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Vancouver, 23rd October 2008

PRESS RELEASE

SINIVIT MINE UPDATE

Sinivit Mine gold and silver production for the quarter ended 30th September 2008 was 1170 ozs and 243 ozs respectively as against forecast production (Press Release dated 19th August 2008) of 1900 ozs gold.

Gold production was less than forecast because of a crushing circuit breakdown which caused the crusher to be out of operation for the entire month of July. The breakdown was protracted because the contractor did not have the correct replacement part in stock, and initially ordered an incorrect part or failed to ensure that the supplier provided the correct part. A review of the parts inventory has been completed and **this should not occur again**, however a full months gold production was lost.

As at the date of this Press Release, 65,000 tonnes of ore was leaching in vats and by the end of October we anticipate 77,000 tonnes will be leaching. At present, approximately 16,000 tonnes of crushed ore is at stockpile awaiting transfer to vats.

Because of slower leaching we have revised down our forecast production for the December 2008 quarter to 4,500 ozs gold, but 7,500 ozs may still be achievable in the March quarter.

Mr Michael Plumb has joined the Company as Project Co-ordinator and will work with the Mine Manager, Eric Namaliu to improve site efficiency. Mr Plumb resides locally, is an experienced project co-ordinator, and will essentially be on site full time.

Drilling at Sinivit continues to enhance both the oxide resource and the sulphide gold or copper/gold/telluride/silver mineralisation.

Recent Press Releases (dated 16th October 2008, 14th October 2008, 20th August 2008 and 14th August 2008) outlined the results of all holes.

Some of the better results are summarised below. These results have been previously announced and all hole results and location data are included in the above Press Releases.

Some of the better oxide gold results are shown below:

Hole No	From (m)	To (m)	Length (m)	Gold g/t
SCG118	2	22	20	17.2
SCG158	14	22	8	13.4
NGC051	12	24	12	16.9
NGC053	0	24	24	10.5
CGC002	12	28	16	15.8
CGC005	10	26	16	10.8
CGC043	0	20	20	12.9
CGC018	10	14	4	22.9
SGC183	8	14	6	13.6
NGC011	0	6	6	11.5
NGC037	18	22	4	31.8
NGC100	2	12	12	17.0
SGC206	0	8	8	5.8
SGC215	0	14	14	23.5
including	0	80	8	36.7
CGC080	12	26	14	7.5

Note: True thickness of intersections I unknown.

Some of the better sulphide gold results are shown below:

Hole No	From (m)	To (m)	Length (m)	Gold g/t	Copper %
SCG176	16	24	8	4.9	0.85
SCG182	26	26	6	5.2	2.03
SCG188	20	30	10	4.4	2.18
SCG189	8	28	20	25.7	2.19
including	12	26	14	36.0	3.09
including			2	158.0	4.32
SGC190	16	26	10	2.8	1.47
SGC193	4	14	10	10.1	0.94
including	10	12	2	10.5	4.48
CGC002	22	26	4	17.5	3.21
CGC005	22	24	2	10.5	2.35
CGC043	16	18	2	7.7	2.16

Note: True thickness of intersections is unknown

Representative tellurium and silver values in the sulphide gold zone, together with gold and copper are shown below.

Hole No	From (m)	To (m)	Length (m)	Gold g/t	Copper %	Silver g/t	Tellurium g/t
CGC0043	16	18	2	7.72	2.16	135	3940
SGC0188	20	60	10	4.4	2.18	51	289
SGC0189	12	26	14	36.0	3.09	113	1467
SGC0176	18	24	6	5.5	0.16	22	217
SGC0182	20	26	6	5.2	2.03	68	84
SGC0188	20	30	6	4.4	2.18	51	289
SGC0190	16	26	10	2.8	1.47	46	223

Bob McNeil, Chairman and CEO commented: *The September quarter gold production was disappointing but the contractor assures us the crushing circuit problem should not eventuate again. Ore leaching in vats, has now reached its highest level since mining commenced and should ensure satisfactory gold recovery going forward. The drill results continue to be exciting and should contribute to the longer term viability of the Sinivit Mine. The appointment of Michael Plumb on a full time basis is also expected to substantially increase site efficiency.*"

All samples are RC drill samples, and are partly prepared at site by splitting to 500 grams. Further preparation and analysis is completed at accredited laboratory, ALS Chemex laboratories, in Townsville, Queensland, Australia.

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.

The information in this release was prepared under the direction of Robert D. McNeil a Fellow of the Australia Institute of Mines and Metallurgy and a "qualified person" as defined by National Instrument 43-101. Mr McNeil has read and approves the information contained herein.

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 .

For further information on this release or on other NGG projects such as the Sinivit Gold Mine, 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 or access our website - www.newguineagold.ca

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.