

PRESS RELEASE**IMWAUNA HOLE IMH 085 INTERSECTS 1.3m at 15.2g/t GOLD**

Vancouver 20th December 2006. New Guinea Gold (NGG) reports:

- Latest intersection of 1.3m at 15.2g/t gold within 3.1m intersection at 7.2g/t gold at 165m downhole. True width is estimated at approximately 2.7m.
- Drilling in 2006 has focused on close spaced drilling to allow estimation of near surface indicated resource.
- Drilling in 2007, utilizing two diamond core rigs will focus on wider spaced holes and deeper holes to allow estimation of an additional inferred resource and provide data as to the overall size of the system.
- A further nine holes have been completed from the high grade southern zone, but results will not be available until late January.
- Extensive check assaying of Imwauna samples confirms the accuracy of the fire assay method used for all core samples.

The intersection of 1.30m at 15.20 g/t gold and 18 g/t silver within a 3.10 metre long intersection that averaged 7.22 g/t gold and 7.9 g/t silver within IMH085 is considered significant as IMH085 intersected high grade gold mineralisation on the same cross section at a depth approximately 80 metres down the structure from IMH082 in the Southern (high grade gold) Zone. Previously released results from IMH082 included 5.60m at 36.16 g/t gold and 44.6 g/t silver with a maximum value of 0.40m at 438 g/t gold and 485 g/t silver. For hole collar locations see attached plan.

A total of four drill holes have now been completed on this section and an updated summary table of the results is as follows:

Hole No	Vein Intersection		Interval (m)	Gold (g/t)	Silver (g/t)
	From (m)	To (m)			
IMH053	22.8	25.2	2.4	4.78	48.3
IMH074	63	69.45	6.45	20.87	49.6
IMH082	80.8	86.4	5.6	36.16	44.6
IMH085	165.3	168.4	3.1	7.22	7.9

NB: Vein intersection is a down hole length and not true thickness

In addition to hole IMH085, assay results have also been received from IMH089 located approximately 80 metres to the north of IMH085. IMH089 returned 0.55m at 6.79 g/t gold and 11 g/t silver from 121.50m to 122.05m depth. See also Press Release dated 8 June 2006, and 13th September 2006, for additional high grade gold intersections.

Drilling at Imwauna in 2007 will be focused on extending known gold mineralisation to

depth. During the past nine months the drill program was successfully focused on close spaced, shallow holes to provide data for an indicated resource estimate. This program has now clearly shown continuity of near surface mineralisation over an 850 metre length of the trenched 1240 metre long known strike length.

To provide data to allow NGG to estimate an inferred resource, in addition to an indicated resource, drilling in the first half of 2007 will focus on more widely spaced and deeper drill holes to provide a better understanding of the possible overall size of the Imwauna vein system. In addition reconnaissance drill holes will be completed on other known targets within the overall Imwauna – The Knob system. The second diamond core rig, which will speed up this assessment had been scheduled to commence on site in January 2007, but because of a manufacturers delay will not now be operational until February 2007.

Drilling has now been completed on the final planned drill hole for the year, IMH095, and drilling will not resume until mid-January 2007. Drill core samples from this hole and a further nine recently completed holes from the high grade Southern Zone have been shipped to ALS Chemex Brisbane, Australia for analysis. The Company expects that the results of these drill holes will be available in January 2007 and released to the market shortly thereafter. Shipment of some of these samples was delayed due to transport problems.

During the 2006 calendar year, a total of thirty seven (37) drill holes have been completed for a total advance of 4,748.10 metres at the project using the NGG owned and operated diamond drill rig. Approximately 9,630 metres of drilling in a total of one hundred and fifteen (115) drill holes have now been completed at the property. The majority of the drill holes are diamond core holes.

Mr McNeil stated: *“that given the number of drill holes completed to date, management now believe that the construction of an NI43-101 compliant resource model incorporating the drill holes completed during 2006 can commence by the end of January 2007 following receipt of assays from ALS Chemex in Brisbane, Australia. However the resource estimate will not be finalized until a series of deeper holes were completed to allow estimation of an Inferred Resource, in addition to an Indicated Resource”.*

A check assaying program has now been completed to follow up on results announced in a press release dated 21st June 2006. An initial batch of 22 high-grade samples checked by screen fire assay technique suggested the standard fire assay method was underestimating the actual gold content of samples.

Since that time, a further batch of 10 samples assayed by screen fire assay, 80 fire assay repeats of 24 samples and numerous duplicate fire assays results have been completed under carefully monitored conditions by the laboratory. The conclusion is that the normal fire assay testing technique gives accurate results. The second batch of screen fire assays gave almost identical results to the fire assay results and the fire assay repeats of original samples were again almost identical with only a 0.5% overall increase in gold value. NGG and ALS Chemex are unable to satisfactorily explain the 92% increase in gold values indicated by the initial screen fire assays.

All drill core samples were half core samples (cut by diamond saw). Core is logged and photographed before sampling. Assaying was completed at accredited laboratory ALS

Chemex in Townsville, Australia.

The TSX Venture Exchange has not reviewed and does not accept the responsibility or the adequacy of this release. The statements made in this News Release may contain certain forward-looking statements. Actual events or results may differ from the Company's expectations. Certain risk factors may also affect the actual results achieved by the Company.

NGG is also in the process of developing the Sinivit Property (see NI 43-101 Report dated 30th January 2006).

For further information contact Forbes West toll free at 888 655 5532, email forbes@sherbournegroup.ca or Judith O'Quinn at 604 662 3598, email ngg@telus.net

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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