

Anti-Bribery and Anti-Corruption Policy

New Gold Inc. and its subsidiaries (together, “**New Gold**,” the “**Company**,” or “**we**”) are committed to honest and ethical conduct. This theme is emphasized in our Code of Business Conduct and Ethics (the “**Code**”). We are committed to interacting with government officials, business partners, third parties and community stakeholders with integrity and in compliance with applicable anti-bribery and anti-corruption laws. This Anti-Bribery and Anti-Corruption Policy (this “**Policy**”) embodies this commitment, and we expect all Company directors, officers, and employees (“**New Gold Personnel**” or “**you**”) to adhere to the Policy in all of their activities related to their work with the Company.

As a company headquartered in Canada, with listings on stock exchanges in Canada and the U.S. and operations in a number of countries, we are subject to a variety of local and international anti-bribery and anti-corruption laws. These include the Canadian Corruption of Foreign Public Officials Act (“**CFPOA**”) and Criminal Code of Canada (“**Criminal Code**”), as well as the U.S. Foreign Corrupt Practices Act (“**FCPA**”) and other U.S. laws. Violations of these laws can result in criminal and/or civil penalties for the Company and involved individuals as well as damage to New Gold’s reputation. In addition, violations of this Policy by New Gold Personnel may result in disciplinary action.

Dealings with Government Officials: No Bribes, Kickbacks or Improper Payments

You are prohibited from offering, promising, providing or authorizing the transfer of anything of value to any government official (whether directly or indirectly through third parties) to get or keep business or otherwise to secure any improper advantage for New Gold or any other entity or person. Your belief that “that’s the way business is done” in some part of the world will not protect you or the Company from severe legal penalties that can apply to such conduct, nor will it protect you from disciplinary measures resulting from violations of this Policy.

You must be alert to bribery-related issues across the full range of ways in which our business interacts with government officials. This includes, but is not limited to: (i) seeking any permit, license, approval or concession needed to acquire mineral rights or operate our business; (ii) handling tax, customs and similar matters; (iii) dealings with the military, the police and, in many cases, indigenous or aboriginal leaders; and (iv) dealings with prosecutors or the judiciary in connection with any court proceedings.

Government Official: Understanding the Scope

For purposes of this Policy, “government officials” should be considered to include:

- Officials or employees of government departments or agencies at any level (such as legislators, environmental regulators, permitting and licensing personnel, tax authorities, police officials, members of the military, judges, etc.), whether federal, provincial, territorial, regional, municipal or otherwise, including Canadian, U.S., and other foreign officials or employees;
- Officials or employees of tribal, indigenous, aboriginal or First Nations governments or groups;
- Employees of state-owned/controlled enterprises (*e.g.*, state-owned contractors, vendors or suppliers);

- Candidates for public office and officials of political parties;
- Employees of public international organizations like the World Bank, the International Monetary Fund, the World Health Organization, the United Nations, and the World Trade Organization; and
- Other people who act in an official capacity on behalf of any of the above.

In addition, offering, promising, or providing anything of value to a family member or household member of a government official can constitute a bribe of the official.

Recognizing who is a government official can sometimes be challenging. Many wholly or partially state-owned or state-affiliated enterprises appear to be private rather than public in nature. It is your responsibility to know enough about the people we are doing business or dealing with to determine whether they are government officials under this Policy. When in doubt, consult with Legal.

Anything of Value: Even Small Payments and Non-Cash Items Are Covered

You should assume that “anything of value” will be interpreted broadly by enforcement authorities, and it is interpreted broadly under this Policy. It includes gifts, loans, rewards or an advantage or benefit of any kind, among other things. Even small payments or non-monetary gifts or favors can be considered a bribe. Depending on the value and the context, each of the following can be considered a bribe: a gift, meal or entertainment; a contribution to an official’s favorite charity; use of an apartment, car or equipment; an internship or job, or preferential treatment in our hiring processes; or a promise of future employment or business. This Policy does not contain an exception for so-called “grease” or “facilitating” payments. They are prohibited.

Gifts, Meals and Entertainment, and Sponsored Travel for Government Officials

Gift-giving, meals and entertainment and sponsored travel can pose special challenges in dealing with government officials. While you cannot give anything of value to a government official to get or keep business or to otherwise gain an improper advantage, you may follow New Gold’s Gifts, Meals and Entertainment and Sponsored Travel Procedures in providing reasonable gifts, meals entertainment and sponsored travel to government officials where there is a legitimate business purpose, where the expenditure is reasonable and where the thing of value is not being provided in exchange for any action or inaction by the official. If you have any questions about whether a proposed gift or business entertainment is appropriate, you should consult your manager or Legal.

Dealings with Private Parties: No Bribes, Kickbacks or Improper Payments

Although significant portions of this Policy are focused on improper payments to government officials, it is important to understand that commercial or private sector bribery is also illegal in many jurisdictions, including Canada and the United States. Commercial bribery means providing a financial or other advantage to an individual (including a representative of a current or future business partner) to induce, obligate, reward or cause that person to behave improperly. It can include things like providing lavish entertainment or trips to individuals working for a business partner in order to win business.

Engaging in commercial bribery, including giving kickbacks, is prohibited under this Policy. While you cannot provide improper financial or other advantages to individuals in the private sector, you may follow New Gold’s Gifts, Meals and Entertainment and Sponsored Travel Procedures in providing legitimate and reasonable gifts, meals and entertainment and sponsored travel to current or

future business partners. If you have any questions about whether a proposed gift or business entertainment event is appropriate, you should consult your manager or Legal.

No Receipt of Bribes or Kickbacks

Business decisions must be based on objective criteria. You may not request, agree to accept or accept a bribe or kickback from a current or prospective business partner.

Emergency Exception

This Policy does not prohibit payments to avoid a serious and imminent threat to your life or your physical safety. If at all possible, you should consult with Legal in advance of making any such payment. If that is not possible, you should report to Legal concerning the incident as soon as possible.

Political Contributions

Contributions to political parties and to candidates for public office are prohibited or tightly restricted in many countries, and, where not prohibited outright, can raise corruption concerns. Accordingly, you cannot make a political or campaign contribution in the name of or on behalf of New Gold, or where the contribution will be associated with New Gold, without advance approval in accordance with New Gold's Political & Campaign Contributions Procedure. Guidelines concerning political or campaign contributions may be found in New Gold's Political and Campaign Contributions Procedure.

Donations

Any donations made by or on behalf of New Gold must be based on legitimate philanthropic objectives. While it can be appropriate to make a donation to a community organization or a particular cause with the hope of generating generalized goodwill in the community or among a particular constituency, making a donation to a government official's favored charity in exchange for favorable action by that official can constitute a bribe. You must obtain advance approval from the relevant internal donations committee prior to making any donation for or on behalf of New Gold to a charitable or community development organization. Guidelines concerning donations may be found in New Gold's Donations Procedure.

Dealings with Vendors, Agents, Consultants and Third-Party Representatives Acting on Behalf of New Gold

All of our agents, consultants, contractors, vendors, suppliers, advisors and anyone else who provides goods or services to New Gold, or performs work for or acts on behalf of New Gold (together, "**External Contractors**"), must be willing to conduct business on the basis of the principles set forth in this Policy.

External Contractors must undergo appropriate review and, as applicable, pre-approval as determined by Legal before being engaged. Guidelines concerning engaging an External Contractor, as well as additional requirements that may be imposed on an External Contractor, may be found in New Gold's External Contractor Procedure.

Acquiring Other Companies or Businesses or Participating in Joint Ventures

Before acquiring another company or business, investing in another company or business, or participating in a joint venture, consortium or similar business arrangement, New Gold will conduct

appropriate due diligence, as determined by Legal, with respect to the other participants, including regarding compliance with anti-bribery and anti-corruption laws. Acquisitions and joint venture and similar agreements also should include contractual provisions regarding compliance with anti-bribery and anti-corruption laws and the principles in this Policy, as determined by Legal.

Hiring

New Gold hires all of its employees, interns and consultants based on merit and the needs of the business. Although our practice is to consider all qualified applicants for employment, we must evaluate candidates who have ties to government officials (“**Connected Candidates**”) with greater care before an offer of employment is made in order to assess potential conflicts of interest and to ensure compliance with applicable laws.

New Gold personnel may not offer employment or internship opportunities at New Gold in exchange for, as a reward for or as an inducement to obtain a business opportunity, to influence a decision by a government official or to otherwise obtain an improper advantage for New Gold. Connected Candidates must undergo appropriate review and, as applicable, pre-approval as determined by Legal before being hired.

Addressing “Red Flags”

It is important not only to avoid bribery and corruption, but also to avoid ignoring signs of bribery and corruption. Ignoring “red flags” can create significant legal and business risks for New Gold and you and, depending on the nature and seriousness of what was ignored, can lead to legal liability for you and New Gold and may result in disciplinary measures being imposed on you by the Company.

If something about a transaction, business arrangement or request from a government official or private party “looks bad” or “smells funny,” you are expected to ask questions and, where appropriate, promptly refer the matter to Legal for review and guidance. For a non-exhaustive list of examples of “red flags,” please refer to Appendix A.

Books and Records and Internal Accounting Controls

As with receipts and expenditures generally, any expenditure of New Gold funds or other use of Company resources must be accurately described in supporting documents and accurately reflected in the Company’s books and records. You must not cause or permit any expenditure covered by this Policy to be handled “off the books,” mischaracterized or improperly disguised in a general account like “miscellaneous expenses.”

You are responsible for helping New Gold maintain a system of internal accounting controls sufficient to ensure: that our books and records accurately and fairly reflect, in reasonable detail, the Company’s transactions and dispositions of assets; that the Company’s resources and assets are used only in accordance with directives and authorizations by the Board of Directors and management; and that checks and balances are employed so as to prevent the by-passing or overriding of these controls.

Violations of This Policy

This Policy applies to all New Gold Personnel. Anyone who violates this Policy can subject both himself or herself and New Gold to severe criminal and civil penalties. In a case where things of value are provided or offered to a government official, the consequences can include liability under various anti-bribery and anti-corruption laws, potentially leading to substantial fines and even

imprisonment. Depending on the circumstances, violations of this Policy can also cause substantial collateral harm to New Gold in other areas, including the Company's ability to obtain government licenses and permits and to conduct future business. Any violation of this Policy will be taken seriously and will lead to the imposition of appropriate disciplinary measures up to and including termination of the employment or business relationship.

Reporting Violations and Asking Questions

If you know of or suspect a violation of this Policy, you must report it without delay, either directly to Legal or Internal Audit, or through the New Gold Whistleblower Hotline. Questions concerning the application of this Policy should be directed to Legal. You are also encouraged to discuss questions and concerns about New Gold's business practices or policies with your management.

Amendments and Waivers

The Audit Committee will review this Policy on a periodic basis, evaluate its effectiveness and update or amend this Policy as necessary. Under limited and appropriate circumstances, and for legitimate reasons, Legal may approve deviations from this Policy. If you would like to discuss such an approval, please contact Legal.

Periodic Anti-Corruption Certification

New Gold Personnel are required to certify periodically that they have read, understand and are complying with the Code, which includes prohibitions on bribery and other corrupt behavior of the nature addressed in this Policy, and are not aware generally of any violations of the Code that have not been reported internally as required. Certain External Contractors may be required to certify periodically that they are conducting business on the basis of the principles set forth in this Policy and are not aware generally of any violations of this Policy or any applicable anti-bribery or anti-corruption laws.

Reviewed and approved by the Board on February 20, 2018.

Appendix A

Examples of “Red Flags”

Transactions and other business arrangements generally may not proceed if there are any “red flags” that have not been resolved and/or properly evaluated by Legal. Where you wish to proceed with a transaction or business arrangement that raises any “red flags,” you must resolve the “red flags” and/or refer the transaction or business arrangement to Legal for review and guidance, as appropriate under New Gold’s policies and procedures.

- The other party has a reputation for bribery and/or corruption.
- The other party has refused to promise that it will comply with anti-bribery laws and/or anti-corruption laws.
- The other party has refused to warrant that it has not paid bribes or engaged in corruption.
- The other party seeks a commission that is excessive, is paid in cash or is otherwise irregular.
- The other party seeks payment to an account in the name of another party or at a location unrelated to the transaction (for example, an offshore account).
- The other party is owned in whole or in part, directly or indirectly, by a government official or his or her family member or household member or otherwise has close ties to a government official.
- A government official suggests hiring a particular adviser to help obtain a government contract or address an issue that is within the jurisdiction of that official.
- The other party has requested that we prepare false invoices or any other type of false documentation.
- The other party is a family member or household member of a government official who is in a position to grant a business advantage, or is involved in a business in which such official owns an interest.
- The other party insists that his or her identity not be disclosed to a government agency or enterprise.
- The other party refuses to identify its owners, partners or principals.
- We are informed that a payment to a company or an individual or a donation to a specific charity is needed to generate or facilitate government action.
- The justification for hiring a new agent or other intermediary is that he/she can obtain preferential treatment from a government official.
- The hiring of an agent or other intermediary is suggested to perform tasks that require no special knowledge or skills, or could easily be performed by our employees.

- There is substantial or extravagant “wining and dining” of government officials.
- There is sponsored travel for government officials and/or family members or household members of a government official where there is no clear and legitimate business purpose.
- Family members or household members of government officials are on the payroll of the other party.
- The other party has requested reimbursement or payment of expenses that cannot be explained or that lack supporting documentation.
- The other party has “off the books” receipts or expenses.
- The other party has poor internal controls or record-keeping practices that are relevant to the contemplated transaction.
- A government official asks New Gold to hire a particular candidate.