

## TSM Performance by Company

### New Gold Inc.



New Gold is an intermediate gold producer with operating mines in Canada (New Afton Mine), the United States (Mesquite Mine), Australia (Peak Mines) and Mexico (Cerro San Pedro Mine). In addition, New Gold's principal development projects are its 100% owned Rainy River and Blackwater projects, which are both in Canada.

New Gold is committed to excellence in corporate social responsibility. The company considers its ability to make a lasting and positive contribution to host communities a key driver in achieving a productive and profitable business. New Gold contributes to sustainable development by ensuring it understands how its activities impact communities and the environment, and works to mitigate them. This approach is applied throughout the mining life cycle, from early exploration through development and operation, to decommissioning and mine closure.

New Gold is committed to positively contributing to the mining industry. It is a member of the World Gold Council, Business for Social Responsibility, the Mining Association of Canada, the Prospectors and Developers Association of Canada, the Ontario Mining Association, and the Mining Association of British Columbia. The company is also a member of the Mexican Mining Chamber, the Canadian Chamber of Commerce in Mexico, and the American Exploration and Mining Association in the United States.

New Gold is committed to achieving the highest possible level of performance for safety, environmental protection and sustainable community development. This commitment drives New Gold to seek out those standards, protocols and performance indicators that assist its people in achieving these goals. As a result, New Gold has adopted standards such as the International Cyanide Management Code and the United Nations Global Compact's 10 principles on human rights, labour standards, the environment and anti-corruption. New Gold has also attained ISO 14001 environmental management certification for two of its four operations, and follows the guidelines of the Global Reporting Initiative and the Carbon Disclosure Project to ensure relevant information is shared with its communities of interest.

New Gold has incorporated TSM's requirements into both its Environmental Standards and its Community Engagement and Development Management Standards. These standards ensure that TSM principles are applied at all New Gold operations, in Canada and abroad.

New Afton enthusiastically adopted TSM protocols, in addition to implementing ISO 14001, as it moved from the project development phase through commissioning and into production in July 2012. This is New Afton's fourth year of TSM reporting.

To demonstrate its continuing commitment to transparency and to the TSM program, New Gold had its results externally verified this year even though it was not required to do so. The company elected to verify the results to ensure that progress had been made in areas important to its local communities and First Nations partners.

Managed Process Consulting Inc. completed the verification report for Cerro San Pedro, which assessed the facility's reported TSM performance results against the TSM performance indicators. The scope of the review included the company's TSM verification processes for the following TSM protocols: *Tailings Management, Energy Use and GHG Emissions Management, Biodiversity Conservation Management, Aboriginal and Community Outreach, Safety and Health, and Crisis Management and Communications Planning*. The review was conducted in accordance with generally accepted standards, consisting primarily of interviews, data analysis, and examination of other evidence relevant to management's assertion of conformance to the requirements of the TSM performance indicators.

New Gold's results in 2016 showed continual improvement from its 2015 results. Notably, New Afton achieved significant success in the area under Tailings Management – a key area of interest to its neighbours and First Nations partners. The company also maintained or improved its results Under the TSM protocols *Biodiversity Conservation Management, Aboriginal and Community Outreach, and Energy Use and GHG Emissions Management*.

New Afton hosted its first Independent Tailings Review Board meeting within New Gold. This group consists of experts in geotechnical engineering, hydrology and geochemistry, and provides additional peer review as well as corporate oversight on the operation's tailings facilities. This increased diligence ensures that its structures are safe by ensuring that risks are understood, studied and mitigated.

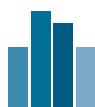
To meet the requirements of the *TSM Aboriginal and Community Outreach Protocol*, New Afton has successfully developed a partnership agreement with the Skeetchestn Indian Band and the Tk'emlúps te Secwépemc. New Afton has also been recognized with several awards in this area, such as the Mining Association of British Columbia's 2011 Mining and Sustainability Award, the 2012 Corporate Champion for Aboriginal Business Award, and the 2013 British Columbia Mining Human Resources Diversity Award. In 2016, New Afton met its targets and achieved a Level AA or AAA in all of the performance indicators within the *TSM Aboriginal and Community Outreach Protocol*.

In 2013, New Afton made significant progress towards achieving its vision of sustainable energy management. In early 2014, it became the first mine in North America to be certified under ISO 50001 (for energy management systems). During 2015, as a result of New Afton's energy management system, the facility was able to achieve energy savings that reduced not only costs but also GHG emissions. Further savings are expected in the near future.

All of New Gold's sites (both Canadian and international) were assessed in 2015 against the protocols.

 For more information, please visit [www.newgold.com](http://www.newgold.com)





Externally  
Verified Results

## 2016 TSM Results

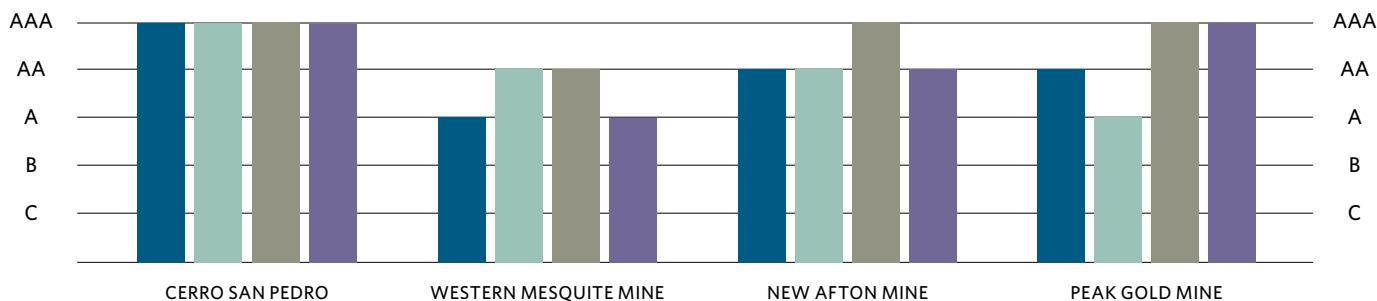
### New Gold Inc.

#### Crisis Management and Communications Planning Assessment

FACILITY	PREPAREDNESS	REVIEW	TRAINING
NEW GOLD INC.	✓	✓	✓
NEW AFTON MINE	✓	✓	✓
CERRO SAN PEDRO	✓	✓	✓
PEAK GOLD MINE	✓	✓	✓
WESTERN MESQUITE MINE	✓	✗	✗

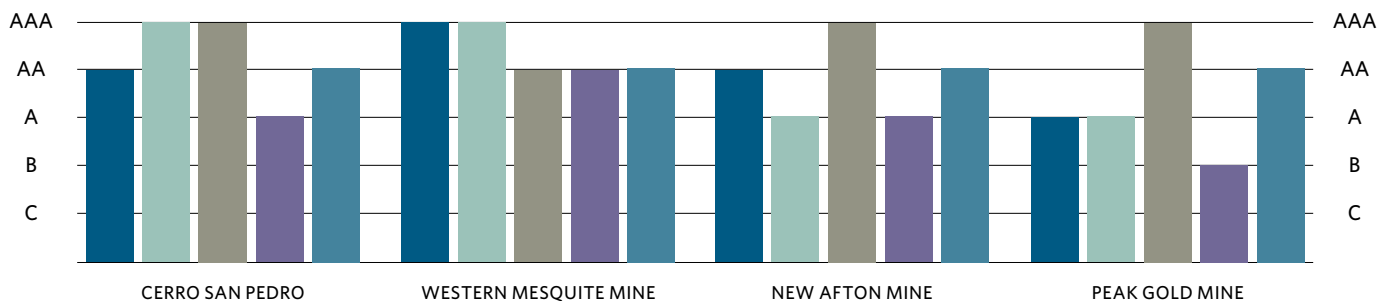
#### Aboriginal and Community Outreach Assessment

- COMMUNITY OF INTEREST (COI) IDENTIFICATION
- COI RESPONSE MECHANISM
- EFFECTIVE COI ENGAGEMENT AND DIALOGUE
- REPORTING



#### Safety and Health Assessment

- COMMITMENTS AND ACCOUNTABILITY
- TRAINING, BEHAVIOUR AND CULTURE
- PLANNING AND IMPLEMENTATION
- MONITORING AND REPORTING
- PERFORMANCE



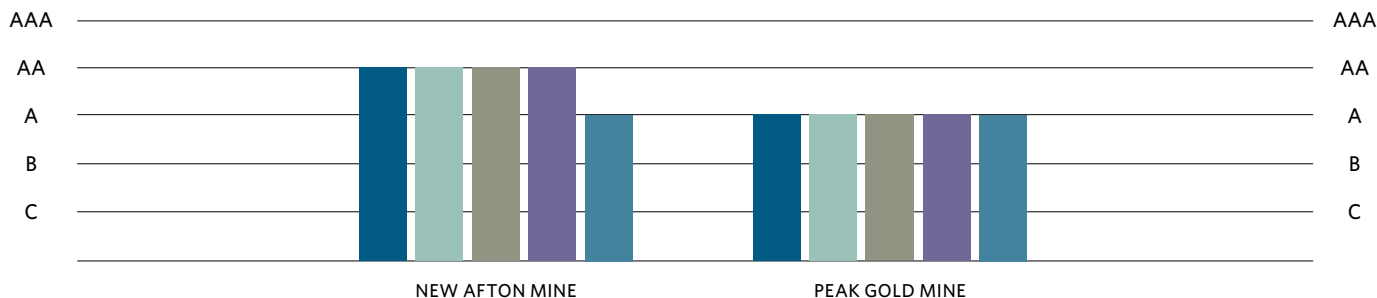
New Gold externally verifies its facilities on a rotating basis. In 2016, Cerro San Pedro was externally verified. In 2015, New Afton and the corporate office were externally verified. The results for Peak Gold Western Mesquite are based on self-assessments.



## Tailings Management Assessment

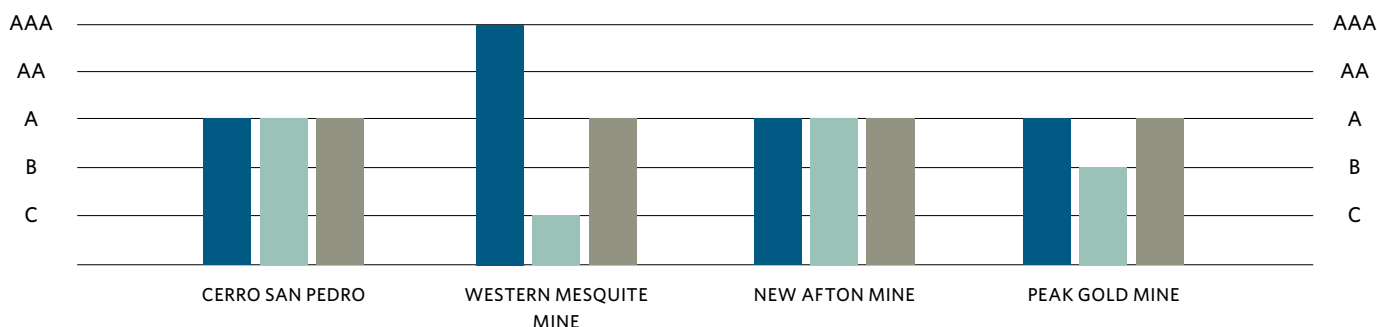
Externally Verified Results

- TAILINGS MANAGEMENT POLICY AND COMMITMENT
- TAILINGS MANAGEMENT SYSTEM
- ASSIGNED ACCOUNTABILITY AND RESPONSIBILITY FOR TAILINGS MANAGEMENT
- ANNUAL TAILINGS MANAGEMENT REVIEW
- OPERATION, MAINTENANCE AND SURVEILLANCE (OMS) MANUAL



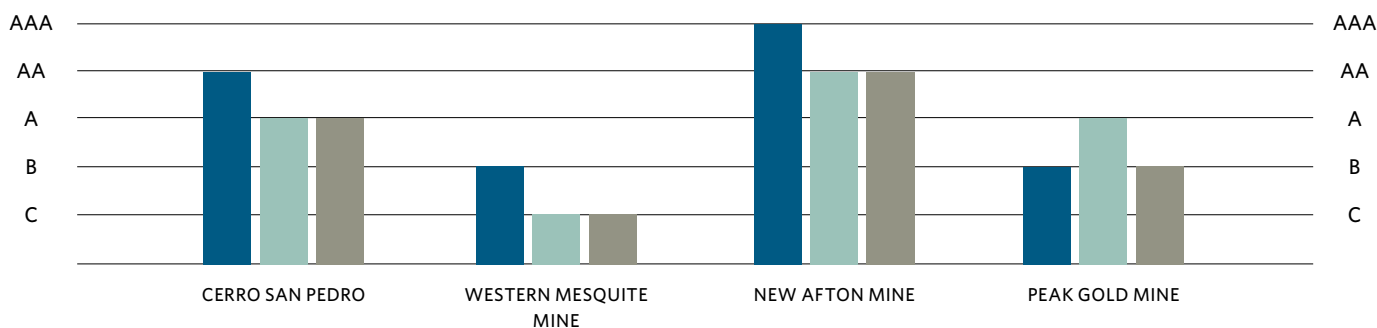
## Biodiversity Conservation Management Assessment

- CORPORATE BIODIVERSITY CONSERVATION POLICY, ACCOUNTABILITY AND COMMUNICATIONS
- FACILITY-LEVEL BIODIVERSITY CONSERVATION PLANNING AND IMPLEMENTATION
- BIODIVERSITY CONSERVATION REPORTING



## Energy Use and GHG Emissions Management Assessment

- ENERGY USE AND GHG EMISSIONS MANAGEMENT SYSTEMS
- ENERGY USE AND GHG EMISSIONS REPORTING SYSTEMS
- ENERGY AND GHG EMISSIONS PERFORMANCE TARGETS



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