

March 31, 2023

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SUBJECT: 2023 NEW GOLD RAINY RIVER MINE ANNUAL COMPLIANCE REPORT

On behalf of New Gold Inc. please find attached a copy of the 2023 Annual Compliance Report for the Rainy River Mine.

In accordance with the Federal Environmental Assessment Decision Statement Condition 2.3, Provincial Environmental Assessment Notice of Approval Condition 6 (EA 05-09-02/EAIMS 13102) and the Compliance Monitoring Program submitted by New Gold RRM in fulfillment of Condition 5 of the Provincial Environmental Assessment Notice of Approval, this Annual Environmental Assessment Compliance Report contains the following:

- Federal Decision Statement Registry
- Provincial Notice of Approval Registry
- Commitments Registry
- Follow Up Monitoring Program (FMP) Registry and
- Public Consultation Registry

Ministry's Environmental Assessment Branch (EAB) Comments	New Gold Revisions
New Gold states both in the email sent March 31, 2023, and in the 2022 Annual Compliance Report that the report is to fulfill Condition 5 of the NoA, however, Condition 5 is in relation to the Compliance Monitoring Program. It should be said that the Annual Compliance Reports are to fulfill Condition 6 of the NoA. Please make sure the 2022 ACR and future reports are updated to fulfill the correct condition.	Front page and page 4 were updated to condition 6.
The status of Condition 7 should indicate that New Gold has updated their Complaint Protocol in 2018, with acceptance received by MECP in 2018, rather than simply stating it was completed in February 2015 for the 2022 ACR. Please revise the status of Condition 7 to reflect this indication. Future ACRs should continue to state when the plan was updated and accepted.	Condition 7.3 updated with 2023 revisions of Complaint Protocol and dates of plan submission and acceptance.

Ministry's Environmental Assessment Branch (EAB) Comments	New Gold Revisions
<p>The status of Condition 8 should indicate that New Gold has updated their Communications Plan in 2018 and received acceptance from MECP in 2018 in the 2022 ACR. Please revise the status of Condition 8 to reflect this indication. Future ACRs should continue to state when the plan was updated and accepted.</p>	<p>Condition 8.3 updated with 2023 revisions of the Communications Plan and dates of plan submission and acceptance.</p>
<p>The status of Condition 9 should indicate that New Gold has updated their Consultation Plan in 2018 and received acceptance from MECP in 2018 in the 2022 ACR. Please revise the status of Condition 9 to reflect this indication. Future ACRs should continue to state when the plan was updated and accepted.</p>	<p>Condition 9.3 updated with 2023 revisions of the Consultation Plan and dates of plan submission and acceptance.</p>
<p>Per Condition 12.1 and 12.2, please ensure that the Rainy River Gold Project: Effluent Criteria Discussion and Taking Thresholds correctly states that it appears in Appendix B of the Ministry Review of the EA, rather than Section 4 of the Ministry Review of the EA. This should be correctly indicated in future ACRs.</p>	<p>Revised to Appendix B from Section 4 on pages 67-68 of 2023 ACR.</p>
<p>Per Conditions 14.1 and 14.2, the status should be rewritten to clarify that the proponent is meeting the requirements of the NoA, Conditions 14.1, 14.2, and 14.3. As of now, New Gold has combined Conditions 14.1 and 14.2 into a single condition (Condition 14.1) in their ACR and labeled Condition 14.3 of the NoA as Condition 14.2. Please revise Conditions 14.1 and 14.2 to clearly indicate that New Gold is meeting all requirements of Condition 14.1, 14.2, and 14.3 of the NoA in the 2022 ACR, as well as for future reports.</p>	<p>Condition 14.1 and 14.2 have been updated to state that the requirements of the Monitoring Plan are being met in Appendix B, D, H, J and N.</p> <p>After review of the Provincial EA, EA File No.: EA US-09-02, EA.IMS File i-lo.:13102, dated January 28, 2015, it is found that it only contains conditions 14.1 and 14.2. There is no condition 14.3.</p>
<p>Per Condition 15.4 A, the year stated should be updated from 2020 to 2022.</p>	<p>The dates have been updated to reflect project timeline.</p>
<p>Per Condition 19.1, please include a comprehensive list of the amendments, screenings, and reports that were submitted to Government Agencies regarding design modifications and changes throughout 2022. Please confirm whether these design modifications and changes to the project are consistent with the approved EA, with supporting rationale. The ministry reminds New Gold that in accordance with Condition 19 of the EA Notice of Approval it is the proponent's responsibility to determine what EAA requirements are applicable to any proposed changes to the undertaking and shall fulfil those EAA requirements. This should be completed for future reports as well.</p>	<p>A table has been created and added to the ACR.</p>

Ministry's Environmental Assessment Branch (EAB) Comments	New Gold Revisions
Commitment 16 states that the CPA was filed on September 15, 2020 by the agency. New Gold should clarify who the agency is and do this for future reports as well.	Added Ministry of Energy, Northern Development and Mines (ENDM).
Commitment 20 states that permanent ditching has been completed on the north, west, and south sides with the northeast section planned for completion in 2022. This contradicts the 2020 ACR that stated the ditch was fully completed in 2020. Please provide clarification on the status of the ditch.	Commitment 20 was updated: The north, west and south sides were completed in 2020 with natural topography draining the north-east section to the open pit. In 2022, a full ditch was completed for the north-east section.
Commitment 58 states the wetland is scheduled for construction two years prior to closure which contradicts Commitment 169 that states the wetland is scheduled for construction three to four years prior to closure. Please revise the ACR to confirm whether the timing for the constructed wetland (2023, shortly before closure) is consistent with the approved EA, with supporting rationale.	Commitment 58 and 169 updated to constructing two years prior to closure and added supporting rationale.
Commitment 74 provides information from 2020. It states "During 2020, both Environmental Monitors remain in their roles at RRM...". Do the Environmental Monitors still currently hold their roles or were new staff hired in 2022? Please update this information for 2022.	Commitment 74 updated to reflect both monitors remain in their roles in 2023.
Commitment 91 does not provide clarification on if any Indigenous communities requested or received annual wildlife monitoring reports. Please make the required revisions to the 2022 ACR as well as for future reports.	Commitment 91 updated to clarify that no requests for the annual wildlife monitoring reports were made in 2023.
Commitment 95 states the log of collisions resulting in wildlife mortality can be found in Appendix XX of the ACR. Please revise the 2022 ACR to provide the correct file location.	Commitment 95 updated to correct file location of Appendix H.
Commitment 145 is a duplicate of Commitment 124. Please indicate this in the 2022 ACR and in future reports as well.	Commitment 145 has been marked as a duplicate of Commitment 124.

Once you have had the opportunity to review this information, please do not hesitate to contact Garnet Cornell (garnet.cornell@newgold.com) or Ginger Bragg (ginger.bragg@newgold.com) with any additional questions or information requests that you may have.

Sincerely,



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