

The logo features three stylized mountain peaks in shades of grey, yellow, and brown, with a white winding path or river cutting through them.

Galore Creek Project

A Partnership between NovaGold and Teck Cominco

The Galore Creek project is one of the world's largest undeveloped copper-gold deposits, with quality, long-life reserves and excellent geologic potential to extend the mine's life. This world-class project will be developed as a partnership between NovaGold and Teck Cominco in a cooperative arrangement with the Tahltan Nation.

Project Overview

- 87,000 hectare (215,000 acre) property
- Located within the historic Stikine Gold Belt of northwestern British Columbia, approximately 70 kilometers (43 miles) west of Highway 37 and 150 kilometers (93 miles) northeast of Stewart, BC
- Pre-construction activities underway with provincial permits in hand. Awaiting final federal permits and Board of Directors approval
- Planned as a conventional open-pit mining operation with process facilities to produce a readily marketable copper-gold-silver concentrate. The concentrate would be shipped through the Port of Stewart, BC to third party smelters and refiners
- 65,000 tonnes-per-day processing rate with a minimum 20-year mine life
- Over 540 million tonnes of reserves and approximately 1 billion tonnes of resources with considerable potential to increase annual production and extend the mine life
- Based on Hatch Ltd.'s October 2006 Feasibility Study:
 - Anticipated production parameters for first 5 years
 - Average annual production of 432 million pounds of copper 341,000 ounces of gold and 4 million ounces of silver
 - Total cash costs of US\$0.38/lb of copper, net of precious metals credits or, in terms of gold, negative US\$600/oz of gold, net of copper credits
 - Anticipated average life-of-mine production
 - Average annual production of 262 million pounds of copper, 165,000 ounces of gold and 2.7 million ounces of silver
 - Total cash costs of US\$0.62/lb of copper, net of precious metals credits or, in terms of gold, negative US\$600/oz of gold, net of copper credits
 - Total construction costs estimated at US\$2 billion, including interest and bonding
- Proven and Probable Reserves estimated at 540.7 million tonnes containing 6.6 billion pounds of copper, 5.3 million ounces of gold and 92.6 million ounces of silver
- Measured and Indicated Resources estimated at 3.6 billion pounds of copper, 3.0 million ounces of gold and 49.2 million ounces of silver
- Inferred Resources (including anticipated 80% interest in Copper Canyon) estimated at 4.2 billion pounds of copper, 4.8 million ounces of gold and 77.9 million ounces of silver
- First production targeted for mid-2012
- Pre-tax operating cash flow at recent spot prices of US\$1,277 million per year

Economic and Social Benefits

- Up to 1,000 jobs during construction
- Approximately 500 full-time jobs during operation
- Additional indirect and induced jobs in service-related industries
- Significant opportunities for local services-related businesses and contracts
- The partnership will hire locally as much as possible, offering training programs for members of local communities

- Based on the Environmental and Social Impact Assessment:
 - During construction
 - C\$30 million annually to local communities
 - C\$240 million annually to the Province of British Columbia
 - During operations
 - C\$23 million annually to local communities
 - C\$60 million annually to the Province of British Columbia
 - C\$50 million tax revenue annually

Tahltan Participation Agreement

- Ratified by NovaGold and the Tahltan Nation in February 2006
- All commitments and obligations under the Tahltan Participation Agreement will be honored by the partnership
- Highlights of the Participation Agreement include:
 - Recognition of the Tahltan's traditional rights, title and interests to the project area as well as the Galore Creek partnership's rights to explore and develop mineral resources in the Galore Creek Valley
 - Ensures collaboration between both parties for mine planning, mine operation and environmental protection
 - Training and employment opportunities for Tahltan members throughout the mine life, with a process for ongoing dialogue regarding advancement
 - Opportunities for Tahltan businesses for the supply of goods and services throughout mine life and mine closure
 - Annual payments by the Galore Creek partnership to the Tahltan Heritage Trust Fund, which will be used to mitigate any adverse social and cultural impacts of mine development

Responsible Mining

- NovaGold acquired BC's largest permitted run-of-river hydroelectric project in August 2006 and will use "green" hydroelectric power and electric shovels as much as possible
- Rigorous environmental monitoring
- Goal of no recordable environmental incidents

Project Timeline

Feb 2004	Environmental assessment process initiated
Feb 2006	Tahltan Participation Agreement signed
Feb 2007	Project received Provincial Environmental Assessment Certificate approval
Q2-2007	Receipt of Provincial construction permits – awaiting Federal approval
Q2-2007	Phase 1 construction begins (access road, tunnel, pipelines and powerline) upon receipt of final permits and Board of Directors approval
2009	Phase 1 construction completed Phase 2 construction begins (mine facilities and infrastructure)
2012	Start of production

Cautionary Note Regarding Forward-Looking Statements

This press release includes certain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information as defined in the Securities Act (Ontario). All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential mineralization and exploration results, construction and production timing and cost estimates, anticipated permitting results and timing and future plans, actions, objectives and achievements of NovaGold and Teck Cominco, are forward-looking statements and forward-looking information. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ

materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from NovaGold's and Teck Cominco's expectations include fluctuations in gold, copper and other commodity prices and currency exchange rates; uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; uncertainties involved in disputes and litigation, including disputes and litigation concerning Pioneer Metals Corporation and the Galore Creek and Grace properties; the need to obtain additional financing to develop the Galore Creek project and uncertainty as to the availability and terms of future financings; the need for cooperation of government agencies and First Nations groups in the exploration, permitting and development of Galore Creek; the possibility of adverse developments in the financial markets generally; the possibility of delay in permitting, exploration, development or construction programs and uncertainties as to permit and approval requirements and meeting project milestones; and other risks and uncertainties disclosed under the heading "Caution Regarding Forward-Looking Statements" and elsewhere in NovaGold's and Teck Cominco's Annual Information Forms for the year ended November 30, 2006 and December 31, 2006, respectively, filed with the Canadian securities regulatory authorities, in NovaGold's and Teck Cominco's annual reports on Form 40-F filed with the United States Securities and Exchange Commission and in other information released by NovaGold and Teck Cominco and filed with the appropriate regulatory agencies.

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