

*****For Immediate Release*****

CLASS ACTION LAWSUIT TO BE LAUNCHED AGAINST NOVAGOLD RESOURCES INC. AND THIRD PARTIES

TORONTO and WINDSOR (October 14, 2009) – A class proceeding will be commenced today in the Ontario Superior Court of Justice on behalf of all investors who acquired shares of Novagold Resources Inc. (“NovaGold”) on the Toronto Stock Exchange (TSE: NG) during the period October 25, 2006 to January 16, 2008 (the "Class Period"). The plaintiff alleges that NovaGold, certain of its officers and directors and Hatch Ltd., engaged in violations of the *Ontario Securities Act* and the common law.

The plaintiff, a resident of Ontario, has retained Sutts, Strosberg LLP, with offices in Toronto and Windsor, to prosecute the class action.

The plaintiff alleges that throughout the Class Period, on the strength of a feasibility study authored by Hatch Ltd., the defendants regularly and systematically assured the investing public that the construction of NovaGold’s Galore Creek project was on schedule and on budget. Such claims allowed NovaGold to raise hundreds of millions of dollars in the capital markets.

On January 16, 2008, NovaGold admitted to investors that the "Study completed by Hatch Ltd. in October 2006 should not be relied upon." NovaGold’s share price declined by more than 50% and litigation over NovaGold’s disclosures was commenced in the United States.

On June 9, 2009, an United States Federal Court ruled that "The plaintiff has pleaded with sufficient particularity facts supporting an inference that NovaGold knew that the Hatch Study and its cost estimate of USD \$1.8 billion were unreliable and misleading shortly after release, if not at release, or that NovaGold was at least reckless in its public statements of reliance on the estimate... Despite such knowledge, NovaGold continued to tout the Hatch Study's figures throughout that year." Importantly, the United States federal court excluded from the U.S. litigation all purchasers who acquired NovaGold shares on the Toronto Stock Exchange.

Sutts, Strosberg LLP pioneered securities class actions in Ontario and has recovered more than \$100 million for its clients in securities class actions as a result of its involvement on the leadership team of many successful proceedings such as Bre-X, YBM Magnex, Southwestern Resources, Atlas Cold Storage and CV Technologies. Please visit the Sutts, Strosberg LLP website (www.strosbergco.com) and www.novagoldclassaction.com for more information about the firm and the NovaGold class action.

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