newgold new afton sustainability newsletter



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② DE&I MOMENTUM

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

newafton.newgold.com

A NOTE FROM THE HUMAN RESOURCES MANAGER MARY-BETH HARRISON



I cannot count the number of times I have been in an interview over the last dozen years where a candidate asks the hiring manager or HR what their favourite part about working at New Afton is. The answer is always the people.

I wish I could tell you what the secret sauce is, but it's a secret. All kidding aside, it's the work of not only the HR team but every manager and supervisor on site that recognizes that if we want to keep this recipe going, we need to look beyond the skillset and hire great people. In a workshop a month ago I jokingly said that we need a sign at the gate that says "Welcome to New Afton, We Wave" with instructions on how to wave at each passing motorist. I have heard complaints from people when there is someone that doesn't wave when they are passing by on any of our roads - that is a sign of good people and the kind of people I am happy to surround myself

with. As we approach midyear, we recognize the many good people we have who are hitting long-service milestones. This year we have 18 people celebrating 15 years of service, and another 16 celebrating 10. Nearly 250 of our approximately 700-person workforce has been on site for 10 years or more. In a



time when most people are changing jobs every 2 to 3 years this statistic is impressive, and the secret is our people. Congratulations to those celebrating your 10- or 15-year milestones this year and thank you to everyone that makes this recipe work.



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PERFORMANCE BY THE NUMBERS

OUTPUTS	Q1 2023	Q1 2022
Ore Processed (thousand tonnes)	733	927
Tailings Produced (thousand tonnes)	712	909
Average gold grade of ore (g/tonne)	0.78	0.38
Average copper grade of ore (%)	0.70	0.49
Copper Produced (million pounds)	10.3	8.2
Gold Produced (ounces)	16,276	9,276

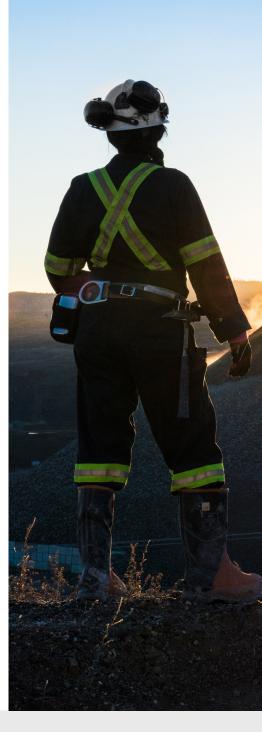
HUMAN RESOURCES

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Employee Composition (3 months ended March 31, 2023)	Q1 2023	
Total number of employees on payroll	697	
Employees from BC	643	92%
Employees from the Kamloops region	562	81%
Employees from BC, outside of Kamloops	81	12%
Employees from outside BC	54	8%
Indigenous employees	163	23%
Tk'emlúps te Secwépemc and Skeetchestn employees	39	6%
Female employees	126	18%
Male employees	571	82%
Average age	40	

SAFETY STATISTICS

Reportable injuries	Q1 2023	Q4 2022	Q3 2022
Lost-time injury	0	0	1
Medical treatment injury	1	2	2
Restricted duty injury	1	0	0



ENVIRONMENTAL SCORECARD

Incidents (3 months ended March 31)	Q1 2023	Q4 2022	Q3 2022	System
Environmental non-compliances	0	0	0	
Externally reported spills	0	3	0	Certified
Number of fines incurred	0	0	0	🐌 SAI GLOBAL
External Complaints	0	0	0	ISO 14001 Environmental

ENGAGEMENT FEEDBACK ASHCROFT CAREER FAIR

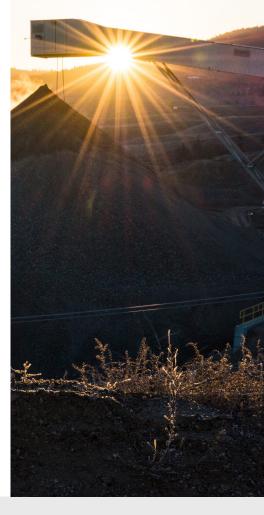
Did you know that the Community Department collects community feedback whenever we can? This information helps New Afton better understand the topics that are material to our community of interest groups so that we can ensure our communications and engagement focuses on these identified topics.

At a recent WorkBC Career Fair in Ashcroft the team asked participants which areas of New Afton's operations they are the most interested in. Community members expressed the highest level of interest in Indigenous relations and careers, followed by community involvement, safety, and the environment.

You can provide feedback on New Afton's operations anytime online using our quick poll found on New Afton's website or through the feedback hotline at 250-377-2100.



Торіс	Vote
Indigenous Relations	7
Environment	6
Safety	6
Community Involvement	6
Careers	7
Exploration	1
Surface Operations	4
Mine Operations	4
Mill Operations	1





skill to add to their toolkit.

attendees reflect on "Other's perspectives, in thinking about where people are coming from and why they do things, but not necessarily taking this offensively." It also delivered relevant tools to use in specific assertiveness-requiring situations.

Overall, attendees took much value from the presenter, the practices and tools delivered, as well as the group dynamic to the team coming together vulnerably to share and grow together. Gaining context for the common humanity we all share as well as our individual differences, how to show up as true to ourselves and our values, and how traditional gender expectations influence all our experiences, including professionally.

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." The course asked attendees to be vulnerable in sharing their personal experiences, with one attendee describing the experience as, "very intimate, uncomfortable and exhausting, yet beautifully powerful." Multiple attendees took away similar messages surrounding that, "a lot of people feel the same way you feel, and you are not alone." The exercises helped

ASSERTIVENESS TRAINING FOR WOMEN IN BUSINESS DIVERSITY, EQUITY AND INCLUSIVITY AT THE FORE OF NEW AFTON CULTURE

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 surrounding 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

MAY SSN TOUR MAINTAINING CONNECTION WITH OUR INDIGENOUS PARTNERS

In May 2023, New Afton was excited to host members of the Stk'emlupsemc te Secwepemc Nation (SSN) as they took part in an underground and surface tour. New Afton values our relationship with our Indigenous partners and enjoy opportunities when we directly engage with them to continue to grow and build our relationship.

Hosting a tour, no matter how small or how big, requires a team effort from the various departments at New Afton, thank you to everyone who contributed their time to ensure our guests felt welcome!

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ENERGY UPDATE

NEW AFTON SURPASSES ENERGY MANAGEMENT TARGETS ONCE AGAIN



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At New Afton, our vision is a site where energy and greenhouse gas (GHG) management are self-sustaining. Meaning, energy management is something done by everyone on a day-to-day basis, there is a high level of energy awareness amongst the team, and everyone is working to continually improve energy and GHG performance in everything they do. ISO 50001 is the vehicle helping us achieve this vision.

Since 2014, New Afton has been the only mine in North America to be ISO 50001 certified. In this time, we have performed many regularly scheduled internal and external audits resulting in having zero non-conformances. Consequently, over 2022 we exceeded our annual energy objective by 70%, with a total energy reduction equivalent to the average annual electricity needed to power 304 average houses in BC. This is a significant achievement, and it demonstrates our willingness to take the initiative and be an industry leader in sustainability.



Alongside New Afton's ISO 50001 certification is our AAA verification in the Towards Sustainable Mine (TSM) Protocol for energy and GHG management. Meeting these two standards is a testament to our commitment of practicing energy management at the highest level. As a result of our dedication and consistent efforts, New Afton was recently recognized at the Mining Association of Canada's TSM awards with their 2023 TSM Environmental Excellence Award. Ultimately, this award signifies New Afton's commitment to mining consciously for the future and validates our team's effort to realize the vision we have created - a site where energy and GHG management are self-sustaining.

HEAVY METAL ROCKS EDUCATIONAL EVENT

CAREER EXPLORATION FOR HIGH SCHOOL STUDENTS

On April 12-15, School District 73 Trades and Transitions School hosted their 15th annual Heavy Metal Rocks event at the Tk'emlúps te Secwépemc gravel pit. This yearly event provides opportunities for grade 11 and 12 students to explore careers as heavy equipment operators in a variety of industries, including mining. Throughout the program students receive certification in first aid, site safety, WHMIS, forklift operation, and aerial platform lift operation, followed by hands-on mentorship by professional operators.

As a long-time supporter of the event, New Afton contributed \$7,500 through the Community Investment Program to help cover equipment rental and fuel costs, as well as two experienced operators to mentor students over the three-day hands-on event. Ron Hart and Rick Fortin attended, representing New Afton, and mentored a total of 32 students on the rubber tire loader and telehandler. When asked about this event, Ron was quick to share that he enjoys being a part of this educational experience. He went on to say that the best part of being involved in Heavy Metal Rocks is seeing the students learn and explore the different career opportunities that are available to them. Ron enjoys being able to talk about the mining industry, his role at New Afton, and is even able to reference his past experience operating equipment in other

industries. While not all the students plan to pursue careers operating equipment, Ron likes that the event showcases the variety of career opportunities available in mining and says that a lot of students show interest in careers such as heavyduty mechanics and engineering.

The 2023 Heavy Metal Rocks was the largest yet, with the total number of applications from students nearly doubling the number of seats available. To learn more about Heavy Metal Rocks, please visit the SD73 Trades and Transitions website.



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POLE TO POLE PRESENTATION

EV TRAVEL PIONEERS CONNECTION TO SUSTAINABLE MINING

British adventurers, Chris and Julie Ramsey, are set on achieving what has never been achieved before – driving their electric vehicle (EV) from pole to pole. Their whopping 27,000 km journey will span three continents and 14 countries through harsh and rugged terrain. Chris and Julie are adamant that this expedition is not a race, but rather a journey of discovery focused on raising awareness of the climate crisis and the critical role electric vehicles play in reducing our collective carbon footprint. It was on this journey, and through a shared enthusiasm for pushing electric vehicles to new limits, that Chris and Julie discovered New Gold's New Afton mine.



To someone who doesn't know the scope of operations,

Chris and Julie's interest in New Afton may seem peculiar. Why would an EV enthusiast hyper-focused on climate change be interested in a gold and copper mine? For Chris and Julie, there were two strong connections to New Afton's operations that they wanted to learn more about.

First, New Afton has a unique battery-electric vehicle (BEV) program. As an industry leader New Afton currently has four pieces of BEV equipment in operation and plan to add two more to the fleet by the end of the year. With a 2023 goal of 10,000 hrs of BEV equipment utilization, New Afton aims to save 359,600L of diesel fuel consumed, resulting in an emissions reduction equivalent to taking 287 cars off the road. To learn more about our BEV program please see our 2022 Year-End Sustainability Newsletter on our New Afton website.

After arriving on site Chris was quick to point out the second reason they saw a connection with New Afton – that we were mining the very materials needed to create EVs. In 2022 alone, New Afton produced 31.1 million pounds copper. Within every new EV that is made, there is roughly double the amount of copper used compared to a traditional combustion vehicle. Additionally, we must account for not only the vehicles themselves but the charging infrastructure as well, where copper is also heavily relied on. As the global shift to EVs increases, so does the need for minerals to fuel this transition, and Chris and Julie understand that mines like New Afton have a role to play in seeing the reality of a green economy come to life. While they are on a physical journey, they have also embarked on a "voyage of discovery for themselves." In this search for knowledge, Chris and Julie feel they have a responsibility to "find out information and share it with people," dismantling myths as they go.

When reflecting on their pole to pole journey, Julie shares that they've gotten by – time and time again – thanks to the kindness of strangers. The outpouring of support from strangers who care about their cause inspires them to continue pushing boundaries and raising awareness about both climate change and the important role EVs can play. "From small bits individuals are doing to large organizations, it's important to share stories" Chris says.

To learn more about Chris and Julie's journey or to follow along, please visit their website at https://poletopoleev.com/.



HEALTH AND SAFETY AWARDS

NEW AFTON RECOGNIZED FOR SAFETY TRACK RECORD

Our Courage to Care program which launched in 2022 focuses our attention on three pillars: to Never Compromise on Safety, to Look Out for One Another and to Stop Work if it's Not Safe. In 2022, as a result of our relentless focus on health and safety and the introduction of the Courage to Care program, New Afton achieved a 61% reduction in the Total Reportable Injury Frequency Rate.

Aligned with the Courage to Care Program, our safety culture of zero harm plays an undeniable role in our results. New Afton team members take pride and ownership in each other's safety, as is evidenced by the common conversation around Brother's / Sister's Keepers – in that we all bear responsibility for getting one another home safely at the end of the day. The New Afton team does this consistently by always looking out for one another, identifying hazards, implementing controls, setting up our cross shift and focusing on everyone getting home safe today.

Our Mine Rescue team extends our culture of zero harm and Courage to Care spirit beyond our mine site boundary by providing wildfire support and equipment to our neighbors when situations requiring our help arise. This spring our emergency response group met with the Skeetchestn Emergency Program Coordinator and planned future joint training and support between our Fire and Mine Rescue team and a newly formed

Initial Fire Attack Crew with the Skeetchestn Resource Corp. Another highlight is a new mutual aid agreement with Kamloops Fire and Rescue which provides support for the next 5 years.

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 (CIM) – in Health and Safety Manager Justin Clark's words, "The proverbial Stanley Cup of safety awards." Recently we were also awarded the BC Ministry of Mines Large Underground Mines Safety Award for large operations with the lowest injury-frequency rate during the calendar year. Congrats to the entire New Afton team on this tremendous accomplishment!



ENVIRONMENT DEPARTMENT UPDATE

COMMITMENT TO SUSTAINABILITY

In the first quarter of 2023, the Environment Department arranged two biodiversity monitoring programs with involvement from partners of the mine. New Afton is continually evaluating opportunities to improve biodiversity monitoring on-site which also supports the local community.

New Afton has a history of supporting bat habitats and monitors the use of our "Bat Cave." Beginning early 2023, in partnership with Thompson River's University and master's student Samantha Gidora, a monitoring research program was initiated on the mine site. The two-year research program is aimed at identifying information about bat habitat use in Western Canada while simultaneously gaining knowledge on new innovative instruments for monitoring bat biodiversity. If successful, the



monitoring method will be implemented at New Afton as part of long-term biodiversity monitoring program. This partnership will help New Afton contribute to our biodiversity goals, inform environmental management decisions, assist in developing post-closure procedures, and aid in biodiversity monitoring.

The second biodiversity program is in collaboration with the Skeetchestn Natural Resources Department to make improvements to the previously established Bluebird monitoring program on-site. Work was completed by members from Skeetchestn to refresh existing bird boxes and install additional locations around the mine site. Over the coming months, Skeetchestn will monitor the use of the boxes and help identify species around the mine site. New Afton remains committed to implementing programs that assist with biodiversity monitoring which also provides participation opportunities for the SSN and their members.

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2023 SPRING ISSUE

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:

Korah De Walt-Gagnon Indigenous Relations & Community Superintendent Ph: +1 250 377 2810

New Afton Mine Ph: +1 250 377 2100 Email: <u>info.newafton@newgold.com</u> 4050 W Trans-Canada Highway Kamloops, British Columbia V1S 2A3

Career Opportunities

To learn about New Afton's current career opportunities please visit: www.newgold.com/careers.

Community Investment Program

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

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 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 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 other wise; (5) prices for diesel, natural gas, fuel oil, electricity and other ky 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.