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PRESS RELEASE

New Guinea Gold Advises of Unwarranted Proxy Contest Launched by Dissident Shareholders

Vancouver BC, October 19, 2009. New Guinea Gold Corporation (NGG) or (the Company) announces that two shareholders holding not less than 5% of the issued shares of the Company have requisitioned the directors of the Company to call a general meeting of the members of the Company for purposes including removing existing directors, and electing alternative directors.

A press release dated October 15, 2009 by Steve Vanry, who represents that he owns 19,000 New Guinea Gold shares states that Mr Vanry is acting as agent for a “concerned shareholder group”.

“It is a matter of regret that Mr. Vanry has never approached the Company to express his concerns, and instead has chosen to launch a potentially expensive and distracting proxy fight at this critical time in our development. This proxy fight will impact on management’s time and efforts, to focus on improving production from the Sinivit Mine (particularly now that the mining fleet at Sinivit is back up to strength). Such a proxy contest can only be detrimental to all shareholders,” said Bob McNeil, Chairman and CEO.

“NGG’s directors all have significant mining and business experience, and three of the five live or have lived and worked extensively in Papua New Guinea (PNG). **At this point, we have no indication of who the management and director nominees of Mr. Vanry are and how they intend to replicate this experience.** Mr. Vanry states he intends to replace not only directors, but also all management. NGG operates from bases in Vancouver BC, Queensland Australia, and Kokopo and Alotau in Papua New Guinea (PNG) . Again, we have no idea how Mr. Vanry proposes to manage this complex operation – my belief is that, if Mr. Vanry succeeds, it could be quite detrimental for the immediate future of the Company,” concluded Mr. McNeil.

The October 15th press release by Mr Vanry also contained a number of mis-statements which the Company wishes to correct.

1. *Mr Vanry says: “On September 16, 2009, NGG agreed to option the Company's Imwauna project...”*

In fact, the Option provides the Optionee (a Private Company, 7238550 Canada Ltd) the right to acquire only a **50% (fifty percent)** legal and beneficial interest in Normanby's (EL 1091) Imwauna property.

Consideration for the Option is significant and includes a series of cash payments totalling \$1 million, plus the purchase by way of Private Placement of \$1 million worth of New Guinea Gold common shares. In addition, the Optionee must complete exploration expenditures totalling a minimum of \$5 million over two years. The benefit of the Option is that it provides for the expeditious development of the Imwauna property, without further immediate spending by NGG. It provides NGG with significant upside in that NGG will retain a 50% interest in the Imwauna property.

7238550 Canada Ltd ("Canada Co") is a recently incorporated private company that is entirely at arm's length to the Company, its associates and its affiliates. Canada Co.'s directors/officers are Colin McKenzie and Marcin Lis and its sole shareholder is Philip Dadson.

The Company negotiated the transaction with Philip Dadson, Greg Clarke, a consultant to Canada Co., and Cassels Brock and Blackwell, who acted as legal counsel to Canada Co.

2. *Mr. Vanry says: "Imwauna, at 706,000 ounces of gold, accounts for 95% of the Company's inferred gold resources."*

This statement is misleading as it ignores Indicated Resources of 713,000t @ 5.79 g/t gold or 132,000 ounces identified at the oxide cap of the Sinivit mine. A copy of the 43-101 compliant Technical Report by Project Geoscience Pty. Ltd. (PG) was filed on SEDAR in January 2006. PG is an Australian based Mineral Resources Consultancy which is independent of New Guinea Gold as defined in National Instrument 43-101. Ralph Stagg, B.Sc, M.Sc, DIC, F.AusIMM, CP, MIMMM, C.Eng, who has 35 years experience in the exploration, mining, engineering and investment fields served as the Independent Qualified Person responsible for the preparation of the independent report in accordance with NI 43-101.

3. *Mr. Vanry says: "Today, in the midst of perhaps the strongest metal market of the past 100-years, the Company appears to be in a battle to simply remain solvent."*

The current strategy (see Press Release dated October 7, 2009, and point 4 below), will ensure that NGG remains solvent and increase shareholder value. At the end of September, NGG had cash of AUD\$1.023 million, excluding proceeds of September gold sales, plus marketable securities of approximately AUD\$ 4.5 million in Coppermoly Ltd (escrowed until January 2010), and Vangold Resources. In addition the Company expects to receive cash of CAD\$2 million – and 19.9% of the shares in a reorganized Vangold as a result of recent joint venture transactions

Mr. Vanry says: "At one time NGG was a well funded enterprise controlling an impressive, multi-metal project portfolio in Papua New Guinea."

Mr. McNeil noted: "Contrary to Mr. Vanry's assertion that NGG "at one time was a well funded enterprise", as we have noted in several Press Releases in the past, NGG has in fact always suffered from a lack of adequate capital. NGG has never had sufficient funds to be able to maintain an impressive, multi-metal project portfolio in Papua New Guinea (Mr. Vanry's quote) without joint venture assistance, the Sinivit Mine was significantly undercapitalized from commencement, with adverse results in production".

In fact, Mr. Vanry appears to be unaware of the strategy that NGG has pursued since early 2008. At that time, NGG had concluded that since the market appeared to assign value only to the principal gold properties, the Company would undertake a restructuring to separately finance the Pacific Kanon projects and the copper-gold molybdenum (Coppermoly) projects. That restructuring is now complete, and in exchange for cash and marketable securities, NGG retains significant interest in eight projects and a controlling interest in two.

4. *Mr. Vanry says: "In our view, the replacement of the existing Board of Directors and Management of NGG is the only means to ultimately realize the potential of the Company's assets and deliver value to shareholders. We intend to restore financial*

stability to the Company and focus on building a compelling growth story that resonates within the worldwide mining investment community”.

Mr. McNeil noted: “This statement by Mr. Vanry is essentially a “motherhood” statement and, in my view, misleading. It would seem to suggest that the strategy outlined above could be overturned, which it cannot. All transactions to date are binding on NGG. Whereas Mr. Vanry intends to “focus on building a growth story”, **present management is focused on actually building such growth, not on a story”.**

Mr. Vanry’s statement that: “*assets have been systematically depleted*” is incorrect.

Mr. Vanry, if he has been associated with junior explorers in the past, should be aware it is impossible for a junior explorer to fund and develop 10 separate projects by itself. This would be a recipe for disaster, and illustrates Mr. Vanry’s lack of knowledge of costs of exploration/development in PNG, and in particular NGG’s particular circumstances. We have managed to maintain significant interests in all our projects, most of which do not require further funding from NGG, or funding prior to completion of feasibility. We regard this as a successful strategy. Mr. Vanry has not indicated how he would fund 10 projects through to development.

“Our recent transactions have been designed to significantly increase the rate of exploration and development on a group of high potential properties, while retaining upside potential and providing cash or securities convertible to cash to NGG for use in other key projects, Sinivit and Weioko,” summarised Bob McNeil. Mr. McNeil further noted that: “Mr. Vanry’s action, in my view, if successful, can only result in a further decline in NGG’s share price – is this what most shareholders want?”

Mr. Vanry is a Director and past President of Golden Predator Royalty and Development Corp who resigned as an officer in May 2009 to “pursue other business interests.”

Mr. Robert McNeil BSc (Hons), MSc. F AustlMM, is the founder of New Guinea Gold Corporation. During 50 years industry experience Mr. McNeil has amassed extensive managerial exploration and mining expertise with multi-national mining and oil companies, both in Australia, USA and the Asia Pacific region. In 1980, Mr. McNeil moved to PNG to establish and manage Exxon’s PNG mineral exploration group, where he held the position of General Manager from 1980 to 1986. Mr. McNeil directly and indirectly owns 1,382,950 New Guinea Gold common shares, with family interests owning a further approximately 600,000 shares.

ON BEHALF OF THE BOARD

R.D.McNeil
CHAIRMAN & CEO

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