

## IN THIS ISSUE

- 🔋 WILDFIRE SUPPORT
- 📊 PERFORMANCE BY THE NUMBERS
- 🏢 SUPPORTING LOCAL BUSINESSES
- 👤 VALUES IN ACTION
- 👥 NEW DIVERSITY AND INCLUSION COMMITTEE

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



As we enter our final quarter of the year, I want to take a moment to look back at the achievements we have made as a team in 2021. We continued to come upon challenges in Q3 due to the heatwave we faced, the fire season that hit close to home, and the ongoing struggles related to COVID-19. But, as a team, time and time again we came together to succeed. Amid the challenges this year, we received approval for two amended permits that will take us to 2024 and are on schedule to complete the construction of the thickened and amended tailings facility. These are two great examples of a team that “Plays to Win.”

What is the difference between “Playing to Win” compared to “Playing Not to Lose”? The difference is in our mindset. It can be explained as simply as giving it our all versus doing just enough to get by. It is a get-it-right mindset versus a good-enough mindset, or (my personal favourite) a sports analogy: playing offense versus playing defense. Too often “Playing Not to Lose” results in a negative focus and missed opportunities.

As we look to the end of 2021, we at New Afton will continue to not only focus on how we can meet our benchmarks through to the end of the year, but how we can give it our all and keep “Playing to Win.” We will do that by finding creative ways to keep our team motivated.

When it comes to technology, we have a unique opportunity to be reinvesting in our mobile fleet at the same time new technology is available. Every working hour we put on our Battery Electric Vehicle (BEV) fleet reduces the amount of heat, particulate matter, and greenhouse gas emissions produced in the underground environment. It also allows us to build maintenance reliability models, understand component life, and train maintenance staff on the new equipment. I look forward to expanding our BEV fleet for the next phase of the mine.

At New Afton, we continually look for areas we can improve—health and safety included. In Q4, as we continue with our “Play to Win” strategy, we will focus on finding more health and safety improvements that will have a lasting impact on our site, our employees, and the communities in which we operate.

Heading into the last quarter of the year, I know our team will embrace a positive focus as we challenge ourselves to end the year strong.

**Peter Prochotsky**  
*Mine Manager*

# NEW AFTON CALLED UPON TO SUPPORT BUSY WILDFIRE SEASON

## FIRE & MINE RESCUE AND COMMUNITY IN-KIND DONATION

British Columbia saw a highly active wildfire season this past summer, due to extremely hot temperatures and a dry climate. Locally, New Afton’s Fire and Mine Rescue team was able to assist with support on several fires in the surrounding area.

New Afton and Kamloops Fire Rescue share a mutual aid agreement. During the Juniper Ridge fire on July 1, 2021, New Afton was able to send a fire engine to the city to assist in firefighting efforts. New Afton was also able to respond to several fires including Lytton Creek, Duffy Lake, Red Lake, Sicamous, and Logan Lake, upon request from the Office of the Fire Commissioner and Kamloops Fire Centre.

“This summer was definitely beyond what we’ve seen historically,” said Andrew Horton, New Afton’s Emergency Response Coordinator and Fire Chief. “Any support we can give to the province in a state of emergency, we will.”

The Fire and Mine Rescue team consists of 45 members trained to the National Fire Protection Association standard—a gold standard in firefighting training. They sent four personnel and a fire engine to assist with evacuation, structure protection and patrol in Logan Lake.

“We train in a lot of different disciplines,” Horton said. “We do yearly wildland training in the spring, so that we are prepared for things to come.”

While dispatched out to assist with other fires, site safety remains the priority and they ensure they have the capacity if there were to be an on-site emergency.

The Fire and Mine Rescue team was not the only way New Afton was able to support wildfire fighting this year. A phone call from a neighbour in Venables Valley resulted in a donation of used totes that New Afton had on hand. Venable Valley, which is considered a high-risk wildfire area, repurposed the totes as water tanks in the backs of trucks. They were able to act quickly when wildfires ignited in their rural area.

“These tanks are very useful in a number of ways for such rural dwellers,” said Jim McComb, Venables Valley resident. “With so many fires happening, government resources are spread very thin, so it is not possible for them to respond in a timely manner to new fires. We had three fires break out in five days here, two of them just five minutes from my home. A fast response to a small fire can stop it before it becomes catastrophic.”



Elyar Zielke and Kyle Morgan

## PERFORMANCE BY THE NUMBERS

### PRODUCTION

OUTPUTS (9 months ended Sept. 30)	Q3 2021	Q3 2020
Ore Processed (thousand tonnes)	3,678	4,119
Tailings Produced (thousand tonnes)	3,606	4,030
Average gold grade of ore (g/tonne)	0.42	0.45
Average copper grade of ore (%)	0.72	0.72
Copper Produced (million pounds)	47.5	53.6
Gold Produced (ounces)	39,735	47,858

### ENVIRONMENTAL SCORECARD

INCIDENTS (9 months ended Sept. 30)	Q3 2021	Q3 2020
Environmental Non-Compliances	0	1
Externally reported spills	3	1
Number of fines incurred	0	0

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 from 2020 relates to a 400L magnesium chloride spill.

The externally reportable spills for 2021 relates to a 320L tailings spill from a vent shed, a 1000L accelerator spill underground, and a 200L hydraulic oil spill underground.

## SUPPORTING LOCAL BUSINESS THROUGH STAFF APPRECIATION

### SOCIAL COMMITTEE

As events are still on hold this year, New Afton's Social Committee moved away from their regular staff appreciation events and relaunched the 2020 employee voucher program. The Committee worked with additional local businesses to provide vouchers to employees to enjoy with their families or core group—a program that aligns with both New Gold's values and keeps employee safety top of mind.

New Afton was able to support six local businesses, three of which were new to the program.

"While we anxiously await what the new normal will bring and hope for the return of in-person social events at New Afton, it has been a pleasure to work with our creative Social Committee to appreciate our hard-working co-workers and support local businesses that continue to face challenges during this pandemic," said Lauren Friess, Social Committee member.

Employees had the opportunity to choose vouchers in each category that suited them and their families.

"Your employees are very pleasant, polite and appreciative of their vouchers. It has been a pleasure dealing with them as well as your team. This whole event has been very well organized and I thank you very much for the opportunity of doing business with New Gold," said Margaret Jordens, Summit Gourmet Meats.



## RECOGNIZING EMPLOYEES WHO MODEL NEW GOLD'S VALUES

### VALUES IN ACTION

New Gold's key values are Integrity, Creativity, Commitment, Teamwork, People and Communities. These values lead our day-to-day actions and enable us to deliver on our corporate strategic pillars. The Values in Action program was introduced in Q2 to recognize our team members who model our values in exceptional ways. Our employees' commitment to New Gold's Values has a direct impact on achieving our mission to be the leading intermediate gold producer, driving responsible and profitable mining in a way that creates sustainable, enduring value for our shareholders, our stakeholders and our environment.

In Q3, we have been able to recognize employees for their actions. Since the start of the program, 61 electronic thank you cards and over 130 gold, silver and copper recognitions have been awarded at New Afton. Employees who are recognized can select gifts in exchange for points given for each award.

### DIANNA MALLOY, SURFACE & TAILINGS SILVER AWARD

Dianna (Molly) has shown outstanding attention to details during her inspections around the dam. She always finds small deficiencies and reports them before they become a significant issue. Thank you, Molly, for your attention and safety-oriented mindset.



### COPPER AWARD

### BLAKE THOMPSON, MAINTENANCE: ELECTRICAL

Blake created a template and signage for lifting capacities of our boom truck. The initiative is based on New Gold's lifesaving behaviours and creates an easy to follow guideline for our employees to follow to determine when lifts require a Job Hazard Assessment (JHA). Great job Blake.

## SCHOLARSHIP AND BURSARY RECIPIENTS

New Gold's New Afton Mine has a partnership with the Stk'emlúpsemc te Secwépemc Nation (SSN) with the intent of working together for a better future. Each year, New Afton provides scholarship and bursary opportunities to members of Tke'mlúps te Secwépemc and Skeetchestn Indian Band who are pursuing post-secondary education. The purpose of the program is to encourage academic excellence and the pursuit of higher education within the communities. In 2021, we are proud to say that nine Scholarships were awarded to students to support their educational goals. Congratulations to all the recipients! In the future, if you would like information on the New Afton 2022 SSN Scholarship and Bursary Program, please contact SSN Employment & Training or your band education department.



## HUMAN RESOURCES

EMPLOYEE COMPOSITION (9 months ended September 2021)	Q3 2021	
	Count	Percentage
Total # of Employees on Payroll	631	100%
Employees from BC	576	91%
Employees hired from Kamloops region	502	80%
Employees hired from BC, outside Kamloops	74	12%
Employees from outside BC	55	9%
Indigenous Employees	128	20%
Indigenous Employees from Tk'emlúps te Secwépemc and Skeetchestn	36	6%
Female Employees	92	15%
Male Employees	533	84%
Average Age	39	



Congratulations to Cody Jules who achieved his Heavy Duty Mechanic Certification and Red Seal qualifications in 2021.

## NEW DIVERSITY AND INCLUSION COMMITTEE ACROSS ALL THREE SITES

A new Diversity and Inclusion (D&I) Committee has formed at New Gold for 2021. The company-wide committee has 14 members, from all areas of the operation and all three New Gold locations: Corporate Head Office, Rainy River and New Afton. The committee aims to identify a baseline of where New Gold is now and identify areas in which they can improve diversity and inclusion across the company.

“It is one thing to be a leader in energy and automation, but we want to aim to become a leader in the areas of diversity and inclusion,” said Mary-Beth Harrison, New Afton’s Human Resources Manager and D&I Committee member. “The greater number of different perspectives and backgrounds we have on site, the more creative and innovative

we can be, which aligns with our core values.”

Although New Gold is not far behind on the subject from a mining perspective, Harrison said there is still a lot of work to be done.

The D&I Committee plans to review current policies and job descriptions to ensure there are no gender-based biases which could be limiting in any way. They want to understand existing barriers at New Gold and look at best practices for recruitment and retention.

In the future, the committee will work to share their success stories in an effort to challenge the general stereotypes in the mining industry.

## THE FOUNDATION FOR A LOW CARBON FUTURE

It is undeniable that innovation and technology play a key role as we move to a lower carbon future, but innovation and technology are less effective if they are not supported by a solid foundation of energy conservation. This foundation is important for two main reasons.

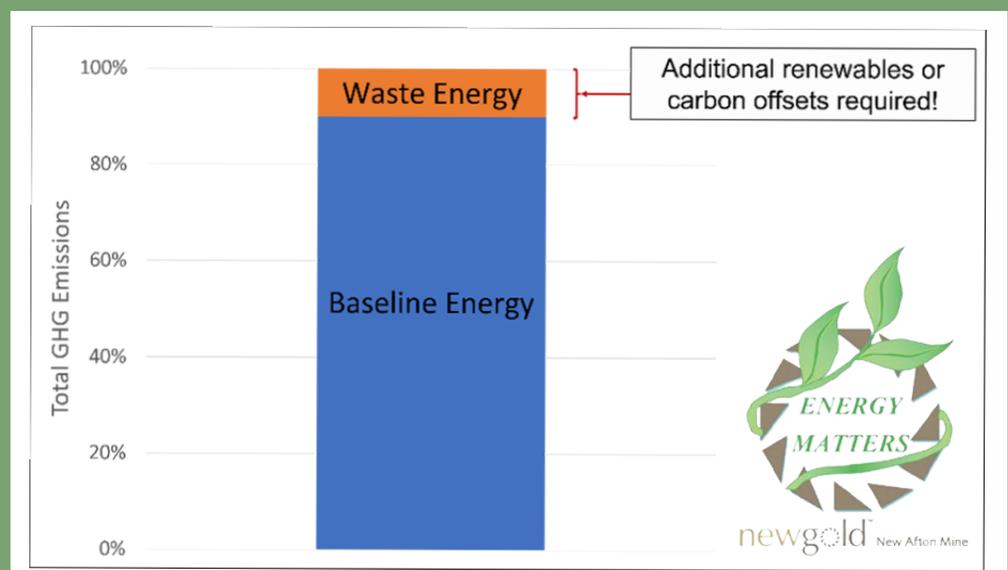
Firstly, because energy conservation eliminates energy waste. Energy waste slowly, but surely, eats away at your profits, just like a river slowly erodes its banks over time.

Energy waste hides in plain sight. From the small and seemingly insignificant, such as leaving lights on or a compressed air leak, to the more significant, like leaving conveyors running or vehicles idling. Each instance has a cost to the company that can add up quickly. In fact, studies have shown that this waste can account for 8% to 10% of your annual energy expense.

Secondly, when we eliminate waste and maximize efficiency, energy conservation helps us minimize the amount of renewable energy or carbon offsets required to reach our low carbon objectives. The total energy use is our baseline energy use plus our waste energy use. As we minimize waste and maximize efficiency, we will be able to curb the need for generating renewable energy or purchasing carbon offsets for the waste energy. It is akin to standing in the shower and tearing up one-hundred-dollar bills.

Energy conservation is something we do well at New Afton, with total energy saving since 2014 exceeding 10% of our total annual energy use. While ISO 50001 is our framework for energy conservation, it’s our employees who make the savings a reality. Employees are the backbone of any system, because without the dedicated support of employees, a system will collapse.

We continue to strive to lower our carbon footprint and aim beyond established goals and expectations to address the evolving need for a lower carbon future.



## WE WELCOME YOUR FEEDBACK

Call us at (250) 377-2100 or email [krystal.kehoe@newgold.com](mailto:krystal.kehoe@newgold.com). If you wish to receive ongoing communication, about the activities of New Afton Mine, please clearly state this in your message along with your name, phone number and email address.

For a chance to win a private tour underground, 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.newafton@newgold.com](mailto:info.newafton@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.