U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

☐ Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934
or
☒ Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934
For the fiscal year ended December 31, 2022 Commission File Number 001-31722

New Gold Inc.

(Exact name of Registrant as specified in its charter)

British Columbia	**1000**	**Not Applicable**
(Province or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

Suite 3320 Brookfield Place, 181 Bay Street
Toronto, Ontario, Canada M5J 2T3
(416) 324-6000
(Address and telephone number of Registrant's principal executive offices)

CT Corporation System
28 Liberty Street, New York,NY 10005
(212) 894-8940
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class:	Trading Symbol(s):	Name of Each Exchange On Which Registered:
Common Shares, no par value	**NGD**	**NYSE American**

Securities registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

For annual reports, indicate by check mark the information filed with this form:

☒Annual Information Form ☒Audited Annual Financial Statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

At **December 31, 2022**, the Registrant had outstanding 682,276,959, common shares without par value.
Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days.

☒Yes ☐No

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).
☒Yes ☐No

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.
Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

DOCUMENTS INCORPORATED BY REFERENCE

The Annual Information Form ("**AIF**") of New Gold Inc. (the "**Registrant**", "**New Gold**" or the "**Company**") for the fiscal year ended December 31, 2022 is filed as Exhibit 1 to this annual report on Form 40-F.

The audited consolidated financial statements of the Company for the years ended December 31, 2022 and 2021, including the related reports of independent registered public accounting firm, are filed as Exhibit 2 to this annual report on Form 40-F.

The Company's management's discussion and analysis ("**MD&A**") for the year ended December 31, 2022 is filed as Exhibit 3 to this annual report on Form 40-F.

EXPLANATORY NOTE

The Company is a Canadian issuer eligible to file its annual report pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), on Form 40-F. The Company is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act. Accordingly, the Company's equity securities are exempt from Sections 14(a), 14(b), 14(c), 14(f) and 16 of the Exchange Act pursuant to Rule 3a12-3 under the Exchange Act.

The Company is permitted, under a multi-jurisdictional disclosure system adopted by the United States, to prepare the documents incorporated by reference in this annual report on Form 40-F in accordance with Canadian disclosure requirements, which are different from those of the United States.

Disclosure regarding our mineral properties, including with respect to mineral reserve and mineral resource estimates included in this annual report on Form 40-F and the documents incorporated by reference herein, was prepared in accordance with Canadian National Instrument 43-101 — Standards of Disclosure for Mineral Projects ("**NI 43-101**"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. NI 43-101 differs significantly from the disclosure requirements of the Commission generally applicable to U.S. companies. For example, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in NI 43-101. These definitions differ from the definitions in the disclosure requirements promulgated by the Commission.

Accordingly, information contained in this annual report on Form 40-F and the documents incorporated by reference will not be comparable to similar information made public by U.S. companies reporting pursuant to Commission disclosure requirements.

Unless otherwise indicated, all dollar amounts are reported in U.S. dollars.

FORWARD LOOKING STATEMENTS

Certain information contained in this annual report on Form 40-F, including any information relating to New Gold's future financial or operating performance are "forward looking". All statements in this annual report on Form 40-F, other than statements of historical fact, which address events, results, outcomes or developments that New Gold expects to occur are "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and applicable Canadian Securities laws. 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 annual report on Form 40-F include those under the headings "General Developments of the Business", "Description of the Business" and "Mineral Properties" and include, among others, statements with respect to: guidance and expectations for production, operating expenses per gold equivalent ounce, total cash costs per equivalent ounce, all-in sustaining costs per equivalent ounce and sustaining and growth capital expenditures on a consolidated and mine-by-mine basis, and the factors contributing to those expected results; mine life; Mineral Reserve and Mineral Resource estimates; grades expected to be mined and milled at the Company's operations; planned activities and timing for 2023 and future years at the Rainy River Mine (as defined in Exhibit 1) and New Afton Mine (as defined in Exhibit 1), including planned development and exploration activities and related expenses; intended compliance with

the framework and guidance issued by the TCFD (as defined in Exhibit 1); projected ramp-up of underground mining over the underground mine life at Rainy River with peak production from 2026 to 2028; planned average processing and throughput rates and anticipated mill feed at Rainy River and the timing associated therewith; expectations regarding the implementation of a batch processing approach to mill the underground material at Rainy River; anticipated production from the New Afton C-Zone and the timing thereof; the intended adjustment of the gravity circuit operation at New Afton in 2023 to focus on gold recovery; expectations regarding the management and mitigation of risk factors and the possible impacts on the Company; expected development activities for the New Afton C-Zone; and expected production, costs, economics, grade and other operating parameters of the Rainy River Mine and the New Afton Mine.

All forward-looking statements in this annual report on Form 40-F are based on the opinions and estimates of management as of the date such statements are made and are 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 annual report on Form 40-F, New Gold's annual and quarterly MD&A and its Technical Reports (as defined in Exhibit 1) filed on SEDAR (www.sedar.com) and EDGAR (www.sec.gov). In addition to, and subject to, such assumptions discussed in more detail elsewhere, the forward-looking statements in this annual report Form 40-F are also subject to the following assumptions: (1) there being no significant disruptions affecting New Gold's operations; (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, 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 2023 guidance and otherwise; (5) prices for diesel, natural gas, fuel oil, electricity and other key supplies being approximately consistent with current levels; (6) equipment, labour and material costs increasing on a basis consistent with New Gold's current expectations; (7) arrangements with First Nations and other Indigenous groups in respect of the Rainy River Mine and New Afton Mine being consistent with New Gold's current expectations; (8) all required permits, licenses and authorizations being obtained from the relevant governments and other relevant stakeholders within the expected timelines and the absence of material negative comments or obstacles during any applicable regulatory processes; (9) the results of the life of mine plans for the Rainy River Mine and the New Afton Mine being realized; (10) there being no material disruption to New Gold's supply chains and workforce at either the Rainy River Mine or New Afton Mine due to cases of COVID-19 or otherwise that would interfere with New Gold's anticipated course of action at its operations.

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. Such factors include, without limitation: price volatility in the spot and forward markets for metals and other commodities; discrepancies between actual and estimated production, between actual and estimated costs, between actual and estimated Mineral Reserves and Mineral Resources and between actual and estimated metallurgical recoveries; equipment malfunction, failure or unavailability; accidents; risks related to early production at the Rainy River Mine, including failure of equipment, machinery, the process circuit or other processes to perform as designed or intended; the speculative nature of mineral exploration and development, including the risks of obtaining and maintaining the validity and enforceability of the necessary licenses and permits and complying with the permitting requirements of each jurisdiction in which New Gold operates, including, but not limited to: uncertainties and unanticipated delays associated with obtaining and maintaining necessary licenses, permits and authorizations and complying with permitting requirements,; changes in project parameters as plans continue to be refined; changing costs, timelines and development schedules as it relates to construction; the Company not being able to complete its construction projects at the Rainy River Mine or the New Afton Mine on the anticipated timeline or at all; volatility in the market price of the Company's securities; changes in national and local government legislation in the countries in which New Gold does or may in the future carry on business; compliance with public company disclosure obligations; controls, regulations and political or economic developments in the countries in which New Gold does or may in the future carry on business; the Company's dependence on the Rainy River Mine and New Afton Mine; the Company not being able to complete its exploration drilling programs on the anticipated timeline or at all; inadequate water management and stewardship; disruptions to the Company's workforce at either the Rainy River Mine or the New Afton Mine, or both, due to cases of COVID-19 or otherwise); the responses of the relevant governments to any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak, not being sufficient to contain the impact of such outbreak; disruptions to the Company's supply chain and workforce due to any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak; an economic recession or downturn as a result of any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak, that materially adversely affects the

Company's operations or liquidity position; there being further shutdowns at the Rainy River Mine or New Afton Mine; significant capital requirements and the availability and management of capital resources; additional funding requirements; diminishing quantities or grades of Mineral Reserves and Mineral Resources; actual results of current exploration or reclamation activities; uncertainties inherent to mining economic studies including the Technical Reports for the Rainy River Mine and New Afton Mine; impairment; unexpected delays and costs inherent to consulting and accommodating rights of First Nations and other indigenous groups; climate change, environmental risks and hazards and the Company's response thereto; tailings dam and structure failures; ability to obtain and maintain sufficient insurance; actual results of current exploration or reclamation activities; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, the United States and, to a lesser extent, Mexico; global economic and financial conditions and any global or local natural events that may impede the economy or New Gold's ability to carry on business in the normal course; inflation; compliance with debt obligations and maintaining sufficient liquidity; taxation; fluctuation in treatment and refining charges; transportation and processing of unrefined products; rising costs or availability of labour, supplies, fuel and equipment; adequate infrastructure; relationships with communities, governments and other stakeholders; geotechnical instability and conditions; labour disputes; the uncertainties inherent in current and future legal challenges to which New Gold is or may become a party; defective title to mineral claims or property or contests over claims to mineral properties; competition; loss of, or inability to attract, key employees; use of derivative products and hedging transactions; reliance on third-party contractors; counterparty risk and the performance of third party service providers; investment risks and uncertainty relating to the value of equity investments in public companies held by the Company from time to time; the adequacy of internal and disclosure controls; conflicts of interest; the lack of certainty with respect to foreign operations and legal systems, which may not be immune from the influence of political pressure, corruption or other factors that are inconsistent with the rule of law; the successful acquisitions and integration of business arrangements and realizing the intended benefits therefrom; and information systems security threats. In addition, there are risks and hazards associated with the business of mineral exploration, development, construction, operation and mining, including environmental events and hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding or drought and gold bullion losses (and, in each case, the risk of inadequate insurance or inability to obtain insurance to cover these risks) as well as "Risk Factors" included in this annual report on Form 40-F and in New Gold's disclosure documents incorporated by reference herein. 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 of the forward-looking statements contained in this annual report on Form 40-F or in documents incorporated by reference herein 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.

DISCLOSURE CONTROLS AND PROCEDURES

The Company's President and Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2022. Based on the evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2022 the Company's disclosure controls and procedures were effective to provide assurance that the information required to be disclosed by the Company in reports it files or submits under the Exchange Act, is recorded, processed, summarized and reported on a timely basis in accordance with applicable time periods specified by the Commission rules and forms and to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management, including the President and Chief Executive Officer and the Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and Rule 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, a company's principal executive and principal financial officers and effected by the Company's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company's management, under the supervision of the President and Chief Executive Officer and the Chief Financial Officer, assessed the effectiveness of the Company's internal control over financial reporting as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act as of December 31, 2022. In making this assessment, it used the criteria set forth in the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management has concluded that, as of December 31, 2022, the Company's internal control over financial reporting is effective based on those criteria. There are no material weaknesses that have been identified by management.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2022 has been audited by Deloitte LLP, the Company's independent registered public accounting firm. As stated in their report immediately preceding the Company's audited consolidated financial statements for the years ended December 31, 2022 and 2021, filed as Exhibit 2 to this annual report on Form 40-F, Deloitte LLP expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM

The report immediately precedes the Company's audited consolidated financial statements for the years ended December 31, 2022 and 2021, which are filed as Exhibit 2 to this annual report on Form 40-F.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

During the fiscal year ended December 31, 2022, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

LIMITATIONS ON DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management, including the President and Chief Executive Officer and the Chief Financial Officer, believes that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty and breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

AUDIT COMMITTEE IDENTIFICATION AND FINANCIAL EXPERT

The Company has an Audit Committee established by its board of directors for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company, in accordance with Section 3(a)(58)(A) of the Exchange Act. The members of the Audit Committee are Marilyn Schonberner (Chair), Geoffrey Chater and Margaret Mulligan. Each of Ms. Schonberner, Mr. Chater and Ms. Mulligan is "independent" as that term is defined under the rules of the NYSE American.

The board of directors has determined that each of Marilyn Schonberner, Geoffrey Chater and Margaret Mulligan is an "Audit Committee Financial Expert" as that term is defined under Section 407 of the Sarbanes-Oxley Act of 2002 and paragraph (8) of General Instruction B of Form 40-F.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

A description of New Gold's pre-approval policies and procedures and information about fees billed to New Gold for professional services rendered by its principal accountant, Deloitte LLP (Toronto, Canada, PCAOB ID No. 1208) are included under the headings "Pre-Approval Policies and Procedures" and "Auditors and External Auditor Service Fees (by category)" on pages 68 and 69 of New Gold's AIF for the fiscal year ended December 31, 2022, filed as Exhibit 1 to this annual report on Form 40-F.

CODE OF ETHICS

In connection with a comprehensive review of the Company's corporate governance policies, on August 13, 2008, the board of directors of the Company (the "**Board**") approved the adoption of a code of business conduct and ethics (" **Code**"). The Code has been reviewed and updated annually since its adoption, with the most recent review by the Board on November 2, 2022. The Code is applicable to all directors, officers and employees of the Company, including its President and Chief Executive Officer, Chief Financial Officer and principal accounting officer. The Code was adopted to, among other things, update and clarify the duties, obligations and responsibilities that are imposed upon the persons subject to its provisions. A copy of the amended Code is filed as Exhibit 4 to this annual report on Form 40-F. Additionally, on July 8, 2008, the Board approved the adoption of a whistleblower policy ("**Whistleblower Policy**"). The Whistleblower Policy has been reviewed and ratified or updated annually since its adoption, with the most recent review by the Board on November 2, 2022. The Whistleblower Policy outlines the principles and commitments that the Company has made with respect to the treatment of complaints by its personnel. Copies of the Code and the Whistleblower Policy are available on the Company's website at www.newgold.com.

There were no waivers of the Code in the past fiscal year.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

CONTRACTUAL AND OTHER OBLIGATIONS

The information provided under the heading "Financial Risk Management – (b) Liquidity risk" on page 42 of the MD&A for the year ended December 31, 2022 filed as Exhibit 3 to this annual report on Form 40-F, is incorporated by reference herein.

NYSE AMERICAN CORPORATE GOVERNANCE

The Company's common shares are listed on the NYSE American. Section 110 of the NYSE American company guide permits NYSE American to consider the laws, customs and practices of foreign issuers in relaxing certain NYSE American listing criteria, and to grant exemptions from NYSE American listing criteria based on these considerations. A company seeking relief under these provisions is required to provide written certification from independent local counsel that the non-complying practice is not prohibited by home country law. A description of the significant ways in which the Company's governance practices differ from those followed by domestic companies pursuant to NYSE American standards is contained on the Company's website at www.newgold.com.

UNDERTAKINGS

The Company undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

The Company has filed with the Commission a written consent to service of process and power of attorney on Form F-X and amendments thereto. Any change to the name or address of the Company's agent for service shall be communicated promptly to the Commission by amendment to the Form F-X referencing the file number of the Company.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

NEW GOLD INC.

By: */s/ Robert Chausse*

Name: Robert Chausse
Title: Executive Vice President and Chief Financial Officer

Date: February 24, 2023

EXHIBIT INDEX

The following documents are being filed with the Commission as exhibits to this annual report on Form 40-F.

Exhibit	
1.	Annual Information Form for the year ended December 31, 2022
2.	Audited Consolidated Financial Statements for the years ended December 31, 2022 and 2021, including the report of independent registered public accounting firm with respect thereto
3.	Management's Discussion and Analysis for the year ended December 31, 2022
4.	New Gold's Code of Business Conduct and Ethics, as approved by the Company's Board of Directors on November 2, 2022
5.	Certification of President and Chief Executive Officer as required by Rule 13a-14(a) under the Exchange Act
6.	Certification of Chief Financial Officer as required by Rule 13a-14(a) under the Exchange Act
7.	Certification of President and Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
8.	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
9.	Consent of Deloitte LLP
10.	Consent of Michele Della Libera
11.	Consent of Gord Simms
12.	Consent of John Ritter
101.	Interactive Data File (formatted as Inline XBRL)
104.	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

Annual Information Form

For the year ended December 31, 2022

February 24, 2023

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newgold

ANNUAL INFORMATION FORM
FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2022

All information in this annual information form ("**Annual Information Form**") is as at December 31, 2022 unless otherwise indicated.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information contained in this Annual Information Form, including any information relating to New Gold's future financial or operating performance are "forward looking". All statements in this Annual Information Form, 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 Annual Information Form include those under the headings “General Developments of the Business”, “Description of the Business” and “Mineral Properties” and include, among others, statements with respect to: guidance and expectations for production, operating expenses per gold equivalent ounce, total cash costs per equivalent ounce, all-in sustaining costs per equivalent ounce and sustaining and growth capital expenditures on a consolidated and mine-by-mine basis, and the factors contributing to those expected results; mine life; Mineral Reserve and Mineral Resource estimates; grades expected to be mined and milled at the Company’s operations; planned activities and timing for 2023 and future years at the Rainy River Mine (as defined below) and New Afton Mine (as defined below), including planned development and exploration activities and related expenses; intended compliance with the framework and guidance issued by the TCFD (as defined herein); projected ramp-up of underground mining over the underground mine life at Rainy River with peak production from 2026 to 2028; planned average processing and throughput rate and anticipated mill feed at Rainy River and the timing associated therewith; expectations regarding the implementation of a batch processing approach is expected to mill the underground material at Rainy River; anticipated production from the New Afton C-Zone and the timing thereof; the intended adjustment of the gravity circuit operation at New Afton in 2023 to focus on gold recovery; expectations regarding the management and mitigation of risk factors and the possible impacts on the Company; expected development activities for the New Afton C-Zone; and expected production, costs, economics, grade and other operating parameters of the Rainy River Mine and the New Afton Mine.

All forward-looking statements in this Annual Information Form are based on the opinions and estimates of management as of the date such statements are made and are 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 Annual Information Form, New Gold’s annual and quarterly management’s discussion and analysis (“MD&A”) and its Technical Reports (as defined below) filed on SEDAR (www.sedar.com) and EDGAR (www.sec.gov). In addition to assumptions discussed in more detail elsewhere, the forward-looking statements in this Annual Information Form are also subject to the following assumptions: (1) there being no significant disruptions affecting New Gold’s operations; (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, 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 2023 guidance and otherwise; (5) prices for diesel, natural gas, fuel oil, electricity and other key supplies being approximately consistent with current levels; (6) equipment,

labour and material costs increasing on a basis consistent with New Gold’s current expectations; (7) arrangements with First Nations and other Indigenous groups in respect of the Rainy River Mine and New Afton Mine being consistent with New Gold’s current expectations; (8) all required permits, licenses and authorizations being obtained from the relevant governments and other relevant stakeholders within the expected timelines and the absence of material negative comments or obstacles during any applicable regulatory processes; (9) the results of the life of mine plans for the Rainy River Mine and the New Afton Mine described herein being realized; (10) there being no material disruption to the Company's supply chains and workforce at either the Rainy River Mine or New Afton Mine due to cases of COVID-19 or otherwise that would interfere with the Company's anticipated course of action at its operations.

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. Such factors include, without limitation: price volatility in the spot and forward markets for metals and other commodities; discrepancies between actual and estimated production, between actual and estimated costs, between actual and estimated Mineral Reserves and Mineral Resources and between actual and estimated metallurgical recoveries; equipment malfunction, failure or unavailability; accidents; risks related to early production at the Rainy River Mine, including failure of equipment, machinery, the process circuit or other processes to perform as designed or intended; the speculative nature of mineral exploration and development, including the risks of obtaining and maintaining the validity and enforceability of the necessary licenses and permits and complying with the permitting requirements of each

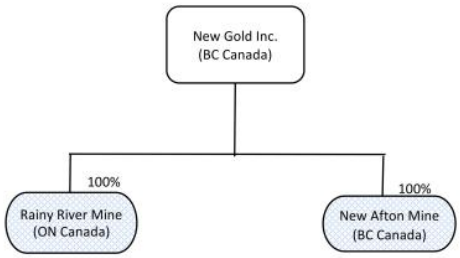
and enforceability of the necessary licenses and permits and complying with the permitting requirements of each jurisdiction in which New Gold operates, including, but not limited to: uncertainties and unanticipated delays associated with obtaining and maintaining necessary licenses, permits and authorizations and complying with permitting requirements; changes in project parameters as plans continue to be refined; changing costs, timelines and development schedules as it relates to construction; the Company not being able to complete its construction projects at the Rainy River Mine or the New Afton Mine on the anticipated timeline or at all; volatility in the market price of the Company's securities; changes in national and local government legislation in the countries in which New Gold does or may in the future carry on business; compliance with public company disclosure obligations; controls, regulations and political or economic developments in the countries in which New Gold does or may in the future carry on business; the Company's dependence on the Rainy River Mine and New Afton Mine; the Company not being able to complete its exploration drilling programs on the anticipated timeline or at all; inadequate water management and stewardship; disruptions to the Company's workforce at either the Rainy River Mine or the New Afton Mine, or both, due to cases of COVID-19 or otherwise; the responses of the relevant governments to any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak, not being sufficient to contain the impact of such outbreak; disruptions to the Company's supply chain and workforce due to any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak; an economic recession or downturn as a result of any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak, that materially adversely affects the Company's operations or liquidity position; there being further shutdowns at the Rainy River Mine or New Afton Mine; significant capital requirements and the availability and management of capital resources; additional funding requirements; diminishing quantities or grades of Mineral Reserves and Mineral Resources; actual results of current exploration or reclamation activities; uncertainties inherent to mining economic studies including the Technical Reports for the Rainy River Mine and New Afton Mine; impairment; unexpected delays and costs inherent to consulting and accommodating rights of First Nations and other Indigenous groups; climate change, environmental risks and hazards and the Company's response thereto; tailings dam and structure failures; ability to obtain and maintain sufficient insurance; actual results of current exploration or reclamation activities; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, the United States and, to a lesser extent, Mexico; global economic and financial conditions and any global or local natural events that may impede the economy or New Gold's ability to carry on business in the normal course; inflation; compliance with debt obligations and maintaining sufficient liquidity; taxation;

CORPORATE STRUCTURE

The Company was incorporated on January 31, 1980 as DRC Resources Corporation under the Company Act (British Columbia) and was transitioned on May 10, 2005 under the Business Corporations Act (British Columbia). On May 4, 2005, the shareholders of the Company passed a special resolution to remove the pre-existing company provisions and adopt new articles. On June 1, 2005, the Company changed its name to New Gold Inc. Effective January 1, 2012, New Gold amalgamated with its wholly owned subsidiaries Silver Quest Resources Ltd., Geo Minerals Ltd. and Richfield Ventures Corp. Effective October 1, 2014, New Gold amalgamated with its wholly owned subsidiaries Rainy River Resources Ltd. ("**RRRL**") and 0608457 B.C. Ltd. On January 1, 2016, New Gold amalgamated with its wholly owned subsidiaries Peak Gold Ltd. and New Gold Bayfield Corp. Following each such amalgamation, the amalgamated company continued as New Gold Inc.

The registered office of the Company is Suite 1600, 925 West Georgia Street, Vancouver, British Columbia, Canada, V6C 3L2 and its head office is at Suite 3320, 181 Bay Street, Toronto, Ontario, Canada, M5J 2T3.

As at the date of this Annual Information Form, the Company does not have any material subsidiaries. The Rainy River Mine and New Afton Mine are held by New Gold Inc.



In this Annual Information Form, except as otherwise required by the context, reference to "**New Gold**" or the "**Company**" means, collectively, New Gold Inc. and its subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

New Gold is a Canadian-focused intermediate gold mining company engaged in the exploration, development and operation of mineral properties. New Gold currently has the following mines which are described in greater detail in the "Mineral Properties" section of this Annual Information Form:

- 100% interest in the Rainy River gold mine in Ontario, Canada ("**Rainy River Mine**")
- 100% interest in the New Afton copper-gold mine British Columbia, Canada ("**New Afton Mine**")

The Company also holds a 100% interest in the Cerro San Pedro gold-silver mine in San Luis Potosí, Mexico ("**Cerro San Pedro Mine**"), which transitioned to reclamation in December 2018. New Gold has been engaged in the acquisition, exploration and development of natural resource properties since 1980. The Company's current structure arose through two accretive business combinations in mid-2008 and mid-2009. New Gold is continually working to maximize shareholder value through diversified production, maintaining an attractive risk profile and enhancing growth potential in a safe and an environmentally and socially responsible manner.

Rainy River Mine

On February 13, 2020, the Company announced completion of a new life of mine plan for the Rainy River Mine. Taking into account cost and productivity information obtained since the start of commercial production, the new open pit mine plan is based on a smaller pit, giving a significant reduction in total waste mined and a strip ratio (including overburden) of 2.53:1. For underground mining, individual zones were re-evaluated and only those making a positive economic contribution were included in the mine plan. On March 31, 2022, the Company announced the filing of a new technical report for the Rainy River Mine, providing an update on the open pit and expanded underground mine plans. As per the updated technical report, the life of mine has extended to 2031 with the conversion of the additional 569,000 gold ounces in the underground main zones. See "Rainy River Mine, Canada – Mining Operations" on page 25 and "Technical Reports" on page 70.

New Afton Mine

In January 2019, the Company announced it would launch an internally funded development program for the C-Zone at the New Afton Mine. On February 13, 2020, the Company announced completion of a new life of mine plan for the New Afton Mine that, among other things, provided further definition of the C-Zone, integrating the B3 and C-Zone into the mine plan and extending mine life to 2030. Geotechnical studies were conducted with the objective of enhancing the mine plan and subsidence control. The plan includes 'thickened and amended tailings' ("**TAT**") to increase tailings stability. See "New Afton Mine, Canada – Mining Operations" on page 25 and "Technical Reports" on page 70.

On February 24, 2020, the Company entered into a strategic partnership through a purchase agreement (the "**New Afton PA**") with 2742150 Ontario Limited, an affiliate of the Ontario Teachers' Pension Plan ("**Ontario Teachers'**"). Under the terms of the New Afton PA, Ontario Teachers' acquired a 46.0% free cash flow interest in the New Afton Mine with an option (the "**JV Interest Option**") to convert the interest into a 46.0% joint venture interest in four years from the closing of the transaction, or have their interest remain as a free cash flow interest at a reduced rate of 42.5% (the "**New Afton Transaction**"). New Gold received upfront cash proceeds of $300 million upon closing of the New Afton Transaction. The JV Interest Option will be exercisable during a 60-day period immediately after the fourth anniversary of the effective date of the transaction. In addition, the New Afton PA gives the Company an overriding buyback option to re-acquire 100% of the New Afton Mine during the JV Interest Option exercise period whether or not Ontario Teachers exercises the JV Interest Option. The New Afton Transaction agreements set out certain governance rights and protections for Ontario Teachers' in relation to the operation of New Afton, including establishment of an advisory committee to assist with operation and budgetary decisions. However, the Company retains operating control over New Afton while Ontario Teachers holds the free cash flow interest, including during development of the C-Zone as the mine transitions to expand its operating mine life. The New Afton Transaction closed on March 31, 2020.

Blackwater Project

On June 9, 2020, the Company announced the divestment of the Blackwater Project to Artemis Gold Inc. ("**Artemis Gold**") for total cash consideration of C$190 million (comprised of an initial cash payment of C$140 million and C$50 million in cash payable one year after closing), 7,407,407 Artemis Gold common shares (valued at C$34.4 million the closing date) (the "**Artemis Gold Shares**") and a gold stream on 8% of gold produced from the Blackwater Project, reducing to 4% of gold production once approximately 280,000 ounces of gold have been delivered to New Gold (the "**Gold Stream**"). The transaction closed on August 21, 2020. On December 13, 2021, the Company announced the sale of the Gold Stream to Wheaton Precious Metals Corp. for $300 million, a transaction which closed on December 22, 2021. On January 16, 2023, New Gold sold the Artemis Gold Shares that it acquired in connection with the divestment of the Blackwater Project for C$31.5 million.

DEVELOPMENTS – FINANCIAL

Credit Facility

The Company has a $400 million revolving secured credit facility with a syndicate of banks led by The Bank of Nova Scotia and RBC Capital Markets, which matures December 22, 2025 (the "**Credit Facility**"). The Credit Facility was originally entered into in August 2014 and was most recently amended and restated on December 22, 2021.

Senior Notes

On July 24, 2020, New Gold announced that it had closed an offering of $400 million aggregate principal amount of 7.50% Senior Notes due 2027. The Company used the net proceeds from the offering, together with cash on hand, to fund the

redemption of all of its then outstanding $400 million 6.25% Senior Notes due 2022 on July 10, 2020. The Company repurchased for cancellation $100 million of the 6.25% Senior Notes due in 2022 in September and October 2019.

On December 24, 2020, the Company completed the partial redemption of $200 million aggregate principal amount of its outstanding 6.375% Senior Notes due 2025. On May 15, 2022, the Company completed the redemption of its outstanding $100 million aggregate principal amount of its 6.375% Senior Notes due 2025.

Gold and Copper Hedging

In May 2019, New Gold purchased put options with a strike price of $1,300 per ounce covering 72,000 ounces of gold and simultaneously sold call options with a strike price of $1,355 per ounce covering 72,000 ounces of gold. These contracts covered 12,000 ounces of gold per month between January 2020 and June 2020.

In June 2019, New Gold purchased put options with a strike price of $1,300 per ounce covering 96,000 ounces of gold and simultaneously sold call options with a strike price of $1,415 per ounce covering 96,000 ounces of gold. These contracts covered 16,000 ounces of gold per month between July 2020 and December 2020.

In January 2021, the Company purchased copper put options with a floor of $3.10 per pound, covering 1,700 tonnes per month (approximately 65% of anticipated production), over the period from April 2021 to September 2021, while maintaining full exposure to higher copper prices.

Equity Offerings

On August 8, 2019, New Gold announced that it had entered into an agreement with a syndicate of underwriters pursuant to which they agreed to purchase, on a bought deal basis, 93,750,000 of the Company's common shares ("**Common Shares**") at a price of $1.60 per share (the "**Offering**"), for net proceeds to New Gold of approximately $107 million (gross proceeds of C$150 million less equity issuance costs). The Offering closed on August 30, 2019.

DESCRIPTION OF THE BUSINESS

The Company's principal operating assets consist of the Rainy River Mine and New Afton Mine, both of which are in Canada. For purposes of NI 43-101, the Company considers the Rainy River Mine and the New Afton Mine to be its material properties.

New Gold is continually working to maximize shareholder value through diversified production, maintaining an attractive risk profile and enhancing growth potential in a safe and an environmentally and socially responsible manner.

Refer to the Company's MD&A for the year ended December 31, 2022, available under the Company's profile on SEDAR (www.sedar.com) and EDGAR (www.sec.gov), for a detailed description of the Company's business, including each of its operating segments.

PRINCIPAL PRODUCTS

The Company's principal products are gold and copper, which generally require refining or smelting to become marketable metal. For the year ended December 31, 2022 and 2021, revenue from gold sales was approximately $482 million and $493 million, respectively, and revenue from copper sales was approximately $112 million and $233 million, respectively. With respect to the Rainy River Mine, the Company uses the services of refiners to refine gold doré. The refined gold is sold to bullion banks or gold trading counterparties at market prices. The New Afton Mine produces copper concentrate, which is sold to various smelters or concentrate marketing firms. The Company has also entered into financial instruments, such as option or swap contracts, for the purpose of hedging gold and copper prices – see "Developments – Financial" on page 11. There are worldwide gold and copper markets into which the Company can sell and, as a result, the Company is not dependent on a particular purchaser with regard to the sale of the gold and copper that it produces. Further, due to the availability of alternative refineries, smelters and concentrate marketing firms, the Company is not dependent on the services on any one refiner, smelter or concentrate marketing firm.

SPECIALIZED SKILLS AND KNOWLEDGE

SPECIALIZED SKILLS AND KNOWLEDGE

All aspects of New Gold's business require specialized skills and knowledge. Such required areas of specialized skills and knowledge include geology, drilling, Mineral Resource estimation, mine planning and Mineral Reserve estimation, metallurgy, engineering, construction, technology, maintenance skills, capital management, community and public relations, regulatory compliance, legal and accounting, all of which are available to New Gold.

COMPETITIVE CONDITIONS

The precious and base mineral exploration and mining business is competitive. The Company competes with numerous other companies and individuals in the search for and the acquisition of attractive mineral properties. The ability of the Company to acquire mineral properties in the future will depend on its ability to develop its present properties, and on its ability to select and acquire suitable producing properties or prospects for development or mineral exploration.

OPERATIONS

Mineral Reserves and Mineral Resources

The Company has the following Mineral Reserves and Mineral Resources: gold and silver at the Rainy River Mine; and gold, copper and silver at the New Afton Mine. See "Summary of Mineral Reserves and Mineral Resources" on page 15.

Foreign Operations

The Company currently owns 100% of the Cerro San Pedro Mine in Mexico, which completed active mining in June 2016 and transitioned to reclamation in December 2018. Operations may be affected in varying degrees by factors such as government regulations (or changes to such regulations or the application of regulations) with respect to environmental legislation, land use, water use and land claims of local people. The impact of these factors cannot be accurately predicted. See "Risk Factors – Foreign Operations" on page 57.

Employees

As at December 31, 2022, the Company had the following employees:

Location	Employees
Corporate Office	42
Rainy River Mine	813
New Afton Mine	675
Cerro San Pedro Mine[1]	48
Total	1,578

[1] *As at December 31, 2022, 13 employees at the Cerro San Pedro Mine belonged to a union.*

Environmental Protection and Sustainability Practices

New Gold is committed to excellence in sustainability. The Company considers its ability to make a lasting and positive contribution toward sustainable development a key driver to achieving a productive and profitable business. New Gold has four sustainability focus areas: Indigenous Peoples, Tailings Management, Water Management and Climate Action. New Gold has adapted its sustainability efforts to align with the most pressing environmental, social and governance issues facing the Company and the mining industry. New Gold's policies and practices are guided by the principles of the United Nations Global Compact with reference to human rights, labour, environmental stewardship and anti-corruption. As a member of the Mining Association of Canada ("**MAC**"), New Gold's operations adopt the MAC's Towards Sustainable Mining protocols which form part of the New Gold Environmental Management Standards and Community Engagement and Development Management Standards. In addition to adhering to MAC's Towards Sustainable Mining protocols, the Company also adheres to those of the Canadian Dam Association, effectively bringing the Company in line in large part with the Global Industry Standard on Tailings Management. The Company's Independent Tailings Review Board ("**ITRB**"), which is comprised of four independent experts, provides input with respect to tailings management at New Gold's operations and projects in Canada. The ITRB meets twice per year to review information about tailings management practices at each site. New Gold's sustainability objectives include promoting and protecting the health and welfare of its employees through safety-first work practices, upholding fair employment practices and encouraging a diverse workforce, where people are treated with respect and supported to realize their full potential. New Gold believes that people are its most valuable assets and strives to create a culture of diversity and inclusiveness that begins at the top and is reflected in its hiring, promotion and overall human resources practices. New Gold encourages tolerance and respect in worker-to-worker relationships. The Company strives to be an employer of choice through the provision of competitive wages and benefits, the implementation of policies that recognize and reward employee performance, and promotion from within wherever possible.

The Company is committed to preserving the long-term health and viability of the natural environments that host its operations. Wherever New Gold operates – in all stages of mining activity, from early exploration and planning, to commercial mining operations through to eventual closure – the Company is committed to excellence in environmental management. Prior to commencing significant construction activities, New Gold carries out comprehensive environmental studies to establish baseline measurements for flora, fauna, earth, air and water. During operations, it promotes the efficient use of raw materials and resources, works to minimize environmental impacts and maintains robust monitoring programs. After mining activities are complete, New Gold's objective is to restore the land to a level of productivity equivalent to its pre-mining capacity or to an alternative land use determined through consultation with regulatory authorities and local communities.

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As part of following through on its commitment to preserve the long-term health and viability of the natural environment, the Company is taking steps to follow the framework developed by the Task Force on Climate-Related Financial Disclosure

the Company is taking steps to follow the framework developed by the Task Force on Climate-Related Financial Disclosure ("**TCFD**") as well as the proposed version of National Instrument 51-107 – *Disclosure of Climate-related Matters* published by the CSA premised on the framework. The Company released its inaugural TCFD report in 2022 and intends to fully comply with the framework and guidance issued by the TCFD by 2025. The Company has also set and publicly disclosed a corporate target of 30% reduction in greenhouse gas emissions by 2030 using 2020 as a baseline (the "**2030 Target**"). In following the TCFD's guidance on governance recommendation, in 2022, the Company created and implemented a Company-wide Climate Committee. The Climate Committee meets on a quarterly basis to review climate risks, review reduction opportunities and discuss the progress on the 2030 Target.

New Gold is committed to establishing relationships with host communities based on mutual benefit and active engagement with these communities to contribute to their sustainability. Wherever the Company's operations interact with Indigenous peoples, New Gold promotes understanding of, and respect for, traditional values, customs and culture and takes meaningful action to consider the interests of Indigenous peoples. New Gold aims to foster open communication with local residents and community leaders so that issues can be resolved collaboratively. The Company believes that by thoroughly understanding the people, their histories, and their needs and aspirations, it can engage in a meaningful and sustainable development process.

The Company's mining, exploration and development activities are subject to various federal, provincial, state, county and municipal laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties. In all jurisdictions where New Gold operates, specific statutory and regulatory requirements and standards must be met throughout the exploration, development and operations stages of a mining property with regard to air quality, water quality, fisheries and wildlife protection, solid and hazardous waste management and disposal, noise, land use and reclamation.

Management estimates the reclamation and closure cost obligations for all of its properties is $121.2 million as at December 31, 2022. Details and quantification of New Gold's reclamation and closure costs obligations are set out in Note 14 of the Company's audited consolidated financial statements for the year ended December 31, 2022. As at December 31, 2022, the Company had posted surety bonds totaling $134.2 million and letters of credit totally $27.5 million, representing security in the aggregate amount of $161.7 million to address these liabilities.

TECHNICAL INFORMATION

CIM Standards Definitions

New Gold's estimates of Mineral Reserves and Mineral Resources have been calculated in accordance with the 2014 Canadian Institute of Mining, Metallurgy and Petroleum Standards for Mineral Resources and Mineral Reserves, Definitions and Guidelines, May 2014 (the "**CIM Standards**").

Technical Terms and Abbreviations

Unless otherwise defined, technical terms used in this Annual Information Form are set out in Schedule B and abbreviation terms used are defined in Schedule C.

SUMMARY OF MINERAL RESERVES AND MINERAL RESOURCES

A summary of New Gold's Mineral Reserve and Mineral Resource estimates as at December 31, 2022 are presented in the following table.

Mineral Reserves and Mineral Resources Summary[1]	As at December 31, 2022[2]			As at December 31, 2021		
	Gold koz	Silver koz	Copper Mlbs	Gold koz	Silver koz	Copper Mlbs
Proven and Probable Mineral Reserves						
Rainy River	**2,493**	**6,176**	—	**2,799**	**7,022**	—
Open Pit	1,081	2,212	—	1,230	2,170	—
Underground	1,228	2,966	—	1,241	3,084	—

Underground						
Low grade and stockpile	185	999	—	328	1,768	—
New Afton	**804**	**1,999**	**607**	**883**	**2,327**	**675**
Total Proven and Probable Mineral Reserves[3]	**3,297**	**8,176**	**607**	**3,682**	**9,349**	**675**
Measured and Indicated Mineral Resources (exclusive of Mineral Reserves)[1]						
Rainy River	**1,501**	**3,627**	**—**	**1,543**	**3,894**	**—**
Open Pit	127	161	—	195	472	—
Underground	1,374	3,466	—	1,348	3,422	—
New Afton	**1,222**	**4,495**	**1,035**	**1,174**	**4,187**	**1,006**
Total Measured and Indicated Mineral Resources[3]	**2,722**	**8,122**	**1,035**	**2,717**	**8,081**	**1,006**
Total Inferred Mineral Resources[3]	**375**	**782**	**135**	**387**	**831**	**137**

1. *Refer to the detailed Mineral Reserve and Mineral Resource tables as at December 31, 2022 that follow in this Annual Information Form.*
2. *The Mineral Reserves and Mineral Resources stated above are as at December 31, 2022 and do not reflect any events subsequent to that date.*
3. *Numbers may not add due to rounding.*

Consolidated Mineral Reserves decreased by approximately 385,000 gold ounces compared to the prior year. At Rainy River, total Mineral Reserves decreased by approximately 306,000 gold ounces over the prior year due to approximately 252,000 gold ounces of annual mine production, approximately 48,000 gold ounces related to a resource mineability adjustment, and approximately 6,000 gold ounces related to a slope design update. At New Afton, Mineral Reserves decreased by approximately 79,000 gold ounces over the prior year due to approximately 44,000 gold ounces of annual mine depletion and approximately 45,000 gold ounces from the Sub Level Cave and East Cave Recovery Level converted to Mineral Resources, partially offset by an increase of approximately 10,000 gold ounces from mine plan optimization.

Consolidated Measured and Indicated Mineral Resources increased by approximately 5,000 gold ounces, with Rainy River decreasing by approximately 42,000 gold ounces due to an updated open pit design, offset by an increase of approximately 47,000 gold ounces at New Afton from the Sub Level Cave and East Cave Recovery Level converted to Mineral Resources and additional exploration drilling. Consolidated Inferred Mineral Resources decreased by approximately 12,000 gold ounces to 375,000 gold ounces.

Mineral Reserves

New Gold's Mineral Reserve estimates as at December 31, 2022 are presented in the following table.

	Metal grade				Contained metal		
	Tonnes 000s	Gold g/t	Silver g/t	Copper %	Gold Koz	Silver Koz	Copper Mlbs
RAINY RIVER							
Direct processing reserves							
Open Pit							
Proven	6,579	1.25	2.1	-	264	444	-
Probable	18,066	1.22	2.1	-	707	1,192	-
Open Pit P&P (direct proc.)	24,645	1.23	2.1	-	972	1,636	-
Stockpile DPO							
Proven	1,221	0.71	2.5	-	28	100	-
Probable	-	-	-	-	-	-	-
Total Stockpile	1,221	0.71	2.5	-	28	100	-
Low grade reserves							
Open Pit							
Proven	1,973	0.36	1.8	-	23	113	-

Probable	7,550	0.36	1.9	-	86	462	-
Open Pit P&P (low grade)	9,523	0.36	1.9	-	109	575	-
Stockpile							
Proven	12,475	0.39	2.2	-	157	899	-
Probable	-	-	-	-	-	-	-
Open Pit P&P (stockpile)	12,475	0.39	2.2	-	157	899	-
Open Pit P&P (Direct proc. & Low grade)	47,863	0.82	2.1	-	1,265	3,210	-
Underground							
Proven	-	-	-	-	-	-	-
Probable	12,499	3.06	7.4	-	1,228	2,966	-
Underground P&P (direct proc.)	12,499	3.06	7.4	-	1,228	2,966	-
Combined Direct proc. & Low grade							
Proven	22,247	0.66	2.2	-	472	1,556	-
Probable	38,115	1.65	3.8	-	2,022	4,620	-
Total Rainy River P&P	**60,362**	**1.28**	**3.2**	**-**	**2,493**	**6,176**	**-**
NEW AFTON							
B3 Zone							
Proven	-	-	-	-	-	-	-
Probable	7,236	0.65	1.4	0.76	151	333	121
C-Zone							
Proven	-	-	-	-	-	-	-
Probable	29,756	0.68	1.7	0.74	653	1,666	486
Total New Afton P&P	**36,992**	**0.68**	**1.7**	**0.74**	**804**	**1,999**	**607**
TOTAL PROVEN & PROBABLE RESERVES					**3,297**	**8,176**	**607**

Measured and Indicated Mineral Resources (Exclusive of Mineral Reserves)

Mineral Resource estimates as at December 31, 2022 (exclusive of Mineral Reserves) are presented in the following tables:

	Metal grade				Contained metal		
	Tonnes 000s	Gold g/t	Silver g/t	Copper %	Gold Koz	Silver Koz	Copper Mlbs
RAINY RIVER							
Direct processing resources							
Open Pit							
Measured	344	1.85	2.1	-	20	23	-
Indicated	1,699	1.82	2.0	-	99	111	-
Open Pit M&I (direct proc.)	2,043	1.82	2.0	-	120	134	-
Underground							
Measured	-	-	-	-	-	-	-
Indicated	14,213	3.01	7.6	-	1,374	3,466	-
Underground M&I (direct proc.)	14,213	3.01	7.6	-	1,374	3,466	-
Low grade resources							
Open Pit							
Measured	105	0.35	1.1	-	1	4	-
Indicated	570	0.35	1.3	-	6	23	-
Open Pit M&I (low grade)	675	0.35	1.3	-	8	27	-
Combined M&I							
Measured	449	1.50	1.9	-	22	27	-
Indicated	16,482	2.79	6.8	-	1,479	3,600	-
Total Rainy River M&I	**16,931**	**2.76**	**6.7**	**-**	**1,501**	**3,627**	**-**
NEW AFTON							
A&B Zones							
Measured	23,173	0.50	1.7	0.66	374	1,290	339
Indicated	11,869	0.40	2.1	0.64	151	794	168
A&B Zone M&I	35,042	0.47	1.8	0.66	525	2,084	507
C-Zone							
Measured	3,791	0.92	2.3	1.16	112	281	97
Indicated	1,705	1.68	4.2	2.11	92	232	79
C-Zone M&I	5,496	1.16	2.9	1.45	204	513	176
HW Lens							
Measured	-	-	-	-	-	-	-
Indicated	11,563	0.50	2.0	0.43	187	740	111
HW Lens M&I	11,563	0.50	2.0	0.43	187	740	111
D Zone							
Measured	1,468	0.80	1.9	0.82	38	91	26
Indicated	5,886	0.70	1.9	0.79	132	363	102
D Zone M&I	7,353	0.72	1.9	0.79	169	454	129
Eastern Extension							
Measured	3,214	0.81	4.9	1.07	84	509	75
Indicated	3,860	0.42	1.5	0.44	52	186	37
Eastern Extension M&I	7,074	0.60	3.1	0.72	136	696	113
Combined M&I							
Measured	31,645	0.60	2.1	0.77	608	2,173	538
Indicated	34,883	0.55	2.1	0.65	614	2,322	497
Total New Afton M&I	**66,528**	**0.57**	**2.1**	**0.71**	**1,222**	**4,495**	**1,035**
TOTAL M&I RESOURCES					**2,722**	**8,122**	**1,035**

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Inferred Mineral Resources

		Metal grade			Contained metal		
	Tonnes 000s	Gold g/t	Silver g/t	Copper %	Gold Koz	Silver Koz	Copper Mlbs
RAINY RIVER							
Direct processing							
Open Pit	175	1.16	3.3	-	7	19	-
Underground	1,584	3.29	2.6	-	168	133	-
Total Direct Processing	1,759	3.08	2.7	-	174	152	-
Low grade resources							
Open Pit	160	0.35	1.7	-	2	9	-
Rainy River Inferred	**1,919**	**2.85**	**2.6**	**-**	**176**	**161**	-
NEW AFTON							
A&B Zones	6,184	0.39	1.4	0.34	78	270	47
C-Zone	1,783	0.50	0.8	0.19	29	44	8
HW Lens	232	0.42	1.5	0.69	3	11	4
D Zone	4,696	0.32	1.3	0.51	48	196	53
Eastern Extension	3,158	0.40	1.0	0.35	41	100	24
New Afton Inferred	**16,053**	**0.38**	**1.2**	**0.38**	**198**	**621**	**135**
TOTAL INFERRED					**375**	**782**	**135**

Notes to Mineral Reserve and Resource Estimates

1. New Gold's Mineral Reserves and Mineral Resources have been estimated in accordance with the CIM Standards, which are incorporated by reference in NI 43-101.
2. All Mineral Reserve and Mineral Resource estimates for New Gold's properties and projects are effective December 31, 2022 and do not reflect any events subsequent to that date.
3. New Gold's year-end 2022 Mineral Reserves and Mineral Resources have been estimated based on the following metal prices and foreign exchange ("**FX**") rate criteria:

	Gold	Silver	Copper	FX
Mineral Reserves	$1,400	$19.00	$3.25	$1.25
Mineral Resources	$1,500	$21.00	$3.50	$1.25

4. Lower cut-offs for the Company's Mineral Reserves and Mineral Resources are outlined in the following table:

Mineral Property		Mineral Reserves	Mineral Resources
Rainy River	O/P direct processing:	0.46 – 0.49 g/t AuEq	0.44 – 0.45 g/t AuEq
	O/P low grade material:	0.30 g/t AuEq	0.30 g/t AuEq
	U/G direct processing:	Intrepid Zone: 1.93 g/t AuEq	1.70 g/t AuEq
	U/G with LGO Stockpile processing:	ODM Main Zones: 1.74 g/t AuEq	1.70 g/t AuEq
New Afton	A&B Zones:	USD$ 10.00/t	All Resources: 0.40% CuEq
	B3 Block & C-Zone:	USD$ 24.00/t	

5. New Gold reports its Measured and Indicated Mineral Resources exclusive of Mineral Reserves. Measured and Indicated Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Inferred Mineral Resources have a greater amount of uncertainty as to their existence and technical feasibility, do not have demonstrated economic viability, and are likewise exclusive of Mineral Reserves. Numbers may not add due to rounding.

6. Mineral Resources are classified as measured, indicated and inferred based on relative levels of confidence in their estimation and on technical and economic parameters consistent with the methods considered to be most

suitable to their potential commercial extraction. The designators 'open pit' and 'underground' may be used to indicate the envisioned mining method for different portions of a resource. Similarly, the designators 'direct processing' and 'lower grade material' may be applied to differentiate material envisioned to be mined and processed directly from material to be mined and stored separately for future processing. Mineral Reserves and Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing and other risks and relevant issues. Additional details regarding Mineral Reserve and Mineral Resource estimation, classification, reporting parameters, key assumptions and associated risks for each of New Gold's material properties are provided in the respective NI 43-101 Technical Reports, which are available on SEDAR (www.sedar.com) and EDGAR (www.sec.gov).

7. Rainy River Mine: In addition to the criteria described above, Mineral Reserves and Mineral Resources for the Rainy River Mine are reported according to the following criteria: Underground Mineral Reserves are reported peripheral to and/or below the open pit Mineral Reserve pit shell, which has been designed and optimized based on a $1,400/oz gold price. Open pit and underground Mineral Resources are reported based on a $1,500/oz gold price. Open pit Mineral Resources are reported from within an open pit resource shell that extends to a depth of approximately 340 meters from surface. Open pit Mineral Resources exclude material reported as underground Mineral Reserves. New Afton Mine: C-Zone resources reported at December 31, 2022 have been further subdivided under C-Zone, D-Zone and Eastern Extension based upon geological model refinement and location within the New Afton deposit.

8. The preparation of New Gold's consolidated statement and estimation of Mineral Reserves as it relates to the New Afton Mine and Rainy River Mine has been completed under the oversight and review of Mr. John Ritter, General Manager for the New Afton Mine and Mr. Gord Simms, General Manager for the Rainy River Mine, respectively. Both Mr. John Ritter and Mr. Gord Simms are Professional Engineers and members of the Engineers and Geoscientist of British Columbia. Preparation of New Gold's consolidated statement and estimation of Mineral Resources has been completed under the oversight and review of Mr. Michele Della Libera, Director, Exploration for the Company. Mr. Della Libera is a Professional Geoscientist and member of the Association of Professional Geoscientist of Ontario and of the Engineers and Geoscientist of British Columbia. Mr. Ritter, Mr. Simms and Mr. Della Libera are each "Qualified Persons" as defined by NI 43-101.

MINERAL PROPERTIES

RAINY RIVER MINE, CANADA

Project Description, Location, Access and Other Information

The Rainy River Mine is located in the southern half of Richardson Township, approximately 50 kilometres northwest of Fort Frances in northwestern Ontario, Canada. Regional population centres Kenora and Thunder Bay lie 162 kilometres to the north and 418 kilometres to the east, respectively. Access to the mine area is via secondary all-weather roads branching off Trans-Canada Highway 11/71. An east-west rail line is located 21 kilometres to the south, populated by a number of small towns and villages. Temperature extremes generally range from 35 degrees Celsius to minus 40 degrees Celsius. Annual precipitation averages approximately 60 centimetres rainfall and 150 centimetres snowfall. Mining activities are conducted year-round.

Terrain in the vicinity of the Rainy River Mine is dominated by a distinct northwest to southeast divide known as the Rainy Lake-Lake of the Woods Moraine. Topography is relatively gentle, with relief ranging from zero southwest of the divide to up to 90 metres northeast of the divide. In areas of low relief, bedrock typically is overlain by glacial till, thick silts and clays and, in poorly drained areas, by thick peat.

The Rainy River Mine occupies approximately 6,140 hectares, comprising 100 patented mining rights and surface rights claims (including 9 leasehold interest mining rights and/or surface rights claims). In addition, the Company has a land package of approximately 30,584 hectares surrounding the mine site, including patented mining rights and/or, surface rights and unpatented claims. All unpatented claims are in good standing and assessment work credits are sufficient to maintain that standing for several years.

All mineral tenures are held in the name of New Gold. A portion of the Rainy River Mine land package is covered by either a 2% NSR royalty or a 10% net profits interest royalty. In addition, New Gold has agreed to financial participation in the Rainy River Mine in the form of royalties in favour of certain First Nations.

In July 2015, New Gold entered into a $175 million streaming agreement with Royal Gold A.G. a wholly owned subsidiary of Royal Gold Inc. ("**Royal Gold**") in which Royal Gold agreed to provide New Gold with an upfront deposit of $175 million, which was used for the development of the Rainy River Mine, in return for: (i) 6.5% of the Rainy River Mine's gold production up to a total of 230,000 ounces of gold, and 3.25% of the Rainy River Mine's gold production thereafter; and (ii) 60% of the Rainy River Mine's silver production up to a total of 3.1 million ounces of silver, and 30% of the Rainy River Mine's silver production thereafter. In addition to the upfront deposit, Royal Gold will pay 25% of the average spot gold or silver price at the time each ounce of gold or silver is delivered under the stream.

History

Exploration in the general area of the Rainy River Mine began in 1967. Various companies and government organizations were active on and around the property area from 1967 to 1989. Nuinsco Resources Limited ("**Nuinsco**") acquired the property and initiated its exploration of the area in 1990. During the period 1993 through 2004, Nuinsco engaged in geologic mapping, geochemical grid sampling, magnetic and IP geophysical surveys and Landsat remote sensing studies. Additionally, Nuinsco completed 597 reverse circulation holes and 217 diamond drill holes (49,515 metres) during the period. The program resulted in the discovery of three significant zones of gold mineralization (the 17, 34 and 433 Zones). Nuinsco drilled a final eight diamond drill holes (1,549 metres) in 2004 to test the depth continuity of the 34 Zone.

RRRL acquired a 100% interest in the Rainy River Mine from Nuinsco in June 2005. RRRL re-logged portions of historical core, established a GIS database, conducted petrographical studies, and carried out airborne and ground-based geophysical surveys. During the period 2005 through 2007, RRRL drilled more than 100 reverse circulation holes and 209 diamond drill holes (95,340 metres). Additional diamond drilling by RRRL from 2008 through February 2011 totaled 449 diamond drill holes (239,329 metres) and 375 diamond drill holes (181,682 metres) drilled from March to December 2011. RRRL published a Feasibility Study for the Rainy River Mine in May 2013 based on 1,435 diamond drill holes (662,849 metres) representing drill results through June 10, 2012.

RRRL drilled an additional 225 diamond drill holes (77,969 metres) between August 2012 and June 2013, focusing on the Intrepid Zone situated one kilometre east of the proposed open pit. By June 2013, a number of significant gold mineralized zones had been defined over a 3.5-kilometre strike length. New Gold acquired the Rainy River Mine through its purchase of RRRL in 2013. New Gold completed an updated Feasibility Study in January 2014 incorporating the previous exploration results. In 2015, New Gold acquired Bayfield Ventures Ltd. ("**Bayfield**"), which held a 100% interest in six patented mining rights claims and six unpatented claims totaling approximately 11 square kilometres adjacent to the Rainy River Mine.

Geological Setting, Mineralization and Deposit Types

The Rainy River Mine lies within the Rainy River Greenstone Belt, part of the larger Late Archean age Wabigoon Subprovince of komatiitic to calc-alkaline metavolcanics overlain by clastic and chemical sediments and intruded by granitoid batholiths. The intrusions deformed their host rocks into synformal fold structures, often producing shear zones along the axial planes. Rocks within the immediate area of the mine comprise a series of tholeiitic mafic rocks structurally overlain by calc-alkalic intermediate to felsic metavolcanic rocks. Rocks of intermediate dacitic composition host most of the gold mineralization.

In much of the mine area and surrounding region the Archean metavolcanic and sedimentary rocks are overlain by a sequence of unconsolidated Mesozoic and Quaternary age glacial sediments and tills containing locally anomalous concentrations of detrital gold, auriferous pyrite and copper-zinc sulphides derived from the underlying mineralized bedrock. This sequence is in turn overlain by a younger sequence of glacially-derived clays, silts and till that are devoid of any anomalous detrital gold or sulphides.

Four main styles of gold and silver mineralization have been identified at Rainy River: gold-bearing sulphide ± quartz stringers and veins in felsic quartz-phyric rocks; quartz-ankerite-pyrite shear veins in mafic volcanic rocks; sulphide-bearing silver-enriched quartz veinlets in dacitic tuffs and breccias and copper-nickel-platinum group metals mineralization hosted in a small younger mafic-ultramafic intrusion situated within the main cluster of gold and silver deposits. All deposits show some degree of deformation, excepting the copper-nickel-platinum-bearing type. Most of the gold mineralization identified to date occurs in the sulphide-bearing stringers and veins within the felsic quartz-phyric rocks.

Mineralized zones hosted by the felsic rocks generally follow the regional northwesterly strike and southerly dip of stratigraphy. The largest of these is the ODM/17 Zone which extends 1600 metres along strike, 975 metres down dip, and over a true width of 200 metres.

The Rainy River Mine mineralization is interpreted to be a hybrid deposit type consisting of early gold-rich volcanogenic sulphide mineralization overprinted by shear-hosted mesothermal gold mineralization associated with regional deformation. A final stage of hydrothermal mineralization in the main auriferous zones crosscuts both types of earlier mineralization.

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Exploration and Drilling

Exploration targeting and drilling undertaken in the area of the Rainy River Mine prior to New Gold's acquisition of the property through its acquisition of RRRL are summarized in the section entitled "History".

Since New Gold's acquisition of RRRL, the Company has focused its exploration efforts within a five kilometre radius of the central mine development area. From January 2014 through December 2019, a total of 100,000 metres of core drilling in 359 holes was completed to delineate and improve estimation confidence for the classified Mineral Resource both laterally and at depth, and to provide geotechnical information for the mining operation. The results of this drilling in combination with the historic drilling described above provide the basis for the current Mineral Resource and Mineral Reserve estimates. During 2022, the Company completed 8,812 metres in 27 completed diamond core drill holes. Of these, 2,530 metres in 9 holes were completed as part of the second phase exploration drilling program on the north-east trend located approximately 15 kilometres northeast of the Rainy River Mine, and 6,282 metres in 18 holes were drilled within target areas close to the mine footprint limits. Additionally, the Company completed geological mapping and soil geochemical surveying within the Company's broader landholdings. The results of this work are being compiled and interpreted to support the generation of new drill targets as well as determine if follow-up drilling is warranted.

Drilling procedures conducted by Nuinsco from 1994 to 1998 are not well documented. Drilling carried out from 2005 through 2019 by RRRL, Bayfield and New Gold have utilized predominantly NQ diameter (4.76 cm) drill core. Some deeper holes have been collared in HQ diameter (6.35 cm) and later reduced to NQ diameter to attain target depths. PQ diameter (8.5 cm) drill core was utilized for certain metallurgical samples. Both RRRL and New Gold have realized excellent core recoveries and have surveyed all drill holes and collars according to accepted industry standards. The drilling procedures utilized by RRRL and New Gold are considered consistent with industry best practices and the quantity and quality of the lithological, geotechnical, collar and down-hole survey data collected in the exploration and infill drill programs completed by RRRL and New Gold are considered sufficient to support Mineral Resource estimation.

Sampling, Analysis and Data Verification

There are no records describing the sampling and analytical methods used by Nuinsco during its drilling programs. Mineralized sections of core were re-sampled and analyzed by RRRL to incorporate into the drill database.

Sampling and analysis of drill core has been conducted via industry best practices under New Gold, RRRL and Bayfield drilling programs. Sampling was typically conducted at nominal 1.5 metre intervals, though Bayfield sampling intervals vary from 0.5 to 1.5 metres in length. Core was sawn and half placed in sample bags for laboratory analysis. Certified reference standards, blanks and duplicates were systematically inserted into the sample batches to be shipped to the lab. Samples were collected on site by a Fort Frances shipping company and delivered directly to the laboratory.

RRRL used two principal accredited laboratories for analyses: ALS Vancouver, British Columbia from 2005 to 2006 and from 2011 to 2014; and Accurassay Laboratories in Thunder Bay, Ontario from 2006 to 2011. Bayfield's drill core was analyzed by Activation Laboratories, an accredited laboratory located in Thunder Bay, Ontario. New Gold used ALS for the analysis of its exploration and resource delineation drilling at the Rainy River Mine until 2018 and from 2019 Activation Laboratories, located in Ancaster, Ontario for the analysis of its exploration drilling. Since the start of commercial production in late 2017, analyses of grade control samples for the open pit (and future underground) mine have been done by an onsite analytical laboratory. All of these laboratories use standard industry analytical procedures: fire assay procedures for precious metal analyses; aqua regia digestion and atomic absorption spectrometry for metal analyses; and ICP and graphite furnace analyses for calcium, sulfur and other elements required for waste rock characterization. Each laboratory employs an internal QA/QC program in accordance with its accreditation requirements. Additionally, the Company employs a separate set of best practice QA/QC protocols for all of its exploration and resource definition

sampling programs. These protocols involve a combination of routine checks and duplicate analyses on a minimum of 25 percent of the total number of samples analyzed to assure acceptable levels of sampling accuracy and precision are maintained.

Data verification includes site visits to inspect procedures, QA/QC data validation and examination of database accuracy. The results of data verification as well as 2021 mine production and reconciliation data indicate the data collected for Mineral Resource definition at the Rainy River Mine adequately reflect deposit dimensions, style, and true widths of mineralization; adequately support the geological interpretations; and are of sufficient analytical and database quality for use in Mineral Resource estimation.

Mineral Processing and Metallurgical Testing

Metallurgical testing was performed to evaluate the mineralogy of the deposit and contribute to the design of the Rainy River Mine's processing plant and tailings facility. Several studies and tests were performed, including mineralization, comminution, gravity separation, flotation, flotation concentrate leaching, whole ore leaching, cyanidation, carbon adsorption modelling, cyanide destruction and solid-liquid separation. It was determined that whole rock leaching with gravity separation was the most economical processing alternative for the ore mainly but not solely because it required less energy and cyanide inputs than other processing alternatives.

Infrastructure, Permitting and Compliance Activities

Infrastructure and local terrain are accessible, with numerous gravel/paved roads, power and water resources and areas for tailings management facilities available within close proximity. Personnel for the mine, including skilled trades and professions, have been and will continue to be sourced through a focus on local hiring and broader recruitment efforts for harder to fill roles.

Power is supplied to the mine through a connection to a provincial transmission line approximately 17 kilometres to the east. There is a supply of water in the area from the Pinewood River, and a pipeline has been constructed from the Pinewood River to the site. A site water management pond contains water for mineral processing. A water treatment plant was commissioned in 2020. Other infrastructure includes open pit infrastructure, the processing plant, assay laboratory facilities, truck maintenance shop, administrative offices, a warehouse, storage facilities and other support infrastructure.

In 2012, RRRL (prior to its acquisition by New Gold), and six Rainy River-area First Nations entered into a Participation Agreement with respect to the development and operation of the Rainy River Mine. The Participation Agreement identifies key project milestones to be met through cooperation and consultation with the First Nations. In 2014, the Company concluded an Impacts and Benefits Agreement with Naicatchewenin First Nation and Rainy River First Nations embracing commitments to environmental and sustainable development and ensuring that First Nation communities and members benefit from opportunities resulting from the Rainy River Mine in their traditional territory. The Company also concluded Participation Agreements with the Métis Nation of Ontario in 2014, the Big Grassy River First Nation in 2015, the Naotkamegwanning First Nation, Ojibways of Onigaming First Nation and the Anishinaabeg of Naongashing First Nation in 2017, and the Animakee Wa Zhing 37 First Nation in 2018. The Participation Agreements provide the consent of the First Nations to the Rainy River Mine, as well as benefits for each of these communities from the Rainy River Mine. New Gold has ongoing dialogue with local communities and various First Nations in the area surrounding the Rainy River Mine.

The tailings management area ("**TMA**") at the Rainy River Mine is built with rock toe buttresses, wick drains and gently sloped walls due to ground conditions at the mine. These design features were recommended by the ITRB and the Ministry of Natural Resources and Forestry during the permitting and construction of the TMA. The TMA was developed in stages using three cells that were brought into operation over a three-year period. The TMA now operates as one tailings facility.

The mine closure plan was accepted by the Ontario Ministry of Energy, Northern Development and Mines ("**ENDM**") on February 23, 2015. As of December 31, 2022, C$132 million has been posted in respect of bonding pursuant to the closure plan. The reclamation and closure cost obligation for the Rainy River Mine as at December 31, 2022 was estimated to be $87.6 million. Details and quantification of New Gold's reclamation and closure costs obligations are set out in Note 14 of the Company's audited consolidated financial statements for the year ended December 31, 2022. An updated closure plan was last approved and filed by ENDM on September 14th, 2020.

Mineral Reserve and Mineral Resource Estimates

The Rainy River Mine Mineral Reserves, effective December 31, 2022, are summarized in the "Mineral Reserves" table on page 16. The Rainy River Mine Mineral Resources, effective December 31, 2022, are summarized in the "Measured and Indicated Mineral Resources (Exclusive of Mineral Reserves)" table on page 17 and "Inferred Mineral Resources" table on page 18. See "Description of Business – Summary of Mineral Reserves and Mineral Resources" on page 15. The parameters, assumptions and methodologies applied in generating the Mineral Reserve and Mineral Resource estimates are considered reasonable and appropriate. Furthermore, the mining, metallurgical, infrastructure, permitting and other relevant factors relating to the Rainy River Mine Mineral Reserves and Mineral Resources fully support these estimates.

Mining Operations

The Rainy River Mine commenced processing ore on September 14, 2017. Commercial production was achieved on

The Rainy River Mine commenced processing ore on September 14, 2017. Commercial production was achieved on October 19, 2017. The Rainy River Mine Technical Report filed on March 31, 2022 projects the life of the Rainy River Mine to extend to the fourth quarter of 2031 based on current Mineral Reserves and throughput levels.

The open pit mine plan considers mining open pit ore at a strip ratio of 2.32:1 (waste:ore) over a mine life from 2022 to 2025, with full depletion of the open pit in 2026. The operating cut-off grade for direct processing decreased in the February 2022 life of mine plan to a range of 0.44-0.45 g/t gold eq. (from 0.46-0.49 g/t); however, the lower grade open pit ore (0.30-0.44/0.45 g/t gold eq.) will continue to be stockpiled for processing during the underground mine life, which continues beyond the completion of open pit mining.

The life of mine plan for the Rainy River Mine includes a component of underground mining. Development of the underground Intrepid Zone began in 2018 but was suspended late that year in order to review and optimize the underground mine plan. The underground mine plan was evaluated in the February 2020 life of mine plan on a zone-by-zone basis and it included mining areas that provide optimal profitability at a gold price of $1,275 per ounce. Work on the Intrepid Zone restarted in September 2020. Underground mining from the Intrepid Zone commenced in 2022 and underground mining is expected to ramp-up over the underground mine life with peak production from 2026 to 2028. The underground main zone will be accessed via an in-pit portal with development expected to commence in late 2023. There remains potential for underground mine life extension should the gold price environment support the inclusion of additional mining areas during the underground mine life and/or exploration efforts increase the resource inventory.

Mining Methods

Surface mining uses a conventional truck/shovel open-pit mining method, with 10 metre benches. The pit was designed considering the geology of the bedrock, which is considered to have a good rock mass rating and geological strength index for an open pit design.

The underground component of the mine plan is planned to be accessed from two portals, one accessing the Intrepid Zone and one accessing the underground main zone from inside the open pit. Both are designed as a mechanized ramp access mine that will use longitudinal longhole open stoping techniques. Two main longhole mining methods will be employed: longitudinal retreat and transverse. The transverse stoping is only present in ODM Main zone of the underground main

zone, the widest zone of the mine, where a stope's width exceeds 20.0m. Two types of backfill will be used cemented rockfill and simple rockfill. Rock mass conditions are generally good and little water ingress is anticipated. A portion of underground waste rock to be extracted will be used for rock fill.

Recovery Methods

Run-of-mine material is delivered to a common gyratory crusher for size reduction, stockpiling and delivery to the processing plant. The processing plant is a SAG/ball mill/crusher circuit feeding a whole-ore-leach gold-silver recovery plant. A portion of the coarser material is subjected to a gravity circuit. The gravity concentrate is sent to a cyanidation reactor and electrowinning cell for gold and silver extraction. Ground mineralized material will be thickened, passed through a leaching and carbon-in-pulp extraction circuit, and subjected to carbon stripping and electrowinning prior to being smelted into a gold-silver doré. On February 11, 2020, the Company received the permit for the increased average capacity to up to 27,000 tpd and then amended the permit on June 28, 2021 to allow further operational flexibility. The mill is planned to average approximately 25,000 tpd through the 2023 to 2027 period, with the remaining open pit or stockpiles including the low-grade ore stockpile supplementing underground mill feed from 2026 to 2028. Beginning in 2029, a cost-effective batch processing approach is expected to be implemented to mill the underground material. During this period, the throughput rate is expected to decrease to approximately 4,000 to 5,000 tpd to optimize the processing of the remaining high-grade underground ore.

Capital and Operating Costs

During 2022, the Rainy River Mine produced 235,194 gold equivalent ounces (including 229,822 ounces of gold and 402,964 ounces of silver). The average realized gold price per ounce was $1,807. The Rainy River Mine had an operating expense per ounce of gold equivalent ounce of $985 and all-in sustaining costs of $1,605 per gold equivalent ounce. The Company announced guidance for 2023 on February 16, 2023 that the Rainy River Mine is expected to produce between 235,000 and 265,000 gold equivalent ounces with an expected operating expense per gold equivalent ounce of $905 - $985 and all-in sustaining cost of between $1,475 and $1,575 per gold equivalent ounce. The February 16, 2023 guidance also stated that sustaining capital expenditures at the Rainy River Mine are expected to be approximately $125 - $135 million in 2023. Below is a breakdown of expected capital expenditures and expected all-in sustaining costs at the Rainy River Mine for 2023 based on the February 16, 2023 guidance. All-in sustaining costs per gold equivalent ounce, sustaining capital and growth capital are non-GAAP measures. See "Non-GAAP Measures" on page 5.

Gold equivalent ounces for Rainy River include silver ounces produced converted to a gold equivalent based on a ratio of reference commodity prices. In 2023, the Company will report production on a gold equivalent basis using a constant ratio of $1,750 per gold ounce, $22.00 per silver ounce and $3.50 per pound copper, and a foreign exchange rate of C$1.32 to one United States dollar.

2023 Expected Capital Expenditures[1]	
Sustaining Capital [2][4]	$125 - 135
Growth Capital[2][4]	$20 - $30
Total	$145 - $165

2023 Expected All-in Sustaining Costs/ gold eq oz sold	
Operating Expense	$905 - $985
+ sustaining expenditures[3]	~$580
Total All-in Sustaining Costs[4]	$1,475 - $1,575

(1) In millions.

(2) Based on the Company's 2023 estimated capital expenditures. Sustaining capital excludes expenditures related to growth-related initiatives. Growth capital excludes sustaining capital.

(3) Includes sustaining capital, capitalized mining, capitalized and expensed exploration that is sustaining in nature and environmental reclamation costs.

(4) "Sustaining Capital", "Growth Capital" and "All-in Sustaining Costs" are all non-GAAP financial performance measures that do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented

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by other issuers. For more information about why these measures are used by the Company, how they provide useful information to investors, and an explanation of the composition of each measure, please see the "Non-GAAP Financial

information to investors, and an explanation of the composition of each measure, please see the "Non-GAAP Financial Performance Measures" section starting on page 29 of the Company's Management's Discussion and Analysis for the year ended December 31, 2022, which is available on SEDAR at www.sedar.com, and which is incorporated by reference herein.

Development and Exploration

Sustaining capital expenditure in 2023 will focus on the TMA dam raise, which is planned to be raised annually to 2025, as well as capitalized waste stripping. Growth capital expenditure in 2023 will focus on the development of the Intrepid underground ore zone and the underground main zone.

NEW AFTON MINE, CANADA

Project Description, Location, Access and Other Information

The New Afton Mine is located approximately 350 kilometres northeast of Vancouver in the south-central interior of British Columbia. The property is 10 kilometres from the regional hub of Kamloops and is readily accessible year-round by paved road. The mine has a continental, semi-arid climate, with light winter snow and infrequent rain during the spring, summer and fall. Summer temperatures can reach 38 degrees Celsius and winter temperatures are generally at, or near, freezing.

The New Afton Mine occupies the site of the historic Afton mine and includes an open pit (currently inactive), underground workings and support facilities. The New Afton deposit extends to the southwest from immediately beneath the Afton open pit. As it is currently defined, the deposit hosts a Mineral Resource comprised of the A&B-Zones (inclusive of B3 Zone), the C-Zone and the Hanging Wall Lens. The A&B-Zones host the portion of the Mineral Reserve currently being mined, with the B3 and C-Zones hosting additional Mineral Reserves located immediately below the A&B-zone. The Hanging Wall Lens is a satellite Mineral Resource located adjacent to the historic Afton open pit which is not currently part of the New Afton Mineral Reserve.

The Company's holdings in the area comprise the Afton group of claims and the Ajax group of claims. The New Afton Mine lies within the Afton group. The Afton group consists of a 902-hectare mining lease issued by the Ministry of Energy, Mines and Low Carbon Innovation (formerly the Ministry of Energy, Mines and Petroleum Resources) on November 29, 2006 ("**Afton Mining Lease**") and 77 mineral claims totaling 18,286 hectares. The Company also holds surface rights on approximately 2,300 hectares surrounding the New Afton Mine. Sufficient surface rights have been obtained for current operations at the property.

Ontario Teachers' has a 46.0% free cash flow interest in the New Afton Mine with a JV Interest Option to convert the interest into a 46.0% joint venture interest in four years, or have its interest remain as a free cash flow interest at a reduced rate of 42.5%. See "General Development of the Business – Developments – Mines and Projects – New Afton Mine" on page 10.

History

The first significant mining-related activity in the Afton area commenced in 1970, when drilling by Afton Mines Ltd. intercepted 52 metres of 0.4% copper in what ultimately became the Afton deposit. During the subsequent three years, over 45,700 metres of drilling was carried out by a number of operators.

Teck Corporation and Iso Mines Ltd. acquired the Afton property in 1973 and initiated engineering and metallurgical studies. Commercial production commenced at the Afton open pit mine in late 1977. Mining took place at the Afton, Crescent, Pothook and Ajax pits. The mine closed in 1997.

In 1999, the Company acquired an option on the property, staked additional claims and in 2000 began a concerted exploration program to test the potential for additional mineralization extending beyond the Afton open pit. This work resulted in the successful delineation of the New Afton underground mineral resource.

Geological Setting, Mineralization and Deposit Types

The New Afton deposit is a copper-gold, alkalic porphyry system situated within the Iron Mask batholith complex. The Iron Mask complex is part of the Paleozoic age island-arc assemblage known as the Quesnel Terrane. Regional-scale fault zones are believed to be the principal control to intrusion of the batholithic rocks and related copper and gold mineralization in the New Afton area.

Mineralization is characterized by discontinuous copper sulphide veinlets and disseminations (principally chalcopyrite and minor bornite) at brecciated margins between altered porphyry intrusives and volcanic rocks of the Triassic Nicola Formation. The copper sulphides are replaced by tennantite-tetrahedrite locally and along faults that transect the mineralized body. Native copper with accessory chalcocite occurs in minor amounts within highly oxidized near-surface portions of the deposit. Gold and silver generally occur as electrum grains within the chalcopyrite and bornite.

The bulk of the New Afton deposit forms a tabular, nearly vertical, southwest-plunging zone of continuous mineralization measuring 1.4 kilometres long by approximately 100 metres wide, with a down-plunge extent of over 1.5 kilometres. The deposit plunges toward the southwest where it remains open at depth.

Exploration and Drilling

The Company initiated surface drilling at New Afton in 2000, and in 2001 completed an initial scoping study which was followed by further definition drilling. A subsequent more advanced scoping study was completed in 2004.

In November 2004, an underground access portal was excavated in the former Afton open pit and a ramp driven 2,200 metres to provide access for underground sampling, infill drilling and further exploration drilling.

In late 2005, New Gold commissioned a Feasibility Study which was completed in 2007 and laid the foundation for the current mining operation. Exploration prior to and subsequent to the 2007 Feasibility Study has focused primarily on the delineating Mineral Resources within and immediately adjacent to the New Afton deposit. Exploration beyond the limits of the deposit has involved preliminary scout drilling of satellite targets identified within the Afton Mining Lease and generative reconnaissance level exploration of the Company's broader regional mineral tenure.

During the period from 2000 through 2020, a series of diamond bit core drilling campaigns have been conducted at New Afton to delineate the Mineral Resource currently being mined and additional resources located in the adjacent Hanging Wall Lens zone to the south and underlying C-Zone. Additionally, reconnaissance scout drilling has been conducted to test the potential of other exploration targets located within the Afton Mining Lease. Drilling completed within the New Afton deposit from 2000 to May 31, 2021 comprises 603 core holes totaling 294,170 metres, the results of which have been incorporated into the Company's Mineral Reserve and Mineral Resource estimates.

During 2022, New Gold completed 134 diamond core drill holes for a total of 45,828 meters. Of these, 38,744 meters in 123 holes were completed from underground exploring for mineralization extension within the deposit footprint on targets generated by an artificial intelligence study. The purpose of the study was to delineate the mineralization on the Upper East Extension area and for the potential extension of down plunge mineralization. Also, 7,084 meters in 11 holes were drilled from surface as first-pass exploration within the Company's broader landholdings. Drill hole assay results for

a total of 29,115 metres in 99 underground holes drilled to May 31, 2022 have been incorporated into the Company's December 31, 2022 Mineral Reserve and Mineral Resource estimates.

New Gold has likewise completed ground-based geophysical surveys and soil geochemical surveys over its mineral tenure in the broader region. The results of this work are being used to support ongoing exploration and generation of drill targets within the New Afton district.

Sampling, Analysis and Data Verification

Sampling protocols have remained generally consistent among the different drill campaigns with a few incremental improvements over time. Sampling intervals have averaged two metres in all campaigns since 2003. Routine insertion of blanks and standards into the sample stream has been conducted since 2005. Drilling protocols in place at New Afton meet or exceed common industry standards.

Sample preparation, which involves drying, crushing and pulverizing rock to produce a pulp sample sufficient for analysis, has been conducted according to accepted industry practice. Analytical work prior to July 2012 was conducted by ALS Global of Kamloops, British Columbia (formerly EcoTech Laboratories Ltd.). Since July 2012, sample preparation and analyses have been performed by Activation Labs of Kamloops, British Columbia. Analytical procedures for samples collected during the 2000-2003 drilling programs included conventional fire assay with an AA or ICP finish for gold and

palladium, and AA for copper and silver. During 2005 and all subsequent drilling programs, copper and silver assays were determined using standard acid digestion followed by an AA finish. Gold and palladium were determined using fire assay followed by an AA finish. Each laboratory employs an internal QA/QC program in accordance with its accreditation requirements. Additionally, the Company employs a separate set of best practice QA/QC protocols for all of its exploration and resource definition sampling programs. These protocols involve a combination of routine checks and duplicate analyses on a minimum of 25 percent of the total number of samples analyzed to assure acceptable levels of sampling accuracy and precision are maintained.

Sampling and analytical protocols are considered to have been appropriate and consistent with common industry practice, data quality is adequate for resource estimation, and protocols for data acquisition and management are reasonable. The results of data verification as well as 2022 mine production and reconciliation data indicate the data collected for Mineral Resource definition at the New Afton Mine adequately reflect deposit dimensions, style, and true widths of mineralization.

Mineral Processing and Metallurgical Testing

Metallurgical testing was performed to evaluate the mineralogy of the deposit and contribute to the design of the New Afton Mine's processing plant and tailings facility. A number of studies and tests were performed as part of the testing program, including mineralogical studies, modal analysis, grinding tests, flotation tests, gravity tests, variability tests and dewatering tests. It was determined that conventional crushing, grinding and concentration processes were appropriate given the mineralogy of the deposit.

The deposit consists primarily of primary hypogene sulphide mineralization, but some secondary supergene sulphide and native copper mineralization is also present. Localized elevated arsenic concentrations in the deposit which may pose an economic concern for the concentrate produced are mitigated through ore blending. Supergene ore comprised a portion of the New Afton mill feed in 2020, 2021 and concluded in the third quarter of 2022. Metallurgical studies investigated gravity separation, jigging, dense media separation and coarse particle flotation methods to address the requirements of the supergene ore. An additional supergene recovery circuit was completed in 2019 and is operating at target recoveries and utilization. The mineralogy in the C-Zone is expected to be consistent with the hypogene sulphide mineralization in

the west cave of New Afton's B-Zone and C-Zone would use the same development, production and materials handling strategies as Lift 1.

Infrastructure, Permitting and Compliance Activities

Power is supplied to the New Afton Mine via its connection to the BC Hydro grid through a substation located approximately one kilometre away. Water is supplied from Kamloops Lake through an approximate four-kilometre pipeline. Other infrastructure includes the processing plant, maintenance shop and warehouse, administrative offices, storage facilities and other support infrastructure.

New Gold entered into a Cooperation Agreement with the Tk'emlúps te Secwépemc and the Skeetchestn Indian Band (collectively, the "**SSN**") in October 2021 (the "**Cooperation Agreement**") which replaced and supersedes the 2011 participation agreement with the SSN. It provides the SSN's consent and support to the New Afton Mine and provides certain economic and social benefits to the SSN. The Cooperation Agreement provides a mechanism for SSN consent to the operations and development of the New Afton Mine and provides financial benefits and social investment to the SSN.

On October 31, 2007, the Ministry of Energy, Mines and Low Carbon Innovation ("**EMLI**") issued Mine Permit M-229 (the "**Mine Permit**") approving the mining plan and reclamation program for the New Afton Mine, and on May 25, 2021, an amended version of the Mine Permit was issued enabling the mining of the B3 zone and Tailings Deposition into the historic Afton open pit. On October 6, 2022, an amended version of the Mine Permit was issued allowing for the mining of the C-Zone. Development will continue until the anticipated full production rate is achieved in 2025. As part of the process of amending the Mine Permit to enable mining of the C-Zone, an updated version of the Mine Reclamation and Closure Plan was submitted to EMLI, which increased New Gold's Mine Permit obligation to maintain reclamation security of C$50.2 million.

The reclamation and closure cost obligations for the New Afton Mine as of December 31, 2022 were estimated to be $32.3 million. Details and quantification of New Gold's reclamation and closure costs obligations are set out in Note 14 of the Company's audited consolidated financial statements for the year ended December 31, 2022. The site is considered a zero discharge facility with regard to operational contact liquid effluents. All operational waste waters are deposited in the tailings facility and recycled to the processing plant with the exception of sewage which is hauled and treated offsite.

Ground subsidence, a natural result of block caving, that has occurred to date is slightly offset from the original mine plan design, an offset which is thought to be driven largely by a weaker rockmass located south of the underground block cave footprint. A large expansion of the existing subsidence monitoring network was implemented in 2016 and 2017 which has further improved the Company's ability to accurately track and monitor changes in the surface subsidence profile and the rockmass at depth and to implement appropriate measures to mitigate any potential impact of such subsidence, including any impact to the Mineral Reserves, as appropriate. Real time monitoring that was incorporated into the instrumentation in 2017 and the monitoring data is regularly review by the engineer of record. This has further improved the Company's ability to accurately track and monitor changes in the surface subsidence profile and to implement appropriate measures as required. The analyses conducted from this data have indicated that there has been a reduction in the surface subsidence perimeter, largely attributed to the shift in production from the West to East cave. The analyses also predict some surface subsidence extending to the toe of the historic Afton tailings facility with the development of the B3 and C-Zones. The February 2020 life of mine plan includes a comprehensive stabilization program for both the current and historical tailings, with in-pit thickened tailings deposition planned for the C-Zone ore portion.

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Mineral Reserve and Mineral Resource Estimates

The New Afton Mineral Reserves, effective December 31, 2022, are summarized in the "Mineral Reserves" table on page 16. The New Afton Mineral Resources, effective December 31, 2022, are summarized in the "Measured and Indicated Mineral Resources (Exclusive of Mineral Reserves)" table on page 17 and "Inferred Mineral Resources" table on page 18. See "Description of Business – Summary of Mineral Reserves and Mineral Resources" on page 15. The parameters, assumptions and methodologies applied in generating the Mineral Reserve and Mineral Resource estimates are considered reasonable and appropriate. Furthermore, the mining, metallurgical, infrastructure, permitting and other relevant factors relating to the New Afton Mineral Reserves and Mineral Resources fully support these estimates.

The February 2020 life of mine plan incorporates stabilization projects to increase stability of the current and historical tailings, with thickened and amended tailing ("**TAT**") deposition planned for the C-Zone ore portion. The TAT process is designed to produce a non-flowable tailings product. To support TAT placement, in 2021, a tailings thickener and associated auxiliary equipment was integrated to process the combined rougher and cleaner-scavenger tailings. The thickened product will be placed into the New Afton tailings storage facility. In 2022, a cement amendment system was integrated to strengthen the tailings to facilitate deposition into the historic Afton open pit. The TAT facility was fully commissioned in December 2022 and the Company is depositing tailings into the Afton Pit Tailings Storage Facility.

Mining Operations

The New Afton Mine began commercial production on July 31, 2012 and has a current projected life extending to 2030 based on the February 2020 life of mine plan and the current Mineral Reserves. Lower production is expected for the period of 2021 to 2024, until the C-Zone begins production.

Mining Methods

The New Afton Mine is a block cave mining operation. Other mining methods, including open pit mining and sublevel caving, were considered but block caving was chosen for the New Afton deposit because this method starts from the bottom and is conducive to large-scale low-cost mining. Ore is transported from the drawpoints, on the extraction level, by a load haul dump loader ("**LHD**") to an ore pass. The ore is then re-handled on the haulage level by an LHD and loaded into a haul truck. The haul truck transports the ore to the underground gyratory crusher and the crushed ore is conveyed to surface.

There are three general zones at the mine, located beneath and to the south west of the historic Afton open pit – Lift 1 (B1 & B2), B3 and C-Zone. Lift 1, including the Recovery Level program, was closed in the second quarter of 2022. Primary ore is being extracted from the B3 zone until such time as production from the C-Zone commences.

In the B3 block cave, located 160 m below and immediately to the west of Lift 1, ore will be hauled by truck to the existing gyratory crusher. In the C-Zone block cave, located 550 m below and to the west of Lift 1, ore will be hauled by LHD from the drawpoints to the ore passes and then to a new gyratory crusher. The ore will then be conveyed from the crusher to a junction with the existing conveyor for movement to surface.

The operation is planned to produce 4 to 6 Mtpa of copper-gold ore for processing over the life of mine. Waste mined as part of development activities is transported to surface by conveyor and deposited in an area apart from the ore via a belt plow. The waste is then trucked to an area on the edge of the historic Afton mine pit. Less than 5% of the mined rock is treated in this manner.

Recovery Methods

The process plant has been in operation since 2012. Throughput in the process plant has been averaging above the nameplate of 11,000 tpd since early 2013. A mill expansion was completed in 2015 to add a tertiary stage of grinding and additional flotation cleaning capacity. This allowed throughput to increase to a peak average of 16,420 tpd in 2017. Throughput for 2022 averaged approximately 9,100 tpd. The surface stockpiles used to supplement the lower tonnes mined in 2022 were exhausted by the third quarter of 2022. For 2023, the throughput is expected to be maintained throughout the year at approximately 8,100 tonnes per day.

To process supergene ore, which commenced in 2019, gravity recovery capacity was added to the ball mill circuit and increased in each of the tertiary and regrind circuits. In the ball mill circuit, two inline pressure jigs (one rougher and one

cleaner) were installed along with a magnetic separator for removal of magnetite and a portion of the hematite from the cleaner jig concentrate. The jigs were selected for the ball mill circuit primarily due to their ability to process a coarse feed compared to flotation or centrifugal concentrators.

The flowsheet changes were made primarily to recover native copper; however, the jigs have also recovered native gold associated with the supergene ore. With supergene ore being completed during the third quarter of 2022, the gravity circuit operation will be adjusted in 2023 to focus on gold rather than native copper recovery. Life-of-mine recoveries are expected to average 90% for copper and 87% for gold. Recoveries in 2023 are expected to be 85%-92% for copper and 80% - 87% for gold.

Capital and Operating Costs

During 2022, the New Afton Mine produced 111,860 gold equivalent ounces (including 41,551 ounces of gold and 31.1 million pounds of copper). The average realized gold price per ounce was $1,808 and the average realized copper price per pound was $3.94. The New Afton Mine had an operating expense per ounce of gold equivalent ounce of $1,395 and all-in sustaining costs of $2,044 per gold equivalent ounce. On February 16, 2023, the Company announced guidance for 2023 that the New Afton Mine is expected to produce between 50,000 – 60,000 ounces of gold and 38 – 48 million pounds of copper with an expected operating expense per gold equivalent ounce sold of between $1,035 - $1,115 per ounce and all-in sustaining cost of between $1,320 - $1,420 per gold equivalent ounce. The February 16, 2023 guidance also stated that sustaining capital expenditures at the New Afton Mine are expected to be approximately $15 - $35 million in 2023. Below is a breakdown of expected capital expenditures and expected all-in sustaining costs at the New Afton Mine for 2023 based on the February 16, 2023 guidance. All-in sustaining costs per gold equivalent ounce, sustaining capital and growth capital are non-GAAP financial performance measures. See "Non-GAAP Measures" on page 5.

Gold equivalent ounces for New Afton include gold, copper and silver ounces produced converted to a gold equivalent based on a ratio of reference commodity prices. In 2023, the Company will report production on a gold equivalent basis using a of $1,750 per gold ounce, $22.00 per silver ounce and $3.50 per pound copper, and a foreign exchange rate of C$1.32 to one United States dollar.

2023 Expected Capital Expenditures[1]	
Sustaining Capital [2][4]	$15 - $35
Growth Capital[2][4]	$130 - $150
Total	$145 - $185

2023 Expected All-in Sustaining Costs/ gold eq oz sold	
Operating Expense	$1,035 - $1,115
+ treatment and refining charges	~$123
+ sustaining expenditures[3]	~$172
Total All-in Sustaining Costs[4]	$1,320 - $1,420

(1) In millions.

(2) Based on the Company's 2023 estimated capital expenditures. Sustaining capital excludes expenditures related to growth-related initiatives. Growth capital excludes sustaining capital.

(3) Includes sustaining capital, capitalized mining, capitalized and expensed exploration that is sustaining in nature, and environmental reclamation costs.

(4) "Sustaining Capital", "Growth Capital" and "All-in Sustaining Costs" are all non-GAAP financial performance measures that do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. For more information about why these measures are used by the Company, how they provide useful information to investors, and an explanation of the composition of each measure, please see the "Non-GAAP Financial Performance Measures" section starting on page 29 of the Company's Management's Discussion and Analysis for the year

ended December 31, 2022, which is available on SEDAR at www.sedar.com, and which is incorporated by reference herein.

Development and Exploration

The development of the C-Zone will continue to be advanced, with first ore expected in the second half of 2023. Growth capital for 2023 is primarily related to the continued advancement of the C-Zone project, focusing on mine infrastructure installation and mine development. With TAT Phase I, the ability to produce and transport thickened tailings, and TAT Phase II, the ability to amend the thickened tailings with cement binder, having been operational and fully commissioned since the second quarter of 2022 and December 2022, respectively, remaining growth capital will be primarily spent on further mine development, mine infrastructure and continued progress on stabilization. Sustaining capital expenditure will focus on stabilization activities and tailings management. The B3 draw bell program was completed in the third quarter of 2022, with B3 successfully ramping up to 8,000 tonnes per day. Stabilization work related to the Historic Afton Tailings Facility, as well as the current tailing facilities, will continue during the year. Total capital expenditure is expected to remain high through 2023, primarily related to C-Zone development and infrastructure activities, decreasing significantly from 2024 to 2026, with minimal capital over the balance of the mine life.

The exploration drilling program was completed in 2022 on priority targets within the Cherry Creek Trend area and follow-up drilling is under review based on data collection and interpretation. Reconnaissance level exploration continued in 2022 within the Company's broader regional mineral tenure and new areas of gold and copper mineralization have been identified with planned follow-up exploration in 2023.

CERRO SAN PEDRO MINE, MEXICO

The Cerro San Pedro Mine was an open-pit gold and silver heap leach operation located in central Mexico in the state of San Luis Potosí, approximately 400 kilometres north of Mexico City and 14 kilometres east of the city of San Luis Potosí. The mine is owned by the Company's wholly owned subsidiary, Minera San Xavier S.A. de C.V. ("**MSX**"). The Cerro San Pedro Mine concluded active mining operations in June 2016 and transitioned to reclamation in December 2018.

Mine Closure

The schedule for completing the activities relating to the closure of Cerro San Pedro is dictated by the environmental authorization for the mine. The site reclamation must be completed within four years of final processing, including any demolition of processing plants, maintenance shop and buildings; reforestation of waste dumps; and detox, washing, rinsing, and reforestation of the heap leach pad. MSX has posted reclamation security of approximately $15.5 million with the Mexican environmental regulatory agency, SEMARNAT, under the general law for ecological balance and environmental protection. As at December 31, 2022, the Company has posted this security in the form of an irrevocable standby letter of credit. The reclamation and closure cost obligation for the Cerro San Pedro as at December 31, 2022 is estimated to be $1.3 million. Details and quantification of New Gold´s reclamation and closure cost obligations are set out in Note 15 of the Company´s audited consolidated financial statements for the year ended December 31, 2022. New Gold expects to incur this obligation between 2023 and 2024.

RISK FACTORS

New Gold's business activities are subject to significant risks, including, but not limited to, those described below. Every investor or potential investor in New Gold securities should carefully consider these risks. Any of the following risks could have a material adverse effect on the Company, its business and prospects, and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Additional risks related to our material properties are discussed in the technical reports and other documents filed by the Company from time to time on SEDAR (www.sedar.com) and EDGAR (www.sec.gov). In addition, other risks and uncertainties not presently known by management of the Company or that management currently believes are immaterial could affect the Company, its business and prospects.

CHANGES IN METAL PRICES

The Company's earnings, cash flows and financial condition are subject to risk due to fluctuations in the market price of gold, copper and silver. Metal prices have historically fluctuated widely. Metal prices are affected by numerous factors beyond the Company's control, including:

- the strength of the United States economy and the economies of other industrialized and developing nations;
- global and regional political and economic conditions;
- the relative strength of the United States dollar and other currencies;
- expectations with respect to the rate of inflation;
- interest rates;
- purchases and sales of gold by central banks and other large holders, including speculators;
- demand for jewelry containing gold;
- investment activity, including speculation, in gold as a commodity; and
- worldwide production.

The price of gold was $1,814 per ounce as at December 31, 2022, compared to $1,806 as at December 31, 2021. Future metal price declines could cause continued development of, and commercial production from, the Company's properties to be uneconomic. In addition, with respect to concentrate shipments, there is a time lag between the shipment of gold and copper and final pricing, and changes in pricing can significantly impact the Company's revenue and working capital

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position, which the Company regularly attempts to offset via hedging. Depending on the price of gold, copper and silver,

the Company's cash flow from mining operations may be insufficient to meet its operating needs and capital expenditures, and as a result the Company could experience losses and/or may curtail or suspend some or all of its exploration, development, construction and mining activities or otherwise revise its mine plans and exploration, development and construction plans, and could lose its interest in, or be forced to sell, some or all of its properties.

Reserve calculations and mine plans that are revised using significantly lower gold, copper, silver and other metal prices could result in significant reductions in estimated Mineral Reserves and Mineral Resources as well as revisions in the Company's life of mine plans, which in turn could result in material write-downs of the Company's investments in mining properties and increased depletion, reclamation and closure charges. Depending on the price of gold or other metals, the Company may determine that it is impractical to commence or, if commenced, to continue commercial production at a particular site. Metal price fluctuations also create adjustments to the provisional prices of sales made in previous periods that have not yet been subject to final pricing, and these adjustments could have an adverse impact on the Company's financial results and financial condition. In addition, cash costs and all-in sustaining costs of gold production are calculated net of by-product credits, and therefore may also be impacted by downward fluctuations in the price of by-product metals. Any of these factors could result in a material adverse effect on the Company's results of operations and financial condition.

In addition to adversely affecting the Company's Mineral Reserve and Mineral Resource estimates and its financial condition, declining metal prices can impact operations by requiring a reassessment of the feasibility of a particular project or mine. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project or mine. Even if a project or mine is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays and/or may interrupt operations until the reassessment can be completed, which may have a material adverse effect on the Company's results of operations and financial condition.

From time to time the Company engages in commodity hedging transactions intended to reduce the risk associated with fluctuations in commodity prices, but there is no assurance that any such commodity hedging transactions designed to reduce the risk associated with fluctuations in commodity prices will be successful. Hedging may not protect adequately against declines in the price of the hedged commodity. Furthermore, although hedging may protect the Company from a decline in the price of the commodity being hedged, it may also prevent the Company from benefiting from price increases.

PRODUCTION ESTIMATES

Forecasts of future production are estimates based on interpretation and assumptions, and actual production may be less than estimated. Unless otherwise noted, the Company's production forecasts are based on planned production being achieved at all of its mines. The Company's ability to achieve and maintain full production rates at these mines is subject to a number of risks and uncertainties, the occurrence of any of which could result in delays, slowdowns or suspensions and ultimately, the failure to achieve and maintain full production rates. The Company's production estimates are dependent on, among other things, the accuracy of Mineral Reserve and Mineral Resource estimates, the accuracy of its life of mine plans, the accuracy of assumptions regarding ore grades and recovery rates, weather conditions, ground conditions, physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics, the accuracy of estimated rates and costs of mining and processing, including without limitation, operating expenses, cash costs and all-in sustaining costs, mill availability, reliability of equipment and machinery, the accuracy of assumptions and estimates relating to tailings dam capacity, the performance of the processing circuit or other processes, water supply and/or quality, the receipt and maintenance of permits and the availability of a sufficient amount of people

to perform the work necessary to maintain production as estimated. The Company's actual production and other projected economic and operating parameters may not be realized for a variety of reasons, including those identified under the heading "Operating Risks" below. The failure of the Company to achieve its production estimates could have a material adverse effect on the Company's prospects, results of operations and financial condition.

COST ESTIMATES

The Company prepares estimates of operating costs, capital costs and closure costs for each operation and project. The Company's actual costs are dependent on a number of factors, including the exchange rate between the United States dollar and the Canadian dollar and, to a lesser extent, the Mexican peso, smelting and refining charges, penalty elements

in concentrates, royalties, the price of gold and by-product metals, the cost of inputs used in mining operations and production levels.

New Gold's actual costs may vary from estimates for a variety of reasons, including changing waste-to-ore ratios, ore grade metallurgy, weather conditions, ground conditions, labour and other input costs, commodity prices, general inflationary pressures and currency exchange rates, as well as those risks identified under the heading "Operating Risks" below. Failure to achieve cost estimates or material increases in costs could have an adverse impact on New Gold's future cash flows, profitability, results of operations, ability to execute its strategic plans and financial condition.

OPERATING RISKS

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, copper and silver including unusual and unexpected ground conditions or geologic formations, seismic activity, fracturing, rock bursts, rock slides, mud rushes, water inflow events, air blasts, cave-ins, slope or pit wall failures, rock falls, flooding, fire, explosions, dust emissions, metal losses, theft, periodic interruption due to inclement or hazardous weather conditions, equipment failure and other conditions that would impact the drilling and removal of material or otherwise impact the safety and efficiency of mine operations and the individuals who work within such mining operations. Block caving activities, including at the New Afton Mine, generally result in surface subsidence. The configuration of subsidence expression at surface is thought to be influenced by bedrock and structural geologic features such as weaker rock mass or faults. Subsidence is being monitored and evaluated on an ongoing basis. Surface subsidence or any of the above hazards and risks could result in reduced production, damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. In addition, production may be adversely impacted by theft, fraud or industrial accidents, as well as other potential issues such as actual ore mined varying from estimates of grade or tonnage, dilution, block cave performance and metallurgical or other characteristics, significant increases or decreases in precipitation resulting in an over or under supply of water, treated water quality that is too low to allow for discharge when needed, interruptions in or shortages of electrical power, interruptions in delivery or shortages of required inputs or supplies, labour shortages or strikes, claims by or disagreements with First Nations and other Indigenous groups, restrictions or regulations imposed by government agencies or changes in the regulatory environment. The Company's milling operations are subject to risks and hazards such as equipment failure, skilled worker shortages or failure of retaining dams around tailings disposal areas, which could lead to environmental pollution and consequent liability, and all of which could result in interruptions to mill availability and impact the Company's results of operations. In addition, short-term operating factors, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause a mining operation to be unprofitable in any particular accounting period.

The Company's operations may encounter delays in or losses of production due to the deterioration, malfunction, misuse, breakdown or failure of its mobile or fixed equipment. Further, this equipment may require a long time to procure, build,

install or repair due to delays in the delivery or lack of availability of equipment, spare parts or technicians with applicable expertise, which may impede maintenance activities on equipment. In addition, equipment may be subject to aging if not replaced, or through inappropriate use or misuse, or improper on unavailable storage conditions may become obsolete, which could adversely impact the Company's operations, profitability and financial results.

The occurrence of one or more of these events may result in the death of, or personal injury to, employees, other personnel or third parties, the loss or theft of mining equipment, damage to or destruction of mineral properties or production facilities, monetary losses, deferral or unanticipated fluctuations in production, suspension, curtailment or termination of operations, environmental damage and potential legal liabilities, any of which may adversely affect the Company's business, reputation, prospects, results of operations and financial condition.

PERMITTING

The Company's operations, development projects and exploration activities are subject to receiving and maintaining licenses, permits and approvals, including regulatory relief or amendments, (collectively, "**permits**") from appropriate governmental authorities. Before any development on any of its properties, the Company must receive numerous permits, and continued operations at the Company's mines are also dependent on maintaining, complying with and renewing required permits or obtaining additional permits.

New Gold may be unable to obtain on a timely basis or maintain in the future all necessary permits required to explore and develop its properties, commence construction or operation of mining facilities and properties or maintain continued operations. Delays may occur in connection with obtaining necessary renewals of permits for the Company's existing operations and activities, additional permits for existing or future operations or activities, or additional permits associated with new legislation. It is possible that previously issued permits may be suspended, revoked or lapse for a variety of reasons, including through government or court action.

In the past there have been challenges to the Company's permits that were temporarily successful as well as delays in the renewal of certain permits or in receiving additional required permits. There can be no assurance that the Company will receive or continue to hold all permits necessary to develop or continue operating at any particular property or to pursue the Company's exploration activities. To the extent that required permits cannot be obtained or maintained, the Company may be curtailed or prohibited from continuing its mining operations or from proceeding with planned exploration or development of mineral properties. Even if permits or renewals are available, the terms of such permits may be unattractive to the Company and result in the applicable operations or activities being financially unattractive or uneconomic. Any inability to obtain or maintain permits or to conduct mining operations pursuant to applicable permits could materially reduce the Company's production and cash flow and could undermine its profitability.

CONSTRUCTION RISKS

As a result of the substantial expenditures involved in development projects, development projects are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines or new areas of operating mines are considerable, and changes in cost or construction schedules can significantly increase both the time and capital required to build the project.

Construction costs and timelines can be impacted by a wide variety of factors, many of which are beyond the control of the Company. These include, but are not limited to, weather conditions, ground conditions, performance of the mining fleet and availability of appropriate material and other supplies required for construction, availability and performance of contractors and suppliers, delivery and installation of equipment, design changes, accuracy of estimates and availability of accommodations for the workforce.

Project development schedules are also dependent on obtaining the governmental approvals necessary for the operation of a project. The timeline to obtain these government approvals is often beyond the control of the Company. A delay in start-up or commercial production of a development project would increase capital costs and delay receipt of revenues and could impact the Company's ability to execute its strategic plans and the achievement of planned results.

The New Afton C-Zone project is currently in the construction stage of its development. Given the inherent risks and uncertainties associated with mine development, there can be no assurance that the construction and development will continue in accordance with current expectations or at all, or that construction costs will be consistent with the budget, or that the mine will operate as planned.

VOLATILITY IN THE MARKET PRICE OF THE COMPANY'S SECURITIES

The Common Shares are listed on the TSX and NYSE American. The per share price of the Common Shares on the TSX fluctuated from a high of C$2.57 to a low of C$0.80 and on the NYSE American from a high of $2.02 to a low of $0.61 during the twelve-month period ending December 31, 2022. There can be no assurance that continual fluctuation in price will not occur.

Securities of mining companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, currency fluctuations and market perceptions of the attractiveness of particular industries. Other factors unrelated to the Company's performance that may have an effect on the price of the Common Shares including: the extent of analytical coverage available to investors concerning the Company's business, especially if investment banks with research capabilities do not continue to follow the Company's securities; the lessening in trading volume and general market interest in the Company's securities, including where this affects an investor's ability to trade significant numbers of Common Shares; the inclusion or removal of the Company's securities from exchange-trade funds or indexes; and the size of the Company's public float, particularly if it limits the ability of some institutions to invest in the Company's securities. The price of the Common Shares is also likely to be significantly affected by short-term changes in the price of gold, and, to a lesser extent, copper and silver, the Company's financial condition and results of operations and other operational and regulatory matters.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect New Gold's long-term value. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. New Gold may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

GOVERNMENT REGULATION

The mining, processing, development, exploration and reclamation and closure activities of the Company are subject to various laws governing prospecting, development, production, exports, imports, taxes, labour standards and occupational health and safety, mine safety, toxic substances, waste disposal, environmental protection and remediation, protection of endangered and protected species, land use, water use, land claims of local people, relations with local First Nations and other matters. As a public company listed on stock exchanges in Canada and the U.S., the Company is also required to comply with a number of public company obligations imposed by securities commissions and stock exchanges, compliance with which can be time consuming and costly. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could have a material adverse effect on the Company's business, financial position and results of operations, including a negative impact on the market price of the Company's securities.

Amendments to current laws, regulations and permits governing the Company's business, operations or development

activities and activities of mining and exploration companies, or the application of existing laws, regulations and permits (including a more stringent or different application), could have a material adverse impact on the Company's results of operations or financial position, or could result in abandonment or delays in the development of new mining properties or the suspension or curtailment of operations at existing mines. Failure to comply with any applicable laws, regulations or permitting requirements may result in enforcement actions against the Company, including orders issued by regulatory or judicial authorities causing operations or development activities to cease or be curtailed or suspended, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions (see also "Permitting" above). Additionally, the Company could be forced to compensate those suffering loss or damage by reason of its business activities, mining operations or exploration or development activities, and could face civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Any such regulatory or judicial action could materially increase the Company's operating costs, delay or curtail or otherwise negatively impact the Company's operations and other activities and cause reputational harm.

DEPENDENCE ON THE RAINY RIVER AND NEW AFTON MINES

The Company's operations at the Rainy River and New Afton Mines are expected to account for substantially all of the Company's gold and copper production in 2023. Any adverse condition affecting mining or milling conditions at the Rainy River Mine or New Afton Mine could have a material adverse effect on the Company's financial performance and results of operations.

Unless the Company acquires or develops other significant gold-producing assets, the Company will continue to be dependent on its operations at the Rainy River and New Afton Mines for its cash flow provided by operating activities.

EXPLORATION AND DEVELOPMENT RISKS

The exploration for, and development of, mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge cannot eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Major expenses may be required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, including but not limited to: the particular attributes of the deposit, such as accuracy of estimated size, continuity of mineralization, average grade and metallurgical characteristics (see "Uncertainty in the Estimation of Mineral Reserves and Mineral Resources" below); proximity to infrastructure; metal prices, which are highly cyclical (see "Changes in Metal Prices" above); and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection (see "Government Regulation" above). The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company being unable to receive an adequate return on invested capital.

Development projects are uncertain and capital cost estimates, projected operating costs, production rates, recovery rates, mine life and other operating parameters and economic returns may differ significantly from those estimated for a project. Development projects rely on the accuracy of predicted factors including capital and operating costs, metallurgical

recoveries, reserve estimates and future metal prices. Development projects also rely on diligent capital management to prevent overspending. In addition, there can be no assurance that gold, copper or silver recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

At New Afton, the Company is developing the C-Zone and at Rainy River, the Company is developing the underground mine. The Company may engage in other development and expansion activities at its operating mines from time to time. Expansion projects, including development and expansions of facilities and extensions to new ore bodies or new portions of existing ore bodies, have risks and uncertainties similar to development projects.

A project is subject to numerous risks during development including, but not limited to, the accuracy of feasibility studies,

obtaining and complying with required permits, changes in environmental or other government regulations, securing all necessary surface and land tenure rights, consulting and accommodating First Nations and other Indigenous groups and financing risks. In particular, the Company is actively engaged in consultation with various First Nations and other Indigenous groups in connection with the New Afton C-Zone development. This engagement may be impacted by the British Columbia Declaration on the Rights of Indigenous Peoples Act and the federal government's *United Nations Declaration on the Rights of Indigenous Peoples Act* (the "**UNDRIP Act**"). Unforeseen circumstances, including those related to the amount and nature of the mineralization at the development site, technological impediments to extraction and processing, legal challenges or restrictions or governmental intervention, infrastructure limitations, supply chain issues, environmental issues, unexpected ground conditions or other unforeseen development challenges, commodity prices, disputes with local communities or other events, could result in one or more of New Gold's planned developments becoming impractical or uneconomic to complete or could otherwise impact the Company's ability to execute its strategic plans. Any such occurrence could have an adverse impact on New Gold's growth, financial condition and results of operations. There can be no assurance that the Company's expansion and development projects will continue in accordance with current expectations or at all. See also "Permitting" above.

WATER MANAGEMENT RISKS

Changes in climate have resulted in more extreme precipitation levels and extreme weather events that can affect the Company's operations. For example, in 2022 the area surrounding the Rainy River Mine experienced its heaviest rainfall in the last seventy years. In 2021, there was torrential rainfall near the New Afton Mine, which led to severe flooding and mudslides, that led to a number of the major highways, bridges, roads and similar infrastructure being flooded, taken out or otherwise becoming inaccessible. Dry conditions and elevated forest fire risk have also impacted both sites in recent years (see "Climate Change Risks" below). Water is a key resource for the Company's operations and inadequate water management and stewardship could have a material adverse effect on the Company and its operations. While certain aspects relating to water management are within the Company's control, extreme weather events can negatively impact the Company's water management practices. These can consequently impact operations, disrupt production, increase costs and damage site infrastructure.

The Company's production estimates are dependent on, among other things, water supply and water quality, and production may be adversely impacted by significant increases or decreases in precipitation. On account of changes in precipitation levels, New Gold could encounter business disruptions and operational difficulties in addressing too much water, such as what was experienced at the Rainy River Mine in 2022, or too little water resulting in an under supply of water at the Company's operations, which the mills require to operate. Both of which could lead to production and other disruptions and impact the Company's business, financial position and results of operations.

Insufficient water management could lead to damage to site infrastructure. Poor design or maintenance of the tailings dam structures or improper management of site water could contribute to dam failure or tailings release and may also

result in damage or injury to people or property. In the case of New Afton, too much water in the tailings facility could contribute to surface subsidence. Mining, processing, development and exploration activities are dependent on adequate infrastructure and reliable water supply and water management. Inadequate water supply or poor water management may affect capital and operating costs.

Failure to properly manage water levels or properly treat water can lead to treated water quality that is too low to allow for discharge when needed or other challenges in the ability to hold water in the amounts required. The Company may also not be able to discharge water when needed for regulatory reasons outside of its control. The Company has instituted water management plans but there can be no guarantees that the water management plans will be sufficient or perform as intended, and there can be no assurances that the Company will be able to discharge water when needed, which could subject the Company to liability and affect the Company's business, financial condition and results of operations.

IMPACT OF PANDEMIC DISEASE, INCLUDING COVID-19, ON GLOBAL ECONOMIC CONDITIONS AND PERFORMANCE

The Company's operations are subject to the risk of emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases, such as the COVID-19 pandemic (which, for the purposes of this Annual Information Form, includes any variants thereof where applicable). These infectious disease risks may not be adequately responded to locally, nationally or internationally due to lack of preparedness to detect and respond to outbreaks or respond to

locally, nationally or internationally due to lack of preparedness to detect and respond to outbreaks or respond to significant pandemic threats. As such, there are potentially significant economic and social impacts of infectious disease risks, including the inability of the Company's mining and exploration operations to operate as intended due to a shortage of skilled employees, shortages or disruptions in supply chains, inability of employees to access sufficient healthcare, significant social upheavals, government or regulatory actions or inactions, decreased demand or the inability to sell precious metals or declines in the price of precious metals, capital market volatility or other unknown but potentially significant impacts. There are also potentially significant economic losses from infectious disease outbreaks that can extend far beyond the initial location of an infectious disease outbreak. The extent to which an infectious disease outbreak will have an impact on our business, results of operations, future cash flows, earnings, liquidity and financial condition will depend on future developments that are highly uncertain and difficult to predict. The Company may not be able to accurately predict the quantum of such risks.

The COVID-19 global health pandemic has impacted the global economy and commodity and financial markets. The full extent and expected duration of the COVID-19 pandemic and its impacts is unknown despite the time that has elapsed since it was initially discovered. To date, the impacts of the pandemic have included extreme volatility in financial markets, economic activity and commodity prices (including gold). Efforts to fight the COVID-19 pandemic have been taken by national and local governments and businesses that have had a significant impact on the economy and on individual businesses, including New Gold. There was a temporary two-week shutdown of the Rainy River Mine from March 20 to April 2, 2020 to allow the local workforce to complete a 14-day period of self-isolation recommended by the Canadian government after travel outside of Canada, as frequent border crossings to the United States are a common practice in the region near the mine. On April 3, 2020, operations resumed using a local workforce with operations gradually ramping up (please refer to the Company's April 3, 2020 press release "New Gold Announces Restart of the Rainy River Mine" for further information).

Both the British Columbia and Ontario provincial governments have, from time to time during the course of the COVID-19 pandemic, ordered non-essential businesses to close to help stop the spread of COVID-19. As of the date hereof, New Gold's operations have fit within the list of essential businesses under these orders; however, there is no guarantee that New Gold's operations will not be suspended or shut-down, in whole or in part, in the future as a result of the COVID-19

pandemic (or any other disease, epidemic or pandemic). Canadian and provincial governments, as well as other relevant jurisdictions may introduce new, or modify existing, laws, regulations, orders or other measures that could impact the Company's ability to operate, its ability to meet expected timelines for development and expansion projects and its anticipated production, costs and capital guidance or otherwise affect the Company's suppliers or customers. The responses of the Canadian and provincial governments, as well as governments in other relevant jurisdictions, may be insufficient to contain the impact of the COVID-19 pandemic (or any other disease, epidemic or pandemic) and this could adversely impact New Gold's employees, suppliers, customers, local communities and other stakeholders, and impair New Gold's ability to operate and profitability. The COVID-19 pandemic (or any other disease, epidemic or pandemic) and responses to it may also lead to an economic recession or downturn that could adversely affect the Company's ability to raise capital, cause interest rate volatility and movements that could make obtaining financing or refinancing debt obligations more challenging or more expensive, or otherwise materially adversely affect the Company's operations or liquidity position.

Employees and contractors may still test positive for COVID-19. This may impact the health of the Company's workforce and the health of the surrounding communities as well as lead to potential labour shortages or other shortages or disruptions in supply chains. This, in turn, may result in the limitation or suspension of the Company's operations where such COVID-19 cases occur. If any such limitation or suspension occurs, production may be reduced. Any of these factors could result in a material adverse effect on the Company's business, results of operations, future cash flows, earnings, liquidity and financial condition.

FINANCING RISKS

The Company's mining, processing, development and exploration activities may require additional external financing. There can be no assurance that additional capital or other types of financing will be available when needed or that, if available, the terms of such financing will be acceptable to the Company. Furthermore, if the Company raises additional capital by offering equity securities or securities convertible into equity securities, any additional financing may involve substantial dilution to existing shareholders. If raised through asset sales, the terms of such sales may not be favourable to the Company, and may reduce the assets and future economic performance of the Company. Failure to obtain sufficient financing could result in the delay or indefinite postponement of exploration, development, construction or production of any or all of the Company's mineral properties or otherwise impact the Company's strategic plans. The cost and terms of such financing may significantly reduce the expected benefits from new developments or render such developments uneconomic.

NEED FOR ADDITIONAL MINERAL RESERVES AND MINERAL RESOURCES

Because mines have limited lives based on proven and probable Mineral Reserves, the Company continually seeks to replace and expand its Mineral Reserves and Mineral Resources. The Company's ability to maintain or increase its annual production of gold, copper and silver depends in significant part on its ability to find or acquire new Mineral Reserves and Mineral Resources and bring new mines into production, and to expand Mineral Reserves and Mineral Resources at existing mines. Exploration is inherently speculative. New Gold's exploration projects involve many risks and exploration is frequently unsuccessful. See "Exploration and Development Risks" above. There is a risk that depletion of reserves will not be offset by discoveries or acquisitions. The mineral base of New Gold may decline if reserves are mined without adequate replacement.

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UNCERTAINTY IN THE ESTIMATION OF MINERAL RESERVES AND MINERAL RESOURCES

Mineral Reserves and Mineral Resources are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that Mineral Reserves can be mined or processed profitably. Mineral Reserve and Mineral Resource estimates may be materially affected by environmental, permitting, legal, title, taxation, socio-political, geotechnical factors (such as pit slope angles), marketing and other risks and relevant issues. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data, the accuracy of assumptions, the nature of the ore body and of the assumptions made and judgments used in engineering and geological interpretation. These estimates may require adjustments or downward revisions based upon further exploration or development work, drilling or actual production experience.

Fluctuations in gold, copper and silver prices, results of drilling, metallurgical testing and production, the evaluation of mine plans after the date of any estimate, permitting requirements or unforeseen technical or operational difficulties may require revision of Mineral Reserve and Mineral Resource estimates. Prolonged declines in the market price of gold (or applicable by-product metal prices) may render Mineral Reserves and Mineral Resources containing relatively lower grades of mineralization uneconomical to recover and could materially reduce the Company's Mineral Reserves and Mineral Resources. Mineral Resource estimates for properties that have not commenced production or at deposits that have not yet been exploited are based, in most instances, on very limited and widely-spaced drill hole information, which is not necessarily indicative of conditions between and around the drill holes. There may also be outliers in the representative samples that may disproportionally skew the estimates. In a block cave mine, as a cave exhausts its reserves, it may experience dilution of grade. Accordingly, such Mineral Resource estimates may require revision as more geologic and drilling information becomes available and as actual production experience is gained. Should reductions in the Company's Mineral Resources or Mineral Reserves occur, the Company may be required to take a material write-down of its investment in mining properties, reduce the carrying value of one or more of its assets or delay or discontinue production or the development of new projects, resulting in reduced net income or increased net losses and reduced cash flow. Mineral Resources and Mineral Reserves should not be interpreted as assurances of mine life or of the profitability of current or future operations. In addition, the estimates of Mineral Resources, Mineral Reserves and economic projections rely in part on third-party reports and investigations. There is a degree of uncertainty attributable to the calculation and estimation of Mineral Resources and Mineral Reserves and corresponding grades being mined and, as a result, the volume and grade of reserves mined and processed and recovery rates may not be the same as currently anticipated. Any material reductions in estimates of Mineral Reserves and Mineral Resources, or of the Company's ability to extract these Mineral Reserves and Mineral Resources, could have a material adverse effect on the Company's projects, results of operations and financial condition.

Mineral Resources are not Mineral Reserves and have a greater degree of uncertainty as to their existence and feasibility. There is no assurance that Mineral Resources will be upgraded to proven or probable Mineral Reserves.

UNCERTAINTY RELATING TO INFERRED MINERAL RESOURCES

Inferred Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. Due to the uncertainty which may attach to Inferred Mineral Resources, there is no assurance that inferred Mineral Resources will be upgraded through further exploration to the measured and indicated resource classification level of confidence necessary for their potential conversion to proven or probable Mineral Reserves as a result of a pre-feasibility or feasibility level technical study.

IMPAIRMENT

On a quarterly basis, the Company reviews and evaluates its mining interests for indicators of impairment or impairment reversals. In the past, New Gold has recognized material impairment losses. Impairment assessments are conducted at the level of cash-generating units ("**CGU**"). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Each operating mine, development and exploration project represents a separate CGU. If an indication of impairment exists, the recoverable amount of the CGU is estimated. An impairment loss is recognized when the carrying amount of the CGU is in excess of its recoverable amount. The assessment for impairment is subjective and requires management to make significant judgments and assumptions in respect of a number of factors, including, but not limited to, prolonged significant changes in commodity prices, per ounce

in-situ multiples, significant change to New Gold's life of mine plans, significant changes in discount rates and if applicable, the factors which lead to a prolonged and sustained market capitalization deficiencies. It is possible that the actual fair value could be significantly different than those estimates. In addition, should management's estimate of the future not reflect actual events, further impairment charges may materialize, and the timing and amount of such impairment charges is difficult to predict.

TITLE CLAIMS AND RIGHTS OF INDIGENOUS PEOPLES

New Gold's properties may be subject to the rights or the asserted rights of various community stakeholders, including First Nations and other Indigenous peoples. The presence of community stakeholders may impact the Company's ability to develop or operate its mining properties and its projects or to conduct exploration activities. Accordingly, the Company is subject to the risk that one or more groups may oppose the continued operation, further development or new development or exploration of the Company's current or future mining properties and projects. Such opposition may be directed through legal or administrative proceedings, or through protests or other campaigns against the Company's activities.

Governments in many jurisdictions must consult with, or require the Company to consult with, Indigenous peoples with respect to grants of mineral rights and the issuance or amendment of project authorizations. In British Columbia, the provincial government enacted the *Declaration on the Rights of Indigenous Peoples Act* in November 2019, which may affect consultation requirements in that jurisdiction. Additionally, on July 21, 2021, the federal government's UNDRIP Act came into force marking Canada's first substantive step towards ensuring Canadian federal laws reflect the standards outlined in the *United Nations Declaration on the Rights of Indigenous Peoples.* It is yet to be determined what near-term impacts and changes, if any, will follow; however, such legislation may potentially have numerous implications for Indigenous groups, government authorities and natural resource project proponents.

The Company is party to, and has impact benefit agreements in place with, certain First Nations near its Rainy River Mine and New Afton Mine, each of which require the Company to comply with predetermined obligations and requirements. There is the risk that the Company may not fulfill all of its obligation under such impact benefit agreements which could cause it to lose the support of the affected First Nations group and otherwise impact its reputation, business and operations.

Consultation and other rights of Indigenous peoples may require accommodation including undertakings regarding employment, royalty payments and other matters. This may affect the Company's ability to acquire within a reasonable time frame effective mineral titles, permits or licenses in certain jurisdictions, including in some parts of Canada and Mexico in which title or other rights are claimed by First Nations and other Indigenous peoples, and may affect the timetable and costs of development and operation of mineral properties in these jurisdictions. The risk of unforeseen title

claims by Indigenous peoples also could affect existing operations as well as development projects. These legal requirements may also affect the Company's ability to expand or transfer existing operations or to develop new projects.

ENVIRONMENTAL RISKS

The Company is subject to environmental regulation in Canada and Mexico where it operates or has exploration or development activities. In addition, the Company will be subject to environmental regulation in any other jurisdictions in which it may operate or have exploration or development properties. These regulations address, among other things, endangered and protected species, emissions, noise, air and water quality standards, land use and reclamation. They also set out limitations on the generation, transportation, storage and disposal of solid, liquid and hazardous waste or potentially hazardous substances such as fuel, lime or cyanide.

The Company expends significant resources to comply with environmental laws, regulations and permitting requirements, and expects to continue to do so in the future. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in injunctions, damages, suspension or revocation of permits and imposition of penalties. There can be no assurance that:

- the Company has been or will be at all times in complete compliance with such laws, regulations and permitting requirements, or with any new or amended laws, regulations and permitting requirements that may be imposed

requirements, or with any new or amended laws, regulations and permitting requirements that may be imposed from time to time;

- the Company's compliance will not be challenged; or
- the costs of compliance will be economic and will not materially or adversely affect the Company's future cash flow, results of operations and financial condition.

The Company may be subject to proceedings in respect of alleged failures to comply with environmental laws, regulations or permitting requirements or of posing a threat to or of having caused hazards or damage to the environment or to persons or property. While any such proceedings are in process, the Company could suffer delays or impediments to or suspension of development and construction of the Company's projects and operations and, even if the Company is ultimately successful, it may not be compensated for the losses resulting from any such proceedings or delays.

Environmental legislation is evolving in a manner which will involve, in certain jurisdictions, stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. No certainty exists that future changes in environmental regulation, or the application of such regulations, if any, will not adversely affect the Company's operations or development properties or exploration activities. The Company cannot give any assurance that, notwithstanding its precautions, breaches of environmental laws (even if inadvertent) or environmental pollution will not materially and adversely affect its financial condition and results of operations. Environmental hazards may exist on the Company's properties which are unknown to management at present and which have been caused by previous owners or operators of the properties. Changes in weather conditions can also cause environmental hazards, such as increased precipitation leading to possible tailings dam failures or other heightened risk of environmental incidents and need for water management mitigation. Increased precipitation can also affect compliance with environmental regulations and affect operations. In addition, measures taken to address and mitigate known environmental hazards or risks may not be fully successful, and such hazards or risks may materialize.

There may be existing environmental hazards, contamination or damage at the Company's mines or projects that the Company is unaware of. The Company may also acquire properties with known or undiscovered environmental risks. Any indemnification from the entity from which the Company acquires such properties may not be adequate to pay all the fines, penalties and costs (such as clean-up and restoration costs) incurred with respect to such properties. The Company may also be held responsible for addressing environmental hazards, contamination or damage caused by current or former activities at our mines or projects or exposure to hazardous substances, regardless of whether or not hazard, damage, contamination or exposure was caused by its activities or by previous owners or operators of the property, past or present owners of adjacent properties or by natural conditions, and whether or not such hazard, damage, contamination or exposure was unknown or undetectable. The New Afton Mine has also been used for mining and related operations for many years before the Company acquired it, and was acquired "as is" or with assumed environmental liabilities from previous owners or operators.

Any finding of liability in proceedings pursuant to environmental laws, regulations or permitting requirements could result in substantial additional costs, delays in the exploration, development and operation of the Company's properties and other penalties and liabilities, including, but not limited to:

- monetary penalties (including fines);
- restrictions on or suspension of activities;
- loss of rights, permits and property;
- completion of extensive remedial cleanup or paying for government or third-party remedial cleanup;
- premature reclamation of operating sites; and
- seizure of funds or forfeiture of bonds.

The cost of addressing environmental conditions or risks, and liabilities associated with environmental damage, may be significant, and could have a material adverse effect on the Company's business, prospects, results of operations and financial condition. Production at New Gold's mines involves the use of various chemicals, including certain chemicals that are designated as hazardous substances. Contamination from hazardous substances, either at the Company's own properties or other locations for which it may be responsible, may subject the Company to liability for the investigation or remediation of contamination, as well as for claims seeking to recover for related property damage, personal injury or damage to natural resources. The occurrence of any of these adverse events could have a material adverse effect on the Company's prospects, results of operations and financial position.

Production at the Rainy River Mine involves the use of sodium cyanide which is a toxic material. Should sodium cyanide leak or otherwise be discharged from the containment system, the Company may become subject to liability for cleanup work that may not be insured, in addition to liability for any damage caused. Such liability could be material.

TAILINGS

Mining companies also face innate risks in their operations with respect to tailings dams and structures built for the containment of the metals and mining waste, known as tailings, which exposes the Company to a number of risks. Unexpected failings of tailings dams could release tailings and result in extensive environmental damage to the surrounding area. Dam failures can result in the immediate suspension of mining operations by government authorities

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and lead to significant costs and expenses, write offs of material assets and the recognition of provisions for remediation, which could affect the Company's operations and statements of financial position

which could affect the Company's operations and statements of financial position.

The unexpected failure of a tailing dam could subject the Company to any or all of the potential impacts discussed above in "Environmental Risks", among others. A major spill or failure of the tailings facilities (including as a result of matters beyond the Company's control such as extreme weather, a seismic event or other incident) could cause damage to the environment and the surrounding communities, wildlife and areas. Poor design or maintenance of the tailings dam structures or improper management of site water could contribute to dam failure or tailings release and may also result in damage or injury to people or property. Failure to comply with existing or new environmental, health and safety laws and regulations could lead to injunctions, fines, suspension or revocation of permits and other penalties. The costs and delays associated with compliance with these laws, regulations and permits may prevent the Company from proceeding with the development of a project or the operation or further development of a mine or increase the costs of development or production or otherwise impact the Company's ability to execute its strategic plans, and may materially adversely affect the Company's business, results of operations or financial condition. The Company could also be held responsible for the costs associated with investigating and addressing contamination (including claims for natural resource damages) or for fines or penalties from governmental authorities relating to contamination issues at current or former sites, either owned directly or by third parties. The Company could also be found liable for claims relating to exposure to hazardous and toxic substances and major spills, breach or other failure of the tailing facilities. The costs associated with such responsibilities and liabilities could be significant, be higher than estimated and may involve a time consuming clean-up. Furthermore, in the event that the Company is deemed liable for any damage caused by overflow, the Company's losses or consequences of regulatory action might not be sufficiently covered by insurance policies. Should the Company be unable to fully fund the cost of remedying such environmental concerns, the Company could be required to temporarily or permanently suspend operations. If any such risks were to occur, this could materially and adversely affect the Company's reputation and its ability to conduct its operations, and could subject the Company to liability and result in a material adverse effect on its business, financial condition and results of operations.

INSURANCE AND UNINSURED RISKS

New Gold's business is subject to a number of risks and hazards generally including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope or wall failures, cave-ins, metallurgical or other processing problems, fires, operational problems, changes in the regulatory environment and natural phenomena, such as inclement weather conditions, floods, hurricanes and earthquakes. Such occurrences could result in damage to mineral properties or production facilities or other property, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, supply chain disruptions, government service disruptions, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, such insurance will not cover all the potential risks associated with the Company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available on acceptable terms or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution, or other hazards as a result of exploration, development and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. New Gold may also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect on results of operations and financial condition.

RECLAMATION COSTS

The Company's operations are subject to closure and reclamation plans that establish its obligations to reclaim properties after minerals have been mined from a site. These obligations represent significant future costs for the Company. It may be necessary to revise reclamation timing, concepts and plans, which could increase costs.

Management estimates the reclamation and closure cost obligations for all of its properties is $121.2million as at December 31, 2022. Details and quantification of New Gold's reclamation and closure costs obligations are set out in Note 14 of the Company's audited consolidated financial statements for the year ended December 31, 2022. As at December 31, 2022, the Company had posted letters of credit or other financial assurance in an aggregate amount of $161.7 million

to address these liabilities.

Reclamation bonds or other forms of financial assurance are often required to secure reclamation activities. Governing authorities require companies to periodically recalculate the amount of a reclamation bond and may require bond amounts to be increased. It may be necessary to revise the planned reclamation expenditures and the operating plan for a mine in order to fund an increase to a reclamation bond. In addition, reclamation bonds may be issued under the Company's credit facilities. Increases in the amount of reclamation bonds will decrease the amount of the Credit Facility available for other purposes.

Reclamation bonds may represent only a portion of the total amount of money that will be spent on reclamation over the life of a mine operation. The actual costs of reclamation set out in mine plans are estimates only and may not represent the actual amounts that will be required to complete all reclamation activity. Obtaining regulatory approval of the Company's reclamation activity may also add additional time and costs to reclamation. If actual costs are significantly higher than the Company's estimates, then its results of operations and financial position could be materially adversely affected.

FOREIGN CURRENCY EXCHANGE RATES

New Gold's mineral properties are located in Canada and Mexico. As a result, the Company has foreign currency exposure with respect to items not denominated in United States dollars. The three main types of foreign exchange risk the Company faces are:

- *transaction exposure*: New Gold's operations sell commodities and incur costs in different currencies. Specifically, the Company's revenues are denominated in United States dollars while most of the Company's expenses are currently denominated in Canadian dollars and, to a lesser extent, Mexican pesos. This creates exposure at the operational level, which may affect its profitability as exchange rates fluctuate. The appreciation of non-United States dollar currencies against the United States dollar can increase the costs of production at New Gold's mines, making those mines less profitable;
- *exposure to currency risk*: New Gold is exposed to currency risk through a portion of the following assets and liabilities denominated in currencies other than the United States dollar: cash and cash equivalents, investments, accounts receivable, reclamation deposits, accounts payable and accruals, reclamation and closure cost obligations and long-term debt; and
- *translation exposure*: New Gold's functional and reporting currency is United States dollars. Certain of the Company's operations have assets and liabilities denominated in currencies other than the United States dollar, with translation foreign exchange gains and losses included in these balances in the determination of profit or

loss. Therefore, exchange rate movements in the Canadian dollar and, to a lesser extent, Mexican peso can have a significant impact on the Company's consolidated operating results.

As a result, fluctuations in currency exchange rates could significantly affect the Company's business, financial condition, results of operations and liquidity.

GLOBAL ECONOMIC CONDITIONS

Economic and geopolitical events may create uncertainty in global financial and equity markets. The global debt situation may cause increased global political and financial instability resulting in downward price pressure for many asset classes and increased volatility and risk spreads. Additionally, if a public health crisis, such as an epidemic or pandemic related to COVID-19 or another virus, terrorist activity, armed conflict, political instability or natural disasters occur in Canada, the U.S. or other locations, such events could cause general economic conditions to deteriorate, cause supply chain shortages or otherwise negatively impact our operations. Difficult, or worsening, general economic conditions, including on account of recessions or increased inflation, could have a material adverse effect on our business, financial condition and operating results. Such disruptions could make it more difficult for us to obtain financing for our operations, or increase the cost of such financing, among other things. If are not able to raise capital when we need it, or to access capital on reasonable terms, it could have a material adverse effect on our business, operations, financial performance or financial condition. These and other related factors can lead to lower longer term asset values, which can result in impairment losses.

INFLATION RISKS

As the COVID-19 economic recovery continues, inflation rates in the jurisdictions in which the Company operates have continued to increase. A significant portion of the upward pressure on prices has been attributed to the rising costs of labour and energy, as well as continuing global supply-chain disruptions, with global energy costs increasing significantly following the invasion of Ukraine by Russia in February 2022. These inflationary pressures have affected the Company's labour, commodity and other input costs and such pressures may or may not be transitory. The Company has made assumptions around the expected costs of key inputs; however, actual costs in an inflationary environment may differ materially from those assumptions. Any continued upward trajectory in the inflation rate for the Company's inputs may have a material adverse effect on the Company's operating and capital expenditures for the development of its projects as well as its financial condition and results of operations.

GLOBAL FINANCIAL CONDITIONS

Global financial conditions have been subject to continued volatility, most recently when considering the numerous interest rate hikes in Canada, the U.S. and other countries around the world and the significant fluctuations in fuel and energy costs and metal prices. Government debt, the risk of sovereign defaults, political instability and wider economic concerns in many countries have been causing significant uncertainties in the markets. Disruptions in the credit and capital markets can have a negative impact on the availability and terms of credit and capital. Uncertainties in these markets could have a material adverse effect on the Company's liquidity, ability to raise capital and cost of capital. High levels of volatility and market turmoil could also adversely impact commodity prices, demand for metals, including gold, exchange rates and interest rates and have a detrimental effect on the Company's business, financial condition and financial performance, including a possible negative impact on the market price of the Company's securities.

DEBT AND LIQUIDITY RISK

As at December 31, 2022, the Company had long-term debt comprised of one series of notes in an aggregate principal amount of $400 million. In addition, the Company has a $400 million Credit Facility. The Company's ability to make scheduled payments of principal and interest on or to refinance its indebtedness depends on the Company's future

performance, which is subject to economic, financial, competitive and other factors many of which are not under the control of New Gold. The Company is exposed to interest rate risk on variable rate debt, if any. Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due, including, among others, debt repayments, interest payments and contractual commitments.

In the future, the Company may not continue to generate cash flow from operations sufficient to service its debt and make necessary or planned capital expenditures. If the Company is unable to generate such cash flow, it may be required to adopt one or more alternatives, such as selling assets, borrowing additional funds, restructuring debt or issuing additional equity capital on terms that may be onerous or highly dilutive. The Company's ability to borrow additional funds or refinance its indebtedness will depend on the capital markets and its financial condition at such time. The Company may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on its debt obligations. In addition, if New Gold is unable to maintain its indebtedness and financial ratios at levels acceptable to its credit rating agencies, or should New Gold's business prospects deteriorate, the ratings currently assigned to New Gold by Moody's Investor Services and Standard & Poor's Ratings Services could be downgraded, which could adversely affect the value of New Gold's outstanding securities and existing debt and its ability to obtain new financing on favourable terms, if at all. New Gold's borrowing cost would likely also increase as a result.

If the Company's cash flow and other sources of liquidity are not sufficient to continue operations and make necessary and planned capital expenditures, the Company may cancel or defer capital expenditures and/or suspend or curtail operations. Such an action may impact production at mining operations and/or the timelines and cost associated with development projects, which could have a material adverse effect on the Company's prospects, results of operations and financial condition.

The terms of the Company's Credit Facility and stream agreement with Royal Gold require the Company to satisfy various affirmative and negative covenants and to meet certain financial ratios and tests. In addition, the terms of the Company's 2027 Notes (as defined below) require the Company to satisfy various affirmative and negative covenants. These covenants limit, among other things, the Company's ability to incur indebtedness, create certain liens on assets or engage in certain types of transactions. There are no assurances that in the future, the Company will not, as a result of these covenants, be limited in its ability to respond to changes in its business or competitive activities or be restricted in its ability to engage in mergers, acquisitions or dispositions of assets. Furthermore, a failure to comply with these covenants, including, in the case of the Credit Facility and stream agreement with Royal Gold, or a failure to meet the financial tests or ratios, would likely result in an event of default under the Credit Facility and/or the 2027 Notes and/or stream agreement and would allow the lenders or noteholders or other contractual counterparty, as the case may be, to accelerate the debt or other obligations as the case may be.

TAXATION

New Gold has operations and conducts business in a number of different jurisdictions and is accordingly subject to the taxation laws of each such jurisdiction, as well as tax reviews and assessments in the ordinary course. Taxation laws are complex, subject to interpretation and subject to change. Any such changes in taxation law or reviews and assessments could result in higher taxes being payable by the Company, which could adversely affect its profitability. Taxes may also adversely affect the Company's ability to repatriate earnings and otherwise deploy its assets. Additionally, the Company may structure certain transactions so as to make use of beneficial taxation laws, such as through the use of flow through shares; however, there can be no assurances that such benefits will be realized by the Company.

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RISKS RELATED TO FURTHER PROCESSING

The Company's operations produce concentrate, doré or other products that are not refined metals ("**Unrefined Product**") and generally require further processing at a smelter and/or a refinery to become marketable metal. Such Unrefined Product contains metals and other elements and impurities that require removal, some of which may limit the smelters or brokers who can or will purchase or process the Unrefined Product and the refineries who will process the Unrefined Product, or negatively impact the terms of such purchase or processing arrangements. Assay results of gold, copper and deleterious elements may vary in different samples and this may negatively affect the amount the Company receives for a shipment of concentrate, particularly if native copper particles are not adequately sampled in supergene ore from the New Afton Mine. In addition, treatment and refining charges are subject to fluctuations, which could negatively impact the Company's revenue or expenses.

In addition, the Company is generally responsible for transporting Unrefined Products either to the smelter or refinery or to a designated point where risk of loss is transferred. The Company is exposed to risks related to the loss of Unrefined Product during its loading, transportation and storage as well as the cost and availability of transportation and storage arrangements for its Unrefined Products. The Company may not be able to meet all of its transportation obligations or make alternative transportation or storage arrangements on reasonable commercial terms or at all. The Company has a limited number of transportation and storage options for its Unrefined Product and should any of such options become unavailable, it could cause significant delays and otherwise impact the Company's operations, profitability and ability to meet its contractual obligations. In November 2021, due to the torrential rainfall in British Columbia which led to severe flooding and mudslides, a number of the major highways, bridges, roads and similar infrastructure used to transport Unrefined Product produced at the New Afton Mine in northern British Columbia to Vancouver and other areas in southern British Columbia were flooded, taken out or otherwise became inaccessible. The British Columbia government declared a provincial state of emergency and it was highly uncertain at that time how long such state of emergency would last and when the transportation routes and similar infrastructure would become accessible. As a result, the Company had to consider alternative and, in some instances, significantly less efficient and more costly transportation routes to transport its Unrefined Product. While the provincial state of emergency expired on January 18, 2022 and transportation routes have since returned to near normal conditions, it is anticipated that the effects of climate change will give rise to more frequent and extreme weather events, such as those that occurred in November 2021 (see "Climate Change Risks" below). There can be no assurance that the Company will be able to continue to transport and store or sell and process its Unrefined Product on reasonable commercial terms or at all.

AVAILABILITY AND PRICE OF INPUTS

Disruptions in the supply of or the inability to procure products or services required for the Company's activities, whether on account of the Company's suppliers or other factors outside of the Company's control, could also adversely affect the Company's operations, financial condition and results of operations. The profitability of the Company's business and its ability to continue operations is affected by the market prices and availability or shortages of commodities or labour which are consumed or otherwise used in connection with the Company's operations and projects, such as diesel fuel, electricity, steel, concrete, construction material, grinding media, equipment spare parts, explosives and sodium cyanide. In particular, due to the limited number of suppliers of sodium cyanide in each jurisdiction in which the Company operates, a delay in supply, a force majeure event or a breach of contract by one of the Company's sodium cyanide suppliers could result in delays in processing times which may adversely affect results of operations. Given that the supply of inputs required for the Company's operations is dependent on the supply chain and transportation routes remaining open and viable, if such routes became unavailable or unpassable, such as occurred after the severe flooding and mudslides in northern British Columbia in November 2021, this could materially disrupt the Company's operations and adversely impact the price of inputs and the Company's results of operations and financial condition.

Mining operations and facilities are intensive users of electricity and carbon-based fuels. The Company is subject to price risk for fluctuations in the cost of energy, principally electricity and purchased petroleum products, which are subject to carbon taxes. Energy prices can be affected by numerous factors beyond the Company's control, including global and regional supply and demand, political and economic conditions and applicable regulatory regimes. The prices of various sources of energy may increase significantly from current levels. An increase in energy prices for which the Company is not hedged could materially adversely affect its results of operations and financial condition.

The Company's costs are affected by the prices and availability of commodities, services and other inputs it consumes or uses in its operations, such as lime, sodium cyanide and explosives. The prices of such commodities and inputs can change significantly over short periods of time, most recently when considering the current inflationary environment, and are

significantly over short periods of time, most recently when considering the current inflationary environment, and are influenced by supply and demand trends affecting the mining industry in general and other factors outside the Company's control, including on account of pandemics or similar public health threats and on account of political or military wars and armed conflicts such as the war in Ukraine. Increases in the price for materials consumed in the Company's mining and production activities could materially adversely affect the Company's results of operations and financial condition.

INFRASTRUCTURE

Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, or community, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

COMMUNITY RELATIONS, LICENSE TO OPERATE AND REPUTATION

The Company's relationship with the host communities and host governments where it operates is critical to ensure the future success of its existing operations and the construction and development of its projects. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Certain non-governmental organizations ("**NGOs**"), some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of cyanide and other hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or New Gold's operations or development activities specifically, could have an adverse effect on the Company's reputation.

Reputation loss, including reputation loss by other mining companies operating in jurisdictions where New Gold operates, may result in decreased investor confidence, increased challenges in developing and maintaining community and stakeholder relations and an impediment to the Company's overall ability to advance its projects and strategy, which could have a material adverse impact on the Company's results of operations, financial condition and prospects. While New Gold is committed to operating in a socially responsible manner, there is no guarantee that the Company's efforts in this respect will mitigate this potential risk.

CLIMATE CHANGE RISKS

Changes in climate conditions could adversely affect the Company's business and operations through the impact of (i) more extreme temperatures, energy disruptions, precipitation levels and other weather events; (ii) changes to laws and regulations, including disclosure requirements, related to climate change; and (iii) changes in the price or availability of goods and services required by our business.

Climate change may lead to more extremes in temperatures, energy disruptions, precipitation levels and other weather events, and cause both direct and indirect impacts on the Company's business and operations. Extreme high or low temperatures could impact the operation of equipment and the safety of personnel at the Company's sites, which could result in damage to equipment, injury to personnel, cost increases and production disruptions. Extreme high or low temperatures could also impact the surrounding areas and communities leading to more difficult living conditions and potentially resulting in labour shortages or disruptions, particularly given that a number of Company employees who work at the sites come from such surrounding areas and communities. Energy disruptions could affect operations at the Company's sites, including the ability to operate essential machinery, technology and other equipment, and lead to production interruptions. When considering the impact to surrounding areas, energy disruptions could cause area-wide blackouts and brownouts making it difficult for those employees working from home or otherwise working remotely to continue working. There could also be a need for IT back-up systems to be in multiple locations to create redundancy in the event of widespread power outages, which would in turn result in increased costs.

Water is a key resource in the Company's operations. Changes in precipitation levels may impact the availability of water at the Company's operations, which the mills require to operate, potentially leading to production disruptions. With the impact of climate change on water levels and precipitation, without adequate water management and stewardship, New Gold could encounter difficulties dealing with too much or too little water at its sites. Low precipitation also increases the risk of large forest fires, as occurred in proximity to the Company's operations in British Columbia in recent years, which

risk of large forest fires, as occurred in proximity to the Company's operations in British Columbia in recent years, which could cause production disruptions or damage site infrastructure. Low precipitation and the increased risk of forest fires impacts not only the Company's sites, but the surrounding areas and communities as well.

Both the New Afton Mine and Rainy River Mine have mutual aid agreements in place and during the 2021 forest fire season, New Afton's Fire and Mine Rescue team was called to assist and was able to respond to several fires including those at Lytton Creek, Duffy Lake, Red Lake, Sicamous and Logan Lake. Increases in precipitation levels could also lead to water management challenges, including challenging our ability to hold or treat and discharge water in the amounts required. In the surrounding areas, increases in precipitation levels could lead to a number of day-to day challenges and cause transportation delays and other disruptions. Extreme weather events, such as forest fires, severe storms or floods, all of which may be more probable and more extreme due to climate change, may negatively impact operations, disrupt production, increase costs and damage site infrastructure. Such extreme weather events can also lead to community evacuations, temporary labour shortages, delays in receiving critical supplies and shipping the Company's products, some of which were experienced in late 2021 during the torrential rainfall which led to severe flooding and mudslides and caused numerous transportation and supply chain routes to be inaccessible in northern British Columbia, close to where the New Afton Mine is located. As a result, the Company may not be able to produce or deliver in line with customer demands and may see unplanned costs increases. Significant capital investment may be required to address these occurrences and to adapt to changes in average operating conditions caused by these changes to the climate. The Company may also need to allocate more time and money to health and safety training and emergency response planning to ensure employees are adequately prepared for extreme weather caused by climate change.

Climate change may lead to new laws and regulations that affect the Company's business and operations. Many governments and other stakeholders are seeking enhanced disclosure and are moving to enact climate change legislation and treaties at the international, national, state, provincial and local levels as reflected by the CSA's proposed National Instrument 51-107 – *Disclosure of Climate-related Matters*, the SEC's proposed set of rules regarding climate-related disclosure and the International Sustainability Standards Board's two proposed international standards for ESG-related disclosure. Where legislation already exists, regulations relating to greenhouse gas emission levels and energy efficiency are becoming more stringent. Some of the transition and compliance costs associated with meeting more stringent regulations can be offset by increased energy efficiency and technological innovation. However, if the current regulatory

trend continues, meeting more stringent regulations is anticipated to result in increased costs. For example, the Company's operations have paid Canadian Federal and Provincial carbon taxes since 2019 and will continue to do so. Additionally, the Company is heavily reliant on diesel fuel to power vehicles and equipment. If diesel prices increase due to more stringent fossil fuel regulation or taxation, the cost of doing business could increase as well. Transitioning away from diesel-powered vehicles and equipment and integrating new technology can be costly, especially for operations that are nearing the end of the mine lifecycle. Given that the Company's operations are energy intensive and result in a carbon footprint (directly and indirectly) through the use of fossil-fuel based electricity, current and emerging regulations and policies relating to greenhouse gas emission levels, energy efficiency and reporting of climate related risks can directly impact the Company. There is significant uncertainty associated with the technology and regulatory changes necessary to transition to a decarbonized economy and the costs to comply are difficult to predict. The speed and disruptive nature of those changes, the policy and regulatory shifts to respond to those changes and the associated costs, may impact the Company's business model, financial performance and operational results. If the Company is unable to effectively manage the transition, it could incur additional costs, delay the ability to meet investor, customer and regulatory requirements, and negatively impact the Company's reputation.

Climate change may lead to changes in the price and availability of goods and services required for the Company's operations, which require the regular supply of consumables such as diesel, electricity and sodium cyanide to operate efficiently. The Company's operations also depend on service providers to transport these consumables and other goods to the operations and to transport doré and concentrate produced by the Company to refiners, smelters and other customers. The effects of extreme weather described above and changes in legislation and regulation on the Company's suppliers and their industries may result in limited availability or higher prices for these goods and services, which could result in higher costs or production disruptions.

In following TCFD guidance on risk management integration and disclosure, in late 2021, the Company undertook a climate risk assessment using scenario analysis. The goal of that assessment was to explore and identify physical and transitional risks associated with different climate scenarios, consider opportunities to reduce risk through climate mitigation and adaptation and identify areas for additional investigation and analysis. While significant effort was made, there is the possibility that not all physical and transitional risks that could directly and indirectly impact the Company were identified. We can provide no assurance that efforts to mitigate the risks of climate changes will be effective and that the physical risks of climate change will not have an adverse effect on the Company's operations and profitability.

GEOTECHNICAL RISKS

There are geotechnical challenges associated with the development and operation of open pit and underground mines. Exposure to geotechnical instability may result from ground and subsurface conditions, larger pits and deeper underground developments. No assurances can be given that adverse geotechnical conditions, such as pit and tailings facility wall failures, underground cave-ins, fracturing, convergence, subsidence and other ground-related instability, will not occur in the future or that such events will be detected in advance. Geotechnical instabilities can be difficult to predict and are often affected by risks beyond the Company's control, such as severe weather, higher than average rainfall and seismic events. Geotechnical failures can result in limited access to mine sites, suspension or operations, production delays, government investigations, increased costs, as well as injuries and deaths in the most extreme cases. All of these could adversely impact the Company's results of operations and financial position.

LABOUR AND EMPLOYMENT MATTERS

Production at the Company's mines and projects is dependent on the efforts of the Company's employees and contractors and their ability to complete required tasks. The Company competes with mining and other companies on a global basis

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to attract and retain employees at all levels with appropriate technical skills and operating experience necessary to operate its mines. The conduct of the Company's operations is dependent on access to skilled labour. Access to skilled labour may

its mines. The conduct of the Company's operations is dependent on access to skilled labour. Access to skilled labour may prove particularly challenging where mining operations are conducted in remote locations. Shortages or high turnover of suitably qualified personnel and fraud, theft or other failures of such personnel to comply with the Company's Code of Business Conduct and Ethics could have a material adverse effect on the Company's business, reputation and results of operations. Relations between the Company and its employees may be impacted by changes in the scheme of labour relations, which may be introduced by the relevant governmental authorities in the jurisdictions where the Company carries on business or on account of proposed employee unionization. New Gold had approximately 14 employees that belong to a union at the Cerro San Pedro Mine, which transitioned to reclamation in December 2018. In addition, the Company engages contractors who may have unionized employees. Adverse changes in the schemes of labour relations in different jurisdictions or in the relationship between the Company and its employees, or between the Company's contractors and their respective employees, may have a material adverse effect on the Company's business, results of operations and financial condition.

LITIGATION AND DISPUTE RESOLUTION

From time to time, New Gold is subject to legal claims, with and without merit. These claims may commence informally and reach a commercial settlement or may progress to a more formal dispute resolution process or legal proceedings. The causes of potential future claims cannot be known and may arise from, among other things, business activities, environmental laws, land use, contractor engagements, volatility in the stock price or alleged failures to comply with disclosure obligations. In particular, the complex activities and significant expenditures associated with construction activities, such as the C-Zone development, may lead to various claims, some of which may be material. Defense and settlement costs may be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have a material adverse effect on the Company's future cash flows, results of operations or financial condition.

TITLE RISKS

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of such properties will not be challenged or impaired. Third parties may have valid claims underlying portions of the Company's interest, including prior unregistered liens, agreements, transfers, royalties or claims, including land claims by First Nations or other Indigenous groups, and title may be affected by, among other things, undetected defects. In some cases, title to mineral rights and surface rights has been divided, and the Company may hold only surface rights or only mineral rights over a particular property, which can lead to potential conflict with the holder of the other rights. As a result of these issues, the Company may be constrained in its ability to operate its properties or unable to enforce its rights with respect to its properties, or the economics of its mineral properties may be impacted. An impairment to, or defect in, the Company's title to its properties or a dispute regarding property or other related rights could have a material adverse effect on the Company's business, financial condition or results of operations.

COMPETITION

New Gold faces strong competition from other mining companies in connection with the identification and acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than New Gold. As a result of this competition, the Company may be unable to identify, maintain or acquire attractive mining properties on acceptable terms or at all. Consequently, the Company's prospects, revenues, operations and financial condition could be materially adversely affected.

RETENTION OF KEY PERSONNEL

The Company's business is dependent on retaining the services of a number of key personnel of the appropriate calibre as the business develops. New Gold's success is, and will continue to be to a significant extent, dependent on the expertise and experience of the directors and senior management, and the loss of one or more of such persons could have a material adverse effect on the Company. The Company does not maintain any key man insurance with respect to any of its officers or directors.

HEDGING

From time to time, the Company uses or may use certain derivative products to hedge or manage the risks associated with

changes in gold prices, copper prices, silver prices, interest rates, foreign currency exchange rates and energy prices. The use of derivative instruments involves certain inherent risks including, among other things: (i) credit risk – the risk of an unexpected loss arising if a counterparty with which the Company has entered into transactions fails to meet its contractual obligations; (ii) market liquidity risk – the risk that the Company has entered into a derivative position that cannot be closed out quickly, by either liquidating such derivative instrument or by establishing an offsetting position; and (iii) unrealized mark-to-market risk – the risk that, in respect of certain derivative products, an adverse change in market prices for commodities, currencies or interest rates will result in the Company incurring an unrealized mark-to-market loss in respect of such derivative products.

There is no assurance that any hedging program or transactions which may be adopted or utilized by New Gold designed to reduce the risk associated with changes in gold prices, copper prices, silver prices, interest rates, foreign currency exchange rates or energy prices will be successful. Although hedging may protect New Gold from an adverse price change, certain hedging strategies may also prevent New Gold from benefiting fully from a positive price change.

RELIANCE ON THIRD-PARTY CONTRACTORS

It is common industry practice for certain aspects of mining operations including, but not limited to, drilling, blasting and construction, to be conducted by one or more outside contractors. Deficient or negligent work, or work not completed in a timely manner, could have a material adverse effect on the Company's business and operations. The Company is also subject to a number of risks associated with the use of such contractors, including, but not limited to: (a) the Company having reduced control over the aspects of the operations that are the responsibility of a contractor; (b) failure of the contractor to perform work properly or at a satisfactory level of quality and safety; (c) failure of a contractor to perform under its agreement(s), including, but not limited to, inability to meet the contractual timelines or to otherwise deliver in accordance with the terms of the contract; (d) inability to replace the contractor if the contractual relationship is terminated; (e) interruption of operations in the event the contractor ceases operations as a result of a contractual dispute with the Company or as a result of insolvency or other unforeseen events (including events of force majeure); (f) failure of the contractor to comply with applicable legal and regulatory requirements; and (g) inadequate contractor cybersecurity program or customer data management and privacy, exposing the Company to external attacks or leaking of the Company's confidential information, any of which could have a material adverse effect on the Company's business, financial condition or results of operations.

COUNTERPARTY RISK

Counterparty risk is the risk to the Company that a party to a contract will default on its contractual obligations to the Company. The Company is exposed to various counterparty risks including, but not limited to: (i) financial institutions that hold the Company's cash and short term investments; (ii) companies that have payables to the Company, including concentrate and bullion customers; (iii) providers of its risk management services, such as hedging arrangements; (iv) shipping service providers that move the Company's material; (v) the Company's insurance providers; and (vi) the

Company's lenders. Although the Company makes efforts to limit its counterparty risk, the Company cannot effectively operate its business without relying, to a certain extent, on the performance of third party service providers (see "Reliance on Third-Party Contractors" above).

INVESTMENT RISK

Investment risk is the risk that a financial instrument's value will deviate from the expected returns as a result of changes in market conditions, whether those changes are caused by factors specific to the individual investment or factors affecting all investments traded in the market. This includes interest rate risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Other aspects of investment risk include credit risk (the risk of unexpected loss arising if a counterparty with which the Company has entered into transactions fails to meet its contractual obligations) and liquidity risk (the risk that the Company has entered into an investment that cannot be closed out quickly). The Company has equity investments in other public mining companies not controlled by New Gold, such as Talisker Resources Ltd., Northern Superior Resources Inc., Angus Gold Inc. and Burin Gold Corp., which have early stage exploration, development and/or greenfield properties. These investments may fluctuate in value and the Company may incur losses in respect of such investments. Although the factors that affect investment risk are outside the Company's control, the Company limits investment risk by limiting its investment exposure in terms of total funds to be invested and by being selective of high quality investments and by taking security for financial obligations

where appropriate.

DISCLOSURE AND INTERNAL CONTROLS

The Company may fail to maintain the adequacy of internal control over financial reporting as per the requirements of the U.S. Sarbanes-Oxley Act of 2002 ("**SOX**"). The Company documented and tested its internal control procedures in order to satisfy the requirements of Section 404 of SOX. Both SOX and Canadian legislation require an annual assessment by management of the effectiveness of the Company's internal control over financial reporting.

The Company may fail to maintain the adequacy of its internal control over financial reporting as such standards are modified, supplemented or amended from time to time, and the Company may not be able to ensure that it can conclude on an ongoing basis that it has effective internal controls over financial reporting. The Company's failure to satisfy the requirements of Section 404 of SOX and equivalent Canadian legislation on an ongoing, timely basis could result in the loss of investor confidence in the reliability of its financial statements, which in turn could harm the Company's business and negatively impact the trading price of the Common Shares or market value of its other securities. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's operating results or cause it to fail to meet its reporting obligations.

The Company may fail to maintain the adequacy of its disclosure controls. Disclosure controls and procedures are designed to ensure that the information required to be disclosed by the Company in reports filed with securities regulatory agencies is recorded, processed, summarized and reported on a timely basis and is accumulated and communicated to the Company's management, as appropriate, to allow timely decisions regarding required disclosure.

No evaluation can provide complete assurance that the Company's financial and disclosure controls will detect or uncover all failures of persons within the Company to disclose material information otherwise required to be reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. The effectiveness of the Company's controls and procedures could also be limited by simple errors or faulty judgments.

CONFLICTS OF INTEREST

Certain of New Gold's directors and officers also serve as directors and/or officers of other companies involved in natural resource exploration and development, and consequently there exists the possibility for such directors and officers to have interests that conflict with the Company's interests. In particular, situations may arise in connection with potential investments or material transactions where the other interests of the Company's directors conflict with the interests of New Gold. For example, Ms. Schonberner recused herself from particpating in discussion of, and voting on, the sale to Wheaton Precious Metals Corp. of the 8% gold stream on the Artemis Gold Blackwater Project due to her position as a director of both Wheaton Precious Metals Corp. and the Company. The Company has implemented governance measures to address conflicts of interest; however, any such conflicts of interest may result in lost opportunities for the Company. Any conflict of interest involving the Company's directors and officers could result in a material adverse effect on the Company's business.

CORRUPTION AND BRIBERY LAWS

The Company's operations are governed by, and involve interactions with, many levels of government in numerous jurisdictions. The Company is required to comply with anti-corruption and anti-bribery laws, including the Criminal Code, the Canadian Corruption of Foreign Public Officials Act and the U.S. Foreign Corrupt Practices Act, as well as similar laws in the jurisdictions in which the Company conducts its business. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. Furthermore, a company may be found liable for violations not only by its employees, but also by its contractors and third party agents. Although the Company has adopted steps to mitigate such risks, such measures may not always be effective in ensuring that the Company, its employees, contractors and third party agents will comply strictly with such laws. If the Company finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on the Company resulting in a material adverse effect on the Company's reputation and results of its operations.

ACQUISITION AND INTEGRATION RISKS

As part of its business strategy, New Gold has sought and will continue to seek new operating, development and exploration opportunities in the mining industry. In pursuit of such opportunities, New Gold may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into New Gold. The Company cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favourable terms, if at all, or that any acquisition or business arrangement completed will ultimately benefit its business. Such acquisitions may be significant in size, may change the scale of the Company's business and may expose the Company to new geographic, political, operating, financial or geological risks. Further, any acquisition the Company makes will require a significant amount of time and attention of New Gold management, as well as resources that otherwise could be spent on the operation and development of the Company's existing business.

Any future acquisitions would be accompanied by risks, such as a significant decline in the relevant metal price after the Company commits to complete an acquisition on certain terms; the quality of the mineral deposit acquired proving to be lower than expected; the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of the Company's ongoing business; the inability of management to realize anticipated synergies and maximize the Company's financial and strategic position; the failure to maintain uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential for unknown or unanticipated liabilities associated with acquired assets and businesses, including tax, environmental or other liabilities. In addition, the Company may need additional capital to

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finance an acquisition. Debt financing related to any acquisition may expose the Company to the risks related to increased leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that any

leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that any business or assets acquired in the future will prove to be profitable, that New Gold will be able to integrate the acquired businesses or assets successfully or that it will identify all potential liabilities during the course of due diligence. Any of these factors could have a material adverse effect on the Company's business, prospects, results of operations and financial condition.

FOREIGN OPERATIONS

The Company's mining operations and projects are currently in Canada. The Company owns a mine in Mexico that transitioned to reclamation in 2018. The Company may acquire or invest in mining operations or properties in foreign jurisdictions in the future. As a result of its activities in multiple jurisdictions, the Company is exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary for each country and include, but are not limited to: fluctuations in currency exchange rates; high rates of inflation; labour unrest; environmental controls and permitting; restrictions on the use of land and natural resources; renegotiation or nullification of existing concessions, licenses, permits and contracts; delays in obtaining or the inability to obtain necessary governmental licenses and permits; illegal mining; corruption; higher rates of criminality; unstable or unreliable legal systems; changes in the taxation or royalty regimes; arbitrary changes in laws or policies; restrictions on foreign exchange and repatriation; limitations on exports and imports; changing political conditions, social unrest, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction; and other risks arising out of foreign sovereignty issues.

Changes, if any, in mining or investment laws or policies or shifts in political attitudes in these countries could adversely affect the Company's operations or profitability. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability. Furthermore, in the event of a dispute arising from the Company's activities, it may be subject to the exclusive jurisdiction of courts outside of Canada and the United States or may not be successful in subjecting persons to the jurisdiction of courts in Canada and the United States, either of which could unexpectedly and adversely affect the outcome of a dispute.

INFORMATION SYSTEMS SECURITY THREATS

New Gold has entered into agreements with third parties for hardware, software, telecommunications and other information technology ("**IT**") services in connection with its operations. New Gold's operations depend, in part, on how well the Company and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, phishing schemes, computer viruses, vandalism, fraud and theft. While the Company has certain preventative measures in place, there can be no assurances that the Company will not be subject to wire payment fraud, misappropriation of funds, erroneous payments or other human or technological errors resulting in loss of funds that cannot fully be redeemed. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive interventions and expenditures to mitigate the risks of failures and other IT system disruptions. Any of these and other events could result in information systems failures, delays, increases in capital expenses and/or otherwise negatively impact the Company's ability to operate. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although the Company has not experienced any material losses relating to cyber attacks or other information security breaches to date, there can be no assurance that New Gold will not incur such losses or be subject to such breaches in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

NOTES

NOTES

The Company had two sets of senior notes outstanding during 2022. In addition to the 2027 Notes defined and described below, the Company also previously issued an aggregate principal amount of $300 million 6.375% Senior Notes in May 2017 ("**2025 Notes**"), of which $100 million was outstanding at the start of 2022. On May 15, 2022, the Company completed the redemption of the remaining 2025 Notes.

7.50% SENIOR NOTES DUE 2027

In June 2020, the Company issued an aggregate principal amount of $400 million 7.50% Senior Notes maturing on July 15, 2027 ("**2027 Notes**"). The 2027 Notes were issued pursuant to an indenture dated June 24, 2020, between the Company and Computershare Trust Company, N.A., as trustee ("**2027 Note Indenture**"). The 2027 Notes are direct, senior obligations of the Company and are not secured by any mortgage, pledge or charge.

Interest on the 2027 Notes is payable in arrears in equal semi-annual installments on January 15 and July 15 each year. On or after July 15, 2023, the Company has the option to redeem the 2027 Notes at a price ranging from 103.75% to 100% of face value, with the rate decreasing based on the length of time the 2027 Notes are outstanding, and before July 15, 2023, the Company may redeem the 2027 Notes at 100% of face value plus a "make whole" premium.

The 2027 Note Indenture provides that in the event of a change of control of the Company, as defined therein, each holder of the 2027 Notes will have the right to cause the Company to repurchase some or all of its 2027 Notes at 101% of their principal amount, plus accrued and unpaid interest to, but not including, the repurchase date. In addition, the 2027 Note Indenture requires the Company to comply with certain reporting and other covenants.

DIVIDENDS

To date, New Gold has not paid dividends on its Common Shares. The Company currently intends to retain future earnings, if any, for use in its business and does not, at this time, anticipate paying dividends on its Common Shares. Any determination to pay any future dividends will remain at the discretion of the Company's board of directors and will be made taking into account its financial condition and other factors deemed relevant by the board. Further, pursuant to debt instruments of the Company in place from time to time, the Company may, in certain circumstances, be required to obtain consent from lenders prior to declaring dividends.

DESCRIPTION OF CAPITAL STRUCTURE

COMMON SHARES

The Company is authorized to issue an unlimited number of Common Shares without par value, of which 682,781,935 Common Shares were issued and outstanding at the close of business February 21, 2023. Holders of Common Shares are entitled to receive notice of any meetings of shareholders of the Company, and to attend and to cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Common Shares entitled to vote in any election of directors may elect all directors standing for election.

Holders of Common Shares are entitled to receive on a pro-rata basis such dividends, if any, as and when declared by the Company's board of directors at its discretion from funds legally available therefor and, on the liquidation, dissolution or winding up of the Company, are entitled to receive on a pro-rata basis the net assets of the Company after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro-rata basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights.

The Company also has options and notes outstanding. See the notes to the Company's audited consolidated financial statements for the year ended December 31, 2022 for additional information regarding the Company's convertible securities.

RATINGS

Below are the ratings for New Gold's corporate debt as at February 21, 2023:

- Standard & Poor's Ratings Services: B (Recovery Rating: 3)
- Moody's Investors Service: B2 (SGL-2)

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of securities; an indication of the likelihood of repayment for an issue of securities; and an indication of the capacity and willingness of the issuer to meet its financial obligations in accordance with the terms of those securities. Credit ratings are not assurances of credit quality or exact measures of the likelihood of default.

The information concerning the Company's credit ratings relates to New Gold's financing costs, liquidity and operations. The availability of funding options may be affected by certain factors, including the global capital market environment and outlook as well as the Company's financial performance. New Gold's ability to access capital markets at competitive rates is dependent on its credit rating and rating outlook, as determined by credit rating agencies such as Standard & Poor's Ratings Services ("**S&P**") and Moody's Investors Service ("**Moody's**"). If the Company's ratings were downgraded, financing costs and future debt issuances could be unfavorably impacted.

S&P credit ratings are on a rating scale ranging from AAA to D, which represents the range from highest to lowest quality. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (–) sign to show relative standing within the major rating categories. S&P's rating is a forward looking opinion about credit risk and assesses the credit quality of the individual debt issue and the relative likelihood that the issuer may default. B rating is ranked seventh out of S&P's twelve major rating categories. According to the S&P rating system, an obligor of debt securities rated B has the capacity

to meet its financial commitment on the debt security, however, adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation. In addition, S&P uses a scale of 1+ to 6 for recovery ratings, which represent the range, from high to low, of the percentage of principal and unpaid accrued interest that an investor may expect to receive in the case of default. A "3" recovery rating ranks fourth out of S&P's seven recovery rating categories, and indicates S&P's expectation of meaningful (50% -70%) recovery in a default scenario.

Moody's credit ratings are on a rating scale that ranges from Aaa to C, which represents the range from highest to lowest quality, with a rating of B being the sixth highest of nine major categories. The generic rating classifications from Aa through Caa may be modified by the numerical modifiers 1, 2 and 3. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic category. According to Moody's, obligations rated B2 are considered speculative and subject to high credit risk. In addition, Moody's uses a speculative-grade loss ("**SGL**") assessment scale of 1 to 4, which represents Moody's opinion about issuers' relative abilities' to generate cash from internal resources and external sources of committed financing in relation to their cash obligations over the coming 12 months. A SGL-2 ranks second out of Moody's four SGL assessment categories. Issuers rated SGL-2 possess good liquidity. They are likely to meet their obligations over the coming twelve months through internal resources but may rely on external sources of committed financing. The issuer's ability to access committed sources of financing is highly likely based on Moody's evaluation of near-term covenant compliance.

The credit ratings for New Gold's corporate debt are based on, among other things, information furnished to the above ratings agencies by the Company and information obtained by the ratings agencies from publicly available sources. The credit ratings are not recommendations to buy, sell or hold securities since such ratings do not comment as to market price or suitability for a particular investor. New Gold has paid each of Moody's and S&P its customary fees in connection with the provision of the above credit ratings. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant. Credit ratings given to New Gold's corporate debt may not reflect the potential impact of all risks on the value of debt instruments, including risks related to market or other factors discussed in this Annual Information Form. See also "Risk Factors".

MARKET FOR SECURITIES

TRADING PRICE AND VOLUME

Common Shares

The Common Shares of the Company are listed and posted for trading on the TSX and NYSE American in each case under the symbol "NGD". The following table contains information relating to the trading of the Common Shares in Canadian dollars on the TSX for the months indicated.

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2022	High (C$)	Low (C$)	Volume

January	2.27	1.81	35,650,678
February	2.57	1.94	41,723,119
March	2.46	2.09	42,030,043
April	2.50	1.82	24,261,144
May	1.90	1.49	32,550,711
June	1.82	1.37	22,802,675
July	1.53	0.87	32,270,617
August	1.13	0.80	22,055,356
September	1.27	0.80	59,908,987
October	1.43	1.16	22,549,981
November	1.61	1.12	31,229,033
December	1.68	1.29	28,783,765

The price of the Common Shares as quoted by the TSX at the close of business on December 31, 2022, the last trading day prior to year-end, was C$1.33 and on February 21, 2023 was C$1.22.

DIRECTORS AND OFFICERS

The names, positions or offices held with the Company, province/state and country of residence, and principal occupation of the directors and executive officers of the Company as at December 31, 2022 are set out below. In addition, the principal occupations of each of the Company's directors and executive officers within the past five years are disclosed in their biographies.

As at December 31, 2022, directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over 1,273,114 Common Shares of the Company, representing approximately 0.19% of its issued and outstanding shares.

The term of each director of the Company expires at the annual general meeting of shareholders, where they can be nominated for re-election. The Company's officers hold their respective offices at the discretion of the board, but typically on an annual basis, after the annual general meeting, the directors pass resolutions to appoint officers and committees.

GEOFF CHATER
British Columbia, Canada
Director since:
May 4, 2021
Independent Director

Securities on December 31, 2022
DSUs: 127,521

Geoff Chater is a geologist with over 30 years of experience in the mineral exploration and mining industries operating in North America, South America, Europe, and Africa. Mr. Chater was Chief Executive Officer of Luna Gold Ltd. from 2014 to 2015 and President of Valley High Ventures from 2010 to 2011. From 1999 to 2008, Mr. Chater was Manager of Corporate Relations for First Quantum Minerals Ltd. During the last 10 years, Mr. Chater has been a capital markets consultant focused on corporate strategy, business development, financing, and communications. Mr. Chater has served as a director of several public companies including Nevsun Resources, Mason Resources, Reservoir Minerals, and Valley High Ventures. Mr. Chater is a graduate of Texas Christian University with a Bachelor of Science degree in Geology. At New Gold, Mr. Chater is a member of the Audit Committee and the Technical and Sustainability Committee. Mr. Chater's principal occupation is as a corporate director.

NICHOLAS CHIREKOS
Colorado, United States
Director since: May 27, 2019
Independent Director

Securities on December 31, 2022
DSUs: 302,960

Nicholas (Nick) Chirekos has more than 25 years of experience in investment banking and capital markets, with a focus on the mining industry. He served in various investment banking roles at J.P. Morgan Securities Inc. from 1987 until his retirement in 2016. His roles included Managing Director, North American Head of Mining from 2002 to 2016, and Global Head of Mining and Metals from 2000 to 2002. He brings extensive expertise in mergers and acquisitions, equity, equity linked and fixed income transactions and was formerly a member of J.P. Morgan's Investment Banking North American Reputational Risk Committee. Mr. Chirekos presently serves as a director on the boards of Peabody Energy Corporation, where he is chair of the Audit Committee, and TimkenSteel Corporation as well as and a

he is chair of the Audit Committee, and TimkenSteel Corporation as well as and a member of the Executive Advisory Board at the University of Denver's Daniels College of Business. He holds a Bachelor of Science degree from the University of Denver and a Master of Business Administration degree from New York University. At New Gold, Mr. Chirekos is Chair of the Corporate Governance and Nominating Committee and a member of the Human Resources and Compensation Committee. Mr. Chirekos' principal occupation is as a corporate director.

GILLIAN DAVIDSON
Edinburgh, United Kingdom
Director since:
April 25, 2018
Independent Director

Securities on December 31, 2022
DSUs: 481,100

Gillian Davidson has over 25 years of experience as an internal and external advisor to companies and other organizations regarding sustainability, social license and community relations. Most recently, Dr. Davidson was the Head of Mining and Metals for the World Economic Forum from 2014 to 2017, where she led global and regional engagement and multi-stakeholder initiatives to advance responsible and sustainable mining. From 2008 to 2014, she was Director of Social Responsibility at Teck Resources Limited, supporting social and environmental commitments and performance across the mining lifecycle. Before joining Teck, Dr. Davidson held roles related to community development, environment and natural resources as a consultant and in government. Dr. Davidson presently serves as a director on the boards of Horizonte Minerals Plc., Central Asia Metal Limited and Lundin Gold Inc. and in the capacity of Chair of Sustainability Committee on such boards. She served as a director of Lydian International Limited until March 2020. Dr. Davidson has an Honours Master of Arts in Geography from the University of Glasgow, a PhD in Development Economics and Economic Geography from the University of Liverpool and is an alumna of the Governor General of Canada's Leadership Conference. Dr. Davidson is the chair of International Women in Mining. At New Gold, Dr. Davidson is Chair of the Technical and Sustainability Committee and a member of the Corporate Governance and Nominating Committee. Dr. Davidson's principal occupation is as a consultant.

PATRICK GODIN
Ontario, Canada

Director since:
November 23, 2022
Non-Independent Director
President and Chief Executive Officer

Securities on December 31, 2022
Common Shares: 55,000

Patrick Godin has over 30 years of corporate, technical and operations experience in the mining industry. Mr. Godin was appointed as Vice President and Chief Operating Officer of New Gold in May 2022 and was promoted to President and Chief Executive Officer in November 2022. Most recently, Mr. Godin was Vice President and Chief Operating Officer of Pretium Resources Inc. and was responsible for the operations of the Brucejack Mine. Prior to that, Mr. Godin was the President and Chief Executive Officer of Stornoway Diamond Corporation, and from 2010 to 2018 he was the Chief Operating Officer and Vice President. During this time, he was responsible for the construction and operations of the Renard Diamond Mine in Quebec. Prior to that, he served as the Vice President, Project Development for G Mining Services and held executive or senior operations positions for Canadian Royalties, IAMGOLD and Cambior in the Americas. Mr. Godin holds a Bachelor of Engineering degree in Mining from Laval University in Quebec, Canada and and obtained the ICD.D designation from the Institute of Corporate Directors in 2010. Mr. Godin's principal occupation is as the President and Chief Executive Officer of the Company.

JAMES GOWANS

James (Jim) Gowans has more than 30 years of experience in mineral exploration.

JAMES GOWANS

British Columbia, Canada
Director since:
July 9, 2018
Independent Director

Securities on December 31, 2022
Common Shares: 30,000
DSUs: 433,602

James (Jim) Gowans has more than 35 years of experience in mineral exploration, mine feasibility studies, mine construction and commissioning and the development of best practices in mine safety, operations and economic performance improvement. From January 2016 to August 2018, he was the President and Chief Executive Officer of Arizona Mining Inc. Previously, he was with Barrick Gold Corporation as Senior Advisor to the Chairman from August to December 2015, Co-President from July 2014 to August 2015, and Executive Vice President and Chief Operating Officer from January to July 2014. From 2011 to 2014, Mr. Gowans was the Managing Director of Debswana Diamond Company (Pty) Ltd., and prior to that he held executive positions at various companies including De Beers SA, De Beers Canada Inc., PT Inco Indonesia tbk and Placer Dome Inc. Mr. Gowans previously served as the President of the Canadian Institute of Mining, Metallurgy and Petroleum, the Chair of the Board of the Mining Association of Canada, and a director of the Conference Board of Canada. He currently serves on the boards of directors of Cameco Ltd., Trilogy Metals Inc., Marathon Gold Corporation and Paycore Minerals Inc., where he is Chair of the Board. Mr. Gowans is a Professional Engineer, holds a Bachelor of Applied Science degree in mineral engineering from the University of British Columbia, and attended the Banff School of Advanced Management. At New Gold, Mr. Gowans is a member of the Technical and Sustainability Committee. Mr. Gowans's principal occupation is as a corporate director.

THOMAS MCCULLEY

Colorado, United States
Director since:
May 4, 2021
Independent Director

Thomas (Tom) McCulley has 30 years of experience in project execution and operations leadership in the mining and construction industries, including extensive experience in the setup and leadership of industry leading global assurance programs. Mr. McCulley has experience in all phases of a mining project lifecycle, from scoping studies through commissioning and start-up and operations, including investment evaluations. Mr. McCulley is currently the CEO of

Securities on December 31, 2022
DSUs: 145,786

Anglo American Crop Nutrients and Group Head of Projects for Anglo American plc (his principal occupation), positions he has held since 2022 and 2015, respectively. Mr. McCulley previously served as CEO of Anglo American Peru from 2018 to 2022. From 2000 to 2015, he served in several senior roles at Newmont Mining Corporation, including as Vice President of Investment Assurance from 2011 to 2015. Mr. McCulley holds a Bachelor of Science (Accounting) from Mount Saint Mary's University. At New Gold, Mr. McCulley is a member of the Human Resources and Compensation Committee and the Technical and Sustainability Committee

MARGARET MULLIGAN
Ontario, Canada
Director since:
April 25, 2018
Independent Director

Securities on December 31, 2022
DSUs: 525,533

Margaret (Peggy) Mulligan has over 35 years of experience in audit and finance. From 2008 to 2010, Ms. Mulligan was the Executive Vice President and Chief Financial Officer of Biovail Corporation and from 2005 to 2007, she was the Executive Vice President and Chief Financial Officer of Linamar Corporation. From 1994 to 2004, Ms. Mulligan was the Senior Vice President, Audit and Chief Inspector and then the Executive Vice President, Systems and Operations of The Bank of Nova Scotia. Before joining Scotiabank, she was an Audit Partner with PricewaterhouseCoopers. She holds a Bachelor of Math (Honours) from the University of Waterloo and is a Chartered Professional Accountant, FCPA, CA. Ms. Mulligan also serves as a director on the board of Canadian Western Bank. At New Gold, Ms. Mulligan is Chair of the Human Resources and Compensation Committee and a member of the Audit Committee. Ms. Mulligan's principal occupation is as a corporate director.

IAN PEARCE
Ontario, Canada
Director since:
April 27, 2016
Independent Director

Securities on December 31, 2022
Common Shares: 27,200
DSUs: 692,843

Ian Pearce has over 35 years of experience in the mining industry. From 1993 to 2003, Mr. Pearce held progressively more senior engineering and project management roles with Fluor Inc., including managing numerous significant development projects in the extractive sector. From 2003 to 2006, Mr. Pearce held executive roles at Falconbridge Limited, including Chief Operating Officer, and he subsequently served as Chief Executive Officer of Xstrata Nickel, a subsidiary of Xstrata plc, from 2006 to 2013. From 2013 to 2017, Mr. Pearce was a partner of X2 Resources, a private partnership focused on building a mid-tier diversified mining and metals group. Mr. Pearce currently serves as the Chair of the Board of MineSense Technologies Ltd. and as a Senior Advisor at KoBold Metals. He is a director of Metso Outotec Corporation, Northland Power Inc., and NextSource Materials Inc. In February 2022, Mr. Pearce was appointed as the CIM Incoming President Elect (2024-2025). Mr. Pearce will assume the role of CIM President in May 2024. He previously served as the Chair of the Board of Nevsun Resources Ltd and as a director of Nexa Resources S.A.. Mr. Pearce holds a Higher National Diploma in Engineering (Mineral Processing) from the University of Johannesburg and a Bachelor of Science degree from the University of the Witwatersrand in South Africa. At New Gold, Mr. Pearce is the Chair of the Board. Mr. Pearce's principal occupation is as a corporate director.

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MARILYN SCHONBERNER
Alberta, Canada

Marilyn Schonberner has over 35 years of international experience in the energy and mining sectors. She retired in 2016 as the Chief Financial Officer of Nexen

Alberta, Canada
Director since:
June 26, 2017
Independent Director

Securities on December 31, 2022
DSUs: 451,782

and mining sectors. She retired in 2016 as the Chief Financial Officer of Nexen Energy ULC. During her 21-year career with Nexen, she held various executive roles with responsibility for financial and risk management, audit, human resources, strategic planning and budgeting, supply chain, and information services. Ms. Schonberner currently serves on the board of directors of Wheaton Precious Metals Corp. She holds a Bachelor of Commerce from the University of Alberta and a Master of Business Administration from the University of Calgary. She is a CPA, CMA and a Certified Internal Auditor. Ms. Schonberner completed the Senior Executive Development Programme at the London Business School and has obtained the ICD.D designation from the Institute of Corporate Directors. At New Gold, Ms. Schonberner is Chair of the Audit Committee and a member of the Corporate Governance and Nominating Committee. Her principal occupation is as a corporate director.

ROBERT CHAUSSE
Ontario, Canada
Executive Vice President and Chief Financial Officer

Securities on December 31, 2022
Common Shares: 975,454
PSUs: 216,127
RSUs: 98,644

Robert Chausse has an extensive background of more than 25 years of international finance and mining experience. Most recently, he was Chief Financial Officer of Richmont Mines Inc., prior to which he was Chief Financial Officer at Stornoway Diamonds. From 2013 to 2015, Mr. Chausse was Executive Vice President and Chief Financial Officer of AuRico Gold, and from 2009 to 2013, he served as Vice President of Finance, Operations and Projects for Kinross Gold. He also served as Chief Financial Officer for Baffinland Iron Mines Corporation from 2006 to 2009 and held increasingly senior positions with Barrick Gold from 1998 to 2006. Mr. Chausse received his Chartered Accountant designation in 1990.

SEAN KEATING
Ontario, Canada
Vice President, General Counsel and Corporate Secretary

Securities on December 31, 2022
Common Shares: 81,095
PSUs: 134,285
RSUs: 47,103

Sean Keating has over 15 years of experience in corporate and securities law and mergers and acquisitions, primarily in the mining industry. Mr. Keating joined New Gold in 2016 and was Assistant General Counsel prior to his appointment as Vice President, General Counsel and Corporate Secretary in November 2019. Prior to joining New Gold, Mr. Keating was corporate counsel to Barrick Gold Corporation from 2010 to 2015 where he was involved in mergers and acquisitions, financings, commercial transactions, corporate governance, regulatory compliance and capital project development. From 2005 to 2010, Mr. Keating practiced law at Torys LLP in the capital markets and mergers and acquisitions groups. Mr. Keating holds a J.D. and M.B.A. from the University of Toronto and a B.Sc. (Chemistry) from St. Francis Xavier University.

ANKIT SHAH
Ontario, Canada
Vice President, Strategy and Business Development

Securities on December 31, 2022
Common Shares: 84,900
PSUs: 176,074
RSUs: 61,687

Ankit Shah is a mining finance executive with over 15 years of experience in strategy, corporate development, capital allocation and investor relations, primarily within the mining industry. Mr. Shah joined New Gold in 2010 with the primary focus of working with the corporate development and investor relations teams. Since that time, Mr. Shah has taken on progressively more responsibility for many facets of the business, including marketing the Company and working with both the operations and exploration groups of the Company. Prior to joining New Gold, Mr. Shah worked for both Ernst & Young and KPMG within their Assurance and Financial Advisory practices. Mr. Shah is both a Chartered Accountant and Chartered Professional Accountant.

RSUs: 61,687	Accountant and Chartered Professional Accountant.
BETHANY BORODY Ontario, Canada Vice President, Sustainability Securities on December 31, 2022 Common Shares: 19,465 PSUs: 29,936 RSUs: 30,172	Bethany Borody has over 10 years of extensive experience in sustainability in North America and Sub-Saharan Africa. Ms. Borody joined New Gold in 2019, taking on progressively more responsibility, including developing New Gold's Sustainability Strategy, and being appointed Vice President, Sustainability in May 2022. Prior to joining New Gold, Ms. Borody was an independent Sustainability Consultant from 2017 to 2019. Ms. Borody holds a Bachelors in Global Studies and Political Science from Wilfrid Laurier University.

STANDING COMMITTEES OF THE BOARD

There are currently four standing committees of the board of directors: the Audit Committee, the Human Resources and Compensation Committee; the Corporate Governance and Nominating Committee, and the Technical and Sustainability Committee. The following table identifies the members of each of these committees and indicates whether each committee member is considered independent or non-independent:

Board Committee	Committee Members	Status
Audit Committee	Marilyn Schonberner (Chair)	Independent
	Geoff Chater	Independent
	Margaret Mulligan	Independent
Human Resources and Compensation Committee	Margaret Mulligan (Chair)	Independent
	Nicholas Chirekos	Independent
	Thomas McCulley	Independent
Corporate Governance and Nominating Committee	Nicholas Chirekos (Chair)	Independent
	Gillian Davidson	Independent
	Marilyn Schonberner	Independent
Technical and Sustainability Committee	Gillian Davidson (Chair)	Independent
	James Gowans	Independent
	Geoff Chater	Independent
	Thomas McCulley	Independent

CORPORATE CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

No director or executive officer of the Company is, or within ten years prior to the date of this Annual Information Form has been, a director, chief executive officer or chief financial officer of any company (including New Gold) that (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, and that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer of such company and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Other than as stated below, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to materially affect the control of the Company, (i) is, or within ten years prior to the date of this Annual Information Form has been, a director or executive officer of any company (including New Gold) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings,

arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Gowans was a director of Gedex Systems Inc. ("**Gedex**"), a company based in Mississauga, Ontario, until November 2018. On August 9, 2019, Gedex filed a notice of application in the Ontario Superior Court of Justice (the "**Court**") under the *Companies' Creditors Arrangement Act* ("**CCAA**") requesting an order approving a sale and investor solicitation process ("**SISP**") in respect of the property, assets and undertakings of Gedex. The notice of application also sought an order appointing Zeifman Partners Inc. ("**Zeifman**") as monitor in the proceedings (in such capacity, the "**Monitor**"). On August 12, 2019, the Court made an order authorizing and approving, among other things, the commencement of the SISP and a stay of proceedings until September 11, 2019. On the same date, the Court made an additional order granting Gedex protection from its creditors pursuant to section 58 of the CCAA and appointing Zeifman as the Monitor of Gedex. On August 28, 2019, the first report of the Monitor was issued and, on September 3, 2019, the Court issued a further order granting, among other things, an extension of the stay period until December 10, 2019. On December 5, 2019, the Court certified that all matters to be attended to in connection with these CCAA proceedings have been completed and Zeifman filed its discharge notice on December 23, 2019, terminating the CCAA proceedings.

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

CONFLICTS OF INTEREST

Certain directors and officers of the Company also serve as directors or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. The Company has adopted a Code of Business Conduct and Ethics that addresses potential conflicts of interest.

AUDIT COMMITTEE

Audit Committee Charter

The Company's Audit Committee Charter is set out in full in Schedule A.

Composition of the Audit Committee

The following directors are members of the Audit Committee as at February 21, 2023:

Marilyn Schonberner (Chair)	Independent [1]	Financially literate [2]
Geoff Chater	Independent [1]	Financially literate [2]
Margaret Mulligan	Independent [1]	Financially literate [2]

(1) A member of an Audit Committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the Company's board of directors, reasonably interfere with the exercise of the member's independent judgment.

(2) An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

The education and experience of each Audit Committee member relevant to the performance of his responsibilities as a member of the Audit Committee is described in their respective biographies set out under the heading "Directors and Officers" on page 61.

Pre-Approval Policies and Procedures

The Audit Committee is responsible for the pre-approval of all audit, audit-related and non-audit services provided by the independent auditor. The Audit Committee has delegated to the Chair the authority to pre-approve proposals for non-audit related services to be provided by the Company's auditors up to a value of C$25,000 per engagement up to a maximum of C$75,000 in a calendar year, and to report any such approvals to the Audit Committee as a whole at the next Audit Committee meeting. The Chair of the Audit Committee is responsible for proper implementation of and compliance with this policy. In accordance with this policy, 100% of external auditor services described below were pre-approved by the Audit Committee or the Chair of the Audit Committee. None of the audit-related services described below were approved by the Audit Committee pursuant to the de minimis exception provided by Section (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

Auditors and External Auditor Service Fees (by category)

Deloitte LLP is the independent registered public accounting firm that has been appointed as the external auditor of New Gold and is independent with respect to the Company within the meaning of the U.S. Securities Act of 1933, as amended and the applicable rules and regulations thereunder adopted by the SEC and the Public Company Accounting Oversight Board (United States) and within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Ontario.

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The aggregate fees billed by the Company's external auditor in each of the last two fiscal years are as follows:

Financial Years Ending December 31	Audit Fees [1]	Audit Related Fees [2]	Tax Fees [3]	All Other Fees
2022	C$1,377,858	C$15,081	C$27,233	C$ -
2021	C$1,236,107	C$29,565	C$40,234	C$ -

(1) The aggregate fees billed for the performance of the audit or review of the Company's financial statements.

(2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements which are not included under the heading "Audit Fees". Included in 2021 are securities and audit related fees related to the Blackwater Project Carve-out Financial Statements, the fees of which were reimbursed by Artemis Gold to the Company.

(3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. As of the date hereof, except as disclosed below, there are no outstanding material proceedings to which the Company is a party.

In March of 2020, the Company received a statement of claim filed with the Ontario Superior Court of Justice by Shahin Elfving, Jack Morrison and Linda Morrison (the "**Plaintiffs**"). The Plaintiffs assert various contractual, misrepresentation, unjust enrichment and other claims relating to royalty interests on certain properties at the Rainy River Mine and seek various forms of relief, including an unspecified amount of damages and declaratory relief, including among others things, a declaration that: (a) the original option agreement lapsed or is invalid; (b) amendments to the option agreement are invalid; and (c) they are entitled to a 10% net proceeds of production royalty. The Company believes the claims are without merit and intends to vigorously defend itself.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Since January 1, 2022, no director, executive officer or person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of outstanding voting securities of the Company or any associate or affiliate of any such person or company, has or had any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Company.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Computershare Investor Services Inc. Transfers may be effected and registration facilities are maintained at each of the following offices: (i) 510 Burrard Street, Vancouver, British Columbia, V6C 2T5; and (ii) 100 University Avenue, Toronto, Ontario, M5J 2Y1.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the Company has not entered into any material contracts during the most recently completed financial year or prior financial year which are still in force and effect and which may reasonably be regarded as presently material other than as set out below:

- Indenture dated as of June 24, 2020 between New Gold Inc., the Guarantors (Minera San Xavier S.A. de C.V. and New Gold CSP Ltd.) and Computershare Trust Company, N.A. (as trustee) relating to the 7.50% Senior Notes due 2027. See "Notes" on page 58 for more information.

- Third Amended and Restated Credit Agreement dated as of December 22, 2021 between New Gold Inc. (as borrower) and The Bank of Nova Scotia and RBC Capital Markets (as co-lead arrangers and joint book runners) and The Bank of Nova Scotia (as administrative agent) and Royal Bank of Canada (as syndication agent), Bank of America, N.A., Canada Branch, The Toronto-Dominion Bank and Canadian Imperial Bank of Commerce (as Co-Documentation Agents) and The Bank of Nova Scotia, Royal Bank of Canada, Bank of America, N.A., The Toronto-Dominion Bank, Canadian Imperial Bank of Commerce, Bank of Montreal, and National Bank of Canada (as lenders) described under the heading "General Development of the Business – Developments – Financial" on page 11.
- New Afton PA dated February 24, 2020 between New Gold Inc. and 2742150 Ontario Limited, an affiliate of Ontario Teachers' described under the heading "General Development of the Business – Developments – Mines and Projects – New Afton Mine" on page 10.

TECHNICAL REPORTS

Below are the titles, authors and dates of the most recent technical reports (the "**Technical Reports**") for each of New Gold's material properties (as described under "Description of the Business" on page 9), which are all filed in accordance with NI 43-101 and available under the Company's profile on SEDAR at www.sedar.com.

- The most recent technical report on the Rainy River Mine that is filed on SEDAR at www.sedar.com is titled "NI 43-101 Technical Report for the Rainy River Mine, Ontario, Canada" with an effective date of March 28, 2022 by Mr. E. Lecomte, P.Eng., for InnovExplo Mining Consultants, Mr. A. Croal, P.Eng., Director of Technical Services for Rainy River Mine, New Gold Inc., Mr. F. McCann, P.Eng., for AMC Mining Consultants (Canada) Ltd., Mr. M. Della Libera, P. Geo., Director of Exploration for Rainy River Mine, New Gold Inc., Ms. D. Nussipakynova, P.Geo., for AMC Mining Consultants (Canada) Ltd., Mr. K. Bocking, P.Eng., for Golder Associates Ltd., Mr. E. Saunders, P.Eng., for SRK Consulting (Canada) Inc., Mr. A. Zerwer, P.Eng., for BGC Engineering Inc., Mr. M. Taghimohammadi, P.Eng., Senior Processing Manager for Rainy River Mine, New Gold Inc., Mr. S. Yirdaw, P.Eng., Senior Environmental Engineer for Rainy River Mine, New Gold Inc., Mr. J. Taylor, P.Eng., for Halyard Inc., and Mr. C. Gagnon, P.Eng., for CGMexpert (the "**Rainy River Mine Technical Report**")

- The most recent technical report on the New Afton Mine that is filed on SEDAR at www.sedar.com is titled "Technical Report on the New Afton Mine, British Columbia, Canada" dated February 28, 2020 by Normand L. Lecuyer, P.Eng., David W. Rennie, P.Eng., Holger Krutzelmann, P. Eng., and Luis Vasquez, M.Sc., P.Eng., for Roscoe Postle Associates Inc. (the "**New Afton Mine Technical Report**")

To New Gold's knowledge, the authors of the technical reports listed above held either less than one percent or no securities of the Company or of any associate or affiliate of the Company when they prepared the applicable Technical Report or received any securities in connection with the preparation of such report.

SCHEDULE A
AUDIT COMMITTEE CHARTER

1. Purpose and Authority

The overall purpose of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of New Gold Inc. (the "**Company**") is to assist the Board in fulfilling its oversight responsibilities with respect to accounting, auditing, financial reporting and internal control processes by, among other things: (i) ensuring the integrity of the financial statements and financial reporting of the Company, (ii) overseeing compliance with related legal and regulatory requirements, (iii) ensuring the overall adequacy and maintenance of the systems of internal controls and disclosure controls and procedures that management has established, and (iv) maintaining overall responsibility for the Company's external and internal audit processes, including the external auditor's qualifications, independence and performance.

The Committee shall have access to such officers and employees of the Company, its external auditor and its legal counsel and to all such information respecting the Company as the Committee considers to be necessary or desirable in order to perform its duties and responsibilities. In addition, the Committee shall have the authority and funding to retain independent legal, accounting and other consultants to advise the Committee. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any advisors retained by the Committee and to the external auditor engaged by the Company for the purpose of rendering or issuing an audit report or performing any other audit, review or attestation services and ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall be accountable to the Board. In the course of fulfilling its responsibilities, the Committee shall maintain open communication between the Company's external auditor and the Board and shall have direct access to the external and internal auditors.

The Committee has the duty to provide oversight to the Company's financial disclosures and compliance with applicable laws and generally accepted accounting principles and fairly present the financial position and associated risks of the organization. The Committee should, where it deems appropriate, review compliance with laws and regulations and the Company's own policies.

The Committee will provide the Board with such recommendations and reports with respect to the financial disclosures of the Company as it deems advisable.

2. Composition, Procedures and Organization

a. The Committee shall consist of at least three members of the Board, all of whom meet the independence, financial literacy and experience requirements of (i) National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), U.S. *Sarbanes-Oxley Act of 2002* and Rule 10A-3under the *Securities Exchange Act of* 1934, (ii) the Toronto Stock Exchange, the NYSE American and any other exchange upon which the securities of the Company may be listed, to the extent required by the rules of such exchange, and (iii) any other applicable laws and any requirements of applicable regulatory or professional bodies. Financial literacy requires that all members of the Committee shall have the ability to read and understand a set of financial statements that present the breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements. At least one member of the Committee shall be able to analyze and interpret a full set of financial statements, including the related notes, in accordance with International Financial Reporting Standards ("**IFRS**") and at least one member of the Committee shall qualify and be designated as the "audit committee financial expert" as determined in the judgment of the Board with reference to applicable laws and stock exchange requirements.

b. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any

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time add, remove or replace any member of the Committee and may fill any vacancy in the Committee. A member will automatically cease to be on the Committee upon ceasing to be a director

A member will automatically cease to be on the Committee upon ceasing to be a director.

c. The Board will appoint one member of the Committee to act as the chair (the "**Chair**") of the Committee. In his or her absence, the Committee may appoint another person to act as Chair of a meeting of the Committee provided a quorum is present.

d. The Chair will appoint a secretary of the meeting, who need not be a member of the Committee and who will maintain the minutes of the meeting.

e. A majority of members of the Committee, present in person or by telephone or other electronic communications device that permits all persons participating in the meeting to speak and to hear each other, will constitute a quorum for a meeting of the Committee.

3. Meetings

3.1 The Committee shall meet regularly and at least on a quarterly basis and otherwise as necessary. The Committee shall hold in camera sessions without the presence of management at each meeting (unless the members of the Committee determine that such a session is not required).

3.2 The Chair or any two members of the Committee may call a meeting of the Committee. At the request of the external auditor, the internal auditor, the Chair of the Board, the President and Chief Executive Officer ("**CEO**") or the Chief Financial Officer ("**CFO**") of the Company, the Chair of the Committee will convene a meeting of the Committee. In advance of every meeting of the Committee, the Chair, with the assistance of the CFO, will ensure that the agenda and meeting materials are distributed in a timely manner.

3.3 The CEO and the CFO will receive notice of and, unless otherwise determined by the Chair, shall attend all meetings of the Committee.

3.4 The external auditor of the Company must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Committee, and must appear before the Committee when requested to do so by the Committee and after being given reasonable notice to do so.

4. Duties and Responsibilities

The Committee shall take charge of all responsibilities imparted on an audit committee of a public company, as they may apply from time to time to the Company, under the *Business Corporations* Act (British Columbia), NI 52-110, the U.S. *Sarbanes-Oxley Act of* 2002, Rule 10A-3 under the *Securities Exchange Act of* 1934 and applicable stock exchange requirements, and pursuant to any other applicable laws and any other requirements of applicable regulatory and professional bodies. The duties and responsibilities of the Committee include the following:

4.1 Financial Reporting and Disclosure

a. Review and discuss with management and the external auditor at the completion of the annual examination:

i. the Company's audited financial statements and related notes;

ii. the external auditor's audit of, and report on, the financial statements;

iii. any significant changes required in the external auditor's audit plan;

iv. any serious difficulties or disputes with management encountered during the course of the audit; and

v. other matters related to the conduct of the audit which are to be communicated to the Committee under IFRS.

b. Review and discuss with management and the external auditor during and at the completion of any review engagement or other examination, the Company's quarterly financial statements.

c. Review and discuss with management, prior to their public disclosure, the annual reports, quarterly reports, Management's Discussion and Analyses ("**MD&A**"), earnings press releases and any other material disclosure documents containing or incorporating by reference audited or unaudited financial information of the Company and, if thought advisable, provide its recommendations on such documents to the Board.

d. Review and discuss with management any guidance being provided to shareholders on the expected earnings (including any future-oriented financial information or financial outlooks) of the Company and, if thought advisable, provide its recommendations on such documents to the Board.

e. Inquire of the auditors regarding the quality and acceptability of the Company's accounting principles and estimates, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates.

f. Review the Company's compliance with any policies and reports received from regulators. Discuss with management and the external auditor the effect on the Company's financial statements of significant regulatory initiatives.

g. Meet with the external auditor and management in separate executive sessions, as necessary or appropriate, to discuss any matters that the Committee or any of these groups believe should be discussed privately with the Committee.

h. Ensure that management has proper and adequate systems and procedures in place for the preparation and review of the Company's financial statements, financial reports and other financial information, including all Company disclosure of financial information extracted or derived from the Company's financial statements, and that they satisfy all legal and regulatory requirements. The Committee shall periodically assess the adequacy of such procedures.

i. Review with the Company's counsel, management and the external auditor any legal or regulatory matter, including reports or correspondence, which could have a material impact on the Company's financial statements or related compliance policies.

j. Based on discussions with the external auditor concerning the audit, the financial statement review and such other matters as the Committee deems appropriate, recommend to the Board the public filing of the audited annual and unaudited quarterly financial statements and MD&A and the inclusion of the audited financial statements in the Company's Annual Report, in accordance with applicable laws.

4.2 External Auditor

a. Be responsible for overseeing and recommending to the Board (subject to the approval of the shareholders, where required) the appointment of the Company's external auditor and for the compensation, retention and oversight of the work of the external auditor engaged by the Company. The external auditor shall report directly to the Committee. The Committee shall be responsible for resolving disagreements, if any, between management and the external auditor regarding financial reporting.

b. Consider, in consultation with the external auditor, the audit scope and plan of the external auditor and the related engagement letter and recommend approval of same to the Board.

c. Confirm with the external auditor and receive written confirmation at least once per year as to the external auditor's internal processes and quality control and disclosure of any investigations or government enquiries, reviews or investigations of the external auditor.

d. Take reasonable steps to confirm at least annually the independence of the external auditor, which shall include:

   i. ensuring receipt from the external auditor of a formal written statement delineating all relationships between the external auditor and the Company, consistent with IFRS, and determining that they satisfy the requirements of all applicable laws;

   ii. considering and discussing with the external auditor any disclosed relationships or services, including non-audit services, that may impact the objectivity and independence of the external auditor; and

   iii. approving in advance any audit or permissible non-audit related services provided by the external auditor to the Company with a view to ensuring the independence of the external auditor, and in accordance with any applicable requirements of regulatory or professional bodies, including the requirements of all applicable securities laws with respect to approval of non-audit related services performed by the external auditor. Non-audit services of up to US$25,000 (and up to a cumulative amount of US$75,000 in a calendar year) may be pre-

approved by the Chair of the Committee and ratified at the next Committee meeting.

e. Approve the lead audit partner for the Company's external auditor, confirm that such lead partner has not performed audit services for the Company for more than five previous fiscal years, and otherwise ensure the rotation of the lead partner and other partners in accordance with all applicable laws and requirements of regulatory and professional bodies.

f. Periodically review the performance of the Company's external auditor and provide feedback to the extent deemed appropriate.

g. Review and approve the Company's hiring policies regarding partners, employees and former employees of the present and former external auditors of the Company.

4.3 Internal Controls and Audit

a. Review and assess the adequacy and effectiveness of the Company's systems of internal controls, disclosure controls and procedures and management information systems through discussion with management and the external auditor to ensure that the Company maintains appropriate systems, is able to identify and assess the pertinent risks of the Company and that the risk of a material misstatement in the financial disclosures can be detected and mitigated.

b. Assess the requirement for the appointment of an internal auditor for the Company and, if the appointment of an internal auditor is deemed appropriate, be responsible for (i) approving the appointment and removal of such internal auditor, and (ii) if deemed appropriate, establishing a position description for such internal auditor.

c. Review and approve the annual internal audit plan, and review on a periodic basis progress in executing the plan, significant changes to the plan, significant internal audit findings (including related to the adequacy of internal controls over financial reporting) and any significant internal fraud risks.

d. Review disclosures made to the Committee by the CEO and CFO during their certification process required under applicable securities laws. Review any material weaknesses or significant deficiencies in the design and operation of internal controls over financial reporting or disclosure controls and

procedures and any fraud involving management or other employees who have a significant role in the Company's internal controls.

4.4 Financial Risk Management

a. Oversee, monitor and ensure that the principal areas of risk associated with the Company's accounting, auditing, financial reporting and internal control processes are identified and that plans and processes are in place to manage or mitigate these risks.

b. Review and report to the Board regarding the structure and adequacy of the Company's insurance programs and related policies, having regard to the Company's business and insurable risks.

4.5 General

a. Unless otherwise delegated to another committee by the Board, conduct an ongoing review of any transaction now in effect, and review and approve in advance any proposed transaction, that could be within the scope of "related party transactions" as such term is defined in applicable securities laws, and establish appropriate procedures to receive material information about and prior notice of any such transaction.

b. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters, including under the Company's Whistleblower Policy.

c. Conduct or authorize investigations into any matter within the scope of this Charter, including any complaints or concerns raised under the Company's Whistleblower Policy. The Committee may request that any officer or employee of the Company, its external legal counsel or its external auditor attend a meeting of the Committee or meet with any member(s) of the Committee.

d. Oversee cyber security and information technology infrastructure and programs.

e. Review the qualifications of the senior accounting and financial personnel.

f. Provide oversight of the Company's policies, procedures and practices with respect to the maintenance of the books, records and accounts, and the filing of reports, by the Company with respect to third party payments in compliance with all applicable anti-bribery or anti-corruption laws, including the *Foreign Corrupt Practices Act* (United States), *Corruption of Foreign Public Officials Act* (Canada), the *Extractive Sector Transparency Measures Act* (Canada) and similar laws.

g. Perform any other activities consistent with this Charter, the Company's Articles and governing law as the Committee or the Board deems necessary or appropriate.

4.6 Oversight Function

While the Committee has the responsibilities and powers set out in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or are in accordance with IFRS and applicable rules and regulations. These are the responsibilities of management and the external auditor. The Committee and the Chair and any members of the Committee identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Company, and are not specifically accountable or responsible for the day to day operation or performance of such activities. Although the designation of a member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any

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duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and the Board in the absence of such designation. Rather, the role of a member of the Committee who

of the Committee and the Board in the absence of such designation. Rather, the role of a member of the Committee who is identified as having accounting or related financial expertise, like the role of all members of the Committee, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure.

5. Chair of the Committee

The duties of the Chair of the Committee are set out in the Board Mandate. In addition to those duties, the Chair of the Committee will address, or cause to be addressed, all concerns communicated to him or her under the Company's Whistleblower Policy or Code of Business Conduct and Ethics.

6. Review

This Charter will be reviewed annually by the Committee in consultation with the Corporate Governance and Nominating Committee and any recommended changes will be submitted to the Board for approval.

Last updated, reviewed and approved by the Board on November 2, 2022.

SCHEDULE B
DEFINITIONS

Unless otherwise defined, technical terms used in this Annual Information Form have the following meanings. CIM Standards definitions are marked with an asterisk (*).

Term	Definition
assay	Analysis to determine the amount or proportion of the element of interest contained within a sample.

atomic absorption (AA)	A spectroanalytical procedure for the quantitative determination of chemical elements employing the absorption of optical radiation (light) by free atoms in the gaseous state.
ball mill	A horizontal rotating steel cylinder which grinds ore to fine particles. The grinding is carried out by the pounding and rolling of a charge of steel balls carried within the cylinder.
batholith	A very large igneous intrusion extending deep in the earth's crust.
block cave	Used to mine massive, steeply-dipping ore bodies. An undercut with haulage access is driven under the ore body, with "drawbells" excavated between the top of the haulage level and the bottom of the undercut. The drawbells serve as a place for caving rock to fall into. The ore body is drilled and blasted above the undercut, and the ore is removed via the haulage access.
block model	A three-dimensional model that forms the basic framework of a Mineral Resource estimate.
bornite	A brittle reddish-brown crystalline mineral with an iridescent purple tarnish, consisting of a sulphide of copper and iron.
breccia	A coarse-grained clastic rock, composed of angular broken rock fragments held together by a mineral cement or in a fine-grained matrix; it differs from conglomerate in that the fragments have sharp edges and unworn corners.
bullion	Gold or silver in bulk before coining, or valued by weight.
by-product	A secondary metal or mineral product that is recovered along with the primary metal or mineral product during the ore concentration process.
calc-alkalic	Rocks are rich in alkaline earths (magnesia and calcium oxide) and alkali metals and make up a major part of the crust of the earth's continents.
Cenozoic	The current and most recent of the three Phanerozoic geological eras, following the Mesozoic Era and covering the period from about 65 million years ago to the present.
chalcocite	A dark gray mineral that is an important ore of copper.
chalcopyrite	A copper mineral composed of copper, iron and sulphur. It tarnishes easily; going from bronze or brassy yellow to yellowish or grayish brown, has a dark streak, and is lighter in weight and harder than gold.
concentrate	A processing product containing the valuable ore mineral from which most of the waste mineral has been eliminated.

Term	Definition
core	Cylindrical rock cores produced by diamond drilling method that uses a rotating barrel and an annular-shaped, diamond-impregnated rock-cutting bit to produce cores and lift them to the surface to be examined.
Cretaceous	A geologic period and system from circa 145 to 66 million years ago. The Cretaceous follows the Jurassic period and is followed by the Paleogene period of the Cenozoic era. It is the last period of the Mesozoic Era, and, spanning 80 million years, the longest period of the Phanerozoic Eon.
crushing	Breaking of ore into smaller and more uniform fragments to be then fed to grinding mills or to a leach pad.
crust	The outermost solid shell of a rocky planet, which is chemically distinct from the underlying mantle.
cyanidation	A method of extracting exposed gold or silver grains from crushed or ground ore by dissolving the contained gold and silver in a weak cyanide solution.
decline	A downward inclined underground tunnel.

deformation	Change in the form or in the dimensions of a body produced by stress.
Devonian	A geologic period and system of the Paleozoic Era spanning from the end of the Silurian Period, about 419 million years ago, to the beginning of the Carboniferous Period, about 359 million years ago.
dilution	The effect of waste or low-grade ore being included unavoidably in the mine ore, lowering the recovered grade.
doré	Unrefined gold and silver bullion bars, which will be further refined to almost pure metal.
electrowinning	Recovery of a metal from a solution by means of electro-chemical processes.
fault	A fracture in the earth's crust accompanied by a displacement of one side of the fracture with respect to the other and in a direction parallel to the fracture.
Feasibility Study	A comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis, that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.
felsic	Silicate minerals, magma, and rocks which are enriched in the lighter elements such as silicon, oxygen, aluminium, sodium, and potassium.
fire assay	Analysis to determine the amount or proportion of the element of interest contained within a sample alloy by removal of other metals. Also known as gravimetric analysis.
flotation	A separation process in which valuable mineral particles are induced to become attached to bubbles and float, while the non-valuable minerals sink.

Term	Definition
formation	Unit of sedimentary rock of characteristic composition or genesis.
geophysical survey	Exploration activity mapping an area showing the physics of the earth.
grade	The amount of metal in each tonne of ore, expressed as grams per tonne for precious metals.
grinding (milling)	Powdering or pulverizing of ore, by pressure or abrasion, to liberate valuable minerals for further metallurgical processing.
hectares	A metric unit of area measuring 100 metres by 100 metres.
hedging	Taking a buy or sell position in a futures market opposite to a position held in the cash market to minimize the risk of financial loss from an adverse price change.
Indicated Mineral Resource*	The part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.
Inferred Mineral Resource*	The part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
infill	The collection of additional samples between existing samples, used to provide greater geological detail and to provide more closely-spaced assay data.
intrusive	Igneous rock which, while molten, penetrated into or between other rocks and solidified before reaching the surface.
low-grade	Descriptive of ores relatively poor in the metal they are mined for; lean ore.
mafic	A group of dark-colored minerals, composed chiefly of magnesium and iron, that occur in igneous rocks.
Measured Mineral Resource*	The part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or

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Term Definition

	an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.
mill	A processing facility where ore is finely ground and then undergoes physical or chemical treatment to extract the valuable metals. Also, the device used to perform grinding (milling).
mineral claim / property / concession	Authorizes the holder to prospect and mine for minerals and to carry out works in connection with prospecting and mining.
Mineral Reserve*	The economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. Mineral Reserves are sub-divided in order of increasing confidence into Probable Mineral Reserves and Proven Mineral Reserves. A Probable Mineral Reserve has a lower level of confidence than a Proven Mineral Reserve.
Mineral Resource*	A concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource.
Modifying Factors	Modifying Factors are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.
open pit mine	A mine where materials are removed entirely from a working that is open to the surface.
ore	Rock, generally containing metallic or non-metallic minerals, which can be mined and processed at a profit.
Paleozoic	An era of geologic time that includes the Cambrian, Ordovician, Silurian, Devonian, Mississippian, Pennsylvanian and Permian periods and is characterized by the appearance of marine invertebrates, primitive fishes, land plants and primitive reptiles.
porphyry	A variety of igneous rock consisting of large-grained crystals, such as feldspar or quartz, dispersed in a fine-grained feldspathic matrix or groundmass.
Pre-Feasibility Study	A comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is

Term	Definition
	established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be converted to a Mineral Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.
Probable Mineral	The economically mineable part of an Indicated, and in some circumstances, a Measured

Reserve*	Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.
Proven Mineral Reserve*	The economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.
pyrite	A yellow iron sulphide mineral, normally of little value. It is sometimes referred to as "fool's gold."
pyroclastic	Rocks produced by explosive or aerial ejection of ash, fragments, and glassy material from a volcanic vent.
Qualified Person*	An individual who (i) is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geosciences, or engineering, relating to mineral exploration or mining; (ii) has at least five years' experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice; (iii) has experience relevant to the subject matter of the mineral project and the technical report; (iv) is in good standing with a professional association; (v) and in the case of a professional association in a foreign jurisdiction, has a membership designation that (a) requires attainment of a position of responsibility in their profession that requires the exercise of independent judgment; and (ii) requires (1) a favourable confidential peer evaluation of the individual's character, professional judgment, experience, and ethical fitness; or (2) a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the field of mineral exploration or mining.
quality assurance and quality control (QA/QC)	The process of measuring and assuring product quality to meet consumer expectations.
reclamation	The restoration of a site after mining or exploration activity is completed.
reclamation and closure costs	The cost of reclamation plus other costs, including without limitation certain personnel costs, insurance, property holding costs such as taxes, rental and claim fees, and community programs associated with closing an operating mine.
recovered grade	Actual metal grade realized by the metallurgical process and treatment or ore, based on actual experience or laboratory testing.
recovery	A term used in process metallurgy to indicate the proportion of valuable material obtained in the processing of an ore. It is generally stated as a percentage of valuable metal in the ore that is recovered compared to the total valuable metal present in the ore.

Term	Definition
refining	The final stage of metal production in which impurities are removed from the molten metal.
reverse circulation	A drilling method that uses a rotating cutting bit within a double-walled drill pipe and produces rock chips rather than core. Air or water is circulated down to the bit between the inner and outer wall of the drill pipe. The chips are forced to the surface through the centre of the drill pipe and are collected, examined and assayed.
run-of-mine (ROM)	Ore in its natural, unprocessed state; pertaining to ore just as it is mined.
sample	A small portion of rock, or a mineral deposit, taken so that the metal content can be determined by assaying.
scoping study	A technical and economic study conducted to investigate the approximate economics and viability of various development options for the mining and treatment of a mineral deposit.
sedimentary rocks	Secondary rocks formed from material derived from other rocks and laid down under water. Examples are limestone, shale and sandstone.

semi-autogenous (SAG) mill	A steel cylinder with steel balls into which run-of-mine material is fed. The ore is ground with the action of large lumps of rock and steel balls.
shear zone	A geological term used to describe a geological area in which shearing has occurred on a large scale.
stock	A magma that has intruded into pre-existing rock in a columnar shape, typically a kilometre or more in diameter.
stockpile	Broken ore heaped on the surface, pending treatment or shipment.
tailings	The material that remains after all metals considered economic have been removed from ore during milling.
tailings facility	A natural or man-made confined area suitable for depositing the material that remains after the treatment of ore.
ton	Unit of weight equaling 2,000 pounds. Called a "short ton."
tonne	Metric unit of mass equaling 1,000 kilograms or 2,204.6 pounds. Called a "long ton."
tuff	Rock composed of fine volcanic ash.
vein	A fissure, fault or crack in a rock filled by minerals that have traveled upwards from some deep source.
volcanics	A general collective term for extrusive igneous and pyroclastic material and rocks.

SCHEDULE C
ABBREVIATIONS AND MEASUREMENT CONVERSION

Unless otherwise defined, abbreviations used in this Annual Information Form have the following meanings:

µ	Micron
AA	Atomic Absorption
Ag	Silver
Au	Gold
µg	Microgram
cm	Centimeter
Cu	Copper
ft	Foot
g	Gram
G	Giga (billion)
HQ	Diamond drill core measuring 2.5 inches in diameter (6.35 centimetres)
ICP	Induction Coupled Plasmaspectrometry
in	Inch
K	Kilo (thousand)
km	Kilometer
km^2	Kilometres squared
L	Litre
lb	Pound
m	Metre
m^2	Metres squared
M	Mega (million)
mm	Millimeter
NQ	Diamond drill core measuring 1.78 inches in diameter (4.5 centimetres)
NSR	Net smelter return
oz	Troy ounce/ounce (31.1035g)
PQ	Diamond drill core measuring 3.35 inches in diameter (8.5 centimetres)
RC	Reverse circulation
s	Second
st	Short ton (one short ton equals 0.907 metric tonnes)
t	Metric tonne (one metric tonne equals 1.102 short tons)
tpa	Metric tonne per year
tpd	Metric tonne per day
W	Watt
yd	Yard
Zn	Zinc

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The following table lists Imperial measurements and their equivalent value under the Metric system:

Imperial	Converts to	Metric
1 in	=	2.54 cm
1 ft (12 in)	=	0.3048 m
1 yd (3ft)	=	0.9144 m
1 mile (1760 yd)	=	1.6093 km
1 square in (in2)	=	6.4516 cm^2
1 square ft (ft^2)	=	0.0929 m^2
1 square yd (yd^2)	=	0.8361 m^2
1 acre (4840 yd^2)	=	4046.9 m^2
1 square mile (640 acres)	=	2.59 km^2
short ton	=	0.907 metric tonnes

SCHEDULE D
EXCHANGE RATE AND METAL PRICE INFORMATION

Exchange Rate

The high, low, average and closing exchange rates for Canadian dollars in terms of the United States dollar for each of the three years ended December 31, 2022, 2021 and 2020 as quoted by the Bank of Canada, were as follows:

	2022	2021	2020
High	$1.3856	$1.2942	$1.4496
Low	$1.2451	$1.2040	$1.2718

Average	$1.3013	$1.2535	$1.3415
Closing	$1.3544	$1.2678	$1.2732

On February 21, 2023, the average exchange rate for Canadian dollars in terms of the United States dollar, as quoted by the Bank of Canada, was US$1 = C$1.3516.

Gold Prices

The high, low, average and closing afternoon fixing gold prices per troy ounce for each of the three years ended December 31, 2022, 2021 and 2020, as quoted by the London Bullion Market Association ("**LBMA**"), were as follows:

	2022	2021	2020
High	$2,039	$1,943	$2,067
Low	$1,629	$1,684	$1,474
Average	$1,800	$1,799	$1,770
Closing	$1,814	$1,806	$1,888

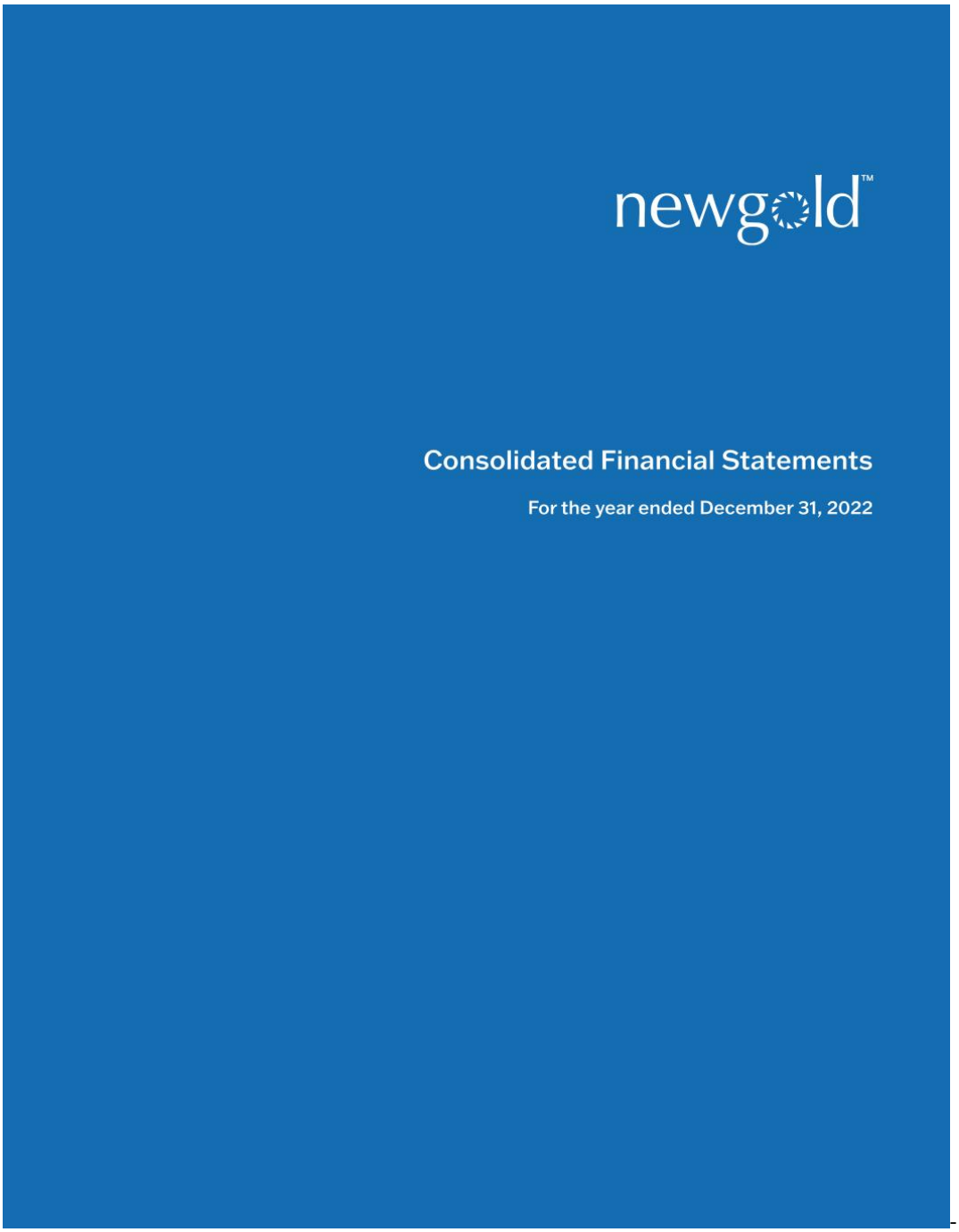
On February 21, 2023, the closing afternoon LBMA gold price per troy ounce, as quoted by the LBMA, was $1,837.

Copper Prices

The high, low, average and closing official cash settlement copper prices per pound for each of the three years ended December 31, 2022, 2021 and 2020, as quoted by the London Metal Exchange, were as follows:

On February 21, 2023, the closing official cash settlement copper price per pound, as quoted by the London Metal Exchange, was $4.13.

	2022	2021	2020
High	$4.87	$4.86	$3.61
Low	$3.18	$3.52	$2.09
Average	$4.00	$4.23	$2.80
Closing	$3.80	$4.40	$3.51


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Consolidated Financial Statements
For the year ended December 31, 2022

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The consolidated financial statements, the notes thereto and other financial information contained in the Management's Discussion and Analysis have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and are the responsibility of the management of New Gold Inc. The financial information presented in the Management's Discussion and Analysis is consistent with the data that is contained in the consolidated financial statements. The consolidated financial statements, where necessary, include amounts which are based on the best estimates and judgment of management.

In order to discharge management's responsibility for the integrity of the financial statements, the Company maintains a system of internal accounting controls. These controls are designed to provide reasonable assurance that the Company's assets are safeguarded, transactions are executed and recorded in accordance with management's authorization, proper records are maintained and relevant and reliable financial information is produced. These controls include maintaining quality standards in hiring and training of employees, policies and procedures manuals, a corporate code of conduct and ensuring that there is proper accountability for performance within appropriate and well-defined areas of responsibility. The system of internal controls is further supported by a compliance function, which is designed to ensure that we and our employees comply with securities legislation and conflict of interest rules.

The Board of Directors is responsible for overseeing management's performance of its responsibilities for financial reporting and internal control. The Audit Committee, which is composed of non-executive directors, meets with management as well as the external auditors to ensure that management is properly fulfilling its financial reporting responsibilities to the Directors who approve the consolidated financial statements. The external auditors have full and unrestricted access to the Audit Committee to discuss the scope of their audits, the adequacy of the system of internal controls and review financial reporting issues.

The consolidated financial statements have been audited by Deloitte LLP, the Company's independent registered public accounting firm, in accordance with standards of the Public Company Accounting Oversight Board (United States).

(Signed) Patrick Godin

Patrick Godin
President and
Chief Executive Officer

(Signed) Robert Chausse

Robert Chausse
Executive Vice President and
Chief Financial Officer

Toronto, Canada
February 15, 2023

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management, including the President and Chief Executive Officer and the Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and Rule 15d-15(f) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as a process designed by, or under the supervision of, the Company's principal executive and principal financial officers and effected by the Company's Board of Directors, management and other personnel. This provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company's management, under the supervision of the President and Chief Executive Officer and the Chief Financial Officer, assessed the effectiveness of the Company's internal control over financial reporting as defined in Rule 13a-15(f) and Rule 15d—15(f) under the Exchange Act as of December 31, 2022. In making this assessment, it used the criteria set forth in the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management has concluded that, as of December 31, 2022, the Company's internal control over financial reporting is effective based on those criteria. There are no material weaknesses that have been identified by management.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2022 has been audited by Deloitte LLP, the Company's independent registered public accounting firm, as stated in their report immediately preceding the Company's audited consolidated financial statements for the year ended December 31, 2022.

(Signed) Patrick Godin

Patrick Godin
President and
Chief Executive Officer

(Signed) Robert Chausse

Robert Chausse
Executive Vice President and
Chief Financial Officer

Toronto, Canada
February 15, 2023

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and Board of Directors of New Gold Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of New Gold Inc. and subsidiaries (the "Company") as of December 31, 2022 and 2021, the related consolidated income statements, statements of comprehensive income, statements of changes in equity and statements of cash flow, for each of the two years in the period ended December 31, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for each of the two years in the period ended December 31, 2022, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 15, 2023, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Mining Interests — Assessment of Whether Indicators of Impairment or Impairment Reversal Exist —Refer to Notes 2, 3 and 9 to the financial statements.

Critical Audit Matter Description

The Company's determination of whether or not an indicator of impairment or impairment reversal exists in mining interests at the cash generating unit (CGU) levels requires significant management judgment.

While there are several factors that are required to determine whether or not an indicator of impairment or impairment reversal exists, the judgments with the highest degree of subjectivity are future commodity prices (for both gold and copper), market capitalization deficiency assessment (specifically the inputs related to control premiums, industry specific factors, and company performance), the discount rate, and the in-situ ounce multiples. Auditing these estimates and inputs required a high degree of subjectivity in applying audit procedures and in evaluating the results of those procedures. This resulted in an increased extent of audit effort, including the involvement of fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the future commodity prices (for both gold and copper), market capitalization deficiency assessment (specifically the inputs related to the control premiums, industry specific factors, and company performance), the discount rate, and the in-situ ounce multiples in the assessment of indicators of impairment or impairment reversal included the following, among others:

- Evaluated the effectiveness of the Company's controls over management's assessment of indicators of impairment or impairment reversal.
- With the assistance of fair value specialists;
    - Evaluated the future commodity prices (for both gold and copper) by comparing forecasts to third party forecastsl
    - Performed an assessment of the market capitalization to the carrying value of the CGUs which included: assessing control premiums, industry specific factors, and company performance;
    - Evaluated the reasonableness of the discount rate by comparing to independent market data; and
    - Evaluated the reasonableness of management's determination of the in-situ ounce multiples by comparing to independent market data.

"/s/ Deloitte LLP"

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
February 15, 2023

We have served as the Company's auditor since 2007.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and Board of Directors of New Gold Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of New Gold Inc. and subsidiaries (the "Company") as of December 31, 2022, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2022 of the Company and our report dated February 15, 2023 expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance

regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

"/s/ Deloitte LLP"

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
February 15, 2023

CONSOLIDATED INCOME STATEMENTS

		Year ended December 31	
(in millions of U.S. dollars, except per share amounts)	**Note**	**2022**	**2021**
Revenues		**604.4**	745.5
Operating expenses	4	**382.7**	377.3
Depreciation and depletion		**195.4**	195.7
Revenue less cost of goods sold		**26.3**	172.5
Corporate administration		**21.3**	21.8
Corporate restructuring	22	**2.1**	—
Share-based payment expenses	15	**2.6**	2.2
Exploration and business development		**16.0**	11.2
(Loss) income from operations		**(15.7)**	137.3
Finance income	4	**3.8**	0.3
Finance costs	4	**(27.8)**	(34.8)
Other (losses) gains	4	**(25.7)**	57.5
(Loss) income before taxes		**(65.4)**	160.3
Income tax expense	16	**(1.4)**	(19.7)
Net (loss) earnings		**(66.8)**	140.6
Earnings (loss) per share			
Basic	15	**(0.10)**	0.21
Diluted	15	**(0.10)**	0.21
Weighted average number of shares outstanding (in millions)			
Basic	15	**681.9**	680.8
Diluted	15	**681.9**	682.4

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Year ended December 31	
(in millions of U.S. dollars)	**Note**	**2022**	**2021**
Net (loss) earnings		**(66.8)**	140.6
Other comprehensive income			
Gain on revaluation of non-current derivative financial liabilities	11	**68.4**	23.8
Total comprehensive income		**1.6**	164.4

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in millions of U.S. dollars)	Note	As at December 31 2022	As at December 31 2021
ASSETS			
Current assets			
Cash and cash equivalents		**200.8**	481.5
Trade and other receivables	5	**14.1**	26.4
Inventories	8	**115.7**	101.0
Current income tax receivable		**—**	3.1
Investments	6	**35.6**	59.5
Prepaid expenses and other		**11.3**	14.8
Total current assets		**377.5**	686.3
Mining interests	9	**1,863.9**	1,787.9
Other assets		**2.1**	2.6
Total assets		**2,243.5**	2,476.8
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	7	**170.9**	172.9
Current income tax payable		**0.3**	—
Total current liabilities		**171.2**	172.9
Reclamation and closure cost obligations	14	**119.5**	154.6
Non-current derivative financial liabilities	11	**525.5**	618.4
Long-term debt	10	**394.9**	491.0
Deferred tax liabilities	16	**66.8**	69.6
Lease obligations	12	**1.3**	10.7
Other liabilities		**4.8**	3.7
Total liabilities		**1,284.0**	1,520.9
Equity			
Common shares	15	**3,157.1**	3,155.4
Contributed surplus		**107.8**	107.5
Other reserves		**(24.6)**	(93.0)
Deficit		**(2,280.8)**	(2,214.0)
Total equity		**959.5**	955.9
Total liabilities and equity		**2,243.5**	2,476.8

See accompanying notes to the consolidated financial statements.

Approved and authorized by the Board of Directors on February 15, 2023

"Ian Pearce"
Ian Pearce, Director

"Marilyn Schonberner"
Marilyn Schonberner, Director

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Year ended December 31	
(in millions of U.S. dollars)	**Note**	**2022**	**2021**
COMMON SHARES			
Balance, beginning of period		**3,155.4**	3,154.0
Issuance of common shares under First Nations agreements	15	**0.5**	0.4
Exercise of options and vested performance share units	15	**1.2**	1.0
Balance, end of period		**3,157.1**	3,155.4
CONTRIBUTED SURPLUS			
Balance, beginning of period		**107.5**	106.7
Exercise of options and vested performance share units	15	**(1.1)**	(1.1)
Equity settled share-based payments	15	**1.4**	1.9
Balance, end of period		**107.8**	107.5
OTHER RESERVES			
Balance, beginning of period		**(93.0)**	(116.8)
Gain on revaluation of non-current derivative financial liabilities	11	**68.4**	23.8
Balance, end of period		**(24.6)**	(93.0)
DEFICIT			
Balance, beginning of period		**(2,214.0)**	(2,354.6)
Net (loss) earnings		**(66.8)**	140.6
Balance, end of period		**(2,280.8)**	(2,214.0)
Total equity		**959.5**	955.9

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOW

		Year ended December 31	
(in millions of U.S. dollars)	**Note**	**2022**	**2021**
OPERATING ACTIVITIES			
Net (loss) earnings		**(66.8)**	140.6
Adjustments for:			
Gain on disposal of Blackwater stream		**—**	(147.3)
Foreign exchange gain		**(4.8)**	(0.9)
Depreciation and depletion		**195.9**	196.8
Financial instrument transaction costs		**—**	0.4
Other non-cash adjustments	17	**36.6**	94.3
Income tax expense	16	**1.4**	19.7
Finance income	4	**(3.8)**	(0.3)
Finance costs	4	**27.8**	34.8
Reclamation and closure costs paid	14	**(4.0)**	(12.0)
		182.3	326.1
Change in non-cash operating working capital	17	**9.1**	1.0
Income taxes paid		**(0.7)**	(3.4)
Cash generated from operations		**190.7**	323.7
INVESTING ACTIVITIES			
Mining interests		**(292.9)**	(247.3)
Proceeds from sale of Blackwater[1]		**—**	39.4
Proceeds from sale of Blackwater stream[2]		**(2.6)**	300.0
Tax refunds collected from Mesquite sale	5	**12.8**	—
Proceeds from sale of other assets		**0.9**	1.4
Investment and other financial instrument acquisitions		**(4.0)**	(36.4)
Interest received		**3.9**	0.3
Cash (used by) generated from investing activities		**(281.9)**	57.4
FINANCING ACTIVITIES			
Repayment of long-term debt and premium paid	10	**(101.6)**	—
Proceeds received from issuance of shares		**0.9**	0.2
Lease payments		**(10.3)**	(10.4)
Cash settlement of non-current derivative financial liabilities	11	**(36.4)**	(32.3)
Interest paid		**(37.6)**	(42.6)
Financing initiation costs		**—**	(1.4)
Cash used by financing activities		**(185.0)**	(86.5)
Effect of exchange rate changes on cash and cash equivalents		**(4.5)**	0.6
Change in cash and cash equivalents		**(280.7)**	295.2
Cash and cash equivalents, beginning of period		**481.5**	186.3
Cash and cash equivalents, end of period		**200.8**	481.5
Cash and cash equivalents are comprised of:			
Cash		**167.7**	337.5
Short-term money market instruments		**33.1**	144.0
		200.8	481.5

1. *In 2021, the Company collected the final $ 39.4 million of proceeds due from Artemis Gold Inc. for the sale of the Blackwater Project.*
2. *In 2021 the Company disposed of the Blackwater gold stream for $ 300.0 million. Blackwater stream transaction costs of $ 2.6 million were paid in 2022.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022
(Amounts expressed in millions of U.S. dollars, except per share amounts and unless otherwise noted)

1. Description of business and nature of operations

New Gold Inc. (“New Gold” or the “Company”) is an intermediate gold mining company engaged in the development and operation of mineral properties. The assets of the Company, directly or through its subsidiaries, are comprised of the Rainy River Mine in Canada (“Rainy River”), the New Afton Mine in Canada (“New Afton”), and the Cerro San Pedro Mine in Mexico (in reclamation) (“Cerro San Pedro” or "CSP"). The Company also holds Canadian-focused investments.

The Company is a corporation governed by the *Business Corporations Act* (British Columbia). The Company’s shares are listed on the Toronto Stock Exchange and the NYSE American under the symbol NGD. The Company’s registered office is located at 925 West Georgia Street, Suite 1600, Vancouver, British Columbia, V6C 3L2, Canada.

2. Basis of preparation and significant accounting policies

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board (“IASB”), referred to as “IFRS”. These consolidated financial statements were approved by the Board of Directors of the Company on February 15, 2023.

(b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for those assets and liabilities that are measured at fair values at the end of each reporting period. Additionally, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Basis of consolidation

Subsidiaries

These consolidated financial statements include the financial statements of the Company and entities controlled by the Company (“Subsidiaries”). Control exists when the Company is exposed, or has rights to variable returns from its involvement with the Subsidiary and has the ability to affect those returns through its power over the Subsidiary.

The Company's principal subsidiary is Minera San Xavier S.A. de C.V. ("MSX"). MSX's country of incorporation is Mexico where it is currently in the reclamation phase of operations. The Company holds a 100% interest in MSX as at December 31, 2022 (December 31, 2021 - 100%). All material intercompany transactions, balances, revenues and expenses are eliminated on consolidation.

(d) Business combinations and asset acquisitions

A business combination is an acquisition of assets and liabilities that constitute a business. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return to the Company and its shareholders in the form of improved earnings, lower costs or other economic benefits.

Business combinations are accounted for using the acquisition method whereby identifiable assets acquired and liabilities assumed, including contingent liabilities, are recorded at 100% of their acquisition-date fair values. The acquisition date is the date the Company obtains control over the acquiree, which is generally the date that consideration is transferred and the Company acquires the assets and assumes the liabilities of the acquiree. The Company considers all relevant facts and circumstances in determining the acquisition date.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, the liabilities, including contingent consideration, incurred and payable by the Company to former owners of the acquiree and the equity interests issued by the Company. The measurement date for equity interests issued by the Company is the acquisition date.

Acquisition-related costs, other than costs to issue debt or equity securities, of the Company, including investment banking fees, legal fees, accounting fees, valuation fees, and other professional or consulting fees are expensed as incurred. The costs to issue equity securities of the Company as consideration for the acquisition are reduced from share capital as share issue costs.

The Company accounts for the purchase of assets and assumption of liabilities as an acquisition of net assets when the transactions do not qualify as a business combination under IFRS 3, Business Combinations, as the significant inputs and processes that constitute a business are not identified. The purchase consideration is allocated to the fair value of the assets acquired and liabilities assumed based on management's best estimates and available information at the time of the acquisition. Acquisition-related costs, other than costs to issue debt or equity securities of the Company, including investment banking fees, legal fees, accounting fees, valuation fees, and other professional or consulting fees are capitalized as part of the asset acquisition.

(e) Cash and cash equivalents

The Company considers all highly liquid investments with original maturities of three months or less at the date of acquisition to be cash equivalents. These highly liquid investments only comprise short-term Canadian and United States government treasury bills and other evidences of indebtedness and treasury bills of the Canadian provinces with a minimum credit rating of R-1 mid from the Dominion Bond Rating Service or an equivalent rating from Standard & Poor's and Moody's. In addition, the Company invests in bankers' acceptances and other evidences of indebtedness of certain financial institutions, including Canadian banks.

(f) Inventories

Finished goods, work-in-process, and stockpiled ore are valued at the lower of weighted average production cost or net realizable value. Production costs include the cost of raw materials, direct labour, mine-site overhead expenses and depreciation and depletion of mining interests. Net realizable value is calculated as the estimated price at the time of sale based on prevailing and long-term metal prices less estimated future production costs to convert the inventories into a saleable form. At operations where ore extracted contains a significant amount of metals other than gold, primarily copper or silver, cost is allocated between the joint products on a pro rata basis.

Stockpiles represent ore that has been extracted from the mine and is available for further processing. Costs are added to stockpiles based on current mining costs, including applicable overhead and

depreciation and depletion relating to mining operations. Costs are removed at each stockpile's average cost per recoverable unit as material is processed.

Work-in-process inventory represents materials that are currently in the process of being converted into finished goods. The average production cost of finished goods represents the average cost of work-in-process inventories incurred prior to the refining process, plus applicable refining, selling, shipping costs and associated royalties.

Supplies are measured at weighted average cost. In the event that the net realizable value of the finished product, the production of which the supplies are held for use in, is lower than the expected cost of the finished product, the supplies are written down to net realizable value.

(g) Mining interests

Mining properties

The costs associated with mining properties include acquired interests in production, development and exploration stage properties representing the fair value at the time they were acquired.

Mining properties include costs directly attributable to bringing a mineral asset into the state where it is capable of operating in the manner intended by management. The determination of development costs to be capitalized during the production stage of a mine operation requires the use of judgments and estimates.

The Company estimates its mineral reserves and mineral resources based on information compiled by appropriately qualified persons. The estimation of recoverable reserves will be impacted by forecasted commodity prices, exchange rates, production costs and recoveries amongst other factors. Changes in the reserve or resource estimates may impact the carrying value of assets and depreciation and impairment charges recorded in the consolidated income statement.

A mining property is considered to be capable of operating in a manner intended by management when it commences commercial production. Upon commencement of commercial production, a mining property is depleted on a unit-of-production method. Unit-of-production depletion rates are determined based on the estimated recoverable proven and probable mineral reserves at the mine.

Costs related to property acquisitions are capitalized until the viability of the mineral property is determined. When either external or internal triggering events determine that a property is not economically recoverable, the capitalized costs are written off.

The costs associated with the acquisition of land holdings are included within mining interest and are not depleted.

Exploration and evaluation

Exploration and evaluation costs are expensed until the probability that future economic benefits will flow to the entity and the asset cost or value can be measured reliably. Management uses the following criteria to determine the economic recoverability and probability of future economic benefits:

- The Company controls access to the benefit;
- Internal project economics are beneficial to the Company;

- The project is technically feasible; and
- Costs can be reliably measured.

Further development expenditures are capitalized to the property.

Drilling and related costs incurred on sites without an existing mine and on areas outside the boundary of a known mineral deposit which contains proven and probable reserves are exploration expenditures and are expensed as incurred to the date of establishing that property costs are economically recoverable. Further development expenditures, subsequent to the establishment of economic recoverability, are capitalized to the property.

Property, plant and equipment

Property, plant and equipment consists of buildings and fixtures, processing equipment and surface and underground fixed and mobile equipment.

Depreciation and depletion rates of major categories of asset costs

Mining properties are depleted using a unit-of-production method over the estimated economic life of the mine to which they relate. Management reviews the estimated total recoverable ounces contained in depletable reserves at each financial year end, and when events and circumstances indicate that such a review should be made. Plant and equipment is depreciated using unit-of-production or straight-line method over their estimated useful lives, or the remaining life of the mine, if shorter. Right-of-use assets are depreciated using the straight-line method over the remaining lease term, or the remaining life of the mine, if shorter. In the current year, the Company updated the estimated useful life of plant and machinery that are amortized over the life-of-mine in order to reflect the updated life-of-mine plans. Plant and machinery amortized over the life-of-mine have an estimated useful life of 9 years (2021 - 9 years). Changes to estimated useful lives are applied prospectively.

Asset class	Estimated useful life (years)
Plant and machinery	3 - 9
Mobile equipment	5 - 7

Capitalized borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that takes a substantial period of time to get ready for its intended use are capitalized until such time that the assets are substantially ready for their intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of interest rates applicable to relevant general borrowings of the Company during the period, to a maximum of actual borrowing costs incurred. Capitalization of interest is suspended during extended periods in which active development is interrupted.

Stripping costs in surface mining

As part of its operations, the Company incurs stripping costs both during the development phase and production phase of its operations. Stripping costs incurred as part of development stage mining activities incurred by the Company are deferred and capitalized as part of mining properties.

Stripping costs incurred during the production stage are incurred in order to produce inventory or to improve access to ore which will be mined in the future. Where the costs are incurred to produce inventory, the production stripping costs are accounted for as a cost of producing those inventories. Where the costs are incurred to improve access to ore which will be mined in the future, the costs are deferred and capitalized to the statement of financial position as a stripping activity asset (included in mining interest) if the following criteria are met: improved access to the ore body is probable; the component of the ore body can be accurately identified; and the costs relating to the stripping activity associated with the component can be reliably measured. If these criteria are not met, the costs are expensed in the period in which they are incurred.

The stripping activity asset is subsequently depleted using the units-of-production depletion method over the life of the identified component of the ore body to which access has been improved as a result of the stripping activity.

Derecognition

Upon sale or abandonment, the cost of the asset and related accumulated depreciation or depletion are removed from the accounts and any gains or losses thereon are recognized in net earnings.

(h) Impairment of long-lived assets

The Company reviews and evaluates its mining interests for indicators of impairment at the end of each reporting period. Impairment assessments are conducted at the level of cash-generating units (“CGU”). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Each operating mine represents a separate CGU as each mine site or development project has the ability or the potential to generate cash inflows that are separately identifiable and independent of each other. If an indication of impairment exists, the recoverable amount of the CGU is estimated. An impairment loss is recognized when the carrying amount of the CGU is in excess of its recoverable amount.

The recoverable amount of a mine site is the greater of its fair value less costs to dispose and value in use. In determining the recoverable amounts of the Company’s mine sites, the Company uses the fair value less costs to dispose as this will generally be greater than or equal to the value in use. When there is no binding sales agreement, fair value less costs to dispose is estimated as the discounted future after-tax cash flows expected to be derived from a mine site, less an amount for costs to dispose estimated based on similar past transactions. The inputs used in the fair value measurement constitute Level 3 inputs under the fair value hierarchy. When discounting estimated future cash flows, the Company uses an after-tax discount rate that would approximate what market participants would assign. Estimated cash flows are based on expected future production, metal selling prices, operating costs and capital costs. If the recoverable amount of a mine site is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. The carrying amount of each mine site includes the carrying amounts of mining properties, plant and equipment, and certain deferred tax balances. Impairment losses are recognized as expenses in the period they are incurred. The allocation of an impairment loss, if any, for a particular mine site to its assets is based on the relative book values of these assets at the date of

impairment, to the extent that the impairment allocation does not reduce the carrying values of these asset classes below their recoverable amounts.

The Company assesses at the end of each reporting period whether there is any indication that an impairment loss recognized in prior periods for a long-lived asset may no longer exist or may have decreased. If any such indication exists, the Company estimates the recoverable amount of that CGU. A reversal of an impairment loss is recognized up to the lesser of the recoverable amount or the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the CGU in prior years. Reversals of impairment losses are recognized in net earnings in the period the reversals occur.

(i) Reclamation and closure cost obligations

The Company's mining and exploration activities are subject to various governmental laws and regulations relating to the protection of the environment. The Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. The Company has recorded a liability and corresponding asset for the estimated future cost of reclamation and closure, including site rehabilitation and long-term treatment and monitoring costs. These costs represent management's best estimates which incorporate assumptions on the effects of inflation, movements in foreign exchange rates and the effects of country and other specific risks associated with the related liabilities. The costs are discounted to net present value using the risk free rate applicable to the future cash outflows. Such estimates are, however, subject to changes in laws and regulations or changes to market inputs to the decommissioning model.

The present value of estimated costs is recorded in the period in which the asset is installed or the environment is disturbed and a reasonable estimate of future costs and discount rates can be made.

After the initial measurement, the obligation is adjusted to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognized in finance costs, whereas increases and decreases due to changes in the estimated future cash flows are capitalized and depreciated over the life of the related asset unless the amount deducted from the cost exceeds the carrying value of the asset, in which case the excess is recorded in net earnings. Actual costs incurred upon settlement of the site restoration obligation are charged against the provision to the extent the provision was established for those costs. Upon settlement of the liability, a gain or loss may be recorded in net earnings.

(j) Income taxes

The income tax expense or benefit for the period consists of two components: current and deferred.

Current Tax

The tax currently payable is based on taxable earnings for the year. Taxable earnings differ from earnings before taxes due to items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the statement of financial position date in each of the jurisdictions and includes any adjustments for taxes payable or recovery in respect of prior periods.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated statement of financial position and the corresponding tax base used in the computation of taxable net earnings. Deferred tax is calculated based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates that are expected to apply in the year of realization or settlement based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Deferred tax liabilities are generally recorded for all taxable temporary differences. Deferred tax liabilities are recognized for taxable temporary differences arising on investments in Subsidiaries except where the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable earnings will be available against which those deductible temporary differences can be utilized. The carrying amount of the deferred tax assets are reviewed at each statement of financial position date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Current and deferred tax for the year

Current and deferred tax are recognized in net earnings except when they arise as a result of items recognized in other comprehensive income or directly in equity in the current or prior periods, in which case the related current and deferred income taxes are also recognized in other comprehensive income or directly in equity, respectively.

(k) Foreign currency translation

The individual financial statements of each Subsidiary are presented in the currency of the primary economic environment in which that entity operates (its functional currency). The functional currency of the Company and the presentation currency of the consolidated financial statements is the United States dollar (“U.S. dollar”).

Management determines the functional currency by examining the primary economic environment of each operating mine, development and exploration project. The Company considers the following factors in determining its functional currency:

- The main influences of sales prices for goods and the country whose competitive forces and regulations mainly determine the sales price;
- The currency that mainly influences labour, material and other costs of providing goods;
- The currency in which funds from financing activities are generated; and
- The currency in which receipts from operating activities are usually retained.

When preparing the consolidated financial statements of the Company, the Company translates non-U.S. dollar balances into U.S. dollars as follows:

- Mining interest and equity method investments using historical exchange rates;
- Financial instruments measured at fair value through profit or loss using the closing exchange rate as at the statement of financial position date with translation gains and losses recorded in net earnings;
- Deferred tax assets and liabilities using the closing exchange rate as at the statement of financial position date with translation gains and losses recorded in net earnings;
- Other assets and liabilities using the closing exchange rate as at the statement of financial position date with translation gains and losses recorded in net earnings; and
- Income and expenses are translated at the exchange rate in effect on the dates they occur, except for expenses that relate to non-monetary assets and liabilities measured at historical rates, which are translated using the same historical rate as the associated non-monetary assets and liabilities.

(l) Earnings (loss) per share

Earnings (loss) per share calculations are based on the weighted average number of common shares and common share equivalents issued and outstanding during the year. Diluted earnings per share are calculated using the treasury stock method. This requires the calculation of diluted earnings per share by assuming that outstanding stock options with an average market price that exceeds the average exercise price of the options and warrants for the year, are exercised and the assumed proceeds are used to repurchase shares of the Company at the average market price of the common share for the year.

(m) Revenue recognition

Revenue from the sale of metals and metals in concentrate is recognized when the Company satisfies the performance obligations associated with the sale. Typically, this is accomplished when control over the metals and metals in concentrate are passed from the Company to the buyer. Factors that may indicate the point in time at which control passes include:

- The Company has transferred to the purchaser the significant risks and rewards of ownership;
- The Company has transferred legal title to the asset sold to the purchaser;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The Company has transferred physical possession of the asset to the purchaser;
- The Company has present right to payment; and
- The purchaser has accepted the asset.

Revenue from the sale of metals in concentrate may be subject to adjustment upon final settlement of estimated metal prices, weights and assays. Revenue is initially recognized based on the estimated fair value of the total consideration receivable. Adjustments to revenue for metal prices and other adjustments are recorded at each period end and on final settlement. Refining and treatment charges are netted against revenue for sales of metal concentrate.

(n) Financial assets

Financial assets are initially measured at fair value and are subsequently measured at either amortized cost or fair value through profit or loss, depending on the classification of the financial assets. The classification of assets is driven by the Company's business model for managing financial assets and their contractual cash flow characteristics.

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of the statement of financial position. The quoted market price used for financial assets held by the Company is the last bid price of the day. The Company has categorized its financial assets in accordance with International Financial Reporting Standard 9, Financial Instruments ("IFRS 9") into one of the following two categories:

Category under IFRS 9	Description
Fair value through profit or loss	Includes marketable securities, gold and copper price option contract assets, gold and copper swap contracts, foreign exchange forward contracts, fuel hedge swap contracts, and other financial assets designated to this category under the fair value option. The Company has assessed the contractual cash flows of its provisionally priced contracts in accordance with IFRS 9 and has classified these contracts as fair value through profit or loss ("FVTPL").
Financial assets at amortized cost	Includes cash and cash equivalents, and trade receivables at amortized cost.

Marketable equity securities

Marketable equity securities are designated on initial recognition as financial assets measured at FVTPL. Marketable securities are measured at FVTPL at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. Fair value is determined by applying the quoted price for each marketable equity security to the number of instruments held at each reporting period end.

(o) Financial liabilities

Financial liabilities are accounted for at amortized cost except for those at FVTPL which includes liabilities designated as FVTPL and derivatives. Financial liabilities classified as FVTPL or those which are designated as FVTPL under the fair value option are measured at fair value with unrealized gains and losses recognized in net earnings. In cases where financial liabilities are designated as FVTPL, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the Income statement. Financial liabilities at amortized cost are initially measured at fair value net of transaction costs, and subsequently measured at amortized cost.

The Company has classified its financial liabilities in accordance with IFRS 9 into one of the following two categories:

Category under IFRS 9	Description
Fair value through profit or loss	Includes provisions related to the RSU plans, DSU plans and the cash settled portion of the PSU plans, gold and copper price option contract liabilities, foreign exchange forward contracts, gold stream obligation, and the free cash flow interest obligation.
Financial liabilities at amortized cost	Includes trade and other payables and long-term debt.

(p) Derivative instruments

Derivative instruments, including embedded derivatives, are recorded at fair value on initial recognition and at each subsequent reporting period. Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are recorded in net earnings.

Non-current derivative financial liabilities

The Company has a gold stream agreement with RGLD Gold AG (the "Rainy River gold stream obligation"), a wholly owned subsidiary of Royal Gold Inc. (“Royal Gold”) and a strategic partnership with Ontario Teachers’ Pension Plan (“Ontario Teachers’”) whereby Ontario Teachers' holds a 46% free cash flow interest in the New Afton mine (the "New Afton free cash flow interest obligation"). For accounting purposes, the Company has determined that these obligations represent financing contracts with embedded derivatives. The value of the embedded derivatives changes in response to various factors, such as metal prices and the economic output of the underlying mines. As these obligations have embedded derivatives that would otherwise need to be accounted for separately at FVTPL, the Company has designated the deposit received from the counterparties as a financial liability at FVTPL, with initial and subsequent measurement at fair value, as permitted under IFRS 9, for both instruments. Transaction costs directly attributable to non-current derivative financial liabilities were expensed through profit or loss.

Fair value of the non-current derivative financial liabilities on initial recognition was determined by the amount of the cash advance received. Subsequent fair value is calculated on each reporting date with gains and losses recorded in net earnings. Fair value adjustments as a result of the Company’s own credit risk are recorded in the consolidated statement of comprehensive loss, as required by IFRS 9 for financial liabilities designated as at FVTPL. Components of the adjustment to fair value for the non-current derivative financial liabilities at each reporting date include:

Financial instrument	Components of the adjustment to fair value
Rainy River gold stream obligation	• Accretion expense due to passage of time • Change in the risk-free interest rate • Change in the Company specific credit spread • Change in any expected ounces to be delivered • Change in future metal prices
New Afton free cash flow interest obligation	• Accretion expense due to passage of time • Change in the risk-free interest rate • Change in the Company specific credit spread • Change in any expected ounces to be delivered • Change in future metal prices • Change in production profile, operating and capital costs at New Afton, including considerations to the minimum cash guarantee over the firstfour years of the instrument.

Provisional pricing

Certain products are “provisionally priced” whereby the selling price is subject to final adjustment. The final price is based on the market price at the relevant quotation point stipulated in the contract. As is customary in the industry, revenue on provisionally priced sales is recognized based on estimates of the fair value of the consideration receivable based on relevant forward market prices. At each reporting date, provisionally priced metal is marked to market based on the forward selling price for the quotational period stipulated in the contract. For this purpose, the selling price can be measured reliably for those products, such as gold and copper, for which there exists active and freely traded commodity markets. The marking to market of provisionally priced sales contracts is recorded as an adjustment to revenue.

Gold and copper price option contracts

In order to increase cash flow certainty, the Company held gold and copper price option contracts, purchasing put options and selling call options. These are treated as derivative financial instruments and marked to market at each reporting period. Gains and losses as a result of the exercise of the Company’s call and put options up to an amount not exceeding the Company’s production of gold ounces or copper pounds for the reporting period are recorded as an adjustment to revenue. The exercise of options on gold ounces or copper pounds in excess of the Company’s production for the reporting period are recorded as other gains and losses.

Gold and copper swaps

In order to mitigate a portion of the metal price exposure associated with the time lag between the provisional and final determination of concentrate sales, the Company has entered into cash settled derivative gold and copper contracts to swap future contracted monthly average metal prices for fixed metal prices. At each reporting date, these gold and copper swap agreements are marked to market based on corresponding forward gold and copper prices. The marking to market of gold and copper swap agreements is recorded as an adjustment to revenue.

Foreign exchange forward contracts

To hedge operating costs against foreign currency exposure, the Company has entered into foreign exchange forward contracts. These contracts are treated as derivative financial instruments and marked to market at each reporting period on the consolidated statement of financial position with changes in fair value recognized in other gains and losses. Realized gains and losses are recorded within operating expenses and other gains and losses.

Fuel hedge swap contracts

To reduce exposure to volatile fuel prices, the Company entered into diesel fuel hedge swap contracts. These contracts are treated as derivative financial instruments and marked to market at each reporting period on the consolidated statement of financial position with changes in fair value recognized in other gains and losses. Realized gains and losses are recorded within operating expenses.

(q) Trade and other receivables

Trade and other receivables are carried at amortized cost less impairment. Trade and other receivables are impaired if they are determined to be uncollectible.

(r) Leases

The Company recognizes right-of-use assets and lease liabilities in the consolidated statement of financial position initially measured as the present value of future lease payment and recognizes depreciation of right-of-use assets and interest on lease liabilities in the consolidated income statement. Lease payments, including both principal and interest components, are recognized within the consolidated statement of cash flows within financing activities.

For short-term leases (lease terms of 12 months or less) and leases of low-value or immaterial assets, the Company has opted to recognize these lease payments as expenses on the consolidated income statement. This expense is presented within operating expenses.

(s) Changes in accounting policies

IAS 16 - Property, Plant and Equipment

The amendments to IAS 16 prohibit deducting the proceeds from selling items produced from the cost of property, plant, and equipment, while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, a company will recognize such sales proceeds and related costs in profit or loss. With the adoption of the amended standard, pre-commercial production sales and related costs while bringing a project into a condition necessary for it to be capable of operating in the manner intended by management, are recognized in profit or loss in accordance with applicable standards. The entity measures the cost of those items applying the measurement requirements of “IAS 2 Inventories”. This amendment became effective January 1, 2022 with early adoption permitted.

The Company early adopted this amendment as of January 1, 2021 with retrospective application only to items of property, plant and equipment that were brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2020. The adoption applies to revenue generated by the sale of underground ore at Rainy River in 2021. There was no material impact from adoption.

IAS 1 - Presentation of Financial Statements

Amendments to IAS1, Presentation of Financial Statements (effective January 1, 2023) will help companies provide useful accounting policy disclosures. The key amendments to IAS 1 will require companies to disclose material accounting policies rather than their significant policies and clarifies that accounting policies relating to immaterial transactions need not to be disclosed and not all accounting policies that relate to material transactions are material to a company's financial statements. In addition, the amendment also clarifies the classification of liabilities as current or non-current. Management does not anticipate a material impact from this amendment.

3. Critical judgements in the application of accounting policies

The preparation of the Company’s consolidated financial statements in conformity with IFRS requires the Company’s management to make judgments, estimates and assumptions about the future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Estimates and assumptions are continually evaluated and are based on management’s

experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

(a) Critical judgments in the application of accounting policies

(i) Functional currency

The functional currency for each of the Company's Subsidiaries is the currency of the primary economic environment in which the entity operates. The Company has determined the functional currency of each entity as the U.S. dollar. Determination of the functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determines the primary economic environment.

(ii) Determination of economic viability

Management has determined that exploratory drilling, evaluation, development and related costs incurred on New Gold's projects have future economic benefits and are economically recoverable. In making this judgment, management has assessed various criteria including, but not limited to, the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, operating management expertise, existing permits, the expectation of receiving additional permits and life-of-mine ("LOM") plans.

(iii) Carrying value of long-lived assets and impairment charges

In determining whether the impairment or reversal of a previous impairment of the carrying value of an asset is necessary, management first determines whether there are external or internal indicators that would signal the need to test for impairment or impairment reversal. These indicators consist of but are not limited to the prolonged significant changes in commodity prices, per ounce in-situ multiples, significant change to LOM plans, significant changes to discount rates and if applicable, the factors which lead to a prolonged and sustained market capitalization deficiency. If an impairment or impairment reversal indicator is identified, the Company compares the carrying value of the asset against the recoverable amount. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

(iv) Determination of CGU

In determining a CGU, management had to examine the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows from other assets or groups of assets. The Company has determined that each mine site qualifies as an individual CGU. Each of these assets generates or will have the ability to generate cash inflows that are independent of the other assets and therefore qualifies as an individual asset for impairment testing purposes.

(v) Classification of non-current derivative financial liabilities

The Company holds metal streaming and free cash flow arrangements with Royal Gold and Ontario Teachers'. Management has assessed these arrangements under the scope of IFRS 9 as to whether or not the arrangements constitute a financial instrument. As these obligations have embedded derivatives that would otherwise need to be accounted for separately at FVTPL, Management has elected these

arrangements to be financial liabilities at FVTPL, with initial and subsequent measurement at fair value, as permitted under IFRS 9.

(b) Key sources of estimation uncertainty in the application of accounting policies

(i) Revenue recognition

Revenue from sales of concentrate is recorded when control of the goods pass to the purchaser. Variations between the prices set in the contracts and final settlement prices may be caused by changes in the market prices and result in an embedded derivative in the accounts receivable. The embedded derivative is recorded at fair value each reporting period until final settlement occurs, with changes in the fair value being recorded as revenue. For changes in metal quantities upon receipt of new information and assays, the provisional sales quantities are adjusted as well, with the change being recorded as revenue.

(ii) Inventory valuation

Management values inventory at the lower of weighted average production costs or net realizable value ("NRV"). Weighted average production costs include expenditures incurred and depreciation and depletion of assets used in mining and processing activities that are deferred and accumulated as the cost of ore in stockpiles, work-in-process and finished metals inventories. The allocation of costs to ore in stockpiles and in-process inventories and the determination of NRV involve the use of estimates. Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained ounces or pounds (based on assay data), and the estimated metallurgical recovery rates (based on the expected processing method). Timing and ultimate recovery of metal contained in stockpiles may vary from the estimates.

(iii) Mineral reserves and resources

The figures for mineral reserves and mineral resources are determined in accordance with National Instrument 43-101, "Standards of Disclosure for Mineral Projects", issued by the Canadian Securities Administrators. There are numerous estimates in determining the mineral reserves and resource estimates. Such estimation is a subjective process, and the accuracy of any mineral reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions including economic assumptions, such as metal prices and market conditions, could have a material effect in the future on the Company's financial position and results of operations.

(iv) Estimated recoverable ounces

The carrying amounts of the Company's mining properties are depleted based on recoverable ounces. Changes to estimates of recoverable ounces and depletable costs including changes resulting from revisions to the Company's mine plans and changes in metal price forecasts can result in a change to future depletion rates.

(v) Deferred income taxes

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable

income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. Forecasted cash flows from operations are based on LOM projections internally developed and reviewed by management. The Company considers tax planning opportunities that are within the Company's control, are feasible and implementable without significant obstacles. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. At the end of each reporting period, the Company reassesses unrecognized income tax assets.

(vi) Reclamation and closure cost obligations

The Company's provision for reclamation and closure cost obligations represents management's best estimate of the present value of the future cash outflows required to settle the liability which reflects estimates of future costs, inflation, movements in foreign exchange rates and assumptions of risks associated with the future cash outflows, and the applicable risk-free interest rates for discounting the future cash outflows. Changes in the above factors can result in a change to the provision recognized by the Company.

4. Expenses

(a) Operating expenses by nature

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
OPERATING EXPENSES BY NATURE		
Raw materials and consumables	**182.8**	160.8
Salaries and employee benefits	**141.4**	139.7
Contractors	**79.7**	74.7
Repairs and maintenance	**51.8**	47.7
General and administrative	**34.7**	24.9
Leases	**4.2**	2.6
Royalties	**8.7**	7.4
Drilling and analytical	**6.5**	9.3
Other	**20.1**	11.8
Total production expenses	**529.9**	478.9
Less: Production expenses capitalized	**(147.7)**	(98.6)
Add (less): Change in inventories	**0.5**	(3.0)
Total operating expenses	**382.7**	377.3

(b) Finance costs and income

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
FINANCE COSTS		
Interest on senior unsecured notes	**32.4**	36.3
Accretion	**4.5**	3.9
Loss on repayment of long-term debt (Note 10)	**4.3**	—
Other finance costs	**5.7**	6.5
Total finance costs	**46.9**	46.7
Less: amounts included in cost of qualifying assets	**(19.1)**	(11.9)
Total finance costs	**27.8**	34.8
FINANCE INCOME		
Interest income	**3.8**	0.3

(c) Other gains and (losses)

(in millions of U.S. dollars)	Year ended December 31 2022	2021
OTHER GAINS AND (LOSSES)		
Gain on foreign exchange	**6.5**	1.4
Loss on disposal of assets	**(2.0)**	(2.0)
Loss on revaluation of investments	**(28.0)**	(21.3)
Unrealized gain (loss) on revaluation of non-current derivative financial liabilities	**3.0**	(62.9)
Loss on revaluation of copper price option contracts	**—**	(1.5)
(Loss) gain on foreign exchange derivative	**(2.3)**	1.5
Gain on fuel hedge swap contracts	**0.3**	—
Gain on disposal of Blackwater stream[1]	**—**	147.3
Revaluation of CSP's reclamation and closure cost obligation	**(2.1)**	(4.2)
Flow through share premium[2]	**—**	1.7
Other	**(1.1)**	(2.5)
Total other (losses) gains	**(25.7)**	57.5

1. In 2021, the Company disposed of the Blackwater gold stream for $ 300.0 million resulting in a net gain of $ 147.3 million.
2. Flow through share premium recognized in income when the Company renounced the related tax benefits of the 2020 flow through share issuance.

5. Trade and other receivables

(in millions of U.S. dollars)	As at December 31 2022	As at December 31 2021
TRADE AND OTHER RECEIVABLES		
Trade receivables	**4.4**	5.3
Sales tax receivable	**11.0**	7.9
Unsettled provisionally priced concentrate derivatives and swap contracts (Note 13)	**(1.8)**	(0.6)
Proceeds due from sale of Mesquite[1]	**—**	12.8
Other	**0.5**	1.0
Total trade and other receivables	**14.1**	26.4

1. In September 2022, the Company collected the $ 12.8 million receivable for outstanding income tax refunds at Mesquite.

6. Investments

(in millions of U.S. dollars)	As at December 31 2022	As at December 31 2021
MARKETABLE EQUITY SECURITIES		
Artemis Gold Inc.	**24.0**	40.3
Talisker Resources Ltd.	**5.1**	9.1
Other marketable securities	**6.4**	8.3
Total marketable equity securities	**35.5**	57.7
Other investments[1]	**0.1**	1.8
Total investments	**35.6**	59.5

1. Other investments includes units not yet available for trading.

In January 2023, the Company sold its investment in Artemis Gold Inc. for net proceeds of $ 23.4 million.

7. Trade and other payables

(in millions of U.S. dollars)	As at December 31 2022	As at December 31 2021
TRADE AND OTHER PAYABLES		
Trade payables	**61.8**	52.0
Interest payable	**14.1**	14.9
Accruals	**65.2**	57.4
Current portion of reclamation and closure cost obligations (Note 14)	**1.7**	5.6
Current portion of gold stream obligation (Note 11)	**28.1**	30.3
Current portion of New Afton free cash flow interest obligation (Note 11)	**—**	12.7
Total trade and other payables	**170.9**	172.9

8. Inventories

(in millions of U.S. dollars)	As at December 31 2022	As at December 31 2021
INVENTORIES		
Stockpile ore	**21.2**	23.7
Work-in-process	**12.0**	10.0
Finished goods[1]	**17.5**	14.3
Supplies	**65.0**	53.0
Total current inventories	**115.7**	101.0

1. The amount of inventories recognized in operating expenses for the year ended December 31, 2022 was $ 370.9 million (2021 - $ 362.7 million).

9. Mining interests

	Mining Properties				
	Depletable	Non- depletable	Plant & equipment	Construction in progress	**Total**
(in millions of U.S. dollars)					
COST					
As at December 31, 2020	1,569.4	300.4	1,299.1	157.0	3,325.9
Additions	113.2	110.6	36.5	59.0	319.3
Disposals	(0.3)	—	(7.6)	—	(7.9)
Disposal of Blackwater stream[1]	—	(150.0)	—	—	(150.0)
Transfers	63.6	—	34.3	(97.9)	—
As at December 31, 2021	**1,745.9**	**261.0**	**1,362.3**	**118.1**	**3,487.3**
Additions	**81.7**	**109.3**	**44.1**	**48.4**	**283.5**
Disposals	**(0.2)**	**—**	**(7.0)**	**—**	**(7.2)**
Transfers[2]	**78.9**	**(132.4)**	**130.9**	**(77.4)**	**—**
As at December 31, 2022	**1,906.3**	**237.9**	**1,530.3**	**89.1**	**3,763.6**
ACCUMULATED DEPRECIATION					
As at December 31, 2020	909.1	—	588.5	—	1,497.6
Depreciation for the year	96.7	—	110.6	—	207.3
Disposals	(0.1)	—	(5.4)	—	(5.5)
As at December 31, 2021	**1,005.7**	**—**	**693.7**	**—**	**1,699.4**
Depreciation for the period	**103.3**	**—**	**101.3**	**—**	**204.6**
Disposals	**(0.1)**	**—**	**(4.2)**	**—**	**(4.3)**
As at December 31, 2022	**1,108.9**	**—**	**790.8**	**—**	**1,899.7**
CARRYING AMOUNT					
As at December 31, 2021	**740.2**	**261.0**	**668.6**	**118.1**	**1,787.9**
As at December 31, 2022	**797.4**	**237.9**	**739.5**	**89.1**	**1,863.9**

1. *In December 2021 the Company disposed of the Blackwater gold stream for $ 300.0 million resulting in a net gain of $ 147.3 million.*
2. *Non-depletable transfers of $132.4 million is made up of $84.8 million from the New Afton thickened and amended tailings facility and $ 47.6 million from the Rainy River Intrepid zone.*

Carrying amount by property

				As at December 31, 2022	
	Depletable	Non- depletable	Plant & equipment	Construction in progress	**Total**
(in millions of U.S. dollars)					
MINING INTEREST BY SITE					
New Afton	**402.8**	**230.9**	**271.5**	**17.2**	**922.4**
Rainy River	**394.6**	**5.9**	**466.9**	**71.9**	**939.3**
Other[1]	**—**	**1.1**	**1.1**	**—**	**2.2**
Carrying amount	**797.4**	**237.9**	**739.5**	**89.1**	**1,863.9**

1. *Other includes corporate balances.*

Carrying amount by property as at December 31, 2021

	As at December 31, 2021				
(in millions of U.S. dollars)	**Depletable**	**Non- depletable**	**Plant & equipment**	**Construction in progress**	**Total**
MINING INTEREST BY SITE					
New Afton	396.5	224.0	154.0	44.1	818.6
Rainy River	343.7	35.9	513.1	74.0	966.7
Other[1]	—	1.1	1.5	—	2.6
Carrying amount	740.2	261.0	668.6	118.1	1,787.9

1. Other includes corporate balances.

10. Long-term debt

Long-term debt consists of the following:

	As at December 31	As at December 31
(in millions of U.S. dollars)	**2022**	**2021**
LONG-TERM DEBT		
Senior unsecured notes - due May 15, 2025 (a)	**—**	97.1
Senior unsecured notes - due July 15, 2027 (b)	**394.9**	393.9
Credit Facility (c)	**—**	—
Total long-term debt	**394.9**	491.0

(a) Redemption of Senior Unsecured Notes - due May 15, 2025

In May 2022, the Company redeemed the $ 100.0 million principal amount of its outstanding senior unsecured notes due May 15, 2025 ("2025 Unsecured Notes"). The redemption was funded with cash on hand. The Company recognized a loss on repayment of long-term debt of $4.3 million, primarily comprised of the early redemption premium paid and the de-recognition of deferred financing charges associated with the 2025 Unsecured Notes.

(b) Senior Unsecured Notes - due July 15, 2027

As at December 31, 2022, the Company has $ 400.0 million of senior unsecured notes outstanding that mature and become due and payable on July 15, 2027 ("2027 Unsecured Notes"). The 2027 Unsecured Notes are denominated in U.S. dollars and bear interest at the rate of 7.50% per annum. Interest is payable in arrears in equal semi-annual installments on January 15 and July 15 of each year.

The 2027 Unsecured Notes are subject to a minimum interest coverage incurrence covenant of earnings before interest, taxes, depreciation, amortization, impairment, and other non-cash adjustments to interest of 2:1. The test is applied on a pro-forma basis prior to the Company incurring additional debt, entering into business combinations or acquiring significant assets, or certain other corporate actions. There are no maintenance covenants.

The 2027 Unsecured Notes are redeemable by the Company in whole or in part:

- At any time prior to July 15, 2023 at a redemption price of 100% of the aggregate principal amount of the 2027 Unsecured Notes, plus a make-whole premium (consisting of the redemption price as described below, and future interest that would have been paid up to the first call date of July 15, 2023), plus accrued and unpaid interest, if any, to the redemption date.

- During the 12-month period beginning on July 15 of the years indicated at the redemption prices below, expressed as a percentage of the principal amount of the 2027 Unsecured Notes to be redeemed, plus accrued and unpaid interest, if any, to the redemption date:

Date	Redemption prices (%)
2023	**103.75**
2024	**101.88**
2025 and thereafter	**100.00**

(c) Credit Facility

The Company holds a revolving credit facility (the "Credit Facility") with a maturity date of December 22, 2025 and a borrowing limit of $400.0 million. The Credit Facility contains various covenants customary for a loan facility of this nature, including limits on indebtedness, asset sales, and liens. The Credit Facility contains three covenant tests all of which are measured on a rolling four-quarter basis at the end of every quarter:

- The minimum interest coverage ratio, being earnings before interest, taxes, depreciation, amortization, exploration, impairment, and other non-cash adjustments ("Adjusted EBITDA") to interest;
- The maximum net debt to Adjusted EBITDA ratio ("Leverage Ratio"); and
- The maximum gross secured debt to Adjusted EBITDA ("Secured Leverage Ratio").

Significant financial covenants are as follows:

		Twelve months ended December 31	Twelve months ended December 31
	Financial Covenant	**2022**	**2021**
FINANCIAL COVENANTS			
Minimum interest coverage ratio (Adjusted EBITDA to interest)	>3.0 :1	**4.5 : 1**	7.2 : 1
Maximum leverage ratio (net debt to Adjusted EBITDA)	<4.5:1	**2.1 : 1**	0.6: 1
Maximum secured leverage ratio (secured debt to Adjusted EBITDA)	<2.0:1	**0.2 : 1**	0.1 : 1

The interest margin on drawings under the Credit Facility ranges from 1.25% to 3.75% over LIBOR, the Prime Rate or the Base Rate based on the Company's Leverage Ratio, and the currency and type of credit selected by the Company. Based on the Company's Leverage Ratio, the rate is 2.75% over LIBOR as at December 31, 2022 (December 31, 2021 – 2.25%). The standby fees on undrawn amounts under the Credit Facility range from 0.51% to 0.84%, depending on the Company's Leverage Ratio. Based on the Company's Leverage Ratio, the rate is 0.62% as at December 31, 2022 (December 31, 2021 – 0.51%).

For the year ended December 31, 2022, $nil has been drawn under the Credit Facility. The Credit Facility has been used to issue letters of credit amounting to $27.5 million (December 31, 2021 - $24.1 million). Letters of credit relate to reclamation bonds, and other financial assurances required with various government agencies.

The following is a summary of the changes in liabilities arising from financing activities for the year ended December 31, 2022:

	As at December 31, 2021	Borrowings	Repayments	Fair Value changes	Interest & Accretion	As at December 31, 2022
Liabilities arising from financing activities						
Long-term debt	491.0	—	(100.0)	—	3.9	**394.9**
Interest payable	14.9	—	(33.2)	—	32.4	**14.1**
Gold stream obligation	194.0	—	(24.0)	4.7	—	**174.7**
New Afton free cash flow interest obligation	467.4	—	(12.4)	(76.1)	—	**378.9**
Total	1,167.3	—	(169.6)	(71.4)	36.3	**962.6**

11. Non-current derivative financial liabilities

The following is a summary of the change in non-current derivative financial liabilities:

(in millions of U.S. dollars)	Rainy River	New Afton	TOTAL
CHANGE IN NON-CURRENT DERIVATIVE FINANCIAL LIABILITIES			
Balance, December 31, 2020	217.9	436.1	654.0
Proceeds received	—	—	—
Settlements during the period	(26.8)	(4.8)	(31.6)
Fair value adjustments related to changes in the Company's own credit risk[1]	(4.0)	(19.9)	(23.9)
Other fair value adjustments[2]	6.9	56.0	62.9
Balance, December 31, 2021	194.0	467.4	661.4
Less: current portion	(30.3)	(12.7)	(43.0)
Non-current portion of derivative financial liabilities	163.7	454.7	618.4
Balance, December 31, 2021	**194.0**	**467.4**	**661.4**
Settlements during the period[3]	**(24.0)**	**(12.4)**	**(36.4)**
Fair value adjustments related to changes in the Company's own credit risk[1]	**(20.3)**	**(48.1)**	**(68.4)**
Other fair value adjustments[2]	**25.0**	**(28.0)**	**(3.0)**
Balance, December 31, 2022	**174.7**	**378.9**	**553.6**
Less: current portion[4]	**(28.1)**	**—**	**(28.1)**
Non-current portion of derivative financial liabilities	**146.6**	**378.9**	**525.5**

1. *Fair value adjustments related to changes in the Company's own credit risk are included in other comprehensive income.*
2. *Other fair value adjustments are included in the consolidated income statements.*
3. *Settlements during the period are on an accrual basis.*
4. *The current portion of the derivative financial liabilities is included in trade and other payables on the statement of financial position.*

Rainy River Gold Stream Obligation

In 2015, the Company entered into a $ 175 million streaming transaction with RGLD Gold AG, a wholly owned subsidiary of Royal Gold Inc. Under the terms of the agreement, the Company will deliver to Royal Gold 6.5% of gold production from Rainy River up to a total of 230,000 ounces of gold and then 3.25% of the mine's gold production thereafter. The Company will also deliver to Royal Gold 60% of the mine's silver production to a maximum of 3.1 million ounces and then 30% of silver production thereafter.

In addition to the upfront $175.0 million deposit, Royal Gold will pay 25% of the average spot gold or silver price at the time each ounce of gold or silver is delivered under the stream. The difference between the spot price of metal and the cash received from Royal Gold will reduce the $175.0 million deposit over the life of the mine. Upon expiry of the 40 year term of the agreement (which may be extended in certain circumstances), any balance of the $175.0 million upfront deposit remaining unpaid will be refunded to Royal Gold.

The Company has designated the gold stream obligation as a FVTPL under the scope of IFRS 9. Accordingly, the Company values the liability at the present value of its expected future cash flows at each reporting period with changes in fair value reflected in the consolidated income statements and consolidated statements of comprehensive income.

Fair value adjustments represent the net effect on the gold stream obligation of changes in the variables included in the Company's valuation model between the date of receipt of deposit and the reporting date.

New Afton free cash flow interest obligation

In 2020, New Gold entered into a strategic partnership with Ontario Teachers'. Under the terms of the strategic partnership, Ontario Teachers' acquired a 46% free cash flow interest in the New Afton mine for upfront cash proceeds of $ 300 million. Ontario Teachers' has an option to convert the free cash flow interest into a 46% joint venture interest in New Afton in the fourth year, or have its free cash flow interest remain as a free cash flow interest at a reduced rate of 42.5%. The agreement includes a minimum cash guarantee at the end of four years and a buyback option for New Gold.

The Company has designated the free cash flow interest obligation as a FVTPL under the scope of IFRS 9. Fair value of the free cash flow interest obligation on initial recognition was determined by the amount of the cash advance received. Subsequent fair value is calculated on each reporting date with gains and losses recorded in net earnings. Fair value adjustments as a result of the Company's own credit risk are recorded in the consolidated statement of comprehensive income, as required by IFRS 9 for financial liabilities designated as FVTPL.

Components of the adjustment to fair value for the non-current derivative financial liabilities at each reporting date include:

Financial instrument	Components of the adjustment to fair value
Rainy River gold stream obligation	• Accretion expense due to passage of time • Change in the risk-free interest rate • Change in the Company specific credit spread • Change in any expected ounces to be delivered • Change in future metal prices
New Afton free cash flow interest obligation	• Accretion expense due to passage of time • Change in the risk-free interest rate • Change in the Company specific credit spread • Change in any expected ounces to be delivered • Change in future metal prices • Change in production profile, operating and capital costs at New Afton, including considerations to the minimum cash guarantee over the firstfour years of the instrument.

12. Leases

(a) Right-of-use assets

The Company leases assets such as buildings, mobile equipment and machinery. These assets are included in Mining Interests on the statement of financial position and are classified as plant & equipment as per Note 9 of the Company's consolidated financial statements.

(in millions of U.S. dollars)	As at December 31 2022	As at December 31 2021
RIGHT-OF-USE- ASSETS		
Opening balance	**32.0**	35.2
Additions	**—**	0.5
Depreciation	**(6.8)**	(0.8)
Disposals	**(3.8)**	(2.9)
Total right-of-use-assets	**21.4**	32.0

(b) Lease liabilities

See below for a maturity analysis of the Company's lease payments:

(in millions of U.S. dollars)	As at December 31 2022	As at December 31 2021
MATURITY ANALYSIS FOR LEASES		
Less than 1 year	**7.5**	10.1
Between 1 and 3 years	**2.4**	10.8
Between 3 and 5 years	**0.1**	0.1
Total undiscounted lease payments[1]	**10.0**	21.0
Carrying value of lease liabilities	**9.9**	20.3
Less: current portion of lease liabilities[2]	**(8.6)**	(9.6)
Non-current portion of lease liabilities	**1.3**	10.7

1. *Total undiscounted lease payments excludes leases that are classified as short term and leases for low value assets, which are not recognized as lease liabilities.*
2. *The current portion of the lease liabilities is included in trade and other payables on the statement of financial position.*

For the year ended December 31, 2022, the Company recognized $0.7 million (2021 - $1.1 million) in interest expense on lease liabilities.

For the year ended December 31, 2022, the Company expensed $2.6 million (2021 - $2.1 million) related to leases that are classified as short term.

13. Derivative instruments

(in millions of U.S. dollars)	As at December 31 2022	As at December 31 2021
DERIVATIVE ASSETS (LIABILITIES)		
Foreign exchange forward contracts[1]	**0.4**	1.5
Fuel hedge swap contracts[2]	**0.3**	—
Unsettled provisionally priced concentrate derivatives, and swap contracts[3]	**(1.8)**	(0.6)
Total derivative (liabilities) assets	**(1.1)**	0.9

1. *Foreign exchange forward contracts are included within prepaid expenses and other in the statement of financial position.*
2. *Fuel hedge swap contracts are included within prepaid expenses and other in the statement of financial position.*
3. *Unsettled provisionally priced concentrate derivatives are included within trade and other receivables in the statement of financial position.*

(a) Provisionally priced contracts

The Company had provisionally priced sales for which price finalization is outstanding at December 31, 2022. Realized and unrealized gains (losses) on the provisional pricing of concentrate sales are classified as revenue, with the unsettled provisionally priced concentrate derivatives included in trade and other receivables. The Company enters into gold and copper swap contracts to reduce exposure to gold and copper prices. Realized and unrealized gains (losses) are recorded in revenue, with the unsettled gold and copper swaps included in trade and other receivables.

The following tables summarize the realized and unrealized gains (losses) on provisionally priced sales:

	Year ended December 31, 2022		
(in millions of U.S. dollars)	Gold	Copper	Total
GAIN (LOSS) ON THE PROVISIONAL PRICING OF CONCENTRATE SALES			
Realized	**(1.0)**	**(6.4)**	**(7.4)**
Unrealized	**0.7**	**1.6**	**2.3**
Total gain	**(0.3)**	**(4.8)**	**(5.1)**

	Year ended December 31, 2021		
(in millions of U.S. dollars)	Gold	Copper	Total
GAIN (LOSS) ON THE PROVISIONAL PRICING OF CONCENTRATE SALES			
Realized	(0.1)	9.2	9.1
Unrealized	0.5	0.7	1.2
Total gain	0.4	9.9	10.3

The following tables summarize the realized and unrealized gains (losses) on gold and copper swap contracts:

	Year ended December 31, 2022		
(in millions of U.S. dollars)	Gold	Copper	Total
GAIN (LOSS) ON SWAP CONTRACTS			
Realized	**1.2**	**5.5**	**6.7**
Unrealized	**(1.2)**	**(2.9)**	**(4.1)**
Total loss	**—**	**2.6**	**2.6**

	Year ended December 31, 2021		
(in millions of U.S. dollars)	**Gold**	**Copper**	**Total**
GAIN (LOSS) ON SWAP CONTRACTS			
Realized	0.2	(11.8)	(11.6)
Unrealized	(0.4)	(1.4)	(1.8)
Total loss	(0.2)	(13.2)	(13.4)

The following table summarizes the net exposure to the impact of movements in market commodity prices for provisionally priced sales:

	As at December 31	As at December 31
	2022	**2021**
VOLUMES SUBJECT TO FINAL PRICING NET OF OUTSTANDING SWAPS		
Gold ounces (000s)	**0.5**	0.7
Copper pounds (millions)	**1.4**	1.0

(b) Foreign exchange forward contracts

The Company entered into foreign exchange forward contracts in order to hedge operating costs at the New Afton and Rainy River mines. These contracts are treated as derivative financial instruments and marked-to-market at each reporting period on the consolidated statement of financial position with changes in fair value recognized in other gains and losses. Realized gains and losses are recorded within operating expenses.

In the fourth quarter of 2022, the Company hedged C$ 40.0 million per month for the periods of January 2023 to March 2023. As at December 31, 2022, the fair value of the unrealized foreign exchange forward contract asset was $0.4 million.

(c) Diesel fuel hedge swap contracts

The Company entered into diesel fuel hedge swap contracts for the Rainy River Mine in order to reduce exposure to volatile fuel prices. These contracts are treated as derivative financial instruments and marked to market at each reporting period on the consolidated statement of financial position with changes in fair value recognized in other gains and losses. Realized gains and losses are recorded within operating expenses.

In December 2022, the Company hedged an average of 0.7 million gallons per month for the first quarter of 2023 and 0.2 million gallons per month for the second quarter of 2023. As at December 31, 2022, the fair value of the unrealized fuel hedge swap contract asset was $0.3 million.

14. Reclamation and closure cost obligations

Changes to the reclamation and closure cost obligations are as follows:

(in millions of U.S. dollars)	Rainy River	New Afton	Cerro San Pedro	Total
CHANGES TO RECLAMATION AND CLOSURE COST OBLIGATIONS				
Balance – December 31, 2020	81.4	34.2	3.6	119.2
Reclamation expenditures	(3.6)	—	(6.2)	(9.8)
Unwinding of discount	1.6	0.6	—	2.2
Revisions to expected cash flows	30.0	14.2	4.2	48.4
Foreign exchange movement	—	0.3	(0.1)	0.2
Balance – December 31, 2021	109.4	49.3	1.5	160.2
Less: current portion of closure costs (Note 7)	(4.2)	—	(1.4)	(5.6)
Non-current portion of closure costs	105.2	49.3	0.1	154.6
Balance – December 31, 2021	**109.4**	**49.3**	**1.5**	**160.2**
Reclamation expenditures	**(1.7)**	**—**	**(2.3)**	**(4.0)**
Unwinding of discount	**2.3**	**0.9**	**—**	**3.2**
Revisions to expected cash flows	**(16.6)**	**(15.6)**	**2.1**	**(30.1)**
Foreign exchange movement	**(5.8)**	**(2.3)**	**—**	**(8.1)**
Balance – December 31, 2022	**87.6**	**32.3**	**1.3**	**121.2**
Less: current portion of closure costs (Note 7)	**(0.4)**	**—**	**(1.3)**	**(1.7)**
Non-current portion of closure costs	**87.2**	**32.3**	**—**	**119.5**

Each period the Company reviews cost estimates and other assumptions used in the valuation of the obligations at each of its mining properties and development properties to reflect events, changes in circumstances and new information available. Changes in these cost estimates and assumptions have a corresponding impact on the fair value of the obligation. The fair values of the obligations are measured by discounting the expected cash flows using a discount factor that reflects the risk-free rate of interest.

The Company prepares estimates of the timing and amount of expected cash flows when an obligation is incurred. Expected cash flows are updated to reflect changes in facts and circumstances. The principal factors that can cause expected cash flows to change are: the construction of new processing facilities; obligations realized through additional ore bodies mined; changes in the quantities of material in reserves and a corresponding change in the LOM plan; changing ore characteristics that impact required environmental protection measures and related costs; changes in water quality that impact the extent of water treatment required; and changes in laws and regulations governing the protection of the environment. The fair value of an obligation is recorded when it is incurred.

The majority of the expenditures are expected to occur between 2025 and 2034. The discount rate used in estimating the site reclamation and closure cost obligations was 3.3% for the year ended December 31, 2022 (2021 – 1.7%), and the inflation rate used was 2.1% for the year ended December 31, 2022 (2021 – 1.8%).

Regulatory authorities in certain jurisdictions require that security be provided to cover the estimated reclamation and remediation obligations. As at December 31, 2022, letters of credit totaling $27.5 million (2021 - $24.1 million) and surety bonds totaling $ 134.2 million (2021 - $134.4 million) had been issued to various regulatory agencies to satisfy financial assurance requirements for this purpose. The letters of credit are secured by the revolving Credit Facility.

15. Share capital

At December 31, 2022, the Company had unlimited authorized common shares and 682.3 million common shares outstanding.

(a) No par value common shares issued

	Number of shares	Value of shares
(in millions of U.S. dollars, except where noted)	**(000s)**	**$**
NO PAR VALUE COMMON SHARES ISSUED		
Balance at December 31, 2020	**680,250**	3,154.0
Issuance of common shares under First Nations agreements	**250**	0.4
Exercise of options and vested performance share units	**646**	1.0
Balance at December 31, 2021	**681,146**	**3,155.4**
Issuance of common shares under First Nations agreements	**375**	**0.5**
Exercise of options and vested performance share units	**755**	**1.2**
Balance at December 31, 2022	**682,277**	**3,157.1**

(b) Share-based payment expenses

The following table summarizes share-based payment expenses:

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
SHARE-BASED PAYMENT EXPENSES		
Stock option expense	**1.2**	1.1
Performance share unit expense	**0.5**	1.6
Restricted share unit expense[1]	**2.1**	1.4
Deferred share unit expense	**(0.4)**	(0.7)
Shares issued under First Nations agreements[1]	**0.4**	(0.1)
Total share-based payment expenses	**3.8**	3.3

1. For the year ended December 31, 2022 $1.2 million of share based expenses were recognized in operating expenses (2021 – $ 1.1 million).

(i) Stock options

The following table presents changes in the Company's stock option plan:

	Number of options	Weighted average exercise price
	(000s)	**C$/share**
CHANGES TO THE COMPANY'S STOCK OPTION PLAN		
Balance at December 31, 2020	4,835	1.59
Granted	1,708	2.06
Exercised	(203)	1.18
Forfeited	(339)	2.00
Expired	(245)	4.82
Balance at December 31, 2021	**5,756**	**1.58**
Granted	**1,291**	**2.18**
Exercised	**(755)**	**1.17**
Forfeited	**(1,213)**	**1.98**
Expired	**(228)**	**3.89**
Balance at December 31, 2022	**4,851**	**1.59**

(c) Earnings (loss) per share

The following table sets out the calculation of earnings (loss) per share:

	Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**
CALCULATION OF EARNINGS (LOSS) PER SHARE		
Net (loss) earnings	**(66.8)**	140.6
Basic weighted average number of shares outstanding (in millions)	**681.9**	680.8
Dilution of securities:		
Stock options	**—**	1.6
Diluted weighted average number of shares outstanding (in millions)	**681.9**	682.4
Net (loss) earnings per share:		
Basic	**(0.10)**	0.21
Diluted	**(0.10)**	0.21

The following table lists the equity securities excluded from the calculation of diluted earnings per share. All stock options are excluded from the calculation when the Company is in a net loss position.

	Year ended December 31	
(in millions of units)	**2022**	**2021**
EQUITY SECURITIES EXCLUDED FROM THE CALCULATION OF DILUTED EARNINGS PER SHARE		
Stock options	**4.9**	1.9

16. Income and mining taxes

The following table outlines the composition of income tax expense between current tax and deferred tax:

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
CURRENT INCOME AND MINING TAX EXPENSE		
Canada	**1.9**	3.6
Foreign	**2.6**	0.2
Adjustments in respect of prior year	**(0.3)**	(0.2)
	4.2	3.6
DEFERRED INCOME AND MINING TAX EXPENSE		
Canada	**(1.5)**	14.0
Adjustments in respect of prior year	**(1.3)**	2.1
	(2.8)	16.1
Total income tax expense	**1.4**	19.7

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to earnings before taxes. The differences result from the following items:

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
Earnings (loss) before taxes	**(65.4)**	160.3
Canadian federal and provincial income tax rates	**25.8 %**	25.8 %
Income tax expense (recovery) based on above rates	**(16.9)**	41.4
INCREASE (DECREASE) DUE TO		
Permanent differences	**4.6**	(19.9)
Different statutory tax rates on earnings of foreign subsidiaries	**0.2**	(0.3)
Foreign exchange on non-monetary assets and liabilities	**(1.6)**	(0.5)
Other foreign exchange differences	**20.8**	(32.8)
Prior years' adjustments relating to tax provision and tax returns	**0.1**	1.9
Canadian mining tax	**(1.3)**	16.7
Change in unrecognized deferred tax assets	**(7.1)**	12.0
BC Mining exploration tax credits received	**—**	—
Other	**2.6**	1.2
Income tax expense	**1.4**	19.7

The following tables provide analysis of the deferred tax assets and liabilities, all of which are located in Canada:

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
DEFERRED TAX ASSETS		
Capital losses	**6.0**	7.0
Property, plant and equipment and Mining interests	**45.5**	52.9
Tax credits	**62.7**	66.5
Ontario Mining Tax	**43.5**	53.2
Other	**127.9**	148.8
	285.6	328.4
DEFERRED TAX LIABILITIES		
British Columbia Mining Tax	**(66.8)**	(69.6)
	(66.8)	(69.6)
Unrecognized deferred tax asset	**285.6**	328.4
Deferred income tax liabilities, net	**(66.8)**	(69.6)

The following table outlines the movement in the net deferred tax liabilities:

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
MOVEMENT IN THE NET DEFERRED TAX LIABILITIES		
Balance at the beginning of the year	**(69.6)**	(53.5)
Recognized in net earnings/loss	**2.8**	(16.1)
Total movement in the net deferred tax liabilities	**(66.8)**	(69.6)

Deferred income tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable. The Company did not recognize deductible temporary differences on the following losses by country:

- Canadian capital loss carry-forwards of $ 35.9 million with no expiry date; and
- Other loss carry-forwards of $51.7 million with varying expiry dates.

The Company did not recognize net deductible temporary differences and tax credits in the amount of $ 761.3 million for income taxes (2021 - $880.0 million), which includes the Canadian loss carry-forwards noted above, and $ 403.5 million for mining taxes (2021 - $570.0 million) on other temporary differences.

The Company recognizes deferred taxes by taking into account the effects of local enacted tax legislation.
Deferred tax assets are fully recognized when the Company concludes that sufficient positive evidence exists to demonstrate that it is probable that a deferred tax asset will be realized. In order to determine whether an asset can be recognized, it must be considered probable that an entity will have sufficient taxable profits available in the future to enable recovery of the asset. IAS 12 states that an entity will have sufficient taxable profits available in the future to enable the recovery of the asset when:

• There are sufficient taxable temporary differences relating to the same tax authority and the same taxable entity that are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset that can be carried back or forward;

• It is probable that the entity will have sufficient taxable profit relating to the same tax authority and the same taxable entity, in the same period as the reversal of the deductible temporary difference (or in the periods into which a tax loss arising from the deferred tax asset can be carried back or forward). In making this evaluation taxable amounts arising from deductible temporary differences that are expected to originate in future periods should be ignored because these will need further future taxable profits in order to be utilized.

• Tax planning opportunities that are available to the entity that will create taxable profit in appropriate periods.

Future income is impacted by changes in market gold, copper and silver prices as well as forecasted future costs and expenses to produce gold and copper reserves. In addition, the quantities of proven and probable gold and copper reserves, market interest rates and foreign currency exchange rates also impact future levels of taxable income.

Any change in any of these factors will result in an adjustment to the recognition of deferred tax assets to reflect the Company's latest assessment of the amount of deferred tax assets that is probable will be realized.

17. Supplemental cash flow information

Supplemental cash flow information (included within operating activities) is as follows:

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
CHANGE IN NON-CASH OPERATING WORKING CAPITAL		
Trade and other receivables	**(3.5)**	9.5
Inventories	**(16.0)**	(4.8)
Prepaid expenses and other	**3.5**	0.2
Trade and other payables	**25.1**	(3.9)
Total change in non-cash operating working capital	**9.1**	1.0

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
OTHER NON-CASH ADJUSTMENTS		
Unrealized loss on revaluation of foreign exchange forward contracts	**0.8**	—
Unrealized loss on concentrate contracts	**1.8**	0.6
Equity settled share-based payment expense	**1.0**	1.5
Loss on disposal of assets	**2.0**	2.0
Loss on revaluation of copper price option contracts	**—**	1.5
Unrealized (gain) loss on revaluation of non-current derivative financial instruments	**(3.0)**	62.9
Loss on revaluation of CSP's reclamation and closure cost obligation	**2.0**	4.5
Inventory provision	**4.0**	—
Loss on revaluation of investments	**28.0**	21.3
Total other non-cash adjustments	**36.6**	94.3

18. Segmented information

(a) Segment revenues and results

The Company manages its reportable segments by operating mines. Income (loss) from operations of reportable operating segments are reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segments and to assess their performance. The results from operations for these reportable operating segments are summarized in the following tables:

	Year ended December 31, 2022			
(in millions of U.S. dollars)	**Rainy River**	**New Afton**	**Corporate & Other**	**Total**
OPERATING SEGMENT RESULTS				
Gold revenues	**413.1**	**69.0**	**—**	**482.1**
Copper revenues	**—**	**111.8**	**—**	**111.8**
Silver revenues	**8.6**	**1.9**	**—**	**10.5**
Total revenues[1]	**421.7**	**182.7**	**—**	**604.4**
Operating expenses	**230.4**	**152.3**	**—**	**382.7**
Depreciation and depletion	**148.1**	**47.3**	**—**	**195.4**
Revenue less cost of goods sold	**43.2**	**(16.9)**	**—**	**26.3**
Corporate administration	**—**	**—**	**21.3**	**21.3**
Corporate restructuring[2]	**—**	**—**	**2.1**	**2.1**
Share-based payment expenses	**—**	**—**	**2.6**	**2.6**
Exploration and business development	**2.7**	**12.8**	**0.5**	**16.0**
Income (loss) from operations	**40.5**	**(29.7)**	**(26.5)**	**(15.7)**

1. *Segmented revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the year ended December 31, 2022.*
2. *In December 2022, the Company recognized a restructuring charge of $ 2.1 million in severance and other termination benefits related to changes at the executive leadership level of the organization.*

	Year ended December 31, 2021			
(in millions of U.S. dollars)	**Rainy River**	**New Afton**	**Corporate & Other**	**Total**
OPERATING SEGMENT RESULTS				
Gold revenues	410.9	81.7	—	492.6
Copper revenues	—	232.7	—	232.7
Silver revenues	15.0	5.2	—	20.2
Total revenues[1]	425.9	319.6	—	745.5
Operating expenses	226.5	150.8	—	377.3
Depreciation and depletion	148.0	47.7	—	195.7
Revenue less cost of goods sold	51.4	121.1	—	172.5
Corporate administration	—	—	21.8	21.8
Share-based payment expenses	—	—	2.2	2.2
Exploration and business development	1.7	8.7	0.8	11.2
Income (loss) from operations	49.7	112.4	(24.8)	137.3

1. *Segmented revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the year ended December 31,2021.*

(b) Segmented assets and liabilities

The following table presents the segmented assets and liabilities:

	Total assets		Total liabilities		Capital expenditures[1]	
	As at December 31	As at December 31	As at December 31	As at December 31		Year ended December 31
(in millions of U.S. dollars)	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
SEGMENTED ASSETS AND LIABILITIES						
Rainy River	**1,067.4**	1,077.1	**340.1**	371.5	**144.8**	102.9
New Afton	**979.9**	901.7	**518.4**	624.8	**148.0**	144.3
Corporate and Other [2]	**196.2**	498.0	**425.5**	524.6	**0.1**	0.1
Total segmented assets, liabilities and capital expenditures	**2,243.5**	2,476.8	**1,284.0**	1,520.9	**292.9**	247.3

1. *Capital expenditures per consolidated statement of cash flows.*
2. *Includes corporate balances and Cerro San Pedro.*

(c) Geographical information

The Company has operating mines in one principal geographical area - Canada (country of domicile).

(d) Information about major customers

The following table presents sales to individual customers exceeding 10% of annual sales. The following five customers represent 90.4% (2021 – five customers representing 99.4%) of the Company's sales revenue for the year ended December 31, 2022.

		Year ended December 31
(in millions of U.S. dollars)		**2022**
CUSTOMER	**REPORTING SEGMENT**	
1	Rainy River	**174.1**
2	Rainy River	**134.3**
3	Rainy River	**112.1**
4	New Afton	**76.1**
5	New Afton	**49.6**
Total sales to customers exceeding 10% of annual sales		**546.2**

		Year ended December 31
(in millions of U.S. dollars)		**2021**
CUSTOMER	**REPORTING SEGMENT**	
1	New Afton	178.6
2	Rainy River	174.2
3	Rainy River	144.0
4	New Afton	138.8
5	Rainy River	105.6
Total sales to customers exceeding 10% of annual sales		741.2

The Company is not economically dependent on a limited number of customers for the sale of its product because gold and other metals can be sold through numerous commodity market traders worldwide. Refer to Note 20(a) for further discussion on the Company's exposure to credit risk.

19. Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

In the management of capital, the Company includes the components of equity, long-term debt, net of cash and cash equivalents.

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
CAPITAL (AS DEFINED ABOVE) IS SUMMARIZED AS FOLLOWS		
Equity	**959.5**	955.9
Long-term debt	**394.9**	491.0
	1,354.4	1,446.9
Cash and cash equivalents	**(200.8)**	(481.5)
Total	**1,153.6**	965.4

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying capital instruments. To maintain or adjust the capital structure, the Company may issue new shares, restructure or issue new debt, acquire or dispose of assets or sell its investments.

In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual budget is approved by the Board of Directors. The Company's investment policy is to invest its surplus funds in permitted investments consisting of treasury bills, bonds, notes and other evidences of indebtedness of Canada, the United States or any of the Canadian provinces with a minimum credit rating of R-1 mid from the Dominion Bond Rating Service ("DBRS") or an equivalent rating from Standard & Poor's and Moody's and with maturities of 12 months or less at the original date of acquisition. In addition, the Company is permitted to invest in bankers' acceptances and other evidences of indebtedness of certain financial institutions. All investments must have a maximum term to maturity of 12 months and the average term will generally range from 7 days to 90 days. Under the policy, the Company is not permitted to make investments in asset-backed commercial paper.

20. Financial risk management

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, market risk and other price risks. Where material, these risks are reviewed and monitored by the Board of Directors. The Company determines the fair value of its financial instruments as outlined in Note 21.

(a) Credit risk

Credit risk is the risk of an unexpected loss if a party to the Company's financial instruments fails to meet its contractual obligations. The Company's financial assets are primarily composed of cash and cash equivalents, and trade and other receivables. Credit risk is primarily associated with trade and other receivables; however, it also arises on cash and cash equivalents, gold and copper price options, foreign exchange forward contracts, and fuel hedge swap contracts. To mitigate exposure to credit risk, the Company has established policies to limit the concentration of credit risk, to ensure counterparties demonstrate minimum acceptable credit worthiness, and to ensure liquidity of available funds.

The Company closely monitors its financial assets and does not have any significant concentration of credit risk. The Company sells its gold exclusively to large international organizations with strong credit ratings. The historical level of customer defaults is minimal and, as a result, the credit risk associated with gold and copper concentrate trade receivables at December 31, 2022 is not considered to be high.

The Company's maximum exposure to credit risk is as follows:

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
CREDIT RISK EXPOSURE		
Cash and cash equivalents	**200.8**	481.5
Trade and other receivables	**14.1**	26.4
Total financial instrument exposure to credit risk	**214.9**	507.9

A significant portion of the Company's cash and cash equivalents is held in large Canadian financial institutions. Short-term investments (including those presented as part of cash and cash equivalents) are composed of financial instruments issued by Canadian banks with high investment-grade ratings and the governments of Canada and the U.S.

The Company employs a restrictive investment policy as detailed in the capital risk management section, which is described in Note 19.

The aging of trade and other receivables is as follows:

	As at December 31						
(in millions of U.S. dollars)	0-30 days	31-60 days	61-90 days	91-120 days	Over 120 days	2022 Total	2021 Total
AGING TRADE AND OTHER RECEIVABLES							
Rainy River	8.0	—	—	—	—	**8.0**	3.5
New Afton	2.6	1.6	—	(0.5)	—	**3.7**	6.1
Cerro San Pedro	1.3	—	—	—	—	**1.3**	2.5
Corporate	1.1	—	—	—	—	**1.1**	14.3
Total trade and other receivables	13.0	1.6	—	(0.5)	—	**14.1**	26.4

The Company sells its gold and copper concentrate production from New Afton to three different customers under off-take contracts.

The Company is not economically dependent on a limited number of customers for the sale of its gold and other metals because gold and other metals can be sold through numerous commodity market traders worldwide.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage, as outlined in Note 19.

The following table shows the contractual maturities of debt commitments. The amounts presented represent the future undiscounted principal and interest cash flows, and therefore, do not equate to the carrying amounts on the consolidated statements of financial position.

	As at December 31					
(in millions of U.S. dollars)	< 1 year	1-3 years	4-5 years	After 5 years	2022 Total	2021 Total
DEBT COMMITMENTS						
Trade and other payables	128.7	—	—	—	**128.7**	127.7
Long-term debt	—	—	400.0	—	**400.0**	500.0
Interest payable on long-term debt	30.0	60.0	60.0	—	**150.0**	202.4
New Afton free cash flow interest obligation	—	60.2	266.9	271.5	**598.6**	625.3
Gold stream obligation	29.4	69.7	60.6	66.0	**225.7**	203.4
Total debt commitments	188.1	189.9	787.5	337.5	**1,503.0**	1,658.8

The Company's future operating cash flow and cash position are highly dependent on metal prices, including gold and copper, as well as other factors. Taking into consideration the Company's current cash position, volatile equity markets, and global uncertainty in the capital markets, the Company is continually reviewing expenditures and assessing business opportunities to enhance liquidity in order to ensure adequate liquidity and flexibility to support its growth strategy, while continuing production at its current operations. A period of continuous low gold and copper prices may necessitate the deferral of capital

expenditures which may impact the timing of development work and project completion, as well as production from mining operations. In addition, in such a price environment, the Company may be required to adopt one or more alternatives to increase liquidity.

(c) Currency risk

The Company operates in Canada and Mexico. As a result, the Company has foreign currency exposure with respect to items not denominated in U.S. dollars. The three main types of foreign exchange risk for the Company can be categorized as follows:

(i) Transaction exposure

The Company's operations sell commodities and incur costs in different currencies. This creates exposure at the operational level, which may affect the Company's profitability as exchange rates fluctuate. This risk is partially mitigated by the foreign exchange forward contracts entered into throughout 2022. These foreign exchange forward contracts will continue into 2023.

(ii) Exposure to currency risk

The Company is exposed to currency risk through the following assets and liabilities denominated in currencies other than the U.S. dollar: cash and cash equivalents, investments, accounts receivable, accounts payable and accruals, reclamation and closure cost obligations. The Company has managed its currency risk by entering into foreign exchange forward agreements.

The currencies of the Company's financial instruments and other foreign currency denominated liabilities, based on notional amounts, were as follows:

	As at December 31, 2022	
(in millions of U.S. dollars)	**CAD**	**MXN**
EXPOSURE TO CURRENCY RISK		
Cash and cash equivalents	**33.9**	**—**
Trade and other receivables	**10.4**	**0.4**
Investments	**35.6**	**—**
Income tax payable	**(0.4)**	**—**
Trade and other payables	**(128.6)**	**(1.3)**
Deferred tax liability	**(66.8)**	**—**
Reclamation and closure cost obligations	**(119.5)**	**—**
Share units	**(1.8)**	**—**
Total exposure to currency risk	**(237.2)**	**(0.9)**

	As at December 31, 2021	
(in millions of U.S. dollars)	**CAD**	**MXN**
EXPOSURE TO CURRENCY RISK		
Cash and cash equivalents	35.1	0.6
Trade and other receivables	6.5	1.9
Investments	59.3	—
Income tax receivable	0.5	2.6
Trade and other payables	(96.0)	(2.7)
Deferred tax liability	(69.6)	—
Reclamation and closure cost obligations	(154.5)	(0.1)
Share units	(3.7)	—
Total exposure to currency risk	(222.4)	2.3

(iii) Translation exposure

The Company and its subsidiaries' functional and reporting currency is U.S. dollars. The Company's operations translate their operating results to U.S. dollars. Therefore, exchange rate movements in the Canadian dollar and Mexican peso can have a significant impact on the Company's consolidated operating results. A 10% strengthening (weakening) of the U.S. dollar against the following currencies would have decreased (increased) the Company's net earnings from the financial instruments presented by the amounts shown below.

	As at Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
IMPACT OF 10% CHANGE IN FOREIGN EXCHANGE RATES		
Canadian dollar	**23.7**	22.2
Mexican peso	**0.1**	0.2

(d) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the Company's outstanding debt obligations are fixed and are therefore not exposed to changes in market interest rates.

The Company is exposed to interest rate risk on its cash and cash equivalents. Interest earned on cash and cash equivalents is based on prevailing money market and bank account interest rates which may fluctuate. A 1.0% change in the interest rate would result in a difference of approximately $2.0 million in interest earned by the Company for the year ended December 31, 2022 (2021 - $ 4.8 million). The Company has not entered into any derivative contracts to manage this risk.

(e) Metal and Input Price Risk

The Company's earnings, cash flows and financial condition are subject to price risk due to fluctuations in the market price of gold and copper.

For the year ended December 31, 2022, the Company's revenue and cash flows were impacted by gold prices and copper prices. Metal price declines could cause continued development of, and production from, the Company's properties to be uneconomic. There is a time lag between the shipment of gold and

copper concentrate and final pricing, and changes in pricing can impact the Company's revenue and working capital position.

Reserve calculations and mine plans using significantly lower gold, silver, and copper prices could result in significant reductions in mineral reserve and resource estimates and revisions in the Company's life-of-mine plans, which in turn could result in material write-downs of its investments in mining properties and increased depletion, reclamation and closure charges. Depending on the price of gold or other metals, the Company may determine that it is impractical to commence or, if commenced, to continue commercial production at a particular site. Metal price fluctuations also create adjustments to the provisional prices of sales made in previous periods that have not yet been subject to final pricing, and these adjustments could have an adverse impact on the Company's financial results and financial condition. Any of these factors could result in a material adverse effect on the Company's results of operations and financial condition.

The Company is also subject to price risk for fluctuations in the cost of energy, principally electricity and purchased petroleum products. The Company's costs are affected by the prices and availability of commodities and other inputs it consumes or uses in its operations. The prices and availability of such commodities and inputs are influenced by inflation and supply and demand trends affecting the mining industry in general and other factors outside the Company's control. Increases in the price for materials consumed in the Company's mining and production activities could materially adversely affect its results of operations and financial condition. The Company's short term exposure to changes in fuel prices have been reduced as the Company entered into fuel hedge swap contracts.

An increase in gold and copper prices would decrease the Company's net loss whereas an increase in fuel and electricity prices would increase the Company's net loss. A 10% change in commodity prices and fuel and electricity prices would impact the Company's net loss as follows:

	Year ended December 31, 2022	Year ended December 31, 2021
(in millions of U.S. dollars)	**Net Loss**	**Net Earnings**
IMPACT OF 10% CHANGE IN COMMODITY PRICES		
Gold price	**48.6**	49.9
Copper price	**11.9**	24.7
Fuel and electricity price	**7.5**	5.7

21. Fair value measurement

Fair value is the price that would be received when selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In assessing the fair value of a particular contract, the market participant would consider the credit risk of the counterparty to the contract. Consequently, when it is appropriate to do so, the Company adjusts the valuation models to incorporate a measure of credit risk. Fair value represents management's estimates of the current market value at a given point in time.

The Company has certain financial assets and liabilities that are measured at fair value. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts), or inputs that are derived principally from, or corroborated by, observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. There were no transfers among Levels 1, 2, and 3 during the year ended December 31, 2022 or the year ended December 31, 2021. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

Valuation methodology for Level 1 financial assets and liabilities:

Investments

The fair value of the investments are measured based on the investee's closing share price on the reporting date.

Valuation methodologies for Level 2 and 3 financial assets and liabilities:

Provisionally priced contracts and gold and copper swap contracts

The fair value of the provisionally priced contracts and the gold and copper swap contracts is calculated using the mark-to-market forward prices of London Metals Exchange gold and copper based on the applicable settlement dates of the outstanding provisionally priced contracts and copper swap contracts.

Copper price option contracts

The fair value of the copper price option contracts is measured based on fair value prices obtained from the counterparties of the copper price option contracts.

Foreign exchange forward contracts

The fair value of foreign exchange forward contracts is calculated using the mark-to-market method based on the difference between the forward Canadian dollar to U.S dollar foreign exchange rate and the foreign exchange rates of the contracts.

Gold stream obligation

The fair value of the gold stream obligation is calculated using the risk-free interest rate derived from the U.S. Treasury rate, forward and consensus metal prices, company specific credit spread based on the yield on the Company's 2027 Senior Unsecured Notes, and expected gold and silver ounces to be delivered from Rainy River's life of mine projections.

Free cash flow interest obligation

The fair value of the free cash flow interest obligation is calculated using the risk-free interest rate derived from the U.S. Treasury rate, forward and consensus metal prices, company specific credit spread based on the yield on the Company's 2027 Senior Unsecured Notes, and expected production, operating and capital costs from New Afton's life of mine projections, including considerations to the minimum cash guarantee over the first four years of the instrument.

The following table summarizes the Company's financial assets and liabilities by category and information about financial assets and liabilities measured at fair value on a recurring basis in the statement of

financial position categorized by level of significance of the inputs used in making the measurements:

		As at December 31, 2022		As at December 31, 2021	
(in millions of U.S. dollars)	**Category**	**Level**		**Level**	
FINANCIAL ASSETS					
Cash and cash equivalents	Financial assets at amortized cost		**200.8**		481.5
Trade and other receivables[1]	Financial assets at amortized cost		**15.9**		14.2
Provisionally priced contracts	Financial instruments at FVTPL	**2**	**2.3**	2	1.2
Gold and copper swap contracts	Financial instruments at FVTPL	**2**	**(4.1)**	2	(1.8)
Foreign exchange forward contracts	Financial instruments at FVTPL	**2**	**0.4**	2	1.5
Proceeds due from income tax refunds at Mesquite[2]	Financial assets at amortized cost	**1**	**—**	1	12.8
Investments	Financial instruments at FVTPL	**1**	**35.6**	1	59.5
FINANCIAL LIABILITIES					
Trade and other payables[3]	Financial liabilities at amortized cost		**141.1**		124.3
Long-term debt	Financial liabilities at amortized cost		**394.9**		491.0
Gold stream obligation	Financial instruments at FVTPL	**3**	**174.7**	3	194.0
Free cash flow interest obligation	Financial instruments at FVTPL	**3**	**378.9**	3	467.4

1. *Trade and other receivables exclude provisionally priced contracts, and gold and copper swap contracts.*
2. *Proceeds due from income tax refunds at Mesquite are included in trade and other receivables on the consolidated statement of financial position. The tax refunds were collected in September 2022.*
3. *Trade and other payables exclude the short-term portion of reclamation and closure cost obligation and the short-term portion of the gold stream obligation and New Afton free cash flow interest obligation.*

The carrying values and fair values of the Company's financial instruments are as follows:

	As at December 31, 2022		As at December 31, 2021	
(in millions of U.S. dollars)	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
FINANCIAL ASSETS				
Cash and cash equivalents	**200.8**	**200.8**	481.5	481.5
Trade and other receivables[1]	**15.9**	**15.9**	14.2	14.2
Provisionally priced contracts	**2.3**	**2.3**	1.2	1.2
Gold and copper swap contracts	**(4.1)**	**(4.1)**	(1.8)	(1.8)
Foreign exchange forward contracts	**0.4**	**0.4**	1.5	1.5
Proceeds due from income tax refunds at Mesquite[2]	**—**	**—**	12.8	12.8
Investments	**35.6**	**35.6**	59.5	59.5
FINANCIAL LIABILITIES				
Trade and other payables[3]	**141.1**	**141.1**	124.3	124.3
Long-term debt	**394.9**	**355.0**	491.0	530.8
Gold stream obligation	**174.7**	**174.7**	194.0	194.0
Free cash flow interest obligation	**378.9**	**378.9**	467.4	467.4

1. *Trade and other receivables exclude provisionally priced contracts and gold and copper swap contracts.*
2. *Proceeds due from income tax refunds at Mesquite are included in trade and other receivables on the consolidated statement of financial position. The tax refunds were collected in September 2022.*
3. *Trade and other payables exclude the short-term portion of reclamation and closure cost obligation and the short-term portion of the gold stream obligation and New Afton free cash flow interest obligation.*

22. Compensation of Key Management Personnel

The remuneration of the Company's key management personnel [1] was as follows:

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
KEY MANAGEMENT PERSONNEL REMUNERATION		
Short-term benefits[2]	**2.5**	2.5
Share-based payments	**0.2**	1.4
Termination benefits[3]	**3.7**	—
Total key management personnel remuneration	**6.4**	3.9

1. *Key management personnel, comprising the Company's directors and executive officers, are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company.*
2. *Short-term benefits include salaries, bonuses payable within twelve months of the statement of financial position date and other annual employee benefits.*
3. *The Company made payments of $ 3.7 million and recovered $ 1.6 million in share-based expenses for a net charge of $ 2.1 million for severance and other termination benefits related to changes at the executive leadership level of the organization.*

23. Commitments

The Company has entered into a number of contractual commitments for capital items relating to operations and development. At December 31, 2022, these commitments totaled $64.0 million. This compares to commitments of $ 48.3 million as at December 31, 2021. Certain contractual commitments may contain cancellation clauses; however, the Company discloses its commitments based on management's intent to fulfill the contracts.

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Management's Discussion and Analysis

For the year ended December 31, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

All dollar figures are in United States dollars and tabular dollar amounts are in millions, unless otherwise noted.
For the year ended December 31, 2022.

The following Management's Discussion and Analysis ("MD&A") provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of New Gold Inc. and its subsidiaries ("New Gold" or the "Company"). This MD&A should be read in conjunction with New Gold's consolidated financial statements for the years ended December 31, 2022 and 2021, and related notes, which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. This MD&A contains forward-looking statements that are subject to risks and uncertainties, as discussed in the "Cautionary Note Regarding Forward-Looking Statements" section at the end of this MD&A. Readers are cautioned not to place undue reliance on forward-looking statements. All dollar figures are in U.S. dollars and tabular dollar amounts are in millions, unless otherwise noted. Figures in some tables may not foot due to rounding. This MD&A has been prepared as at February 15, 2023. Additional information relating to the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com.

OUR BUSINESS

New Gold Inc. is a Canadian-focused intermediate mining company with a portfolio of two core producing assets in Canada. The assets of the Company, directly or through its subsidiaries, are comprised of the Rainy River Mine in Canada ("Rainy River") and the New Afton Mine in Canada ("New Afton"). The Company also holds Canadian-focused investments. New Gold's vision is to build a leading diversified intermediate gold company based in Canada that is committed to the environment and social responsibility. For further information on the Company, visit www.newgold.com.

ENDNOTES

Note references throughout the document are to endnotes which can be found on page 72 of this MD&A.

USE OF NON-GAAP FINANCIAL PERFORMANCE METRICS

In this MD&A, we use the following non-GAAP financial performance measures: "Total cash costs", "all-in sustaining costs" or "AISC", "adjusted net earnings/(loss)", "adjusted tax expense", "sustaining capital and sustaining leases", "growth capital", "average realized gold/copper price per ounce/pound", "open pit net mining cost per operating tonne mined", "underground net mining costs per operating tonne mined", "processing costs per tonne processed", "G&A costs per tonne", "cash generated from operations before changes in non-cash operating working capital" and "free cash flow". For a detailed description of each non-GAAP financial performance measure used in this MD&A and a detailed reconciliation to the most directly comparable measures under IFRS, please refer to the "Non-GAAP Financial Performance Measures" section of this MD&A starting on page 29. The non-GAAP financial performance measures in this MD&A are intended to provide additional information to investors and do not have any standardized meaning under IFRS. These measures may therefore not be comparable to similar measures presented by other issuers and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

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OPERATING AND FINANCIAL HIGHLIGHTS

OPERATING HIGHLIGHTS

	Three months ended December 31		Year ended December 31		
	2022	**2021**	**2022**	**2021**	**2020**
OPERATING INFORMATION					
Gold equivalent ("eq.") (ounces)[1]:					
Produced[3]	**97,824**	111,574	**347,054**	418,933	437,617
Sold[3]	**95,161**	109,214	**342,839**	402,449	428,370
Gold (ounces):					
Produced[3]	**80,694**	81,072	**271,373**	286,921	293,139
Sold[3]	**78,507**	78,745	**269,147**	277,451	291,877
Copper (millions of pounds):					
Produced[3]	**6.9**	14.2	**31.1**	61.7	72.1
Sold[3]	**6.8**	14.2	**30.2**	58.4	68.0
Revenue[10]					
Gold ($/ounce)	**1,736**	1,778	**1,791**	1,778	1,537
Copper ($/pound)	**3.53**	4.07	**3.70**	3.97	2.67
Average realized price[2]					
Gold ($/ounce)	**1,751**	1,798	**1,808**	1,798	1,559
Copper ($/pound)	**3.74**	4.37	**3.94**	4.24	2.86
Operating expenses per gold eq. ounce sold ($/ounce)[10]	**1,140**	912	**1,116**	938	794
Depreciation and depletion per gold eq. ounce sold ($/ounce)[10]	**551**	469	**572**	489	454
Total cash costs per gold eq. ounce sold ($/ounce)[2]	**1,167**	965	**1,150**	991	840
All-in sustaining costs per gold eq. ounce sold ($/ounce)[2]	**1,668**	1,355	**1,818**	1,463	1,389

FINANCIAL HIGHLIGHTS

	Three months ended December 31			Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**	**2020**
FINANCIAL INFORMATION					
Revenue	**162.8**	202.6	**604.4**	745.5	643.4
Revenue less cost of goods sold	**2.0**	51.7	**26.3**	172.5	110.4
Net (loss) earnings	**(16.9)**	150.9	**(66.8)**	140.6	(79.3)
Adjusted net (loss) earnings[(2)]	**(6.3)**	24.7	**(26.1)**	82.9	19.2
Cash generated from operations	**31.9**	105.7	**190.7**	323.7	294.8
Cash generated from operations before changes in non-cash operating working capital[(2)]	**44.3**	92.9	**181.6**	322.7	278.6
Sustaining capital[(2)]	**34.1**	31.3	**183.6**	145.6	194.8
Growth capital[(2)]	**37.1**	26.9	**109.2**	101.7	89.4
Total mining interest capital expenditures	**71.2**	58.2	**292.8**	247.3	284.2
Total assets	**2,243.5**	2,476.8	**2,243.5**	2,476.8	2,250.1
Cash and cash equivalents	**200.8**	481.5	**200.8**	481.5	186.3
Long-term debt	**394.9**	491.0	**394.9**	491.0	489.2
Non-current liabilities excluding long-term debt	**717.9**	857.0	**717.9**	857.0	812.9
Share Data					
Earnings (loss) per share					
Basic ($)	**(0.02)**	0.22	**(0.10)**	0.21	(0.12)
Diluted ($)	**(0.02)**	0.22	**(0.10)**	0.21	(0.12)
Adjusted net (loss) earnings per basic share ($)[(2)]	**(0.01)**	0.04	**(0.04)**	0.12	0.03
Share price as at December 31 (TSX - Canadian dollars)	**1.33**	1.89	**1.33**	1.89	2.80
Weighted average outstanding shares (basic) (millions)	**682.3**	680.9	**681.9**	680.8	676.3

SUSTAINABILITY AND ESG

Throughout the year, the Company continued to work on three key sustainability anchors: Environment, Indigenous Rights, and Community Engagement. Under such anchors, the Company has four sustainability focus areas: Water Management, Climate Action, Tailings Management and Indigenous Rights. New Gold continues to prioritize the health, safety and well-being of its people.

Health and Safety

Total recordable injury frequency rate ("TRIFR") was 0.95 for the year, a reduction of 45% compared to the prior year. In the fourth quarter, Rainy River achieved two consecutive months without a reportable injury.

In 2022, New Gold introduced and communicated a new Health and Safety culture across the organization to renew New Gold's commitment to safety and further connect our employees/contractors in protecting the health, safety, and well-being of our people. The Health and Safety cultures' mantra is named "Courage to Care" and focuses on caring for the safety of oneself and others who may be affected by individual decisions or actions related to safety. The mantra is simply explained in three tagline descriptors, "We never compromise on safety", "We look out for one another", and "We stop work if it's not safe".

Environment

Water Management

In 2022, New Gold faced challenges due to heavy rainfall around the Fort Frances area in northwestern Ontario, impacting Rainy River. Throughout the challenges, the New Gold team remained in compliance with regulatory requirements, meaning there was no additional discharge to the environment. During the year, the Company continued to improve water governance structures to assess water risks, water balance, and overall water management activities at its operations.

Climate Action

Climate Action continued to be a priority for New Gold in 2022. During the year, the Company published its first Task Force on Climate-Related Financial Disclosure ("TCFD") Report outlining the Company's climate strategy, governance, metrics and risks. The Company embarked on a feasibility project to assess opportunities for Scope 1 & 2 greenhouse gas ("GHG") emissions reductions at both New Afton and Rainy River to ensure the Company meets its goal of a 30% reduction in GHG emissions by 2030 (with a baseline year of 2020).

As part of the Company's climate action plan, New Afton ordered an additional four battery electric vehicles ("BEVs") for its underground fleet. New Afton continues to support the transition to BEVs both at an operation and employee level by providing employees with six on-site charging stations for personal vehicles.

Tailings Management

The Company has an Independent Tailings Review Board that works with both operating sites to review tailings management practices on a bi-annual basis. During 2022, on-site meetings were conducted at both Rainy River and New Afton and a reporting meeting was held with the Board of Directors.

Social

Indigenous & Community Relations

In 2022, the Company continued to progress social closure planning at both New Afton and Rainy River. New Afton hosted numerous community events to gather feedback from stakeholders and developed the "Beyond New Afton" engagement plan. Rainy River formed the "Beyond Rainy River" committee to begin engagement activities with surrounding communities. Both plans are focused on long term value creation and are developed through collaboration with community stakeholders.

Social closure continued at Cerro San Pedro in 2022 and included community investments such as construction of a town cattle pond in Zapatilla and restoration of the historic mine entrance in Cerro San Pedro. The Company established a local foundation to promote sustainable economic development in the community, Fundación Todos por Cerro San Pedro. In 2022, the Fundación Todos por Cerro San Pedro served over five hundred people with its local entrepreneurship and environmental education programs and now has over two thousand beneficiaries since 2019.

Governance

ESG Disclosure Update

In 2022, the Company published its 2021 Sustainability Report along with the inaugural TCFD Report. The Company continued to report against the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Local Procurement Reporting Mechanism (LPRM) and the United Nations Sustainable Development Goals (UN SDGs).

CORPORATE DEVELOPMENTS

On March 31, 2022, the Company filed an updated Technical Report for the Rainy River Mine which provided an update on the open pit and expanded underground mine plans. The life of mine ("LOM") was extended to 2031 with the conversion of an additional 569,000 gold ounces in the underground main zones to Mineral Reserves. The remaining open pit will be mined using an optimized selective mining approach which, combined with stockpile movement, leads to a smoother, more sustainable mill grade and gold production profile, before transitioning to a cost-effective batch processing underground operation.

On May 15, 2022, the Company completed the redemption of its $100 million aggregate principal amount of outstanding 6.375% Senior Notes due in 2025 ("2025 Unsecured Notes"). The redemption was funded with cash on hand. Please refer to the Company's May 16, 2022 press release "New Gold Completes Redemption of its Remaining Outstanding 6.375% Senior Notes" for further information.

In October 2022, the Company announced the receipt of the C-Zone Mines Act Permit. Please refer to the Company's October 7, 2022 press release "New Gold Announces Receipt of the New Afton C-Zone Mines Act Permit" for further information.

On November 23, 2022, the Company announced the appointment of Patrick Godin as Chief Executive Officer.

On January 16, 2023, the Company sold its shares in Artemis Gold Inc. for approximately C$31.5 million.

OUTLOOK FOR 2023

New Gold Consolidated Operational Estimates

Operational Estimates	Rainy River	New Afton	Consolidated Guidance
Gold Eq. Produced (ounces)[1]	235,000 - 265,000	130,000 - 160,000	**365,000 - 425,000**
Gold Produced (ounces)	230,000 - 260,000	50,000 - 60,000	**280,000 - 320,000**
Copper Produced (Mlbs)	-	38 - 48	**38 - 48**
Operating expenses, per gold eq. ounce	$905 - $985	$1,035 - $1,115	**$950 - $1,030**
All-in Sustaining Costs per gold eq. ounce[2]	$1,475 - $1,575	$1,320 - $1,420	**$1,505 - $1,605**

Capital Investment & Exploration Expense Estimates	Rainy River	New Afton	Consolidated Guidance
Sustaining Capital ($M)[2]	$125 - $135	$15 - $35	**$140 - $170**
Growth Capital ($M)[2]	$20 - $30	$130 - $150	**$150 - $180**
Total capital ($M)	$145 - $165	$145 - $185	**$290 - $350**

Gold equivalent[1] production[3,11] is expected to be between 365,000 to 425,000 ounces, approximately 13% higher than 2022 production. Production is expected to strengthen in the second half of the year, with the second half of 2023 to represent approximately 55% of annual production.

Operating expenses[10] are expected to be $950 to $1,030 per gold eq. ounce, lower than the prior year as a result of higher production and sales volumes from both sites. All-in sustaining costs[2] are expected to be $1,505 to $1,605 per gold eq. ounce, lower than the prior year due to lower sustaining capital spend and higher sales volumes. All-in sustaining costs[2] are expected to trend lower in the second half of the year, consistent with the production profile.

Total capital is expected to be $290 to $350 million, of which, sustaining capital [2] is expected to be $140 to $170 million, and growth capital [2] is expected to be $150 to $180 million. The decrease in sustaining capital[2] over the prior year predominantly relates to the completion of B3 mine development in 2022. The increase in growth capital[2] relates to C-Zone development, advancing underground development at the Intrepid underground zone, and commencing development at the Main underground zone at Rainy River. Quarterly sustaining capital and growth capital[2] are expected to be relatively consistent through the year.

In 2023, the Company will report production on a gold equivalent, gold and copper basis. Operating expenses and all-in sustaining costs will be reported on a per gold equivalent ounce basis. Throughout the year, the Company will report gold equivalent ounces using a constant ratio of $1,750 per gold ounce, $22.00 per silver ounce and $3.50 per copper pound, and a foreign exchange rate of $1.32 Canadian dollars to $1.00 US dollar.

2023 Rainy River Operational Outlook

Gold equivalent[1] production[3] is expected to be 235,000 to 265,000 ounces, an increase over the prior year due to an increase in gold grade, tonnes mined and processed, as well as ramping-up ore extraction from the Intrepid underground zone throughout the year. Production is expected to strengthen in the second half of the year as planned maintenance activities for the processing plant are to be completed in

the first half of the year. The second half of 2023 is expected to represent approximately 55% of the annual production.

Operating expenses[10] are expected to be $905 to $985 per gold eq. ounce, a decrease over the prior year, primarily due to higher production and sales volume.

All-in sustaining costs[2] are expected to be $1,475 to $1,575 per gold eq. ounce, a decrease over the prior year, primarily due to higher production and sales volume. All-in sustaining costs[2] are expected to trend lower in the second half of the year, consistent with the production profile.

Total capital is expected to be $145 to $165 million. Sustaining capital [2] is expected to be $125 to $135 million, including approximately $70 million in capitalized waste, $35 million towards the annual tailings dam raise, $15 million in capital parts and components replacement programs, $5 million in sustaining capital development for the Intrepid underground zone, and $5 million related to other general sustaining capital and working capital payments. Growth capital[2] is expected to be $20 to $30 million, related to the continued development of the Intrepid underground zone, and the commencement of development of the Main underground zone below the pit. Sustaining capital and growth capital[2] are expected to be generally consistent throughout the year.

2023 New Afton Operational Outlook

Gold equivalent[1] production[3,11] is expected to be 130,000 to 160,000 ounces, approximately 30% higher than 2022, as B3 production achieves steady-state mining rates and higher gold and copper grades. B3 mining rate is expected to average approximately 8,000 tonnes per day as all drawpoint development is completed.

Operating expenses[10] are expected to be $1,035 to $1,115 per gold eq. ounce, a decrease over the prior year, primarily due to higher production and sales volume.

All-in sustaining costs[2] are expected to be $1,320 to $1,420 per gold eq. ounce, a decrease over the prior year, primarily due to lower sustaining capital spend with B3 development completed in 2022 and higher production and sales volume. All-in sustaining costs[2] are expected to trend higher in the first half of the year due to timing of the tailings management and stabilization work.

Total capital is expected to be $145 to $185 million. Sustaining capital [2] is expected to be $15 to $35 million, including approximately $15 million related to stabilization activities, $5 million related to tailings management and $5 million related to other general sustaining capital and working capital payments. Growth capital[2] is expected to be $130 to $150 million, related to the continued advancement of the C-Zone project, primarily focused on mine development, infrastructure installation, and continued progress on stabilization. Growth capital[2] is expected to be generally consistent throughout the year.

Exploration expenditures are expected to be approximately $15 million and will focus on underground exploration and infill drilling on the mineralized zone defined within the New Afton footprint, follow-up surface drilling, and reconnaissance exploration drilling on regional targets that were defined in 2022.

MINERAL RESERVES AND MINERAL RESOURCES UPDATE

As at December 31, 2022, New Gold is reporting Mineral Reserves and Mineral Resources as summarized in the table below. Detailed Mineral Reserve and Mineral Resource tables follow at the end of this press release.

Mineral Reserves and Mineral Resources Summary[1]	As at December 31, 2022[2]			As at December 31, 2021		
	Gold koz	**Silver koz**	**Copper Mlbs**	**Gold koz**	**Silver koz**	**Copper Mlbs**
Proven and Probable Mineral Reserves						
Rainy River	**2,493**	**6,176**	**—**	**2,799**	**7,022**	**—**
Open Pit	1,081	2,212	—	1,230	2,170	—
Underground	1,228	2,966	—	1,241	3,084	—
Low grade and stockpile	185	999	—	328	1,768	—
New Afton	**804**	**1,999**	**607**	**883**	**2,327**	**675**
Total Proven and Probable Mineral Reserves[3]	**3,297**	**8,176**	**607**	**3,682**	**9,349**	**675**
Measured and Indicated Mineral Resources (exclusive of Mineral Reserves)[1]						
Rainy River	**1,501**	**3,627**	**—**	**1,543**	**3,894**	**—**
Open Pit	127	161	—	195	472	—
Underground	1,374	3,466	—	1,348	3,422	—
New Afton	**1,222**	**4,495**	**1,035**	**1,174**	**4,187**	**1,006**
Total Measured and Indicated Mineral Resources[3]	**2,722**	**8,122**	**1,035**	**2,717**	**8,081**	**1,006**
Total Inferred Mineral Resources[3]	**375**	**782**	**135**	**387**	**831**	**137**

1. Refer to the detailed Mineral Reserve and Mineral Resource tables that follow at the end of this press release for the estimates as at December 31, 2022 and the Company's Annual Information Form dated March 31, 2022 for estimates as at December 31, 2021.
2. The Mineral Reserves and Mineral Resources stated above are as at December 31, 2022 and do not reflect any events subsequent to that date.
3. Numbers may not add due to rounding.

Consolidated Mineral Reserves decreased by approximately 385,000 gold ounces compared to the prior year. At Rainy River, total Mineral Reserves decreased by approximately 306,000 gold ounces over the prior year due to approximately 252,000 gold ounces of annual mine production, approximately 48,000 gold ounces related to a resource mineability adjustment, and approximately 6,000 gold ounces related to a slope design update. At New Afton, Mineral Reserves decreased by approximately 79,000 gold ounces over the prior year due to approximately 44,000 gold ounces of annual mine depletion and approximately 45,000 gold ounces from the Sub Level Cave and East Cave Recovery Level converted to Mineral Resources, partially offset by an increase of approximately 10,000 gold ounces from mine plan optimization.

Consolidated Measured and Indicated Mineral Resources increased by approximately 5,000 gold ounces, with Rainy River decreasing by approximately 42,000 gold ounces due to an updated open pit design, offset by an increase of approximately 47,000 gold ounces at New Afton from the Sub Level Cave and East Cave Recovery Level converted to Mineral Resources and additional exploration drilling. Consolidated Inferred Mineral Resources decreased by approximately 12,000 gold ounces to 375,000 gold ounces.

KEY PERFORMANCE DRIVERS

There is a range of key performance drivers that are critical to the successful implementation of New Gold's strategy and the achievement of its goals. The key internal drivers are production volumes and costs. The key external drivers are the market prices of gold and copper as well as foreign exchange rates.

Production Volumes and Costs

For an analysis of the impact of production volumes and costs for the year and three months ended December 31, 2022 relative to the prior-year periods, refer to the "Review of Operating Mines" section of this MD&A.

Commodity Prices

Gold Prices

The price of gold is the single largest factor affecting New Gold's profitability and operating cash flows. As such, the current and future financial performance of the Company is expected to be closely related to the prevailing price of gold.

For the three months ended December 31, 2022, New Gold's gold revenue per ounce [10] and average realized gold price per ounce [2] were $1,736 and $1,751, respectively, compared to the London Bullion Market ("LBMA") p.m. average gold price of $1,725 per ounce.

For the year ended December 31, 2022, New Gold's gold revenue per ounce [10] and average realized gold price per ounce [2] were $1,791 and $1,808, respectively, compared to the LBMA p.m. average gold price of $1,800 per ounce.

Copper Prices

For the three months ended December 31, 2022, New Gold's copper revenue per pound [10] and average realized copper price per pound [2] were $3.53 and $3.74, respectively, compared to the average London Metals Exchange ("LME") copper price of $3.63 per pound.

For the year ended December 31, 2022, New Gold's copper revenue per pound [10] and average realized copper price per pound [2] were $3.70 and $3.94, respectively, compared to the average LME copper price of $4.00 per pound.

Foreign Exchange Rates

While the Company's key operations are in Canada, revenue is generated in U.S. dollars. As a result, the Company has foreign currency exposure with respect to costs not denominated in U.S. dollars. New Gold's operating results and cash flows are influenced by changes in exchange rates against the U.S. dollar. The Company has exposure to the Canadian dollar through New Afton and Rainy River, as well as through corporate administration costs.

The annual average Canadian dollar rate weakened against the U.S. dollar during 2022 compared to the annual average rate in 2021. The weakening of the Canadian dollar impacts costs in U.S. dollar terms at the Company's Canadian operations, as a significant portion of operating and capital costs are denominated in Canadian dollars.

For an analysis of the impact of foreign exchange fluctuations on operating costs, refer to the relevant sections for Rainy River and New Afton under the heading “Review of Operating Mines”.

Economic Outlook

The LBMA p.m. gold price increased by 8% during the fourth quarter of 2022, finishing the quarter at $1,814 per ounce. The prospects of recession and the expectations of monetary policy loosening caused the U.S. Dollar Index to decline over the quarter, which supported the price of gold. Gold held in exchange-traded funds declined slightly in the fourth quarter, continuing the trend from the prior quarter. Looking forward, further inflation concerns, geopolitical uncertainty and recessionary fears may provide support for gold prices.

Prospects for gold are impacted by several structural factors. Mine supply has been plateauing as high-quality deposits become more difficult to find and more expensive to develop and mine. Economic events can have significant effects on the price of gold, through currency rate fluctuations, the relative strength of the U.S. dollar, gold supply and demand, and macroeconomic factors, such as interest rates and inflation expectations. Management anticipates that the long-term economic environment should provide support for gold and precious metals and believes the prospects for the business are favourable.

The LME cash copper price increased by 10% during the fourth quarter of 2022, finishing the quarter at $3.80 per pound. Expectations of demand recovery following eased COVID restrictions in China and shrinking exchange inventories supported copper prices over the quarter. Over the longer-term, continued growth in the global economy could increase demand for copper and provide support for copper prices.

Inflationary pressures continue to impact the economy in general. Inflation is impacted by various macroeconomic factors and can affect the cost of labour and key consumables.

FINANCIAL RESULTS

Summary of Financial Results

	Three months ended December 31		Year ended December 31		
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**	**2020**
FINANCIAL RESULTS					
Revenue	**162.8**	202.6	**604.4**	745.5	643.4
Operating expenses	**108.5**	99.6	**382.7**	377.3	339.9
Depreciation and depletion	**52.3**	51.3	**195.4**	195.7	193.1
Revenue less cost of goods sold	**2.0**	51.7	**26.3**	172.5	110.4
Corporate administration	**5.3**	5.7	**21.3**	21.8	15.6
Corporate restructuring	**2.1**	—	**2.1**	—	—
Share-based payment expenses	**2.4**	0.5	**2.6**	2.2	7.6
Exploration and business development	**2.2**	4.5	**16.0**	11.2	5.8
(Loss) income from operations	**(10.0)**	41.0	**(15.7)**	137.3	81.4
Finance income	**1.7**	0.1	**3.8**	0.3	1.1
Finance costs	**(4.7)**	(7.9)	**(27.8)**	(34.8)	(79.2)
Other gains and losses					
(Loss) gain on foreign exchange	**(1.2)**	(0.8)	**6.5**	1.4	1.2
Loss on disposal of assets	**—**	(0.5)	**(2.0)**	(2.0)	(1.6)
Gain (loss) on revaluation of investments	**2.7**	5.6	**(28.0)**	(21.3)	17.4
Gain on disposal of Blackwater stream	**—**	147.3	**—**	147.3	—
Loss on sale of Blackwater	**—**	—	**—**	—	(30.2)
Gain (loss) on foreign exchange derivative	**6.0**	0.6	**(2.3)**	1.5	9.0
Gain on fuel hedge swap contracts	**0.3**	—	**0.3**	—	—
Unrealized (loss) gain on revaluation of non-current derivative financial liabilities	**(0.3)**	(26.8)	**3.0**	(62.9)	(110.4)
Settlement and gain on revaluation of gold price option contracts	**—**	—	**—**	—	26.4
Loss on revaluation of copper price option contracts	**—**	—	**—**	(1.5)	—
Revaluation of CSP's reclamation and closure cost obligation	**(0.7)**	(1.0)	**(2.1)**	(4.2)	3.4
Gain on receivable associated with Mesquite sale	**—**	—	**—**	—	12.8
Flow through share premium	**—**	—	**—**	1.7	—
Other	**0.5**	0.7	**(1.1)**	(2.5)	(6.3)
(Loss) earnings before taxes	**(5.7)**	156.8	**(65.4)**	160.3	(78.3)
Income tax expense	**(11.2)**	(5.9)	**(1.4)**	(19.7)	(4.3)
Net (loss) earnings	**(16.9)**	150.9	**(66.8)**	140.6	(79.3)
Adjusted net (loss) earnings [(2)]	**(6.3)**	24.7	**(26.1)**	82.9	19.2

Revenue

For the year ended December 31, 2022, the decrease in revenue relative to the prior-year period was due to lower gold and copper sales volume and lower copper average realized prices. For the three months ended December 31, 2022, the decrease in revenue relative to the prior-year period was due to lower copper sales volume and lower gold and copper average realized prices.

Operating expenses

For the year and three months ended December 31, 2022, operating expenses were higher than the prior-year periods due largely to higher operating expenses at New Afton, as production from B3 continued to ramp-up, and inflation-driven price increases. For further information, please refer to the "Review of Operating Mines" section of this MD&A.

Depreciation and depletion

For the year and three months ended December 31, 2022, depreciation and depletion were consistent with the prior-year periods.

Revenue less cost of goods sold

For the year and three months ended December 31, 2022, revenue less costs of goods sold decreased when compared to the prior-year periods primarily due to lower revenue.

Corporate administration

For the year and three months ended December 31, 2022, costs associated with corporate administration, were consistent with the prior-year periods.

Corporate restructuring

For the year and three months ended December 31, 2022, costs associated with corporate restructuring were for severance and other termination benefits related to changes at the executive leadership level of the organization.

Share-based payment expenses

For the year ended December 31, 2022, share-based payment expenses were consistent with the prior-year period. For the three months ended December 31, 2022, share-based payment expenses increased when compared with the prior-year periods due to an increase in the share price assumption during the quarter.

Exploration and business development

For the year ended December 31, 2022, exploration and business development expenses increased primarily due to increased exploration activity at New Afton when compared to the prior-year period. For the three months ended December 31, 2022, exploration and business development expenses decreased primarily due to decreased exploration activity at New Afton when compared to the prior-year period.

Finance income

For the year and three months ended December 31, 2022, finance income increased due to an increase in interest rates when compared with the prior-year periods.

Finance costs

For the year and three months ended December 31, 2022, finance costs decreased mainly due to the $100 million redemption of the 2025 Unsecured Notes in May 2022 resulting in a lower interest expense in the current year periods and additional capitalized interest at New Afton.

Other gains and losses

Foreign exchange

Movements in foreign exchange are primarily due to the revaluation of monetary assets and liabilities as at the balance sheet date, and the appreciation or depreciation of the Canadian dollar when compared to the U.S. dollar in the current periods.

Unrealized gain/loss on investments

For the year ended December 31, 2022, the Company recorded an unrealized loss of $28.0 million primarily due to decreases in the share price of Artemis Gold Inc. and Talisker Resources Ltd during the year. For the three months ended December 31, 2022, the Company recorded an unrealized gain of $2.7 million primarily due to increases in the share price of Artemis Gold Inc. and Talisker Resources Ltd. in the quarter.

Rainy River gold stream obligation

For the three months ended December 31, 2022, the Company recorded an unrealized loss on the revaluation of the gold stream obligation derivative instrument of $7.7 million due to changes in metal prices. For the year ended December 31, 2022, the Co mpany recorded an unrealized loss on the revaluation of the gold stream obligation derivative instrument of $25.0 million. The loss was primarily driven by the updated Technical Report at Rainy River and the conversion of additional ounces from resources into reserves.

New Afton free cash flow interest obligation

For the year ended December 31, 2022, the Company recorded an unrealized gain on revaluation of the New Afton free cash flow interest obligation of $28.0 million due primarily to an increase in the market observable discount rate. For the three months ended December 31, 2022, the Company recorded an unrealized gain on revaluation of the New Afton free cash flow interest obligation of $7.4 million due to changes in cash flows.

Gain/loss on foreign exchange derivative

For the year ended December 31, 2022, the Company recorded a loss on foreign exchange derivatives of $2.3 million due to the strengthening of the U.S. dollar. For the three months ended December 31, 2022, the Company recorded a gain on foreign exchange derivatives of $6.0 million due to the weakening of the U.S. dollar.

Revaluation of CSP closure cost obligation

Cerro San Pedro ("CSP") transitioned to the reclamation phase of its mine life cycle effective December 31, 2018. The revaluation of CSP's reclamation and closure cost obligation is a result of changes in estimates to the expected reclamation expenditures.

The other gains and losses listed above are added back for the purposes of calculating adjusted net earnings [2]. Adjusted net earnings [2] is a non-GAAP financial performance measure that does not have any

standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Please refer to the "Non-GAAP Financial Performance Measures" section of this MD&A.

Income tax

The current income tax expense and prior year income tax expense relates primarily to current and deferred mineral taxes in the period. Income tax expense for the year ended December 31, 2022 decreased due to a decrease in British Columbia mining tax payable due to lower revenue at New Afton in the period and the impact of foreign exchange on the tax balance. Income tax expense for the three months ended December 31, 2022 increased due to the tax impact of the revaluation of the New Afton free cash flow obligation.

On an adjusted net loss[2] basis, the adjusted tax recovery[2] for the year ended December 31, 2022, was $7.2 million, compared to an adjusted tax expense of $19.9 million in the prior year. The adjusted tax recovery (expense)[2] excludes the tax impact of other gains and losses on the consolidated income statement. Adjusted tax recovery (expense)[2] is a non-GAAP financial performance measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Please refer to the "Non-GAAP Financial Performance Measures" section on page 29 of this MD&A for more details.

Net (Loss) earnings

For the year and three months ended December 31, 2022, there was a decrease in net earnings compared to the prior-year periods, primarily due to lower revenue, higher operating expenses, and the gain on the sale of the Blackwater gold stream in the prior-year period.

Adjusted net (loss) earnings[2]

Net (losses) earnings have been adjusted for loss on repayment of long-term debt, corporate restructuring and other gains and losses on the consolidated income statement. Key elements in other gains and losses are the fair value changes for the gold stream obligation, fair value changes for the free cash flow interest obligation, foreign exchange gains/loss and fair value changes in investments. The adjusted entries are also impacted by tax expenses to the extent that the underlying entries are impacted for tax in the unadjusted net earnings. Adjusted net (loss) earnings is a non-GAAP financial performance measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Please refer to the "Non-GAAP Financial Performance Measures" section on page 29 of this MD&A for more details.

For the year and three months ended December 31, 2022, adjusted net earnings [2] decreased over the prior-year periods primarily due to lower revenue and higher operating expenses.

For further information on the Company's liquidity and cash flow position, please refer to the "Liquidity and Cash Flow" section of this MD&A.

Key Quarterly Operating and Financial Information

Selected financial and operating information for the current and previous quarters is as follows:

(in millions of U.S. dollars, except where noted)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
OPERATING INFORMATION									
Gold production from operations (ounces)[4]	**80,694**	70,147	52,431	68,101	81,072	72,210	66,989	66,650	83,096
Gold sales from operations (ounces)[4]	**78,507**	68,816	51,263	70,562	78,745	66,982	68,184	63,539	86,491
Revenue	**162.8**	151.2	115.7	174.7	202.6	179.8	198.2	164.9	198.9
Net (loss) income	**(16.9)**	(4.2)	(37.9)	(7.8)	150.9	(11.3)	(15.8)	16.8	(21.1)
Per share:									
Basic ($)	**(0.02)**	(0.01)	(0.06)	(0.01)	0.22	(0.02)	(0.02)	0.02	(0.03)
Diluted ($)	**(0.02)**	(0.01)	(0.06)	(0.01)	0.22	(0.02)	(0.02)	0.02	(0.03)

REVIEW OF OPERATING MINES

Rainy River Mine, Ontario, Canada

Rainy River is a gold mine located in Northwestern Ontario, Canada approximately 50 kilometres northwest of Fort Frances, a town of approximately 8,000 people.

A summary of Rainy River's operating results is provided below.

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
OPERATING INFORMATION				
Ore mined (thousands of tonnes)	**3,259**	3,117	**8,535**	14,514
Operating waste mined (thousands of tonnes)	**5,202**	5,736	**14,241**	26,232
Capitalized waste mined (thousands of tonnes)	**1,828**	3,110	**18,716**	13,108
Waste mined (thousands of tonnes)	**7,030**	8,846	**32,958**	39,340
Ratio of waste-to-ore	**2.19**	2.83	**3.91**	2.70
Ore processed (thousands of tonnes)	**2,045**	2,253	**8,602**	9,250
Average gold grade (grams/tonne)	**1.16**	1.03	**0.91**	0.88
Gold recovery rate (%)	**92**	92	**91**	89
Gold eq. (ounces) [(1)]:				
Produced [(3)]	**71,221**	70,500	**235,194**	242,961
Sold [(3)]	**68,392**	68,380	**233,788**	237,061
Gold (ounces)[(1)]:				
Produced [(3)]	**69,753**	68,356	**229,822**	234,469
Sold [(3)]	**66,992**	66,239	**228,565**	228,693
Gold Revenue ($/ounce)	**1,748**	1,796	**1,807**	1,797
Average gold realized price ($/ounce) [(2)]	**1,748**	1,796	**1,807**	1,797
Open pit net mining cost per operating tonne mined[(2)]	**4.03**	3.42	**3.93**	2.92
Processing cost per tonne processed[(2)]	**11.31**	9.36	**10.28**	8.31
G&A cost per tonne processed[(2)]	**4.68**	3.67	**4.10**	3.39
Operating expenses per gold eq. ounce sold ($/ounce)	**1,014**	897	**985**	955
Depreciation and depletion per gold eq. ounce	**559**	571	**634**	625
Total cash costs per gold eq. ounce sold[(2)]	**1,014**	897	**985**	955
All-in sustaining costs per gold eq. sold[(2)]	**1,467**	1,281	**1,605**	1,415
FINANCIAL INFORMATION				
Revenue	**119.5**	122.6	**421.7**	425.9
Revenue less cost of goods sold	**11.9**	22.2	**43.2**	51.4
Capital expenditures (sustaining capital) [(2)]	**26.2**	21.7	**127.1**	91.4
Capital expenditures (growth capital) [(2)]	**4.2**	2.3	**17.7**	11.6
Total mining interest capital expenditures	**30.4**	24.0	**144.8**	103.0
Cash generated from operations	**42.2**	67.7	**195.4**	184.9
Free cash flow [(2)]	**3.8**	35.5	**18.0**	46.0

Operating results

Production

Gold eq.[1] production for the three months ended December 31, 2022 was 71,221 ounces (69,753 ounces of gold and 110,133 ounces of silver), an increase over the prior-year period due to higher gold grade with the inclusion of higher grade underground tonnes, partially offset by lower tonnes processed. Full year gold eq.[1] production was 235,194 ounces (229,822 ounces of gold and 402,964 ounces of silver), a decrease over the prior year mainly due to lower tonnes processed. Full year gold eq.[1] production fell within the updated guidance range of 230,000 to 250,000 ounces.

The open pit mine averaged 110,536 tonnes per day during the three months ended December 31, 2022, a planned decrease compared to the prior-year period to minimize the amount of rehandling required to feed the mill, and to balance the congestion in the narrow, deeper portion of the pit. During the three months ended December 31, 2022, mining was primarily from the main ODM zone which will continue in 2023.

Tonnes milled per calendar day decreased over the prior-year periods due to increased mill maintenance and the processing of harder ore from the North lobe throughout the year.

Revenue

For the three months ended December 31, 2022, revenue decreased when compared to the prior-year period due largely to the lower average realized price. For the year ended December 31, 2022, revenue decreased when compared to the prior-year period due largely to lower sales volume.

Revenue less cost of goods sold

For the year and three months ended December 31, 2022, revenue less cost of goods sold decreased when compared to the prior-year period, primarily driven by lower revenue.

Operating expenses, depreciation and depletion, total cash costs, all-in sustaining costs, capital expenditures and free cash flow

Operating expense[4] per gold eq. ounce increased over the prior-year periods as inflation driven price increases were partially offset by a weakening of the Canadian dollar relative to the U.S. dollar. Full year operating expense per gold eq. ounce achieved the updated annual guidance range of $960 to $1,040 per gold eq. ounce.

Open pit net mining costs per operating tonne mined[2] increased over the prior-year periods due to a decrease in tonnes mined and an increase in diesel prices. Open pit net mining costs include the costs to rehandle stockpile. Diesel prices for the three months ended December 31, 2022 increased by approximately $0.35/litre from the prior-year period resulting in a $4 million ($0.40 per tonne mined, or $0.35 per tonne moved) impact on mining costs. For the year ended December 31, 2022, the increase in diesel prices resulted in a $16 million ($0.40 per tonne mined) impact on mining costs. These increases were partially offset by a reduction in diesel consumption in the current year periods.

Processing costs per tonne processed[2] for the year and three months ended December 31, 2022, increased over the prior-year periods due to a decrease in tonnes milled and inflation-driven price increases. The cost of electricity, cyanide and grinding media increased by approximately $1 million ($0.40 per tonne processed) for the three months ended December 31, 2022 and approximately $9 million ($1.05 per tonne processed) for the year ended December 31, 2022.

Depreciation and depletion per gold eq. ounce [10] for the year and three months ended December 31, 2022, was $634 and $559, respectively, which is consistent with the prior-year periods.

All-in sustaining costs[2] per gold eq. ounce for the three months ended increased over the prior-year periods primarily due to higher operating costs and higher sustaining capital. Full year all-in sustaining costs[2] per gold eq. ounce was slightly below the updated annual guidance range of $1,620 to $1,720 per gold eq. ounce.

Total capital and leases for the three months ended December 31, 2022 were $33 million and $154 million, respectively, an increase over the prior-year periods due to higher sustaining capitalized waste mining costs as a result of the higher strip ratio, and the continued development of the Intrepid underground zone. Sustaining capital[2] during the three months ended December 31, 2022 primarily related to capitalized waste as well as capital maintenance, and the advancement of the annual tailings dam raise. Growth capital[2] related to the development of the Intrepid underground zone.

Cash generated from operations for the three months ended December 31, 2022, decreased when compared to the prior-year period primarily due to negative movement in working capital and a decrease in revenue less cost of goods sold. Cash generated from operations for the year ended December 31, 2022, increased when compared to the prior-year period primarily due to a positive movement in working capital, offset by decrease in revenues.

Free cash flow[2] for the year and three months ended December 31, 2022 was $18.0 million and $3.8 million, respectively, (net of stream payments of $24.0 million and $5.7 million, respectively). The decrease for the year ended December 31, 2022 over the prior-year period is due to an increase in capital expenditures, partially offset by an increase in cash generated from operations. The decrease for the three months ended December 31, 2022 over the prior-year period is due to a decrease in cash generated from operations and an increase in capital expenditures.

Impact of foreign exchange on operations

Rainy River's operations are impacted by fluctuations in the value of the U.S. dollar relative to the Canadian dollar. For the three months ended December 31, 2022, the value of the U.S. dollar averaged $1.36 against the Canadian dollar, when compared to $1.26 against the Canadian dollar in the prior-year period. This reduced total cash costs[2] by $79 per gold eq. ounce [1] relative to the prior-year period.

For the year ended December 31, 2022, the value of the U.S. dollar averaged $1.30 against the Canadian dollar, when compared to $1.25 against the Canadian dollar in the prior-year period. This reduced total cash costs[2] by $37 per gold eq. ounce [1] relative to the prior-year period.

Exploration activities

During the three months ended December 31, 2022, the Company completed 1,354 meters of diamond drilling in four completed drill holes on a priority target south of the Rainy River Mine footprint. Additionally, the Company completed the planned reconnaissance field activities on the regional landholdings. Results of the work completed in 2022 are being compiled and analyzed.

New Afton Mine, British Columbia, Canada

The New Afton mine is located in South-Central British Columbia near Kamloops, a city of approximately 90,000 people.

A summary of New Afton's operating results is provided below.

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
OPERATING INFORMATION				
Ore mined (thousands of tonnes)	**620**	1,176	**2,060**	4,470
Operating waste mined (thousands of tonnes)	**—**	2	**62**	31
Capitalized waste mined (thousands of tonnes)	**114**	83	**434**	343
Waste mined (thousands of tonnes)	**114**	85	**496**	374
Ore processed (thousands of tonnes)	**638**	1,207	**3,323**	4,886
Average grade:				
Gold (grams/tonne)	**0.62**	0.41	**0.47**	0.41
Copper (%)	**0.57**	0.67	**0.51**	0.70
Recovery rate (%):				
Gold	**86**	81	**84**	81
Copper	**87**	80	**83**	81
Gold eq. (ounces)[(1)]:				
Produced [(3)]	**26,603**	41,074	**111,860**	175,972
Sold [(3)]	**26,769**	40,835	**109,051**	165,387
Gold (ounces)[(1)]:				
Produced [(3)]	**10,941**	12,716	**41,551**	52,452
Sold [(3)]	**11,514**	12,507	**40,582**	48,758
Copper (millions of pounds):				
Produced [(3)]	**6.9**	14.2	**31.1**	61.7
Sold [(3)]	**6.8**	14.2	**30.2**	58.4
Revenue				
Gold ($/ounce)	**1,668**	1,685	**1,699**	1,690
Copper ($/pound)	**3.53**	4.07	**3.70**	3.97
Average realized price [(2)]:				
Gold ($/ounce)	**1,766**	1,807	**1,808**	1,804
Copper ($/pound)	**3.74**	4.37	**3.94**	4.24
Underground net mining cost per operating tonne mined[(2)]	**24.91**	11.10	**26.80**	13.68
Processing cost per tonne processed[(2)]	**19.41**	10.93	**15.66**	10.67
G&A cost per tonne processed[(2)]	**7.24**	4.01	**5.70**	3.44
Operating expenses per gold eq. ounce sold ($/ounce)	**1,461**	938	**1,395**	912
Depreciation and depletion per gold eq. ounce	**527**	297	**434**	288
Total cash costs per gold eq. sold ($/ounce) [(2)]	**1,557**	1,079	**1,503**	1,042
All-in sustaining costs per gold eq. sold ($/ounce)[(2)]	**1,870**	1,330	**2,044**	1,385
FINANCIAL INFORMATION:				
Revenue	**43.3**	80.0	**182.7**	319.6
Revenue less cost of goods sold	**(9.9)**	29.5	**(16.9)**	121.1
Capital expenditures (sustaining capital) [(2)]	**7.9**	9.6	**56.5**	54.2
Capital expenditures (growth capital) [(2)]	**32.9**	24.6	**91.5**	90.1
Total mining interest capital expenditures	**40.8**	34.2	**148.0**	144.3
Cash generated from operations	**(0.7)**	44.5	**22.6**	165.1
Free cash flow [(2)]	**(41.4)**	10.3	**(137.9)**	15.9

Operating results

Production

Gold eq.[1] production for the three months ended December 31, 2022 was 26,603 ounces (10,941 ounces of gold and 6.9 million pounds of copper), and for the year ended December 31, 2022, gold eq.[1] production was 111,860 ounces (41,551 ounces of gold and 31.1 million pounds of copper). The decrease over the prior-year periods was due to lower tonnes mined and processed. Full year gold eq.[1] production fell within the updated guidance range of 95,000 to 115,000 ounces.

Underground tonnes mined per day decreased over the prior-year periods due to the planned completion of Lift 1 mining activities, as well as the earlier than planned closure of the low-grade higher cost recovery level zone in June. B3 production ramp-up continued on schedule during the three months ended December 31, 2022 with mining rates achieving the 2023 target of approximately 8,000 tonnes per day.

Tonnes milled per calendar day decreased over the prior-year periods, in-line with mining rates as planned.

Revenue

For the three months ended December 31, 2022, revenue decreased when compared to the prior-year period due to lower sales volume and lower average realized gold and copper prices. For the year ended December 31, 2022, revenue decreased when compared to the prior-year period due to lower sales volume and lower average realized copper prices.

Revenue less cost of goods sold

For the year and three months ended December 31, 2022, revenue less cost of goods sold decreased when compared to the prior-year periods, primarily due to lower revenues.

Operating expenses, depreciation and depletion, total cash costs, all-in sustaining costs, capital expenditures and free cash flow

Operating expense per gold eq. ounce increased over the prior-year periods, primarily due to lower sales volume. Full year operating expense per gold eq. ounce was below the updated guidance range of $1,485 to $1,565 per gold eq. ounce due to a weaker Canadian dollar relative to the U.S. dollar assumption used to set guidance.

Underground net mining costs per operating tonne mined[2] and processing costs per tonne processed[2] for the year and three months ended December 31, 2022, increased due to lower tonnes mined and milled and inflation-driven price increases. Diesel prices for the three months ended December 31, 2022 increased by approximately $0.54/litre from the prior-year period resulting in a $0.5 million ($0.70 per tonne mined) impact on mining costs. For the year ended December 31, 2022, diesel prices increased by approximately $0.48/litre from the prior-year period resulting in a $2 million ($0.70 per tonne mined) impact on mining costs.

Depreciation and depletion per gold eq. ounce [10] for the year and three months ended December 31, 2022, was $434 and $527, respectively, an increase when compared to the prior-year periods as a result of a higher asset base.

All-in sustaining costs[2] per gold eq. ounce increased over the prior-year periods, primarily due to lower sales volume, and higher sustaining capital spend for the year ended December 31, 2022. Full year all-in

sustaining costs[2] per gold eq. ounce was below the updated annual guidance range of $2,210 to $2,310 per gold eq. ounce due to a weaker Canadian dollar relative to the U.S. dollar assumption used to set guidance.

Total capital and leases for the three months ended December 31, 2022 were $41 million, and $148 million for the year ended December 31, 2022, relatively in-line with prior-year periods. Sustaining capital[2] for the three months ended December 31, 2022 primarily related to the completion of B3 mine development, and the continuation of tailings management and stabilization activities. Growth capital[2] for the three months ended December 31, 2022 primarily related to C-Zone development, which advanced 1,076 meters during the quarter.

Cash generated from operations for the year and three months ended December 31, 2022, decreased primarily due to lower revenue.

Free cash flow[2] for the year and three months ended December 31, 2022, was a net outflow of $137.9 and $41.4 million, respectively, a decrease over the prior-year periods due to a decrease in cash generated from operations and an increase in capital expenditures.

Impact of foreign exchange on operations

New Afton's operations are impacted by fluctuations in the value of the U.S. dollar against the Canadian dollar. For the three months ended December 31, 2022, the value of the U.S. dollar averaged $1.36 against the Canadian dollar, when compared to $1.26 against the Canadian dollar in the prior-year period. This reduced total cash costs[2] by $113 per gold eq. ounce [1] relative to the prior-year period.

For the year ended December 31, 2022, the value of the U.S. dollar averaged $1.30 relative to the Canadian dollar, when compared to $1.25 against the Canadian dollar in the prior-year period. This reduced total cash costs[2] by $52 per gold eq. oun ce[1] relative to the prior-year period.

Exploration activities

During the three months ended December 31, 2022, the Company completed 4,629 metres of diamond drilling in ten drill holes (nine completed and one in progress). Of these, 2,821 metres were completed from underground, 2,067 metres in four holes to explore for potential mineralization on the Artificial Intelligence North target area and 754 metres in four drill holes (three completed and one in progress) to assess the down plunge extension of the mineralization defined on the Upper East Extension target area. The remaining metres were completed from surface in two drill holes as reconnaissance exploration drilling in targets located within the broader New Afton district.

FINANCIAL CONDITION REVIEW

Balance Sheet Review

(in millions of U.S. dollars)	As at December 31 2022	As at December 31 2021
BALANCE SHEET INFORMATION		
Cash and cash equivalents	**200.8**	481.5
Other current assets	**176.7**	204.8
Non-current assets	**1,866.0**	1,790.5
Total assets	**2,243.5**	2,476.8
Current liabilities	**171.2**	172.9
Non-current liabilities excluding long-term debt	**717.9**	857.0
Long-term debt	**394.9**	491.0
Total liabilities	**1,284.0**	1,520.9
Total equity	**959.5**	955.9
Total liabilities and equity	**2,243.5**	2,476.8

Assets

Cash and cash equivalents

The decrease in cash and cash equivalents relative to December 31, 2021 was primarily driven by the repayment of the Company's $100.0 million aggregate principal amount of outstanding 2025 Unsecured Notes, interest payments, and development capital expenditure at New Afton.

Other current assets

Other current assets primarily consist of trade and other receivables, inventories, investments, and prepaid expenses. Other current assets decreased due to the collection of the $12.8 million tax refund related to the 2018 Mesquite Mine sale, a decrease in trade receivables, and a decrease in the value of investments.

Non-current assets

Non-current assets primarily consist of mining interests, which include the Company’s mining properties, development projects and property, plant and equipment. The increase relative to December 31, 2021 is primarily attributable to the Company's investments in its mining interests.

Current liabilities

Current liabilities primarily consist of trade and other payables and are consistent with those at December 31, 2021.

Non-current liabilities excluding long-term debt

Non-current liabilities excluding long-term debt consist primarily of reclamation and closure cost obligations, non-current derivative obligations and deferred tax liabilities.

The Company's gold stream obligation has decreased from December 31, 2021, primarily due to cash settlements and higher market observable discount rates in the period.

The Company's free cash flow interest obligation has decreased from December 31, 2021, due to cash settlements and higher market observable discount rates in the period.

The Company's asset retirement obligations consist of reclamation and closure costs for Rainy River, New Afton and CSP. Significant reclamation and closure activities include land rehabilitation, demolition of buildings and mine facilities, ongoing monitoring, and other costs. The long-term discounted portion of the liability as at December 31, 2022 was $119.5 million relative to $154.6 million as at December 31, 2021. The decrease was primarily driven by higher discount rates applied to the liabilities.

The deferred income tax liability decreased from $69.6 million as at December 31, 2021 to $66.8 million at December 31, 2022. The decrease in deferred income tax liability was primarily driven by lower revenues partially offset by foreign exchange movements.

Long-term debt and other financial liabilities containing financial covenants

Long-term debt includes the unsecured notes and the Company's revolving credit facility.

In May 2022, the Company redeemed the $100.0 million principal amount of its outstanding senior unsecured notes due May 15, 2025 ("2025 Unsecured Notes"). The redemption was funded with cash on hand. The Company recognized a loss on repayment of long-term debt of $4.3 million, primarily comprised of the early redemption premium paid and the de-recognition of deferred financing charges associated with the 2025 Unsecured Notes.

As at December 31, 2022, the Company has $400.0 million of senior unsecured notes outstanding that mature and become due and payable on July 15, 2027 ("2027 Unsecured Notes"). The 2027 Unsecured Notes are denominated in U.S. dollars and bear interest at the rate of 7.50% per annum. Interest is payable in arrears in equal semi-annual installments on January 15 and July 15 of each year.

The 2027 Unsecured Notes are subject to a minimum interest coverage incurrence covenant of earnings before interest, taxes, depreciation, amortization, impairment, and other non-cash adjustments to interest of 2:1.

The Company holds a revolving credit facility (the "Credit Facility") with a maturity date of December 22, 2025 and a borrowing limit of $400.0 million.

The Credit Facility contains various covenants customary for a loan facility of this nature, including limits on indebtedness, asset sales, and liens. The Credit Facility contains the following three covenant tests, all of which are measured on a rolling four-quarter basis at the end of every quarter:

- The minimum interest coverage ratio, being earnings before interest, taxes, depreciation, amortization, exploration, impairment, and other non-cash adjustments ("Adjusted EBITDA") to interest;
- The maximum net debt to Adjusted EBITDA ratio ("Leverage Ratio"); and
- The maximum gross secured debt to Adjusted EBITDA ("Secured Leverage Ratio").

Significant financial covenants are as follows:

		Twelve months ended December 31	Twelve months ended December 31
	Financial covenant	2022	2021
FINANCIAL COVENANTS			
Minimum interest coverage ratio (Adjusted EBITDA to interest)	>3.0:1.0	**4.5 : 1**	7.2 : 1
Maximum Leverage Ratio (net debt to Adjusted EBITDA)	<4.5:1.0	**2.1 : 1**	0.6 : 1
Maximum Secured Leverage Ratio (secured debt to Adjusted EBITDA)	<2.0:1.0	**0.2 : 1**	0.1 : 1

Liquidity and Cash Flow

As at December 31, 2022, the Company had cash and cash equivalents of $200.8 million compared to $481.5 million as at December 31, 2021. The Company's investment policy is to invest its surplus funds in permitted investments consisting of treasury bills, bonds, notes and other evidences of indebtedness of Canada, the U.S. or any of the Canadian provinces with a minimum credit rating of R-1 mid from DBRS or an equivalent rating from Standard & Poor's or Moody's and with maturities of 12 months or less at the original date of acquisition. In addition, the Company is permitted to invest in bankers' acceptances and other evidences of indebtedness of certain financial institutions. All investments must have a maximum term to maturity of 12 months and the average term will generally range from seven days to 90 days. As per the investment policy, the Company is not permitted to make investments in asset-backed commercial paper.

The Company's investments in marketable equity securities are exposed to various risk factors including currency risk, market price risk and liquidity risk.

The Company's liquidity is impacted by several factors which include, but are not limited to, gold and copper production, gold and copper market prices, capital expenditures, operating costs, interest rates and foreign exchange rates. These factors are monitored by the Company on a regular basis and will continue to be reviewed.

The Company's cash flows from operating, investing and financing activities, as presented in the consolidated statements of cash flows, are summarized in the following table for the year and three months ended December 31, 2022 and 2021:

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	2022	2021	2022	2021
CASH FLOW INFORMATION				
Cash generated from operating activities	**31.9**	105.7	**190.7**	323.7
Cash (used in) generated from investing activities	**(69.5)**	240.9	**(281.9)**	57.4
Cash used in financing activities	**(9.3)**	(15.7)	**(185.0)**	(86.5)
Effect of exchange rate changes on cash and cash equivalents	**0.7**	(0.3)	**(4.5)**	0.6
Change in cash and cash equivalents	**(46.2)**	330.6	**(280.7)**	295.2

Operating Activities

For the year ended December 31, 2022, the decrease in cash generated from operating activities was due to lower revenue, partially offset by positive working capital movements. For the three months ended December 31, 2022, the decrease in cash generated from operating activities was primarily due to lower revenue and negative working capital movements.

The cash generated by operations is highly dependent on metal prices, including gold and copper, as well as other factors, including the Canadian/U.S. dollar exchange rate.

Investing Activities

Cash used in investing activities is primarily for the continued capital investment in the Company's operating mines and development projects. Cash generated from investing activities for the year and three months ended December 31, 2022 includes $12.8 million of tax proceeds collected from the 2018 sale of the Mesquite Mine, and in the prior-year period, $300 million was generated from the sale of the Blackwater gold stream to Wheaton Precious Metals Corp.

The following table summarizes the capital expenditures (mining interests per the consolidated statement of cash flows) for the year and three months ended December 31, 2022:

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**	**2022**	**2021**
CAPITAL EXPENDITURES BY SITE				
Rainy River	**30.4**	24.0	**144.8**	102.9
New Afton	**40.9**	34.1	**148.0**	144.3
Other	**—**	—	**0.1**	0.1
Capital expenditures	**71.3**	58.1	**292.9**	247.3

Financing Activities

For the year and three months ended December 31, 2022, cash used in financing activities was $185.0 million and $9.3 million, respectively. For the year ended December 31, 2022, the change was primarily driven by the redemption of the $100.0 million principal amount of the 2025 Unsecured Notes in Q2 2022. For the three months ended December 31, 2022, the change was primarily driven by a decrease in the amount of interest paid compared to the prior-year period due to the debt repayment earlier in the year.

The Company's cash balance as at December 31, 2022 of $200.8 million, together with $372.5 million available for drawdown under the Credit Facility as at December 31, 2022, provided the Company with $573.3 million of liquidity.

The Company is expecting to continue to advance the C-Zone development at New Afton resulting in significant capital expenditures. Assuming the stability of prevailing commodity prices and exchange rates, and operations performing in accordance with mine plans, the Company believes it has adequate liquidity to implement its near-term operational plan and will be able to repay future indebtedness from a combination of internally generated cash flow and financing activities. Additionally, the Company has a strong liquidity position, which management expects to be more than adequate to fund its business objectives.

Commitments

The Company has entered into a number of contractual commitments for capital items relating to operations and development. At December 31, 2022, these commitments totaled $64.0 million. This compares to commitments of $48.3 million as at December 31, 2021. Certain contractual commitments may contain cancellation clauses; however, the Company discloses its commitments based on management's intent to fulfill the contracts.

Contingencies

In assessing the loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company and its legal counsel evaluate the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought. If the assessment of a contingency suggests that a loss is probable, and the amount can easily be estimated, then a loss is recorded. When a contingent loss is not probable but is reasonably possible, or is probable but the amount of the loss cannot be reliably estimated, then details of the contingent loss are disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the Company discloses the nature of the guarantees. If the Company is unable to resolve these disputes favourably, it may have a material adverse impact on its financial condition, cash flow and results of operations. As at December 31, 2022, there were no contingent losses recorded.

Related Party Transactions

The Company did not enter into any reportable related party transactions during the year ended December 31, 2022.

Off-Balance Sheet Arrangements

The Company did not have any off-balance sheet arrangements during the year ended December 31, 2022.

Outstanding Shares

As at February 15, 2023, there were 682.8 million common shares of the Company issued and outstanding. The Company had 4.8 million stock options outstanding under its share option plan, exercisable for up to an additional 4.8 million common shares.

NON-GAAP FINANCIAL PERFORMANCE MEASURES

The Company has included certain non-GAAP financial performance measures in this MD&A. These measures are not defined under IFRS and should not be considered in isolation. In 2022, the Company has disclosed “total cash costs", "all-in sustaining costs" or "AISC", "adjusted net earnings/(loss)", "adjusted tax expense", "sustaining capital and sustaining leases”, “growth capital”, “average realized gold/copper price per ounce/pound”, "open pit net mining cost per operating tonne mined", "underground net mining costs per operating tonne mined", "processing costs per tonne processed", "G&A costs per tonne", "cash generated from operations, before changes in non-cash operating working capital" and "free cash flow" as non-GAAP financial performance measures. The Company believes that these measures, together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company.

Total Cash Costs per Gold Equivalent Ounce

“Total cash costs per gold equivalent ounce” is a non-GAAP financial performance measure that is a common financial performance measure in the gold mining industry but does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. New Gold reports total cash costs on a sales basis and not on a production basis. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, this measure, along with sales, is a key indicator of the Company’s ability to generate operating earnings and cash flow from its mining operations. This measure allows investors to better evaluate corporate performance and the Company's ability to generate liquidity through operating cash flow to fund future capital exploration and working capital needs.

This measure is intended to provide additional information only and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. This measure is not necessarily indicative of cash generated from operations under IFRS or operating costs presented under IFRS.

Total cash cost figures are calculated in accordance with a standard developed by The Gold Institute, a worldwide association of suppliers of gold and gold products that ceased operations in 2002. Adoption of the standard is voluntary and the cost measures presented may not be comparable to other similarly titled measures of other companies. Total cash costs include mine site operating costs such as mining, processing and administration costs, royalties, and production taxes, but are exclusive of amortization, reclamation, capital and exploration costs. Total cash costs are then divided by gold equivalent ounces sold to arrive at the total cash costs per equivalent ounce sold.

In addition to gold, the Company produces copper and silver. Gold equivalent ounces of copper and silver produced or sold in a quarter are computed using a consistent ratio of copper and silver prices to the gold price and multiplying this ratio by the pounds of copper and silver ounces produced or sold during that quarter.

Notwithstanding the impact of copper and silver sales, as the Company is focused on gold production, New Gold aims to assess the economic results of its operations in relation to gold, which is the primary driver of New Gold’s business. New Gold believes this metric is of interest to its investors, who invest in the Company primarily as a gold mining business. To determine the relevant costs associated with gold

equivalent ounces, New Gold believes it is appropriate to reflect all operating costs incurred in its operations.

Sustaining Capital and Sustaining Lease

"Sustaining capital" and "sustaining lease" are non-GAAP financial performance measures that do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. New Gold defines "sustaining capital" as net capital expenditures that are intended to maintain operation of its gold producing assets. Similarly, a "sustaining lease" is a lease payment that is sustaining in nature. To determine "sustaining capital" expenditures, New Gold uses cash flow related to mining interests from its consolidated statement of cash flows and deducts any expenditures that are capital expenditures to develop new operations or capital expenditures related to major projects at existing operations where these projects will materially increase production. Management uses "sustaining capital" and "sustaining lease" to understand the aggregate net result of the drivers of all-in sustaining costs other than total cash costs. These measures are intended to provide additional information only and should not be considered in isolation or as substitutes for measures of performance prepared in accordance with IFRS.

Growth Capital

"Growth capital" is a non-GAAP financial performance measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. New Gold considers non-sustaining capital costs to be “growth capital”, which are capital expenditures to develop new operations or capital expenditures related to major projects at existing operations where these projects will materially increase production. To determine "growth capital" expenditures, New Gold uses cash flow related to mining interests from its consolidated statement of cash flows and deducts any expenditures that are capital expenditures that are intended to maintain operation of its gold producing assets. Management uses "growth capital" to understand the cost to develop new operations or related to major projects at existing operations where these projects will materially increase production. This measure is intended to provide additional information only and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

All-in Sustaining Costs per Gold Equivalent Ounce

“All-in sustaining costs per gold equivalent ounce” is a non-GAAP financial performance measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. New Gold calculates "all-in sustaining costs per gold equivalent ounce" based on guidance announced by the World Gold Council (“WGC”) in September 2013. The WGC is a non-profit association of the world’s leading gold mining companies established in 1987 to promote the use of gold to industry, consumers and investors. The WGC is not a regulatory body and does not have the authority to develop accounting standards or disclosure requirements. The WGC has worked with its member companies to develop a measure that expands on IFRS measures to provide visibility into the economics of a gold mining company. Current IFRS measures used in the gold industry, such as operating expenses, do not capture all of the expenditures incurred to discover, develop and sustain gold production. New Gold believes that "all-in sustaining costs per gold equivalent ounce" provides further transparency into costs associated with producing gold and will assist analysts, investors, and other stakeholders of the Company in assessing its operating performance, its ability to generate free cash flow from current operations and its overall value. In addition, the Human Resources and Compensation

Committee of the Board of Directors uses "all-in sustaining costs", together with other measures, in its Company scorecard to set incentive compensation goals and assess performance.

"All-in sustaining costs per gold equivalent ounce" is intended to provide additional information only and does not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other mining companies. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The measure is not necessarily indicative of cash flow from operations under IFRS or operating costs presented under IFRS.

New Gold defines "all-in sustaining costs per gold equivalent ounce" as the sum of total cash costs, capital expenditures that are sustaining in nature, corporate general and administrative costs, capitalized and expensed exploration that is sustaining in nature, lease payments that are sustaining in nature, and environmental reclamation costs, all divided by the total gold equivalent ounces sold to arrive at a per ounce figure. The “Sustaining Capital Expenditure Reconciliation” table below reconciles New Gold’s sustaining capital to its cash flow statement. The definition of sustaining versus non-sustaining is similarly applied to capitalized and expensed exploration costs and lease payments. Exploration costs and lease payments to develop new operations or that relate to major projects at existing operations where these projects are expected to materially increase production are classified as non-sustaining and are excluded. Gold equivalent ounces of copper and silver produced or sold in a quarter are computed using a consistent ratio of copper and silver prices to the gold price and multiplying this ratio by the pounds of copper and silver ounces produced or sold during that quarter.

Costs excluded from all-in sustaining costs are non-sustaining capital expenditures, non-sustaining lease payments and exploration costs, financing costs, tax expense, and transaction costs associated with mergers, acquisitions and divestitures, and any items that are deducted for the purposes of adjusted earnings.

Cash Costs and All-in Sustaining Costs per Gold Equivalent Ounce Reconciliation Tables

The following tables reconcile each of the non-GAAP financial performance measures described above to the most directly comparable IFRS measure on an aggregate and mine-by-mine basis.

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
CONSOLIDATED OPEX, CASH COST AND AISC RECONCILIATION				
Operating expenses	**108.5**	99.6	**382.7**	377.3
Gold equivalent ounces sold[1]	**95,161**	109,214	**342,839**	402,449
Operating expenses per gold equivalent ounce sold ($/ounce)[10]	**1,140**	912	**1,116**	938
Operating expenses	**108.5**	99.6	**382.7**	377.3
Treatment and refining charges on concentrate sales	**2.6**	5.8	**11.7**	21.5
Total cash costs	**111.0**	105.4	**394.2**	398.8
Gold equivalent ounces sold[1]	**95,161**	109,214	**342,839**	402,449
Total cash costs per gold equivalent ounce sold ($/ounce)	**1,167**	965	**1,150**	991
Sustaining capital expenditures[2][5][7]	**34.2**	30.7	**182.9**	144.2
Sustaining exploration - expensed[2]	**—**	—	**0.5**	0.8
Sustaining leases[2]	**2.9**	2.4	**10.8**	10.4
Corporate G&A including share-based compensation[6]	**7.6**	5.9	**23.3**	22.8
Reclamation expenses	**3.0**	3.6	**11.5**	11.6
Total all-in sustaining costs	**158.8**	148.0	**623.2**	588.6
Gold equivalent ounces sold[1]	**95,161**	109,214	**342,839**	402,449
All-in sustaining costs per gold equivalent ounce sold ($/ounce)	**1,668**	1,355	**1,818**	1,463

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
RAINY RIVER OPEX, CASH COSTS AND AISC RECONCILIATION				
Operating expenses	**69.4**	61.3	**230.4**	226.5
Gold equivalent ounces sold [1]	**68,392**	68,380	**233,788**	237,061
Operating expenses per unit of gold sold ($/ounce)	**1,014**	897	**985**	955
Operating expenses	**69.4**	61.3	**230.4**	226.5
Total cash costs	**69.4**	61.3	**230.4**	226.5
Gold equivalent ounces sold [1]	**68,392**	68,380	**233,788**	237,061
Total cash costs per gold equivalent ounce sold ($/ounce)	**1,014**	897	**985**	955
Sustaining capital expenditures[2][5][7]	**26.2**	21.1	**126.3**	90.5
Sustaining leases[2]	**2.3**	2.3	**9.4**	9.5
Reclamation expenses	**2.5**	2.8	**9.2**	8.9
Total all-in sustaining costs	**100.3**	87.6	**375.2**	335.5
Gold equivalent ounces sold [1]	**68,392**	68,380	**233,788**	237,061
All-in sustaining costs per gold equivalent ounce sold ($/ounce)	**1,467**	1,281	**1,605**	1,415

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
NEW AFTON OPEX, CASH COSTS AND AISC RECONCILIATION				
Operating expenses	**39.1**	38.3	**152.3**	150.8
Gold equivalent ounces sold [1]	**26,769**	40,835	**109,051**	165,387
Operating expenses per unit of gold sold ($/ounce)	**1,461**	938	**1,395**	912
Operating expenses	**39.1**	38.3	**152.3**	150.8
Treatment and refining charges on concentrate sales	**2.6**	5.8	**11.7**	21.5
Total cash costs	**41.7**	44.1	**164.0**	172.3
Gold equivalent ounces sold [1]	**26,769**	40,835	**109,051**	165,387
Total cash costs per gold equivalent ounce sold ($/ounce)	**1,557**	1,079	**1,503**	1,042
Sustaining capital expenditures[2][5][7]	**7.9**	9.5	**56.4**	53.7
Sustaining leases[2]	**—**	—	**0.3**	0.3
Reclamation expenses	**0.5**	0.7	**2.3**	2.6
Total all-in sustaining costs	**50.1**	54.3	**223.0**	229.0
Gold equivalent ounces sold [1]	**26,769**	40,835	**109,051**	165,387
All-in sustaining costs per gold equivalent ounce sold ($/ounce)	**1,870**	1,330	**2,044**	1,385

Sustaining Capital Expenditures Reconciliation Table

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
TOTAL SUSTAINING CAPITAL EXPENDITURES				
Mining interests per consolidated statement of cash flows	**(71.3)**	58.1	**(292.9)**	247.3
New Afton growth capital expenditures[8]	**(32.9)**	(24.6)	**(91.5)**	(90.1)
Rainy River growth capital expenditures[8]	**(4.2)**	(2.2)	**(17.7)**	(11.6)
Sustaining capital expenditures	**(34.2)**	31.3	**(183.7)**	145.6

Open Pit Net Mining Cost per Operating Tonne Mined, Underground Net Mining Costs per Operating Tonne Mined, Processing Costs per Tonne Processed and G&A Cost per Tonne Processed

“Open pit net mining cost per operating tonne mined,” “underground net mining costs per operating tonne mined,” “processing costs per tonne processed” and “G&A cost per tonne processed” are non-GAAP financial performance measures with no standard meaning under IFRS. "Open pit net mining cost per operating tonne mined", "underground net mining costs per operating tonne mined", "processing costs per tonne processed", and "G&A costs per tonne processed" are defined as operating expenses less change in inventories, selling costs, royalties and other non production costs, as these costs are not directly related to tonnes mined or milled, and then dividing the residual respective mining, processing or G&A costs by tonnage of ore mined or processed. New Gold believes these non-GAAP financial performance measures provide further transparency and assists analysts, investors and other stakeholders of the Company in assessing the performance of mining operations by eliminating the impact of varying production levels. These measures do not have standardized meanings under IFRS and may not be comparable to similar measures presented by other mining companies. They should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following tables reconcile these non-GAAP measures to the most directly comparable IFRS measures on an aggregate and mine-by-mine basis.

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
RAINY RIVER COST PER TONNE				
Operating expenses	**69.4**	61.3	**230.4**	226.5
Change in inventory, selling costs and royalties and other	**(2.9)**	(1.6)	**(17.7)**	0.6
Production costs	**66.5**	59.7	**212.7**	227.1
Mining costs	**33.8**	30.3	**89.0**	118.9
Processing costs	**23.1**	21.1	**88.4**	76.9
Site G&A costs	**9.6**	8.3	**35.3**	31.3
Ore and operating waste tonnes mined (thousands of tonnes)	**8,392**	8,853	**22,624**	40,728
Ore processed (thousands of tonnes)	**2,045**	2,253	**8,602**	9,250
Open pit net mining cost per operating tonne mined ($/tonne)	**4.03**	3.42	**3.93**	2.92
Processing costs per tonne processed ($/tonne)	**11.31**	9.36	**10.28**	8.31
G&A cost per tonne processed ($/tonne)	**4.68**	3.67	**4.10**	3.39

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
NEW AFTON COST PER TONNE				
Operating expenses	**39.1**	38.3	**152.3**	150.8
Change in inventory, ore purchase costs, selling costs and royalties and other	**(6.7)**	(7.2)	**(24.3)**	(20.4)
Production costs	**32.4**	31.1	**128.0**	130.4
Mining costs	**15.4**	13.1	**56.9**	61.6
Processing costs	**12.4**	13.2	**52.0**	52.1
Site G&A costs	**4.6**	4.8	**18.9**	16.8
Ore and operating waste tonnes mined (thousands of tonnes)	**620**	1,178	**2,122**	4,501
Ore processed (thousands of tonnes)	**638**	1,207	**3,323**	4,886
Underground net mining costs per operating tonne mined ($/tonne)	**24.91**	11.10	**26.80**	13.68
Processing costs per tonne processed ($/tonne)	**19.41**	10.93	**15.66**	10.67
G&A cost per tonne processed ($/tonne)	**7.24**	4.01	**5.70**	3.44

Adjusted Net Earnings and Adjusted Net Earnings per Share

“Adjusted net earnings” and “adjusted net earnings per share” are non-GAAP financial performance measures that do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. "Adjusted net earnings" and "adjusted net earnings per share" excludes "loss on repayment of long-term debt", "corporate restructuring" and “other gains and losses” as per Note 4 of the Company’s consolidated financial statements.

Net earnings have been adjusted, including the associated tax impact, for loss on repayment of long-term debt and the group of costs in “Other gains and losses” on the condensed consolidated income statements. Key entries in this grouping are: the fair value changes for the gold stream obligation, fair value changes for the free cash flow interest obligation, fair value changes for copper price option contracts, foreign exchange gains/loss, fair value changes in investments and gain on disposal of the Blackwater stream and Blackwater project. The income tax adjustments reflect the tax impact of the above adjustments and is referred to as "adjusted tax expense".

The Company uses "adjusted net earnings" for its own internal purposes. Management’s internal budgets and forecasts and public guidance do not reflect the items which have been excluded from the determination of "adjusted net earnings". Consequently, the presentation of "adjusted net earnings" enables investors to better understand the underlying operating performance of the Company's core mining business through the eyes of management. Management periodically evaluates the components of "adjusted net earnings" based on an internal assessment of performance measures that are useful for evaluating the operating performance of New Gold's business and a review of the non-GAAP financial performance measures used by mining industry analysts and other mining companies. "Adjusted net earnings" and "adjusted net earnings per share" are intended to provide additional information only and should not be considered in isolation or as substitutes for measures of performance prepared in accordance with IFRS. These measures are not necessarily indicative of operating profit or cash flows from operations as determined under IFRS. The following table reconciles these non-GAAP financial performance measures to the most directly comparable IFRS measure.

	Three months ended December 31			Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**	**2020**
ADJUSTED NET (LOSS) EARNINGS RECONCILIATION					
(Loss) income before taxes	**(5.7)**	156.8	**(65.4)**	160.3	(75.0)
Other losses (gains)[9]	**(7.3)**	(123.6)	**25.7**	(57.5)	78.3
Loss on repayment of long-term debt	**—**	—	**4.3**	—	23.3
Corporate restructuring	**2.1**	—	**2.1**	—	—
Adjusted net (loss) earnings before taxes	**(10.9)**	33.2	**(33.3)**	102.8	26.6
Income tax expense	**(11.2)**	(5.9)	**(1.4)**	(19.7)	(4.3)
Income tax adjustments	**15.8**	(2.6)	**8.6**	(0.2)	(3.1)
Adjusted income tax recovery (expense)[2]	**4.6**	(8.5)	**7.2**	(19.9)	(7.4)
Adjusted net (loss) earnings	**(6.3)**	24.7	**(26.1)**	82.9	19.2
Adjusted net (loss) earnings per share (basic and diluted) ($/share)	**(0.01)**	0.04	**(0.04)**	0.12	0.03

Cash Generated from Operations, before Changes in Non-Cash Operating Working Capital

“Cash generated from operations, before changes in non-cash operating working capital” is a non-GAAP financial performance measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Other companies may calculate this measure differently and this measure is unlikely to be comparable to similar measures presented by other companies. "Cash generated from operations, before changes in non-cash operating working capital" excludes changes in non-cash operating working capital. New Gold believes this non-GAAP financial measure provides further transparency and assists analysts, investors and other stakeholders of the Company in assessing the Company’s ability to generate cash from its operations before temporary working capital changes.

Cash generated from operations, before non-cash changes in working capital is intended to provide additional information only and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. This measure is not necessarily indicative of operating profit or cash flows from operations as determined under IFRS. The following table reconciles this non-GAAP financial performance measure to the most directly comparable IFRS measure.

	Three months ended December 31			Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**	**2022**	**2021**	**2020**
CASH RECONCILIATION					
Cash generated from operations	**31.9**	105.7	**190.7**	323.7	294.8
Change in non-cash operating working capital	**12.4**	(12.8)	**(9.1)**	(1.0)	(16.2)
Cash generated from operations, before changes in non-cash operating working capital	**44.3**	92.9	**181.6**	322.7	278.6

Free Cash Flow

“Free cash flow” is a non-GAAP financial performance measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. New Gold defines "free cash flow" as cash generated from operations and proceeds of sale of other assets less capital expenditures on mining interests, lease payments, settlement of non-current derivative financial liabilities which include the gold stream obligation and the Ontario Teachers’ Pension Plan free cash flow interest. New Gold believes this non-GAAP financial performance measure provides further transparency and assists analysts, investors and other stakeholders of the Company in assessing the Company's ability to generate cash flow from current operations. "Free cash flow" is intended to provide additional information only and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. This measure is not necessarily indicative of operating profit or cash flows from operations as determined under IFRS. The following tables reconcile this non-GAAP financial performance measure to the most directly comparable IFRS measure on an aggregate and mine-by-mine basis.

	Three months ended December 31, 2022			
(in millions of U.S. dollars)	**Rainy River**	**New Afton**	**Other**	**Total**
FREE CASH FLOW RECONCILIATION				
Cash generated from operations	**42.2**	**(0.7)**	**(9.6)**	**31.9**
Less Mining interest capital expenditures	**(30.4)**	**(40.7)**	**(0.2)**	**(71.3)**
Add Proceeds of sale from other assets	**—**	**—**	**—**	**—**
Less Lease payments	**(2.3)**	**—**	**(0.3)**	**(2.6)**
Less Cash settlement of non-current derivative financial liabilities	**(5.7)**	**—**	**—**	**(5.7)**
Free Cash Flow	**3.8**	**(41.4)**	**(10.1)**	**(47.7)**

	Three months ended December 31, 2021			
(in millions of U.S. dollars)	**Rainy River**	**New Afton**	**Other**	**Total**
FREE CASH FLOW RECONCILIATION				
Cash generated from operations	67.7	44.5	(6.5)	105.7
Less Mining interest capital expenditures	(24.0)	(34.3)	0.2	(58.1)
Add Proceeds of sale from other assets	0.6	—	—	0.6
Less Lease payments	(2.3)	0.1	(0.2)	(2.4)
Less Cash settlement of non-current derivative financial liabilities	(6.5)	—	—	(6.5)
Free Cash Flow	35.5	10.3	(6.5)	39.3

	Year ended December 31, 2022			
(in millions of U.S. dollars)	**Rainy River**	**New Afton**	**Other**	**Total**
FREE CASH FLOW RECONCILIATION				
Cash generated from operations	**195.4**	**22.6**	**(27.3)**	**190.7**
Less Mining interest capital expenditures	**(144.8)**	**(147.9)**	**(0.3)**	**(292.9)**
Add Proceeds of sale from other assets	**0.8**	**0.1**	**—**	**0.9**
Less Lease payments	**(9.4)**	**(0.3)**	**(0.6)**	**(10.3)**
Less Cash settlement of non-current derivative financial liabilities	**(24.0)**	**(12.4)**	**—**	**(36.4)**
Free Cash Flow	**18.0**	**(137.9)**	**(28.1)**	**(148.0)**

	Year ended December 31, 2021			
(in millions of U.S. dollars)	**Rainy River**	**New Afton**	**Other**	**Total**
FREE CASH FLOW RECONCILIATION				
Cash generated from operations	184.9	165.1	(26.3)	323.7
Less Mining interest capital expenditures	(103.0)	(144.4)	0.1	(247.3)
Add Proceeds of sale from other assets	0.9	0.5	—	1.4
Less Lease payments	(9.5)	(0.3)	(0.6)	(10.4)
Less Cash settlement of non-current derivative financial liabilities	(27.3)	(5.0)	—	(32.3)
Free Cash Flow	46.0	15.9	(26.8)	35.1

Average Realized Price

"Average realized price per ounce of gold sold" is a non-GAAP financial performance measure that does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Other companies may calculate this measure differently and this measure is unlikely to be comparable to similar measures presented by other companies. Management uses this measure to better understand the price realized in each reporting period for gold sales. "Average realized price per ounce of gold sold" is intended to provide additional information only and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following tables reconcile this non-GAAP financial performance measure to the most directly comparable IFRS measure on an aggregate and mine-by-mine basis.

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
TOTAL AVERAGE REALIZED PRICE				
Revenue from gold sales	**136.3**	139.9	**482.2**	492.6
Treatment and refining charges on gold concentrate sales	**1.1**	1.5	**4.4**	5.6
Gross revenue from gold sales	**137.4**	141.4	**486.6**	498.2
Gold ounces sold	**78,507**	78,745	**269,147**	277,451
Total average realized price per gold ounce sold ($/ounce)	**1,751**	1,798	**1,808**	1,798

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
RAINY RIVER AVERAGE REALIZED PRICE				
Revenue from gold sales	**117.1**	119.0	**413.1**	410.9
Gold ounces sold	**66,992**	66,239	**228,565**	228,693
Rainy River average realized price per gold ounce sold ($/ounce)	**1,748**	1,796	**1,807**	1,797

	Three months ended December 31		Year ended December 31	
(in millions of U.S. dollars, except where noted)	**2022**	**2021**	**2022**	**2021**
NEW AFTON AVERAGE REALIZED PRICE				
Revenue from gold sales	**19.2**	20.9	**69.1**	81.7
Treatment and refining charges on gold concentrate sales	**1.1**	1.5	**4.4**	5.5
Gross revenue from gold sales	**20.3**	22.4	**73.5**	87.2
Gold ounces sold	**11,514**	12,507	**40,582**	48,758
New Afton average realized price per gold ounce sold ($/ounce)	**1,766**	1,807	**1,808**	1,804

ENTERPRISE RISK MANAGEMENT AND RISK FACTORS

The Company is subject to various financial and other risks that could materially adversely affect the Company's future business, operations and financial condition. For a comprehensive discussion of these and other risks facing the Company, please refer to the section entitled "Risk Factors" in the Company's most recent Annual Information Form filed on SEDAR at www.sedar.com.

Financial Risk Management

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, market risk and other price risks. Where material, these risks are reviewed and monitored by the Board of Directors. The Company determines the fair value of its financial instruments as outlined in Note 21 of the consolidated financial statements.

(a) Credit risk

Credit risk is the risk of an unexpected loss if a party to the Company's financial instruments fails to meet its contractual obligations. The Company's financial assets are primarily composed of cash and cash equivalents, and trade and other receivables. Credit risk is primarily associated with trade and other receivables; however, it also arises on cash and cash equivalents, gold and copper price options, foreign exchange forward contracts, and fuel hedge swap contracts. To mitigate exposure to credit risk, the Company has established policies to limit the concentration of credit risk, to ensure counterparties demonstrate minimum acceptable credit worthiness, and to ensure liquidity of available funds.

The Company closely monitors its financial assets and does not have any significant concentration of credit risk. The Company sells its gold exclusively to large international organizations with strong credit ratings. The historical level of customer defaults is minimal and, as a result, the credit risk associated with gold and copper concentrate trade receivables at December 31, 2022 is not considered to be high.

The Company's maximum exposure to credit risk is as follows:

	Year ended December 31	
(in millions of U.S. dollars)	**2022**	**2021**
CREDIT RISK EXPOSURE		
Cash and cash equivalents	**200.8**	481.5
Trade and other receivables	**14.1**	26.4
Total financial instrument exposure to credit risk	**214.9**	507.9

A significant portion of the Company's cash and cash equivalents is held in large Canadian financial institutions. Short-term investments (including those presented as part of cash and cash equivalents) are composed of financial instruments issued by Canadian banks with high investment-grade ratings and the governments of Canada and the U.S.

The Company employs a restrictive investment policy as detailed in the "capital risk management" section of the consolidated financial statements, which is described in Note 19.

The aging of trade and other receivables is as follows:

	As at December 31						
(in millions of U.S. dollars)	0-30 days	31-60 days	61-90 days	91-120 days	Over 120 days	2022 Total	2021 Total
AGING TRADE AND OTHER RECEIVABLES							
Rainy River	8.0	—	—	—	—	**8.0**	3.5
New Afton	2.6	1.6	—	(0.5)	—	**3.7**	6.1
Cerro San Pedro	1.3	—	—	—	—	**1.3**	2.5
Corporate[1]	1.1	—	—	—	—	**1.1**	14.3
Total trade and other receivables	13.0	1.6	—	(0.5)	—	**14.1**	26.4

The Company sells its gold and copper concentrate production from New Afton to four different customers under off-take contracts.

The Company is not economically dependent on a limited number of customers for the sale of its gold and other metals because gold and other metals can be sold through numerous commodity market traders worldwide.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage, as outlined in Note 19 of the consolidated financial statements.

The following table shows the contractual maturities of debt commitments. The amounts presented represent the future undiscounted principal and interest cash flows, and therefore, do not equate to the carrying amounts on the consolidated statements of financial position.

	As at December 31					
(in millions of U.S. dollars)	< 1 year	1-3 years	4-5 years	After 5 years	2022 Total	2021 Total
DEBT COMMITMENTS						
Trade and other payables	128.7	—	—	—	**128.7**	127.7
Long-term debt	—	—	400.0	—	**400.0**	500.0
Interest payable on long-term debt	30.0	60.0	60.0	—	**150.0**	202.4
New Afton free cash flow interest obligation	—	60.2	266.9	271.5	**598.6**	625.3
Gold stream obligation	29.4	69.7	60.6	66.0	**225.7**	203.4
Lease commitments	7.4	2.4	0.0	0.0	**9.8**	21.0
Total debt commitments	195.5	192.3	787.5	337.5	**1,512.8**	1,679.8

The Company's future operating cash flow and cash position are highly dependent on metal prices, including gold and copper, as well as other factors. Taking into consideration the Company's current cash position, volatile equity markets, and global uncertainty in the capital markets, the Company is continually reviewing expenditures and assessing business opportunities to enhance liquidity in order to ensure adequate liquidity and flexibility to support its growth strategy, while continuing production at its current operations. A period of continuous low gold and copper prices may necessitate the deferral of capital expenditures which may impact the timing of development work and project completion, as well as

production from mining operations. In addition, in such a price environment, the Company may be required to adopt one or more alternatives to increase liquidity.

(c) Currency risk

The Company operates in Canada and Mexico. As a result, the Company has foreign currency exposure with respect to items not denominated in U.S. dollars. The three main types of foreign exchange risk for the Company can be categorized as follows:

(i) Transaction exposure

The Company's operations sell commodities and incur costs in different currencies. This creates exposure at the operational level, which may affect the Company's profitability as exchange rates fluctuate. This risk is partially mitigated by the foreign exchange forward contracts entered into throughout 2022. These foreign exchange forward contracts will continue into 2023.

(ii) Exposure to currency risk

The Company is exposed to currency risk through the following assets and liabilities denominated in currencies other than the U.S. dollar: cash and cash equivalents, investments, accounts receivable, accounts payable and accruals, reclamation and closure cost obligations.

The currencies of the Company's financial instruments and other foreign currency denominated liabilities, based on notional amounts, were as follows:

	As at December 31, 2022	
(in millions of U.S. dollars)	**CAD**	**MXN**
EXPOSURE TO CURRENCY RISK		
Cash and cash equivalents	**33.9**	**—**
Trade and other receivables	**10.4**	**0.4**
Investments	**35.6**	**—**
Income tax receivable	**(0.4)**	**—**
Trade and other payables	**(128.6)**	**(1.3)**
Deferred tax liability	**(66.8)**	**—**
Reclamation and closure cost obligations	**(119.5)**	**—**
Share units	**(1.8)**	**—**
Total exposure to currency risk	**(237.2)**	**(0.9)**

(in millions of U.S. dollars)	As at December 31, 2021 CAD	MXN
EXPOSURE TO CURRENCY RISK		
Cash and cash equivalents	35.1	0.6
Trade and other receivables	6.5	1.9
Investments	59.3	—
Income tax (payable) receivable	0.5	2.6
Trade and other payables	(96.0)	(2.7)
Deferred tax liability	(69.6)	—
Reclamation and closure cost obligations	(154.5)	(0.1)
Share units	(3.7)	—
Total exposure to currency risk	(222.4)	2.3

(iii) Translation exposure

The Company's functional and reporting currency is U.S. dollars. The Company's operations translate their operating results from the host currency to U.S. dollars. Therefore, exchange rate movements in the Canadian dollar and Mexican peso can have a significant impact on the Company's consolidated operating results. A 10% strengthening (weakening) of the U.S. dollar against the following currencies would have decreased (increased) the Company's net earnings from the financial instruments presented by the amounts shown below.

(in millions of U.S. dollars)	As at Year ended December 31 2022	2021
IMPACT OF 10% CHANGE IN FOREIGN EXCHANGE RATES		
Canadian dollar	**23.7**	22.2
Mexican peso	**0.1**	0.2

(d) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the Company's outstanding debt obligations are fixed and are therefore not exposed to changes in market interest rates.

The Company is exposed to interest rate risk on its cash and cash equivalents. Interest earned on cash and cash equivalents is based on prevailing money market and bank account interest rates which may fluctuate. A 1.0% change in the interest rate would result in a difference of approximately $2.0 million in interest earned by the Company for the year ended December 31, 2022 (2021 - $4.8 million). The Company has not entered into any derivative contracts to manage this risk.

(e) Metal and Input Price Risk

The Company's earnings, cash flows and financial condition are subject to price risk due to fluctuations in the market price of gold and copper.

For the year ended December 31, 2022, the Company's revenue and cash flows were impacted by gold prices and copper prices. Metal price declines could cause continued development of, and production from, the Company's properties to be uneconomic. There is a time lag between the shipment of gold and

copper concentrate and final pricing, and changes in pricing can impact the Company's revenue and working capital position.

Reserve calculations and mine plans using significantly lower gold, silver, and copper prices could result in significant reductions in mineral reserve and resource estimates and revisions in the Company's life-of-mine plans, which in turn could result in material write-downs of its investments in mining properties and increased depletion, reclamation and closure charges. Depending on the price of gold or other metals, the Company may determine that it is impractical to commence or, if commenced, to continue commercial production at a particular site. Metal price fluctuations also create adjustments to the provisional prices of sales made in previous periods that have not yet been subject to final pricing, and these adjustments could have an adverse impact on the Company's financial results and financial condition. Any of these factors could result in a material adverse effect on the Company's results of operations and financial condition.

The Company is also subject to price risk for fluctuations in the cost of energy, principally electricity and purchased petroleum products. The Company's costs are affected by the prices and availability of commodities and other inputs it consumes or uses in its operations. The prices and availability of such commodities and inputs are influenced by inflation and supply and demand trends affecting the mining industry in general and other factors outside the Company's control. Increases in the price for materials consumed in the Company's mining and production activities could materially adversely affect its results of operations and financial condition. The Company's short term exposure to changes in fuel prices have been reduced as the Company entered into fuel hedge swap contracts.

An increase in gold and copper prices would decrease the Company's net loss whereas an increase in fuel and electricity prices would increase the Company's net loss. A 10% change in commodity prices and fuel and electricity prices would impact the Company's net loss as follows:

	Year ended December 31, 2022	Year ended December 31, 2021
(in millions of U.S. dollars)	**Net Loss**	**Net Earnings**
IMPACT OF 10% CHANGE IN COMMODITY PRICES		
Gold price	**48.6**	49.9
Copper price	**11.9**	24.7
Fuel and electricity price	**7.5**	5.7

Other Risks

Production Estimates

Forecasts of future production are estimates based on interpretation and assumptions, and actual production may be less than estimated. Unless otherwise noted, the Company's production forecasts are based on planned production being achieved at all of its mines. The Company's ability to achieve and maintain full production rates at these mines is subject to a number of risks and uncertainties, the occurrence of any of which could result in delays, slowdowns or suspensions and ultimately, the failure to achieve and maintain full production rates. The Company's production estimates are dependent on, among other things, the accuracy of Mineral Reserve and Mineral Resource estimates, the accuracy of its life of mine plans, the accuracy of assumptions regarding ore grades and recovery rates, weather conditions, ground conditions, physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics, the accuracy of estimated rates and costs of mining and processing, including without limitation, operating expenses, cash costs and all-in sustaining costs, mill availability, reliability of equipment and machinery, the accuracy of assumptions and estimates relating to tailings dam capacity, the performance of the processing circuit or other processes, water supply and/or quality, the receipt and maintenance of permits and the availability of a sufficient amount of people to perform the work necessary to maintain production as estimated. The Company's actual production and other projected economic and operating parameters may not be realized for a variety of reasons, including those identified under the heading "Operating Risks" below. The failure of the Company to achieve its production estimates could have a material adverse effect on the Company's prospects, results of operations and financial condition.

Cost Estimates

The Company prepares estimates of operating costs, capital costs and closure costs for each operation and project. The Company's actual costs are dependent on a number of factors, including the exchange rate between the United States dollar and the Canadian dollar and, to a lesser extent, the Mexican peso, smelting and refining charges, penalty elements in concentrates, royalties, the price of gold and byproduct metals, the cost of inputs used in mining operations and production levels.

New Gold's actual costs may vary from estimates for a variety of reasons, including changing waste-to-ore ratios, ore grade metallurgy, weather conditions, ground conditions, labour and other input costs, commodity prices, general inflationary pressures and currency exchange rates, as well as those risks identified under the heading "Operating Risks" below. Failure to achieve cost estimates or material increases in costs could have an adverse impact on New Gold's future cash flows, profitability, results of operations, ability to execute its strategic plans and financial condition.

Operating Risks

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, copper and silver including unusual and unexpected ground conditions or geologic formations, seismic activity, fracturing, rock bursts, rock slides, mud rushes, water inflow events, air blasts, cave-ins, slope or pit wall failures, rock falls, flooding, fire, explosions, dust emissions, metal losses, theft, periodic interruption due to inclement or hazardous weather conditions, equipment failure and other conditions that would impact the drilling and removal of material or otherwise impact the safety and efficiency of mine operations and the individuals who work within such mining operations. Block caving activities, including at the New Afton

Mine, generally result in surface subsidence. The configuration of subsidence expression at surface is thought to be influenced by bedrock and structural geologic features such as weaker rock mass or faults. Subsidence is being monitored and evaluated on an ongoing basis. Surface subsidence or any of the above hazards and risks could result in reduced production, damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. In addition, production may be adversely impacted by theft, fraud or industrial accidents, as well as other potential issues such as actual ore mined varying from estimates of grade or tonnage, dilution, block cave performance and metallurgical or other characteristics, significant increases or decreases in precipitation resulting in an over or under supply of water, treated water quality that is too low to allow for discharge when needed, interruptions in or shortages of electrical power, interruptions in delivery or shortages of required inputs or supplies, labour shortages or strikes, claims by or disagreements with First Nations and other Indigenous groups, restrictions or regulations imposed by government agencies or changes in the regulatory environment. The Company's milling operations are subject to risks and hazards such as equipment failure, skilled worker shortages or failure of retaining dams around tailings disposal areas, which could lead to environmental pollution and consequent liability, and all of which could result in interruptions to mill availability and impact the Company's results of operations. In addition, short-term operating factors, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause a mining operation to be unprofitable in any particular accounting period.

The Company's operations may encounter delays in or losses of production due to the deterioration, malfunction, misuse, breakdown or failure of its mobile or fixed equipment. Further, this equipment may require a long time to procure, build, install or repair due to delays in the delivery or lack of availability of equipment, spare parts or technicians with applicable expertise, which may impede maintenance activities on equipment. In addition, equipment may be subject to aging if not replaced, or through inappropriate use or misuse, or improper on unavailable storage conditions may become obsolete, which could adversely impact the Company's operations, profitability and financial results.

The occurrence of one or more of these events may result in the death of, or personal injury to, employees, other personnel or third parties, the loss or theft of mining equipment, damage to or destruction of mineral properties or production facilities, monetary losses, deferral or unanticipated fluctuations in production, suspension, curtailment or termination of operations, environmental damage and potential legal liabilities, any of which may adversely affect the Company's business, reputation, prospects, results of operations and financial condition.

Permitting

The Company's operations, development projects and exploration activities are subject to receiving and maintaining licenses, permits and approvals, including regulatory relief or amendments, (collectively, "permits") from appropriate governmental authorities. Before any development on any of its properties, the Company must receive numerous permits, and continued operations at the Company's mines are also dependent on maintaining, complying with and renewing required permits or obtaining additional permits.

New Gold may be unable to obtain on a timely basis or maintain in the future all necessary permits required to explore and develop its properties, commence construction or operation of mining facilities and properties or maintain continued operations. Delays may occur in connection with obtaining necessary renewals of permits for the Company's existing operations and activities, additional permits for

existing or future operations or activities, or additional permits associated with new legislation. It is possible that previously issued permits may be suspended, revoked or lapse for a variety of reasons, including through government or court action.

In the past there have been challenges to the Company's permits that were temporarily successful as well as delays in the renewal of certain permits or in receiving additional required permits. There can be no assurance that the Company will receive or continue to hold all permits necessary to develop or continue operating at any particular property or to pursue the Company's exploration activities. To the extent that required permits cannot be obtained or maintained, the Company may be curtailed or prohibited from continuing its mining operations or from proceeding with planned exploration or development of mineral properties. Even if permits or renewals are available, the terms of such permits may be unattractive to the Company and result in the applicable operations or activities being financially unattractive or uneconomic. Any inability to obtain or maintain permits or to conduct mining operations pursuant to applicable permits could materially reduce the Company's production and cash flow and could undermine its profitability.

Construction Risks

As a result of the substantial expenditures involved in development projects, development projects are prone to material cost overruns versus budget. The capital expenditures and time required to develop new mines or new areas of operating mines are considerable and changes in cost or construction schedules can significantly increase both the time and capital required to build the project.

Construction costs and timelines can be impacted by a wide variety of factors, many of which are beyond the control of the Company. These include, but are not limited to, weather conditions, ground conditions, performance of the mining fleet and availability of appropriate material and other supplies required for construction, availability and performance of contractors and suppliers, delivery and installation of equipment, design changes, accuracy of estimates and availability of accommodations for the workforce.

Project development schedules are also dependent on obtaining the governmental approvals necessary for the operation of a project. The timeline to obtain these government approvals is often beyond the control of the Company. A delay in start-up or commercial production of a development project would increase capital costs and delay receipt of revenues and could impact the Company's ability to execute its strategic plans and the achievement of planned results.

The New Afton C-Zone project is currently in the construction stage of its development. Given the inherent risks and uncertainties associated with mine development, there can be no assurance that the construction and development will continue in accordance with current expectations or at all, or that construction costs will be consistent with the budget, or that the mine will operate as planned.

Government Regulation

The mining, processing, development, exploration and reclamation and closure activities of the Company are subject to various laws governing prospecting, development, production, exports, imports, taxes, labour standards and occupational health and safety, mine safety, toxic substances, waste disposal, environmental protection and remediation, protection of endangered and protected species, land use, water use, land claims of local people, relations with local First Nations and other matters. As a public company listed on stock exchanges in Canada and the U.S., the Company is also required to comply with a number of public company obligations imposed by securities commissions and stock exchanges, compliance with which can be timing consuming and costly. No assurance can be given that new rules

and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could have a material adverse effect on the Company's business, financial position and results of operations, including a negative impact on the market price of the Company's securities.

Amendments to current laws, regulations and permits governing the Company's business, operations or development activities and activities of mining and exploration companies, or the application of existing laws, regulations and permits (including a more stringent or different application), could have a material adverse impact on the Company's results of operations or financial position, or could result in abandonment or delays in the development of new mining properties or the suspension or curtailment of operations at existing mines. Failure to comply with any applicable laws, regulations or permitting requirements may result in enforcement actions against the Company, including orders issued by regulatory or judicial authorities causing operations or development activities to cease or be curtailed or suspended, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions (see also "Permitting" above). Additionally, the Company could be forced to compensate those suffering loss or damage by reason of its business activities, mining operations or exploration or development activities and could face civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Any such regulatory or judicial action could materially increase the Company's operating costs, delay or curtail or otherwise negatively impact the Company's operations and other activities and cause reputational harm.

Dependence on the Rainy River Mine and New Afton Mine

The Company's operations at the Rainy River and New Afton Mines are expected to account for substantially all of the Company's gold and copper production in 2023. Any adverse condition affecting mining or milling conditions at the Rainy River Mine or New Afton Mine could have a material adverse effect on the Company's financial performance and results of operations.

Unless the Company acquires or develops other significant gold-producing assets, the Company will continue to be dependent on its operations at the Rainy River and New Afton Mines for its cash flow provided by operating activities.

Risks Related to Further Processing

The Company's operations produce concentrate, doré or other products that are not refined metals ("Unrefined Product") and generally require further processing at a smelter and/or a refinery to become marketable metal. Such Unrefined Product contains metals and other elements and impurities that require removal, some of which may limit the smelters or brokers who can or will purchase or process the Unrefined Product and the refineries who will process the Unrefined Product, or negatively impact the terms of such purchase or processing arrangements. Assay results of gold, copper and deleterious elements may vary in different samples and this may negatively affect the amount the Company receives for a shipment of concentrate, particularly if native copper particles are not adequately sampled in supergene ore from the New Afton Mine. In addition, treatment and refining charges are subject to fluctuations, which could negatively impact the Company's revenue or expenses.

In addition, the Company is generally responsible for transporting Unrefined Products either to the smelter or refinery or to a designated point where risk of loss is transferred. The Company is exposed to risks related to the loss of Unrefined Product during its loading, transportation and storage as well as the cost and availability of transportation and storage arrangements for its Unrefined Products. The Company may

not be able to meet all of its transportation obligations or make alternative transportation or storage arrangements on reasonable commercial terms or at all. The Company has a limited number of transportation and storage options for its Unrefined Product and should any of such options become unavailable, it could cause significant delays and otherwise impact the Company's operations, profitability and ability to meet its contractual obligations. In November 2021, due to the torrential rainfall in British Columbia which led to severe flooding and mudslides, a number of the major highways, bridges, roads and similar infrastructure used to transport Unrefined Product produced at the New Afton Mine in northern British Columbia to Vancouver and other areas in southern British Columbia were flooded, taken out or otherwise became inaccessible. The British Columbia government declared a provincial state of emergency and it was highly uncertain at that time how long such state of emergency would last and when the transportation routes and similar infrastructure would become accessible. As a result, the Company had to consider alternative and, in some instances, significantly less efficient and more costly transportation routes to transport its Unrefined Product. While the provincial state of emergency expired on January 18, 2022 and transportation routes have since returned to near normal conditions, it is anticipated that the effects of climate change will give rise to more frequent and extreme weather events, such as those that occurred in November 2021 (see "Climate Change Risks" below). There can be no assurance that the Company will be able to continue to transport and store or sell and process its Unrefined Product on reasonable commercial terms or at all.

Exploration and Development Risks

The exploration for, and development of, mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge cannot eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Major expenses may be required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, including but not limited to: the particular attributes of the deposit, such as accuracy of estimated size, continuity of mineralization, average grade and metallurgical characteristics (see "Uncertainty in the Estimation of Mineral Reserves and Mineral Resources" below); proximity to infrastructure; metal prices, which are highly cyclical (see "Metal and Input Price Risk" above); and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection (see "Government Regulation" above). The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company being unable to receive an adequate return on invested capital.

Development projects are uncertain and capital cost estimates, projected operating costs, production rates, recovery rates, mine life and other operating parameters and economic returns may differ significantly from those estimated for a project. Development projects rely on the accuracy of predicted factors including capital and operating costs, metallurgical recoveries, reserve estimates and future metal prices. Development projects also rely on diligent capital management to prevent overspending. In

addition, there can be no assurance that gold, copper or silver recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

At New Afton, the Company is developing the C-Zone. The Company may engage in other development and expansion activities at its operating mines from time to time. Expansion projects, including development and expansions of facilities and extensions to new ore bodies or new portions of existing ore bodies, have risks and uncertainties similar to development projects.

A project is subject to numerous risks during development including, but not limited to, the accuracy of feasibility studies, obtaining and complying with required permits, changes in environmental or other government regulations, securing all necessary surface and land tenure rights, consulting and accommodating First Nations and other Indigenous groups and financing risks. In particular, the Company is actively engaged in consultation with various First Nations and other Indigenous groups in connection with the New Afton C-Zone development. This engagement may be impacted by the British Columbia Declaration on the Rights of Indigenous Peoples Act and the federal government's *United Nations Declaration on the Rights of Indigenous Peoples Act* (the "UNDRIP Act"). Unforeseen circumstances, including those related to the amount and nature of the mineralization at the development site, technological impediments to extraction and processing, legal challenges or restrictions or governmental intervention, infrastructure limitations, supply chain issues, environmental issues, unexpected ground conditions or other unforeseen development challenges, commodity prices, disputes with local communities or other events, could result in one or more of New Gold's planned developments becoming impractical or uneconomic to complete or could otherwise impact the Company's ability to execute its strategic plans. Any such occurrence could have an adverse impact on New Gold's growth, financial condition and results of operations. There can be no assurance that the Company's expansion and development projects will continue in accordance with current expectations or at all. See also "Permitting" above.

Water Management Risks

Changes in climate have resulted in more extreme precipitation levels and extreme weather events that can affect the Company's operations. For example, in 2022 the area surrounding the Rainy River Mine experienced its heaviest rainfall in the last seventy years. In 2021, there was torrential rainfall near the New Afton Mine, which led to severe flooding and mudslides, that led to a number of the major highways, bridges, roads and similar infrastructure being flooded, taken out or otherwise becoming inaccessible. Dry conditions and elevated forest fire risk have also impacted both sites in recent years (see "Climate Change Risks" below). Water is a key resource for the Company's operations and inadequate water management and stewardship could have a material adverse effect on the Company and its operations. While certain aspects relating to water management are within the Company's control, extreme weather events can negatively impact the Company's water management practices. These can consequently impact operations, disrupt production, increase costs and damage site infrastructure.

The Company's production estimates are dependent on, among other things, water supply and water quality, and production may be adversely impacted by significant increases or decreases in precipitation. On account of changes in precipitation levels, New Gold could encounter business disruptions and operational difficulties in addressing too much water, such as what was experienced at the Rainy River Mine in 2022, or too little water resulting in an under supply of water at the Company's operations, which

the mills require to operate. Both of which could lead to production and other disruptions and impact the Company's business, financial position and results of operations.

Insufficient water management could lead to damage to site infrastructure. Poor design or maintenance of the tailings dam structures or improper management of site water could contribute to dam failure or tailings release and may also result in damage or injury to people or property. In the case of New Afton, too much water in the tailings facility could contribute to surface subsidence. Mining, processing, development and exploration activities are dependent on adequate infrastructure and reliable water supply and water management. Inadequate water supply or poor water management may affect capital and operating costs.

Failure to properly manage water levels or properly treat water can lead to treated water quality that is too low to allow for discharge when needed or other challenges in the ability to hold water in the amounts required. The Company may also not be able to discharge water when needed for regulatory reasons outside of its control. The Company has instituted water management plans but there can be no guarantees that the water management plans will be sufficient or perform as intended, and there can be no assurances that the Company will be able to discharge water when needed, which could subject the Company to liability and affect the Company's business, financial condition and results of operations.

Impact of Pandemic Disease, Including COVID-19, on Global Economic Conditions and Performance

The Company's operations are subject to the risk of emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases, such as the COVID-19 pandemic (which, for the purposes of this MD&A, includes any variants thereof where applicable). These infectious disease risks may not be adequately responded to locally, nationally or internationally due to lack of preparedness to detect and respond to outbreaks or respond to significant pandemic threats. As such, there are potentially significant economic and social impacts of infectious disease risks, including the inability of the Company's mining and exploration operations to operate as intended due to a shortage of skilled employees, shortages or disruptions in supply chains, inability of employees to access sufficient healthcare, significant social upheavals, government or regulatory actions or inactions, decreased demand or the inability to sell precious metals or declines in the price of precious metals, capital market volatility or other unknown but potentially significant impacts. There are also potentially significant economic losses from infectious disease outbreaks that can extend far beyond the initial location of an infectious disease outbreak. The extent to which an infectious disease outbreak will have an impact on our business, results of operations, future cash flows, earnings, liquidity and financial condition will depend on future developments that are highly uncertain and difficult to predict. The Company may not be able to accurately predict the quantum of such risks.

Both the British Columbia and Ontario provincial governments have, from time to time during the course of the COVID-19 pandemic, ordered non-essential businesses to close to help stop the spread of COVID-19. As of the date hereof, New Gold's operations fit within the current list of essential businesses under these orders; however, there is no guarantee that New Gold's operations will not be suspended or shut-down, in whole or in part, in the future as a result of the COVID-19 pandemic (or any other disease, epidemic or pandemic). Canadian and provincial governments, as well as other relevant jurisdictions may

introduce new, or modify existing, laws, regulations, orders or other measures that could impact the Company's ability to operate, its ability to meet expected timelines for development and expansion projects and its anticipated production, costs and capital guidance or otherwise affect the Company's suppliers or customers. The responses of the Canadian and provincial governments, as well as governments in other relevant jurisdictions, may be insufficient to contain the impact of the COVID-19 pandemic (or any other disease, epidemic or pandemic) and this could adversely impact the Company's employees, suppliers, customers, local communities and other stakeholders, and impair the Company's ability to operate and profitability. The COVID-19 pandemic (or any other disease, epidemic or pandemic) and responses to it may also lead to an economic recession or downturn that could adversely affect the Company's ability to raise capital, cause interest rate volatility and movements that could make obtaining financing or refinancing debt obligations more challenging or more expensive, or otherwise materially adversely affect the Company's operations or liquidity position.

Employees and contractors may still test positive for COVID-19. This may impact the health of the Company's workforce and the health of the surrounding communities as well as lead to potential labour shortages or other shortages or disruptions in supply chains. This, in turn, may result in the limitation or suspension of the Company's operations where such COVID-19 cases occur. If any such limitation or suspension occurs, production may be reduced. Any of these factors could result in a material adverse effect on the Company's business, results of operations, future cash flows, earnings, liquidity and financial condition.

Financing Risks

The Company's mining, processing, development and exploration activities may require additional external financing. There can be no assurance that additional capital or other types of financing will be available when needed or that, if available, the terms of such financing will be acceptable to the Company. Furthermore, if the Company raises additional capital by offering equity securities or securities convertible into equity securities, any additional financing may involve substantial dilution to existing shareholders. If raised through asset sales, the terms of such sales may not be favourable to the Company, and may reduce the assets and future economic performance of the Company. Failure to obtain sufficient financing could result in the delay or indefinite postponement of exploration, development, construction or production of any or all of the Company's mineral properties or otherwise impact the Company's strategic plans. The cost and terms of such financing may significantly reduce the expected benefits from new developments or render such developments uneconomic.

Need for Additional Mineral Reserves and Mineral Resources

Because mines have limited lives based on Proven and Probable Mineral Reserves, the Company continually seeks to replace and expand its Mineral Reserves and Mineral Resources. The Company's ability to maintain or increase its annual production of gold, copper and silver depends in significant part on its ability to find or acquire new Mineral Reserves and Mineral Resources and bring new mines into production, and to expand Mineral Reserves and Mineral Resources at existing mines. Exploration is inherently speculative. New Gold's exploration projects involve many risks and exploration is frequently unsuccessful. See "Exploration and Development Risks" above. There is a risk that depletion of reserves will not be offset by discoveries or acquisitions. The mineral base of New Gold may decline if reserves are mined without adequate replacement.

Uncertainty in the Estimation of Mineral Reserves and Mineral Resources

Mineral Reserves and Mineral Resources are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that Mineral Reserves can be mined or processed profitably. Mineral Reserve and Mineral Resource estimates may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, geotechnical factors (such as pit slope angles) marketing and other risks and relevant issues. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data, the accuracy of assumptions, the nature of the ore body and of the assumptions made and judgments used in engineering and geological interpretation. These estimates may require adjustments or downward revisions based upon further exploration or development work, drilling or actual production experience.

Fluctuations in gold, copper and silver prices, results of drilling, metallurgical testing and production, the evaluation of mine plans after the date of any estimate, permitting requirements or unforeseen technical or operational difficulties may require revision of Mineral Reserve and Mineral Resource estimates. Prolonged declines in the market price of gold (or applicable by-product metal prices) may render Mineral Reserves and Mineral Resources containing relatively lower grades of mineralization uneconomical to recover and could materially reduce the Company's Mineral Reserves and Mineral Resources. Mineral Resource estimates for properties that have not commenced production or at deposits that have not yet been exploited are based, in most instances, on very limited and widely-spaced drill hole information, which is not necessarily indicative of conditions between and around the drill holes. There may also be outliers in the representative samples that may disproportionately skew the estimates. In a block cave mine, as a cave exhausts its reserves, it may experience dilution of grade. Accordingly, such Mineral Resource estimates may require revision as more geologic and drilling information becomes available and as actual production experience is gained. Should reductions in the Company's Mineral Resources or Mineral Reserves occur, the Company may be required to take a material write-down of its investment in mining properties, reduce the carrying value of one or more of its assets or delay or discontinue production or the development of new projects, resulting in reduced net income or increased net losses and reduced cash flow. Mineral Resources and Mineral Reserves should not be interpreted as assurances of mine life or of the profitability of current or future operations. In addition, the estimates of Mineral Resources, Mineral Reserves and economic projections rely in part on third-party reports and investigations. There is a degree of uncertainty attributable to the calculation and estimation of Mineral Resources and Mineral Reserves and corresponding grades being mined and, as a result, the volume and grade of Mineral Reserves mined and processed and recovery rates may not be the same as currently anticipated. Any material reductions in estimates of Mineral Reserves and Mineral Resources, or of the Company's ability to extract these Mineral Reserves and Mineral Resources, could have a material adverse effect on the Company's projects, results of operations and financial condition.

Mineral Resources are not Mineral Reserves and have a greater degree of uncertainty as to their existence and feasibility. There is no assurance that Mineral Resources will be upgraded to Proven or Probable Mineral Reserves.

Impairment

On a quarterly basis, the Company reviews and evaluates its mining interests for indicators of impairment or impairment reversals. In the past, New Gold has recognized material impairment losses. Impairment

assessments are conducted at the level of cash-generating units ("CGU"). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Each operating mine, development and exploration project represents a separate CGU. If an indication of impairment exists, the recoverable amount of the CGU is estimated. An impairment loss is recognized when the carrying amount of the CGU is in excess of its recoverable amount. The assessment for impairment is subjective and requires management to make significant judgments and assumptions in respect of a number of factors, including prolonged significant changes in commodity prices, per ounce in-situ multiples, significant change to LOM plans, significant changes in discount rates and if applicable, the factors which lead to a prolonged and sustained market capitalization deficiencies. It is possible that the actual fair value could be significantly different than those estimates. In addition, should management's estimate of the future not reflect actual events, further impairment charges may materialize, and the timing and amount of such impairment charges is difficult to predict.

Title Claims and Rights of Indigenous Peoples

Certain of New Gold's properties may be subject to the rights or the asserted rights of various community stakeholders, including First Nations and other Indigenous peoples. The presence of community stakeholders may impact the Company's ability to develop or operate its mining properties and its projects or to conduct exploration activities. Accordingly, the Company is subject to the risk that one or more groups may oppose the continued operation, further development or new development or exploration of the Company's current or future mining properties and projects. Such opposition may be directed through legal or administrative proceedings, or through protests or other campaigns against the Company's activities.

Governments in many jurisdictions must consult with, or require the Company to consult with, indigenous peoples with respect to grants of mineral rights and the issuance or amendment of project authorizations. In British Columbia, the provincial government enacted the Declaration on the Rights of Indigenous Peoples Act in November 2019, which may affect consultation requirements in that jurisdiction. Additionally, on July 21, 2021, the federal government's UNDRIP Act came into force marking Canada's first substantive step towards ensuring Canadian federal laws reflect the standards outlined in the *United Nations Declaration on the Rights of Indigenous Peoples.* It is yet to be determined what near-term impacts and changes, if any, will follow; however, such legislation may potentially have numerous implications for indigenous groups, government authorities and natural resource project proponents. The Company is party to, and has impact benefit agreements in place with, certain First Nations near its Rainy River Mine and New Afton Mine, each of which require the Company to comply with predetermined obligations and requirements. There is the risk that the Company may not fulfill all of its obligation under such impact benefit agreements which could cause it to lose the support of the affected First Nations group and otherwise impact its reputation, business and operations.

Consultation and other rights of Indigenous peoples may require accommodation including undertakings regarding employment, royalty payments and other matters. This may affect the Company's ability to acquire within a reasonable time frame effective mineral titles, permits or licenses in certain jurisdictions, including in some parts of Canada and Mexico in which title or other rights are claimed by First Nations and other Indigenous peoples, and may affect the timetable and costs of development and operation of mineral properties in these jurisdictions. The risk of unforeseen title claims by indigenous peoples also

could affect existing operations as well as development projects. These legal requirements may also affect the Company's ability to expand or transfer existing operations or to develop new projects.

Environmental Risk

The Company is subject to environmental regulation in Canada and Mexico where it operates or has exploration or development activities. In addition, the Company will be subject to environmental regulation in any other jurisdictions in which it may operate or have exploration or development properties. These regulations address, among other things, endangered and protected species, emissions, noise, air and water quality standards, land use and reclamation. They also set out limitations on the generation, transportation, storage and disposal of solid, liquid and hazardous waste or potentially hazardous substances such as fuel, lime or cyanide.

The Company expends significant resources to comply with environmental laws, regulations and permitting requirements, and expects to continue to do so in the future. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in injunctions, damages, suspension or revocation of permits and imposition of penalties. There can be no assurance that:

- the Company has been or will be at all times in complete compliance with such laws, regulations and permitting requirements, or with any new or amended laws, regulations and permitting requirements that may be imposed from time to time;
- the Company's compliance will not be challenged; or
- the costs of compliance will be economic and will not materially or adversely affect the Company's future cash flow, results of operations and financial condition.

The Company may be subject to proceedings in respect of alleged failures to comply with environmental laws, regulations or permitting requirements or of posing a threat to or of having caused hazards or damage to the environment or to persons or property. While any such proceedings are in process, the Company could suffer delays or impediments to or suspension of development and construction of the Company's projects and operations and, even if the Company is ultimately successful, it may not be compensated for the losses resulting from any such proceedings or delays.

Environmental legislation is evolving in a manner, which will involve, in certain jurisdictions, stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. No certainty exists that future changes in environmental regulation, or the application of such regulations, if any, will not adversely affect the Company's operations or development properties or exploration activities. The Company cannot give any assurance that, notwithstanding its precautions, breaches of environmental laws (even if inadvertent) or environmental pollution will not materially and adversely affect its financial condition and results of operations. Environmental hazards may exist on the Company's properties which are unknown to management at present and which have been caused by previous owners or operators of the properties. Changes in weather conditions can also cause environmental hazards, such as increased precipitation leading to possible tailings dam failures or other heightened risk of environmental incidents and need for water management mitigation. Increased precipitation can also affect compliance with environmental

regulations and affect operations. In addition, measures taken to address and mitigate known environmental hazards or risks may not be fully successful, and such hazards or risks may materialize.

There may be existing environmental hazards, contamination or damage at the Company's mines or projects that the Company is unaware of. The Company may also acquire properties with known or undiscovered environmental risks. Any indemnification from the entity from which the Company acquires such properties may not be adequate to pay all the fines, penalties and costs (such as clean-up and restoration costs) incurred with respect to such properties. The Company may also be held responsible for addressing environmental hazards, contamination or damage caused by current or former activities at our mines or projects or exposure to hazardous substances, regardless of whether or not hazard, damage, contamination or exposure was caused by its activities or by previous owners or operators of the property, past or present owners of adjacent properties or by natural conditions, and whether or not such hazard, damage, contamination or exposure was unknown or undetectable. The New Afton Mine has also been used for mining and related operations for many years before the Company acquired it and was acquired "as is" or with assumed environmental liabilities from previous owners or operators.

Any finding of liability in proceedings pursuant to environmental laws, regulations or permitting requirements could result in additional substantial costs, delays in the exploration, development and operation of the Company’s properties and other penalties and liabilities, including, but not limited to:

- monetary penalties (including fines);
- restrictions on or suspension of activities;
- loss of rights, permits and property;
- completion of extensive remedial cleanup or paying for government or third-party remedial cleanup;
- premature reclamation of operating sites; and
- seizure of funds or forfeiture of bonds.

The cost of addressing environmental conditions or risks, and liabilities associated with environmental damage, may be significant, and could have a material adverse effect on the Company’s business, prospects, results of operations and financial condition. Production at New Gold’s mines involves the use of various chemicals, including certain chemicals that are designated as hazardous substances. Contamination from hazardous substances, either at the Company’s own properties or other locations for which it may be responsible, may subject the Company to liability for the investigation or remediation of contamination, as well as for claims seeking to recover for related property damage, personal injury or damage to natural resources. The occurrence of any of these adverse events could have a material adverse effect on the Company’s prospects, results of operations and financial position.

Production at the Rainy River Mine involves the use of sodium cyanide which is a toxic material. Should sodium cyanide leak or otherwise be discharged from the containment system, the Company may become subject to liability for cleanup work that may not be insured, in addition to liability for any damage caused. Such liability could be material.

Tailings

Mining companies also face innate risks in their operations with respect to tailings dams and structures built for the containment of the metals and mining waste, known as tailings, which exposes the Company

to a number of risks. Unexpected failings of tailings dams could release tailings and result in extensive environmental damage to the surrounding area. Dam failures can result in the immediate suspension of mining operations by government authorities and lead to significant costs and expenses, write offs of material assets and the recognition of provisions for remediation, which could affect the Company's operations and statements of financial position.

The unexpected failure of a tailing dam could subject the Company to any or all of the potential impacts discussed above in "Environmental Risks", among others. A major spill or failure of the tailings facilities (including as a result of matters beyond the Company's control such as extreme weather, a seismic event or other incident) could cause damage to the environment and the surrounding communities, wildlife and areas. Poor design or maintenance of the tailings dam structures or improper management of site water could contribute to dam failure or tailings release and may also result in damage or injury to people or property. Failure to comply with existing or new environmental, health and safety laws and regulations could lead to injunctions, fines, suspension or revocation of permits and other penalties. The costs and delays associated with compliance with these laws, regulations and permits may prevent the Company from proceeding with the development of a project or the operation or further development of a mine, or increase the costs of development or production or otherwise impact the Company's ability to execute its strategic plans, and may materially adversely affect the Company's business, results of operations or financial condition. The Company could also be held responsible for the costs associated with investigating and addressing contamination (including claims for natural resource damages) or for fines or penalties from governmental authorities relating to contamination issues at current or former sites, either owned directly or by third parties. The Company could also be found liable for claims relating to exposure to hazardous and toxic substances and major spills, breach or other failure of the tailing facilities. The costs associated with such responsibilities and liabilities could be significant, be higher than estimated and may involve a time consuming clean-up. Furthermore, in the event that the Company is deemed liable for any damage caused by overflow, the Company's losses or consequences of regulatory action might not be sufficiently covered by insurance policies. Should the Company be unable to fully fund the cost of remedying such environmental concerns, the Company could be required to temporarily or permanently suspend operations. If any such risks were to occur, this could materially and adversely affect the Company's reputation and its ability to conduct its operations, and could subject the Company to liability and result in a material adverse effect on its business, financial condition and results of operations.

Insurance and Uninsured Risks

New Gold's business is subject to a number of risks and hazards generally including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope or wall failures, cave-ins, metallurgical or other processing problems, fires, operational problems, changes in the regulatory environment and natural phenomena, such as inclement weather conditions, floods, hurricanes and earthquakes. Such occurrences could result in damage to mineral properties or production facilities or other property, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, supply chain disruptions, government service disruptions, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, such insurance will not cover all the potential risks associated with the Company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available on acceptable terms or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution, or other hazards as a result of exploration, development and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. New Gold may also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect on results of operations and financial condition.

Reclamation Costs

The Company's operations are subject to closure and reclamation plans that establish its obligations to reclaim properties after minerals have been mined from a site. These obligations represent significant future costs for the Company. It may be necessary to revise reclamation timing, concepts and plans, which could increase costs.

Reclamation bonds or other forms of financial assurance are often required to secure reclamation activities. Governing authorities require companies to periodically recalculate the amount of a reclamation bond and may require bond amounts to be increased. It may be necessary to revise the planned reclamation expenditures and the operating plan for a mine in order to fund an increase to a reclamation bond. In addition, reclamation bonds may be issued under the Company's credit facilities. Increases in the amount of reclamation bonds will decrease the amount of the Credit Facility available for other purposes.

Reclamation bonds may represent only a portion of the total amount of money that will be spent on reclamation over the life of a mine operation. The actual costs of reclamation set out in mine plans are estimates only and may not represent the actual amounts that will be required to complete all reclamation activity. Obtaining regulatory approval of the Company's reclamation activity may also add additional time and costs to reclamation. If actual costs are significantly higher than the Company's estimates, then its results of operations and financial position could be materially adversely affected.

Inflation Risks

As the COVID-19 economic recovery continues, inflation rates in the jurisdictions in which the Company operates have continued to increase. A significant portion of the upward pressure on prices has been attributed to the rising costs of labour and energy, as well as continuing global supply-chain disruptions, with global energy costs increasing significantly following the invasion of Ukraine by Russia in February 2022. These inflationary pressures have affected the Company's labour, commodity and other input costs and such pressures may or may not be transitory. The Company has made assumptions around the expected costs of key inputs; however, actual costs in an inflationary environment may differ materially from those assumptions. Any continued upward trajectory in the inflation rate for the Company's inputs may have a material adverse effect on the Company's operating and capital expenditures for the development of its projects as well as its financial condition and results of operations.

Information Systems Security Threats

New Gold has entered into agreements with third parties for hardware, software, telecommunications and other information technology ("IT") services in connection with its operations. New Gold's operations depend, in part, on how well the Company and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, phishing schemes, computer viruses, vandalism, fraud and theft. While the Company has certain preventative measures in place, there can be no assurances that the Company will not be subject to wire payment fraud, misappropriation of funds, erroneous payments or other human or technological errors resulting in loss of funds that cannot fully be redeemed. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as preemptive interventions and expenditures to mitigate the risks of failures and other IT system disruptions. Any of these and other events could result in information systems failures, delays, increases in capital expenses and/or otherwise negatively impact the Company's ability to operate. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although the Company has not experienced any material losses relating to cyber attacks or other information security breaches to date, there can be no assurance that New Gold will not incur such losses or be subject to such breaches in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Investment Risk

Investment risk is the risk that a financial instrument's value will deviate from the expected returns as a result of changes in market conditions, whether those changes are caused by factors specific to the individual investment or factors affecting all investments traded in the market. This includes interest rate risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Other aspects of investment risk include credit risk (the risk of unexpected loss arising if a counterparty with which the Company has entered into transactions fails to meet its contractual obligations) and liquidity risk (the risk that the Company has entered into an investment that cannot be closed out quickly). The Company has equity investments in other public mining companies not controlled by New Gold, such as Talisker Resources Ltd., Northern Superior Resources Inc., Angus Gold Inc. and Burin Gold Corp., which have early stage exploration, development and/or greenfield properties. These investments may fluctuate in value and the Company may incur losses in respect of such investments. Although the factors that affect investment risk are outside the Company's control, the Company limits investment risk by limiting its investment exposure in terms of total funds to be invested and by being selective of high quality investments and by taking security for financial obligations where appropriate.

Debt and Liquidity Risk

As at December 31, 2022, the Company had long-term debt comprised of one series of notes in an aggregate principal amount of $400 million. In addition, the Company has the Credit Facility. The

Company's ability to make scheduled payments of principal and interest on or to refinance its indebtedness depends on the Company's future performance, which is subject to economic, financial, competitive and other factors many of which are not under the control of New Gold. The Company is exposed to interest rate risk on variable rate debt, if any. Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due, including, among others, debt repayments, interest payments and contractual commitments.
In the future, the Company may not continue to generate cash flow from operations sufficient to service its debt and make necessary or planned capital expenditures. If the Company is unable to generate such cash flow, it may be required to adopt one or more alternatives, such as selling assets, borrowing additional funds, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. The Company's ability to borrow additional funds or refinance its indebtedness will depend on the capital markets and its financial condition at such time. The Company may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on its debt obligations. In addition, if New Gold is unable to maintain its indebtedness and financial ratios at levels acceptable to its credit rating agencies, or should New Gold's business prospects deteriorate, the ratings currently assigned to New Gold by Moody's Investor Services and Standard & Poor's Ratings Services could be downgraded, which could adversely affect the value of New Gold's outstanding securities and existing debt and its ability to obtain new financing on favourable terms, and New Gold's borrowing cost would likely increase as a result.

If the Company's cash flow and other sources of liquidity are not sufficient to continue operations and make necessary and planned capital expenditures, the Company may cancel or defer capital expenditures and/or suspend or curtail operations. Such an action may impact production at mining operations and/or the timelines and cost associated with development projects, which could have a material adverse effect on the Company's prospects, results of operations and financial condition.

The terms of the Company's Credit Facility and stream agreement with Royal Gold require the Company to satisfy various affirmative and negative covenants and to meet certain financial ratios and tests. In addition, the terms of the Company's 2027 Unsecured Notes require the Company to satisfy various affirmative and negative covenants. These covenants limit, among other things, the Company's ability to incur indebtedness, create certain liens on assets or engage in certain types of transactions. There are no assurances that in the future, the Company will not, as a result of these covenants, be limited in its ability to respond to changes in its business or competitive activities or be restricted in its ability to engage in mergers, acquisitions or dispositions of assets. Furthermore, a failure to comply with these covenants, including, in the case of the Credit Facility and stream agreement with Royal Gold, or a failure to meet the financial tests or ratios, would likely result in an event of default under the Credit Facility and/or the 2027 Unsecured Notes and/or stream agreement and would allow the lenders or noteholders or other contractual counterparty, as the case may be, to accelerate the debt or other obligations as the case may be.

Taxation

New Gold has operations and conducts business in a number of different jurisdictions and is accordingly subject to the taxation laws of each such jurisdiction, as well as tax reviews and assessments in the ordinary course. Taxation laws are complex, subject to interpretation and subject to change. Any such changes in taxation law or reviews and assessments could result in higher taxes being payable by the Company, which could adversely affect its profitability. Taxes may also adversely affect the Company's

ability to repatriate earnings and otherwise deploy its assets. Additionally, the Company may structure certain transactions so as to make use of beneficial taxation laws, such as through the use of flow through shares; however, there can be no assurances that such benefits will be realized by the Company.

Litigation and Dispute Resolution

From time to time, New Gold is subject to legal claims, with and without merit. These claims may commence informally and reach a commercial settlement or may progress to a more formal dispute resolution process or legal proceedings. The causes of potential future claims cannot be known and may arise from, among other things, business activities, environmental laws, land use, contractor engagements, volatility in the stock price or alleged failures to comply with disclosure obligations. In particular, the complex activities and significant expenditures associated with construction activities, such as the C-Zone development, may lead to various claims, some of which may be material. Defense and settlement costs may be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have a material adverse effect on the Company's future cash flows, results of operations or financial condition.

Climate Change Risks

Changes in climate conditions could adversely affect the Company's business and operations through the impact of (i) more extreme temperatures, energy disruptions, precipitation levels and other weather events; (ii) changes to laws and regulations, including disclosure requirements, related to climate change; and (iii) changes in the price or availability of goods and services required by our business.

Climate change may lead to more extremes in temperatures, energy disruptions, precipitation levels and other weather events, and cause both direct and indirect impacts on the Company's business and operations. Extreme high or low temperatures could impact the operation of equipment and the safety of personnel at the Company's sites, which could result in damage to equipment, injury to personnel, cost increases and production disruptions. Extreme high or low temperatures could also impact the surrounding areas and communities leading to more difficult living conditions and potentially resulting in labour shortages or disruptions, particularly given that a number of Company employees who work at the sites come from such surrounding areas and communities. Energy disruptions could affect operations at the Company's sites, including the ability to operate essential machinery, technology and other equipment, and lead to production interruptions. When considering the impact to surrounding areas, energy disruptions could cause area-wide blackouts and brownouts making it difficult for those employees working from home or otherwise working remotely to continue working. There could also be a need for IT back-up systems to be in multiple locations to create redundancy in the event of widespread power outages, which would in turn result in increased costs. Water is a key resource in the Company's operations. Changes in precipitation levels may impact the availability of water at the Company's operations, which the mills require to operate, potentially leading to production disruptions. With the impact of climate change on water levels and precipitation, without adequate water management and stewardship, New Gold could encounter difficulties dealing with too much or too little water at its sites. Low precipitation also increases the risk of large forest fires, as occurred in proximity to the Company's operations in British Columbia in recent years, which could cause production disruptions or damage site infrastructure. Low precipitation and the increased risk of forest fires impacts not only the Company's

sites, but the surrounding areas and communities as well. Both the New Afton Mine and Rainy River Mine have mutual aid agreements in place to assist surrounding communities. Increases in precipitation levels could also lead to water management challenges, including challenging our ability to hold or treat and discharge water in the amounts required. In the surrounding areas, increases in precipitation levels could lead to a number of day-to day challenges and cause transportation delays and other disruptions. Extreme weather events, such as forest fires, severe storms or floods, all of which may be more probable and more extreme due to climate change, may negatively impact operations, disrupt production, increase costs and damage site infrastructure. Such extreme weather events can also lead to community evacuations, temporary labour shortages, delays in receiving critical supplies and shipping the Company's products, some of which were experienced in late 2021 during the torrential rainfall which led to severe flooding and mudslides and caused numerous transportation and supply chain routes to be inaccessible in northern British Columbia, close to where the New Afton Mine is located. As a result, the Company may not be able to produce or deliver in line with customer demands and may see unplanned costs increases. Significant capital investment may be required to address these occurrences and to adapt to changes in average operating conditions caused by these changes to the climate. The Company may also need to allocate more time and money to health and safety training and emergency response planning to ensure employees are adequately prepared for extreme weather caused by climate change.

Climate change may lead to new laws and regulations that affect the Company’s business and operations. Many governments and other stakeholders are seeking enhanced disclosure and are moving to enact climate change legislation and treaties at the international, national, state, provincial and local levels as reflected by the Canadian Securities Administrator's ("CSA") proposed National Instrument 51-107 - *Disclosure of Climate-related Matters*, the Securities Exchange Commission's ("SEC") proposed set of rules regarding climate-related disclosure and the International Sustainability Standards Board's two exposure drafts on sustainability and climate-related disclosures. Where legislation already exists, regulations relating to greenhouse gas emission levels and energy efficiency are becoming more stringent. Some of the transition and compliance costs associated with meeting more stringent regulations can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, meeting more stringent regulations is anticipated to result in increased costs. For example, the Company’s operations have paid Canadian Federal and Provincial carbon taxes since 2019 and will continue to do so. Additionally, the Company is heavily reliant on diesel fuel to power vehicles and equipment. If diesel prices increase due to more stringent fossil fuel regulation or taxation, the cost of doing business could increase as well. Transitioning away from diesel-powered vehicles and equipment and integrating new technology can be costly, especially for operations that are nearing the end of the mine lifecycle. Given that the Company’s operations are energy intensive and result in a carbon footprint (directly and indirectly) through the use of fossil-fuel based electricity, current and emerging regulations and policies relating to greenhouse gas emission levels, energy efficiency and reporting of climate related risks can directly impact the Company. There is significant uncertainty associated with the technology and regulatory changes necessary to transition to a decarbonized economy and the costs to comply are difficult to predict. The speed and disruptive nature of those changes, the policy and regulatory shifts to respond to those changes and the associated costs, may impact the Company’s business model, financial performance and operational results. If the Company is

unable to effectively manage the transition, it could incur additional costs, delay the ability to meet investor, customer and regulatory requirements, and negatively impact the Company's reputation.

Climate change may lead to changes in the price and availability of goods and services required for the Company's operations, which require the regular supply of consumables such as diesel, electricity and sodium cyanide to operate efficiently. The Company's operations also depend on service providers to transport these consumables and other goods to the operations and to transport doré and concentrate produced by the Company to refiners, smelters and other customers. The effects of extreme weather described above and changes in legislation and regulation on the Company's suppliers and their industries may result in limited availability or higher prices for these goods and services, which could result in higher costs or production disruptions.

In following the TCFD's guidance on risk management integration and disclosure, in late 2021, the Company undertook a climate risk assessment using scenario analysis. The goal of that assessment was to explore and identify physical and transitional risks associated with different climate scenarios, consider opportunities to reduce risk through climate mitigation and adaptation and identify areas for additional investigation and analysis. While significant effort was made, there is the possibility that not all physical and transitional risks that could directly and indirectly impact the Company were identified. We can provide no assurance that efforts to mitigate the risks of climate changes will be effective and that the physical risks of climate change will not have an adverse effect on the Company's operations and profitability.

Title Risks

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of such properties will not be challenged or impaired. Third parties may have valid claims underlying portions of the Company's interest, including prior unregistered liens, agreements, transfers, royalties or claims, including land claims by First Nations or other Indigenous groups, and title may be affected by, among other things, undetected defects. In some cases, title to mineral rights and surface rights has been divided, and the Company may hold only surface rights or only mineral rights over a particular property, which can lead to potential conflict with the holder of the other rights. As a result of these issues, the Company may be constrained in its ability to operate its properties or unable to enforce its rights with respect to its properties, or the economics of its mineral properties may be impacted. An impairment to, or defect in, the Company's title to its properties or a dispute regarding property or other related rights could have a material adverse effect on the Company's business, financial condition or results of operations.

Hedging Risks

From time to time, the Company uses or may use certain derivative products to hedge or manage the risks associated with changes in gold prices, copper prices, silver prices, interest rates, foreign currency exchange rates and energy prices. The use of derivative instruments involves certain inherent risks including, among other things: (i) credit risk – the risk of an unexpected loss arising if a counterparty with which the Company has entered into transactions fails to meet its contractual obligations; (ii) market liquidity risk – the risk that the Company has entered into a derivative position that cannot be closed out quickly, by either liquidating such derivative instrument or by establishing an offsetting position; and (iii)

unrealized mark-to-market risk – the risk that, in respect of certain derivative products, an adverse change in market prices for commodities, currencies or interest rates will result in the Company incurring an unrealized mark-to-market loss in respect of such derivative products.

There is no assurance that any hedging program or transactions which may be adopted or utilized by New Gold designed to reduce the risk associated with changes in gold prices, copper prices, silver prices, interest rates, foreign currency exchange rates or energy prices will be successful. Although hedging may protect New Gold from an adverse price change, certain hedging strategies may also prevent New Gold from benefiting fully from a positive price change.

Reliance on Third-Party Contractors

It is common industry practice for certain aspects of mining operations including, but not limited to, drilling, blasting and construction, to be conducted by one or more outside contractors. Deficient or negligent work, or work not completed in a timely manner, could have a material adverse effect on the Company's business and operations. The Company is also subject to a number of risks associated with the use of such contractors, including, but not limited to: (a) the Company having reduced control over the aspects of the operations that are the responsibility of a contractor; (b) failure of the contractor to perform work properly or at a satisfactory level of quality and safety; (c) failure of a contractor to perform under its agreement(s), including, but not limited to, inability to meet the contractual timelines or to otherwise deliver in accordance with the terms of the contract; (d) inability to replace the contractor if the contractual relationship is terminated; (e) interruption of operations in the event the contractor ceases operations as a result of a contractual dispute with the Company or as a result of insolvency or other unforeseen events (including events of force majeure); (f) failure of the contractor to comply with applicable legal and regulatory requirements; and (g) inadequate contractor cybersecurity program or customer data management and privacy, exposing the Company to external attacks or leaking of the Company's confidential information, any of which could have a material adverse effect on the Company's business, financial condition or results of operations.

Acquisition and Integration Risks

As part of its business strategy, New Gold has sought and will continue to seek new operating, development and exploration opportunities in the mining industry. In pursuit of such opportunities, New Gold may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into New Gold. The Company cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favourable terms, if at all, or that any acquisition or business arrangement completed will ultimately benefit its business. Such acquisitions may be significant in size, may change the scale of the Company's business and may expose the Company to new geographic, political, operating, financial or geological risks. Further, any acquisition the Company makes will require a significant amount of time and attention of New Gold management, as well as resources that otherwise could be spent on the operation and development of the Company's existing business.

Any future acquisitions would be accompanied by risks, such as a significant decline in the relevant metal price after the Company commits to complete an acquisition on certain terms; the quality of the mineral deposit acquired proving to be lower than expected; the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of the Company's ongoing business; the

inability of management to realize anticipated synergies and maximize the Company's financial and strategic position; the failure to maintain uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential for unknown or unanticipated liabilities associated with acquired assets and businesses, including tax, environmental or other liabilities. In addition, the Company may need additional capital to finance an acquisition. Debt financing related to any acquisition may expose the Company to the risks related to increased leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that any business or assets acquired in the future will prove to be profitable, that New Gold will be able to integrate the acquired businesses or assets successfully or that it will identify all potential liabilities during the course of due diligence. Any of these factors could have a material adverse effect on the Company's business, prospects, results of operations and financial condition.

CRITICAL JUDGMENTS AND ESTIMATION UNCERTAINTIES

The preparation of the Company's consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about the future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Estimates and assumptions are continually evaluated and are based on management's experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values are described in Note 3 of the Company's audited consolidated financial statements for the year ended December 31, 2022.

ACCOUNTING POLICIES

The Company's significant accounting policies and future changes in accounting policies are presented in the audited consolidated financial statements for the year ended December 31, 2022 and have been consistently applied in the preparation of the unaudited condensed consolidated financial statements.

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management, under the supervision of its President and Chief Executive Officer and its Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act") and in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, as of December 31, 2022. Based on that evaluation, the Company's President and Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2022, the Company's disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports it files is recorded, processed, summarized and reported, within the appropriate time periods.

Internal Controls over Financial Reporting

New Gold's management, with the participation of its President and Chief Executive Officer and its Chief Financial Officer, is responsible for establishing and maintaining adequate internal controls over financial reporting. Internal controls over financial reporting is a process designed by, or under the supervision of, the Company's principal executive and principal financial officers and effected by the Company's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. New Gold's management assessed the effectiveness of the Company's internal controls over financial reporting as of December 31, 2022 based on the Integrated Framework (2013) issued by the Committee of Sponsoring Organization of the Treadway Commission and has concluded that New Gold's internal controls over financial reporting are effective as of December 31, 2022.

The effectiveness of the Company's internal controls over financial reporting as of December 31, 2022 has been audited by Deloitte LLP, the Company's independent registered public accounting firm, as stated in their report immediately preceding the Company's audited consolidated financial statements for the year ended December 31, 2022.

Limitations of Controls and Procedures

The Company's management, including its President and Chief Executive Officer and its Chief Financial Officer, believe that any internal controls and procedures for financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Furthermore, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Due to the inherent limitations of all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented and/or detected. These inherent limitations include the realities that judgments in decision-making can be faulty and breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override control. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected.

Changes in Internal Controls over Financial Reporting

There has been no change in the Company's design of internal controls and procedures over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting during the period covered by this MD&A.

MINERAL RESERVES AND MINERAL RESOURCES

New Gold's Mineral Reserve estimates as at December 31, 2022, is presented in the following table.

Mineral Reserves

		Metal grade			Contained metal		
	Tonnes 000s	Gold g/t	Silver g/t	Copper %	Gold Koz	Silver Koz	Copper Mlbs
RAINY RIVER							
Direct processing reserves							
Open Pit							
Proven	6,579	1.25	2.1	-	264	444	-
Probable	18,066	1.22	2.1	-	707	1,192	-
Open Pit P&P (direct proc.)	24,645	1.23	2.1	-	972	1,636	-
Stockpile DPO							
Proven	1,221	0.71	2.5	-	28	100	-
Probable	-	-	-	-	-	-	-
Total Stockpile	1,221	0.71	2.5	-	28	100	-
Low grade reserves							
Open Pit							
Proven	1,973	0.36	1.8	-	23	113	-
Probable	7,550	0.36	1.9	-	86	462	-
Open Pit P&P (low grade)	9,523	0.36	1.9	-	109	575	-
Stockpile							
Proven	12,475	0.39	2.2	-	157	899	-
Probable	-	-	-	-	-	-	-
Open Pit P&P (stockpile)	12,475	0.39	2.2	-	157	899	-
Open Pit P&P (Direct proc. & Low grade)	47,863	0.82	2.1	-	1,265	3,210	-
Underground							
Proven	-	-	-	-	-	-	-
Probable	12,499	3.06	7.4	-	1,228	2,966	-
Underground P&P (direct proc.)	12,499	3.06	7.4	-	1,228	2,966	-
Combined Direct proc. & Low grade							
Proven	22,247	0.66	2.2	-	472	1,556	-
Probable	38,115	1.65	3.8	-	2,022	4,620	-
Total Rainy River P&P	**60,362**	**1.28**	**3.2**	**-**	**2,493**	**6,176**	**-**
NEW AFTON							
B3 Zone							
Proven	-	-	-	-	-	-	-
Probable	7,236	0.65	1.4	0.76	151	333	121
C-Zone							
Proven	-	-	-	-	-	-	-
Probable	29,756	0.68	1.7	0.74	653	1,666	486
Total New Afton P&P	**36,992**	**0.68**	**1.7**	**0.74**	**804**	**1,999**	**607**
TOTAL PROVEN & PROBABLE RESERVES					**3,297**	**8,176**	**607**

Notes to the Mineral Reserve and Mineral Resource estimates are provided below.

Mineral Resource estimates as at December 31, 2022, are presented in the following tables:

Measured and Indicated Mineral Resources (Exclusive of Mineral Reserves)

		Metal grade			Contained metal		
	Tonnes 000s	Gold g/t	Silver g/t	Copper %	Gold Koz	Silver Koz	Copper Mlbs
RAINY RIVER							
Direct processing resources							
Open Pit							
Measured	344	1.85	2.1	-	20	23	-
Indicated	1,699	1.82	2.0	-	99	111	-
Open Pit M&I (direct proc.)	2,043	1.82	2.0	-	120	134	-
Underground							
Measured	-	-	-	-	-	-	-
Indicated	14,213	3.01	7.6	-	1,374	3,466	-
Underground M&I (direct proc.)	14,213	3.01	7.6	-	1,374	3,466	-
Low grade resources							
Open Pit							
Measured	105	0.35	1.1	-	1	4	-
Indicated	570	0.35	1.3	-	6	23	-
Open Pit M&I (low grade)	675	0.35	1.3	-	8	27	-
Combined M&I							
Measured	449	1.50	1.9	-	22	27	-
Indicated	16,482	2.79	6.8	-	1,479	3,600	-
Total Rainy River M&I	**16,931**	**2.76**	**6.7**	**-**	**1,501**	**3,627**	**-**
NEW AFTON							
A&B Zones							
Measured	23,173	0.50	1.7	0.66	374	1,290	339
Indicated	11,869	0.40	2.1	0.64	151	794	168
A&B Zone M&I	35,042	0.47	1.8	0.66	525	2,084	507
C-Zone							
Measured	3,791	0.92	2.3	1.16	112	281	97
Indicated	1,705	1.68	4.2	2.11	92	232	79
C-Zone M&I	5,496	1.16	2.9	1.45	204	513	176
HW Lens							
Measured	-	-	-	-	-	-	-
Indicated	11,563	0.50	2.0	0.43	187	740	111
HW Lens M&I	11,563	0.50	2.0	0.43	187	740	111
D Zone							
Measured	1,468	0.80	1.9	0.82	38	91	26
Indicated	5,886	0.70	1.9	0.79	132	363	102
D Zone M&I	7,353	0.72	1.9	0.79	169	454	129
Eastern Extension							
Measured	3,214	0.81	4.9	1.07	84	509	75
Indicated	3,860	0.42	1.5	0.44	52	186	37
Eastern Extension M&I	7,074	0.60	3.1	0.72	136	696	113
Combined M&I							
Measured	31,645	0.60	2.1	0.77	608	2,173	538
Indicated	34,883	0.55	2.1	0.65	614	2,322	497
Total New Afton M&I	**66,528**	**0.57**	**2.1**	**0.71**	**1,222**	**4,495**	**1,035**
TOTAL M&I RESOURCES					**2,722**	**8,122**	**1,035**

Notes to the Mineral Reserve and Mineral Resource estimates are provided below

Inferred Mineral Resources

	Tonnes 000s	Metal grade Gold g/t	Silver g/t	Copper %	Contained metal Gold Koz	Silver Koz	Copper Mlbs
RAINY RIVER							
Direct processing							
Open Pit	175	1.16	3.3	-	7	19	-
Underground	1,584	3.29	2.6	-	168	133	-
Total Direct Processing	1,759	3.08	2.7	-	174	152	-
Low grade resources							
Open Pit	160	0.35	1.7	-	2	9	-
Rainy River Inferred	**1,919**	**2.85**	**2.6**	**-**	**176**	**161**	-
NEW AFTON							
A&B Zones	6,184	0.39	1.4	0.34	78	270	47
C-Zone	1,783	0.50	0.8	0.19	29	44	8
HW Lens	232	0.42	1.5	0.69	3	11	4
D Zone	4,696	0.32	1.3	0.51	48	196	53
Eastern Extension	3,158	0.40	1.0	0.35	41	100	24
New Afton Inferred	**16,053**	**0.38**	**1.2**	**0.38**	**198**	**621**	**135**
TOTAL INFERRED					**375**	**782**	**135**

Notes to the mineral reserve and mineral resource estimates are provided below.

Notes to Mineral Reserve and Resource Estimates

1. New Gold's Mineral Reserves and Mineral Resources have been estimated in accordance with the CIM Standards, which are incorporated by reference in NI 43-101.
2. All Mineral Reserve and Mineral Resource estimates for New Gold's properties and projects are effective December 31, 2022.
3. New Gold's year-end 2022 Mineral Reserves and Mineral Resources have been estimated based on the following metal prices and foreign exchange (FX) rate criteria:

	Gold $/ounce	Silver $/ounce	Copper $/pound	FX CAD:USD
Mineral Reserves	**$1,400**	**$19.00**	**$3.25**	**$1.25**
Mineral Resources	**$1,500**	**$21.00**	**$3.50**	**$1.25**

4. Lower cut-offs for the Company's Mineral Reserves and Mineral Resources are outlined in the following table:

Mineral Property		Mineral Reserves Lower cut-off	Mineral Resources Lower Cut-off
Rainy River	O/P direct processing:	0.46 – 0.49 g/t AuEq	0.44 – 0.45 g/t AuEq
	O/P low grade material:	0.30 g/t AuEq	0.30 g/t AuEq
	U/G direct processing:	Intrepid Zone: 1.93 g/t AuEq	1.70 g/t AuEq
		ODM Main Zones: 2.25 g/t AuEq	
	U/G with LGO Stockpile processing:	ODM Main Zones: 1.74 g/t AuEq	1.70 g/t AuEq
New Afton	A&B Zones:	USD$ 10.00/t	All Resources: 0.40% CuEq
	B3 Block & C-zone:	USD$ 24.00/t	

5. New Gold reports its measured and indicated mineral resources exclusive of mineral reserves. Measured and indicated mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred mineral resources have a greater amount of uncertainty as to their existence and technical feasibility, do not have demonstrated economic viability, and are likewise exclusive of mineral reserves. Numbers may not add due to rounding.
6. Mineral resources are classified as measured, indicated and inferred based on relative levels of confidence in their estimation and on technical and economic parameters consistent with the methods considered to be most suitable to their potential commercial extraction. The designators ‘open pit’ and ‘underground’ may be used to indicate the envisioned mining method for different portions of a resource. Similarly, the designators ‘direct processing’ and ‘lower grade material’ may be applied to differentiate material envisioned to be mined and processed directly from material to be mined and stored separately for future processing. Mineral reserves and mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing and other risks and relevant issues. Additional details regarding mineral reserve and mineral resource estimation, classification, reporting parameters, key assumptions and associated risks for each of New Gold’s material properties are provided in the respective NI 43-101 Technical Reports, which are available at www.sedar.com.
7. Rainy River Mine: In addition to the criteria described above, mineral reserves and mineral resources for the Rainy River project are reported according to the following criteria: Underground mineral reserves are reported peripheral to and/or below the open pit mineral reserve pit shell, which has been designed and optimized based on a $1,400/oz gold price. Open pit and underground mineral resources are reported based on a $1,500/oz gold price. Open pit mineral resources are reported from within an open pit resource shell that extends to a depth of approximately 340 meters from surface. Open pit mineral resources exclude material reported as underground mineral reserves. New Afton Mine: C Zone resources reported at YE2020 have been further subdivided under C Zone, D-Zone and Eastern Extension based upon geological model refinement and location within the New Afton deposit.
8. The preparation of New Gold's consolidated statement and estimation of mineral reserves as it relates to the New Afton and Rainy River Mine has been completed under the oversight and review of Mr. John Ritter, General Manager for the New Afton Mine and Mr. Gord Simms, General Manager for the Rainy River Mine, respectively. Both Mr. John Ritter and Mr. Gord Simms are Professional Engineers and members of the Engineers and Geoscientist of British Columbia. Preparation of New Gold’s consolidated statement and estimation of mineral resources has been completed under the oversight and review of Mr. Michele Della Libera, Director, Exploration for the Company. Mr. Della Libera is a Professional Geoscientist and member of the Association of Professional Geoscientist of Ontario and of the Engineers and Geoscientist of British Columbia. Mr. Ritter, Mr. Simms and Mr. Della Libera are "Qualified Persons" as defined by NI 43-101.

ENDNOTES

1. Total gold eq. ounces include silver and copper produced/sold converted to a gold equivalent. All copper is produced/sold by the New Afton Mine. Gold eq. ounces for Rainy River in Q4 2022 includes production of 110,133 ounces of silver (104,968 ounces sold) converted to a gold eq. based on a ratio of $1,800 per gold ounce and $24.00 per silver ounce used for 2022 guidance estimates. Gold eq. ounces for New Afton in Q4 2022 includes 6.9 million pounds of copper produced (6.8 million pounds sold) and 18,012 ounces of silver produced (17,023 ounces of silver sold) converted to a gold eq. based on a ratio of $1,800 per gold ounce, $4.00 per copper pound and $24.00 per silver ounce used for 2022 guidance estimates.

2. "Total cash costs", "all-in sustaining costs" (or "AISC"), "adjusted net earnings/(loss)", "adjusted tax expense", "sustaining capital and sustaining leases", "growth capital", "average realized gold/copper price per ounce/pound", "open pit net mining cost per operating tonne mined", "underground net mining costs per operating tonne mined", "processing costs per tonne processed", "G&A costs per tonne processed", "cash generated from operations before changes in non-cash operating working capital" and "free cash flow" are all non-GAAP financial performance measures that are used in this MD&A. These measures do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. For more information about these measures, why they are used by the Company, and a reconciliation to the most directly comparable measure under IFRS, see the "Non-GAAP Financial Performance Measures" section of this MD&A starting on page 29.

3. Production is shown on a total contained basis while sales are shown on a net payable basis, including final product inventory and smelter payable adjustments, where applicable.

4. A detailed discussion of production is included in the "Review of Operating Mines" section of this MD&A starting on page 18.

5. See "Sustaining Capital Expenditures Reconciliation Table" for a reconciliation of sustaining capital expenditures to mining interests per the consolidated statement of cash flows.

6. Includes the sum of corporate administration costs and share-based payment expense per the income statement, net of any non-cash depreciation within those figures.

7. Sustaining capital expenditures are net of proceeds from disposal of assets.

8. Growth capital expenditures at New Afton in the current period and prior-year period relate to project advancement for the C-Zone. Growth capital expenditures at Rainy River in the current and prior period relate to underground development.

9. Please refer to Note 4 of the Company's consolidated financial statements for a detailed breakdown of other gains and losses.

10. These are supplementary financial measures which are calculated as follows: "revenue per ounce/pound" is total revenue divided by total gold ounces sold and copper pounds sold, "Operating expenses per gold eq. ounce" is total operating expenses divided by total gold equivalent ounces sold

and "depreciation and depletion per gold eq. ounce" is total depreciation and depletion divided by total gold equivalent ounces sold.

11. New Afton 2023 operational estimates are exclusive of any material from the ore purchase agreement.

CAUTIONARY NOTES

Cautionary Note to U.S. Readers Concerning Estimates of Mineral Reserves and Mineral Resources

Disclosure regarding Mineral Reserve and Mineral Resource estimates included in this MD&A was prepared in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. NI 43-101 differs significantly from the disclosure requirements of the United States Securities and Exchange Commission ("SEC") generally applicable to U.S. companies. For example, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in NI 43-101. These definitions differ from the definitions in the disclosure requirements promulgated by the SEC. Accordingly, information contained in this MD&A will not be comparable to similar information made public by U.S. companies reporting pursuant to SEC disclosure requirements.

Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this MD&A, including any information relating to New Gold's future financial or operating performance are "forward-looking". All statements in this MD&A, 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 MD&A include, among others, those in the sections "Sustainability and ESG", "Outlook for 2023" and "Key Performance Drivers - Economic Outlook" as well as statements with respect to: the Company's expectations and guidance with respect to production, operational estimates, capital investment estimates and exploration expense estimates on a mine-by-mine and consolidated basis for 2023, and the factors and timing contributing to those expectations; planned activities and timing for 2023 and future years at the Rainy River Mine and New Afton Mine, including planned development and exploration activities and related expenses; the current and future financial performance of the Company as it relates to the prevailing price of gold; the intended mining approach for the open pit and underground operations at Rainy River and the anticipated benefits thereof; the continuation of prevailing commodity prices and exchange rates, and the continuation of operations performing in accordance with mine plans; planned mining from primarily the main ODM zone continuing over 2023 at Rainy River; anticipated follow-up exploration drilling and new drill target definition at Rainy River; anticipated factors impacting the Company's liquidity and the continued review thereof; the Company's ability to implement its near-term operational plan and to repay future indebtedness; planned continued advancement of C-Zone development at New Afton and the significant capital expenditures expected to result therefrom; the Company's expectations regarding its liquidity position and its ability to fund its business objectives; the

anticipated timing with respect to the Company's contractual commitments becoming due; the sufficiency of the Company's financial performance measures in evaluating the underlying performance of the Company; expectations that foreign exchange forward contracts will continue into 2023; expectations regarding the management and mitigation of risk factors and the possible impacts on the Company; and the Company's continued focus on the health, safety and well-being of its people.

All forward-looking statements in this MD&A are based on the opinions and estimates of management as of the date such statements are made and are 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 MD&A, its most recent Annual Information Form and NI 43-101 Technical Reports on the Rainy River Mine and New Afton 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 MD&A 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; (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 2023 guidance and otherwise; (5) prices for diesel, natural gas, fuel oil, electricity and other key supplies being approximately consistent with current levels; (6) equipment, labour and materials costs increasing on a basis consistent with New Gold's current expectations; (7) arrangements with First Nations and other Indigenous groups in respect of the New Afton Mine and Rainy River Mine being consistent with New Gold's current expectations; (8) all required permits, licenses and authorizations being obtained from the relevant governments and other relevant stakeholders within the expected timelines and the absence of material negative comments or obstacles during the applicable regulatory processes; (9) the results of the life of mine plans for the Rainy River Mine and the New Afton Mine being realized; and (10) there being no material disruption to the Company's supply chains and workforce at either the New Afton Mine or Rainy River Mine due to cases of COVID-19 or otherwise that would interfere with the Company's anticipated course of action at its operations.

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. Such factors include, without limitation: price volatility in the spot and forward markets for metals and other commodities; discrepancies between actual and estimated production, between actual and estimated costs, between actual and estimated Mineral Reserves and Mineral Resources and between actual and estimated metallurgical recoveries; equipment malfunction, failure or unavailability; accidents; risks related to early production at the Rainy River Mine, including failure of equipment, machinery, the process circuit or other processes to perform as designed or intended; the speculative nature of mineral exploration and development, including the risks of obtaining and maintaining the validity and enforceability of the necessary licenses and permits and complying with the permitting requirements of each jurisdiction in which New Gold operates, including, but not limited to: uncertainties and unanticipated delays associated with obtaining and maintaining necessary licenses, permits and authorizations and complying with permitting requirements; changes in project parameters as plans continue to be refined; changing costs, timelines and development schedules as it relates to

construction; the Company not being able to complete its construction projects at the Rainy River Mine or the New Afton Mine on the anticipated timeline or at all; volatility in the market price of the Company's securities; changes in national and local government legislation in the countries in which New Gold does or may in the future carry on business; controls, regulations and political or economic developments in the countries in which New Gold does or may in the future carry on business; compliance with public company disclosure obligations; the Company's dependence on the Rainy River Mine and New Afton Mine; the Company not being able to complete its exploration drilling programs on the anticipated timeline or at all; disruptions to the Company's workforce at either the Rainy River Mine or the New Afton Mine, or both, due to cases of COVID-19 or otherwise; the responses of the relevant governments to any disease, epidemic or pandemic outbreak, including COVID-19 not being sufficient to contain the impact of such outbreak; disruptions to the Company's supply chain and workforce due to any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak; an economic recession or downturn as a result of any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak that materially adversely affects the Company's operations or liquidity position; there being further shutdowns at the Rainy River Mine or New Afton Mine; significant capital requirements and the availability and management of capital resources; additional funding requirements; diminishing quantities or grades of Mineral Reserves and Mineral Resources; actual results of current exploration or reclamation activities; uncertainties inherent to mining economic studies including the Technical Reports for the Rainy River Mine and New Afton Mine; impairment; unexpected delays and costs inherent to consulting and accommodating rights of First Nations and other Indigenous groups; climate change, environmental risks and hazards and the Company's response thereto; tailings dam and structure failures; ability to obtain and maintain sufficient insurance; actual results of current exploration or reclamation activities; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, the United States and, to a lesser extent, Mexico; global economic and financial conditions and any global or local natural events that may impede the economy or New Gold's ability to carry on business in the normal course; inflation; compliance with debt obligations and maintaining sufficient liquidity; taxation; fluctuation in treatment and refining charges; transportation and processing of unrefined products; rising costs or availability of labour, supplies, fuel and equipment; adequate infrastructure; relationships with communities, governments and other stakeholders; geotechnical instability and conditions; labour disputes; the uncertainties inherent in current and future legal challenges to which New Gold is or may become a party; defective title to mineral claims or property or contests over claims to mineral properties; competition; loss of, or inability to attract, key employees; use of derivative products and hedging transactions; reliance on third-party contractors; counterparty risk and the performance of third party service providers; investment risks and uncertainty relating to the value of equity investments in public companies held by the Company from time to time; the adequacy of internal and disclosure controls; conflicts of interest; the lack of certainty with respect to foreign operations and legal systems, which may not be immune from the influence of political pressure, corruption or other factors that are inconsistent with the rule of law; the successful acquisitions and integration of business arrangements and realizing the intended benefits therefrom; and information systems security threats. In addition, there are risks and hazards associated with the business of mineral exploration, development, construction, operation and mining, including environmental events and hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance or inability to obtain insurance to cover these risks) as well as "Risk Factors" included in New Gold's Annual Information Form 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 of the forward-looking statements contained

in this MD&A 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.

Technical Information

The scientific and technical information relating to the Mineral Resources contained herein has been reviewed and approved by Michele Della Libera, Director, Exploration for the Company. The scientific and technical information relating to the Mineral Reserves of the New Afton Mine and all other scientific and technical information in this MD&A about the New Afton Mine contained herein has been reviewed and approved by John Ritter, General Manager of the New Afton Mine. The scientific and technical information relating to the Mineral Reserves of the Rainy River Mine and all other scientific and technical information in this MD&A about the Rainy River Mine contained herein has been reviewed and approved by Gord Simms, General Manager of the Rainy River Mine. Mr. Della Libera is a Professional Geologist and a member of the Association of Professional Geoscientists of Ontario and the Engineers and Geoscientists British Columbia. Mr. Ritter is a Professional Engineer and member of the Engineers and Geoscientists British Columbia. Mr. Simms is a Professional Engineer and member of the Engineers and Geoscientists British Columbia. Mr. Della Libera, Mr. Ritter and Mr. Simms are all "Qualified Persons" for the purposes of NI 43-101. To the Company's knowledge, each of the aforementioned persons holds less than 1% of the outstanding securities of the Company.

The estimates of Mineral Reserves and Mineral Resources discussed in this MD&A may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing and other risks and relevant issues. New Gold's current NI 43- 101 Technical Reports, which are available on SEDAR at www.sedar.com, contain further information regarding Mineral Reserve and Mineral Resource estimates, classification, reporting parameters, key assumptions and risks for each of New Gold's material mineral properties.

Exhibit 4

Code of Business Conduct and Ethics

*The Code of Business Conduct and Ethics ("**Code**") applies to every director, officer (including our President and Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**")), contractor and employee of New Gold Inc. and its subsidiaries (collectively, the "**Company**"). For the purposes of this Code, the term "**employee**" includes contractors undertaking work on behalf of the Company and any individual on the Company's payroll.*

New Gold has the following five core values:

- Integrity
- Creativity
- Commitment
- People & Communities
- Teamwork

Our Code explains how we translate our values into our everyday activities. It describes our commitment to our stakeholders, our key operating principles and our expectations for our directors, officers, employees and others who work with us and on our behalf, as well as our obligations to the Company and to each other.

These commitments, principles, expectations and obligations can be simply summarized:

(1) We act ethically and legally
(2) We keep accurate records and report honestly
(3) We work to achieve a sustainable company
(4) We are loyal and trustworthy
(5) We work to achieve a safe company
(6) We treat each other fairly and with respect
(7) We speak up

Together we can help achieve our mission of driving responsible and profitable mining in a way that creates sustainable and enduring value for our shareholders, our other stakeholders, and our environment. This Code should help serve as a guide to assist you in making the right decision every time, all the time.

We are all accountable for complying with the Code

As a director, officer or employee, you are expected to:

(1) **understand** the Code and the requirements of your position including, Company expectations and the laws and regulations that apply to your position;

(2) **comply** with the Code and all applicable laws and regulations;

(3) **report** any violation of the Code of which you become aware; and

(4) **be accountable** for complying with the Code.

The Code describes the behavior that is expected of directors, officers and employees of the Company, but it does not cover every situation or action that you may encounter. This Code should be used as a guide. If you have any questions or concerns, or if you have any doubts as to how this Code applies, you should contact your supervisor, and management should consult with the CEO or General Counsel.

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1) WE ACT ETHICALLY AND LEGALLY

A) Compliance with Laws, Rules and Regulations

The Company's goal is to comply with the laws, rules and regulations by which we are governed. You contribute to this goal by complying with the laws, rules and regulations applicable to your position. All illegal activities or conduct by or on behalf of the Company is prohibited whether or not they are specifically identified in this Code.

If a law, rule or regulation is unclear or appears to be conflicting with other applicable rules, you should discuss the situation with your supervisor or the Legal department. All employees, directors and officers are expected to act in accordance with the highest ethical standards.

B) Fair Dealing

No director, officer or employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

C) Insider Trading

No director, officer or employee should engage in any transactions for personal benefit which results or may result from confidential or non-public information which the director, officer or employee gains by reason of their position or authority. In addition, directors, officers and employees should be aware that securities laws make it illegal to use material undisclosed information when buying, selling or otherwise trading securities ("insider trading") or passing on this information to others for their use when buying, selling or otherwise trading securities ("tipping"). Please consult our Disclosure, Confidentiality and Insider Trading Policy for further details regarding these issues and additional requirements.

D) Bribery and Corruption

You must not offer, promise or give money, gifts, loans, rewards, favors or anything of value, directly or indirectly, to any government official, including employees or agents of a state-owned or controlled enterprise, any employee or agent of a public international organization, a political party or official thereof, or any candidate for a political office, including any agent or other intermediary, including a family member or household member, of any of the above, for the purpose of influencing any act or decision of such party or person or inducing such party or person to use its or his influence, or to otherwise secure any improper advantage for the Company. These actions are prohibited by the United States Foreign Corrupt Practices Act (FCPA), the Corruption of Foreign Public Officials Act (Canada) (CFPOA), other applicable laws and regulation as well as the Company's Anti-Bribery and Anti-Corruption Policy.

Those paying or offering a bribe may subject the Company and themselves to civil and criminal penalties. When dealing with government representatives or officials and private parties, no improper payments will be tolerated. If you become aware of or receive any solicitation for, or offer of, money or a gift, that is intended (or appears to be intended) to influence an official decision or business decision inside or outside of the Company, it must be reported to your supervisor, the General Counsel or the CEO immediately.

The Company prohibits improper payments in all of its activities, whether these activities are with governments or in the private sector. Please refer to the Company's Anti-Bribery and Anti-Corruption Policy and the procedures implemented in respect of that policy for more information.

E) Political Contributions

You must not make any use of Company, personal or other funds or resources on behalf of the Company, or which may be attributed to or associated with the Company, for political or other purposes which are improper or prohibited by applicable federal, provincial, territorial, state, local or

foreign laws, rules or regulations. Company contributions, or those which may be associated with the Company, or expenditures in connection with election campaigns may be permitted only to the extent allowed by federal, provincial, territorial, state, local or foreign election laws, rules and regulations, and any such expenditures require the approval of the CEO.

You are encouraged to participate actively in the political process in your personal capacity, but not on behalf of the Company. We believe that individual participation is a continuing responsibility of those who live in a free and democratic country. However, you must refrain from exerting influence on another employee to support a political cause, party or candidate, directly or indirectly.

F) Corporate Opportunities and Use and Protection of Company Assets

You have a duty to the Company to advance its legitimate interests. You are therefore prohibited from:

- taking for yourself, personally, or diverting to a third party, opportunities that are discovered through the use of Company property, information or position;
- using Company property, information or position for personal gain; or
- competing with the Company.

Company property includes real and tangible items such as land, buildings, furniture, fixtures, equipment, supplies and vehicles, and also includes intangible items such as data, computer systems, reports, information, patents, trademarks, copyrights, logos, personnel information, Company name and reputation.

You are responsible and accountable for the proper expenditure of Company funds you spend personally or approve on the Company's behalf. This includes money spent for travel expenses or for business entertainment. You are also responsible for the proper use of property over which you have control, including both Company property and funds and property that has been entrusted to your custody.

Company property should not be misused. Company property may not be sold, loaned or given away regardless of condition or value, without proper authorization. Each director, officer and employee should protect Company assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability and sustainability objectives. Company assets should be used only for legitimate business purposes.

2) WE KEEP ACCURATE RECORDS AND REPORT HONESTLY

A) Accounting Policies

The Company and each of its subsidiaries will make and keep books, records and accounts which, in reasonable detail, accurately and fairly present the financial condition of the Company, and the acquisition and disposition of corporate assets.

No director, officer or employee will directly or indirectly falsify, or cause to be false or misleading, any financial or accounting book, record or account. You are expected to cooperate with the Company's internal and external auditors, and you are expressly prohibited from directly or indirectly manipulating an audit, and from destroying or tampering with any record, document or tangible object with the intent to obstruct a pending or contemplated audit, review or investigation. The commission of, or participation in, one of these prohibited activities or other illegal conduct will subject you to penalties under applicable laws and regulations, as well as disciplinary action, up to and including termination of employment.

No director, officer or employee of the Company may directly or indirectly:

- make or cause to be made a materially false or misleading statement, or
- omit to state, or cause another person to omit to state, any material fact necessary to make statements made not misleading

in connection with the audit of financial statements by independent accountants, the preparation of any required reports whether by independent or internal accountants, or any public disclosure or document filed with the applicable Canadian securities regulatory authorities or the U.S. Securities and Exchange Commission ("**SEC**").

B) Disclosure Policies and Controls

The Company is subject to an obligation to disclose material information under applicable law. Our financial and non-financial disclosures and filings with the applicable Canadian securities regulatory authorities and the SEC must be accurate and timely. Proper reporting of reliable, truthful and accurate information requires our collective cooperation and participation. The Company's disclosure is overseen by the Disclosure Committee and should be governed by the Disclosure, Confidentiality and Insider Trading Policy and the controls and procedures that support it.

The Company requires you to participate in and cooperate with the disclosure process in accordance with the Disclosure, Confidentiality and Insider Trading Policy. The disclosure process is designed to record, process, summarize and report material information as required by all applicable laws, rules and regulations. Participation in the disclosure process is a requirement of a public company, and full cooperation with members of the Disclosure Committee and other officers, managers and employees in the disclosure process is a requirement of this Code. Our financial and non-financial disclosures and filings with the applicable Canadian securities regulatory authorities and SEC must be accurate and timely. Proper reporting of reliable, truthful and accurate information is a complex process involving cooperation among many of us. We must all work together to ensure that reliable, truthful and accurate information is disclosed to the public.

Officers and employees who fail to fully comply with their disclosure responsibilities and obligations in a timely manner (within the guidelines of applicable securities regulatory authorities) may be subject to disciplinary action up to and including termination of employment.

C) Filing of Government Reports

Any reports or information provided by the Company, or on our behalf, to federal, provincial, territorial, state, local or foreign governments must be true and accurate. You are required to assist the Company in providing true and accurate reports and information. Any omission, misstatement or lack of attention to detail could result in a violation of the reporting laws, rules and regulations.

3) WE WORK TO ACHIEVE A SUSTAINABLE COMPANY

A) Sustainability

New Gold strives to make a lasting and positive contribution towards sustainable development through our three sustainability anchors: environment, community engagement and Indigenous rights. We see it as the right thing to do for communities in which we operate and a key driver to achieving a productive and profitable business.

Our operations use resources and extract raw materials from the ground. We are committed to preserving the long-term health and viability of the natural environments affected by our operations by striving to deliver value to our stakeholders while minimizing the impact of our operations through, among other things, managing water use, tailings and responding to climate change. Working as sustainably as possible is our goal, and we must continue to adapt and improve our processes as new technologies and innovations happen.

As a company with Canadian roots, we look around us at the unique landscape we live and work in – an environment stewarded for millennia by Indigenous peoples. Our sustainability approach is built around establishing long-term relationships with local Indigenous communities based on mutual benefit and active engagement. This approach is rooted in understanding that issues of the environment, community engagement and Indigenous rights are connected, and that addressing them efficiently and effectively is vital to our future success.

4) WE ARE LOYAL AND TRUSTWORTHY

A) Conflicts of Interest

A “conflict of interest” exists whenever an individual’s personal interests interfere or conflict with the interests of the Company. Each director, officer and employee must strive to handle in an ethical and practical manner actual or apparent conflicts of interest between personal and professional relationships. We must each make decisions in the best interest of the Company. You have a primary business responsibility to the Company and must avoid any activity that may interfere or conflict, or have the appearance or potential of interfering or conflicting, with the performance of this responsibility. Business, financial or other relationships with suppliers, customers or competitors that might impair or appear to impair the exercise of your judgment should be avoided. You are expected to disclose to your supervisor any relationship that could create, or reasonably be perceived as creating, a conflict.

Below are some examples of potential conflicts of interest. These examples are not intended to be exhaustive, and if you are at all unsure about a situation, you should consult with your supervisor.

Family Members. Actions of family members may create a conflict of interest. For example, gifts to family members by a supplier of the Company are considered gifts to you and should be reported if they involve more than ordinary social amenity or are of more than nominal value from any organization doing or seeking to do business with the Company. Doing business for the Company with organizations where your family members are employed or that are partially or fully owned by your family members or close friends may create a conflict or the appearance of a conflict of interest. For purposes of the Code, “family members” include an individual's spouse, and their parents, children, siblings, aunts or uncles and their spouses or others that are living in the same household.

Gifts, Entertainment, Loans, or Other Favors. Directors, officers and employees must not seek or accept gifts, entertainment, loans, or other favors for personal gain if it is more than ordinary social amenity or of more than nominal value from anyone soliciting business from or doing business with the Company, or from any person or entity in competition with us. Other than common business courtesies, directors, officers, and employees must not offer or provide anything to any person or organization for the purpose of influencing the person or organization in their business relationship with us. Additional restrictions apply when providing anything of value to a government official or employee, employee or agent of a state-owned or controlled enterprise, employee or agent of a public international organization, political party or official thereof or any candidate for a political office. Please refer to the sections of this Code on “Bribery and Corruption” for more information.

Directors, officers and employees are expected to deal with advisors or suppliers who best serve the needs of the Company as to price, quality and service in making decisions concerning the use or purchase of materials, equipment, property or services. Directors, officers and employees who use the Company’s advisors, suppliers or contractors in a personal capacity are expected to pay market value for materials and services provided.

Outside Employment. Officers and employees may not participate in outside employment, self-employment, or serve as officers, directors, partners or consultants for outside organizations, if such activity:

- reduces work efficiency;
- interferes with your ability to act conscientiously in our best interest;
- requires you to utilize New Gold’s confidential procedures, plans or techniques; or
- negatively impacts the reputation of the Company.

You must inform your supervisor of any outside employment, including the employer’s name and expected work hours.
You should report any actual, apparent or potential conflict of interest involving yourself or others of which you become aware to your supervisor, the CEO or General Counsel. If you are a directors or

officer, you should report any actual or potential conflict of interest involving yourself or another officer or director of which you become aware to the Chair of the Audit Committee of the Board of Directors.

B) Computer and Information Systems

You may be provided with mobile devices (such as telephones and tablets), computers and software, including network access to computing systems such as the Internet and e-mail for business purposes, to improve personal productivity and to efficiently manage the Company's proprietary information in a secure and reliable manner. You are responsible for the appropriate use and safeguarding of these assets, and for ensuring that no one other than you has access to, or use of, such hardware or software.

Except for limited personal use of the Company's telephones, tablets, mobile devices and computers, such equipment may be used only for business purposes. Directors, officers and employees may not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit messages, cartoons, jokes, unwelcome propositions, derogatory messages based on gender, racial, ethnic or other personal characteristics or any other messages that could reasonably be viewed as harassment or discrimination.

You should not expect a right to privacy of your Company e-mail, Internet or network use. All communications, e-mails or Internet use on Company equipment or networks may be subject to monitoring by the Company for legitimate business purposes.

C) Confidential Information Belonging to the Company

As a result of your position and/or relationship with New Gold, you may be entrusted with confidential information of the Company, the improper disclosure of which could destroy its value to the Company, give others an unfair advantage, or result in liability for the Company. You are required to keep all operations, activities and business affairs of the Company confidential and to preserve the confidentiality of information entrusted to you by the Company. Confidential information includes, but is not limited to, information regarding the Company's business, financial performance, strategy, transactions, products, processes, and services. It can also include information relating to research, development, inventions, trade secrets, intellectual property of any type or description, data, business plans, marketing strategies, engineering, contract negotiations and business methods or practices. You are responsible for safeguarding Company information and complying with established security controls and procedures. You must not share Company information with any person or entity during or after your service with the Company, except if:

- it is in the necessary course of the Company's business;
- you have received written authorization from a member of senior management; or
- it is required by law, as determined after consultation with the General Counsel.

The following are examples of information that are not considered confidential:

- information that is in the public domain to the extent it is readily available;
- information that becomes generally known to the public other than by its disclosure by a director, officer or employee in contravention of this Code or Company policies; or
- information you receive from a party that is under no legal obligation of confidentiality to the Company with respect to such information.

You must also maintain the confidentiality of all personal information provided to, or held by, the Company and ensure that such personal information is not disclosed to other directors, officers or employees unless it is reasonably required by them to perform their jobs. You must not disclose such personal information to third parties unless required by applicable laws, rules or regulations (and then only to the extent required, after consultation with the General Counsel) or unless the informed consent of the relevant individual has been obtained. Personal information must be dealt with in accordance with all applicable privacy laws. The obligation to preserve confidential information continues even after your employment or association with the Company ends.

In order to prevent the misuse or inadvertent disclosure of confidential information, the following

procedures should be observed at all times:

- do not disclose any confidential information to anyone outside the Company, verbally or in writing, including through social media platforms;
- do not make statements to the media about the Company without the permission of management;
- do not discuss confidential matters in public places where the discussion may be overheard (i.e. coffee shop, food court, restaurant, public transit, elevators, etc.);
- do not read confidential documents in public places, or leave documents unattended or discarded where they can be seen or accessed by others (including at your office and at home);
- transmission of documents via electronic means should be made only where the transmission can be made and received under secure conditions;
- extra copies of confidential documents must be shredded or otherwise destroyed in a safe manner;
- do not share information from an employee's personnel file. Employee files are available only to appropriate employees on a "need-to-know" basis and in compliance with applicable laws; and
- outside parties privy to confidential information must be informed of their obligation that they not divulge such confidential information to anyone else and, where appropriate, should confirm their commitment to non-disclosure in a written non-disclosure or confidentiality agreement.

D) Confidential Information Belonging to Others

You must respect the confidentiality of information, including, but not limited to, trade secrets and other information given in confidence by others, including, but not limited to, partners, suppliers, contractors, competitors, customers or acquisition or investment targets, just as we protect our own confidential information. However, certain restrictions arising in relation to the information of others may place an unfair or inappropriate burden on the Company's future business. For that reason, directors, officers and employees should coordinate with the CEO, CFO or General Counsel to ensure appropriate agreements are in place prior to receiving any confidential third-party information. These agreements must reflect a balance between the value of the information received on the one hand, and the logistical and financial costs of maintaining confidentiality of that information and, if applicable, limiting the Company's business opportunities on the other. In addition, any confidential information that you may possess from an outside source, such as a previous employer, must not, so long as such information remains subject to obligations to keep it confidential, be disclosed to or used by the Company. Unsolicited confidential information submitted to the Company should be refused, returned to the sender where possible, and deleted, if received via e-mail or the Internet.

5) WE WORK TO ACHIEVE A SAFE COMPANY

A) Safety

New Gold is committed to ensuring we work and return home to our families safely every day. We all have a role to play in working safely and keeping the Company and our colleagues safe. You should encourage and support coworkers in identifying risks, refusing unsafe work and reporting all work-related incidents. You should also know and observe the safety rules and procedures at your workplace as well as be prepared for emergencies.

In order to do your part in working safely:

- if you see a safety hazard or risk that could be addressed, speak up;
- if you are unsure how to complete a task safely, stop and seek assistance;
- if distractions are preventing you from working safely, contact your supervisor immediately; and
- do not take short cuts or jeopardize personal safety in order to achieve production targets.

B) Prohibited Substances

You are prohibited from using alcohol, cannabis, illegal drugs or other prohibited items, including legal drugs which may adversely affect or impair your ability to perform your work duties, while on Company premises. You are also prohibited from possessing or using alcoholic beverages, cannabis, firearms, weapons or explosives on our property unless required in the course of your duties or authorized by the CEO or an Executive Vice President. You are also prohibited from reporting to work while under the influence of alcohol, cannabis or illegal drugs.

6) WE TREAT EACH OTHER FAIRLY AND WITH RESPECT

A) Relations, Respect and Contribution

We function as a team. Your success as part of this team depends on your contribution and ability to inspire the trust and confidence of your coworkers and supervisors. We must each respect the rights of others while working as a team to fulfill our objectives. To best function as part of a team, you must be trustworthy and dedicated to high standards of performance. The relationships between business groups also require teamwork and mutual respect.

To facilitate respect and contribution among employees and a positive working environment for everyone, we have implemented the following employment policies:

- to hire, pay and assign work on the basis of qualifications and performance;
- not to discriminate on the basis of race, religion, ethnicity, national origin, color, gender, age, sexual orientation, citizenship, veteran's status, marital status, disability or any other personal characteristics protected by law;
- to attract and retain a highly talented workforce;
- to encourage skill growth through training and education and promotional opportunities;
- to encourage an open discussion between all levels of employees and to provide an opportunity for feedback from the top to the bottom and from the bottom to the top;
- to prohibit workplace intimidation, bullying or harassment (including sexual, physical, verbal and online);
- to recognize and reward additional efforts that go beyond our expectations; and
- to respect all workers' rights to dignity and personal privacy by not unnecessarily disclosing employee information, including protected personal or health information,.

In order to do your part in creating an equitable and inclusive workplace, free from discrimination based on race, you must comply with the Company's Anti- Racism Policy, which also details how to report a complaint to your supervisor. The Company will investigate and deal with all concerns, complaints or incidents of workplace discrimination, harassment or violence in a fair and timely manner, while respecting the employee's privacy as much as possible. It is each employee's responsibility to participate in any investigation initiated or conducted by the Company or any external party engaged by the Company for this purpose.

7) WE SPEAK UP

A) Reporting Code Violations

We report concerns about activities that may be harmful to us, our employees or our community members, and we report our concerns freely, with confidence that retaliation is never tolerated.

You should be alert and sensitive to situations that could result in actions that might violate federal, state, or local laws or the standards of conduct set forth in this Code. If you believe your own conduct or that of an employee, director or officer may have violated any such laws or this Code, you have an obligation to report the matter in accordance with this Code and/or the Whistleblower Policy.

Generally, you should raise such matters first with an immediate supervisor. However, if you are not comfortable bringing the matter up with your immediate supervisor, or do not believe the supervisor has dealt with the matter appropriately, you should then raise the matter with management at your site, or any of the CEO, CFO or General Counsel. Directors and officers should report any potential violations of this Code involving directors or officers to the Chair of the Audit Committee of the Board of Directors. The most important point is that possible violations should be reported and we support all means of reporting them.

Alternatively, complaints may be made anonymously through the Company's Whistleblower hotline and in accordance with the Company's Whistleblower Policy. You do not have to reveal your identity in order to make a report. If you do reveal your identity, it will not be disclosed by the Chair of the Audit Committee unless disclosure is required to complete an appropriate investigation. The hotlines for making a whistleblower complaint are as follows:

Hotline toll free numbers:
Canada and United States: (833) 627-1041
Mexico: 001-800-613-2737

Hotline online portal: https://newgold.ethicspoint.com

B) Non-Retaliation for Reporting

In no event will the Company take or threaten any action against you as a reprisal or retaliation for making a complaint in good faith in accordance with this Code or the Company's Whistleblower Policy. However, if a reporting individual was involved in improper activity the individual may be appropriately disciplined even if he or she was the one who disclosed the matter to the Company. In these circumstances, we may consider the conduct of the reporting individual in reporting the information as a mitigating factor in any disciplinary decision.

Retaliation against an individual who, in good faith, reports a concern regarding compliance with this Code or applicable law is strictly prohibited and may be illegal. Retaliation will result in disciplinary action up to and including termination of employment and may also result in criminal prosecution.

C) Waivers

There will be no waiver of any part of this Code for any director or executive officer (being the CEO, the CFO, each Executive Vice President and each Vice President that is an executive officer as defined in National Instrument 51-102) except by a resolution of the Board of Directors or a designated Board committee that will ascertain whether a waiver is appropriate under all the circumstances. If a waiver (or implicit waiver) is granted to a director or executive officer, notice of such waiver will be disclosed to the extent required by applicable law or stock exchange rules. For these purposes, the term "waiver" means the approval by the Company of a material departure from a provision of the Code, and the term "implicit waiver" means a failure of the Company to take action within a reasonable period of time regarding a material departure from a provision of the Code that has been made known to an executive officer. Any notices of waiver posted on our website shall remain there for a period of 12 months and shall be retained in our files as required by applicable law.

A waiver for a specific event arising under this Code may be granted in exceptional circumstances to an employee that is not a director or executive officer on the approval of two of the following: the CEO, any Executive Vice President, the General Counsel, and any director. No other waivers of this Code are permitted.

D) Amendments of this Code

There will be no amendment to this Code except by a resolution of the Board of Directors or a designated Board committee that will ascertain whether an amendment is appropriate.

In case of any amendment of this Code that applies to an officer or director of the Company, the amendment shall be posted on the Company's website within five days of the resolution approving

the amendment or shall be otherwise disclosed as required by applicable law or applicable stock exchange rules. The amended Code posted on the website will remain there until further amendment, if any, and will be retained in the Company's files as required by law.

E) Discipline for Noncompliance with this Code

Disciplinary actions for violations of this Code can include oral or written reprimands, suspension or termination of employment or a potential civil lawsuit against you.

The violation of laws, rules or regulations, which can subject the Company to fines and other penalties, may result in your criminal prosecution.

8) CONCLUSION

It's not always easy to know what to do. If you are ever unsure about how to conduct yourself a particular situation, just ask yourself these questions:

Does it feel right?

Is this action ethical?

Is this action aligned with New Gold's values?

Is this action legal and consistent with applicable laws and regulations as well as New Gold's policies and procedures?

Could my action create the appearance of conflict or impropriety?

Does this action appropriately consider the best interest of New Gold, its customers, host communities, shareholders, and other stakeholders?

If the answer is "No" to one or more of these questions, don't do it. We cannot expect perfection, but we do expect good faith. We hope this Code helps guide you in asking the right questions and making the right decision. If you fail to act in good faith or to take appropriate measures to comply with this Code, you will be subject to disciplinary action. The best course of action is always to be honest, ethical, and loyal at all times.

To demonstrate our determination and commitment, the Company asks each director, officer and employee to review the Code periodically throughout the year. Take the opportunity to discuss with your supervisor or management any questions or concerns that you may have about the application of this Code. Directors, officers and employees are required to confirm compliance with the Code annually.

Approved by the Board on November 2, 2022.

Exhibit 5

Certification of President and Chief Executive Officer as required by Rule 13a-14(a) under the Securities Exchange Act of 1934

I, Patrick Godin, certify that:

1. I have reviewed this annual report on Form 40-F of New Gold Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;
4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: February 24, 2023

/s/ Patrick Godin
Patrick Godin
President and Chief Executive Officer

Exhibit 6

Certification of Chief Financial Officer as required by Rule 13a-14(a) under the Securities Exchange Act of 1934

I, Robert Chausse, certify that:

1. I have reviewed this annual report on Form 40-F of New Gold Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;
4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: February 24, 2023

/s/ Robert Chausse
Robert Chausse
Executive Vice President and Chief Financial Officer

Exhibit 7

Certification of President and Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the filing of the annual report on Form 40-F for the fiscal year ended December 31, 2022 (the " **Report**") by New Gold Inc. (the "**Company**"), I, Patrick Godin, as President and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge that:

1. The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 24, 2023

/s/ Patrick Godin

Patrick Godin
President and Chief Executive Officer

Exhibit 8

Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the filing of the annual report on Form 40F for the fiscal year ended December 31, 2022 (the " **Report**") by New Gold Inc. (the "**Company**"), I, Robert Chausse, as Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge that:

1. The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 24, 2023

/s/ Robert Chausse

Robert Chausse
Executive Vice President and Chief Financial Officer

Exhibit 9

Consent of Independent Registered Public Accounting Firm

We consent to the use of our reports dated February 15, 2023 relating to the financial statements of New Gold Inc. and the effectiveness of New Gold Inc.'s internal control over financial reporting appearing in this annual report on Form 40-F for the year ended December 31, 2022.

"/s/ Deloitte LLP"
Chartered Professional Accountants
Licensed Public Accountants
Toronto, Canada
February 24, 2023

Exhibit 10

Consent of Michele Della Libera

United States Securities and Exchange Commission

Ladies and Gentlemen:

I, Michele Della Libera, Professional Geoscientist (P.Geo) and member of the Association of Professional Geoscientists of Ontario (APGO) and the Engineers and Geoscientists of British Columbia (EGBC), hereby consent to the use of and reference to my name, and the inclusion in the annual report on Form 40-F of New Gold Inc. of the information reviewed and approved by me relating to Mineral Resources that is of a scientific or technical nature contained therein for the financial year ended December 31, 2022.

Dated this 24th day of February, 2023

Yours truly,

/s/ Michele Della Libera

Name: Michele Della Libera
P.Geo., member of APGO and EGBC

Exhibit 11

Consent of Gord Simms

United States Securities and Exchange Commission

Ladies and Gentlemen:

I, Gord Simms, Professional Engineer (P.Eng.) and member of the Engineers and Geoscientists British Columbia (EGBC), hereby consent to the use of and reference to my name, and the inclusion in the annual report on Form 40-F of New Gold Inc. of the information reviewed and approved by me relating to Mineral Reserves as it relates to the Rainy River Mine that is of a scientific or technical nature contained therein for the financial year ended December 31, 2022.

Dated this 24th day of February, 2023

Yours truly,

/s/ Gord Simms

Name: Gord Simms
P.Eng., member of EGBC

Exhibit 12

Consent of John Ritter

United States Securities and Exchange Commission

Ladies and Gentlemen:

I, John Ritter, Professional Engineer (P.Eng.) and member of the Engineers and Geoscientists of British Columbia (EGBC), hereby consent to the use of and reference to my name, and the inclusion in the annual report on Form 40-F of New Gold Inc. of the information reviewed and approved by me relating to Mineral Reserves as it relates to the New Afton Mine that is of a scientific or technical nature contained therein for the financial year ended December 31, 2022.

Dated this 24th day of February, 2023

Yours truly,

/s/ John Ritter

Name: John Ritter
P.Eng., member of EGBC