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FOR IMMEDIATE RELEASE

New Guinea Gold Announces Company Update

Vancouver, BC – July 19, 2011 – New Guinea Gold Corporation (“NGG” or the “Company”) is a premier junior explorer and miner in Papua New Guinea, with direct and indirect interests in eight gold and two porphyry copper gold-molybdenum projects (which include 14 tenement titles). With 90,000+ meters of drilling completed, gold or copper-gold-molybdenum mineralisation has been discovered on all of the projects. The Company’s premier project, the Sinivit Mine, has been producing gold since August 2007 and the Company is focused on expanding the exploration program, increasing production from the mine and developing the gold, copper and tellurium resources.

However, the Company’s interests are diversified and not entirely reliant on the Sinivit Project.

Sinivit Project

On May 3, 2011 the Company announced the results of an independent assessment of the Sinivit Project by Mining Associates Pty Ltd. Mining Associates recommended a three-phase development of the Sinivit Project with a total expenditure of approximately CAD\$60 million. The exploration component, intended to confirm the total oxide resource and the probable size of the mineralised system, was approximately CAD\$6 million.

Recent drilling at the Kavursuki extension to the Sinivit system has suggested that Kavursuki is of equivalent or larger size than the original Sinivit system.

Recently appointed Acting CEO, Greg Heaney, together with staff and consultants is reviewing the recommendations by Mining Associates. Mr. Heaney’s brief from the Board is to determine the best way to implement Mining Associates’ recommendations to further develop the perceived large potential of the Sinivit System. Mr. Heaney also expects to complete a Feasibility Study in the near term on the processing of the remaining oxide mineralisation at Sinivit and potential mineralisation at Kavursuki, plus re-processing of the partly leached (gold) mineralisation in vats and heaps.

PNG Gold Corporation

NGG’s major asset, in addition to the Sinivit Project, is its shareholding of 15,682,269 shares in PNG Gold Corporation (PKG).

In 2010, NGG entered into two agreements with NMC (now PKG) whereby:

- NMC purchased a 50% interest in the Normanby and Sehulea properties held by NGG for a part consideration of 15,682,269 shares in NMC Mining Corp (now PNG Gold Corporation).

- NMC entered into a joint venture to acquire the remaining 50% of the above properties by paying to NGG CAD\$1 million and spending CAD\$8 million on exploration/development on the properties.

PKG is actively developing the Imwauna (Normanby Property) Project with the intention of completing a Bankable Feasibility Study (to comply with the PNG Government requirements), before the end of the First Quarter 2012.

On July 13, 2011, PKG made the following Press Release re financing of the development of the Imwauna and Sehulea Properties.

“July 13, 2011 (Vancouver, British Columbia): PNG Gold Corporation’s (the ‘Company’ or ‘PGK’) (TSX Venture: PGK) announces that it has established terms for the previously announced private placement of 46,666,666 common shares at a price of \$0.75 per common share for gross proceeds of \$35,000,000. Common shares issued under this offering are subject to a hold period of four months from the closing date which is expected to be on or around July 26, 2011, subject to acceptance by the TSX Venture Exchange and receipt of any required regulatory approvals. Proceeds from the placement will be used to fund the exploration and development work on the Company’s Imwauna property on Normanby Island, Milne Bay Province, Papua New Guinea. The offering was lead by Canaccord Genuity Corp. and Paradigm Capital Inc as Agents.

Dick Whittington, President and CEO, commented “We are very pleased to have arranged this financing under the current difficult market conditions. These funds will allow us to move quickly to increase our exploration and development activities at the Imwauna property with the objective of putting out a 43-101 compliant resource on the property by the second quarter of 2012. Over the balance of 2011 we will update the market with exploration data as drilling occurs”.

About PNG Gold Corporation

PNG Gold Corporation holds a 50% interest in the Imwauna and Sehulea properties on Normanby Island, Milne Bay Province, Papua New Guinea, and an option to acquire the remaining 50%. With the closing of the current financing the Company anticipates fulfilling the remaining option in the next few months. PNG Gold trades on the TSX Venture Exchange under the symbol PGK. PNG Gold’s mission is to become the premier exploration and development company in Papua New Guinea.”

Coppermoly Ltd

Coppermoly Ltd (Coppermoly) has three granted tenements, covering several porphyry copper/gold/molybdenum and diatreme copper/gold systems. Barrick (PNG Exploration Ltd), a subsidiary of Barrick Gold, is presently earning a 72% interest in the property. **Coppermoly’s residual 28% is carried to production with costs subsequent to Barrick achieving earn in, repayable from mine cash flow.**

NGG has 20,973,684 shares in Coppermoly, an interest of approximately 15%.

Barrick is presently drilling at both the Mt Nakru and Simuku properties (see www.coppermoly.com.au for details of results including resources). In 2010 Barrick achieved a major success with a hole at Mt Nakru intersecting 213.75m at 0.92% copper and 0.33g/t gold.

Coppermoly expect to release additional drill assay results within the next two months.

Bob McNeil, Consulting Geologist commented: *“the Nakru and Simuku projects both host substantial copper (plus other elements) mineralisation and it is likely that one or both projects will ultimately be mined.*

Coppermoly shares closed on July 15, 2011 at AUD \$0.105 and have traded lower in the past few months as Barrick ceased drilling in the “wet” season. They could be expected to strengthen with the release of additional drill hole results in the next few months.”

Vangold Resources Ltd

Vangold Resources Ltd (Vangold) has title to three projects (Mt Penck, Fergusson and Allemata) in West New Britain, and Milne Bay Provinces, PNG. Vangold is actively exploring the Fergusson gold project and expects assay results from nine drill holes in the near future.

NGG has an approximate 13% interest in Vangold or 6,219,455 shares, and a 5% carried interest to bankable feasibility in the property. Vangold closed at 10 cents on July 15, 2011.

Bob McNeil, Consulting Geologist commented:

“Vangold projects are all situated in favourable geological environments have proven significant gold in both drill holes and extensive surface sampling and could host very large mineralised systems based on recent geophysical surveys (see www.Vangold.ca for complete results). We believe there is a high probability that one or more of these systems will ultimately be mined.”

Gold Anomaly Ltd

Gold Anomaly Ltd, an Australian Securities listed Company (GOA), operator of the Crater Mountain Joint Venture, announced on July 12, 2011 that they had intersected 46m at 5.90g/t gold with a high grade interval of 2m at 98.2g/t gold at the Crater Mountain Project. Also see Press Release dated March 30, 2011.

Greg Heaney Acting CEO of New Guinea Gold commented: *“NGG holds a 10% free carried interest of Bankable Feasibility in the Crater Mt Project. NGG and GOA have recently signed a Letter of Intent whereby GOA will acquire the above interest in exchange for 31,250,000 GOA shares. Issuance of shares is awaiting approval of the transaction by the PNG Minister for Mines. GOA shares closed at AUD 0.048 on July 15, 2011.*

The Crater Mt system is a large gold system and the above shares will give NGG flexibility in obtaining value for its interest in the project,”

Greg Heaney also noted that Mr Greg Starr, CEO of Gold Anomaly commented as follows:

“We are obviously very excited by the NEV022 results, which represent our highest grade results from our maiden drill program.

The discovery of this new high grade gold zone further enhances the prospects of Crater Mountain ultimately becoming the next major gold discovery in PNG. Whilst most of the excitement to date has arisen from drill results that point to the presence of a large bulk tonnage deposit at the Main Zone, the project will certainly benefit from the existence of supplementing a main deposit with a near surface, high grade gold deposit, akin to the development of Barrick’s Porgera Mine”.

Refer to www.goldanomaly.com.au for further information on Crater Mt and for complete release of July 12, 2011.

Comment

Greg Heaney, Acting CEO of NGG commented:

“The above descriptions show that NGG has substantial interests, direct and indirect, in several projects which host significant mineralised systems and are ultimately likely to be developed as mines. NGG is not simply a one project company with the Sinivit project, but is diversified which provides greater surety that ultimately the company will be successful with a substantial cash flow”.

The information in this release was prepared under the direction of Robert D. McNeil a Fellow of the Australasian Institute of Mining 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 Sinivit are described in an Independent National Instrument 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 info@newguineagold.ca, or access our website – www.newguineagold.ca

ON BEHALF OF THE BOARD

Greg Heaney
ACTING CEO

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Forward Looking Statements - Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of NGG, including, but not limited to the impact of general economic conditions, industry conditions, volatility of commodity prices, risks associated with the uncertainty of resource and reserve estimates, currency fluctuations, dependence upon regulatory approvals, the availability of future financing and exploration risk. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.