

Schroeter, Tom EMPR:EX

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Wednesday, May 30, 2007 8:41 AM
To: Schroeter, Tom EMPR:EX
Subject: New Gold Announces Terms of Underwritten Offering

SN-May 31/07

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 Re: News Release - Wednesday, May 30, 2007
 New Gold Announces Terms of Underwritten Offering
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May 30, 2007, Vancouver, British Columbia -- New Gold Inc.

(NGD:TSX/AMEX) is pleased to announce, that further to its previously announced (May 29, 2007) offering (the "Offering") of Units, Debentures, Shares and Flow-Through Shares, that that it has entered into an underwriting agreement with a syndicate of underwriters led by GMP Securities Inc. BMO Nesbitt Burns Inc, Orion Securities Inc., Jennings Capital Inc. and Wellington West Capital Markets Inc., (the "Syndicate") to sell 10,700,000 Common Shares at \$7.50 per Share and 2,055,000 Flow-Through Shares at \$9.75 per Share for gross proceeds of \$100,286,500 million. New Gold has granted the Syndicate an over-allotment option to purchase up to 1,500,000 Shares exercisable at any time up to 30 days from closing. The Offering is subject to certain conditions, including regulatory and Toronto Stock Exchange approval and is expected to close on or about June 28, 2007.

The remainder of the Offering announced May 29, 2007 is being completed on a best efforts agency basis and will be priced in the context of the market with final terms to be determined at the time of pricing.

New Gold will use the proceeds of the Offering to fund the pre-production development required to bring its New Afton Project into production, and to commence the expansion phase of the development during which time the mine will ramp-up to its full production rate.

The New Afton Project is situated 10 kilometres west of Kamloops, British Columbia, Canada.

New Gold continues to be in a strong financial condition with a current cash position of approximately \$55 million and no debt. The Company has only 24.0 million shares outstanding and 30.5 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

Chris Bradbrook
 President and Chief Executive Officer
 New Gold Inc.
 601 - 595 Howe Street, Vancouver, B.C. V6C 2T5
 Tel: 877-977-1067 or 604-687-1629, Fax: 604-687-2845
 Email: invest@newgoldinc.com
 Website: www.newgoldinc.com

Certain of the statements made and information contained herein is "forward- looking information" within the meaning of the Securities Act (Ontario) and Securities Act (Alberta) or "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 of the United States. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal recoveries, accidents, equipment breakdowns, title matters and surface access, labour disputes or other unanticipated difficulties with or interruptions in production, the potential for delays in exploration or development activities or the completion of feasibility studies, the inherent

Schroeter, Tom EMPR:EX

New Afton

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Tuesday, May 29, 2007 7:08 PM
To: Schroeter, Tom EMPR:EX
Subject: Prospectus Filed For Financing to Fund Development of New Afton Project

SW - May 30/07

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Re: News Release - Tuesday, May 29, 2007
Prospectus Filed For Financing to Fund Development of New Afton
Project
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\$250M

May 29, 2007, Vancouver, British Columbia -- New Gold Inc. (NGD:TSX/AMEX) has today filed a preliminary short form prospectus in connection with a public offering (the "Offering") of series D units (the "Units"), 5% convertible debentures (the "Debentures"), common shares (the "Shares") and flow through shares (the "FT Shares"). The Offering will be conducted through a syndicate of underwriters led by GMP Securities L.P. and including BMO Nesbitt Burns Inc., Orion Securities Inc., Jennings Capital Inc., and Wellington West Capital Markets Inc., (the "Syndicate"). New Gold has granted the Syndicate an over-allotment option to purchase up to that number of additional Shares equal to 15% of the Shares sold pursuant to the Offering, exercisable at any time up to 30 days from closing. The Offering is subject to certain conditions, including regulatory and Toronto Stock Exchange approval and is expected to close on or about June 28, 2007.

The Shares and FT Shares will be offered on a fully underwritten basis. The Syndicate will act as agents to New Gold, on a best efforts basis, in respect of the offering of the Units and Debentures, subject to raising minimum gross proceeds of \$250 million. The Offering will be priced in the context or the market with final terms of the Offering to be determined at the time of pricing.

Each Unit being offered consists of a face value \$1,000 principal amount unsecured series D note which will mature on the 10th anniversary of closing and bear interest at 10% per annum (the "Series D Notes") and 100 common share purchase warrants, with each warrant entitling the holder to purchase one common share of New Gold for 10 years from closing. The Debentures being offered are unsecured, issued in denominations of \$1,000, mature on the 7th anniversary of closing, bear interest at 5% per annum and will be convertible into common shares of New Gold at any time up to 7 years from closing. New Gold will use the proceeds of the Offering to fund the pre-production development required to bring its New Afton Project into production, and to commence the expansion phase of the development during which time the mine will ramp-up to its full production rate. The New Afton Project is situated 10 kilometres west of Kamloops, British Columbia, Canada.

New Gold continues to be in a strong financial condition with a current cash position of approximately \$55 million and no debt. The Company has only 24.0 million shares outstanding and 30.5 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:
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601 - 595 Howe Street, Vancouver, B.C. V6C 2T5
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Certain of the statements made and information contained herein is "forward- looking information" within the meaning of the Securities Act (Ontario) and the Securities Act (Alberta) or "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 of the United States. Forward-looking statements are subject to a variety of risks and uncertainties which

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→ New
Afton

From: New Gold Inc. [invest@newgoldinc.com]
Sent: March 20, 2007 11:17 AM
To: Schroeter, Tom EMPR:EX
Subject: New Afton Cu-Au Project Resource Increased at Depth Mineralization Still Open

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New Afton Cu-Au Project Resource Increased at Depth
Mineralization Still Open
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~~ACTION~~

March 20 2007, Vancouver, British Columbia -- New Gold Inc.
(NGD:TSX/AMEX) is pleased to release the resource estimation for the new mineralized Zone (C Zone) which is located vertically below the existing resource (Main Zone) at its New Afton Project, located 10 kilometres west of Kamloops, British Columbia, Canada. The description of the intersections which outlined the C Zone was provided in the press release of November 8, 2006.

The new resource estimate is compliant with National Instrument 43-101. It was independently estimated by Qualified Person David W. Rennie, P.Eng, of Scott Wilson Roscoe Postle Associates Inc. ("Scott Wilson RPA"). The following metal prices were used in the resource estimation, consistent with those used in the estimation of the Main Zone Resource (September 21, 2006) -- Copper (Cu) US\$1.20/lb; Gold (Au) US\$450/oz; and Silver (Ag) US\$5.25/oz.

The highlights are:

- * The C Zone resource increases the overall resource on the New Afton Cu-Au Project by approximately 8 million tonnes (at a CDN\$10 cut-off).
- * The Au grade of the C Zone is higher than that of the Main Zone.
- * Mineralization is present to a depth of at least 1.1 kilometers below surface and remains open at depth.

In announcing this information Chris Bradbrook, President and CEO, commented: "The resource for the C Zone was not included in the analysis of the potential mining operation conducted within the, soon to be released, Feasibility Study. Consequently, we believe our demonstrated ability to continue to outline new mineralization, and add to the resource base at the New Afton Project, supports our belief in its long term potential."

Table 1
C Zone Inferred Resource
At \$1.20 Cu, \$450 Au, and \$5.25 Ag

Cut-Off Value (CDN\$/T) Tonne (CDN\$) (i)	Tonnage	Grades			Contained Metal		Dollar Per
		Cu (%)	Au (g/t)	Ag (g/t)	Cu (m. lbs)	Au (m. oz)	
\$20 40.98	6,150,000	1.14	1.01	1.82	154	0.200	
\$15	6,590,000	1.10	0.97	1.75	160	0.206	

39.41

 \$10 7,940,000 0.96 0.88 1.55 168 0.225
 34.89

(i) Recovered value, assuming metallurgical recoveries of 90% for Cu and Au, and 75% for Ag, and a CDN\$:US\$ Exchange Rate of 0.88

The new resource was estimated by Ordinary Kriging, and used the results of 11 underground diamond drill holes and 1 surface hole. The mineralization is all Hypogene, or primary, with chalcopyrite being the dominant Cu-bearing mineral. A specific gravity of 2.61 t/m³ was used in the estimation (consistent with that used in the Main Zone estimate). The drill density was sufficient only to place the resource in the Inferred category. Additional infill drilling will be required to increase the confidence level in the resource and upgrade it to the Indicated and/or Measured categories.

The mineralization is contained within 2 separate blocks (east and west) which cover a combined total strike length of approximately 700 metres (m), and each of which has a maximum vertical extent of more than 300m (see attached longitudinal section). The lower limit of the mineralization is constrained by available information, and it remains open at depth. Additional drilling below the resource is required to determine the true extent of the C Zone. The Company is currently assessing potential options to conduct this work. Relative to the Main Zone, the C Zone has higher gold grades, but lower copper grades.

Of the 2 blocks, the western one is the more significant with greater widths and higher grades. The resources in each block are summarized in Tables 2 and 3. The eastern block is separated from the Main Zone, while the western block is, in places, contiguous with the Main Zone (see cross section 3200E).

Table 2
 C Zone Inferred Resource - East Block
 At \$1.20 Cu, \$450 Au, and \$5.25 Ag

Cut-Off (CDN\$/T)	Tonnage	Grades			Dollar Value Per Tonne (CDN\$) (i)
		Cu (%)	Au (g/t)	Ag (g/t)	
\$20	1,730,000	1.04	0.56	1.82	32.79
\$15	1,970,000	0.97	0.55	1.71	30.94
\$10	2,580,000	0.82	0.53	1.52	27.03

(i) Recovered value, assuming metallurgical recoveries of 90% for Cu and Au, and 75% for Ag, and a CDN\$:US\$ Exchange Rate of 0.88

Table 3
 C Zone Inferred Resource - West Block
 At \$1.20 Cu, \$450 Au, and \$5.25 Ag

Cut-Off (CDN\$/T)	Tonnage	Grades			Dollar Value Per Tonne (CDN\$) (i)
		Cu (%)	Au (g/t)	Ag (g/t)	

		Cu (%)	Au (g/t)	Ag (g/t)	
\$20	4,410,000	1.18	1.18	1.82	44.20
\$15	4,620,000	1.15	1.16	1.77	43.03
\$10	5,360,000	1.03	1.05	1.57	38.67

(i) Recovered value, assuming metallurgical recoveries of 90% for Cu and Au, and 75% for Ag, and a CDN\$:US\$ Exchange Rate of 0.88

TOTAL PROJECT RESOURCES

The Measured and Indicated Resources of the Main Zone and the Inferred Resources of the C Zone are presented together in Table 4 (using the CDN\$10 cut-off)

Table 4
New Afton Project Resource
At \$1.20 Cu, \$450 Au, and \$5.25 Ag
CDN\$ 10 Cut-Off

Zone	Tonnage	Grades			Contained Metal		Dollar
Value							Per Tonne
(CDN\$) (i)							
		Cu (%)	Au (g/t)	Ag (g/t)	Cu (m. lbs)	Au (m. oz)	
MAIN ZONE							
Measured	43,250,000	1.12	0.83	2.68	1,065	1.154	37.26
Indicated	22,410,000	0.84	0.66	2.42	415	0.476	28.34
C ZONE							
Inferred	7,940,000	0.96	0.88	1.55	168	0.225	34.89

(i) Recovered value, assuming metallurgical recoveries of 90% for Cu and Au, and 75% for Ag, and a CDN\$:US\$ Exchange Rate of 0.88

RESERVES AND RESOURCES

It is important to note that the resources from the C Zone were not used in the calculation of reserves in the, soon to be released, Feasibility Study. This study used only reserves generated from the Measured and Indicated resources of the Main Zone. Reserves will be a subset of (i.e. less than) the amount of the Main Zone resources. The amount of resources converted to reserves depends on cave dimensions, the anticipated extent of dilution, and metal price assumptions. The ultimate grade of the reserve is a function of the extent of dilution together with the grade of diluting material.

PROJECT UPDATE

Work on the Feasibility Study is now nearing completion. The primary purpose of this Study is to determine the economic parameters of, and potential for, developing the New Afton Project into a new underground mine. New Gold's desire is to provide the results of this study by March 31, 2007. The permit application process is continuing well. Currently, the Company is addressing the questions which have been put forward by various parties, including relevant government agencies. In addition, the Government of B.C. is conducting its required consultations with the local First Nations (Kamloops Indian Band and Skeetchestn Indian Band).

In order to be in a position to expedite development, Cementation Canada Inc., who has been appointed as the underground mining contractor, is currently mobilizing to site, and is scheduled to commence underground work by the end of this month. In addition, the Company has commenced the process of ordering the longest lead-time item, which is the 11,000 tonne per day SAG Mill, by making payments for its principal components, in order that the Company's stated goal, to commence production in 2009, remains a possibility.

The Company now has 2 diamond drills exploring from surface. Initially the priority target area is to the south of the Hanging Wall Fault (to the South of the Main Zone). South of the Fault, 2 lenses of Mineralization (Hanging Wall lenses) are present, which contain approximately 10% of the Measured and Indicated resources of the Main Zone. These lenses were not used in the calculation of the reserves. Very little drilling has been completed south of this fault, yet the possibility exists that additional Cu-Au mineralization could be present at depth and along strike, and down plunge, to the west. In previous press releases New Gold had described a program of deep drilling from surface to test the potential for mineralization at significantly greater depths than the current resource. Due to technical difficulties, this program was unsuccessful in intersecting the target interval, and the Company is currently reviewing alternate strategies to test the potential for mineralization at depth.

QUALIFIED PERSON

The C Zone Inferred resource was prepared and approved by Qualified Person (under National Instrument 43-101) David W. Rennie, P. Eng., of Scott Wilson RPA - a well known Canadian geological and mining consulting company which is responsible for the resource and geology sections of the Feasibility Study. This press release has been reviewed and approved by New Gold's Chief Geologist -- Brian O'Connor P. Geo, who is a Qualified Person (under National Instrument 43-101).

A Quality Assurance/Quality Control Program (QA/QC) was previously established under the direction of Scott Wilson RPA. Samples are analyzed at Eco Tech Laboratories of Kamloops, British Columbia, Canada ("The Laboratory"). Copper is analyzed through Aqua Regia digestion with AA finish. Samples containing native copper are analyzed for "metallic" copper. Gold is analyzed using a Fire Assay with an AA finish on a 30 gram sample. The accuracy of analyses is constantly monitored by systematically submitting duplicate samples and control (or standard) samples to the Laboratory for analysis.

New Gold continues to be in excellent financial condition with a current cash position of approximately CDN\$61 million and no debt. The Company has only 24.0 million shares outstanding and 30.5 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

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risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal recoveries, accidents, equipment breakdowns, title matters and surface access, labour disputes or other unanticipated difficulties with or interruptions in production, the potential for delays in exploration or development activities or the completion of feasibility studies, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain adequate financing on a timely basis and other risks and uncertainties, including those described under Risk Factors Relating to the Company's Business in the Company's Annual Information Form and in each management discussion and analysis.

Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of copper and gold, that the feasibility study will confirm that a technically viable and economic operation exists, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour and that the political environment within British Columbia and Canada will continue to support the development of environmentally safe mining projects so that the Company will be able to commence the development of the New Afton project within the timetable to be established by the feasibility study. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements.

Accordingly, readers are advised not to place undue reliance on forward-looking statements.

Cautionary note to U.S. investors concerning estimates of Measured and Indicated Resources, and the use the terms "measured" and "indicated resources." We advise U.S. investors that, while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.

WARNING: The Company relies upon litigation protection for "forward-looking" statements.

http://www.newgoldinc.com/i/misc/march20_map_01.jpg

http://www.newgoldinc.com/i/misc/march20_map_02.jpg

http://www.newgoldinc.com/i/misc/march20_map_03.jpg

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For more information visit our website at <http://www.newgoldinc.com/> or send
<mailto:invest@newgoldinc.com>
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Schroeter, Tom EMPR:EX

→ New Afton

From: New Gold Inc. [invest@newgoldinc.com]
Sent: April 2, 2007 8:51 AM
To: Schroeter, Tom EMPR:EX
Subject: New Afton Feasibility Study Indicates Potential to Develop one of Canada's Largest Underground Metals Mine and one of its Lowest Cost Gold Producers.

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Re: News Release - Monday, April 02, 2007
New Afton Feasibility Study Indicates Potential to Develop one of Canada's Largest Underground Metals Mine and one of its Lowest Cost Gold Producers.
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ACTION

(All dollar amounts in US\$ unless otherwise indicated)

April 2 2007, Vancouver, British Columbia - New Gold Inc. (NGD:TSX/AMEX) is pleased to announce the results of the Feasibility Study ("FS") conducted on its 100%-owned New Afton Copper-Gold (Cu-Au) Project, located 10 kilometers west of Kamloops, British Columbia, Canada.

The key results of the FS are:

- . Potential to develop an underground block cave, Cu-Au mine, with maximum mining rate of 4 million tonnes per year (11,000 tonnes per day), which would be one of Canada's largest underground metals mine (on a production basis).
- . Reserves containing almost 1 billion pounds of Cu, more than 1 million ounces of Au, and more than 3 million ounces of Silver (Ag).
- . Initial 12 year mine life.
- . Maximum annual Au production of more than 100,000 ounces, and averaging 82,000 ounces. (1)
- . Maximum annual Cu production of more than 87 million pounds, and averaging 78 million pounds. (1)
- . Potentially one of Canada's lowest cost Au producers, with cash costs of negative \$852 per ounce (net of Cu and Ag credits) (1,2)
- . Cu cash costs of production of \$0.58 per pound (net of Au and Ag credits). (1,2)
- . Maximum pre-tax cash flow of more than \$120 million per year, and averaging approximately \$110 million. (1,2)
- . Initial Capital Expenditures of \$268 million, and additional Life of Mine expenditures of \$215 million.
- . Potential to start production in 2009
- . Pre-tax net present value, at discount rates of 0% and 5%, estimated at \$614 million and \$266 million, respectively.

(1) Average of complete years (2012-2020) at full production rate (4 million tonnes per year)
(2) 3 Year (2 Jan 2004 - 1 Jan 2007) Trailing average LME spot prices - Cu \$2.01; Au \$487; Ag \$8.54

In releasing the results of the FS, President and CEO, Chris Bradbrook stated, "The completion of the FS is a major milestone for New Gold. It is the culmination of more than 2 years of work, which included the completion of the underground exploration decline, infill drilling, and the technical studies which formed

the basis of the FS. It marks the beginning of the next phase of development of the New Afton Project, as we endeavour to finance it, and bring into production one of Canada's largest underground metals mine, and move New Gold towards a market revaluation from explorer to producer. New Gold is continuing an active exploration program at the New Afton Project, and strongly believes there are opportunities to increase the resource base prior to the start of production, which could potentially provide additional flexibility, mine life and the opportunity to further optimize overall economics.

Many people have dedicated their time and effort towards the successful completion of this study, including everyone in the FS team (described below), our employees, directors, contractors, suppliers and the local and First Nations communities of Kamloops. I would like to sincerely thank all of them for their work and assistance in this significant undertaking. We look forward to seeing this mine develop for the mutual benefit of the town and all the communities of Kamloops, the Province of British Columbia and our shareholders."

FEASIBILITY STUDY BACKGROUND

The FS was carried out by a team which included, and was coordinated by, Hatch Ltd. ("Hatch") which completed the processing and surface infrastructure engineering components of the study. Mine planning and reserves were completed by AMC Consultants Pty. Ltd. ("AMC"), and Scott Wilson Roscoe Postle Associates Inc. ("Scott Wilson RPA") completed the geology and resource sections. Environmental services and permitting were completed by Rescan Environmental Services Ltd. ("Rescan"). The Tailings disposal analysis was completed by Vector Engineering Inc. ("Vector"). The groundwater modeling was carried out by Piteau Associates Engineering Ltd. ("Piteau"). The purpose of the FS was to determine the potential for, and the technical and economic parameters of, developing the New Afton Project into a new bulk underground mining operation.

The New Afton FS was co-ordinated by Mr. John Shillabeer., P.Eng., of Hatch (who is a Qualified Person under National Instrument 43-101), and the technical content of this news release has been reviewed and approved by him. A NI 43-101 compliant Technical Report ("The Technical Report"), summarizing the FS, will be filed on SEDAR as soon as possible. It should be noted that the capital cost estimate, operating cost estimate, and economic analysis described in this press release are subject to important qualifications, assumptions and exclusions, all of which will be set out in the Technical Report. To fully understand the cost estimates and economic analysis the Technical Report should be read in its entirety.

PROJECT SUMMARY

The New Afton Project is host to a Cu-Au porphyry, which is among the highest grade in the world of this deposit type. It is the site of a former open pit Cu-Au operation (the Afton Mine) which operated from 1978 to 1987, producing approximately 500 million pounds of Cu, 500,000 ounces of Au, and 3 million ounces of Ag. In 1999 New Gold acquired the mineral rights through staking. An exploration program from 2000-2003 outlined an extensive body of high grade Cu-Au porphyry style mineralization, which a 2004 Scoping Study indicated had the potential to become a new underground mine. A 2005 underground exploration program completed more than 2 kilometers of tunneling, which provided access to complete infill drilling and conduct geotechnical analysis. The data gained from this work was used to undertake the FS, which commenced at the end of 2005.

The FS has confirmed that the New Afton Project is economically and technically feasible as an underground block cave mine. Access will be by ramp from surface. The initial construction period will be approximately 2 years in order to reach commercial production in the second half of 2009. Upon start-up, production will be at an annualized rate of 1.6 million tonnes per year for 2 years. During this time ore will be trucked to surface and processed on site to produce a concentrate, which will be transported by rail, either to smelters in Eastern Canada, or to Vancouver and then by ship to smelters in Asia. Once the ramp-up period is complete the full production rate will be 4 million tonnes per year, making it one of Canada's largest underground metals mines (based on ore production rate). From that time onward, ore will be crushed underground before being transported to surface by conveyor. For the entire mine life, tailings will be deposited in a new

facility, constructed from cycloned tailings. Water will be supplied initially from the Afton open pit, and thereafter from Kamloops Lake to the north.

The mine plan is based around 3 cave blocks (see attached Figure 1.). Mining will commence from the central block (block 2), as this will allow time to remove water from, and stabilize accumulated rock debris at the bottom of, the Afton pit. The eastern and western blocks 1 and 3 will be mined simultaneously.

In order to be in a position to expedite development, Cementation Canada Inc., who has been appointed as the underground mining contractor, is currently mobilizing to site, and is scheduled to commence underground work at the beginning of April. In addition, the Company has commenced the process of ordering the longest lead-time item, which is the 11,000 tonne per day SAG Mill, by committing to the principal components by making required cash payments.

PROJECT ANALYSIS

The FS uses the 3-year trailing (2/1/04 to 1/1/07) average LME spot metal prices and exchange rates for the economic analysis, which are Cu US\$2.01/lb; Au US\$487/oz; and Ag US\$8.54/oz, and a CDN:US\$ exchange rate of 0.82 (and is based on constant dollars without escalation).

Table 1
Economic Summary
(All dollar amounts in US\$)

Assumptions	
Copper Price (US\$/lb) (1)	\$2.01
Gold Price (US\$/oz) (1)	\$487
Silver Price (US\$/oz) (1)	\$8.54
CDN\$:US\$ Exchange Rate(1)	0.82
Financial Results	
Internal Rate of Return (pre-tax)	13.6%
Internal Rate of Return (after tax)	10.4%
NPV 0% discount (pre-tax)	\$614 million
NPV 5% discount (pre-tax)	\$266 million
Cash Flow	
Average Annual (pre-tax) cash flow(2)	\$108 million

- (1) 3 year (2 Jan 2004 - 1 Jan 2007) trailing average LME spot prices
- (2) Average of complete years (2012 - 2020) at full production rate (4 million tonnes per year)

Table 2
Production Summary
(All dollar amounts in US\$)

	Units	Amount
Mine Description		
Mine Life	Years	12
Pre-Production Capital Cost	\$millions	\$268
Expansion and LOM		

Capital Cost	\$millions	215

Mine Production		
Total Ore Tonnage Milled	Millions of Tonnes	44.4
Annual Mill	Millions of Tonnes	
Throughput (1)	per Year	4.0
Daily Mill		
Throughput (1)	Tonnes per Day	11,000

Average Metal		Full
Production(1)	LOM(2)	Production(1)

Cu	Thousands of Pounds/year	70,000
Au	Ounces/year	74,000
Ag	Ounces/year	204,000

Maximum Metal Production

Cu	Thousands of Pounds/year	87,000
Au	Ounces/year	102,000
Ag	Ounces/year	324,000

Unit Operating Costs

		LOM(2)	Full Production(1)
Mining	\$/t	\$4.21	\$3.72
Processing	\$/t	\$3.55	\$3.20
G&A	\$/t	\$0.89	\$0.79
Utilities	\$/t	\$1.82	\$1.72
Total	\$/t	\$10.47	\$9.43

Cash Operating Costs (1)

		LOM(2)	Full Production(1)
Cu (3)	\$/pound	\$ 0.64	\$0.58
Au (4)	\$/oz	(790)	(\$852)

- (1) Average of complete years (2012 - 2020) at full production rate (4 million tonnes per year)
(2) LOM equals Life of Mine which Includes First 2 years at 1.6 million tonnes per year
(3) Net of precious metal credits.
(4) Net of copper and silver credits

The results of the metals price sensitivity analyses are illustrated below.

Table 3
Metals Price Sensitivity(1)
(US\$)

	Gold US\$/oz	\$450	\$500	\$525	\$550	\$600	\$650	\$700
Cu	Silver							
US\$/lb	US\$/oz	\$8.00	\$9.00	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00

	NPV @ 0%	\$262	\$307	\$330	\$354	\$399	\$444	\$489
	NPV @ 5%	\$47	\$76	\$90	\$105	\$134	\$162	\$191
\$1.50	IRR	6.8%	7.8%	8.3%	8.8%	9.7%	10.6%	11.5%
	Cash Cost							
	Au (2)	\$(417)	\$(419)	\$(422)	\$(424)	\$(427)	\$(429)	\$(432)
	Cash Cost							
	Cu (3)	\$0.57	\$0.52	\$0.49	\$0.46	\$0.40	\$0.35	\$0.29

	NPV @ 0%	\$415	\$460	\$484	\$507	\$552	\$597	\$642
	NPV @ 5%	\$142	\$170	\$185	\$200	\$229	\$257	\$286
\$1.75	IRR	10.0%	10.8%	11.3%	11.8%	12.6%	13.5%	14.3%
	Cash Cost							
	Au (2)	\$(595)	\$(598)	\$(600)	\$(603)	\$(605)	\$(607)	\$(610)
	Cash Cost							
	Cu (3)	\$0.63	\$0.58	\$0.55	\$0.52	\$0.46	\$0.40	\$0.35

	NPV @ 0%	\$574	\$619	\$643	\$666	\$712	\$757	\$802
	NPV @ 5%	\$241	\$269	\$284	\$299	\$327	\$356	\$384
\$2.00	IRR	12.9%	13.7%	14.1%	14.6%	15.3%	16.1%	16.9%
	Cash Cost							
	Au (2)	\$(781)	\$(783)	\$(785)	\$(788)	\$(790)	\$(793)	\$(795)
	Cash Cost							
	Cu (3)	\$0.68	\$0.63	\$0.60	\$0.57	\$0.51	\$0.46	\$0.40

	NPV @ 0%	\$935	\$980	\$1,003	\$1,027	\$1,072	\$1,117	\$1,162
	NPV @ 5%	\$464	\$492	\$507	\$522	\$551	\$579	\$608
\$2.50	IRR	18.6%	19.4%	19.7%	20.1%	20.7%	21.4%	22.0%
	Cash Cost							
	Au (2)	\$(1,200)	\$(1,202)	\$(1,205)	\$(1,207)	\$(1,210)	\$(1,212)	\$(1,215)
	Cash Cost							
	Cu (3)	\$0.74	\$0.68	\$0.65	\$0.62	\$0.56	\$0.51	\$0.45

	NPV @ 0%	\$1,295	\$1,340	\$1,364	\$1,387	\$1,433	\$1,478	\$1,523
	NPV @ 5%	\$687	\$716	\$731	\$746	\$774	\$802	\$831
\$3.00	IRR	23.6%	24.2%	24.5%	24.8%	25.4%	26.0%	26.6%
	Cash Cost							
	Au (2)	\$(1,619)	\$(1,622)	\$(1,624)	\$(1,627)	\$(1,629)	\$(1,632)	\$(1,634)
	Cash Cost							
	Cu (3)	\$0.79	\$0.73	\$0.70	\$0.67	\$0.62	\$0.56	\$0.50

(1) NPV's and IRR's all pre-tax. All dollar amounts in US\$

(2) Life of Mine Net of Cu and Ag credits (US\$/oz)

(3) Life of Mine Net of Au and Ag credits (US\$/oz)

MINERAL RESOURCE ESTIMATE

All Mineral Resources were estimated by Qualified Person (under National Instrument 43-101) David Rennie of Scott Wilson RPA. The Measured and Indicated resource, which was used as the basis for estimating the reserve, was released on September 21, 2006. This estimate was made by Ordinary Kriging, and used the information from drilling completed at the project since 2000. This included 90 surface holes, totaling 42,450 metres (m), drilled during the period 2000 to 2003, and 65 underground holes, totaling 25,805m, completed from the exploration decline in 2005. In estimating the resource, the following metal prices were used - Copper (Cu) US\$1.20/lb; Gold (Au) US\$450/oz; and Silver (Ag) US\$5.25/oz.

Mineralization, in the Measured and Indicated categories, occurs over a length of approximately 1000m, to a depth of approximately 800m below surface, with the bulk of it contained within a Main Zone trending southwest, and which averages approximately 100m in width and 350m in height. In places, the width and height of mineralization can reach in excess of, respectively, 150m and 500m. Smaller amounts of mineralization are present in parallel lenses ("Hanging Wall Lenses") to the south of the Hanging Wall Fault (see attached Figure 2).

This resource estimate has been constrained within mineralogical and geological boundaries. Mineralization occurs within a structural corridor outlined by the well-defined Hanging Wall Fault (to the south), and the less well-defined Footwall Fault (to the north). In places the Hanging Wall Fault truncates the mineralization. The boundaries of the mineralization are generally clearly defined between the higher grades of the resource and distinctly lower grades of the surrounding rocks. This lower grade enveloping mineralization was not included within the resource estimate, as it was considered unlikely that it would become economic at any currently reasonable metal price assumptions. Three zones of mineralization were noted - 1) Hypogene (primary mineralization), with chalcopyrite and lesser bornite being the dominant Cu-bearing

minerals; 2) Mesogene, where chalcocite is the dominant Cu-bearing mineral with lesser chalcopyrite; and 3) Supergene, where native Cu, and minor chalcocite, is present. Hypogene comprises approximately 52% of the total resource tonnage, Mesogene 39%, and Supergene 9%.

Table 4

Measured And Indicated Resource - Main Zone and Hanging Wall Lenses Cu - \$1.20/lb; Au - \$450/oz; Ag - \$5.25/oz

Cut-Off (CDN\$/T)	Tonnage	Grades			Contained Metal		Dollar Value Per Tonne (CDN\$) (i)
		Cu (%)	Au (g/t)	Ag (g/t)	Cu (m. lbs)	Au (m. oz)	
----- Measured Resource							
\$15	39,870,000	1.18	0.87	2.79	1,035	1.115	39.35
\$10	43,250,000	1.12	0.83	2.68	1,065	1.154	37.26
----- Indicated Resource							
\$15	18,780,000	0.93	0.73	2.60	385	0.440	31.37
\$10	22,410,000	0.84	0.66	2.42	415	0.476	28.34
----- Measured and Indicated Resource							
\$15	58,640,000	1.10	0.83	2.73	1,420	1.555	36.79
\$10	65,660,000	1.02	0.77	2.59	1,480	1.630	34.22

(i) Recovered value, assuming metallurgical recoveries of 90% for Cu and Au, and 75% for Ag, and a CDN\$:US\$ Exchange Rate of 0.88

Subsequently (on March 20, 2007) the Company released an Inferred resource for mineralization outlined vertically below the Main Zone resource described previously. This mineralization is called the C Zone. This Inferred resource was estimated from the results of 11 underground diamond drill holes and 1 surface hole. The mineralization is all Hypogene, or primary, with chalcopyrite being the dominant Cu-bearing mineral. The drill density was sufficient only to place the resource in the Inferred category. Additional infill drilling will be required to increase the confidence level in the resource and upgrade it to the Indicated and/or Measured categories.

Table 5

C Zone Inferred Resource

At \$1.20 Cu, \$450 Au, and \$5.25 Ag

Cut-Off (CDN\$/T)	Tonnage	Grades			Contained Metal		Dollar Value Per Tonne (CDN\$) (i)
		Cu (%)	Au (g/t)	Ag (g/t)	Cu (m. lbs)	Au (m. oz)	
\$15	6,590,000	1.10	0.97	1.75	160	0.206	39.41
\$10	7,940,000	0.96	0.88	1.55	168	0.225	34.89

(i) Recovered value, assuming metallurgical recoveries of 90% for Cu and Au, and 75% for Ag, and a CDN\$:US\$ Exchange Rate of 0.88

The C Zone mineralization is contained within 2 separate blocks (east and west) which cover a combined total strike length of approximately 700 metres (m), and each of which has a maximum vertical extent of more than 300m. The lower limit of the mineralization is

constrained by available information, and it remains open at depth. Additional drilling below the resource is required to determine the true extent of the C Zone. The Company is currently assessing potential options to conduct this work. Relative to the Main Zone, the C Zone has higher gold grades, but lower copper grades.

Of the 2 blocks, the western one is the more significant with greater widths and higher grades. The eastern block is separated from the Main Zone, while the western block is, in places, contiguous with the Main Zone.

MINERAL RESERVE ESTIMATE

Reserves were estimated by Qualified Person (under National Instrument 43-101) Mike Thomas MAusIMM(CP) of AMC, and utilized the Measured and Indicated resource model described above. The starting point for estimating the reserve was an analysis of the mineralization contained within the resource model (excluding the C Zone), which AMC broke down into the following components - East Block, West Block, and Pit Protection Pillar in the Main Zone, and the Hanging Wall Lenses - as illustrated in attached plan view of resource block model (Figure 2).

To this breakdown, AMC applied knowledge gained from all geotechnical data, in addition to geological interpretations of faults and other structures. In estimating the reserves, the following metal prices were used - Copper (Cu) US\$1.45/lb; and Gold (Au) US\$475/oz.

As the Hanging Wall Lenses are lower grade, isolated from the Main Zone and would require separate underground infrastructure, they were not considered in the FS. The Main Zone was split into the east and west blocks by an area of lower grade mineralization that was not included in the reserve. A decision was made to leave a pillar under the west area of the pit (Pit Protection Pillar), as the mineralization was slightly lower grade than the bulk of the main zone and, because of its higher elevation, could not easily be recovered within the same block cave panel as the East Block (Block 1). This pillar was not considered in the reserve estimation.

AMC determined that the Main Zone mineralization could be mined as three cave areas, Block 1 (B1) and Block 2 (B2), separated by a low-grade pillar would have the same cave base, whilst Block 3 (B3) would have its base at a lower elevation.

To enable a single cut-off parameter to be used when selecting the economic parts of the resource to be mined, AMC estimated the theoretical value (Value) received for concentrate produced from each tonne of resource, assuming that the concentrate is sold at the mine gate. All costs and losses incurred in the off-site transportation and processing of concentrate being the responsibility of the buyer.

The block caving method requires the orebody to be undercut enabling the ore to collapse and fragment (cave) into underlying drawpoints where it is extracted. The shape and size of the area to be undercut (the footprint) was determined by comparing a nominated cost of establishing each drawpoint (CDN\$300,000) with the total recoverable value of the overlying column of ore, after deducting mining, processing and all other site costs. The footprint was designed to encompass those drawpoints with a positive net value and, where necessary, a number of sub-economic drawpoints to ensure that the undercut area was large enough to cave, (determined by geotechnical investigations as being an area with a minimum span in any direction of approximately 95m).

As a result of establishing the most suitable block cave footprints, some areas of remnant mineralization remain beneath the cave outlines, and were, therefore, not included in the reserve.

To determine the heights of the caved ore columns, AMC used two separate simulation programs (Cave-Sim, and PC-BC). on the block model, analyzing individual columns with a base area of 13m x 13m. These programs model the progressive mixing of various mineralized and unmineralized materials within the cave as the orebody is mined. Once the value of the ore being extracted from the drawpoint reached less than CDN\$15 per tonne the programs determined the cave column had been drawn to its maximum economic height (at the metal prices used in the reserve calculation) and the drawpoint was closed.

The mineral reserve estimate is summarized below and results from mixing of measured and indicated resources with dilution from low-grade and barren material from within the cave outline and from the overlying material entering from above. The reserve also takes

account of mineralized material that would be uneconomic to recover at the metal prices used for the reserve estimation and would remain in the cave. The net effect is a dilution of approximately 15% of the original mineral resource within the cave outlines.

Table 6
Mineral Reserve Estimate(1)
At \$1.45 Cu, \$475 Au, and \$8.00 Ag

	Tonnes (millions)	Grade			Contained Metal		
		Cu (%)	Au (g/t)	Ag (g/t)	Cu (m. lbs)	Au (m. oz)	Ag (m. oz)
Probable Ore Reserve	44.4	0.98	0.72	2.27	960	1.03	3.24

(1) Estimated using a cut-off Value of CDN\$15/t ore

Metal prices, metallurgical recoveries, transportation and treatment charges used in the estimation are shown in the tables 7 and 8.

Table 7
Metallurgical Recoveries and Concentrate Grade Used to Estimate the Mineral Reserve

	Units	Hypogene	Mesogene	Supergene
Metallurgical Recovery Cu	%	92.7%	88.1%	79.5%
Metallurgical Recovery Au	%	89.0%	83.1%	68.8%
Concentrate Grade	Cu%	27.0%	27.6%	58.1%

Table 8
Metal Prices and Other Parameters Used to Estimate the Mineral Reserve

Parameter	Units	Value
Moisture Content	%	8.0%
Exchange Rate	CDN\$: US\$	\$0.88
Copper Price	US\$/lb	\$1.45
Gold Price	US\$/oz	\$475.00
Concentrate Transport	CAN\$/t (wet)	\$54.00
Concentrate Shipping	US\$/t (wet)	\$40.00
Concentrate Treatment	US\$/t (wet)	\$80.00
Cu Refining	US\$/lb	\$0.08
Payable Copper	%	96.6%
Payable Gold	%	97.1%
Copper Price Participation(i)	US cents/lb	2.5
Arsenic(ii)	US\$/dmt	\$2.50

Mercury(iii) US\$/dmt \$2.00

Notes: The contribution to ore value from silver is small and has been excluded from the estimation process.

- (i) Copper price participation equals 10% above a threshold price of US\$1.20 per lb.
- (ii) Arsenic penalty equals US \$2.50 per dmt of concentrate for each 0.1% over 0.2%
- (iii) Mercury penalty equals US \$2.00 per dmt of concentrate for each 10 ppm over 10 ppm.

The Measured and Indicated Resources lying within the vertical projection of the footprint that are expected to cave are shown in Table 9. No inferred resources are included in the outline.

Table 9
Mineral Resources Contained Within the Vertical Projection of the Cave Footprint

Mineral Resource Category	Tonnes (millions)	Cu (%)	Gold (g/t)	Silver (g/t)
Measured	31.4	1.22	0.89	2.75
Indicated	8.9	0.83	0.73	2.50
Inferred	-	-	-	-
Total	40.2(i)	1.13	0.86	2.69

(i) Totals do not equal the sum of the components because of rounding adjustments

Although a large volume of mineralization encompassed by the projected footprint has a Measured Resource classification, a Probable Reserve classification has been assigned because of the uncertainty in predicting the material movement within the cave and the absence of any historical information to provide a reconciliation of actual versus forecast grades to provide more detailed guidance. Also, a large quantity of indicated resource and unclassified material mixes with the measured resource within the cave. As it is not possible to mine the measured resource separately from this material, the effect is to lower the classification of the total reserve. This is not unusual practice when completing reserve estimates for block cave mines.

METALLURGY

The processing facilities have been designed to treat 4.0 million tonnes per year and recover copper, gold and silver values. A conventional crushing, grinding, gravity concentration and flotation circuit has been designed utilizing standard unit processes and equipment. The process design criteria have been based on a combination of testwork results, experience from similar operations and industry practice.

A concentrate containing Cu, Au, and Ag will be produced on site at the New Afton Project. The metallurgical characteristics of the various ore types (Supergene, Mesogene and Hypogene) are summarized in Table 10 below.

Penalty elements (Arsenic and Mercury) are associated with the Mesogene and Supergene mineralization which are located within the eastern block (#1). The Hypogene ore of the central and western blocks (#'s 2 and 3) do not contain any meaningful quantities of these penalty elements. The mine plan is designed to have Block 1 mined simultaneously with Block 3

such that the blend of the various ore types reduces the concentration of penalty elements.

With the FS now complete, the Company will engage in more detailed discussions with smelters in order to secure off-take arrangements for the concentrate.

Table 10
Metallurgical Characteristics of Ore Types

	Average LOM	Ore Type		
		Hypogene	Mesogene	Supergene
Recoveries				
Cu recovery (%)	87.4%	90.2%	86.6%	67.3%
Au recovery (%)	85.9%	88.9%	83.2%	68.7%
Ag recovery (%)	75.8%	76.5%	77.0%	63.8%
Concentrate Grade				
Cu (%)	27.6%	27.4%	26.5%	58.1%
Moisture Content (%)	8.0%	8.0%	8.0%	8.0%

INFRASTRUCTURE

The surface infrastructure and facilities will be located in a relatively flat area to the west of the Afton open pit and will be connected by a 2 km road to an existing junction on the Trans-Canada Highway. There will be three major buildings and a number of smaller structures. Power will be supplied by a 300m connection to the BC Hydro 138 kV grid located to the north of the Trans-Canada Highway.

The mill will initially utilize water stored on site in the Afton and Pothook open pits, which will last approximately two years. Fresh water will initially be pumped from Kamloops Lake via an existing pump station and pipeline for potable use and then as process make up water once on-site sources are depleted.

Water and tailings management have been designed to achieve zero discharge from the site. The existing Afton pit and future cave provide a sink for groundwater run off and seepage collection.

PERMITTING

Earlier this year New Gold submitted the formal Mines Permit application. The application was made under the Mines Act (BC), and is for the approval of both the Mine Plan and Reclamation Program. The Mines Act review and approval process is administered through the multi-agency South-Central Mine Development Review Committee ("SCMDRC") which is responsible for coordinating the permitting requirements of its member agencies. The application is currently being reviewed by these agencies. In addition, presentations have been made to the local First Nations, and to the public. At the conclusion of this review period, the SCMDRC will prepare a recommendation report which will be submitted to the Chief Inspector of Mines for a permit decision. Additional permits which are required as project construction moves forward will be applied for as necessary.

The permit application process is continuing well. Currently, the Company is addressing the questions which have been put forward by various parties, including relevant government agencies. In addition, the Government of B.C. is conducting its required consultations with

the local First Nations communities (Kamloops Indian Band and Skeetchestn Indian Band).

CAPITAL COSTS

The capital costs for the development of the project can be broken down into three distinct phases as shown in Table 11: Pre-Production (approximately 24 months), Expansion to 4.0 mtpa production (approximately 24 months) and sustaining for the remainder of the mine life.

Table 11
Capital Cost Components (2,3)
US\$ millions

	Pre-Production	Expansion	Sustaining	Total
Site development, and surface facilities	18	3	-	21
Mill	49	18	-	67
Electrical power	5	-	-	5
Tailings facility	5	8	-	13
Mining development	89	64	61	214
Mining equipment	29	4	8	41
Indirect costs, EPCM, owners costs	44	25	-	69
Closure	-	-	9	9
Contingency	30	15	-	45
Total (1)	268	137	78	484

- (1) Total does not always equal sum of sub-totals due to rounding
- (2) Capital costs do not include \$13 million (plus any applicable interest) to be paid to Teck to purchase surface rights, over and to north of potential mine site
- (3) Assumes constant dollars without escalation and using a \$CDN:\$US exchange rate of 0.82

MINERAL AND SURFACE TENURE

New Gold holds the mineral rights to an area totaling 903 hectares, which surrounds the New Afton mineralization as a Mining Lease (Tenure # 546063). The lease is for a 30 year renewable term, and represents the most secure form of mineral tenure in British Columbia. In addition, New Gold holds 100% of the mineral rights as mineral claims in an area totaling approximately 4,462 hectares immediately to the north of the mining lease. Approximately 10 km to the southeast, the Company holds 100% of the mineral rights as mineral claims in the Ajax Property covering an area totaling approximately 6,078 hectares, which surrounds the past-producing Ajax open pit mine.

Earlier this year (January 9, 2007) New Gold announced it had signed a Letter of Intent ("LOI") with Teck Cominco Limited ("Teck") to acquire surface rights to more than 4,000 acres of land, encompassing the New Afton Project. This land is located within the Company's mining lease and mineral claims. It encompasses all of the land south of the Trans-Canada Highway which covers the site for the proposed development of the New Afton Project into an underground mine. Additionally, it includes a large area of land north of the Trans-Canada Highway to Kamloops Lake. The majority of the land is fee simple, meaning that, upon completion of the acquisition, New Gold will own the land outright. The remainder (which overlies the location of most of the surface facilities for the proposed New Afton mine development) is Crown land currently held by a Teck subsidiary as a grazing lease. Upon

completion of the acquisition, this leased land will be held by New Gold.

To complete this acquisition New Gold will pay Teck CDN\$10 million upon closing, with an additional CDN\$6 million to be paid (with applicable interest) any time within 2 years of closing. Teck will also be granted a 2% Net Smelter Return over the New Afton Copper-Gold Project, which New Gold has the option to repurchase for CDN\$12 million. Completion of the transaction described in the LOI is subject to definitive documentation, receipt of any necessary regulatory approvals and customary conditions of closing. New Gold and Teck have agreed to work towards this as expeditiously as possible.

PROJECT FINANCING

On August 16, 2006, New Gold announced that Barclays Capital ("Barclays") had been appointed as lead arranger for the debt portion of any project financing to develop the New Afton Project into a mine. With the completion of the FS, the Company is now focused on exploring all avenues to secure the financing required to develop the project into a new underground mine, including continuing its discussions with Barclays.

QUALIFIED PERSONS

Qualified Persons (under National Instrument 43-101) were responsible for the overall content of the various components of the FS. These are listed below (in alphabetical order), and have all read and approved this press release.

Monte Christie, P. E. of Vector Engineering Inc. - responsible for tailings management.

Andrew Holmes, P. Eng. of Piteau Associates Engineering Ltd. - responsible for groundwater modeling.

Ken Major, P. Eng. of Hatch Ltd - responsible for the mineral processing.

David Rennie, P. Eng. of Scott Wilson Roscoe Postle Associates Inc. - responsible for geology and resource estimation.

Rolf Schmitt, P. Geo. of Rescan Environmental Services Ltd. - responsible for permitting and environmental.

John Shillabeer, P. Eng. of Hatch Ltd - responsible for the overall co-ordination and management of the FS.

Mike Struthers, C. Eng. MAusIMM, MIEAust, MISRM, of AMC Consultants Pty. Ltd. - responsible for underground geotechnical.

Mike Thomas, MAusIMM(CP) of AMC Consultants Pty. Ltd. - responsible for mining and reserve estimation.

OPPORTUNITIES

Potential opportunities which have the potential to improve the New Afton project economics include the following. The Company will continue to examine ways in which the project can potentially be improved, optimized and increased in size.

C Zone Resource - conversion of the Inferred Resource through additional drilling to Measured and/or Indicated classification, which could add additional life, and/or operating flexibility to the operation.

Earlier Ramp Up to 4 Million Tonnes per Year (Mt/y) - the project schedule provides 2 years of lower mill throughput (1.6 Mt/y). If cave initiation and early operations are sufficiently successful, this ramp up period may be reduced which would bring forward the production rates and revenue associated with the 4 Mt/y levels.

Optimize Cave Draw Schedule - there is scope to further optimize the cave draw schedule to mine higher grade material earlier.

Addition of Sub-Level Caving - the resource narrows below the cave outline. Extraction of these resources using sub-level caving after completion of the overlying block cave extraction may be possible, depending on metal price assumptions.

New Gold continues to be in a strong financial condition with a current cash position of approximately CDN\$60 million and no debt. The Company has only 24.0 million shares outstanding and 30.5 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

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Certain of the statements made and information contained herein is "forward-looking information" within the meaning of the Ontario Securities Act or "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 of the United States. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal recoveries, accidents, equipment breakdowns, title matters and surface access, labour disputes or other unanticipated difficulties with or interruptions in production, the potential for delays in exploration or development activities or the completion of feasibility studies, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain adequate financing on a timely basis and other risks and uncertainties, including those described under Risk Factors Relating to the Company's Business in the Company's Annual Information Form and in each management discussion and analysis. Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of copper and gold, that the feasibility study will confirm that a technically viable and economic operation exists, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour and that the political environment within British Columbia and Canada will continue to support the development of environmentally safe mining projects so that the Company will be able to commence the development of the New Afton project within the timetable to be established by the feasibility study. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may

Schroeter, Tom EMPR:EX

→ News
MAY

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Tue, January 16, 2007 7:31 AM
To: Schroeter, Tom EMPR:EX
Subject: Mine Permit Application Filed

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Re: News Release - Tuesday, January 16, 2007
Mine Permit Application Filed
=====

January 16, 2007, Vancouver, British Columbia - New Gold Inc. (NGD: TSX/AMEX) is pleased to announce that it has filed an application with the Ministry of Energy, Mines and Petroleum Resources of British Columbia, for a Permit to develop its New Afton Copper-Gold Project, located near Kamloops, British Columbia, into one of Canada's largest underground metal mines.

In making this announcement, Chris Bradbrook, President and CEO, commented: "This is another very important step for the Company in its efforts to develop the New Afton Project into a substantial new underground mine. We had previously submitted a draft application for review, and have now been able to submit the formal application. As the completion of the Feasibility Study approaches we are looking forward to being in a position to make a production decision as quickly as possible."

This application is made under the Mines Act (BC), and is for the approval of both the Mine Plan and Reclamation Program. The Mines Act review and approval process is administered through the multi-agency South-Central Mine Development Review Committee ("SCMDRC") which is responsible for coordinating the permitting requirements of its member agencies. The application will be reviewed by these agencies. In addition, presentations will be made to the local First Nations, and to the public. At the conclusion of a 60-day review period, the SCMDRC will prepare a recommendation report which is submitted to the Chief Inspector of Mines for a permit decision. Any additional permits which are required as project construction moves forward will be applied for as necessary.

An update on activities and progress at the New Afton Project will be released in the near future.

New Gold currently has approximately CDN\$66 million in cash and short term investments, and has 24 million shares outstanding and 30.5 million fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

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Certain of the statements made and information contained herein is "forward- looking information" within the meaning of the Ontario Securities Act or "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 of the United States. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal recoveries, accidents, equipment breakdowns, title matters and surface access, labour disputes or other unanticipated difficulties with or interruptions in production, the potential for delays in exploration

Schroeter, Tom EMPR:EX

→ New Afton

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Thu, December 7, 2006 12:49 PM
To: Schroeter, Tom EMPR:EX
Subject: New Gold Appoints Underground Mining Contractor

SW-Dec. 8

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Re: News Release - Thursday, December 07, 2006
New Gold Appoints Underground Mining Contractor
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December 7, 2006, Vancouver, British Columbia - New Gold Inc. (NGD: TSX/AMEX) is pleased to announce the appointment of Cementation Canada Inc. as the Underground Mining Contractor for the proposed development of its New Afton Copper-Gold Project, located near Kamloops, British Columbia, Canada.

The Underground Mining Contract has been sub-divided into 2 phases. In Phase 1, which has commenced, Cementation is integrating with New Gold's project team to assist in the completion of the Feasibility Study, in order to ensure a smooth, fast-track transition to the underground development of the New Afton Project. In Phase 2, the Mining Contractor will supply all required management, supervision, and labour to complete all mine development and early production activities.

In making this announcement, Chris Bradbrook, President and CEO, commented: "We are very happy to have Cementation as a major partner in the proposed development of our New Afton Copper-Gold Project. Initiation of the underground development is the most time sensitive component of the construction of a mine at New Afton. In order to expedite this development, it was critical that we appointed a Mining Contractor to enable mobilization in early 2007. We are therefore very pleased that Cementation is able to do this."

Cementation was selected following a thorough bid process, during which a number of major mining contractors expressed interest in completing this work for New Gold. Cementation Canada Inc. specializes in underground mine development, construction and operation, and is currently completing major projects throughout North America. Currently, their clients include Diavik Diamonds Mine Inc., Goldcorp Inc., CVRD-Inco Ltd., and Xstrata Copper. Cementation is based in North Bay, Ontario, Canada.

PROJECT UPDATE

A draft of the Feasibility Study is scheduled for completion before year end. Following a review period, it is expected that the final study will be made publicly available in Q1, 2007. In addition, the draft mine permit application was recently submitted, and is being reviewed. Once accepted as final by the Regional Mine Development Review Committee, the formal 60 day review process will commence. Deep drilling beneath the current resource continues with one diamond drill rig.

New Gold currently has approximately CDN\$70 million in cash and short term investments, and has 24 million shares outstanding and 30.5 million fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

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Certain of the statements made and information contained herein is "forward- looking information" within the meaning of the Ontario Securities Act or

Schroeter, Tom EMPR:EX

→ New Afton

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Thu, September 21, 2006 6:47 AM
To: Schroeter, Tom EMPR:EX
Subject: New Resource Estimation - Confidence Level Increased - Mining Method Study Completed

Re: News Release - Thursday, September 21, 2006
New Resource Estimation - Confidence Level Increased - Mining Method Study Completed

SW-S.P.N. 22/06

September 21 2006, Vancouver, British Columbia - New Gold Inc. (NGD:TSX/AMEX) is pleased to release the new resource estimation, and the results of the Mining Method study for its New Afton Project, located 10 kilometres west of Kamloops, British Columbia, Canada.

The new resource is compliant with National Instrument 43-101. It was independently estimated by qualified person David W. Rennie, P.Eng., of Scott Wilson Roscoe Postle Associates Inc., as an integral part of the ongoing Feasibility Study being performed on the project. The following metal prices were used in the resource estimation - Copper (Cu) US\$1.20/lb; Gold (Au) US\$450/oz; and Silver (Ag) US\$5.25/oz, and the resource is presented at various cut-off values.

The Mining Method study was conducted to determine the optimal mining method(s) for extracting the mineralization from the New Afton Project.

The highlights of this work were:

. The new resource estimation replaces the previous 2004 estimation, and, in conjunction with the chosen mining methods, will be used as the basis to calculate a reserve.

. The new resource estimation has a higher degree of confidence than the 2004 estimation, with approximately 70% of the tonnage being within the Measured category (compared with approximately 15% in the 2004 estimation), and the remainder being in the Indicated category.

. This resource estimation does not include the results of exploration drilling which intersected Cu- Au mineralization at depth, and which were released May 25, 2006. This will be added in a future resource update.

. The Mining Method study has determined that the mineralization would be most effectively mined using a combination of caving techniques, predominantly block caving, with some sublevel caving.

In announcing this information, Chris Bradbrook, President and CEO, commented, "Releasing the new resource is another important milestone for New Gold and the New Afton Project, as it provides us with a greater level of confidence in the mineralization, resulting from the underground exploration work which was completed in 2005. In addition, the choice of the mining method will allow us to determine a reserve within the new resource, and to proceed with development of a final mine plan, and economic model, with which we can determine the potential to develop the New Afton Project into a new underground Cu-Au mine."

2006 RESOURCE ESTIMATION

TABLE 1

Measured and Indicated Resource

At \$1.20 Cu, \$450 Au, and \$5.25 Ag

Table with 5 main columns: Cut-Off (CDN\$/T), Tonnage, Grades (Cu, Au, Ag), Contained Metal (Cu, Au), and Dollar Value Per Tonne (CDN\$)*.

	Tonnes	Grades			Contained Metal		Value/tonne
		Cu	Au	Ag	Cu(Mlbs)	Au(Moz)	
\$30	35,700,000	1.39	1.03	3.21	1,090	1.177	46.08
\$25	43,240,000	1.29	0.96	3.03	1,230	1.331	42.84
\$20	50,500,000	1.20	0.89	2.87	1,330	1.449	39.91
\$15	58,640,000	1.10	0.83	2.73	1,420	1.555	36.79
\$10	65,660,000	1.02	0.77	2.59	1,480	1.630	34.22

* Recovered value, assuming metallurgical recoveries of 90% for Cu and Au, and 75% for Ag, and a CDN\$:US\$ Exchange Rate of 0.88

At the end of the press release, Table 2 provides a detailed breakdown of the resource into Measured and Indicated categories. Table 3 illustrates the sensitivity of the resource tonnage to increased metal prices. The new resource was estimated by Ordinary Kriging. The previous practice of reporting an overall Cu equivalent grade has been discontinued in favour of reporting a CDN dollar value per tonne approach, which is believed to be a more meaningful indicator of the relative significance of the mineralization. Palladium (Pd) grades are no longer reported as the metal will not have any economic significance to the project.

The current resource estimation used the information from drilling completed at the project since 2000. This included 90 surface holes, totaling 42,450 metres (m), drilled during the period 2000 to 2003, and 65 underground holes, totaling 25,805m, completed from the exploration decline in 2005. The 2004 resource estimate used only the results of the surface drilling. The underground program was designed to complete systematic drilling of the mineralization on 40m-spaced sections in order to provide a more accurate understanding of, and an increased confidence in, the geometry, distribution, magnitude, and grade of the mineralization. Sectional and Plan views of the 2006 resource model are attached.

A greatly increased geological understanding of the mineralization resulted from the information obtained during the underground exploration work. As a result, the new resource has been strictly defined within mineralogical, and geological boundaries (in contrast to the 2004 resource, which was not constrained geologically). Mineralization occurs within a structural corridor outlined by the well-defined Hanging Wall Fault (to the south), and the less well-defined Footwall Fault (to the north). In places the Hanging Wall Fault truncates the mineralization, a feature which was not recognized in the previous resource. The boundaries of the mineralization are generally clearly defined between the higher grades of the resource and distinctly lower grades of the surrounding rocks. This lower grade enveloping mineralization was not included within the resource estimate, as it was considered unlikely that it would become economic at any currently reasonable metal price assumptions (this has placed more strict limits on the resource outline than in the 2004 estimation). Three zones of mineralization were noted (these are indicated in attached plan and sectional views) -- 1) Hypogene (primary mineralization), with chalcopyrite and lesser bornite being the dominant Cu-bearing minerals; 2) Mesogene, where chalcocite is the dominant Cu-bearing mineral with lesser chalcopyrite; and 3) Supergene, where native Cu, and minor chalcocite, is present. Hypogene comprises approximately 52% of the total resource tonnage, Mesogene 39%, and Supergene 9%. Jx

In comparison to the previous 2004 resource, the 2006 resource has a far greater degree of certainty, with approximately 70% being in the Measured category, compared to only approximately 15% for the previous resource. The overall shape of the mineralization is similar in the latest resource to that outlined in the previous resource. Mineralization occurs over a length of approximately 1000m with the bulk of it contained within a Main Zone trending southwest, and which averages approximately 100m in width and 350m in height. In places, the width and height of mineralization can reach in excess of, respectively, 150m and 500m. Smaller amounts of mineralization are present in parallel lenses to the south (see attached plan view). The boundaries of the mineralization are now more certain, having been constrained by geological and mineralogical factors. The new resource used a lower specific gravity (2.57 -- 2.61 t/m³ depending on the mineral zone) compared with the 2.67 t/m³ used in the previous resource, which had the effect of slightly lowering the tonnage. The recognition of the local truncation of the mineralization by the Hanging Wall Fault, reduced the amount of mineralization in certain locations in the 2006 resource relative to the 2004 resource.

However, the most important feature of the new resource is that it confirms the presence of a higher grade core to the mineralization, which contains the majority of the metal

within the resource and which will be the focus for the estimation of the mining reserve.

In addition, it is important to note that this resource does not include the mineralization discovered at depth, which was announced in the press release of May 25, 2006. Drilling continued subsequent to that press release to determine the extent, geometry and grade of this mineralization. Additional results will be released in the near future.

An updated resource incorporating the mineralization at depth will be provided at a future date

MINING METHOD STUDY

This study looked at seven (7) different mining methods, three (3) of which were caving methods, and the remainder non-caving methods. The non-caving methods included examining the potential for expanding the existing open pit to extract a portion of the mineralization.

In completing the study, the principal factors examined were the grade, extent, and geometry of the mineralization; ground conditions of both mineralization and the surrounding rocks; potential production rates; and metal prices. Ultimately, the decision was based on which method was likely to maximize the economic returns of the project.

Relatively early in this study, it was apparent that a caving technique was most likely to maximize the potential of the project and generate the highest production rate for both Cu and Au. Consequently, most of the work in the study focused on comparing the relative merits of the two most likely caving techniques -- block caving and sub-level caving.

Ultimately, it was concluded that the Feasibility Study should be completed on the basis that the majority of the mineralization would be mined using block caving, and that the areas of mineralization with the smaller dimensions would be extracted using sublevel caving.

The principal benefit of the block caving method is that it is the most economical form of underground mining which will generate the lowest possible production costs for both Cu and Au, in addition to the maximum financial return from the project. The dimensions of the mineralization also support the choice of block caving.

The amount of resource converted to reserves will now depend on the final cave dimensions, the anticipated extent of dilution, and metal price assumptions. The ultimate grade of the reserve will be a function of the extent of dilution together with the grade of diluting material.

Cave dimensions will be determined by both the grade and geometry of the mineralization. Metal price assumptions may be higher than those used in the resource calculations to reflect the fact that average metal prices have continued to increase as the Feasibility Study has advanced. The ultimate economic value of the project will be based upon extraction of the final reserve outline at various metal price assumptions. The reserve will be provided as part of the final Feasibility Study.

PROJECT UPDATE

Work on the Feasibility Study is now in its later stages and proceeding according to schedule. The primary purpose of this ongoing Study is to determine the economic parameters of, and potential for, developing the New Afton Project into a new underground mine. It is scheduled for completion by the end of 2006. The principal remaining areas of focus for completion of the Study are: finalizing capital and operating costs; completing metallurgical testwork to determine metal recoveries in each of the 3 zones of mineralization, and the resulting grade and composition of the concentrates produced from each of the zones (including content -- if any -- of penalty elements); detailed engineering of all aspects of both surface and underground infrastructure; calculation of reserves; completion of an economic model; and permitting. In conjunction with the completion of the Feasibility Study we are working with Barclays Capital (Lead Arranger for the debt facility) to determine the level of debt which could be supported by the project, and the extent of metal price protection which might be required to secure such financing. *

Capital costs are escalating for all mining projects globally. This will affect the New Afton Project, such that capital costs will increase relative to those used in the 2004 Scoping Study. In addition to these industry-wide effects, the capital costs for the

final project are likely to increase relative to the 2004 Scoping Study, since this latter work did not consider building a new mill, which, it is now clear, is the most efficient way to develop a processing facility for this project. It is our goal to endeavour to manage, as prudently as possible, both the initial and total capital required to develop the New Afton project into a new underground mine. However, the reality of industry-wide increasing capital costs also reflects the current environment of higher prevailing metal prices, which are an offset to the negative effects of the capital cost increases.

The Company now has two diamond drills exploring surface targets, and conducting geotechnical drilling, and one underground diamond drill conducting geotechnical drilling. One of these surface diamond drills is testing for extensions of mineralization as deep as 1300m below surface and is currently drilling the second hole in the program. Unfortunately, the first hole in the program had to be abandoned due to difficulties near target depth. Should this program intersect mineralization at the currently targeted depth, the diamond drill has the capacity to complete holes to depths in excess of 2000m.

QUALIFIED PERSON

The new resource was prepared and approved by Qualified Person (under National Instrument 43-101) David W. Rennie, P. Eng., of Scott Wilson Roscoe Postle Associates Inc. ("Roscoe Postle") - a well known Canadian geological and mining consulting company which is responsible for the resource and geology sections of the Feasibility Study.

A Quality Assurance/Quality Control Program (QA/QC) was previously established under the direction of Roscoe Postle. Samples are analyzed at Eco Tech Laboratories of Kamloops, British Columbia, Canada. Copper is analyzed through Aqua Regia digestion with AA finish. Samples containing native copper are analyzed for "metallic" copper. Gold is analyzed using a Fire Assay with an AA finish on a 30 gram sample. The accuracy of analyses is constantly monitored by systematically submitting duplicate samples and control (or standard) samples to the Laboratory for analysis.

New Gold is in excellent financial condition with a current cash position of approximately CDN\$74 million and no debt. The Company has only 24.0 million shares outstanding and 30.5 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

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Certain of the statements made and information contained herein is "forward- looking information" within the meaning of the Ontario Securities Act or "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 of the United States. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the possibility that future exploration, development or mining results will not be consistent with the Company's expectations, metal recoveries, accidents, equipment breakdowns, title matters and surface access, labour disputes or other unanticipated difficulties with or interruptions in production, the potential for delays in exploration or development activities or the completion of feasibility studies, the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain adequate financing on a timely basis and other risks and uncertainties, including those described under Risk Factors Relating to the Company's Business in the Company's Annual Information Form and in each management discussion and analysis. Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of copper and gold, that the feasibility study will confirm that a technically

viable and economic operation exists, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour and that the political environment within British Columbia and Canada will continue to support the development of environmentally safe mining projects so that the Company will be able to commence the development of the New Afton project within the timetable to be established by the feasibility study. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements.

Accordingly, readers are advised not to place undue reliance on forward-looking statements.

Cautionary note to U.S. investors concerning estimates of Measured and Indicated Resources, and the use the terms "measured" and "indicated resources." We advise U.S. investors that, while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.

WARNING: The Company relies upon litigation protection for "forward-looking" statements.

View News Release in PDF Format:

http://www.newgoldinc.com/i/pdf/2006-09-21_NR.pdf

971 KB in size, approx. 3 minutes, 2 seconds to download at 56.6Kbps

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For more information visit our website at <http://www.newgoldinc.com/> or send
mailto:invest@newgoldinc.com Message sent on Thu Sep 21, 2006 at 6:44:38 AM Pacific Time
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Schroeter, Tom EMPR:EX

→ New Afton ✓

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Tue, July 11, 2006 8:38 AM
To: Schroeter, Tom EMPR:EX
Subject: New Qualified Person Joins Team; Exploration and Feasibility Study Update

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Re: News Release - Tuesday, July 11, 2006 *SW - July 12/06*
New Qualified Person Joins Team; Exploration and Feasibility Study Update
=====

July 11 2006, Vancouver, British Columbia - New Gold Inc. (NGD: TSX/AMEX) is pleased to announce the appointment of Brian O'Connor as Chief Geologist. He will also act as a Qualified Person (under National Instrument 43-101) for the Company.

In making this announcement, President and CEO Chris Bradbrook stated, "We are very pleased that Brian has joined our team. During his more than 20 year career, he has successfully contributed to expanding the reserve and resource base around existing operations in British Columbia, Ontario and Quebec. Most recently he was Chief Geologist and Qualified Person for the Kemess South Mine in northern British Columbia, Canada. We believe that his experience will be invaluable at our New Afton Project, Kamloops, British Columbia, on which we are currently conducting a Feasibility Study, and where we are also continuing exploration for additional Copper-Gold (Cu-Au) mineralization."

* Mike Hibbitts, previously Vice President of Exploration and Development for New Gold, has left the Company effective June 30, 2006 to pursue other opportunities. The Company would like to thank Mike for all his efforts and hard work at the New Afton Project and wishes him every success with his future endeavors.

Exploration

Exploration and geotechnical investigations continue at the New Afton site with 2 diamond drill rigs underground and 2 at surface. The second of the surface drill rigs was recently added and has commenced drilling to test for mineralization at greater depths than those encountered to date (1000m below surface). Initially this second drill will target intersections at depths of up to 1300m below surface, but has the capability (if needed) of testing for extensions at greater depths. Exploration results will continue to be released as data is received, compiled and interpreted.

Feasibility Study

The updated resource estimation (which will include the results of the 2005/2006 underground infill diamond drilling) is nearing completion and will be released shortly. Work on the mining method trade-off study is also nearing completion. The Feasibility Study remains on schedule with the goal of completion by the end of Q4, 2006.

New Gold continues to be in excellent financial condition with cash of approximately CDN \$77 million and no debt. The Company has only 24 million shares outstanding and 30.5 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

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Safe Harbor Statement under the United States Private Securities Litigation Act of 1995:

TGS → New Afton

Schroeter, Tom EMPR:EX

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Tue, April 4, 2006 8:40 AM
To: Schroeter, Tom EMPR:EX
Subject: New Afton Project - Additional Infill Drilling Results, Up to 1.34% Cu and 1.01 g/t Au over 236m, First Underground Exploration Hole Intersects High Grade Mineralization 135m Deeper than Nearest Intersection

=====
Re: News Release - Tuesday, April 04, 2006
New Afton Project - Additional Infill Drilling Results, Up to 1.34% Cu and 1.01 g/t Au over 236m, First Underground Exploration Hole Intersects High Grade Mineralization 135m Deeper than Nearest Intersection
=====

April 4 2006, Vancouver, British Columbia -- New Gold Inc. (NGD:TSX/AMEX) is pleased to announce additional results from the (now completed) program of underground infill diamond drilling, and the results of the first diamond drill hole from this year's underground exploration program, at its New Afton Project, located 10 kilometres west of Kamloops, British Columbia, Canada.

The reported infill results are from nine (9) drill holes completed on four (4) sections (36E, 44E, 52E and 80E). In addition results are reported for one (1) exploration hole on section 10E, west of the resource model. Results for these holes are shown in the attached tables and figures. All copper equivalent (Cu Eq.) grades are calculated using the following metal prices -- Copper (Cu) US\$0.85/lb; Gold (Au) US\$375/oz; Silver (Ag) US\$5.25/oz; and Palladium (Pd) US\$200/oz. This is consistent with the metal prices used in the existing independently calculated resource (by qualified person Gary Giroux, P.Eng). All principal intervals were calculated using a cut-off grade of 0.70% copper equivalent, which is also consistent with the cut-off grade used in the calculation of the resource.

The highlights of these results were:

. A number of intersections were encountered with significant grade over substantial widths. For example the widest of these was hole UA-54 on Section 36E which intersected 1.34% Cu and 1.01g/t Au, or 2.06% Cu Eq., over 236 metres (m) (136m true thickness).

. In some instances wider zones of mineralization contained narrower (but significant) zones of higher grade mineralization. For example hole UA-53 on Section 36E intersected 2.05% Cu and 1.46g/t Au, or 3.04% Cu Eq., over 72m (59m true thickness) contained within a wider zone of 1.82% Cu and 1.32g/t Au, or 2.71% Cu Eq., over 118m (95m true thickness) .

. Higher grade mineralization (>1.50% Cu Eq.) was generally encountered where indicated by the resource model. In a number of instances it was intersected in areas where lower grade mineralization was anticipated from the resource model. However, in one instance the extent of the higher grade mineralization was less than anticipated from the resource model.

. On Section 10E exploration hole UA-66 intersected Cu-Au mineralization approximately 30m west of the resource model, and approximately 135m deeper than the nearest intersection of higher grade (>1.5% Cu Eq.) mineralization. The hole intersected 2.27% Cu and 2.05g/t Au, or 3.67% Cu Eq., over 21.6m and was stopped in mineralization as a result of technical difficulties. This represents the most westerly and deepest intersection of Cu-Au mineralization to date from the underground diamond drill program.

SUMMARY OF RESULTS

INFILL DRILLING

Section 36E (Table 1)

Two (2) holes were completed on this section. Both holes intersected significant mineralization over substantial widths and showed a good correlation with the resource model, with some grades better than predicted from the model.

Hole UA-53 intersected 2 principal zones of mineralization, which were 1.82% Cu, 1.32g/t Au, 2.94g/t Ag, and 0.06g/t Pd, or 2.71% Cu Eq., over 118m (95m true thickness) and 1.19% Cu, 1.13g/t Au, 5.68g/t Ag and 0.11g/t Pd, or 2.01% Cu Eq., over 30m (24m true thickness). The zones were separated by a mostly barren zone. Down-hole of the second zone, consistent low grade mineralization (mostly <0.50% Cu Eq., but locally higher) was encountered to the end of the hole.

The wider of these principal zones contained 2 narrower zones of higher grade mineralization which were 2.05% Cu, 1.46g/t Au, 3.20g/t Ag, and 0.05g/t Pd, or 3.04% Cu Eq., over 72m (59m true thickness), and 2.19% Cu, 2.01g/t Au, 3.68g/t Ag, and 0.15g/t Pd, or 3.58% Cu Eq., over 22m (18m true thickness). The extent of the higher grade mineralization (>1.50% Cu Eq.) correlated well with the resource model.

Hole UA-54 intersected a wide zone of mineralization with 1.34% Cu, 1.01g/t Au, 1.70g/t Ag, and 0.16g/t Pd, or 2.06% Cu Eq., over 236m (136m true thickness). Within this was an interval with higher grade mineralization of 1.95% Cu, 1.32g/t Au, 2.25g/t Ag, and 0.16g/t Pd, or 2.87% Cu Eq., over 98m (57m true thickness). The extent of the higher grade mineralization was greater than forecast by the resource model.

Downhole from these intervals consistent low grade mineralization, locally with higher grades, was encountered to the end of the hole including one zone with 0.53% Cu, 0.90g/t Au, 1.09g/t Ag, and 0.19g/t Pd, or 1.18% Cu Eq., over 14m (8m true thickness) near the end of the hole, which was beyond the southern limits of the resource model.

Section 44E (Table 2)

Two (2) holes were completed on this section. Hole UA-50 intersected 2 principal zones of mineralization separated by a mostly barren interval. This mineralization showed a reasonable correlation with the resource model. The upper of these zones intersected 1.81% Cu, 1.29g/t Au, 3.09g/t Ag, 0.03g/t Pd, or 2.68% Cu Eq., over 40m (31m true thickness), within which was a higher grade interval of 2.39% Cu, 1.94g/t Au, 4.04g/t Ag, and 0.05g/t Pd, or 3.69% Cu Eq., over 22m (17m true thickness). The lower zone intersected 1.10% Cu, 1.13g/t Au, 1.32g/t Ag, 0.37g/t Pd, or 1.96% Cu Eq., over 46m (35m true thickness).

Down-hole from this, sporadic low grade mineralization was encountered.

Hole UA-51 intersected 2.07% Cu, 1.75g/t Au, 2.89g/t Ag, and 0.20g/t Pd, or 3.29% Cu Eq., over 42m (24m true thickness). This was a narrower intersection than predicted by the resource model. Either side of this intersection, intermittent low grade mineralization was encountered.

Section 52E (Table 2)

Two (2) holes were completed on this section, which confirmed the resource model prediction of being one of the weaker mineralized sections. The results from the two holes however, were better than anticipated from the resource model, with higher grade (>1.50% Cu Eq.) mineralization being intersected where grades of <1.00% Cu Eq. were predicted from the resource model.

Hole UA-56 intersected 2 principal zones of mineralization, the first with 1.71% Cu, 1.38g/t Au, 3.68g/t Ag, and 0.04g/t Pd, or 2.65% Cu Eq., over 32m (28m true thickness), and the second with 0.57% Cu, 0.63g/t Au, 1.05g/t Ag, and 0.20g/t Pd, or 1.05% Cu Eq., over 44 m (38m true thickness). The two zones were separated by an interval with intermittent low grade mineralization. Down-hole of the second zone, low grade mineralization was encountered to the end of the hole.

Hole UA-57 also intersected 2 principal zones of mineralization with the first encountering 1.28% Cu, 1.16g/t Au, 1.98g/t Ag, and 0.10g/t Pd, or 2.08% Cu Eq., over 22m (14m true thickness), and the second encountering 1.16% Cu, 1.11g/t Au, 3.60g/t Ag, and 0.13g/t Pd, or 1.95% Cu Eq., over 12m (8m true thickness). The 2 principal zones were separated by low grade mineralization which was also encountered to the end of the hole.

Section 80E (Table 3)

Drilling on this section encountered more of the higher grade mineralization (>1.50% Cu Eq.) than anticipated from the resource model. It also indicated better vertical continuity of this mineralization than indicated by the model. Hole UA-60 intersected 1.49% Cu, 0.45g/t Au, 2.84g/t Ag, and 0.05g/t Pd, or 1.82% Cu Eq., over 66m (56m true thickness). This interval was contained within a wider interval of lower grade mineralization.

Hole UA-61 intersected 1.84% Cu, 0.48g/t Au, 3.95g/t Ag, and 0.01g/t Pd, or 2.19% Cu Eq., over 84m (63m true thickness). In addition, outside and to the south of the resource model an additional interval of mineralization was encountered with 0.53% Cu, 0.69g/t Au, 3.02g/t Ag, and 0.25g/t Pd, or 1.09% Cu Eq., over 22m (17m true thickness). The 2 intervals were separated by low grade mineralization. Low grade mineralization also continued down hole of the lower zone, for approximately an additional 100m.

Hole UA-62 intersected 2 principal zones of mineralization. The first of these contained 1.96% Cu, 0.34g/t Au, 4.47g/t Ag, and 0.01g/t Pd, or 2.22% Cu Eq., over 94m (56m true thickness). The second contained 2.59% Cu, 1.13g/t Au, 10.06g/t Ag, and 0.08g/t Pd, or 3.44% Cu Eq., over 40m (24m true thickness). These 2 zones were separated by a 10m lower grade interval. The hole ended in mineralization.

EXPLORATION DRILLING

Hole UA-66 was an underground exploration drill hole, which commenced from section 8E to the west of the known limit of mineralization. This hole deviated east of the intended azimuth and intersected higher grade Cu-Au mineralization at the bottom of the hole. This interval contained 2.27% Cu, 2.05g/t Au, 4.76g/t Au, and 0.10g/t Pd, or 3.67% Cu Eq., over 21.6m as shown in Table 1. The hole stopped in mineralization due to technical difficulties. This hole is plotted in cross and long sectional views on the attached figures. This intersection is located approximately 30m west of the resource model and approximately 60m vertically below the lower limits of the resource model, and approximately 135m vertically below the next deepest intersection of higher grade mineralization. The base of the mineralization in UA-66 is at a vertical depth of approximately 900m and is currently the deepest occurrence of mineralization encountered from the underground diamond drill program.

Hole UA-39 (for which results were previously released on January 12, 2006) intersected 2.14% Cu, 1.25g/t Au, 3.33g/t Ag, and 0.21g/t Pd, or 3.05% Cu Eq., over 6m (2m true thickness), 135m vertically above the intersection in Hole UA-66. The intersection in Hole UA-39 was at the end of the hole, which was also abandoned in mineralization due to technical difficulties.

3 drills

The results of Hole UA-66 indicate the potential for additional mineralization both beneath and to the west of the current resource model. As a result of this, the ongoing underground exploration program has two primary areas of focus. First, 2 diamond drills are exploring the area between Sections 10E and 64E, beneath and up to 300m vertically beneath the current base of the resource model, in order to test the potential for additional mineralization at depth. Second, 1 diamond drill is exploring for potential extensions of mineralization to the west.

RESOURCE UPDATE

The existing mineral resource was estimated using the results of approximately 90 diamond drill holes completed from surface. It was independently calculated from a kriged block model by qualified person Gary Giroux, P.Eng in 2003 and updated in 2004. Metal prices used in the Scoping Study and the resource calculation were US\$0.85 per lb Cu, US\$375 per oz Au, US\$5.25 per oz Ag, and US\$200 per oz Pd. At a cut-off of 0.70% Cu equivalent the Measured and Indicated Mineral Resource was estimated to be 68.7 Million Tonnes grading 1.68% Cu equivalent or 2.61 g/t Au equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold. The Measured Resource category was calculated to be 9.5 Million Tonnes grading 1.29% Cu, 0.95 g/t Au, 3.44 g/t Ag, and 0.12 g/t Pd. The Indicated Resource category was calculated to be 59.2 Million Tonnes grading 1.05% Cu, 0.83 g/t Au, 2.49 g/t Ag, and 0.12 g/t Pd.

The primary purpose of the ongoing Feasibility Study is to determine the economic

parameters of, and potential for, developing the New Afton Project into a new underground mine. As part of this Feasibility Study, a new resource will be calculated by incorporating the results of the underground infill drilling with those of the initial surface drilling. With the majority of the infill diamond drilling program data now having been received, the overall results have correlated well with respect to the most significant part of the resource, which is the core of higher grade mineralization (>1.5% Cu equivalent). A new geological interpretation incorporating the infill drilling is in progress. Upon completion, it will form the basis for a new mineral resource estimate. It is anticipated the new mineral resource will be available in the first half of 2006 replacing the existing resource.

Completion of a positive feasibility study would enable the Company to upgrade a portion of these resources to reserves. The amount ultimately converted to reserves will be dependent on a number of factors, including metal price assumptions, cut-off grades and mining methods.

PROJECT UPDATE

Work on the Feasibility Study is well underway and proceeding according to schedule. The trade-off studies to determine the appropriate mining method(s) are nearing completion, metallurgical sampling and preliminary testwork are underway and the permitting process is continuing. The Feasibility Study is scheduled for completion in Q4, 2006. ⇒ *Production decision*

In addition to the 3 diamond drills underground, the Company has 2 diamond drill exploring surface targets on the New Afton and Ajax Projects. Underground and Surface exploration results will be released in a systematic fashion as results become available, are compiled and interpreted. Results for the remaining infill diamond drill holes should be released in the near future.

QUALIFIED PERSON

These exploration results have been prepared and approved by Mike Hibbitts P.Geo., Vice President Exploration and Development for New Gold Inc. who is a Qualified Person under National Instrument 43-101.

He is therefore qualified to confirm the validity and veracity of these results.

A Quality Assurance/Quality Control Program (QA/QC) was established under the direction of Roscoe Postle Associates, a well known Canadian geological and mining consulting company. Samples are analyzed at Eco Tech Laboratories of Kamloops, British Columbia, Canada. Copper is analyzed through Aqua Regia digestion with AA finish. Samples containing native copper are analyzed for "metallic" copper. Gold is analyzed using a Fire Assay with an AA finish on a 30 gram sample. The accuracy of analyses is constantly monitored by systematically submitting duplicate samples and control (or standard) samples to the Laboratory for analysis.

New Gold is in excellent financial condition with a current cash position of approximately CDN\$85 million and no debt. The Company has only 23.9 million shares outstanding (29.8 million shares fully diluted).

For further information on New Gold Inc. and the New Afton Project, please contact:

Chris Bradbrook

President and Chief Executive Officer
New Gold Inc.

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Email: invest@newgoldinc.com

Website: www.newgoldinc.com

Certain of the statements made and information contained herein is "forward- looking information" within the meaning of the Ontario Securities Act or "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 of the United States. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to the interpretation of drill results and the estimation of

Schroeter, Tom EMPR:EX

TGS → New Afton

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Thursday, January 12, 2006 8:53 AM
To: Schroeter, Tom EMPR:EX
Subject: New Afton Project - Additional Infill Drilling Results, Up to 1.32% Cu and 1.08 g/t Au over 218 metres, and 1.81% Cu and 1.40 g/t Au over 102 metres

=====
Re: News Release - Thursday, January 12, 2006
New Afton Project - Additional Infill Drilling Results, Up to
1.32% Cu and 1.08 g/t Au over 218 metres, and 1.81% Cu and 1.40
g/t Au over 102 metres
=====

SW - Jan. 13/06

January 12 2006, Vancouver, British Columbia -- New Gold Inc. (NGD:TSX/AMEX) is pleased to announce additional results from the program of underground diamond drilling at its New Afton Project, located 10 kilometres west of Kamloops, British Columbia, Canada.

The reported results are from eleven (11) drill holes completed on four (4) sections (12E, 28E, 32E, and 60E), and are shown in the attached tables and figures. Section 12E is the most westerly section in the program of underground infill drilling. Future results will continue to be released on a sectional basis as the infill drilling is completed and results compiled. All copper equivalent (Cu Eq.) grades are calculated using the following metal prices -- Copper (Cu) US\$0.85/lb; Gold (Au) US\$375/oz; Silver (Ag) US\$5.25/oz; and Palladium (Pd) US\$200/oz. This is consistent with the metal prices used in the existing independently calculated resource (by qualified person Gary Giroux, P.Eng). All principal intervals were calculated using a cut-off grade of 0.70% copper equivalent, which is also consistent with the cut-off grade used in the calculation of the resource.

The highlights of these results were:

. The drilling generally intersected the higher grade (>1.50% Cu Eq.) mineralization where it was indicated by the resource model. Some of these intersections were of significant grade over substantial widths. For example, hole UA-44 on Section 32E intersected 1.32% Cu and 1.08g/t Au, or 2.09% Cu Eq. over 218 metres (m) (143m true thickness).

. In many instances the wider zones of mineralization contained substantial widths of higher grade mineralization. For example hole UA-45 on Section 32E intersected 1.81% Cu and 1.40g/t Au, or 2.75% Cu Eq., over 102m (80m true thickness) which was contained within a wider interval of 1.44% Cu and 1.07g/t Au, or 2.17% Cu Eq., over 162m (126m true thickness).

. In Section 28E higher grade mineralization was intersected outside the limits of the existing resource model. Hole UA-49 intersected 1.53% Cu and 1.76g/t Au, or 2.74% Cu Eq., over 26m (12m true thickness) approximately 25m beyond the southern boundary of the existing resource model and at a greater depth than the base of the model.

. In Section 12E hole UA-39 intersected higher grade (>1.50% Cu Eq.) mineralization at the western edge of the resource model, almost 100m deeper than indicated by the model. This represents the most westerly intersection of higher grade mineralization of the current program of infill drilling.

SUMMARY OF RESULTS

Section 12E

This is the most westerly section of the existing resource model. Hole UA-39 intersected three zones of mineralization within the limits of the resource model, two of which contained more than 1.50% Cu Eq.. The widest of these contained 1.27% Cu, 0.73g/t Au, 2.35g/t Ag, and 0.00g/t Pd, or 1.76% Cu Eq., over 34m (12.8m true thickness). Higher grade mineralization was encountered at the end of the hole with an intersection of 2.14% Cu, 1.25g/t Au, 3.33g/t Ag, and 0.21g/t Pd, or 3.05% Cu Eq., over 5.9m (1.6m true thickness). The hole ended in this mineralized interval and was abandoned due to technical difficulties.

These two intersections of higher grade mineralization are the most westerly encountered to date from either the surface or underground drill programs. They are also the deepest encountered to date from the current program of infill diamond drilling and are the deepest intersections of higher grade mineralization encountered to date within the limits of the existing resource model, being 80m and 140m vertically below the nearest previous intersection of such mineralization on this section. The lower interval was intersected at a vertical depth of approximately 725m.

The results of hole UA-39 indicate that the mineralization remains open to the west, and testing the potential in this direction will be a primary goal of the upcoming program of underground exploration drilling. The presence of mineralization at the end of the hole also indicated exploration potential to the south of the existing resource model.

Section 28E

Within the limits of the current resource model hole UA-49 intersected a number of zones of higher grade mineralization (>1.50% Cu Eq.) separated by intervals containing low grade or trace Cu-Au mineralization. These zones contained up to 1.31% Cu, 1.30g/t Au, 1.97g/t Ag, and 0.14g/t Pd, or 2.21% Cu Eq., over 80m (34m true thickness). The outer limits of these zones of higher grade mineralization correlate well with the outer limits of higher grade mineralization indicated by the resource model. The principal discrepancy with the resource model in hole UA-49, was the occurrence of higher grade mineralization in a number of separate zones, rather than one continuous zone.

Hole UA-49 intersected a zone of higher grade mineralization beyond the southern limits of the resource model, which contained 1.53% Cu, 1.76g/t Au, 2.20g/t Ag, and 0.18g/t Pd, or 2.74% Cu Eq., over 26m (12m true thickness). The hole ended in mineralization. This mineralization was encountered approximately 25m beyond the southern boundary of, and vertically below the lower limit of, the resource model. At a vertical depth of approximately 725m, it is (together with the intersection in hole UA-39, on Section 12E -- described above) the deepest intersection of higher grade mineralization encountered to date from the current program of infill drilling. The Company believes that this intersection indicates the exploration potential both at depth and to the south of the existing resource model. This area will be one of the primary target areas for the 2006 program of underground exploration drilling.

Hole UA-48 intersected 1.05% Cu, 0.52g/t Au, 1.68g/t Ag, and 0.01g/t Pd, or 1.40% Cu Eq., over 98m (84.6m true thickness) in an area where the resource model indicated grades of less than 1.00% Cu Eq.

Section 32E

The four holes completed on this section encountered higher grade mineralization (>1.50% Cu Eq.) which correlated very well with the resource model. All holes intersected mineralization over substantial thicknesses. Among the more significant of these was hole UA-44 which intersected 1.32% Cu, 1.08g/t Au, 2.03g/t Ag, and 0.16g/t Pd, or 2.09% Cu Eq., over 218m (143m true thickness).

Within the wider intervals of mineralization, all holes contained zones of higher grade material. Whilst narrower, these zones nonetheless occurred over substantial widths. For example, hole UA-45 contained a zone with 1.81% Cu, 1.40g/t Au, 2.94g/t Ag, and 0.04g/t Pd, or 2.75% Cu Eq., over 102m (80m true thickness). This was contained within a wider zone of 1.44% Cu, 1.07g/t Au, 2.41g/t Ag, and 0.04g/t Pd, or 2.17% Cu Eq., over 162m (126m true thickness).

Where multiple zones of higher grade mineralization were contained within a wider envelope, as in hole UA-47, these zones were separated by lower grade or trace Cu-Au mineralization.

Section 60E

All four holes intersected higher grade mineralization (>1.50% Cu Eq.) over substantial thicknesses. Among the more significant of these was hole UA-41, which intersected 1.18% Cu, 1.04g/t Au, 1.86g/t Ag, and 0.09g/t Pd, or 1.90% Cu Eq., over 144m (102.5m true thickness). As with previous sections, these wider zones contained narrower intervals of higher grade. For example, within the wider interval described above for hole UA-41, was a zone containing 1.59% Cu, 2.15g/t Au, 1.45g/t Ag, and 0.12g/t Pd, or 3.03% Cu Eq., over 42m (29.7m true thickness). Where multiple zones of higher grade mineralization were contained within a wider envelope, as in hole UA-40A, these zones were separated by lower grade or trace Cu-Au mineralization.

The main discrepancy between this section and the resource model was found in hole UA-40A, where the higher grade mineralization was intersected further down-hole than anticipated. This suggests the possibility that the higher grade mineralization has a more vertical control than indicated by the resource model.

RESOURCE UPDATE

The existing mineral resource was estimated using the results of approximately 100 diamond drill holes completed from surface. It was independently calculated from a kriged block model as part of an independent advanced Scoping Study conducted by Behre Dolbear in 2003 and updated in 2004 under the supervision of qualified person James A. Currie, P.Eng. Metal prices used in the Scoping Study and the resource calculation were US\$0.85 per lb Cu, US\$375 per oz Au, US\$5.25 per oz Ag, and US\$200 per oz Pd. At a cut-off of 0.70% Cu equivalent the Measured and Indicated Mineral Resource was estimated to be 68.7 Million Tonnes grading 1.68% Cu equivalent or 2.61 g/t Au equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold. The Measured Resource category was calculated to be 9.5 Million Tonnes grading 1.29% Cu, 0.95 g/t Au, 3.44 g/t Ag, and 0.12 g/t Pd. The Indicated Resource category was calculated to be 59.2 Million Tonnes grading 1.05% Cu, 0.83 g/t Au, 2.49 g/t Ag, and 0.12 g/t Pd.

The Scoping Study assumed a block cave mining method and that the total mineralization to be mined would be 51.5 Million Tonnes grading 1.72% Cu equivalent (1.13% Cu, 0.85g/t Au, 2.55g/t Ag, 0.11g/t Pd) (total contained metal of 1.3 billion pounds of copper and 1.4 million ounces of gold). This Scoping Study is preliminary in nature as it is based in part upon inferred resources. As required under National Instrument 43-101, the reader is cautioned that these resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the results predicted in the Scoping Study will be realized.

The primary purpose of the ongoing Feasibility Study is to determine the economic parameters of, and potential for, developing the New Afton Project into a new underground mine. As part of this Feasibility Study, a new resource will be calculated by incorporating the results of the underground infill drilling with those of the initial surface

drilling. With the majority of the infill diamond drilling program data now having been received, the overall results have correlated well with respect to the most significant part of the resource, which is the core of higher grade mineralization (>1.5% Cu equivalent). A new geological interpretation incorporating the infill drilling is in progress. Upon completion, it will form the basis for a new mineral resource estimate. It is anticipated the new mineral resource will be available in the first half of 2006 replacing the existing resource. Completion of a positive feasibility study would enable the Company to upgrade a portion of these resources to reserves. The amount ultimately converted to reserves will be dependent on a number of factors, including metal price assumptions, cut-off grades and mining methods.

QUALIFIED PERSON

These exploration results have been prepared and approved by Mike Hibbitts P.Geo., Vice President Exploration and Development for New Gold Inc. who is a Qualified Person under National Instrument 43-101. He is therefore qualified to confirm the validity and veracity of these results.

A Quality Assurance/Quality Control Program (QA/QC) was established under the direction of Roscoe Postle Associates, a well known Canadian geological and mining consulting company. Samples are analyzed at Eco Tech Laboratories of Kamloops, British Columbia, Canada. Copper is analyzed through Aqua Regia digestion with AA finish. Samples containing native copper are analyzed for "metallic" copper. Gold is analyzed using a Fire Assay with an AA finish on a 30 gram sample. The accuracy of analyses is constantly monitored by systematically submitting duplicate samples and control (or standard) samples to the Laboratory for analysis.

PROJECT UPDATE

Work on the Feasibility Study has now commenced. The initial priority will be the completion of trade-off studies to determine the most appropriate mining method, and the commencement of the metallurgical test work.

The infill drilling on 40m-spaced sections is almost complete. The Company plans to follow this with a program of underground exploration drilling with up to three diamond drills. This program will test for potential extensions of the current resource to depth and to the west in addition to exploring for potential additional mineralization to the north and south of the existing resource. In addition, New Gold plans to commence a program of surface diamond drilling on both the New Afton and Ajax Projects.

New Gold is in excellent financial condition with a current cash position of approximately CDN\$17 million and no debt. The Company has only 15.5 million shares outstanding (17.3 million shares fully diluted).

For further information on New Gold Inc. and the New Afton Project, please contact:

Chris Bradbrook
President and Chief Executive Officer
New Gold Inc.
601 - 595 Howe Street, Vancouver, B.C. V6C 2T5
Tel: 877-977-1067 or 604-687-1629, Fax: 604-687-2845
Email: invest@newgoldinc.com
Website: www.newgoldinc.com

Safe Harbor Statement under the United States Private Securities Litigation Act of 1995: This release made may contain forward-looking

Schroeter, Tom EMPR:EX

708 → New Afton

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Monday, December 12, 2005 7:30 AM
To: Schroeter, Tom EMPR:EX
Subject: Financing 2006 Underground and Surface Exploration Programs New Afton and Ajax Projects.

SW-DEC. 13/05

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Re: News Release - Monday, December 12, 2005
Financing 2006 Underground and Surface Exploration Programs New Afton and Ajax Projects.
=====

December 12 2005, Vancouver, British Columbia -- New Gold Inc. (NGD:TSX/AMEX) is pleased to announce that it has agreed to a non-brokered private placement to investors who are at arm's length with the Company for total gross proceeds of \$4 million (the "Offering"). The offering provides for the issue of 500,000 Flow-Through common shares at a price of CDN\$8.00 per share, representing a 10% premium to the previous closing price (Friday Dec. 9, 2005). A finders' fee will be payable subject to the closing of the offering. It is planned to use the proceeds of this offering to finance underground and surface exploration programs at the Company's 100%-owned New Afton and Ajax Copper-Gold Projects, Kamloops, B.C., Canada, commencing in January 2006.

The transaction is subject to the application for, and receipt of all necessary regulatory and stock exchange approvals.

The securities being offered have not, and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.

In making this announcement, President and CEO, Chris Bradbrook stated, "We have completed the underground excavation work at the New Afton Project, and will be completing the infill diamond drilling program shortly, and are now moving into the Feasibility Study ("FS") stage. Consequently at the start of 2006, we will be able to commence an aggressive program of underground and surface exploration at the Project, in addition to a program of surface exploration at the nearby Ajax Project. This work will test the potential for extensions of known mineralization in addition to exploring the potential for additional zones of mineralization. A recently completed high resolution airborne geophysical survey has assisted in the identification of a number of targets at both projects. We aim to conduct this work with three (3) underground, and two (2) surface diamond drill rigs.

This financing enables us to commence this exploration work with minimal dilution to our shareholders, while maintaining a strong balance sheet, which fully funds the FS"

QUALIFIED PERSON

All exploration results are prepared and approved by Mike Hibbitts P.Geo., Vice President Exploration and Development for New Gold Inc. who is a Qualified Person under National Instrument 43-101. He is therefore qualified to confirm the validity and veracity of these results.

Schroeter, Tom EMPR:EX

TOS → New
All
Afton

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Tuesday, December 13, 2005 10:13 AM
To: Schroeter, Tom EMPR:EX
Subject: New Afton Feasibility Study Team Selected

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Re: News Release - Tuesday, December 13, 2005
New Afton Feasibility Study Team Selected
=====

December 13 2005, Vancouver, British Columbia -- New Gold Inc. (NGD:TSX/AMEX) is pleased to announce the selection of the group of engineering firms who will prepare a Feasibility Study ("FS") on the Company's 100%-owned New Afton copper-gold project ("New Afton") in Kamloops, British Columbia, Canada. The FS will be carried out by a team including, and coordinated by, Hatch Ltd. ("Hatch") who will be responsible for the processing and engineering components of the study. Mining method and reserves will be the responsibility of Australian Mining Consultants Pty Ltd. ("AMC"), and Roscoe Postle Associates Inc. ("RPA") will complete the geology and resource sections. Environmental services and permitting will be the responsibility of Rescan Environmental Services Ltd. ("Rescan"). In addition, BGC Engineering Inc. ("BGC") will maintain responsibility for tailings disposal analysis and Rockland Ltd. ("Rockland") will oversee the rock mechanics study. With the exception of AMC (who are based in Australia) all of these engineering companies are based in Vancouver, British Columbia, Canada. Each company has been selected to bring their unique experience and skills to the FS, in order that it can be completed in the most successful and expeditious manner.

In making this announcement, President and CEO Chris Bradbrook stated, "We are extremely pleased to have been able to attract such a strong group of engineering firms. We had a high level of interest from many of North America's leading engineering firms to complete this study. To arrive at our final selection we undertook an extensive and methodical process and are most appreciative of the efforts expended by all interested parties. We are anxious to commence the study and we will be proceeding in parallel, in 2006, to complete the feasibility study, permitting, and financing requirements of the Project. It is expected that the FS can be completed in the fourth quarter of 2006, at which time the Company will be in a position to determine whether the project should advance to production. The Company will now proceed with the completion of definitive contractual arrangements with the parties involved and anticipates commencement of the FS in the very near future."

Hatch is an international engineering firm with extensive experience in feasibility study coordination, assessment of processing methods for copper-gold projects, and capital cost estimating. They have an excellent track record of taking projects from feasibility to construction combined with significant experience in British Columbia.

AMC is an Australian based mining consultancy with extensive experience in mining studies, project mining reviews and feasibility studies for bulk underground mining operations. Of particular note is their previous experience in the preparation of the mining section (including the identification of the most appropriate mining method) of the FS for the underground Ridgeway gold-copper mine in Australia, which the Company feels has many similarities to its Project.

RPA, Rescan, BGC, and Rockland are well known Canadian-based mining consulting firms with extensive experience in their respective areas.

The scope of the FS includes an updated resource estimation (which will incorporate the 2005 underground in-fill drilling results), mining method selection, reserves and mine production scheduling, process plant design, tailings deposition, all infrastructure requirements and the preparation of the project economic analysis. Once complete, the FS will replace the prior Scoping Study completed on the Project (in 2003, and updated in 2004), and will establish the technical and economical potential of developing a new underground mine at the New Afton Project.

It is anticipated that total costs to complete the FS will be approximately CDN\$5 million. New Gold is in excellent financial condition with approximately CDN\$14 million in cash and no debt (excluding the \$4 million Flow-Through offering announced yesterday, December 12th, 2005). The Company is therefore fully funded to complete the FS. New Gold has only 15.0 million shares outstanding and 16.7 million shares fully diluted (prior to the issuance of the most recently announced Flow-Through common shares).

For further information on New Gold Inc. and the New Afton Project, please contact:

Chris Bradbrook
President and Chief Executive Officer
New Gold Inc.
601 - 595 Howe Street, Vancouver, B.C. V6C 2T5
Tel: 877-977-1067 or 604-687-1629, Fax: 604-687-2845
Email: invest@newgoldinc.com
Website: www.newgoldinc.com

Safe Harbor Statement under the United States Private Securities Litigation Act of 1995: This release may contain forward-looking statements that are affected by known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed, implied or anticipated by such forward-looking statements. Such forward-looking statements herein represent management's best judgment as of the date hereof based on information currently available. The Company does not intend to update this information and disclaims any legal liability to the contrary. Cautionary Note to U.S. Investors concerning resource estimates. This press release discusses the results of a scoping study, which is a "preliminary assessment" as defined in the Canadian NI 43-101, under which the use of inferred mineral resources is permitted under certain circumstances. The U.S. Securities and Exchange Commission regulations do not recognize any circumstances in which inferred mineral resources may be so used. U.S. investors are cautioned not to assume that any part or all of an inferred resource category described as a 'resource falling within the mine plan' will ever be converted into 'reserves' within the definition of that term in SEC Industry Guide 7. Cautionary Note to U.S. Investors concerning estimates of Measured and Indicated Resources. This section uses the terms "measured" and "indicated resources." We advise U.S. investors that, while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.

WARNING: The Company relies upon litigation protection for "forward-looking" statements.

Associated File:

http://www.newgoldinc.com/i/pdf/12-13-05_Feasibility_Study_Team_Selected.pdf
26 KB in size, approx. 6 seconds to download at 56.6Kbps

Schroeter, Tom EMPR:EX

TGS → New Afton

From: Schroeter, Tom EMPR:EX
Sent: Tuesday, November 22, 2005 7:59 AM
To: Cathro, Mike EMPR:EX; Freer, Geoff EMPR:EX; Lefebure, Dave EMPR:EX
Subject: RE: Afton investment this year

Thanks for the update, Mike.

Tom
Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Geological Survey Branch
Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

Direct Telephone 604 660-2812
Messages & Enquiries 604 660-2708
Facsimile 604 775-0313
email tom.schroeter@gov.bc.ca

-----Original Message-----

From: Cathro, Mike EMPR:EX
Sent: Tuesday, November 22, 2005 7:55 AM
To: Schroeter, Tom EMPR:EX; Freer, Geoff EMPR:EX; Lefebure, Dave EMPR:EX
Subject: Re: Afton investment this year

I talked to them about 2 wks ago and they were expecting to spend 15 mil by year end

Mike Cathro (away from my desk)

-----Original Message-----

From: Schroeter, Tom EMPR:EX <Tom.Schroeter@gov.bc.ca>
To: Freer, Geoff EMPR:EX <Geoff.Freer@gov.bc.ca>; Cathro, Mike EMPR:EX <Mike.Cathro@gov.bc.ca>; Lefebure, Dave EMPR:EX <Dave.Lefebure@gov.bc.ca>
Sent: Tue Nov 22 07:42:27 2005
Subject: RE: Afton investment this year

\$18M for New Afton (note revised name). Also Abacus is drilling (~\$.75M) at its Afton (Ajax) property, which adjoins the New Afton property.

Tom
Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Geological Survey Branch
Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

Direct Telephone 604 660-2812
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email tom.schroeter@gov.bc.ca

-----Original Message-----

From: Freer, Geoff EMPR:EX
Sent: Tuesday, November 22, 2005 7:39 AM
To: Cathro, Mike EMPR:EX; Lefebure, Dave EMPR:EX; Schroeter, Tom EMPR:EX
Subject: Afton investment this year

Schroeter, Tom EMPR:EX

From: New Gold Inc. on behalf of XT:EM New Gold Inc EM:IN
Sent: Thursday, October 20, 2005 7:39 AM
To: Schroeter, Tom EMPR:EX
Subject: Encouraging Underground Sample Results, Higher Grade Mineralization than Indicated by the Resource Model, Up to 1.49% Cu and 1.01g/t Au across 51 metres

TS → New Afton
 SW - Oct 20/05

Re: News Release - Thursday, October 20, 2005
Title: Encouraging Underground Sample Results, Higher Grade Mineralization than Indicated by the Resource Model, Up to 1.49% Cu and 1.01g/t Au across 51 metres

October 20 2005, Vancouver, British Columbia -- New Gold Inc. (NGD:TSX/AMEX) is pleased to announce encouraging results from the underground sampling program at the Company's 100%-owned New Afton Copper-Gold (Cu-Au) Project, Kamloops, B.C., Canada. This program of sampling was conducted from the cross-cut which intersected the top of the mineralized zone on Section 44E. The highlights of this program are summarized below. All copper equivalent (Cu Eq.) grades were calculated using the following metal prices -- Copper (Cu) US\$0.85/lb; Gold (Au) US\$375/oz; Silver (Ag) US\$5.25/oz; and Palladium (Pd) US\$200/oz. This is consistent with the metal prices used in the existing independently calculated resource and is also consistent with metal prices used in preparation of the independent Scoping Study (by Behre Dolbear under the supervision of qualified person James Currie, P.Eng.)

In the main cross-cut **Interval A** contained **1.49% Cu, 1.01g/t Au, 2.12g/t Ag, and 0.06g/t Palladium Pd, or 2.18% Cu Eq., across 51 metres (m), which is 9% higher than indicated by the resource model.** For this same interval the resource model indicated grades of 1.26% Cu, 1.11g/t Au, 2.18g/t Ag, and 0.02g/t Pd, or 2.00% Cu Eq.

This interval was contained within the wider **Interval B**, which contained **1.22% Cu, 0.80g/t Au, 1.90g/t Ag, and 0.10g/t Pd, or 1.78% Cu Eq. across 91m, which is 11% higher than indicated by the resource model.** For this same interval the resource model indicated grades of 1.02% Cu, 0.85g/t Au, 1.73g/t Ag, and 0.07g/t Pd, or 1.60% Cu Eq.

In the south cross-cut, **Interval C** contained **1.02% Cu, 0.93g/t Au, 1.60g/t Ag, and 0.08g/t Pd, or 1.66% Cu Eq. across 43m, which is 50% higher than indicated by the resource model.** For this same interval the resource model indicated grades of 0.71% Cu, 0.56g/t Au, 1.34g/t Ag, and 0.12g/t Pd, or 1.11% Cu Eq.

At the northern end of the north cross-cut, a number of samples contained in excess of 1.0% Cu Eq. This is higher than the grades of 0.10% to 0.83% Cu Eq. indicated by the resource model for the same area. Elsewhere, the sampling in the main, north and south branches of the cross-cut returned results in line with those indicated by the resource model.

The current resource model was developed using the results of approximately 100 previously completed surface diamond drill holes. The comparison of results from the underground sampling to the model is represented in the attached plan and sectional views. Sample results have been compiled, and are summarized in the attached tables. As a result of the orientation of the main cross-cut perpendicular to the mineralization, the thicknesses recorded for intervals A and B in the main cross-cut approximate true thicknesses. While the grade encountered, locally exceeded that anticipated from the resource model, the actual occurrence of mineralization corresponded well with that indicated by the resource model. For example, the western limit of mineralization (in the main cross-cut) and the eastern limit of mineralization (in the south cross-cut) were approximately where indicated by the resource model.

In releasing these results President and CEO, Chris Bradbrook, stated, "We are very encouraged by the results from this underground sampling program at our New Afton Cu-Au Project. The results from the cross-cut verify, and improve upon the current resource model in the area of the cross-cut. In the main cross-cut, the mineralized intervals approximate true thickness and therefore represent impressive thicknesses of significant grade Cu-Au mineralization.

2005-10-20

One of the primary purposes of the underground exploration program of sampling and diamond drilling was to provide greater confidence in the resource model, and to ultimately allow us (in conjunction with a feasibility study) to convert the resources to reserves. To date, the results of all our underground work have increased our confidence in our ability to do this.

The cross-cut also will enable us to conduct the metallurgical sampling and geotechnical analysis which will be required in the completion of the feasibility study."

UNDERGROUND SAMPLING PROGRAM

Sampling was conducted after each 3.6m advance was completed. Continuous chip samples were taken from both walls of the cross-cuts and muck samples were also collected. The sample locations are indicated on the attached plan view. The attached tables of sample results provides the average grades of the chip samples from both walls

PROJECT UPDATE

The previously announced (Sep 16, 2005) program of extending the underground decline has begun. The main decline is being extended at least 125m to the west in order to facilitate additional exploration for extensions of the main Cu-Au mineralization which remains open to the west. In addition, the north cross-cut is being advanced up to 125m further to the northeast in order to facilitate additional sampling of different mineralization types.

The program of underground infill drilling continues and is scheduled for completion by year-end 2005. The short-listed engineering companies who have expressed their interest in completing the feasibility study, have received the final request for proposal documents, and the Company expects to select the successful candidate and award the contract by the end of November, 2005. It is anticipated that this study could be completed by Q3, 2006. The feasibility study will determine the economic parameters of, and potential for, developing a new underground mine at the Company's New Afton Project. The initial permitting process has also commenced and is on-going.

CURRENT RESOURCE

The current resource at the New Afton Project was calculated using the results of approximately 100 diamond drill holes completed from surface. It was independently calculated from a kriged block model as part of an independent advanced scoping study conducted by Behre Dolbear in 2003 and updated in 2004 under the supervision of qualified person James A. Currie, P.Eng. Metal prices used in the scoping study and the resource calculation were US\$0.85 per lb Cu, US\$375 per oz Au, US\$5.25 per oz Ag, and US\$200 per oz Pd. At a cut-off of 0.70% Cu equivalent the Measured and Indicated Mineral Resource was calculated to be 68.7 Million Tonnes grading 1.68% Cu equivalent or 2.61 g/t Au equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold. The scoping study suggested that the project has very robust economics, with an after-tax IRR of 20% at the metal prices used. The Measured Resource category was calculated to be 9.5 Million Tonnes grading 1.29% Cu, 0.95 g/t Au, 3.44 g/t Ag, and 0.12 g/t Pd. The Indicated Resource category was calculated to be 59.2 Million Tonnes grading 1.05% Cu, 0.83 g/t Au, 2.49 g/t Ag, and 0.12 g/t Pd.

QUALIFIED PERSON

These exploration results have been prepared and approved by Mike Hibbitts P.Geol., Vice President Exploration and Development for New Gold Inc. who is a Qualified Person under National Instrument 43-101. He is therefore qualified to confirm the validity and veracity of these results.

A Quality Assurance/Quality Control Program (QA/QC) was established under the direction of Roscoe Postle Associates, a well known Canadian geological and mining consulting company. Samples are analyzed at Eco Tech Laboratories of Kamloops, British Columbia, Canada. Copper is analyzed through Aqua Regia digestion with AA finish. Samples containing native copper are analyzed for "metallic" copper. Gold is analyzed using a Fire Assay with an AA finish on a 30 gram sample. The accuracy of analyses is constantly monitored by systematically submitting duplicate samples and control (or standard) samples to the Laboratory for analysis.

New Gold is in excellent financial condition with cash of approximately CDN\$18 million and no debt. The Company has only 15.0 million shares outstanding and 16.8 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

Chris Bradbrook
President and Chief Executive Officer

2005-10-20

NEW GOLD INC.

TABLE 1
NEW AFTON COPPER-GOLD PROJECT

RESULTS OF UNDERGROUND CHIP SAMPLING
MAIN CROSS-CUT

October 20, 2005

Sample #	Cu (%)	Au (g/t)	Ag (g/t)	Pd (g/t)	Cu Eq. (%)
397	0.06	0.06	0.00	0.00	0.09
399	0.23	0.09	0.25	0.00	0.29
401	1.43	0.25	2.30	0.00	1.61
403	1.41	0.39	3.15	0.02	1.69
405	1.30	0.39	2.85	0.02	1.58
407	0.78	0.24	1.20	0.00	0.94
409	0.87	0.32	1.10	0.00	1.08
411	1.46	0.86	1.30	0.00	2.02
413	1.01	0.53	1.25	0.00	1.36
415	3.21	2.05	4.50	0.00	4.56
417	1.55	0.54	2.00	0.00	1.91
419	2.04	0.69	2.00	0.00	2.50
421	2.20	0.84	2.65	0.00	2.76
423	1.75	1.18	2.35	0.00	2.53
425	1.47	1.15	2.00	0.00	2.23
427	1.10	0.84	1.30	0.00	1.65
429	1.09	1.07	1.80	0.00	1.79
431	1.81	1.97	3.15	0.09	3.13
433	0.90	0.96	1.40	0.16	1.58
436	0.85	0.85	2.10	0.26	1.51
437	1.20	0.94	2.20	0.00	1.82
440	0.68	0.69	1.85	0.42	1.28
443	0.34	0.40	1.00	0.56	0.80
448	0.82	0.80	1.75	0.42	1.49
450	0.80	1.09	1.75	0.17	1.57
455	0.93	0.98	1.60	0.18	1.63
460	0.14	0.16	0.10	0.11	0.28
464	0.55	0.66	0.80	0.22	1.06
468*	0.18	0.12	0.00	0.13	0.30
472	0.37	0.35	0.60	0.17	0.65

* Muck Sample

Averages

Interval	Sample #s	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	Pd (g/t)	Cu Eq. (%)
A	411-440	51	1.49	1.01	2.12	0.06	2.18
B	401-464	91	1.22	0.80	1.90	0.10	1.78

NEW GOLD INC.

TABLE 2
NEW AFTON COPPER-GOLD PROJECT

RESULTS OF UNDERGROUND CHIP SAMPLING
SOUTH CROSS-CUT

October 20, 2005

Sample #	Cu (%)	Au (g/t)	Ag (g/t)	Pd (g/t)	Cu Eq. (%)
439	0.94	1.14	1.40	0.06	1.70
445*	1.35	1.43	2.90	0.23	2.38
447	1.19	1.09	1.85	0.25	1.99
451	0.61	0.64	0.65	0.22	1.10
453	0.65	0.82	0.75	0.12	1.23
456	0.86	0.95	1.20	0.09	1.51
459	1.21	0.81	2.00	0.00	1.75
463	1.38	1.02	2.10	0.00	2.06
465	0.63	0.57	1.00	0.00	1.00
467	0.37	0.28	1.00	0.00	0.56
469	1.70	1.20	2.00	0.00	2.49
471	1.33	1.25	2.40	0.00	2.16
473	0.24	0.24	0.35	0.04	0.41
475	0.27	0.32	0.75	0.11	0.51
477	0.72	0.91	2.00	0.61	1.52
479	0.40	0.68	0.95	0.25	0.93
481	0.33	0.37	0.65	0.05	0.59
483	0.29	0.32	0.70	0.02	0.50
486	0.01	0.09	0.00	0.00	0.06
488	0.00	0.04	0.00	0.00	0.02
490	0.06	0.06	0.15	0.00	0.10
492	0.01	0.05	0.00	0.00	0.03
494	0.02	0.04	0.00	0.00	0.04
496	0.02	0.02	0.00	0.00	0.03
498	0.02	0.04	0.00	0.00	0.04
500	0.01	0.00	0.00	0.00	0.01

* Muck Sample

Averages

Interval	Sample #s	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	Pd (g/t)	Cu Eq. (%)
C	439-471	43	1.02	0.93	1.60	0.08	1.66

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TABLE 3
NEW AFTON COPPER-GOLD PROJECT

RESULTS OF UNDERGROUND CHIP SAMPLING
NORTH CROSS-CUT

October 20, 2005

Sample #	Cu (%)	Au (g/t)	Ag (g/t)	Pd (g/t)	Cu Eq. (%)
461	0.24	0.30	0.80	0.36	0.56
466	1.11	0.92	2.00	0.17	1.78
470	0.71	0.57	1.00	0.11	1.12
474	1.16	0.74	1.70	0.08	1.67
476	0.59	0.49	0.85	0.04	0.92
478	0.49	0.62	1.30	0.03	0.91
480	0.25	0.33	0.50	0.04	0.47
482	0.02	0.00	0.00	0.00	0.02
484	0.02	0.00	0.00	0.00	0.02
485	0.02	0.00	0.00	0.00	0.02
487	0.01	0.02	0.00	0.00	0.02
489	0.01	0.00	0.00	0.00	0.01
491	0.01	0.00	0.05	0.00	0.01
493	0.01	0.00	0.10	0.00	0.01
495	0.00	0.00	0.05	0.00	0.00
497	0.01	0.00	0.10	0.00	0.01
499	0.11	0.13	0.10	0.00	0.19
501	0.27	0.32	1.05	0.03	0.49
503	0.14	0.13	0.35	0.11	0.26
504	0.29	0.30	0.55	0.12	0.53
505	0.34	0.50	0.60	0.12	0.70
506	0.10	0.07	0.30	0.02	0.15
507	0.34	0.30	1.50	0.21	0.61
508	0.30	0.43	0.60	0.12	0.62
509	0.67	0.23	2.15	0.06	0.85
510	0.60	0.24	0.75	0.07	0.78
511	0.27	0.24	0.10	0.09	0.45
512	0.36	0.40	1.15	0.23	0.70
513	0.61	0.58	0.95	0.24	1.07
514	0.59	0.51	0.60	0.15	0.97
515	0.98	1.23	0.75	0.12	1.81
516	0.46	0.60	0.10	0.19	0.91
517	0.58	0.51	1.10	0.06	0.93
518	0.57	0.64	2.25	0.16	1.05
519	0.64	0.69	0.55	0.08	1.12
520	0.58	0.66	1.15	0.26	1.10
521	0.84	0.74	1.10	0.14	1.37
522	0.27	0.30	0.25	0.15	0.51
523	0.46	0.46	0.30	0.54	0.93

Associated File: <http://www.newgoldinc.com/i/pdf/44E-20OCT05.pdf>
488 KB in size, approx. 1 minute, 32 seconds to download at 56.6Kbps

Associated File: <http://www.newgoldinc.com/i/pdf/Plan-20OCT05.pdf>
939 KB in size, approx. 2 minutes, 56 seconds to download at 56.6Kbps

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Message sent on Thu Oct 20, 2005 at 7:35:04 AM Pacific Time

2005-10-20

NEW AFTON
 VBS → AFTON

Schroeter, Tom EMPR:EX

From: New Gold Inc. on behalf of XT:EM New Gold Inc EM:IN
Sent: Thursday, October 06, 2005 9:07 AM
To: Schroeter, Tom EMPR:EX
Subject: New Gold Announces Closing of \$3 Million Financing

Re: News Release - Thursday, October 06, 2005
Title: New Gold Announces Closing of \$3 Million Financing

(All dollar amounts in Canadian dollars unless otherwise indicated)

October 6 2005, Vancouver, British Columbia -- New Gold Inc. (NGD:TSX/AMEX) is pleased to announce the successful completion of its previously announced non-brokered private placement to investors who are at arm's length with the Company. As a result, the Company has issued 430,000 flow-through common shares at a price of \$7.00 per share for gross proceeds of \$3.01 million.

Proceeds of the private placement will be primarily used to extend the main underground decline in order to facilitate additional underground diamond drilling at the Company's 100% owned New Afton Copper-Gold Project, Kamloops, British Columbia, Canada. This additional drilling will test for extensions of the copper-gold mineralization to the west and at depth.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States.

PROJECT UPDATE

The program of underground infill drilling continues and is still forecast to be completed by year end 2005. The process for selecting the engineering company to complete the feasibility study is progressing as forecast and, as previously indicated, the contract should be awarded in Q4, 2005. It is anticipated that this study could be completed by Q3, 2006. The feasibility study will determine the economic parameters of, and potential for, developing a new underground mine at the Company's New Afton Project. The initial permitting process has also commenced and is on-going.

CURRENT RESOURCE

The current resource at the New Afton Project was calculated using the results of approximately 100 diamond drill holes completed from surface. It was independently calculated from a kriged block model as part of an independent advanced scoping study conducted by Behre Dolbear in 2003 and updated in 2004 under the supervision of qualified person James A. Currie, P.Eng. Metal prices used in the scoping study and the resource calculation were US\$0.85 per lb Cu, US\$375 per oz Au, US\$5.25 per oz Ag, and US\$200 per oz Pd. At a cut-off of 0.70% Cu equivalent the Measured and Indicated Mineral Resource was calculated to be 68.7 Million Tonnes grading 1.68% Cu equivalent or 2.61 g/t Au equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold. The scoping study suggested that the project has very robust economics, with an after-tax IRR of 20% at the metal prices used. The Measured Resource category was calculated to be 9.5 Million Tonnes grading 1.29% Cu, 0.95 g/t Au, 3.44 g/t Ag, and 0.12 g/t Pd. The Indicated Resource category was calculated to be 59.2 Million Tonnes grading 1.05% Cu, 0.83 g/t Au, 2.49 g/t Ag, and 0.12 g/t Pd.

New Gold is in excellent financial condition with cash, currently, of more than CDN\$18 million and no debt. The Company has only 15.0 million shares outstanding and 16.6 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

Chris Bradbrook

2005-10-06

Schroeter, Tom EM:EX

From: New Gold Inc. on behalf of XT:EM New Gold Inc EM:IN

Sent: Wednesday, August 24, 2005 4:05 AM

To: Schroeter, Tom EM:EX

Subject: New Afton Project Significant Results Continue up to 1.36% Cu, and 2.16 grams per tonne Au over 112 metres Mineralization Intersected 40m Deeper than Resource Model

TB → Afton

S W - Aug 25 / 05

Re: News Release - Wednesday, August 24, 2005

Title: *New Afton Project Significant Results Continue up to 1.36% Cu, and 2.16 grams per tonne Au over 112 metres Mineralization Intersected 40m Deeper than Resource Model

[View News Release in PDF Format](#)
(PDF, 2.2 Mb)

August 24 2005, Vancouver, British Columbia - New Gold Inc. (NGD:TSX/AMEX) is pleased to announce continued success from the program of underground diamond drilling at its New Afton Project, located 10 kilometres west of Kamloops, British Columbia, Canada.

The current results are from a total of six drill holes completed on two sections (64E and 68E), and are shown in the attached table and figures. Future results will continue to be released on a sectional basis as the infill drilling is completed. All copper equivalent grades are calculated using the following metal prices - Copper (Cu) US\$0.85/lb; Gold (Au) US\$375/oz; Silver (Ag) US\$5.25/oz; and Palladium (Pd) US\$200/oz. This is consistent with the metal prices used in the existing independently calculated resource and is also consistent with metal prices used in preparation of the independent Scoping Study (by James Currie, P.Eng, 2004 Behre Dolbear Advanced Scoping Study). All principal intervals were calculated using a cut-off grade of 0.70% copper equivalent, which is consistent with the cut-off grade used in the calculation of the resource.

The highlights of these results are:

* A number of higher grade intersections were encountered over substantial thicknesses, including:-

1.36% Cu, 2.16 grams per tonne (gpt) Au, 2.62 gpt Ag, and 0.22 gpt Pd (or 2.85% Cu Equivalent (Cu Eq.) over 112 metres (m) (76m true thickness) in hole UA-17; and

2.10% Cu, 1.45 gpt Au, 5.59 gpt Ag, and 0.14 gpt Pd (or 3.13% Cu Eq.) over 136m (57m true thickness) in hole UA-22.

* The weighted average grade of the principal intersections on section 64E was 1.64% Cu, 1.18 gpt Au, 4.76 gpt Ag, and 0.12 gpt Pd (or 2.48% Cu Eq.) over 138m.

* The weighted average grade of the principal intersections on section 68E was 1.44% Cu, 0.59 gpt Au, 3.32 gpt Ag, and 0.04 gpt Pd (or 1.86% Cu Eq.) over 119m.

* The weighted average grades of the principal intersections on both sections 64E and 68E were higher than the current average resource grade (on a Cu Equivalent basis). This is consistent with the results from all previously released sections where underground infill drilling has been completed.

* Cu and Au mineralization was intersected approximately 40m deeper than indicated by the resource model in hole UA-18 drilled from section 64E. Mineralization remains open at depth.

* The cross-cut has been advanced approximately 100m in mineralization and the program of underground

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excavation is now more than 85% complete. The main exploration decline is now complete. This program remains ahead of schedule.

* The process for selecting the engineering company who will complete the feasibility study has commenced.

Upon releasing these results, President and CEO, Chris Bradbrook stated, "These latest results include some of the most significant yet obtained from the underground diamond drill program, and are therefore very encouraging. We continue to make systematic progress towards determining the potential of developing the New Afton Project into a new underground mine. The pace of work on the program of underground excavation continues to be excellent and we are now looking forward to commencing the feasibility study."

SUMMARY OF RESULTS

The results from all holes are summarized in the attached table. The purpose of the underground diamond drill program is to systematically test the mineralization on a sectional basis in order to increase the confidence in, and understanding of, its distribution, geometry, grade, and extent. This work will add to the information used in the calculation of the current resource. This information (in conjunction with a positive feasibility study) will make it possible to calculate a mineral reserve. The underground diamond drill program is now forecast to be a total of approximately 27,000m when complete.

The grades of the principal intersections in 5 of the 6 holes were above the current average resource grade. All of the principal intersections in all 6 holes contained intervals with substantially higher average grades. In general the intersections obtained from both sections exhibited a good correlation with the current resource model. On Section 68E hole UA-22 was drilled in the opposite direction to the other 3 holes on the section in order to provide additional confidence in the mineralization. However it was stopped in mineralization due to technical difficulties. On Section 64E a deeper hole into the mineralization was not completed as it was determined this could be most effectively done from the north side of the mineralization. This will be done later in the underground diamond drill program.

A particularly significant aspect of these most recent results was the discovery of mineralization beyond the limit of the resource model in hole UA-18 drilled from Section 64E. The principal intersection of 1.30% Cu, 0.60 gpt Au, 4.83 gpt Ag, and 0.08 gpt Pd (or 1.75% Cu Eq.) over 234m (127m true thickness) continued approximately 32m beyond the limit of the resource model. In addition, this hole intersected 0.69% Cu, 1.18 gpt Au, 3.47 gpt Ag, and 0.12 gpt Pd (or 1.53% Cu Eq.) over 6m (3m true thickness) further down the hole and 40m vertically below the lower limit of the resource model, at a vertical depth of approximately 680m. This intersection indicates that the mineralization remains open at depth.

UNDERGROUND EXCAVATION PROGRAM

The main exploration decline has been advanced to its target distance of 1,226m, and is now complete. The cross-cut into mineralization has been advanced a total of approximately 315m, and now consists of two branches (north and south). Before starting the two branches, the main decline was in mineralization for a length of approximately 62m, since when the north branch has been in mineralization for approximately 36m, and the south branch for approximately 44m. These two branches will facilitate sampling and geotechnical analysis of different styles of copper mineralization. The total amount of underground excavation (including main decline, cross-cuts, drill bays, sumps, etc) now totals approximately 1,725m, representing more than 85% completion of the total project. The Company remains fully funded to complete the remainder of this work.

PROJECT TIMETABLE

Following the excellent progress which has been made with the underground exploration program, the Company is now working towards achieving the following schedule. Underground excavation work is targeted for completion in September, 2005. The program of underground infill drilling is scheduled to be completed by year end 2005. The initial permitting process has commenced. The process for selecting the company to complete the feasibility study has begun and the contract should be awarded in Q4, 2005. It is anticipated that this study could be completed by Q3, 2006. The feasibility study will determine the economic parameters of, and potential for, developing a new underground mine at the Company's New Afton Project.

CURRENT RESOURCE

The current resource was calculated using the results of approximately 100 diamond drill holes completed from

surface. It was independently calculated from a kriged block model as part of an independent advanced scoping study conducted by Behre Dolbear in 2003 and updated in 2004 under the supervision of qualified person James A. Currie, P.Eng. Metal prices used in the scoping study and the resource calculation were US\$0.85 per lb Cu, US\$375 per oz Au, US\$5.25 per oz Ag, and US\$200 per oz Pd. At a cut-off of 0.70% Cu equivalent the Measured and Indicated Mineral Resource was calculated to be 68.7 Million Tonnes grading 1.68% Cu equivalent or 2.61 g/t Au equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold. The scoping study suggested that the project has very robust economics, with an after-tax IRR of 20% at the metal prices used. The Measured Resource category was calculated to be 9.5 Million Tonnes grading 1.29% Cu, 0.95 g/t Au, 3.44 g/t Ag, and 0.12 g/t Pd. The Indicated Resource category was calculated to be 59.2 Million Tonnes grading 1.05% Cu, 0.83 g/t Au, 2.49 g/t Ag, and 0.12 g/t Pd.

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These exploration results have been prepared and approved by Mike Hibbitts P.Geol., Vice President Exploration and Development for New Gold Inc. who is a Qualified Person under National Instrument 43-101. He is therefore qualified to confirm the validity and veracity of these results.

A Quality Assurance/Quality Control Program (QA/QC) was established under the direction of Roscoe Postle Associates, a well known Canadian geological and mining consulting company. Samples are analyzed at Eco Tech Laboratories of Kamloops, British Columbia, Canada. Copper is analyzed through Aqua Regia digestion with AA finish. Samples containing native copper are analyzed for "metallic" copper. Gold is analyzed using a Fire Assay with an AA finish on a 30 gram sample. The accuracy of analyses is constantly monitored by systematically submitting duplicate samples and control (or standard) samples to the Laboratory for analysis.

New Gold is in excellent financial condition with cash of \$20 million (at 30/06/05) and no debt. The company has only 14.6 million shares outstanding and 16.2 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

Chris Bradbrook
President and Chief Executive Officer
New Gold Inc.
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Safe Harbor Statement under the United States Private Securities Litigation Act of 1995: This release made may contain forward-looking statements that are affected by known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed, implied or anticipated by such forward-looking statements. Such forward-looking statements herein represent management's best judgment as of the date hereof based on information currently available. The Company does not intend to update this information and disclaims any legal liability to the contrary. Cautionary Note to U.S. Investors concerning resource estimates. This press release discusses the results of a scoping study, which is a "preliminary assessment" as defined in the Canadian NI 43-101, under which the use of inferred mineral resources is permitted under certain circumstances. The U.S. Securities and Exchange Commission regulations do not recognize any circumstances in which inferred mineral resources may be so used. U.S. investors are cautioned not to assume that any part or all of an inferred resource category described as a 'resource falling within the mine plan' will ever be converted into 'reserves' within the definition of that term in SEC Industry Guide 7. Cautionary Note to U.S. Investors concerning estimates of Measured and Indicated Resources. This section uses the terms "measured" and "indicated resources." We advise U.S. investors that, while those terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize them. U.S. investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.

WARNING: The Company relies upon litigation protection for "forward-looking" statements.

View complete News Release, including table and maps, in PDF Format:

TFS → AFTON

Schroeter, Tom EM:EX

From: New Gold Inc. on behalf of XT:EM New Gold Inc EM:IN
Sent: Wednesday, August 10, 2005 10:58 AM
To: Schroeter, Tom EM:EX
Subject: New Gold's "Mini-Grasberg" Hits Milestone

Re: **Related Articles - Tuesday, August 09, 2005**
Title: New Gold's "Mini-Grasberg" Hits Milestone
Publisher: *Resource Investor*
Author: *Ben Abelson*

NEW YORK (ResourceInvestor.com) -- Interlisted Canadian explorer New Gold Inc. [TSX:NGD; AMEX:NGD] is one step closer to its dream of developing a significant copper-gold deposit in British Columbia. Recent drill results have confirmed the company's ability to directly access the rich underground mineralisation at its wholly-owned Afton project, believed to contain some 1.63 billion pounds of copper and 1.86 million ounces of gold. New Gold CEO Chris Bradbrook called the results "an important milestone." In a recent interview with Resource Investor, he noted that the relatively high grades intersected - 1.43% Copper, 0.25 g/t gold, and 2.3 g/t silver - "at least confirmed, if not exceeded, the previous resource model."

Now that the company has successfully accessed its underground deposit, it plans to continue drilling through the end of the year in preparation for an early 2006 feasibility study. This crucial pre-feasibility phase may represent the last chance for metals bulls to get on board at reasonable prices.

New Gold has more than a few things going for it. Afton, the site of a former Teck open-pit operation in the 1970s and 80s, is one of only a few undeveloped large high-grade deposits located in a very stable political environment. Bradbrook himself is quick to label it a Grasberg-grade project next to the Trans-Canada highway. Considering that a 2004 scoping study suggested it contains a measured and indicated 68 million tonne resource base grading 1.68% copper equivalent, or 2.61 g/t gold equivalent with an 18 year mine life, there isn't much disputing that statement.

At first glance, the project's economics look more than sound. The resource estimate assumed metal prices of just \$0.85/lb. copper and \$375/oz. gold. And, when one looks at the mine as a copper-equivalent project, total operating costs are expected to come in at \$0.40/lb., leaving a substantial profit margin even at today's copper prices. Even with the expected \$150 million-plus in start-up costs, the project's payback period has been estimated at under four years.

New Gold recently traded at \$4.42, pretty much where it was at the start of 2003, and down significantly from an early 2004 high of \$9. With just 14.4 million shares outstanding, the company has a market cap of about \$64 million - but controls an asset base potentially worth north of \$3 billion.

Like many mines currently in development, Afton represents an acquisition hold-over from an era of much lower metals prices. New Gold's management team was prescient enough to acquire the project in 1999 after Teck gave up on the site, believing it to not be economically viable and wary of the potentially large capital costs. Bradbrook himself is a relative newcomer New Gold, which formerly called itself DRC Resources. (Investor confusion with Africa's Democratic Republic of Congo, not exactly the most stable mining environment, was one reason behind the name change.) As a geologist, brokerage analyst and former vice president of corporate development at Goldcorp, Bradbrook said he was attracted to New Gold's development potential.

"There aren't many assets out there that can become mines," he noted. "When you see one that has potential, it motivates you."

With nearly C\$20 million cash on hand, the company should have enough money to take it through the pre-feasibility stage, at which point New Gold is likely to begin evaluating its options. Although Afton's development is expected to cost at least \$150 million, Bradbrook has indicated a strong desire for the company to go it alone - and leverage Afton's development to jump solidly into the junior producer leagues as early as 2007.

Assuming the feasibility report comes back positive, investors can likely expect some form of dilution by mid-2006, although Bradbrook has indicated that he would favour financing that is approximately 2/3 debt, 1/3 equity. Still, for a company with a current market cap of \$64 million, equity issuance of \$50 million is no laughing matter. One can assume, however, that if a decision is made in favour of development, New Gold's stock price will have strengthened enough to mute the impact of the share issuance.

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Schroeter, Tom EM:EX

TS → Reg. Mar
John

From: Cathro, Mike EM:EX
Sent: Monday, August 08, 2005 1:05 PM
To: Brunke, Ann EM:EX; Grant, Brian DB EM:EX; McArthur, Gib EM:EX; Rothman, Stephen EM:EX; Schroeter, Tom EM:EX; Seguin, Joe EM:EX; Stewart, Barbara PAB:EX; Berdusco, Ricci EM:EX; Brino, Karina L EM:EX; Freer, Geoff EM:EX; Hermann, Fred EM:EX; Lefebure, Dave EM:EX; McLaren, Graeme EM:EX; Van Ek, Christie EM:EX; Wojdak, Paul EM:EX; Wonders, Glen EM:EX
Subject: Kamloops update to Aug 8

HIGHLIGHTS

- **Afton - MC, SR and AB met with company reps (Hibbitts, Beresford and Martin) on Aug 4 regarding permitting and project status, followed by underground tour (MC, AB). Feasibility study underway and company tentatively anticipates making a sub-EA (existing facility) mine application in mid 2006.** We invited them to give a presentation on the conceptual project plan to the SCMDRC this fall. Decline and drilling project roughly 3/4 complete, and about \$10 M has been spent since late Nov. 2004. X-cut has entered ore-zone and initial assays were as expected. Company planning to submit permit amendment for a 400 m x-cut to the west for a drilling station.
- **Highland Valley Copper** - 300,000 tonne bulk sample from Highmont is well underway (2 trucks operating) and ore is being blended with Valley & Lornex feed; **expecting application & mine plan** for completion of mining of Highmont East pit (3 mt for 2005?) and perhaps a new pit to SW. Studies underway for various pit wall pushbacks/extensions (to 2013, 2017 etc). Also studying purchase of a large new loader, shovel and 5 haul trucks, but still officially awaiting decision to extend mine life.

OFFICE/PERSONNEL

- Inspector's job declined by successful candidate; evaluating other options including temp appts.
- BCBC & landlord visited office last week; lease renewal negotiation underway; space planning discussions to come shortly.
- Mine rescue props - SR requested C. Finch to negotiate with Teck Cominco for storage at Afton site.
- AB to take over paying of invoices and tracking of budget.

PERMITTING, INSPECTION & RECLAMATION

- No new applications last week, but a few minor amendments
- 7 MX permits approved, 20 in process
- 1 S&G permit approved, 13 in process
- 1 Placer permit approved, 9 in process
- J&L - visited briefly by MC. Portals secure but site needs clean-up before fall comes.
- Candorado - AMEC awaiting sample results - SR to follow-up; AB pulling together info for AG legal question; discussion with G. Stewart (Contaminated Sites) about possible help with clean-up
- Brenda - minutes distributed; small public tour scheduled for Sept 15; MC will work with District of Peachland to prepare nomination for reclamation award.
- Craigmont - mine manager resigned on 4th. Taje and MC to inspect on 10th.

HEALTH & SAFETY

- 4 inspections
- HVC - DO on 6th - no injuries (fire and runaway of light service vehicle); SR notified; investigation planned
- Dividend-Lakeview - awaiting decision to go to bid for mine closure.

GEOLOGY

- Rain - MC visited on 2nd; Awaiting assays from 2 holes drilled in Alfie polymetallic vein/skarn area; Orphan Boy reports continued problems with MoFR on stumpage.
- Tour for Freidrich-Alexander University (Erlangen-Nuremberg, Germany) on Aug 6-7 - MC and Bob Fulton (retired GSC quaternary geology expert) toured this group of 21 people through local geology and porphyry deposits; trip organized by PhD candidate and former BCGS employee Ahren Bichler.

FIRST NATIONS/COMMUNITIES

- Blustry Decision Note has gone to Deputy Minister.
- MC prepared small contribution agreement with Ts'kw'ay'axw (Pavilion) for a field assistant to help Ray Lett's geochem program; Lett, Robb and MC to attend Band council meeting on 8/15 to describe project.

Schroeter, Tom EM:EX

From: New Gold Inc. on behalf of XT:EM New Gold Inc EM:IN

Sent: Thursday, August 04, 2005 7:30 AM

To: Schroeter, Tom EM:EX

Subject: New Afton Project Copper Mineralization Intersected Underground in Cross-Cut

105 → Afton

SW-Aug. 5

Re: News Release - Thursday, August 04, 2005

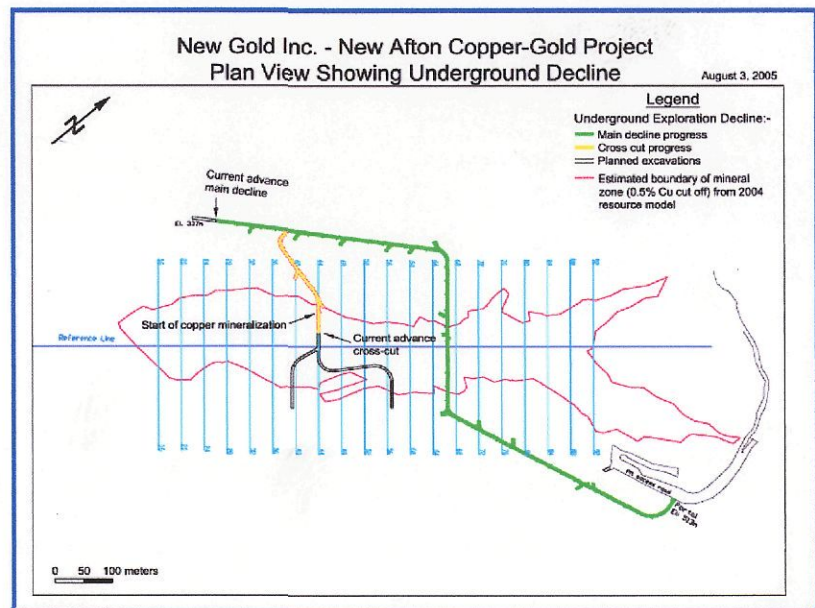
Title: New Afton Project, Copper Mineralization Intersected Underground in Cross-Cut

August 4 2005, Vancouver, British Columbia – New Gold Inc. (NGD:TSX/AMEX) is pleased to announce that visible copper mineralization, in the main zone of mineralization, has been intersected in the underground cross-cut at the Company's New Afton Copper-Gold Project, Kamloops, British Columbia, Canada. The mineralization was intersected at approximately the location predicted from both the previous resource model, and the current underground diamond drill program.

The mineralization was intersected at a distance of 173 metres (m) from the start of the cross-cut, on section 44E at an elevation of 342m as indicated on the attached map. The cross-cut has currently been advanced to more than 217m. The copper mineralization is in the form of Chalcopyrite, indicating the cross-cut intersected the hypogene zone of mineralization as anticipated. The visual identification of copper mineralization was confirmed with the assay results of the initial chip samples taken from the mineralization. These samples were continuous samples taken from both the left (east) and right (west) walls of the decline after the first 4m round had been extracted from the mineralization. The average of these two samples was 1.43% Copper (Cu), 0.25 g/t Gold (Au), 2.3 g/t Silver (Ag), and <0.03 g/t Palladium (Pd).

Mineralization is being systematically sampled and analyzed for Cu, Au, Ag and Pd as the cross-cut is advanced. Additional results will be released when the cross-cut has been advanced sufficiently to provide meaningful information on the nature and grade of the mineralization.

Upon releasing this information, President and CEO, Chris Bradbrook commented, "This is another extremely important milestone in the evolution of our New Afton Project. The ability to directly access the mineralization underground will allow us to gather data which will be essential in completion of the Feasibility Study. We are particularly pleased that the mineralization was encountered approximately where anticipated, and according to schedule."



The cross-cut was commenced from the main underground exploration decline, and both are part of the total planned 2,000m of underground excavation. The main decline has currently been advanced to a distance of more than 1,162m of a planned 1,250m, indicating it is over 90% complete. Total underground excavation advance (including the main decline, cross-cut, diamond drill bays and miscellaneous other excavations) now totals more than 1,550m, indicating the project is more than 75% complete.

The cross-cut will allow the Company to work on some of the key issues which must be addressed to facilitate the successful evaluation of the New Afton Project, and its potential to develop into a new underground mine. Firstly, it will permit direct sampling, mapping and analysis of the mineralization. Secondly, it will permit geotechnical evaluation of both the mineralization and wall rocks in order to assist in the determination of the most appropriate

mining methods which could be considered. Thirdly it will permit the extraction of samples for metallurgical analysis. As indicated on the attached map, the cross-cut will split into two branches in order to facilitate evaluation of the different types of mineralization known to be present.

The main decline is also providing the access required to complete a program of underground diamond drilling. This program is designed to provide a more detailed understanding of the mineralization, and to test the validity of the current resource model. It is anticipated that the next update on this program will be provided shortly.

The information obtained from the exploration decline and the underground diamond drill program will be used in completion of a Feasibility Study, which will determine the capital requirements and potential economics of developing a new underground mine to extract this resource. The underground portion of this work commenced in November, 2004 and remains under budget and ahead of schedule. It is anticipated that the technical component of the Feasibility Study will commence in Q4, 2005. The Company is fully funded to complete the remainder of the planned program.

The current resource was independently calculated from a kriged block model as part of an independent advanced scoping study conducted by Behre Dolbear in 2003 and updated in 2004 under the supervision of qualified person James A. Currie, P.Eng. Metal prices used in the scoping study and the resource calculation were US\$0.85 per lb Cu, US\$375 per oz Au, US\$5.25 per oz Ag, and US\$200 per oz Pd. At a cut-off of 0.70% Cu equivalent the Measured and Indicated Mineral Resource was calculated to be 68.7 Million Tonnes grading 1.68% Cu equivalent or 2.61 g/t Au equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold. The scoping study suggested that the project has very robust economics, with an after-tax IRR of 20% at the metal prices used. The Measured Resource category was calculated to be 9.5 Million Tonnes grading 1.29% Cu, 0.95 g/t Au, 3.44 g/t Ag, and 0.12 g/t Pd. The Indicated Resource category was calculated to be 59.2 Million Tonnes grading 1.05% Cu, 0.83 g/t Au, 2.49 g/t Ag, and 0.12 g/t Pd.

QUALIFIED PERSON

All technical information in this press release has been reviewed and approved by Mike Hibbitts P.Geo., Vice President Exploration and Development for New Gold Inc. who is a Qualified Person under National Instrument 43-101. He is therefore qualified to confirm the validity and veracity of these results.

A Quality Assurance/Quality Control Program (QA/QC) was established under the direction of Roscoe Postle Associates, an independent firm of geological and mining consultants based in Toronto, Ontario, Canada with offices in Vancouver, British Columbia and Rouyn-Noranda, Quebec. Samples are analyzed at Eco Tech Laboratories of Kamloops, British Columbia, Canada. Copper is analyzed through Aqua Regia digestion with AA finish. Samples containing native copper are analyzed for "metallic" copper. Gold is analyzed using a Fire Assay with an AA finish on a 30 gram sample. The accuracy of analyses is constantly monitored by systematically submitting duplicate samples and control (or standard) samples to the Laboratory for analysis.

New Gold is in strong financial condition with cash of approximately \$20 million (at 30/06/05) and no debt. The company has only 14.4 million shares outstanding and 16.2 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

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Safe Harbor Statement under the United States Private Securities Litigation Act of 1995: This release made may contain forward-looking statements that are affected by known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed, implied or anticipated by such forward-looking statements. Such forward-looking statements herein represent management's best judgment as of the date hereof based on information currently available. The Company does not intend to update this information and disclaims any legal liability to the contrary. Cautionary Note to U.S. Investors concerning

2005-08-04

Schroeter, Tom EM:EX

From: New Gold Inc. on behalf of XT:EM New Gold Inc EM:IN
Sent: Wednesday, June 22, 2005 6:55 AM
To: Schroeter, Tom EM:EX
Subject: New Afton Project - Continued Positive Underground Drill Results; Up to 2.37% Cu, and 1.52 grams Au/t over 54 Metres

Re: **News Release - Wednesday, June 22, 2005**
Title: **New Afton Project - Continued Positive Underground Drill Results; Up to 2.37% Cu, and 1.52 grams Au/t over 54 Metres**

June 22 2005, Vancouver, British Columbia -- New Gold Inc. (NGD:TSX/AMEX) is pleased to announce continued success from its ongoing 20,000 metre (m) underground diamond drill program at its New Afton Copper-Gold Project, Kamloops, B.C., Canada. The drilling continues to intersect zones of significant grade copper-gold mineralization (> 1.50% copper equivalent) which correlate well with those identified by the current resource block model.

This program is being completed from the Project's underground exploration decline and is designed to complete the infill drilling necessary to confirm the validity of the current resource block model and (in conjunction with completion of a feasibility study) is expected to enable the Company to convert current resources into reserves. The underground decline is forecast to be completed to a total length of 2,000m.

The current results are from a total of seven drill holes completed on two sections (76E and 84E), and are shown in the attached table and figures. Future results will continue to be released on a sectional basis as the infill drilling is completed. All copper equivalent grades are calculated using the following metal prices -- Copper (Cu) US\$0.85/lb; Gold (Au); US\$375/oz; Silver (Ag) US\$5.25/oz; and Palladium (Pd) US\$200/oz. This is consistent with the metal prices used in the existing independently calculated resource and is also consistent with metal prices used in preparation of the independent Scoping Study (by qualified person James Currie, P.Eng, 2004 Behre Dolbear Advanced Scoping Study)

The highlights of these results are:

- Individual intersections encountered include **54m (46m true thickness) grading 2.37% Cu and 1.52 grams per tonne (g/t) Au (3.46% Cu equivalent); and 82m (36m true thickness) grading 1.65% Cu and 0.84 g/t Au (2.26% Cu equivalent).**
- The weighted average for the principal mineralized intersections of the three holes on **Section 76E** was **1.66% Cu and 0.76 g/t Au (2.22% Cu equivalent) over 54m.**
- The weighted average for the principal mineralized intersections of the four holes on **Section 84E** was **1.17% Cu and 0.81 g/t Au (1.77% Cu equivalent) over 36m.**
- Higher grade intersections (>1.50% Cu equivalent) continued to be encountered where predicted by the resource model.
- In addition, a number of higher grade intersections were encountered on Section 84E in areas indicated as low grade by the block model, suggesting the possibility that this higher grade mineralization extends further to the east than previously believed.
- The underground exploration decline has now been advanced more than 1,040m and is ahead of schedule. The cross-cut to directly access the ore has been started. Ground conditions continue to be better than anticipated and are better at depth.

Upon releasing these results, President and CEO, Chris Bradbrook stated, "We continue to be very encouraged by the results of the infill drilling program. As the year progresses we will continue the procedure of releasing

results for individual sections as the drilling is completed. We are also very excited to be able to announce the commencement of the additional decline heading, to enable the excavation of the cross-cuts into the mineralization as this will provide the opportunity to directly access the New Afton Cu-Au discovery underground."

The information obtained from the exploration decline and the underground diamond drill program will be used in completion of a feasibility study, which will determine the capital requirements and potential economics of developing a new underground mine to extract this resource. The total planned budget for the decline, underground diamond drilling and feasibility study is \$18 million over 18 months. Work commenced in November, 2004. The Company remains fully funded to complete this work which is under budget and ahead of schedule

NATURE OF MINERALIZATION

The currently defined copper and gold resource was outlined by approximately 100 diamond drill holes completed from surface. Results for these holes are available in past press releases on the Company's website (www.newgoldinc.com). The outline of this mineralization is indicated on the attached plan view. This plan indicates that mineralization occurs over a strike length in excess of 800m

The resource was independently calculated from a grided block model as part of an independent advanced scoping study conducted by Behre Dolbear in 2003 and updated in 2004 under the supervision of qualified person James A. Currie, P.Eng.. At a cut-off of 0.70% Cu equivalent the Measured and Indicated Mineral Resource was calculated to be 68.7 Million Tonnes grading 1.68% Cu equivalent or 2.61 g/t Au equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold. The scoping study suggested that the project has very robust economics, with an after-tax IRR of 20% at metal prices of US\$0.85 per lb copper, and US\$375 per ounce gold.

The resource block model indicated mineralization with a higher grade core containing in excess of 1.50% Cu equivalent, which represents the bulk of the resource. This higher grade core is surrounded by a lower grade envelope. The attached drawings of both sections 76E and 84E show the location of this higher grade core and the limits of mineralization (which indicate the outer extent of detectable Cu and Au mineralization) as defined by the resource model.

A primary goal of the current underground diamond drill program is to fill informational gaps on all necessary sections such that the entire resource model can be tested and analyzed on a section-by-section basis.

SUMMARY OF RESULTS

The main intersections are summarized in the attached Table I. The location of these holes and the mineralized intervals relative to the resource model are indicated on the attached cross sections. These diagrams also indicate the locations where previous surface holes intersected the sections.

Section 76E

Three underground holes were completed on Section 76E for a total of 1,345m. The drilling encountered **five principal zones of mineralization** four of which contained intersections averaging in excess of 1.50% Cu equivalent. Of these, **two contained in excess of 2.00% Cu equivalent**. The holes intersected the mineralized zones 65 – 160m apart. The limits of these intersections were defined using a 0.7% Cu equivalent cut-off.

The weighted average of the five principal intersections of the three drill holes is 54m grading 1.66% Cu; 0.76 g/t Au; 4.69 g/t Ag; and 0.08 g/t Pd (or 2.22% Cu equivalent).

For Section 76E the location of the significant intersections appeared to correspond well with those indicated by the resource model. The principal difference was in hole UA-16 where mineralization was intersected over a similar distance suggested by the resource model, but further down-hole than anticipated, suggesting a potentially steeper dip for the mineralization. Copper and gold mineralization was encountered over a vertical distance of more than 270 metres and remains open in both up and down-dip directions.

Hole UA-11 intersected two principal zones of significant mineralization which were: Interval A - 54m (46m true thickness) grading 2.37 % Cu; 1.52 g/t Au; 7.23 g/t Ag; and 0.13 g/t Pd, (or 3.46% Cu equivalent), and Interval B - 44m (38m true thickness) grading 1.52% Cu; 0.23 g/t Au; 4.17 g/t Ag; and 0.01 g/t Pd (or 1.70% Cu equivalent).

Hole UA-13 intersected two principal zones of significant mineralization which were: Interval A - 68m (46m true

thickness) grading 1.30% Cu; 0.61 g/t Au; 2.86 g/t Ag; and 0.13 g/t Pd (or 1.76% Cu equivalent), and Interval B - 22m (15m true thickness) grading 1.34% Cu; 0.14 g/t Au; 1.73 g/t Ag; and 0.00 g/t Pd (or 1.45% Cu equivalent).

Hole UA-16 intersected one principal zone of significant mineralization which was: Interval A - 82m (36m true thickness) grading 1.65% Cu; 0.84 g/t Au; 5.61 g/t Ag; and 0.08 g/t Pd (or 2.26% Cu equivalent).

Section 84E

Four underground holes were completed on Section 84E for a total of 2,104m. The drilling encountered **nine principal zones of mineralization**, seven of which contained intersections in excess of 1.50% Cu equivalent. Of these, **three contained in excess of 2.00% Cu equivalent**. The holes intersected the mineralized zones 40 -- 60m apart. The limits of these intersections were defined using a 0.7% Cu equivalent cut-off.

The weighted average of the nine principal intersections of the four drill holes is **36m grading 1.17% Cu; 0.81 g/t Au; 4.48 g/t Ag; and 0.10 g/t Pd (or 1.77% Cu equivalent)**.

Section 84E is located on the eastern edge of the resource model, which had indicated only minor higher grade mineralization in excess of 1.50% Cu equivalent. The results of the underground diamond drilling identified more higher grade mineralization than anticipated. The mineralization appears to occur in two distinct zones, one of which lies outside and to the east of the resource model. This suggests the possibility that high grade mineralization extends further to the east than was previously believed. Copper and gold mineralization was encountered over a vertical distance of more than 200 metres and remains open in both up and down-dip directions.

Hole UA-02 intersected two principal zones of significant mineralization which were: Interval A - 22m (19m true thickness) grading 0.69% Cu; 1.94 g/t Au; 9.88 g/t Ag; 0.18 g/t Pd, (or 2.09% Cu equivalent), and Interval B - 62m (53m true thickness) grading 1.61% Cu; 0.59 g/t Au; 4.35 g/t Ag; and 0.07 g/t Pd (or 2.05% Cu equivalent).

Hole UA-03 intersected three principal zones of significant mineralization which were: Interval A - 26m (20m true thickness) grading 1.70% Cu; 1.41 g/t Au; 9.40 g/t Ag; and 0.09 g/t Pd (or 2.73% Cu equivalent), Interval B - 84m (65m true thickness) grading 1.22% Cu; 0.45 g/t Au; 3.41 g/t Ag; and 0.04 g/t Pd (or 1.56% Cu equivalent), and Interval C -- 16m (12m true thickness) grading 1.30% Cu; 0.41 g/t Au; 2.80 g/t Ag; and 0.06 g/t Pd (or 1.60% Cu equivalent).

Hole UA-09 intersected two principal zones of significant mineralization which were: Interval A - 50m (27m true thickness) grading 0.65% Cu; 1.01 g/t Au; 2.87 g/t Ag; and 0.20 g/t Pd (or 1.40% Cu equivalent), and Interval B - 20m (11m true thickness) grading 0.61% Cu; 0.93 g/t Au; 1.92 g/t Ag; and 0.29 g/t Pd (or 1.33% Cu equivalent).

Hole UA-12 intersected two principal zones of significant mineralization which were: Interval A - 20m (13m true thickness) grading 1.05% Cu; 0.78 g/t Au; 3.80 g/t Ag; and 0.09 g/t Pd (or 1.61% Cu equivalent), and Interval B -- 20m (13m true thickness) grading 1.35% Cu; 0.66 g/t Au; 5.69 g/t Ag; and 0.04 g/t Pd (or 1.83% Cu equivalent)

EXPLORATION DECLINE PROGRESSING WELL

Additional Heading Commenced

The rate of progress on the exploration decline continues to be extremely encouraging. To date the main portion of the decline has been advanced more than 1040m, representing more than 80% completion of this part of the decline. Additional underground crews are now at site, as excavation of an additional heading has commenced. This will facilitate the completion of cross-cuts through the orebody in order to determine the most suitable mining methods and metallurgical characteristics of the mineralization. The additional heading will be excavated simultaneously with the continued advancement of the main portion of the decline. It is anticipated that direct access to the ore will be gained by mid Summer. The total amount of planned underground decline work is 2,000m, indicating the project is now more than 50% complete.

QUALIFIED PERSON

These exploration results have been prepared and approved by Mike Hibbitts P.Geol., Vice President Exploration and Development for New Gold Inc. who is a Qualified Person under National Instrument 43-101. He is therefore

qualified to confirm the validity and veracity of these results.

A Quality Assurance/Quality Control Program (QA/QC) was established under the direction of Roscoe Postle Associates, an independent firm of geological and mining consultants based in Toronto, Ontario, Canada with offices in Vancouver, British Columbia and Rouyn-Noranda, Quebec. Samples are analyzed at Eco Tech Laboratories of Kamloops, British Columbia, Canada. Copper is analyzed through Aqua Regia digestion with AA finish. Samples containing native copper are analyzed for "metallic" copper. Gold is analyzed using a Fire Assay with an AA finish on a 30 gram sample. The accuracy of analyses is constantly monitored by systematically submitting duplicate samples and control (or standard) samples to the Laboratory for analysis.

New Gold is in excellent financial condition with cash of more than \$21 million (at 31/03/05) and no debt. The company has only 14.4 million shares outstanding and 16.2 million shares fully diluted.

For further information on New Gold Inc. and the New Afton Project, please contact:

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WARNING: The Company relies upon litigation protection for "forward-looking" statements.

Associated Image: <http://www.newgoldinc.com/i/misc/ngd-jun222005-map.gif>
150 KB in size, approx. 29 seconds to download at 56.6Kbps

Associated Image: <http://www.newgoldinc.com/i/misc/ngd-jun222005-table.gif>
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Message sent on Wed Jun 22, 2005 at 6:47:59 AM Pacific Time

Schroeter, Tom EM:EX

105 → AFTON

From: New Gold Inc. [invest@newgoldinc.com]
Sent: Wednesday, June 01, 2005 6:05 AM
To: Schroeter, Tom EM:EX
Subject: Initial Underground Drill Results Very Encouraging

SW - June 2/05

Re: News Release - Wednesday, June 01, 2005
Title: Initial Underground Drill Results Very Encouraging

Up to 194 metres grading 1.75% Cu, and 1.08 grams Au/t

June 1 2005, Vancouver, British Columbia -- New Gold Inc. (NGD:TSX/AMEX) (formerly DRC Resources Corp.) is pleased to announce a very encouraging first set of results from the ongoing 20,000 metre (m) underground diamond drill program at its Afton Copper-Gold Project, Kamloops, B.C., Canada. This program is being completed from the Project's underground exploration decline and is designed to complete the infill drilling necessary to confirm the validity of the current resource block model and (in conjunction with completion of a feasibility study) is expected to enable the Company to convert current resources into reserves. The underground decline is being completed to a total length of 2,000m.

The current results are from four holes completed on Section 72E, and are shown in the attached table and figures. Future results will be released on a sectional basis as the infill drilling is completed. All copper equivalent grades are calculated using the following prices -- Copper (Cu) US\$0.85/lb; Gold (Au); US\$375/oz; Silver (Ag) US\$5.25/oz; and Palladium (Pd) US\$200/oz. This is consistent with the metal prices used in the existing independently calculated resource and is also consistent with metal prices used in preparation of the independent Scoping Study (2004 Behre Dolbear Advanced Scoping Study)

The highlights of these results are:

- Individual intersections encountered include **194m (105m true thickness) grading 1.75% Cu and 1.08 grams per tonne (g/t) Au (2.55% Cu equivalent); and 30m (21m true thickness) grading 3.27% Cu and 2.39 g/t Au (5.00% Cu equivalent).**
- The weighted average for the principal mineralized intersections of the four holes was **1.50% Cu and 0.96 g/t Au (2.20% Cu equivalent) over 122m.**
- The underground exploration decline has now been advanced more than 950m and is ahead of schedule. Ground conditions continue to be better than anticipated.

Upon releasing these results, President and CEO, Chris Bradbrook stated, "We are very encouraged by the start made to the infill drilling program. We look forward to being able to systematically release additional infill drill results on a sectional basis in the near future, and thereafter as the year progresses. This will allow direct comparison of the infill drilling to the resource model as the underground drilling progresses."

The information obtained from the exploration decline and the underground diamond drill program will be used in completion of a feasibility study, which will determine the capital requirements and potential economics of developing a new underground mine to extract this resource. The total planned budget for the decline, underground diamond drilling and feasibility study is \$18 million over 18 months. Work commenced in November, 2004. The Company remains fully funded to complete this work which is under budget and ahead of schedule

NATURE OF MINERALIZATION

The currently defined Copper and Gold resource was outlined by approximately 100 diamond drill holes completed from surface. Results for these holes are available in past press releases on the Company's website (www.newgoldinc.com). The outline of this mineralization is indicated on the attached plan view. This plan indicates that mineralization occurs over a strike length in excess of 800m.

The resource was independently calculated from a kriged block model as part of an independent advanced scoping study conducted by Behre Dolbear in 2003 and updated in 2004 under the supervision of Behre Dolbear qualified person, James A. Currie, P.Eng. At a cut-off of 0.70% Cu equivalent the Measured and Indicated Mineral Resource was calculated to be 68.7 Million Tonnes grading 1.68% Cu equivalent or 2.61 g/t Au equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold. The scoping study suggested that the project has very robust economics at metal prices as low as US\$0.85 per lb copper, and US\$375 per ounce gold.

This block model indicated mineralization with a higher grade core containing in excess of 1.5% Cu equivalent, which represents the bulk of the resource. This higher grade core is surrounded by a lower grade envelope. The attached drawing of section 72E shows the location of this higher grade core and the limits of mineralization (which indicate the outer extent of detectable Cu and Au mineralization) as defined by the resource model.

It is important to note that these are the results of only one section. A primary goal of the current underground diamond drill program is to fill informational gaps on all necessary sections such that the entire resource model can be tested and analyzed on a section-by-section basis.

SUMMARY OF RESULTS

The main intersections are summarized in the attached Table I. The location of these holes and the mineralized intervals relative to the resource model are indicated on the attached cross section. This diagram also indicates the locations where previous surface holes intersected the section. Four underground holes were completed on the section for a total of 1704m. The holes intersected the mineralized zone 40 – 100m apart. All holes encountered a core zone of higher grade mineralization (>1.50% Cu equivalent) within a wider, lower grade envelope. The limits of these intersections were defined using a 0.7% Cu equivalent cut-off.

Hole UA-05 intersected a principal zone of significant mineralization which was: **52m (41m true thickness) grading 0.97 % Cu; 0.85 g/t Au; 3.31 g/t Ag; 0.13 g/t Pd, (or 1.59% Cu equivalent).**

Hole UA-06 intersected a wide principal zone of significant mineralization which was: **190m (131m true thickness) grading 1.39% Cu; 0.82 g/t Au; 2.55 g/t Ag; and 0.09 g/t Pd (or 1.97% Cu equivalent).** Within this interval a significantly higher grade intersection was encountered which contained **30m (21m true thickness) grading 3.27% Cu; 2.39 g/t Au; 9.15 g/t Ag; and 0.33 g/t Pd (or 5.00% Cu equivalent).**

Hole UA-07 intersected the most significant principal zone of mineralization which was: **194m (105m true thickness) grading 1.75% Cu; 1.08 g/t Au; 5.71 g/t Ag; and 0.15 g/t Pd (or 2.55% Cu equivalent).** Within this interval was a slightly narrower and higher grade intersection which contained **164m (89m true thickness) grading 1.91% Cu; 1.22 g/t Au; 6.41 g/t Ag; and 0.18 g/t Pd (or 2.81% Cu equivalent).**

Hole UA-08 intersected a zone of mineralization which was: **50m (12.0m true thickness) grading 1.48% Cu; 1.17 g/t Au; 5.82 g/t Ag; and 0.08 g/t Pd (or 2.31% Cu equivalent).**

For Section 72E, the thickness, shape and grade distribution of this mineralization is generally consistent with the resource model. The principal difference from the model was the location of the intersection of higher grade mineralization in UA-08, which was of a similar extent to that indicated in the model, but at a greater depth, suggesting a steeper dip for the mineralization on this section. Copper and gold mineralization was encountered over a vertical distance of more than 300 metres and remains open in both up and down-dip directions.

The weighted average of the principal intersections of the four drill holes is **122m grading 1.50% Cu; 0.96 g/t Au; 4.23 g/t Ag; and 0.12 g/t Pd (or 2.20% Cu equivalent).**

EXPLORATION DECLINE PROGRESSING WELL

The rate of progress on the exploration decline continues to be extremely encouraging. To date the main portion of the decline has been advanced more than 950m, representing more than 75% completion of this part of the decline. Additional underground crews will be brought to site in the near future in order to commence the excavation of an additional heading. This will facilitate the completion of cross-cuts through the orebody in order to determine the most suitable mining methods and metallurgical characteristics of the mineralization. The additional heading will be excavated simultaneously with the continued advancement of the main portion of the decline. The total amount of planned underground decline work is 2,000m, indicating the project is approaching

50% completion.

QUALIFIED PERSON

These exploration results have been prepared and approved by Mike Hibbitts P.Geo., Vice President Exploration and Development for New Gold Inc. who is a Qualified Person under National Instrument 43-101. He is therefore qualified to confirm the validity and veracity of these results.

A Quality Assurance/Quality Control Program (QA/QC) was established under the direction of Roscoe Postle Associates, an independent firm of geological and mining consultants based in Toronto, Ontario, Canada with offices in Vancouver, British Columbia and Rouyn-Noranda, Quebec. Samples are analyzed at Eco Tech Laboratories of Kamloops, British Columbia, Canada. Copper is analyzed through Aqua Regia digestion with AA finish. Samples containing native copper are analyzed for "metallic" copper. Gold is analyzed using a Fire Assay with an AA finish on a 30 gram sample. The accuracy of analyses is constantly monitored by systematically submitting duplicate samples and control (or standard) samples to the Laboratory for analysis.

New Gold is in excellent financial condition with cash of more than \$21 million (at 31/03/05) and no debt. The company has only 14.4 million shares outstanding and 16.2 million shares fully diluted.

For further information on New Gold Inc. and the Afton Project, please contact:

Chris Bradbrook

President and Chief Executive Officer

New Gold Inc.

601 - 595 Howe Street, Vancouver, B.C. V6C 2T5

Tel: 604-687-1629, Fax: 604-687-2845

Email: invest@newgoldinc.com

Website: www.newgoldinc.com

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Associated Image: <http://www.newgoldinc.com/i/misc/ngd-jun012005-table1.gif>

48 KB in size, approx. 10 seconds to download at 56.6Kbps

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Schroeter, Tom EM:EX

TOS → AFTON

From: DRC Resources Corp. [invest@drcresources.com]
Sent: Thursday, May 26, 2005 8:47 AM
To: Schroeter, Tom EM:EX
Subject: Name Change to New Gold Inc. Effective June 1, 2005 Notice of Exploration Update

SW - May 27/05

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Re: News Release - Thursday, May 26, 2005
Name Change to New Gold Inc. Effective June 1, 2005 Notice of
Exploration Update
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May 26 2005, Vancouver, British Columbia -- DRC Resources Corporation (DRC:TSX; DRJ:AMEX) is pleased to announce that, effective June 1, 2005 the Company will change its name to New Gold Inc. Shareholders approved the name change at the Company's recent annual meeting held in Vancouver on May 4, 2005. With all regulatory requirements now satisfied the Company will be making the name change on the above noted date. New Gold Inc. will trade on both the American Stock Exchange (AMEX) and Toronto Stock Exchange (TSX) under the symbol NGD.

President and CEO, Chris Bradbrook, commented, "We are excited by our new name and feel it is representative of the Company's evolution and our ability to offer a new investment opportunity through the exploration and potential development of a new copper-gold resource at our Afton Project, Kamloops, British Columbia, Canada."

The Company is also pleased to announce that it is currently completing the compilation of the first complete sectional set of underground diamond drill results at its 100%-owned Afton Copper-Gold Project, and anticipates being able to provide a detailed update on this first section early in the week of May 30, 2005. These results will be the first from the ongoing 20,000 metre program of underground drilling. The program is designed to better define the extent and distribution of the copper-gold mineralization such that (in conjunction with the completion of a positive feasibility study) the current resources can be converted to reserves. The information gathered from the ongoing underground program (which in addition to the drilling, includes completion of 2,000 metres of underground drifting) will be used to complete the feasibility study, which will analyze the capital requirements and potential economics of developing a new underground mine.

To date, at the Afton Project, the Company has outlined a Measured and Indicated Mineral Resource of 68.7 Million Tonnes grading 1.68% Copper Equivalent or 2.61g/t Gold Equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold (Advanced Scoping Study, February 2004, Behre Dolbear and Company Ltd.). The 2004 advanced scoping study suggested that the project has very attractive economics at metal prices as low as US\$0.85 per lb copper, and US\$375 per ounce gold. According to the British Columbia Ministry of Energy & Mines, the Afton Project is the largest advanced stage exploration project in South Central B.C.

DRC is in excellent financial condition with cash of more than \$21 million (at 31/03/05) and no debt. The company has only 14.4 million shares outstanding and 16.2 million shares fully diluted.

For further information on DRC Resources and the Afton Project, please contact:

Chris Bradbrook

Schroeter, Tom EM:EX

TGS-AFTON

From: DRC Resources Corp. [invest@drcresources.com]
Sent: Thursday, May 19, 2005 6:03 AM
To: Schroeter, Tom EM:EX
Subject: UPDATE ON 100% OWNED AFTON PROJECT EXCELLENT PROGRESS CONTINUES

SW - May 20/05

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News Release - Thursday, May 19, 2005

UPDATE ON 100% OWNED AFTON PROJECT EXCELLENT PROGRESS CONTINUES

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UPDATE ON 100% - OWNED AFTON PROJECT EXCELLENT PROGRESS CONTINUES
AHEAD OF SCHEDULE AND UNDER BUDGET

May 19, 2005, Vancouver, British Columbia -- DRC Resources Corporation (DRC:TSX; DRJ:AMEX) is pleased to provide an update on the Company's underground exploration and development program at its 100%-owned Afton copper-gold project, Kamloops, British Columbia, Canada.

The underground exploration decline has now been completed to a distance of more than 890 metres. This represents more than 70% completion of the main portion of the decline and approximately 45% of the total planned decline work. Ground conditions continue to be better than anticipated. The decline provides the necessary access to complete an underground diamond drilling program, designed to increase the confidence level in the copper-gold mineralization such that (in conjunction with completion of a feasibility study) the resources can be upgraded to reserves. In addition, the decline will cross-cut through the mineralization in order to provide the geotechnical and metallurgical information required to determine mining methods and mill design.

The underground diamond drilling is being accomplished by a 20,000 metre program, which is approximately 33% complete. Results will be released on a sectional basis in order to compare the actual results to those projected by the resource model. It is anticipated that the first complete set of sectional results will be available for release in the near future.

The work being conducted underground will provide the data required to complete a feasibility study to examine the capital requirements and potential economics of developing a new underground mine, with new mill facilities. The total costs of this study and underground work are forecast to be \$18 million, of which approximately \$7 million has been spent.

In providing this update, President and CEO Chris Bradbrook stated, "We continue to be extremely pleased by the progress made to date at the Afton copper-gold project. Work is approximately one month ahead of schedule and approximately 10% under budget. We are excited by the potential to turn this deposit into a new underground mine, with new mill facilities. We are optimistic about the potential of this deposit and of the region as a whole, which is receiving an increasing degree of recognition by the mining industry. The recent announcement of Teck Cominco Limited's renewed participation in the area was good news."

To date the Company has outlined a Measured and Indicated Mineral Resource of 68.7 Million Tonnes grading 1.68% Copper Equivalent or 2.61g/t Gold Equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold (Advanced Scoping Study, February 2004, Behre

Dolbear and Company Ltd.). At current metal prices this mineralized zone has an in-situ value in excess of US\$3 Billion. The 2004 advanced scoping study suggested that the project has very attractive economics at metal prices as low as US\$0.85 per lb copper, and US\$375 per ounce gold. According to the British Columbia Ministry of Energy & Mines, the Afton Project is the largest advanced stage exploration project in South Central B.C.

DRC is in excellent financial condition with cash of more than \$21 million (at 31/03/05) and no debt. The company has only 14.4 million shares outstanding and 16.2 million shares fully diluted.

For further information on DRC Resources and the Afton Project, please contact:

Chris Bradbrook
President and Chief Executive Officer
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Message sent on Wed May 18, 2005 at 8:41:02 PM Pacific Time
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Schroeter, Tom EM:EX

TB → Afton

From: DRC Resources Corp. [invest@drcresources.com]
Sent: Friday, April 22, 2005 8:08 AM
To: Schroeter, Tom EM:EX
Subject: DRC Announces Closing of \$3 Million Financing

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Re: News Release - Friday, April 22, 2005
DRC Announces Closing of \$3 Million Financing
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(All Dollar Amounts in Canadian dollars unless otherwise indicated)

April 22 2005, Vancouver, British Columbia -- DRC Resources Corporation (DRC:TSX; DRJ:AMEX) is pleased to announce the successful completion of its previously announced non-brokered private placement to investors who are at arm's length with the Company. As a result, the Company has issued 400,000 flow-through common shares at a price of \$7.50 per share for gross proceeds of \$3 million.

Proceeds of the private placement will be used to expand and accelerate the Company's exploration efforts at its Afton and Ajax Copper-Gold properties, near Kamloops, British Columbia, Canada.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States.

DRC's main focus is the exploration and development of its 100%-owned Afton Copper-Gold Project, located 10 km west of Kamloops, B.C. To date the Company has outlined a Measured and Indicated Mineral Resource of 68.7 Million Tonnes grading 1.68% Copper Equivalent or 2.61g/t Gold Equivalent (1.08% Cu, 0.85 g/t Au, 2.62 g/t Ag, 0.12 g/t Pd), which contains approximately 1.6 billion pounds of copper, and 1.9 million ounces of gold. At current metal prices this mineralized zone has an in-situ value in excess of US\$3 Billion. The Company is currently conducting a US\$14.5 million feasibility study at the project, to determine the potential economics and capital requirements of developing a new underground Copper-Gold Mine at the site. According to the British Columbia Ministry of Energy & Mines, the Afton Project is the largest advanced exploration project in South Central B.C.

DRC is in excellent financial condition with cash of US\$20 million (at year end 2004) and no debt. The Company has only 14.3 million shares outstanding and 15.9 million shares fully diluted.

For further information on DRC Resources and the Afton Project, please contact:

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