

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

Form 10-K/A
Amendment No. 1

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

For the Fiscal Year Ended November 30, 2018

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, 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	Name of each exchange on which registered
Common Shares, no par value	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 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, 2018 (the last business day of the registrant’s most recently completed second fiscal quarter) of \$4.84 per share, the aggregate market value of the voting common shares held by non-affiliates was approximately \$1,150,740,000.

As of January 16, 2019, the registrant had 325,052,364 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, 2019, in connection with the registrant’s fiscal year 2018 annual meeting of shareholders, were incorporated by reference into Part III of the Annual Report on Form 10-K originally filed on January 23, 2019.

NOVAGOLD RESOURCES INC.

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NOVAGOLD RESOURCES INC.

EXPLANATORY NOTE

The Annual Report on Form 10-K of NOVAGOLD RESOURCES INC. (“NOVAGOLD”, “we”, “our”, “us”, or the “Company”) for the year ended November 30, 2018 was originally filed with the U.S. Securities and Exchange Commission on January 23, 2019 (the “Original Form 10-K”). This Amendment No. 1 to the Original Form 10-K (this “Amendment No. 1”) is being filed solely to include the financial statements of Galore Creek Partnership for its year ended December 31, 2018.

The exhibit listing in Part IV, Item 15 in this Amendment No. 1 reflects a currently-dated consent of PricewaterhouseCoopers LLP, as well as, pursuant to Rule 12b-15 promulgated under the Securities Exchange Act of 1934, as amended, currently-dated certifications from the Chief Executive Officer and the Chief Financial Officer as required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002, as amended, which are attached as exhibits to this Amendment No. 1.

Except as described above, no other changes have been made to the Original Form 10-K. There have been no changes to any of the financial or other information contained in the Original Form 10-K. Except as specifically provided otherwise herein, this Amendment No. 1 does not reflect events occurring after January 23, 2019, the date of the filing of our Original Form 10-K or modify or update those disclosures that may have been affected by subsequent events. Accordingly, this Amendment No. 1 should be read in conjunction with the Original Form 10-K.

NOVAGOLD RESOURCES INC.

PART IV

**Item Exhibits and Financial Statement Schedules
15.**

(a)(1) Financial Statements. The Consolidated Financial Statements are included in our Original Form 10-K in Part II, Item 8.

(a)(2) Financial Statement Schedules

Schedule A – The Financial Statements of Donlin Gold LLC as at November 30, 2018 and 2017 and for the years ended November 30, 2018, 2017 and 2016 are included in our Original Form 10-K.

Schedule B – The Financial Statements of the Galore Creek Partnership as at December 31, 2018 and 2017 and for the years ended December 31, 2018, 2017 and 2016 are being filed by this amendment.

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” in our Original Form 10-K.

(a)(3) The executive compensation plans and arrangements listed in Part IV, Item 15(a)(3) of the Original Form 10-K were filed or incorporated by reference as part of the Original Form 10-K.

NOVAGOLD RESOURCES INC.

(b) Exhibits

The exhibits listed in Part IV, Item 15. "Exhibits, Financial Statement Schedules" of the Original Form 10-K were filed or incorporated by reference as part of the Original Form 10-K.

Exhibit No.	Description
23.1	Consent of PricewaterhouseCoopers LLP
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

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: June 25, 2019

Item 15. (a)(2) Schedule B

Report of Independent Registered Public Accounting Firm

To the Partners and Management Committee of the Galore Creek Partnership

Opinion on the Financial Statements

We have audited the accompanying balance sheets of the Galore Creek Partnership (the Partnership) as of December 31, 2018 and 2017, and the related statements of loss and comprehensive loss, changes in partners' equity and cash flows for each of the three years in the period ended December 31, 2018, including the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2018 and 2017, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2018 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

Basis for Opinion

These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on the Partnership's financial statements 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 Partnership 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 of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, Canada

June 18, 2019

We have served as the Partnership's auditor since 2007.

Galore Creek Partnership

A Partnership between Newmont Galore Creek Holding Corporation and Teck Resources Limited

Financial Statements

December 31, 2018 and 2017

(Expressed in thousands of Canadian dollars)

Galore Creek Partnership

Balance Sheets

December 31, 2018 and 2017

	<i>(in thousands of Canadian dollars)</i>	
	2018	2017
	\$	\$
Assets		
Current assets:		
Cash and cash equivalents	2,776	453
Deposits and prepaid expenses	20	-
Due from Partners (Note 10)	19	14
GST recoverable	121	21
	<u>2,936</u>	<u>488</u>
Mineral property, plant and equipment (Note 6)	706,943	706,578
Reclamation bonds (Note 7)	4,522	4,522
	<u>714,401</u>	<u>711,588</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	1,163	131
Due to Partners (Note 10)	936	899
	<u>2,099</u>	<u>1,030</u>
Due to Partners (Note 10)	4,453	4,453
Decommissioning and restoration provision (Note 7)	15,505	15,252
	<u>22,057</u>	<u>20,735</u>
Equity		
Partners' contributions	864,946	854,334
Partners' deficit	(172,602)	(163,481)
	<u>692,344</u>	<u>690,853</u>
	714,401	711,588
Commitments and contingencies (Note 9)		

(See accompanying notes to financial statements)

Galore Creek Partnership

Statements of Loss and Comprehensive Loss

For the Years Ended December 31, 2018, 2017 and 2016

(in thousands of Canadian dollars)

	2018	2017	2016
	\$	\$	\$
Other Income			
Interest income	16	–	–
	<u>16</u>	<u>–</u>	<u>–</u>
Expenses and Other Items			
Professional fees	52	51	29
Care and maintenance costs (Note 8)	9,085	4,410	2,554
	<u>9,137</u>	<u>4,461</u>	<u>2,583</u>
Loss and Comprehensive Loss for the year	<u>(9,121)</u>	<u>(4,461)</u>	<u>(2,583)</u>

(See accompanying notes to financial statements)

Galore Creek Partnership

Statement of Changes in Partners' Equity

For the Years Ended December 31, 2018, 2017 and 2016

(in thousands of Canadian dollars)

	NovaGold / Newmont Contributions	Teck Contributions	Deficit	Total
	\$	\$	\$	\$
Balance as at December 31, 2015	434,067	413,387	(156,437)	691,017
Net loss for the year	–	–	(2,583)	(2,583)
Contributions	1,355	1,355	–	2,710
Balance as at December 31, 2016	435,422	414,742	(159,020)	691,144
Net loss for the year	–	–	(4,461)	(4,461)
Contributions	2,085	2,085	–	4,170
Balance as at December 31, 2017	437,507	416,827	(163,481)	690,853
Net loss for the year	–	–	(9,121)	(9,121)
Contributions	5,306	5,306	–	10,612
Balance as at December 31, 2018	442,813	422,133	(172,602)	692,344

(See accompanying notes to financial statements)

Galore Creek Partnership

Statements of Cash Flows

For the Years Ended December 31, 2018, 2017 and 2016

(in thousands of Canadian dollars)

	2018	2017	2016
	\$	\$	\$
Cash flows provided by operating activities			
Loss for the year	(9,121)	(4,461)	(2,583)
Net change in non-cash working capital			
(Increase) decrease in GST recoverable	(100)	(17)	13
(Increase) decrease in deposits and prepaid amounts	(20)	–	20
Increase (decrease) in accounts payable, accrued liabilities, and due to/from Partners	1,064	491	(884)
	<u>(8,177)</u>	<u>(3,987)</u>	<u>(3,434)</u>
Cash flows provided by financing activities			
Contributions from Teck Resources Ltd.	5,306	2,085	1,355
Contributions from NovaGold Canada Inc.	1,876	2,085	1,355
Contributions from Newmont Galore Creek Holding Corp.	3,430	–	–
	<u>10,612</u>	<u>4,170</u>	<u>2,710</u>
Cash flows provided by investing activities			
Additions to mineral property, plant and equipment	(112)	(123)	(213)
	<u>(112)</u>	<u>(123)</u>	<u>(213)</u>
Net cash increase (decrease) for the year	2,323	60	(937)
Cash and cash equivalents at beginning of year	453	393	1,330
Cash and cash equivalents at end of year	<u>2,776</u>	<u>453</u>	<u>393</u>

(See accompanying notes to financial statements)

Galore Creek Partnership

Notes to Financial Statements

For the Years Ended December 31, 2018, 2017 and 2016

(in Canadian dollars)

1 Nature of Operations and Economic Dependence

The Galore Creek Partnership (“Partnership”) is a general partnership formed under the laws of the Province of British Columbia on August 1, 2007 for the purposes of exploration, development and construction of the Galore Creek mine. The Partnership was 50% owned by NovaGold Canada Inc. a wholly owned subsidiary of NOVAGOLD RESOURCES INC. (“NovaGold”) and 50% owned by Teck Resources Limited (“Teck”). On July 27, 2018 NovaGold sold its 50% interest in the Partnership to Newmont Galore Creek Holding Corporation, a subsidiary of Newmont Mining Corporation (“Newmont”). The Partnership owns 100% of Galore Creek Mining Corporation, which is the operator of the project.

The Partnership’s registered office is at 1600-925 West Georgia Street Vancouver, British Columbia, Canada.

Upon formation of the Partnership, NovaGold contributed the Galore Creek project and Teck committed to contribute cash. Teck completed its cash earn-in in 2011. During 2018, Newmont and Teck (collectively the “Partners”) signed an Amended and Restated Partnership Agreement and are currently equally responsible for funding the Partnership.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Partnership will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

Currently, the Partnership is economically dependent upon its Partners, for financial support and the Partnership has commitments from the Partners that it will receive support for the next 12 months. The future recoverability of the Partnership’s mineral property, plant and equipment is dependent upon: the ability of the Partnership to obtain continued support from the Partners or to obtain financing necessary to complete the development of its property, demonstrating the existence of economically recoverable reserves, the securing and maintaining of title and beneficial interest in the properties, and the future profitable production or proceeds from disposition of the mineral properties.

2 Basis of Preparation

These annual financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These financial statements were prepared by management and approved by the Partnership Management Committee on June 7, 2019.

These annual financial statements include the results of the Partnership and its wholly owned subsidiary, Galore Creek Mining Corporation.

Galore Creek Partnership

Notes to Financial Statements

For the Years Ended December 31, 2018, 2017 and 2016

(in Canadian dollars)

3 New IFRS Pronouncements

New IFRS pronouncements that have been issued but are not yet effective at the date of these financial statements are listed below. We plan to apply the new standards or interpretations in the annual period for which they are first required.

Leases

In January 2016, the IASB issued IFRS 16, Leases (IFRS 16), which eliminates the classification of leases as either operating or finance leases for a lessee. Under IFRS 16, substantially all leases will be recorded on the balance sheet for the lessee. The only exemptions to this will be for leases that are 12 months or less in duration or for leases of low-value assets. The requirement to record all leases on the balance sheet under IFRS 16 will increase “right-of-use” assets and lease liabilities on an entity’s financial statements. IFRS 16 will also change the nature of expenses relating to leases as the straight-line lease expense previously recognized for operating leases will be replaced with depreciation expense for right-of-use assets and finance expense for lease liabilities. IFRS 16 includes an overall disclosure objective and requires a company to disclose (a) information about lease assets and expenses and cash flows related to leases, (b) a maturity analysis of lease liabilities, and (c) any additional company-specific information that is relevant to satisfying the disclosure objective. IFRS 16 is effective from January 1, 2019.

As at December 31, 2018, the Partnership completed a review and analysis of IFRS 16. Adoption of this guidance is not expected to materially increase the Company’s assets and liabilities.

4 Summary of Significant Accounting Policies

The significant accounting policies used in the preparation of these financial statements are as follows:

Mineral Property, Plant and Equipment

Plant and equipment is recorded at cost, being the purchase price and the directly attributable costs to bring the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Partnership. Mobile road building equipment is depreciated over its estimated useful life of 3 years on a straight line basis.

Exploration and evaluation costs

Exploration and evaluation costs are considered to be tangible assets, as they relate to the Galore Creek property for which resources exist and it is expected that the expenditures can be recovered by future exploitation or sale. These assets are not depreciated, as they are not currently available for use. When development is approved, capitalized exploration and evaluation costs will be reclassified to development costs or capital work-in-progress within property, plant and equipment.

Galore Creek Partnership

Notes to Financial Statements

For the Years Ended December 31, 2018, 2017 and 2016

(in Canadian dollars)

Exploration and evaluation expenditures include property acquisition costs, engineering studies, drilling, survey work, capitalized construction costs relating to the advancement of the Galore Creek Project, mobile equipment depreciation and other costs related to the evaluation of the mineral resource. These costs will be transferred to work in progress once development is approved.

Mine development costs will be amortized on a unit-of production basis once the asset is in the location and condition necessary for it to be capable of operating in the manner intended by the Partnership. Mobile construction equipment was amortized to exploration and evaluation costs over the estimated useful life of the equipment. The amortization of the equipment was capitalized, as the equipment was acquired for the development of the project.

Repairs and maintenance

Repairs and maintenance costs are charged to expense as incurred, except when these repairs significantly extend the life of an asset or result in an operating improvement. In these instances the portion of these repairs relating to the betterment is capitalized as part of plant and equipment.

Impairment of tangible assets

The carrying amounts of non-current assets are reviewed for impairment whenever facts and circumstances suggest that the carrying amounts may not be recoverable. For exploration & evaluation assets, impairment indicators specific to exploration and evaluation assets are assessed. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash generating unit (“CGU”) to which the asset belongs is determined. The recoverable amount of an asset or CGU is determined as the higher of its fair value less cost to sell and its value in use. An impairment loss exists if the asset’s or CGU’s carrying amount exceeds the recoverable amount.

Value in use is determined as the present value of the future cash flows expected to be derived from an asset or CGU. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU for which estimates of future cash flows have not been adjusted. Fair value less cost to sell is the amount obtainable from the sale of an asset or CGU in an arm’s length transaction between knowledgeable, willing parties, less the costs of disposal. For mining assets, fair value less cost to sell is often estimated using a discounted cash flow approach as a fair value from an active market or binding sale agreement is not readily available. Estimated future cash flows are calculated using estimated future prices, mineral reserves and resources, operating and capital costs. All assumptions used are those that an independent market participant would consider appropriate.

Provisions

Decommissioning and restoration provisions

Future obligations to retire an asset, including dismantling, remediation and ongoing treatment and monitoring of the site related to normal operations are initially recognized and recorded as a provision based on estimated future cash flows. The decommissioning and restoration provision (“DRP”) is adjusted at each reporting period for changes to factors including the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the discount rate.

Galore Creek Partnership

Notes to Financial Statements

For the Years Ended December 31, 2018, 2017 and 2016

(in Canadian dollars)

The DRP will be accreted to full value over time through periodic charges to earnings. This unwinding of the discount will be charged to financing expense in the statement of loss and comprehensive loss.

The amount of the DRP initially recognized is capitalized as part of the related asset's carrying value and amortized to earnings once production commences. The method of amortization follows that of the underlying asset. The costs related to a DRP are only capitalized to the extent that the amount meets the definition of an asset and can bring about future economic benefit. A revision in estimates or a new disturbance will result in an adjustment to the provision with an offsetting adjustment to the capitalized retirement cost.

Other provisions

Provisions are recognized when a present legal or constructive obligation exists, as a result of past events, and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate current market-based pre-tax discount rate.

Financial Instruments

The Partnership adopted the requirements of IFRS 9 Financial Instruments (IFRS 9) as of January 1, 2018. The adoption of IFRS 9 had no impact on the classification or measurement of any of the Partnership's financial instruments at the date of adoption.

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income, and those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. However, there is an irrevocable option to present fair value changes in other comprehensive income. The Partnership does not have any financial instruments that are classified as fair value through other comprehensive income (loss).

Measurement and classification of financial assets is dependent on the Partnership's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial liabilities are measured at amortized cost, unless they are required to be measured at fair value through profit and loss (such as instruments held for trading or derivatives) or the Partnership has opted to measure them at fair value through profit and loss.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit with banks and highly liquid short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition. Cash and cash equivalents are classified at amortized cost.

Due from / (to) Partners

The amounts due from / (to) Partners are non-interest bearing, unsecured and without specified terms of repayment. Due from / (to) Partners balances are classified at amortized cost.

Galore Creek Partnership

Notes to Financial Statements

For the Years Ended December 31, 2018, 2017 and 2016

(in Canadian dollars)

Receivables and payables

Receivables and payables are classified as loans and receivables. Loans and receivables are initially recorded at fair value with subsequent measurement at amortized cost.

Reclamation bonds

The Partnership's reclamation bonds are carried at amortized cost and bear fixed interest rates.

Due to Partners

The amount due to Partners is a non-interest bearing payable and is recorded at amortized cost.

Income Taxes

The Partnership is not a taxable entity for federal and provincial income tax purposes. Accordingly, no recognition is given to income taxes for financial reporting purposes. Tax on the Partnership's net income (loss) is borne by the Partners through the allocation of taxable income (loss). Net income for financial statement purposes may differ significantly from taxable income for the Partners 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 Amended and Restated Galore Creek Partnership Agreement.

5 Critical Accounting Estimates and Judgments

In preparing these financial statements, the Partnership makes estimates and judgements that affect the amounts recorded. Actual results could differ from those estimates. The estimates and judgements are based on historical experience and other factors the Partnership considers to be reasonable, including expectations of future events. The estimates and assumptions that could result in a material impact to the carrying amounts of assets and liabilities are outlined below.

Exploration and Evaluation expenditure

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgement in the following areas:

- (i)* Determination of whether any impairment indicators exist at each reporting date giving consideration to factors such as budgeted expenditures on the Galore Creek Property, assessment of the right to explore in the specific area and evaluation of any project specific and market data which would indicate that the carrying amount of exploration and evaluation assets is not recoverable; and
- (ii)* Assessing when the commercial viability and technical feasibility of the project has been determined, at which point the asset is reclassified to property and equipment.

Galore Creek Partnership

Notes to Financial Statements

For the Years Ended December 31, 2018, 2017 and 2016

(in Canadian dollars)

During 2018, management of the Partnership concluded that an impairment indicator existed as the transaction between NovaGold and Newmont indicated that the carrying amount of the Galore Creek Property may not be recovered from successful development or sale. As a result, a test of the recoverable amount was performed based on a fair value less cost to dispose. The test concluded that the recoverable amount was greater than the carrying value of Mineral Property, Plant and Equipment, and therefore no impairment was recorded. The estimated fair value less cost to dispose was calculated on a market-based approach using the information from the recently completed transaction between NovaGold and Newmont adjusted to estimate the fair value less cost to dispose of the Mineral Property, Plant and Equipment. The market-based approach included a control premium assumption subject to estimation uncertainty. The control premium assumption of 30% represents the estimated premium a market participant would pay for a 100% controlling interest in the Galore Creek Property. Management of the Partnership performed a sensitivity analysis on this assumption keeping all other assumptions constant and concluded that a negative change in the control premium assumption to below 22% would result in an impairment.

Decommissioning and Restoration Provisions

The DRP is based on cost estimates using information available at the balance sheet date. The DRP requires other significant estimates and assumptions such as: requirements of the relevant legal and regulatory framework, and the timing, extent and costs of required decommissioning and restoration activities. To the extent the actual costs differ from these estimates, adjustments will be recorded.

6 Mineral Property, Plant and Equipment

(in thousands of Canadian dollars)

	Exploration and Evaluation \$	Mobile Construction Equipment \$	Total \$
Cost			
At December 31, 2016	706,250	32,772	739,022
Additions	328	–	328
At December 31, 2017	706,578	32,772	739,350
Additions	365	–	365
At December 31, 2018	706,943	32,772	739,715
Accumulated Depreciation			
At December 31, 2016	–	(32,772)	(32,772)
At December 31, 2017	–	(32,772)	(32,772)
At December 31, 2018	–	(32,772)	(32,772)
Net Book Value			
At December 31, 2016	706,250	–	706,250
At December 31, 2017	706,578	–	706,578
At December 31, 2018	706,943	–	706,943

Galore Creek Partnership

Notes to Financial Statements

For the Years Ended December 31, 2018, 2017 and 2016

(in Canadian dollars)

7 Decommissioning and Restoration Provision

a) Reclamation provision

Although the ultimate amount of the reclamation costs to be incurred cannot be predicted with certainty, the total undiscounted amount of estimated cash flows required to settle the Partnership's estimated obligations is \$15.5 million. Significant reclamation and closure activities include land rehabilitation, decommissioning of roads, bridges, buildings and facilities at the project site.

The reclamation liabilities may be subject to change based on changes in management's estimates, changes in remediation technology or changes to the applicable laws and regulations.

(in thousands of Canadian dollars)

	2018	2017
	\$	\$
Opening balance	15,252	15,048
Change in estimate	253	204
Closing balance	15,505	15,252

b) Reclamation bonds

Each of the Partners has provided collateral for their 50% share of reclamation bonds and letters of credit covering the required permits.

At December 31, 2018 Newmont assumed \$4.5 million previously funded by NovaGold for its share in respect of the BC Ministry of Forests and Range Special Use Permit ("Forestry Act Permit"), through the Partnership. The \$4.5 million loan related to the funding of these reclamation bonds will be repaid to Newmont once the reclamation bond in respect of the Forestry Act Permit is released back to the Partnership.

Galore Creek Partnership

Notes to Financial Statements

For the Years Ended December 31, 2018, 2017 and 2016

(in Canadian dollars)

8 Expenses by Nature

(in thousands of Canadian dollars)

	2018	2017	2016
	\$	\$	\$
Community and stakeholder engagement	481	581	320
Drillcore maintenance	262	352	-
Environmental maintenance	1,815	589	495
Fuel and energy	526	72	6
Insurance and property tax	68	100	79
Maintenance and repair	1,701	1,029	587
Office rent and support	816	389	342
Salaries and employee benefits	1,432	645	485
Travel and transportation	1,984	653	240
Total care and maintenance costs	9,085	4,410	2,554

9 Commitments and Contingencies

a) Lease commitments

The Partnership is party to certain leases. These leases include the Partnership's leased office location and certain office equipment with commitments ranging from one to three years. The future minimum lease payments as at December 31, 2018 are as follows:

(in thousands of Canadian dollars)

	\$
2019	238
2020	265
2021	265

- b) The Partnership has a royalty agreement entitling the counterparty to a maximum annual net smelter royalty of between 0.5% to 1.0%. The royalty is subject to positive future operating mine cash flow and is contingent upon reaching certain agreed financial targets.

10 Related Party Transactions

a) Management services

During the period ended December 31, 2018, management services were provided to the Partnership as follows: Newmont, \$nil (2017 - \$nil; 2016 - \$nil); NovaGold, \$nil (2017 - \$219,111; 2016 - \$459,601) and Teck \$1,505,369 (2017 - \$937,509; 2016 - \$449,940).

Galore Creek Partnership

Notes to Financial Statements

For the Years Ended December 31, 2018, 2017 and 2016

(in Canadian dollars)

b) Due to Partners

As at December 31, 2018 the Partnership owed \$935,845 (2017 - \$899,182) to Teck for management services and expenses paid on the Partnership's behalf.

In addition, the Partnership was owed \$6,000 (2017 - \$nil) by Newmont for the 40% share of an advance royalty payment and \$12,965 (2017 - \$14,079) by Teck subsidiaries for management services provided to other Teck projects by staff of the Partnership.

The Partnership owed \$4.5 million (2017 - \$nil) to Newmont and \$nil (2017 - \$4.5 million) to NovaGold in respect of its funding of reclamation bonds held in the Partnership.

11 Financial Instruments

Financial assets are comprised of cash and cash equivalents and reclamation bonds. Cash and cash equivalents and reclamation bonds are held with Canadian chartered banks.

Financial liabilities are comprised of accounts payable and accrued liabilities, and amounts due to partners. All financial liabilities are due within 30 days except the amounts due to Newmont related to the reclamation bonds held in the Partnership.

The Partnership is not subject to material market risk on any of its financial instruments.

The fair value of the Partnership's receivables, accounts payable and amounts due from / (to) partners approximate their carrying values at December 31, 2018 due to their short-term nature. Reclamation deposits are interest-bearing deposits and approximate fair value. These deposits effectively secure the amount due to Newmont.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-197648, No. 333-134871, No. 333-117370, No. 333-171630, No. 333-164083, and No. 333-136493) of NOVAGOLD RESOURCES INC. of our report dated January 23, 2019 relating to the consolidated financial statements and the effectiveness of internal control over financial reporting of NOVAGOLD RESOURCES INC. and our report dated June 18, 2019 relating to the financial statements of Galore Creek Partnership, which appear in this Form 10-K/A of NOVAGOLD RESOURCES INC.

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, Canada

June 25, 2019

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 Amendment No. 1 to the Annual Report on Form 10-K/A 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
President and Chief Executive Officer

Date: June 25, 2019

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 Amendment No. 1 to the Annual Report on Form 10-K/A 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: June 25, 2019

CERTIFICATION PURSUANT TO

18 U.S.C. §1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with Amendment No. 1 to the Annual Report of NOVAGOLD Resources Inc. (the “Company”) on Form 10-K/A for the year ended November 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Gregory A. Lang, President and 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: June 25, 2019

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

CERTIFICATION PURSUANT TO

18 U.S.C. §1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with Amendment No. 1 to the Annual Report of NOVAGOLD Resources Inc. (the “Company”) on Form 10-K/A for the year ended November 30, 2018, 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: June 25, 2019

By: /s/ David A. Ottewell

David A. Ottewell

Chief Financial Officer