



NEW AFTON SUSTAINABILITY NEWSLETTER



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

newafton.newgold.com

A NOTE FROM THE HEALTH AND SAFETY MANAGER

JUSTIN CLARK



Why is having a safety program important? These programs provide the tools to help us identify and control hazards in the workplace. They provide guidance on our processes such as workplace inspections, safe work procedures, investigations and Joint Occupational Health and Safety Committee oversight, to name a few.

I'd like to highlight a couple of really important tools: the Five Point Safety System and Job Hazard Assessments. The Five Point Safety System is a great way to help identify risks in the workplace with a focus on the conditions, our behaviours and the methods used to complete the task. Job Hazard Assessments are suitable for all levels of the operation because they have a systematic approach, ideal for any work environment and give an opportunity for full participation to all those involved with a task.

Building your knowledge and skill set while utilizing these tools can assist in identifying hazards and risks and implementing appropriate controls so that we can increase the safety of the working environment

for all. Q2 saw an increase in safety hazard reporting of 77% over Q1, which is a positive reflection of this program at work. I am confident we can continue to increase our reporting and the safety measures we put in place in Q3. Finally, the health, safety and wellbeing of our employees is our number one priority. Maintaining focus on the three pillars of our Courage to Care program: to Never Compromise on Safety, to Look Out for One Another and to Stop Work if it's Not Safe, will help ensure that we all go home safely at the end of every shift.

In recognition of our New Afton team's outstanding safety record and for achieving the lowest reportable injury rate among metal mines in the BC/Yukon region, for 2022 we were awarded the John T. Ryan Regional Metal Trophy by the Canadian Institute of Mining, Metallurgy and Petroleum, and the BC Ministry of Mines Large Underground Mines Safety Award for large operations with the lowest injury-frequency rate during the calendar year. We are ultimately all our brothers' and sisters' keepers on site, so let's build on this record momentum for the sake of the health and safety of all our team members!

SAFETY STATISTICS

Reportable injuries	Q2 2023	Q1 2023	Q4 2022
Lost-time injury	0	0	0
Restricted duty injury	0	1	0
Medical treatment injury	1	1	2

ENVIRONMENTAL SCORECARD

Incidents (3 months ended June 30)	Q2 2023	Q1 2023	Q4 2022
Environmental non-compliances	0	0	0
Externally reported spills	1	0	3
Number of fines incurred	0	0	0



HUMAN RESOURCES

Employee Composition (as of June 2023)	Q2 2023	
Total number of employees on payroll	711	
Employees from BC	657	92%
Employees from the Kamloops region	566	81%
Employees from BC, outside of Kamloops	91	12%
Employees from outside BC	54	8%
Indigenous employees	165	23%
Tk'emlúps te Secwépemc and Skeetchestn employees	41	6%
Female employees	130	18%
Male employees	581	82%
Average age	40	



PERFORMANCE BY THE NUMBERS

OUTPUTS	Q2 2023	Q1 2023
Ore Processed (thousand tonnes)	764	733
Tailings Produced (thousand tonnes)	740	712
Average gold grade of ore (g/tonne)	0.76	0.78
Average copper grade of ore (%)	0.78	0.70
Copper Produced (million pounds)	12.0	10.3
Gold Produced (ounces)	16,645	16,276



DEVELOPMENT PROGRAMS SUPPORT WOMEN IN MINING



New Gold is committed to enhancing our Diversity, Equity and Inclusion (DEI) programs to better understand and address barriers to equity in the workplace. Women are underrepresented in mining, representing only 16.6% of mining employees in Canada according to the Mining Industry Human Resources Council. To enhance equitable access to opportunities, New Gold has established a number of development programs.

In May, ten members of the New Afton team took part in the two-day Assertiveness Training for Women in Business program presented by the Canadian Management Centre. The training covered introspective and reflective practices surrounding self-awareness as well as tools and techniques on the topic of assertiveness in communication as a key aspect of success within the business environment. This course also addressed the unique challenges women face in business and how the effective use of assertiveness techniques can be an invaluable skill to add to their toolkit.

Participants from across different departments joined together in this training. One participant described the process as “a revelation, in the many ways that we change ourselves based on other’s expectations of us.” For many attendees, the experience showed them that they are not alone, and that many share the same feelings they do.

Through this training and other programs provided by New Gold to support DEI, employees are able to gain better context for shared humanity and individual differences, how to show up true to ourselves and our values, and how traditional gender expectations influence all our experiences—both personally and professionally. In addition, ten members of the New Afton team are participating in the Ignite Women’s Leadership Program by Leader In Motion Inc. in 2023. The year-long program is designed to support women in technical or professional roles. To-date, participants have developed an increased understanding of leadership principles, the value of relationship-building and soft skill development in career advancement, as well as common challenges for women and how to manage them. Participants noted the significance of the long-term support network that is fostered through program participation, adding that the relationships provide tremendous value both personally and professionally.

“[The program] demonstrated the company’s commitment to fostering the growth and advancement of its employees, particularly women in leadership roles. This support not only acknowledges the value of investing in individuals but also acknowledges the importance of creating an inclusive and empowering workplace culture.” – Program participant

We remain committed to providing training, growth opportunities and development for our employees because we know that people are our greatest asset.



ELECTRIC FLEET EXPANSION



THIRD SANDVIK Z50 BEV HAUL TRUCK ARRIVES ON SITE

In May, the third Sandvik Z50 Battery Electric Vehicle (BEV) Haul Truck arrived at New Afton. After arrival, the new unit had fire suppression upgrades installed and underwent thorough inspections by mechanical and electrical teams in order to meet site standards before heading underground.

Our increase in BEV hauling capacity now allows us to update our traffic plan to have a dedicated BEV haul route. Due to our BEV's increased speed and efficiency, this presents our team with the potential to increase our production tonnage, while also lowering heat, diesel particulate matter and respirable dust.

As a partner to New Afton, Sandvik has worked closely with us to develop the truck cabs to be more ergonomic and to enable better visibility, making them more comfortable for operators and contributing to a safer working environment for everyone. A fourth Z50 is expected to be shipped to New Afton in the coming months, further advancing our goals of electrification of C-Zone and sustainable operations throughout our site.



SSN TEAM GATHERING AND TOUR



WORKING WITH OUR COMMUNITY PARTNERS

In June, members of the Stk'emplusem te Secwépemc Nation (SSN) and the New Gold team met for their annual gathering. The day included hiking to the Savona Balancing Rock where Jeannette Jules of Tk'emplúps te Secwépemc shared with participants the story and cultural significance of the Coyote Rock within the Secwépemc territory. New Gold is grateful for the opportunity to work with SSN and learn from traditional knowledge keepers about the territory in which we operate.

The event also featured updates from the Individual Working Groups on progress made towards implementing the commitments within the Cooperation Agreement. In 2021 SSN and New Gold entered into the Cooperation Agreement replacing the existing Participation Agreement, which was signed in 2008. This modernized Cooperation Agreement seeks to build on the mutually beneficial working relationship that fosters an understanding and awareness of the parties' respective interests. A consent-based decision-making process based on Secwépemc law and legal standards encourages the parties to work together to secure and maintain SSN's consent to the project.

New Afton also hosted members of SSN for an underground and surface tour earlier this year. These opportunities to directly engage with our valued Indigenous partners allow us to continue to grow and build our relationship. Site tours of this nature provide a hands-on opportunity for visitors to see elements of the operation in action, learn about processes, meet employees in various departments and ask questions about the site. Hosting a tour, no matter how small or how big, requires a team effort from the various departments at New Afton. We extend our appreciation to everyone who contributed their time to ensure our guests had an informative, welcoming and safe experience at site.



EARTH DAY ADOPT-A-HIGHWAY CLEAN-UP



COMMITMENT TO SUSTAINABILITY

In celebration of Earth Day 2023, New Afton's Environment department organized a highway clean-up on April 20th. This annual event exemplifies New Afton's environmental stewardship of the lands we operate on, and the care team members have for the community we live in. The clean-up was carried out on a five kilometre section of highway that runs alongside the mine, which was adopted by New Gold through the Adopt-A-Highway program in 2011. The event brought out 30 employees who contributed two hours of their day for the clean-up and from this, an estimated six truckloads of waste were collected from sides of the highway. The Environment department is looking to plan further events that allow employees to express pride in their community while contributing to a better environment. A special thanks to organizers Shawn Kratchmer, Cameron McAllister and Genevieve Pelletier.

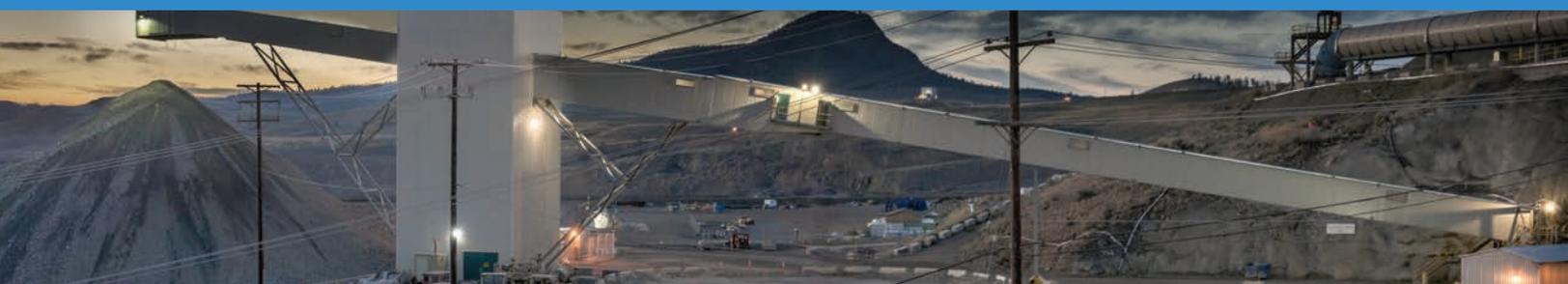


GOBYBIKE WEEK AT NEW AFTON



TEAM CONTRIBUTIONS TO COMMUNITY SUSTAINABILITY

New Gold recently participated in GoByBike Week this past spring. Led by Mine Operations Superintendent John Andrew and Mine Manager Peter Prochotsky, the New Gold Metal Pedals Team surpassed its goal of 3,000 kms with 37 participants contributing a total of 3,246 kms in total. In the process, the team burned an estimated 100,000 calories and reduced the equivalent of 704 kg of greenhouse gas (GHG) emissions that would have been produced by commuting to work in individual vehicles. And in staying true to his promise, John Andrew baked 138 cookies to correspond with participation to maintain his reputation as the fittest baker on site. Thank you to everyone for their participation in the event!



BIKE VALET SERVICE PARTNERSHIP INVESTMENT IN COMMUNITY SUSTAINABILITY INITIATIVE



New Gold's New Afton Mine is proud to support the City of Kamloops' launch of their newest community asset – a Bike Valet Service Kit. This exciting collaboration is made possible by a donation of \$23,500 from New Afton, the support of the City of Kamloops, the Kamloops Cycling Coalition (KCC), and the tireless dedication of staff and volunteers advocating for people-focused solutions to increasing the use of active transportation modes and reducing community emissions.

The Bike Valet initiative has been years in the making. In 2019, the City of Kamloops and New Afton engaged in conversations on ways to align their energy and emissions reduction goals. New Afton has a strong corporate culture of integrity and teamwork, and finding a creative initiative that supports the City's Community Climate Action Plan and Transportation Master Plan seemed like a natural fit.

The Bike Valet Kit consists of portable bike racks, tents and other supplies that can be borrowed by event organizers wanting to provide free, secure bike parking. "As e-bike use continues to grow – driven in part by their ability to reduce barriers to biking like topography and distance – we see the need and demand for secure bike parking increasing," says Glen Cheetham, the City's Climate and Sustainability Manager.

To ensure that the Bike Valet Service works not only in the community but for the community, the City of Kamloops engaged the KCC and other stakeholders to ensure that their vision was baked into the New Gold Community Investment Fund application. "A spin-off of a people-led solution to enhancing bike security is the community conversations it creates about cycling in Kamloops, hopefully fostering a commuter cycling culture that builds upon our love for recreational biking," says Deb Alore, board member of the KCC.

In 2022, the KCC initiated a pilot program that saw Bike Valet Services popping up at events like RibFest, BrewLoops and Canada Day at Riverside Park. The success of these pilots signaled that the community was receptive to seeing more of this service in the community. Energy and emissions management is top of mind for the City of Kamloops, with a target of reducing community emissions by 30% by 2030 and 80% by 2050. To read the full story, scan the QR code.



OLYMPIAN BRIANNE JENNER RETURNS TO NEW GOLD

CONNECTING HIGH PERFORMANCE SPORT TO MINING AND INCLUSION



New Gold began a partnership with Canadian Olympian and World Champion Brienne Jenner in 2022, which brought her to both our New Afton and Rainy River operations to deliver keynote speeches on leadership and teamwork. While a connection between high performance sport and mining may not be apparent at first glance, Jenner effectively tied the challenges and opportunities she and her teammates faced while preparing for the 2022 Beijing Olympics with the struggles and successes New Gold and the mining industry have experienced over the years. Jenner spent several days at each operation meeting with employees, members of the leadership team, and touring various site facilities to gain a deeper understanding of the company and culture.



In 2023, we continued our partnership by welcoming Brienne back to both sites and including community visits. During her visit at New Afton Mine in Kamloops, Jenner visited youth attending the Sk'elep School of Excellence within the Tk'emlúps te Secwépemc Community to talk about her professional career in hockey, share her personal experiences with adversity, and how those challenges helped her to become both the person and athlete she is today. Scan the QR code to read the full story.



FIRE AND MINE RESCUE COMPETITION



NEW AFTON RECOGNIZED FOR SAFETY TRACK RECORD

After a three-year COVID hiatus, this June the 64th annual Provincial Mine Rescue and First Aid Competition was back in action in person in Williams Lake, BC. This exciting, family-friendly event highlights the safety-forward focus of the mining community, bringing together mine rescue teams from across British Columbia to test their emergency response and rescue abilities in both surface and underground competitions. This year the event showcased 4 underground and 6 surface teams.

New Afton's Fire and Mine Rescue team showcased the hard work they have put in by winning Best Team in Smoke as well as Best Bench Technician. Pictured top left, New Afton's 2023 team (left to right) is Wayde Bartholet, Corey Beeton, Kyle Morgan, Erik Dube, Brandon Moe, Wes Hunko, Jarvis Manuel and Carson Fraser. From Fire Chief Carson Fraser as well as the entire New Afton organization, we congratulate the New Afton Fire and Mine Rescue Team on their great work!

With the dedication of our organization and the support of Fire and Mine Rescue team, New Afton is a proud recipient of the JT Ryan Award as the safest large underground mine in BC.



BAT MONITORING PROGRAM UPDATE



COMMITMENT TO STEWARDSHIP AND BIODIVERSITY

In June, the Environment department participated in the North American Bat Monitoring Program. The program has "cells" across North America which they monitor every year. New Afton is a new cell that was initiated this year and data collected will support this larger initiative.

This work involved deploying two acoustic monitors, which are equipped with microphones capable of detecting high frequency calls made by bats. One was deployed in the area just north of the mine site towards Kamloops Lake and one south of the New Afton Tailings Storage Facility at the southern boundary of the mine site. The acoustic monitors are used because bats use echolocation, which means they emit a soundwave that bounces off an object, returning an echo that provides information about the object's distance and size. The monitors are deployed over 7 days, and during this time a driving transect is also completed through the cell. The transect involved driving from the Kamloops Lake pump house, through site, then down along Lac le Jeune road for a total of 30 kilometres with a speaker attached to the top of the roof to detect bat calls.

Once collected, the acoustics data is analyzed; information from the stationary detectors provides data on species diversity, and information from the transect provides data on bat abundance. In addition to contributing this data to the North America Bat Monitoring Program, New Afton also uses this information to inform potential habitat enhancement projects as well as mine closure planning.



SHARE YOUR THOUGHTS

WE WELCOME YOUR FEEDBACK

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

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Community Investment Program

To submit an application, visit communityinvestment.newgold.com. If you have questions, email info.newafton@newgold.com

Career Opportunities

To learn about New Afton's current career opportunities please visit: www.newgold.com/careers. Scan the QR code to learn more about the New Afton Mine.



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

ADDITIONAL INFORMATION

Certain information contained in this newsletter are "forward-looking". All statements in this newsletter, other than statements of historical fact, which address events, results, outcomes or developments that New Gold expects to occur are "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "targeted", "estimates", "forecasts", "intends", "anticipates", "projects", "potential", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur" or "be achieved" or the negative connotation of such terms. Forward-looking statements in this newsletter include, among others, statements with respect to: the Company's goals and priorities and the expected resulting benefits; intended focus areas, projects and initiatives for the site and anticipated timing thereof; projections relating to the Company and site's mining operations and future successes; and expectations regarding production, expenses, investments and expenditures, and the factors contributing to those expected results.

All forward-looking statements in this newsletter are based on the opinions and estimates of management that, while considered reasonable as at the date of this newsletter in light of management's experience and perception of current conditions and expected developments, are inherently subject to important risk factors and uncertainties, many of which are beyond New Gold's ability to control or predict. Certain material assumptions regarding such forward-looking statements are discussed in this newsletter, New Gold's latest annual management's discussion and analysis ("MD&A"), annual information form ("AIF") and technical reports on the Rainy River Mine filed on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. In addition to, and subject to, such assumptions discussed in more detail elsewhere, the forward-looking statements in this newsletter are also subject to the following assumptions: (1) there being no significant disruptions affecting New Gold's operations other than as set out herein; (2) political and legal developments in jurisdictions where New Gold operates, or may in the future operate, being consistent with New Gold's current expectations; (3) the accuracy of New Gold's current mineral reserve and mineral resource estimates and the grade of gold, silver and copper expected to be mined and the grade of gold, copper and silver expected to be mined; (4) the exchange rate between the Canadian dollar and U.S. dollar, and to a lesser extent, the Mexican Peso, and commodity prices being approximately consistent with current levels and expectations for the purposes of guidance and otherwise; (5) prices for diesel, natural gas, fuel oil, electricity and other key supplies being approximately consistent with current levels; (6) arrangements with First Nations and other Indigenous groups in respect of the New Afton Mine being consistent with New Gold's current expectations; and (7) there being no material disruption to the Company's supply chains and workforce that would interfere with the Company's anticipated course of action at the New Afton Mine.

Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including the "Risk Factors" included in New Gold's most recent AIF, MD&A and other disclosure documents filed on and available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. Forward looking statements are not guarantees of future performance, and actual results and future events could materially differ from those anticipated in such statements. All forward-looking statements contained in this newsletter are qualified by these cautionary statements. New Gold expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.