



NOVAGOLD Resources Inc.

Fourth Quarter 2025 Financial Results Conference Call

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Time: 8:00 AM PT

Speakers: **Melanie Hennessey**
Vice President Corporate Communications

Gregory Lang
President and Chief Executive Officer

Peter Adamek
Vice President and Chief Financial Officer

Dr. Thomas Kaplan
Chairman of the Board

Operator:

Welcome to NOVAGOLD's 2025 year-end report, conference call and webcast.

As a reminder, all participants are in listen-only mode. The conference is being recorded. After the presentation, there will be an opportunity to ask questions. To join the question queue, you may press star, then one on your telephone keypad. Should you need assistance during the conference call, you may reach an operator by pressing star, then zero. Webcast viewers may submit questions through the text box in the lower right corner of the webcast frame.

I would now like to turn the conference over to Melanie Hennessey, Vice President, Corporate Communications. Please go ahead.

Melanie Hennessey:

Thank you, Ashiya.

Good morning everyone. We are pleased that you've joined us for NOVAGOLD's 2025 Year-End Webcast and Conference Call and also for an update on the Donlin Gold project.

On today's call, we have NOVAGOLD's Chairman, Dr. Thomas Kaplan, President and CEO Greg Lang, and Peter Adamek, NOVAGOLD's Vice President and CFO. At the end of the webcast, we will take questions by phone. Additionally, we will respond to questions received by email.

I would like to remind you, as stated on Slide 3, any statements made today may contain forward-looking information, such as projections and goals, which are likely to involve risks detailed in our various EDGAR and SEDAR filings, and forward-looking disclaimers that are included in this presentation.

With that, I will now turn the presentation over to Dr. Thomas Kaplan.

Dr. Thomas Kaplan:

Thank you very much, Melanie.

When we start on Slide 4, I'd just like to point out something which in this era of volatility and resource nationalism, it's important to understand that NOVAGOLD and our partners at Paulson are building the path to what will be America's largest single gold mine. That's an extraordinary statement; candidly, one that would have seemed to many people a year ago something that would be very hard to imagine. And yet, here we are at a perfect time to be building America's gold mine.

If we go to Slide 5, I'd like to speak to the most important event that took place last year, and that was the transaction that has already shown itself to be catalytic, and yet, on the other hand, for reasons which I will state, I believe that we are really in just the first inning of the revaluation of NOVAGOLD. And the reason is simple. For the first time, NOVAGOLD is perfectly aligned with its partner.

People used to ask me, "Tom, you own gold assets, silver assets, and you never joined the public boards. Why this one?"

And my answer to that is because I enjoy it. I love working with the people. And by temperament, if I'm interested in something, I tend to go all in.

My interest in NOVAGOLD has been metaphysical from the time that I first saw it in the public markets to the time when on December 31, 2008, Igor Leventhal negotiated an agreement that effectively had us come in as the saviour of NOVAGOLD, which was going to go out of business. It had a lot of problems. We turned them around. But along the way, our first shareholder has become something of an angel. And that's John Paulson. He was the first investor in NOVAGOLD after the Electrum Group took it over. It was a fantastic journey, as some of you will read in Greg Lang's own story of how he came to NOVAGOLD.

When John sent his analysts to see whether I could possibly be right when I posited that we think it's possible that NOVAGOLD, just on the 5% of the land package that's been explored, is a pure play on the next Carlin, we felt that we could see 80 million to 100 million ounces. And of course, he found that that was highly improbable. He sent his analysts to visit. They came back. He called me, and he said, "What do you want to do?"

And I said, "I'd like \$100 million."

He said, "Done."

I said, "What changed?"

And he said, "Our analysts came back. We can see what you see. Congratulations."

Up until about 2020, I think I can say that it really was a lot of fun. And then, unfortunately, we had some glitches. I'll get to that in a moment, but suffice to say that since John Paulson took the extraordinary step of investing \$800 million personally to take a 40% stake in Donlin, the market has understood that this may well

have been the best single buy in the gold mining space since Barrick itself bought Goldstrike, which was the company-maker for that company, and certainly one of them as well for Franco Nevada.

The market reception that we've had from a low of \$2.50 early last year to, well, where we are today, certainly shows that people understand not just the quality of the asset, but that we are due for a major, major revaluation which, as far as we're concerned, hasn't really even taken place yet.

Next slide, please.

On Slide 6, what you can see is a very interesting story. We were partners for a very, very long time. Our partnership pre-existed my coming into the story in 2008 to 2009. But from the time that we applied our team approach, NOVAGOLD was one of the premier-rated assets in the GDXJ. We believe that it has the potential to be that once again, maybe the premier asset in the play. What you see is a very, very nice progression up until about 2020 when there was a change in management at Barrick.

Well, the next several years were not as fun as the previous ones. However, by the time that last year or the year before rolled around, it was very clear that our partner's agenda was not going to work. Fortunately, Mark Bristow and I were able to reach an agreement to buy Barrick's half of Donlin. With John Paulson buying 80% of that stake and NOVAGOLD increasing its stake from 50% to 60%, we went from having years of non-alignment with our partner, whose eyes had wandered very much to copper and in some very interesting jurisdictions, to being in a position where we could once again reboot and take us back to where we were.

If you look at this chart, we were a \$12 stock in 2020. So many things have happened since then. And I would argue—and I think John Paulson would heartily agree—that based on where we should be, where we would have been without the delay, we would be multiples higher than where we are today.

One thing I can tell you is that I will be working with management and also with the Paulson Group for us to regain that lost ground and multiply where we should be, because to my mind, that lost ground took place in sub-\$2,000 gold, and we are in a completely different place.

One of the reasons why I am so confident about that is that we are literally in the right place. People talk about world-class, but as somebody who really made his fortunes in countries like Bolivia, Zimbabwe, South Africa—I sold Kivali to Mark Bristow—I really do believe that in order to be able to get the premium rating, you have to be in a place where people can sleep well at night, where when they go to sleep, they know that when they wake up in the morning, what they thought they owned, they still own. In other words, you want all the leverage to an

underlying thesis, but in a jurisdiction that will allow you to keep the fruits of that leverage. It really doesn't get any better than Alaska.

So, for all of those reasons, I believe that we are really just in the first inning. We haven't really even taken ourselves back to where we should be at \$2,000 gold.

Next slide.

Now, let me talk a bit about the advantage that we have from being partners with John Paulson and his team.

They are proven talents in the mining industry at a time when very few generalists have the kind of expertise that they have shown, not just in picking the right assets, but also where necessary becoming activists. John Paulson, of course, is very famous for having been perhaps the greatest beneficiary of identifying the macro trade that coincided with the financial crisis. And as George Soros put it at the time, he not only identified the trade, he identified the very, very best vehicles to be able to make from 10 to 100 times on the investments for his clients.

I am very proud to say that John, who has been an investor in NOVAGOLD since 2010, is our longest standing and most active shareholder. But the fact that John, who is, as I've been, a very, very well known public advocate for gold ownership, has decided to make such an investment, he's basically said, "The macros, I know. I'm bullish on gold. I want more exposure to it. And as far as I'm concerned, Donlin is the single best way for me to play it."

In other words, the same thesis that accompanied his views on how to be able to deal with subprime and the housing crisis are embodied in the stake that he has taken in Donlin.

He didn't have to do it. He saw an opportunity. And again, I really do believe—and all credit to him—that this will be the single savviest investment having been made in gold space in many, many decades.

One other factor that I'd like to add is not only does Paulson bring acumen and strategic depth to the project, but also, they have extraordinary access to financing that it is not necessarily my frame of reference. In Electrum, we have several sovereign wealth funds which are the only outside owners in what is essentially a family and employee-owned business. My strong suit is in the sovereign wealth funds. John's is in the United States. And as we've seen with the success of Perpetua, he knows how to be able to bring capital to an equation, to be able to lower the cost of capital.

There are many, many upsides in the financing opportunities, which we can look towards. There are a number of countries, including Japan, Korea, the Emirates, Saudi Arabia, which really have pledged to invest well over a trillion dollars in the United States. I would venture to say that the largest gold mine in the United States on the Pacific coast might very well be attractive to countries like Japan where you have very, very strong gold demand, or a country like Korea, where the central bank has said that they're going to resume gold purchases. Well, Japan has pledged \$550 billion and, last I saw, Korea \$350 billion.

And then, of course, you have the Emirates, who are partners with me, Saudis, who are partners with me. It's a whole different world to be able to finance the largest gold mine in the United States. Paulson brings advantages to us in that respect and there are many, many upsides that could take place. It's possible we could merge, and on a 100% basis be a 1.5 million ounce gold producer. Whatever is in the interest of NOVAGOLD, we will always consider and, most importantly, take into consideration our shareholders, who have been fantastic guides.

But the point is, there are upside cases on financing stories that really didn't exist until a year ago. So again, watch this space.

Now I'd like to go into something which, on Slide 8, may look like a little bit of self-aggrandizement.

There are others who've been bullish on gold. Not as many who have basically put all of their wealth into gold and silver mining assets. We are called Electrum because it is a naturally occurring alloy of gold and silver, and we have been all in. And obviously, what's transpired over the last year or two has been wonderful. But when I go out on the road, because I have been gold's evangelist, or one of them, for a number of years, I'm very often asked where I see gold going. So if I can take a step back so that it gives me the opportunity without selective disclosure or selective hypothesizing, for years, I expressed that I thought the first equilibrium level for gold would be between \$3,000 and \$5,000. I expressed this publicly as early as when gold was at \$550. And that, of course, took a lot of people by surprise. I expressed I was going to sell what I then had as the fastest growing privately held natural gas producer in the United States. We sold that in 2007 to pivot entirely into the one money that I believed in and still believe in. Gold 1.0 has been great. Candidly, crypto and calling it gold 2.0 has expanded gold 1.0's reach to so many places that I normally don't even have to speak to most people about why they should own gold. I just tell them where I think it's going.

In May 2019, I did a Bloomberg peer-to-peer interview with David Rubenstein. That night, gold was at about \$1,900. Actually, that's not true. It was \$1,280 and David asked me, "So, you see it going past \$1,900," which was a previous high, and I told him, "I believe that when it goes past \$1,900, we're talking about \$3,000 to \$5,000. But I also added this, which was, "If not a lot higher, depending on macro circumstances that today seem dim, but which I can't really quantify."

Now, at that time, I was already formulating a different thesis on where I saw gold going. A lot has changed since the early 2000s, and my thesis had changed, but I really didn't think it was prudent for me to say that publicly. It was already enough when gold was at \$1,280 to say, I see it going from \$3,000 to \$5,000. But now, I want to walk you through my thesis, which is borne out of the fact that I'm no more a gold bug than I was a silver bug, a hydrocarbon bug, a platinum bug, or any other insect. It's just that this is my belief and you can take it for whatever it's worth.

On Slide 9, I think it's very clear now that gold is here to stay. It has been revitalized as an asset class. I'm not going to spend too much time on the things that make it attractive.

Gold has been thriving, whether you have inflation fears, deflation fears, whether you require a safe haven or you don't. The gold industry itself has dwindling discovery rates. Ore grades are now plunging to below a gram. Central buyers have been buying. I've said for years the central banks are not dumb money. They actually know better the lack of credibility of so much of the assets that they own on their balance sheet that by buying gold as an act of choice, an act of volition, they are doing as much as anyone to be able to show you that you should own it. And clearly, everyone who's been buying gold as a central banker, and they're not paid 2 and 20 to take gold decisions, is obviously looking like a genius.

That also goes with the other aspect that I've always said since gold was the \$500, which is whenever the Indians and the Chinese are competing over a scarce asset, you must want to own it.

So you have Chinese and Indian demand, you have central bank demand, and you now have new investors who are coming in to compete with the official sector. This environment is perfect.

I should add that I never used to resort to talking about the fear factors in pushing for why people should own gold. I spoke about Economics 101—supply and demand, why one wants to have a money that can't be defaced by FIAT, a lot of good logical factors, but I didn't go into the four horsemen of the apocalypse or any of the things that sometimes people veer into when they talk about gold.

However, after 2022, and the combination both of the real displacement in the world order with the Russian invasion of Ukraine and the displacement of the financial order with the freezing of Russian assets outside of Russia, that really was a game changer. It was a game changer for a lot of central banks. It was a game changer for a lot of investors who want to preserve their capital, both as a safe haven and also because gold is something that when you own it, it doesn't represent someone else's liability to repay you. So all of these things which seemed a little bit esoteric, all of a sudden came into sharp relief, and you see gold taking off.

Well, I do believe this is the early stage of a complete revaluation.

On Slide 10, this is where I believe we're going to see gold going. Now, that chart is a chart of the Dow Jones Industrial average since 1975. Here's what happened in the Dow. Up until about 1980, essentially for 30 years, the Dow was in a trading range and if it came to 1,000 or peaked above it, smart people said, "Well, sell it. It's at the top of the trading range." And that worked for a while.

The problem is that reversals essentially mean that at some point, you can actually say this time it's different. Otherwise, it's not a reversal. So normally when people hear this time it's different, they think, "Uh-huh, well, that's a bubble about to burst."

Very often it is, but sometimes it's just representing new facts, and this is what happened with the Dow.

Now, I happen to remember, I was working for someone in London in 1987 while I was doing my PhD, and I remember the crash of 87. I'd like you to try to see if you can see it on this chart, a crash which took the Dow down from the 2000s to, I think, 1600, 1700. It seemed like the sky was falling in. You cannot see it. It was a downdraft essentially in the passage of time meant to wipe out (inaudible 24:13) as it started to make its climb to 45,000.

I don't know whether gold needs an 87 moment. If it happens, you just have to buy it and buy it and buy it. It could be brief, it could be short, and it may not even happen at all because the reality is that the fundamentals for gold are so strong and literally get reinforced almost with every tweet. It is reinforced on a weekly, if not daily, basis why everyone should have gold in their portfolio. The problem is there really isn't enough gold to go around except at much, much higher equilibrium prices.

So with the \$3,000 to \$5,000 area having been met—by the way, people sometimes say, "Why \$3,000 to \$5,000?" I say, "Because it could go to \$5,000 and then correct down to \$3,000 before going past \$5,000 to (inaudible 25:15) or \$20,000."

In any event, I'd like to cite Ray Dalio, who is someone that I deeply, deeply respect. Ray is extraordinary and if there's a public service announcement, read his books. He's the best, what I would say market-related applied historian in the world today. So at a certain point, not long ago, Ray said, "Gold is now the second largest reserve currency behind the U.S. dollar. To understand why, you need to look at the history of FIAT currencies like the dollar and hard currencies like gold. The way I see it, we're currently facing a classic currency

devaluation, similar to what we saw in the 1970s or in the 1930s. In both of those cases, FIAT currencies around the world all went down together and also went down in relationship to hard currencies like gold.”

Up until about a year or two ago, for decades, when people asked me which currencies should I own, I said, “Own the U.S. dollar,” because although I do believe that all paper currencies are toilet tissue, the U.S. dollar is double-ply. It has factors that make it better than its other paper currency comparables. Not that I believe in it, but if you need a paper currency, the dollar.

Of course, there's always room for the Swiss franc and a couple of other esoteric things, but you get the idea. The dollar and gold. And I said, “For me, it's all about gold, not the dollar.” But for most investors, they can't be as all-in as a private investor like myself.

Suffice to say that the U.S. is doing everything it can to debase the cornerstones of its being not just first among equals, but the superpower. Those chickens will come home to roost, and I'm sorry to see it. The United States obviously has factors that make it unique. It has the ability to project power all over the world in a way that, until the Chinese catch up, is unique to itself. It had a multilateral alliance system that the Chinese could not compete with, and therefore was, quote, the boss. And in return for this leadership, people were willing to buy the dollar despite America's bipartisan commitment to spending so much more money than it has, and they were willing to go along with the convenient fiction, which is to say, “If you defend us, you are the economic superpower, and that's a trade we're willing to make.” It was a trade-off.

Well, we are starting to witness shifts in that, which I'm not saying are going to immediately displace the dollar, but for a variety of reasons, you will see not only adversaries now, but friends look to be able to have more financial autonomy.

One thing, however, I do have to say, for those who are buying gold because they think that the dollar will weaken, that's not necessarily true. I remember when I sold my energy company, we got a lot of money, and I remember saying George Soros once said that the existential decision for any investors is in which currency to denominate themselves. I chose gold, but also I had other paper currencies. The dollar-euro at that time, in November of 2007, was about 1.47. The dollar has strengthened to 1.15, let's say, and gold has gone from 600 to nearly 5,000. In other words, you do not need a weaker dollar to buy gold. Does it help? Yes, but those who shuck off that mythology will do a lot better.

I knew that the gold and the dollar could go up in tandem. So, really, when you're looking at that analysis, don't make that the central pivot. In my opinion, if it helps the analysis, no problem, but there are a lot of myths about gold which have been dispelled that now people really do understand.

You didn't need strong oil. When I sold my energy company, oil was at \$120 a barrel. The top of that, gold was at \$600.

There are a lot of myths. The point is this is a bull market and if you're going to play it if you're not in it and you're going to be increasing your allocation as other people come into it for the first time, the mining equities are tremendously undervalued. The reason for that is after so many years of dismissing gold as a barbarous relic, people almost can't believe what they're seeing. They can't believe it. Is gold really going to be \$3,000, \$4,000, \$5,000? Well, if it is, the gold miners are truly, truly value plays Something to consider.

If I move to Slide 11, very simply put, if you look back over 25 years, which is not unreasonable since the turn of the century, gold has done a brilliant job as an asset class. As we know that people do like to look back, I think investors are going to be encouraged more and more to have gold in their portfolio as portfolio diversifiers, not to mention the other myriad factors for owning gold in today's world.

Slide 12. This for me has been one of the great reasons why I love Donlin. The leverage to gold, the leverage to what we see as 45 million ounces now in all resources with the potential for that to multiply along strike. The 45 million ounces is only 3 kilometres of an 8-kilometre mineralized belt, which itself is only 5% of the land package. Ninety-five percent of Donlin is unexplored. That's going to turn around.

We are now for the first time systematically going through our land package. We believe that it is possible—although this is a wildly forward-looking statement—that the next Donlin could be at Donlin. The chances that there's nothing else big there are very small.

Having said that, even if nothing else was there, we do believe that we can see the existing resource multiply.

But assuming none of that happens, this is the leverage that we have to gold and it shows NPV 5s, which are perfectly fine, and it also shows NPV 0s. And the reason why I say that is because up until the early 1990s, U.S. assets were valued at a 0% discount rate. I believe we're going to get back to that.

If you have the right jurisdiction and you have exploration potential and you have so many of the other attributes that Greg will be describing in just a couple of minutes, I really do believe that we will be closer to the right of the right-hand side.

But be that as it may, you can clearly see that the beauty of Donlin is that it gives you all the leverage you could possibly want to gold, but in a jurisdiction that will allow you to keep it. At Donlin, you can sleep well at night and be exposed to tremendous, good news while being short jurisdiction risk.

And so with that, I'm going to hand the baton over to Peter Adamek to talk about our financial results. Thank you.

Peter Adamek:

Thank you, Tom.

Turning to our operating performance on Slide 14, NOVAGOLD reported a fiscal 2025 fourth quarter net loss of \$15.6 million. This represents an increase of \$4.7 million from the comparable prior year, primarily due to higher site activity at Donlin Gold and higher general and administrative expenses. NOVAGOLD's fourth quarter results also reflect the Company's second consecutive quarter with a 60% interest in Donlin Gold.

For the full year, NOVAGOLD reported a net loss of \$94.7 million during fiscal 2025, which included a \$39.6 million non-cash, non-recurring charge for warrants issued as consideration for a backstop commitment in support of the Donlin Gold transaction. Excluding this one-time charge, general and administrative expenses during the fiscal 2025 were largely unchanged from prior year, while Donlin Gold expenditures were \$9 million higher due to the 2025 field program.

On Slide 15, our treasury during fiscal 2025 increased by \$13.9 million, which left us with \$115.1 million at the end of year.

During the year, we closed a public offering and a private placement generating net proceeds of \$259.6 million. We also acquired an additional 10% of Donlin Gold for consideration and transaction costs totalling \$210.1 million at the start of the third quarter of 2025.

Corporate G&A cash spent during the year increased by \$1 million versus prior year, and our share of Donlin Gold funding increased by \$10.1 million due to increased site activity in 2025 and the Company's 10% increased Donlin Gold funding obligation.

Moving to Slide 16, as discussed on the previous slide, our treasury sits at a robust \$115.1 million at the end of the fourth quarter of fiscal 2025. Our 2025 cash expenditures of \$41.2 million were below our overall 2025 guidance by \$0.8 million due to slightly lower than anticipated spending at Donlin Gold and marginally higher G&A costs at NOVAGOLD as a result of higher professional fees following the closing of the Donlin Gold transaction.

Looking ahead to 2026, our anticipated expenditures for 2026 are approximately \$98.5 million, which include \$78.8 million for NOVAGOLD's 60% of Donlin Gold expenditures and \$19.7 million for Corporate G&A.

With that, I will now turn the presentation over to Greg.

Gregory Lang:

Twenty twenty-five was a very active year at the Donlin site. We completed an 18,000-metre drill program. Throughout this program, the safety record was impeccable, and we hired over 80% of our employees from villages in and around the Donlin Mine site. The results from this program will be used to enhance our geologic modelling, resource conversion, and geotechnical drilling to support the designs of the project facilities.

We recently updated our technical report for regulatory compliance pending the completion of the feasibility study. This report, more than anything else, really demonstrates the robust nature of mineralization at Donlin.

We're also very active in the communities this year. With the renewed progress at the site, it garnered a lot of interest. We hosted many community visits, regulatory visits, as well as additional analyst tours. So, a very active year at the site.

Our team in Alaska also finalized shared value statements with additional villages, bringing the total to 20.

We completed a restoration program at Snow Gulch, and Enrique Fernandez, one of the Donlin employees, was recognized by his peers for his contributions to this undertaking.

Turning to the next slide, what I really want to highlight here is just to remind everybody we have completed the federal permitting process, and we have substantially completed the state permitting. We're one of the few projects that is not relying on permitting and the decisions impacting the timing are solely in the hands of the owners.

As shown on Slide 20, we continue to support the state and federal agencies in defending the permits they have issued. The court rulings to date have validated that the agencies did a thorough job preparing the environmental impact statements and the associated permits. We're continuing to advance the design of our tailings dam and other water retention structures. This work has been submitted to the regulatory agents in Alaska, and we expect them to be responding in the near future.

Our federal permit, turning to the next slide, was remanded for a small additional study by the courts. This requires a supplemental EIS. During the permitting, we evaluated a tailings release, and the court asked that we study additional releases. This work is well advanced and this supplemental EIS has been incorporated into the FAST-41 program. This is a program that creates schedules and deadlines for the agencies to follow in processing a permit. It doesn't change anything in our designs, but it just focuses the agencies on getting this work done in a timely fashion.

My next few slides will talk about why one might consider investing in NOVAGOLD.

Donlin is just simply a unique asset in terms of its production profile. It will average over a million ounces a year in a mine life of almost three decades. There aren't many mines in the industry of this size anymore. At 40 million ounces, we've got a huge endowment at 2.25 grams. Great grade for an open pit deposit. The exploration potential at Donlin is tremendous. We know the ore body is open-ended at strike, at depth, and along 3 kilometres of the 8-kilometre gold-bearing system has only lightly been explored. When the time is right, we will resume exploration on the project. We also know that there's tremendous potential on our land holdings at Donlin. The area of the known-mineralization represents about 5% of our land holdings there.

Alaska is a great place to do business. They've got a well-established tradition of responsible mining and are the second-largest gold-producing state in the U.S.

Another great factor about Donlin, it is located on private land owned by two native corporations. As I mentioned earlier, our permits are in-hand and we're wrapping up the state permitting. We've maintained a great environmental and safety record at our site and we're committed to responsible mining. The team at NOVAGOLD has the expertise it takes to bring a project like Donlin into fruition.

Moving to the next slide, when you look at the other development projects that are being advanced in the industry, the output of them is less than 0.5 million ounces a year. Clearly Donlin would be far and away the largest new gold mine to be built. Its first 10 years will produce about 1.3 million ounces a year, truly in a class of its own.

Grade is also a very key attribute at Donlin. The industry grades are approaching a gram per tonne. At 2.25 grams, Donlin is twice that and it's that grade that gives Donlin very competitive cash costs.

This slide just highlights the potential along trend. The Ackman Lewis deposits are less than half of the 8-kilometre belt. We've got gold-bearing drill holes all up and down the trend and we will resume exploration when

the time is right. This year's drill program included results of over 26 grams per ton, demonstrating the quality of the resource and the potential for significant grades when we continue exploring.

Moving to the next slide, we're up in Alaska. We've been there for many years. We're very comfortable operating in the state. It's got a great regulatory environment. There is a responsible active mining industry in Alaska and we're really privileged to be there. When you look at their jurisdictional risks of other mining jurisdictions, Alaska is third globally on the Fraser Institute Index.

As I mentioned earlier, we are on private land. Calista Corporation owns the mineral rights and TKC owns the surface rights. Both of these entities have been staunch allies and advocates for the project as we navigated the permitting process. We have life-of-mine agreements in place with both of these entities. Donlin will provide a meaningful impact to these businesses and they look forward to the economic opportunities that the mine will bring.

Another development in Alaska that we're following very closely is the planning to bring gas down from the North Slope into the Cook Inlet. This is being championed by Glenfarne and they're working to secure funding to advance this.

Gas resources up in the North Slope have been known for many years, but it was the difficulty getting them to market was the challenge. With the administration's new focus on U.S. energy independence, I think the time is getting close to bring this gas into the Cook Inlet for use in Alaska as well as the export markets. This is very important to us and I think you might have noticed we have signed a non-binding Letter of Intent with Glenfarne, the champion of this pipeline project. The parties will advance discussions on a supply agreement with Glenfarne as their plans materialize to build the gas pipeline from the North Slope.

NOVAGOLD enjoys strong institutional support. We've been very fortunate to have a shareholder base that's been with us many, many years. The top 10 shareholders represent almost two-thirds of our outstanding stock. It's great to have such blue chip investors behind us. We value their support and the long-term relationships that have guided us for many, many years.

Turning to the next steps at the project and some of the catalysts that'll be coming up, within the next few weeks we anticipate that we will announce an engineering firm to complete the bankable feasibility study. This work is expected to take about 18 months and the firm will be certainly well known to many of you that follow the construction activities in the mining industry. We've also hired Frank Arcese. He is the project manager. He brings extensive experience to the project and we're very fortunate to have a man with his background. We will also be exploring future sources of financing as we advance the feasibility study.

Looking ahead, we look forward to updating all of our shareholders and stakeholders on the progress we're making. We'll now open the line for questions.

Operator:

Thank you. To join the question queue, you may press star, then one on your telephone keypad. You will hear a tone acknowledging your request. If you're using a speakerphone, please pick up your handset before pressing any keys. To withdraw your question, please press star, then two. Webcast viewers may submit questions to the text box in the lower right corner of the webcast frame.

The first question comes from Raj Ray with BMO Capital Markets. Please go ahead.

Raj Ray:

Thank you, Operator. Good morning, Dr. Kaplan, Greg, and the NOVAGOLD team. I have three questions, if I may. The first one is congratulations on getting the non-mining LOI signed with Glenfarne. I know it's early days of negotiations, but is there anything you can share with us with respect to what's the ideal structure of that agreement that NOVAGOLD would like to have? That's the first.

The second question is on your RFP for the BFS that you have sent out to various engineering firms. Look, I know there's a lot of good engineering firms, but given the fact that commodity prices across the board are running, it's also important to have the best teams within those engineering firms. As you are starting to talk to them, what's the feeling you're getting about the capacity they have and your ability to have not only the top firm, but also the best team within the firm?

My last question is on the technical report update. It's great to have that, very informative. I did see that there's a slight pickup in the strip ratio. I just wanted to get a sense of whether some of the geotech drilling you have done, if that's informing that increase in strip ratio, or if you can share any additional details. Thank you.

Gregory Lang:

All right, Raj. Well, thank you for joining the call this morning. I think I could cover all your questions.

Beginning with the pipeline and our discussions with Glenfarne, it's a clean slate. Glenfarne is quite interested in all aspects of what we're doing. They've expressed interest in building and operating the pipeline for us, and we think that's really a logical piece of the project to carve out.

We're really just—like I said, an open slate where discussions will continue. I would watch Alaska for the next month or so and look for announcements on their success in financing the pipeline. It's important to note that this is not a new project, and it's already permitted and it will follow the existing Trans-Alaska oil pipeline. So, very exciting developments there, and it's great that Donlin has a seat at the table as their plans advance.

On the RFP for the feasibility study, we were very select in the firms that we brought into the bidding process. We only wanted to consider firms that had, one, experience to take on a project of this scale and the capacity of people to do it. So, we kept the field very narrow, and we anticipate releasing that news in the next few weeks. But I think part of the selection process addressed the issue you talked about, and that was we went with the firm that did have the capacity to take on a big project.

And finally, on the technical report, the strip ratio has ticked up a bit, and that's driven by two factors. I think, one, we've taken—some areas of the pit, we've flattened the slopes a little bit, and we've also taken a little different view of dilution. These are areas that we will revisit when we are advancing the model that will support the feasibility study.

Raj, did that cover all of your questions?

Raj Ray:

Yes, yes, that covers all my questions. Thank you very much, and all the best.

Gregory Lang:

A pleasure.

Operator:

Once again, if you have a question, please press star, then one.

The next question comes from Soundarya Iyer with B. Riley Securities. Please go ahead.

Soundarya Iyer:

Hi, team. Congratulations on the quarter. I just have two questions. One is on the bankable feasibility study. I'm trying to understand how the current budget, the \$78 million that has been budgeted for the upcoming Donlin activities, how is that allocated between feasibility work and the ongoing exploration? My actual question is, do we look at it as a single-year budget, or is it through the feasibility study that's going to take 12 to 18 months?

Gregory Lang:

The work program at Donlin in 2026 will be very active. The bankable feasibility study will obviously be a large component of that.

In addition to the bankable feasibility study, we're also in final discussions on firms on several unique parts of the project. For example, these would be the autoclaves. There's some companies out there with deep experience in this processing technology, so we'll have a separate contract for that, as well as the gas pipeline and other components of the infrastructure. Those are also included in the Donlin budget for next year.

We continue to be very active in the communities and we've increased our budget in the communities to reflect the increased activity as the project is moving forward. Of course, it's getting more and more interest, so we're going to really be out in the villages and throughout the state, and in our nation's capital, actively talking up the project and keeping everybody informed of our plans. That's the main components of the Donlin budget.

The feasibility study we've guided it will take about 18 months to complete. Once we announce the firm that we've selected, we'll update everybody on the schedule.

Soundarya Iyer:

Thank you. Just one more from me. There's a lot of potential in the Donlin land package with just 5% explored so far. As we move into feasibility and then eventual construction, how are you guys thinking about advancing that exploration optionality in the near term? Will that be a concurrent event along with the feasibility study?

Gregory Lang:

Last year, we did a pretty extensive soil sampling program along the known mineralized trend. As I noted earlier, that's just a very small part of our land holdings at Donlin. We will be working with our partner, developing plans for future exploration.

Right now, it's all hands on deck getting the feasibility study kicked off and once we get that work well underway, we'll turn our attention to the exploration and other matters.

But certainly, the potential is vast at Donlin. We look forward to updating everybody on that work. I think immediate potential exists in and around the known ore bodies. It'll be an exciting time to be exploring up in Alaska.

Soundarya Iyer:

Thank you. Congratulations and I'll turn it over.

Gregory Lang:

Thank you.

Melanie Hennessey:

Thank you. We have a few questions coming in from the webcast. I'll start with a question coming in from Eric Shinsing. Is the tailings design now effectively locked or still at risk of material change?

Gregory Lang:

That's a good question. Let me first off remind everybody that the tailings dam at Donlin is a downstream rock construction anchored into the bedrock. It's also a fully lined structure. Really, that's state-of-the-art. That's the most stable dam being built and the liner is just added protection. The design of the tailings dam is really not impacted at all. It's finalized and we've submitted the design packages to the State. I don't anticipate any changes at all.

Melanie Hennessey:

Great. The second question, what are the project economics, NPV and IRR, that you're targeting as part of the BFS?

Gregory Lang:

I think that will be addressed in the feasibility study sensitivities.

Looking at our recent technical report—and I encourage everybody when they have time to give it a review—the economics at a gold price of about \$2,100 were double-digit rate of return. You don't have to stretch your imagination: from \$2,100 to where we sit today, that's almost better than a twofold increase in price. I think the economics at much lower gold prices are robust and as you've noted in all of our presentations, we have tremendous leverage to upside. Current projects, of course, it's an amazing cash flow generator.

Melanie Hennessey:

The next question is for Tom. It's actually more of a statement from Matt Kovacs. Dr. Kaplan, I have been listening to you and NOVAGOLD for many years. How does it feel to be right and see your predictions and the price of gold coming to fruition?

Dr. Thomas Kaplan:

It's not really a function of satisfaction of being right. Obviously, being right is essential for the way that we do business. We always start with a macro view on an underlying commodity, or as I would put it in the case of precious metals, currencies.

The reason why we start with macros, for good reason, that I'm not a mining guy. I've been in the business for 33 years and I've surrounded myself with the best of the best geologists, people who've been there and done that, like Dr. Larry Buchanan, who's still our chief geologist since 1994, or Greg Lang and Richard Williams, who both brought in Cortez and Pueblo Viejo on time, on budget when they were at Barrick. If you surround yourself with great people and you have assets that have superlatives attached to them, you're going to be right. The question is, how long does it take?

If I have that kind of conviction, which is (inaudible 1:00:13) metaphysical certitude about a thesis, like I have had with gold and silver, and I have the right vehicle with which to be able to get the greatest leverage to that, especially today in a jurisdiction that allows you to keep the fruits of the leverage, I can hold forever.

I don't get frustrated. So, by the time people come around to my point of view, it's not like I feel vindication. Well, I'm glad that they came around and that offers me the opportunity to reward the people who've been with us with outsized gains.

To me, business is personal. I mean, I have multiple passions in life, but over the last 33 years, we've only really focused on maybe half a dozen, six, seven assets. But if you look at our track record from first investment to exits, the annual track record is into the 80s of percents. That was actually over 100% around the time of the financial crisis. But the last 10 years or so have been almost like watching paint dry in the mining industry. But fortunately, the fundamentals always will out. I've never had a doubt about gold. And if I don't have a doubt—and by the way, I'm always questioning myself. I'm always saying, have the circumstances changed? In fact, in 2007, when I made that statement at a private equity conference that I was selling my energy company—fastest growing natural gas producer in North America—to go into gold and silver—and remember, I'm in a petro state. And they said, “What is your target?”

I said, “My first equilibrium level is between \$3,000 and \$5,000.”

Then the next question was a very, very intelligent one, which was, “What can go wrong with your thesis? You obviously have so much conviction.”

And I said, “For the first time in my life, in my career, I can't find how I'm wrong and that scares me.”

And for years, I was looking around for people to challenge me, like, you know, an ancient Greek with a light. Diogenes with a lamp looking for an honest man. And I was never persuaded out of my position.

God only knows—or excuse me, heaven knows, there is nothing that has happened either within the realm of gold specifically, or the macro circumstances in which we find ourselves that has done anything to dissuade me from my firm beliefs, which are, as you've seen, that gold will do as the Dow has done in terms of the breadth and long waves and sweep of the bull market, and it may happen much faster than the Dow for reasons that are almost self-evident at this point.

So it's not really so much about being right, it's about doing the right thing. Candidly, (inaudible 1:03:45) world of gold and silver because I felt it was the best way to protect my family's wealth, and the fact that we express that through mining companies means that other people can join in if they like what we're doing. But first and foremost, it was out of personal interest.

So, being right is not about crowing about it; it's about knowing that we allocated capital properly for our kids.

I hope that answered—well, you made a statement, but I hope that that just gave a little bit more context to it. It's not so much about being right; it's about doing the right thing and that can sometimes seem different.

Melanie Hennessey:

The final commentary is worth sharing. I'll just read it. It comes from the line of Jim Jamieson.

Mr. Lang, Dr. Kaplan, and Mr. Paulson, my wife and I have been NOVAGOLD shareholders and related Trilogy shareholders since 2011. I have been a true believer from the get-go. My wife, not so much. Thank you all for saving my marriage. Just kidding.

Seriously, thank you for your blood, sweat, and tears, your extraordinary efforts, patience, resilience and foresight have brought us this far. We can't wait for the next eight innings. Best wishes, Jim.

Dr. Thomas Kaplan:

Thank you, Jim. You certainly made our week. Thank you.

Gregory Lang:

I'm glad it worked out for you.

Dr. Thomas Kaplan:

Yes.

Melanie Hennessey:

That ends our Q&A. So back to you, Ashiya.

Operator:

Thank you.

Gregory Lang:

All right. Thank you for joining our call.

Operator:

Go ahead.

Dr. Thomas Kaplan:

Thank you everyone.

Gregory Lang:

Thank you.

Operator:

This brings to a close today's conference call. You may disconnect your lines. Thank you for participating and have a pleasant day.