August 20, 2025

Subject: Important Update – NewGold Share Distribution and Minors' Trust Accounts

Dear Members of Ulkatcho First Nation (UFN),

We are writing to update you on the progress of the Per Capita distribution as it relates to the New Gold Inc. shares. The Nation, together with Scotiatrust (as Custodian of shares and Corporate Trustee of the Minors' Trust) and Jarislowsky, Fraser Limited (as Investment Manager), have developed a plan to ensure that all members receive their fair distribution in a safe, timely, and transparent manner.

Key Highlights:

- The New Gold shares received by the Nation have now been placed into a custody account with Scotiatrust to allow for easy of distribution to members
- Adult distributions of cash will be provided on September 4, 2025 by the Nation (bankrolled in advance) while the shares are being liquidated. Once the shares are sold, the proceeds being held by Scotiatrust will reimburse the Nation for the amounts advanced.
- Minors' shares will be protected in a Minors' Trust administered by Scotiatrust, with Jarislowsky, Fraser Limited managing the investment of these funds until each minor reaches distribution age.
- A process for those members requesting the New Gold shares in kind has been developed and will be communicated shortly.
- A community meeting will be held in-person on Tuesday, August 26, 2025 to share updates and answer questions.

Key Dates

- **Eligibility Date**: all those members alive and on the membership list on April 27, 2021 are entitled to a pro rata,

- **Strike Date:** August 29, 2025
- **Distribution Date:** September 4, 2025
- **Election Date**: August 29, 2025 for members to complete the survey and elect (choose) to receive their distribution in cash (from the sale of the shares) or the New Gold shares in-kind.
- **Account Set-up Date:** all adult members who elect to receive their distribution in the form of shares must have their trading account established on or before September 15, 2025.

Background

The Nation received 1,538,579 shares in New Gold Inc. via shares certificate pursuant to a Participation Agreement entered into between the Nation and New Gold Inc. on April 18, 2019 (the "Shares"). The Nation conducted a ratification vote on April 27, 2021 via community vote on a number of items to be approved by all eligible voting members (the "Ratification"). The results of the Ratification regarding the Shares is as follows:

- 91 out of 151 eligible voters who voted in the Ratification approved the following:
  - all members are entitled to receive a distribution of the shares on a pro rata basis;
  - all adult members may elect to receive their entitlement in shares or in cash;
  - the shares allocated to minors will be held in a trust until the beneficiary reaches the age of 19.

The Nation is now taking steps to give effect to the Ratification and administer the adult distributions in an efficient, complete and transparent manner.

Survey

All adult members must fill out a form, on or before August 29, 2025, to

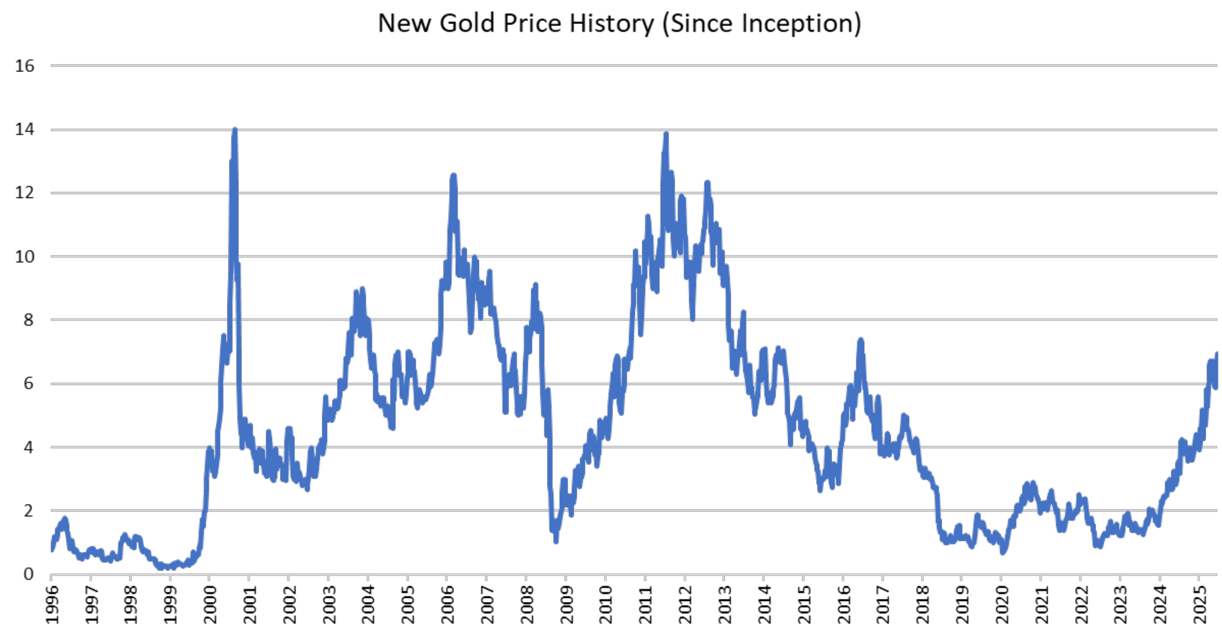
- update their personal (mailing address, email address, provide their status number)
- elect whether they wish to receive their distribution in cash or in shares.
  - **NOTE: After the Strike Date no changes can be made to your choice**

The form can be completed online at: [insert link] . For those adult members who cannot access the online form or require assistance in doing so can do so by visiting the UFN administration office and contacting Deidre Cahoose at 250-302-3858.

- **NOTE: the amount of each distribution is based on the membership list as at April 21, 2021. Filling out the form helps confirm the number of eligible members.**

Minors' Trust

The minors' portion of the shares will be liquidated and put into a Trust. The actual shares are not being transferred into the minors' trust because the value of the Shares is very volatile.



As you can see the value of the shares cannot be predicted from year to year. Chief and Council want to ensure that all members receive the same economic benefit from their distribution. Because the dramatic volatility in price of the Shares since the Ratification (2021), the Chief and Council have determined it is in the best interest of the minor members to liquidate their portions of the Shares into trust.

A trust agreement will be developed and the minors' portion will transferred into the trust account. It will be administered by a corporate trustee, Scotiatrust and the assets will be managed by Jarislowsky Fraser.

2. Fact Sheet (Handout / Website Content)

Who is involved?

- Scotiatrust – Custodian of the shares and Corporate Trustee of the Minors' Trust.
  - Responsible for oversight, recordkeeping, and compliance.
- Jarislowsky Fraser
  - Investment Manager appointed to support the liquidation of the shares and investment of the Trust's funds and minors' account, ensuring professional

stewardship of the assets.

- Ulkatcho First Nation
    - Leadership are responsible for making key decisions, advancing adult distributions, and keeping members informed.

What does this mean for members?

Adult Members:

- Eligible adult members who opted to receive their distribution in cash will receive their distribution based on the Strike-Date valuation of the shares.
- The Nation will advance (bankroll) these payments to adult members on September 4, 2025 by way of cheque.
- Once the shares are sold, the Trust will reimburse the Nation for the amount that was distributed to adult members.
- For those adult members who elected to receive shares, their distribution will also be based on the Strike-Date valuation of the shares.
- For those adult members who elected to receive shares, they must establish an iTrade account on or before September 15, 2025.

Minor Members:

- Minor members' shares will be placed into a Minors' Trust account managed by Scotiatrust and the assets will be invested by Jarislowsky, Fraser Limited.
- A minor is defined as an individual who is under the age of 19 as of the Strike Date, being the date upon which the value of the shares are determined and the cash value distributions is determined
- Funds will not be available until the minor turns 19.
- Scotiatrust will work with leadership to ensure the trust is drafted according to best practices and safeguarded for minor members.

3. FAQ Section

Q: How do I ensure I am on the list?

A. All adult members must complete the distribution form either online or it can be picked up at the UFN administration building.

Q: Will I be paid in cash or in shares?

A. Adult members can elect (choose) to receive their distribution in either cash (from the proceeds of liquidation of shares) or in the form of shares. Minors members will be paid in cash when they reach age 19.

A. UFN members that have passed since April 27, 2021 will only be entitled to a cash payment. UFN Administration will work with their beneficiaries. If the beneficiary is a minor, UFN Administration will work with their legal guardian.

Q: When will I receive my payment?

A. Adult members -The Nation will take place on September 4, 2025 by way of cheque. If your cheque is not picked up by September 10, 2025 it will be mailed to you. It is crucial that you fill out the form to make sure we have your correct mailing information.

Minor members – Payments will be held until age 19.

Q: Who manages the money for the minors?

A. Scotiatrust is the Corporate Trustee of the Minors' Trust. Jarislowsky Fraser manages the investments.

Q: What if I move or change my contact information?

A. Please update your contact details with the Nation administration office to avoid delays.

Q: How much will I receive?

A: The amount each adult member will receive will be online September 2, 2025.

Q: Will this impact my income assistance?

A. UFN is working with the Ministry of Social Development and Indigenous Services Canada to determine this. More information will follow.

Q: How does this impact UFN members that have passed away since April 27, 2021?

A. UFN members who have passed are still entitled to their pro-rata share. UFN Administration will work with each estate to determine who is entitled to that members share.

August 21, 2025 FAQ updates (updated in info sheet too):

- New Gold distribution will be paid by cheque and not direct deposit.
- Survey below will need to be completed by Friday, August 29, 2025, regardless of previous surveys.
- Tuesday, August 26, 2025 at 1:00 pm:

- An information session has been scheduled at the community hall and by teams to answer any questions you may have. You can decide after this date if you want to select cash payment or shares.
- A waiver form will need to be completed to receive your cheque or shares. The form will include an option for a family member or friend to pick up your cheque on your behalf on September 4.

4. Community Meeting Notice

Community Information Session: Share Distribution & Minors' Trust

- **Date:** August 26, 2025 at 1:00 pm
- **Location**: Elder's Hall, Online

Agenda:

1. Background
2. Structure of distribution
3. Timeline for adult distributions
4. Minors' Trust structure
5. Questions and answers from members.

Light refreshments & door prizes will be provided. All members are encouraged to attend.

5. Targeted Notice to Parents/Guardians of Minors

Subject: Important Information for Parents/Guardians – Minors' Trust Accounts

Dear Parents and Guardians,

Your child(ren)'s share entitlement has been placed into a Minors' Trust with Scotiatrust. These funds will remain safe and invested until your child turns the age of 19.

Key details:

- Your child must complete an indemnity and release before funds are released at age 19.

If you have any questions, please attend the community information session or contact Deidre Cahoose in the UFN Finance Department at 250-302-3858