

# NEW GUINEA GOLD CORPORATION

UPDATE FEBRUARY 2006

- Gold production expected by mid 2006
- Promising copper/molybdenum mineralisation at Simuku property
- 12 gold, copper, molybdenum projects – 62,000m of drilling has defined extensive mineralisation - continuous operation of 4 drills later in 2006 planned to attempt to define resources
- Initial mine expected to have high grade, open pittable mineralisation – simple vat leach processing
- NGG's objective is to discover a major mine within 3 years

Management cautions that in this brochure there are forward looking statements and conclusions which may not eventuate. For more complete details and independent technical reports on the projects refer to [www.newguineagold.ca](http://www.newguineagold.ca)

The Company is involved in mineral exploration and mine development in Papua New Guinea. The Company has five key, advanced projects: Sinivit, Normanby, Sehulea, Mt Penck and Simuku, in which it owns a majority interest and which have had substantial testing by both drilling and surface trenching. The initial four projects are gold and the fifth project, Simuku, is copper/molybdenum with significant other metal credits.

**The company is focussed on rapidly defining resources at, and developing to mining four of the advanced gold projects. The Sinivit Project is fully permitted (mining lease and environmental permits in place) and mine development has commenced. Construction is expected to be complete in second quarter 2006 with production by end of second quarter/early third quarter 2006. Drilling to expand resources will commence second quarter 2006.**

The Company also has interests of up to 50% in seven other projects. Five of these projects are operated by the Company on behalf of itself and joint venture partner Vangold Resources and a further two projects are at present being sole funded by Vangold Resources and Celtic/Triple Plate Junction respectively.

**LISTINGS;** TSX Venture Exchange - **NGG**, Berlin and Frankfurt Stock Exchanges (Berlin market maker Berliner Freiverkehr) - **NG8**, USAPink Sheets - **NGU GF**



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## MINING IN PAPUA NEW GUINEA

Papua New Guinea represents one of the most enriched copper and gold sections of the earth's crust, and ranks ahead of countries such as Brazil, West Africa, Indonesia, Chile and the Philippines, according to Placer Pacific Exploration Manager Greg Hall (1995). Mr Hall also stated "Placer believes that Papua New Guinea offers a suitable reward for the risk of investment in exploration and future mining". The country hosts a relative abundance of world class deposits such as:

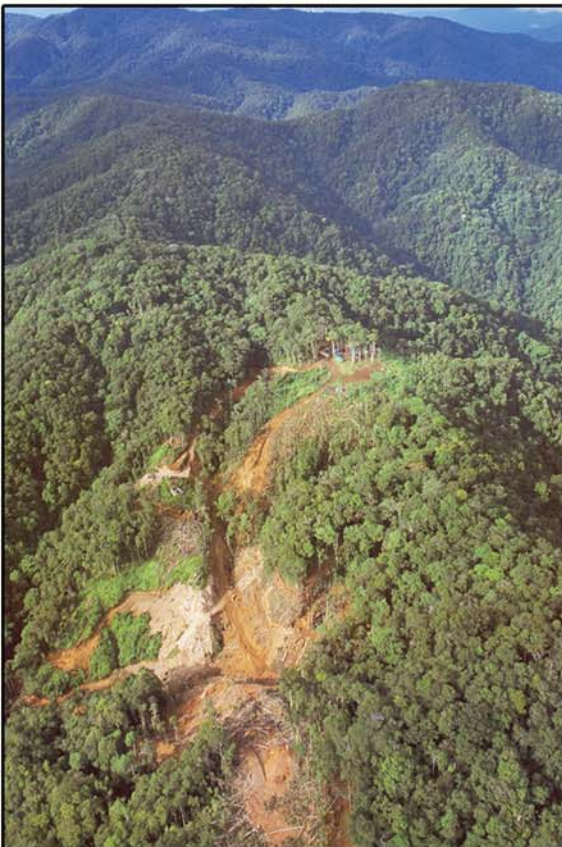
<b>Porgera</b> (Placer and others)	- Approx <b>30M oz</b> contained Au
<b>Lihir</b> (RTZ and others)	- Approx <b>45M plus oz</b> contained Au
<b>Panguna</b> (CRA)	- Approx <b>16M oz &amp; 5Mt</b> contained Au & Cu respectively
<b>Misima</b> (Placer)	- Approx <b>5M oz</b> contained Au
<b>OK Tedi</b>	- Approx <b>10M oz &amp; 5Mt</b> contained Au & Cu respectively
<b>Wafi</b> (Harmony)	- Approx <b>9M oz &amp; 1.6Mt</b> of contained Au & Cu respectively
<b>Hidden Valley</b> (Harmony)	- Approx <b>2M oz</b> Au
<b>Tolukuma</b> (D.R.D.)	- Approx <b>1.5M oz</b> Au
<b>Kainantu</b> (Highlands)	- Approx <b>2M oz</b> Au
<b>Nene/Trukai</b> (Highlands, Noranda)	- Approx <b>4.5Mt</b> Cu

Mining in Papua has been continuous for the past 30 years and there is a well established mineral exploration industry and infrastructure. There is the proven ability to build and operate mines, clear reporting and tenement tenure guidelines and the ability to return profits to shareholders. Papua New Guinea obtained independence from Australia in September 1975. The system of government is a British parliamentary democracy. The legal system is based on English common law. The current elected government is encouraging foreign investment, especially in mining.

### First Mine - SINIVIT

- **Production expected by mid 2006, head grade 5g/t gold, initially open pit, vat leach processing.**
- **Resources - Indicated, 713,000 + @ 5.7g/t gold for 132,000 oz gold and Inferred, 340,000 @ 3.2g/t gold for 35,000 oz gold.**
- **Later production may be of gold/telluride mineralisation by underground mining, likely head grade 10 - 12 g/t gold.**
- **Mine development commenced July 2005, 35,000 oz gold expected to be produced in first 12 months at an operating cost of AU \$160/oz. Present gold price (06/02/06) is approximately AU \$765/oz, giving an operating cash surplus before cost of capital and tax of AU \$600/oz gold produced. (US\$440)**
- **Drilling which may increase resources planned to commence second quarter 2006.**

These evaluations are preliminary in nature and are based entirely on indicated mineral resources which have not been categorised as mineral reserves. There is no assurance that the operating and financial projections in the preliminary assessment will be realised. Mineral resources that are not reserves do not have demonstrated economic viability. Measured and indicated mineral resources are that part of a mineral resource for which quantity and grade can be estimated with a level of confidence sufficient to allow the application of technical and economic parameters to support mine planning and evaluation of the economic viability of the deposit. An inferred mineral resource is that part of a mineral resource for which quantity and grade can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified.



Sinivit mineralisation and potential extends south beneath ridgeline.



### SINIVIT OUTCROP THIS WILL BE THE MINE.

The two people standing in the middle distance are at the collar of hole 6 which intersected 20.65m @ 2.48g/tAu.

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## IMWAUNA (Normanby)



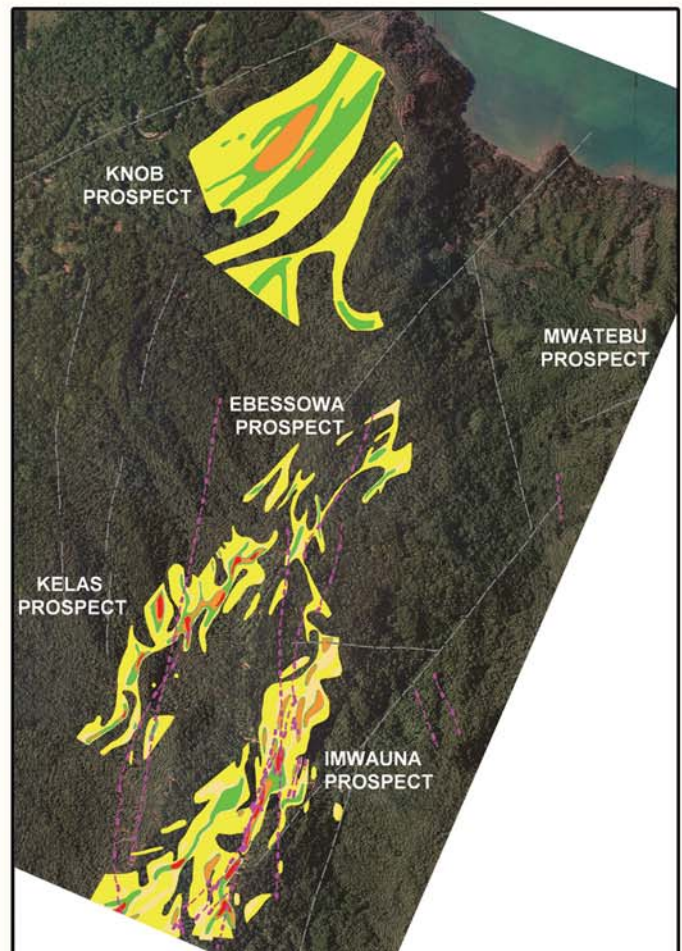
Trial mining slot and bulk sample confirmed gold grade from trenching and drill hole.

- **Management believes target is similar to Placer Dome's MISIMA MINE which was a 5Moz system.**
- **Historical inferred resource of 990,000t @ 6.1g/t gold and 12g/t silver for 194,000 oz gold and 382,000 oz silver.**
- **Drilling to define the potential of the property is in progress and will continue throughout 2006.**
- **Best drill results such as 3.7m @ 94.4g/t gold and 7.2m @ 16.5g/t gold.**
- **Trial mining completed - had an average grade of 14.1g/t gold over a 2.2m mining width.**
- **Bulk sampling of 38 excavator trenches over 1,240m strike length averaged 26.4g/t gold over an average of 1m width in central high grade part of system.**
- **Recent drilling suggests possible open pittable grade of 6g/t gold and underground grade of 15.5g/t gold.**

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

Air photo (to the right) showing relative position of Imwauna and the coast (about 3 km).

Anomalous gold geochemistry in colour shows the potential of the district. Most has yet to be drilled.



## Brief History of NGG's Projects

Most of the projects in NGG's portfolio were originally discovered and partly explored by Esso Papua New Guinea (Exxon Minerals), City Resources Ltd and Macmin Silver Ltd. On June 13th 2002, NGG acquired the projects from Australian listed company Macmin Silver Ltd ([www.macmin.com.au](http://www.macmin.com.au)). Macmin still holds a substantial interest in the projects through a major shareholding in NGG. Substantial and detailed exploration has been completed on most projects (see table on back page) and at least US\$30 million has been expended by NGG and earlier explorers to bring the projects to their present advanced state. Bob McNeil, CEO and Chairman of NGG was General Manager for Esso in Papua New Guinea from 1980 to 1986 and Dr David Lindley, VP Exploration of NGG, was in charge of the Rabaul Office for Esso and later Exploration Manager for Macmin (PNG) Limited. NGG operates in PNG through wholly owned PNG company Macmin (PNG) Limited (no connection to Macmin Silver).

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## Table of Current Projects

TENEMENT AREA	(KM <sup>2</sup> )		OWNERSHIP
<b>SINIVIT PROJECTS</b>	<b>3.536</b>	Quartz telluride gold system.	<b># 90% New Guinea Gold</b>
<b>ML 122</b>		<b>18067m of diamond core drilling and 2987m of reverse circulation drilling. Mining lease and all environmental permits are in place. Mine development commenced in July 2005.</b> Representative drill holes include: 22m at 4.4g/t Au, 13m at 12.4g/t Au, 8m at 2.01g/t Au, 5.8m at 13.54g/t Au, 1.3m at 104g/t Au.	<b>10% Gold Mines of Niugini</b>
<b>Mining Area</b>	<b>43</b>		
<b>EL 1140</b>			
<b>Exploration Area</b>			
<b>EL 1362</b>	<b>106</b>	Property adjoining Sinivit licences	<b>#100% New Guinea Gold</b>
<b>NORMANBY PROJECT</b>	<b>44.2</b>	High grade vein swarm system	<b># 100% New Guinea Gold</b>
<b>EL 1091</b>		<b>73 drill holes</b> (3993m) at two (2) prospects Best drill results: 3.8m at 27.3g/t Au; 7.2m at 16.59g/t Au; 3.7M AT 94.4g/t Au. <b>~2500m of trenching</b>	
<b>EL 1361</b>	<b>534</b>	Property surrounding Normanby and Sehulea licences <b>25 drill holes</b> (2551m) at 1 prospect	<b>#100% New Guinea Gold</b>
<b>SEHULEA PROJECT</b>	<b>30.5</b>	<b>60 holes drilled</b> (2250m) at six (6) prospects. Best intersections inc 27.7m at 2.07g/t Au; 14m at 4.56g/t Au; 21m at 3.59g/t Au <b>&gt;2000m of trenching</b> , best results: 164m at 3.96g/t Au, 16m at 20.3g/t Au	<b># 100% New Guinea Gold</b>
<b>EL 1069</b>			
<b>SIMUKU PROJECT</b>	<b>44</b>	Porphyry copper system	<b># 90% New Guinea Gold</b>
<b>EL 1077</b>		<b>19.5km of trenching</b> <b>12 holes drilled</b> (1481m). Best intervals: 276m at 0.33% Cu; 40m at 0.64% Cu; 50m at 0.5% Cu; 63m at 0.52% Cu; 150m at 0.35% Cu.	<b>10% W.S. Yeaman</b>
<b>MT NAKRU PROJECT</b>	<b>47</b>	Porphyry copper/gold system	<b># 75% New Guinea Gold</b>
<b>EL 1043</b>		<b>44 drill holes</b> (6420m) at two (2) prospects. Best drill results 74m at 0.78% Cu; 8.6m at 1.34g/t Au; 94m at 0.46g/t Au and 0.43% Cu; 44m at 0.85% Cu. <b>Approximately 5 km of trenching</b> ; Best test results 45m at 2.5g/t Au; 245m at 0.8g/t Au; 3m at 17g/t Au; 23m at 1.43% Cu; 4m at 6.6% Cu.	<b>25% Vangold</b>
<b>MT PENCK PROJECT</b>	<b>101</b>	<b>47 drill holes (3794m):</b> Best intervals 72m at 1.79g/t Au and 12.9g/t Ag; 2m at 36.7g/t Au; 43m at 2.35g/t Au <b>&gt;2km trenching:</b> Best trench results such as 5m at 60g/t Au within 40m at 8.89g/t Au; 97m at 3.39g/t Au.	<b>* 60% New Guinea Gold</b> <b>* 40% Vangold</b>
<b>EL 1322</b>			
<b>ALLEMATA PROJECT</b>	<b>243</b>	Mesothermal quartz veins + Au-Cu skarn 17 drill holes: <b>~1120m drilling.</b> <b>~2km trenching.</b> Trench results such as 30m at 9.0g/t Au; 84m at 1.53g/t Au and 4m at 100 g/t Au.	<b>* 50% New Guinea Gold</b> <b>* 50% Vangold</b>
<b>EL 1323</b>			
<b>BISMARCK PROJECT</b>	<b>206</b>	Porgera type disseminated Au + high grade Au veins <b>11 drill holes (1158m) ~1500m trenching.</b> Best trench results such as 90m at 1.42g/t Au; 20m at 6.99g/t Au.	<b>* 50% New Guinea Gold</b> <b>* 50% Vangold</b>
<b>EL 1320</b>			
<b>FERGUSSON PROJECT</b>	<b>470</b>	<b>86 drill holes</b> on 6 prospects Best drill results: 10m at 8.14g/t Au (incl. 3m at 20.82g/t Au) 12m at 5.88g/t Au	<b>* 50% New Guinea Gold</b> <b>* 50% Vangold</b>
<b>EL1324</b>			
<b>YUP RIVER PROJECT</b>	<b>378</b>	Reconnaissance stream sampling outlined 3 large gold anomalies	<b>* 50% New Guinea Gold</b> <b>* 50% Vangold</b>
<b>EL 1329</b>			
<b>CRATER MOUNTAIN PROJECT</b>	<b>40</b>	Similar geology to Porgera <b>1969m drilling.</b> Best results: 115m at 1.83g/t Au 2m at 52.6g/t Au & 24m at 6.55g/t Au	<b># 100% New Guinea Gold</b> <b>Celtic/Triple Plate</b> <b>Junction earning 75%</b>
<b>EL 1115</b>			
<b>FENI PROJECT</b>	<b>37</b>	Similar geology to 40M oz gold Lihir Mine <b>180 drill holes</b> (16,413m). Typical results such as 188m at 1.2g/t Au; 10m at 5.56g/t Au in drill hole	<b># 50% New Guinea Gold</b> <b>50% Vangold</b> <b>Vangold earning 75%</b>
<b>EL 1021</b>			
<b>EL 1331</b>	<b>130</b>	Property surrounding Feni licence.	<b>*50% New Guinea Gold</b> <b>*50% Vangold</b> <b>Vangold earning 70%</b>

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