost of services and equipment could cause project costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increased potential for scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development, or construction costs, result in project delays, or both. There can be no assurance that increased costs may not adversely affect our development of our mineral properties in the future.

We may experience difficulty attracting and retaining qualified management and technical personnel to meet our business objectives, and the failure to manage our business effectively could have a material adverse effect on our business and financial condition.

We are dependent on the services of key executives including our President and Chief Executive Officer and other highly skilled and experienced executives and personnel focused on managing our interests and the advancement of the Donlin Gold project, in addition to the identification of new opportunities for growth and funding. Due to our relatively small size, the loss of these persons or our inability to attract and retain additional highly skilled employees required for the development of our activities may have a material adverse effect on our business or future operations.

We may be subject to legal proceedings.

Due to the nature of our business, we may be subject to a variety of regulatory investigations, claims, lawsuits, and other proceedings in the ordinary course of our business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on our business.

General Risk Factors

The Company is dependent upon information technology systems, which are subject to disruption, damage, failure, and risks associated with implementation and integration.

The Company's information technology systems used in its operations are subject to disruption, damage, or failure from a variety of sources, including, without limitation, computer viruses, security breaches, cyberattacks, natural disasters and defects in design. Cybersecurity incidents are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data or machines and equipment, and other electronic security breaches that could lead to disruptions in systems, unauthorized release of confidential or otherwise protected information, the corruption of data or the disabling, misuse or malfunction of machines and equipment. Various measures have been implemented to manage the Company's risks related to information technology systems and network disruptions. However, given the unpredictability of the timing, nature and scope of information or operational technology disruptions, the Company could potentially be subject to the compromising of confidential or otherwise protected information, destruction or corruption of data, security breaches, other manipulation or improper use of our systems and networks or financial losses from remedial actions, any of which could have a material adverse effect on cash flows, financial condition or results of operations.

The Company could also be adversely affected by system or network disruptions if new or upgraded information technology systems are defective, not installed properly or not properly integrated into operations. Various measures have been implemented to manage the risks related to the system implementation and modification, but system modification failures could have a material adverse effect on the Company's business, financial position, and results of operations.

We believe we were a passive foreign investment company (PFIC) in 2022 which could have negative tax consequences for U.S. investors.

U.S. holders of our common shares should be aware that we believe that for U.S. federal income tax purposes we were classified as a PFIC for our fiscal year ended November 30, 2022, and that we may continue to be classified as a PFIC in future years. The determination of whether the Company is a PFIC is a factual determination dependent on a number of factors and cannot be made until the close of the applicable tax year. Accordingly, no assurances can be given regarding the Company's PFIC status for the current year or any future year. If the Company is a PFIC at any time during a U.S. holder's holding period, then certain potentially adverse tax consequences could apply to such U.S. holder's acquisition, ownership, and disposition of common shares. For more information, please see the discussion in *Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities* "*Certain U.S. Federal Income Tax Considerations for U.S. Holders*" below.

Global climate change is an international concern and could impact our ability to conduct future operations.

Global climate change is an international issue and receives an enormous amount of publicity. We would expect that the imposition of international treaties or U.S. or Canadian federal, state, provincial, or local laws or regulations pertaining to mandatory reductions in energy consumption or emissions of greenhouse gasses could affect the feasibility of mining projects and increase operating costs.

The Donlin Gold project is not directly threatened by current predictions of sea level rise as it is located inland at elevations 150 meters to 640 meters above sea level. However, changes in sea levels could affect ocean and river transportation and shipping facilities, which would be used to transport supplies, equipment and personnel to the Donlin Gold project and products from the project to world markets. The Donlin Gold project proposes to deliver the vast majority of construction and operations equipment, supplies, consumables, and other required materials to the project site via the Kuskokwim River when it is ice-free. Historically, the Kuskokwim River has been ice-free from late April until mid-October and models based on historic weather and river flow records predict that there would be sufficient flow in the river to allow the transportation of the required materials to the project site annually. If climate changes alter the ice-free season or flow patterns of the Kuskokwim River, the current supply logistics plan for the project may need to be modified.

Climate changes also could affect the availability of water required to sustain operations at the Donlin Gold project. Also, management of water is an essential component of the project's operating plans. Climate change could require modifications to the project's water management plan, which may require additional capital investments or increase operating costs, if precipitation increases or decreases relative to historic records.

Extreme weather events (such as increased frequency or intensity of storms, increased snowpack, prolonged drought, and associated fire danger) have the potential to disrupt operations. Where appropriate the Donlin Gold project has developed contingency plans for managing extreme weather conditions; however, extended disruptions to supply lines due to extreme weather could result in interruption of activities at the project site, delay or increase the cost of construction of the project, or otherwise adversely affect our business.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

The Company has adopted the mining disclosure standards of *Subpart 229.1300 of Regulation S-K – Disclosure by Registrants Engaged in Mining Operations* ("S-K 1300"). The Company is subject to and required to disclose mineral resources and mineral reserves in accordance with S-K 1300. While the S-K 1300 rules are similar to National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") rules in Canada, they are not identical and therefore two reports have been produced for the Donlin Gold project. The information in *Item 2, Properties,* below is common to both reports and contains pertinent information required under S-K 1300.

Donlin Gold Technical Report (NI 43-101)

The Company retained Wood Canada Limited ("Wood"), an unaffiliated third party, to update content in its previously filed "*Donlin Creek Gold Project, Alaska, USA, NI 43-101 Technical Report on the Second Updated Feasibility Study*," effective November 18, 2011, and amended January 20, 2012 ("2011 Mining Study"). Wood's Qualified Persons ("QPs") completed an exercise to verify which content in the 2011 Mining Study remains current, and what was required to update the report content with the latest information. Updated content includes operating costs, capital costs, tax rates, long term gold price, and the economic analysis. Additionally, work done on the property since 2011 with respect to exploration, drilling, permitting, and minor mine design changes as a result of recent permitting activities are summarized in the updated content. A data verification exercise was completed by each Wood QP co-authoring the report. This included a September 2020 site visit by two of the report QPs; review of the geologic data, geologic model, and resource model; review of metallurgical test work; review of designs for mining, processing, and infrastructure, including minor design updates; update of capital and operating cost estimates utilizing a combination of cost indices and vendor quotations; and an updated economic analysis. Canadian NI 43-101 Definitions and CIM Definition Standards for Mineral Resources and Mineral Reserves ("CIM Definition Standards"), adopted by CIM Council on May 10, 2014 apply for this exercise.

The Wood review determined that the report updating exercise resulted in no material change to the Mineral Resources or Mineral Reserves. On August 31, 2021, the Company voluntarily filed an updated NI 43-101 technical report for the Donlin Gold project in Alaska, USA, and titled "*NI 43-101 Technical Report on the Donlin Gold Project, Alaska, USA*," with an effective date of June 1, 2021 ("2021 Technical Report") reflecting the results of the above exercise. The 2021 Technical Report was prepared by Wood. The 2021 Technical Report is available on the Company's website and on EDGAR at www.sec.gov and on SEDAR at www.sedar.com.

Donlin Gold Technical Report Summary (S-K 1300)

The Company is a registrant with the SEC and is reporting its exploration results, Mineral Resources, and Mineral Reserves using the mining disclosure standards of S-K 1300. The Company requested that Wood prepare a Technical Report Summary of the Donlin Gold project, Alaska, USA using the standards of S-K 1300 and it is titled "*S-K 1300 Technical Report Summary on the Donlin Gold Project, Alaska, USA*" ("S-K 1300 Report"), current as of November 30, 2021, with a report date of November 30, 2021. Wood prepared the S-K 1300 Report from the 2011 Mining Study of the Donlin deposits that was completed to at least pre-feasibility level, as defined by S-K 1300, at the time of the study. Material aspects of the 2011 Mining Study were updated by Wood in 2020 and made current. As part of the update process, Wood's subject matter experts completed an exercise to verify and update the content of the 2011 Mining Study with the latest information under the supervision of Wood's independent QP co-authors of the S-K 1300 Report. Updated content includes operating costs, capital costs, taxes, forecast long term gold price and the economic analysis. Additionally, work done since 2011 on the property with respect to exploration, drilling, permitting and minor project design changes as a result of recent permitting activities are summarized in the S-K 1300 Report. A data verification exercise was completed by each Wood QP co-authoring the S-K 1300 Report. Wood QPs verified that the updated content of the 2011 Mining Study met at least pre-feasibility level of study as defined in S-K 1300, and it supports the disclosure of exploration results, Mineral Resources, and Mineral Reserves using S-K 1300 standards.

Results of the Donlin Gold Technical Report (NI 43-101) and Donlin Gold Technical Report Summary (S-K 1300)

Wood reviewed the geologic and resource models that supported the 2011 Mining Study, including comparing them to data from recent drilling programs, and determined that they continue to be adequate and suitable to be used for a Mineral Resource estimation. Using updated cost inputs from the first calendar quarter of 2020, a gold price of $1,500 per ounce, and the geologic and resource models utilized in support of the 2011 Mining Study, the contents within an updated optimized pit shell did not show a material change to the Mineral Resources stated in the 2011 Mining Study. Therefore, the Mineral Resources were considered current as of November 30, 2021 and are unchanged. They continue to have an effective date of July 11, 2011.

Similarly, using updated cost inputs, a gold price of $1,200 per ounce, and the geologic and resource models utilized in support of the 2011 Mining Study with appropriate modifying factors applied for Mineral Reserve estimation, the previous Mineral Reserve ultimate pit was contained within an updated optimized pit shell. Therefore, the Mineral Reserves remained current as of November 30, 2021 and are unchanged. Because the Mineral Reserves are supported by an updated economic analysis they have an effective date of April 27, 2021.

Outside of verifying the Mineral Resource and Mineral Reserve estimates, the primary efforts in the 2021 Technical Report and the S-K 1300 Report were financial and permitting updates. This includes updates to estimated capital costs, operating costs, reclamation and closure costs, royalties, taxes, and economic analysis, as well as current status of the permits. Updated capital costs are based on first calendar quarter 2020 pricing (cost indices and current commodity pricing and equipment quotes) applied to the engineering designs and material take-offs from the 2011 Mining Study, except for minor changes made during permitting in the operations water treatment plant and the natural gas pipeline. As a result of the content updates, the total initial capital cost estimate is $7,402 million, which is an increase of 10.8% or $723 million compared to the 2011 Mining Study total initial capital cost estimate. Likewise, the total sustaining capital estimate is $1,723 million, which is an increase of 14.6% or $219 million compared to the 2011 Mining Study total sustaining capital estimate. The 2011 Mining Study operating costs were updated to first calendar quarter 2020 by updating key cost drivers like energy, labor, consumables, and freight. No material changes to project designs, schedules, or productivities were made; consequently, the manning schedules and consumables remain unchanged. The updated estimated Life of Mine (LOM) operating costs total $19,289 million, which is $5.90/t mined, $38.21/t processed, or $635/oz gold sold.

The economic evaluation of the Donlin Gold project in both the 2021 Technical Report and the S-K 1300 Report was updated using the following inputs:

- A production plan based on the 2011 Mining Study of 53,500 t/d open pit gold mine with ore processing by means of flotation, pressure oxidation, and cyanidation. The pit designs and Mineral Reserves were based on the Measured and Indicated Mineral Resource estimates that were verified as remaining current. Annual LOM gold production averages 1.13 million ounces per year over a production life of 27 years, including 1.46 million ounces per year for the first five full years of production.
- $1,500/oz gold price
- Current land and royalty agreements
- Initial and sustaining capital costs, and operating costs updated to first calendar quarter 2020
- Tax payments in accordance with the Tax Cuts and Jobs Act (“TCJA”) enacted in December 2017 and effective January 1, 2018
- $292 million LOM contributions for reclamation, closure, and financial assurance
- Financing has been assumed on a 100%, all equity, stand-alone basis
- Escalation/inflation has been excluded
- No salvage is assumed at the end of operations

Based on the economic evaluation, the Donlin Gold project generates positive before and after-tax economic results. Total after-tax cash flow is $13,145 million, after-tax NPV at a 5% discount rate is $3,040 million, and the after-tax internal rate of return is 9.2%. After-tax payback is achieved 7.3 years following the start of production.

The following descriptions summarize selected information about the Company’s 50% interest in the Donlin Gold project located in Alaska, USA. Except for subsequent events or as otherwise noted, the disclosure in this Annual Report on Form 10-K of a scientific or technical nature for the Donlin Gold project is based on both the 2021 Technical Report and S-K 1300 Report, as of November 30, 2021. The S-K 1300 Report meets at least a pre-feasibility level. The 2021 Technical Report and the S-K 1300 Report do not incorporate the latest Donlin Gold optimization work on the geologic modeling concepts or other optimization work since these assessments are still underway.

The 2021 Technical Report was filed on EDGAR and SEDAR on August 31, 2021. The S-K 1300 Report is filed on EDGAR and SEDAR on January 26, 2022. The 2021 Technical Report and S-K 1300 Report were prepared by Wood.

The 2021 Technical Report and S-K 1300 Report have been filed with securities regulatory authorities in each province of Canada and with the SEC. Portions of the following information are based on assumptions, qualifications and procedures that are not fully described herein. Reference should be made to the full text of both reports which are available for review on EDGAR at www.sec.gov and on SEDAR at www.sedar.com.

Paul Chilson, P.E., a Qualified Person and an employee of the Company, has approved the mineral reserves and mineral resources included in this Annual Report on Form 10-K as of November 30, 2022 and reviewed the reserves and resources in the S-K 1300 Report and confirmed that the reserves and resources remain current as of November 30, 2022.

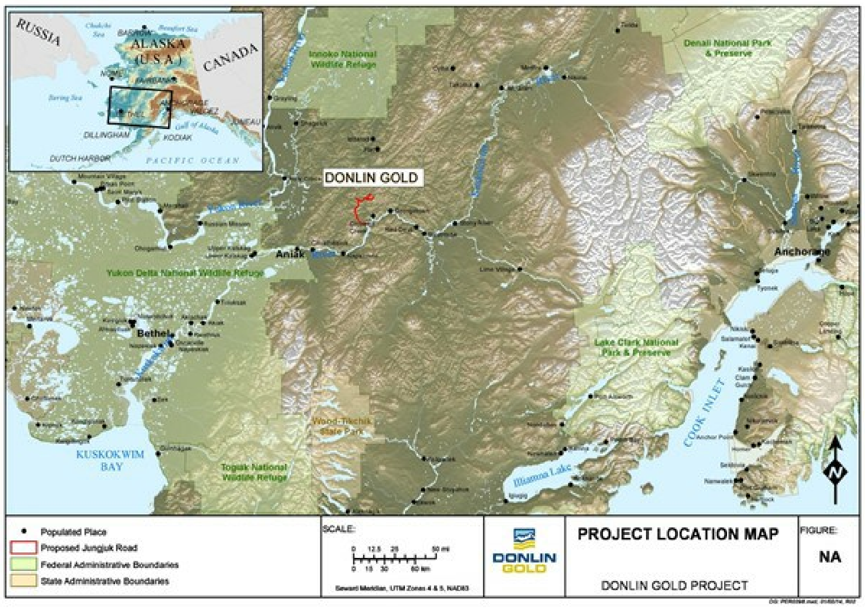
Donlin Gold Project, Alaska, USA

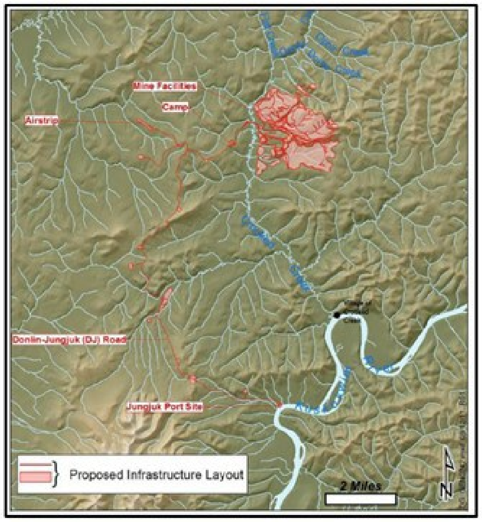
The Donlin Gold project is a development-stage gold project held by Donlin Gold LLC ("Donlin Gold"), a limited liability company that is owned 50% by the Company's wholly-owned subsidiary, NOVAGOLD Resources Alaska Inc., and 50% by Barrick's wholly-owned subsidiary, Barrick Gold U.S. Inc. The Company's book value of its investment in the Donlin Gold project is $3.8 million as of November 30, 2022.

The Company entered into the limited liability company agreement with Barrick ("LLC Agreement") dated December 1, 2007, which provided for the creation of Donlin Gold, that is jointly owned by the Company and Barrick on a 50/50 basis. Pursuant to the LLC Agreement, the Company agreed to reimburse Barrick out of future mine production cash flow for a portion of Barrick's prior expenditures on the Donlin Gold project. As of November 30, 2022, the promissory note, including accrued interest, amounted to approximately $123.7 million. Funding for the project is currently shared by both parties on a 50/50 basis.

Except for events subsequent to the reports, or as otherwise stated or implied, the scientific and technical information regarding the Donlin Gold project in this Annual Report on Form 10-K is based on both the 2021 Technical Report and the S-K 1300 Report.

Property Description and Location





The Donlin Gold deposits are situated approximately 62°North latitude and 158°West longitude, which is 450 km west of Anchorage and 250 km northeast of Bethel up the Kuskokwim River. The closest village is the community of Crooked Creek, approximately 20 km to the south, on the Kuskokwim River.

The resource areas are within T. 23 N., R. 49. W., Seward Meridian, Kuskokwim and Mt. McKinley Recording Districts, Crooked Creek Mining District, Iditarod A-5 USGS 1:63,360 topography map. The mineralization is centered on approximately 540222.50 east and 6878534.36 north, using the NAD 83 datum.

The Donlin Gold property is located in the Kuskokwim region of southwestern Alaska on private, Alaska Native-owned mineral and surface land and Alaska state mining claims. The property is under lease (the Calista Lease) for subsurface rights and some surface rights from Calista and surface rights (the SUA) from TKC, two Alaska Native corporations. Calista is one of 13 regional Alaska Native corporations established as part of the Alaska Native Claims Settlement Act of 1971 (ANCSA) and under ANCSA has title to the subsurface estate and some surface rights in the region. TKC was formed in 1977 when the ANCSA village corporations of Lower Kalskag, Upper Kalskag, Aniak, Chuathbaluk, Napaimute, Crooked Creek, Red Devil, Georgetown, Sleetmute and Stony River, which are located along the middle region of the Kuskokwim River, merged. Under ANCSA, TKC has title to extensive surface estate in the region, including most of the project lands. The property hosts a gold deposit currently estimated at 33.8 million ounces of proven and probable mineral reserves averaging 2.09 grams per tonne. The Company believes that significant exploration potential remains in the Donlin Gold district, with prospects to increase mine life and/or justify future production expansions. See *Mineral Reserve and Mineral Resource Estimate*, below.

Other lands required for offsite infrastructure, such as the Jungjuk port site, the road from the port site to the mine site, and natural gas pipeline are categorized as Native, State of Alaska conveyed, or Bureau of Land Management (BLM) lands. Rights-of-way are required from other Alaska Native corporations, the State of Alaska and BLM for the road and pipeline alignments that cross Native corporation, state, and federal lands.

Permits

Donlin Gold obtained the necessary permits and certifications that allowed for the exploration, associated at least pre-feasibility study level test work, environmental monitoring, and Environmental Impact Study (EIS) baseline data collection efforts. The current status of these permits is in line with the termination of the baseline data collection effort, temporary closure of the camp in May 2015, and the seasonal reopening of the site for the geological drill program from July to November 2017, the geotechnical drill program in 2019 for the issuance of the Dam Safety Certifications, and the latest geological drill programs in 2020, 2021, and 2022. The active permits include Alaska Department of Natural Resources (ADNR) temporary use of water; ADNR Application for Permit to Mine in Alaska (approval for the 2020, 2021 and 2022 drill programs), the U.S. Army Corps of Engineers (Corps) individual 404 and nationwide 26 permits; Alaska Department of Environmental Conservation (ADEC) authorizations (landfill, septic system, multisector stormwater general permit – sector G, owners requested limit [air]); and Federal Aviation Administration approval (Landing Area). Other permits were either put on hold, closed, or allowed to expire.

On August 7, 2012, we announced that Donlin Gold commenced permitting of the project by submitting a draft Plan of Operations and Section 404 Clean Water Act (CWA) draft permit application to federal and state regulators. The Section 404 permit application initiated the environmental review process under the National Environmental Policy Act (NEPA) which involves preparation of an EIS. The Corps selected AECOM, formerly URS, an independent contractor, to prepare the EIS. The Notice of Intent for the EIS was published in the Federal Register on December 14, 2012, and the NEPA public scoping process was completed on March 29, 2013. During the remainder of 2013 and through 2014 and 2015, Donlin Gold worked to address the remaining data needs for the draft EIS. Donlin Gold also continued to provide application materials and maintained ongoing dialogue with the key permitting agencies. The Corps addressed the cooperating agency comments on the preliminary draft and filed the Notice of Availability for public release of the draft EIS in the Federal Register in November 2015. After the filing of the draft EIS, the Corps issued a schedule for public meetings on the Donlin Gold draft EIS in the Y-K region and Anchorage, Alaska. The Corps conducted, and at the end of May 2016 completed, a six-month public comment period for the draft EIS, including 17 public comment meetings in communities across the Y-K region and in Anchorage. The Corps received comments from federal and state agencies, local and tribal governments, Alaska Native organizations, businesses, special interest groups/NGOs, and individuals.

On April 27, 2018, the Notice of Availability of the Donlin Gold final EIS was published in the *Federal Register*. On August 13, 2018, the Corps and the BLM issued a joint Federal Record of Decision (ROD) for the Donlin Gold project. Along with the ROD, the Corps issued a combined permit under CWA Section 404 and Section 10 of the Rivers and Harbors Act. Additionally, the BLM issued the Offer to Lease for the right-of-way (ROW) for those portions of the natural gas pipeline that would cross federal lands. The Pipeline and Hazardous Materials Safety Administration previously issued a special permit for the natural gas pipeline on June 5, 2018.

Several major State of Alaska permits were also issued and advanced during 2018 through 2022. After a public notice and comment period, ADEC issued a Certificate of Reasonable Assurance under CWA Section 401 on August 10, 2018, indicating that the CWA 404 permit complies with the State's water quality standards. The Alaska Pollutant Discharge Elimination System (APDES) water discharge permit was issued by ADEC on May 24, 2018 and became effective on July 1, 2018. Donlin Gold submitted its application to ADEC for the regularly scheduled re-issuance of its APDES permit and in December 2022, Donlin Gold received a letter from ADEC indicating that the application is complete and the permit will remain in effect until ADEC completes the reissuances process. The State of Alaska Department of Fish and Game (ADFG) issued Title 16 Fish Habitat permits for the mine area and transportation corridor on August 30, 2018. Donlin Gold applied for a new air quality permit from ADEC, which is expected to be in place when the current permit expires in mid-2023. The Donlin Gold air quality permit renewal is required to update that emissions controls reflect best technology and re-confirm that air quality standards will be met. A draft permit was issued for public comment in December 2022. The final approvals of the Donlin Gold Reclamation Plan and the Waste Management Permit were issued on January 18, 2019. ADNR issued the easement, land leases, land use permits, and material site authorizations for the proposed transportation facilities, and easement for the fiber optic cable on State lands on January 2, 2020. On January 17, 2020, ADNR's State Pipeline Coordinator Services (SPCS) issued the final State ROW authorization for the natural gas pipeline. On June 29, 2021, ADNR's Division of Mining Land and Water issued 12 final Water Rights for the mine site and transportation corridor. On November 1, 2021, ADFG issued two Special Area Permits required for pipeline facilities located within the Susitna Flats State Game Refuge ("Refuge"). One permit authorizes the compressor station, and the other permit authorizes the section of the pipeline ROW in the Refuge. On November 1, 2022, ADNR finalized approval of the proposed re-location plan for public easements in the mine site and transportation facility areas.

The field work related to the issuance of the Alaska Dam Safety certificates re-commenced during the third quarter of 2022 and is planned to be completed in 2023.

On June 3, 2020, Earthjustice joined by Orutsararmiut Traditional Native Council (ONC), Chevak, Kasigluk, Eek, Kwinhagak, Marshall, Nightmute, Tununak, Kwethluk, Kotlik, SalmonState, and the Alaska Community Action on Toxics filed a formal appeal with the ADEC Commissioner of the state's water quality certification under Section 401 of the Clean Water Act. The appeal process consists of an Administrative Hearing in front of an Administrative Law Judge (ALJ) appointed by the ADEC Commissioner. The ALJ was subsequently appointed. On April 12, 2021, the ALJ issued his opinion for the Commissioner's consideration recommending the 401 Certification be vacated. The Commissioner issued his decision to uphold the 401 Certification on May 27, 2021. The decision was appealed on June 28, 2021 in Alaska Superior Court by Earthjustice, on behalf of ONC. On September 27, 2021, Donlin Gold filed a motion requesting a short term stay in the case to allow the State to fully consider additional technical materials on mercury and temperature; the State indicated to the Court that they do not oppose the motion. On October 22, 2021, Donlin Gold submitted to ADEC expert technical reports on mercury and temperature. On November 22, 2021, ADEC filed an additional motion asking to remand the 401 certification back to ADEC to determine how the additional information affects the certification. Earthjustice did not oppose the motion although had comments on the remand process. On December 29, 2021, the Court granted the remand request, dismissed the case without prejudice, and left in place existing certification. On May 13, 2022, the ADEC Water Division Director reaffirmed the 401 certification. On June 13, 2022, Earthjustice appealed the elements of the decision related to temperature to the Commissioner and requested an adjudicatory hearing with an ALJ. On July 14, 2022, the Commissioner granted the request for the hearing and a new ALJ was assigned. On September 14, 2022, Earthjustice filed their initial brief. Donlin Gold and ADEC filed response briefs on October 14, 2022. Earthjustice filed their final response brief on October 21, 2022. The Commissioner's decision, which he will make in collaboration with the new ALJ, is expected in early 2023. It is then subject to further review in Alaska Superior Court.

On September 20, 2021, Earthjustice, representing ONC, Cook Inletkeeper, and three villages, filed an appeal of the State pipeline ROW authorization in Alaska Superior Court. An appeal was also filed by a second party, the owner of an outdoor guiding business around the pipeline route, on September 20, 2021. On April 5, 2022, Earthjustice filed its opening brief, which related to the scope of the cumulative effects analysis required by the Alaska Constitutional, statutory, and regulatory provisions, and related previous litigation. ADNR, Donlin Gold, and Calista filed response briefs on June 15-16, 2022. Earthjustice filed responses on July 18, 2022, and then requested oral arguments. The second appellant filed his initial brief on June 8, 2022. ANDR’s and Donlin Gold’s response briefs were submitted on August 22, 2022, and the second appellant filed their response brief on November 9, 2022. The request for oral arguments was granted by the Court and were held on January 11, 2023. Decisions are expected in 2023.

On May 25, 2022, Earthjustice, on behalf of ONC and five villages, filed an appeal of the final water rights in Alaska Superior Court. Earthjustice filed its initial brief on November 21, 2022. ADNR’s and Donlin Gold’s response briefs are due by January 30, 2023. A decision is expected in 2023 or the first half of 2024.

In September 2022, 13 tribes sent a letter to the Corps and the EPA requesting that the Corps consider requiring a supplemental EIS on the Donlin Gold project and revoking the Clean Water Act Section 404 permit in light of what the tribes consider "new information” since the final EIS was issued in 2018. Also in September 2022, the same tribes submitted a separate letter to EPA requesting that they initiate a Clean Water Act Section 404(c) veto process for the Donlin Gold project. Section 404(c) has recently been applied to the Pebble Project in Alaska but is extremely rarely used by EPA. In early January 2023, Donlin Gold and Calista both submitted responses to the Corps on why the requests to prepare a supplemental EIS or revoke the 404 permit should not be granted. In mid-January 2023, Donlin Gold also provided a response to EPA describing why the agency should not initiate a 404(c) process.

Thirteen of the 56 village councils in the Calista Region (Native Village of Kasigluk, ONC, Native Village of Eek, Tuluksak Native Community, Tununak Council, Native Village of Nunapitchuk, Chuloonawick Tribal Council, Native Village of Kwigillingok, Native Village of Kongiganak, Chefornak Traditional Council, Chevak Native Village, Native Village of Napakiak and Quinhagak) have adopted resolutions opposing development of the Donlin Gold project.

Mineral Tenure

The 2011 Restated Exploration and Lode Mining Lease (“Calista Lease”) between Calista and Donlin Gold, includes subsurface (mineral) rights leased from Calista. Calista also owns the corresponding surface estate on a portion of these lands, the rights to which are also included in the Calista Lease. The Calista Lease provides Donlin Gold with rights to approximately 19,988 hectares of Calista-owned land. The Calista Lease was restated on February 11, 2011, to reflect all assignments and amendments made between its original execution on May 1, 1995 and February 11, 2011. The Calista Lease was amended once again effective June 6, 2014 (the “2014 Amendment”). The 2014 Amendment did not affect the lands subject to the Calista Lease as restated on February 11, 2011.

On June 9, 2014, the Company announced that Donlin Gold and TKC reached an updated long-term Surface Use Agreement (SUA) for the Donlin Gold project. The SUA with TKC grants non-exclusive surface use rights to Donlin Gold for mining activities. TKC owns and contributed to the SUA the corresponding surface estate over most of Calista’s subsurface estate included in the Calista Lease as well as some additional surface estate. The SUA with TKC provides Donlin Gold with rights to approximately 16,923 hectares of TKC-owned land.

Lyman Resources in Alaska, Inc. (Lyman Resources) has an existing placer mining lease covering approximately four-square miles (partially covering six sections) within the Calista Lease area. The Lyman family also has title to approximately 14 acres of surface estate within the Snow Gulch area. The Calista Lease grants priority to extraction of the lode mineralization in the event of a conflict of use between lode and placer mining operations, provided that a two-year notice period is provided to Lyman Resources. Lyman Resources, the Lyman family, and Donlin Gold executed a Surface Lease and Assignment of Mining Lease effective May 9, 2012, leasing the Lyman surface estate and assigning the Lyman placer lease within the Calista Lease area to Donlin for Project mining use (the “Lyman Lease”).

In addition to the leased land, Donlin Gold holds 493 State of Alaska mining claims comprising approximately 29,008 hectares in the Kuskokwim and Mt. McKinley Recording Districts. The mining claims abut and largely surround northern and western boundaries of the lands subject to the Calista Lease and TKC SUA. The mining claims are located on lands that are owned by the State of Alaska (409) and on State-selected lands from the BLM (84). All claims are approximately either 16.2 hectares or 64.8 hectares in size.

The terms for the Calista Lease and TKC SUA include various royalty and other payment provisions and considerations such as shareholder employment and contracting opportunities. The Lyman Lease provides for rent and certain other payments.

Royalty Terms of the Calista Lease include:

- Annual advance minimum royalty (variable) to 2030;
- All advance minimum payments are recoverable as a credit against the net smelter return royalty and net proceeds payment;
- Net smelter return of 1.5% for the earlier of the first five years following commencement of commercial production or until initial capital payback;
- Conversion to a 4.5% net smelter return after the earlier of five years or initial capital payback; and
- Net proceeds royalty of 8% of the net proceeds realized by Donlin Gold LLC commencing with the first quarter in which net proceeds are first realized.

Payment Terms of the TKC SUA include:

- Annual advance minimum payment (variable per milestones);
- All advance minimum payments are recoverable as a credit against the milled tonnage fee and net proceeds payment;
- Milled tonnage fee of $0.40 per tonne processed for the first 10 years of production;
- Conversion of the milled tonnage fee to $0.50 per tonne processed for all production after 10 years;
- Net proceeds payment of 3% of the net proceeds realized by Donlin Gold LLC commencing with the first quarter in which net proceeds are first realized.

The term of the Calista Lease is to April 30, 2031 and extends automatically year to year thereafter, so long as either mining or processing operations are carried out on or with respect to the property in good faith on a continuous basis in such year, or Donlin Gold pays to Calista an advanced minimum royalty of $3.0 million (subject to adjustment for increases in the Consumer Price Index) for such year. The TKC SUA remains in effect through April 30, 2031, and on a year-to-year basis thereafter, so long as the Calista Mining Lease remains in effect. The Lyman Lease has an initial term of 20 years but shall be extended while Donlin Gold conducts operations on the property.

Additional estimated costs associated with various landowner and lease agreements, not already covered in initial capital or G&A operating costs, average approximate $8.6 million per year during the six pre-production years and $2.5 million per year during the 27 operating years. Annual rent, labor expenditures and filings are required to maintain Alaska State mining claims on State land. Mining license tax payments may also apply.

Accessibility and Climate

The Kuskokwim River is a regional transportation route and is serviced by commercial barge lines. A 25-kilometer winter road, designated as an Alaska State Highway route and transportation corridor, accesses the property from the barge landing at the village of Crooked Creek. The Donlin Gold project currently has an all-season, soft-sided camp. An adjacent 1,500-meter airstrip is capable of handling aircraft as large as L-100 Hercules (approximate cargo capacity of 19,050 kilograms), allowing efficient shipment of personnel, some heavy equipment, and supplies. The Donlin Gold project can be reached directly by charter air facilities out of Anchorage and Aniak, 80 kilometers to the west.

The project area is one of low topographic relief on the western flank of the Kuskokwim Mountains. Elevations range from 150 meters to 640 meters. Ridges are well rounded and easily accessible by all-terrain vehicle. Hillsides are forested with black spruce, tamarack, alder, birch and larch. Soft muskeg and discontinuous permafrost are common in poorly drained areas at lower elevations. The area has a relatively dry interior continental climate with typically less than 500 millimeters total annual precipitation. Summer temperatures are relatively warm and may exceed 30°C. Minimum temperatures may fall to well below -42°C during the cold winter months.

Exploration History

Approximately 1,678 exploration and development drill holes totaling 367,886 meters, were completed from 1988 through 2007 in at least six separately managed campaigns. Another 108 core holes totaling 33,425 meters were added in 2008 to explore near-pit expansions and satellite deposits, and for facility-related condemnation and geotechnical studies. In 2010, 6 core holes totaling 2,090 meters were drilled for additional pit slope geotechnical drilling. In 2017, 16 core holes totaling 7,040 meters were drilled; in 2020, 85 core holes totaling 23,361 meters were drilled; in 2021, 79 core holes totaling 24,264 meters were drilled; and in 2022, 141 core holes totaling 42,331 meters were drilled.

Approximately 1,396 holes, totaling 339,733 meters, supported the resource model used in the 2011 Mining Study. The remaining holes were either drilled after the completion of the 2011 Mining Study (2017, 2020, 2021, and 2022 drill programs) or were utilized for other purposes, such as district exploration, carbonate resource, facilities condemnation, hydrology, geotechnical, and infrastructure engineering.

Year	Company	Work Performed	Results
1909 to 1956	Various prospectors and placer miners	Gold discovered in 1909. Placer mining by hand, underground, and hydraulic methods.	Total placer gold production of approximately 30,000 ounces.
1970s to 2015	Robert Lyman and heirs	Resumed sluice mining in Donlin Gold area and placer mined Snow Gulch.	First year of mining Snow Gulch produced best results, with 800 ounces of gold recovered. Donlin Gold has obtained an agreement with the Lyman family to consolidate the land package around the proposed mine.
1974, 1975	Resource Associates of Alaska (RAA)	Regional mineral potential evaluation for Calista. Soil grid and three bulldozer trenches dug in Snow Gulch area.	Soil, rock, and vein samples have anomalous gold values. Trench rock sample results range from 2 to 20 grams per tonne gold.
1984 to 1987	Calista Corporation	Minor work. Geologists from various mining companies, including Cominco and Kennecott, visit the property.	
1986	Lyman Resources	Auger drilling for placer evaluation finds abundant gray, sulfide rich clay near Quartz Gulch.	Assays of cuttings average over 7 grams per tonne gold. Initial discovery of Far Side (“Carolyn”) prospect.
1987	Calista Corporation	Rock sampling of ridge tops and auger drill sampling of Far Side prospect.	Anomalous gold values from auger holes: best result = 9.7 grams per tonne gold.
1988 to 1989	Western Gold Exploration and Mining Co.	Airborne geophysics, geological mapping, and soil sampling over most of the project area. Total of 13,525 meters of D9 Cat trenching at all prospects. Over 15,000 soil, rock chip, and auger samples collected. Drilling included 3,106 feet of AX core drilling, 404 meters in 239 auger holes, and 10,423 meters of RC drilling (125 holes). First metallurgical tests and petrographic work.	Initial work identified eight prospects with encouraging geology (Snow, Dome, Quartz, Carolyn, Queen, Upper Lewis, Lower Lewis, and Rochelieu). Drilling at most of these prospects led to identification of the Lewis areas as having the best bulk-mineable potential. Mineral resource estimate completed.
1993	Teck Exploration Ltd.	D-9 Cat trenching (1,400 meters) and two 500-meter soil lines in Lewis area. Petrographic, fluid inclusion, and metallurgical work.	Identified new mineralized areas, updated Mineral resource estimate.
1995 to 2000	Placer Dome	87,383 meters of core, 11,909 meters of RC drilling and 8,493 meters of trenching. Environmental monitoring and assessment.	Drilled the American Creek magnetic anomaly (ACMA), discovered the ACMA deposit. Numerous mineral resource estimation iterations.
2001 to 2002	NOVAGOLD	46,495 meters of core, 38,022 meters of RC drilling, 89.5 meters of geotechnical drilling, and 268 meters of water monitoring holes.	Filed a preliminary assessment report on the project. Updated resource estimate.
2003 to 2005	Donlin Gold Joint Venture	25,448 meters of core and 5,979 meters of RC drilling. Calcium carbonate exploration drilling; IP lines for facility condemnation studies.	Infill drilled throughout the resource area. Discovered a calcium carbonate resource. Poor quality IP data.

Year	Company	Work Performed	Results
2006	Donlin Gold Joint Venture	92,804 meters of core drilling to support mineral resource classification conversion, slope stability, metallurgy, waste rock, carbonate exploration, facilities and port road studies.	Geological model and mineral resource update.
2007	Donlin Gold Joint Venture	Core drilling totaled 75,257 meters and included resource delineation, geotechnical and engineering, and carbonate exploration. 13 RC holes for monitor wells and pit pump tests totaled 1,043 meters.	Improved pit slope parameters, positive hydrogeological results. Carbonate exploration was negative. Updated mineral resource estimate. Completed feasibility study with positive results.
2008	Donlin Gold LLC	108 core holes totaling 33,425 meters for exploration and facility related geotechnical and condemnation studies. Updated resource models. Metallurgical test work: flotation variability and CN leach. 54 test pits and 37 auger holes were also completed for overburden characterization.	Resource expansion indicated for East ACMA. CN leach resource potential indicated for the main resource area, Snow, and Dome prospects. Facility sites successfully condemned. Updated resource estimates utilizing applicable data through 2007.
2009	Donlin Gold LLC	19 geotechnical core holes totaling 950 meters in facility sites and to address hydrology.	
2010	Donlin Gold LLC	Six geotechnical core holes totaling 2,090 meters to evaluate slope stability of expanded pit. Also drilled 90 auger holes totaling 585 meters and dug 59 test pits to further evaluate overburden conditions and gravel supplies within tailings storage facility (TSF) area.	Pit slope stability of new pit design remained acceptable. Construction suitability of surficial materials in TSF is evaluated.
2017	Donlin Gold LLC	16 core holes totaling 7,040 meters to test targeted mineralized zones, collect structural data related to mineralization, and collect geotechnical data.	Results not included in resource model used in the 2011 Mining Study
2019	Donlin Gold LLC	30 geotechnical core holes totaling 1,060 meters were drilled as part of a site investigation program in support of detailed dam design.	Results not included in resource model used in the 2011 Mining Study
2020	Donlin Gold LLC	85 core holes totaling 23,361 meters in both the ACMA and Lewis deposits to validate recent geologic modeling concepts and test for extensions of high-grade zones.	Results not included in resource model used in the 2011 Mining Study
2021	Donlin Gold LLC	79 core holes totaling 24,264 meters in both the ACMA and Lewis deposits to validate recent geologic modeling concepts and test for extensions of high-grade zones.	Results not included in resource model used in the 2011 Mining Study
2022	Donlin Gold LLC	141 core holes totaling 42,331 meters in both the ACMA and Lewis deposits and in the Divide domain overlapping ACMA and Lewis.	Results not included in resource model used in the 2011 Mining Study

Geology

Regional Geology

The Kuskokwim region of southwestern Alaska is predominately underlain by rocks of the Upper Cretaceous Kuskokwim Group that filled a subsided northeast-trending strike-slip basin between a series of amalgamated terranes. Intermediate composition volcano-plutonic complexes intrude and overlie Kuskokwim Group rocks throughout the region.

Local Geology

The Donlin Gold deposits lie between two regional, northeast-trending, right lateral fault systems: the Denali-Farewell fault system to the south and the Iditarod-Nixon Fork fault system to the north. Undivided Kuskokwim Group sedimentary rocks and granite porphyry complexes are the main rock units.

Property Geology

Greywacke is dominant in the northern part of the area (“northern resource area” comprising Lewis, Queen, Rochelieu, and Akivik), while shale-rich units are common in the southern part of the area (“southern resource area” comprising South Lewis and ACMA).

Gold deposits are associated with an extensive Late Cretaceous–Early Tertiary gold–arsenic–antimony–mercury hydrothermal system. Gold-bearing zones exhibit strong structural and host rock control along north–northeast-trending fracture zones and are best developed where those zones intersect relatively competent host rocks. Mineralized material is most abundant in intrusive dikes and sills, but sedimentary rocks are also mineralized within strong fracture zones.

Geotechnical and Hydrology

A number of geotechnical and hydrological studies have been completed in support of at least pre-feasibility and environmental reports for Donlin Gold.

Rowland Engineering Consultants performed the geotechnical assessments for the engineering to support design of the port site, airstrip, plant site and interconnecting roads. BGC, Inc (BGC). performed geotechnical analyses for the design of the pit, waste rock facility (WRF), and tailings storage facility (TSF).

The site-wide hydrological and hydrologic models developed by BGC, are based on extensive drill data and climatic information for the area. BGC, CEMI, Hatch Ltd., and SRK, Inc. provided hydrologic studies, design criteria and associated test work for the water treatment plant requirements during construction, operations, and closure. Lorax Environmental performed water quality modeling for the post closure pit lake.

Exploration Potential

The mineral resource defined in the S-K 1300 Report is confined to a portion of the property. We believe there is considerable potential to increase the mineral resources at the Donlin Gold project. Numerous other targets have been identified along the 8-kilometer mineralized gold trend and are defined by surface sampling and various historical drill holes containing significant gold values.

Exploration potential in the vicinity of the open pit design in the S-K 1300 Report includes extensions along strike to the East ACMA, Lewis, and Crooked Creek areas. Mineralization remains open at depth under the current pit limits. Mineralization also remains open to the north of the planned pit and has been tested by shallow trenching and soil sampling, with limited drilling undertaken to date.

Exploration potential at the Donlin Gold project also exists outside the areas that have been the subject of the mine design in the S-K 1300 Report. Gold mineralization is associated with an overall north–northeasterly-trending high level dike/sill complex that has been outlined in the regional aero-magnetics as a magnetic low. The zone, approximately 8 kilometers long, and 4 kilometers wide, consists of a northern, dike-dominated area, and a southern, more sill-dominated area.

Mineralization

Southeast-dipping north-northeast-oriented fracture zones are the primary control on gold-bearing vein distribution within the north-northeast mineralized corridors. Composite vein zones or mineralized corridors range up to 30 meters in width and extend for hundreds of meters along strike. Intrusive rocks and to a lesser extent competent massive greywacke are the most favored host rocks, and act as a secondary control on the mineralization. Gold distribution in the deposit closely mimics the intrusive rocks, which contain about 74% of the mineral resource identified in the S-K 1300 Report. Structural zones in competent sedimentary units account for the remaining 26%.

Gold-bearing sulfides occur in both veins and disseminated zones in mafic igneous bodies, rhyodacite dikes and sills, and sedimentary rocks. Quartz-carbonate-sulfide (pyrite, stibnite, and arsenopyrite) veins are the primary mineralized features, but gold also occurs in thin, discontinuous sulfide fracture fillings.

Minor Elements and Deleterious Materials

The most abundant minor elements associated with gold-bearing material are iron, arsenic, antimony, and sulfur. They are contained primarily in the mineral suite associated with hydrothermal deposition of gold, including pyrite, arsenopyrite, realgar, native arsenic, and stibnite. Minor hydrothermal pyrrhotite, marcasite and syngenetic or sedimentary pyrite, also account for some of the iron and sulfur.

Three elements that have processing significance are mercury, chlorine, and fluorine. Graphitic carbon and carbonate minerals also would negatively affect the metallurgical process.

Metallurgy

Sufficient metallurgical test work was completed under the direction of Barrick personnel to support the S-K 1300 Report. Gold is mainly carried by arsenopyrite. Variation is observed in processing behavior between intrusive rocks and sedimentary rocks, but less so between the geographical sources.

Process testing generated development of the following conceptual flowsheet:

- conventional crushing and grinding;
- concentration by flotation;
- pressure oxidation of the concentrate in an autoclave;
- carbon-in-leach (“CIL”) cyanidation of the oxidized concentrate;
- carbon strip and regeneration circuits;
- gold electrowinning; and
- refining and production of doré bars.

This processing concept incorporates proven commercial unit operations.

Mineral Reserve and Mineral Resource Estimates

The mineral reserves for the Donlin Gold project were classified using criteria appropriate under the mining disclosure definitions and standards of NI 43-101 and S-K 1300 with an effective date of April 27, 2021 and are current as of November 30, 2022. The mineral reserves are summarized in the table below.

Proven and Probable Mineral Reserve Estimate, Effective Date April 27, 2021 and remain current as of November 30, 2022, based on $1,200 per ounce gold price

			Contained Gold (thousands of ounces)	
Reserve Category	Tonnes (thousands)	Gold Grade (grams/tonne)	100%	Attributable to NOVAGOLD 50%
Proven	7,683	2.32	573	287
Probable	497,128	2.08	33,276	16,638
Proven and probable	504,811	2.09	33,849	16,925

Notes:

(1) Mineral reserves are reported within the pre-feasibility pit designs, and supported by a mine schedule, featuring variable throughput rates, stockpiling and cut-off optimization. The point of reference for Mineral Reserves estimates is where the reserves are delivered to the mill. The pit designs are contained within an optimized pit shell based on the following economic and technical parameters: Metal price for gold of $1,200 per ounce; reference mining cost of $2.16 per tonne incremented $0.0033 per tonne per meter with depth from the 220 meter elevation (equates to an average mining cost of $2.64 per tonne), fixed processing cost of $13.78/t processed; sustaining capital of $1.54/t processed; general and administrative cost of $3.66/t processed; stockpile rehandle costs of $0.24/t processed assuming that 45% of mill feed is rehandled; variable metallurgical recoveries by rock type, ranging from 86.7% in shale to 94.2% in intrusive rocks in the Akivik domain; refining and freight charges of $1.21/oz Au; royalty considerations of 4.5% NSR and $0.50/t processed; and variable pit slope angles, ranging from 23° to 43°. See “*Section 12: Mineral Reserve Estimates*” of the S-K 1300 Report.

(2) Mineral reserves are reported using an optimized block value (BV) based on the following equation: BV = Gold grade * Recovery – royalties & refining costs – process operating costs – G&A cost reported in $ per tonne processed. Assuming an average gold recovery of 89.5% the marginal gold cut-off grade would be approximately 0.57 grams per tonne, or the gold grade that would equate to a $0.001 BV cut-off at these same values.

(3) The life of mine strip ratio is 5.48:1. The assumed life-of-mine throughput rate is 53,500 tonnes per day.

(4) Rounding may result in apparent summation differences between tonnes, grade and contained metal content.

(5) Mineral reserves are reported on a 100% ownership basis and a 50% ownership basis. The 50% basis is attributable to NOVAGOLD through their 50% ownership interest in the joint venture that owns the mineral rights and manages the Donlin Gold project. Tonnage and grade measurements are in metric units. Contained gold ounces are reported as troy ounces.

Mineral reserves and resources have been estimated using a life-of-mine long-term gold price assumption of $1,200 per ounce. Mineral resources are based on a Whittle™ pit optimized for all measured, indicated, and inferred blocks assuming a gold selling price of $1,200 per ounce and are inclusive of reserves. Operating and capital costs are estimated over the life-of-mine.

Mineral resources were classified using criteria appropriate under the mining disclosure standards of S-K 1300 by application of the NSR-based cut-off that incorporated mining and recovery parameters, and constraint of the mineral resources to a pit shell based on commodity prices. The mineral resources (exclusive of mineral reserves) are summarized in the table below.

Mineral Resources Estimate (exclusive of reserves), Effective Date July 11, 2011 and remain current as of November 30, 2022, based on $1,200 per ounce gold price

			Contained Gold (thousands of ounces)	
Resource Category	Tonnes (thousands)	Gold Grade (grams/tonne)	100%	Attributable to NOVAGOLD 50%
Measured	869	2.23	62	31
Indicated	69,402	2.44	5,435	2,718
Measured and indicated	70,271	2.43	5,497	2,749
Inferred	92,216	2.02	5,993	2,997

Notes:

(1) Mineral resources are reported exclusive of mineral reserves. Mineral resources are reported on a 100% ownership basis and a 50% ownership basis. The 50% basis is attributable to NOVAGOLD through their 50% ownership interest in the joint venture that owns the mineral rights and manages the Donlin Gold project property.

(2) Mineral resources that are not mineral reserves do not have demonstrated economic viability.

(3) The cut-off date for the sample database used in the resource estimate is November 1, 2009. However, more recent drilling data was used to validate the resource model as remaining current.

(4) Mineral resources are reported in-place (point of reference) and contained within a conceptual measured, indicated and inferred optimized pit shell using the following assumptions: gold price of $1,200 per ounce; variable process cost based on 2.1874 * (sulfur grade) + 10.65; administration cost of $2.29 per tonne processed; refining, freight & marketing (selling costs) of $1.85 per ounce recovered; stockpile re-handle costs of $0.20 per tonne processed assuming that 45% of mill feed is re-handled; variable royalty rate, based on royalty of 4.5% * (Gold price – selling cost), and a variable metallurgical recovery depending on the host rock type ranging from 86 to 94%. Assuming an average recovery of 89.5% and average sulfur grade of 1.07%, the marginal gold cut-off grade is 0.47 g/t. These technical and economic parameters are those that were used in the 2011 Mining Study to establish reasonable prospects of eventual economic extraction. Based on the QP's review of the estimate, there would be no material change to the Mineral Resources if a gold price of $1,500/oz was used and other economic parameters were updated to the 2020 parameters used in the Mineral Reserve estimate. Therefore the 2011 Mineral Resource statement is considered current and is presented unchanged. See "*Section 11: Mineral Resource Estimates*" of the S-K 1300 Report.

(5) Rounding may result in apparent summation differences between tonnes, grade and contained metal content.

(6) Tonnage and grade measurements are in metric units. Contained gold ounces are reported as troy ounces.

Mineral Resources Estimate (inclusive of reserves)

Resource Category	Tonnes (thousands)	Gold Grade (grams/tonne)	Contained Gold (thousands of ounces) 100%	Attributable to NOVAGOLD 50%
Measured	7,731	2.52	626	313
Indicated	533,607	2.24	38,380	19,190
Measured and indicated	541,337	2.24	39,007	19,503
Inferred	92,216	2.02	5,993	2,997

Notes:

(1) Mineral resources are reported inclusive of mineral reserves. This information supplements the prior table showing Mineral Resource Estimates exclusive of Mineral Resources as required by S-K 1300. Mineral resources are reported on a 100% ownership basis and a 50% ownership basis. The 50% basis is attributable to NOVAGOLD through their 50% ownership interest in the joint venture that owns the mineral rights and manages the Donlin Gold project property.

(2) Mineral resources that are not mineral reserves do not have demonstrated economic viability.

(3) The cut-off date for the sample database used in the resource estimate is November 1, 2009. However, more recent drilling data was used to validate the resource model as remaining current.

(4) Mineral resources are reported in-place (point of reference) and contained within a conceptual measured, indicated and inferred optimized pit shell using the following assumptions: gold price of $1,200 per ounce; variable process cost based on 2.1874 * (sulfur grade) + 10.65; administration cost of $2.29 per tonne processed; refining, freight & marketing (selling costs) of $1.85 per ounce recovered; stockpile re-handle costs of $0.20 per tonne processed assuming that 45% of mill feed is re-handled; variable royalty rate, based on royalty of 4.5% * (Gold price – selling cost), and a variable metallurgical recovery depending on the host rock type ranging from 86 to 94%. Assuming an average recovery of 89.5% and average sulfur grade of 1.07%, the marginal gold cut-off grade is 0.47 g/t. These technical and economic parameters are those that were used in the 2011 Mining Study to establish reasonable prospects of eventual economic extraction. Based on the QP's review of the estimate, there would be no material change to the Mineral Resources if a gold price of $1,500/oz was used and other economic parameters were updated to the 2020 parameters used in the Mineral Reserve estimate. Therefore the 2011 Mineral Resource statement is considered current and is presented unchanged.

(5) Rounding may result in apparent summation differences between tonnes, grade and contained metal content.

(6) Tonnage and grade measurements are in metric units. Contained gold ounces are reported as troy ounces.

(7) Due to modifying factors applied to the Mineral Resource model to estimate Mineral Reserves, notably planned dilution and loss, the sum of Mineral Reserves and Mineral Resources excluding Mineral Reserves reported above will not equal Mineral Resources inclusive of Mineral Reserves in this table. Proven and Probable Mineral Reserves include planned dilution of 33,745 kt grading 0.31 g/t Au and planned loss of 6,016 kt grading 1.33 g/t Au.

Financial model parameters

The estimated mine life is 27 years based on a nominal processing rate of 53,500 tonnes per day. Annual gold production over the projected mine life averages 1.13 million ounces per year, including 1.46 million ounces per year for the first five full years of production. The total initial capital cost estimate is approximately $7,402 million. The project's estimated after-tax net present value at a 5% discount rate ("NPV 5%") is $3,040 million using the base case gold price of $1,500 per ounce. The internal rate of return (IRR) at the same gold price is 9.2%.

Base Case Project Sensitivity to Gold Price

Gold price ($ per ounce)	After-tax cash flow ($ million)	After-tax NPV 5% ($ million)	After-tax IRR (%)	Payback (years)
1,200	6,556	202	5.3	10.3
1,300	8,773	1,161	6.8	9.2
1,400	10,974	2,109	8.1	8.1
1,500	**13,145**	**3,040**	**9.2**	**7.3**
1,600	15,308	3,967	10.4	6.7
1,700	17,455	4,887	11.4	6.2
1,800	19,125	5,696	12.4	5.9

Summary of Key Evaluation Metrics (Base Case at $1,500 per ounce gold)

Total tonnes mined (million)	3,270
Ore tonnes treated (million)	505
Strip ratio (waste tonnes per ore tonne)	5.5 to 1
Gold ounces recovered (million)	30.4
Gold recovery (%)	89.8%
	$ million
Net revenue	45,519
Total operating costs	(19,289)
Operating cash flow before tax	26,230
Income and mining taxes	(3,668)
Operating cash flow after tax	22,562
Initial capital	(7,402)
Sustaining capital	(1,723)
Closure costs - trust fund	(292)
Total costs	(30,248)
Net after-tax cash flow	13,145
Payback period (years)	7.3
Operation life (years)	27
After-tax NPV 5% ($ million)	3,040
After-tax IRR	9.2%

Operating Cost Estimates

	$ million	$ per tonne processed	$ per tonne mined	$ per gold ounce sold
Mine operations	8,430	16.70	2.58	278
Processing operations	6,916	13.70	2.12	228
Administration	1,761	3.49	0.54	58
Land and royalty payments	2,182	4.32	0.67	72
	19,289	38.21	5.90	635

Capital Cost Estimates

Initial capital costs are estimated at $7,402 million and sustaining capital costs are estimated at $1,723 million over the LOM.

Planned Mining Operations

The Donlin Gold project will be mined by a conventional truck-and-shovel operation. Initial pioneering and pit development will be undertaken to remove overburden, develop mine access roads suitable for large mining equipment, and “face-up” the initial pit for the large shovel and mining equipment.

Primary loading units for both bulk and selective mining in ore and waste will be large electric-hydraulic shovels, with large front-end loaders as secondary units. Large 360 tonne capacity haul trucks will be used for transporting both ore and waste out of the pit.

Blast hole drilling will be performed by medium-sized rotary and down-the-hole hammer drills with various hole diameters depending on bench height and desired mining selectivity. Reverse circulation (RC) drilling is planned for detailed geologic definition and grade control.

Support equipment will be used for road, bench, dump maintenance, and miscellaneous projects.

Planned Processing Operations

The Donlin Gold project ore will be processed by crushing and grinding, sulfide flotation concentration, concentrate treatment by pressure oxidation (POX) in an autoclave, carbon-in-leach (CIL) cyanide leaching of the oxidized concentrate, electrowinning, and refining to produce doré bars on site.

Due to gold being associated with sulfide mineralization, primarily arsenopyrite and pyrite, the ore is considered refractory and requires POX pre-treatment to liberate the gold prior to CIL leaching. Sulfide flotation concentration is required prior to POX to concentrate the sulfide content to a level sufficient to fuel the POX operation.

Concentrate is recovered from the primary rougher flotation followed by regrinding of the tailings prior to secondary rougher flotation. The secondary rougher concentrate is processed through a cleaner scavenger circuit producing a concentrate which is combined with the primary rougher concentrate for treatment by POX. The final tailings from the secondary rougher flotation tailings is thickened, and due to their neutralizing potential, is then utilized to modify the pH of the POX discharge solution prior to being transported to the TSF.

The oxidized concentrate from the POX operation would then be cyanide leached in a conventional CIL circuit to produce a pregnant (gold-bearing) solution. Gold from the solution is adsorbed onto activated carbon, which is later stripped (gold desorbed from carbon) in an elution circuit. The pregnant solution after elution is fed through electrowinning (EW) cells, where cathodes are plated with gold-bearing materials, which are periodically removed, dried in a retort, and melted in an induction furnace to produce doré bars.

Tailings from the CIL circuit would be treated in a cyanide detoxification process using SO2/air technology prior to being recombined with the flotation tailings and transported to the TSF.

Mercury naturally occurs in the Donlin Gold project ores and mercury abatement controls will be installed in six areas of the process facilities including POX, hot cure, EW, retort, refinery furnace, and carbon regeneration kiln. In these control systems, mercury will be collected for off-site shipment and management. Chemicals will be added to tailings to limit the potential for mercury releases from the TSF.

Proposed Production Plan and Schedule

Based on the S-K 1300 Report, the operating mine life is estimated to be 27 years with the nominal processing rate of 53,500 tonnes per day. Commercial gold production is expected after a period of approximately 6 years for basic and detailed engineering, and construction. In addition, the Donlin Gold board must approve a construction program and budget before construction of the Donlin Gold project can begin. The timing of the initiation of the required engineering work, of the Donlin Gold board’s approval of a construction program and budget, market conditions, and receipt of all required governmental permits and approvals will determine whether and when construction of the Donlin Gold project will begin.

Preproduction covers the first 15 months of the mine plan, when mining activities will focus on providing sufficient ore exposure for plant start-up. Ore mined during preproduction will be stockpiled and rehandled to the process during operations. Average mine production increases progressively in the initial years until the peak rate of 425,000 tonnes per day is reached in Year 6.

Proposed Waste Rock Facility (WRF)

Waste rock from open pit mining will be placed in an ex-pit WRF in the American Creek Valley, east of the pit area, or in a backfill dump in the ACMA pit. The ultimate footprint of the WRF covers an area of approximately 9 square kilometers. Approximately 2,232 million tonnes of waste rock and overburden will be placed in the WRF, and 423 million tonnes will be placed in the ACMA pit backfill dump. Approximately 91 million tonnes of waste rock will be used for construction purposes, and 17 million tonnes of overburden will be stockpiled and used later for reclamation purposes.

The potential magnitude of flow in the American Creek drainage, as well as discharge from springs in the valley floors, warrants the construction of an engineered rock drain system below the waste rock facility, including connecting secondary rock (finger) drains in the smaller contributing drainages.

Waste rock will be characterized by its potential for acid generation and assigned reactivity categories. Non-acid-generating (NAG) rock will be placed directly in the WRF, along with less reactive potentially acid-generating (PAG) rock, PAG5. Some of the more reactive PAG rock, PAG6, will be encapsulated in cells in the WRF to prevent water infiltration through them. The most reactive PAG rock, PAG7, will be backfilled in the ACMA pit beneath the ultimate pit lake water level.

Concurrent reclamation of the waste rock facility will be undertaken during operations.

Proposed Tailings Storage Facility (TSF)

The TSF in the Anaconda Creek basin will be a fully lined impoundment with a cross valley dam downstream (“main dam”) in the valley. The tailings dam will be constructed of compacted rock fill using the downstream method with a composite liner on the upstream face. The tailings impoundment footprint will be lined with a linear low-density polyethylene liner over a layer of broadly graded silty sand and gravel acting as low permeability bedding material and providing secondary containment. Material for construction will be sourced from the plant site and fuel farm during initial construction and from the open pit for the later raises during operations.

Water Diversion Dams

Water dams are required during the construction period and initial years of operation to protect the lined upstream face of the tailings-starter dam from a significant flood event, to provide a reliable source of fresh water during operation of the process plant, and to minimize runoff into the TSF.

Current and Planned On-Site Infrastructure

Current site infrastructure comprises an all-season, soft-sided camp with facilities consisting of kitchen, living quarters, equipment shop, drill shack and other buildings required for support of year-round exploration activities.

There is sufficient area within the project area to host an open pit mining operation, including the proposed open pit, waste rock facility, TSF and process facilities (primary and pebble crushers, coarse ore conveyor and coarse ore stockpile, concentrator, flotation, water treatment plants, POX, oxygen plant, boiler house, utility corridors, leach, refinery, cyanide destruct, and access walkways). Other planned site infrastructure is comprised of access roads, airstrip, accommodation camp, fuel tank farm, and dual-fueled power plant, truck shop, truck wash, workshops and vehicle repair facilities, assay laboratory, administration facilities and change rooms. Donlin Gold has secured the surface rights for the areas that may host these facilities.

In nearby villages, Crooked Creek has approximately 105 residents and Aniak has a population of approximately 500. The workforce for the project would be sourced from the local area, from Alaskan regional centers and from other sources as required.

The project is a greenfield site. The on-site infrastructure for the project includes three main development sites in remote locations: the mine and plant site area (including the power plant), the permanent camp, and the airstrip. The plant site, power plant and fuel tank farm will be on a ridge above the proposed TSF. The layout of the plant site was designed to take maximum advantage of the natural topography. The layout also provides for efficient movement of equipment and material products around the site.

Planned Off-site Infrastructure

The off-site infrastructure for the project includes three main development sites in remote locations: the Jungjuk Port site and mine access road; the natural gas pipeline; and the Bethel Port facilities. The Jungjuk Port site is situated upriver from Bethel on the Kuskokwim River near the mouth of Jungjuk Creek. A port-to-mine access road (Jungjuk Road), approximately 30 miles (48 kilometers) long, will traverse varied terrain from the Jungjuk Port site to the mine site. A spur road, approximately 3 miles (4.8 kilometers) long, will serve the proposed project airstrip. The primary purpose of the Jungjuk Road is to transport freight and diesel from the Jungjuk Port site to the mine site, mostly by conventional highway tractors, tankers, and trailers. The natural gas pipeline is described under the Power heading below. The proposed Bethel Port will be situated near the town of Bethel, a community of approximately 6,080 residents, that is the main existing port on the Kuskokwim River and is an administrative and transportation hub for the 56 villages in the Y-K region. The existing Port of Bethel is the northernmost medium-draft port in the United States and is served by ocean-going barges. The proposed port would serve as a trans-shipment point from ocean barges to river barges to supply the project during the summer ice-free period.

Power

Natural gas will be delivered to site by an approximately 507-kilometer, 356-millimeter (14 inch) diameter pipeline to supply an on-site power generation facility. The S-K 1300 Report contemplates that the electric power for the site will be generated from a dual-fueled (natural gas and diesel), reciprocating engine power plant with a steam turbine utilizing waste heat recovery from the engines. The power plant consists of two equal halves, each consisting of six reciprocating engines, and a separate steam turbine. The total generation facility is nominally rated at 182 MW initially and will increase to 215 MW after four years with the addition of two more generators (one in each half) to allow for N+2 redundancy, thus allowing planned maintenance and predicted outages without cutting back production.

Operating costs are based on importing liquefied natural gas (LNG) by ship to Anchorage and total delivery cost to site which includes regasification of the LNG and delivery from Anchorage to the Donlin Gold project via the pipeline.

The pipeline would commence at the west end of the Beluga Gas Field, approximately 48 kilometers northwest of Anchorage at a tie-in near Beluga located in the Matanuska-Susitna Borough and would run to the mine site. The pipeline would receive booster compression supplied by one compressor station. No additional compression along the pipeline route would be required. The pipeline would have capacity to transport approximately 2 million cubic meters per day of natural gas.

Water

Water requirements for the proposed project have been summarized in a Water Resources Management Plan, which has been subject to review by state and federal agencies. Water primarily will be sourced from the two drainages (American and Anaconda Creeks) within the mine footprint and pit dewatering. In some years, the water supply from these sources may not be able to meet the makeup water requirements for the plant. In these circumstances, additional water will be obtained primarily from a proposed reservoir in Snow Gulch.

The source of water supply for the construction camp and, later, the plant site potable water systems is an array of eight deep wells south of Omega Gulch, near Crooked Creek. Water supply will be pumped to freshwater storage tanks and will be treated prior to consumption.

Markets

The marketing plan is for the owners of Donlin Gold to take in-kind their respective shares of the gold production, which they can then sell for their own benefit. Under the LLC Agreement, the manager shall give the members prompt notice in advance of the delivery date upon which their respective shares of gold production will be available.

Since there are a large number of available gold purchasers, the members should not be dependent upon the sale of gold to any one customer. Gold can be sold to various gold bullion dealers or smelters on a competitive basis at spot prices.

It is expected that selling contracts for NOVAGOLD's share of the gold production will be typical of, and consistent with, standard industry practice, and be similar to contracts for the supply of doré elsewhere in the world.

Taxation

The S-K 1300 Report contemplates that the following taxes may be levied on the project:

- Federal income tax – 21%.
- Alaska state income tax – 9.4% of net income.
- Alaska state mining license tax – 7% of taxable mining income. There is a tax holiday applied for the first 3.5 years from the start of production.

Income tax becomes payable after deductions for capital allowances.

Financial results

The total initial capital cost estimate for the Donlin Gold project is approximately $7,402 million. The project's estimated after-tax NPV at a 5% discount rate is $3,040 million with an IRR after-tax at 9.2% using the base case gold price of $1,500 per ounce. The undiscounted break-even gold price is $930 per ounce and at a 5% discount rate is $1,180 per ounce. In the S-K 1300 Report, the overall economic viability of the project was evaluated by both discounted and undiscounted cash flow analyses, based on the engineering studies and cost estimates discussed in the S-K 1300 Report.

Assumptions in the model comprised:

- Costs prior to project Year -6, the start of basic and detailed engineering, are considered sunk. For discounted cash flow (or NPV) purposes, the model commences in Year -6. Estimates were prepared for all the individual elements of cash revenue and cash expenditures for ongoing operations.
- Estimated cash flows from revenue are based on a gold price of $1,500 per ounce. The pit has been optimized at a gold price of $1,200 per ounce.
- Gold recovery is estimated to average 89.8% over the LOM based on work and testing performed for at least pre-feasibility study purposes.
- Doré refining and shipping charges were estimated at $1.21 per ounce based on escalating to 2020 the actual refining charges for Barrick's Goldstrike operations and a quotation for transportation and insurance costs from the Donlin Gold project site to a U.S.-based refinery utilized in 2011. In addition, 0.1% of gold produced from the mine is deducted as a cost of refining.
- The current hydrometallurgical process selection renders any contained silver into a greater refractory state, which provides less than 10% silver recovery through standard metal leaching. As a consequence, silver is not included in the Mineral Resource and Mineral Reserve estimates, and no silver credit has been applied to the project.
- To fund the $1,361 million reclamation and closure costs, the Project provides $412 million at closure by contributing to a Trust Fund commencing in Year -5 and continuing through the end of operations with annual contributions of $7.8 million. In addition to the Trust Fund, financial assurance in the form of letters of credit and/or surety bonds is required to construct and operate the mine. Per the Donlin Gold Project Reclamation Plan Approval from ADNR, financial assurance in the amount of approximately $322 million must be submitted in a form and substance approved by ADNR. The cost to maintain this financial assurance is assumed to be 0.4% of the total assured amount, annually. This equates to approximately $1.3 million per year, paid from the start of construction through the end of operations.
- No salvage is assumed at the end of operations.

Current Activities

For information on current activities, see section *Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations*, below.

Change in Mineral Resources and Reserves from 2021 to 2022

There were no changes in reported mineral resources and reserves reported for the years ended November 30, 2021 and 2022. Paul Chilson, P.E., a Qualified Person and an employee of the Company, has reviewed the mineral reserves and mineral resources and material assumptions included in this Annual Report on Form 10-K and confirmed that they remain current as of November 30, 2022.

Mineral Resource and Reserve Internal Controls

Sample collection, preparation, analysis and security for all Donlin Gold core drill programs are in line with industry-standard methods for gold deposits.

- Drill programs included insertion of blank, duplicate and SRM samples
- Quality Assurance/Quality Control program results do not indicate any problems with the analytical programs
- Data is subject to validation, which includes checks on surveys, collar coordinates, lithology data, and assay data. The checks are appropriate, and consistent with industry standards
- Independent data audits have been conducted and indicate that the sample collection and database entry procedures are acceptable
- All core has been catalogued and stored in designated areas.

Mineral resources and mineral reserves are estimates that are imprecise and depend upon geologic interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. See *Risk Factors* – "*The quantities for our mineral resources and mineral reserves are estimates based on interpretation and assumptions and may yield less mineral production under actual conditions than is currently estimated.*"

Item 3. Legal Proceedings

Periodically, we are a party to or otherwise involved in legal proceedings arising in the normal course of business. Management does not believe that there is any pending or threatened proceeding against the Company which, if determined adversely, would have a material adverse effect on our financial position, liquidity or results of operations. There are no material proceedings pursuant to which any of our directors, officers or affiliates or any owner of record or beneficial owner of more than 5% of our securities or any associate of any such director, officer or securityholder is a party adverse to us or has a material interest adverse to us.

Item 4. Mine Safety Disclosures

Pursuant to Section 1503(a) of the Dodd-Frank Act, issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose specified information about mine health and safety in their periodic reports. These reporting requirements are based on the safety and health requirements applicable to mines under the Federal Mine Safety and Health Act of 1977 (the “Mine Act”) which is administered by the U.S. Department of Labor’s Mine Safety and Health Administration (MSHA). During the fiscal year ended November 30, 2022, the Company and its subsidiaries were not subject to regulation by MSHA under the Mine Act and thus no disclosure is required under Section 1503(a) of the Dodd-Frank Act. Donlin Gold LLC is the operator of the Donlin Gold project. Donlin Gold LLC is not a “subsidiary” of the Company for purposes of Section 1503(a) of the Dodd-Frank Act because the Company does not control Donlin Gold LLC.

PART II

Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common shares trade on the New York Stock Exchange (NYSE American) and on the Toronto Stock Exchange (TSX) under the symbol "NG." On January 17, 2023, there were 586 holders of record of our shares, which does not include shareholders for which shares are held in nominee or street name. We believe that more than half of our common shares are beneficially owned by investors in the United States.

Dividends

We have never declared or paid dividends on our common shares and our current business plan requires that, for the foreseeable future, any future earnings be reinvested to finance growth and development of our business. We will pay dividends on our common shares only if and when declared by our Board. In determining whether to declare dividends, the Board will consider our financial condition, results of operations, working capital requirements, future prospects, and other factors it considers relevant.

Certain Canadian Federal Income Tax Considerations for U.S. Residents

The following summarizes certain Canadian federal income tax consequences generally applicable under the Income Tax Act (Canada) and the regulations enacted thereunder (collectively, the "Canadian Tax Act") and the Canada-United States Income Tax Convention (1980) (the "Convention") to the holding and disposition of common shares.

This comment is restricted to holders of common shares each of whom, at all material times for the purposes of the Canadian Tax Act and the Convention, (i) is resident solely in the United States, (ii) is entitled to the benefits of the Convention, (iii) holds all common shares as capital property, (iv) deals at arm's length with and is not affiliated with NOVAGOLD, (v) does not and is not deemed to use or hold any common shares in a business carried on in Canada, (vi) is not an insurer that carries on business in Canada and elsewhere and (vii) is not a "specified shareholder" (as defined in subsection 18(5) of the Canadian Tax Act) of NOVAGOLD (each such holder, a "U.S. Resident Holder").

Certain U.S.-resident entities that are fiscally transparent for United States federal income tax purposes (including limited liability companies) may not in all circumstances be entitled to the benefits of the Convention. Members of or holders of an interest in such an entity that holds common shares should consult their own tax advisers regarding the extent, if any, that the benefits of the Convention will extend to the entity in respect of its common shares. This summary does not deal with special situations such as the particular circumstances of traders or dealers or holders who have entered into a "derivative forward agreement" (as defined in the Canadian Tax Act) in respect of the common shares. Such holders should consult their own tax advisors.

Generally, a U.S. Resident Holder's common shares will be considered to be capital property of a U.S. Resident Holder provided that the U.S. Resident Holder does not use the common shares in the course of carrying on a business of trading and dealing in securities and has not acquired the common shares in one or more transactions considered to be an adventure or concern in the nature of trade (i.e. speculation).

This summary is based on the current provisions of the Canadian Tax Act and the Convention in effect on the date hereof, all specific proposals to amend the Canadian Tax Act and Convention publicly announced by or on behalf of the Minister of Finance (Canada) on or before the date hereof, and the current published administrative and assessing policies of the Canada Revenue Agency (CRA). It is assumed that all such amendments will be enacted as currently proposed, and that there will be no other material change to any applicable law or administrative or assessing practice, whether by judicial, legislative, governmental, or administrative decision or action, although no assurance can be given in these respects. Except as otherwise expressly provided, this summary does not take into account any provincial, territorial or foreign tax considerations, which may differ materially from those set out herein.

Currency conversion

For the purposes of the Canadian Tax Act, all amounts relating to the acquisition, holding or disposition of common shares, including dividends and proceeds of disposition must be determined in Canadian dollars based on the daily exchange rate of the Bank of Canada on the particular day, or such other rate of exchange as acceptable to the CRA.

Dividends on common shares

Under the Canadian Tax Act, dividends on shares paid or credited to a non-resident of Canada will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividends. Under the Convention, a U.S. resident will generally be subject to Canadian withholding tax at the rate of 15% of the gross amount of such dividends unless the beneficial owner is a company which owns at least 10% of the voting shares of NOVAGOLD at that time, in which case the rate of Canadian withholding tax is generally reduced to 5%.

Disposition of common shares

A U.S. Resident Holder will not be subject to tax under the Canadian Tax Act in respect of any capital gain realized by such U.S. Resident Holder on a disposition of common shares unless the common shares constitute "taxable Canadian property" (as defined in the Canadian Tax Act) of the U.S. Resident Holder at the time of disposition and the U.S. Resident Holder is not entitled to relief under the Convention.

Generally, a U.S. Resident Holder's common shares will not constitute "taxable Canadian property" of the U.S. Resident Holder at a particular time at which the common shares are listed on a "designated stock exchange" (which currently includes the TSX and NYSE American) unless at any time during the 60-month period immediately preceding a disposition both of the following conditions are true:

(i) the U.S. Resident Holder, any one or more persons with whom the U.S. Resident Holder does not deal at arm's length, or partnership in which the U.S. Resident Holder or persons with whom the U.S. Resident Holder did not deal at arm's length holds a membership interest directly or indirectly through one or more partnerships, alone or in any combination, owned 25% or more of the issued shares of any class or series of the capital stock of NOVAGOLD; and

(ii) more than 50% of the fair market value of the common shares was derived directly or indirectly from, or from any combination of, real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Canadian Tax Act), "timber resource properties" (as defined in the Canadian Tax Act), or options in respect of, interests in or civil law rights in, such properties whether or not it exists.

In certain circumstances, a common share may also be deemed to be "taxable Canadian property" for purposes of the Canadian Tax Act.

Even if the common shares constitute "taxable Canadian property" to a U.S. Resident Holder, under the Convention, such a U.S. Resident Holder will not be subject to tax under the Canadian Tax Act on any capital gain realized by such holder on a disposition of such common shares, provided the value of such common shares is not derived principally from real property situated in Canada (within the meaning of the Convention).

U.S. Resident Holders whose shares are taxable Canadian property should consult their own tax advisors.

Certain United States Federal Income Tax Considerations for U.S. Holders

There may be material U.S. federal income tax consequences to U.S. holders in relation to an acquisition or disposition of common shares or other securities of the Company. U.S. holders should consult their own legal, accounting and tax advisors regarding such tax consequences under United States, state, local or foreign tax law regarding the acquisition or disposition of our common shares or other securities, in particular the tax consequences if the Company is or becomes a "passive foreign investment company" (commonly known as a "PFIC") within the meaning of Section 1297 of the United States Internal Revenue Code.

Current and potential U.S. holders of our common shares should be aware that we believe we were a PFIC for the fiscal year ended November 30, 2022, and based on current business plans and financial expectations, may be a PFIC in the current tax year and future tax years. No opinion of legal counsel or ruling from the IRS concerning the status of the Company as a PFIC has been obtained or is currently planned to be requested. PFIC classification is fundamentally factual in nature, generally cannot be determined until the close of the tax year in question and is determined annually. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In any tax year in which we are a PFIC, shareholders that are U.S. holders will be required to file an annual report with the Internal Revenue Service containing such information as Treasury Regulations or other tax rules may require.

Any gain recognized on the sale of common shares of a PFIC, and any excess distributions paid on the common shares of a PFIC must be ratably allocated to each day in a U.S. holder's holding period for the common shares. The amount of any such gain or excess distribution allocated to prior years of such U.S. holder's holding period for the common shares generally will be subject to U.S. federal income tax at the highest tax applicable to ordinary income in each such prior year, and the U.S. holder will be required to pay interest on the resulting tax liability for each such prior year, calculated as if such tax liability had been due in each such prior year.

Alternatively, a U.S. holder that makes a timely “QEF election” generally will be subject to U.S. federal income tax on such U.S. holder’s pro rata share of our “net capital gain” and “ordinary earnings” (calculated under U.S. federal income tax rules), regardless of whether such amounts are actually distributed by us. As a second alternative, a U.S. holder may make a “mark-to-market election” if we are a PFIC and the common shares are marketable stock under applicable Treasury Regulations. A U.S. holder that makes a mark-to-market election generally will include in gross income, for each taxable year in which we are a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the common shares as of the close of such taxable year over (b) such U.S. holder’s tax basis in such common shares. U.S. holders are advised to consult their own tax advisors regarding the PFIC rules, including the elections that may be available.

For each tax year that the Company determines that it is a PFIC, upon the written request of a U.S. holder, the Company will make available to such U.S. holder all information and documentation that a U.S. holder making a QEF election with respect to the Company is required to obtain for U.S. federal income tax purposes. Such information may be included on the Company’s website.

In addition, U.S. holders will not be eligible for preferential tax rates on dividends paid by the Company if the Company is a PFIC in the tax year of such dividend distribution or in the preceding tax year.

U.S. holders should consult their own legal, accounting and tax advisors regarding the tax consequences of holding and disposing of common shares and other securities of the Company.

Unregistered Sales of Equity Securities

None.

Repurchase of Securities

None.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations (US dollars in thousands, except per share amounts)

The following Management's Discussion and Analysis ("MD&A") provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of NOVAGOLD RESOURCES INC., incorporated in British Columbia, Canada, and its subsidiaries (collectively, "NOVAGOLD," the "Company," "our" and "we"). This item should be read in conjunction with our Consolidated Financial Statements and the notes thereto included in this annual report.

The following MD&A generally discusses our consolidated financial condition and results of operations for 2022 and 2021 and year-to-year comparisons between 2022 and 2021. Discussions of our consolidated financial condition and results of operations for 2020 and year-to-year comparisons between 2021 and 2020 are included in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2021, filed with the Securities and Exchange Commission on January 26, 2022, are incorporated by reference into this MD&A.

Overview

We operate in the gold mining industry, primarily focused on advancing the Donlin Gold project in Alaska. The Donlin Gold project is held by Donlin Gold LLC ("Donlin Gold"), a limited liability company owned equally by wholly-owned subsidiaries of NOVAGOLD and Barrick Gold Corporation ("Barrick").

Our corporate goals include continuing to advance the Donlin Gold project toward a construction decision; maintaining support for Donlin Gold among the project's stakeholders; promoting a strong safety, sustainability, and environmental culture; maintaining a favorable reputation of NOVAGOLD; and preserving a healthy balance sheet. Our operations primarily relate to the delivery of project milestones, including the achievement of various technical, environmental, sustainable development, economic and legal objectives, obtaining necessary permits, completion of pre-feasibility and feasibility studies, preparation of engineering designs and the financing to fund these objectives.

Donlin Gold

Stakeholder and government engagement

Donlin Gold is fortunate to have time-tested partnerships with Calista and TKC, owners of the mineral and surface rights, respectively. The project's location on private lands specially selected for mineral development potential pursuant to the 1971 Alaska Native Claims Settlement Act is a key attribute that distinguishes it from most other mining assets in Alaska. Donlin Gold's commitment to meaningful tribal engagement throughout project development and permitting has been reinforced by decades of reliable and dependable engagement with the community.

Donlin Gold continues to work with Calista and TKC in all aspects of outreach and engagement throughout the Y-K region. Crooked Creek, the closest community to the project site in the Y-K region submitted a letter in support of Donlin Gold. Three additional Shared Value Statements were also signed with villages in the Y-K region in the last three months for a total of 11. These formalize current engagement with key local communities, expand upon the long-term relationships already established with them, and address specific community needs including: water, sewer, and solid waste projects; the ice road that connects remote villages in the Y-K region; salmon and other aquatic life studies; and suicide and public safety prevention programs. Various local hires from the 2022 drill program will continue to support Donlin Gold's engagement efforts through the Community Liaison program in five Y-K villages.

For the 2022 season, Donlin Gold hired employees from 24 Y-K communities. In an area with high unemployment and fewer job choices than in urban environments, the work experience and skills training that Donlin Gold provides is attractive and employees are encouraged to bring their safety knowledge into their home village. Local community involvement in the project is core to both Barrick's and NOVAGOLD's philosophy, and approximately 83% of Donlin Gold direct hires for this year's work program were Alaska Natives.

Calista and Donlin Gold continued their proactive, bipartisan outreach in Alaska and with the Administration and Congress in Washington, D.C. to highlight the thoroughness of the project's environmental review and permitting processes, in addition to the considerable benefits that the project would deliver to all Native Alaskans. The 2022 United States elections were held on November 8, 2022. Alaska U.S. Senator Lisa Murkowski and Governor Michael Dunleavy were re-elected. Both, along with U.S Senator Dan Sullivan, have been long-term supporters of the Donlin Gold project. We also recognize the historic re-election of U.S. Congresswomen Mary Peltola for a full term as an Alaska Native from the Y-K region and look forward to our continued outreach to her regarding Donlin Gold in the upcoming year.

Environment and social investments

Environmental stewardship, education, community wellness, and cultural preservation constitute key focus investments for Donlin Gold in the Y-K region. The project supports these initiatives through fisheries studies and other environmental activities, subsistence and cultural preservation efforts, and educational grants. A wide range of activities and projects were carried out in collaboration with Calista and TKC during the fiscal year 2022.

Some of these activities included the Backhaul Project, "In It for the Long Haul". This was the fifth annual backhaul project to collect, remove, and safely dispose of household hazardous and electronic waste from 30 remote villages throughout the Y-K region, removing nearly 400,000 pounds of waste during the last five years that would otherwise have ended up in landfills and waterways. Donlin Gold supported various search and rescue teams in the region, provided funding to the Healthy Alaska Natives Foundation and Bethel Community Services Foundation, as well as sponsored and participated in the Alaska Safe Riders initiative, which promotes safety for year-round outdoor sports. Donlin Gold fostered education, community wellness and cultural preservation through a variety of interventions including several river studies, supporting the local school district and educational organizations, funding and participating in youth sporting activities, and backing initiatives led by Traditional Councils and Native communities.

During the 2022 field season at the Donlin Gold project site, there were no spills to water and no spills of greater than 10 gallons to land. There were no spills that required reporting to government agencies. Donlin Gold was not cited for any permit non-compliance during 2022. Donlin Gold further continued updating its site baseline data, including monitoring water quality and fisheries.

Permitting

Permitting in Alaska has been a tremendous achievement to date and a substantial undertaking over many years to ensure a diligent, thorough, transparent, and inclusive process for all involved, including stakeholders from the Y-K region. Donlin Gold, its owners, and its partners Calista and TKC are intimately familiar with the permitting and regulatory processes applicable to the project and will continue to support the State in its defense of the thorough and diligent permitting process. Together, they will also continue working to secure the various remaining state-level permits and certificates required for the project. Calista and Donlin Gold continued their proactive, bipartisan outreach in Alaska and with the Administration and Congress in Washington, D.C. to highlight the thoroughness of the project's environmental review and permitting processes as well as the benefits the project would deliver to all Native Alaskans. Alaska's U.S. Senators and Governor have consistently expressed their long-term support of the Donlin Gold project.

The APDES water discharge permit was issued by ADEC on May 24, 2018 and became effective on July 1, 2018. Donlin Gold submitted its application to ADEC for the regularly scheduled re-issuance of its APDES permit and in December 2022, Donlin Gold received a letter from ADEC indicating that the application is complete and the permit will remain in effect until ADEC completes the reissuances process. ADFG issued Title 16 Fish Habitat permits for the mine area and transportation corridor on August 30, 2018. Donlin Gold applied for a new air quality permit from ADEC, which is expected to be in place when the current permit expires in mid-2023. The Donlin Gold air quality permit renewal is required to update that emissions controls reflect best technology and re-confirm that air quality standards will be met, which modeling demonstrates they will be. A draft permit was issued for public comment in December 2022. The final approvals of the Donlin Gold Reclamation Plan and the Waste Management Permit were issued on January 18, 2019. ADNR issued the easement, land leases, land use permits, and material site authorizations for the proposed transportation facilities, and easement for the fiber optic cable on State lands on January 2, 2020. On January 17, 2020, SPCS issued the final State ROW authorization for the natural gas pipeline. On June 29, 2021, ADNR's Division of Mining Land and Water issued 12 final Water Rights for the mine site and transportation corridor. On November 1, 2021, ADFG issued two Special Area Permits required for pipeline facilities located within the Refuge. One permit authorizes the compressor station, and the other permit authorizes the section of the pipeline ROW in the Refuge. On November 1, 2022, ADNR finalized approval of the proposed re-location plan for public easements in the mine site and transportation facility areas.

The field work related to the issuance of the Alaska Dam Safety certificates re-commenced during the third quarter of 2022 and is planned to be completed in 2023.

In September 2022, 13 Tribes sent a letter to the Corps and the EPA requesting that the Corps consider requiring a supplemental EIS on the Donlin Gold project and revoking the Clean Water Act Section 404 permit in light of what the Tribes consider "new information" since the final EIS was issued in 2018. Also in September 2022, the same Tribes submitted a separate letter to EPA requesting that they initiate a Clean Water Act Section 404(c) veto process for Donlin. A Section 404(c) veto has recently been applied to the Pebble Project in Alaska but is rarely used by EPA. Donlin Gold and Calista are preparing responses to submit to the Corps and EPA arguing that the Tribes' requests should be denied.

On June 3, 2020, Earthjustice joined by ONC, Chevak, Kasigluk, Eek, Kwinhagak, Marshall, Nightmute, Tununak, Kwethluk, Kotlik, SalmonState, and the Alaska Community Action on Toxics filed a formal appeal with the ADEC Commissioner of the State's water quality certification under Section 401 of the Clean Water Act. The appeal process consists of an Administrative Hearing in front of an ALJ appointed by the ADEC Commissioner. The ALJ was subsequently appointed. On April 12, 2021, the ALJ issued his opinion for the Commissioner's consideration recommending the 401 Certification be vacated. The Commissioner issued his decision to uphold the 401 Certification on May 27, 2021. The decision was appealed on June 28, 2021 in Alaska Superior Court by Earthjustice, on behalf of ONC. On September 27, 2021, Donlin Gold filed a motion requesting a short term stay in the case to allow the State to fully consider additional technical materials on mercury and temperature; the State indicated to the Court that they do not oppose the motion. On October 22, 2021, Donlin Gold submitted to ADEC expert technical reports on mercury and temperature. On November 22, 2021, ADEC filed an additional motion asking to remand the 401 certification back to ADEC to determine how the additional information affects the certification. Earthjustice did not oppose the motion although had comments on the remand process. On December 29, 2021, the Court granted the remand request, dismissed the case without prejudice, and left in place existing certification. On May 13, 2022, the ADEC Water Division Director reaffirmed the 401 certification. On June 13, 2022, Earthjustice appealed the elements of the decision related to temperature to the Commissioner and requested an adjudicatory hearing with an ALJ. On July 14, 2022, the Commissioner granted the request for the hearing and a new ALJ was assigned. On September 14, 2022, Earthjustice filed their initial brief. Donlin Gold and ADEC filed response briefs on October 14, 2022. Earthjustice filed their final response brief on October 21, 2022. The Commissioner's decision, which he will make in collaboration with the ALJ, is expected in early 2023. It is then subject to further review in Alaska Superior Court.

On September 20, 2021, Earthjustice, representing ONC, Cook Inletkeeper, and three villages, filed an appeal of the State pipeline ROW authorization in Alaska Superior Court. An appeal was also filed by a second party, the owner of an outdoor guiding business around the pipeline route, on September 20, 2021. On April 5, 2022, Earthjustice filed its opening brief, which related to the scope of the cumulative effects analysis required by the Alaska Constitutional, statutory, and regulatory provisions, and related previous litigation. ADNR, Donlin Gold, and Calista filed response briefs on June 15-16, 2022. Earthjustice filed responses on July 18, 2022, and then requested oral arguments. The second appellant filed his initial brief on June 8, 2022. ANDR's and Donlin Gold's response briefs were submitted on August 22, 2022, and the second appellant filed their response brief on November 9, 2022. The request for oral arguments was granted by the Court and they were held on January 11, 2023. Decisions are expected in 2023.

On May 25, 2022, Earthjustice, on behalf of ONC and five villages, filed an appeal of the final Water Rights in Alaska Superior Court. Earthjustice filed its initial brief on November 21, 2022. ADNR's and Donlin Gold's response briefs are due by January 30, 2023. A decision is expected in 2023 or the first half of 2024.

In September 2022, 13 tribes sent a letter to the Corps and the EPA requesting that the Corps consider requiring a supplemental EIS on the Donlin Gold project and revoking the Clean Water Act Section 404 permit in light of what the tribes consider "new information" since the final EIS was issued in 2018. Also in September 2022, the same tribes submitted a separate letter to EPA requesting that they initiate a Clean Water Act Section 404(c) veto process for the Donlin Gold project. A Section 404(c) veto has recently been applied to the Pebble Project in Alaska but is rarely used by EPA. In early January 2023, Donlin Gold and Calista both submitted responses to the Corps on why the requests to prepare a supplemental EIS or revoke the 404 permit should not be granted. In mid-January 2023, Donlin Gold also provided a response to EPA describing why the agency should not initiate a 404(c) process.

Donlin Gold project

In 2022, Donlin Gold completed a 141-hole drilling program totaling 42,331 meters. As part of a key focus area for the drill program, the tight-spaced grid drilling in structural domains in the Lewis (further infilled to 10m x 10m), West ACMA and Divide areas confirmed recent geological modelling at wider drill-spacing in the immediate area surrounding the grids. It also identified additional short-scale controls that will be incorporated in an update to improve the geological domains used for global resource estimation which will be utilized for strategic mine planning work. In addition, the 14 geotechnical drill holes provided results for advancing efforts in completing the issuance of the Alaska Dam Safety Certifications.

With the receipt of the final assay results for the 2022 drill program (that returned significant high-grade intercepts and continued to demonstrate important grade continuity), an update of the resource model, and completion of trade-off studies, the owners expect to take the next steps in moving the Donlin Gold project up the value chain and leading toward an updated feasibility study decision.

Our share of funding for the Donlin Gold project in 2022 was $28,435. In 2023, we expect our share of Donlin Gold funding to be approximately $17,000 to update geologic modelling and interpretation work for an updated resource model and includes engineering activities for use in an updated project feasibility study, the advancement of current permits, fieldwork for the Alaska Dam Safety certificates, environmental studies, community relations, and government affairs activities.

The Donlin Gold board must approve a construction program and budget before the Donlin Gold project can be developed. The timing of the required engineering work and the Donlin Gold board's approval of a construction program and budget, the receipt of all required governmental permits and approvals, and the availability of financing, commodity price fluctuations, risks related to market events and general economic conditions among other factors, will affect the timing of and whether to develop the Donlin Gold project. Among other reasons, project delays could occur as a result of public opposition, litigation challenging permit decisions, requests for additional information or analysis, limitations in agency staff resources during regulatory review and permitting, or project changes made by Donlin Gold.

We record our interest in the Donlin Gold project as an equity investment, which results in our 50% share of Donlin Gold's expenses being recorded in the income statement as an operating loss. The investment amount recorded on the balance sheet primarily represents unused funds advanced to Donlin Gold.

Consolidated Financial Results

The details of our *Net loss* are set forth below*:*

	Years ended November 30, 2022	2021	Change
Net loss	$ (53,343)	$ (40,536)	$ (12,807)
Net loss per common share, basic and diluted	$ (0.16)	$ (0.12)	$ (0.04)

Net loss increased by $12,807 from 2021 to 2022, primarily due to the expanded Donlin Gold drilling and work program, and lower accretion income in 2022 resulting from the receipt of the $75,000 note from Newmont in July 2021. Increasing interest rates resulted in higher Barrick promissory note interest expense and was offset by income earned on cash and term deposits and favorable foreign exchange movements.

Liquidity and Capital Resources

Liquidity overview

At present, we believe we have sufficient working capital available to cover anticipated funding of the Donlin Gold project and corporate general and administrative costs through completion of an updated Donlin Gold feasibility study. Substantial additional capital will be required once a decision to commence engineering and construction is reached by the Donlin Gold board for the Donlin Gold project. Future financings to fund construction are anticipated through debt, equity, project specific debt, and/or other means. Our continued operations are dependent on our ability to obtain additional financing or to generate future cash flows. However, there can be no assurance that we will be successful in our efforts to raise additional capital on terms favorable to us, or at all. For further information, see section *Item 1A, Risk Factors – Our ability to continue the exploration, permitting, development, and construction of the Donlin Gold project, and to continue as a going concern, will depend in part on our ability to obtain suitable financing*.

Our anticipated expenditures in fiscal year 2023 are approximately $31,000, including $17,000 to fund the Donlin Gold project, $13,000 for corporate general and administrative costs, and $1,000 for working capital and other items.

Our financial position includes the following as of November 30, 2022:

- Cash and cash equivalents of $63,882.
- Term deposits of $62,000 denominated in U.S. dollars and held at Canadian chartered banks with high investment-grade ratings and maturities of one year or less.
- Note receivable for $25,000 due on the earlier of the completion of a Galore Creek feasibility study or July 27, 2023, and a note for $75,000 fully contingent upon approval of a Galore Creek project construction plan by the owner(s).
- Promissory note payable to Barrick of $123,685, including accrued interest at U.S. prime plus 2%. The promissory note and accrued interest are payable from 85% of the Company's share of revenue from future Donlin Gold project production or from any net proceeds resulting from a reduction of the Company's interest in Donlin Gold.

Cash flows

Our *Consolidated Statements of Cash Flows* are summarized as follows:

	Years ended November 30, 2022	2021	Change
Operating activities	$ (12,371)	$ (9,863)	$ (2,508)
Funding of Donlin Gold	(28,435)	(17,587)	(10,848)
Proceeds from note receivable	—	75,000	(75,000)
Net proceeds from (purchases of) term deposits	16,000	(17,221)	33,221
Proceeds from sale of assets	73	200	(127)
Withholding tax on share-based compensation	(2,122)	(731)	(1,391)
Effect of exchange rate changes on cash and other	(387)	420	(807)
Net change in cash and cash equivalents	$ (27,242)	$ 30,218	$ (57,460)

In 2022, the net decrease in *Cash and cash equivalents* of $27,242 primarily resulted from Donlin Gold funding of $28,435, corporate operating activities of $12,371 and withholding tax on share-based compensation of $2,122, partially offset by cash received from term deposits of $16,000.

Net spending on operating activities increased in 2022 from 2021 primarily due to the timing of corporate liability insurance payments, partially offset by higher interest received on cash and term deposits due to higher interest rates. Donlin Gold funding increased due to the expanded drilling and work program. In 2021, a $75,000 payment was received from Newmont related to the 2018 sale of Galore Creek.

Outstanding share data

As of January 17, 2023, the Company had 333,965,718 common shares issued and outstanding. Also, as of January 17, 2023, the Company had: i) a total of 9,229,233 stock options outstanding; 7,968,101 of those stock options with a weighted-average exercise price of $6.26 and the remaining 1,261,132 with a weighted-average exercise price of C$8.02; and ii) 1,605,500 performance shares units (PSUs) and 301,359 deferred share units (DSUs) outstanding. Upon exercise of the foregoing convertible securities, the Company would be required to issue a maximum of 11,938,842 common shares.

Related party transactions

As of November 30, 2022, the Company has accounts receivable from Donlin Gold of $574 (November 30, 2021: $nil) included in *Other current assets* for third party study costs contracted for by the Company on behalf of Donlin Gold.

Fourth quarter results

During the fourth quarter of 2022 we incurred a net loss of $12,255 compared to a net loss of $10,269 in 2021. The increase in net loss primarily resulted from the expanded activity at Donlin Gold and increased interest on the promissory note, partially offset by higher interest income and lower remediation expense for the former New Gold House mineral property.

Critical Accounting Policies

We believe the following accounting policies are critical to our financial statements due to the degree of uncertainty regarding the judgements or assumptions involved and/or the magnitude of the asset, liability, or expense being reported.

Contingent note receivable

A portion of the proceeds on the sale of the Company's 50% interest in the Galore Creek project to Newmont, included a contingent note for $75,000 receivable upon the approval of a Galore Creek project construction plan by the owner(s). The Company has assigned no value to the contingent note receivable as management determined that approval of Galore Creek project construction was not probable as of the closing of the Galore Creek sale, and management's assessment did not change as of November 30, 2022. The contingent note will be recognized only when, in management's judgement, payment is probable, and the amount recorded will not reverse in future periods.

Investment in affiliates

Investments in unconsolidated ventures over which the Company has the ability to exercise significant influence, but does not control, are accounted for under the equity method and include the Company's investment in the Donlin Gold project. We identified Donlin Gold as a Variable Interest Entity (VIE) as the entity is dependent on funding from its owners. All funding, ownership, voting rights and power to exercise control is shared equally on a 50/50 basis between the owners of the VIE. Therefore, the Company has determined that it is not the primary beneficiary of the VIE. The Company's maximum exposure to loss is its investment in Donlin Gold. Donlin Gold is a non-publicly traded equity investee holding exploration and development projects. The Company reviews and evaluates its investment in affiliates for other than temporary impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Events that could indicate impairment of an investment in affiliates include a significant decrease in long-term expected gold price, a significant increase in expected operating or capital costs, unfavorable exploration results or technical studies, a significant decrease in reserves, a loss of significant mineral claims, or a change in the development plan or strategy for the project. Asset impairment is considered to exist if the total estimated future cash flows on an undiscounted basis are less than the carrying amount of the asset. If the underlying assets are not recoverable, an impairment loss is measured and recorded based on the difference between the carrying amount of the investee and its estimated fair value which may be determined using a discounted cash flow model.

Income taxes

We account for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under the asset and liability method, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recognized if it is more likely than not that some portion or the entire deferred tax asset will not be recognized.

Share-based compensation

We grant share-based compensation awards in exchange for employee services, including a stock option plan and a PSU plan. The fair value of awards granted under the plans are recognized in the *Consolidated Statements of Loss* over the related service period. The fair values of stock options are estimated at the time of each grant using a Black-Scholes option pricing model, and the fair values of PSUs are measured at each grant date using a Monte Carlo valuation model. The fair value estimates may be impacted by certain variables including, but not limited to, stock price volatility, employee stock option exercise behaviors, additional stock option grants, estimates of forfeitures, the Company's performance, and the Company’s performance in relation to its peers.

We grant members of our board of directors DSUs whereby each DSU entitles the directors to receive one common share of the Company when they retire from service with the Company. The fair value of the DSUs is measured at the date of the grant in amounts ranging from 50% to 100% of directors’ annual retainers at the election of the directors. The fair value is recognized in the *Consolidated Statements of Loss* over the related service period.

As of November 30, 2022, we had $2,303 of unrecognized compensation cost related to 3,231,000 non-vested stock options expected to be expensed and vest over a period of approximately two years. Also, as of November 30, 2022, we had 1,257,200 non-vested PSU awards outstanding of which 438,900 were fully expensed. On December 1, 2022, it was determined that those expensed PSU awards matured and did not meet the performance criteria; therefore, no common shares were issued. The remaining 818,300 non-vested PSU awards with $3,184 of unrecognized compensation cost will be expensed over a period of approximately two years.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Our financial instruments are exposed to certain financial risks, including credit and interest rate risks.

Credit risk

Concentration of credit risk exists with respect to our cash and cash equivalents, term deposit investments, and notes receivable. All term deposits are held through Canadian chartered banks with high investment-grade ratings and have maturities of one year or less.

A note receivable of $25 million is due from a subsidiary of Newmont upon the earlier of the completion of a Galore Creek project feasibility study or July 27, 2023. Newmont is a publicly traded company with investment-grade credit ratings and has guaranteed the notes receivable.

Interest rate risk

The interest rate on the promissory note owed to Barrick is variable with the U.S. prime rate. Based on the amount owing on the promissory note as of November 30, 2022, and assuming all other variables remain constant, a 1% change in the U.S. prime rate would result in an increase/decrease of approximately $1.24 million in the interest accrued on the promissory note per annum. The promissory note and accrued interest are payable from 85% of the Company’s share of revenue from future mine production or from any net proceeds resulting from a reduction of the Company’s interest in Donlin Gold.

Item 8. Financial Statements and Supplementary Data

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of NOVAGOLD RESOURCES INC.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of NOVAGOLD RESOURCES INC. and its subsidiaries (together, the Company) as of November 30, 2022 and 2021, and the related consolidated statements of loss and comprehensive loss, cash flows and equity for each of the three years in the period ended November 30, 2022, including the related notes (collectively referred to as the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of November 30, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of November 30, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended November 30, 2022 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of November 30, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Report of Management on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Recognition of the contingent note receivable

As described in Notes 2 and 4 to the consolidated financial statements, on July 27, 2018, the Company sold its interest in the Galore Creek project (the sale). As part of the consideration for the sale, the Company received a $75 million note (the contingent note receivable), which is contingent upon the approval of a Galore Creek project construction plan by the owner(s). The Company has not assigned a value to the contingent note receivable as management determined that Galore Creek project construction approval was not probable as of the closing of the Galore Creek sale or in subsequent periods. Management’s assessment did not change as of November 30, 2022. The contingent note will be recognized when, in management’s judgment, it is probable that the payment will occur, and that the amount recorded will not reverse in future periods.

The principal considerations for our determination that performing procedures relating to the recognition of the contingent note receivable is a critical audit matter are the judgment by management when determining if recognition was required, which in turn led to a high degree of auditor judgment and subjectivity in performing procedures and evaluating management’s assessment of the probability of whether a Galore Creek project construction plan will be approved.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management’s assessment of the basis for recognizing the contingent note receivable. These procedures also included, among others, evaluating the reasonableness of management’s assessment regarding the probability of the owner(s) of the project approving the Galore Creek project construction plan. This included considering both publicly available information and the latest annual progress report provided by the owner(s) of the project to the Company under the terms of the sale agreement.

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, Canada
January 25, 2023

We have served as the Company's auditor since 1984.

NOVAGOLD RESOURCES INC.

CONSOLIDATED BALANCE SHEETS
(US dollars in thousands)

	As of November 30, 2022	As of November 30, 2021
ASSETS		
Cash and cash equivalents	$ 63,882	$ 91,124
Term deposits	62,000	78,000
Notes receivable (Note 4)	24,421	—
Other assets (Note 6)	2,235	327
Current assets	152,538	169,451
Notes receivable (Note 4)	—	23,572
Investment in Donlin Gold (Note 5)	3,848	3,576
Other assets (Note 6)	2,803	2,253
Total assets	$ 159,189	$ 198,852
LIABILITIES		
Accounts payable and accrued liabilities	$ 769	$ 682
Accrued payroll and related benefits	2,532	2,637
Other liabilities (Note 9)	1,298	1,064
Current liabilities	4,599	4,383
Promissory note (Note 7)	123,685	115,723
Other liabilities (Note 9)	1,002	464
Total liabilities	129,286	120,570
Commitments and contingencies (Notes 7 and 8)		
EQUITY		
Common shares		
Authorized – 1,000 million shares, no par value		
Issued and outstanding – 333.8 and 332.4 million shares, respectively	1,983,962	1,978,520
Contributed surplus	82,866	82,216
Accumulated deficit	(2,012,508)	(1,959,165)
Accumulated other comprehensive loss	(24,417)	(23,289)
Total equity	29,903	78,282
Total liabilities and equity	$ 159,189	$ 198,852

The accompanying notes are an integral part of these consolidated financial statements.

Approved by the Board of Directors

/s/ Gregory A. Lang /s/ Anthony P. Walsh

NOVAGOLD RESOURCES INC.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(US dollars in thousands except per share amounts)

	Years ended November 30,		
	2022	2021	2020
Operating expenses:			
General and administrative (Note 12)	$ 20,109	$ 20,210	$ 18,735
Equity loss - Donlin Gold (Note 5)	28,163	16,625	14,502
	48,272	36,835	33,237
Loss from operations	(48,272)	(36,835)	(33,237)
Interest expense on promissory note (Note 7)	(7,962)	(5,922)	(6,014)
Accretion of notes receivable (Note 4)	849	2,556	3,337
Other income (expense), net (Note 14)	2,009	(198)	1,569
Loss before income taxes	(53,376)	(40,399)	(34,345)
Income tax recovery (expense) (Note 15)	33	(137)	781
Net loss	(53,343)	(40,536)	(33,564)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(1,128)	587	932
	(1,128)	587	932
Comprehensive loss	$ (54,471)	$ (39,949)	$ (32,632)
Net loss per common share – basic and diluted	$ (0.16)	$ (0.12)	$ (0.10)
Weighted average shares outstanding			
Basic and diluted (thousands)	333,236	331,546	329,269

The accompanying notes are an integral part of these consolidated financial statements.

NOVAGOLD RESOURCES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(US dollars in thousands)

	Years ended November 30,		
	2022	2021	2020
Operating activities:			
Net loss	$ (53,343)	$ (40,536)	$ (33,564)
Adjustments:			
Equity loss – Donlin Gold	28,163	16,625	14,502
Share-based compensation	8,214	8,235	7,057
Interest expense on promissory note	7,962	5,922	6,014
Remediation expense	366	938	—
Foreign exchange (gain) loss	(595)	336	606
Accretion of notes receivable	(849)	(2,556)	(3,337)
Change in fair value of marketable securities	(189)	(418)	(431)
Gain on sale of mineral property	—	(200)	—
Deferred income tax recovery	—	—	(751)
Other operating adjustments	(44)	7	19
Net change in operating assets and liabilities (Note 17)	(2,056)	1,784	(135)
Net cash used in operating activities	(12,371)	(9,863)	(10,020)
Investing activities:			
Proceeds from term deposits	148,000	141,578	81,000
Purchases of term deposits	(132,000)	(158,799)	(61,000)
Proceeds from note receivable	—	75,000	—
Funding of Donlin Gold	(28,435)	(17,587)	(15,276)
Proceeds from sale of mineral property	—	200	—
Other	73	—	—
Net cash provided from investing activities	(12,362)	40,392	4,724
Financing activities:			
Withholding tax on share-based compensation	(2,122)	(731)	(1,652)
Net cash used in financing activities	(2,122)	(731)	(1,652)
Effect of exchange rate changes on cash and cash equivalents	(387)	420	305
Net change in cash and cash equivalents	(27,242)	30,218	(6,643)
Cash and cash equivalents at beginning of year	91,124	60,906	67,549
Cash and cash equivalents at end of year	$ 63,882	$ 91,124	$ 60,906

The accompanying notes are an integral part of these consolidated financial statements.

NOVAGOLD RESOURCES INC.
CONSOLIDATED STATEMENTS OF EQUITY
(US dollars and shares in thousands)

	Common shares		Contributed	Accumulated		Total
	Shares	Amount	Surplus	deficit	AOCL*	equity
November 30, 2019	327,630	$ 1,965,573	$ 82,254	$ (1,885,065)	$ (24,808)	$ 137,954
Share-based compensation	—	—	7,057	—	—	7,057
Performance share units (PSUs) settled in shares	410	1,026	(1,026)	—	—	—
Stock options exercised	2,372	5,430	(5,430)	—	—	—
Withholding tax on PSUs	—	—	(1,652)	—	—	(1,652)
Net loss	—	—	—	(33,564)	—	(33,564)
Other comprehensive income	—	—	—	—	932	932
November 30, 2020	330,412	$ 1,972,029	$ 81,203	$ (1,918,629)	$ (23,876)	$ 110,727
Share-based compensation	—	—	8,235	—	—	8,235
PSUs settled in shares	574	1,460	(1,460)	—	—	—
Stock options exercised	1,430	5,031	(5,031)	—	—	—
Withholding tax on PSUs	—	—	(731)	—	—	(731)
Net loss	—	—	—	(40,536)	—	(40,536)
Other comprehensive income	—	—	—	—	587	587
November 30, 2021	332,416	$ 1,978,520	$ 82,216	$ (1,959,165)	$ (23,289)	$ 78,282
Share-based compensation	—	—	8,214	—	—	8,214
PSUs settled in shares	430	1,731	(1,731)	—	—	—
Deferred share units (DSUs) settled in shares	53	249	(249)	—	—	—
Stock options exercised	854	3,462	(3,462)	—	—	—
Withholding tax on PSUs	—	—	(2,122)	—	—	(2,122)
Net loss	—	—	—	(53,343)	—	(53,343)
Other comprehensive loss	—	—	—	—	(1,128)	(1,128)
November 30, 2022	333,753	$ 1,983,962	$ 82,866	$ (2,012,508)	$ (24,417)	$ 29,903

* Accumulated other comprehensive loss

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 – THE COMPANY

NOVAGOLD RESOURCES INC. and its affiliates and subsidiaries (collectively, "NOVAGOLD" or the "Company") operate in the mining industry, focused on the exploration for and development of gold mineral properties. The Company has no realized revenues from its planned principal business purpose. The Company's principal asset is a 50% interest in the Donlin Gold project in Alaska, USA. The Donlin Gold project is owned and operated by Donlin Gold LLC ("Donlin Gold"), a limited liability company that is owned equally by wholly-owned subsidiaries of NOVAGOLD and Barrick Gold Corporation ("Barrick").

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Presentation

The Consolidated Financial Statements include the accounts of NOVAGOLD RESOURCES INC. and its wholly-owned subsidiaries NOVAGOLD U.S. Holdings Inc., NOVAGOLD Resources Alaska Inc., NOVAGOLD USA, Inc., and AGC Resources Inc. All inter-company transactions and balances are eliminated on consolidation.

The Consolidated Financial Statements are presented in United States dollars and have been prepared in accordance with accounting principles generally accepted in the United States (US GAAP). The preparation of the Company's Consolidated Financial Statements in accordance with US GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of expenses during the reporting period. The Company bases its estimates and assumptions on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from the amounts recorded in these Consolidated Financial Statements.

References in these Consolidated Financial Statements and Notes to $ refer to United States (US) dollars and C$ to Canadian dollars. Dollar amounts are in thousands, except for per share amounts.

Foreign currency

The functional currency for NOVAGOLD RESOURCES INC. is the Canadian dollar and the functional currency for the Company's U.S. operations is the U.S. dollar. Therefore, gains and losses on U.S. dollar denominated transactions and the effect of translating U.S. dollar denominated balances of Canadian operations are recorded in net loss. The effects of translating the Company's Canadian operations from the Canadian dollar to the U.S. dollar are recorded in Other comprehensive income (loss).

Cash and cash equivalents

Cash and cash equivalents consist of cash balances and highly liquid investments with original maturities of three months or less, that are considered to be cash equivalents. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Term deposits

The Company's term deposits are classified as held to maturity and recorded at cost. Term deposits are held at Chartered Canadian banks with original maturities of 12 months or less. The term deposits are not traded in an active market.

Contingent note receivable

A portion of the proceeds related to the sale of Galore Creek to Newmont includes a $75,000 note receivable, contingent upon the approval of a Galore Creek project construction plan by the owner(s). The Company has not assigned a value to the contingent note receivable as management determined that the approval of the Galore Creek project construction was not probable as of the closing of the Galore Creek sale or in subsequent periods. The contingent note will be recognized when, in management's judgement, it is probable that the payment will occur, and that the amount recorded will not reverse in future periods.

Investment in affiliates

Investments in unconsolidated ventures over which the Company has the ability to exercise significant influence, but does not control, are accounted for under the equity method and include the Company's investment in the Donlin Gold project. The Company identified Donlin Gold as a Variable Interest Entity (VIE) as the entity is dependent on funding from its owners. All funding, ownership, voting rights, and power to exercise control is shared equally on a 50/50 basis between the owners of the VIE. Therefore, the Company has determined that it is not the primary beneficiary of the VIE. The Company's maximum exposure to loss is its equity investment in Donlin Gold.

The equity method is a basis of accounting for investments whereby the investment is initially recorded at cost and the carrying value is adjusted thereafter to include the investor's pro rata share of post-acquisition earnings or losses of the investee, as computed by the consolidation method. Cash funding increases the carrying value of the investment. Profit distributions received or receivable from an investee reduce the carrying value of the investment.

Donlin Gold is a non-publicly traded equity investee owning an exploration and development project. Therefore, the Company assesses whether there has been a potential triggering event for other-than-temporary impairment by assessing the underlying assets of the equity investee for recoverability and assessing whether there has been a change in the development plan or strategy for the project. If the underlying assets are not recoverable, the Company will record an impairment charge equal to the difference between the carrying amount of the investee and its fair value.

Income taxes

The Company accounts for income taxes using the liability method, recognizing certain temporary differences between the financial reporting basis of the Company's liabilities and assets and the related income tax basis for such liabilities and assets. This method generates deferred income tax liabilities and assets for the Company, as measured by the statutory tax rates in effect. The Company derives its deferred income tax charge or benefit by recording the change in deferred income tax liabilities and asset balances for the year.

The Company's deferred income tax assets include certain future tax benefits. The Company records a valuation allowance against any portion of those deferred income tax assets when it believes, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized.

Share-based payments

The Company records share-based compensation awards exchanged for employee services at fair value on the date of the grant and expenses the awards in the Consolidated Statements of Loss over the requisite employee service period. The fair values of stock options are determined using a Black-Scholes option pricing model. The fair values of PSUs are determined using a Monte Carlo valuation model. The Company's estimates may be impacted by certain variables including, but not limited to, stock price volatility, employee stock option exercise behaviors, additional stock option grants, estimates of forfeitures, the Company's performance, and the Company's performance in relation to its peers.

Net income (loss) per common share

Basic and diluted income (loss) per share are presented for Net income (loss). Basic income (loss) per share is computed by dividing Net income (loss) by the weighted-average number of outstanding common shares for the period. Diluted income per share reflects the potential dilution that could occur if securities or other contracts that may require the issuance of common shares in the future were converted. Diluted income per share is computed by increasing the weighted-average number of outstanding common shares to include the additional common shares that would be outstanding after conversion and adjusting net income for changes that would result from the conversion. Only those securities or other contracts that result in a reduction in earnings per share are included in the calculation.

NOTE 3 – SEGMENTED INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer. The Chief Executive Officer considers the business from a geographic perspective considering the performance of our investment in the Donlin Gold project in Alaska, USA (Note 5).

(US dollars in thousands, except per share)

NOTE 4 – NOTES RECEIVABLE

Changes in the Company's *Notes receivable* are summarized as follows:

	Years ended November 30,		
	2022	2021	2020
Balance – beginning of period	$ 23,572	$ 96,016	$ 92,679
Accretion of notes receivable	849	2,556	3,337
Payment received	—	(75,000)	—
Balance – end of period	$ 24,421	$ 23,572	$ 96,016

Galore Creek

On July 27, 2018, the Company sold its interest in the Galore Creek project to a subsidiary of Newmont Corporation ("Newmont") for cash proceeds of $100,000, a $75,000 note due upon the earlier of the completion of a Galore Creek pre-feasibility study or July 27, 2021, a $25,000 note due upon the earlier of the completion of a Galore Creek feasibility study or July 27, 2023, and a contingent note for $75,000 due upon approval of a Galore Creek project construction plan by the owner(s). The Company received $75,000 from Newmont on July 27, 2021.

As of November 30, 2022, the carrying value of the $25,000 note was $24,421 including $3,473 of accumulated accretion. The carrying value of the note is being accreted to $25,000 over five years at a discount rate of 3.6% based on quoted market values for Newmont debt with a similar term.

A contingent note for $75,000 is due upon approval of a Galore Creek project construction plan by the owner(s). No value was assigned to the final $75,000 contingent note. The Company determined that Galore Creek project construction approval was not probable as of the closing of the Galore Creek sale. The Company's assessment did not change as of November 30, 2022.

Minas San Roque

On November 3, 2021, the Company sold its 49% interest in the Minas San Roque project in Argentina to Marifil S.A., a subsidiary of International Iconic Gold Mines Ltd. ("Iconic") for cash proceeds of C$250 upon closing, a C$750 note receivable due on November 1, 2022, and a C$1,000 note receivable due on November 1, 2023. The notes are guaranteed by Iconic. On closing, the Company determined the fair value of the notes was nil. The Company's assessment did not change as of November 30, 2022. Subsequent to November 30, 2022, Iconic obtained sufficient funding and completed the C$750 note payment by the end of December 2022.

NOTE 5 – INVESTMENT IN DONLIN GOLD

The Donlin Gold project is owned and operated by Donlin Gold, a limited liability company in which wholly-owned subsidiaries of NOVAGOLD and Barrick each own a 50% interest. Donlin Gold has a board of four representatives, with two representatives selected by Barrick and two representatives selected by the Company. All significant decisions related to Donlin Gold require the approval of at least a majority of the Donlin Gold board.

Changes in the Company's *Investment in Donlin Gold* are summarized as follows:

	Years ended November 30,		
	2022	2021	2020
Balance – beginning of period	$ 3,576	$ 2,614	$ 1,840
Share of losses:			
Mineral property expenditures	(27,690)	(16,286)	(14,339)
Depreciation	(427)	(300)	(163)
Accretion	(46)	(39)	—
	(28,163)	(16,625)	(14,502)
Funding	28,435	17,587	15,276
Balance – end of period	$ 3,848	$ 3,576	$ 2,614

(US dollars in thousands, except per share)

The following amounts represent the Company's 50% share of the assets and liabilities of Donlin Gold. Donlin Gold capitalized the initial contribution of the Donlin Gold property as *Non-current assets: Mineral property* with a carrying value of $64,000, resulting in a higher carrying value of the mineral property than that of the Company.

	As of November 30,	
	2022	2021
Current assets: Cash, prepaid expenses, and other receivables	$ 4,220	$ 3,815
Non-current assets: Right-of-use assets, property and equipment	2,036	1,417
Non-current assets: Mineral property	32,615	32,615
Current liabilities: Accounts payable, accrued liabilities and lease obligations	(2,322)	(1,584)
Non-current liabilities: Reclamation and lease obligations	(701)	(687)
Net assets	$ 35,848	$ 35,576

NOTE 6 – OTHER ASSETS

	As of November 30,	
	2022	2021
Other current assets:		
Accounts and interest receivable	$ 363	$ 302
Receivable from Donlin Gold	574	—
Prepaid expenses	1,298	25
	$ 2,235	$ 327
Other long-term assets:		
Marketable equity securities	$ 1,845	$ 1,830
Right-of-use assets	939	396
Office equipment	19	27
	$ 2,803	$ 2,253

NOTE 7 – PROMISSORY NOTE

The Company has a promissory note payable to Barrick of $123,685, comprised of $51,576 in principal, and $72,109 in accrued interest at U.S. prime plus 2%. The promissory note resulted from the agreement that led to the formation of Donlin Gold, where the Company agreed to reimburse Barrick for a portion of their expenditures incurred from April 1, 2006 to November 30, 2007. The promissory note and accrued interest are payable from 85% of the Company's share of revenue from future mine production or from any net proceeds resulting from a reduction of the Company's interest in Donlin Gold. The carrying value of the promissory note approximates fair value.

Changes in the Company's *Promissory Note* is summarized as follows:

	Years ended November 30,		
	2022	2021	2020
Balance – beginning of period	$ 115,723	$ 109,801	$ 103,787
Interest expense on promissory note	7,962	5,922	6,014
Balance – end of period	$ 123,685	$ 115,723	$ 109,801

NOTE 8 – LEASES

The Company leases office space under non-cancelable operating leases with original lease terms of five years. These leases require monthly lease payments that may be subject to annual increases throughout the lease term. Certain of these leases also include renewal options at the election of the Company to renew or extend the lease for an additional five years. These optional periods have not been considered in the determination of ROU assets or lease liabilities associated with these leases as management did not consider it reasonably certain it would exercise the options. In 2022, the Company extended the lease of its Salt Lake City office for an additional 6.25 years. Certain of our leases include payments that vary based on the Company's level of usage and operations. These variable payments are not included within ROU assets and lease liabilities in the Consolidated Balance Sheets. Additionally, short-term leases, which have an initial term of 12 months or less, are not recorded in the Consolidated Balance Sheets.

(US dollars in thousands, except per share)

Lease expenses are included in *General and administrative expense – Office expense* on the Consolidated Statements of Loss and include the following components:

	Years ended November 30,	
	2022	2021
Operating lease cost	$ 234	$ 235
Variable lease cost	126	122
Short-term lease cost	5	4
	$ 365	$ 361

Future minimum lease payments under non-cancellable operating leases as of November 30, 2022, were as follows:

2023	$ 194
2024	234
2025	157
2026	154
2027	159
Thereafter	220
Total future minimum lease payments	1,118
Less: imputed interest	(174)
Total	$ 944

Other information regarding leases for the year ended November 30, 2022 includes the following:

Cash paid for operating leases	$ 238
Variable lease cost	126
Short-term lease cost	5
	$ 369

Right-of-use assets obtained in exchange for lease liabilities	$ 750
Weighted average remaining lease term (years) – operating leases	5.6
Weighted average discount rate – operating leases	5.8%

NOTE 9 – OTHER LIABILITIES

	As of November 30,	
	2022	2021
Other current liabilities:		
Remediation liabilities	$ 1,156	$ 840
Lease obligations	142	224
	$ 1,298	$ 1,064
Other long-term liabilities:		
Remediation liabilities	$ 200	$ 280
Lease obligations	802	184
	$ 1,002	$ 464

NOTE 10 – SHARE CAPITAL

Common shares

The Company is authorized to issue 1,000,000,000 common shares without par value, of which 333,753,116 were issued and outstanding as of November 30, 2022, and 332,415,547 were issued and outstanding as of November 30, 2021.

(US dollars in thousands, except per share)

Preferred shares

Pursuant to the Company's Notice of Articles filed under the Business Corporations Act (British Columbia), the Company is authorized to issue 10,000,000 preferred shares without par value. The authorized but unissued preferred shares may be issued in designated series from time to time by one or more resolutions adopted by the Directors. The Directors have the authority to determine the preferences, limitations, and relative rights of each series of preferred shares. As of November 30, 2022 and 2021, no preferred shares were issued or outstanding.

NOTE 11 – FAIR VALUE ACCOUNTING

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the significance of the inputs used in making the measurement. The three levels of the fair value hierarchy are as follows:

Level 1 — Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 — Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 — Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments consist of cash and cash equivalents, term deposits, accounts receivable, receivable from Donlin Gold, accounts payable and accrued liabilities, and promissory note. The fair value of the promissory note approximates its carrying value based on accrued interest at U.S. prime plus 2% and the terms for repayment from future mine production or from any net proceeds resulting from a reduction of the Company's interest in Donlin Gold. The fair value of the Company's other financial instruments approximate their carrying value due to the short-term nature of their maturity. The Company's financial instruments initially measured at fair value and then held at amortized cost include cash and cash equivalents, term deposits, accounts receivable, receivable from Donlin Gold, note receivable, accounts payable and accrued liabilities, and promissory note. The Company's marketable equity securities are valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy. The fair value of the marketable equity securities was $1,845 as of November 30, 2022 ($1,830 as of November 30, 2021), calculated as the quoted market price of the marketable equity security multiplied by the quantity of shares held by the Company.

NOTE 12 – GENERAL AND ADMINISTRATIVE

	Years ended November 30,		
	2022	2021	2020
Share-based compensation (Note 13)	$ 8,214	$ 8,235	$ 7,057
Salaries and benefits	6,710	6,599	6,274
Office expense	2,992	2,544	2,199
Professional fees	1,177	1,849	2,139
Corporate communications and regulatory	1,009	976	1,059
Depreciation	7	7	7
	$ 20,109	$ 20,210	$ 18,735

NOTE 13 – SHARE-BASED COMPENSATION

Share incentive awards include a stock option plan for directors, executives, employees and eligible consultants, a PSU plan for executives, employees, and eligible consultants and a DSU plan for non-executive directors of the Company. Options granted to purchase common shares have exercise prices not less than the fair market value of the underlying share at the date of grant. As of November 30, 2022, 30,783,900 common shares were available for future share incentive plan awards under all three plans.

(US dollars in thousands, except per share)

The Company recognized share-based compensation expense (*see Note 12 - General and administrative*) as follows:

	Years ended November 30, 2022	2021	2020
Stock options	$ 4,642	$ 4,721	$ 4,309
Performance share unit plan	3,345	3,278	2,547
Deferred share unit plan	227	236	201
	$ 8,214	$ 8,235	$ 7,057

Stock options

Stock options granted under the Company's share-based incentive plans generally expire five years after the date of grant and vest in one-third annual increments beginning on the first anniversary of the date of grant. The value of each option award is estimated at the date of grant using the Black-Scholes option pricing model. The Black-Scholes option pricing model requires the input of subjective assumptions, including the expected term of the option award and share price volatility. The expected term of options granted is derived from historical data on employee exercise and post-vesting employment termination experience. Expected volatility is based on the historical volatility of the Company's shares at the date of grant over the same length of term. These estimates involve inherent uncertainties and the application of management's judgment. In addition, management estimates the expected forfeiture rate and only recognizes expense for those options expected to vest. As a result, if other assumptions had been used, the recorded share-based compensation expense would have been different from that reported.

A summary of stock options outstanding as of November 30, 2022, and activity during the year ended November 30, 2022 are as follows:

	Number of stock options (thousands)	Weighted-average exercise price per share	Weighted-average remaining contractual term (years)	Aggregate intrinsic value
November 30, 2021	8,602	$ 5.43		
Granted	1,987	6.71		
Exercised	(2,566)	3.88		
Cancelled	(306)	6.44		
November 30, 2022	7,717	$ 6.18	2.27	$ 5,801
Vested and exercisable as of November 30, 2022	4,486	$ 5.20	1.43	$ 5,796

The following table summarizes other stock option-related information:

	Years ended November 30, 2022	2021	2020
Weighted-average assumptions used to value stock option awards:			
Expected volatility	$ 46.5%	47.2%	46.1%
Expected term of options (years)	4	4	4
Expected dividend rate	—	—	—
Risk-free interest rate	1.13%	0.3%	1.5%
Expected forfeiture rate	2.9%	3.0%	3.1%
Weighted-average grant-date fair value	$ 2.49	$ 3.63	$ 2.70
Intrinsic value of options exercised	$ 5,723	$ 12,543	$ 24,137
Cash received from options exercised	$ —	$ —	$ —

As of November 30, 2022, the Company had $2,303 of unrecognized compensation cost related to 3,231,000 non-vested stock options expected to be expensed and vest over a period of approximately two years.

Performance share units

The Company has a PSU plan that provides for the issuance of PSUs in amounts as approved by the Company's Compensation Committee. Each PSU award entitles the participant to receive one common share of the Company at the end of a specified period. The Compensation Committee may adjust the number of common shares for the achievement of certain performance and vesting criteria established at the time of grant. The actual performance against each of these criteria generates a multiplier that varies from 0% to 150%. Thus, the common shares that may be issued vary between 0% and 150% of the number of PSUs granted, as reduced by the amounts for participants no longer with the Company on the vesting date.

(US dollars in thousands, except per share)

The value of each PSU granted is estimated at the grant date using a Monte Carlo simulation model. The Monte Carlo simulation model requires the input of subjective assumptions, including the share price volatility of the Company's stock, as well as comparator index and the correlation of returns between the comparator index and the Company. Expected volatility is based on the historical volatility of the Company's shares and the comparator index at the grant date. These estimates involve inherent uncertainties and the application of management's judgment. As a result, if other assumptions had been used, our recorded share-based compensation expense would have been different from that reported.

A summary of PSU awards outstanding and activity during the year ended November 30, 2022 are as follows:

	Number of PSU awards (thousands)	Weighted- average grant day fair value per award	Aggregate intrinsic value
November 30, 2021	1,583	$ 5.94	
Granted	517	6.75	
Vested	(745)	3.69	
Performance adjustment	(56)	3.69	
Cancelled	(42)	7.69	
November 30, 2022	1,257	$ 7.65	$ 2,326

As of November 30, 2022, the Company had 1,257,200 non-vested PSU awards outstanding of which 438,900 were fully expensed and subsequently expired with no value. The remaining 818,300 non-vested PSU awards with $3,184 of unrecognized compensation cost will be expensed over a period of approximately two years.

The following table summarizes other PSU-related information:

	Years ended November 30,		
	2022	2021	2020
Performance multiplier on PSUs vested	93%	150%	150%
Common shares issued (thousands)	430	574	410
Total fair value of common shares issued	$ 2,903	$ 5,723	$ 2,855
Withholding tax paid on PSUs vested	$ 2,122	$ 731	$ 1,652

Deferred share units

The Company has a DSU plan that provides for the issuance of DSUs in amounts where the Directors receive half of their annual retainer in DSUs and have the option to elect to receive all or a portion of the other half of their annual retainer in DSUs. Each DSU entitles the Directors to receive one common share when they retire from the Company. The Company granted 38,470, 25,957 and 21,602 DSUs to Directors with a weighted-average grant day fair value of $5.74, $8.86, and $9.07 per DSU during 2022, 2021 and 2020, respectively. The Company issued 52,930, nil, and nil common shares under the DSU plan in 2022, 2021 and 2020, respectively. As of November 30, 2022, there were 291,860 DSUs outstanding.

NOTE 14– OTHER INCOME (EXPENSE), NET

	Years ended November 30,		
	2022	2021	2020
Interest and dividend income	$ 1,591	$ 458	$ 1,744
Change in fair market value of marketable securities	189	418	431
Foreign exchange gain (loss)	595	(336)	(606)
Remediation expense	(366)	(938)	—
Gain on sale of mineral property	—	200	—
	$ 2,009	$ (198)	$ 1,569

(US dollars in thousands, except per share)

NOTE 15 – INCOME TAXES

The Company's statutory tax rate is 27% and is expected to remain at this amount until 2024.

The Company's *Income tax (recovery) expense* consisted of:

	Years ended November 30, 2022	2021	2020
Current:			
Canada	$ —	$ 110	$ —
Foreign	(33)	27	(30)
	(33)	$ 137	(30)
Deferred:			
Canada	—	—	—
Foreign	—	—	(751)
	—	—	(751)
Income tax (recovery) expense	$ (33)	$ 137	$ (781)

The Company's *Loss before income taxes* consisted of:

	Years ended November 30, 2022	2021	2020
Canada	$ (17,062)	$ (17,723)	$ (16,447)
Foreign	(36,314)	(22,676)	(17,898)
	$ (53,376)	$ (40,399)	$ (34,345)

The Company's *Income tax (recovery) expense* differed from the amounts computed by applying the Canadian statutory corporate income tax rates for the following reasons:

	Years ended November 30, 2022	2021	2020
Loss before income taxes	$ (53,376)	$ (40,399)	$ (34,345)
Combined federal and provincial statutory tax rate	27%	27%	27%
Income tax recovery based on statutory income tax rates	(14,412)	(10,908)	(9,273)
Reconciling items:			
Non-deductible expenditures	2,411	2,483	1,911
Foreign accrual property income	666	771	652
Effect of consolidated return for U.S. subsidiaries	—	—	(751)
Effect of different statutory tax rates on earnings or losses of subsidiaries	(518)	(323)	(2)
Change in valuation allowance on deferred tax assets	11,852	8,115	6,638
Other	(32)	(1)	44
Income tax (recovery) expense	$ (33)	$ 137	$ (781)
Effective tax rate	0.1%	(0.3)%	2.3%

(US dollars in thousands, except per share)

Components of the Company's deferred income tax assets (liabilities) are as follows:

	As of November 30, 2022	As of November 30, 2021
Deferred tax income assets:		
Net operating loss carry forwards	$ 188,783	$ 184,833
Capital loss carry forwards	48,264	50,969
Mineral properties	628	663
Intangible assets	465	491
Property and equipment	198	207
Investment in affiliates	44,713	38,931
Unpaid interest expense	2,105	2,105
Unrealized loss on investments	233	265
Asset retirement obligation	386	318
Other	1,068	980
	286,843	279,762
Valuation allowances	(285,611)	(278,790)
	1,232	972
Deferred income tax liabilities:		
Notes receivable	(942)	(701)
Capitalized assets and other	(290)	(271)
	(1,232)	(972)
Net deferred income tax assets (liabilities)	$ —	$ —

Net operating losses available to offset future taxable income are as follows:

Year of Expiry	U.S.	Canada
2024	$ 1,032	$ —
2025	1,246	—
2026	13,382	17,893
2027	18,493	1,786
2028	85	—
2029	11,223	11,578
2030	10,916	15,406
2031	16,580	15,332
2032	309,772	18,712
2033	14,529	14,121
2034	15,607	10,159
2035	16,383	9,278
2036	14,764	9,130
2037	14,111	6,070
2038	—	6,174
2039	—	5,608
2040	—	6,679
2041	—	—
2042	—	6,866
Indefinite	58,971	—
	$ 517,094	$ 154,792

U.S. net operating losses arising in tax years ending after December 31, 2017 can be carried over to each taxable year following the tax year of loss (indefinitely). The Company has capital loss carry-forwards of approximately $357,511 (November 30, 2021: $377,550) for Canadian tax purposes. These tax losses are carried forward indefinitely.

Future use of U.S. loss carry-forwards is subject to certain limitations under provisions of the Internal Revenue Code including limitations subject to Section 382, which relates to a 50% change in control over a three-year period and are further dependent upon the Company attaining profitable operations. Ownership changes occurred on January 22, 2009 and on December 31, 2012 and the U.S. tax losses related to NOVAGOLD Resources Alaska Inc. and its investment in Donlin Gold for the prior three-year periods prior to the change in control may be subject to limitation under Section 382. Accordingly, the Company's ability to use these losses may be limited or they may expire un-utilized. Losses incurred to date may be further limited if a subsequent change in control occurs.

(US dollars in thousands, except per share)

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to use the existing deferred tax asset. Significant pieces of objective negative evidence evaluated included the cumulative loss incurred as of November 30, 2022. Such objective evidence limits the ability to consider other subjective evidence such as management's projections for future growth. On the basis of this evaluation, as of November 30, 2022, a valuation allowance of $285,611 (November 30, 2021: $278,790), has been recorded in order to measure only the portion of the deferred tax asset that more likely than not will be realized. The amount of the deferred tax asset considered realizable; however, could be adjusted if estimates of future taxable income during the carry forward period are reduced or if objective negative evidence in the form of cumulative losses is no longer present and additional weight may be given to subjective evidence such as management's projections for growth.

Uncertain tax position

There were no uncertain tax positions as of November 30, 2022, 2021 and 2020. The Company recognizes any interest and penalties related to uncertain tax positions, if any, as income tax expense. Accrued interest and penalties are included within the related tax liability line in the consolidated balance sheet. As of November 30, 2022, 2021 and 2020, there were no accrued interest and penalties related to uncertain tax positions. The Company is subject to income taxes in Canada and the United States. With few exceptions, the tax years that remain subject to examination as of November 30, 2022, are 2018 to 2022 in Canada and 2019 to 2022 in the United States.

NOTE 16 – RELATED PARTY TRANSACTIONS

The Company provided management and administrative services to Donlin Gold for $681 in 2022 ($nil in 2021 and 2020). As of November 30, 2022, the Company has accounts receivable from Donlin Gold of $574 (November 30, 2020: $nil) included in *Other current assets*.

NOTE 17 – NET CHANGE IN OPERATING ASSETS AND LIABILITIES

	Years ended November 30,		
	2022	2021	2020
Changes in operating assets and liabilities:			
Other assets	$ (1,962)	$ 1,605	$ (65)
Accounts payable and accrued liabilities	128	(240)	(137)
Accrued payroll and related benefits	(92)	419	67
Remediation liability	(130)	—	—
	$ (2,056)	$ 1,784	$ (135)

NOTE 18 – SUPPLEMENTAL CASH FLOW INFORMATION

	Years ended November 30,		
	2022	2021	2020
Interest received	$ 1,684	$ 1,024	$ 2,265
Income taxes refunded	$ 17	$ —	$ —
Income taxes paid	$ —	$ 142	$ 376

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

An evaluation was performed under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this Annual Report on Form 10-K. Based on the foregoing, our management concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms, and such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

There was no change in our internal control over financial reporting that occurred during the year ended November 30, 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF MANAGEMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our financial statements; providing reasonable assurance that receipts and expenditures of our assets are made in accordance with management’s authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected.

Management conducted its evaluation of the effectiveness of our internal controls over financial reporting based on criteria established in *Internal Control-Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of November 30, 2022.

The effectiveness of our assessment of internal control over financial reporting as of November 30, 2022 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information in our definitive Proxy Statement, filed pursuant to Regulation 14A promulgated under the Exchange Act for the 2023 Annual Meeting of Shareholders (the "2023 Proxy Statement") regarding directors and executive officers and Section 16 reporting information appearing under the headings "Election of Directors" "Information Concerning The Board Of Directors And Executive Officers" and "Security Ownership Of Certain Beneficial Owners And Management And Related Shareholder Matters." is incorporated by reference in this section. Finally, the information in our 2023 Proxy Statement regarding the Audit Committee under the heading "Statement of Corporate Governance Practices" is incorporated herein by reference.

We have adopted a Code of Business Conduct and Ethics that applies to our Chief Executive Officer, Chief Financial Officer and Corporate Controller or persons performing similar functions. This Code of Business Conduct and Ethics is posted on our website (www.novagold.com). We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of the Code of Business Conduct and Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, by posting such information on our website, at the address specified above.

Our Code of Business Conduct and Ethics, and charters for each Committee of our Board are also available on our website. The Code of Business Conduct and Ethics and charters are also available in print to any shareholder who submits a request to: Corporate Secretary, NOVAGOLD RESOURCES INC., 201 South Main Street, Suite 400, Salt Lake City, UT, USA 84111.

Information on our website is not deemed to be incorporated by reference into this Annual Report on Form 10-K.

Item 11. Executive Compensation

The information appearing in our 2023 Proxy Statement under the headings. "Compensation Committee Interlocks and Insider Participation", "Compensation Discussion & Analysis", "Tabular Disclosure of Executive Compensation", "Non-Executive Director Compensation" and "Compensation Committee Report" is incorporated by reference in this section.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters

The information appearing in our 2023 Proxy Statement under the heading "Security Ownership Of Certain Beneficial Owners And Management And Related Shareholder Matters" is incorporated herein by reference.

Equity Compensation Plan Information as of November 30, 2022

Plan Category	Number of securities to be issued upon exercise of options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders			
Stock Award Plan	7,717,413(1)	C$8.00/$6.21(2)	18,982,836(3)
PSU	1,257,200(4)	n/a	8,755,393(5)
DSU	291,860(6)	n/a	3,045,671(7)
Equity compensation plans not approved by security holders	—	—	—
Total	9,266,473		30,783,901

(1) The options issued and outstanding represent approximately 2.31% of the Company's Common Shares issued and outstanding as of November 30, 2022.

(2) Of the 7,717,413 options issued and outstanding, 1,010,932 have a weighted average exercise price of C$8.00 and 6,706,481 have a weighted average exercise price of $6.21.

(3) The number of options available for future issuance is a number equal to eight percent of the issued and outstanding Common Shares from time to time, less the number of outstanding options. The 18,982,836 options available for future issuance represent 5.69% of the Company's issued and outstanding Common Shares as of November 30, 2022.

(4) Assumes vesting at 100% of PSU grant amount. PSUs can vest anywhere from 0% to 150% of the PSU grant amount depending upon performance against established quantitative performance criteria. The PSUs issued and outstanding represent approximately 0.38% of the Company's Common Shares issued and outstanding as of November 30, 2022.

(5) The number of PSUs available for future issuance is a number equal to three percent of the issued and outstanding Common Shares from time to time, less the number of outstanding PSUs. The 8,755,393 PSUs available for future issuance represent 2.62% of the Company's issued and outstanding Common Shares as of November 30, 2022.

(6) The DSUs issued and outstanding represent approximately 0.09% of the Company's Common Shares issued and outstanding as of November 30, 2022.

(7) The number of DSUs available for future issuance is a number equal to one percent of the issued and outstanding Common Shares from time to time, less the number of outstanding DSUs. The 3,045,671 DSUs available for future issuance represent 0.91% of the Company's issued and outstanding Common Shares as of November 30, 2022.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information appearing in our 2023 Proxy Statement under the heading "Interest Of Informed Persons In Material Transactions", "Board of Directors" under the heading "Statement of Corporate Governance Practices" is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information appearing in our 2023 Proxy Statement regarding Audit Fees, Audit-Related Fees, Tax Fees, All Other Fees and Audit Committee Pre-Approval Policies under the subheading "Appointment of Auditors" is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)(1) Financial Statements

(a)(2) Financial Statement Schedules

Schedule A – The Financial Statements of Donlin Gold LLC as of November 30, 2022 and 2021 and for the years ended November 30, 2022, 2021 and 2020.

No other financial statement schedules are filed as part of this report because such schedules are not applicable or the required information is shown in the Consolidated Financial Statements or Notes thereto. See *Item 8. Financial Statements and Supplementary Data.*

(a)(3) Executive Compensation Plans and Arrangements

Employment Agreement between the Registrant and Gregory A. Lang, dated January 9, 2012, identified in exhibit list below.

Employment Agreement between NOVAGOLD Resources Alaska, Inc. (a wholly-owned subsidiary of the Registrant) and Gregory A. Lang dated January 9, 2012, identified in exhibit list below.

Employment Agreement between NOVAGOLD USA, Inc. and David Ottewell, dated September 10, 2012, identified in exhibit list below.

2004 Stock Award Plan of NOVAGOLD Resources Inc. (as amended) identified in exhibit list below.

NOVAGOLD Resources Inc. Employee Share Purchase Plan identified in exhibit list below.

NOVAGOLD Resources Inc. 2009 Performance Share Unit Plan identified in exhibit list below.

NOVAGOLD Resources Inc. 2009 Non-Employee Directors Deferred Share Unit Plan identified in exhibit list below.

(b) Exhibits

Exhibit No.	Description
3.1	Certificate of Continuance (British Columbia) dated June 10, 2013 (incorporated by reference to Exhibit 99.1 to the Form 6-K dated June 19, 2013)
3.2	Certificate of Discontinuance (Nova Scotia) dated June 10, 2013 (incorporated by reference to Exhibit 99.2 to the Form 6-K dated June 19, 2013)
3.3	Notice of Articles (British Columbia) dated June 10, 2013 (incorporated by reference to Exhibit 99.3 to the Form 6-K dated June 19, 2013)

3.4	Amended and Restated Articles of NOVAGOLD RESOURCES INC. dated May 12,2021 (incorporated by reference to Appendix A to Registrant's definitive proxy statement filed with the Securities and Exchange Commission on March 25, 2021)
4.1	Description of Common Shares
10.1	Amendment dated January 13, 2010 to Limited Liability Company Agreement dated December 1, 2007 between Donlin Gold LLC, Barrick Gold U.S. Inc. and NOVAGOLD Resources Alaska, Inc. (incorporated by reference to Exhibit 10.2 to Registrant's Annual Report on Form 10-K for the year ended November 30, 2013, filed with the Securities and Exchange Commission on February 12, 2014)
10.2	Limited Liability Company Agreement dated December 1, 2007 between Donlin Gold LLC, Barrick Gold U.S. Inc. and NOVAGOLD Resources Alaska, Inc. (incorporated by reference to Exhibit 10.8 to Registrant's Annual Report on Form 10-K for the year ended November 30, 2013, filed with the Securities and Exchange Commission on February 12, 2014)
10.3	2004 Stock Award Plan of NOVAGOLD Resources Inc. (as amended) (incorporated by reference to Appendix A to Registrant's definitive proxy statement, filed with the Securities and Exchange Commission on March 26, 2020)
10.4	NOVAGOLD Resources Inc. Employee Share Purchase Plan (incorporated by reference to Exhibit 10.12 to Registrant's Annual Report on Form 10-K for the year ended November 30, 2013, filed with the Securities and Exchange Commission on February 12, 2014)
10.5	NOVAGOLD Resources Inc. 2009 Performance Share Unit Plan (as amended) (incorporated by reference to Appendix C to Registrant's definitive proxy statement, filed with the Securities and Exchange Commission on March 26, 2020)
10.6	NOVAGOLD Resources Inc. 2009 Non-Employee Directors Deferred Share Unit Plan (as amended) (incorporated by reference to Appendix E to Registrant's definitive proxy statement, filed with the Securities and Exchange Commission on March 26, 2020)
10.7	Employment Agreement between the Registrant and Gregory A. Lang dated January 9, 2012. (incorporated by reference to Exhibit 10.15 to Registrant's Annual Report on Form 10-K for the year ended November 30, 2013, filed with the Securities and Exchange Commission on February 12, 2014)
10.8	Employment Agreement between the Registrant's wholly-owned subsidiary, NovaGold USA, Inc., and David Ottewell, dated September 10, 2012. (incorporated by reference to Exhibit 10.17 to Registrant's Annual Report on Form 10-K for the year ended November 30, 2013, filed with the Securities and Exchange Commission on February 12, 2014)
10.9	Amendment dated July 15, 2010 to Limited Liability Company Agreement dated December 1, 2007 between Donlin Gold LLC, Barrick Gold U.S. Inc. and NOVAGOLD Resources Alaska, Inc. (incorporated by reference to Exhibit 10.18 to Registrant's Annual Report on Form 10-K for the year ended November 30, 2013, filed with the Securities and Exchange Commission on February 12, 2014)
10.10	Amendment dated June 1, 2011 to Limited Liability Company Agreement dated December 1, 2007 between Donlin Gold LLC, Barrick Gold U.S. Inc. and NOVAGOLD Resources Alaska, Inc. (incorporated by reference to Exhibit 10.19 to Registrant's Annual Report on Form 10-K for the year ended November 30, 2013, filed with the Securities and Exchange Commission on February 12, 2014)
10.11	Employment Agreement between the Registrant's wholly-owned subsidiary, NOVAGOLD Resources Alaska, Inc., and Gregory A. Lang, dated January 9, 2012. (incorporated by reference to Exhibit 10.20 to Registrant's Annual Report on Form 10-K for the year ended November 30, 2013, filed with the Securities and Exchange Commission on February 12, 2014)
10.12*	Share Purchase Agreement, dated July 25, 2018, by and among NOVAGOLD RESOURCES INC., Newmont Mining Corporation and Newmont Canada FN Holdings ULC (incorporated by reference to Exhibit 99.3 of the Form 8-K/A, filed with the Securities and Exchange Commission on October 3, 2018)
21.1	Subsidiaries of the registrant
23.1	Consent of PricewaterhouseCoopers LLP
23.2	Consent of Wood Canada Limited

23.3	Consent of Paul Chilson
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
96.1	S-K 1300 Technical Report Summary on the Donlin Gold Project, Alaska, USA (incorporated by reference to Exhibit 96.1 to Registrant's Annual Report on Form 10-K for the year ended November 30, 2021, filed with the Securities and Exchange Commission on January 26, 2022)
101	The following materials are filed herewith: (i) Inline XBRL Instance, (ii) Inline XBRL Taxonomy Extension Schema, (iii) Inline XBRL Taxonomy Extension Calculation, (iv) XBRL Taxonomy Extension Labels, (v) XBRL Taxonomy Extension Presentation, and (vi) Inline XBRL Taxonomy Extension Definition.
104	Cover Page Interactive Data File – The cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
*	Confidential treatment has been granted for certain portions of this Exhibit pursuant to Rule 24b-2 of the Exchange Act, which portions have been omitted and filed separately with the SEC

Item 16. Form 10-K Summary

None

NOVAGOLD RESOURCES INC.
SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NOVAGOLD RESOURCES INC.

By:	/s/ Gregory A. Lang
Name:	Gregory A. Lang
Title:	President and Chief Executive Officer

Date: January 25, 2023

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Gregory A. Lang	President, Chief Executive Officer and Director (Principal Executive Officer)	January 25, 2023
/s/ David A. Ottewell	Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	January 25, 2023
/s/ Thomas S. Kaplan	Board Chair	January 25, 2023
/s/ Elaine Dorward-King	Director	January 25, 2023
/s/ Sharon Dowdall	Director	January 25, 2023
/s/ Diane Garrett	Director	January 25, 2023
/s/ Kalidas Madhavpeddi	Director	January 25, 2023
/s/ Kevin McArthur	Director	January 25, 2023
/s/ Clynton R. Nauman	Director	January 25, 2023
/s/ Ethan Schutt	Director	January 25, 2023
/s/ Anthony P. Walsh	Director	January 25, 2023

Report of Independent Registered Public Accounting Firm

To the Board of Directors of Donlin Gold LLC

Opinion

We have audited the accompanying financial statements of Donlin Gold LLC (the “Company”), which comprise the balance sheets as of November 30, 2022 and November 30, 2021, and the related statements of loss and comprehensive loss, of cash flows and of equity for each of the three years in the period ended November 30, 2022, including the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of November 30, 2022 and November 30, 2021, and the results of its operations and its cash flows for each of the three years in the period ended November 30, 2022 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (“US GAAS”). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors*' *Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for a reasonable period of time.

/s/ PricewaterhouseCoopers LLP

Vancouver, Canada
January 17, 2023

DONLIN GOLD LLC
BALANCE SHEETS
(U.S. dollars in thousands)

	At November 30, 2022	At November 30, 2021
ASSETS		
Cash	$ 7,535	$ 6,754
Inventory	332	302
Accounts receivable	193	142
Prepaid expenses	381	432
Current assets	8,441	7,630
Right of use assets (note 3)	75	202
Plant and equipment (note 4)	3,996	2,631
Mineral property (note 5)	65,230	65,230
Total assets	$ 77,742	$ 75,693
LIABILITIES		
Accounts payable and accrued liabilities	$ 3,786	$ 2,815
Lease obligations (note 3)	81	161
Due to related parties (note 6)	776	191
Current liabilities	4,643	3,167
Lease obligations (note 3)	—	64
Reclamation and remediation (note 7)	1,403	1,310
Total liabilities	6,046	4,541
Commitments and contingencies (notes 3 and 8)		
EQUITY		
Partners' contributions	537,600	480,730
Accumulated deficit	(465,904)	(409,578)
Total equity	71,696	71,152
Total liabilities and equity	$ 77,742	$ 75,693

The accompanying notes are an integral part of these financial statements.

DONLIN GOLD LLC
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(U.S. dollars in thousands)

	Years ended November 30,		
	2021	2021	2020
Operating expenses:			
Drilling, studies and engineering	$ 37,914	$ 18,791	$ 17,641
General and administrative	5,976	4,391	4,193
Permitting and environmental	4,816	4,120	2,106
Mineral property leases	3,605	3,191	2,885
Community relations	3,066	2,080	1,853
Depreciation	856	600	325
Accretion	93	80	—
Loss from operations	56,326	33,253	29,003
Loss from operations	$ (56,326)	$ (33,253)	$ (29,003)

The accompanying notes are an integral part of these financial statements.

DONLIN GOLD LLC
STATEMENTS OF CASH FLOWS
(U.S. dollars in thousands)

	Years ended November 30,		
	2021	2021	2020
Operating activities:			
Net loss	$ (56,326)	$ (33,253)	$ (29,003)
Adjustments:			
Depreciation	856	600	325
Other adjustments (Accretion and leases)	75	73	—
Changes in operating assets and liabilities:			
Prepaid expenses	51	132	(408)
Inventory	(30)	(256)	4
Accounts receivable	(51)	(117)	(25)
Accounts payable and accrued liabilities	1,481	591	(1,169)
Net cash used in operations	(53,944)	(32,230)	(30,276)
Investing activities:			
Capital expenditures - plant and equipment	(2,145)	(862)	(1,629)
Net cash used in investing activities	(2,145)	(862)	(1,629)
Financing activities:			
Partners' contributions	56,870	35,174	30,554
Net cash provided from financing activities	56,870	35,174	30,554
Increase/(Decrease) in cash during the year	781	2,082	(1,351)
Cash at beginning of year	6,754	4,672	6,023
Cash at end of year	$ 7,535	$ 6,754	$ 4,672

The accompanying notes are an integral part of these financial statements.

DONLIN GOLD LLC
STATEMENTS OF EQUITY
(U.S. dollars in thousands)

	Barrick contributions	NOVAGOLD contributions	Accumulated deficit	Total equity
December 1, 2019	$ 207,501	$ 207,501	$ (347,322)	$ 67,680
Partners' cash contribution	15,277	15,277	—	30,554
Net loss	—	—	(29,003)	(29,003)
November 30, 2020	$ 222,778	$ 222,778	$ (376,325)	$ 69,231
Partners' cash contribution	17,587	17,587	—	35,174
Net loss	—	—	(33,253)	(33,253)
November 30, 2021	$ 240,365	$ 240,365	$ (409,578)	$ 71,152
Partners' cash contribution	28,435	28,435	—	56,870
Net loss	—	—	(56,326)	(56,326)
November 30, 2022	$ 268,800	$ 268,800	$ (465,904)	$ 71,696

The accompanying notes are an integral part of these financial statements.

NOTE 1 – NATURE OF OPERATIONS AND ECONOMIC DEPENDANCE

On December 1, 2007, Barrick Gold U.S. Inc. ("Barrick") and NOVAGOLD Resources Alaska, Inc. ("NOVAGOLD"), formed Donlin Gold LLC, a Delaware limited liability corporation, (the "Company") to advance the Donlin Gold Project in Alaska. Barrick and NOVAGOLD each own a 50% interest in the Company. Donlin Gold LLC has a board of four directors, with two nominees selected by each company. All significant decisions related to Donlin Gold LLC require the approval of both companies. The Company currently depends on Barrick and NOVAGOLD for all of its funding and has received commitments from its shareholders that they will fund the Company for the next twelve months. These financial statements have been prepared pursuant to Rule 3-09 of SEC Regulation S-X for inclusion in NOVAGOLD Resources Inc.'s 10-K, as the Company is an equity investee of NOVAGOLD Resources Alaska, Inc, a wholly owned subsidiary of NOVAGOLD Resources Inc.

The Company's Board of Directors approved the Project's Updated Feasibility Study in July 2012. The Company subsequently initiated the permitting process. The U.S. Army Corps of Engineers (the "Corps") issued the final Environmental Impact Study (EIS) on April 27, 2018. On August 13, 2018, the Corps and the Bureau of Land Management (BLM) issued a joint Federal Record of Decision (ROD) for the Donlin Gold Project along with their respective federal permit authorizations. Several major State of Alaska permits have also been issued, including the approval of the Donlin Gold Reclamation and Closure Plan, final Waste Management Permit, Water Discharge permit, Title 16 Fish Habitat permits for the mine area and right of way agreements with the State and BLM. At the close of 2022, the water rights authorizations have been issued and are under appeal to the State's Superior Court; the state pipeline right-of-way is under appeal to the State Superior Court; the Alaska Department of Environmental Conservation (ADEC) 401 Certificate of Responsible Assurance is also under appeal to the State Superior Court. However, the latter appeal to State Superior Court is halted while one of the complaints is reviewed under an Administrative Appeal to the Commissioner of ADEC.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Presentation

These financial statements are presented in United States dollars ($) and have been prepared in accordance with accounting principles generally accepted in the United States (GAAP).

Use of estimates

The preparation of the Company's financial statements requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The more significant areas requiring the use of management estimates and assumptions relate to environmental, reclamation and closure obligations. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results will differ from amounts estimated in these financial statements.

Plant and equipment

On initial recognition, plant and equipment are recorded at cost subject to a ten-thousand-dollar threshold for capitalization. Plant and equipment are subsequently measured at cost less accumulated depreciation. Depreciation is recorded over the estimated useful life of the assets at the following annual rates:

Computer equipment – 5 years straight-line;
Computer software – 5 years straight-line;
Furniture and equipment – 5 years straight-line; and
Leasehold improvements – straight-line over the lease term.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Leases

The Company reviews all contracts and determines if the arrangement represents or contains a lease, at inception. Operating leases are included in Right of use assets and Lease obligations (current and long-term) in the Balance Sheets. The Company does not have any finance leases.

Operating lease ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. The Company uses its estimated incremental borrowing rate based on the information available at the lease commencement date in determining the present value of future payments. The operating lease ROU asset also includes any upfront lease payments made and excludes lease incentives and initial direct costs incurred. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. Leases with a term of 12 months or less are not recorded on the balance sheet. The Company's lease agreements do not contain any residual value guarantees.

Mineral properties

All direct costs related to the acquisition of mineral property interests are capitalized. Mineral property exploration expenditures are expensed when incurred. When it has been established that a mineral deposit is commercially mineable, an economic analysis has been completed and permits are obtained, the costs subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. Capitalized costs will be amortized following commencement of commercial production using the unit of production method over the estimated life of proven and probable reserves.

Asset retirement obligations

The Company records a liability based on the best estimate of costs for site closure and reclamation activities that the Company is legally or contractually required to undertake. The liability is estimated using expected discounted cash flows based on engineering and environmental reports and accreted to full value over time through periodic charges to income. Adjustments to the reclamation obligation arising from changes in estimates are recorded as a component of the mineral property.

Income taxes

The Company is not a taxable entity for income tax purposes. Accordingly, no recognition is given to income taxes for financial reporting purposes. Tax on the net income (loss) of the Company is borne by the owners through the allocation of taxable income (loss). Net income for financial statement purposes may differ significantly from taxable income for the owners as a result of differences between the tax basis and financial reporting basis of assets and liabilities and the taxable income allocation requirements under the shareholders agreement.

Impairment of long-lived assets

Management assesses the possibility of impairment in the carrying value of its long-lived assets whenever events or circumstances indicate that the carrying amounts of the asset or assets group may not be recoverable. Management calculates the estimated undiscounted future net cash flows relating to the asset or assets. When the carrying value of an asset exceeds the related undiscounted cash flows, the asset is written down to its estimated fair value, which is usually determined using discounted future cash flows. Management's estimates of mineral prices, mineral reserves, foreign exchange rates, production levels and operating capital and reclamation costs are subject to risk and uncertainties that may affect the determination of the recoverability of the long-lived asset. It is possible that material changes could occur that may adversely affect management's estimates.

(U.S. dollars in thousands)

Cash and cash equivalents

Cash and cash equivalents consist of cash and highly liquid investments with original maturities of three months or less which are considered to be cash equivalents. The fair value of the Company's financial assets, which includes cash, approximates their carrying values due to their short-term nature.

Trade payables

The fair value of the Company's financial liabilities, such as accounts payable and accrued liabilities approximates their carrying values due to their short-term nature.

Due to related parties

The amounts due to Barrick and NOVAGOLD are non-interest bearing, unsecured and without specified terms of repayment.

NOTE 3 – LEASES

The Company leases office space under a non-cancelable operating lease with an original lease term of 3.25 years. The lease requires monthly lease payments that are subject to annual increases throughout the lease term. The lease also includes a renewal option at the election of the Company to renew or extend the lease for an additional four years. The optional periods have not been considered in the determination of ROU assets or lease liabilities associated with the lease as management did not consider it reasonably certain it would exercise the option. The Company also leases land, however, since the non-cancelable lease terms do not exceed 12 months, these are quantified below as short-term leases and are not recorded in the Balance Sheets.

The Company performed evaluations of its contracts and determined its identified leases are operating leases and short-term leases. No variable leases with non-cancelable terms greater than one month were identified.

Operating lease expenses are included on the Statement of Loss in *General and administrative expense* and *Mineral property leases* and include the following components for the year ended November 30, 2022:

Operating lease cost	$	185
Variable lease cost		—
Short-term lease cost		879
	$	1,064

Future minimum lease payments under non-cancellable operating leases as of November 30, 2022, were as follows:

2023	$	81
Total future minimum lease payments		81
Less: imputed interest		(7)
Total	$	74

Other information regarding leases for the year ended November 30, 2022 includes the following:

Cash paid for operating leases	$	202
Right-of-use assets obtained in exchange for lease liabilities	$	—
Weighted average remaining lease term (years) – operating leases		0.5
Weighted average discount rate – operating leases		3.58%

(U.S. dollars in thousands)

NOTE 4 – PLANT AND EQUIPMENT

	At November 30, 2022	At November 30, 2021
Plant and equipment	$ 8,239	$ 6,018
Accumulated depreciation	(4,243)	(3,387)
	$ 3,996	$ 2,631

NOTE 5 – MINERAL PROPERTY

	At November 30, 2022	At November 30, 2021
Acquisition cost	$ 64,000	$ 64,000
Asset retirement cost	1,230	1,230
	$ 65,230	$ 65,230

The Donlin Gold Project is located in the Kuskokwim region of southwestern Alaska on private, Alaska Native-owned mineral and surface land and Alaska state mining claims. The property is under lease for subsurface mineral rights from Calista Corporation and surface land rights from The Kuskokwim Corporation, two Alaska Native corporations. The mineral property was jointly owned by Barrick and NOVAGOLD through an unincorporated joint venture prior to the formation of the Company. Upon formation of the Company, the mineral property contributed was recorded based on the predecessor accounting values of Barrick and NOVAGOLD. As such, mineral property includes the historic acquisition cost as the partners' initial contribution to the Company.

NOTE 6 – RELATED PARTY TRANSACTIONS

The Company received management and administrative services from Barrick for $1,288 in 2022, $774 in 2021, and $1,171 in 2020, and received from NOVAGOLD management and administrative services for $681 in 2022 and $0 in 2021. Both Barrick and NOVAGOLD amounts are included in General and Administrative expense.

The Company has accounts payable to Barrick at November 30, 2022 of $425 (2021: $191) for reimbursement of management and administrative services and for NOVAGOLD an accounts payable at November 30, 2022 of $351 (2021: $0) for reimbursement of management and administrative services.

NOTE 7 – RECLAMATION AND REMEDIATION

Significant reclamation and closure activities include rehabilitation and decommissioning of the camp and drill sites. Although the ultimate amount or timing of reclamation costs cannot be predicted with certainty, the estimated discounted cash flows required to settle the Company's obligations for work undertaken at the site to date is $1,403. During the year, the discounted reclamation cost estimate was accreted resulting in a change in the estimated discounted cash flows of $93. The estimated cash flows are assumed to commence in five years from the balance sheet date.

NOTE 8 – MINERAL PROPERTY LEASES

The Company leases certain assets, such as mineral property leases, that are an exception to applying lease accounting under ASC 842. These mineral property leases coincide with the currently projected Donlin Gold mine life, with provisions for a further extension, should production continue beyond that. Future minimum annual mineral property lease payments are $2,486 in 2023, $2,486 in 2024, $3,486 in 2025, $3,486 in 2026, and $3,486 in 2027 totaling $15,430.

Exhibit 4.1

DESCRIPTION OF COMMON SHARES

The common shares of NOVAGOLD RESOURCES INC. (the "Common Shares") are its only class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

The following description of our Common Shares is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Notice of Articles and Amended and Restated Articles which are attached as exhibits to the Annual Report on Form 10-K. We are incorporated in the Province of British Columbia, Canada and are subject to the Business Corporations Act (British Columbia). The Company is authorized to issue 1,000,000,000 Common Shares without par value.

Holders of Common Shares are entitled to receive notice of and to attend any meetings of shareholders of the Company and at any meetings of shareholders to cast one vote for each Common Share held. Holders of Common Shares do not have cumulative voting rights. A simple majority of votes cast on a resolution is required to pass an ordinary resolution; however, if the resolution is a special resolution two-thirds of the votes cast on the special resolution are required to pass it. Holders of Common Shares are entitled to receive dividends as and when declared by the board of directors of the Company at its discretion from funds legally available therefor and to receive a pro rata share of the assets of the Company available for distribution to the shareholders in the event of the liquidation, dissolution or winding-up of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attached to any other series or class of shares ranking senior in priority to or on a pro-rata basis with the holders of Common Shares with respect to dividends or liquidation. There are no pre-emptive, subscription, conversion or redemption rights attached to the Common Shares nor do they contain any sinking or purchase fund provisions. For a discussion of certain tax matters, see "Certain Canadian Federal Income Tax Considerations for U.S. Residents" and "Certain United States Federal Income Tax Considerations for U.S. Holders" in the Form 10-K under Part II. Item 5. Market For Registrant's Common Equity, Related Shareholder Matters And Issuer Purchases Of Equity Securities.

Exhibit 21.1

Subsidiaries of NOVAGOLD RESOURCES INC.

Name of Subsidiary	**Jurisdiction of Organization**
NOVAGOLD Resources (Bermuda) Limited (100% owned by NOVAGOLD RESOURCES INC.)	Bermuda
NOVAGOLD (Bermuda) Alaska Limited (100% owned by NOVAGOLD Resources (Bermuda) Limited)	Bermuda
NOVAGOLD US Holdings Inc. (100% Preferred Stock owned by NOVAGOLD RESOURCES INC. and 100% Common Stock owned by NOVAGOLD (Bermuda) Alaska Limited)	Delaware
NOVAGOLD Resources Alaska, Inc. (100% owned by NOVAGOLD US Holdings Inc.)	Alaska
Donlin Gold LLC (50% owned by NOVAGOLD Resources Alaska, Inc.)	Alaska
NOVAGOLD USA, Inc. (100% owned by NOVAGOLD US Holdings Inc.)	Delaware
AGC Resources Inc. (100% owned by NOVAGOLD US Holdings Inc.)	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-117370, No. 333-134871, No. 333-136493, No. 333-164083, No. 333-171630, No. 333-197648, and No. 333-239776) of NOVAGOLD RESOURCES INC. of our report dated January 25, 2023 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

We also hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-117370, No. 333-134871, No. 333-136493, No. 333-164083, No. 333-171630, No. 333-197648, and No. 333-239776) of NOVAGOLD RESOURCES INC. of our report dated January 17, 2023 relating to the financial statements of Donlin Gold LLC, which appears in this Form 10-K.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, Canada
January 25, 2023

Exhibit 23.2

CONSENT OF WOOD CANADA LIMITED

I, Greg Gosson, on behalf of Wood Canada Limited (“Wood”), consent to the inclusion in this Annual Report on Form 10-K of NovaGold Resources Inc., which is being filed with the United States Securities and Exchange Commission, of references to Wood’s name and to the use of the technical report summary titled “S-K 1300 Technical Report Summary on the Donlin Gold Project, Alaska, USA”, with a report date of November 30, 2021 (“2021 S-K 1300 Report”) and filed on January 26, 2022, and the information derived from the 2021 S-K 1300 Report, including any quotation from or summarization of the 2021 S-K 1300 Report.

I also consent to the incorporation by reference in NovaGold Resources Inc.’s registration statements on Form S-8 (Nos. 333-117370; 333-134871; 333-136493; 333-164083; 333-171630, 333-197648 and 333-239776) of the references to Wood’s name and the use of the 2021 S-K 1300 Report and the information derived from the 2021 S-K 1300 Report, including any quotation from or summarization of the 2021 S-K 1300 Report, which are included in the Annual Report on Form 10-K.

Dated this 25th day of January, 2023

On behalf of Wood Canada Limited

By: *\/s/ Greg Gosson*
Name: Greg Gosson
Title: Technical Director, Geology & Compliance

Exhibit 23.3

CONSENT OF PAUL CHILSON

I consent to the inclusion in this Annual Report on Form 10-K of NOVAGOLD Resources Inc., which is being filed with the United States Securities and Exchange Commission, of references to my name and to the use of the scientific and technical information related to the Donlin Gold project (the "Technical Information").

I also consent to the incorporation by reference in NOVAGOLD Resources Inc.'s registration statements on Form S-8 (Nos. 333-117370; 333-134871; 333-136493; 333-164083; 333-171630, 333-197648 and 333-239776) of the references to my name and the use of the Technical Information included in the Annual Report on Form 10-K.

Dated this 25th day of January, 2023

/s/ Paul Chilson

Paul Chilson, P.E.

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

PURSUANT TO RULE 13a-14(a) OF THE

SECURITIES EXCHANGE ACT OF 1934

I, Gregory A. Lang, certify that:

1. I have reviewed this annual report on Form 10-K of NOVAGOLD Resources Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

By: *_/s/ Gregory A. Lang_*
Gregory A. Lang
Chief Executive Officer

Date: January 25, 2023

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

PURSUANT TO RULE 13a-14(a) OF THE

SECURITIES EXCHANGE ACT OF 1934

I, David A. Ottewell, certify that:

1. I have reviewed this annual report on Form 10-K of NOVAGOLD Resources Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

By: *_/s/ David A. Ottewell_*
David A. Ottewell
Chief Financial Officer

Date: January 25, 2023

Exhibit 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. §1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of NOVAGOLD Resources Inc. (the "Company") on Form 10-K for the year ended November 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gregory A. Lang, Chief Executive Officer of the Company, certify that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 25, 2023

By: *\/s/ Gregory A. Lang*
Gregory A. Lang
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. §1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of NOVAGOLD Resources Inc. (the "Company") on Form 10-K for the year ended November 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David A. Ottewell, Chief Financial Officer of the Company, certify that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 25, 2023

By: *<u>/s/ David A. Ottewell</u>*
David A. Ottewell
Chief Financial Officer