

Ministry of Energy & Mines Energy & Minerals Division Geological Survey Branch



ASSESSMENT REPORT TITLE PAGE AND SUMMARY

2006 TITLE OF REPORT [type of survey(s)]	TOTAL COST
QUICHNICL PRIMARE POLICIAL REPORT ON THE	Service creak ingrany of 100,000,01
AUTHOR(S) JCOTT A. PETSEL, CPG, P. GEO.	SIGNATURE(S)
NOTICE OF WORK PERMIT NUMBER(S)(DATE(S) MX-1-68-1	
STATEMENT OF WORK - CASH PAYMENT EVENT NUMBER(S)/DATE(S)	14104215 Sept 29/2006
PROPERTY NAME WEST MORE CREEK.	
CLAIM NAME(S) (on which work was done) 516900 NR C	.5
COMMODITIES SOUGHT CUL, AU, AU	
MINERAL INVENTORY MINFILE NUMBER(S), IF KNOWN	
MINING DIVISION LIARD	NTS 1046102
LATITUDE 57 0 07 45 LONGITUDE	-130 • 46 • 16 " (at centre of work)
OWNER(S)	
1) NOVAGOLD CANADA INC.	_ 2)
MAILING ADDRESS	<u></u>
SHITE 2300, 200 GRANVILLE ST	
VANCOUVER, B.C., VGC ISH	×
OPERATOR(S) [who paid for the work]	
1) NOVAGOLD CANADA INC	_ 2)
MAILING ADDRESS	
VANCOUVER, B.C. VGC	
PROPERTY GEOLOGY KEYWORDS (lithology, age, stratigraphy, structur	e, alteration, mineralization, size and attitude): RLY TURASSIC HARE TON GROUP
ISLAND ARC AFFINITY, MORE CREE	EK, GALORE CREEK, ALKALINE
KOKAHAKA	

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS_

GEOLOGICAL (scale, aner)	TYPE OF WORK IN THIS REPORT	EXTENT OF WORK (IN METRIC UNITS)	ON WHICH CLAIMS	PROJECT COSTS APPORTIONED (incl. support)
Ground, mapping	GEOLOGICAL (scale, area)			
Photo Interpretation	Ground, mapping			
GEOPHYSICAL (Ine-kilometres)	Photo interpretation			
Ground Magnetic Electromagnetic	GEOPHYSICAL (line-kilometres)			
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Electromagnetc	Magnetic			
Induced Polarization Radiometric Solsmic Other Ahborne GEOCHEMICAL (number of samples analysed for) Soil Sampling/bassaying PROSPECTING (scale, area) Stationaria Stationaria <td< td=""><td>Electromagnetic</td><td></td><td></td><td></td></td<>	Electromagnetic			
Ratiometric	Induced Polarization			
Selsmic	Radiometric			
Other	Selsmic			
Altborne	Other			
GEOCHEMICAL (number of samples analysed for) Soil Soil	Airborne			
(number of samples analysed for) Soil	GEOCHEMICAL			
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Road, local access (kilometres)/trail	Legal surveys (scale, area)			
Trench (metres)	Road, local access (kilometres)/trail			
Underground dev. (metres)	Trench (metres)			
Other	Underground dev. (metres)			
TOTAL COST \$108 225.0	Other			
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2006 GEOTECHNICAL DRILLING ASSESSMENT REPORT ON THE WEST MORE CREEK PROPERTY

Event Number: 4104215 Claim Worked On: 516900

Liard Mining Division British Columbia, Canada

NTS Map Sheet 104G/02 BCGS Map Sheets 104G.016 and G.017 57° 07'45" North Latitude 130° 46'10" West Longitude

> Owned and Operated by NovaGold Canada Inc. Suite 2300, 200 Granville Street Vancouver, BC V6C 1S4

> > Prepared by

Scott A. Petsel, CPG, P.Geo. W.M. Selina Wu, B.Sc.

December 2006

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More Canyon Right Abutment, DH-9

More Canyon Right Abutment Low, DH-9A

1.0 INTRODUCTION

The West More Creek property is located in northwestern British Columbia, approximately 57 kilometres north of Barrick Gold's Eskay Creek mine, 30 kilometres northwest of the Bob Quinn airstrip, and 142 kilometres north of the tidewater port of Stewart, British Columbia. The property consists of 7 tenures totalling 1,405 hectares owned by NovaGold Canada Inc. (NovaGold).

This report documents the geotechnical drilling program completed between June 25, 2006 and July 7, 2006 on the West More Creek property. Drilling was performed at the More Canyon crossing (mineral tenure 516900), which is located along the proposed mine access road between NovaGold's Galore Creek prospect and Highway 37, northwestern B.C.

2.0 LOCATION, ACCESS & PHYSIOGRAPHY

The West More Creek property (Figure 1) is located in northwestern British Columbia, approximately 57 kilometres north of Barrick Gold's Eskay Creek mine, 30 kilometres northwest of the Bob Quinn airstrip, and 142 kilometres north of the tidewater port of Stewart, British Columbia. The property is situated within the More Creek drainage, which flows into the Iskut River. Access to the property is presently by helicopter staging out of the Bob Quinn airstrip. The property is located within the Liard Mining Division at latitude 57°07'45"N and longitude 130°46'10"W, on NTS map sheet 104G/02.

The property covers mountainous terrain with moderate to steep slopes rising from the Iskut River and More Creek. Elevations vary between 850 to 1300 metres above sea level. Vegetation consists of sparse to moderately abundant spruce with heavy undergrowth of alder, devil's club and buckbrush at lower elevations. Grass and shrub covered alpine slopes are found above the tree line.



3.0 EXPLORATION HISTORY

In 1989 and 1990, Kestrel Resources Ltd. (Kestrel) conducted a regional prospecting program on its Arc and M&M claims, situated at the western end of the West More Creek property. The soil and silt sampling program was undertaken to provide broad coverage of the area (Buchholz, 1990). In 1990, Kestrel also performed a localized geochemical soil and rock sampling program over selected areas (Tennant, 1991). The results of assays obtained from both programs did not indicate any significant economic or precious metal targets and the claims were subsequently dropped.

The Antler property, which covers the Broken Antler showing discovered in 1992 and 1993, is located immediately south of mineral claim 516903 of the West More Creek property. In 1995, Westore Engineering Ltd. (Westore) completed an exploration program that included stream sediment and soil sampling and prospecting. During this program a float boulder was found which assayed 0.3% copper and 11.9% zinc (Gunning, 1997). In 1996, Westore conducted a brief property visit and collected 5 samples. The claims covering Broken Antler were allowed to lapse.

4.0 LAND TENURE AND CLAIM STATUS

The West More Creek property consists of 7 tenures totalling 1,405 hectares owned by NovaGold Canada Inc. The claims are shown in Figure 2. This report covers the work completed on the West More Creek property between June 25, 2006 and July 7, 2006 under BC Ministry of Energy, Mines and Petroleum Resources mine permit number MX-1-687.

Tenure No.	Name	Area (ha.)	Expiry Date*
509886	NR 1	421.565	2011/SEP/30
509889	NR 2	351.223	2011/SEP/30
516839	NR 4	35.123	2011/SEP/30
516900	NR 05	87.817	2011/SEP/30
516903	NR 06	175.648	2011/SEP/30
517018	NR 06	105.381	2011/SEP/30
520000	MORE CK	228.307	2011/SEP/30
Totals:	7 claims	1405.064	

Table 1 – West More Creek Property Claim Status

Note: * Date indicated is subject to government approval of the 2006 assessment report.



5.0 2006 SUMMARY OF WORK

The field portion of the geotechnical drilling program in the West More Creek property was conducted on mineral claim 516900 between June 25, 2006 and July 7, 2006 at a cost of \$108,385.07. The work was carried out under BC Ministry of Energy, Mines and Petroleum Resources mine permit number MX-1-687.

On September 29, 2006, under event number 4104215, assessment work totalling \$41,295.04 was applied to claims listed in Table 1. The claim expiry dates were advanced to September 30, 2011 and are subject to government approval of this assessment report. The excess portion of the assessment work was credited to NovaGold's portable assessment credit account. The expenditures between June 25, 2006 and July 7, 2006 are described in Appendix II.

Geotechnical drilling on the West More Creek property commenced on June 25, 2006 and ended on July 7, 2006. Two drill holes, totalling 69.2 metres of overburden and bedrock, were drilled during this period. Drilling was performed at the More Canyon crossing (mineral tenure 516900), which is located along the proposed mine access road between NovaGold's Galore Creek prospect and Highway 37.

The purpose of the geotechnical drilling program was to determine the suitability of the subsurface soils and bedrock for supporting bridge abutments. The geotechnical drilling program was supervised by BGC Engineering Inc. (BGC) of Vancouver, B.C. and the geotechnical drilling was carried out by Foundex Exploration Ltd. (Foundex) of Surrey, B.C. Helicopter support was provided by Quantum Helicopters Ltd. of Terrace, B.C. One Bell 206B Jet Ranger, two Bell 206LR Long Rangers, and one Bell 205 were supplied for the program.

6.0 GEOLOGY

The following regional geology of the More Creek area is paraphrased from Logan (2000):

The More Creek area is located along the western margin of the Intermontane Belt, adjacent to the high-relief mountains of the Coast Belt. The area is mainly underlain by rocks of the Stikine terrane, which is composed of well stratified middle Paleozoic to Mesozoic sedimentary rocks and volcanic and comagmatic plutonic rocks of probable island arc affinity. The Paleozoic Stikine assemblage, the Late Triassic Stuhini Group and the Early Jurassic Hazelton Group are overlapped by the Middle Jurassic to early Tertiary successor-basin sediments of the Bowser Lake and Sustut Groups, Late Cretaceous to Tertiary continental volcanic rocks of the Sloko Group, and Late Tertiary to Recent bimodal shield volcanism of the Edziza and Spectrum ranges.

At least seven discrete plutonic episodes can be recognized in this area: Late Devonian, Early Mississippian, Middle(?) to Late Triassic, Late Triassic to Early Jurassic, late Early Jurassic, Middle Jurassic and Eocene in the Stewart-Iskut-Stikine area of northwestern Stikinia. In northwestern British Columbia, the Late Triassic to Early Jurassic Copper Mountain Plutonic Suite consists of numerous small alkaline and associated ultramafic bodies that occupy a north-northwest-trending belt along the east side of the Coast Range. They lie within the Stikine terrane, are hosted by Upper Triassic Stuhini Group volcanics and include the Bronson, Zippa Mountain and Galore Creek intrusions. These intrusives and their counterparts in the Quesnel terrane host important alkaline porphyry copper-gold mineralization. The area around the West More Creek property is predominantly underlain by Upper Triassic rocks of the Stuhini Group, which forms a thick succession of sedimentary and overlying volcanic rock units. The sediments range from fine shales and argillites to coarse greywackes and conglomerates. The volcanic rocks are comprised of flows, tuffs and breccias of andesitic composition. Felsic intrusives of early Jurassic age intrude the Stuhini Group.

7.0 GEOTECHNICAL DRILLING

7.1 Introduction

The geotechnical drilling program on the West More Creek property commenced on June 25, 2006 and ended on July 7, 2006. Two drill holes, totalling 69.2 metres of overburden and bedrock, were drilled during this period. Drilling was performed at the More Canyon crossing (mineral tenure, 516900), which is located along the proposed mine access road between NovaGold's Galore Creek prospect and Highway 37. A summary of the geotechnical drill holes is given in Table 2.

Hole ID	Road Crossing	Hole Location	UTM East	UTM North	Elevation (m)	Total Hole Length (m)	Depth to Rock (m)
DH-9	More Canyon	Right Abutment	395915	6333356	866	34.1	4.7
DH-9A	More Canyon	Right Abutment Low	395856	6333376	880	35.1	1.5

Table 2 – 2006 West More Creek – Drill Hole Collar Information

Foundex Exploration Ltd. provided an ODEX HT-500, helicopter transferable drill rig and drilled two geotechnical drill holes. BGC Engineering Inc. supervised the geotechnical program, which included the collection and interpretation of the data. The purpose of the geotechnical drilling program was to determine the suitability of the subsurface soils and bedrock for supporting bridge abutments.

7.2 Geotechnical Drilling Procedure

All geotechnical drill holes are vertical and were drilled using triple tube NQ-sized rods in rock. Details of the geotechnical drilling in soil as described by BGC (2006a):

The drilling program used an ODEX drill rig with Standard Penetration Test (SPT) sampling at five foot (1.5 m) intervals in soil, where possible. Samples were obtained from the SPT split spoon, while the SPT blow count was used to empirically determine soil density. Where particles too large in diameter to be captured by the SPT spoon (large gravel particles, cobbles, and boulders) the particle diameter was inferred from observing drilling rate, type and angularity of return material, drill performance, and the drillers

experience. The observed location of the groundwater table was noted in the drill hole logs.

No dip tests were performed for these geotechnical drill holes. The holes were located using a handheld GPS unit (accuracy of \pm 10 m horizontally and \pm 20 m vertically) and were not surveyed using a total station.

7.3 Geotechnical Logging and Sampling Procedure

BGC engineers monitored the drill rig throughout the drilling period. Overburden and bedrock were logged, photographed, and sampled before being placed in core boxes or bags to be stored at NovaGold's Galore Creek Camp. Upon reaching the target depth, each hole was cemented before the site was reclaimed and the rig demobilized.

In soil, logging included the documentation of soil type, USCS classification, secondary soil constituents, plasticity, consistency, sensitivity, colour, odour, moisture content, structure, cementation, dry strength, dilatancy, and the presence of foreign materials. Some samples were taken from the soil to determine mineralogy using X-ray diffraction, Atterberg limits, and grain size distributions. In rock, logging included the documentation of rock colour, weathering/alteration, structure, texture, grain size, lithology, recovery, RQD (rock quality designation), number of discontinuities, hardness, discontinuity types, alpha angles, discontinuity infill, aperture and JRC (joint roughness condition). Some samples were taken from the rock to determine the unconfined compressive strength, direct shear strength, and point load index.

In addition, various observations such as changes in lithology, contact types and conditions, groundwater levels and behaviour, artesian conditions, drilling issues, drill fluid circulation etc. were also recorded. These geotechnical drill holes were not sampled for assays.

7.4 Summary of Results

Geotechnical drill logs can be found in Appendix IV. Results of the geotechnical drilling are summarized by BGC (2006b):

More Canyon Right Abutment, DH-9

From the surface to a depth of 0.15 m consists of an organic rich topsoil, over a sandy gravel to a depth of 4.72 m that becomes bouldery and cobbly between 3.20 m and 4.72 m, and rock is encountered at 4.72 m and is the same to the end of the hole. Bedrock consists of an intrusive rock that has been faulted [with] various levels of mineral alteration.

More Canyon Right Abutment Low, DH-9A

The material consists of 0.3 m of an organic rich topsoil, over a compact gravel and silt that is bouldery to a depth of about 1.5 m. Between 1.5 m and 7.9 m depth, the drilling was very easy and each 1.5 m run was typically completed in 3 minutes or less. Based on this observation, the driller assumed the material was gravel overburden. During the drill run between 6.4 m and 7.9 m depth, the penetration rate of ODEX drilling was

averaging between 2 and 3 minutes per 1.5 m run, and no standard penetration testing was able to be obtained in the material. At 7.92 m depth, it was decided that the material may be just highly fractured / faulted rock so drill rig gear was changed to obtain NQ core samples. Rock core recovered below 8.23 m depth was consistent with core recovered from DH-9 at the upper footing foundation location. Bedrock is of intrusive origin that has been faulted with various levels of mineral alteration.

8.0 DISCUSSIONS AND CONCLUSIONS

During the 2006 field season a total of 69.2 metres of geotechnical drilling were performed on the West More Creek property. The geotechnical drilling program was carried out with the specific intent to assess the suitability of the subsurface soils and bedrock for supporting bridge abutments. The drilling was performed at the More Canyon crossing (mineral tenure, 516900), which is located along the proposed mine access road between NovaGold's Galore Creek prospect and Highway 37.

The information obtained from the geotechnical drilling program provided important and necessary data for bridge foundation recommendations. Drill hole DH-9 consists of 4.72 m of overburden soil over an intrusive rock that has undergone mineral alterations likely due to faulting. DH-9A consists of about 1.52 m of overburden soil, over what is likely highly fractured and/or faulted rock to a depth of about 7 m, which becomes more competent below this zone (BGC, 2006b). Upon the completion of these two drill holes, additional drilling at the DH-9 site was recommended by BGC to improve understanding of overburden thickness and spatial distribution of bedrock.

APPENDIX I

REFERENCES

REFERENCES

- BGC Engineering Inc. (2006a). Geotechnical Investigations for Select Crossings on the Galore Creek Access Road for McElhanney Consulting Services Inc., *NovaGold Internal Report*, September 2006.
- BGC Engineering Inc. (2006b). Galore Creek Access Road Geotechnical More Canyon Bridge Crossing Foundation Site Investigations, *NovaGold Internal Report*, December 2006.
- Buchholz, J. (1990). Geochemical Report 1989 Arc and M&M Claims, for Kestrel Resources Ltd., April 1990. AR #19816.
- Gunning, D.R. (1997). Geological Investigation of the Antler Property (Antler 1-11, KLT, CM), for Westore Engineering Ltd., February 1997. AR # 24918.
- Logan, J.M., Drobe, J.R. and McClelland, W.C. (2000). Geology of the Forrest Kerr Mess Creek Area, Northwestern British Columbia (104B/10, 15 & 104G/2 & 7W). British Columbia Ministry of Energy and Mines, Bulletin 104, 164 pages.
- Tennant S.J. (1991). Report on the Arc 2-5 and M&M 15-16 Mineral Claims 1990 Geochemical Sampling Program, for Kestrel Resources Ltd., May 1991. AR #21362

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APPENDIX II

STATEMENT OF EXPENDITURES

STATEMENT OF EXPENDITURES

West More Creek Geotechnical Drilling Program Period: June 25, 2006 to July 7, 2006

Direct Drilling Expenditures (69.2 metres) Foundex Exploration Ltd.	\$36,873.61
Helicopter (21.3 hours) - Mobilization, support, demobilization <i>Quantum Helicopters Ltd.</i>	\$61,011.46
Consultant – Supervision of Geotechnical Drilling Program BGC Engineering Inc.	\$9,000.00
Report Preparation	\$1,500.00

TOTAL WORK AVAILABLE FOR ASSESSMENT CREDIT:	\$108,385.07
TOTAL WORK FILED FOR ASSESSMENT CREDIT:	\$41,295.04
BALANCE APPLIED TO NOVAGOLD CANADA INC. PAC ACCOUNT (146832):	\$67,090.03

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APPENDIX III

STATEMENTS OF QUALIFICATION

GEOLOGIST'S CERTIFICATE

I, Scott Alan Petsel, of 10619 Horizon Drive, Juneau, Alaska, 99801, USA, DO HEREBEY CERTIFY THAT:

- 1) I am a geologist in the minerals exploration industry employed by NovaGold Resources Inc., 2300-200 Granville Street, Vancouver, B.C., V6C 1S4.
- 2) I am a 1987 graduate of the Fort Lewis College, Durango, Colorado, USA with a Bachelors of Arts in Geology.
- 3) I have practiced my profession with various mining companies in Colorado, Arizona, Alaska, and Nevada in the United States, internationally in the Philippines, Mexico, Russia and Canada (Ontario and British Columbia) for 17 years.
- 4) I am a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia.
- 5) I am a Certified Professional Geologists (CPG 10071), as certified by the American Institute of Professional Geologists (AIPG)
- 6) I have no interest in the property herein.

DATED at Juneau, Alaska, USA this $\underline{19^{th}}$ day of December 2006

Scott AJan Petsel



GEOLOGIST'S CERTIFICATE

I, Wai Ming Selina Wu, of 5491 Wagtail Avenue, Richmond, British Columbia, V7E 4V8, Canada, DO HEREBEY CERTIFY THAT:

- 1) I am a geologist in the minerals exploration industry employed by NovaGold Resources Inc., 2300-200 Granville Street, Vancouver, B.C., V6C 1S4.
- 2) I am a 2006 graduate of the University of British Columbia with a Bachelors of Science in Geological Sciences.
- 1) I have practiced my profession with mining companies in British Columbia and the Northwest Territories for one and a half years.
- 3) I have no interest in the property herein.

DATED at Vancouver, British Columbia, Canada this 20th day of December 2006

Wai Ming Selina Wu

APPENDIX IV

GEOTECHNICAL DRILL LOGS

Proje	ect : (Galore	e Cre	ek - Bas	DRIL sic Engineering Location : N	L HOLE # DH-9				P	roject	No. :	Page 1 0386-00	of 5)3-06
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o Depth (m)	Sample Type	Sample No.	Weathering Grade	Symbol	Lithologic Desc	ription	Instrument Details	SPT Blows per 150mm	VANE PEAK REMOL ★ 9 Cl Rec 20	40 FIEL ♦ 6 Fines ore overy 40 6		- kPa 12	20 1 UC/2 Pocke (blows/ ture Conte W% 0- 0 40	60 PT 300mm) nt & SPT WL > 60 80
					TOPSOIL GRAVEL (GW) Sandy, some cobbles, trace silt, trace of size 150 mm, subangular, brown, wet. BOULDERS and COBBLES Gravelly, some sand, trace silt, trace of Rock encountered at 4 See DH-9 rock	ay.								
BC	GC		GC Appl i e	ENG d earth	INEERING INC. SCIENCES COMPANY	Client: NovaGo	ld Canada	Inc.						

Pro	ject :	Galo	ore Cre	eek - Ba	Sic Engineering Location : More C	OLE # DH-9				Pro	oject N	P 5. : 0:	age 2	of 5 03-06
Sur Co- Gro Dat Dip Dire	vey l ordir ound um : (deg ection	Veth nates Elev UTM grees n : 00	od :Ha s (m) : ation (I NAD : s from 00	andheld 395,919 (m) : 86 83 ZON horizo i	Drill Designation 5E, 6,333,356N Drilling Contract 6.0 Drill Method : OD E 9 Core : NQ3 ntal) : 90 Fluid : Casing : Case	et HT-500 or : Foundex DEX ed To (m) : 5.60		Start Date : 25 Jun 06 Finish Date: 27 Jun 06 Final Depth of Hole : 34.1 Depth to Top of Rock (m) : 4.7 Logged by : CF Reviewed by :						
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	ЭС		l Grade		Lithologic Descriptior	n	Details	10	³ 10 ⁻⁶	10 ⁻⁴ 10 ⁻²		i0 10	00 15 Point L	0 200 .oad
(m) h	ole Typ	ole No.	thering				ument I	Re	Core covery	» 		\$	Triaxia	
o Deptl	Samp	Samp	Weat	Symt			Instru	20	RQD %	 60 80		0 4	RMR) _ 80 _ (
- 2					0 to 4.70 m - See DH-9 s	soil log.								
- 5 - 6 - 7					INTRUSIVE Dark greenish grey (chlorite, orthoclase and q grained, massive, veined, porphyritic (trace qu slightly weathered, oxidation, slickensides and joint surfaces, calcite veining, epidote veining rockmass. 6.8 m to 7.5 m: Rock is faulted,particles are g	uartz groundmass), medium Jartz phenocrysts), weak, d / or hematite common on and alteration is common in ravel sized.								
- 8					9.6 m to 10.7 m: Quartz content increases to between guartz rich unit and intrusive orienter	80 percent, contact	<<				>>			
-10-			1	<u> </u>	(Continued on next pag	ge)						•		
B	G		SGC		SINEERING INC. H SCIENCES COMPANY	Client: NovaGold Car	nada Ir	IC.						

Proie	ect ·	Galo	ore Cre	ek - Ba	sic Engineering 1	DRILL HO	LE # DH-9		Proi	Page 3 of 5
Surv Co-o Grou Datu Dip (Direo	rey N ordin und I im : (deg ctior	Metho nates Eleva UTM rees n : 00	od :Ha (m) : ation (NAD 3 from 00	indheld 395,919 (<i>m</i>) : 86 83 ZON <i>horizor</i>	5E, 6,333,356N D 6.0 D E 9 C ntal) : 90 F	Drill Designation : I Drill Designation : I Drilling Contractor Drill Method : ODE Core : NQ3 Fluid : Casing : Cased	HT-500 : Foundex X To (m) : 5.60		Start Date : 25 Finish Date: 27 Final Depth of Depth to Top o Logged by : CF Reviewed by :	Jun 06 Jun 06 Hole : 34.1 f Rock (m) : 4.7
S Depth (m)	Sample Type	Sample No.	Weathering Grade	Symbol	Lith	ologic Description		Instrument Details	Hydraulic Conductivity (cm/sec) 10 ⁻⁸ 10 ⁻⁶ 10 ⁻⁴ 10 ⁻² Core Recovery % RQD % 20 40 60 80	UCS - MPa
-10				**************************************	 11.6 m: "Double" vein observent TCA. 12.3 m to 12.6 m: Quartz conwith 30 percent epidote, 10 pareas associated with joints. 12.9 m to 13.6 m: Epidote here folding and faulting observed 14.3 m to 16.0 m: Epidote cobecomes light green. 17.2 m: Hematite noted in gr quartz content increases to a 17.2 m to 23.1 m: Hematite of to 10 percent. 	ved, 5 mm epidote a ntent increases to a percent chorite, 10 p ealed, brecciated zo 1. ontent in groundmas ontent in groundmas approximately 25 pe content of groundma	and 5 mm of calcite, 30° pproximately 50 percent bercent orthoclase; vuggy ne, vuggy, small scale as increases. Rock colour mately 10 percent), and rcent. ass varies from 0 percent			
-20-					(Contin	nued on next page)	1	1		
BC	GC				SINEERING INC.		Client: NovaGold Ca	anada Ir	าс.	

Project : Galore Creek - B	asic Engineering Location : More Canyon Crossing	Page 4 of 5 Project No. : 0386-003-06
Survey Method :Handheld Co-ordinates (m) : 395,91 Ground Elevation (m) : 80 Datum : UTM NAD 83 ZOI Dip (degrees from horizo Direction : 000	Drill Designation : HT-500 5E, 6,333,356N Drilling Contractor : Foundex 56.0 Drill Method : ODEX IE 9 Core : NQ3 Intal) : 90 Fluid : Casing : Cased To (m) : 5.60	Start Date : 25 Jun 06 Finish Date: 27 Jun 06 Final Depth of Hole : 34.1 Depth to Top of Rock (m) : 4.7 Logged by : CF Reviewed by :
l Depth (m) Sample Type Sample No. Weathering Grade Symbol	Lithologic Description	Hydraulic UCS - MPa Conductivity (cm/sec) 10* 10* Core
-20 -21 -21 -21 -22 -22 -22 -23 -23 -24 -24 -25 -25 -25 -25 -26 -27 -26 -27 -28 -27 -28 -29 -29 -29 -29 -20 -29 -20 -20 -20 -20 -20 -20 -20 -20	 23.1 m to 25.5 m: Quartz content increases to approximately 30 percent. 25.5 m to 25.6 m: Fine to medium size quartz crystals; contact with previous unit oriented at 43° TCA. 25.8 m to 26.1 m: Quartz content is approximately 60 percent. 26.2 m: Fault, 5 mm thick, epidote and calcite infill, offset 15 mm. 27.7 m to 28.0 m: Quartz content is approximately 40 percent. 28.3 m to 29.2 m: Epidote healed breccia, light green colour. 29.2 m to 32.0 m: Epidote in groundmass is light green. 29.8 m to 32.0 m: Epidote healed. brecciated. and faulted. (Continued on next page) 	
	Client: NovaGold C	Canada Inc.

Pro	iect ·	· Gal		ek - Ba		HOLE # DH-9				Dreio		Pa	age 5	of 5	
Sur Co- Gro Data Dip Dire	vey l ordir ound um : (deg ection	Methonates Elev UTM grees n : 00	od :Ha (m) :: ation (NAD 8 from 1	ndheld 395,919 m) : 86 33 ZON horizor	Drill Designat 5E, 6,333,356N Drilling Contr 6.0 Drill Method : IE 9 Core : NQ3 ntal) : 90 Fluid : Casing : C	tion : HT-500 ractor : Foundex : ODEX Cased To (m) : 5.60		Start Date : 25 Jun 06 Finish Date: 27 Jun 06 Final Depth of Hole : 34.1 Depth to Top of Rock (m) : 4.7 Logged by : CF Reviewed by :							
			Ð				ø	Hydra Condu (cm/	aulic · ctivity sec) ·			UC	S - MPa	a	
(u	Type	No.	ring Grad		Lithologic Descri	ption	ent Detail	10 ⁻⁸ 10 Co Recov	re ⁻ ery % _	10 ⁻²	50 	10 	0 150 Point Lo Triaxial	200 Dad	
Depth (r	Sample	Sample	Weather	Symbol			Instrume	RQI 20 4	0% 060	 80	20	4	RMR 0 60	 	
-31 -31 -32 -32 -33 -33 -33 -34 -35 -35 -36 -37 -38 -38 -38 -38 -39 -39 -39				***************************************	31.6 m: Fault, 65° TCA, offset by 10 mm. 33.7 m to 34.1 m: Fault, epidote healed w END OF HOLE AT 34.1 m. Notes: No standpipe piezometers installed.	ith clay gouge.					>>>				
B	G				BINEERING INC. I SCIENCES COMPANY	Client: NovaGold	l Canada Ir	IC.							

					DRILL HO	DLE # DH-9A							Page 1	of 5		
Proje	ect : (Galore	e Cre	ek - Bas	sic Engineering Location : More Ca	anyon Crossing				F	Project	No. : ()386-00)3-06		
Surv Co-o Grou Datu Dip (Dire	rey Me ordina und E um : ∪ (degre ction	ethod Ites (I Ievati TM N ees fi : 000	I : Ha m) : 3 ion (I IAD 8 rom I	ndheld 395,856 n) : 880 3 ZONE norizon	Drill Designation Diff. 6,333,376N Diff. 100 D0.0 D111 Method : ODI E 9 Core : NQ3 Intal) : 90 Fluid : Casing : Cased	: HT-500 <i>r</i> : Foundex EX <i>d To (m)</i> : 7.90			Start E Finish Final E Depth Logge Reviev	ate : Date Depth to To d by ved b	05 Jul (07 Jul of Hol p of Ro : CF y :	06 06 e (m) ock (n	: 35.1 1) : 1.5			
								E		10	Su	- kPa	kPa			
Depth (m)	Sample Type	Sample No.	Weathering Grade	Symbol	Lithologic Description		Instrument Details	SPT Blows per 150m	VANE PEAK REMOI ★ 9 C Rec 20	40 <u>FIEI</u> ↓ ↓ ↓ ↓ ↓ ↓ ↓ ↓ ↓ ↓ ↓ ↓ ↓		12 ▲ △ Moist W _p % ×	0 1 UC/2 Pocke (blows/: ure Contei W% 0-	t Pen /2 PT 300mm) ht & SPT N WL% ×		
—-0—				<u> \/</u> \/	TOPSOIL											
- - 1 -					GRAVEL and SILT (GM) Bouldery, some sand, compact.											
- - 2 -					Rock encountered at 1.50 m See DH-9A rock log.	depth.										
- 3 - -																
- 4 - -																
5 																
6 - - - 7																
- - - - 8																
- - - - 9																
- - - 																
BC	GC		GC Appl i e	ENG d earth	INEERING INC. SCIENCES COMPANY	Client: NovaGold	Canada	Inc.								

					DRILL HOL	_E # DH-9A							Page	2 of 5	
Pro	ject :	: Gal	ore Cre	ek - Ba	sic Engineering <i>Location</i> : More Car	nyon Crossing				Pro	oject l	Vo. : ()386-0	003-06	
Sur Co- Gro Dat Dip Dire	rvey l ordii ound tum : (deg ectio	Meth nates Elev UTM grees n : 00	od :Ha s (m) : ration (1 NAD 8 s from 1 00	ndheld 395,850 (m) : 88 33 ZON horizor	Drill Designation : H6E, 6,333,376NDrilling Contractor0.0Drill Method : ODEXE 9Core : NQ3ntal) : 90Fluid :Casing :Cased	HT-500 : Foundex (To (m) : 7.90		St Fil De Lo Re	art Da nish I nal Do epth to ogged eviewo	ate:0 Date:0 eptho o Top by:0 ed by	5 Jul (7 Jul (6 Hole of Ro CF :	16 06 9 : 35 9 ck (n	.1 n):1.{	5	
o Depth (m)	Sample Type	Sample No.	Weathering Grade	Symbol	Lithologic Description		Instrument Details	Hydraulic Conductivity 10 ⁻⁸ 10 ⁻⁶ 10 ⁻⁴ 10 ⁻² Core Recovery % 20 40 60 80				UCS - MPa			
- - - - - 1					0 to 1.50 m - See DH-9A so	il log.									
- - - - - - - - - - - - - - - - - - -					BEDROCK Highly fractured and faulted, can have the appea	arance of overburden.									
- - - - - - 5 -															
- - - - - - - 7 -															
- - - - - - - - - - - -				× × × × × × × × × × × × × × × × × × ×	7.9 m: Begin NQ3 coring. INTRUSIVE Dark green chlorite groundmass with epidote alte grains, medium grained, disturbed / seamy, brec slightly weathered, slickensides, oxidation and / o joint surfaces, abundant calcite veining, vuggy ep folding and faulting, brecciated zones are typical epidote, and/or quartz.	eration, visible orthoclase ciated texture, weak, or hematite common on pidote veins, small scale ly healed with calcite,									
-10-	1	1	1	<u>IX X X</u>	(Continued on next page)			<u> </u>					1 1		
B	GC		SGC		SINEERING INC.	Client: NovaGold Car	nada In	IC.							

Pro	ioct	· Gal	ore Cre	ek - Ba	DRILL HOLE # DH-9A						Dre	inat		Page	3 of 5	
Sui Co- Gro Dat Dip Dire	vey l ordin ound um : (deg ectio	Methonates Elev UTM grees n : 00	od :Ha s (m) : ation (I NAD 8 s from 1 00	ndheld 395,856 (<i>m</i>) : 88 33 ZON <i>horizoi</i>	Drill Designation : HT-500 6E, 6,333,376N Drilling Contractor : Foundex 0.0 Drill Method : ODEX IE 9 Core : NQ3 ntal) : 90 Fluid : Casing : Cased To (m) : 7.90		Start Date : 05 Jul 06 Finish Date: 07 Jul 06 Final Depth of Hole : 35.1 Depth to Top of Rock (m) : 1.5 Logged by : CF Reviewed by :							5	>	
Depth (m)	Sample Type	Sample No.	Weathering Grade	Symbol	Lithologic Description		Instrument Details	(1) F	Hydr Condu (cm/ 0 ⁻⁸ 10 - Cc Recov RQI	aulic loctivity sec) D ⁻⁶ 10) ⁴ 10 ⁻²		50 ◆	UCS - M 100 1 Poin Triax RMR 40	1Pa 50 20 Load ial	0
-10^{-1}				**************************************	 10.8 m to 11.0 m: Vuggy epidote veins. 13.9 m: Fault, 10 mm thick, disintegrated and crushed rock infill (silt sand size), associated folding and faulting observed for up to 400 mm adjacent. 14.5 m: Healed brecciated zone with 20 mm of irregular pink/white calcite. 14.7 m to 14.9 m: Quartz rich brecciated zone with crystals up to 5 m diameter. 15.6 m: Rock becomes less disturbed and less brecciated. 17.2 m to 18.5 m: Poor recovery, medium gravel size, subrounded particles. 	and n										
					observed in groundmass.											
					(Continued on next page)	'										
В	G				Client: NovaG	Gold Can	ada Ir	IC.								

Pro	iect :	Galo	ore Cre	ek - Ba	DRILL HOL	E # DH-9A		Proje	Page 4 of 5					
Sur Co- Gro Dat Dip	vey l ordir ordir und um : (deg	Weth nates Elev UTM grees n : 00	od :Ha (m) : ation (NAD { from 00	ndheld 395,856 (<i>m</i>) : 88 33 ZON <i>horizoi</i>	Drill Designation : Hore Cal Drill Designation : Hore Cal Discretion Discretion <th< th=""><th>HT-500 : Foundex { <i>To (m)</i> : 7.90</th><th></th><th colspan="7">Start Date : 05 Jul 06 Finish Date: 07 Jul 06 Final Depth of Hole : 35.1 Depth to Top of Rock (m) : 1 Logged by : CF Reviewed by :</th></th<>	HT-500 : Foundex { <i>To (m)</i> : 7.90		Start Date : 05 Jul 06 Finish Date: 07 Jul 06 Final Depth of Hole : 35.1 Depth to Top of Rock (m) : 1 Logged by : CF Reviewed by :						
3 Depth (m)	Sample Type	Sample No.	Weathering Grade	Symbol	Lithologic Description		Instrument Details	Hydraulic Conductivity (cm/sec) 10 ⁻⁸ 10 ⁻⁶ 10 ⁻⁴ 10 ⁻² Core Recovery % RQD % 20 40 60 80	UCS - MPa 50 100 150 200 ■ Point Load ◇ Triaxial RMR 20 40 60 80					
20- - - - - - - - - -				× × × × × × × × × × × × × × × × × × ×	20.6 m to 20.7 m: Vuggy, epidote healed, breccia	ated zone.								
- - - - - - - - - - - - - - - - - -				****	22.4 m: Fault, calcite healed, 5° TCA, 5 mm of c	ffset.								
-24 - - 				· · · · · · · · · · · · · · · · · · ·	24.4 m to 26.0 m: Quartz content increases to a with crystals up to 5 mm diameter.	oproximately 50 percent,			>>					
26 				(× × × × × × × × × × × × × × × × × × ×	 26.7 m: Fault, 30 mm thick, epidote healed, brechoundaries, 50° TCA. 26.7 m to 26.8 m: Quartz content increases to an 27.3 m: Fault, 1 mm thick, calcite infill, 25° TCA, epodote vein by 10 mm. 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to an 27.4 m to 29.9 m: Quartz content increases to 20.4 m to 29.9 m: Quartz content increases to 20.4 m to 29.9 m: Quartz content increases to 20.4 m to 29.9 m: Quartz content increases to 20.4 m to 29.9 m: Quartz content increases to 20.4 m to 29.9 m: Quartz content increases to 20.4 m to 29.9 m: Quartz content increases to 20.4 m to	ciated zone with irregular oproximately 70 percent. observed to offset an oproximately 60 percent.								
- 				× × × × × × × × ×	(Depting and an east of a second				<u>↓ </u>					
B	GC		SGC		SINEERING INC.	Client: NovaGold Can	ada In	пс.						

					DRILL HOLE # D	DH-9A					Page	5 of 5		
Pro	ject :	Galo	ore Cre	ek - Ba	sic Engineering Location : More Canyon Cro	ssing			Proje	ect No.	: 0386-	003-06		
Sur Co- Gro Dat Dip Dire	vey l ordir ound um (deg ection	Methonates Eleva UTM prees n : 00	od :Ha (<i>m</i>) : : ation (NAD 8 from 1	ndheld 395,856 m) : 886 33 ZON horizor	Drill Designation : HT-500 6E, 6,333,376N Drilling Contractor : Founder 0.0 Drill Method : ODEX E 9 Core : NQ3 ntal) : 90 Fluid : Casing : Cased To (m) :	x 7.90		Start L Finish Final I Depth Logge Review	Date: 05 Date: 07 Depth of I to Top of ed by : CF wed by :	Jul 06 Jul 06 Hole : 3 f Rock (5.1 (m) : 1.	5		
lepth (m)	ample Type	ample No.	Veathering Grade	ymbol	Lithologic Description		Hydraulic ····: Conductivity ··· (cm/sec) ···· Hydraulic ···· (cm/sec) ···· Eta Dof 10 ⁴ 10 ² Core Recovery %			50 	UCS - M 100 1 Point Triax	1Pa 50 200 t Load ial		
	S	S	5	S S S			<u>_</u>	20 40	60 80	20	40 0	60 80		
- - 31 - 31 - 32 32 				. x x x x x x x x x x x x x x x x x x x	INTRUSIVE Dark to light grey (orthoclase, quartz, trace chlorite groun grained, porphyritic (quartz also occurs as phenocrysts, u weak, slightly weathered, some calcite veining, some slict surfaces with epidote alteration and/or hematite staining. 33.1 m to 35.1 m: Quartz content is approximately 50 per 33.1 m to 35.1 m: Quartz content is approximately 50 per END OF HOLE AT 35.1 m. Notes: No standpipe piezometers installed.	dmass), medium p to 5 mm size), censided						>>		
- - - 37 - -														
- 38 - -														
- 39 - - -														
-40-					Г									
B	GC					ent: NovaGold Can	iada In	C.						