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We would like to acknowledge that we are located on the Stk'emlúpsenc te Secwépemc territory, situated within the unceded traditional lands of the Secwepemc Nation. New Afton appreciates the partnership that we have with the Stk'emlúpsenc te Secwépemc Nation and respect the territory and land on which we work, gather and play.

## A NOTE FROM THE MINE MANAGER



It has been a busy and productive year for the Mine Operations department. Our team, and the site overall, spent much of last year ramping up the development rate for our C-Zone project. We began this year about 300 metres behind schedule – the equivalent of about 40 days – and knew that we needed to make up ground quickly, efficiently and most of all safely if we wanted to meet our ambitious

targets. I'm excited to report that we have closed the gap and are now back on schedule to meet our 2020 development metre targets. It is thanks to a dedicated effort by our development crew, commitment to a continuous improvement campaign and the hard work of everyone on site that we were able to get back on track.

One of the challenges the Mine team has been navigating this year is the fine, wet ore being drawn from underground. This year started as a particularly wet year and the additional water ingress into the Cave increases the moisture content of our ore. This in turn negatively impacts our crush and convey system, which ensures ore is crushed and sent by conveyor to our surface mill. Our production crews worked diligently to ensure the wetter-than-usual material did not significantly impact production, helping us close out Q3 1% ahead on our budgeted ore tonnes.

With so much activity and many new faces at New Afton this year, there is an excitement in the air. Our employees are engaged and present, contributing to a great year where safety performance is concerned. We reached an incredible three million lost-time injury-free hours in September – a true testament to the robust safety culture our employees have built here at New Afton. It has been particularly nice to watch our veteran employees, many with ten or more years at New Afton, share their knowledge and expertise with the new miners joining our team. As we look ahead to 2021, we are focused on starting up the B3 Cave. Our development crews have been working hard to complete level development and it is now up to our construction and production crews to continue that progress to bring B3 into production. A new continuous improvement campaign will kick off in 2021 to ensure we can keep up with drill meters and bell construction. As the Lift 1 Cave exhausts, B3 will be our primary ore source from 2022 to 2024.

I am confident that with continued diligence in the face of COVID-19, dedication by our employees to our site targets, open minds to embrace continuous improvement and the support of the communities we are a part of, we will achieve significant success in 2021.

**Peter Prochotsky**  
*Mine Manager*

## LOW EMISSION FUTURE AT NEW AFTON

### FIRST BATTERY ELECTRIC EQUIPMENT ADDED TO FLEET

As part of our commitment to innovation, New Afton acquired a MacLean Battery Electric (BEV) Boom Truck in the fall of 2020, making it the first battery electric piece of equipment to be implemented at the mine site. The BEV Boom Truck assists underground mine operations by transporting equipment and materials. This unit replaces its diesel counterpart and is key to improving both worker health and safety, as well as contributing to more efficient operations. The unit provides ergonomic improvements and operates at a quieter volume, reducing the potential for employee hazards related to hearing and diesel emissions. This unit can carry the equivalent of five loads on an IT Loader. Everything from construction materials, dust suppression containers, mine development consumables and even explosives are brought to our underground workings using this innovative addition to the New Afton mobile equipment fleet.

Earlier in 2020, the BEV Boom Truck was subject to a lengthy trial and customization period during which a number of New Afton employees worked closely with specialists from MacLean. Employees across all shifts utilized the equipment as part of daily operations, noting any advantages, challenges, and opportunities for improvement on daily feedback forms. The information collected informed the trial, eventually leading to a comprehensive understanding of the technology and ultimately the decision to purchase the equipment. This BEV Boom Truck is just the first step toward New Afton’s vision of electrifying the entire C-Zone production feet, symbolizing our commitment to innovative technology, reducing emissions and ensuring the health and safety of our employees.



Photos: Adam Howse

## PERFORMANCE BY THE NUMBERS

### PRODUCTION

OUTPUTS (9 months ended Sept. 30)	Q3 2020	Q3 2019
Ore Processed (thousand tonnes)	4,119	4,125
Tailings Produced (thousand tonnes)	4,030	4,029
Average gold grade of ore (g/tonne)	0.45	0.49
Average copper grade of ore (%)	0.72	0.81
Copper Produced (million pounds)	53.6	61.2
Gold Produced (ounces)	47,858	53,051

### ENVIRONMENTAL SCORECARD

INCIDENTS (9 months ended Sept. 30)	Q3 2020	Q3 2019
Environmental Non-Compliances	1	1
Externally reported spills	1	0
Number of fines incurred	0	0

The environmental non-compliance from 2019 relates to use of waste rock for construction that did not meet a required neutralization potential threshold.

The environmental non-compliance from 2020 relates to a containment bypass due to a tear in the liner of the mill site pond that was successfully repaired.

The externally reported spill relates to a 400L magnesium chloride spill.



## CONTINUED COVID-19 RESPONSE

Our commitment to the health and safety of employees, contractors, essential visitors and the community remains our top priority as we maintain operations through this global COVID-19 crisis.

In the months since the pandemic began, our Emergency Operations Centre has worked to coordinate the implementation of countless preventative measures and controls, under the guidance of New Gold's Pandemic Response and Business Plan Committee and site-level management. Integral to our site-level response has been the creativity exhibited by our employees across all departments as teams work together to come up with innovative and effective solutions and measures to keep everyone safe and healthy.

Looking ahead, we remain committed to safe, responsible operations and will continue to review and update our COVID-19 safety plan in response to regional and global changes.

## SAFETY CHAMPION



The Safety Champion program at New Afton utilizes employee input to recognize workers for safety leadership and promoting safety with a positive and proactive approach. New Afton's latest Safety Champion is Harold Paulson from the Mine Production Team. Harold demonstrates safety and courage through his positive attitude. He encourages his team by holding to his values, communicating what is important and doing his part to keep safety the number one priority. Harold's commitment to his work is also demonstrated through his 5-point safety card. His field level risk assessment captures all aspects of his day with thought and safety awareness. Congratulations, Harold!

## EMPLOYMENT & TRAINING WITH STK'EMLÚPSEMĆ TE SECWÉPEMĆ NATION

New Gold honours our partnership with the Stk'émłúpsemć te SecwépeMć Nation (SSN) and works in collaboration with the SSN Employment & Training Team to maximize employment, retention and advancement opportunities, reduce barriers for employment and maximize training opportunities.

The SSN consists of the Tk'émłúps te SecwépeMć and Skeetchestn Indian Band. SSN works to strengthen the economic-social aspect of their people and to capitalize on employment, education, training and business opportunities arising from the resource sector. Within SSN, the Employment & Training Department exists as an umbrella for the Pathways to Success training programs which include:

- Providing SSN Members access to opportunities that enhance essential and employability skills and providing support as they apply for employment opportunities
- Developing customized and professional cover letters and resumes that enhance SSN Members strengths and experience
- Preparing SSN Members for workplace assessments and interviews through mock interviews and assessment preparation
- Reducing/removing the barriers faced by SSN Members during the program and as they transition to employment or continued training. This includes driver training and supports to access driver's licences.

To date, SSN has placed over 200 people in employment opportunities and 120 in training programs, with 34 being hired at New Afton Mine since 2015. Together, we encourage SSN Members to access services available through SSN Employment & Training Department to assist in your career goals.

## SCHOLARSHIP AND BURSARY RECIPIENTS

New Gold's New Afton Mine annually offers a Scholarship and Bursary Program for members from Stk'émłúpsəmc te Secwépəmc Nation, which is comprised of Tk'émłúps te Secwépəmc and Skeetchestn Indian Band. The intent of the program is to encourage academic excellence and the pursuit of higher education within the communities. In 2020, we are proud to say that ten scholarships and one trade bursary were awarded to students to support their educational goals. Congratulations to the recipients, we look forward to seeing you succeed!



## HUMAN RESOURCES

EMPLOYEE COMPOSITION (9 months ended September 2020)	Q3 2020	
	Count	Percentage
Total # of Employees on Payroll	555	100%
Employees from BC	508	92%
Employees hired from Kamloops region	440	79%
Employees hired from BC, outside Kamloops	68	12%
Employees from outside BC	47	8%
Indigenous Employees	114	21%
Indigenous Employees from Tk'émłúps te Secwépəmc and Skeetchestn	30	5%
Female Employees	80	14%
Male Employees	475	86%
Average Age	40	



Congratulations to John Bennett for completing his apprenticeship and achieving his Inter-provincial Red Seal as a Journey-person Heavy Duty Mechanic.

## ORANGE SHIRT DAY COMMEMORATED EMPLOYEES MARK THE OCCASION

On September 30th, countless New Gold employees at the corporate office, Rainy River Mine in Ontario and here at New Afton wore orange shirts with pride to recognize Orange Shirt Day. This campaign was founded in 2013 and is intended to create awareness of the individual family and community intergenerational impacts of residential schools. Organizers hope that the event generates discussion around the history of the residential school system and encourages people to seek out information and education. New Gold provided each employee with a shirt and pin to show our commitment. In sharing, we hope to bring awareness to an important movement for communities to come together in the spirit of reconciliation and hope.



## \$55,000 DONATED TO THE GARDENGATE FACILITY EXPANSION PROJECT

The Gardengate Horticulture Program provides an opportunity for individuals living with addictions or mental health conditions. With a focus on food and gardening, the program allows for the development of new skills through hands-on activities. Whether individuals are looking to improve their diet and knowledge of food, lead a more active life or receive the skills and training necessary to seek employment, Gardengate is able to support them. For the past 20 years, Gardengate has been operating out of a 700 square foot space in Brocklehurst. While staff and volunteers have worked to utilize this space to the best of their ability, it became clear that a new facility was needed in order for this vital programming to continue. The Gardengate Facility Expansion project will see a



brand-new facility built on the current Gardengate property with a fully-functioning commercial kitchen and other features to better meet the needs of staff, volunteers and the program participants. New Gold provided \$55,000 toward the expansion of Gardengate as a commitment to ensuring supports for those living with addictions and mental health conditions are available, as well as increasing awareness of the importance of food and food security in our region. With this contribution, Gardengate is well on its way to being able to do more for its clients, volunteers and the community at large than ever before.

## WE WELCOME YOUR FEEDBACK

Call us at (250) 377-2100 or email [samuel.numsen@newgold.com](mailto:samuel.numsen@newgold.com) for a chance to win a private tour underground.

To enter, simply get in touch and provide responses to the following questions:

1. Was the report clear and understandable?
2. Did the report provide enough detail?
3. What issues related to our operation or mining are you most interested in? Did the report address them to your satisfaction? If not, what could have improved the report?
4. Are there any communities, interest groups or stakeholders, including those whose interests may be issues-based or indirect, you think should be included in our communications?
5. Are there more effective methods of communicating with the general public that you would prefer to this newsletter?

## ADDITIONAL INFORMATION

 @NewAfton

If you have any comments on this report or would like further information on the New Afton Operation, please contact either of the following:

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New Afton welcomes your feedback: Call us at 250.377.2100 or email us at [info@newgold.com](mailto:info@newgold.com)

To learn about New Afton's current career opportunities please visit: [www.newgold.com/careers](http://www.newgold.com/careers).

While every effort has been made to ensure accuracy of the information presented, please note that all figures are unaudited.