NEW GOLD RAINY RIVER MINE
APPENDIX L
WILDLIFE MORTALITY LOG

newgold™ Rainy River

2018 Wildlife Mortality Log

Date	Location Description	Wildlife Sighted	Number Sighted	Behaviour	Dead or Alive	Comments	Sighted_By	Hour	Minute	x	y
1/14/2018	Copper dump	Fox	1	dead	Dead	dead-hit by haul truck	Matt Desando	12	0	428082.5051	5409856.45
1/16/2018	East access road	Deer	1	dead	Dead	dead, had to be dispatched	Security, dispatched by Nathan Baird	5	30	430562.4886	5411719.429
2/28/2018	Haul rd to peg dump	Grouse	1	Dead hit by haul truck	Dead	Dead Hit by haul truck	205 driver	6	0	427308.2632	5409822.291
6/5/2018	7 bends	Grouse	1	crossing rd	Dead	dead	CEAA	18	0	419543.6034	5413505.762
7/8/2018	korpi rd	Owl	1	dead	Dead	called enviro for instructions	security	1	20	430442.7456	5411719.796
8/25/2018	Southwest corner of TMA Cell 2 and Cell 1	Deer	1	Deceased	Dead	Situated within tailing mud	Scott from DST	13	55	422359.1417	5412106.356
8/4/2018	Korpi rd	Grouse	1	Dead	Dead	dead	Security	9	0	428702.7759	5412412.691
9/11/2018	East Access Road	Snake	7	1 live, 6 dead	Dead	Report received of snakes run over on East Access between hydro corridor and Gallinger Rd	Amanda Jacobs	12	0	427718.3	5412222.497
9/13/2018	East Access Road in front of Korpi Laydown	Grouse	1	Deceased	Dead	Headless and lyingon the northern side of the road	Twila Griffith	10	45	431134.7027	5411705.248
7/6/2018	Located on the south shoulder of the road	Turtle	1	Dead	Dead	Spotted turtle on side of road, I stopped to remove from road, but it had been dead for several days.	Amy Shute	16	35	428108.5929	5412386.737
9/28/2018	Across from Nielson house	Deer	1	dead	Dead	dead	Mill maintenace	6	30	421057.3218	5410234.997
11/15/2018	Eluik rd	Rabbit	1	dead	Dead	being eaten by crows, removed from road	Nathan Baird	8	15	421552.5587	5411044.354
12/11/2018	South of roen rd	Deer	1	dead	Dead	only bones remain, no need to remove and well enough off road	Garnet Cornell	12	0	425662.4107	5411768.855

NEW GOLD RAINY RIVER MINE
APPENDIX M
EXCEEDANCE LETTER SUBMITTED TO MECP

newgold™
Rainy River

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment, Conservation and Parks
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE:1000L Ferrous Sulfate Spill – SAC Reference #2157-B4ZRSU

On September 27th at approximately 1600, ferrous sulfate was discharged onto the ground, north west of the mill.

This reagent was new onsite as it is being tested for possible use. The spill was caused by a forklift puncturing a tote containing ferrous sulphate while unloading the tote. (See photo below)

The ferrous sulphate was found immediately after the spill occurred, by the forklift operator.

There was no impact to any water bodies as the spill was discharged in a gravel parking lot and was contained by berms. The spill was caught quickly by the operator and work ceased. The spill was collected by a vac truck and pumped into the tailings management area on site. Also, it is worth noting that during the spill it was raining, and water is a neutralizing agent for ferrous sulphate.

Forklift operations procedures will be reviewed. If ferrous sulphate is used permanently it will be kept in a structure that will help mitigate the risk of any future spill.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St.Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

Regards,

Matthew Wilson
Environmental Specialist
New Gold Rainy River
Matthew.Wilson@newgold.com
807 482 0900 x8233

cc:
Michael Bell. (Michael.bell@canada.ca)
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

newgold™ Rainy River

June 7, 2018

John Vandenbroeck

Management Biologist, Fort Frances District
Ministry of Natural Resources and Forestry
922 Scott Street
Fort Frances, ON
P9A 1J4

Dear Mr. Vandenbroeck,

RE: 2018 ESA ACOUSTIC AUDIT – EXCEEDANCE OF SOUND THRESHOLD

As per Endangered Species Act (ESA) Permit FF-C-001-14 conditions 4.1 (g) and 4.2 (b), New Gold is providing notification to the Ministry of Natural Resources and Forestry (MNRF) that sound level thresholds were exceeded during the ongoing acoustic audit.
The source of noise resulting in the exceedance, however, appears unrelated to construction or operations activities and as such, no immediate mitigation is proposed.

The following preliminary results received from sound recording equipment on June 2nd, 3rd and 4th 2018 exceeded the 50 dBA sound level threshold:

- At 00:00, 1:00, 2:00 and 7:00 on June 2, 2018, monitoring equipment recorded sound levels of 54, 51, 53 and 51 dBA at the North Receptor Habitat and 51, 51 and 51 dBA at the South Receptor Habitat. Recorded sound levels indicate that the exceedances were likely due to strong winds.
  Please refer to attached sound files NRM June.02.2018_0007-0017, NRM June.02.2018_0107-0117, NRM June.02.2018_0207-0217, NRM June.02.2018_0707-0717, SRM June.02.2018_0011-0021, SRM June.02.2018_0111-0121 and SRM June.02.2018_0211-0221.

- At 11:00, 12:00, 14:00, 15:00, 16:00 and 17:00 on June 3, 2018, monitoring equipment recorded sound levels of 53, 55, 53 and 51 dBA at the North Receptor Habitat and 51, 51, 54, 54, and 53 dBA at the South Receptor Habitat. Recorded sound levels indicate that the exceedances were likely due to strong winds.
  Please refer to attached sound files NRM June.03.2018_1419-1429, NRM June.03.2018_1519-1529, NRM June.03.2018_1619-1629, NRM June.03.2018_1719-1729, SRM June.03.2018_1120-1130, SRM June.03.2018_1220-1230, SRM June.03.2018_1420-1430, SRM June.03.2018_1520-1530 and SRM June.03.2018_1620-1630.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

newgold™ Rainy River

- At 13:00 on June 4, 2018, monitoring equipment recorded a sound level of 52 dBA at the South Receptor Habitat. Recorded sound levels indicate that the exceedances were likely due to strong winds.
  Please refer to attached sound file SRM June.04.2018_1320-1330.

As per ESA Permit conditions 4.1 (g) and 4.2 (b), acoustic audit measurements conducted by a Qualified Professional will continue in the North and South EWPW Receptor Habitat areas until June 8th.

Please contact me with any questions or concerns.

Best Regards,

Carolyn Winik

Carolyn Winik
Senior Environmental Specialist

cc. Sylvie St. Jean (New Gold)
Stacey Jack (New Gold)
Nigel Fisher (New Gold)

newgold™ Rainy River

October 4, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of Environment, Conservation and Parks
80 Robertson St.
Kenora, ON
P9N 1X9

Dear Mr. Hoffmeister,

RE: GEAR OIL SPILL - SAC REFERENCE # 5225-B562KD

Further to the notification to the Spills Action Center (SAC) Reference # 5225-B562KD regarding a spill of gear oil on October 1, 2018, the following report is submitted to the Ministry of the Environment, Conservation and Parks (MECP) as per Condition 11(4) of ECA 5178-9TUPD9.

While moving oil totes at Laydown Area 7 with a Telehandler, the operator punctured a tote of gear oil. The spill duration of 1 minute resulted in approximately 200 L of gear oil spilled to the ground.

The event occurred within the confines of a Laydown area with no impact to any water bodies. Spill pads were used to soak up the spilled oil and the affected ground was scraped up and placed into a contaminated soil bin, with final disposal by contracted hazardous waste management company, Green For Life (GFL).

Figure 1 shows Telehandler puncture in the tote of gear oil.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

As a result, training for spotters when moving totes, will be reviewed. As well as a re-organization of the oil storage area will occur.

Please feel free to contact the undersigned or Sylvie St. Jean (Sylvie.St.Jean@newgold.com or 807-707-3497) with any questions.

Regards,

Garnet Cornell
Environmental Specialist
New Gold Rainy River
garnet.cornell@newgold.com

cc:
Michael Bell, ECCC; michael.bell@canada.ca
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

newgold™ Rainy River Project

January 10, 2018

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment and Climate Change
808 Roberston Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 500L Reclaim Water Spill – SAC Reference #5737-AUNLBS

Further to the notification to the Spills Action Centre (SAC) Reference #5737-AUNLBS regarding a spill of reclaim water on January 3, 2018, the following report is submitted to the Ministry of the Environment and Climate Change (MOECC).

Discovery

- A fire alarm was activated in the transfer tower at approximately 0830 hours on January 3, 2018
- Water was found to be escaping the west door of the transfer tower and reporting to a small depression in the ground outside the door.
- This was caused by a pipe associated with the fire suppression system bursting. The fire suppression system is supplied with reclaim water.

Cause

- The dry sprinkler system had activated previously and when the system was reset, all the water did not drain from the system causing a valve to freeze and crack. When the system thawed, the valve that was damaged from the expansion of water freezing began to leak.
- Temperature was -26 degrees Celsius as the time of event.

Clean Up and Recovery

- There was no impact to any water body, water drained to a small depression in the ground.
- Reclaim water did not escape the small depression outside the door.
- The spill was left to freeze in the small excavation and then collected with a loader.
- The material gathered was returned to the mill process.

Preventative Measures

- Standard Operating Procedures (SOP) will be reviewed to include proper drainage of equipment.
- Short term mitigation consisted of placing two (2) sand bag barricades with plastic. Long term mitigation consist of strategically engineered barriers (speed bumps) to be positioned at each door.

Once you have had the opportunity to review this information please feel free to contact the undersigned with any additional questions.

Regards,

Nathan Baird
Environmental Technician
New Gold Rainy River
Nathan.Baird@newgold.com
807-271-3190

cc: Adam Scheepers, EC; adam.scheepers@canada.ca
Andrea Doherty, DFO; andrea.doherty@dof-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonnell, EC; dan.mcdonell@canada.ca

newgold™
Rainy River

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment, Conservation and Parks
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE:1000L Ferrous Sulfate Spill – SAC Reference #2157-B4ZRSU

On September 27th at approximately 1600, ferrous sulfate was discharged onto the ground, north west of the mill.

This reagent was new onsite as it is being tested for possible use. The spill was caused by a forklift puncturing a tote containing ferrous sulphate while unloading the tote. (See photo below)

The ferrous sulphate was found immediately after the spill occurred, by the forklift operator.

There was no impact to any water bodies as the spill was discharged in a gravel parking lot and was contained by berms. The spill was caught quickly by the operator and work ceased. The spill was collected by a vac truck and pumped into the tailings management area on site. Also, it is worth noting that during the spill it was raining, and water is a neutralizing agent for ferrous sulphate.

Forklift operations procedures will be reviewed. If ferrous sulphate is used permanently it will be kept in a structure that will help mitigate the risk of any future spill.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St.Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

Regards,

Matthew Wilson
Environmental Specialist
New Gold Rainy River
Matthew.Wilson@newgold.com
807 482 0900 x8233

cc:
Michael Bell. (Michael.bell@canada.ca)
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

newgold™ Rainy River

June 7, 2018

John Vandenbroeck

Management Biologist, Fort Frances District
Ministry of Natural Resources and Forestry
922 Scott Street
Fort Frances, ON
P9A 1J4

Dear Mr. Vandenbroeck,

RE: 2018 ESA ACOUSTIC AUDIT – EXCEEDANCE OF SOUND THRESHOLD

As per Endangered Species Act (ESA) Permit FF-C-001-14 conditions 4.1 (g) and 4.2 (b), New Gold is providing notification to the Ministry of Natural Resources and Forestry (MNRF) that sound level thresholds were exceeded during the ongoing acoustic audit.
The source of noise resulting in the exceedance, however, appears unrelated to construction or operations activities and as such, no immediate mitigation is proposed.

The following preliminary results received from sound recording equipment on June 2nd, 3rd and 4th 2018 exceeded the 50 dBA sound level threshold:

- At 00:00, 1:00, 2:00 and 7:00 on June 2, 2018, monitoring equipment recorded sound levels of 54, 51, 53 and 51 dBA at the North Receptor Habitat and 51, 51 and 51 dBA at the South Receptor Habitat. Recorded sound levels indicate that the exceedances were likely due to strong winds.
  Please refer to attached sound files NRM June.02.2018_0007-0017, NRM June.02.2018_0107-0117, NRM June.02.2018_0207-0217, NRM June.02.2018_0707-0717, SRM June.02.2018_0011-0021, SRM June.02.2018_0111-0121 and SRM June.02.2018_0211-0221.

- At 11:00, 12:00, 14:00, 15:00, 16:00 and 17:00 on June 3, 2018, monitoring equipment recorded sound levels of 53, 55, 53 and 51 dBA at the North Receptor Habitat and 51, 51, 54, 54, and 53 dBA at the South Receptor Habitat. Recorded sound levels indicate that the exceedances were likely due to strong winds.
  Please refer to attached sound files NRM June.03.2018_1419-1429, NRM June.03.2018_1519-1529, NRM June.03.2018_1619-1629, NRM June.03.2018_1719-1729, SRM June.03.2018_1120-1130, SRM June.03.2018_1220-1230, SRM June.03.2018_1420-1430, SRM June.03.2018_1520-1530 and SRM June.03.2018_1620-1630.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

newgold™ Rainy River

- At 13:00 on June 4, 2018, monitoring equipment recorded a sound level of 52 dBA at the South Receptor Habitat. Recorded sound levels indicate that the exceedances were likely due to strong winds.
  Please refer to attached sound file SRM June.04.2018_1320-1330.

As per ESA Permit conditions 4.1 (g) and 4.2 (b), acoustic audit measurements conducted by a Qualified Professional will continue in the North and South EWPW Receptor Habitat areas until June 8th.

Please contact me with any questions or concerns.

Best Regards,

Carolyn Winik

Carolyn Winik
Senior Environmental Specialist

cc. Sylvie St. Jean (New Gold)
Stacey Jack (New Gold)
Nigel Fisher (New Gold)

newgold™ Rainy River

October 4, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of Environment, Conservation and Parks
80 Robertson St.
Kenora, ON
P9N 1X9

Dear Mr. Hoffmeister,

RE: GEAR OIL SPILL - SAC REFERENCE # 5225-B562KD

Further to the notification to the Spills Action Center (SAC) Reference # 5225-B562KD regarding a spill of gear oil on October 1, 2018, the following report is submitted to the Ministry of the Environment, Conservation and Parks (MECP) as per Condition 11(4) of ECA 5178-9TUPD9.

While moving oil totes at Laydown Area 7 with a Telehandler, the operator punctured a tote of gear oil. The spill duration of 1 minute resulted in approximately 200 L of gear oil spilled to the ground.

The event occurred within the confines of a Laydown area with no impact to any water bodies. Spill pads were used to soak up the spilled oil and the affected ground was scraped up and placed into a contaminated soil bin, with final disposal by contracted hazardous waste management company, Green For Life (GFL).

Figure 1 shows Telehandler puncture in the tote of gear oil.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

As a result, training for spotters when moving totes, will be reviewed. As well as a re-organization of the oil storage area will occur.

Please feel free to contact the undersigned or Sylvie St. Jean (Sylvie.St.Jean@newgold.com or 807-707-3497) with any questions.

Regards,

Garnet Cornell
Environmental Specialist
New Gold Rainy River
garnet.cornell@newgold.com

cc:
Michael Bell, ECCC; michael.bell@canada.ca
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

newgold™ Rainy River Project

January 10, 2018

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment and Climate Change
808 Roberston Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 500L Reclaim Water Spill – SAC Reference #5737-AUNLBS

Further to the notification to the Spills Action Centre (SAC) Reference #5737-AUNLBS regarding a spill of reclaim water on January 3, 2018, the following report is submitted to the Ministry of the Environment and Climate Change (MOECC).

Discovery

- A fire alarm was activated in the transfer tower at approximately 0830 hours on January 3, 2018
- Water was found to be escaping the west door of the transfer tower and reporting to a small depression in the ground outside the door.
- This was caused by a pipe associated with the fire suppression system bursting. The fire suppression system is supplied with reclaim water.

Cause

- The dry sprinkler system had activated previously and when the system was reset, all the water did not drain from the system causing a valve to freeze and crack. When the system thawed, the valve that was damaged from the expansion of water freezing began to leak.
- Temperature was -26 degrees Celsius as the time of event.

Clean Up and Recovery

- There was no impact to any water body, water drained to a small depression in the ground.
- Reclaim water did not escape the small depression outside the door.
- The spill was left to freeze in the small excavation and then collected with a loader.
- The material gathered was returned to the mill process.

Preventative Measures

- Standard Operating Procedures (SOP) will be reviewed to include proper drainage of equipment.
- Short term mitigation consisted of placing two (2) sand bag barricades with plastic. Long term mitigation consist of strategically engineered barriers (speed bumps) to be positioned at each door.

Once you have had the opportunity to review this information please feel free to contact the undersigned with any additional questions.

Regards,

Nathan Baird
Environmental Technician
New Gold Rainy River
Nathan.Baird@newgold.com
807-271-3190

cc: Adam Scheepers, EC; adam.scheepers@canada.ca
Andrea Doherty, DFO; andrea.doherty@dof-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonnell, EC; dan.mcdonell@canada.ca

newgold™ Rainy River Project

March 23, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora ON P9N 1X9
Via email: (matt.hoffmeister@ontario.ca)

Dear Mr. Hoffmeister,

RE: SAC REF# 5627- AWWVWT HYDROCARBON SPILL AT WAREHOUSE LAYDOWN

In accordance with ECA 5178-9TUPD9, notification was made to the Spills Action Centre (SAC Ref. # 5627-AWWVWT) regarding a 136 L spill of gear lubricant in the laydown yard of the Barron Warehouse on March 16, 2018. The following report is submitted to the Ministry of Environment and Climate Change (MOECC) as per condition 11(4) of ECA 5178-9TUPD9.

Discovery

- During the afternoon of March 16th, warehouse employees were moving 45 gallon barrels of gear lubricant.
- A warehouse employee noticed black viscous hydrocarbon seeping out of bottom of one of the 45 gallon barrels.
- Inspection of the spill area by warehouse supervisor estimated ¾ of the barrel contents had leaked out onto the frozen ground surface.
- The barrel was inverted into a spill tray to stop the leak.
- Employees immediately contained the spill using absorbent pads, booms and sand.
- New Gold Environment was called to inspect the spill.
- The Spills Action Centre was notified at 18:48 hours and an investigation initiated.

Cause

- Puncture of the barrel by one of the forks on the telehandler.
- Secondary containment not in place.

Clean Up and Recovery

- Gear lubricant is composed of 60% asphalt and 40 % petroleum distillates and highly viscous. Spill was fully contained within a 2 m^2 area using pill pads, spill booms and sand.
- Contaminated material was collected in two 45 gallons drums for removal from site by a registered hazardous waste carrier.

Preventative measures and schedule of implementation

- Review with all warehouse employees proper procedures for loading and unloading of barrels containing hydrocarbons and liquids using a telehander before March 31, 2018.
- Establish secondary containment under all containers, barrels, pails that contain hydrocarbons in the laydown area before April 16, 2018
- Maintain minimal quantities of hydrocarbons in the warehouse laydown yard. Expedite shipment to storage areas on site before April 30, 2018.

Should you have any questions after reviewing this letter, please contact the undersigned at (807) 708-2407.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
twila.griffith@newgold.com

New Gold Inc.
Rainy River Project
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M +1.807.708.2407

cc: Gordon Moore (Environment Canada)
Karli Allen (Ministry of Natural Resources and Forestry)
Canadian Environmental Assessment Agency (CEAA)

newgold™ Rainy River

May 02, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change 808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: AIR QUALITY EXCEEDANCES OF 24-HOUR TOTAL SUSPENDED PARTICULATE-MONITORING LIMITS - SAC REFERENCE #3444-AY8S75

On April 27, the air quality engineer consultant responsible for reporting the site air quality monitoring results, informed New Gold Environment of elevated laboratory results, indicating total suspended particulates (TSP) and iron exceedances at Gallinger Road air quality station. The consultant stated that these values were uncharacteristically high for this particular location and nearby roadwork activities may have contributed to these results.

New Gold notified the Spills Action Centre (SAC) Reference #3444-AY8S75 of the exceedance of the ministry approved limits for Total Suspended Particulate Matter and Iron (metallic) concentrations on April 27th. The exceedance occurred on March 16, 2018 at the Gallinger Air Quality Monitoring Station, and was reported to New Gold on the 27th of April, as per the procedures. The following letter report accompanies a copy of the notification of exceedance (NOE) as per ECA #0412-A2LR4V.

Gallinger Road air quality station is located approximately 4.5 km due east of the primary crusher on the Rainy River Mine Site. Gallinger Road itself passes by the air quality station in a north-south direction at approximately 50 metres east.

TSP samples were collected during a 24-hr period on March 16, 2018 as per Rainy River Project Ambient Air Quality Monitoring Plan, accepted by MOECC on November 9th, 2016. During this 24-hour period, predominate wind direction varied from east to southeast with an average wind speed of 6 km/hr. The wind direction that day, makes it unlikely that the source of the dust would be coming from the crusher which is situated to the west of the air monitoring station, and suggests that the exceedance was related to the road dust.

newgold™ Rainy River

New Gold's dust abatement plan calls for the application of Calcium Chloride to reduce the road dust. However, one of the requirements for the application of this product, or of the application of water, is that it should not be done under frozen conditions. The spring of 2018 has been dry and cold to date with temperatures well below freezing at night and often during the day until the second week of April. On March 16th, temperatures reached 6°C during daylight hours and dropped to -10°C at night. As such the abatement program could not be implemented at that time due to freezing temperatures at night. No precipitation was recorded during the same 24-hour period making road conditions very dry and prone to dust.

New Gold noticed the above average usage of Gallinger road in early April and reminded staff of the mitigation measures which include restricting access of all motor vehicles along Gallinger Road. On April 15th, New Gold posted managers at the corner of Gallinger and Korpi to stop each driver and remind them personally of the road usage restriction. Traffic on Gallinger was reduced from above 75 vehicles between 6 and 7 am to 3 (non-New Gold) in 5 working days. Physical monitoring will remain in place until the end of May. Mitigation measures including watering of Gallinger Road and placing Calcium Chloride on the road surface to reduce road dust will be applied should dust continue to be an issue

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

June 13, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change 808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: AIR QUALITY EXCEEDANCES OF 24-HOUR TOTAL SUSPENDED PARTICULATE-MONITORING LIMITS - SAC REFERENCE #3476-AZKQWK

On June 6th, the air quality engineer consultant responsible for reporting the site air quality monitoring results, informed New Gold Environment of elevated laboratory results, indicating total suspended particulates (TSP) and iron exceedances at Gallinger Road air quality station. The consultant stated that these values were higher than normal for this particular location and questioned whether nearby activities contributed to these results.

New Gold notified the Spills Action Centre (SAC) Reference #3476-AZKQWK of the exceedance of the ministry approved limits for Total Suspended Particulate Matter and Iron (metallic) concentrations on June 6th. The exceedance occurred on April 8th, 2018 at the Gallinger Air Quality Monitoring Station, and was reported to New Gold on the 6th of June, as per the procedures. The following letter report accompanies a copy of the notification of exceedance (NOE) as per ECA #0412-A2LR4V.

Gallinger Road air quality station is located approximately 4.5 km due east of the primary crusher on the Rainy River Mine Site. Gallinger Road itself passes by the air quality station in a north-south direction at approximately 50 metres east.

TSP samples were collected during a 24-hr period on April 8th, 2018 as per Rainy River Project Ambient Air Quality Monitoring Plan, accepted by MOECC on November 9th, 2016. During this 24-hour period, predominate wind direction varied from northeast to south-southwest with an average wind speed of 11 km/hr. The wind direction that day, makes it unlikely that the source of the dust would be coming from the crusher which is situated to the west of the air monitoring station, and suggests that the exceedance was related to the road dust.

newgold™ Rainy River

New Gold's dust abatement plan calls for the application of Calcium Chloride to reduce the road dust. However, one of the requirements for the application of this product, or of the application of water, is that it should not be done under frozen conditions. The spring of 2018 has been dry and cold to date with temperatures well below freezing at night. On April 8th, temperatures reached 15.5°C during daylight hours and dropped to -7°C at night. As such the abatement program could not be implemented at that time due to freezing temperatures at night. No precipitation was recorded during the 72-hour period from April 6th to April 8th making road conditions very dry and prone to dust.

As discussed in the air quality exceedance letter report of May 03rd, 2018; New Gold noticed the above average usage of Gallinger road in early April and immediately undertook mitigation measures. Motor vehicle access along Gallinger Road was restricted to local traffic only. On April 15th, New Gold managers, positioned at the corner of Gallinger and Korpi, stopped and reminded each driver of the road usage restriction. Over 5 working days, traffic on Gallinger was reduced from above 15 vehicles between 6 and 7 am to 3 (non-New Gold) vehicles. Physical monitoring continued until the end of May, when all traffic from New Gold had ceased.

New Gold is proceeding with the application of Calcium Chloride along all its roads, including Gallinger. The application should be completed by the end of June.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

June 13, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change 808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: AIR QUALITY EXCEEDANCES OF 24-HOUR TOTAL SUSPENDED PARTICULATE-MONITORING LIMITS - SAC REFERENCE #3476-AZKQWK

On June 6th, the air quality engineer consultant responsible for reporting the site air quality monitoring results, informed New Gold Environment of elevated laboratory results, indicating total suspended particulates (TSP) and iron exceedances at Gallinger Road air quality station. The consultant stated that these values were higher than normal for this particular location and questioned whether nearby activities contributed to these results.

New Gold notified the Spills Action Centre (SAC) Reference #3476-AZKQWK of the exceedance of the ministry approved limits for Total Suspended Particulate Matter and Iron (metallic) concentrations on June 6th. The exceedance occurred on April 8th, 2018 at the Gallinger Air Quality Monitoring Station, and was reported to New Gold on the 6th of June, as per the procedures. The following letter report accompanies a copy of the notification of exceedance (NOE) as per ECA #0412-A2LR4V.

Gallinger Road air quality station is located approximately 4.5 km due east of the primary crusher on the Rainy River Mine Site. Gallinger Road itself passes by the air quality station in a north-south direction at approximately 50 metres east.

TSP samples were collected during a 24-hr period on April 8th, 2018 as per Rainy River Project Ambient Air Quality Monitoring Plan, accepted by MOECC on November 9th, 2016. During this 24-hour period, predominate wind direction varied from northeast to south-southwest with an average wind speed of 11 km/hr. The wind direction that day, makes it unlikely that the source of the dust would be coming from the crusher which is situated to the west of the air monitoring station, and suggests that the exceedance was related to the road dust.

newgold™ Rainy River

New Gold's dust abatement plan calls for the application of Calcium Chloride to reduce the road dust. However, one of the requirements for the application of this product, or of the application of water, is that it should not be done under frozen conditions. The spring of 2018 has been dry and cold to date with temperatures well below freezing at night. On April 8th, temperatures reached 15.5°C during daylight hours and dropped to -7°C at night. As such the abatement program could not be implemented at that time due to freezing temperatures at night. No precipitation was recorded during the 72-hour period from April 6th to April 8th making road conditions very dry and prone to dust.

As discussed in the air quality exceedance letter report of May 03rd, 2018; New Gold noticed the above average usage of Gallinger road in early April and immediately undertook mitigation measures. Motor vehicle access along Gallinger Road was restricted to local traffic only. On April 15th, New Gold managers, positioned at the corner of Gallinger and Korpi, stopped and reminded each driver of the road usage restriction. Over 5 working days, traffic on Gallinger was reduced from above 15 vehicles between 6 and 7 am to 3 (non-New Gold) vehicles. Physical monitoring continued until the end of May, when all traffic from New Gold had ceased.

New Gold is proceeding with the application of Calcium Chloride along all its roads, including Gallinger. The application should be completed by the end of June.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River Project

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment, Conservation and Parks
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 20L Process Water Spill – SAC Reference #2021-B46NNP

On August 31st at approximately 1200, process water was found to be backing up into the Millwright shop from the mill floor. This water was found to have escaped the man door of the Millwright shop and made contact with the ground outside the mill. (See photo below)

The mill was in upset conditions which caused a great deal of process slurry to settle in the works. When the mill was restarted various filter screens, cyclones and sumps were clogged and overtopped onto the mill floor. The process water separated from the slurry and backed up into the Millwright shop then spilled out door 11E. There was no impact to any water body as the process water only migrated about 5 meters outside the door resulting in 20L exiting the mill.
This spill was caught quickly by the operators and work ceased. The gravel containing the process water was placed inside the mill and returned into the process, this was completed by the end of the day shift.

Changes will be made to the mill start up procedure to include monitoring and mitigating the level of process water on the mill floor in the interim. In the longer term, work continues within the mill to ensure proper sloping is in place to direct any process water/slurry to internal sumps.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St.Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

newgold™ Rainy River Project

Regards,

Nathan Baird
Environmental Specialist-Wildlife
New Gold Rainy River
Nathan.Baird@newgold.com
807-271-3190

cc:
Michael Bell. (Michael.bell@canada.ca)
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

newgold™ Rainy River Project

September 19, 2018

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment, Conservation and Parks
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 1000L Tailings Spill – SAC Reference #3763-B4KHDD

On September 13th at approximately 1215 am, tailings was found to be exiting door 3N from the tailings sump pump box and migrated 55 meters to the northeast. See photo below (clean-up was well underway at time of photo)

The spill only lasted a few minutes and quick action by the operators placing sand over the existing berm (speed bump) in front of door 3N stopped 80-90% of the tails from escaping. See photo below.

New Gold Inc., Rainy River Project
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-0900
F 807-482-2834
www.newgold.com

Clean-up began right away and finished around 5 pm that day. There was no impact to any water body and all contaminated materials were collected and put back into the mill process.

The cause of this event was a combination of power failures along with process software updates which caused upset conditions in the mill, resulting in failed alarms and pumps operating incorrectly. An internal investigation is on-going.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St. Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

Regards,

Nathan Baird
Environmental Specialist-Wildlife
New Gold Rainy River
Nathan.Baird@newgold.com
807-271-3190

cc:
Michael Bell; michael.bell@canada.ca
Andrea Doherty; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

December 21, 2018

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment and Climate Change
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 450L Dyed Diesel Spill Drill 903 – SAC Reference #5120-B7MMFB

At 0300 hours the operator of drill 903 noticed an unexpected drop in fuel level well drilling blast holes in the East Outcrop. (See photo 1 below)

Photo 1: Map of site denoting spill location.

Photo 2: Drill 903

The operator called maintenance for assistance and dismounted to look for a leak. He discovered that he had backed over a large rock and punctured the fuel tank, he then moved the drill off the rock and tilted the drill back to mitigate further spillage (as can be seen in photo 2 above).

At surface, the spill did not appear to be significant but upon further inspection it was noticed that a large amount of fuel had seeped into the shattered rock (see photos 3 and 4 below). Three drill holes were found to be contaminated with dyed diesel.

Photo 3: Spill site

Photo 4: Drill hole

By mid-day a vacuum truck had collected as much fuel as possible from the drill holes and placed it in used oil totes for pick up by Green For Life, a licensed hazardous waste disposal company.

The blasting agent used on site is an emulsion product that contains a significant component of diesel. It is expected that when these holes are loaded and blasted most, if not all, of the residual diesel will be consumed. This will occur by mid-January. At that time the rock will be inspected for contamination.

If the rock is found to be contaminated, it will be sent through the mill as a treatment. If the rock is found to be clean, it will be used onsite to build required infrastructure.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St.Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

Environmental Specialist –Wildlife

New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M +1.807.271.3190

cc:
Compliance Conformite: Compliance.Conformite@ceaa-acee.gc.ca
Dan McDonell: dan.mcdonell@canada.ca
Michael Bell: Michael.Bell@canada.ca

newgold™ Rainy River Project

April 26, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 450L Propylene Glycol Spill - SAC Reference #7150-AY33FE

Further to the notification to the Spills Action Centre (SAC) Reference #7150-AY33FE regarding a spill of propylene glycol on April 21st , 2018, the following report is submitted to the Ministry of Environment and Climate Change (MOECC).

Discovery

- Loader operator went to remove a partially emptied tote of propylene glycol while completing cleanup duties at the end of his shift on the TMA North Dam.
- When attempting to pick up the tote, he discovered the loader forks had punctured the plastic tote.
- The operator immediately called his supervisor and stopped all work in the affected area.

Cause

- Puncturing the base of the plastic tote caused the contents to spill onto the ground surface.
- Loader operator performed the task alone without authorization from Supervisor.

Clean Up and Recovery

- Approximately 450 liters of propylene glycol spilled onto the downstream sand seam of TMA North Dam where it was 100% contained. There was no impact to any nearby water sources.

- An estimated 7 m^3 of contaminated sand was scraped up and loaded into a contaminated soil bin.
- Spill pads and boom socks, used during the containment and clean-up process, were collected into barrels.
- Contaminated materials, removed from the immediate area, are stored in a laydown area; awaiting removal from site by a registered hazardous waste carrier.

Preventative Measures

- Implement re-training with team members to understand the importance of a using a spotter when performing all tasks with limited visibility.
- Increase supervisor participation with crews in work areas and reviewing task assignments.

Once you have had the opportunity to review this information, please feel free to contact the undersigned or Sylvie St. Jean at (sylvie.st.jean@newgold.com or 807-707-3497) with any additional questions you may have.

Regards,

Tuula Griffith
on behalf of

Garnet Cornell
Environmental Technician
New Gold Rainy River Project
Email: garnet.cornell@newgold.com
Cell: (807) 276-0106

cc: Gordon Moore, EC; (gordon.moore@canada.ca)
Andrea Doherty, DFO; (andrea.doherty@dfo-mpo.gc.ca)
CEAA; (compliance.conformite@ceaa-acee.gc.ca)
Dan McDonnell, EC; (dan.mcdonell@canada.ca)

newgold™ Rainy River

May 03, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change 808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: AIR QUALITY EXCEEDANCES OF 24-HOUR TOTAL SUSPENDED PARTICULATE-MONITORING LIMITS - SAC REFERENCE #3444-AY8S75

On April 27, the air quality engineer consultant responsible for reporting the site air quality monitoring results, informed New Gold Environment of elevated laboratory results, indicating total suspended particulates (TSP) and iron exceedances at Gallinger Road air quality station. The consultant stated that these values were uncharacteristically high for this particular location and nearby roadwork activities may have contributed to these results.

New Gold notified the Spills Action Centre (SAC) Reference #3444-AY8S75 of the exceedance of the ministry approved limits for Total Suspended Particulate Matter and Iron (metallic) concentrations on April 27th. The exceedance occurred on March 16, 2018 at the Gallinger Air Quality Monitoring Station, and was reported to New Gold on the 27th of April, as per the procedures. The following letter report accompanies a copy of the notification of exceedance (NOE) as per ECA #0412-A2LR4V.

Gallinger Road air quality station is located approximately 4.5 km due east of the primary crusher on the Rainy River Mine Site. Gallinger Road itself passes by the air quality station in a north-south direction at approximately 50 metres east.

TSP samples were collected during a 24-hr period on March 16, 2018 as per Rainy River Project Ambient Air Quality Monitoring Plan, accepted by MOECC on November 9th, 2016. During this 24-hour period, predominate wind direction varied from east to southeast with an average wind speed of 6 km/hr. The wind direction that day, makes it unlikely that the source of the dust would be coming from the crusher which is situated to the west of the air monitoring station, and suggests that the exceedance was related to the road dust.

newgold™ Rainy River

New Gold's dust abatement plan calls for the application of Calcium Chloride to reduce the road dust. However, one of the requirements for the application of this product, or of the application of water, is that it should not be done under frozen conditions. The spring of 2018 has been dry and cold to date with temperatures well below freezing at night and often during the day until the second week of April. On March 16th, temperatures reached 6°C during daylight hours and dropped to -10°C at night. As such the abatement program could not be implemented at that time due to freezing temperatures at night. No precipitation was recorded during the same 24-hour period making road conditions very dry and prone to dust.

New Gold noticed the above average usage of Gallinger road in early April and reminded staff of the mitigation measures which include restricting access of all motor vehicles along Gallinger Road. On April 15th, New Gold posted managers at the corner of Gallinger and Korpi to stop each driver and remind them personally of the road usage restriction. Traffic on Gallinger Road was reduced from more than 15 vehicles travelling between 6 and 7 am to zero New Gold employees using the road in 5 working days. Physical monitoring will remain in place until the end of May. Mitigation measures including watering of Gallinger Road and placing Calcium Chloride on the road surface to reduce road dust will be applied should dust continue to be an issue.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

May 8, 2018

John Vandenbroeck
Management Biologist, Fort Frances District
Ministry of Natural Resources and Forestry
922 Scott Street
Fort Frances, ON P9A 1J4
Via email; john.vandenbroeck@ontario.ca

RE: 2018 ESA Acoustic Audit – Exceedance of Sound Threshold

Dear Mr. Vandenbroeck,

Consistent with Endangered Species Act (ESA) Permit FF-C-001-14 condition 4.1 and 4.2 New Gold Inc (New Gold) is providing notification to the Ministry of Natural Resources and Forestry (MNRF) that sound threshold was exceeded during the ongoing acoustic audit. However, the source of noise resulting in the exceedance appears unrelated to construction or operations activities and as such no immediate mitigation is proposed.

Preliminary results received from sound recording equipment on May 1st and May 3rd exceeded the 50 dBA sound level threshold;

- At 0300 on May 1, 2018, monitoring equipment recorded sound levels of 61 dBA at the North Receptor Habitat and 60 dBA at the South Receptor Habitat. Recorded sound levels were almost identical indicating a global source, such as a thunderstorm. This exceedance was weather related, not produced by construction activities. Please refer to attached sound files NRM 05.01.2018.3AM and SRM05.01.2018.3AM.

- At 2100 on May 2, 2018, monitoring equipment recorded sound levels of 52 dBA at the North Receptor Habitat. A review of the audio recordings found wildlife activities (birds chirping, frogs croaking) overprinting intermittent equipment noise. Please refer to attached sound file SR62.

These occurrences appear isolated and related to natural phenomena, not construction or operation activities. Therefore, implementation of immediate mitigations measures related to operations or construction activities stipulated in condition 4.1 is not proposed at this time.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

newgold™ Rainy River

As per compliance condition 4.1 and 4.2 of ESA Permit FF-C-001-14 acoustic audit measurements, conducted by a qualified professional, will continue in the North and South WPW Receptor Habitat areas until May 8th, and again during June 2018.

Once you have had the opportunity to review this letter, please contact me with any questions or concerns at (807) 708-2407.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)
Nigel Fisher (nigel.fisher@newgold.com)

newgold™ Rainy River

May 18, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: - SAC REFERENCE #0415-AYR2B6

On May 13, a Mill Supervisor informed New Gold Environment of a spill beside the Lime Silo on the northeast side of the mill process building. Initial reports estimated that 1,000 kg of granular High Calcium Quicklime was spread across the ground surface between the mill and silo.

New Gold notified the Spills Action Centre (SAC) Reference #0415-AYR2B6 of the reportable spill as defined in Ontario Regulation 675/98, condition 11(4) of Environmental Compliance Approval No. 5178-9TUPD9 and the internal spill reporting procedure. The estimated amount of the spill exceeded the Federal Transportation of Dangerous Good (TDG) Act Schedule 1 approved limits of 5 kg for Class 8, Corrosive substances. TDG Act classifies Lime as a Class 8 substance.

During the regular unloading process, a contractor supplied delivery hose was connected between the tanker truck and lime silo. Compressed air, used to move the granular lime from the tanker truck to the silo, blew lime out of a rupture in the delivery hose and covered the ground around mill doors 8e and 9e and the Lime silo. West Creek Diversion, the closest fish bearing waterbody located approximately 300 m north of the lime silo, was not impacted. Reclamation trial berms and natural ground contours north of the mill process building provide a natural barrier to any offsite movement of deleterious substances. During this 24-hour period, predominate wind direction was from northeast with an average wind speed of 19 km/hr. Wind direction and speed at the time of the event, confined the spill to a 10 m^2 radius between the lime silo, mill building and tanker truck.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

newgold™ Rainy River

Further investigation of the event confirmed that initial reports of the spill quantity were overestimated. In total, only 26 kg of High Calcium Quicklime was lost during the rupture of the delivery hose. Cleanup of the affected area was completed before midnight on May 13, 2018. Granular Quicklime and gravel were collected by a mini Bobcat and placed into the Mill for disposal.

New Gold will be implementing preventative measures to ensure this type of event does not reoccur. These measures include immediate replacement of the delivery hose by the contractor. Going forward, all contractors providing delivery and unloading of Quicklime will be required to provide inspection reports of the delivery hose and delivery system. Reports will be reviewed and signed off by New Gold Mill Supervisor before unloading. Defective hoses will be tagged and removed from the site by the contractor. Additional mitigation measures include the mandatory use of spill trays at the connection points to capture any spillage.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

May 30, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email: Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 3000 L Hydraulic Fluid Spill - SAC Reference #2600-AZ2V8F

Further to the notification to the Spills Action Centre (SAC) Reference #2600-AZ2V8F regarding a spill of hydraulic fluid on May 23rd, the following report is submitted to the Ministry of Environment and Climate Change (MOECC) as per condition 11(4) of ECA 5178-9TUPD9.

Discovery

- During routine removal of ore, a PC5500 Komatsu Shovel (unit number 603) lost power to the boom arm.
- The operator then shut the shovel down, noticed the leaking hydraulic fluid and called the Mine Shift Supervisor to inform him of the situation and request a clean-up crew.

Cause

- A rupture in the hydraulic line caused 3,000 litres of hydraulic fluid to flow onto the rocky surface of the open pit.
- The line had failed in the past, but had been patched and a replacement line was on order.

Clean Up and Recovery

- The event occurred within the confines of the open pit with no impact to any water bodies.
- Due to the speed at which the leak occurred, a berm was immediately built to contain and stop the hydraulic fluid from spreading.
- The hydraulic fluid did not penetrate into the ground, as the area is composed of blast rock sitting atop bedrock.
- Green for Life (GFL) arrived on site with a vacuum truck to remove the spilled hydraulic fluid from the pit floor.
- GFL removed approximately 13,500 litres of contaminated hydraulic fluid, water and mud. The vacuum truck transported the contaminated waste back to Thunder Bay for proper disposal.
- All contaminated rock remaining on the pit floor was cleaned, then processed through the primary crusher into the mill.
- Contaminated spill pads, booms and brooms were collected, then placed in appropriate containers and stored at the plant site truck shop for pick up by GFL.

Preventative Measures

- Effective immediately, patched hydraulic hoses will no longer be used under any circumstances.
- The New Gold Mobile Maintenance standard operating procedure (MOP-SOP-0011) will be updated to incorporate this change.

Once you have had the opportunity to review this information, please feel free to contact the undersigned or Sylvie St.Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions you may have.

Regards,

Nathan Baird
Environmental Technician
New Gold Rainy River Project
Nathan.Baird@newgold.com
(807) 271-3190

cc: Adam Scheepers, EC; adam.scheepers@canada.ca
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA, compliance.conformite@ceaa-acee.gc.ca
Dan McDonnell, EC; dan.mcdonell@canada.ca

newgold™ Rainy River

June 15, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email: Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 300L Process Water Spill - SAC Reference #3476-AZKQWK

Further to the notification to the Spills Action Centre (SAC) Reference #3476-AZKQWK regarding a process water spill on June 9th, the following report is submitted to the Ministry of Environment and Climate Change (MOECC) as per condition 11(4) of ECA 5178-9TUPD9.

Discovery

- During regular operation of the Mill, an employee discovered process water spilling over from the carbon collection tank, flooding the secondary containment area, flowing into the truck ally then exiting out Door 8E.
- Transfer of carbon and excess process water immediately ceased.

Cause

- The carbon safety screen plugged causing the carbon collection tank to fill with a mixture of carbon, slurry and process water.
- A sump pump situated in the collection tank was disconnected and failed to activate.
- Mill doors remain open to provide additional ventilation during summer operations.

Clean Up and Recovery

- The event occurred within the immediate area of the mill process building and Door 8E access with no impact to any water bodies.

- An estimated 300L of process water was lost during the event. Only 76L left the building and spilled outside onto the gravel surface within a 20 meter radius of Door 8E.
- Pooled water near Door 8E was pushed back into the mill. A sandbag berm barrier was constructed to stop flow of water outside of the building.
- Gravel saturated by the spill was dug up and placed inside the mill for processing.

Preventative Measures

- A sump collection project has been approved and will be constructed during June, 2018.
- Sandbag barriers and water collection berms will remain in place until then.

Once you have had the opportunity to review this information, please feel free to contact the undersigned or Sylvie St.Jean (Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions you may have.

Regards,

Nathan Baird
Environmental Technician
New Gold Rainy River Project
Nathan.Baird@newgold.com
(807) 271-3190

cc: Adam Scheepers, EC; adam.scheepers@canada.ca
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA, compliance.conformite@ceaa-acee.gc.ca
Dan McDonnell, EC; dan.mcdonell@canada.ca

newgold™ Rainy River

June 15, 2018

John Vandenbroeck
Management Biologist, Fort Frances District
Ministry of Natural Resources and Forestry
922 Scott Street
Fort Frances, ON
P9A 1J4
Via email: john.vandenbroeck@ontario.ca

Dear Mr. Vandenbroeck,

RE: 2018 ESA Acoustic Audit – Exceedance of Sound Threshold

As per Endangered Species Act (ESA) Permit FF-C-001-14 conditions 4.1 (g) and 4.2 (b), New Gold is providing notification to the Ministry of Natural Resources and Forestry (MNRF) that sound level thresholds were exceeded during the ongoing acoustic audit. However, the source of noise resulting in the exceedance appears unrelated to construction or operations activities and no immediate mitigation is proposed.

Preliminary results received from sound recording equipment on June 6, 2018 exceeded the 50 dBA sound level threshold:

- Between 11:00 and 13:00 hours on June 6, 2018, monitoring equipment recorded sound levels of 51 and 51 dBA at the North Receptor Habitat also 51 and 52 dBA at the South Receptor Habitat. Recorded sound levels indicate that the exceedances were weather related, likely due to strong winds. Please refer to attached sound files NRM June.06.2018_1120-1130, NRM June.06.2018_1234-1244, SRM June.06.2018_1120-1130, and SRM June.06.2018_1311-1321.

As per ESA Permit conditions 4.1 (g) and 4.2 (b), acoustic audit measurements in the North and South EWPW Receptor Habitat areas were completed on June 7, 2018.

Please contact me with any questions or concerns at (807) 708-2407.

Best Regards,

Twila Griffith

Twila Griffith
Senior Environmental Specialist
M: +1.807.708.2407
Email: twila.griffith@newgold.com

cc. Sylvie St. Jean (sylvie.st.jean@newgold.com)
Stacey Jack (stacey.jack@newgold.com)
Nigel Fisher (nigel.fisher@newgold.com)

newgold™ Rainy River

June 25, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: TAILINGS SLURRY SPILL 8L - SAC REFERENCE #1728-AZUQ67

On June 15, a contract employee called his area manager at 18:00 hours to inform him of a leak on a fusion coupling on the tailing corridor line at the curve, due north of where the line passes under Roen Road, west of the Marr site. The mill crew had previously completed a visual inspection of the entire tailings line at 17:30 hours and did not report any irregularities. Spray from the leak was covered by a spill tray held in place with a wooden pallet to prevent spreading by evening wind. The mill was shut down and a vacuum truck mobilized onto site to initiate cleanup. New Gold Environment Manager was informed at 20:51 hours and visited the area to assess the spill at 22:00 hours. At that time, it was observed that the Tailings slurry had leaked into the secondary containment area, with some material accumulated on the berm. Clean up continued during the night. A vacuum truck removed slurry from the containment area and disposed of it in Cell 2 of the Tailings Management Area (TMA).

During the morning of June 16th, a New Gold Environmental Technician went out to inspect the cleanup efforts and noticed that approximately 8 L of Tailings Slurry had sprayed over the containment berm onto vegetation. Immediately, the area manager was contacted to organize another cleanup. A vacuum truck returned to site and removed the Tailings Slurry, contaminated vegetation and topsoil in the spill area. Slurry and contaminated vegetation/topsoil mixture were disposed of into Cell 2 of the TMA.

The New Gold internal Environmental Standard Operating Procedure (ENV-SOP-0002) states all Tailings Slurry spills are to be externally reported.

newgold™ Rainy River

Notification was made to the Ministry of the Environment and Climate Change as well as to the Spills Action Centre (SAC) (Reference #1728-AZUQ67) as defined in Ontario Regulation 675/98, condition 11(4) of Environmental Compliance Approval No. 5178-9TUPD9 and the above cited internal spill reporting procedure.

New Gold has implemented preventative measures to ensure this type of event does not reoccur. These measures include removal of the leaking fusion coupling and replacement with a flanged coupling.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

July 19, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment, Conservation and Parks
80 Robertson St
Kenora, ON P9N 1X9
Via email: Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 115L Hydraulic Fluid Spill – SAC Reference #8246-B2PV5U

Further to the notification to the Spills Action Centre (SAC) Reference #8246-2PV5U regarding a spill of hydraulic fluid on July 15, 2018, the following report is submitted to the Ministry of the Environment, Conservation and Parks (MOECP) as per Condition 11(4) of ECA 5178-9TUPD9.

Discovery

- While loading clay into a rock truck, a Komatsu PC650 excavator (unit #653) had a hydraulic line failure (Photo 1).
- The operator shut down the equipment when the line had failed, deployed a spill kit kept in the excavator, and notified the Contractor supervisor and Contractor HSE advisor.

Cause

- A suspected defective hose caused the failure of the hydraulic line resulting in 115 litres of hydraulic fluid spilling to the ground at a clay borrow pit within the footprint of the Tailings Management Area (TMA) (Map 1).

Clean Up and Recovery

- The event occurred within the confines of a clay borrow pit in the TMA footprint, with no impact to any water bodies.
- The hydraulic fluid did not penetrate into the ground, as the spill occurred in a clay borrow pit.
- A spill kit kept in the equipment was deployed by the operator.
- The affected clay was scraped up by bulldozer (Photo 2), loaded into a rock truck and transported to a contaminated soil bin for pick up and proper disposal by the Contractor's hazardous waste management company, Asselin Transportation. The used spill kit materials were deposited in a hazardous waste bin for pick up and proper disposal by Asselin Transportation.

Preventative Measures

- A daily machine inspection was completed and no leaks were observed at the start of shift. Daily inspections and regular maintenance are required by New Gold for all mobile equipment.

Please feel free to contact the undersigned or Sylvie St. Jean (Sylvie.St.Jean@newgold.com or 807-707-3497) with any questions.

Kind Regards,

Amanda Jacobs
Environmental Specialist
New Gold Rainy River Mine
Amanda.Jacobs@newgold.com
204-307-1857

Encl: Map 1 – Location of spill in the TMA footprint
Photo 1 – Photograph of clay affected by hydraulic line failure.
Photo 2 – Photograph of spill location after removal of affected clay.

cc: Gordon Moore, ECCC; gordon.moore@canada.ca
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

Map 1 – Location of spill in the Tailings Management Area footprint

New Gold Inc., Rainy River Mine
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-0900
F 807-482-2834
www.newgold.com

Photo 1 – Clay affected by hydraulic line failure

New Gold Inc., Rainy River Mine
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-0900
F 807-482-2834
www.newgold.com

Photo 2 – Spill location after removal of affected clay

New Gold Inc., Rainy River Mine
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-0900
F 807-482-2834
www.newgold.com

newgold™ Rainy River

August 22, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment, Conservation and Parks
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: PROCESS WATER SPILL 57L - SAC REFERENCE #2504-B3TQR2

During the early morning hours on August 20, while checking a pump and hose line into the secondary containment area around the thickener and leach tanks, a mill employee discovered the line laying on the ground and process water flowing into the truck alleyway in front of Door 18W (Photo 1). Mill Door 18W is located on the west side of the process building, adjacent to the thickener and leach tank secondary containment area.

Photo 1. Extent of process water spill into truck alleyway of Door 18W.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

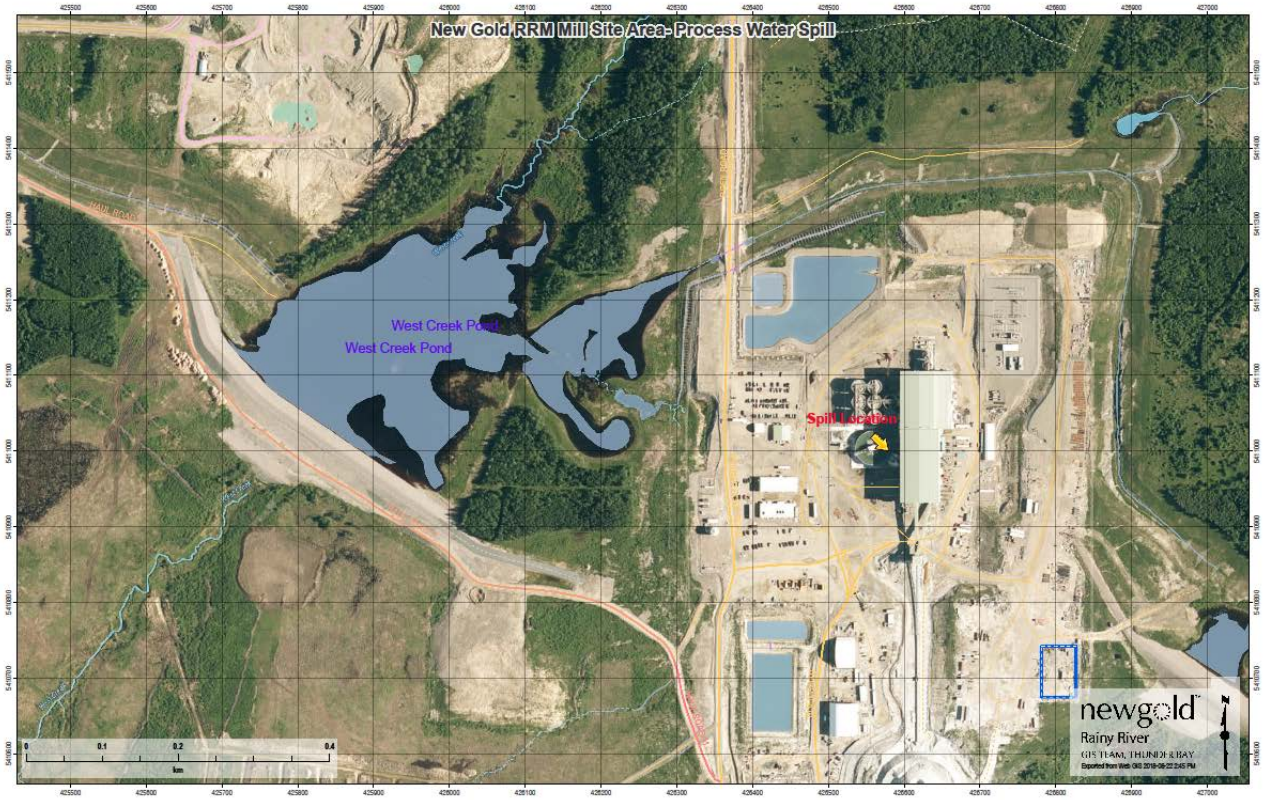

Photo 2. New Gold Rainy River Mine Process Plant site. Spill location denoted in red.

The pump was immediately shut off. Approximately 57L of process water ponded within 25 meters of the door, where it was 100% contained. Mill Door 18W is located 300 to 400 m west of the West Creek Pond and Diversion waterway (Photo 2). Natural topography and man-made features prevented the spill from reaching any further than the alleyway.

At that time of the event, it was observed that the green hose line connected to the pump and positioned over the wall into the containment area was too short. When the pump surged, the force knocked the line back over the wall and onto the ground surface. The green hose line was replaced with a longer black hose line which reached onto the containment area floor (Photo 3).

Photo 3. Black replacement hose on floor of containment area. Green hose line along containment wall.

Spill clean-up of the alleyway took place in the afternoon. Ponded process water and mud was scraped up and deposited into the thickener secondary containment area, where it washed into a floor sump back through the plant. Clean up was completed by 18:00 hours on August 20th (Photo 4).

The New Gold Internal Environmental Standard Operating Procedure (ENV-SOP-0002) states all Process water spills exceeding 25L are to be externally reported.

Notification was made to the Ministry of the Environment, Conservation and Parks as well as to the Spills Action Centre (SAC) (Reference #2504-B3TQR2) as defined in Ontario Regulation 675/98, condition 11(4) of Environmental Compliance Approval No. 5178-9TUPD9 and the above cited internal spill reporting procedure.

Photo 4. Alleyway of Door 18W showing the area after cleaned up was completed.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Mitch Lepage (Mitch.lepage@newgold.com)

newgold™ Rainy River

September 21, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment, Conservation and Parks
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: VULTREX GEAR LUBRICANT 100L SPILL - SAC REFERENCE #3400-B4PU2N

During the night of September 15, a short and intense storm deposited 29.8 mm of precipitation over the plant site area within a 5-hour period. Precipitation from this storm temporarily overwhelmed the capacity of the east plant site drainage system, located along the toe of the upper bench due east of the mill process building. Run-off water migrated into a laydown area between the mill storage tent and propane tank, which was used to store hydrocarbon totes and barrels. The force of water flowing through the drainage system partially eroded the base under a secondary containment tub which supported a 1000L tote of Vultrex gear lubricant (Photo 1). The tote slid off the secondary containment tub and tipped over, dislodging the bung allowing 100L of gear lubricant to escape onto ground surface (Photo 2).

Photo 1. Tote of Vultrex Gear Lubricant supported on secondary containment tub.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

Photo 2. Extent of the gear oil spill into laydown area east of Mill Process building.

The spill occurred approximately 100 m east of mill process building in a laydown area which borders the plant site east drainage ditch system. Runoff water collects in the ditch and is channeled south through the site into the South Pond (Photo 3). All runoff water from the spill area was contained by this internal drainage system the South Pond. Water from the South Pond is used by the mill for processing ore. Any overflow is routed to the Mine Rock Pond via a 20-inch pipeline. New Gold will monitor the South Pond for evidence of hydrocarbon sheen.

Photo 3. GIS image of spill area (pink) and location of contact water drainage ditch (blue hatch).

Photo 4. View of area after cleaned up was completed.

Once all totes and barrels were removed from the area, a skid steer loader was utilized to remove all the hydrocarbon contaminated clays, gravels and vegetation. Contaminated materials were loaded into a 20 yd^3 contaminated soil bin for disposal at the Richardson Landfill. Clean up efforts commenced on Monday, September 16 and were completed by Thursday, September 20, 2018 (Photo 4).

Corrective actions include establishing a new hydrocarbon laydown area on the plant site upper east bench. The laydown will contain a clay and gravel lined secondary containment area used for storage of totes and barrels containing hydrocarbons. All totes/barrels stored outside the secondary containment area will be placed on yellow secondary containment tubs. Construction is scheduled to commence during the week of October 01 – 04, 2018.

Notification was made to the Ministry of the Environment, Conservation and Parks as well as to the Spills Action Centre (SAC) (Reference #3400-B4PU2N) as defined in Ontario Regulation 675/98, condition 11(4) of Environmental Compliance Approval No. 5178-9TUPD9 and in the New Gold Internal Environmental Standard Operating Procedure (ENV-SOP-0002).

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Ginger Bragg (ginger.bragg@newgold.com)

newgold™ Rainy River

December 4, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of Environment, Conservation and Parks
808 Robertson St.
Kenora, ON
P9N 1X9

Dear Mr. Hoffmeister,

RE: TREATED TAILINGS 30L SPILL - SAC REFERENCE # 5504-BFXLNJ

Further to the notification to the Spills Action Center (SAC) Reference # 5504-BFXLNJ, on November 27, 2018 at 16:33, a tailings line corridor inspection at Emergency Dump Pond #6 noted a tailings line leak at a previously patched line of pipe. The mill was contacted, and shutdown began to take place at 16:36. The treated tailings started to spray onto the access road as the mill commenced shutdown.

Figure 1 shows tailings leak location at 16:50. Tailings spilled onto access road to Emergency Dump Pond 6. Tailings also pooling inside containment due to ice build under WMP reclaim line.

Once the tailings line was depressurized, the previous sleeve patch was inspected, adjusted, and retightened to stop the leak. More spigots were opened to reduce pressure on the tailings line and frequency of inspections increased through out the evening, to ensure the sleeve patch held.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

Figure 2 shows where the tailings sprayed out of the sleeve patch (lighter grey area along pipe) and ice build-up within the tailings corridor containment as a result of the spill.

Clean up began the morning of November 28, 2018 once the treated tailings froze. This allowed for the equipment to scrape up the spill without fear of the tailings flowing away from the impacted area. 1m^3 of frozen tailings and contaminated material was removed from the location.

Figure 3 Shows removal of tailings and contaminated material as well as recapped road once clean-up was complete.

The new tailings pipe section is planned to be installed during a maintenance shutdown for the mill. This portion of pipe will be put together in the maintenance shop and fused during the shutdown. In the interim, a portion of belt will be used to cover the sleeve patch and monitored during dayshift and nightshift. The drain to Emergency Dump Pond #6 will also be maintained free of ice to allow drainage in case of emergency.

Figure 4 shows Allmond heater and insulated tarp being used to thaw the frozen tailings from the bottom of the containment as well as thaw ice dam underneath WMP Reclaim line.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St. Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

Regards,

Garnet Cornell
Environmental Specialist
New Gold Rainy River
Garnet.Cornell@newgold.com
807-276-0106

cc:
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca
Michael Bell; michael.bell@canada.ca

newgold™ Rainy River

November 29, 2018

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment and Climate Change
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: Tailings Dusting Event – SAC Reference #2502-B6RUM5

On November 22, 2018 a fugitive dust event was reported coming off of the Cell 1 pond in the Tailings Management Area at approximately 14:00 (See photo 1).

Photo 1: Tailings dust from Cell # 1

Winds were gusting up to 35 km/h out of the south and it was evident at the time that the plume was travelling outside of the Environmentally Sensitive Area (ESA) boundary. Samples of snow were taken from Cell 1 north dam and from the northern most tip of the ESA boundary to assess the level of impact. (See Photo 2).

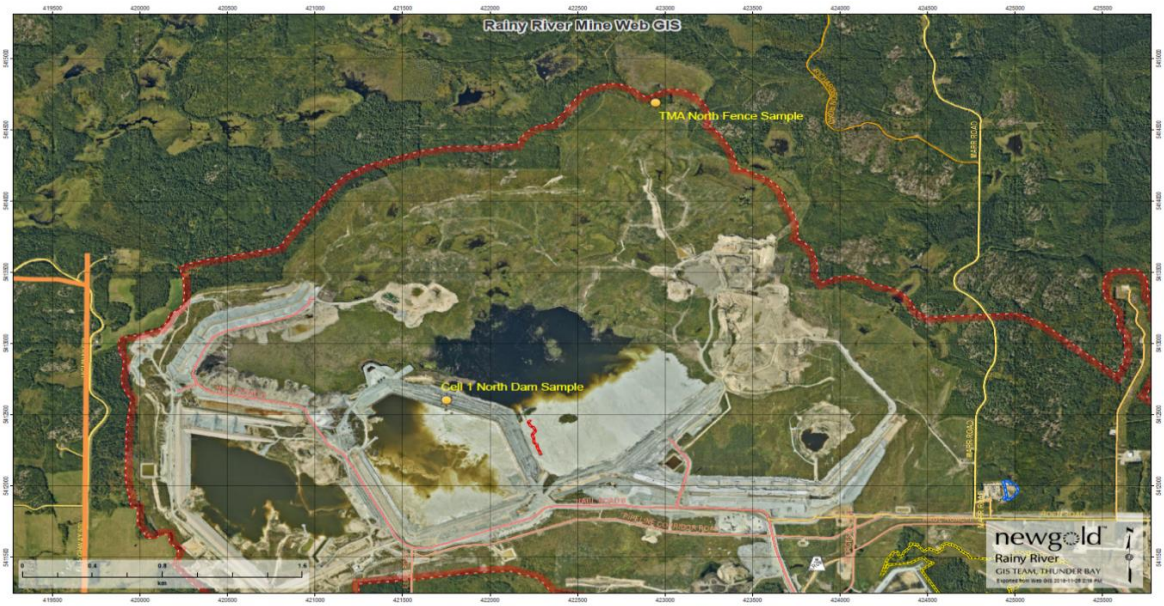

Photo 2: Map showing ESA Boundary

The samples taken were analyzed by ALS Environmental Laboratories in Thunder Bay, indicate there was little to no impact at that time. Tests show the three most prevalent elements on Cell 1 dam to be calcium, iron and sulfur at 38,200 mg/L, 10,600 mg/L and 17,300 mg/L, respectively. Tests results from the TMA North Fences samples showed levels of these elements to be lower by a factor of one thousand times or more (See appendix A).

The following day the weather conditions improved, and no fugitive dust event was seen at that time. However, from November 24th onwards moderate to high winds have persisted from the northwest and the dusting event is continuing at varying intensities. On Sunday November 26th, New Gold updated the Spills Action Center with this information.

New Gold began taking steps to control the fugitive dust on November 23rd which included adding water to Cell 1 in an effort to cover the exposed tailings and installing sprinklers along the banks of Cell 1 to form an ice sheet to keep the dust down. Several other options are currently being investigated in order to find a more permanent solution to the fugitive dust issue.
One option is to cover the exposed tailings with a product known as soil cement to provide a final cap. The soil cement requires constant reapplication, as rain will dilute it and the winter application contains glycerin which would be difficult to treat.
A second option is to apply a mix of hay, overburden and PAG/waste rocks to the exposed tailings. This solution is the most favorable, as it would promote vegetation growth and stabilize the material until subsequent lift will overprint it. Overburden cover should commence when the tailings are frozen enough to support a 40t truck (wiggle wagon).

If you have any further questions, please contact the undersigned.

Respectfully submitted,

Environmental Manager
(807) 707-3497
sylvie.st.jean@newgold.com

newgold™ Rainy River Project

September 26, 2018

District Manager,
c/o Matt Hoffmeister
Senior Environmental Officer, Kenora Area
Ministry of the Environment, Conservation and Parks
808 Robertson Street
Kenora, Ontario P9N 1X9

Dear Sir,

VIBRATION COMPLAINT – SAC# 3165-B4XRMG

On September 25, 2018 at 1:07 pm New Gold Rainy River Project (RRP) Community Relations received a complaint regarding vibrations felt from a blast on the New Gold Rainy River Project site on Wednesday, September 25 at 11:00 am. As per ECA #0412-A2LR4V terms and conditions section 7.1 and 7.2 please accept this letter as notification;

a) Message from Lisa Teeple stated that the blast caused the floor in the shop, situated 300 ft west of the house, to lift and crack. House and shop are located approximately 2.3 km south-southwest from the blast source. See attached map for reference.

b) A blast was detonated at approximately 11:00 am, September 25, 2018 in the New Gold RRM East Mine Rock Stockpile drainage ditch area, located approximately 3.2 km southeast of the RRM open pit center.

c) Climatic conditions at the time were wind direction 309 degrees (northwest), wind speed 11 km/hr., average relative humidity 83%, average temperature 7.3 degrees C., with cloudy and overcast skies.

d) Ginger Bragg, Supervisor for New Gold RRM Community Relations, received the complaint shortly after the blast.

e) New Gold RRM community personnel communicated to the neighbors and Chapple township that blasting would take place in this area for a period of 8 weeks, from September to October of 2018. Vibration and concussion (air overpressure) readings monitored at 6 locations did not exceed Ministry Publication NPC-119 cautionary values of 10 mm/s and 120 dB respectively.

Vibration and Overpressure Monitoring Stations for Sep 25, 2018			
Station No.	**Station Location**	**Vibration Levels (mm/s)**	**Concussion Levels (dB)**
1	24 Marr	0.317	101.1
2	4298 Hwy 71	0.104	100.4
3	1340 Hwy 600	0.243	95.18
4	2899 Hwy 600	0.196	88.68
5	1050 Teeple	0.790	93.92
6	Barron Site	0.176	111.7

Should you require additional information, please contact the undersigned at carolyn.winik@newgold.com or telephone (807) 482-0900 ext. 8046.

Sincerely,

Carolyn Winik

Carolyn Winik
Senior Environmental Specialist

cc.
Sylvie St. Jean, Environmental Manager (sylvie.st.jean@newgold.com)
Ginger Bragg, Supervisor Community Relations (ginger.bragg@newgold.com)

New Gold Inc., Rainy River Project
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

newgold™ Rainy River Project

March 23, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora ON P9N 1X9
Via email: (matt.hoffmeister@ontario.ca)

Dear Mr. Hoffmeister,

RE: SAC REF# 5627- AWWVWT HYDROCARBON SPILL AT WAREHOUSE LAYDOWN

In accordance with ECA 5178-9TUPD9, notification was made to the Spills Action Centre (SAC Ref. # 5627-AWWVWT) regarding a 136 L spill of gear lubricant in the laydown yard of the Barron Warehouse on March 16, 2018. The following report is submitted to the Ministry of Environment and Climate Change (MOECC) as per condition 11(4) of ECA 5178-9TUPD9.

Discovery

- During the afternoon of March 16th, warehouse employees were moving 45 gallon barrels of gear lubricant.
- A warehouse employee noticed black viscous hydrocarbon seeping out of bottom of one of the 45 gallon barrels.
- Inspection of the spill area by warehouse supervisor estimated ¾ of the barrel contents had leaked out onto the frozen ground surface.
- The barrel was inverted into a spill tray to stop the leak.
- Employees immediately contained the spill using absorbent pads, booms and sand.
- New Gold Environment was called to inspect the spill.
- The Spills Action Centre was notified at 18:48 hours and an investigation initiated.

Cause

- Puncture of the barrel by one of the forks on the telehandler.
- Secondary containment not in place.

Clean Up and Recovery

- Gear lubricant is composed of 60% asphalt and 40 % petroleum distillates and highly viscous. Spill was fully contained within a 2 m^2 area using pill pads, spill booms and sand.
- Contaminated material was collected in two 45 gallons drums for removal from site by a registered hazardous waste carrier.

Preventative measures and schedule of implementation

- Review with all warehouse employees proper procedures for loading and unloading of barrels containing hydrocarbons and liquids using a telehander before March 31, 2018.
- Establish secondary containment under all containers, barrels, pails that contain hydrocarbons in the laydown area before April 16, 2018
- Maintain minimal quantities of hydrocarbons in the warehouse laydown yard. Expedite shipment to storage areas on site before April 30, 2018.

Should you have any questions after reviewing this letter, please contact the undersigned at (807) 708-2407.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
twila.griffith@newgold.com

New Gold Inc.
Rainy River Project
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M +1.807.708.2407

cc: Gordon Moore (Environment Canada)
Karli Allen (Ministry of Natural Resources and Forestry)
Canadian Environmental Assessment Agency (CEAA)

newgold™ Rainy River

May 02, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change 808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: AIR QUALITY EXCEEDANCES OF 24-HOUR TOTAL SUSPENDED PARTICULATE-MONITORING LIMITS - SAC REFERENCE #3444-AY8S75

On April 27, the air quality engineer consultant responsible for reporting the site air quality monitoring results, informed New Gold Environment of elevated laboratory results, indicating total suspended particulates (TSP) and iron exceedances at Gallinger Road air quality station. The consultant stated that these values were uncharacteristically high for this particular location and nearby roadwork activities may have contributed to these results.

New Gold notified the Spills Action Centre (SAC) Reference #3444-AY8S75 of the exceedance of the ministry approved limits for Total Suspended Particulate Matter and Iron (metallic) concentrations on April 27th. The exceedance occurred on March 16, 2018 at the Gallinger Air Quality Monitoring Station, and was reported to New Gold on the 27th of April, as per the procedures. The following letter report accompanies a copy of the notification of exceedance (NOE) as per ECA #0412-A2LR4V.

Gallinger Road air quality station is located approximately 4.5 km due east of the primary crusher on the Rainy River Mine Site. Gallinger Road itself passes by the air quality station in a north-south direction at approximately 50 metres east.

TSP samples were collected during a 24-hr period on March 16, 2018 as per Rainy River Project Ambient Air Quality Monitoring Plan, accepted by MOECC on November 9th, 2016. During this 24-hour period, predominate wind direction varied from east to southeast with an average wind speed of 6 km/hr. The wind direction that day, makes it unlikely that the source of the dust would be coming from the crusher which is situated to the west of the air monitoring station, and suggests that the exceedance was related to the road dust.

newgold™ Rainy River

New Gold's dust abatement plan calls for the application of Calcium Chloride to reduce the road dust. However, one of the requirements for the application of this product, or of the application of water, is that it should not be done under frozen conditions. The spring of 2018 has been dry and cold to date with temperatures well below freezing at night and often during the day until the second week of April. On March 16th, temperatures reached 6°C during daylight hours and dropped to -10°C at night. As such the abatement program could not be implemented at that time due to freezing temperatures at night. No precipitation was recorded during the same 24-hour period making road conditions very dry and prone to dust.

New Gold noticed the above average usage of Gallinger road in early April and reminded staff of the mitigation measures which include restricting access of all motor vehicles along Gallinger Road. On April 15th, New Gold posted managers at the corner of Gallinger and Korpi to stop each driver and remind them personally of the road usage restriction. Traffic on Gallinger was reduced from above 75 vehicles between 6 and 7 am to 3 (non-New Gold) in 5 working days. Physical monitoring will remain in place until the end of May. Mitigation measures including watering of Gallinger Road and placing Calcium Chloride on the road surface to reduce road dust will be applied should dust continue to be an issue

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

June 13, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change 808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: AIR QUALITY EXCEEDANCES OF 24-HOUR TOTAL SUSPENDED PARTICULATE-MONITORING LIMITS - SAC REFERENCE #3476-AZKQWK

On June 6th, the air quality engineer consultant responsible for reporting the site air quality monitoring results, informed New Gold Environment of elevated laboratory results, indicating total suspended particulates (TSP) and iron exceedances at Gallinger Road air quality station. The consultant stated that these values were higher than normal for this particular location and questioned whether nearby activities contributed to these results.

New Gold notified the Spills Action Centre (SAC) Reference #3476-AZKQWK of the exceedance of the ministry approved limits for Total Suspended Particulate Matter and Iron (metallic) concentrations on June 6th. The exceedance occurred on April 8th, 2018 at the Gallinger Air Quality Monitoring Station, and was reported to New Gold on the 6th of June, as per the procedures. The following letter report accompanies a copy of the notification of exceedance (NOE) as per ECA #0412-A2LR4V.

Gallinger Road air quality station is located approximately 4.5 km due east of the primary crusher on the Rainy River Mine Site. Gallinger Road itself passes by the air quality station in a north-south direction at approximately 50 metres east.

TSP samples were collected during a 24-hr period on April 8th, 2018 as per Rainy River Project Ambient Air Quality Monitoring Plan, accepted by MOECC on November 9th, 2016. During this 24-hour period, predominate wind direction varied from northeast to south-southwest with an average wind speed of 11 km/hr. The wind direction that day, makes it unlikely that the source of the dust would be coming from the crusher which is situated to the west of the air monitoring station, and suggests that the exceedance was related to the road dust.

newgold™ Rainy River

New Gold's dust abatement plan calls for the application of Calcium Chloride to reduce the road dust. However, one of the requirements for the application of this product, or of the application of water, is that it should not be done under frozen conditions. The spring of 2018 has been dry and cold to date with temperatures well below freezing at night. On April 8th, temperatures reached 15.5°C during daylight hours and dropped to -7°C at night. As such the abatement program could not be implemented at that time due to freezing temperatures at night. No precipitation was recorded during the 72-hour period from April 6th to April 8th making road conditions very dry and prone to dust.

As discussed in the air quality exceedance letter report of May 03rd, 2018; New Gold noticed the above average usage of Gallinger road in early April and immediately undertook mitigation measures. Motor vehicle access along Gallinger Road was restricted to local traffic only. On April 15th, New Gold managers, positioned at the corner of Gallinger and Korpi, stopped and reminded each driver of the road usage restriction. Over 5 working days, traffic on Gallinger was reduced from above 15 vehicles between 6 and 7 am to 3 (non-New Gold) vehicles. Physical monitoring continued until the end of May, when all traffic from New Gold had ceased.

New Gold is proceeding with the application of Calcium Chloride along all its roads, including Gallinger. The application should be completed by the end of June.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

June 13, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change 808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: AIR QUALITY EXCEEDANCES OF 24-HOUR TOTAL SUSPENDED PARTICULATE-MONITORING LIMITS - SAC REFERENCE #3476-AZKQWK

On June 6th, the air quality engineer consultant responsible for reporting the site air quality monitoring results, informed New Gold Environment of elevated laboratory results, indicating total suspended particulates (TSP) and iron exceedances at Gallinger Road air quality station. The consultant stated that these values were higher than normal for this particular location and questioned whether nearby activities contributed to these results.

New Gold notified the Spills Action Centre (SAC) Reference #3476-AZKQWK of the exceedance of the ministry approved limits for Total Suspended Particulate Matter and Iron (metallic) concentrations on June 6th. The exceedance occurred on April 8th, 2018 at the Gallinger Air Quality Monitoring Station, and was reported to New Gold on the 6th of June, as per the procedures. The following letter report accompanies a copy of the notification of exceedance (NOE) as per ECA #0412-A2LR4V.

Gallinger Road air quality station is located approximately 4.5 km due east of the primary crusher on the Rainy River Mine Site. Gallinger Road itself passes by the air quality station in a north-south direction at approximately 50 metres east.

TSP samples were collected during a 24-hr period on April 8th, 2018 as per Rainy River Project Ambient Air Quality Monitoring Plan, accepted by MOECC on November 9th, 2016. During this 24-hour period, predominate wind direction varied from northeast to south-southwest with an average wind speed of 11 km/hr. The wind direction that day, makes it unlikely that the source of the dust would be coming from the crusher which is situated to the west of the air monitoring station, and suggests that the exceedance was related to the road dust.

newgold™ Rainy River

New Gold's dust abatement plan calls for the application of Calcium Chloride to reduce the road dust. However, one of the requirements for the application of this product, or of the application of water, is that it should not be done under frozen conditions. The spring of 2018 has been dry and cold to date with temperatures well below freezing at night. On April 8th, temperatures reached 15.5°C during daylight hours and dropped to -7°C at night. As such the abatement program could not be implemented at that time due to freezing temperatures at night. No precipitation was recorded during the 72-hour period from April 6th to April 8th making road conditions very dry and prone to dust.

As discussed in the air quality exceedance letter report of May 03rd, 2018; New Gold noticed the above average usage of Gallinger road in early April and immediately undertook mitigation measures. Motor vehicle access along Gallinger Road was restricted to local traffic only. On April 15th, New Gold managers, positioned at the corner of Gallinger and Korpi, stopped and reminded each driver of the road usage restriction. Over 5 working days, traffic on Gallinger was reduced from above 15 vehicles between 6 and 7 am to 3 (non-New Gold) vehicles. Physical monitoring continued until the end of May, when all traffic from New Gold had ceased.

New Gold is proceeding with the application of Calcium Chloride along all its roads, including Gallinger. The application should be completed by the end of June.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River Project

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment, Conservation and Parks
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 20L Process Water Spill – SAC Reference #2021-B46NNP

On August 31st at approximately 1200, process water was found to be backing up into the Millwright shop from the mill floor. This water was found to have escaped the man door of the Millwright shop and made contact with the ground outside the mill. (See photo below)

The mill was in upset conditions which caused a great deal of process slurry to settle in the works. When the mill was restarted various filter screens, cyclones and sumps were clogged and overtopped onto the mill floor. The process water separated from the slurry and backed up into the Millwright shop then spilled out door 11E. There was no impact to any water body as the process water only migrated about 5 meters outside the door resulting in 20L exiting the mill.
This spill was caught quickly by the operators and work ceased. The gravel containing the process water was placed inside the mill and returned into the process, this was completed by the end of the day shift.

Changes will be made to the mill start up procedure to include monitoring and mitigating the level of process water on the mill floor in the interim. In the longer term, work continues within the mill to ensure proper sloping is in place to direct any process water/slurry to internal sumps.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St.Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

newgold™ Rainy River Project

Regards,

Nathan Baird
Environmental Specialist-Wildlife
New Gold Rainy River
Nathan.Baird@newgold.com
807-271-3190

cc:
Michael Bell. (Michael.bell@canada.ca)
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

newgold™ Rainy River Project

September 19, 2018

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment, Conservation and Parks
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 1000L Tailings Spill – SAC Reference #3763-B4KHDD

On September 13th at approximately 1215 am, tailings was found to be exiting door 3N from the tailings sump pump box and migrated 55 meters to the northeast. See photo below (clean-up was well underway at time of photo)

The spill only lasted a few minutes and quick action by the operators placing sand over the existing berm (speed bump) in front of door 3N stopped 80-90% of the tails from escaping. See photo below.

New Gold Inc., Rainy River Project
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-0900
F 807-482-2834
www.newgold.com

Clean-up began right away and finished around 5 pm that day. There was no impact to any water body and all contaminated materials were collected and put back into the mill process.

The cause of this event was a combination of power failures along with process software updates which caused upset conditions in the mill, resulting in failed alarms and pumps operating incorrectly. An internal investigation is on-going.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St. Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

Regards,

Nathan Baird
Environmental Specialist-Wildlife
New Gold Rainy River
Nathan.Baird@newgold.com
807-271-3190

cc:
Michael Bell; michael.bell@canada.ca
Andrea Doherty; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

December 21, 2018

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment and Climate Change
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 450L Dyed Diesel Spill Drill 903 – SAC Reference #5120-B7MMFB

At 0300 hours the operator of drill 903 noticed an unexpected drop in fuel level well drilling blast holes in the East Outcrop. (See photo 1 below)

Photo 1: Map of site denoting spill location.

Photo 2: Drill 903

The operator called maintenance for assistance and dismounted to look for a leak. He discovered that he had backed over a large rock and punctured the fuel tank, he then moved the drill off the rock and tilted the drill back to mitigate further spillage (as can be seen in photo 2 above).

At surface, the spill did not appear to be significant but upon further inspection it was noticed that a large amount of fuel had seeped into the shattered rock (see photos 3 and 4 below). Three drill holes were found to be contaminated with dyed diesel.

Photo 3: Spill site

Photo 4: Drill hole

By mid-day a vacuum truck had collected as much fuel as possible from the drill holes and placed it in used oil totes for pick up by Green For Life, a licensed hazardous waste disposal company.

The blasting agent used on site is an emulsion product that contains a significant component of diesel. It is expected that when these holes are loaded and blasted most, if not all, of the residual diesel will be consumed. This will occur by mid-January. At that time the rock will be inspected for contamination.

If the rock is found to be contaminated, it will be sent through the mill as a treatment. If the rock is found to be clean, it will be used onsite to build required infrastructure.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St.Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

Environmental Specialist –Wildlife

New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M +1.807.271.3190

cc:
Compliance Conformite: Compliance.Conformite@ceaa-acee.gc.ca
Dan McDonell: dan.mcdonell@canada.ca
Michael Bell: Michael.Bell@canada.ca

newgold™ Rainy River Project

April 26, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 450L Propylene Glycol Spill - SAC Reference #7150-AY33FE

Further to the notification to the Spills Action Centre (SAC) Reference #7150-AY33FE regarding a spill of propylene glycol on April 21st , 2018, the following report is submitted to the Ministry of Environment and Climate Change (MOECC).

Discovery

- Loader operator went to remove a partially emptied tote of propylene glycol while completing cleanup duties at the end of his shift on the TMA North Dam.
- When attempting to pick up the tote, he discovered the loader forks had punctured the plastic tote.
- The operator immediately called his supervisor and stopped all work in the affected area.

Cause

- Puncturing the base of the plastic tote caused the contents to spill onto the ground surface.
- Loader operator performed the task alone without authorization from Supervisor.

Clean Up and Recovery

- Approximately 450 liters of propylene glycol spilled onto the downstream sand seam of TMA North Dam where it was 100% contained. There was no impact to any nearby water sources.

- An estimated 7 m^3 of contaminated sand was scraped up and loaded into a contaminated soil bin.
- Spill pads and boom socks, used during the containment and clean-up process, were collected into barrels.
- Contaminated materials, removed from the immediate area, are stored in a laydown area; awaiting removal from site by a registered hazardous waste carrier.

Preventative Measures

- Implement re-training with team members to understand the importance of a using a spotter when performing all tasks with limited visibility.
- Increase supervisor participation with crews in work areas and reviewing task assignments.

Once you have had the opportunity to review this information, please feel free to contact the undersigned or Sylvie St. Jean at (sylvie.st.jean@newgold.com or 807-707-3497) with any additional questions you may have.

Regards,

Tuula Griffith
on behalf of

Garnet Cornell
Environmental Technician
New Gold Rainy River Project
Email: garnet.cornell@newgold.com
Cell: (807) 276-0106

cc: Gordon Moore, EC; (gordon.moore@canada.ca)
Andrea Doherty, DFO; (andrea.doherty@dfo-mpo.gc.ca)
CEAA; (compliance.conformite@ceaa-acee.gc.ca)
Dan McDonnell, EC; (dan.mcdonell@canada.ca)

newgold™ Rainy River

May 03, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change 808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: AIR QUALITY EXCEEDANCES OF 24-HOUR TOTAL SUSPENDED PARTICULATE-MONITORING LIMITS - SAC REFERENCE #3444-AY8S75

On April 27, the air quality engineer consultant responsible for reporting the site air quality monitoring results, informed New Gold Environment of elevated laboratory results, indicating total suspended particulates (TSP) and iron exceedances at Gallinger Road air quality station. The consultant stated that these values were uncharacteristically high for this particular location and nearby roadwork activities may have contributed to these results.

New Gold notified the Spills Action Centre (SAC) Reference #3444-AY8S75 of the exceedance of the ministry approved limits for Total Suspended Particulate Matter and Iron (metallic) concentrations on April 27th. The exceedance occurred on March 16, 2018 at the Gallinger Air Quality Monitoring Station, and was reported to New Gold on the 27th of April, as per the procedures. The following letter report accompanies a copy of the notification of exceedance (NOE) as per ECA #0412-A2LR4V.

Gallinger Road air quality station is located approximately 4.5 km due east of the primary crusher on the Rainy River Mine Site. Gallinger Road itself passes by the air quality station in a north-south direction at approximately 50 metres east.

TSP samples were collected during a 24-hr period on March 16, 2018 as per Rainy River Project Ambient Air Quality Monitoring Plan, accepted by MOECC on November 9th, 2016. During this 24-hour period, predominate wind direction varied from east to southeast with an average wind speed of 6 km/hr. The wind direction that day, makes it unlikely that the source of the dust would be coming from the crusher which is situated to the west of the air monitoring station, and suggests that the exceedance was related to the road dust.

newgold™ Rainy River

New Gold's dust abatement plan calls for the application of Calcium Chloride to reduce the road dust. However, one of the requirements for the application of this product, or of the application of water, is that it should not be done under frozen conditions. The spring of 2018 has been dry and cold to date with temperatures well below freezing at night and often during the day until the second week of April. On March 16th, temperatures reached 6°C during daylight hours and dropped to -10°C at night. As such the abatement program could not be implemented at that time due to freezing temperatures at night. No precipitation was recorded during the same 24-hour period making road conditions very dry and prone to dust.

New Gold noticed the above average usage of Gallinger road in early April and reminded staff of the mitigation measures which include restricting access of all motor vehicles along Gallinger Road. On April 15th, New Gold posted managers at the corner of Gallinger and Korpi to stop each driver and remind them personally of the road usage restriction. Traffic on Gallinger Road was reduced from more than 15 vehicles travelling between 6 and 7 am to zero New Gold employees using the road in 5 working days. Physical monitoring will remain in place until the end of May. Mitigation measures including watering of Gallinger Road and placing Calcium Chloride on the road surface to reduce road dust will be applied should dust continue to be an issue.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

May 8, 2018

John Vandenbroeck
Management Biologist, Fort Frances District
Ministry of Natural Resources and Forestry
922 Scott Street
Fort Frances, ON P9A 1J4
Via email; john.vandenbroeck@ontario.ca

RE: 2018 ESA Acoustic Audit – Exceedance of Sound Threshold

Dear Mr. Vandenbroeck,

Consistent with Endangered Species Act (ESA) Permit FF-C-001-14 condition 4.1 and 4.2 New Gold Inc (New Gold) is providing notification to the Ministry of Natural Resources and Forestry (MNRF) that sound threshold was exceeded during the ongoing acoustic audit. However, the source of noise resulting in the exceedance appears unrelated to construction or operations activities and as such no immediate mitigation is proposed.

Preliminary results received from sound recording equipment on May 1st and May 3rd exceeded the 50 dBA sound level threshold;

- At 0300 on May 1, 2018, monitoring equipment recorded sound levels of 61 dBA at the North Receptor Habitat and 60 dBA at the South Receptor Habitat. Recorded sound levels were almost identical indicating a global source, such as a thunderstorm. This exceedance was weather related, not produced by construction activities. Please refer to attached sound files NRM 05.01.2018.3AM and SRM05.01.2018.3AM.

- At 2100 on May 2, 2018, monitoring equipment recorded sound levels of 52 dBA at the North Receptor Habitat. A review of the audio recordings found wildlife activities (birds chirping, frogs croaking) overprinting intermittent equipment noise. Please refer to attached sound file SR62.

These occurrences appear isolated and related to natural phenomena, not construction or operation activities. Therefore, implementation of immediate mitigations measures related to operations or construction activities stipulated in condition 4.1 is not proposed at this time.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

newgold™ Rainy River

As per compliance condition 4.1 and 4.2 of ESA Permit FF-C-001-14 acoustic audit measurements, conducted by a qualified professional, will continue in the North and South WPW Receptor Habitat areas until May 8th, and again during June 2018.

Once you have had the opportunity to review this letter, please contact me with any questions or concerns at (807) 708-2407.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)
Nigel Fisher (nigel.fisher@newgold.com)

newgold™ Rainy River

May 18, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: - SAC REFERENCE #0415-AYR2B6

On May 13, a Mill Supervisor informed New Gold Environment of a spill beside the Lime Silo on the northeast side of the mill process building. Initial reports estimated that 1,000 kg of granular High Calcium Quicklime was spread across the ground surface between the mill and silo.

New Gold notified the Spills Action Centre (SAC) Reference #0415-AYR2B6 of the reportable spill as defined in Ontario Regulation 675/98, condition 11(4) of Environmental Compliance Approval No. 5178-9TUPD9 and the internal spill reporting procedure. The estimated amount of the spill exceeded the Federal Transportation of Dangerous Good (TDG) Act Schedule 1 approved limits of 5 kg for Class 8, Corrosive substances. TDG Act classifies Lime as a Class 8 substance.

During the regular unloading process, a contractor supplied delivery hose was connected between the tanker truck and lime silo. Compressed air, used to move the granular lime from the tanker truck to the silo, blew lime out of a rupture in the delivery hose and covered the ground around mill doors 8e and 9e and the Lime silo. West Creek Diversion, the closest fish bearing waterbody located approximately 300 m north of the lime silo, was not impacted. Reclamation trial berms and natural ground contours north of the mill process building provide a natural barrier to any offsite movement of deleterious substances. During this 24-hour period, predominate wind direction was from northeast with an average wind speed of 19 km/hr. Wind direction and speed at the time of the event, confined the spill to a 10 m^2 radius between the lime silo, mill building and tanker truck.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

newgold™ Rainy River

Further investigation of the event confirmed that initial reports of the spill quantity were overestimated. In total, only 26 kg of High Calcium Quicklime was lost during the rupture of the delivery hose. Cleanup of the affected area was completed before midnight on May 13, 2018. Granular Quicklime and gravel were collected by a mini Bobcat and placed into the Mill for disposal.

New Gold will be implementing preventative measures to ensure this type of event does not reoccur. These measures include immediate replacement of the delivery hose by the contractor. Going forward, all contractors providing delivery and unloading of Quicklime will be required to provide inspection reports of the delivery hose and delivery system. Reports will be reviewed and signed off by New Gold Mill Supervisor before unloading. Defective hoses will be tagged and removed from the site by the contractor. Additional mitigation measures include the mandatory use of spill trays at the connection points to capture any spillage.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

May 30, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email: Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 3000 L Hydraulic Fluid Spill - SAC Reference #2600-AZ2V8F

Further to the notification to the Spills Action Centre (SAC) Reference #2600-AZ2V8F regarding a spill of hydraulic fluid on May 23rd, the following report is submitted to the Ministry of Environment and Climate Change (MOECC) as per condition 11(4) of ECA 5178-9TUPD9.

Discovery

- During routine removal of ore, a PC5500 Komatsu Shovel (unit number 603) lost power to the boom arm.
- The operator then shut the shovel down, noticed the leaking hydraulic fluid and called the Mine Shift Supervisor to inform him of the situation and request a clean-up crew.

Cause

- A rupture in the hydraulic line caused 3,000 litres of hydraulic fluid to flow onto the rocky surface of the open pit.
- The line had failed in the past, but had been patched and a replacement line was on order.

Clean Up and Recovery

- The event occurred within the confines of the open pit with no impact to any water bodies.
- Due to the speed at which the leak occurred, a berm was immediately built to contain and stop the hydraulic fluid from spreading.
- The hydraulic fluid did not penetrate into the ground, as the area is composed of blast rock sitting atop bedrock.
- Green for Life (GFL) arrived on site with a vacuum truck to remove the spilled hydraulic fluid from the pit floor.
- GFL removed approximately 13,500 litres of contaminated hydraulic fluid, water and mud. The vacuum truck transported the contaminated waste back to Thunder Bay for proper disposal.
- All contaminated rock remaining on the pit floor was cleaned, then processed through the primary crusher into the mill.
- Contaminated spill pads, booms and brooms were collected, then placed in appropriate containers and stored at the plant site truck shop for pick up by GFL.

Preventative Measures

- Effective immediately, patched hydraulic hoses will no longer be used under any circumstances.
- The New Gold Mobile Maintenance standard operating procedure (MOP-SOP-0011) will be updated to incorporate this change.

Once you have had the opportunity to review this information, please feel free to contact the undersigned or Sylvie St.Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions you may have.

Regards,

Nathan Baird
Environmental Technician
New Gold Rainy River Project
Nathan.Baird@newgold.com
(807) 271-3190

cc: Adam Scheepers, EC; adam.scheepers@canada.ca
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA, compliance.conformite@ceaa-acee.gc.ca
Dan McDonnell, EC; dan.mcdonell@canada.ca

newgold™ Rainy River

June 15, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email: Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 300L Process Water Spill - SAC Reference #3476-AZKQWK

Further to the notification to the Spills Action Centre (SAC) Reference #3476-AZKQWK regarding a process water spill on June 9th, the following report is submitted to the Ministry of Environment and Climate Change (MOECC) as per condition 11(4) of ECA 5178-9TUPD9.

Discovery

- During regular operation of the Mill, an employee discovered process water spilling over from the carbon collection tank, flooding the secondary containment area, flowing into the truck ally then exiting out Door 8E.
- Transfer of carbon and excess process water immediately ceased.

Cause

- The carbon safety screen plugged causing the carbon collection tank to fill with a mixture of carbon, slurry and process water.
- A sump pump situated in the collection tank was disconnected and failed to activate.
- Mill doors remain open to provide additional ventilation during summer operations.

Clean Up and Recovery

- The event occurred within the immediate area of the mill process building and Door 8E access with no impact to any water bodies.

- An estimated 300L of process water was lost during the event. Only 76L left the building and spilled outside onto the gravel surface within a 20 meter radius of Door 8E.
- Pooled water near Door 8E was pushed back into the mill. A sandbag berm barrier was constructed to stop flow of water outside of the building.
- Gravel saturated by the spill was dug up and placed inside the mill for processing.

Preventative Measures

- A sump collection project has been approved and will be constructed during June, 2018.
- Sandbag barriers and water collection berms will remain in place until then.

Once you have had the opportunity to review this information, please feel free to contact the undersigned or Sylvie St.Jean (Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions you may have.

Regards,

Nathan Baird
Environmental Technician
New Gold Rainy River Project
Nathan.Baird@newgold.com
(807) 271-3190

cc: Adam Scheepers, EC; adam.scheepers@canada.ca
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA, compliance.conformite@ceaa-acee.gc.ca
Dan McDonnell, EC; dan.mcdonell@canada.ca

newgold™ Rainy River

June 15, 2018

John Vandenbroeck
Management Biologist, Fort Frances District
Ministry of Natural Resources and Forestry
922 Scott Street
Fort Frances, ON
P9A 1J4
Via email: john.vandenbroeck@ontario.ca

Dear Mr. Vandenbroeck,

RE: 2018 ESA Acoustic Audit – Exceedance of Sound Threshold

As per Endangered Species Act (ESA) Permit FF-C-001-14 conditions 4.1 (g) and 4.2 (b), New Gold is providing notification to the Ministry of Natural Resources and Forestry (MNRF) that sound level thresholds were exceeded during the ongoing acoustic audit. However, the source of noise resulting in the exceedance appears unrelated to construction or operations activities and no immediate mitigation is proposed.

Preliminary results received from sound recording equipment on June 6, 2018 exceeded the 50 dBA sound level threshold:

- Between 11:00 and 13:00 hours on June 6, 2018, monitoring equipment recorded sound levels of 51 and 51 dBA at the North Receptor Habitat also 51 and 52 dBA at the South Receptor Habitat. Recorded sound levels indicate that the exceedances were weather related, likely due to strong winds. Please refer to attached sound files NRM June.06.2018_1120-1130, NRM June.06.2018_1234-1244, SRM June.06.2018_1120-1130, and SRM June.06.2018_1311-1321.

As per ESA Permit conditions 4.1 (g) and 4.2 (b), acoustic audit measurements in the North and South EWPW Receptor Habitat areas were completed on June 7, 2018.

Please contact me with any questions or concerns at (807) 708-2407.

Best Regards,

Twila Griffith

Twila Griffith
Senior Environmental Specialist
M: +1.807.708.2407
Email: twila.griffith@newgold.com

cc. Sylvie St. Jean (sylvie.st.jean@newgold.com)
Stacey Jack (stacey.jack@newgold.com)
Nigel Fisher (nigel.fisher@newgold.com)

newgold™ Rainy River

June 25, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment and Climate Change
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: TAILINGS SLURRY SPILL 8L - SAC REFERENCE #1728-AZUQ67

On June 15, a contract employee called his area manager at 18:00 hours to inform him of a leak on a fusion coupling on the tailing corridor line at the curve, due north of where the line passes under Roen Road, west of the Marr site. The mill crew had previously completed a visual inspection of the entire tailings line at 17:30 hours and did not report any irregularities. Spray from the leak was covered by a spill tray held in place with a wooden pallet to prevent spreading by evening wind. The mill was shut down and a vacuum truck mobilized onto site to initiate cleanup. New Gold Environment Manager was informed at 20:51 hours and visited the area to assess the spill at 22:00 hours. At that time, it was observed that the Tailings slurry had leaked into the secondary containment area, with some material accumulated on the berm. Clean up continued during the night. A vacuum truck removed slurry from the containment area and disposed of it in Cell 2 of the Tailings Management Area (TMA).

During the morning of June 16th, a New Gold Environmental Technician went out to inspect the cleanup efforts and noticed that approximately 8 L of Tailings Slurry had sprayed over the containment berm onto vegetation. Immediately, the area manager was contacted to organize another cleanup. A vacuum truck returned to site and removed the Tailings Slurry, contaminated vegetation and topsoil in the spill area. Slurry and contaminated vegetation/topsoil mixture were disposed of into Cell 2 of the TMA.

The New Gold internal Environmental Standard Operating Procedure (ENV-SOP-0002) states all Tailings Slurry spills are to be externally reported.

newgold™ Rainy River

Notification was made to the Ministry of the Environment and Climate Change as well as to the Spills Action Centre (SAC) (Reference #1728-AZUQ67) as defined in Ontario Regulation 675/98, condition 11(4) of Environmental Compliance Approval No. 5178-9TUPD9 and the above cited internal spill reporting procedure.

New Gold has implemented preventative measures to ensure this type of event does not reoccur. These measures include removal of the leaking fusion coupling and replacement with a flanged coupling.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Stacey Jack (Stacey.jack@newgold.com)

newgold™ Rainy River

July 19, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment, Conservation and Parks
80 Robertson St
Kenora, ON P9N 1X9
Via email: Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: 115L Hydraulic Fluid Spill – SAC Reference #8246-B2PV5U

Further to the notification to the Spills Action Centre (SAC) Reference #8246-2PV5U regarding a spill of hydraulic fluid on July 15, 2018, the following report is submitted to the Ministry of the Environment, Conservation and Parks (MOECP) as per Condition 11(4) of ECA 5178-9TUPD9.

Discovery

- While loading clay into a rock truck, a Komatsu PC650 excavator (unit #653) had a hydraulic line failure (Photo 1).
- The operator shut down the equipment when the line had failed, deployed a spill kit kept in the excavator, and notified the Contractor supervisor and Contractor HSE advisor.

Cause

- A suspected defective hose caused the failure of the hydraulic line resulting in 115 litres of hydraulic fluid spilling to the ground at a clay borrow pit within the footprint of the Tailings Management Area (TMA) (Map 1).

Clean Up and Recovery

- The event occurred within the confines of a clay borrow pit in the TMA footprint, with no impact to any water bodies.
- The hydraulic fluid did not penetrate into the ground, as the spill occurred in a clay borrow pit.
- A spill kit kept in the equipment was deployed by the operator.
- The affected clay was scraped up by bulldozer (Photo 2), loaded into a rock truck and transported to a contaminated soil bin for pick up and proper disposal by the Contractor's hazardous waste management company, Asselin Transportation. The used spill kit materials were deposited in a hazardous waste bin for pick up and proper disposal by Asselin Transportation.

Preventative Measures

- A daily machine inspection was completed and no leaks were observed at the start of shift. Daily inspections and regular maintenance are required by New Gold for all mobile equipment.

Please feel free to contact the undersigned or Sylvie St. Jean (Sylvie.St.Jean@newgold.com or 807-707-3497) with any questions.

Kind Regards,

Amanda Jacobs
Environmental Specialist
New Gold Rainy River Mine
Amanda.Jacobs@newgold.com
204-307-1857

Encl: Map 1 – Location of spill in the TMA footprint
Photo 1 – Photograph of clay affected by hydraulic line failure.
Photo 2 – Photograph of spill location after removal of affected clay.

cc: Gordon Moore, ECCC; gordon.moore@canada.ca
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca

Map 1 – Location of spill in the Tailings Management Area footprint

New Gold Inc., Rainy River Mine
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-0900
F 807-482-2834
www.newgold.com

Photo 1 – Clay affected by hydraulic line failure

New Gold Inc., Rainy River Mine
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-0900
F 807-482-2834
www.newgold.com

Photo 2 – Spill location after removal of affected clay

New Gold Inc., Rainy River Mine
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-0900
F 807-482-2834
www.newgold.com

newgold™ Rainy River

August 22, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment, Conservation and Parks
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: PROCESS WATER SPILL 57L - SAC REFERENCE #2504-B3TQR2

During the early morning hours on August 20, while checking a pump and hose line into the secondary containment area around the thickener and leach tanks, a mill employee discovered the line laying on the ground and process water flowing into the truck alleyway in front of Door 18W (Photo 1). Mill Door 18W is located on the west side of the process building, adjacent to the thickener and leach tank secondary containment area.

Photo 1. Extent of process water spill into truck alleyway of Door 18W.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

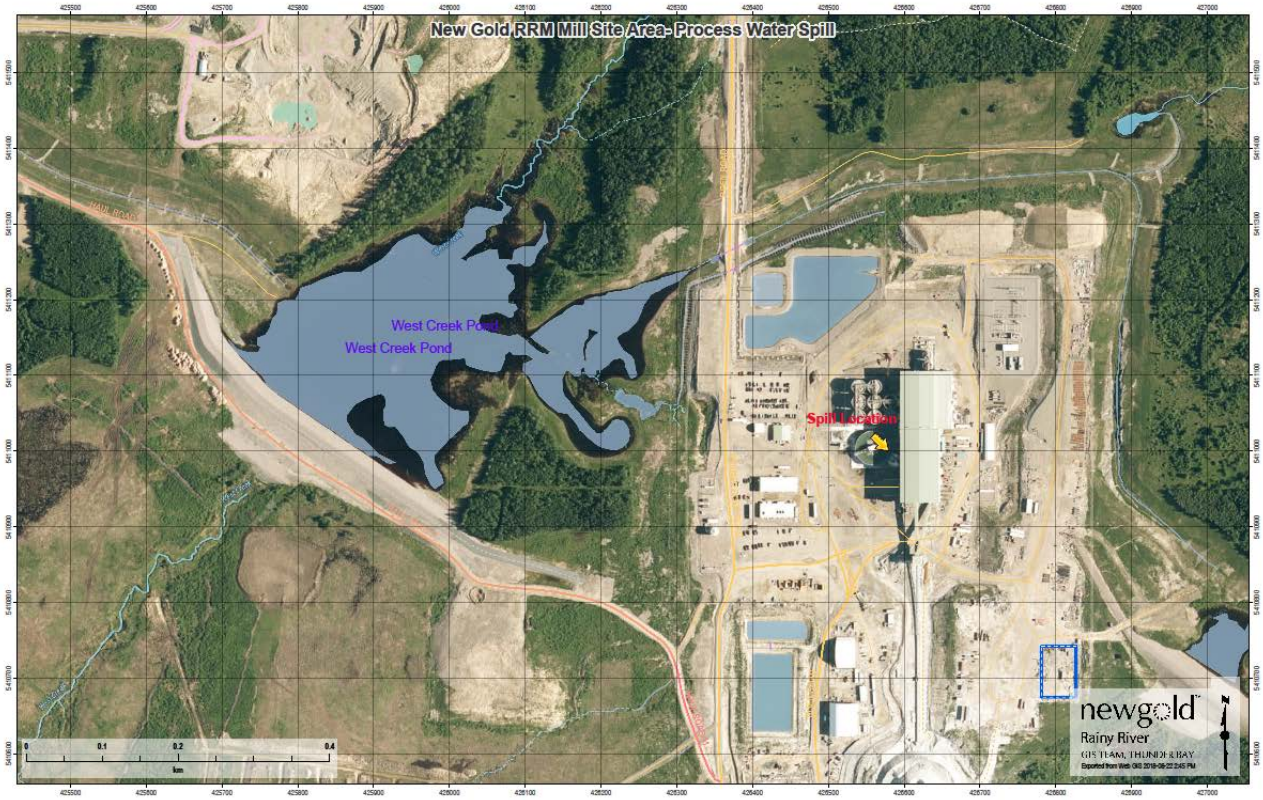

Photo 2. New Gold Rainy River Mine Process Plant site. Spill location denoted in red.

The pump was immediately shut off. Approximately 57L of process water ponded within 25 meters of the door, where it was 100% contained. Mill Door 18W is located 300 to 400 m west of the West Creek Pond and Diversion waterway (Photo 2). Natural topography and man-made features prevented the spill from reaching any further than the alleyway.

At that time of the event, it was observed that the green hose line connected to the pump and positioned over the wall into the containment area was too short. When the pump surged, the force knocked the line back over the wall and onto the ground surface. The green hose line was replaced with a longer black hose line which reached onto the containment area floor (Photo 3).

Photo 3. Black replacement hose on floor of containment area. Green hose line along containment wall.

Spill clean-up of the alleyway took place in the afternoon. Ponded process water and mud was scraped up and deposited into the thickener secondary containment area, where it washed into a floor sump back through the plant. Clean up was completed by 18:00 hours on August 20th (Photo 4).

The New Gold Internal Environmental Standard Operating Procedure (ENV-SOP-0002) states all Process water spills exceeding 25L are to be externally reported.

Notification was made to the Ministry of the Environment, Conservation and Parks as well as to the Spills Action Centre (SAC) (Reference #2504-B3TQR2) as defined in Ontario Regulation 675/98, condition 11(4) of Environmental Compliance Approval No. 5178-9TUPD9 and the above cited internal spill reporting procedure.

Photo 4. Alleyway of Door 18W showing the area after cleaned up was completed.

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Mitch Lepage (Mitch.lepage@newgold.com)

newgold™ Rainy River

September 21, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of the Environment, Conservation and Parks
808 Robertson St.
Kenora, ON P9N 1X9
Via email; Matt.hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: VULTREX GEAR LUBRICANT 100L SPILL - SAC REFERENCE #3400-B4PU2N

During the night of September 15, a short and intense storm deposited 29.8 mm of precipitation over the plant site area within a 5-hour period. Precipitation from this storm temporarily overwhelmed the capacity of the east plant site drainage system, located along the toe of the upper bench due east of the mill process building. Run-off water migrated into a laydown area between the mill storage tent and propane tank, which was used to store hydrocarbon totes and barrels. The force of water flowing through the drainage system partially eroded the base under a secondary containment tub which supported a 1000L tote of Vultrex gear lubricant (Photo 1). The tote slid off the secondary containment tub and tipped over, dislodging the bung allowing 100L of gear lubricant to escape onto ground surface (Photo 2).

Photo 1. Tote of Vultrex Gear Lubricant supported on secondary containment tub.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

Photo 2. Extent of the gear oil spill into laydown area east of Mill Process building.

The spill occurred approximately 100 m east of mill process building in a laydown area which borders the plant site east drainage ditch system. Runoff water collects in the ditch and is channeled south through the site into the South Pond (Photo 3). All runoff water from the spill area was contained by this internal drainage system the South Pond. Water from the South Pond is used by the mill for processing ore. Any overflow is routed to the Mine Rock Pond via a 20-inch pipeline. New Gold will monitor the South Pond for evidence of hydrocarbon sheen.

Photo 3. GIS image of spill area (pink) and location of contact water drainage ditch (blue hatch).

Photo 4. View of area after cleaned up was completed.

Once all totes and barrels were removed from the area, a skid steer loader was utilized to remove all the hydrocarbon contaminated clays, gravels and vegetation. Contaminated materials were loaded into a 20 yd^3 contaminated soil bin for disposal at the Richardson Landfill. Clean up efforts commenced on Monday, September 16 and were completed by Thursday, September 20, 2018 (Photo 4).

Corrective actions include establishing a new hydrocarbon laydown area on the plant site upper east bench. The laydown will contain a clay and gravel lined secondary containment area used for storage of totes and barrels containing hydrocarbons. All totes/barrels stored outside the secondary containment area will be placed on yellow secondary containment tubs. Construction is scheduled to commence during the week of October 01 – 04, 2018.

Notification was made to the Ministry of the Environment, Conservation and Parks as well as to the Spills Action Centre (SAC) (Reference #3400-B4PU2N) as defined in Ontario Regulation 675/98, condition 11(4) of Environmental Compliance Approval No. 5178-9TUPD9 and in the New Gold Internal Environmental Standard Operating Procedure (ENV-SOP-0002).

Once you have had the opportunity to review this document, please contact me at (807) 708-2407 with any questions or concerns.

Regards,

Twila Griffith

Twila Griffith
Sr. Environmental Specialist
New Gold Inc.
Rainy River Mine
5967 Highway 11/71, P.O. Box 5, Emo
Ontario, Canada, P0W 1E0
M: +1.807.708.2407

cc. Sylvie St.Jean (Sylvie.st.jean@newgold.com)
Ginger Bragg (ginger.bragg@newgold.com)

newgold™ Rainy River

December 4, 2018

Matt Hoffmeister
Senior Environmental Officer
Ministry of Environment, Conservation and Parks
808 Robertson St.
Kenora, ON
P9N 1X9

Dear Mr. Hoffmeister,

RE: TREATED TAILINGS 30L SPILL - SAC REFERENCE # 5504-BFXLNJ

Further to the notification to the Spills Action Center (SAC) Reference # 5504-BFXLNJ, on November 27, 2018 at 16:33, a tailings line corridor inspection at Emergency Dump Pond #6 noted a tailings line leak at a previously patched line of pipe. The mill was contacted, and shutdown began to take place at 16:36. The treated tailings started to spray onto the access road as the mill commenced shutdown.

Figure 1 shows tailings leak location at 16:50. Tailings spilled onto access road to Emergency Dump Pond 6. Tailings also pooling inside containment due to ice build under WMP reclaim line.

Once the tailings line was depressurized, the previous sleeve patch was inspected, adjusted, and retightened to stop the leak. More spigots were opened to reduce pressure on the tailings line and frequency of inspections increased through out the evening, to ensure the sleeve patch held.

New Gold Inc.
Rainy River Mine
5967 HWY 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com

Figure 2 shows where the tailings sprayed out of the sleeve patch (lighter grey area along pipe) and ice build-up within the tailings corridor containment as a result of the spill.

Clean up began the morning of November 28, 2018 once the treated tailings froze. This allowed for the equipment to scrape up the spill without fear of the tailings flowing away from the impacted area. 1m^3 of frozen tailings and contaminated material was removed from the location.

Figure 3 Shows removal of tailings and contaminated material as well as recapped road once clean-up was complete.

The new tailings pipe section is planned to be installed during a maintenance shutdown for the mill. This portion of pipe will be put together in the maintenance shop and fused during the shutdown. In the interim, a portion of belt will be used to cover the sleeve patch and monitored during dayshift and nightshift. The drain to Emergency Dump Pond #6 will also be maintained free of ice to allow drainage in case of emergency.

Figure 4 shows Allmond heater and insulated tarp being used to thaw the frozen tailings from the bottom of the containment as well as thaw ice dam underneath WMP Reclaim line.

Once you have had the opportunity to review this information please feel free to contact the undersigned or Sylvie St. Jean (at Sylvie.St.Jean@newgold.com or 807-707-3497) with any additional questions.

Regards,

Garnet Cornell
Environmental Specialist
New Gold Rainy River
Garnet.Cornell@newgold.com
807-276-0106

cc:
Andrea Doherty, DFO; andrea.doherty@dfo-mpo.gc.ca
CEAA; compliance.conformite@ceaa-acee.gc.ca
Dan McDonell; dan.mcdonell@canada.ca
Michael Bell; michael.bell@canada.ca

newgold™ Rainy River

November 29, 2018

Matt Hoffmeister
Senior Environment Officer, Kenora Area
Ministry of the Environment and Climate Change
808 Robertson Street
Kenora, ON P9N 1X9
Via email; Matt.Hoffmeister@ontario.ca

Dear Mr. Hoffmeister,

RE: Tailings Dusting Event – SAC Reference #2502-B6RUM5

On November 22, 2018 a fugitive dust event was reported coming off of the Cell 1 pond in the Tailings Management Area at approximately 14:00 (See photo 1).

Photo 1: Tailings dust from Cell # 1

Winds were gusting up to 35 km/h out of the south and it was evident at the time that the plume was travelling outside of the Environmentally Sensitive Area (ESA) boundary. Samples of snow were taken from Cell 1 north dam and from the northern most tip of the ESA boundary to assess the level of impact. (See Photo 2).

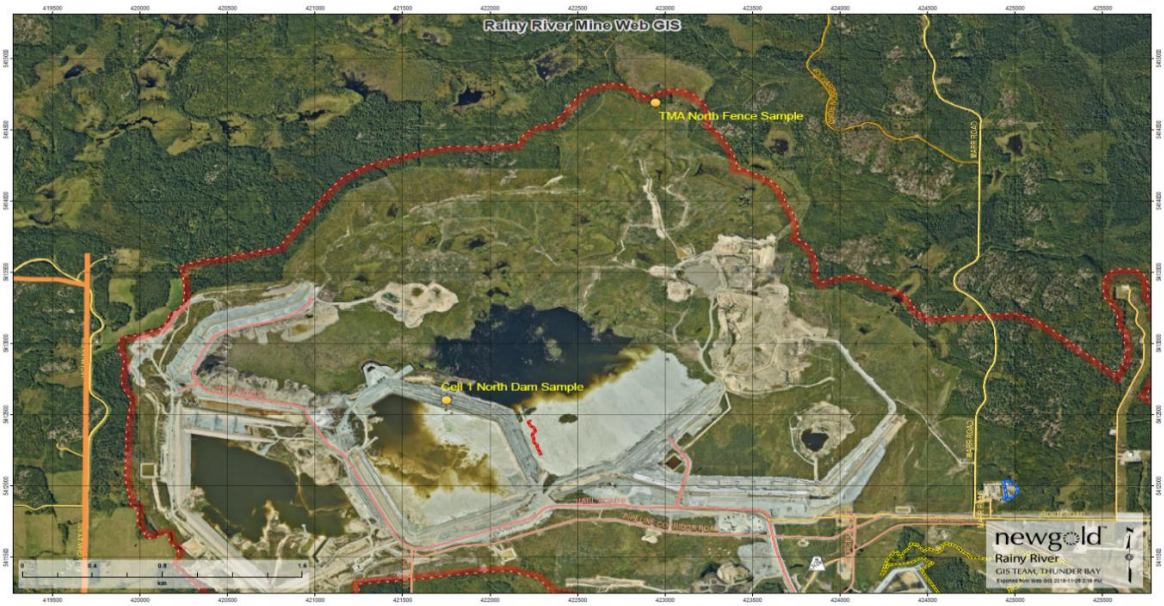

Photo 2: Map showing ESA Boundary

The samples taken were analyzed by ALS Environmental Laboratories in Thunder Bay, indicate there was little to no impact at that time. Tests show the three most prevalent elements on Cell 1 dam to be calcium, iron and sulfur at 38,200 mg/L, 10,600 mg/L and 17,300 mg/L, respectively. Tests results from the TMA North Fences samples showed levels of these elements to be lower by a factor of one thousand times or more (See appendix A).

The following day the weather conditions improved, and no fugitive dust event was seen at that time. However, from November 24th onwards moderate to high winds have persisted from the northwest and the dusting event is continuing at varying intensities. On Sunday November 26th, New Gold updated the Spills Action Center with this information.

New Gold began taking steps to control the fugitive dust on November 23rd which included adding water to Cell 1 in an effort to cover the exposed tailings and installing sprinklers along the banks of Cell 1 to form an ice sheet to keep the dust down. Several other options are currently being investigated in order to find a more permanent solution to the fugitive dust issue.
One option is to cover the exposed tailings with a product known as soil cement to provide a final cap. The soil cement requires constant reapplication, as rain will dilute it and the winter application contains glycerin which would be difficult to treat.
A second option is to apply a mix of hay, overburden and PAG/waste rocks to the exposed tailings. This solution is the most favorable, as it would promote vegetation growth and stabilize the material until subsequent lift will overprint it. Overburden cover should commence when the tailings are frozen enough to support a 40t truck (wiggle wagon).

If you have any further questions, please contact the undersigned.

Respectfully submitted,

Environmental Manager
(807) 707-3497
sylvie.st.jean@newgold.com

newgold™ Rainy River Project

September 26, 2018

District Manager,
c/o Matt Hoffmeister
Senior Environmental Officer, Kenora Area
Ministry of the Environment, Conservation and Parks
808 Robertson Street
Kenora, Ontario P9N 1X9

Dear Sir,

VIBRATION COMPLAINT – SAC# 3165-B4XRMG

On September 25, 2018 at 1:07 pm New Gold Rainy River Project (RRP) Community Relations received a complaint regarding vibrations felt from a blast on the New Gold Rainy River Project site on Wednesday, September 25 at 11:00 am. As per ECA #0412-A2LR4V terms and conditions section 7.1 and 7.2 please accept this letter as notification;

a) Message from Lisa Teeple stated that the blast caused the floor in the shop, situated 300 ft west of the house, to lift and crack. House and shop are located approximately 2.3 km south-southwest from the blast source. See attached map for reference.

b) A blast was detonated at approximately 11:00 am, September 25, 2018 in the New Gold RRM East Mine Rock Stockpile drainage ditch area, located approximately 3.2 km southeast of the RRM open pit center.

c) Climatic conditions at the time were wind direction 309 degrees (northwest), wind speed 11 km/hr., average relative humidity 83%, average temperature 7.3 degrees C., with cloudy and overcast skies.

d) Ginger Bragg, Supervisor for New Gold RRM Community Relations, received the complaint shortly after the blast.

e) New Gold RRM community personnel communicated to the neighbors and Chapple township that blasting would take place in this area for a period of 8 weeks, from September to October of 2018. Vibration and concussion (air overpressure) readings monitored at 6 locations did not exceed Ministry Publication NPC-119 cautionary values of 10 mm/s and 120 dB respectively.

Vibration and Overpressure Monitoring Stations for Sep 25, 2018			
Station No.	**Station Location**	**Vibration Levels (mm/s)**	**Concussion Levels (dB)**
1	24 Marr	0.317	101.1
2	4298 Hwy 71	0.104	100.4
3	1340 Hwy 600	0.243	95.18
4	2899 Hwy 600	0.196	88.68
5	1050 Teeple	0.790	93.92
6	Barron Site	0.176	111.7

Should you require additional information, please contact the undersigned at carolyn.winik@newgold.com or telephone (807) 482-0900 ext. 8046.

Sincerely,

Carolyn Winik

Carolyn Winik
Senior Environmental Specialist

cc.
Sylvie St. Jean, Environmental Manager (sylvie.st.jean@newgold.com)
Ginger Bragg, Supervisor Community Relations (ginger.bragg@newgold.com)

New Gold Inc., Rainy River Project
5967 Highway 11/71, P.O. Box 5
Emo, ON P0W 1E0

T 807-482-2501
F 807-482-2834
www.newgold.com