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PRESS RELEASE

NEW GUINEA GOLD REPORTS FIRST PROFITABLE QUARTER IN Q1, 2009

- *The Company recorded a small profit for the first quarter of 2009 of \$26,005*
- *Net operating profit from mining operations of \$1,930,211.*
- *Gold production from the Sinivit Mine was 1,601ozs, as against zero production in the first quarter of 2008.*
- *Exploration/development drilling in progress at the following projects: Sinivit, Inwauna (Normanby), Weioko (Sehulea), Allemata and Mt Penck.*

1 June 2009, Vancouver B.C. New Guinea Gold Corporation (NGG:TSX-V) (“the Company”) recorded a profit of \$26,005 for the first quarter of 2009, but available cash was reduced largely due to increased exploration expenditures. The profit was recorded after taking into account increased inventories of gold mineralization in vats and on crushed mineralization stockpiles. These inventories are reflected in the net mine operating profit of \$1,930,211.

“With improved weather expected from the forthcoming dry season Vat construction, mining, crushing and consequently gold production are all expected to significantly improve compared to first quarter results,” said R.D. McNeil, Chairman and CEO.

SINIVIT MINE OPERATIONS

In the quarter to March 31, 2009, the following are mine statistics:

- | | | |
|--|---|---------------|
| • Mineralisation mined | - | 27,066 tonnes |
| • Mineralisation crushed ready for placing in vats | - | 30,802 tonnes |
| • Mineralisation loaded into vats | - | 18,600 tonnes |

Since the end of the quarter a further 12,073 tonnes of mineralisation was loaded into Vat 1. Vat J is expected to be lined and ready to load by the end of May, 2009.

Vats B, C, D, H and I are currently leaching and, on average, are about 10% leached. Remaining leachable gold in the above vats as at May 10, 2009 is estimated to be up to 12,000ozs gold. It is planned to bring vats 4 and A back on line to complete recovery of gold in those vats when pumps and carbon columns are available. Those vats contain up to a further 1,700 ozs of leachable gold.

Exploration and pit operations have defined two additional oxide gold zones, not included in present resources. These zones were described in a Press Release dated May 25, 2009: “*The Eastern Vein, which is adjacent to the northern end of the Southern Oxide Pit (see site plan in presentation at www.newguineagold.ca), has been defined over an approximate 200m strike length, and is presently defined by the better results below. Further trenching is currently in progress.*”

RESULTS OF OPERATIONS

The Company’s net profit for the quarter ended March 31, 2009 was \$26,005 or \$0.0002 per common share compared to a net loss of (\$747,172), or (\$0.01) per common share, for the same period last year.

The net profit for the quarter ended March 31, 2009 includes results from mining operations which produced a net operating profit of \$1,930,211. This net operating profit included metal sales, net of refining and royalty costs, of \$1,539,468 and non-cash deferred mining costs amortization and equipment depreciation charges totalling \$863,544.

The difference between the net profit for the quarter ended March 31, 2009 and the net loss for the same period in 2008 (\$782,082) was mainly attributable to the net profit from mining operations. The mine was still in the commissioning phase at March 31, 2008 so there was no equivalent amount included in the result for the quarter ended March 31, 2008.

Other items that contributed to the increase in net profit between the two periods included higher interest and other income, lower other general and administration costs, and lower financing costs of \$243,147 compared to \$268,946 for the same period in 2008. The higher interest and other income was primarily due to \$69,162 (quarter ended March 31, 2008: \$nil) of interest charges accrued on the long term debtor owed by the Company's Mt Sinivit mine joint venture partner's share of capital and operating costs. The financing costs for the quarter ended March 31, 2008 included one off costs of \$197,266 associated with a short term loan from Vangold Ltd while the current period costs include \$181,217 relating to the amortization of costs associated with the convertible debentures issued in December 2008 and January 2009.

Offsetting the increase in net profit were impairments, caused generally by market conditions, to the Company's investments in Pacific Kanon Gold Corporation and related receivables, and increased employee stock based compensation. The Company also had a foreign exchange gain in the quarter ended March 31, 2009 of \$64,975 compared to a loss of (\$52,745) during the same period in 2008 because of fluctuations in foreign currency rates.

Significant non-cash costs, totalling \$2,391,947 (quarter ended March 31, 2008: \$117,111), included in the Company's net profit for the quarter ended March 31, 2009 included non-cash impairments and bad debt write offs of \$262,477 (quarter ended March 31, 2008: \$nil), total amortization and depreciation expenses of \$930,908 (quarter ended March 31, 2008: \$60,706), share of losses from equity accounted associates of \$42,285 (quarter ended March 31, 2008: \$56,405), and stock-based compensation expense of \$1,156,277 (quarter ended March 31, 2008: \$nil). The net profit for the period also includes \$74,656 interest income accrued and not received during the quarter ended March 31, 2009 (quarter ended March 31, 2008: \$12,894). Non-cash income and expenditure does not affect the financial condition of the Company.

During the quarter ended March 31, 2009 the Company completed \$400,438 (quarter ended March 31, 2008: \$395,972) in exploration and evaluation on its mineral property interests, but no expenditure on mine development and commissioning (quarter ended March 31, 2008: \$1,635,710). During the quarter the Company had \$1,591,161 of gold sales (quarter ended March 31, 2008: \$359,626, 100% offset against mine development costs when the mine was still in the development/commissioning phase).

CAPITAL RESOURCES AND LIQUIDITY

Capital resources of the Company consist primarily of cash and liquid short-term deposits of approximately \$2,000,000 at March 31, 2009 and \$1,000,000 at May 22, 2009.

The Company's cash requirements include: funding its ongoing mining and exploration operations; administration and corporate activities; and servicing its bank debt and convertible debentures over the next 12 months. The Company routinely prepares cashflow and expenditure budgets to monitor cash requirements on an ongoing basis. The Company has budgeted for mine operations to fund liquidity requirements for at least the next 12 months. Capital markets may need to be accessed again to fund the Company's operations. There is however no certainty that the Company will be able to obtain funding from capital markets in the future.

CASH FLOWS

Including expenditure attributable to mining work in progress and inventory items, the Company has not yet generated positive cash-flow from mining operations. The Company is working towards producing cash flows from gold production to fund ongoing mining and exploration operations, as well as its administration and corporate activities. In the past the Company has also been able to fund its operations by issuing its shares or convertible debt securities either through financings or the exercise of existing share purchase warrants and stock options.

Cash used for operating activities in the quarter ended March 31, 2009 increased to \$506,049 compared to \$351,416 in for the same period in 2008. This increase in operating cash used was mainly due to the costs from commercial production, including the build up of work in progress inventories, included in the current quarter but not the March 2008 quarter. The increase in cash used for operating activities during the March 2009 quarter was offset by revenue from mine operations, an increased foreign exchange gain and an increase in accounts payable and accrued liabilities.

Cash used in investing activities decreased from \$3,682,233 in the quarter ended March 31, 2008 to \$869,613 in the quarter ended March 31, 2009. The difference is primarily due to development of the Mt Sinitit mine was finalized in the March 2008 quarter and the purchase of shares in the Coppemoly float also in the March 2008 quarter.

Cash flows from financing activities in the quarter ended March 31, 2009 included the net proceeds from the second tranche of convertible debentures issued in January 2009. These proceeds were used entirely for the retirement of bank debt during the quarter. Cash flows from financing activities during the quarter ended March 31, 2008 was mainly from the exercise of outstanding 30 cent warrants.

EXPLORATION

Full details of exploration on the Company's projects are available in the First Quarter, 2009 Management Discussion and Analysis available at newguineagold.com and filed on SEDAR.

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

ON BEHALF OF THE BOARD

“Robert D McNeil”

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