

APPROVAL OF AMENDMENTS TO THE COMPANY'S LONG TERM INCENTIVE PLAN AND APPROVAL OF UNALLOCATED PERFORMANCE SHARE UNITS ISSUABLE THEREUNDER

New Gold's long term incentive plan ("**Long Term Incentive Plan**") provides for time-based RSUs (which are settled in cash) and performance-based PSUs (which are settled in shares) that may be granted to employees and eligible contractors of the Company and its affiliates in consideration of value creation from services provided to the Company or its affiliates and to assist with the motivation, attraction and retention of employees and eligible contractors. A description of the Long Term Incentive Plan is set out in this Circular under "*Equity Compensation Plans – Long Term Incentive Plan*" on page 93.

A copy of the Long Term Incentive Plan, which includes the amendments being proposed for approval at the Meeting, is attached to this Circular as Schedule C.

On February 19, 2025, the Board approved amendments to the Long Term Incentive Plan. The amendments described below are subject to shareholder and TSX approval and others are of a housekeeping nature. The full amended Long Term Incentive Plan is attached as Schedule C on page 111:

- The Long Term Incentive Plan currently provides that, at all times, the aggregate number of Shares reserved for issuance must not exceed 1.25% of the Shares issued and outstanding (on a non-diluted basis). It is proposed to increase this maximum number of Shares reserved for issuance to 2.5% of the Shares issued and outstanding (on a non-diluted basis). As of the record date, March 6, 2025, the maximum number of Shares issuable upon vesting of granted PSUs is 0.70%. (For details of the calculation see "Securities Authorized for Issuance under Equity Compensation Plans as at December 31, 2024" on page 59.)

Prior to 2023, 4.25% of the Company's issued and outstanding shares were available for issuance for long term incentives under the Company's two incentive plans: the Long Term Incentive Plan, which had a reserve of 1.25% and the Stock Option Plan, which had a reserve of 3%. In 2023, the Company made the decision to change its long term incentive program and no longer grant stock options ("Options"). Options are no longer authorized to be granted under the Stock Option Plan. There are currently 449,692 remaining outstanding Options that were granted prior to 2023, representing 0.06% of the Company's issued and outstanding Shares.

Starting in 2023, all long term incentive awards are granted in PSUs and RSUs under the Long Term Incentive Plan. The Company settles PSUs in shares and settles RSUs in cash (both net of tax). As such, the limit 1.25% of issued and outstanding Shares made available for issue under the Long Term Incentive Plan affects PSUs and not RSUs. (For more information on the Long Term Incentive Plan see "Schedule A – Equity Compensation Plans" on page 93.) The Company believes the proposed increase

to 2.5% will be sufficient for its long term incentive requirements while also being a reasonable plan cost.

- The Long Term Incentive Plan currently does not address retirement. It is proposed to provide for pro-rated vesting of PSUs and RSUs upon retirement. “Retirement” is defined in the Company’s Retirement Policy as voluntarily ceasing to be an employee of the Company after having achieved at least 55 years of age and at least five years of service or as otherwise determined by the Board of Directors. (For more information on the Long Term Incentive Plan see “Schedule A – Equity Compensation Plans” on page 93.)

These proposed amendments to the Long Term Incentive Plan require shareholder approval pursuant to the rules of the TSX and the terms of the Long Term Incentive Plan. Accordingly, shareholder approval of these amendments is being sought at the Meeting.

The revised Long Term Incentive Plan was accepted for filing by the TSX on March 18, 2025, subject to approval by the shareholders and the Company satisfying the requirements of the TSX, including the filing of all applicable documentation. The Long Term Incentive Plan is a “rolling plan” and therefore when Share Units (as defined therein) are settled, cancelled or terminated, Shares become automatically available for the grant of new Share Units under the Long Term Incentive Plan. Because the Long Term Incentive Plan does not have a fixed maximum aggregate number of securities issuable, in accordance with section 613 of the TSX Company Manual, unallocated PSUs under the Long Term Incentive Plan must be approved by a majority of New Gold’s directors and by New Gold’s shareholders every three years. The Long Term Incentive Plan was most recently approved by shareholders on May 9, 2023. The Company has decided to have the Long Term Incentive Plan approved prior to the third year following its last approval in order to give effect to the amendments described above. If the amendments to the Long Term Incentive Plan are not approved by the majority of shareholders voting in person or by proxy at the Meeting, only the amendments to the Long Term Incentive Plan that are of a housekeeping nature will become effective. If approval is obtained at the Meeting with respect to the resolution below, the Company will not be required to seek further approval of the grant of unallocated PSUs under the Long Term Incentive Plan until the Company’s 2028 annual shareholders’ meeting (provided that such meeting is held on or before May 6, 2028). If approval is not obtained at the Meeting, all existing PSUs will continue unaffected and additional PSUs may be granted in the future, but the Company will not be permitted to issue Shares to satisfy its obligations on the Entitlement Date of any PSUs granted after the date of the Meeting.

Shareholders are encouraged to review the complete text of the Long Term Incentive Plan, including the proposed amendments, which is attached to this Circular as Schedule C.

Long Term Incentive Plan Approval Resolution

At the Meeting, shareholders will be asked to consider and, if deemed appropriate, pass a resolution in the form set out below (the “Long Term Incentive Plan Resolution”), subject to such amendments, variations or additions as may be approved at the Meeting.

The text of the Long Term Incentive Plan Resolution to be submitted to shareholders at the Meeting is set out below:

“BE IT RESOLVED THAT:

A. the Long Term Incentive Plan, as amended, as described in the management information circular dated March 21, 2025 and as reflected in the Long Term Incentive Plan attached as Schedule C thereto, is hereby approved;

B. the unallocated performance share units issuable pursuant to the Long Term Incentive Plan, as amended, are hereby approved and authorized;

C. the Company’s ability to grant performance share units under the Long Term Incentive Plan, as amended, until May 6, 2028 (or such date that is three years after the date of the meeting at which shareholder approval is being sought or any adjournment or postponement thereof), is hereby approved and authorized; and

D. any director or officer of the Company is authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, and to deliver or cause to be delivered, all such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer be necessary or desirable to give effect to this resolution.”

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote FOR the Long Term Incentive Plan Resolution.

If you have any questions or need assistance completing your form of proxy or voting instruction form, please call Kingsdale Advisors at 1-866-581-1477, 1-437-561-5022 (text and call enabled) or email contactus@kingsdaleadvisors.com.