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Trading Symbols: TSX-V: **NGG**  
Frankfurt: **NG8.FSE**  
Web Site: [www.newguineagold.ca](http://www.newguineagold.ca)

## **NEW GUINEA GOLD SIGNS LETTER OF ENGAGEMENT FOR \$3.0 Million DEBENTURE ISSUE**

**Vancouver, B.C. November 28, 2008** New Guinea Gold Corporation - NGG ("the Company") announced that it has engaged Bolder Investment Partners, Ltd. ("Bolder" or "The Agent") to act as Agent for an Offering (the Offering), of up to \$3,000,000 of Debentures, maturing April 30, 2010, bearing interest at base rate of 10% per annum payable semi-annually and subject to certain other terms including possible bonus interest at maturity and default remedies. At maturity Debentures will be repaid in cash, unless between 30 and five days before maturity Debenture holders have made a written election to have the principal amount of their Debentures converted into shares at a price of C\$0.20 per share.

The Debentures will be placed using accredited investor prospectus exemptions in Canadian provinces, to eligible institutions in the USA and in certain offshore jurisdictions. The Offering is expected to close about mid December.

The Agent's compensation for acting as agent under the Offering will be a cash commission equal to 9% of the gross proceeds of the Offering; warrants (the "Agent's Warrants") entitling the Agent to purchase up to such number of common shares of the Issuer equal to 12% of the gross proceeds of the Offering divided by \$0.20. Each Agent's Warrant will be exercisable into one (1) common share of the Issuer at \$0.20 for a period of two years from the date of the closing of the Offering; a work fee of \$7,500 plus GST, which is payable upon closing of the offering; and a retainer amount of \$10,000 towards the reimbursement of all reasonable expenses relating to the Offering, including legal, consulting and accounting costs. The retainer shall be applied against these expenses and is payable upon signing of the engagement agreement.

"This financing is a prudent measure to secure growth of gold production at the Sinivit mine and to strengthen New Guinea Gold's financial position. Growth is already underway as noted in our MD&A for the last quarter, with forecast gold production for November now expected to be 1500ozs," said Chairman and CEO Bob McNeil. Net proceeds of this financing will be to expand the crushing and vat leaching capacity at the Sinivit mine in order to meet the full targeted gold production rate, and for general corporate purposes.

New capital equipment includes an additional cone crusher which is to be added to the crushing plant to achieve the 20,000t/month planned rate, as recommended by our consultant. We recently commissioned vat 4 and currently have four vats leaching, Vats 2,3,4 and A. The grade of mineralisation in Vat 4 exceeded 6g/t gold. The earthworks for three additional leach vats are completed.

Further material and equipment, including HDP vat liners, piping and pumps will be added to bring these vats on stream. The elution circuit will also be extended.

Among other items, the completion of the Offering will be conditional upon all of: compliance with applicable corporate and securities laws; the Offering being acceptable to investors; and no adverse material changes occurring in the Issuer's business and affairs prior to the closing of the Offering.

Full details of the Sinivit Project are described in an Independent N1 43-101 report dated January 2006 which is available at [www.newguineagold.ca](http://www.newguineagold.ca).

The completion of the financing is subject to the acceptance of the TSX Venture Exchange and compliance with applicable securities laws.

Investors are cautioned that the development of Sinivit is proceeding in the absence of a full feasibility study. These evaluations are preliminary in nature and are based entirely on indicated mineral resources, which have not been categorized as mineral reserves. There is no assurance that the operating and financial projections in the preliminary assessment will be realized. Mineral resources that are not reserves do not have demonstrated economic viability. Measured and indicated mineral resources are that part of a mineral resource of 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.

## **ON BEHALF OF THE BOARD**

"R.D. McNeil"  
Chairman and CEO

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.

FOR FURTHER INFORMATION PLEASE CONTACT:

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**The TSX Venture Exchange has not reviewed and does not accept the responsibility of the adequacy of this release.**