

NOVAGOLD Responds to Inaccurate Report from Short-Selling Firm

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VANCOUVER, May 29, 2020 - [NovaGold Resources Inc.](#) (NOVAGOLD; or the Company;) (NYSE American, TSX: NG) responds to a misleading report issued on May 28, 2020 by the Beijing-based short seller J Capital Research. The Company is currently reviewing the report in detail and will provide a more fulsome response to the numerous inaccuracies and falsehoods contained in the report.

Under normal circumstances, a sloppy and truly meretricious report from a firm about which we know nothing would not be met by a corporate response; said Dr. Thomas Kaplan, Chairman of the Board. This is especially so as the firm that released it has not reached out to us to fact check their contentions. It is an odd data point indeed that J Capital Research at no time sought to engage with NOVAGOLD or its partners to clarify the false assumptions it used regarding the Donlin Gold project economics.

Nonetheless, as NOVAGOLD's management is firmly committed to transparency, and has always welcomed every enquiry from investors and analysts with diligence, we feel it is wise to let our shareholders know that a proper response to the report shall be forthcoming. Despite the report's clearly disingenuous intent to manipulate and not educate, we intend to deal with issues raised in this report with the same degree of alacrity as we would any well-meaning enquiry.

Shorting a cash-rich company with an exceptional asset and intelligent long-term investor base is an iffy proposition at the best of times unless it is for a quick trade. As gold rises and sophisticated investors seek extraordinary leverage to gold in a place that they can keep it;, it is likely to prove to be an unrewarding exercise to short a Company with an asset that is unique in terms of its excellent combination of size, grade, production profile, exploration potential, mine life, pro forma operating costs and, of course, jurisdictional safety.

NOVAGOLD has kept its promises over the eight years since Greg Lang and I assumed leadership and positioned the Company to be one of the premier vehicles for gold investors in our space. We believe that our shareholders are far too well-informed and knowledgeable about our Donlin Gold project, our integrity, and competence to take this report seriously.;

About NOVAGOLD

NOVAGOLD is a well-financed precious metals company focused on the development of its 50%-owned Donlin Gold project in Alaska, one of the safest mining jurisdictions in the world. With approximately 39 million ounces of gold in the measured and indicated mineral resource categories, inclusive of proven and probable mineral reserves (541 million tonnes at an average grade of approximately 2.24 grams per tonne in the measured and indicated resource categories on a 100% basis),¹ Donlin Gold is regarded to be one of the largest, highest-grade, and most prospective known open pit gold deposits in the world. According to the Second Updated Feasibility Study (as defined below), once in production, Donlin Gold is expected to produce an average of more than one million ounces per year over a 27-year mine life on a 100% basis. The Donlin Gold project has substantial exploration potential beyond the designed footprint which currently covers three kilometers of an approximately eight-kilometer long gold-bearing trend. Current activities at Donlin Gold are focused on state permitting, optimization work, community outreach and workforce development in preparation for the construction and operation of this project. With a strong balance sheet, NOVAGOLD is well-positioned to fund its share of permitting and optimization advancement efforts at the Donlin Gold project.

Scientific and Technical Information

Some scientific and technical information contained herein with respect to the Donlin Gold project is derived from the Donlin Creek Gold Project Alaska, USA NI 43-101 Technical Report on Second Updated Feasibility Study; prepared by AMEC with an effective date of November 18, 2011, as amended January 20, 2012 (the Second Updated Feasibility Study). Kirk Hanson, P.E., Technical Director, Open Pit Mining, North America, (AMEC, Reno), and Gordon Seibel, R.M. SME, Principal Geologist, (AMEC, Reno) are the Qualified Persons responsible for the preparation of the independent technical report, each of whom are independent qualified persons; as defined by NI 43-101.

Clifford Krall, P.E., who is the Mine Engineering Manager for NOVAGOLD and a qualified person; under NI 43-101, has approved and verified the scientific and technical information related to the Donlin Gold project contained in this press release.

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Cautionary Note Regarding Forward-Looking Statements

This press release includes certain forward-looking information; and forward-looking statements; (collectively forward-looking statements;) within the meaning of applicable securities legislation, including the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements are frequently, but not always, identified by words such as expects; anticipates; believes; intends; estimates; potential; possible; and similar expressions, or statements that events, conditions, or results will; may; could; would; should; occur or be achieved. Forward-looking statements are necessarily based on several opinions, estimates and assumptions that management of NOVAGOLD considered appropriate and reasonable as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. All statements, other than statements of historical fact, included herein are forward-looking statements. These forward-looking statements include statements regarding the response of the Company to the J Capital report; the potential development and construction of Donlin Gold; the sufficiency of funds to continue to advance development of Donlin Gold; perceived merit of properties; mineral reserve and resource estimates; and future share price performance of NOVAGOLD. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances are forward-looking statements. Forward-looking statements are not historical facts but instead represent NOVAGOLD's management expectations, estimates and projections regarding future events or circumstances on the date the statements are made.

Important factors that could cause actual results to differ materially from expectations include the need to obtain additional permits and governmental approvals; the timing and likelihood of permits; the need for additional financing to explore and develop properties and availability of financing in the debt and capital markets; the outbreak of the coronavirus global pandemic (COVID-19); uncertainties involved in the interpretation of drill results and geological tests and the estimation of reserves and resources; the need for continued cooperation between NOVAGOLD and [Barrick Gold Corp.](#) for the continued exploration, and development and eventual construction of the Donlin Gold property; the need for cooperation of government agencies and native groups in the development and operation of properties; risks of construction and mining projects such as accidents, equipment breakdowns, bad weather, disease pandemics, non-compliance with environmental and permit requirements, unanticipated variation in geological structures, ore grades or recovery rates; unexpected cost increases, which could include significant increases in estimated capital and operating costs; fluctuations in metal prices and currency exchange rates; whether a positive construction decision will be made regarding Donlin Gold or Galore Creek; and other risks and uncertainties disclosed in NOVAGOLD's most recent reports on Forms 10-K and 10-Q, particularly the "Risk Factors" sections

of those reports and other documents filed by NOVAGOLD with applicable securities regulatory authorities from time to time. Copies of these filings may be obtained by visiting our Investor Relations website at www.novagold.com or the SEC's website at www.sec.gov or at www.sedar.com. The forward-looking statements contained herein reflect the beliefs, opinions and projections of NOVAGOLD on the date the statements are made. NOVAGOLD assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

Cautionary Note to United States Investors

This press release has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of U.S. securities laws. Unless otherwise indicated, all resource and reserve estimates included in this press release have been prepared in accordance with Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101¹); and the Canadian Institute of Mining, Metallurgy and Petroleum (CIM)¹²; CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (CIM Definition Standards¹³); NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of the United States Securities and Exchange Commission (SEC) Industry Guide 7 (SEC Industry Guide 7¹⁴); and resource and reserve information contained herein may not be comparable to similar information disclosed by U.S. companies. NOVAGOLD's disclosure concerning Reserve & Resources Estimates remains consistent with NI 43-101. Under SEC Industry Guide 7, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. SEC Industry Guide 7 normally does not permit the inclusion of information concerning "measured mineral resources", "indicated mineral resources" or "inferred mineral resources" or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves"; under SEC Industry Guide 7 in documents filed with the SEC. Investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. Under Canadian rules, estimated "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies except in rare cases. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" under SEC Industry Guide 7 as in-place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of "reserves" are also not the same as those of SEC Industry Guide 7, and reserves reported by NOVAGOLD in compliance with NI 43-101 may not qualify as "reserves" under SEC Industry Guide 7. Donlin Gold does not have known reserves, as defined under SEC Industry Guide 7. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information made public by companies that report in accordance with SEC Industry Guide 7.

On October 31, 2018, the SEC adopted a final rule (New Final Rule¹⁵;) that will replace SEC Industry Guide 7 with new disclosure requirements that are more closely aligned with current industry and global regulatory practices and standards, including NI 43-101. Companies must comply with the New Final Rule for the Company's first fiscal year beginning on or after January 1, 2021, which for NOVAGOLD would be the fiscal year beginning December 1, 2021. The New Final Rule provides that SEC Industry Guide 7 will remain effective until all registrants are required to comply with the New Final Rule, at which time SEC Industry Guide 7 will be rescinded. While early voluntary compliance with the New Final Rule is permitted, NOVAGOLD has not elected to comply with the New Final Rule at this time.

¹ Donlin Gold data as per the Second Updated Feasibility Study (as defined herein). Donlin Gold measured resources of approximately 8 Mt grading 2.52 g/t and indicated resources of approximately 534 Mt grading 2.24 g/t, each on a 100% basis and inclusive of mineral reserves. Mineral resources have been estimated in accordance with NI 43-101.

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