

## Reserves and Resources

Donlin Gold *	Tonnage (100%)	Grade (100%)	Metal (100%)	NOVAGOLD Share (50%)
GOLD	Mt	g/t Au	koz Au	koz Au
<b>Reserves<sup>1</sup></b>				
Proven	7.7	2.32	573	286
Probable	497.1	2.08	33,276	16,638
P&P	504.8	2.09	33,849	16,924
<b>Resources<sup>2</sup>, inclusive of Reserves</b>				
Measured	7.7	2.52	626	313
Indicated	533.6	2.24	38,380	19,190
M&I	541.3	2.24	39,007	19,503
Inferred	92.2	2.02	5,993	2,997

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

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

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

**Donlin Gold**  
 Reserves<sup>1</sup>: 0.57 g/t gold  
 Resources<sup>2</sup>: 0.46 g/t gold

Notes:

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

## Reserves and Resources Footnotes::

- Mineral Reserves are contained within Measured and Indicated pit designs, and supported by a mine plan, featuring variable throughput rates, stockpiling and cut-off optimization. The pit designs and mine plan were optimized on diluted grades using the following economic and technical parameters: Metal price for gold of US\$975/oz; reference mining cost of US\$1.67/t incremented US\$0.0031/t/m with depth from the 220 m elevation (equates to an average mining cost of US\$2.14/t), variable processing cost based on the formula  $2.1874 \times (S\%) + 10.65$  for each US\$/t processed; general and administrative cost of US\$2.27/t processed; stockpile rehandle costs of US\$0.19/t processed assuming that 45% of mill feed is rehandled; variable recoveries by rock type, ranging from 86.66% in shale to 94.17% in intrusive rocks in the Akivik domain; refining and freight charges of US\$1.78/oz gold; royalty considerations of 4.5%; and variable pit slope angles, ranging from 23° to 43°. Mineral Reserves are reported using an optimized net sales return value based on the following equation:  $\text{Net Sales Return} = \text{Au grade} * \text{Recovery} * (\text{US}\$975/\text{oz} - (1.78 + (\text{US}\$975/\text{oz} - 1.78) * 0.045)) - (10.65 + 2.1874 * (S\%) + 2.27 + 0.19)$  and reported in US\$/tonne. Assuming an average recovery of 89.54% and an average S% grade of 1.07%, the marginal gold cut-off grade would be approximately 0.57 g/t, or the gold grade that would equate to a 0.001 NSR cut-off at these same values. The life of mine strip ratio is 5.48. The assumed life-of-mine throughput rate is 53.5 kt/d.
- Mineral Resources are contained within a conceptual Measured, Indicated and Inferred optimized pit shell using the following assumptions: gold price of US\$1,200/oz; variable process cost based on  $2.1874 * (\text{sulphur grade}) + 10.6485$ ; administration cost of US\$2.29/t; refining, freight & marketing (selling costs) of US\$1.85/oz recovered; stockpile rehandle costs of US\$0.20/t processed assuming that 45% of mill feed is rehandled; variable royalty rate, based on royalty of  $4.5\% * (\text{Au price} - \text{selling cost})$ . Mineral Resources have been estimated using a constant Net Sales Return cut-off of US\$0.001/t milled. The Net Sales Return was calculated using the formula:  $\text{Net Sales Return} = \text{Au grade} * \text{Recovery} * (\text{US}\$1,200/\text{oz} - (1.85 + ((\text{US}\$1,200/\text{oz} - 1.85) * 0.045)) - (10.65 + 2.1874 * (S\%) + 2.29 + 0.20))$  and reported in US\$/tonne. Assuming an average recovery of 89.54% and an average S% grade of 1.07%, the marginal gold cutoff grade would be approximately 0.46 g/t, or the gold grade that would equate to a \$0.001 NSR cutoff at these same values. Mineral Resources are inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Inferred Resources are in addition to Measured and Indicated Resources. Inferred Resources have a great amount of uncertainty as to their existence and whether they can be mined legally or economically. It cannot be assumed that all or any part of the Inferred Resources will ever be upgraded to a higher category. See following "Cautionary Note Concerning Reserve & Resource Estimates".

## Cautionary Note Concerning Reserve & Resource Estimates

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

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

## Technical Reports and Qualified Persons

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

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

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

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

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

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

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

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

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

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

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

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