

NEW GUINEA GOLD CORPORATION



NEWS RELEASE

FENI ISLAND EXPLORATION UPDATE

November 3, 2005 - Vancouver, BC – New Guinea Gold Corporation (“the Company” or “NGG”) and Vangold Resources Ltd. (“Vangold”) announce that they have received a report from Dr. David Lindley, PhD, VP Exploration PNG, lead geologist for NGG’s and Vangold’s projects in Papua New Guinea. He is presently completing a review of all historical data on the Feni Island property. Dr. Lindley is a Member of the Australian Institute of Geoscientists, with in excess of 25 years experience and is thus a Qualified Person in accordance with NI 43-101. The Feni Island property is located in New Ireland Province, Papua New Guinea, and is owned 50% by NGG and 50% by Vangold with Vangold having the option of earning a further 25%.

Dr Lindley reports:

The Feni island data review is nearing completion and the following is a preliminary statement on some of the more interesting findings. The anticipated start to fieldwork on Feni will be during the first quarter of 2006.

There can be little doubt that Lihir-type gold mineralization is present somewhere on the Feni Islands. The evidence for this comes from an examination of the nature of gold in panned concentrates from two areas from the Central “Caldera” area of Ambitle Island. Panned concentrates from several upper Nanum River tributaries and Matangkaka Creek are unusual in that despite their very high assay gold contents (30-85 ppm), only a few colours of gold are visible in the pan. This indicates the presence of very fine-grained gold, typical of the refractory gold of the Lihir Island deposits, where virtually all gold is locked up as micron-sized grains within pyrite. Subsequent weathering and oxidation of the pyritic Lihir ore liberates micron-sized gold grains, similar to what we now find in these two areas on Ambitle Island.

The exact source of this refractory gold remains a mystery. One cannot locate the source by following the courses of the several Nanum tributaries and Matangkaka Creek to their headwaters.

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These modern streams appear to be merely re-working the “refractory gold” from ancient drainages that existed prior to a 2,300 year b.p. eruption which blanketed the area with a thick volcanic ash (tephra) layer. We need to know details of the pre-eruption land-surface and its stream courses. Mapping of the pre-tephra surface, using drill-intersection thickness data, was attempted by previous explorer Ingold Holdings (PNG) Inc., but was inconclusive.

An obvious source area has to be the Dome Prospect, which occupies a 1.5 km² area between the upper Nanum tributaries and Matangkaka Creek. The prospect was identified in 1985 and has always been regarded as a volcanic dome, a plug-like intrusive feature typical of the late, waning stages of a volcano. This is not the case. Although many drillholes (including 50 aircore holes drilled in 1985) failed to penetrate the massive, hard trachyte, at least 4 drillholes since 1985 have penetrated the trachytic rocks. One hole intersected a 138 m interval of altered pre-trachyte volcanoclastic rocks beneath 10 m of trachytic lava. Much of the Dome Prospect is in-fact blanketed by a comparatively thin (10-70 m drill indicated thickness) trachytic lava flow, with the actual parent dome restricted to a relatively small area at the NE extremity of the prospect.

The Dome Prospect is considered to be highly prospective for the discovery of either blind Lihir-style gold mineralization or structurally controlled high-grade mineralization for the following reasons:

- 1) The prospect is immediately central to all known occurrences of panned concentrate “refractory-gold” on Ambitle Island.*
- 2) Altered rocks, including phyllic (sericite-quartz-pyrite), argillic (illite-smectite-pyrite) and advanced argillic (opal-kaolinite-pyrite), appear to pass under the margins of the Dome trachyte lava sheet.*
- 3) Spectacular occurrences of anhydrite sealed rocks, typical in the Lihir deposits, outcrop and have been intersected in drilling to the immediate N of the Dome trachyte lava sheet. Their distribution indicates the possibility of a N-S structural zone passing under the Dome trachyte lava. Massive cliff-like exposures of anhydrite measure metres in height and width and contain copper-rich minerals including enargite and covellite.*
- 4) The SW margins of the Dome trachyte lava sheet appear to overlie the Matangkaka Intrusive Complex. This is supported by aeromagnetic interpretation.*
- 5) The prominent NE trending Kabang Structure (which has controlled the emplacement of the Matangkaka Intrusive Complex and the satellitic Kabang Stock) can be traced across the Dome Prospect (using radar imagery). This indicates the operation of a long-active basement-penetrative structure, a suitable conduit for mineralising fluids and a locus for mineral deposition. Prospective targets include the Kabang Structure beneath the Dome trachyte lava sheet and its intersection with the N-S trending anhydrite sealed zone.*

To find out more about New Guinea Gold Corporation please visit our website at newguineagold.ca , contact Forbes West at 416-203-2200, by email: forbes@sherbournegroup.ca or Judith O'Quinn at 604-662-3598.

ON BEHALF OF THE BOARD
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