

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 May 31, 2025

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:

Title of Each Class	Trading Symbol	Name of each exchange on which registered
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 June 20, 2025, the Company had 406,897,647 common shares, no par value, outstanding.

NOVAGOLD RESOURCES INC.

TABLE OF CONTENTS

	<u>Page</u>
PART I - FINANCIAL INFORMATION.....	1
Item 1. Financial Statements.....	1
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	14
Item 3. Quantitative and Qualitative Disclosures about Market Risk	21
Item 4. Controls and Procedures.....	21
PART II - OTHER INFORMATION.....	22
Item 1. Legal Proceedings.....	22
Item 1A. Risk Factors	22
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.....	22
Item 3. Defaults Upon Senior Securities.....	22
Item 4. Mine Safety Disclosures	23
Item 5. Other Information.....	23
Item 6. Exhibits	23

Cautionary Note Regarding Forward-Looking Statements

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 and impact of certain judicial and/or administrative decisions, continued support of the state and federal permitting process, future capital raising activities and their related dilutive effects, sufficiency of working capital, timelines, strategic plans, including our plans and expectations relating to the Donlin Gold (as defined below) project, permitting and the timing thereof, the Company's market price, 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;
- expectations regarding future gold prices and demand;
- 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 mineral resource and mineral 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 not being adversely disrupted or impeded by development, operating or regulatory risks;
- our expectations regarding the timing and outcome of certain judicial and/or administrative decisions, including but not limited to the appeals of: (i) the federal Joint Record of Decision ("JROD") and permits issued by the U.S. Army Corps of Engineers ("Corps") and U.S. Bureau of Land Management, (ii) the State Clean Water Act Section 401 Certification (as defined below), (iii) the state pipeline right-of-way ("ROW") agreement and lease, and (iv) the application for water rights; and
- our ability to fund the feasibility study update.

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 cooperation with our co-owner on which we depend for Donlin Gold project activities;
- our history of losses and expectation of future losses;
- our concentrated 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, including the impact of inflation thereon;
- commodity price fluctuations;
- risks related to market events and general economic conditions;

- risks related to opposition to operations at our mineral exploration and development properties from non-governmental organizations or civil society;
- the risk that permits and governmental approvals necessary to develop and operate the Donlin Gold project will not be available on a timely basis, subject to reasonable conditions, or at all;
- uncertainties relating to the assumptions underlying our mineral reserve and mineral resource estimates, such as metal pricing, metallurgy, mineability, marketability and operating and capital costs;
- risks related to the inability to develop or access the infrastructure required to construct and operate the Donlin Gold project;
- uncertainty related to title to the Donlin Gold project;
- risks related to our largest shareholder;
- risks related to conflicts of interests of some of the directors and officers of the Company;
- risks related to the need for reclamation activities on our properties and uncertainty of cost estimates related thereto;
- credit, liquidity, interest rate and currency risks;
- 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 changes in governmental regulation and uncertainties resulting from changes being implemented by the current U.S. federal administration including, but not limited to, the stability of pre-existing tax regimes and the potential introduction of tariffs;
- risks related to environmental laws and regulations;
- risks related to our insurance;
- risks related to title and other rights to our mineral properties;
- 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;
- risks related to cybersecurity attacks and breaches; 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, 2024 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 May 31, 2025	As of November 30, 2024
	<hr/>	<hr/>
ASSETS		
Cash and cash equivalents	\$293,737	\$42,224
Term deposits	25,000	59,000
Other assets (Note 6)	2,655	1,530
Current assets	<hr/> 321,392	<hr/> 102,754
Investment in Donlin Gold (Note 5)	4,248	2,597
Other assets (Note 6)	3,655	4,402
	<hr/> <hr/> \$329,295	<hr/> <hr/> \$109,753
 LIABILITIES		
Accounts payable and accrued liabilities	\$2,421	\$1,371
Accrued payroll and related benefits	1,423	2,482
Income taxes payable	—	220
Other liabilities (Note 8)	345	413
Current liabilities	<hr/> 4,189	<hr/> 4,486
Promissory note (Note 7)	158,795	151,522
Other liabilities (Note 8)	1,034	1,161
	<hr/> <hr/> 164,018	<hr/> <hr/> 157,169
 EQUITY (DEFICIT)		
Common shares	2,225,705	1,989,245
Contributed surplus	132,941	93,377
Accumulated deficit	(2,168,323)	(2,104,932)
Accumulated other comprehensive loss	(25,046)	(25,106)
	<hr/> 165,277	<hr/> (47,416)
	<hr/> <hr/> \$329,295	<hr/> <hr/> \$109,753

Commitments and contingencies (Notes 7 and 8)

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 June 23, 2025. They are signed on the Company's behalf by:

/s/ Gregory A. Lang

/s/ Hume Kyle

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

	Three months ended May 31,		Six months ended May 31,	
	2025	2024	2025	2024
Operating expenses:				
General & administrative (Note 11)	\$5,819	\$7,603	\$10,621	\$13,862
Equity loss – Donlin Gold (Note 5)	6,463	3,990	8,762	6,951
	<u>12,282</u>	<u>11,593</u>	<u>19,383</u>	<u>20,813</u>
Loss from operations	(12,282)	(11,593)	(19,383)	(20,813)
Other (expense) income:				
Warrant expense (Note 9)	(39,607)	—	(39,607)	—
Interest expense - promissory note	(3,707)	(3,702)	(7,273)	(7,299)
Interest and dividend income	1,585	1,520	2,620	3,071
Other (expense) income, net (Note 12)	(264)	674	252	1,722
Loss before income taxes	(54,275)	(13,101)	(63,391)	(23,319)
Income tax expense	—	(599)	—	(699)
Net loss	<u>(54,275)</u>	<u>(13,700)</u>	<u>(63,391)</u>	<u>(24,018)</u>
Other comprehensive income (loss):				
Foreign currency translation adjustments	556	(33)	60	(18)
Comprehensive loss	<u>\$(53,719)</u>	<u>\$(13,733)</u>	<u>\$(63,331)</u>	<u>\$(24,036)</u>
Net loss per common share – basic and diluted	<u>\$(0.15)</u>	<u>\$(0.04)</u>	<u>\$(0.19)</u>	<u>\$(0.07)</u>
Weighted average shares outstanding				
Basic and diluted (thousands)	350,213	334,380	342,513	334,373

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 May 31,		Six months ended May 31,	
	2025	2024	2025	2024
Operating activities:				
Net loss	\$(54,275)	\$(13,700)	\$(63,391)	\$(24,018)
Adjustments:				
Equity loss – Donlin Gold	6,463	3,990	8,762	6,951
Share-based compensation	1,410	2,395	2,393	4,804
Warrant Expense (Note 9)	39,607	—	39,607	—
Interest expense on promissory note	3,707	3,702	7,273	7,299
Gain on sale of mineral property (Note 4)	—	—	—	(743)
Change in fair value of marketable securities	(97)	(660)	(283)	(971)
Foreign exchange (gain) loss	379	(14)	49	(8)
Other operating adjustments	6	14	15	30
Change in operating assets and liabilities				
Other assets	(965)	989	(1,166)	64
Accounts payable and accrued liabilities	1,451	718	1,050	581
Accrued payroll and related benefits	702	800	(1,060)	(1,081)
Income taxes payable	—	598	(214)	598
Remediation liability	(17)	(28)	(124)	(76)
Net cash used in operating activities	(1,629)	(1,196)	(7,089)	(6,570)
Investing activities:				
Proceeds from term deposits	59,000	80,000	93,000	80,000
Purchases of term deposits	(25,000)	(60,000)	(59,000)	(60,000)
Funding of Donlin Gold	(6,799)	(3,711)	(10,413)	(7,334)
Proceeds from disposal of investments	—	—	952	—
Proceeds from sale of mineral property (Note 4)	—	—	—	743
Net cash provided by investing activities	27,201	16,289	24,539	13,409
Financing activities:				
Equity issuance (Note 9)	243,839	—	243,839	—
Equity issuance costs (Note 9)	(9,734)	—	(9,734)	—
Withholding tax on share-based compensation	—	(17)	(82)	(17)
Net cash provided by (used in) financing activities	234,105	(17)	234,023	(17)
Effect of exchange rate changes on cash and cash equivalents				
	90	(11)	39	(3)
Net change in cash and cash equivalents	259,767	15,065	251,512	6,819
Cash and cash equivalents at beginning of period	33,969	37,503	42,224	45,749
Cash and cash equivalents at end of period	\$293,736	\$52,568	\$293,736	\$52,568

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)

	Six months ended May 31, 2025					Total equity (deficit)
	Common shares		Contributed surplus	Accumulated deficit	AOCL*	
	Shares	Amount				
November 30, 2024	334,567	\$1,989,245	\$93,377	\$(2,104,932)	\$(25,106)	\$(47,416)
Share-based compensation	—	—	983	—	—	983
PSUs settled in shares	79	2,130	(2,130)	—	—	—
Withholding tax on PSUs	—	—	(81)	—	—	(81)
Net loss	—	—	—	(9,116)	—	(9,116)
Other comprehensive income	—	—	—	—	(496)	(496)
February 28, 2025	<u>334,646</u>	<u>\$1,991,375</u>	<u>\$92,149</u>	<u>\$(2,114,048)</u>	<u>\$(25,602)</u>	<u>\$(56,126)</u>
Share-based compensation	—	—	1,410	—	—	1,410
Equity offering (Note 9)	65,024	234,105	—	—	—	234,105
Deferred share units settled in shares	50	225	(225)	—	—	—
Warrants (Note 9)	—	—	39,607	—	—	39,607
Net loss	—	—	—	(54,275)	—	(54,275)
Other comprehensive loss	—	—	—	—	556	556
May 31, 2025	<u>399,720</u>	<u>\$2,225,705</u>	<u>\$132,941</u>	<u>\$(2,168,323)</u>	<u>\$(25,046)</u>	<u>\$165,277</u>

	Six months ended May 31, 2024					Total equity
	Common shares		Contributed surplus	Accumulated deficit	AOCL*	
	Shares	Amount				
November 30, 2023	333,247	\$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	<u>334,371</u>	<u>\$1,988,221</u>	<u>\$89,747</u>	<u>\$(2,069,629)</u>	<u>\$(24,456)</u>	<u>\$(16,117)</u>
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	<u>334,431</u>	<u>\$1,988,472</u>	<u>\$91,874</u>	<u>\$(2,083,329)</u>	<u>\$(24,489)</u>	<u>\$(27,472)</u>

* 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. On December 1, 2024, NovaGold (Bermuda) Alaska Limited, NovaGold Resources (Bermuda) Limited and NovaGold Argentina Inc., subsidiaries of the Company were amalgamated with NOVAGOLD.

The Company’s principal asset at May 31, 2025 is a 50% interest in the Donlin Gold project in Alaska, USA. The Company has no realized revenues from its principal asset. The Donlin Gold project is owned and operated by Donlin Gold LLC (“Donlin Gold”), a limited liability company that was owned equally by wholly-owned subsidiaries of NOVAGOLD and Barrick Gold Corporation (“Barrick”). See Note 16 regarding changes to Donlin Gold ownership on June 3, 2025.

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, 2024. 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 (U.S. GAAP) have been condensed or omitted.

The functional currency of the Company is the U.S. dollar. Prior to April 22, 2025, the functional currency of NOVAGOLD RESOURCES INC., the parent entity, was the Canadian dollar. NOVAGOLD RESOURCES INC. reassessed its functional currency and determined that on April 22, 2025, given the increasing prevalence of U.S. dollar denominated activities and financing transactions, its functional currency changed from the Canadian dollar to the U.S. dollar. The change in functional currency was accounted for prospectively from April 22, 2025, and prior period consolidated financial statements were not restated for the change in functional currency. Previously recorded cumulative translation adjustments were not reversed.

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 consideration from the Company’s 2018 sale of Galore Creek to a subsidiary of Newmont Corporation (“Newmont”) includes a \$75,000 note receivable, contingent upon the approval of a Galore Creek project construction plan by the owner(s). The Company has not assigned a value to the contingent note receivable as management determined that the approval of the Galore Creek project construction was not probable as of the closing of the Galore Creek sale or in subsequent periods. The contingent note will be recognized when, in management’s judgement, it is probable that the payment will occur, and that the amount recorded will not reverse in subsequent 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. During the periods presented, 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

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

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 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

Updates to Reportable Segment Disclosures

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07 "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures". ASU 2023-07 expands public entities' segment disclosures by requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss and interim disclosures of a reportable segment's profit or loss and assets. The standard is effective for the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2025, and subsequent interim periods, with early adoption permitted. The Company does not expect the adoption to have a material impact on the consolidated financial statements or disclosures.

Updates to Income Tax Disclosure

In December 2023, FASB issued ASU 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures". ASU 2023-09 enhances the transparency and decision usefulness of income tax disclosures through changes to the rate reconciliation and income taxes paid information. The standard is effective beginning with the Company's Annual Report on Form 10-K for the fiscal year ended November 30, 2025, and subsequent interim periods, with early adoption permitted. The Company is currently evaluating the impact of the guidance on the 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 5).

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

NOTE 4 – NOTES RECEIVABLE

Galore Creek

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

No value was assigned to the final \$75,000 contingent note. The Company determined that Galore Creek project construction approval was not probable as of the closing of the Galore Creek sale. The Company's assessment did not change as of May 31, 2025. 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 subsequent periods.

NOTE 5 – INVESTMENT IN DONLIN GOLD

The Donlin Gold project is owned and operated by Donlin Gold, a limited liability company in which wholly-owned subsidiaries of NOVAGOLD and Barrick each owned a 50% interest. Donlin Gold has a board of four representatives, with two representatives formerly selected by Barrick and two representatives selected by the Company. All significant decisions related to Donlin Gold require the approval of at least a majority of the Donlin Gold board. See Note 16 regarding changes to Donlin Gold ownership following May 31, 2025.

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

	Three months ended May 31,		Six months ended May 31,	
	2025	2024	2025	2024
Balance – beginning of period	\$3,912	\$3,733	\$2,597	\$3,071
Share of losses:				
Mineral property expenditures	(6,335)	(3,840)	(8,505)	(6,652)
Depreciation	(118)	(140)	(237)	(280)
Accretion	(10)	(10)	(20)	(19)
	(6,463)	(3,990)	(8,762)	(6,951)
Funding	6,799	3,711	10,413	7,334
Balance – end of period	<u>\$4,248</u>	<u>\$3,454</u>	<u>\$4,248</u>	<u>\$3,454</u>

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 LLC than that of the Company.

	As of May 31, 2025	As of November 30, 2024
Current assets: Cash, prepaid expenses, and other receivables	\$6,583	\$3,745
Non-current assets: Right-of-use assets, property and equipment	969	965
Non-current assets: Mineral property	32,654	32,654
Current liabilities: Accounts payable, accrued liabilities and lease obligations	(3,118)	(1,947)
Non-current liabilities: Reclamation and lease obligations	(840)	(820)
Net assets	<u>\$36,248</u>	<u>\$34,597</u>

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

On April 22, 2025, the Company entered into a membership interest purchase agreement among Paulson Advantage Plus Master Ltd. and Paulson Partners LP (together, "Paulson"), Barrick Gold U.S. Inc., Barrick, Donlin Gold Holdings LLC, a subsidiary of Paulson, and NovaGold Resources Alaska, Inc., a subsidiary of the Company, whereby Barrick agreed to sell its 50% interest in Donlin Gold to Donlin Gold Holdings LLC and NovaGold Resources Alaska, Inc., for \$1,000,000 (the "Donlin Gold Transaction"). In accordance with the agreement, NovaGold Resources Alaska, Inc. acquired an additional 10% interest in Donlin Gold for \$200,000 and Donlin Gold Holdings LLC acquired a 40% interest in Donlin Gold for \$800,000. The Donlin Gold Transaction had not closed as of May 31, 2025, but did close early in the third quarter (Note 16).

NOTE 6 – OTHER ASSETS

	As of May 31, 2025	As of November 30, 2024
Other current assets:		
Accounts receivable	\$48	\$22
Interest receivable	794	89
Receivable from Donlin Gold	462	212
Prepaid expenses	522	1,207
Prepaid transaction costs	829	—
	<u>\$2,655</u>	<u>\$1,530</u>
Other long-term assets:		
Marketable equity securities	\$2,733	\$3,387
Right-of-use assets	815	896
Office equipment	107	119
	<u>\$3,655</u>	<u>\$4,402</u>

NOTE 7 – PROMISSORY NOTE

The Company has a promissory note payable to Barrick of \$158,795, comprised of \$51,576 in principal, and \$107,219 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.

Concurrently with the Donlin Gold Transaction announced on April 22, 2025, the Company entered into a Prepayment Option Agreement ("POA") with Barrick, which provides the Company with an option to prepay the promissory note in full for \$90,000 prior to the closing of the Donlin Gold Transaction. As the prepayment option was not exercised prior to the closing date, the POA expired on June 3, 2025 (Note 16).

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

NOTE 8 – OTHER LIABILITIES

	As of May 31, 2025	As of November 30, 2024
Other current liabilities:		
Remediation liabilities	\$170	\$244
Lease obligations	175	169
	\$345	\$413
Other long-term liabilities:		
Remediation liabilities	\$350	\$400
Lease obligations	684	761
	\$1,034	\$1,161

NOTE 9 – EQUITY TRANSACTIONS

Public Equity Offering and Private Placement Offering

On May 9, 2025, the Company closed a public equity offering of 47,850,000 shares of NOVAGOLD at a price of \$3.75 per share. As part of the public equity offering, the Company granted the underwriters a 30-day overallotment option to purchase up to an additional 7,177,500 common shares at a price of \$3.75 per share less underwriting discounts and commissions, which remained unexercised as of May 31, 2025. See Note 16 regarding the exercise in full of the overallotment option following May 31, 2025. Concurrent with the public offering, the Company also closed a private placement for 17,173,853 common shares of NOVAGOLD at a price of \$3.75 per share. The public equity offering and concurrent private placement offering are referred to herein as the “May 2025 Offering”.

On closing of the May 2025 Offering, the Company received aggregate gross proceeds of approximately \$243,839 before deducting fees and other offering expenses totaling approximately \$9,734.

Warrants

Concurrent with the Donlin Gold Transaction announced on April 22, 2025, the Company entered into a backstop commitment agreement with certain institutional investors, pursuant to which the investors committed to purchase up to \$170,000 of the Company’s common shares to partially fund the \$200,000 payment to Barrick under the Donlin Gold Transaction discussed in Note 5. As consideration for providing this commitment, and independent of whether the backstop was ultimately exercised, the Company issued 25,500,000 warrants to the investors enabling them to purchase common shares of NOVAGOLD for an exercise price of \$3.00 per share (“Backstop Warrants”). The Backstop Warrants expire in April 2030 and contain customary anti-dilution provisions. All the Backstop Warrants remained outstanding at May 31, 2025.

As discussed above, the Company subsequently completed the May 2025 Offering and the backstop commitment expired unexercised in May 2025. The Company determined the Backstop Warrants met the conditions for equity classification in accordance with U.S. GAAP and were included as a component of shareholders’ equity (deficit).

The Company estimated the fair value of the Backstop Warrants using the Black-Scholes option pricing model on the grant date. Key inputs included a 5-year term, an exercise price of \$3.00 per share, a risk-free interest rate of 3.97%, and an expected volatility of 51.20%, based on the Company’s 5-year historical stock price. Based on these assumptions, the estimated fair value was \$1.55 per warrant, resulting in a total fair value of \$39,607. As the Backstop Warrants were not a direct offering cost associated with the May 2025 Offering, the \$39,607 was recorded as a non-cash expense in the second quarter of 2025 and included in warrant expense in the consolidated statement of operations. The expense is also presented as a non-cash financing activity in the supplemental disclosures to the consolidated statement of cash flows (Note 15).

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

NOTE 10 – FAIR VALUE ACCOUNTING

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

- Level 1* — Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2* — Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3* — Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments consist of cash and cash equivalents, term deposits, accounts receivable, including from Donlin Gold, marketable equity securities, 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 values of the Company's other financial instruments approximate their carrying value due to the short-term nature of their maturity. The Company's financial instruments initially measured at fair value and then held at amortized cost include cash and cash equivalents, term deposits, accounts receivable, including from Donlin Gold, accounts payable and accrued liabilities, and a promissory note. The Company's marketable equity securities are valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy. The fair value of the marketable equity securities was \$2,733 as of May 31, 2025 (\$3,387 as of November 30, 2024), calculated as the quoted market price of the marketable equity security multiplied by the quantity of shares held by the Company.

NOTE 11 – GENERAL AND ADMINISTRATIVE EXPENSE

	Three months ended May 31,		Six months ended May 31,	
	2025	2024	2025	2024
Share-based compensation (Note 13)	\$1,410	\$2,395	\$2,393	\$4,804
Salaries and benefits	1,787	2,045	3,793	4,131
Professional fees	1,358	1,853	2,221	2,518
Office expense	853	851	1,541	1,586
Corporate communications and regulatory	406	454	662	812
Depreciation	5	5	11	11
	<u>\$5,819</u>	<u>\$7,603</u>	<u>\$10,621</u>	<u>\$13,862</u>

NOTE 12 – OTHER INCOME (EXPENSE), NET

	Three months ended May 31,		Six months ended May 31,	
	2025	2024	2025	2024
Change in fair market value of marketable securities	\$97	\$660	\$283	\$971
Fuel tax credit	18	—	18	—
Gain on sale of mineral property	—	—	—	743
Foreign exchange gain (loss)	(379)	14	(49)	8
	<u>\$(264)</u>	<u>\$674</u>	<u>\$252</u>	<u>\$1,722</u>

In January 2024, the Company received \$743 for a note receivable from the sale of its interest in a mining project, which the Company had previously written off.

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

NOTE 13 – SHARE-BASED COMPENSATION

The following table shows the recognized share-based compensation expense by award type:

	Three months ended May 31,		Six months ended May 31,	
	2025	2024	2025	2024
Stock options	\$780	\$1,326	\$1,239	\$2,648
Performance share unit plan	560	995	1,015	2,022
Deferred share unit plan	70	74	139	134
	\$1,410	\$2,395	\$2,393	\$4,804

Stock options

A summary of stock options outstanding and activity during the six months ended May 31, 2025 are as follows:

	Number of stock options	Weighted- average exercise price per share	Weighted- average remaining contractual term (years)	Aggregate intrinsic value
November 30, 2024	8,849,535	\$6.12		
Granted	2,988,700	4.35		
Expired	(1,971,035)	7.19		
May 31, 2025	9,867,200	\$5.38	3.19	\$122
Vested and exercisable as of May 31, 2025	4,503,780	\$6.53	2.00	\$41

The following table summarizes key stock option valuation inputs:

	Six months ended May 31,	
	2025	2024
Weighted-average assumptions used to value stock option awards:		
Expected volatility	52.8%	48.7%
Risk-free interest rate	3.63%	4.29%
Expected forfeiture rate	3.30%	3.0%
Expected dividend rate	—	—
Expected term of options (years)	4	4
Weighted-average grant-date fair value	\$1.94	\$1.76
Intrinsic value of options exercised	\$—	\$471
Cash received from options exercised	\$—	\$—

As of May 31, 2025, the Company had \$6,924 of unrecognized compensation cost related to 5,363,420 non-vested stock options expected to be recognized and vest over a period of approximately 2.91 years.

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

Performance share units

A summary of PSU awards outstanding and activity during the six months ended May 31, 2025 are as follows:

	Number of PSU awards	Weighted- average exercise price per award	Aggregate intrinsic value
November 30, 2024	1,633,500	\$5.32	
Vested and paid out/released	(102,100)	6.70	
Performance adjustment	(306,300)	6.70	
Granted	849,200	4.35	
May 31, 2025	<u>2,074,300</u>	<u>\$4.65</u>	<u>\$1,872</u>

The following table summarizes key PSU valuation inputs:

	Six months ended	
	May 31, 2025	May 31, 2024
Weighted-average assumptions used to value PSU awards:		
Expected volatility of Company shares	54.8%	42.5%
Expected volatility of TSX index	29.7%	29.2%
Expected correlation between Company shares and TSX	63.2%	78.3%
Risk-free interest rate	2.60%	4.22%
Expected term of PSUs (years)	3	3
Number of PSUs granted	849,200	886,800
Weighted-average grant-date fair value	\$4.41	\$4.20

As of May 31, 2025, the Company had \$5,649 of unrecognized compensation cost related to 2,074,300 non-vested PSU awards expected to be recognized and vest over a period of approximately 2.91 years.

NOTE 14 – RELATED PARTY TRANSACTIONS

The Company provided management and administrative services to Donlin Gold for \$156 and \$332 in the three and six months ended May 31, 2025, respectively (\$260 and \$418 in the three and six months ended May 31, 2024, respectively). As of May 31, 2025, the Company has accounts receivable from Donlin Gold of \$462 (November 30, 2024: \$420) included in *Other current assets*.

As consideration for providing a backstop commitment to the Company on April 22, 2025, NOVAGOLD issued Backstop Warrants (Note 9) to three institutional investors, one of which was Electrum Strategic Resources L.P. ("Electrum"). The Backstop Warrants have an estimated aggregate fair value of \$39,607. Electrum received 6,375,000 Backstop Warrants having a fair value of approximately \$9,902. Dr. Thomas Kaplan, NOVAGOLD's Chairman of the Board is the Chairman and Chief Executive Officer of The Electrum Group LLC, an affiliate of Electrum. Electrum is the single largest shareholder of NOVAGOLD.

Additionally, Electrum was one of two institutional investors who participated in a private placement that closed concurrent with the public equity offering at the same price as the concurrent public equity offering described in Note 9.

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

NOTE 15 – SUPPLEMENTAL CASH FLOW INFORMATION

	Three months ended May 31,		Six months ended May 31,	
	2025	2024	2025	2024
Interest and dividends received	\$1,158	\$2,650	\$1,915	\$3,080
Income taxes paid	\$—	\$—	\$223	\$100

During the first quarter of 2025, the Company received \$952 in cash proceeds and 19,688 shares of Lundin Mining Corporation as consideration for the acquisition of one of the Company's previously held marketable security investments.

As consideration for providing a backstop commitment to the Company on April 22, 2025, NOVAGOLD issued Backstop Warrants (Note 9) to certain institutional investors with an estimated total fair value of \$39,607. The Company subsequently completed its May 2025 Offering and the backstop commitment expired unexercised in May 2025. As the Backstop Warrants were not a direct offering cost associated with the May 2025 Offering, the \$39,607 was recorded as a non-cash expense in the second quarter of 2025 and included in warrant expense in the consolidated statement of operations. The expense represents a non-cash financing activity.

NOTE 16 – SUBSEQUENT EVENTS

On April 22, 2025, the Company entered into a membership interest purchase agreement with Paulson and Barrick whereby Barrick agreed to sell its 50% interest in Donlin Gold to the Company and Paulson for \$1,000,000. The transaction closed on June 3, 2025. In accordance with the agreement, NovaGold Resources Alaska, Inc. has acquired an additional 10% interest in Donlin Gold for \$200,000 and Donlin Gold Holdings LLC has acquired a 40% interest in Donlin Gold for \$800,000. While NOVAGOLD has a 60% economic interest in Donlin Gold following the closing of the transaction, NOVAGOLD and Paulson have equal governance rights.

Concurrent with the closing of the Donlin Gold Transaction on June 3, 2025, the POA discussed in Note 7 expired and the Company entered into a Second Amended and Restated Secured Promissory Note with Barrick that provides the Company with the option to prepay the promissory note, discussed in Note 7, in full for \$100,000 on or before December 3, 2026.

On June 3, 2025, the underwriters' overallotment option in connection with the May 2025 Offering (Note 9) was exercised in full, which upon the closing on June 5, 2025 resulted in the Company issuing 7,177,500 common shares of NOVAGOLD for gross proceeds of approximately \$26,916.

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

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 six-month periods ended May 31, 2025 and May 31, 2024. 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, 2024, as well as other information we file with the Securities and Exchange Commission on EDGAR at www.sec.gov and with Canadian Securities Administrators on SEDAR+ at www.sedarplus.ca. References herein to \$ refer to United States dollars and C\$ to Canadian dollars, in thousands, except for per share amounts or as otherwise specified.

Paulson Advantage Plus Master Ltd. and Paulson Partners LP (together, “Paulson”) are investment funds managed by Paulson Advisers LLC.

Paul Chilson, P.E., who is the Manager, Mine Engineering for NOVAGOLD and a “qualified person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects and SEC’s current mining disclosure rules has approved the scientific and technical information contained herein.

Highlights

On June 3, 2025, NOVAGOLD and Paulson, through wholly-owned subsidiaries, completed the \$1 billion acquisition of Barrick’s 50% interest in Donlin Gold (“Donlin Gold Transaction”), increasing NOVAGOLD’s economic stake in Donlin Gold LLC (“Donlin Gold”) to 60%. Paulson’s subsidiary acquired the remaining 40% of Donlin Gold and both parties have equal governance rights. This transaction marks a significant milestone in a long-term strategy to advance Donlin Gold. NOVAGOLD’s portion of the acquisition was funded through a combination of a public equity offering and concurrent private placement.

NOVAGOLD closed a \$195.2 million underwritten public offering (issuing approximately 48 million common shares in the second quarter and approximately 7.2 million common shares as part of the exercise of the overallotment option early in the third quarter), and a \$64.4 million private placement (issuing approximately 17.2 million common shares in the second quarter), representing a total of \$260.4 million (an aggregate of approximately 72.2 million common shares). NOVAGOLD purchased the additional 10% interest in Donlin Gold LLC with proceeds from the offerings and will use the balance of the funds from the offerings for general corporate purposes, including its share of expenses associated with updating the Donlin Gold Feasibility Study.

The Company held its 2025 Virtual AGM on May 15, 2025 at which all nominated directors were elected with strong shareholder participation on May 20, 2025.

Company 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 which, following the closing of the Donlin Gold Transaction on June 3, 2025, is owned 60% by a wholly-owned subsidiary of NOVAGOLD and 40% by a wholly-owned subsidiary of Paulson. While NOVAGOLD has a 60% economic interest in Donlin Gold, governance of Donlin Gold is shared equally by NOVAGOLD and Paulson.

Our corporate goals include completing the Donlin Gold updated feasibility study and a subsequent construction decision; maintain a favorable reputation of NOVAGOLD and the Donlin Gold project among shareholders; promote strong community outreach and sustainability culture; maintain strong safety and environmental performance; and manage the Company treasury effectively and efficiently. 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 and maintaining those received in good standing, advancement to a feasibility study, preparation of engineering designs and the financing to fund these objectives.

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

Overview of Donlin Gold Transaction and Financing Activities in the Second Quarter

As noted above, on June 3, 2025, the Company and Paulson, through wholly-owned subsidiaries, completed the Donlin Gold Transaction pursuant to the terms of the membership interest purchase agreement dated April 22, 2025 (the “MIPA”) among Barrick Gold U.S. Inc (“Barrick Gold”), Barrick, Paulson, Donlin Gold Holdings LLC, a subsidiary of Paulson (“Donlin Holdings”), and NovaGold Resources Alaska, Inc., a subsidiary of the Company (“NGRA”). NOVAGOLD, through NGRA, acquired an additional 10% interest in Donlin Gold for \$200 million, increasing its stake to 60% of Donlin Gold, while Paulson, through Donlin Holdings, acquired the remaining 40% interest for \$800 million.

Amended and Restated Limited Liability Company Agreement for Donlin Gold LLC

In connection with the closing of the Donlin Gold Transaction, NGRA, Donlin Holdings and Donlin Gold entered into an amended and restated limited liability company agreement (the “A&R LLC Agreement”) governing Donlin Gold, pursuant to which the Company and Paulson will have equal governance rights. NGRA had previously entered into a limited liability company agreement with Barrick Gold and Donlin Gold (the “Prior LLC Agreement”) dated December 1, 2007, as amended from time to time. Pursuant to the terms of the A&R LLC Agreement, the primary amendments to the Prior LLC Agreement consist of the following:

- The deadlock provision contained in Article XVI of the Prior LLC Agreement has been replaced with a provision for non-binding mediation for dispute resolution.
- Consistent with the Prior LLC Agreement, the funding for Donlin Gold will be shared by both parties based on their percentage ownership. For example, since NGRA now holds 60% of the membership interests of Donlin Gold, it will have the responsibility to fund 60% of the expenses of Donlin Gold. However, regardless of the fact that Paulson holds 40% of Donlin Gold, the intent is for the parties to have equal governance rights. This adjustment to the parties’ voting interests, as set forth in the A&R LLC Agreement means that (i) NGRA’s voting percentage interests are defined as its membership interest from time to time less an absolute 10% and (ii) Paulson’s voting percentage interests are defined as its membership interest from time to time plus an absolute 10%. For this reason, now that NGRA holds 60% of the membership interests of Donlin Gold, it has a 50% voting interest at Donlin Gold, not 60%.
- The parties agree to manage the operations of Donlin Gold in a manner to avoid adverse tax consequences to the parties, including pursuant to Section 4943 of the Internal Revenue Code.
- Certain provisions in the Prior LLC Agreement have been deleted or amended as a result of such provisions being outdated or no longer relevant due to the current development and permitting status of Donlin Gold.

Amended and Restated Promissory Note

Pursuant to the Prior LLC Agreement for Donlin Gold, the Company issued a promissory note in favor of Barrick Gold to repay Barrick out of future mine production cash flow for a portion of Barrick’s prior expenditures on the Donlin Gold project. In connection with the closing of the Donlin Gold Transaction, on June 3, 2025 NGRA and Barrick Gold have amended and restated the promissory note primarily to (i) modify the security package in order to exclude any property held by Donlin Gold or membership interest in Donlin Gold held by NGRA, but ensure it remains secured by NGRA’s right, title and interest to proceeds from Donlin Gold and (ii) provide the ability for NGRA to prepay and retire the promissory note for an aggregate of \$100 million until December 3, 2026. In connection with the amended and restated promissory note, NGRA has made an irrevocable direction to Donlin Gold to specify that Donlin Gold shall distribute to Barrick Gold, until the promissory note is fully repaid, 85% of the processed products, cash and other assets; and payments of 5% of certain net proceeds specified in the promissory note. As per the amended and restated promissory note, the principal amount owed is \$158.9 million.

Backstop Agreement

In order to finance the Company’s \$200 million obligation under the MIPA, funding commitments of up to \$170 million were obtained from Electrum Strategic Resources L.P. (“Electrum”), Paulson Advantage Plus Master Ltd. and Paulson Partners LP (together, the “Paulson Investors”), and Kopernik Global Investors, LLC, on behalf of investment funds and accounts managed by it (“Kopernik”,

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

together with Electrum and the Paulson Investors, the “Investors”) pursuant to a backstop agreement dated April 22, 2025 (“Backstop Agreement”). Pursuant to the Backstop Agreement, the Investors agreed to purchase, on a non-brokered, private placement basis, up to \$170 million in the Company’s common shares at \$3.00 per share, representing up to 56,666,667 common shares in the aggregate (the “Subscribed Shares”).

While the Company did not exercise its rights provided by the Backstop Agreement, in consideration for entering into the Backstop Agreement, the Company issued an aggregate of 25,500,000 warrants to purchase the Company’s common shares (the “Warrants”), with each Warrant entitling the holder thereof to purchase one common share (a “Warrant Share”) at an exercise price of \$3.00 per Warrant Share for a period of five years from the date of issuance. The Warrants contain a “cashless exercise” feature, such that, in lieu of making the cash payment otherwise contemplated to be made to us upon such exercise of the Warrant, the Holder may elect instead to receive upon such exercise (either in whole or in part) the net number of common shares determined according to a formula set forth in the Warrants. The Warrants were issued in the following amounts: (i) 12,750,000 Warrants to Paulson; (ii) 6,375,000 Warrants to Electrum; and (iii) 6,375,000 Warrants to Kopernik. The Backstop Agreement further provided the Investors with registration rights, pursuant to which the Company has agreed to, among other things, file a registration statement with the SEC registering the resale of the Warrant Shares and to cause such registration statement to remain effective until the earlier of (a) three years from the issuance of the Subscribed Shares (which were not issued), (b) the date on which all of the Subscribed Shares and Warrant Shares shall have been sold, or (c) on the first date on which each Investor can sell all of its Subscribed Shares and/or Warrant Shares (or shares received in exchange therefor) under Rule 144 of the Securities Act without limitation as to the manner of sale or the amount of such securities that may be sold. The Backstop Agreement also contained customary indemnification and other provisions customary for registration rights of this type.

Public Offering and Concurrent Private Placement

On May 7, 2025, NovaGold Resources Inc. (the “Company”) entered into an Underwriting Agreement related to a public offering of 47,850,000 of the Company’s common shares at a public offering price of \$3.75 per share. In addition, the Company granted the underwriters an option exercisable for 30 days from the date of the Underwriting Agreement to purchase up to 7,177,500 of additional common shares of the Company. The net proceeds from the public offering were approximately \$169.7 million, or approximately \$195.2 million when the option was exercised in full in June 2025 by the underwriters, after deducting the underwriting discount and estimated offering expenses. The Company made certain customary representations, warranties and covenants concerning the Company and the registration statement in the Underwriting Agreement and also agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended (the “Securities Act”).

Concurrently with the public offering, the Company entered into a private placement offering of 17,173,853 common shares at a price equal to the public offering price for aggregate gross proceeds of approximately \$64.4 million with Electrum Strategic Resources L.P. and Kopernik Global Investors, LLC (each a “Placement Investor”). The Company entered into a Subscription Agreement dated May 7, 2025 (the “Subscription Agreement”) with each of the Placement Investors setting out the terms of the concurrent private placement, which included similar resale registration rights as contained in the Backstop Agreement. The concurrent private placement closed on May 9, 2025.

Donlin Gold project

In the second quarter of 2025, Donlin Gold achieved a number of milestones including:

- Initiating efforts to prepare for the updated feasibility study, following completion of the Donlin Gold Transaction. A dedicated owner’s project team will be assembled at Donlin Gold to advance this work. The contract(s) for this work are expected to be awarded by year-end.
- Commenced drilling in March with a total of 8,401 meters completed out of 15,000 planned meters now focused on resource conversion and expansion, subsequent to the announcement of the Donlin Gold Transaction.

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

- Met with the Alaska Congressional delegation and industry officials in Washington, D.C. to introduce Donlin Gold's new General Manager, Todd Dahlman, and reinforce the project's importance to Alaska and the Yukon-Kuskokwim (Y-K) region.
- Continued to support critical ecological, environmental, and health and safety initiatives throughout the Y-K region.
- Advanced permitting efforts, with comments from ADNR on the Dam Safety Certificates preliminary design packages expected in 2025. Bids were received and are currently being evaluated for the Dam Safety Certificates detailed design package work.

Our share of funding for the Donlin Gold project in the first six months of 2025 was \$10,413, in line with previously issued 2025 guidance. Following the closing of the Donlin Gold Transaction on June 3, 2025, NOVAGOLD and Paulson have commenced a review of Donlin Gold's 2025 work plan, which is being amended to enable the commencement of an updated feasibility study by the end of 2025. Given that our share of funding Donlin Gold's expenses increases from 50% to 60% with the closing of the Donlin Gold Transaction, we expect our share of Donlin Gold funding to be higher than our previously issued 2025 guidance of \$21,500. In light of the Donlin Gold Transaction, NOVAGOLD intends to provide updated 2025 guidance with the release of our third quarter results.

Adding Valuation Through the Drill Bit

In the second quarter of 2025, Donlin Gold made substantial progress on key initiatives and activities including, the commencement of Donlin Gold's 15,000-meter drill program prioritizing resource conversion and expansion with a crew of sixty at site. At the close of the second quarter a total of 8,401 out of 15,000 planned meters was completed.

Reinforcing the Project's Importance Through Engagement and Support for Environmental, Cultural, and Social Initiatives in the Y-K Region

During the second quarter of 2025, Donlin Gold's new General Manager and other team members travelled to Washington, D.C. to meet with the Alaska Congressional delegation, Governor Mike Dunleavy, Karen Kelleher, Alaska's Bureau of Land Management acting Director, Department of Interior representatives, and other industry elected officials, reinforcing the project's importance to Alaska and the Y-K region.

In March 2025, Donlin Gold and NOVAGOLD conducted a follow-up community meeting in Crooked Creek, the closest village to the project, to share information, answer questions, and discuss the project's importance. Additionally, in May 2025, Donlin Gold hosted the fifth Subsistence Community Advisory Committee (SCAC) meeting at the Donlin Gold project site, which included tours of the camp and facilities as well as presentations on topics related to the project such as mining processes, ongoing aquatic resources monitoring and Snow Gulch restoration work.

In April 2025, Donlin Gold continued its participation in and support of the Donlin Gold Summer Safety Program, traveling along the Kuskokwim River with 2019 Iditarod champion and Donlin Gold employee Pete Kaiser. Together, they visited seven villages in the Y-K region to distribute life jackets and promote water safety among local residents.

Also in April 2025, Donlin Gold extended its support to 47 communities for the annual Clean-up Green-up program. This initiative targets the collection and proper disposal of trash from the tundra, roads, public areas, and beaches in the Y-K region that accumulate over the winter months.

Upholding current permits and working to secure key state approvals

Donlin Gold continued to support the state and federal agencies defending their permits in litigation.

On June 28, 2021, Earthjustice representing Orutsarmiut 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 Alaska 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

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

Alaska Superior Court in January 2024. Briefing is complete and oral arguments were held on August 30, 2024. On May 6, 2025, the Alaska Superior Court issued a decision rejecting plaintiff's arguments and upholding the Alaska Department of Environmental Conservation's water quality certification for the Donlin Gold project. Earthjustice filed a notice of appeal to the Alaska Supreme Court on May 28, 2025.

On September 20, 2021, Earthjustice, representing ONC, Cook Inletkeeper, and three Y-K villages, filed an appeal of the State pipeline ROW authorization in Alaska Superior Court. On April 12, 2023, the Alaska Superior Court affirmed the Alaska Department of Natural Resources' ("ADNR") 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 were held November 12, 2024, and a decision is anticipated in 2025.

On April 5, 2023, Earthjustice representing ONC and six Y-K villages filed suit against the U.S. government in the U.S. District Court for Alaska (the "Federal District Court") asking the Federal District Court to invalidate the Donlin Gold JROD, which included the Corps' 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 delegation. Oral arguments were held on June 24, 2024, and the Federal District Court issued a decision on September 30, 2024. The decision rejected the plaintiffs' arguments on two of the three issues raised in the litigation but agreed with plaintiffs that the federal agencies took too narrow of a view in analyzing the impact of a theoretical release from the tailings storage facility. The Federal District Court requested supplemental briefing on the appropriate remedy for addressing this issue. On October 7, 2024, the plaintiffs filed a request for reconsideration on one of the issues on which the Federal District Court had ruled against the plaintiffs and, at DOJ's request, the Federal District Court suspended the schedule for briefing on the appropriate remedy until after the Federal District Court ruled on plaintiffs' motion for reconsideration. On December 23, 2024, the Federal District Court denied plaintiffs' request for reconsideration. Remedy briefing was completed in March 2025 and oral argument on remedy was held May 9, 2025. On June 10, 2025, the Federal District Court issued an order denying Earthjustice's request to vacate the permits and remanding the case to the agencies to supplement the NEPA analysis on the narrow issue regarding the analysis of a release from the tailings storage facility. The Court retained jurisdiction over the case during the remand and ordered the agencies to file periodic status updates with the court.

To date, all permits and approvals granted to Donlin Gold by federal and state agencies remain issued and in place while the legal challenges described above proceed. We recognize the importance of preparedness and organization in these matters. With the unwavering support of Donlin Gold and its owners, we will continue to back the state and federal agencies in defending their thorough and diligent permitting processes and are committed to working with the federal agencies and all stakeholders on an appropriate remedy to address the Federal District Court's decision.

Consolidated Financial Results

In the second quarter and the first six months of 2025, net loss increased by \$40,575 and \$39,373, respectively, from the comparable prior year periods primarily due to a \$39,607 non-cash, non-recurring charge related to warrants issued under a backstop commitment agreement signed on April 22, 2025 concurrent with the announcement of the Donlin Gold Transaction. Other items leading to an increase in net loss include higher field expenses at Donlin Gold, lower interest income on cash and term deposits and lower other income due to a smaller comparative gain in the fair market value of marketable securities partially offset by lower general and administrative costs and lower tax expense.

The Company entered into a backstop commitment agreement on April 22, 2025 to ensure sufficient funding for the Donlin Gold Transaction. As consideration for funding such backstop commitment to the Company, NOVAGOLD issued backstop warrants to

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

certain institutional investors with an estimated total fair value of \$39,607. Company subsequently completed the May 2025 equity offering and the backstop commitment concurrently expired unexercised. As the backstop warrants were not a direct offering cost associated with the May 2025 equity offering, the \$39,607 was recorded as a non-cash expense in the second quarter of 2025. The expense represents a non-cash financing activity.

Donlin Gold expenses in the second quarter and the first six months of 2025 were higher with increased site activity in 2025 compared to 2024 when field work activities were minimal. General and administrative expenses decreased in the second quarter and the first six months of 2025 primarily due to lower share-based compensation, salaries and benefits and professional fees. Professional fees expensed declined in the second quarter and the first six months of 2025. Transaction costs of \$829 incurred during the second quarter related to the Donlin Gold Transaction have been recorded as pre-paid expenses as the transaction did not close until early in the third quarter. Salaries and benefits in the second quarter and the first six months of 2025 decreased versus the comparative 2024 periods primarily due to a lower headcount. Please see *“Liquidity and Capital Resources – Liquidity overview”* for more information regarding the anticipated impact of the Donlin Gold Transaction on NOVAGOLD’s costs and expenses.

Functional Currency Change

The functional currency of the Company is the U.S. dollar. Prior to April 22, 2025, the functional currency of NOVAGOLD RESOURCES INC., the parent entity, was the Canadian dollar. Management reassessed NOVAGOLD RESOURCES INC.’s functional currency and determined that on April 22, 2025, given the increasing prevalence of U.S. dollar denominated activities and financing transactions, its functional currency changed from the Canadian dollar to the U.S. dollar. The change in functional currency was accounted for prospectively from April 22, 2025, and prior period consolidated financial statements were not restated for the change in functional currency. Previously recorded cumulative translation adjustments were not reversed.

Liquidity and Capital Resources

Liquidity overview

With total cash and term deposits of \$318,737 as May 31, 2025 (\$136,307 pro forma the closing of the Donlin Gold Transaction on June 3, 2025 and the closing of the share issuance related to the exercise of the underwriters’ overallotment option on June 5, 2025), the Company has sufficient working capital 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. The Company is working with Paulson and Donlin Gold to determine the anticipated costs of completing a feasibility study, and depending on the ultimate cost of completing a feasibility study, the Company may need to raise additional capital. If a decision to commence engineering and construction is reached by Donlin Gold, the Company will review the amounts and options to raise capital at that time. Future financing to fund construction is anticipated through debt and equity offerings, project specific debt, and/or other means. Our continued operations, in the longer term, are dependent on our ability to obtain additional financing 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 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.*

As discussed above, we expect our share of Donlin Gold funding to be higher than our previously issued 2025 guidance of \$21,500 and we similarly expect NOVAGOLD’s corporate general and administrative and transaction costs to be significantly higher than our previous 2025 guidance of \$16,000 in fiscal 2025 due to legal and transaction costs related to the Donlin Gold Transaction. NOVAGOLD intends to provide updated 2025 guidance with the release of our third quarter results.

Our financial position includes the following as of May 31, 2025:

- Cash and cash equivalents of \$293,737, primarily held at three large Canadian chartered banks with investment grade credit ratings. Pro-forma the closing of the Donlin Gold Transaction on June 3, 2025 and the closing of the share issuance related to the exercise of the underwriters’ overallotment option on June 5, 2025, our cash and cash equivalents were \$111,307.
- Term deposits of \$25,000 held at one large Canadian chartered bank with investment grade credit ratings with maturities of less than one year.
- Promissory note payable to Barrick of \$158,795 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

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

project production or from any net proceeds resulting from a reduction of the Company's interest in Donlin Gold. Concurrent with the Donlin Gold Transaction announcement on April 22, 2025, NOVAGOLD entered into a prepayment option agreement with Barrick, which provided the Company with an option to prepay the promissory note in full for \$90,000 prior to the closing of the Donlin Gold Transaction. As the \$90,000 prepayment option was not exercised prior to closing, concurrent with closing on June 3, 2025, the Company entered into an amended and restated secured promissory note with Barrick that provides the Company with an option to prepay the promissory note in full for \$100,000 on or before December 3, 2026.

Cash flows

In the second quarter and first six months of 2025, cash equivalents increased by \$259,767 and \$251,512, respectively, primarily due to \$243,839 in proceeds from a public equity offering and concurrent private placement, net of \$9,734 of transaction and issuance costs, and \$34,000 in net proceeds from term deposits partially offset by Donlin Gold funding and corporate general and administrative costs.

Cash used in operating activities in the second quarter and first six months of 2025 was \$433 and \$519 higher, respectively, than the comparative prior year periods. Funding of Donlin Gold was \$3,088 and \$3,079 higher in the second quarter and first six months of 2025, respectively, due to increased site activity in 2025 than the comparative prior year periods when field work activities were minimal.

Outstanding share data

As of June 20, 2025, the Company had 406,897,647 common shares issued and outstanding. Also, as of June 20, 2025, the Company had: i) a total of 25,500,000 warrants outstanding with an exercise price of \$3.00 per share; ii) a total of 9,867,200 stock options outstanding; 8,600,200 with a weighted-average exercise price of \$5.43 per share and the remaining 1,267,000 of those stock options with a weighted-average exercise price of C\$6.97 per share; and iii) 2,074,300 PSUs; and iv) 327,032 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 38,805,682 common shares.

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

Item 3. Quantitative and Qualitative Disclosures about Market Risk

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

Credit risk

Concentration of credit risk exists with respect to our cash and cash equivalents, and term deposit investments. At May 31, 2025, in anticipation of closing the Donlin Gold Transaction, all term deposits were held at one Canadian chartered bank with investment-grade credit ratings and have maturities of less than one year.

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 May 31, 2025, and assuming all other variables remain constant, a 1% change in the U.S. prime rate would result in an increase/decrease of approximately \$1,588 in the interest accrued on the promissory note per annum. The interest rate in the amended and restated promissory note with Barrick dated June 3, 2025 is unchanged.

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 May 31, 2025. 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.

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

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

Except as set forth below, 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, 2024, as filed with the SEC on January 23, 2025. The risk factors in our Annual Report on Form 10-K for the year ended November 30, 2024, 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.

We are dependent on the cooperation of third parties in the exploration and development of our Donlin Gold project.

Our success with respect to the Donlin Gold project depends on the cooperation of the co-owner of Donlin Gold. We currently hold a 60% economic interest in Donlin Gold and the remaining 40% economic interest is held by a third party that is not under our control or direction. However, governance of Donlin Gold is shared on an equal basis, so we will continue to be dependent on the cooperation of a third party for the progress and development of the Donlin Gold project. The third party may have different priorities which could impact the timing and cost of development of the Donlin Gold project. If the third party defaults on their agreements with us, with or without our knowledge, it may put the mineral property and related assets at risk. The existence or occurrence of one or more of the following circumstances and events could have a material adverse impact on our ability to achieve our business plan, profitability, or the viability of our interests held with the third party, which could have a material adverse impact on our business, future cash flows, earnings, results of operations and financial condition: (i) disagreement with the third party on how to develop and operate the Donlin Gold project efficiently; (ii) inability to exert influence over certain strategic decisions made in respect of the jointly-held Donlin Gold project; (iii) inability of the third party to meet their obligations to the joint business or other parties; and (iv) litigation with the third party regarding joint business matters.

Despite our ownership of 60% of the membership interests of Donlin Gold, our voting interests are contractually reduced in the A&R LLC Agreement.

Consistent with the Prior LLC Agreement, the funding for Donlin Gold is shared by both parties based on their percentage ownership. For example, since NGRA holds 60% of the membership interests of Donlin Gold, it will have the responsibility to fund 60% of the expenses of Donlin Gold. However, even though Paulson holds 40% of Donlin Gold, the parties have equal governance rights. This adjustment to the parties voting interests, as set forth in the A&R LLC Agreement means that (i) NGRA's voting percentage interests are defined as its participating interest from time to time less an absolute 10% and (ii) Paulson's voting percentage interests are defined as its participating interest from time to time plus an absolute 10%. For this reason, even though NGRA holds 60% of the membership interests of Donlin Gold, the Company has a 50% voting interest at Donlin Gold, not 60%. These disproportionately reduced voting rights may reduce the value attributed to our interest in Donlin Gold and reduces our ability to assert our proportionate rights at the project.

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

None.

Item 3. Defaults Upon Senior Securities

None.

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

Item 4. Mine Safety Disclosures

These disclosures are not applicable to us.

Item 5. Other Information.

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: June 25, 2025

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

Exhibit No.	Description
2.1	Membership Interest Purchase Agreement among the Company, Barrick Gold U.S. Inc., Barrick Gold Corporation, Paulson Advantage Plus Master Ltd, Paulson Partners L.P., Donlin Gold Holdings LLC, and NovaGold Resources Alaska, Inc. dated April 22, 2025 (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K of the Company filed with the SEC on April 22, 2025)
4.1	Form of Warrant
10.1	Backstop Agreement dated April 22, 2025 (incorporated by reference to Exhibit 10.1 to the Current report on Form 8-K of the Company filed with the SEC on April 22, 2025)
10.2	Amended and Restated LLC Operating Agreement dated June 3, 2025 among Donlin Gold Holdings LLC, NovaGold Resources Alaska, Inc. and Donlin Gold LLC (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of the Company filed with the SEC on June 4, 2025)
10.3	Amended and Restated Promissory Note dated June 3, 2025 (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of the Company filed with the SEC on June 4, 2025)
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.

THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “ACT”) OR UNDER ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED, UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES OR SUCH OTHER EVIDENCE AS IS SATISFACTORY TO THE ISSUER, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND SUCH STATE LAWS.

THESE WARRANTS MAY NOT BE EXERCISED UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND APPLICABLE STATE SECURITIES LAWS IS AVAILABLE TO THE HOLDER.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE AUGUST 23, 2025.

THE SHARES UNDERLYING THE WARRANTS REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE (“TSX”); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON TSX.

NOVAGOLD RESOURCES INC.

COMMON SHARE PURCHASE WARRANT

Dated: April 22, 2025

Number of Warrants: [●]

Warrant Certificate No.: W2025-W[●]

THIS IS TO CERTIFY THAT, for value received,

[NAME]
[ADDRESS]

(the “**Holder**”) is the registered holder of [●] common share purchase warrants (the “**Warrants**”) of **NOVAGOLD RESOURCES INC.**, a corporation organized and existing under the laws of the province of British Columbia, Canada (the “**Company**”). Each Warrant entitles

the Holder to subscribe for and purchase, subject to the terms hereof including, without limitation, certain adjustment provisions, one common share (a “**Share**”) in the share capital of the Company until 4:00 p.m. (Vancouver time) on April 22, 2030 (the “**Expiry Time**”) for an exercise price of US\$3.00 per Share (the “**Exercise Price**”) after which time the Warrants represented hereby will expire, all subject to adjustment as hereinafter provided. The Warrants are fully vested and are immediately exercisable by the Holder at any time and from time to time, commencing on the date hereof and prior to the Expiry Time.

The right to acquire Shares hereunder may only be exercised by the Holder within the time set forth above by:

(a) duly completing, executing and delivering to the Company, either at the address set forth on the Exercise Form (or such other address as may be specified by the Company, in a written notice to the Holder for this purpose, from time to time) or by e-mail or e-mail attachment, the Exercise Form attached hereto as Appendix “A” (the “**Exercise Form**”); and

(b) except in connection with a cashless exercise, within two (2) trading days (or, if shorter, the standard settlement period applicable to the issuance of the Shares), delivering payment of an amount in United States dollars equal to the applicable Exercise Price multiplied by the number of Shares as to which this Warrant Certificate is being exercised which payment may be made, at the option of the Holder, by delivery of a certified cheque or bank draft or by wire transfer of immediately available funds to the bank account designated in writing by the Company from time to time. For purposes of this Warrant Certificate, trading day means, a day on which the NYSE American (and if the Shares are not listed on the NYSE American LLC (“**NYSE American**”), the Toronto Stock Exchange (“**TSX**”), and if the Shares are not listed on the TSX, the over-the-counter market) is open for the transaction of business.

This Warrant Certificate may also be exercised, in whole or in part, by means of a “cashless exercise” in which the Holder shall be entitled to receive a number of Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where:

X = the number of Shares to be issued to the Holder

Y = the number of Shares for which this Warrant Certificate may be exercised or, if only a portion of this Warrant Certificate is being exercised, the number of Shares subject to such exercise (at the date of such calculation)

A = the Current Market Price

B = the Exercise Price (as adjusted to the date of such calculations)

No ink-original Exercise Form shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Exercise Form be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant Certificate to the Company until the Holder has purchased all of the Shares available hereunder and the Warrant Certificate has been exercised in full, in which case, the Holder shall surrender this Warrant Certificate to the Company for cancellation within three (3) trading days of the date on which the final Exercise Form is delivered to the Company. Partial exercises of this Warrant Certificate resulting in purchases of a portion of the total number of Shares available hereunder shall have the effect of lowering the outstanding number of Shares purchasable hereunder in an amount equal to the applicable number of Shares purchased (or, in the event of a cashless exercise, cancelled). The Holder and the Company shall maintain records showing the number of Shares purchased (or, in the event of a cashless exercise, cancelled) and the date of such purchases (or cancellations). The Company shall deliver any objection to any Exercise Form within one (1) trading day of receipt of such notice. The Holder and any assignee, by acceptance of this Warrant Certificate, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Shares hereunder, the number of Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof. This Warrant Certificate will effectively be surrendered only upon personal delivery hereof or, if sent by mail or other means of transmission, upon actual receipt thereof by the Company at the address shown on the Exercise Form or such other address as may be specified by the Company, in a written notice to the Holder, from time to time.

[Notwithstanding the foregoing, the Company shall not effect any exercise of this Warrant Certificate, and a Holder shall not have the right to exercise any portion of this Warrant Certificate, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Exercise Form, the Holder (together with the Holder's Affiliates (as defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")), and any other persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "**Attribution Parties**")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of Shares beneficially owned by the Holder and its Attribution Parties shall include the number of Shares issuable upon exercise of the Warrants with respect to which such determination is being made, but shall exclude the number of Shares which would be issuable upon (i) exercise of the remaining, nonexercised portion of the Warrants beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Attribution Parties. For purposes of this paragraph, the determination of any "group" status shall be made, and the determination of beneficial ownership shall be calculated, in accordance with Section 13(d) of the

Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this paragraph applies, the determination of whether this Warrant Certificate is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant Certificate is exercisable shall be in the sole discretion of the Holder, and the submission of the Exercise Form shall be deemed to be the Holder's determination of whether this Warrant Certificate is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant Certificate is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. For purposes of this paragraph, in determining the number of outstanding Shares, a Holder may rely on the number of outstanding Shares as reflected in (A) the Company's most recent periodic or annual report filed with the Securities and Exchange Commission, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or Computershare Investor Services Inc., as the Company's transfer agent, setting forth the number of Shares outstanding. Upon the written or oral request of a Holder, the Company shall within one (1) trading day confirm orally and in writing to the Holder the number of Shares then outstanding. In any case, the number of outstanding Shares shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant Certificate, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding Shares was reported. The "**Beneficial Ownership Limitation**" shall be [19.99]% of the number of Shares outstanding immediately after giving effect to the issuance of Shares issuable upon exercise of this Warrant Certificate. The Holder, upon written notice to the Company, may increase or decrease the Beneficial Ownership Limitation. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this paragraph to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant Certificate.]

Upon the exercise of all or any of the Warrants in the manner described above, the person or persons in whose name or names the Shares issuable upon exercise of the Warrants are to be issued will be deemed for all purposes to be the holder or holders of record of such Shares and the Company covenants that it will issue such Shares, free and clear of any taxes, liens or other restrictions (other than those arising under that certain backstop commitment agreement among the Company and certain investors, dated April 22, 2025 (the "**Backstop Agreement**"), under the Company's organizational documents or required pursuant to applicable laws), and cause certificates or Direct Registration System ("**DRS**") advices representing such Shares to be delivered

or mailed to the person or persons at the address or addresses specified in the Exercise Form within five (5) Business Days of the surrender of this Warrant Certificate. The Company further covenants and agrees that, during the period within which the Warrants may be exercised, the Company will at all times have authorized and reserved a sufficient number of its Shares to provide for the exercise of the rights represented by this Warrant Certificate. For purposes of this Warrant Certificate, “**Business Day**” means any day (other than a Saturday, Sunday) or any other day on which commercial banks are required or authorized to close in the State of New York, the Province of British Columbia or the jurisdiction in which the address of the Company is located (as shown on the Exercise Form or such other address as may be specified by the Company, in a written notice to the Holder for purposes of the Exercise Form, from time to time).

The Holder of this Warrant Certificate may acquire any lesser number of Shares than the total number of Shares, free and clear of any taxes, liens or other restrictions (other than those arising under the Backstop Agreement, under the Company’s organizational documents or required pursuant to applicable laws), which may be acquired upon exercise of the Warrants represented by this Warrant Certificate. In such event, the Holder will be entitled to receive a new Warrant Certificate representing Warrants exercisable to acquire up to the balance of the Shares which may be acquired.

The Holder of this Warrant Certificate may, at any time prior to the Expiry Time, upon surrender of this Warrant Certificate to the Company, exchange this Warrant Certificate for other Warrant Certificates entitling the Holder to acquire, in the aggregate, the same number of Shares as may be acquired under this Warrant Certificate.

The Company shall deliver any such new Warrant Certificate to the Holder within five (5) Business Days of such surrender of this Warrant Certificate.

The holding of the Warrants evidenced by this Warrant Certificate will not constitute the Holder hereof a shareholder of the Company or entitle the Holder to any right or interest in respect thereof except as expressly provided for herein.

The Warrants and all rights hereunder are transferable by the Holder in accordance with applicable laws by surrender of this Warrant Certificate together with a Transfer Form in the form attached hereto as Appendix “B” at the office of the Company, 201 South Main Street, Suite 400 Salt Lake City, Utah USA 84111. The Company will use commercially reasonable efforts to facilitate the transfer process to ensure minimal delay and inconvenience to the Holder. Any Warrant Certificate issued to a transferee will bear such restrictive or other legends as may be required under applicable securities laws and applicable stock exchange rules.

The Company shall not be required to issue fractional Shares upon the exercise of the Warrants evidenced hereby. If any fractional interest in a Share would be deliverable upon the exercise of the Warrants evidenced hereby, the Company shall in lieu of delivering any certificate or

DRS advice for such fractional interest, round such fractional interest down to the nearest whole Share.

From and after the date hereof, the Exercise Price and the number of Shares deliverable upon the exercise of the Warrants will be subject to adjustment as follows:

- (a) In case of any reclassification of, redesignation of, or amendment to, the Shares, change of the Shares into other shares, or exchange of the Shares for other shares or in case of the consolidation, merger, reorganization, plan of arrangement, take-over bid, reorganization, amalgamation or other form of business combination of the Company with or into any other company or entity which results in any reclassification of the Shares, a change of the Shares into other shares, or an exchange of the Shares for other shares, or in case of any sale, lease, exchange or transfer (in one or a series or related transactions) of the undertaking or assets of the Company as an entirety or substantially as an entirety to another person (any such event, a “**Reclassification of Shares**”), at any time prior to the Expiry Time, the Holder will, after the effective date of such Reclassification of Shares and upon exercise of the right to purchase Shares hereunder, be entitled to receive, and will accept, in lieu of the number of Shares to which the Holder was theretofore entitled upon such exercise, the kind and amount of shares and other securities or property which the Holder would have been entitled to receive as a result of such Reclassification of Shares if, on the effective date thereof, the Holder had been the registered holder of the number of Shares to which the Holder was theretofore entitled upon such exercise. The Exercise Price will, on the effective date of the Reclassification of Shares, be adjusted by multiplying the Exercise Price in effect immediately prior to such Reclassification of Shares by the number of Shares purchasable pursuant to this Warrant Certificate immediately prior to the Reclassification of Shares, and dividing the product thereof by the number of successor securities determined in accordance with this section. If necessary, appropriate adjustments will be made in the application of the provisions set forth in this section with respect to the rights and interests thereafter of the Holder in order that the provisions set forth in this section will thereafter correspondingly be made applicable as nearly as may be reasonable in relation to any shares or other securities or property thereafter deliverable upon the exercise of the Warrants evidenced hereby. Any successor company, entity or person shall assume the obligations of the Company under this Warrant Certificate.
- (b) If and whenever at any time prior to the Expiry Time the Company will:
 - (i) subdivide, redivide or change the Shares into a greater number of shares;
 - (ii) consolidate, combine or reduce the Shares into a lesser number of shares; or

- (iii) fix a record date for the issue of, or distribution to, or issues Shares, Participating Shares or Convertible Securities (both such terms as defined below in paragraph (g)) to all or substantially all of the holders of Shares by way of a share dividend or other distribution on the Shares payable in Shares, Participating Shares or Convertible Securities;

(any such event, a “**Capital Reorganization**”) and any such event results in an adjustment in the Exercise Price pursuant to paragraph (c), the number of Shares purchasable pursuant to the Warrants evidenced hereby will be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Shares theretofore purchasable on the exercise thereof by a fraction the numerator of which will be the Exercise Price in effect immediately prior to such adjustment and the denominator of which will be the Exercise Price resulting from such adjustment.

- (c) If and whenever at any time prior to the Expiry Time, the Company will undertake a Capital Reorganization, the Exercise Price will, on the effective date, in the case of a subdivision, redivision, change, consolidation, combination or reduction, or on the record date, in the case of a share dividend, be adjusted by multiplying the Exercise Price in effect on such effective date or record date by a fraction: (A) the numerator of which will be the number of Shares and Participating Shares outstanding immediately before giving effect to such Capital Reorganization; and (B) the denominator of which is the number of Shares and Participating Shares outstanding immediately after giving effect to such Capital Reorganization. The number of Shares and Participating Shares outstanding will include the deemed conversion into or exchange for Shares or Participating Shares of any Convertible Securities distributed by way of share dividend or other such distribution. Such adjustment will be made successively whenever any event referred to in this paragraph will occur.
- (d) Any issue of Shares, Participating Shares or Convertible Securities by way of a share dividend or other such distribution will be deemed to have been made on the record date thereof for the purpose of calculating the number of outstanding Shares under paragraphs (e) and 0(f).
- (e) If and whenever at any time prior to the Expiry Time, the Company will fix a record date for the issuance of rights, options or warrants (other than the Warrants evidenced hereby) to all or substantially all the holders of Shares entitling them, for a period expiring not more than 45 days after such record date, to subscribe for or purchase Shares, Participating Shares or Convertible Securities at a price per share (or having a conversion or exchange price per share) of less than 95% of the Current Market Price (as defined below) of the Shares on such record date (any such event, a

“**Rights Offering**”), the Exercise Price will be adjusted immediately after such record date so that it will equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction:

- (i) the numerator of which will be the aggregate of: (A) the number of Shares outstanding on such record date; and (B) a number determined by dividing whichever of the following is applicable by the Current Market Price of the Shares on the record date: (1) the amount obtained by multiplying the number of Shares or Participating Shares which the holders of Shares are entitled to subscribe for or purchase by the subscription or purchase price; or (2) the amount obtained by multiplying the maximum number of Shares or Participating Shares which the holders of Shares are entitled to receive on the conversion or exchange of the Convertible Securities by the conversion or exchange price per share; and
- (ii) the denominator of which will be the aggregate of: (A) the number of Shares outstanding on such record date; and (B) whichever of the following is applicable: (1) the number of Shares or Participating Shares which the holders of Shares are entitled to subscribe for or purchase; or (2) the maximum number of Shares or Participating Shares which the holders of Shares are entitled to receive on the conversion or exchange of the Convertible Securities.

Any Shares owned by or held for the account of the Company will be deemed not to be outstanding for the purpose of any such computation. Such adjustment will be made successively whenever such a record date is fixed.

To the extent that such Rights Offering is not so made or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price will then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or if such expired rights, options or warrants had not been issued.

- (f) If and whenever at any time prior to the Expiry Time, the Company will fix a record date for the distribution to all or substantially all the holders of Shares of:
 - (i) shares of any class, whether of the Company or any other company;
 - (ii) rights, options or warrants other than rights, options or warrants entitling the holders of Shares to subscribe for or purchase Shares, Participating Shares or Convertible Securities for a period expiring not more than 45 days after such record date and at a price per share (or having a conversion or exchange

price per share) of at least 95% of the Current Market Price of the Shares on such record date;

- (iii) evidences of indebtedness; or
- (iv) other assets or property;

and if such distribution does not constitute a Capital Reorganization or a Rights Offering (any such non-excluded event, a “**Special Distribution**”), the Exercise Price will be adjusted immediately after such record date so that it will equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction: (A) the numerator of which will be the amount by which (1) the amount obtained by multiplying the number of Shares outstanding on such record date by the Current Market Price of the Shares on such record date, exceeds (2) the aggregate fair market value (as determined by the external auditors of the Company, which determination will be conclusive, subject to the approval of the TSX and NYSE American, if applicable) to the holders of such Shares of such Special Distribution; and (B) the denominator of which will be the total number of Shares outstanding on such record date multiplied by such Current Market Price.

Any Shares owned by or held for the account of the Company will be deemed not to be outstanding for the purpose of any such computation. Such adjustment will be made successively whenever such a record date in respect of a Special Distribution is fixed.

To the extent that any such Special Distribution is not so made or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price will then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or if such expired rights, options or warrants had not been issued.

- (g) If any issuer bid (other than a normal course issuer bid made through the facilities of the NYSE American, TSX or such other exchange on which the Shares are listed and posted for trading) made by the Company or any of its subsidiaries for all or any portion of the Shares shall expire, then, if the issuer bid shall require the payment to holders of Shares of consideration per Share having a fair market value (determined as provided below) that exceeds the Current Market Price on the last date (the “**Expiration Date**”) deposits could have been made under the terms of such issuer bid (as it may be amended) (the last time at which such deposits could have been made on the Expiration Date is referred to in this paragraph (g) as the “**Expiration Time**”), the Exercise Price shall be adjusted so that it shall equal the price

determined by multiplying the Exercise Price in effect immediately preceding the close of business on the Expiration Date by a fraction, of which: (A) the numerator shall be the product of the number of Shares outstanding (including Purchased Shares (as defined below)) at the Expiration Time multiplied by the Current Market Price on the Expiration Date, and (B) the denominator shall be the sum of the fair market value of the aggregate consideration (as determined in good faith by the directors of the Company, with any applicable approval of the NYSE American or TSX, whose determination shall be conclusive evidence of such fair market value and which shall be evidenced by an officer's certificate delivered to the Holder) payable to holders of Shares based on the acceptance (up to any maximum specified in the terms of the issuer bid) of all Shares validly tendered and not withdrawn as of the Expiration Time (the Shares deemed so accepted, up to any such maximum, being referred to in this paragraph (g) as the "**Purchased Shares**") and the product of the number of Shares outstanding (less any Purchased Shares) at the Expiration Time and the Current Market Price on the Expiration Date. In the event that the Company is obligated to purchase Shares pursuant to any such issuer bid, but the Company is prevented by applicable law or stock exchange rules from effecting any or all such purchases or any or all such purchases are rescinded, the Exercise Price shall again be adjusted to be the Exercise Price which would have been in effect based upon the number of Shares actually purchased, if any. If the application of this paragraph (g) to any issuer bid would result in an increase in the Exercise Price, no adjustment shall be made for such issuer bid. Any decrease in the Exercise Price that results from the application of this paragraph (g) to any issuer bid will become effective immediately preceding the opening of business on the Business Day following the Expiration Date. For purposes of this paragraph (g), the term "issuer bid" shall mean an issuer bid, tender offer or exchange offer under applicable securities legislation by the Company for Shares or a take-over bid, tender offer or exchange offer under applicable securities legislation by a subsidiary of the Company for the Shares.

- (h) For the purpose of this Warrant: (i) "**Participating Share**" means a share (other than a Share) that carries the right to participate in earnings to an unlimited degree; and (ii) "**Convertible Security**" means a security convertible into or exchangeable for a Share or a Participating Share or both.
- (i) In any case in which this Warrant Certificate will require that an adjustment will become effective immediately after a record date for an event referred to herein, the Company may defer, until the occurrence of such event, issuing to the Holder, upon the exercise of the Warrants evidenced hereby after such record date and before the occurrence of such event, the additional Shares or securities or other property issuable upon such exercise by reason of the adjustment required by such event;

provided, however, that the Company will deliver to the Holder an appropriate instrument evidencing the Holder's right to receive such additional Shares or securities or other property upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on any such additional Shares or securities or other property on and after such exercise.

- (j) The adjustments provided for in this Warrant Certificate are cumulative, will, in the case of adjustments to the Exercise Price, be computed to the nearest one-tenth of one cent and will apply (without duplication) to successive Reclassifications of Shares, Capital Reorganizations, Rights Offerings and Special Distributions; provided that, notwithstanding any other provision of this section, no adjustment of the Exercise Price will be required unless such adjustment would require an increase or decrease of at least 1% of the Exercise Price then in effect (except upon a consolidation of the outstanding Shares); provided, however, that any adjustments which by reason of this paragraph are not required to be made will be carried forward and taken into account in any subsequent adjustment.
- (k) Subject to the approval of the TSX and NYSE American, no adjustment in the number of Shares which may be purchased upon exercise of the Warrants evidenced hereby or in the Exercise Price will be made pursuant to this Warrant Certificate if (subject to the approval of the TSX and NYSE American and any other regulatory approvals, in each case if applicable) the Holder is entitled to participate in such event on the same terms mutatis mutandis as if the Holder had exercised the Warrants evidenced hereby for Shares prior to the effective date or record date of such event.
- (l) In the event of any question arising with respect to the adjustments provided in this Warrant Certificate, such question will conclusively be determined by a firm of chartered accountants appointed by the Company and acceptable to the Holder (who may, but need not, be the Company's auditors). Such accountants will have access to all necessary records of the Company and such determination will be binding upon the Company and the Holder.
- (m) As a condition precedent to the taking of any action which would require an adjustment in the subscription rights pursuant to the Warrant, including the Exercise Price and the number of such classes of shares or other securities or property which are to be received upon the exercise thereof, the Company will take all corporate action which may, in the opinion of its external counsel, be necessary in order that the Company has reserved and there will remain unissued out of its authorized capital a sufficient number of Shares for issuance upon the exercise of the Warrants evidenced hereby, and that the Company may validly and legally issue as fully paid

and non-assessable all the shares of such classes or other securities or may validly and legally distribute the property which the Holder is entitled to receive on the full exercise thereof in accordance with the provisions hereof.

- (n) At least 21 days prior to the effective date or record date, as the case may be, of any event which requires an adjustment in the subscription rights pursuant to this Warrant Certificate, including the Exercise Price and the number and classes of shares or other securities or property which are to be received upon the exercise thereof, the Company will give notice to the Holder of the particulars of such event and the required adjustment.

For the purpose of any computation under this Warrant Certificate, the “**Current Market Price**” of the Shares at any date means the volume weighted average trading price per Share on the NYSE American for five (5) consecutive trading days prior to that date; provided, however, if the Shares are not listed on NYSE American, the volume weighted average trading price per Share traded through the facilities of such other stock exchange or over-the-counter market, as determined by the directors of the Company, acting in good faith, on which the Shares are listed or through which the Shares are quoted for five (5) consecutive trading days prior to that date; provided, further, if the Shares are not listed on NYSE American or any other stock exchange or over-the-counter market, then the Current Market Price shall be determined by the directors of the Company, acting in good faith and based on advice from a reputable independent financial advisor selected by the Company and acceptable to the Holder. The Company will be solely responsible for paying all fees and expenses of such financial advisor. The volume weighted average trading price per Share shall be determined by dividing the aggregate sale price of all Shares sold on such exchange or over-the-counter market, as the case may be, during the five (5) consecutive trading days by the total number of shares so sold.

These Warrants and the Shares deliverable upon exercise thereof have not been registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”), or the securities laws of any state of the United States. These Warrants may not be exercised unless so registered or an exemption from the registration requirements of the 1933 Act and applicable state securities laws is available to the holder.

The certificates or DRS advices representing any Shares issued pursuant to the exercise of the Warrants will have imprinted on them the following legend:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “ACT”) OR UNDER ANY APPLICABLE STATE SECURITIES LAW AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED, UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES OR SUCH OTHER EVIDENCE AS IS SATISFACTORY

TO THE ISSUER, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND SUCH STATE LAWS.”

The certificates or DRS advices representing any Shares issued pursuant to the exercise of the Warrants on or before August 23, 2025 will have imprinted on them the following legends:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE AUGUST 23, 2025.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE (“TSX”); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON TSX.”

This Warrant Certificate will be governed and construed in accordance with the laws of the State of New York.

This Warrant Certificate will enure to the benefit of and will be binding upon the Holder and the Company and their respective successors and permitted assigns.

This Warrant Certificate may be executed in counterparts, all of which together shall constitute one and the same agreement. Any signature page delivered electronically shall be binding to the same extent as an original signature page with regards to any agreement subject to the terms hereof or any amendment thereto.

Time will be of the essence hereof.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF the Company has caused this Warrant Certificate to be executed by its duly authorized officer.

NOVAGOLD RESOURCES INC.

Per: _____
Authorized Signatory

**APPENDIX “A”
EXERCISE FORM**

TO: **NOVAGOLD RESOURCES INC.**
201 South Main Street, Suite 400
Salt Lake City, Utah
USA 84111
E-mail: info@novagold.com

The undersigned holder of the attached Warrant Certificate hereby subscribes for _____ common shares (the “**Shares**”) in the authorized share capital of **NOVAGOLD RESOURCES INC.** pursuant to the terms of the Warrant Certificate at the Exercise Price (as defined in the Warrant Certificate) on the terms specified in the Warrant Certificate and agrees to make payment therefor on the terms specified in the Warrant Certificate.

The undersigned represents, warrants and certifies as follows (one (only) of the following must be checked):

- ___ (A) the undersigned holder (a) is the original purchaser of the Warrants from the Company pursuant to the terms of that certain Backstop Agreement among the Company and certain investors, dated April 22, 2025, and confirms, as of the date of hereof, each of the representations, warranties, certifications and agreements made by it in the Backstop Agreement, including, without limitation, its status as a “accredited investor” within the meaning of Rule 501(a) of Regulation D under the U.S. Securities Act, as though such representations, warranties, certifications and agreements were made on the date hereof and in respect of the acquisition of the Shares issuable upon exercise of the Warrants being exercised; or
- ___ (B) the undersigned holder has delivered herewith an opinion of counsel (which will not be sufficient unless it is in form and substance reasonably satisfactory to the Company) or such other evidence reasonably satisfactory to the Company to the effect that the issuance of the Shares to be delivered upon exercise of the Warrants is not required to be registered under the U.S. Securities Act.

It is understood that the Company may, acting in good faith, require reasonable evidence to verify the foregoing representations.

Note: If Box B above is checked, holders are encouraged to consult with the Company in advance to determine that the legal opinion tendered in connection with the exercise will be satisfactory in form and substance to the Company.

Payment shall take the form of (check applicable box):

- ___ (A) in lawful money of the United States; or
- ___ (B) if permitted, the cancellation of such number of Warrants as is necessary, in accordance with the formula set forth in the cashless exercise provisions of the Warrant Certificate, to exercise the Warrant Certificate with respect to the number of Shares set forth in this Exercise Form.

The undersigned irrevocably hereby directs that ___ Shares be issued and delivered as follows:

<u>Name in Full</u>	<u>Address</u>	<u>Number of Shares</u>	<u>Form of Subscription</u>
_____	_____	_____	<input type="checkbox"/> Direct Registration System Advice
			<input type="checkbox"/> Physical Share Certificate
_____	_____	_____	<input type="checkbox"/> Direct Registration System Advice
			<input type="checkbox"/> Physical Share Certificate

DATED this ___ day of _____, ____.

WARRANT HOLDER:

Per: _____
Authorized Signatory

Instructions:

The registered holder may exercise its right to receive Shares by completing this form and surrendering this form, the Warrant Certificate representing the Warrants being exercised, payment of the Exercise Price and any other evidence as specified above to the Company as set out above. Certificates or Direct Registration System advices representing such Shares will be delivered or mailed within five (5) Business Days after the exercise of the Warrants or payment of the Exercise Price in full, whichever is later.

APPENDIX "B"
TRANSFER FORM

FOR VALUE RECEIVED, the undersigned (the "**Transferor**") hereby sells, assigns and transfers to:

Name in Full

Address

_____ number of Warrants, issued by **NOVAGOLD RESOURCES INC.** (the "**Company**"), represented by the enclosed Warrant Certificate (if no amount is specified, the Transferor will be deemed to be transferring the entire amount of the Warrant Certificate) and does hereby irrevocably constitute and appoint:

as attorney to transfer said number of Warrants on the books of the Company with full power of substitution in the premises.

The undersigned hereby represents, warrants and certifies that (one (only) of the following must be checked):

- (A) the transfer is being made only to the Company; or

- (B) the transfer is being made in accordance with a transaction that does not require registration under the U.S. Securities Act or applicable securities laws of any state of the United States and the undersigned has furnished to the Company an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect.

[signature page follows]

DATED the ____ day of _____, 20____.

}
}
}

Print Name of registered holder as on
certificate

X _____
Signature of Witness

}
}

X _____
Signature of registered holder or
Signatory thereof

[Please Note Instruction 2]

}
}

If applicable, print Name and Office of
Signatory

INSTRUCTIONS:

}
}
}
}
}
}

Street Address

City, Province and Postal Code

Notes:

1. The registered holder of a Warrant may exercise its right to transfer such Warrant by completing and surrendering this Transfer Form and surrendering the ORIGINAL Warrant Certificate representing such Warrant being transferred to the Company, as provided for in the Warrant Certificate. Certificates representing the transferred Warrant will be sent by prepaid ordinary mail to the address above within five (5) Business Days after the receipt of all required documentation. If less than all of the Warrants represented by the ORIGINAL Warrant Certificate are to be transferred, a certificate representing any such Warrants that are not to be transferred will be sent by prepaid ordinary mail to the address of the registered holder of such Warrants on the within five (5) Business Days after the receipt of all required documentation.
2. The signature of the registered holder on this Transfer Form must be medallion guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange, and the registered holder must pay to the Company all applicable taxes and other duties arising from such transfer.
3. If this Transfer Form is signed by a trustee, executor, administrator, curator, guardian,

attorney, officer of a corporation or any person acting in a fiduciary or representative capacity, this Transfer Form must be accompanied by evidence of authority to sign satisfactory to the Company.

**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: June 25, 2025

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: June 25, 2025

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 May 31, 2025, 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: June 25, 2025

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 May 31, 2025, 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: June 25, 2025

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