

PROPOSAL NO. 5 — COMPENSATION RESOLUTION

In accordance with Section 14A of the Exchange Act and the applicable SEC rules issued thereunder, at the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass the following ordinary resolution to approve, on an advisory (nonbinding) basis, the compensation that will or may become payable to the Company's named executive officers that is based on or otherwise related to the Arrangement Agreement and the Related Transactions as disclosed pursuant to Item 402(t) of Regulation S-K in the section titled "*The Arrangement and Related Transactions — Interests of NOVAGOLD's Directors and Executive Officers in the Arrangement and Related Transactions*" in this Circular and Proxy Statement. The Board encourages Shareholders to carefully review the named executive officer Arrangement-related compensation information disclosed in this Circular and Proxy Statement.

BE IT RESOLVED THAT: The Shareholders approve, on an advisory (nonbinding) basis, the compensation that will or may become payable to NOVAGOLD's named executive officers that is based on or otherwise relates to the Arrangement Agreement and the Related Transactions as disclosed pursuant to Item 402(t) of Regulation S-K in the section titled "*The Arrangement and Related Transactions — Interests of NOVAGOLD's Directors and Executive Officers in the Arrangement and Related Transactions*" in the Circular and Proxy Statement accompanying the notice of this Meeting.

In order to become effective, the Compensation Resolution must be approved by the affirmative vote of a majority of the votes cast by Shareholders present or represented by proxy at the Meeting.

The Board unanimously recommends that the Shareholders vote FOR the Compensation Resolution.

The vote on the Compensation Resolution is a vote separate and apart from the vote on the Arrangement Resolution. Accordingly, you may vote to approve the Arrangement Resolution and vote not to approve the Compensation Resolution and vice versa. Approval by Shareholders of the Compensation Resolution is not a condition to completion of the Arrangement. Because the vote on the Compensation Resolution is advisory only, it will not be binding on the Company or New NOVAGOLD. If the Arrangement Resolution is approved and the Arrangement is completed, the compensation will be payable, subject only to the conditions applicable thereto, regardless of the outcome of the vote on the Compensation Resolution.