

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

**FORM 10-Q**

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

For the Quarterly Period Ended August 31, 2024

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 Securities Exchange Act of 1934:

<b>Title of Each Class</b>	<b>Trading Symbol</b>	<b>Name of each exchange on which registered</b>
Common Shares, no par value	NG	NYSE American Toronto Stock Exchange

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

Non-accelerated filer

Smaller reporting company

Accelerated filer

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

As of September 25, 2024, the Company had 334,567,187 Common Shares, no par value, outstanding.

NOVAGOLD RESOURCES INC.

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This Quarterly Report on Form 10-Q 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, anticipated timing of certain judicial and/or administrative decisions, continued support of the State and Federal permitting process, sufficiency of working capital, 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;
- dependence on cooperation of co-owner in exploration and development of 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 certain State and Federal permits that have been issued to Donlin Gold.

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;
- risks related to co-owner whose cooperation is required for Donlin Gold project activities;
- risks related to proceeding with a feasibility study for the Donlin Gold project without the participation of co-owner;
- our history of losses and expectation of future losses; our limited property portfolio;
- 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 opposition to our operations at our mineral exploration and development properties from non-governmental organizations (NGOs) 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;
- 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;
- risks related to title and other rights to the Donlin Gold project;
- risks related to our largest shareholder, the Electrum Group;

- 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;
- 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; risks related to governmental regulation;
- risks related to environmental laws and regulations;
- risks related to our insurance;
- 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 the effects of global climate change on the Donlin Gold project;
- risks related to information technology systems; and
- risks related to the Company's status as a "passive foreign investment company" in the United States.

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 our Annual Report on Form 10-K for the year ended November 30, 2023 and this Quarterly Report on Form 10-Q under the heading "Risk Factors" and elsewhere.

Our forward-looking statements contained in this Quarterly Report on Form 10-Q 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.

**PART I - FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**NOVAGOLD RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS**  
(Unaudited, US dollars in thousands)

	As of August 31, 2024	As of November 30, 2023
	<hr/>	<hr/>
<b>ASSETS</b>		
Cash and cash equivalents	\$45,572	\$45,749
Term deposits	60,000	80,000
Other assets (Note 5)	1,536	1,470
Current assets	<hr/> 107,108	<hr/> 127,219
Investment in Donlin Gold (Note 4)	3,504	3,071
Other assets (Note 5)	4,119	3,000
Total assets	<hr/> <u>\$114,731</u>	<hr/> <u>\$133,290</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$964	\$703
Accrued payroll and related benefits	2,059	2,799
Other liabilities (Note 7)	568	404
Current liabilities	<hr/> 3,591	<hr/> 3,906
Promissory note (Note 6)	147,880	136,748
Other liabilities (Note 7)	1,069	859
Total liabilities	<hr/> <u>152,540</u>	<hr/> <u>141,513</u>
Commitments and contingencies (Notes 6 and 7)		
<b>EQUITY (DEFICIT)</b>		
Common shares	1,989,245	1,986,938
Contributed surplus	91,459	88,621
Accumulated deficit	(2,094,072)	(2,059,311)
Accumulated other comprehensive loss	(24,441)	(24,471)
Total equity (deficit)	<hr/> <u>(37,809)</u>	<hr/> <u>(8,223)</u>
Total liabilities and equity (deficit)	<hr/> <u>\$114,731</u>	<hr/> <u>\$133,290</u>

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

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on October 2, 2024. They are signed on the Company's behalf by:

/s/ Gregory A. Lang, Director

/s/ Hume Kyle, Director

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

	Three months ended August 31,		Nine months ended August 31,	
	2024	2023	2024	2023
Operating expenses:				
General and administrative (Note 9)	\$5,120	\$5,243	\$18,982	\$16,385
Equity loss – Donlin Gold (Note 4)	2,814	3,978	9,765	15,996
	<u>7,934</u>	<u>9,221</u>	<u>28,747</u>	<u>32,381</u>
Loss from operations	(7,934)	(9,221)	(28,747)	(32,381)
Interest expense on promissory note	(3,833)	(3,433)	(11,132)	(9,589)
Interest and dividend income	1,194	1,501	4,265	4,180
Other income (expense), net (Note 10)	(14)	(66)	1,708	904
Accretion of note receivable	—	145	—	579
Loss before income taxes	<u>(10,587)</u>	<u>(11,074)</u>	<u>(33,906)</u>	<u>(36,307)</u>
Income tax expense	(156)	—	(855)	(75)
Net loss	<u>(10,743)</u>	<u>(11,074)</u>	<u>(34,761)</u>	<u>(36,382)</u>
Other comprehensive income (loss):				
Foreign currency translation adjustments	48	85	30	(6)
Comprehensive loss	<u><u>\$(10,695)</u></u>	<u><u>\$(10,989)</u></u>	<u><u>\$(34,731)</u></u>	<u><u>\$(36,388)</u></u>
Net loss per common share – basic and diluted	<u><u>\$(0.03)</u></u>	<u><u>\$(0.03)</u></u>	<u><u>\$(0.11)</u></u>	<u><u>\$(0.11)</u></u>
Weighted average shares outstanding				
Basic and diluted (thousands)	334,520	334,158	334,422	334,022

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

**NOVAGOLD RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
(Unaudited, US dollars in thousands)

	Three months ended		Nine months ended	
	August 31,		August 31,	
	2024	2023	2024	2023
Operating activities:				
Net loss	\$(10,743)	\$(11,074)	\$(34,761)	\$(36,382)
Adjustments:				
Equity loss – Donlin Gold	2,814	3,978	9,765	15,996
Share-based compensation	515	2,225	5,319	6,526
Interest expense on promissory note	3,833	3,433	11,132	9,589
Gain on sale of mineral property	—	—	(743)	(556)
Change in fair value of marketable investments	(7)	45	(978)	(333)
Foreign exchange (gain) loss	21	21	13	(15)
Accretion of note receivable	—	(145)	—	(579)
Other operating adjustments	2	4	32	43
Net change in working capital (Note 13)	(474)	210	(388)	(254)
Net cash used in operating activities	(4,039)	(1,303)	(10,609)	(5,965)
Investing activities:				
Proceeds from term deposits	—	—	80,000	62,000
Purchases of term deposits	—	(24,000)	(60,000)	(86,000)
Proceeds from note receivable	—	25,000	—	25,000
Funding of Donlin Gold	(2,864)	(2,475)	(10,198)	(15,247)
Proceeds from sale of mineral property	—	—	743	556
Acquisition of property and equipment	—	(133)	—	(147)
Sale of marketable equity investments	59	—	59	—
Net cash provided from (used in) investing activities	(2,805)	(1,608)	10,604	(13,838)
Financing activities:				
Withholding tax on share-based compensation	(157)	—	(174)	—
Net cash used in financing activities	(157)	—	(174)	—
Effect of exchange rate changes on cash and cash equivalents	5	36	2	—
Increase (decrease) in cash and cash equivalents	(6,996)	(2,875)	(177)	(19,803)
Cash and cash equivalents at beginning of period	52,568	46,954	45,749	63,882
Cash and cash equivalents at end of period	\$45,572	\$44,079	\$45,572	\$44,079

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

**NOVAGOLD RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF EQUITY (DEFICIT)**

(Unaudited, US dollars and shares in thousands)

Nine months ended August 31, 2024

	Common shares		Contributed surplus	Accumulated deficit	AOCL*	Total equity (deficit)
	Shares	Amount				
November 30, 2023	334,247	\$1,986,938	\$88,621	\$(2,059,311)	\$(24,471)	\$(8,223)
Share-based compensation	—	—	2,409	—	—	2,409
Stock options exercised	124	1,283	(1,283)	—	—	—
Net loss	—	—	—	(10,318)	—	(10,318)
Other comprehensive income	—	—	—	—	15	15
February 29, 2024	334,371	\$1,988,221	\$89,747	\$(2,069,629)	\$(24,456)	\$(16,117)
Share-based compensation	—	—	2,395	—	—	2,395
Performance share units (PSUs) settled in shares	13	27	(27)	—	—	—
Deferred share units settled in shares	47	224	(224)	—	—	—
Withholding tax on PSUs	—	—	(17)	—	—	(17)
Net loss	—	—	—	(13,700)	—	(13,700)
Other comprehensive loss	—	—	—	—	(33)	(33)
May 31, 2024	334,431	\$1,988,472	\$91,874	\$(2,083,329)	\$(24,489)	\$(27,472)
Share-based compensation	—	—	515	—	—	515
RSUs settled in shares	136	773	(773)	—	—	—
Withholding tax on RSUs	—	—	(157)	—	—	(157)
Net loss	—	—	—	(10,743)	—	(10,743)
Other comprehensive income	—	—	—	—	48	48
August 31, 2024	334,567	\$1,989,245	\$91,459	\$(2,094,072)	\$(24,441)	\$(37,809)

Nine months ended August 31, 2023

	Common shares		Contributed surplus	Accumulated deficit	AOCL*	Total Equity
	Shares	Amount				
November 30, 2022	333,753	\$1,983,962	\$82,866	\$(2,012,508)	\$(24,417)	\$29,903
Share-based compensation	—	—	2,161	—	—	2,161
Stock options exercised	230	734	(734)	—	—	—
Net loss	—	—	—	(10,659)	—	(10,659)
Other comprehensive loss	—	—	—	—	(101)	(101)
February 28, 2023	333,983	\$1,984,696	\$84,293	\$(2,023,167)	\$(24,518)	\$21,304
Share-based compensation	—	—	2,140	—	—	2,140
Stock options exercised	115	687	(687)	—	—	—
Net loss	—	—	—	(14,649)	—	(14,649)
Other comprehensive income	—	—	—	—	10	10
May 31, 2023	334,098	\$1,985,383	\$85,746	\$(2,037,816)	\$(24,508)	\$8,805
Share-based compensation	—	—	2,225	—	—	2,225
Stock options exercised	35	34	(34)	—	—	—
Deferred share units settled in shares	48	246	(246)	—	—	—
Net loss	—	—	—	(11,074)	—	(11,074)
Other comprehensive income	—	—	—	—	85	85
August 31, 2023	334,181	\$1,985,663	\$87,691	\$(2,048,890)	\$(24,423)	\$41

\* Accumulated other comprehensive loss

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

**NOVAGOLD RESOURCES INC.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited, US dollars in thousands except per share amounts)

**NOTE 1 – NATURE OF OPERATIONS AND BASIS OF PRESENTATION**

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 principal asset. 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”).

The Condensed Consolidated Interim Financial Statements (“interim statements”) of NOVAGOLD are unaudited. In the opinion of management, all adjustments and disclosures necessary for a fair presentation of these interim statements have been included. The results reported in these interim statements are not necessarily indicative of the results that may be reported for the entire year. These interim statements should be read in conjunction with NOVAGOLD’s Consolidated Financial Statements for the year ended November 30, 2023. The year-end balance sheet data was derived from the audited financial statements and certain information and footnote disclosures required by United States generally accepted accounting principles (US GAAP) have been condensed or omitted.

The functional currency for the Company’s Canadian operations is the Canadian dollar and the functional currency for the Company’s U.S. operations is the United States dollar. References in these Condensed Consolidated Interim Financial Statements and Notes to \$ refer to United States dollars and C\$ to Canadian dollars. Dollar amounts are in thousands, except for per share amounts.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Contingent note receivable**

A portion of the proceeds related to the sale of Galore Creek to a subsidiary of Newmont Corporation 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.

**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

**NOVAGOLD RESOURCES INC.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited, US dollars in thousands except per share amounts)

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.

**Recently Issued Accounting Pronouncements and Securities and Exchange Commission Rules**

*SEC Final Climate Rule*

In March 2024, the SEC issued a final rule that requires registrants to disclose climate-related information in their annual reports and in registration statements. In April 2024, the SEC chose to stay the newly adopted rulemaking pending judicial review of related consolidated Eighth Circuit petitions. If the stay is lifted, certain disclosures may be required in annual reports for the year ending November 30, 2026, filed in 2027. The Company is currently evaluating the impact of the rules on its consolidated financial statements.

**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 4).

**NOTE 4 – 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 the Donlin Gold project 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:

	Three months ended August 31,		Nine months ended August 31,	
	2024	2023	2024	2023
Balance – beginning of period	\$3,454	\$4,602	\$3,071	\$3,848
Share of losses:				
Mineral property expenditures	(2,675)	(3,827)	(9,327)	(15,542)
Depreciation	(128)	(141)	(408)	(424)
Accretion	(11)	(10)	(30)	(30)
	(2,814)	(3,978)	(9,765)	(15,996)
Funding	2,864	2,475	10,198	15,247
Balance – end of period	\$3,504	\$3,099	\$3,504	\$3,099

**NOVAGOLD RESOURCES INC.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited, US dollars in thousands except per share amounts)

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 for Donlin Gold than that of the Company.

	As of August 31, 2024	As of November 30, 2023
Current assets: Cash, prepaid expenses and other receivables	\$3,802	\$3,410
Non-current assets: Right-of-use assets, property and equipment	1,088	1,456
Non-current assets: Mineral property	32,615	32,615
Current liabilities: Accounts payable, accrued liabilities and lease obligations	(1,230)	(1,669)
Non-current liabilities: Reclamation and lease obligations	(771)	(741)
Net assets	<u>\$35,504</u>	<u>\$35,071</u>

**NOTE 5 – OTHER ASSETS**

	As of August 31, 2024	As of November 30, 2023
Other current assets:		
Accounts receivable	\$61	\$43
Interest receivable	919	99
Receivable from Donlin Gold	175	203
Prepaid expenses	381	1,125
	<u>\$1,536</u>	<u>\$1,470</u>
Other long-term assets:		
Marketable equity investments	\$3,043	\$2,102
Right-of-use assets	952	757
Office equipment	124	141
	<u>\$4,119</u>	<u>\$3,000</u>

**NOTE 6 – PROMISSORY NOTE**

The Company has a promissory note payable to Barrick of \$147,880, comprising \$51,576 in principal, and \$96,304 in accrued interest at U.S. prime plus 2%, compounded semi-annually. 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.

**NOVAGOLD RESOURCES INC.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited, US dollars in thousands except per share amounts)

**NOTE 7 – OTHER LIABILITIES**

	As of August 31, 2024	As of November 30, 2023
Other current liabilities:		
Remediation liabilities	\$78	\$212
Lease obligations	169	192
Income taxes payable	321	—
	<u>\$568</u>	<u>\$404</u>
Other long-term liabilities:		
Remediation liabilities	\$250	\$250
Lease obligations	819	609
	<u>\$1,069</u>	<u>\$859</u>

**NOTE 8 – FAIR VALUE ACCOUNTING**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy depending on 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, interest receivable, receivable from Donlin Gold, marketable equity investments, accounts payable and accrued liabilities, and a 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 approximates 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, interest receivable, accounts payable and accrued liabilities, and a promissory note. The Company's marketable equity investments 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 investments was \$3,043 as of August 31, 2024 (\$2,102 as of November 30, 2023), calculated as the quoted market price of the marketable equity security multiplied by the quantity of shares held by the Company.

**NOTE 9 – GENERAL AND ADMINISTRATIVE EXPENSES**

	Three months ended August 31,		Nine months ended August 31,	
	2024	2023	2024	2023
Share-based compensation (Note 11)	\$515	\$2,225	\$5,319	\$6,526
Salaries and benefits	2,055	1,691	6,186	5,149
Professional fees	1,624	375	4,142	1,236
Office expense	727	783	2,313	2,488
Corporate communications and regulatory	193	167	1,005	981
Depreciation	6	2	17	5
	<u>\$5,120</u>	<u>\$5,243</u>	<u>\$18,982</u>	<u>\$16,385</u>

**NOVAGOLD RESOURCES INC.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited, US dollars in thousands except per share amounts)

**NOTE 10 – OTHER INCOME (EXPENSE), NET**

	Three months ended August 31,		Nine months ended August 31,	
	2024	2023	2024	2023
Change in fair market value of marketable investments	\$7	\$(45)	\$978	\$333
Gain on sale of mineral property	—	—	743	556
Foreign exchange gain (loss)	(21)	(21)	(13)	15
	<u>\$(14)</u>	<u>\$(66)</u>	<u>\$1,708</u>	<u>\$904</u>

**NOTE 11 – SHARE-BASED COMPENSATION**

	Three months ended August 31,		Nine months ended August 31,	
	2024	2023	2024	2023
Stock options	\$485	\$1,170	\$3,134	\$3,432
Performance share unit plan	(39)	995	1,982	2,926
Deferred share unit plan	69	60	203	168
	<u>\$515</u>	<u>\$2,225</u>	<u>\$5,319</u>	<u>\$6,526</u>

**Stock options**

A summary of stock options outstanding and activity during the nine months ended August 31, 2024 are as follows:

	Number of stock options	Weighted- average exercise price per share	Weighted- average remaining contractual term (years)	Aggregate intrinsic value
November 30, 2023	7,606,200	\$6.59		
Granted	3,088,900	4.12		
Exercised	(890,000)	3.67		
Forfeited	(765,663)	4.96		
August 31, 2024	<u>9,039,437</u>	<u>\$6.17</u>	<u>2.59</u>	<u>\$373</u>
Vested and exercisable as of August 31, 2024	<u>4,666,285</u>	<u>\$7.41</u>	<u>1.49</u>	<u>\$—</u>

The following table summarizes other stock option-related information:

	Nine months ended August 31,	
	2024	2023
Weighted-average assumptions used to value stock option awards:		
Expected volatility	48.7%	48.4%
Expected term of options (years)	4	4
Expected dividend rate	—	—
Risk-free interest rate	4.29%	3.85%
Expected forfeiture rate	3.0%	2.8%
Weighted-average grant-date fair value	\$1.76	\$2.40
Intrinsic value of options exercised	\$471	\$2,024
Cash received from options exercised	\$—	\$—

**NOVAGOLD RESOURCES INC.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited, US dollars in thousands except per share amounts)

As of August 31, 2024, the Company had \$3,556 of unrecognized compensation cost related to 4,373,152 non-vested stock options expected to be recognized and vest over a period of approximately 2.25 years.

**Performance share units**

A summary of PSU awards outstanding and activity during the nine months ended August 31, 2024 are as follows:

	Number of PSU awards	Weighted- average grant day fair value per award	Aggregate intrinsic value
November 30, 2023	1,605,500	\$6.89	
Granted	886,800	4.20	
Vested	(200,300)	5.62	
Expired	(319,300)	9.92	
Forfeited	(339,200)	5.33	
August 31, 2024	<u>1,633,500</u>	<u>\$5.32</u>	<u>\$1,827</u>

As of August 31, 2024, the Company had \$3,715 of unrecognized compensation cost related to 1,633,500 non-vested PSU awards expected to be recognized and vest over a period of approximately 2.5 years.

**NOTE 12 – RELATED PARTY TRANSACTIONS**

The Company provided management and administrative services to Donlin Gold for \$227 and \$645 in the three and nine months ended August 31, 2024, respectively (\$233 and \$830 in the three and nine months ended August 31, 2023, respectively). As of August 31, 2024, the Company has accounts receivable from Donlin Gold of \$175 (November 30, 2023: \$203) included in *Other current assets*.

**NOTE 13 – NET CHANGE IN WORKING CAPITAL**

	Three months ended August 31,		Nine months ended August 31,	
	2024	2023	2024	2023
Changes in working capital:				
Other assets	\$(50)	\$(422)	\$(86)	\$432
Accounts payable and accrued liabilities	(427)	1,039	254	885
Accrued payroll and related benefits	340	559	(741)	(596)
Income taxes payable	(279)	—	319	—
Remediation	(58)	(966)	(134)	(975)
	<u>\$(474)</u>	<u>\$210</u>	<u>\$(388)</u>	<u>\$(254)</u>

**NOTE 14 – SUPPLEMENTAL CASH FLOW INFORMATION**

	Three months ended August 31,		Nine months ended August 31,	
	2024	2023	2024	2023
Interest and dividends received	\$365	\$561	\$3,445	\$3,237
Income taxes paid	\$437	\$—	\$537	\$75

**NOTE 15 – SUBSEQUENT EVENT**

**NOVAGOLD RESOURCES INC.**  
**NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
(Unaudited, US dollars in thousands except per share amounts)

On September 30, 2024, the U.S. Federal District Court (“Court”) issued a ruling in the lawsuit challenging the U.S. Army Corps of Engineers’ issuance of the 404 permit and the Department of Interior, Bureau of Land Management’s issuance of the ROW lease for the portions of the pipeline on Federal lands. The decision upheld the federal agencies’ analysis on two of the three issues raised in the litigation, however agreed with plaintiffs that the federal agencies took too narrow a view in analyzing the impacts of a theoretical release from the tailing storage facility. The Court requested supplemental briefing on the appropriate remedy for addressing this issue, which is due October 21, 2024. The Company has determined that the Court’s decision does not require an adjustment to the Company’s financial statements.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

*In Management's Discussion and Analysis of Financial Condition and Results of Operations, "NOVAGOLD", the "Company", "we," "us" and "our" refer to NOVAGOLD RESOURCES INC. and its consolidated subsidiaries. The following discussion and analysis of our financial condition and results of operations constitutes management's review of the factors that affected our financial and operating performance for the three- and nine-month periods ended August 31, 2024 and August 31, 2023. This discussion should be read in conjunction with the condensed consolidated financial statements and notes thereto contained elsewhere in this report and our Annual Report on Form 10-K for the year ended November 30, 2023, as well as other information we file with the Securities and Exchange Commission on EDGAR at [www.sec.gov](http://www.sec.gov) and with Canadian Securities Administrators on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). References herein to \$ refer to United States dollars and C\$ to Canadian dollars, in thousands, except for per share amounts.*

### 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, a limited liability company owned equally by wholly-owned subsidiaries of NOVAGOLD and 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 project

In the third quarter of 2024, principal activities included the advancement of metallurgical test work at a pilot plant in Ontario, Canada to confirm proposed optimizations to the flowsheet (with completion expected by year-end), as well as updated resource modelling by the Donlin team and a third-party consultant that is also nearing completion. In addition, recent Donlin Gold field data was used to update groundwater and surface water models, while geochemical data collection continues and will be used to update closure planning. Our work on the Dam Safety Certification continues to progress with the majority of the preliminary design packages submitted to the ADNR on June 17, 2024, with final documents expected to be submitted by year-end. Comments from the ADNR on the Dam Safety Certification preliminary design packages are anticipated in 2025.

These comprehensive efforts have delivered highly valuable insights for the Donlin Gold Board and its owners. Guiding our strategy for the Donlin Gold project and its 2025 initiatives, these activities were reviewed at our latest workshop in Alaska with Barrick and will contribute critical data for advancing Donlin Gold. NOVAGOLD is committed to advancing the project with a focus on financial prudence, engineering excellence, environmental responsibility, and a strong safety culture.

Our outreach in Alaska, particularly in the Yukon-Kuskokwim (Y-K) region, and in Washington, D.C., has strengthened community engagement and reinforces the project's social license. The Company appreciates the diligent contributions of the Donlin Gold team, partners, and stakeholders, and remains dedicated to developing the project to its full potential. With \$105.6 million in cash and term deposits as of August 31, 2024, NOVAGOLD is well-positioned to support this effort.

We were very pleased to announce Peter Adamek's appointment as the Company's new Vice President and Chief Financial Officer in the third quarter. Peter is a seasoned financial executive with over 20 years of experience, most recently with Hudbay Minerals Inc. He joins a leadership team that has consistently demonstrated diligence and responsible capital stewardship while enhancing value and upholding strong shareholder engagement.

Our share of funding for the Donlin Gold project in the third quarter and the first nine months of 2024 was \$2,864 and \$10,198, respectively. In 2024, we continue to expect our share of Donlin Gold funding to be \$14,250, for project planning and fieldwork, external affairs, permitting, environmental, land, and legal activities. 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.

The Donlin Gold board must approve an updated feasibility study, construction program and construction budget before the Donlin Gold project can be developed. The timing of the required engineering work and the Donlin Gold board's approval of an updated feasibility study, 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 due to 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.

#### *Stakeholder and government engagement*

In collaboration with Calista Corporation ("Calista") and The Kuskokwim Corporation ("TKC"), the mineral and surface rights holders, Donlin Gold has made significant strides in local community and government engagement across the Y-K region, Alaska, and Washington, D.C. Strategically located on private land designated by law for mineral development under the Alaska Native Claims Settlement Act of 1971, the Donlin Gold project enjoys deep involvement with Native Corporations, strengthening our connections with people from the region and local government bodies.

Our enduring partnerships with Calista and TKC have been crucial in advancing the project's development and permitting efforts. Over decades, our commitment to engaging with the 62 stakeholder communities in the Y-K region has built meaningful relationships, enhanced investment, and reinforced our social license. This longstanding dedication underscores the approach of the Donlin Gold project and its partners, Calista and TKC, to foster robust relationships with both local communities and governmental entities built on trust, transparency, respect and partnership.

In July, Donlin Gold hosted a project site tour for a group of residents from Crooked Creek and the Native Village of Georgetown.

In August, Calista, TKC, and Donlin Gold hosted a public Open House in Anchorage, providing Alaskans with the opportunity to learn more about the project and to engage in open and transparent discussions. NOVAGOLD was in attendance to participate, interact, and engage with key stakeholders.

These are just two examples of the many engagements Donlin Gold prioritizes to raise awareness and maintain transparency around the project.

#### *Environment, education, and social investments*

NOVAGOLD remains deeply committed to community and social responsibility, upholding shared values at the Donlin Gold project site and within the Y-K region. Through initiatives spanning education, community wellness, cultural preservation, and environmental stewardship, we support fisheries studies, environmental activities, subsistence, cultural preservation efforts, and various grants. Our collaboration with Calista and TKC has driven a range of activities and projects over the past quarter.

Since mid-2023, NOVAGOLD and Donlin Gold have intensified efforts with our Alaska Native Corporation partners to monitor, survey and engage in the dialogue on salmon fisheries in the Kuskokwim and Yukon River watersheds. In the third quarter, we focused on identifying opportunities to monitor, evaluate, and strengthen salmon populations. Notably, we launched a salmon smolt monitoring program on the George River, a tributary of the Kuskokwim River, in partnership with the Village of Napaimute to assess smolt health and migration patterns.

In addition, Donlin Gold and NOVAGOLD have supported the "In It for The Long Haul" backhaul program for seven years now, collecting and safely disposing of household hazardous and electronic waste from Y-K villages. This year alone, approximately 140,000 pounds of material were recycled, for an impressive total of approximately 803,000 pounds of hazardous materials removed from the Y-K region since the program began in 2018.

Donlin Gold's partnership with the Crooked Creek Traditional Council has supported the Summer Youth Employment program, providing local youth with hands-on experience in various work environments while also assisting Elders. In the third quarter, Donlin Gold continued sponsoring the RurAL CAP Elder Mentor Program, which connects youth with Elders to foster intergenerational knowledge and support academic engagement and school readiness across the State. Donlin Gold also shipped dictionaries to all school districts in the Y-K region for third graders as part of The Dictionary Project, a national effort to promote literacy and creative thinkers, a project they have participated in annually since 2012.

Donlin Gold has also reaffirmed its commitment to the Alaska School Activities Association, supporting high school-level athletic, academic, and fine arts programs statewide. Donlin Gold’s ongoing financial contributions highlight our steadfast dedication to enhancing educational and extracurricular opportunities for students throughout Alaska.

NOVAGOLD remains committed to stakeholder engagement and community development working closely with Tribal communities and Alaska Native Corporations to identify needs and collaboratively develop solutions that enhance and uplift communities, fostering sustainable growth and shared prosperity for future generations.

### *Permitting*

Donlin Gold, in collaboration with Calista, actively supports Federal and State agencies in defending the project’s permits against legal challenges — a strategy that has proven highly effective in maintaining permit approvals to date. The intricate permitting process in the United States and Alaska demands years of dedicated, transparent, and inclusive efforts to engage all stakeholders, including those from the Y-K region. With a profound understanding of the regulatory landscape, Donlin Gold and its partners are committed to supporting Federal and State agencies through any challenges to the project’s permits and are now concentrating on securing the remaining State-level permits and certificates needed for the project’s advancement. While maintaining jurisdictional safety presents challenges, particularly as regulations vary across regions, the State of Alaska stands out as a stable and reliable investment environment. As the second-largest gold-producing state in one of the world’s safest countries for free enterprise<sup>1</sup>, Alaska offers investors stability and certainty that their assets will remain secure. This makes the rigorous permitting process a worthwhile endeavor in an increasingly complex world.

### *Litigation*

On June 28, 2021, Earthjustice representing Orutsararmiut Native Council (“ONC”) filed an appeal of the Alaska Department of Environmental Conservation (“ADEC”) Commissioner’s decision upholding the ADEC’s Clean Water Act Section 401 water quality certification in Alaska Superior Court. In December 2021, at the request of the State of Alaska and Donlin Gold, the Superior Court suspended the case and remanded it to ADEC to allow for consideration of additional technical materials on mercury and temperature. After an administrative process, the Commissioner reaffirmed ADEC’s issuance of the 401 Certification on August 18, 2023. The suspension of the previously filed Alaska Superior Court case was then lifted and Earthjustice filed its opening brief with the Alaska Superior Court in January 2024. The briefing is complete and oral arguments were held on August 30, 2024. A decision is anticipated from the Alaska Superior Court by 2025.

On September 20, 2021, Earthjustice, representing ONC, Cook Inletkeeper, and three Y-K villages, filed an appeal of the State pipeline Right-of-Way (“ROW”) authorization in Alaska Superior Court. On April 12, 2023, the Alaska Superior Court affirmed ADNR’s issuance of the ROW lease in the Earthjustice case. Earthjustice appealed the Superior Court’s decision to the Alaska Supreme Court. On May 25, 2022, Earthjustice, representing ONC and five Y-K villages, filed an appeal of ADNR’s issuance of certain water rights permits to Donlin Gold in Alaska Superior Court. After briefing and oral argument, on September 1, 2023, the Alaska Superior Court affirmed ADNR’s decision on Donlin Gold’s water rights permits. On October 2, 2023, Earthjustice appealed the Superior Court’s decision to the Alaska Supreme Court. Earthjustice’s opening brief was submitted to the Alaska Supreme Court on January 4, 2024. Response briefs from the State of Alaska and Donlin Gold were completed in April 2024, and Earthjustice subsequently filed their reply brief in May 2024. Briefing on Earthjustice’s appeal of the Alaska Superior Court affirmation of ADNR’s issuance of the State pipeline ROW lease to the Alaska Supreme Court was completed in February 2024. Oral arguments for both the water rights permits and the State pipeline ROW are scheduled for November 12, 2024.

On April 5, 2023, Earthjustice representing ONC and six Y-K villages filed suit against the U.S. government in Anchorage Federal District Court asking the Court to invalidate the Donlin Gold Joint Record of Decision (“JROD”), which included the U.S. Army Corps’ of Engineers’ issuance of the 404 permit and the Department of Interior, Bureau of Land Management’s issuance of the ROW lease for the portions of the pipeline on Federal lands. The U.S. Department of Justice (“DOJ”) is defending the issuance of the permits by those Federal agencies. The State of Alaska, Donlin Gold, and Calista were granted intervenor status in this case. The DOJ filed their brief supporting the issuance of the JROD and the sufficiency of the environmental analysis in the Final Environmental Impact Statement on April 2, 2024. Amicus briefs supporting the project were filed by the village of Crooked Creek and the Alaska federal Congressional

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<sup>1</sup> Per the 2024 Mineral Commodity Summaries Report – <https://pubs.usgs.gov/periodicals/mcs2024/mcs2024-gold.pdf>.

delegation. Oral arguments were held on June 24, 2024, and the Court issued a decision on September 30, 2024. The decision upheld the federal agencies analysis on two of the three issues raised in the litigation, but agreed with plaintiffs that the federal agencies took too narrow a view in analyzing the impact of a theoretical release from the tailing storage facility. The Court requested supplemental briefing on the appropriate remedy for addressing this issue, which is due October 21, 2024, and response briefing is due November 4, 2024. Donlin Gold is committed to working with the federal agencies and all stakeholders on an appropriate remedy to address the Court's decision.

## **Consolidated Financial Results**

In the third quarter of 2024, net loss decreased by \$331 from the comparable prior year period. The decrease was primarily due to lower stock-based compensation expense related to forfeiture of options and performance share units and lower field expenses at Donlin Gold partially offset by higher general and administrative costs, increased interest expense on the promissory note and lower interest income on cash and term deposits. Donlin Gold expenses were lower with reduced site activity in 2024, compared to fieldwork and geotechnical drilling for the Alaska Dam Safety certificates and hydrological drilling to support mine planning and design in 2023. General and administrative expenses increased primarily due to higher professional fees and employee compensation. Professional fees increased due to consulting fees primarily related to ongoing efforts to enhance the value of the Donlin Gold project by evaluating alternatives to further advance the project. Salaries and benefits increased primarily due to hiring of additional staff. Income tax expense relates to passive income taxable in Canada on a portion of interest income earned by U.S. subsidiaries, and for withholding taxes on the sale of the San Roque project in Argentina during the first quarter of 2024.

## **Liquidity and Capital Resources**

### *Liquidity overview*

With total cash and term deposits of \$105.6, the Company has sufficient working capital available to cover anticipated funding of the Donlin Gold project and corporate general and administrative costs for at least the next three years at current spending levels. Additional capital may be required to complete an updated Donlin Gold feasibility study. Considerable additional capital will be required if a decision to commence engineering and construction is reached by Donlin Gold. Future financing to fund construction is anticipated through debt and equity offerings, project specific debt, and/or other means. Our continued operations are dependent on our ability to obtain additional funding or to generate future cash flows. However, there is 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 our Annual Report on Form 10-K for the year ended November 30, 2023, 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 cash expenditures in fiscal year 2024 continue to be approximately \$31,200, including \$14,250 to fund the Donlin Gold project, and \$16,950 for general and administrative costs.

Our financial position includes the following as of August 31, 2024:

- Cash and cash equivalents of \$45,572, primarily held at three large Canadian chartered banks with investment grade credit ratings.
- Term deposits of \$60,000 held at two large Canadian chartered banks with investment grade credit ratings and maturities of less than one year.
- Promissory note payable to Barrick of \$147,880 including accrued interest at U.S. prime plus 2%, compounded semi-annually. 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*

In the third quarter and first nine months of 2024, cash equivalents decreased by \$6,996 and \$177, respectively, primarily due to Donlin Gold funding and corporate general and administrative costs, partially offset by interest income on cash and proceeds from term deposits. The increase in cash used in operating activities in the third quarter and first nine months of 2024 from the comparable prior year periods was primarily due to increased corporate general and administrative costs and a net change in working capital. Funding requirements for Donlin Gold were substantially lower in the first nine months of 2024 than the comparable prior year period.

**Outstanding share data**

As of September 25, 2024, the Company had 334,567,187 common shares issued and outstanding. Also, as of September 25, 2024, the Company had: i) a total of 9,039,437 stock options outstanding; 7,867,835 with a weighted-average exercise price of \$6.22 and the remaining 1,171,602 of those stock options with a weighted-average exercise price of C\$7.90; and ii) 1,633,500 PSUs and 314,714 deferred share units outstanding. Upon exercise or pay out, as applicable, of the foregoing convertible securities, the Company would be required to issue a maximum of 11,804,401 common shares.

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk**

Our financial instruments are exposed to certain financial risks, including credit and interest rate risks, which the Company does not consider to be material at this time.

#### *Credit risk*

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

#### *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 August 31, 2024, and assuming all other variables remain constant, a 1% change in the U.S. prime rate would result in an increase/decrease of approximately \$1.48 million in the interest accrued on the promissory note per annum.

### **Item 4. Controls and Procedures**

Management, with the participation of our President and Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) as of August 31, 2024. On the basis of this review, our President and Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to ensure that the information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and to ensure that information required to be disclosed in the reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our President and Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There have not been any changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) promulgated by the SEC under the Exchange Act) during the Company's most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. The Company's internal controls over financial reporting are based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings

From time to time, we are a party to routine litigation and proceedings that are considered part of the ordinary course of our business. We are not aware of any material current, pending, or threatened litigation.

### Item 1A. Risk Factors

There have been no material changes to the risk factors set forth in our Annual Report on Form 10-K for the year ended November 30, 2023, as filed with the SEC on January 24, 2024. The risk factors in our Annual Report on Form 10-K for the year ended November 30, 2023, in addition to the other information set forth in this quarterly report, could materially affect our business, financial condition or results of operations. Additional risks and uncertainties not currently known to us or that we deem to be immaterial could also materially adversely affect our business, financial condition or results of operations.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

These disclosures are not applicable to us.

### Item 5. Other Information.

- a) As previously announced on January 24, 2024, Richard Williams, age 64, was promoted to Chief Operating Officer of the Company, effective January 1, 2024. Mr. Williams was previously Vice President, Engineering & Development since April 2013. There are no family relationships between Mr. Williams and any director or executive officer of the Company, and Mr. Williams has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K. Mr. Williams' compensation increased to \$434,500 per year in connection with the promotion. A copy of Mr. Williams' current Employment Agreement with the Company, dated January 8, 2013, is attached as Exhibit 10.1.
- b) None.
- c) None.

### Item 6. Exhibits

See Exhibit Index.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: October 2, 2024

**NOVAGOLD RESOURCES INC.**

By: /s/ Gregory A. Lang  
Gregory A. Lang  
President and Chief Executive Officer  
(principal executive officer)

By: /s/ Peter Adamek  
Peter Adamek  
Vice President and Chief Financial Officer  
(principal financial and accounting officer)

## EXHIBIT INDEX

<b>Exhibit No.</b>	<b>Description</b>
10.1	Employment Agreement between NovaGold USA, Inc. and Richard A. Williams dated January 8, 2013
10.2	Employment Agreement between NovaGold USA, Inc. and Peter Adamek dated July 25, 2024
31.1	Certification of the Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a)
31.2	Certification of the Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a)
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350
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.

**EMPLOYMENT AGREEMENT**

**BETWEEN:**

Richard A. Williams, Business person, of 3591 Wicklow Place, Salt Lake City, Utah, 84109

(the "Executive")

**AND:**

NOVAGOLD USA, Inc., a company incorporated pursuant to the laws of Delaware, and having its principle office in Salt Lake City, at One Utah Center, 201 South Main Street, Suite 400 Salt Lake City, Utah, 84111

(the "Company")

**WHEREAS:**

- A. The Company is a wholly owned subsidiary of NOVAGOLD Resources Inc., a company formed under the laws of Nova Scotia ("NOVAGOLD").
- B. NOVAGOLD is a natural resource company currently engaged in the acquisition and exploration of mineral properties, and the Company provides administrative services to NOVAGOLD and its subsidiaries;
- C. The Company wishes to employ and the Executive wishes to supply their services in the capacity of VP Engineering and Development, on the terms and conditions set out in this Agreement;
- D. The Company and the Executive desire that this employment relationship and the terms thereof be formally embodied in this Agreement;

**THEREFORE** in consideration of the recitals, the following covenants and the payment of one dollar made by each party to the other, the receipt and sufficiency of which are acknowledged by each party, the parties agree on the following terms:

**1. ENGAGEMENT AND DURATION**

**1.1 Engagement**

The Company hereby employs the Executive as VP Engineering and Development and the Executive accepts such employment. NOVAGOLD has also appointed the Executive as VP Engineering and Development of NOVAGOLD.



**1.2 Term**

The Executive's employment pursuant to the terms of this Agreement shall commence effective [March 1, 2013] and shall continue indefinitely, unless and until terminated as set forth herein.

**1.3 At-Will Employment**

The Executive's employment is at-will, and either the Executive or the Company may terminate the relationship at any time, with or without prior notice, except as especially provided for in Articles 6 or 7 of this Agreement.

**2. DUTIES**

**2.1 Performance of Duties**

The Executive shall act as VP Engineering and Development, and the Executive shall perform such services and duties as are normally provided by a VP Engineering and Development of a company in a business and of a size similar to NOVAGOLD, and such other services and duties as may reasonably be assigned from time to time.

**2.2 Other Boards or Committees**

The Executive's performance of reasonable personal, civic or charitable activities or the Executive's service on any boards or committees of any private or public companies shall not be deemed to interfere with the performance of the Executive's services and responsibilities to the Company pursuant to this Agreement, so long as there is no conflict or potential conflict between the business of the Company and the business of the private or public companies. The Executive agrees to inform the Board of Directors of NOVAGOLD (the "Board of Directors") prior to the Executive being appointed to any such board or committee. The Executive's right to participate on such boards or committees shall be subject to approval of the Board of Directors, acting reasonably. The Board of Directors acknowledges that as of the date of this Agreement, the Executive is a director of the companies set forth in Schedule A hereto, and approves the Executive's right to participate on such boards.

**2.3 Principal Place of Work**

The Executive duties shall be performed at the Company's principal executive offices which are currently located in Salt Lake City, Utah. The Executive acknowledges that such duties and responsibilities may involve a reasonable amount of traveling.

**2.4 Reporting**

The Executive shall report directly to the President and Chief Executive Officer ("CEO") of the Company.



## **2.5 Instructions**

The Executive will, subject to the terms of this Agreement, comply promptly and faithfully with the reasonable and lawful instructions, directions, requests, rules and regulations of the Board of Directors and the CEO.

## **3. REMUNERATION AND BENEFITS**

### **3.1 Salary**

The Company shall pay to the Executive for the services rendered under this Agreement an annual salary of US\$250,000, subject to all applicable statutory deductions and payable in substantially equal installments on the dates that the Company has established for paying wages to its employees. Executive understands that the position is classified as exempt under both state and federal wage and hour law.

### **3.2 Annual Review**

The annual salary referred to in section 3.1 shall be reviewed at least annually by the CEO in consultation with the Executive. The CEO shall make recommendations to the Board of Directors or the compensation committee of the Board of Directors ("Compensation Committee") regarding appropriate salary adjustments. The annual salary referred to in section 3.1 shall be increased by such amount as is determined by the Board of Directors or the Compensation Committee in its sole discretion taking into consideration the recommendations of the CEO, the performance of the Executive and the performance of the Company provided, however, that in no event shall the annual salary be less than the annual salary payable in the previous fiscal year.

### **3.3 Reimbursement of Expenses**

The Company shall reimburse the Executive for all reasonable expenses incurred in the performance of this Agreement provided that the Executive provides the Company with written expense accounts with respect to each calendar month, by no later than the end of the calendar month following the incurring of such expenses. The Company shall provide the Executive with, or reimburse the Executive for, services and fees necessary for the performance of the Executive's duties including, but not limited to, membership in the Executive's professional institute and required continuing professional education.

### **3.4 Medical Benefits**

The Company shall provide the Executive with group life, long-term disability, extended medical and dental insurance coverage ("benefit coverage") in accordance with the terms of the benefit plans in effect from time to time and, to the extent provided by such plans, the Company shall extend medical and dental insurance coverage to the Executive's spouse and child dependents. The Company may, in the Company's discretion, change such benefit coverage or amend such benefits from time to time, as long as such changes do not apply solely to the Executive.



### 3.5 Directors and Officers Liability Insurance

NOVAGOLD shall provide the Executive with directors' and officers' liability insurance appropriate to the nature of the Executive's responsibilities under this Agreement. The directors' and officers' liability insurance will be subject to the terms and conditions of the insurance policy's coverage.

### 3.6 Vacation

The Executive shall be entitled to 5 weeks of paid vacation for each fiscal year with the Company. The Executive shall be entitled to a pro-rata portion of the Executive's vacation entitlement for any part year of employment. The Executive shall take such vacation only at times approved in advance by the CEO, which approval shall not be unreasonably withheld. The Executive shall be covered by the Company's vacation policy for banking and forfeiture of vacation days. In addition, the Executive shall be entitled to statutory holidays and the number of paid holidays provided for under the policies and procedures of the Company, as they exist from time to time.

### 3.7 Other Benefits

In addition to any other compensation or benefits to be received by the Executive pursuant to this Agreement, the Executive shall be eligible to participate in all executive benefits which the Company may from time to time provide to its senior executives. For greater certainty, and among other things, the Executive shall be eligible to participate in the NOVAGOLD's Stock Award Plan ("Option Plan") and Performance Share Unit Plan ("PSU Plan"), as amended from time to time. All stock option and performance share unit ("PSU") grants are at the discretion of the Board of Directors and are subject to, and will be made in accordance with, the guidelines of the Toronto Stock Exchange or other applicable stock exchange and NOVAGOLD's Option Plan or PSU Plan, as applicable.

For 2013, the Executive's Long Term Incentive Target is 200% of base salary with a multiplier of up to 1.5 times. The Long Term Incentive benefit is distributed approximately 50% in stock options and 50% in PSU grants.

The Executive shall receive an initial grant of 150,000 options to be issued and priced on the date of this agreement, in accordance with the requirements of the Toronto Stock Exchange and applicable securities laws. One third of these options vest upon the start date of [March 1, 2013] (the "Start Date"), with the second 1/3 to vest on the first anniversary of your Start Date and the final 1/3 to vest on the second anniversary of your Start Date. The terms and conditions of the options, including the manner of exercise, will be in accordance with the terms of the Plan and the requirements of the Toronto Stock Exchange and applicable securities laws. Any stock options granted to the Executive shall have an exercise price that is not less than the fair market value of the stock on the date of the grant and otherwise satisfies the requirements specified in U.S. Treasury Regulation 1-409A-1(b)(5)(i)(A).



The Executive shall receive an initial grant of 60,000 PSUs. The PSUs will vest on January 5, 2014 and will be subject to the vesting criteria determined by the Board of Directors. The terms and conditions of the PSUs will be in accordance with the terms of the PSU Plan and the requirements of the Toronto Stock Exchange, applicable securities laws, and U.S. federal income tax laws to the extent they are applicable.

The Executive shall receive a signing bonus in the amount of US\$100,000 less applicable taxes, payable on upon the commencement of employment. If the Executive's employment with the Company is terminated voluntarily or with just cause prior to the one year anniversary of the Start Date, the Executive shall be required to partially repay the signing bonus.

The Executive can participate in the Company's SIMPLE IRA Plan (the Company will match 100% of contributions up to 3% of base salary, subject to applicable contribution limits) and the Share Purchase Plan (eligible to contribute up to 5% of base salary and the Company will match 50% of this amount).

### **3.8 Equipment**

The Company shall provide the Executive with such equipment as the Executive and CEO agree is necessary for performance of the Executive's duties which shall include a computer, personal digital assistant and a cell phone for use in carrying out Company business. This equipment will remain Company property and will be subject to the applicable policies and procedures of the Company regarding the Company's equipment, including the obligation of each employee to return such property upon termination of employment.

### **3.9 Annual Incentive Program**

The Executive shall be entitled to participate in the NOVAGOLD's Annual Incentive Program (the "Annual Incentive Program") according to the terms of the Annual Incentive Program which NOVAGOLD may, in its discretion, change, abolish or amend from time to time, with or without notice.

For 2013, the Executive's Short Term Incentive Target is 60% of base salary with a multiplier of up to 1.5 times.

### **3.10 Payroll**

The Company may at its election provide remuneration and benefits set out in Article 3 of this agreement through an affiliate of the Company.



#### 4. CONFIDENTIALITY AND NON-DISCLOSURE

##### 4.1 "Confidential Information"

The term "Confidential Information" means any and all information concerning any aspect of the Company, NOVAGOLD, or any of their affiliates not publicly disclosed, which the Executive may receive or develop as a result of this engagement by or involvement with the Company, and including all technical data, concepts, reports, programs, processes, technical information, trade secrets, systems, business strategies, financial information and other information unique to the Company, NOVAGOLD, or their affiliates. All Confidential Information, including notes, diagrams, maps, reports, notebook pages, memoranda, sample materials and any excerpts thereof that include Confidential Information are the property of the Company or parties for whom the Company acts as agent or who are customers of the Company, as the case may be, and are strictly confidential to the Company and/or such parties. The Executive shall not make any unauthorized disclosure or use of and shall use best efforts to prevent unauthorized disclosure or use of such Confidential Information.

##### 4.2 Equitable Remedies

The Executive acknowledges that any unauthorized disclosure or use of such Confidential Information by the Executive may result in material damages to the Company or NOVAGOLD and that the Company and NOVAGOLD shall be entitled to seek injunctive relief or any other legal or equitable remedy to prohibit, prevent or enjoin unauthorized disclosure or use of Confidential Information by the Executive. Executive hereby waives the need for the Company or NOVAGOLD to post any bond or security in connection therewith. The Executive acknowledges and agrees that the unauthorized disclosure or use of Confidential Information will cause irreparable harm to the Company or NOVAGOLD that could not be adequately compensated by damages. This section 4.2 shall not affect any damages or other remedies to which the Company or NOVAGOLD may be entitled under this Agreement, at law or in equity, arising from any breaches of such liabilities or obligations by Executive, including but not limited to all remedies at law.

##### 4.3 Use of Confidential Information

Except as authorized by the Company, the Executive will not:

- (a) duplicate, transfer or disclose nor allow any other person to duplicate, transfer or disclose any of the Confidential Information; or
- (b) use the Confidential Information without the prior written consent of the Company.



#### 4.4 Protection of Confidential Information

The Executive will safeguard all Confidential Information at all times so that it is not exposed to or used by unauthorized persons, and will exercise at least the same degree of care used to protect the Executive's own Confidential Information.

#### 4.5 Exception

The restrictive obligations set forth above shall not apply to the disclosure or use of any information which:

- (a) is or later becomes publicly known under circumstances involving no breach of this Agreement by the Executive;
- (b) is already known to the Executive at the time of receipt of the Confidential Information;
- (c) is lawfully made available to the Executive by a third party;
- (d) is disclosed by the Executive pursuant to a requirement of a governmental department or agency or disclosure is otherwise required by operation of law, provided that the Executive gives notice in writing to the Company of the required disclosure immediately upon becoming advised of such required disclosure and provided also that the Executive delays such disclosure so long as reasonably possible in order to permit the Company to appeal or otherwise oppose such required disclosure and provides the Company with such assistance as the Company may reasonably require in connection with such appeal or other opposition;
- (e) is disclosed to a third party under an approved confidentiality agreement; or
- (f) is disclosed in the course of the Executive's proper performance of the Executive's duties under this Agreement.

#### 4.6 Removal of Information

The Executive will not, without the written consent of the CEO, remove any information relating to the Company, or any third party with which the Company is conducting business, from the premises where the Executive is working, unless required in the normal performance of the Executive's duties under this Agreement.

#### 4.7 New Discoveries

Any inventions, discoveries or improvements in systems, methods and processes made by the Executive in the course of this employment and any mineral discoveries and opportunities to acquire mineral assets or interests therein which come to the Executive in the course of this employment will be disclosed to the Company forthwith in writing, and



shall belong to and be the absolute property of the Company if so designated by the Company in writing within a reasonable time following the Executive's disclosure.

**4.8 Survival**

The provisions of this Article 4 shall survive the termination of this Agreement.

**4.9 Non-Solicitation**

The Executive shall not, for a period of six (6) months following the termination of the Executive's employment for any reason, without the prior written consent of the CEO, for the Executive's account or jointly with another, either directly or indirectly, for or on behalf of the Executive's or any individual, partnership, corporation or other legal entity, as principal, agent, employee or otherwise, solicit, influence, entice or induce, attempt to solicit, influence, entice or induce:

- (a) any person who is employed by the Company or any affiliate of the Company to leave such employment; or
- (b) any person, firm or corporation whatsoever, who or which has at any time in the last two (2) years of the Executive's employment with the Company or any predecessor of the Company, been a customer of the Company, an affiliate company, or of any of their respective predecessors, provided that this subsection shall not prohibit the Executive from soliciting business from any such customer where such solicitation is unrelated to the business carried on by the Company or any affiliate of the Company.

The Executive agrees that all restrictions contained in this Agreement are reasonable and valid and all defenses to the strict enforcement thereof by the Company are waived by the Executive.

**5. DELIVERY OF RECORDS**

Upon the termination of the employment of the Executive by the Company, or at any time the Company requests, the Executive will deliver to the Company all books, records, lists, brochures and other property belonging to the Company or developed in connection with the business of the Company, including any Confidential Information, and will execute such transfer documentation as is necessary to transfer such property or intellectual property to the Company.

**6. TERMINATION**

**6.1 The Executive's Right to Terminate**

The Executive may terminate his obligations under this Agreement:

- (a) at any time upon providing three months' notice in writing to the Company; or



- (b) upon a material breach or default of any term of this Agreement by the Company provided that if such material breach or default is capable of being remedied by the Company, it has not been remedied within 30 days after written notice of the material breach or default has been delivered by the Executive to the Company.

The Company may waive the notice requirements set out in paragraph (a) above in whole or in part and if it does so, the Executive's entitlement to remuneration and benefits as set out in sections 6.3 and 6.4 as applicable will apply as of the date the Company waives such notice.

## **6.2 Company's Right to Terminate**

The Company may terminate the Executive's employment under this Agreement at any time:

- (a) for just cause which shall include, without limitation, any of the following events:
  - (i) theft, dishonesty or fraud by the Executive with respect to the business of the Company;
  - (ii) the conviction of the Executive for a criminal offence that gives rise or is likely to give rise to NOVAGOLD's market or NOVAGOLD's stock being subject to a cease-trade order by a Canadian or US securities regulatory authority; or
  - (iii) any and all other omissions, commissions or other conduct which would constitute just cause at law; or
- (b) upon the Executive dying or becoming permanently disabled or disabled for a period exceeding 180 consecutive days or for a period of 180 non-consecutive days calculated on a cumulative basis over any two year period during the term of this Agreement. The Executive shall be deemed to have become disabled if, because of ill health, physical, mental disability or for other causes beyond the control of the Executive, the Executive has been unable or unwilling or has failed to perform the essential functions of Executive's position under this Agreement, with or without reasonable accommodation (provided that no accommodation that imposes undue hardship on the Company will be required); or
- (c) at any time upon making the severance payment contemplated in section 6.3 to the Executive subject to the terms of this Agreement, including Article 8.

## **6.3 Severance Payment**

In the event of the termination of the Executive's employment:



- (a) by the Executive pursuant to subsection 6.1(b) of this Agreement; or
- (b) by the Company pursuant to subsection 6.2(c) or by the Company in breach of this Agreement;

the Company shall pay to the Executive a lump sum severance payment within 10 days after the Executive executes a release without revocation as described in Article 8 equal to:

- (c) an amount equal to the Executive's annual salary at the time of termination of the Executive's employment plus the Executive's annual incentive target for the fiscal year pursuant to the Annual Incentive Program, multiplied by two in the event that such termination occurs before the first anniversary of this Agreement; or
- (d) an amount equal to the Executive's annual salary at the time of termination of the Executive's employment plus the Executive's annual incentive earned in the previous fiscal year pursuant to the Company's Annual Incentive Program, multiplied by two in the event that such termination occurs on or after the first anniversary of this Agreement.

Further, the Company will pay to the Executive, as soon as practical following the Executive's termination of employment, but in all events no later than March 15 of the year following the year of termination, a lump sum payment equal to the Company's cost of providing group life and long term disability insurance coverage to the Executive for a period of 12 months. In addition, unless the Company is prohibited or restricted by applicable law as it may apply at the time of Executive's termination, in the event of termination of the Executive's employment pursuant to either section 6.1(b) or 6.2(c), and subject to Article 8, the Company shall continue the Executive's group health and dental insurance benefits, if any, under section 3.4 for a maximum period of 12 months or until such time as the Executive subsequently becomes covered by another group health plan or otherwise loses eligibility for COBRA coverage, whichever is earlier, in accordance with COBRA. The Executive agrees to notify the Company immediately upon becoming covered by another group health plan. The Executive is responsible for electing COBRA coverage and remitting all premium payments directly to the plan administrator for such coverage, within deadlines set forth by the plan. The Company will reimburse the Executive on tax-free basis for such COBRA premium payments. If, at the time of Executive's termination of employment, the Company is unable to continue any such benefits, or to provide them to the Executive on a tax-favored basis, the Company will instead pay to the Executive an amount equal to the present value of the Company's cost of providing such benefits, such amount to be paid as soon as possible following Executive's termination, but in all cases by March 15th of the year following Executive's termination of employment.

In addition, the Company shall reimburse the Executive within 10 days of such termination for all expenses as contemplated by section 3.3.



#### 6.4 Compensation Otherwise Due to the Executive on Termination

In the event of the termination of the Executive's employment under this Agreement in circumstances other than those set out in section 6.3 of this Agreement, the Company shall pay the following amounts to the Executive:

- (a) if terminated pursuant to subsections 6.1(a) or 6.2(a) of this Agreement, the Company shall pay to the Executive within 10 days of the termination unless otherwise required by law the Executive's then-current annual salary accrued pursuant to section 3.1 of this Agreement as of the date of termination or effective date of resignation, as applicable; or
- (b) if terminated pursuant to subsection 6.2(b) of this Agreement, the Company shall pay to the Executive:
  - (i) the Executive's then-current annual salary accrued pursuant to this Agreement as of the date of termination, which shall be paid within 10 days of the termination unless otherwise required by law; and
  - (ii) a lump sum equal to the Executive's annual salary at the time of termination of the Executive's employment which shall be paid within 10 days after Executive executes a release without revocation as described in Article 8. Such payment will be made no later than March 15 of the year following the year of such termination.

#### 6.5 Property Interests

If the Executive's employment with the Company is terminated, and within three years of such termination, the Executive acquires directly or indirectly other than from the Company or its affiliates any present or future interest in any mining claims, properties, or mineral interests situated in whole or in part within 10 kilometers of the external boundaries of any mineral property held by the Company or its affiliates during the time the Executive was employed by the Company, the Executive will offer the Company, in writing the right to acquire such interest in exchange for reimbursement of the direct and indirect acquisition costs incurred by the Executive. The Company shall have 30 days after receipt of such offer to accept the offer and 90 days after receipt of such offer to reimburse such costs. For further clarity, the requirements of Section 6.5 shall not preclude a company that employs the Executive subsequent to the termination of the Executive's employment with the Company from acquiring, directly or indirectly, any present or future interest in any mining claims, properties, or mineral interests wherever situated for the account of such company.

#### 6.6 Resignations

Upon termination of the Executive for whatever reason the Executive shall forthwith execute and deliver to the Company a written resignation from any and all offices of the Company and its affiliates, without claim for compensation for loss of office.



### 6.7 Payments in Full Settlement

The Executive acknowledges and agrees that the payments pursuant to this Article 6 shall be in full satisfaction of all claims, losses, costs, damages or expenses in connection with the employment and the termination of employment under this Agreement. Except as provided in this Article, the Executive shall not be entitled to any further termination payments, damages or compensation, whatsoever in connection with the employment of the Executive and the termination thereof. As a condition precedent to any severance payment pursuant to this Article, the Executive agrees to deliver to the Company, without revocation, prior to any such payment, a full and final release from all actions and claims in connection with the employment and the termination of employment or any losses, costs, damages or expenses resulting there from in favor of the Company, its affiliates, subsidiaries, directors, officers, employees and agents in a form satisfactory to the Company, as more fully described in Article 8 below. Should the Executive choose not to execute such a release, the Company is released from any obligation under this Article 6 to provide any severance or termination pay other than those payments required by law.

## 7. CHANGE OF CONTROL

### 7.1 Termination by Company.

In the event that within the twelve (12) month period immediately following a Change of Control (as defined in section 7.2 of this Agreement), any of the following occur:

- (a) a material change (other than a change that is clearly and exclusively consistent with a promotion) in the Executive's position, duties, responsibilities, title or offices with the Company or NOVAGOLD in effect immediately prior to any Change of Control;
- (b) a material reduction in the Executive's Base Salary in effect immediately prior to any Change of Control; or
- (c) any material breach by the Company of any material provision of this Agreement;
- (d) any action or event that would constitute a constructive dismissal of Executive at common law,

then, if the Executive advises the Company in writing of the condition set forth above within ninety (90) days of the date the Executive has become aware (or reasonably should have become aware) of the condition, and the Company has not cured the condition within thirty (30) days from the receipt of written notice, the Executive's employment shall be deemed to have been terminated by the Company and the Company will, immediately upon such termination, and in all cases on or before March 15<sup>th</sup> of the year following the year in which such termination occurs, and subject to Article 8, pay to the Executive a lump sum payment of an amount equal to the Executive's annual salary at the time of termination of the Executive's employment plus the Executive's annual incentive earned in the previous fiscal year pursuant to the Company's Annual Incentive



Program, multiplied by two, provided that if such termination occurs during the first year of employment, the amount will be equal to the Executive's annual salary at the time of termination of the Executive's employment plus the Executive's annual incentive target pursuant to the Company's Annual Incentive Program, multiplied by two.

Further, the Company will pay to the Executive, as soon as practical following the Executive's termination of employment under this section 7.1 but in all events no later than March 15 of the year following the year of termination, a lump sum payment equal to the Company's cost of providing group life and long term disability insurance coverage to the Executive for a period of 12 months. In addition, unless the Company is prohibited or restricted by applicable law as it may apply at the time of Executive's termination, and subject to Article 8, the Company shall continue the Executive's group health and dental insurance benefits, if any, under section 3.4 for a maximum period of 12 months or until such time as the Executive subsequently becomes covered by another group health plan or otherwise loses eligibility for COBRA coverage, whichever is earlier, in accordance with COBRA. The Executive agrees to notify the Company immediately upon becoming covered by another group health plan. The Executive is responsible for electing COBRA coverage and remitting all premium payments directly to the plan administrator for such coverage, within deadlines set forth by the plan. The Company will reimburse the Executive on tax-free basis for such COBRA premium payments. If, at the time of Executive's termination of employment, the Company is unable to continue any such benefits, or to provide them to the Executive on a tax-favored basis, the Company will instead pay to the Executive an amount equal to the present value of the Company's cost of providing such benefits, such amount to be paid as soon as possible following Executive's termination, but in all cases by March 15th of the year following Executive's termination of employment.

The Executive further agrees that compensation payable pursuant to this section 7.1 is in lieu of the severance package payable under section 6 of this Agreement and shall be the maximum compensation which the Executive is entitled to receive, including compensation in lieu of reasonable notice, and the Company will have no further obligations to the Executive with respect to the termination of this Agreement, the employment, or the termination of employment, including, without limitation, further severance pay. As a condition precedent to any payment pursuant to this Article, the Executive agrees to deliver to the Company, without revocation, prior to any such payment, a full and final release from all actions and claims in connection with the employment and the termination of employment or any losses, costs, damages or expenses resulting therefrom in favor of the Company, its affiliates, subsidiaries, directors, officers, employees and agents in a form satisfactory to the Company, as more fully described in Article 8 below. Should the Executive choose not to execute such a release, the Company is released from any obligation under this Article to provide any severance or termination pay other than those payments required by law.



## 7.2 Change of Control.

For the purposes of this agreement, a "Change of Control" means any of the following:

- (a) a sale of the assets of NOVAGOLD equal in value to at least 50% of the fair-market value of all of NOVAGOLD's assets to a party or parties acting jointly or in concert (as determined pursuant to the Ontario Securities Act, R.S.O. 1990, c.S.5, as amended (the "OSA"), mutatis mutandis) in one or more transactions occurring within a period of two (2) years; or
- (b) a direct or indirect acquisition by a person or group of persons acting jointly or in concert of voting shares of NOVAGOLD by such person or group of persons at the time of the acquisition, constitutes 40% or more of the outstanding voting shares of NOVAGOLD, provided that the direct or indirect acquisition by Electrum Strategic Resources LLC ("Electrum") of voting shares of NOVAGOLD shall not constitute a "Change of Control" unless the acquisition of such additional voting shares when taken together with any voting shares or securities convertible into voting shares ("Convertible Securities") held directly or indirectly by Electrum at the time of acquisition constitutes 50% or more of the outstanding voting shares of NOVAGOLD. For purposes of this paragraph (b), all Convertible Securities owned by Electrum will be deemed to be fully converted or exercised and the number of outstanding voting shares of NOVAGOLD will be adjusted to reflect such conversion or exercise and Electrum includes all persons acting jointly or in concert with Electrum;
- (c) a majority of the then-incumbent Board of Directors' nominees for election to the Board of Directors of NOVAGOLD are not elected at any annual or special meeting of shareholders of NOVAGOLD; or
- (d) NOVAGOLD is merged, amalgamated, consolidated or reorganized into or with another body corporate or other legal person and, as a result of such business combination, more than 40% of the voting shares of such body corporate or legal person immediately after such transaction are beneficially held in the aggregate by a person or body corporate (or persons or bodies corporate acting jointly or in concert) and such person or body corporate (or persons or bodies corporate acting jointly or in concert) beneficially held less than 40% of the voting shares of NOVAGOLD immediately prior to such transaction.

Notwithstanding the foregoing provisions of paragraphs 7.2(a), (b) and (d), unless otherwise determined in a specific case by majority vote of the Board of Directors, a "Change of Control" shall not be deemed to have occurred for the purposes of paragraphs (a), (b), and (d) solely because NOVAGOLD, an entity in which NOVAGOLD directly or indirectly beneficially owns 50% or more of the outstanding voting shares (a "Subsidiary"), or any NOVAGOLD sponsored employee stock ownership plan or any



other employee benefit plan of NOVAGOLD or any Subsidiary either files or becomes obligated to file a report or a proxy statement under National Instruments NI 51-102 (Continuous Disclosure), NI 62-103 (Early Warning) or NI 81-102 (Mutual Funds) (or any successor schedule, form or report or item therein) under the OSA, or in any other fashion authorized by a regulatory authority having due jurisdiction, disclosing beneficial ownership by it of voting shares of NOVAGOLD, whether in excess of forty percent (40%) or otherwise, or because NOVAGOLD reports that a change in control of NOVAGOLD has occurred or will occur in the future by reason of such beneficial ownership; nor if NOVAGOLD is a party to any amalgamation, merger or similar transaction involving only NOVAGOLD and its Subsidiaries and which does not result in any change of beneficial ownership of any shares of NOVAGOLD or of the shares received by former shareholders of NOVAGOLD in any entity resulting from that transaction.

### **7.3 Limitation on Benefits**

Notwithstanding anything to the contrary in this Agreement, to the extent Executive receives any payments and benefits, whether payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (including, but not limited to, any payments and benefits subject to any plan, program, arrangement, agreement, or award) in connection with a Change of Control ("Total Payments"), which would be subject to the excise tax under U.S. Code section 4999 but for the operation of this Section 7.3, then the aggregated amount of the Total Payments shall be reduced to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax, but only if (A) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to (B) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which the Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

Subject to the provisions of this Section 7.3, all determinations required to be made under this Section 7.3, including whether and the extent to which the Total Payments will be subject to the Excise Tax and the assumptions to be utilized in arriving at such determination, shall be made by a nationally recognized accounting firm selected by the Executive. Such firm shall not be a firm then serving as accountant or auditor for the individual, entity or group effecting the Change in Control (the "Auditor"). Such firm will provide detailed supporting calculations both to the Company and the Executive within fifteen (15) business days of the receipt of notice from the Executive that there has been a payment as a result of a Change of Control, or such earlier time as is requested by the Company. All fees and expenses of the Auditor shall be borne solely by the Company.

## **8. EMPLOYEE RELEASE**



In order for the Executive to receive the severance payment and the payments with respect to group health, dental, life and disability coverage under Section 6.3, the severance payment under section 6.4(b)(ii) or the payments under Section 7.1 of this Agreement ("Severance Payments"), the Executive must sign a "Separation Agreement and Release" in a form agreeable to the Company, including a release of claims in the form provided by the Company, on or prior to the date of the expiration of any consideration period under applicable law. The Company agrees to provide the Executive with a release acceptable to the Company within 10 days of the date of termination of Executive's employment, and in all cases no later than a date such that the last day of any revocation period set forth in the release will occur on or before February 28 of the year following the year in which the termination of employment occurs. Severance Payments will be paid after the execution of the release and the expiration of any revocation period set forth in the release, and, except for the reimbursement of COBRA premiums for group health and dental coverage, all Severance Payments will be paid no later than March 15 of the year following the year in which termination of employment occurs. If the Executive fails to sign the release within the time frame provided under this Article 8, the Executive will forfeit any right to Severance Payments and he shall not be entitled to Severance Payments or to any payments replacing the Severance Payments.

#### **9. INDEMNIFICATION**

The Company and the Executive agree to execute the attached Indemnity Agreement.

#### **10. PERSONAL NATURE**

The obligations and rights of the Executive under this Agreement are personal in nature, based upon the singular skill, qualifications and experience of the Executive.

#### **11. RIGHT TO USE EXECUTIVE'S NAME AND LIKENESS**

During the term of this Agreement, the Executive hereby grants to the Company and its affiliates the right to use the Executive's name, likeness and/or biography in connection with the services performed by the Executive under this Agreement and in connection with the advertising or exploitation of any project with respect to which the Executive performs services for the Company.

#### **12. LEGAL ADVICE**

The Executive hereby represents, warrants, and acknowledges to the Company that the Executive has had the opportunity to receive independent legal advice prior to the execution and delivery of this Agreement.

#### **13. WAIVER**

No consent or waiver, express or implied, by any party to this Agreement of any breach or default by any other party in the performance of its obligations under this Agreement or of any of the terms, covenants or conditions of this Agreement shall be deemed or construed to be a consent or waiver of any subsequent or continuing breach or default in such party's performance



or in the terms, covenants and conditions of this Agreement. The failure of any party to this Agreement to assert any claim in a timely fashion for any of its rights or remedies under this Agreement shall not be construed as a waiver of any such claim and shall not serve to modify, alter or restrict any such party's right to assert such claim at any time thereafter.

#### **14. NOTICES**

##### **14.1 Delivery of Notices**

Any notice relating to this Agreement or required or permitted to be given in accordance with this Agreement shall be in writing and shall be personally delivered or mailed by registered mail, postage prepaid to the address of the parties set out on the first page of this Agreement. Any notice shall be deemed to have been received if personally delivered, when delivered, and if mailed, on the fifth day (excluding Saturdays, Sundays and holidays) after the mailing thereof. If normal mail service is interrupted by strike, slowdown, force majeure or other cause, a notice sent by registered mail will not be deemed to be received until actually received and the party sending the notice shall utilize any other services which have not been so interrupted or shall deliver such notice in order to ensure prompt receipt thereof.

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##### **14.2 Change of Address**

Each party to this Agreement may change its address for the purpose of this Article 14 by giving written notice of such change in the manner provided for in section 14.1.

#### **15. APPLICABLE LAW**

This Agreement shall be governed by and construed in accordance with the laws of the state of Utah and the federal laws of the United States applicable therein, which shall be deemed to be the proper law hereof. The parties hereto hereby submit to the jurisdiction of the courts of Utah, venued in Salt Lake City. The Executive agrees that the aforementioned courts shall have exclusive jurisdiction of a lawsuit arising from or relating to Executive's employment with, or termination from, the Company or its affiliates. All obligations of the parties under this Agreement are subject to receipt of all necessary approvals of the applicable securities regulatory authorities. This Agreement is intended to fall within the exception in U.S. Treasury Regulation 1-409A-1(b)(4) for short term deferrals or other applicable exceptions and will be interpreted and administered accordingly.

#### **16. SEVERABILITY**

If any provision of this Agreement for any reason be declared invalid, such declaration shall not affect the validity of any remaining portion of the Agreement, which remaining portion shall remain in full force and effect as if this Agreement had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portions of this Agreement without including therein any such part, parts or portion which may, for any reason, be hereafter declared invalid.



**17. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties hereto and there are no representations or warranties, express or implied, statutory or otherwise other than set forth in this Agreement and there are no agreements collateral hereto other than as are expressly set forth or referred to herein. This Agreement cannot be amended or supplemented except by a written agreement executed by all parties hereto.

**18. NON-ASSIGNABILITY**

This Agreement shall not be assigned by any party to this Agreement without the prior written consent of the other parties to this Agreement.

**19. BURDEN AND BENEFIT**

This Agreement shall endure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

**20. TIME**

Time is of the essence of this Agreement.

**21. WITHHOLDING**

The Company shall withhold from any amounts payable under this Agreement such taxes and other amounts as may be required to be withheld pursuant to any applicable law or regulation.

**22. COUNTERPARTS**

This Agreement may be executed in counterparts and such counterparts together shall constitute one and the same instrument.



IN WITNESS WHEREOF the parties hereto have executed this Agreement effective as of the  
1<sup>st</sup> day of January 2013.

NOVAGOLD USA INC.



/s/ Gregory Lang

Per: GREGORY LANG  
PRESIDENT AND CHIEF EXECUTIVE OFFICER

/s/ Richard A. Williams

RICHARD A. WILLIAMS

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SCHEDULE A



**EMPLOYMENT AGREEMENT**

**BETWEEN:**

Peter Adamek, an individual residing at 129 Chaplin Crescent, Toronto, Ontario, M5P 1A6, Canada

(the "Executive")

**AND:**

NOVAGOLD USA, Inc., a company incorporated pursuant to the laws of Delaware, and having its principal office in Salt Lake City, at One Utah Center, 201 South Main Street, Suite 400, Salt Lake City, Utah, 84111

(the "Company")

**WHEREAS:**

- A. The Company is a wholly owned subsidiary of NOVAGOLD Resources Inc., a company formed under the laws of British Columbia ("NOVAGOLD").
- B. NOVAGOLD is a natural resource company currently engaged in the acquisition, exploration and development of mineral properties, and the Company provides administrative services to NOVAGOLD and its subsidiaries;
- C. The Company wishes to employ and the Executive wishes to supply their services in the capacity of Vice President and Chief Financial Officer on the terms and conditions set out in this Agreement;
- D. The Company and the Executive desire that this employment relationship and the terms thereof be formally embodied in this Agreement;

**THEREFORE** in consideration of the recitals, the following covenants and the payment of one dollar made by each party to the other, the receipt and sufficiency of which are acknowledged by each party, the parties agree on the following terms:

**1. ENGAGEMENT AND DURATION**

**1.1 Engagement**

The Company hereby employs the Executive as Vice President and Chief Financial Officer, and the Executive accepts such employment. NOVAGOLD has also agreed to appoint the Executive as Vice President and Chief Financial Officer of NOVAGOLD.

**1.2 Term**

The Executive's employment pursuant to the terms of this Agreement shall commence effective July 25, 2024 (the "Start Date") and shall continue indefinitely, unless and until terminated as set forth herein.

**1.3 At-Will Employment**

The Executive's employment is at-will, and either the Executive or the Company may terminate the relationship at any time, with or without prior notice; provided, however, that the right to any compensation paid upon termination will be subject to the provisions of Articles 6 and 7 of this Agreement.

**2. DUTIES****2.1 Performance of Duties**

The Executive shall act as Vice President and Chief Financial Officer and the Executive shall perform such services and duties as are normally provided by a Vice President and Chief Financial Officer of a company in a business and of a size similar to NOVAGOLD, and such other services and duties as may reasonably be assigned from time to time.

**2.2 Other Boards or Committees**

The Executive's performance of reasonable personal, civic, or charitable activities or the Executive's service on any boards or committees of any private or public companies shall not be deemed to interfere with the performance of the Executive's services and responsibilities to the Company pursuant to this Agreement, so long as there is no conflict or potential conflict between the business of the Company and the business of the private or public companies. The Executive agrees to inform the Board of Directors of NOVAGOLD (the "Board of Directors") prior to the Executive being appointed to any such board or committee. The Executive's right to participate on such boards or committees shall be subject to approval of the Board of Directors, acting reasonably. The Board of Directors acknowledges that as of the date of this Agreement, the Executive is a director of the companies set forth in Schedule A hereto, and approves the Executive's right to participate on such boards.

**2.3 Principal Place of Work**

The Executive duties shall be performed at the Company's principal executive offices which are currently located in Salt Lake City, Utah. The Executive acknowledges that such duties and responsibilities may involve a reasonable amount of traveling. Executive may work remotely from time to time as permitted by the Company's President and Chief Executive Officer ("CEO") and Human Resources Department, acting reasonably; however, Executive shall not establish residency in a state other than Utah without the prior express written consent of the CEO and Human Resources. The Company is not obligated to pay for or reimburse Executive's expenses for commuting to the

Company's principal executive office in Salt Lake City, Utah.

#### **2.4 Reporting**

The Executive shall report directly to the President and Chief Executive Officer ("CEO") of the Company.

#### **2.5 Instructions**

The Executive will, subject to the terms of this Agreement, comply promptly and faithfully with the reasonable and lawful instructions, directions, requests, rules and regulations of the Board of Directors and the CEO.

### **3. REMUNERATION AND BENEFITS**

#### **3.1 Salary**

The Company shall pay to the Executive for the services rendered under this Agreement an annual salary of US\$400,000, subject to all applicable statutory deductions and payable in substantially equal installments on the dates that the Company has established for paying wages to its employees. Executive understands that the position is classified as exempt under both state and federal wage and hour law.

#### **3.2 Annual Review**

The annual salary referred to in section 3.1 shall be reviewed at least annually by the CEO in consultation with the Executive. The CEO shall make recommendations to the Board of Directors or the compensation committee of the Board of Directors ("Compensation Committee") regarding appropriate salary adjustments. The annual salary referred to in section 3.1 shall be increased by such amount as is determined by the Board of Directors or the Compensation Committee in its sole discretion taking into consideration the recommendations of the CEO, the performance of the Executive and the performance of the Company provided, however, that in no event shall the annual salary be less than the annual salary payable in the previous fiscal year.

#### **3.3 Reimbursement of Expenses**

The Company shall reimburse the Executive for all reasonable expenses incurred in the performance of this Agreement provided that the Executive provides the Company with written expense accounts and appropriate receipts with respect to each calendar month, by no later than the end of the calendar month following the incurring of such expenses. The Company shall provide the Executive with, or reimburse the Executive for, services and fees necessary for the performance of the Executive's duties including, but not limited to, membership in the Executive's professional institute and required continuing professional education.

#### **3.4 Health and Welfare Benefits**

The Company shall provide the Executive with group life, long-term disability, extended medical and dental insurance coverage ("Benefit Coverage") in accordance with the terms of the benefit plans in effect from time to time and, to the extent provided by such plans, the Company shall extend medical and dental insurance coverage to the Executive's spouse and child dependents. The Company may, in the Company's discretion, change such Benefit Coverage or amend such benefits from time to time, as long as such changes do not apply solely to the Executive.

### 3.5 Directors and Officers Liability Insurance

NOVAGOLD shall provide the Executive with directors' and officers' liability insurance appropriate to the nature of the Executive's responsibilities under this Agreement. The directors' and officers' liability insurance will be subject to the terms and conditions of the insurance policy's coverage.

### 3.6 Vacation

The Executive shall initially be entitled to five (5) weeks of paid vacation each calendar year with the Company. Changes to the amount of vacation Executive is entitled to thereafter shall be in accordance with the Company's employee guide in effect from time to time. The Executive shall be entitled to a pro-rata portion of the Executive's vacation entitlement for any part year of employment. The Executive shall take such vacation only at times approved in advance by the CEO, which approval shall not be unreasonably withheld, conditioned, or delayed. The Executive shall be covered by the Company's vacation policy for banking and forfeiture of vacation days. In addition, the Executive shall be entitled to statutory holidays and the number of paid holidays provided for under the policies and procedures of the Company, as they exist from time to time.

### 3.7 Other Benefits

In addition to any other compensation or benefits to be received by the Executive pursuant to this Agreement, the Executive shall be eligible to participate in all executive benefits which the Company may from time to time provide to its senior executives. For greater certainty, and among other things, the Executive shall be eligible to participate in the NOVAGOLD's Stock Award Plan ("Option Plan") and Performance Share Unit Plan ("PSU Plan"), as amended from time to time. All stock option and performance share unit ("PSU") grants are at the discretion of the Board of Directors and are subject to, and will be made in accordance with, the guidelines of the NYSE-American, Toronto Stock Exchange or other applicable stock exchange and NOVAGOLD's Option Plan or PSU Plan, as applicable.

For 2024, the Executive's Long Term Incentive Target is 250% of base salary. The Long Term Incentive benefit is distributed approximately 50% in stock options and 50% in PSU grants. The terms and conditions upon which Executive shall be entitled to receive the Long Term Incentive Target shall be set by the Board in its sole discretion and Executive's entitlement to such Long Term Incentive Target shall be determined by the Board in its sole discretion.

The Executive shall receive an initial grant of 300,000 options to be issued and priced by resolution of the Board of Directors after Executive has commenced employment with the Company in accordance with the requirements of the NYSE-American, the Toronto Stock Exchange, the Option Plan, and applicable securities laws. One third of these options vest upon the first anniversary of the grant date, with the second 1/3 to vest on the second anniversary of the grant date, and the final 1/3 to vest on the third anniversary of the grant date. The terms and conditions of the options, including the manner of exercise, will be in accordance with the terms of the Option Plan, any applicable award agreement and the requirements of the NYSE-American, the Toronto Stock Exchange and applicable securities laws. Any stock options granted to the Executive shall have an exercise price that is not less than the fair market value of the stock on the date of the grant and otherwise satisfies the requirements specified in U.S. Treasury Regulation 1-409A-l(b)(5)(i)(A).

The Executive shall receive a signing bonus in the amount of US\$175,000 less applicable taxes, payable on upon the commencement of employment. If the Executive's employment with the Company is terminated by the Executive voluntarily under Section 6.1(a) or by the Company with Just Cause prior to the one-year anniversary of the Start Date, the Executive shall be required to partially repay the signing bonus on a pro-rata basis.

The Executive can participate in the Company's Retirement Savings Plan (the "401(k) Plan") (the Company currently matches 100% of contributions up to 5% of base salary, subject to applicable contribution limits) and the Employee Share Purchase Plan (eligible to contribute up to 5% of base salary and the Company will match 50% of this amount).

### **3.8 Equipment**

The Company shall provide the Executive with such equipment as the Executive and CEO agree is necessary for performance of the Executive's duties which shall include a computer and a cell phone for use in carrying out Company business. This equipment will remain Company property and will be subject to the applicable policies and procedures of the Company regarding the Company's equipment, including the obligation of each employee to return such property upon termination of employment.

### **3.9 Annual Incentive Program**

The Executive shall be entitled to participate in the Company's Annual Incentive Program (the "Annual Incentive Program") according to the terms of the Annual Incentive Program which the Company or NOVAGOLD may, in its discretion, change, abolish or amend from time to time, with or without notice.

For 2024, the Executive's Annual Incentive Target is 80% of base salary with a multiplier of up to 1.5 times. The Annual Incentive Program payment to the Executive will be paid in U.S. dollars.

### **3.10 Payroll**

The Company may at its election provide remuneration and benefits set out in Article 3 of this agreement through an affiliate of the Company.

## **4. CONFIDENTIALITY AND NON-DISCLOSURE**

### **4.1 "Confidential Information"**

The term "Confidential Information" means any and all information concerning any aspect of the Company, NOVAGOLD, or any of their affiliates not publicly disclosed, which the Executive may receive or develop as a result of this engagement by or involvement with the Company, and including all technical data, concepts, reports, programs, processes, technical information, trade secrets, systems, business strategies, financial information and other information unique to the Company, NOVAGOLD, or their affiliates. All Confidential Information, including notes, diagrams, maps, reports, notebook pages, memoranda, sample materials and any excerpts thereof that include Confidential Information are the property of the Company or parties for whom the Company acts as agent or who are customers of the Company, as the case may be, and are strictly confidential to the Company and/or such parties. The Executive shall not make any unauthorized disclosure or use of and shall use best efforts to prevent unauthorized disclosure or use of such Confidential Information.

#### **4.2 Equitable Remedies**

The Executive acknowledges that any unauthorized disclosure-or-use-of-such confidential Information by the Executive may result in material damages to the Company or NOVAGOLD and that the Company and NOVAGOLD shall be entitled to seek injunctive relief or any other legal or equitable remedy to prohibit, prevent or enjoin unauthorized disclosure or use of Confidential Information by the Executive. Executive hereby waives the need for the Company or NOVAGOLD to post any bond or security in connection therewith. The Executive acknowledges and agrees that the unauthorized disclosure or use of Confidential Information will cause irreparable harm to the Company or NOVAGOLD that cannot be adequately compensated by damages. This section 4.2 shall not affect any damages or other remedies to which the Company or NOVAGOLD may be entitled under this Agreement, at law or in equity, arising from any breaches of such liabilities or obligations by Executive, including but not limited to all remedies at law.

#### **4.3 Use of Confidential Information**

Except as authorized by the Company, the Executive will not:

- (a) duplicate, transfer or disclose nor allow any other person to duplicate, transfer or disclose any of the Confidential Information; or
- (b) use the Confidential Information without the prior written consent of the Company.

#### **4.4 Protection of Confidential Information**

The Executive will safeguard all Confidential Information at all times so that it is not exposed to or used by unauthorized persons and will exercise the utmost degree of care used to protect such Confidential Information.

#### **4.5 Exception**

Executive acknowledges that certain whistleblower laws permit Executive to communicate directly with governmental or regulatory authorities, including communications with the U.S. Securities and Exchange Commission about possible securities law violations, without the Company's permission or notification, and that the Company will not consider such communications to violate this or any other agreement between Executive and the Company or any Company policy.

Executive acknowledges that under U.S. Defend Trade Secrets Act of 2016, Executive will not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a trade secret that is made in confidence to government officials, either directly or indirectly, or to an attorney, in each case solely for the purpose of reporting or investigating a suspected violation of law, or in a complaint or other document filed in a lawsuit or other proceeding, provided such filing is made under seal. If Executive has any questions as to what comprises such Confidential Information or trade secrets, or to whom if anyone it may be disclosed, Executive will consult with the Company. Executive understands that in the event it is determined that the disclosure of Company trade secrets was not done in good faith, Executive will be subject to substantial damages, including punitive damages and attorneys' fees.

The restrictive obligations set forth above shall not apply to the disclosure or use of any information which:

- (a) is or later becomes publicly known under circumstances involving no breach of this Agreement by the Executive;
- (b) is already known to the Executive at the time of receipt of the Confidential Information;
- (c) is lawfully made available to the Executive by a third party;
- (d) is disclosed by the Executive pursuant to a requirement of a governmental department or agency or disclosure is otherwise required by operation of law, provided that the Executive gives notice in writing to the Company of the required disclosure immediately upon becoming advised of such required disclosure and provided also that the Executive delays such disclosure so long as reasonably possible in order to permit the Company to appeal or otherwise oppose such required disclosure and provides the Company with such assistance as the Company may reasonably require in connection with such appeal or other opposition;
- (e) is disclosed to a third party under an approved confidentiality agreement; or
- (f) is disclosed in the course of the Executive's proper performance of the Executive's duties under this Agreement.

#### **4.6 Removal of Information**

The Executive will not, without the written consent of the CEO, remove any information relating to the Company, or any third party with which the Company is conducting business, from the premises where the Executive is working, unless required in the normal performance of the Executive's duties under this Agreement.

#### **4.7 New Discoveries**

Any inventions, discoveries or improvements in systems, methods and processes made by the Executive in the course of this employment and any mineral discoveries and opportunities to acquire mineral assets or interests therein which come to the Executive in the course of this employment will be disclosed to the Company forthwith in writing, and shall belong to and be the absolute property of the Company if so designated by the Company in writing within a reasonable time following the Executive's disclosure.

#### **4.8 Work Product and Copyrights.**

Employee agrees that all right, title and interest in and to the materials resulting from the performance of Executive's duties at the Company and all copies thereof, including works in progress, in whatever media, (the "Work"), will be and remain in the Company upon their creation. Executive will mark all Work with the Company's copyright or other proprietary notice as directed by the Company. Executive further agrees:

4.8.1 To the extent that any portion of the Work constitutes a work protectable under the copyright laws of the United States (the "Copyright Law"), that all such Work will be considered a "work made for hire" as such term is used and defined in the Copyright Law, and that the Company will be considered the "author" of such portion of the Work and the sole and exclusive owner throughout the world of such copyright; and

4.8.2 If any portion of the Work does not qualify as a "work made for hire" as such term is used and defined in the Copyright Law, that Executive hereby assigns and agrees to assign to the Company, without further consideration, all right, title and interest in and to such Work or in any such portion of such Work and any copyright in such Work and further agrees to execute and deliver to the Company, upon request, appropriate assignments of such Work and copyright in such Work and such other documents and instruments as the Company may request to fully and completely assign such Work and copyright in such Work to the Company, its successors or nominees, and that Executive appoints the Company as attorney-in-fact to execute and deliver any such documents on Executive's behalf in the event Executive should fail or refuse to do so within a reasonable period following the Company's request.

#### **4.9 Inventions and Patents.**

For purposes of this Agreement, "Inventions" includes, without limitation, information, inventions, contributions, improvements, ideas, or discoveries, whether protectable or not, and whether or not conceived or made during work hours. Executive agrees that all Inventions conceived or made by Executive during the period of employment with the Company belong to the Company, provided they grow out of Executive's work with the Company or are related in some manner to the Business, including, without limitation, research and product development, and projected business of the Company or its affiliated companies. Accordingly, Executive:

4.9.1 Will make adequate written records of such Inventions, which records will be the Company's property;

4.9.2 Does hereby assign to the Company any rights Executive may have to such Inventions for the U.S. and all foreign countries;

4.9.3 Will waive and agree not to assert any moral rights Executive may have or acquire in any Inventions and agree to provide written waivers from time to time as requested by the Company; and

4.9.4 Will assist the Company (at the Company's expense) in obtaining and maintaining patents or copyright registrations with respect to such Inventions.

Except as set forth on the initialed Exhibit C (List of Inventions) to this Agreement, if any, Executive represents and warrants that Executive has no Inventions, software, writings or other works of authorship useful to the Company in the normal course of the Business, which were conceived, made or written prior to the date of this Agreement and which are excluded from the operation of this Agreement.

Pursuant to Utah Code §34-39-3, nothing in this Agreement requires Executive to assign or license, or to offer to assign or license, to the Company any right or intellectual property in or to an invention that is: (a) created by the employee entirely on his own time; and (b) not an Employment Invention. An "Employment Invention" means any invention or part thereof conceived, developed, reduced to practice, or created by an employee which is:

- (a) conceived, developed, reduced to practice, or created by Executive:
  - (i) within the scope of Executive's Employment;
  - (ii) on the Company's time; or
  - (iii) with the aid, assistance, or use of any of the Company's property, equipment, facilities, supplies, resources, or intellectual property;
- (b) the result of any work, services, or duties performed by Executive for the Company;
- (c) related to the industry or trade of the Company; or
- (d) related to the current or demonstrably anticipated business, research, or development of the Company.

#### **4.10 Survival**

The provisions of this Article 4 shall survive the termination of this Agreement.

#### **4.11 Non-Solicitation**

The Executive shall not, for a period of six (6) months following the termination of the Executive's employment for any reason, without the prior written consent of the CEO, for the Executive's account or jointly with another, either directly or indirectly, for or on behalf of the Executive's or any individual, partnership, corporation or other legal entity, as principal, agent, employee or otherwise:

- (a) solicit, influence, entice or induce, attempt to solicit, influence, entice or induce any person who is employed by the Company or any affiliate of the Company to leave such employment; or
- (b) solicit or attempt to solicit business from any person, firm, or corporation whatsoever that has at any time in the last two (2) years of the Executive's employment with the Company or any predecessor of the Company, been a customer of the Company, an affiliate company, or of any of their respective predecessors. For purposes of this subsection "solicit or attempt to solicit business" includes but is not limited to, any attempt to influence, entice or induce any such customer to either a) cease or reduce its business with the Company, or b) do business with Executive or a third-party that is in any way competitive with the business of the Company or any affiliate of the Company. This subsection shall not prohibit the Executive from soliciting business from any such customer where such solicitation is unrelated to the business carried on by the Company or any affiliate of the Company.

The Executive agrees that all restrictions contained in this Agreement are reasonable and valid and all defenses to the strict enforcement thereof by the Company are waived by the Executive.

## **5. DELIVERY OF RECORDS**

Upon the termination of the employment of the Executive by the Company, or at any time the Company requests, the Executive will deliver to the Company all books, records, lists, brochures and other property belonging to the Company or developed in connection with the business of the Company, including any Confidential Information, and will execute such transfer documentation as is necessary to transfer such property or intellectual property to the Company.

## **6. TERMINATION**

### **6.1 The Executive's Right to Terminate**

The Executive may terminate his obligations under this Agreement:

- (a) at any time upon providing three months' notice in writing to the Company; or
- (b)
  - (i) upon a material breach or default of any term of this Agreement by the Company provided that if such material breach or default is capable of being remedied by the Company, it has not been remedied within 30 days after written notice of the material breach or default has been delivered by the Executive to the Company, or
  - (ii) if the Company requires the Executive to change his principal office to a location outside the 50-mile radius of the Company's principal executive offices located in Salt Lake City, Utah.

The Company may waive the notice requirements set out in paragraph (a) above in whole or in part and if it does so, the Executive's entitlement to remuneration and benefits as set out in sections 6.3 and 6.4 as applicable will apply as of the date the Company waives such notice.

### **6.2 Company's Right to Terminate**

The Company may terminate the Executive's employment under this Agreement at any time:

- (a) for "Just Cause" which shall include, without limitation, any of the following events:
  - (i) failure to perform all assigned duties in a competent and diligent manner as described in this Agreement and as may be assigned or changed from time to time by the Company;
  - (ii) failure to comply with any legal directive of the CEO or the Board of Directors;
  - (iii) engaging in dishonesty, illegal conduct, or other misconduct that is any way injurious to the Company or its affiliates;
  - (iv) material violation of any Company policy;

- (v) unauthorized disclosure of any Confidential Information;
  - (vi) material breach of this Agreement or any other written agreement between Executive and the Company;
  - (vii) theft, dishonesty, or fraud by the Executive with respect to the business of the Company; or
  - (viii) the conviction of the Executive for a criminal offense that gives rise or is likely to give rise to NOVAGOLD's market or NOVAGOLD's stock being subject to a cease-trade order by a Canadian or U.S. securities regulatory authority.
- (b) upon the Executive dying or becoming permanently disabled or disabled for a period exceeding 180 consecutive days or for a period of 180 non-consecutive days calculated on a cumulative basis over any two-year period during the term of this Agreement. The Executive shall be deemed to have become disabled if, because of ill health, physical, mental disability or for other causes beyond the control of the Executive, the Executive has been unable or unwilling or has failed to perform the essential functions of Executive's position under this Agreement, with or without reasonable accommodation (provided that no accommodation that imposes undue hardship on the Company will be required); or
  - (c) at any time upon making the severance payment contemplated in section 6.3 to the Executive subject to the terms of this Agreement, including Article 8.

### **6.3 Severance Payment**

In the event of the termination of the Executive's employment:

- (a) by the Executive pursuant to subsection 6.1(b) of this Agreement; or
- (b) by the Company pursuant to subsection 6.2(c) or by the Company in breach of this Agreement;

and if the Executive first executes and then does not revoke as may be allowed by law a full general release of claims in favor of the Company as described in Article 8, the Company shall pay to the Executive a lump sum severance payment within ten (10) days after the expiration of such revocation period described equal to:

- (c) an amount equal to the Executive's annual salary at the time of termination of the Executive's employment plus the Executive's annual incentive target for the fiscal year pursuant to the Annual Incentive Program, multiplied by two in the event that such termination occurs before the first anniversary of this Agreement; or
- (d) an amount equal to the Executive's annual salary at the time of termination of the Executive's employment plus the Executive's annual incentive earned in the previous fiscal year pursuant to the Company's Annual Incentive Program, multiplied by two in the event that such termination occurs on or after the first anniversary of this Agreement.

- (e) Further, the Company will pay to the Executive, as soon as practical following the Executive's termination of employment, but in all events no later than March 15 of the year following the year of termination, a lump sum payment equal to the Company's cost of providing group life and long-term disability insurance coverage to the Executive for a period of 12 months. In addition, if the Executive elects to continue group health and/or dental coverage under COBRA, the Company will reimburse the Executive for any monthly COBRA premiums paid by the Executive for a period of up to twelve (12) months, subject to Article 8. The Executive agrees to notify the Company immediately upon becoming covered by another group health plan. The Executive is responsible for electing COBRA coverage and remitting all premium payments directly to the plan administrator for such coverage, within deadlines set forth by the plan. If, at the time of Executive's termination of employment, the Company is unable to continue any such benefits, or to provide them to the Executive on a tax-favored basis, the Company will instead pay to the Executive an amount equal to the present value of the Company's cost of providing such benefits, such amount to be paid as soon as possible following Executive's termination, but in all cases by March 15th of the year following Executive's termination of employment.

In addition, the Company shall reimburse the Executive within 10 days of such termination for all expenses as contemplated by section 3.3.

#### **6.4 Compensation Otherwise Due to the Executive on Termination**

In the event of the termination of the Executive's employment under this Agreement in circumstances other than those set out in section 6.3 of this Agreement, including termination for "Just Cause" the Company shall pay the following amounts to the Executive:

- (a) if terminated pursuant to subsections 6.1(a) or 6.2(a) of this Agreement, the Company shall pay to the Executive within 10 days of the termination unless otherwise required by law the Executive's then-current annual salary accrued through the date of termination pursuant to section 3.1 of this Agreement or effective date of resignation, as applicable, and Executive shall not be entitled to any further remuneration or benefits except as may be required by law; or
- (b) if terminated pursuant to subsection 6.2(b) of this Agreement, and if the Executive (or Executive's estate in the case of Executive's death) first executes and then does not revoke as may be allowed by law a full general release of claims in favor of the Company as described in Article 8, the Company shall pay to the Executive:
- (i) the Executive's then-current annual salary accrued pursuant to this Agreement as of the date of termination, which shall be paid within ten (10) days of the termination unless otherwise required by law; and
  - (ii) a lump sum equal to the Executive's annual salary at the time of termination of the Executive's employment which shall be paid within ten (10) days after Executive executes a release without revocation as described in Article 8. Such payment will be made no later than March 15 of the year following the year of such termination.

### **6.5 Property Interests**

If the Executive's employment with the Company is terminated, and within two years of such termination, the Executive acquires directly or indirectly other than from the Company or its affiliates any present or future interest in any mining claims, properties, or mineral interests situated in whole or in part within 10 kilometers of the external boundaries of any mineral property held by the Company or its affiliates during the time the Executive was employed by the Company, the Executive will offer the Company, in writing, the right to acquire such interest in exchange for reimbursement of the direct and indirect acquisition costs incurred by the Executive. The Company shall have 30 days after receipt of such offer to accept the offer and 90 days after receipt of such offer to reimburse such costs. For further clarity, the requirements of Section 6.5 shall not preclude a company that employs the Executive subsequent to the termination of the Executive's employment with the Company from acquiring, directly or indirectly, any present or future interest in any mining claims, properties, or mineral interests wherever situated for the account of such company.

### **6.6 Non-Competition**

The Executive hereby agrees that Executive will not, without express written consent of the Board, which may be provided to the Executive in the Board's sole discretion, during the Term of this Agreement and for a period of one (1) year after the termination of this Agreement for any reason, within ten (10) kilometers of the locations of the Company's Mineral Interests as of the date of termination of this Agreement, directly or indirectly accept work from, or perform work for, any firm, partnership, association, organization, company, or company that is competitive with the business activities of the Company. "Mineral Interests" means the Company's mineral claims or mineral concessions. Notwithstanding the provisions set out in this Paragraph 6.6, the Executive may purchase publicly traded securities of any company that is competitive with the Business Activities of the Company. The Executive acknowledges and agrees that the restrictions in this Paragraph 6.6 are reasonable in the circumstances of the Executive's employment and that the business and affairs of the Company cannot be properly protected from the adverse consequences of the actions of the Executive other than by the restrictions set forth in this Agreement.

### **6.7 Resignations**

Upon termination of the Executive for whatever reason the Executive shall forthwith execute and deliver to the Company a written resignation from any and all offices of the Company and its affiliates, without claim for compensation for loss of office.

### **6.8 Payments in Full Settlement**

The Executive acknowledges and agrees that the payments pursuant to this Article 6 shall be in full satisfaction of all claims, losses, costs, damages or expenses in connection with the employment and the termination of employment under this Agreement. Except as provided in this Article, the Executive shall not be entitled to any further termination payments, damages, or compensation, whatsoever in connection with the employment of the Executive and the termination thereof. As a condition precedent to any severance payment pursuant to this Article, the Executive agrees to deliver to the Company, without revocation, prior to any such payment, a full and final release from all actions and claims in connection with the employment and the termination of employment or any losses, costs, damages or expenses resulting there from in favor of the Company, its affiliates, subsidiaries, directors, officers, employees and agents in a form satisfactory to the Company, as more fully described in Article 8 below. Should the Executive choose not to execute such a release, the Company is released from any obligation under this Article 6 to provide any severance or termination pay other than those payments required by law.

## 7. CHANGE OF CONTROL

### 7.1 Termination by Company.

In the event that within the twelve (12) month period immediately following a Change of Control (as defined in section 7.2 of this Agreement), any of the following occur:

- (a) a material change (other than a change that is clearly and exclusively consistent with a promotion) in the Executive's position, duties, responsibilities, title or offices with the Company or NOVAGOLD in effect immediately prior to any Change of Control;
- (b) a material reduction in the Executive's Base Salary in effect immediately prior to any Change of Control; or
- (c) any material breach by the Company of any material provision of this Agreement;
- (d) any action or event that would constitute a constructive dismissal of Executive at common law,

then, if the Executive advises the Company in writing of the condition set forth above within ninety (90) days of the date the Executive has become aware (or reasonably should have become aware) of the condition, and the Company has not cured the condition within thirty (30) days from the receipt of written notice, the Executive's employment shall be deemed to have been terminated by the Company and the Company will, immediately upon such termination, and in all cases on or before March 15<sup>th</sup> of the year following the year in which such termination occurs, and subject to Article 8, the compensation and benefits described in Sections 6.3(c)-(e).

The Executive further agrees that compensation payable pursuant to this section 7.1 is in lieu of the severance package payable under section 6 of this Agreement and shall be the maximum compensation which the Executive is entitled to receive, including compensation in lieu of reasonable notice, and the Company will have no further obligations to the Executive with respect to the termination of this Agreement, the employment, or the termination of employment, including, without limitation, further severance pay. As a condition precedent to any payment pursuant to this Article, the Executive agrees to deliver to the Company, without revocation, prior to any such payment, a full and final release from all actions and claims in connection with the employment and the termination of employment or any losses, costs, damages or expenses resulting therefrom in favor of the Company, its affiliates, subsidiaries, directors, officers, employees and agents in a form satisfactory to the Company, as more fully described in Article 8 below. Should the Executive choose not to execute such a release, the Company is released from any obligation under this Article to provide any severance or termination pay other than those payments required by law.

## 7.2 Change of Control.

For the purposes of this agreement, a "Change of Control" means any of the following:

- (a) a sale of the assets of NOVAGOLD equal in value to at least 50% of the fair-market value of all of NOVAGOLD's assets to a party or parties acting jointly or in concert (as determined pursuant to the Ontario Securities Act, R.S.O. 1990, c.S.5, as amended (the "OSA"), mutatis mutandis) in one or more transactions occurring within a period of two (2) years; or
- (b) a direct or indirect acquisition by a person or group of persons acting jointly or in concert of voting shares of NOVAGOLD by such person or group of persons at the time of the acquisition, constitutes 40% or more of the outstanding voting shares of NOVAGOLD, provided that the direct or indirect acquisition by Electrum Strategic Resources LLC ("Electrum") of voting shares of NOVAGOLD shall not constitute a "Change of Control" unless the acquisition of such additional voting shares when taken together with any voting shares or securities convertible into voting shares ("Convertible Securities") held directly or indirectly by Electrum at the time of acquisition constitutes 50% or more of the outstanding voting shares of NOVAGOLD. For purposes of this paragraph (b), all Convertible Securities owned by Electrum will be deemed to be fully converted or exercised and the number of outstanding voting shares of NOVAGOLD will be adjusted to reflect such conversion or exercise and Electrum includes all persons acting jointly or in concert with Electrum;
- (c) a majority of the then-incumbent Board of Directors' nominees for election to the Board of Directors of NOVAGOLD are not elected at any annual or special meeting of shareholders of NOVAGOLD; or
- (d) NOVAGOLD is merged, amalgamated, consolidated or reorganized into or with another body corporate or other legal person and, as a result of such business combination, more than 40% of the voting shares of such body corporate or legal person immediately after such transaction are beneficially held in the aggregate by a person or body corporate (or persons or bodies corporate acting jointly or in concert) and such person or body corporate (or persons or bodies corporate acting jointly or in concert) beneficially held less than 40% of the voting shares of NOVAGOLD immediately prior to such transaction.

Notwithstanding the foregoing provisions of paragraphs 7.2(a), (b) and (d), unless otherwise determined in a specific case by majority vote of the Board of Directors, a "Change of Control" shall not be deemed to have occurred for the purposes of paragraphs (a), (b), and (d) solely because NOVAGOLD, an entity in which NOVAGOLD directly or indirectly beneficially owns 50% or more of the outstanding voting shares (a "Subsidiary"), or any NOVAGOLD sponsored employee stock ownership plan or any other employee benefit plan of NOVAGOLD or any Subsidiary either files or becomes obligated to file a report or a proxy statement under National Instruments NI 51-102 (Continuous Disclosure), NI 62-103 (Early Warning) or NI 81-102 (Mutual Funds) (or any successor schedule, form or report or item therein) under the OSA, or in any other fashion authorized by a regulatory authority having due jurisdiction, disclosing beneficial ownership by it of voting shares of NOVAGOLD, whether in excess of forty percent (40%) or otherwise, or because NOVAGOLD reports that a change in control of NOVAGOLD has occurred or will occur in the future by reason of such beneficial ownership; nor if NOVAGOLD is a party to any amalgamation, merger or similar transaction involving only NOVAGOLD and its Subsidiaries and which does not result in any change of beneficial ownership of any shares of NOVAGOLD or of the shares received by former shareholders of NOVAGOLD in any entity resulting from that transaction.

### **7.3 Limitation on Benefits**

Notwithstanding anything to the contrary in this Agreement, to the extent Executive receives any payments and benefits, whether payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (including, but not limited to, any payments and benefits subject to any plan, program, arrangement, agreement, or award) in connection with a Change of Control ("Total Payments"), which would be subject to the excise tax under U.S. Code section 4999 but for the operation of this Section 7.3, then the aggregated amount of the Total Payments shall be reduced to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax, but only if (A) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to (B) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which the Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

Subject to the provisions of this Section 7.3, all determinations required to be made under this Section 7.3, including whether and the extent to which the Total Payments will be subject to the Excise Tax and the assumptions to be utilized in arriving at such determination, shall be made by a nationally recognized accounting firm selected by the Executive. Such firm shall not be a firm then serving as accountant or auditor for the individual, entity or group effecting the Change in Control (the "Auditor"). Such firm will provide detailed supporting calculations both to the Company and the Executive within fifteen (15) business days of the receipt of notice from the Executive that there has been a payment as a result of a Change of Control, or such earlier time as is requested by the Company. All fees and expenses of the Auditor shall be borne solely by the Company.

### **8. EMPLOYEE RELEASE**

In order for the Executive to receive the severance payment and the payments with respect to group health, dental, life and disability coverage under Section 6.3, any of the severance payment under this Agreement, including but not limited to section 6.4, or the payments under Section 7.1 of this Agreement ("Severance Payments"), the Executive must sign a "Separation Agreement and Release" in a form agreeable to the Company, including a release of claims in the form provided by the Company, on or prior to the date of the expiration of any consideration period under applicable law. The Company agrees to provide the Executive with a release acceptable to the Company within ten (10) days of the date of termination of Executive's employment, and in all cases no later than a date such that the last day of any revocation period set forth in the release will occur on or before February 28 of the year following the year in which the termination of employment occurs. Severance Payments will be paid after the execution of the release and the expiration of any revocation period set forth in the release, and, except for the reimbursement of COBRA premiums for group health and dental coverage, all Severance Payments will be paid no later than March 15 of the year following the year in which termination of employment occurs. If the Executive fails to sign the release within the time frame provided under this Article 8, the Executive will forfeit any right to Severance Payments and he shall not be entitled to Severance Payments or to any payments replacing the Severance Payments.

**9. INDEMNIFICATION**

The Company and the Executive agree to execute the attached Indemnity Agreement.

**10. PERSONAL NATURE**

The obligations and rights of the Executive under this Agreement are personal in nature, based upon the singular skill, qualifications, and experience of the Executive.

**11. RIGHT TO USE EXECUTIVE'S NAME AND LIKENESS**

During the term of this Agreement, the Executive hereby grants to the Company and its affiliates the right to use the Executive's name, likeness and/or biography in connection with the services performed by the Executive under this Agreement and in connection with the advertising or exploitation of any project with respect to which the Executive performs services for the Company.

**12. LEGAL ADVICE**

The Executive hereby represents, warrants, and acknowledges to the Company that the Executive has had the opportunity to receive independent legal advice prior to the execution and delivery of this Agreement.

**13. WAIVER**

No consent or waiver, express or implied, by any party to this Agreement of any breach or default by any other party in the performance of its obligations under this Agreement or of any of the terms, covenants or conditions of this Agreement shall be deemed or construed to be a consent or waiver of any subsequent or continuing breach or default in such party's performance or in the terms, covenants and conditions of this Agreement. The failure of any party to this Agreement to assert any claim in a timely fashion for any of its rights or remedies under this Agreement shall not be construed as a waiver of any such claim and shall not serve to modify, alter or restrict any such party's right to assert such claim at any time thereafter.

**14. NOTICES****14.1 Delivery of Notices**

Any notice relating to this Agreement or required or permitted to be given in accordance with this Agreement shall be in writing and shall be personally delivered or mailed by registered mail, postage prepaid to the address of the parties set out on the first page of this Agreement. Any notice shall be deemed to have been received if personally delivered, when delivered, and if mailed, on the fifth day (excluding Saturdays, Sundays and holidays) after the mailing thereof. If normal mail service is interrupted by strike, slowdown, force majeure or other cause, a notice sent by registered mail will not be deemed to be received until actually received and the party sending the notice shall utilize any other services which have not been so interrupted or shall deliver such notice in order to ensure prompt receipt thereof.

**14.2 Change of Address**

Each party to this Agreement may change its address for the purpose of this Article 14 by giving written notice of such change in the manner provided for in section 14.1.

**15. APPLICABLE LAW**

This Agreement shall be governed by and construed in accordance with the laws of the state of Utah and the federal laws of the United States applicable therein, which shall be deemed to be the proper law hereof. The parties hereto hereby submit to the jurisdiction of the courts of Utah, venued in Salt Lake City. The Executive agrees that the aforementioned courts shall have exclusive jurisdiction of a lawsuit arising from or relating to Executive's employment with, or termination from, the Company or its affiliates. All obligations of the parties under this Agreement are subject to receipt of all necessary approvals of the applicable securities regulatory authorities. This Agreement is intended to fall within the exception in U.S. Treasury Regulation 1-409A-1(b)(4) for short term deferrals or other applicable exceptions and will be interpreted and administered accordingly.

**16. SEVERABILITY**

If any provision of this Agreement for any reason be declared invalid, such declaration shall not affect the validity of any remaining portion of the Agreement, which remaining portion shall remain in full force and effect as if this Agreement had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portions of this Agreement without including therein any such part, parts or portion which may, for any reason, be hereafter declared invalid.

**17. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties hereto and there are no representations or warranties, express or implied, statutory, or otherwise other than set forth in this Agreement and there are no agreements collateral hereto other than as are expressly set forth or referred to herein. This Agreement cannot be amended or supplemented except by a written agreement executed by all parties hereto.

**18. NON-ASSIGNABILITY**

This Agreement shall not be assigned by any party to this Agreement without the prior written consent of the other parties to this Agreement.

**19. BURDEN AND BENEFIT**

This Agreement shall endure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

**20. TIME**

Time is of the essence with respect to this Agreement.

**21. WITHHOLDING**

The Company shall withhold from any amounts payable under this Agreement such taxes and other amounts as may be required to be withheld pursuant to any applicable law or regulation.

**22. ELECTRONIC SIGNATURE/COUNTERPARTS**

This Agreement may be executed electronically or in counterparts and such counterparts together shall constitute one and the same instrument.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement effective as of the 25<sup>th</sup> day of July 2024.

**NOVAGOLD USA INC.**

*/s/ Gregory A. Lang*  
Gregory A. Lang, President & CEO

*/s/ Peter Adamek*  
Peter Adamek, an individual

SCHEDULE A

**CERTIFICATION PURSUANT TO  
RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gregory A. Lang, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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.
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.

Date: October 2, 2024

By: /s/ Gregory A. Lang  
Gregory A. Lang  
President and Chief Executive Officer  
(principal executive officer)

**CERTIFICATION PURSUANT TO  
RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Peter Adamek, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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.
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.

Date: October 2, 2024

By: /s/ Peter Adamek  
Peter Adamek  
Vice President and Chief Financial Officer  
(principal financial and accounting 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 the Quarterly Report on Form 10-Q of NOVAGOLD Resources Inc. (the "Registrant") for the period ended August 31, 2024, 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 Registrant, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; 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: October 2, 2024

By: /s/ Gregory A. Lang  
Gregory A. Lang  
*President and Chief Executive Officer*  
*(principal 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 the Quarterly Report on Form 10-Q of NOVAGOLD Resources Inc. (the "Registrant") for the period ended August 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter Adamek, Vice President and Chief Financial Officer of the Registrant, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; 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: October 2, 2024

By: /s/ Peter Adamek  
Peter Adamek  
*Vice President and Chief Financial Officer*  
*(principal financial and accounting officer)*