

PRESS RELEASE CORRECTION (HIGHLIGHTED)

PROPOSED RE-ORGANISATION PLAN FOR NEW GUINEA GOLD PROPERTY ASSETS

Vancouver, 22nd November 2006 New Guinea Gold Corporation (the “Company” or “NGG”) holds interests in ten gold properties and two porphyry copper/gold/molybdenum properties in Papua New Guinea. The Company is focussing on gold – developing the Sinivit property (92.5% NGG) and defining resources on the Normanby property (Imwauna Project – 100% NGG), Sehulea Property (100% NGG), and Mt Penck Project (60% NGG). Although exploration is proceeding on all 12 properties, the financial resources of the company has not permitted exploration to proceed at a pace warranted by the potential of the remaining properties and present metal prices. The Company needs to obtain better value for shareholders from these assets.

Management, our investment advisers and some major shareholders are of the opinion that the present share price and market capitalisation of the Company only reflects the few key properties on which exploration/ development is currently focussed and does not factor in a value for most of the remaining properties.

Seven properties are being considered as part of the re-organisation and of these seven properties six are held in conjunction with Vangold Resources Ltd. The Boards of Directors of the partners are pleased to announce that their respective management teams are preparing a proposal for the re-organisation of mineral property assets currently held by Kanon Resources Ltd (Kanon), the Simuku porphyry copper/gold/molybdenum system held by NGG (90%) and Yeaman (10%) and the Mt Nakru porphyry copper/gold/molybdenum system held by NGG 50% and Kanon (50%). Kanon is owned 50% NGG and 50% Vangold. Each of the respective Boards of Directors have instructed their management teams to negotiate the terms of the re-organisation, review financing sources and nominate Boards of Directors.

The terms of the re-organisation are subject to the necessary financing and the respective Board’s, shareholder, regulatory and statutory approvals.

The re-organisation will allow NGG to focus more closely on its three key gold properties, Sinivit (NGG 92.5%), Normanby (Imwauna 100% NGG), and Sehulea (Weioko 100% NGG). NGG will also retain its interests in J/V properties Feni and Crater Mountain. The re-organisation should allow a substantial increase in drilling activity at the key properties.

The “spin off” companies being considered for the re-organisation are:

- The first company would be Kanon Resources properties which include the Mt Penck, Allemata, Bismarck, Fergusson and Yup River properties.
- All properties in the proposed “spin off” are described in detail (including NI 43-101 reports) at www.newguineagold.ca. The second company would include the 90-per-cent-New-Guinea-Gold-and-10-per-cent-Mr.-Yeaman-owned Simuku porphyry copper-gold-molybdenum property, **and the jointly held Mt. Nakru porphyry copper-gold-molybdenum system** (Kanon -- 50 per cent and New Guinea Gold -- 50 per cent, giving New Guinea Gold an effective 75-per-cent interest). Mr. Yeaman has indicated an interest in extending an option on his 10-per-cent carried interest in Simuku to New Guinea Gold.

Mr Bob McNeil, Chairman and CEO of NGG states: *"We all believe that the best way to benefit our respective shareholders is by transferring these highly prospective mineral property assets into the two new entities. Our Board is considering how shareholders can gain most benefit from the reorganization. Our preference is to distribute some or all of the interest retained by NGG directly to shareholders in proportion to their holding in NGG but I must emphasize that at this time the Board has not made a final decision. If this reorganization is approved, it will allow us to increase our activities on these projects without further major dilution of each company's shares. For example, we would expect to increase the current expenditures at Mt Penck by at least 100%, add additional drills to the program and also start a drilling program to define resources at the copper properties. I believe this will be a great opportunity for our shareholders."*

Mr. Dal Brynelsen, President and CEO of Vangold commented on the re-organisation by stating, *"This is the first major step forward for Vangold's large portfolio of projects. Our mandate has always been to create solid, viable entities from our diverse projects directly enhancing shareholder value. This particular combination of properties will allow both new companies the opportunity to become such entities. The new companies will be well financed with a strong balance sheet and no debt. This will ensure that exploration and development can be expedited on a more timely schedule, with the aim of meeting our common goal that of furthering development and adding to the value of these important assets. I agree with Bob that Vangold would also look to distributing some or all of the interest retained by Vangold directly to shareholders in proportion to their holdings in Vangold."*

NGG is also developing a gold project at the Sinivit property in Papua New Guinea and is currently engaged in resource definition drilling at the Imwauna Gold Project. NGG expects to commence drilling at the Weioko Project in the near future and recently completed a drilling program to test molybdenum potential at Simuku (results pending).

Drilling continues at Mt Penck and will commence at Mt Nakru in the near future.

In other PNG projects, recent field sampling and mapping at the Feni Project has defined a three square kilometer area within the former Ambitle Volcano collapse which warrants drill testing for Lihir style gold mineralisation (News Release 7 November, 2006). The Feni Project is presently held 50/50 by Vangold and NGG with Vangold retaining the right to acquire a further 25% interest.

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

The TSX Venture Exchange has not reviewed and does not accept the responsibility of 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/rel/proposedreorganisation plan of NGG Assets Correction Nov22-06