

ANNEX:

STATEMENTS MADE IN PRESS RELEASE:

"New Gold Inc. ("New Gold") (TSX and NYSE AMEX - NGD) confirms that all permits, licenses, concessions or authorizations that are required to operate its Cerro San Pedro Mine are valid and in force."

RECTIFICATION:

-On the 24th of September, 2009 the Federal Tribunal of Administrative Justice emitted the following decision:

"Be it resolved, on basis of art. 239-B:IV of the Federal Fiscal Code, that the authorization accorded to Minera San Xavier, S.A. de C.V. in the permit S.G.P.A./DGIRA.DG.0567/06 by the Director General of Environmental Impacts and Risks at the Ministry of the Environment and Natural Resources (SEMARNAT) is null and void. By our order the SEMARNAT, which has already ignored a previous ruling by the court on the 5th of October, 2005, has 20 days to advise the affected party and carry out the sentence." [Cumplimiento de ejecutoria exp. 170/00-05-02-9/634/01-PL-10-04-QC-DA, pgs. 239-240]

The company has therefore been operating without a legal permit since it was informed of this decision on the 14th of October, 2009.

"New Gold has filed an appeal to a recent decision of the Federal Court of Fiscal and Administrative Justice in Mexico pertaining to the process by which the Environmental Impact Statement ("EIS") for the Cerro San Pedro Mine was approved in 1999."

There is no possibility of appeal for this decision because it comes at the end of a long process of judicial revisions and appeals as summarized here with reference to the relevant dockets:

-On June 23 2004, Noveno Tribunal Colegiado en Materia Administrativa ordered the Federal Tribunal of Administrative Justice to cancel the land use change permit the company had received from the Ministry of the Environment and Natural Resources (SEMARNAT) on the 26th of February, 1999. [D.A. 65/2004-873]. The Noveno Tribunal is final instance of appeal in administrative law in Mexico and its decisions are without appeal.

-On the 5th of Oct., 2005. The Federal Tribunal of Administrative Justice carried out this ruling commenting that under no condition could a land use change permit be accorded for this project. [exp. 170/00-05-02-9/634/01-PL-05-04]

- Despite this ruling. The SEMARNAT emitted a new land use change permit to the company on April 10th, 2006 [S.G.P.A./DGIRA DG 0567/06]

-This permit was appealed by Pro San Luis Ecologico and its lawyers. This appeal process led once again to a decision by the Noveno Tribunal Colegiado en Materia Administrativa, dated April 17, 2009, which informs the Federal Tribunal of Administrative Justice that the permit accorded in 2006 was illegal and that this court must instruct the SEMARNAT to revoke it. This was a unanimous decision pronounced complete and without appeal [R.A. 59/2009]

-On the 24th of September, 2009 the Federal Tribunal of Administrative Justice carried out its sentence, cited above.

-The concerned parties – SEMARNAT, New Gold and Pro San Luis Ecologico – were informed of this decision on the 14th of October, 2009.

-According to the terms of the decision SEMARNAT has until the 13th of November to insure that New Gold's operations at Cerro de San Pedro are stopped given that it has no valid land-use permit.

"New Gold is a welcome member of the Cerro de San Pedro community and has demonstrated its commitment to corporate social responsibility through meaningful support to our schools, health services and infrastructure improvement," stated Mr. Santos Loreda Tenorio, President of the Cerro de San Pedro Municipality. "The company's contribution to sustainable community development and our future is greatly appreciated."

There is no reference for this citation. It is misleading. It uses a statement made by a municipal authority (at an unknown time) about the CSR programmes of the company to suggest his endorsement of the project in general. On Saturday Oct. 31st in Cerro de San Pedro Mr. Santos Loreda Tenorio declared before witnesses that he would respect the court decision.

"New Gold's Cerro San Pedro Mine has had excellent operational performance in 2009 and has an enviable record of meeting its environmental and social responsibilities."

New Gold lost its land use change permit precisely because of serious and unacceptable degree of environmental impacts and risks that its mine would produce. The permit was found to be in violation of the General Law of Ecological Equilibrium, individual rights to water and health guaranteed by the Mexican Constitution, as well as a 1993 decree by the State of San Luis Potosí which declared the zone around Cerro de San Pedro a reserve for the preservation and restoration of rare and endemic species of flora and fauna.

"The operation achieved ISO 14001 certification of its Environmental Management System to ensure globally recognized standards are achieved and routine third party monitoring and reporting is performed in accordance with the ISO requirements."

The group of experts from the Universidad Autonoma de San Luis Potosí assembled by the company to monitor the project under the terms of its EIA has only met twice since 1999 and has not released a single assessment of the environmental impacts of the project.