

# NEW GUINEA GOLD CORPORATION



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## NEWS RELEASE

### **NGG TO CONDUCT AGGRESSIVE EXPLORATION PROGRAMS ON FOUR KEY PROJECTS**

Vancouver December 1, 2005                      On the 15<sup>th</sup> November 2005, New Guinea Gold Corporation (NGG) announced a \$7,000,000 financing. The primary objective of the financing is to define NI 43-101 compliant resources at each of the key projects below and to complete development and commence gold production at the Sinivit Project.

Subject to a successful financing, funds will be used to drill extensions to known gold mineralisation at four key, company gold projects – Imwauna /Normanby (100% NGG) Weioko/Sehulea (100%), Sinivit (92%) and Mt Penck (60%). NGG did not carry out any drilling on its projects between June and November 2005.

Areas of gold mineralisation are already known at each of the above projects as a result of extensive trenching and approximately 240 completed drill holes.

A total of four drill rigs will be used to advance these projects –NGG is presently drilling about 8 drill holes at Weioko and early in the new year this rig will move to Imwauna. It is planned to acquire a second rig for Imwauna and maintain a two drill rig program throughout 2006.

The second NGG drill rig, which is in the process of being delivered to the company, will be used at the Sinivit Project.

A third drill rig has been mobilised to West New Britain and is expected to commence drilling at the Mt Penck Project in early 2006 and continue drilling there throughout 2006.

Negotiations are in progress to acquire or hire a fourth drill rig which initially will be used to test the molybdenum zones at Simuku announced in a Press Release dated 3<sup>rd</sup> October 2005. This rig will then move to the Weioko Project.

The company also owns 6 bulldozers and 2 excavators which are in use in exploration

Part of the financing will also be used to complete development of the Sinivit Property where gold production is expected in second quarter 2006 (see Press Release dated 7<sup>th</sup> July 2005). As noted above, management also plans to drill extensions to known gold mineralization at Sinivit

#### Comment

“NGG management are aware that the financing will increase the issued capital of the company,” said Bob McNeil Chairman and CEO. “However, we have been quite constrained in our ability to advance our projects

and we believe that the potential benefits to shareholders of having four or more drill rigs working on key properties far outweighs the cost of the increase in issued share capital. Management recently went on an extensive and well received roadshow trip to North America (Montreal, Toronto , New York and San Francisco) and Europe (London, Paris, Munich and Zurich). The majority of the participants in our presentations were impressed with the overall inventory of our projects. The strategy most favoured was that NGG embark on a major drilling program at specifically targeted sites with the goal of achieving not only NI 43-101 qualified technical reports but to advance as soon as possible to a NI 43-101 Economical Feasibility Study. The drilling is intended to significantly enhance the value of these projects and to provide a steady release of drill results throughout 2006.”

“The company has an experienced exploration/development team in place and is able to call on assistance from shareholder Macmin Silver Ltd’s project development group. Senior managements’ combined experience in PNG exceeds 100 years,” concluded Mr. McNeil.

Papua New Guinea is a major resource producing country with significant copper, gold and oil production. Major companies with exposure to PNG include Placer Dome, Rio Tinto, Harmony Gold, DRD Gold and Noranda. PNG is a parliamentary democracy with a well established mining act, based on Australian models and a separation of powers between the political executive and the judiciary.

New Guinea Gold Corporation has disclosed historical resource estimates for the Sinivit and Imwauna (Normanby) projects, however these were based on historical estimates and have not been verified and supported by NI 43-101 compliant, independent technical reports. These historical resource estimates cannot be relied upon until they have been verified and supported by NI 43-101 compliant reports.

The development of the Sinivit Mine Project is based on an internal update of an historical feasibility study. These studies and project economics cannot be released to the market until such time as they have been independently verified in a NI 43-101 compliant technical report. Investors and shareholders are cautioned that historical mineral resources are not mineral reserves and do not have demonstrated economic viability and to proceed with development prior to completion of the above report, in the absence of current mineral resources and reserves and an independent feasibility study in accordance with NI 43-101 that determines and supports the economic viability of the project, may involve additional risk that the project will not be economic.

New Guinea Gold cautions that these are forward looking statements and conclusions which may not eventuate. For more complete details (including all previous drill results) and independent technical reports on the projects refer to [www.newguineagold.ca](http://www.newguineagold.ca)

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The technical data in this release was prepared by or under the supervision of Robert D. McNeil, CEO of New Guinea Gold Corporation. Mr McNeil has an MSc in Geology, 44 years mining industry experience, is a Fellow of the Australian Institute of Mining and Metallurgy, and meets the requirements of NI 43-101 for a qualified person.

## **ON BEHALF OF THE BOARD**

“R.D. McNeil”  
CHAIRMAN & CEO

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