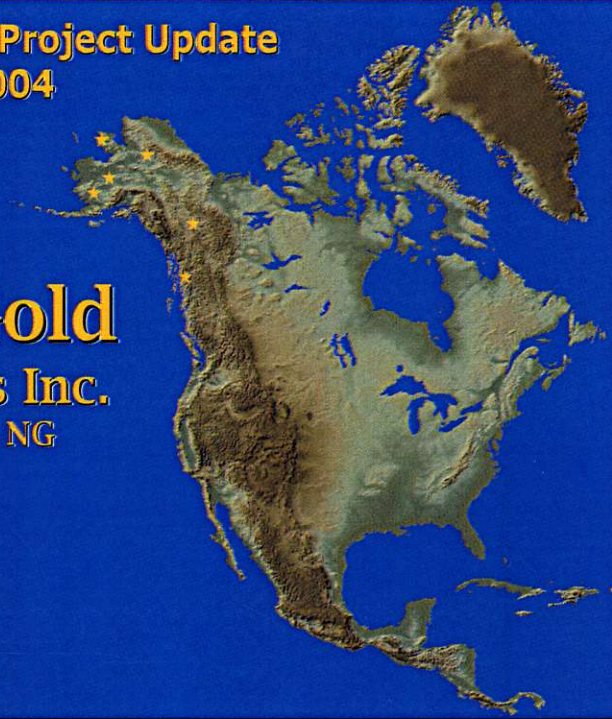


**Galore Creek Project Update
September 2004**

**NovaGold
Resources Inc.**
AMEX, TSX: NG



Management Team

Rick Van Nieuwenhuysse
President & CEO

Don MacDonald
Senior Vice President & CFO

Greg Johnson
Vice President
Corporate Development &
Communications

Doug Brown
Vice President Business Development

Joe Piekenbrock
Vice President Exploration

Dean Lindsay
Senior Manager of Operations

Sue Craig
Land & Environmental Manager

Directors:

Cole McFarland (former President - Placer Dome US)

George Brack (President - Macquarie Bank)

Clynt Nauman (Kennecott)

NovaGold (AMEX,TSX: NG)

Shares (millions)

Issued & Outstanding	62.8
Fully Diluted	73.0

Shareholders

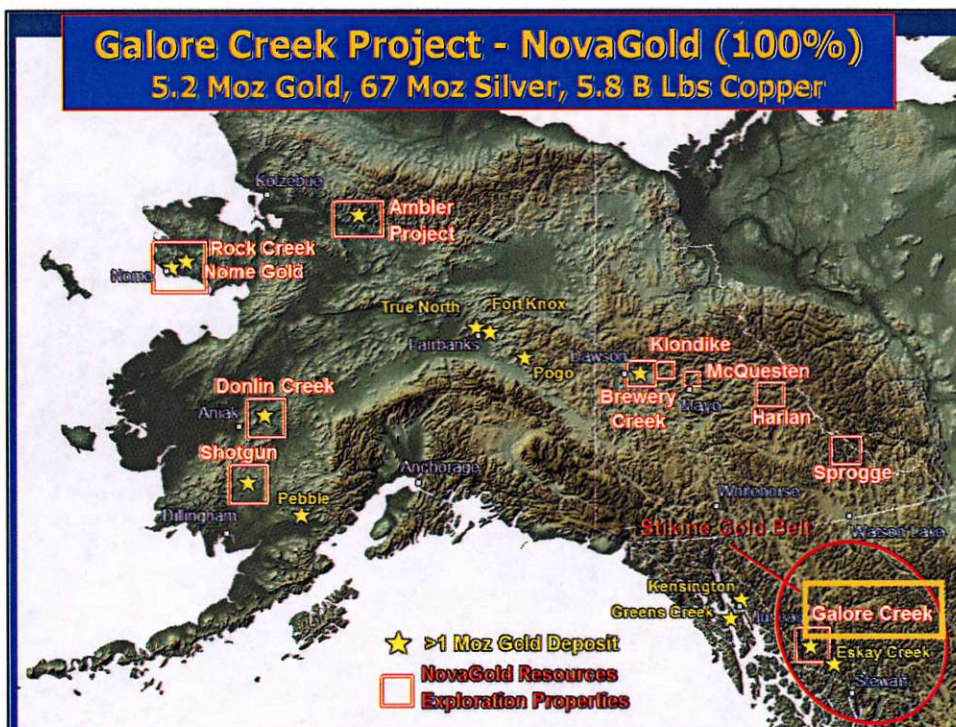
Institutional Investors	ownership 45%
Management/Directors	7%

Market Cap (undiluted) C\$520 Million

Cash (End Q2) C\$50 Million

Galore Creek Project - NovaGold (100%)

5.2 Moz Gold, 67 Moz Silver, 5.8 B Lbs Copper



Ambler
Rio Tinto
4% Cu
6% Zn

own 57%

-strength
working
with native
communities



Galore Creek Project Timeline

- 2004 field season:
drilling, technical and environmental baseline
studies underway

Project Targets:

- | | |
|-------------------------|------------|
| ■ Resource update | Q1 2005 |
| ■ Pre-feasibility study | Q2 2005 |
| ■ Submit EA documents | Q4 2005 |
| ■ Final Feasibility | Early 2006 |
| ■ EA/permit approval | Late 2006 |
| ■ Construction underway | Early 2007 |

*what will
this mean?*

The Galore Scoping Study Completed August 2004

Independent Consultants and Engineers:

- Resource & block model: 43-101 estimate
- Mine design, costing, metallurgy: Hatch Ltd.
- Tailings/geotechnical: BGC Engineering
- Access Roads: McElhanney Consulting
- Tunnels: Hatch Mott MacDonald
- Power: Ian Haywood & Associates
- Environmental: Rescan
- Marketing/transport: Neil Seldon & Associates

best
technical
Groups
- remote
environmentally
sensitive
area

Galore Scoping Study Project Parameters

- 30,000 tpd, open pit mine 1.7:1 strip ratio
- Precious metal rich, clean copper concentrate
- Initial 5 years in high grade zones:
 - 270,000 oz Gold, 1.8 M oz Silver, 200 M lb Copper Annually
 - Total Cash Costs:
 - \$180/oz net of Copper and Silver
 - \$0.15/lb Copper net of precious metals
 - Total Co-Product Cash Costs:
 - \$125/oz for Gold and \$0.49/lb Copper
- 23-year mine life
- Recovery: 91% Cu, 70% Au, 82% Ag
- Study includes Central & SW deposits only

- underground
not
preferred
"practical"
- all pits
bottom
in
one

3.4 year
payback

23 year \$0.50 cost
per lb Cu

Galore Scoping Study Initial Capital Cost – US\$M (1)

Access option:	South	North
Mine+Prestrip	114	114
Process/Tails	91	127
Road/Tunnels	86	135
Other	41	44
Subtotal	332	420
Indirects/EPCM	86	98
Contingency @20%	81	102
Total	499	621

(1) All costs in millions Q2 2004 at 1.35 C\$/US\$

South
+
North
|
North
requires
long
tunnel
8m diameter
14 km
\$100m

-electric
shore / hard
to get there
-north tunnel
-south route
drag material
over ice
-take
37 cars
+ 6 months
to build
mine

Project Access Options



plant site
at
high
elevation
valley
80 km
two
short,
one
long
tunnel
-4000' at
crest
-avalanche
hazards

170 km - easy to build
- environmentally
sensitive
- some avalanche, slopes
stability
mill of
tailings in
Galore Ck

Galore Creek Scoping Study Operating Assumptions

- Unit costs: (US\$/tonne Milled)
 - Mining 3.21
 - Processing 2.87
 - G&A 0.99
 - Transport/TCRC 4.22
 - Total \$11.29
- Key assumptions:
 - Concentrate export to Asia via Stewart
 - Long term average market conditions:
 - \$0.90/lb copper, \$375/oz gold, \$5.50/oz silver
 - Treatment/Refining Charges = \$70/tonne and \$0.075/lb

20 year
average
price
range,
not
current
spot

Galore Creek Scoping Study overview

- Direct employment: 395 persons during operations (2010-2033)
- Annual operating expenditure C\$125M
- Annual exports: C\$230M
- Taxes paid:
 - Federal: C\$151 million
 - BC Income: C\$96 million
 - BC Mining Tax: C\$109 million

Power line
parallels
road in
most all cases

Coast
Mtn
would proceed
30 MW at
39,000 tpd
- build
line from
Bob Quinn

electricity assumption
3.5¢ per
Canadian

US
2.7¢ per
KW hour
from Hydro⁶

? whether can drive budget for north access road a serious question? - find more ore

Galore Creek 2004 Scoping Study Financial Results: Access Comparison

All results in US Dollars

	Southern Access ⁽¹⁾	Northern Access ⁽¹⁾
After-tax NPV		
@ 0%	\$ 372 million	\$319 million
@ 5%	\$ 104 million	\$ 25 million
After-tax Payback	3.4 years	4.0 years
Project IRR		
Pre-Tax	12.6%	8.3%
After-Tax	9.1%	5.7%

1) At Long term average metal prices of \$0.90/lb copper, \$375/oz gold, \$5.50/oz silver

mail one

Riskier

after tax return of 15 to 20% required - copy on Sedar

Galore Creek Scoping Study Opportunities for enhancement

- Increased throughput – 45,000 to 60,000 tpd
- New high grade mineralization: expansion of SW, West Fork, Junction or Copper Canyon?
- Cost reduction: waste handling, optimal equipment selection
- Optimized mine scheduling
- Shorter construction period

best candidates
11m - 16% Cu
75 g/t Ag
Near starter pit
West Fork

*\$20 m next year?
6-8 drills*

Galore Creek: 2004 field season

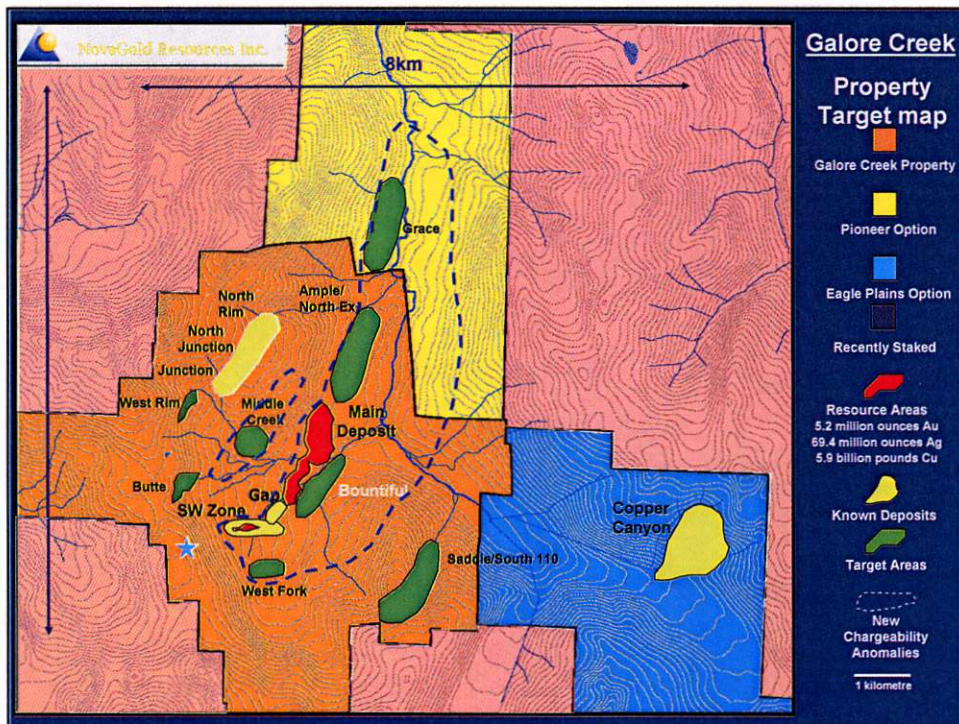
- 25,000 m drill program
- Targeting high grade to enhance economics
- Access corridor studies: capital, geotech, environmental, power, logistics, avalanche
- Technical studies: tailings areas, ML/ARD potential, metallurgy, pit slopes
- Environmental studies: hydrology & water management, fish & wildlife, ecosystem mapping
- 2004 budget: >C\$10M
- Camp expansion to 175 person facility in 2005

ecosystems mapping going on

*all supported by helicopter
50% work force in camp
Tahltan*

-go to end of year with choice of one route

decision by January with Tahltan



8 km by 8 km

*Pioneer 40%
Eagle Plains 80%*

Galore Creek Project



Looking East

Galore Creek Project

Main Deposit Outline

Looking North

500 m



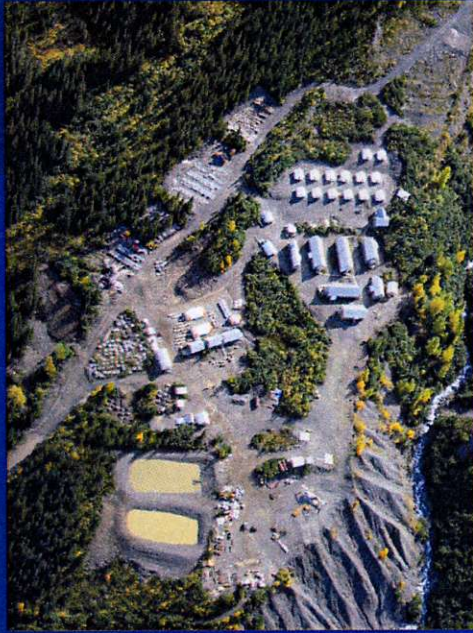
- glacial till
- fractured 50m rock unhydrostatic
- solid rock

Problem with underground mine

~? about chips - ? about far pit walls and water in pit - testings

Galore Creek Project

Aerial View of Camp



Galore Creek Project



Fund training for joint ventures

two chiefs and Band council member nominated - chose coordinator office opened in Dease Lake

Galore Creek Community Relations

- Excellent support from BC Government
- Tahltan First Nation
 - Coordinator hired - office in Dease Lake
 - Rescan-Tahltan JV (RTEC) conducting baseline environmental studies
 - >50% of 2004 workforce Tahltan
 - Participation Agreement being negotiated
- Positive reception in Alaska - NovaGold's relationships & reputation

- Negotiating MOA
- Tahltan's developing standardized agreement form/MOA as so many projects

Galore Creek - EA Process

- Feb 2004 - Section 10 order
- April 2004 - All agencies kickoff
- May 2004 - draft terms of reference + comments on baseline program
- May 2004 - Alaska/US meetings
- June 2004 - open house meetings
- June 2004 - Joint US/Canada meeting
- July/Sept 2004 - site tours
- October 2004 - open house meetings

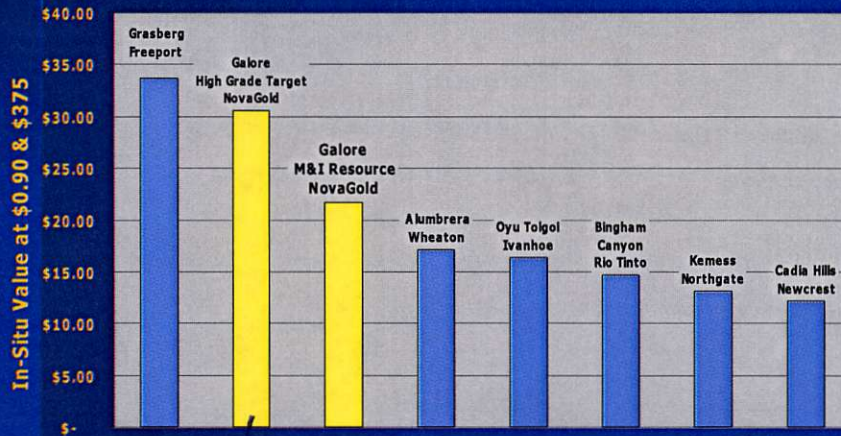
- concern about Chief meeting in June to inform Alaska regulatory groups meeting in June in Vancouver

39-50 regulatory
Dease Lake Stewart Iskut Telegraph
+ Smithers Terrace Wrayell

- go forward with concurrent permitting

Galore Creek

Major Gold-Copper Occurrences
In-Situ Reserve/Resource Value per Tonne



100 to 150m t
73% Cu + 0.55 t Au? didn't catch



NovaGold

Creating Wealth Through Discovery