



newgold™

Blackwater Project Update

Minerals North 2018

Houston, B.C.

April 27, 2018



Cautionary statements



ALL AMOUNTS IN U.S. DOLLARS UNLESS OTHERWISE STATED

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information contained in this presentation, including any information relating to New Gold's future financial or operating performance are "forward looking". All statements in this presentation, 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 presentation include the statements made under "2018 Guidance", as well as other statements elsewhere in this presentation, including, among others, statements with respect to: guidance for production, operating expense, all-in sustaining costs and total cash costs, and the factors contributing to those expected results, including mill throughput and metal recoveries, as well as expected capital and other expenditures; planned development activities and timing for 2018 and future years at the Rainy River Mine, including the completion of the full tailings dam footprint and the construction of the first tailings lift, the waste stripping program and underground development; the expected production and costs of the Rainy River Mine over its first nine years of operation; targeted timing for permits, including the Blackwater EA; expected timing for Blackwater development activities, including the completion of internal trade-off studies; and expecting timing for closing of the Peak Mines sale transaction.

All forward-looking statements in this presentation 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 presentation, New Gold's annual and quarterly Management's Discussion and Analysis ("MD&A"), its Annual Information Form and its Technical Reports filed at www.sedar.com. In addition to, and subject to, such assumptions discussed in more detail elsewhere, the forward-looking statements in this presentation 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; (4) the exchange rate between the Canadian dollar, Mexican peso and U.S. dollar being approximately consistent with current levels; (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 Aboriginal groups 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 (9) in the case of production, cost and expenditure outlooks at the operating mines for 2018 and future years, commodity prices and exchange rates being consistent with those estimated for the purposes for 2018.

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: significant capital requirements and the availability and management of capital resources; additional funding requirements; price volatility in the spot and forward markets for metals and other commodities; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, the United States and Mexico; discrepancies between actual and estimated production, between actual and estimated mineral reserves and mineral resources and between actual and estimated metallurgical recoveries; fluctuation in treatment and refining charges; changes in national and local government legislation in Canada, the United States and Mexico or any other country in which New Gold currently or may in the future carry on business; taxation; controls, regulations and political or economic developments in the countries in which New Gold does or may carry on business; 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; the lack of certainty with respect to foreign 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 uncertainties inherent to current and future legal challenges New Gold is or may become a party to; diminishing quantities or grades of mineral reserves and mineral resources; competition; loss of key employees; rising costs of labour, supplies, fuel and equipment; actual results of current exploration or reclamation activities; uncertainties inherent to mining economic studies; changes in project parameters as plans continue to be refined; accidents; labour disputes; defective title to mineral claims or property or contests over claims to mineral properties; unexpected delays and costs inherent to consulting and accommodating rights of Indigenous groups; risks, uncertainties and unanticipated delays associated with obtaining and maintaining necessary licenses, permits and authorizations and complying with permitting requirements. In addition, there are risks and hazards associated with the business of mineral exploration, development 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 disclosure documents filed on and available at www.sedar.com. 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 presentation 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.

The footnotes, endnotes and appendix to this presentation contain important information. The endnotes and appendix are found at the end of the presentation. All amounts in US dollars unless otherwise indicated.

Company Overview / Update

Blackwater Project Update

Environmental Assessment Process

Next Steps

Company Overview / Update



New Gold – Strategic pillars

Focus on long-term shareholder value creation



CANADIAN FOCUSED

14.8 Moz
gold reserves⁽¹⁾,
>90% located in Canada

OPERATIONAL TRACK RECORD

Full-year 2017 gold production
achieved guidance range
380-430 Koz

ENHANCING FINANCIAL FLEXIBILITY

No debt due until **2022**
Extended debt maturity and
lowered interest rate

GROWTH OPPORTUNITIES

Delivered **11%** increase in
cash flow per share
Rainy River and Blackwater to
provide further growth

1. For a detailed breakdown of Mineral Resources and Reserves by category, refer to New Gold's December 31, 2017 MD&A. Refer to Endnotes under the heading "Cautionary note to U.S. readers concerning estimates of Mineral Reserves and Mineral Resources" and "Technical Information".

Strong North American presence

Footprint in Canada continues to grow

RESERVES

- **5th largest** consolidated gold reserve base in Canada
- **>13.6 Moz** gold reserve in Canada
- **>90%** located in Canada

PRODUCTION SCALE

- **~390 Koz** of 2018 gold production from Canadian assets
- Rainy River **3rd largest** producing gold mine in Canada

CASH FLOW

- Overall cash flow to **significantly increase** with Rainy River in operations



RAINY RIVER MINE
CANADA
GOLD PRODUCER
MINE LIFE OF 14 YEARS

- Overall production to grow **30%** with Rainy River
- 2018 gold production guidance **310 to 350 Koz**
- Achieved commercial production ahead of plan
- Achieved 2017 development capital estimate of **\$515 million**

1. Based on 2013 Feasibility Study.
 2. Five years of current B-zone plus five years of C-zone.

Rainy River

Commercial production achieved ahead of schedule

On November 1, 2017 the Rainy River Mine achieved commercial production and became New Gold's fourth producing mine.

Keys to success:

- Supportive local government and community
- Close to regional infrastructure
- ~583 people currently on operations team
 - 72% are local
 - 26% are Indigenous
 - 15% are female



Blackwater Project



Blackwater Project Location



Blackwater Project

Next flagship project already in portfolio

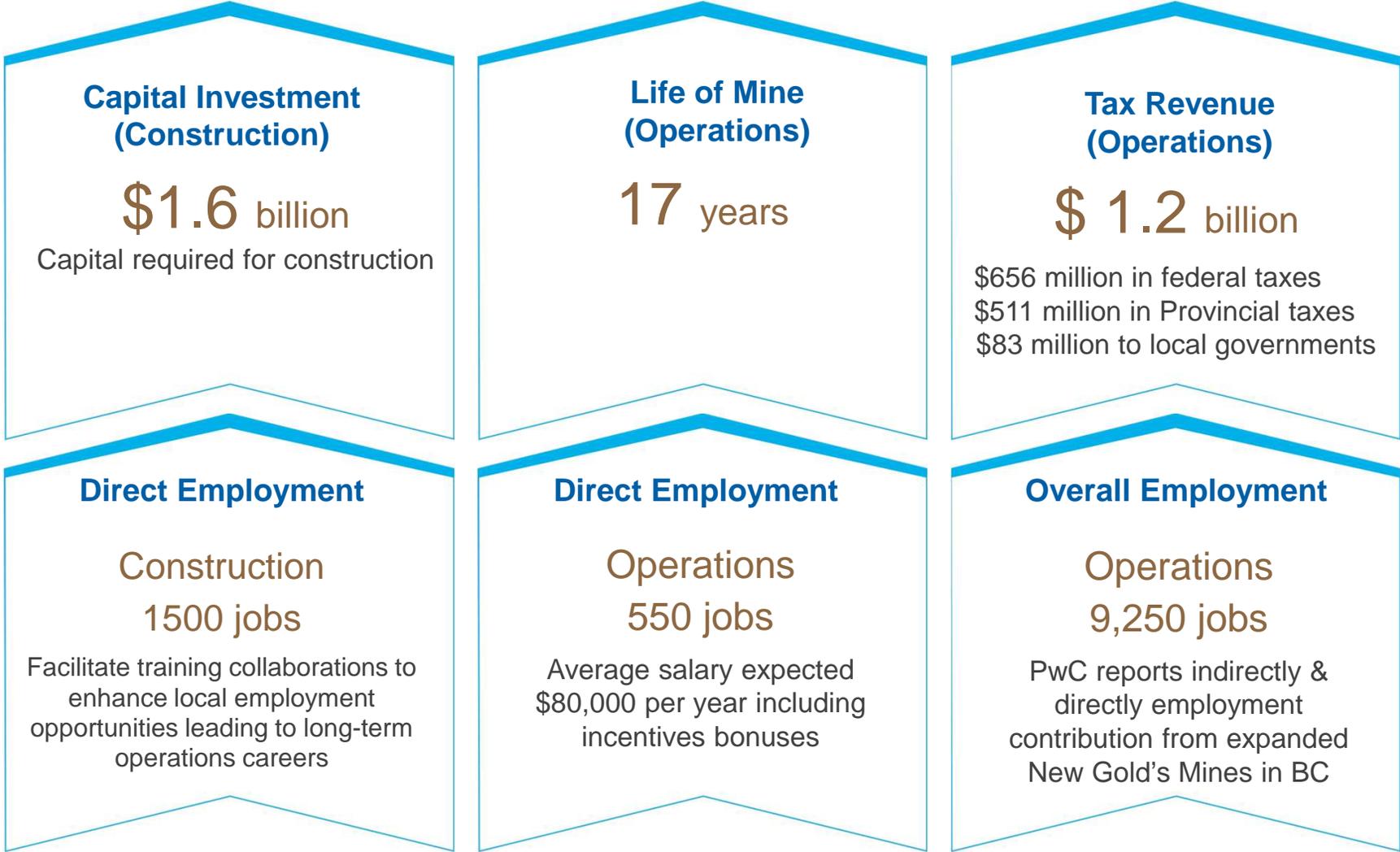


Appendix 3

<p>Jurisdiction</p> <p>British Columbia, Canada</p>	<p>Significant Gold Reserve⁽¹⁾</p> <p>8.2 Moz</p>	<p>Silver Reserve⁽¹⁾</p> <p>60.8 Moz</p>
<p>Land Package</p> <p>1,487 km²</p>		<p>2018 Plan</p> <p>Environmental Assessment permits expected in 2018</p> <p>Internal trade-off studies underway to enhance project economics and maximize free cash flow</p>

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Blackwater Economic Opportunity Expectations



During operation, Blackwater will be one of the largest employers in the region

Blackwater Project Economic Benefits

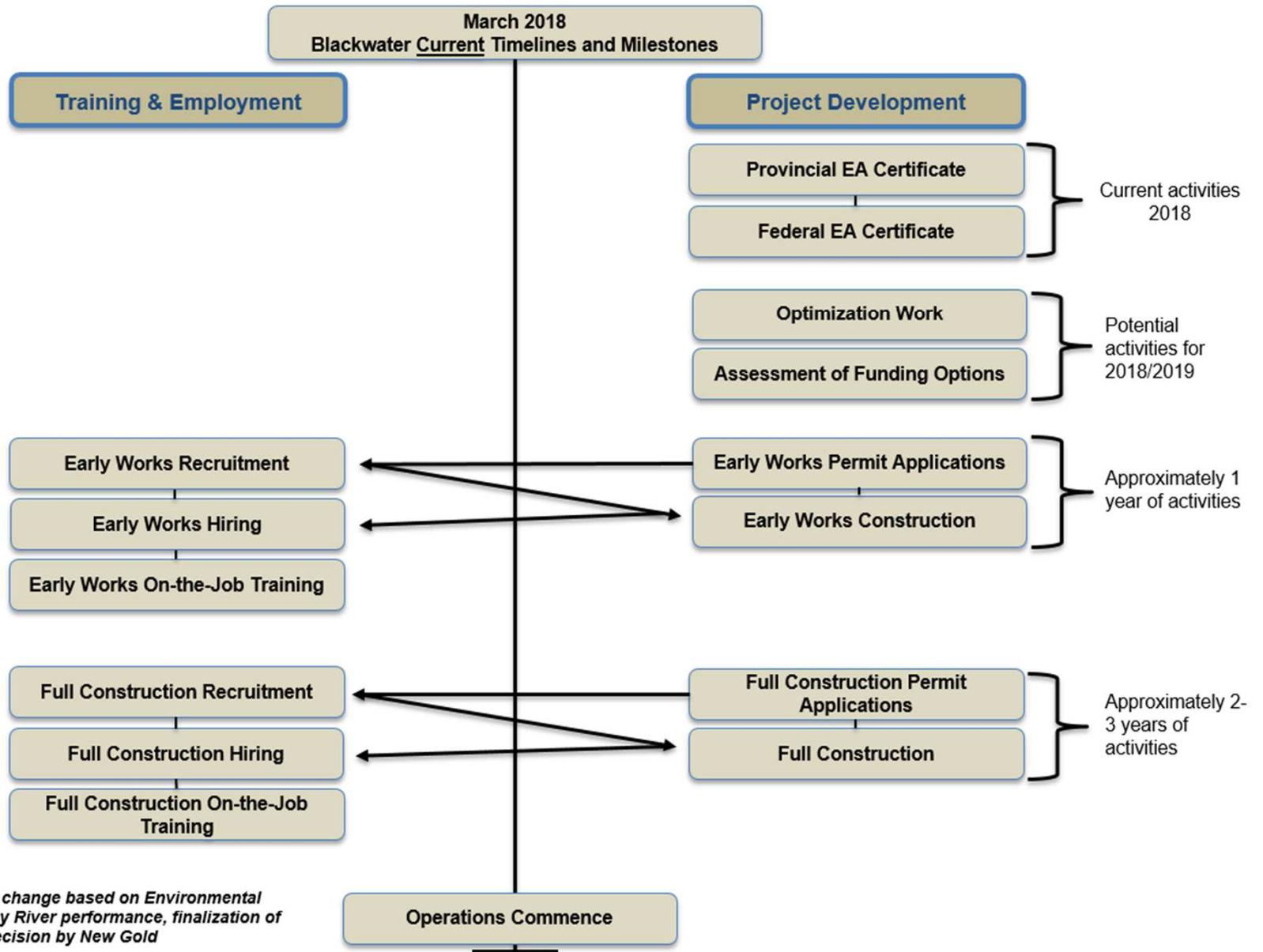


The New Gold Blackwater Project:

- will directly and indirectly contribute more than \$4.7 billion to the BC economy in terms of Gross Domestic Product over the project life.
- will spend nearly \$300 million annually on goods and services, with almost \$110 million spent regionally once in production
- the average annual wage will be \$120,000 including benefits during construction and \$110,000 during operations

Site	% Local hires	% Indigenous (included as local)	National average comparison
Rainy River	72%	26%	More than 4x
New Afton	77%	26%	More than 3x
Blackwater	Up to 65%	23%	More than 3x

Planned Timeline of Activities



**All activities are subject to change based on Environmental Assessment progress, Rainy River performance, finalization of budgets, and Investment Decision by New Gold*

Environmental Assessment Process



Blackwater Project Environmental Assessment (EA)



Currently undergoing a coordinated Provincial-Federal EA

- Provincial EA
 - Clock temporarily suspended at day 216 of 222
 - New Gold has answered the Province and working group's questions
 - Working on clarifications for BC Environmental Assessment Office to allow for completion of EA assessment report
- Federal EA
 - Clock restarted April 1 on day 180 of 365

Key Issues:

- Water
- Transmission line
- Caribou

Exploration Drilling



Blackwater Camp Hosts Fire Crews



- Summer 2017 Blackwater Camp hosted ~150 BC Wildfire Service Firefighters and crews
- Camp managed by Tahtsa Timber in partnership with Lhoosk'uz Dene Nation and Ulkatcho First Nation.



Next Steps



Next Steps

- Complete Environmental Assessment
- Attend local and regional forums, conferences and community events
- Continue engaging with local government officials, Indigenous governments and stakeholders
- Review project optimizations and opportunities
- Plan for 2018 field season program



Blackwater Project Office in Vanderhoof

The Project Office is open from 8:00 to 4:30 weekdays and staff are available to provide information and answer questions.

Project Updates via Email

How do I keep informed about the project? Email us at office.blackwater@newgold.com and ask to be added to our e-distribution list. Project updates and information, newsletters and media releases will be emailed out.

Come visit us at our booth!

Thank You

