Frequently Asked Questions

New Gold Inc. Share Distribution

August 26, 2025

Q – Are these shares apart of the Blackwater/Artemis project?

A – No. These shares were issued when the original Participation Agreement was signed with New Gold Inc. on April 18, 2019. After that date New Gold Inc. sold the mining rights along with the signed agreement between UFN and LDN to Artemis Gold Inc.

Q – What happened to the Participation Agreement after the mine was sold from New Gold to Artemis?

A - Artemis Gold Inc. is bound by the terms of the original Participation Agreement – nothing has changed.

Q – What were the New Gold Inc. shares worth on April 18, 2019?

A – At the signing date the shares were worth approximately $1.15 per share.

Q – What were the New Gold Inc. shares worth at the referendum date of April 27, 2021?

A – At the referendum date the shares were worth approximately $2.20 per share.

Q – What are the New Gold Inc. shares worth today?

A – As of August 22, 2025, at 4:00 pm the shares were worth $7.67 per share.

Q – Will the share price continue to rise?

A – We have no way of knowing whether the share price will continue to rise or not. The share price has changed considerably over the years. We have investment advisors who can explain to you the ups and downs of the stock market.

Q – If I take cash, how much will I receive?

A – The first step is to determine exactly how many registered members there were on April 27, 2021. The second step is to determine the date we are going to set the price of the shares. Chief and Council have decided that as of the closing of the stock market on August 29, 2025, that is the price we will use to determine the value of the shares. This will determine the value of each member's pro-rata portion of the stock.

Q – When will I know how many shares I will receive (if electing for shares)?

A – We will know how many shares will be provided to each member on September 2, 2025

Q – When will I know how much cash I will receive (if electing for cash)?

A – We will know how much cash will be distributed to each member on September 2, 2025

Q – What happens if the stock price goes up after August 29, 2025?

A – If you elect for a cash distribution, nothing will change. If you elect to receive a share distribution, your share value will increase however you will receive the same number of shares.

Q – What happens if the stock price goes down after August 29, 2025?

A – If you elect for a cash distribution, nothing will change. If you elect to receive a share distribution, your share value will decrease, however you will receive the same number of shares.

Q – Who is a registered member?

A – A registered member is anyone who was alive on April 27, 2021, that had a UFN status number.

Q – My child was born on April 30, 2021. Are they going to receive shares?

A – No, they were not a registered UFN member on April 27, 2021.

Q – My mother passed away after the referendum. What happens to her shares or cash?

A – We will work with you and the other beneficiaries of her estate to determine the wishes of the beneficiaries. She does NOT lose her pro-rata portion.

Q – My father passed away before the referendum. Is our estate entitled to his portion of the shares or cash?

A – No, his estate is not entitled to a pro-rata portion of the shares.

Q – How did you decide who is a member and entitled to a portion of the shares?

A – We obtained a legal opinion as follows:

"This is based on the way that the second option is worded and the fact that:

1. *the language refers to a pro-rata distribution of shares that were already held by UFN at the time of the referendum (not cash);*
2. *each member has an option to either take the cash from the sale of the shares or the shares themselves;*
3. *while there has been a considerable delay in implementing the referendum, it could have been done immediately or shortly after the referendum; and*
4. *subsequent members weren't eligible to and didn't vote in the referendum (including the new transfers who likely didn't become members for some time after the referendum)."*

Q – The referendum was in April 2021, and it is now more than 4 years later. Why has this taken so long?

A – April 2021 was a very different world. COVID-19 and the Pandemic were very real things, and no one really knew how massive the impacts would be. Once the pandemic started to "calm down", there were numerous things to catch up on and prioritize. This has not been a simple process, but Chief and Council realize it is a priority of many members and requested Administration to get it done as soon as practicable.

Q – I chose to take shares instead of cash in 2021. Can I change my mind?

A – Yes, you may change your mind. We highly recommend you listen to the investment experts on August 26 and decide based on that or own investment advice.

Q – Are there going to be more shares in the future?

A – Yes, there is one more distribution of shares to come once some of our environmental concerns are sorted out at the Blackwater Mine. These shares will be from Artemis Gold Inc.

Q – I am upset as my relative is not going to receive a part of this distribution. What will happen with future potential in the future?

A – Chief and Council had to make hard decisions so the distribution could happen. We obtained legal advice to make sure we were making the best decision possible based on the referendum. We have requested Administration look at a membership code, so these types of situations do not occur in the future.

Q – What happens to my children's shares?

A – The shares belonging to minor children will be valued at August 29, 2025, and the funds placed into a trust. The Minor's Trust will be administered by Scotiatrust and is completely independent of Ulkatcho First Nation.

Q – Who is managing the Minor's Trust?

A – Jarislowsky, Fraser Limited will manage the investment of these funds until the minor turns 19.

Q – How will my child receive their portion of the funds from the Minor Trust?

A – Ulkatcho will provide Jarislowsky, Fraser Limited with a list of the children entitled to a portion of the Trust and when the child reaches the age of 19 and completes a financial literacy course they will receive their portion of the funds. Their distribution will include a proportionate share of investment income earned within the Minor Trust.

Q – Why do my child's shares have to be sold and invested as cash? Why can't they stay as New Gold Inc. stocks?

A – New Gold Inc. share values are extremely volatile in price. They were as low as $1.15 and as high as $14.00 per share. It is impossible to say how much your child's share portion would be worth in the future – it may be higher, but it has an equal chance of being lower. To ensure your child receives a fair portion, the Trustee will sell the shares at the August 29, 2025, price and then reinvest those funds in a diversified portfolio that will allow for steady, constant growth. This helps to preserve their future.

Q – Why do I have to fill out another survey?

A – The survey helps the Administration team determine who wants to receive a cash distribution and who wants to receive their distribution in shares.

Q – When do I have to have a brokerage account open by?

A – You must have a brokerage account open by September 15, 2025, if you wish to receive your distribution in shares.

Q – Where are the shares right now?

A – Right now all the New Gold Inc. shares are held in Trust by Scotiawealth.

Frequently Asked Questions

New Gold Inc. Share Distribution

During Meeting August 26, 2025

Q – Are we getting a share of 1,500,000 shares or 500,000 shares?

A – 1,538,579 shares will be shared equally amongst members on April 27, 2021

Q – Will the parents/guardians of minors be notified of the portfolio's activity by receipt of quarterly or annual statements?

A – Yes – a minimum of annually but we can request quarterly updates are made available. We can also request that a report be provided at each AGM

Q – Is there an estimated number of members who will be issued payment?

A – This information will be provided September 2, 2025

Q – Does a kid who is 19 next year receive the same amount as a kid who turns 19 in 10 years?

A – The actual base distribution will be the same but the actual amount each 19-year-old will receive will be different. For the child who turns 19 next year there will only be one year of investment income. For the child who turns 19 in 10 years there will be 10 years of investment income.

Q – Who is managing the Minor's Trust?

A – Jarislowsky, Fraser Limited will manage the investment of these funds until the minor turns 19.

Q – Is this distribution taxable?

A – For those selecting a cash distribution it will not be taxable. If you choose to take shares, your shares will not be taxable until you sell your shares. When that occurs, you MAY be taxable on any gains the shares incur between the distribution date and the date you sell your shares. This is a question for your accountant as everyone has a unique tax situation.

Q – For a minor who has passed away what happens to the shares?

A – If the minor was a UFN member on April 27, 2021, then their estate is entitled to their portion of shares. Please see UFN administration to address this situation.

Q – What would be the impact on EI, SA, child tax calculations, etc.?

A – There is no earnings to impact either EI or child tax calculations. UFN will not be issuing any income slips for the funds distributed as cash or shares. For individuals receiving shares, you may receive a "T5008" slip when you sell your shares and this will need to be reported on your income tax return.

For individuals on-reserve receiving Social Assistance you will lose one month of SA benefits. For individuals off-reserve receiving Social Assistance we are in contact with the Ministry to determine the impacts.

Q – What happens to deceased individuals shares?

A – Administration will work with their executors or beneficiaries to determine what is required on a case-by-case basis.

Q – Are there supports put in place for vulnerable members?

A – Yes, Administration is working with all departments including Social Development and Health to ensure supports are put in place.

Q – Why do we have to pick cash or shares on the same day we find out how much it will be?

A – Whether you receive cash or shares the value will be the same for each member on August 29, 2025. If you pick shares, your value will fluctuate based on the stock value. If you receive cash the value will stay the same.

Q – Is this a one-time payment or do we get in yearly?

A – This is a one-time payment.

Q – I have a family member who was a UFN band member as of April 2021 but recently has switched bands by the other parent. Is the minor eligible for the payment?

A – Please contact Deidre Cahoose 250-302-3858 at the finance office asap to determine eligibility. This is a unique situation

Q – Why is there such a short turn around on this for 2025 when this came up years ago?

A – The referendum was held during COVID-19 and the pandemic caused unprecedented challenges. This caused significant delays along with the backlog of work required after the pandemic "subsided". Membership has been requesting answers on this and Chief and Council listened.

Q – Will there be a recorded transcript of this meeting? When will it be available?

A – Yes there is a recorded transcript, and we will post it on the website asap.

Q – Are these the same share as the Artemis shares?

A – The Artemis shares are different. A decision has not been made on distributing those shares.

Q – Why are the shares in New Gold rather than Artemis?

A – The original Participation Agreement was made with New Gold Inc., and these shares were issued when that agreement was signed. The Blackwater mining project was sold to Artemis after that date.

Q – Will there be royalties or dividends for those people who do not wish to sell their shares?

A – No. New Gold Inc. does not pay royalties or dividends to shareholders.

Q – Who do we talk to about our status cards/numbers?

A – Liz Anderson at the band office is the membership clerk – 250-302-0606

Q – Who can help with the survey?

A – Deidre Cahoose – 250-302-3858 financeclerk@ulkatcho.ca

Q – Will the distribution impact pensioners?

A – No, the distribution will not impact those receiving Old Age Security.

Q – Does a final tax return have to be done with CRA before a deceased member's estate can receive the distribution?

A – No. Please connect with Administration to discuss the distribution for a deceased member but there is no requirement for the final return to be filed.

Q – What if you are on disability?

A – For those individuals on-reserve there may be a one-month income impact. Depending on the amount of distribution there may not be any impact at all. For those off-reserve we will post the answer as soon as possible.

Q – Are we able to pick up cheques for out-of-town family members?

A – Yes if the member provides us with written permission for you to pick it up.

Q – Who is managing the Minor's Trust?

A – Jarislowsky, Fraser Limited will manage the investment of these funds until the minor turns 19.

Q – Do people given up for adoption receive a share?

A – All registered UFN members will receive their pro-rata share. Please provide us with the information for the individual to determine if they qualify or not.

Q – How many shares are allocated to each member and what is the cash buyout?

A – The number of shares allocated to each member will be determined on August 29, 2025, and posted online September 2, 2025. The amount each member will receive is the number of shares allocated to them multiplied by the share price at the end of the day August 29, 2025.

Q – If CRA treats this as a taxable dividend to off-reserve members what is their tax obligation?

A – Neither the cash distribution nor the share distribution is a taxable dividend. For individuals receiving a share distribution, it MAY be taxable when they sell their shares in the future. Individuals must discuss their situation with their accountant.