

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (the "Meeting") of the shareholders of **New Guinea Gold Corporation** (the "Company") will be held on **Wednesday, June 29, 2011**, at the hour of **1:30 p.m.** (Vancouver Time) at Suite 900, 595 Howe Street, Vancouver, BC for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company for the year ended December 31, 2010 and the report of the auditors thereon;
2. To fix the number of directors to be elected at the Meeting;
3. To elect directors to hold office until the next Annual General Meeting;
4. To appoint auditors for the Company for the ensuing financial year and to authorize the directors to fix the remuneration to be paid to the auditors;
5. To consider, and if though fit, to pass an ordinary resolution to approve the Company's Stock Option Plan, as described in the Information Circular accompanying this Notice of Annual General Meeting; and
6. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Annual General Meeting.

The Company's board of directors has fixed **Wednesday, May 25, 2011** as the **record date** for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company's transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), at their offices located on the 9th Floor, 100 University Avenue, Toronto ON M5J 2Y1, or by toll-free fax within North America 1-866-249-7775 by **1:30 PM (Vancouver time)** on **Monday, June 27, 2011**, or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of Ontario) before the time and date of any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Annual General Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing or any other person that holds your security on your behalf (the "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia this 25th day of May 2011.

BY ORDER OF THE BOARD

(signed) *Ces E. Iewago*

Ces E. Iewago
Chairman

NEW GUINEA GOLD CORPORATION
INFORMATION CIRCULAR
FOR THE 2011
ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

As of May 25, 2011 (unless otherwise indicated)

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of New Guinea Gold Corporation (the "Company") for use at the Annual General Meeting (the "Meeting") of the shareholders of the Company (the "Shareholders"), to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

The solicitation will be made primarily by mail and may in addition be made by personal, electronic and telephone contact with shareholders by directors, officers and regular employees of the Company. The cost of solicitation will be borne by the Company.

PROXIES AND VOTING RIGHTS

Management Solicitation

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxies

The persons named as proxy holders (the "**Designated Persons**") in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR CORPORATION (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S COMMON SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

A proxy will not be valid unless the form of proxy is received by the Company's registrar and transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), at their offices located on the 9th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, or by toll-free fax within North America 1-866-249-7775, by mail or fax, at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of Ontario) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof.

Signing of Proxies

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer, or attorney-in-fact, for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, should accompany the form of proxy.

Revocation of Proxies

A Shareholder who has given a proxy may revoke it at anytime, before it is exercised, by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Proxy Voting

A Shareholder may indicate the manner in which the Designated Persons are to vote on any poll with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the common shares ("**Common Shares**") represented by the proxy will be voted or withheld from voting on any poll in accordance with the instructions given in the proxy.

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE COMPANY'S NOMINEES FOR DIRECTORS AND AUDITORS AND FOR EACH OTHER MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting. **If any amendments, variations or other matters should properly come before the Meeting, such discretionary authority will be exercised in accordance with the best judgment of the Proxy nominee on such matters.**

In the case of abstentions from, or withholding of, the voting of the Common Shares on any matter, the Common Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or an officer of the Company at any time since the beginning of its last completed financial year or any proposed nominee for election as a director, or any associate of any such director or officer, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors the appointment of auditors and the adoption of the Company's incentive stock option plan ("Stock Option Plan") approval, of which will be sought at the Meeting. Directors and executive officers of the Company may participate in the incentive Stock Option Plan and accordingly have an interest in its approval. See "Particulars of Matters to be Acted Upon".

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to those of our Shareholders who do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of the Common Shares ("Registered Shareholders") can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, or another intermediary then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co., as nominee for The Depository Trust Company, which acts as depository for many United States brokerage firms and custodian banks, and in Canada, under the name of CDS & Co., the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms. Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.

Applicable regulatory policy requires intermediaries and brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary and broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to proxy forms and mail those forms to the Beneficial Shareholders. Beneficial Shareholders should return the proxy forms to Broadridge. Alternatively, a Beneficial Shareholder may call a toll-free number to vote the Common Shares held by the Beneficial Shareholder. Broadridge will then tabulate the results of all instructions received and provide appropriate instructions respecting the voting of Common Shares to be represented at the Meeting.

A BENEFICIAL SHAREHOLDER RECEIVING A BROADRIDGE PROXY FORM CANNOT USE THAT PROXY TO VOTE COMMON SHARES DIRECTLY AT THE MEETING. THE PROXY MUST BE RETURNED TO BROADRIDGE WELL IN ADVANCE OF THE MEETING IN ORDER TO HAVE THEIR COMMON SHARES VOTED AT THE MEETING.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxy holder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxy holder for the registered Shareholder should contact their broker or other agent or nominee holder, well in advance of the Meeting for instructions.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Company consists of an unlimited number of common shares. As at the close of business on **May 25, 2011**, the record date (the "**Record Date**") set for purposes of the Meeting, there were **234,013,436** common shares without par value issued and outstanding. Each common share carries, on any poll at the Meeting, one vote.

Only registered holders of common shares as at the close of business on the Record Date will be entitled to receive notice of and vote their common shares so held on the register of the Company as at the close of business on the Record Date at the Meeting. (See "Advice to Beneficial Shareholders", above)

To the knowledge of the Company's directors and executive officers, as of May 25, 2011, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company, other than as set forth below:

Name ⁽¹⁾	Number of Shares	Percentage of Issued and Outstanding Common Shares ⁽²⁾
Philip Dadson ⁽³⁾	26,856,048	11.48%

Notes:

- (1) The majority of the common shares are held by the Canadian Depository for Securities, and as such management is unaware of the beneficial holders thereof. The above information is based upon information supplied by the Company's registrar and transfer agent and the Company's management.
- (2) Based on 234,013,436 common shares issued and outstanding on the Record Date
- (3) The registered holder of these common shares is NMC Mining Corp. ("NMC"), the disclosed holding is controlled by Philip Dadson, a director and officer of NMC.

APPOINTMENT OF AUDITOR

Unless directed otherwise by a proxy holder, Management's Designated Person, if named as proxy, intends to vote the Common Shares represented by any such proxy in favour of such resolution. At the Meeting, Shareholders will be asked to pass an ordinary resolution re-appointing *BDO Dunwoody LLP*, Chartered Accountants, as auditors of the Company for the next ensuing year at a remuneration to be fixed by the Company's board of directors (the "Board")

ELECTION OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at five, subject to such increase as may be permitted by the Articles of the Company. The persons named in the accompanying proxy intend to vote in favour of the resolution.

The directors of the Company are elected annually and hold office until the next Annual General Meeting of Shareholders or until their successors are duly elected or appointed, or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the shares represented by a proxy will be voted for the nominees herein listed.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. THE COMPANY HAS NOT RECEIVED NOTICE OF, AND MANAGEMENT IS NOT AWARE OF, ANY PROPOSED NOMINEE IN ADDITION TO THE NAMED NOMINEES.

The following persons are management's nominees for election as Directors at the Meeting. Information provided is as of the Record Date.

Name, Jurisdiction of Residence and Present Office Held⁽¹⁾	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised⁽²⁾	Principal Occupation and, if Not Previously Elected, Principal Occupation during the Past Five Years
Colin B. McKenzie⁽³⁾ Ontario, Canada <i>Director</i>	June 29, 2010	59,500 Common Shares	Consultant to NMC Mining Corp. President & CEO of Cornerstone Capital Resources Inc. (April 2008 to Present) Prior to that, Vice President, Exploration – Skye Resources
Ab Berar⁽³⁾ British Columbia, Canada <i>Director</i>	March 31, 2005	110,000 Common Shares	Director of the Company (Mar 2005 to present)
Ces Iewago⁽³⁾ National Capital District, Papua New Guinea <i>Director, Chairman</i>	December 5, 2005	10,000 Common Shares	Director of the Company (Dec 2005 to present), Non-Executive Director Coppermoly Limited, an Australian listed company (Nov 2008 to present)
Bryan T. Nethery British Columbia, Canada <i>Director</i>	February 4, 2010	200,000 Common Shares	Mining Executive
Michael W. Reynolds Canton of Zug, Switzerland <i>Director</i>	August 18, 2010	Nil	Director of the Company (August 18, 2010 to present) Managing Director of Aries Asset Advisors SA (Oct 2008 to present)

Notes:

- (1) The information as to province, state and country of residence, shares beneficially owned directly or indirectly or over which control or direction is exercised and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) The information as to shares beneficially owned directly or indirectly or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (3) Member of Audit Committee.

Corporate Cease Trade Orders and Bankruptcies

Other than as described below, none of the Management nominees for election as a director of the Company:

- (a) is, as at the date of the information circular, or has been, within 10 years before the date of the information circular, a director, chief executive officer or chief financial officer of any company (including the company in respect of which the information circular is being prepared) that:
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

- (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,
- (b) is, as at the date of the information circular, or has been within 10 years before the date of the information circular, a director or executive officer of any company (including the company in respect of which the information circular is being prepared) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or
- (c) has, within the 10 years before the date of the information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties or Sanctions

No director, officer, insider or promoter of the Company, or a shareholder of the Company holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

EXECUTIVE COMPENSATION

Definitions: For the purpose of this Information Circular:

"Chief Executive Officer" or **"CEO"** of the Company means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"Chief Financial Officer" or **"CFO"** of the Company means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year.

"closing market price" means the price at which the Company's security was last sold, on the applicable date, in the security's principal marketplace in Canada.

"executive officer" of the Company means an individual who at any time during the most recently completed financial year was:

- (a) a chair, vice-chair or president of the Company;

- (b) a vice-president of the Company in charge of a principal business unit, division or function including sales, finance or production; or
- (c) performing a policy-making function in respect of the Company.

"incentive plan" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period.

"incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan.

"Named Executive Officers" or "NEOs" means the following individuals:

- (a) each CEO;
- (b) each CFO;
- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each additional individual who would be a NEO under (c) above, but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

"option-based award" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

"plan" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons.

"replacement grant" means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option.

"repricing" means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option.

"share-based award" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers of the Company

Maurice Gannon, former President and former Acting CEO; Ces Iewago, Chairman; Lisa Hartin, CFO and Wayne Johnston, COO are each a "NEO" of the Company for the financial year ended December 31, 2010. Maurice Gannon was appointed President on February 1, 2010 and Acting CEO on November 1, 2010 replacing Robert D. McNeil who resigned as President on January 31, 2010 and as CEO and Chairman on October 31, 2010. Ces Iewago was appointed Chairman on December 3, 2010, replacing Mr. McNeil. Mr. Gannon resigned as President and Acting CEO on January 19, 2011. On February 1, 2011, Mr. McNeil was appointed Acting CEO.

Currencies

All financial amounts are stated in Canadian dollars unless otherwise indicated

Compensation Discussion and Analysis

Philosophy and Objectives

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- to align executive compensation with shareholders' interests;
- to attract and retain highly qualified management;
- to focus performance by linking incentive compensation to the achievement of business objectives and financial results; and
- to encourage retention of key executives for leadership succession.

The Company's executive compensation program comprises three elements: base salary, bonus incentives and equity participation. The compensation program is designed to pay for performance. Employees, including senior executives, are rewarded for the achievement of annual operating and financial goals, progress in executing the Company's long-term growth strategy and delivering strong total shareholder return performance.

The Company reviews industry compensation information and compares its level of overall compensation with those of comparable sized mineral exploration companies. Generally, the Company targets base management fees at levels approximating those holding similar positions in comparably sized companies in the industry and hopes to achieve competitive compensation levels through the fixed and variable components.

The Company's total compensation mix places a significant portion of the executive's compensation at risk and relies heavily on the award of stock options. The design takes into account individual and corporate performance. Compensation practices, including the mix of base management fees, short-term incentives and long-term incentives, are regularly assessed to ensure they are competitive, take account of the external market trends and support the Company's long-term growth strategies. Due to the early stage of the Company's development programs, the flexibility to quickly increase or decrease appropriate human resources is critical. Accordingly, the Company does not enter into long-term commitments with its officers.

Base Compensation

In the Board's view, paying base salaries or management fees which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Base compensation is compensation for discharging job responsibilities and reflects the level of skills and capabilities demonstrated by the executive. Annual adjustments take into account the market value of the role and the executive's demonstration of capability during the year.

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the executive meeting those strategic objectives and milestones, the executive's individual performance and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon comparable compensation levels based on recommendations of the Board as a whole, and such recommendations are generally based on survey data provided by independent consultants.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's stock option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board.

Option-Based Awards

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the long-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire and increase proprietary interest in the Company. The Company awards stock options to its executive officers based upon the recommendation of the Board, which recommendation is based upon the Board's review of a proposal from the CEO. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation and amendments to the existing stock option plan are the responsibility of the Board.

Summary Compensation Table

The following table sets forth the total compensation paid to or earned by the NEOs of the Company for the Company's three most recently completed financial years that end on or before December 31, 2010.

Name and principal position (a)	Year (b)	Salary (\$) (c)	Share-based awards (\$) (d)	Option-based awards (\$) (e) ⁽¹⁾⁽²⁾	Non-equity incentive plan compensation (\$) (f)		Pension value (\$) (g)	All other compensation (\$) (h)	Total compensation (\$) (i)
					Annual incentive plans (f1)	Long-term incentive plans (f2)			
Robert D. McNeil ⁽³⁾ Former Chairman, President & CEO	2010	\$196,211	Nil	\$70,335	Nil	Nil	Nil	Nil	\$266,546
	2009	\$160,239	Nil	\$103,950	Nil	Nil	Nil	Nil	\$264,189
	2008	\$125,273	Nil	\$61,387	Nil	Nil	Nil	\$20,736	\$207,396
Lisa Hartin ⁽⁴⁾ CFO	2010	\$137,739	Nil	\$26,050	Nil	Nil	Nil	Nil	\$163,789
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Wayne Johnston ⁽⁵⁾ COO	2010	\$158,497	Nil	\$26,050	Nil	Nil	Nil	Nil	\$184,547
	2009	\$134,655	Nil	\$41,580	Nil	Nil	Nil	Nil	\$176,235
	2008	\$135,000	Nil	Nil	Nil	Nil	Nil	Nil	\$135,000
Ces Iewago ⁽⁶⁾ Chairman	2010	\$64,182	Nil	\$46,890	Nil	Nil	Nil	Nil	\$111,072
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Maurice Gannon ⁽⁷⁾ President, Acting CEO	2010	\$26,682	Nil	\$26,050	Nil	Nil	Nil	Nil	\$52,732
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The deemed fair value of option based awards was determined using the *Black Scholes Option Pricing Mode*. For options granted in the fiscal year ended December 31, 2010 please see Note 16(b) of the annual financial statements for that fiscal year for the terms and assumptions used.
- (2) "Options" includes all options, share purchase warrants and rights granted by the Company as compensation for employment services or office.
- (3) Robert McNeil was appointed as Chairman on June 4, 1996; CEO on May 18, 2003 and President May 18, 2003 and resigned as President on January 31, 2010 and as Chairman and CEO on October 31, 2010. On February 1, 2011, Mr. McNeil was appointed as Acting CEO.
- (4) Lisa Hartin was appointed as CFO on June 1, 2010.
- (5) Wayne Johnston was appointed as COO on December 3, 2007.
- (6) Ces Iewago was appointed as Chairman on December 3, 2010
- (7) Maurice Gannon was appointed as President on February 1, 2010 and Acting CEO on November 1, 2010. Mr. Gannon resigned as President and Acting CEO on January 20, 2011

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all share-based and option-based awards outstanding at the end of the most recently completed financial year end, namely December 31, 2010, for each NEO.

Name	Option-based Awards				Share-based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-Money Options ⁽¹⁾ (\$)	Number of Shares or Units of Share that have not Vested (#) ⁽²⁾	Market or Payout Value of Share-Based Awards that have not Vested (\$) ⁽¹⁾
Robert D. McNeil ⁽³⁾ Former Chairman, President & CEO	1,350,000	\$0.12	September 17, 2014	Nil	N/A	N/A
	500,000	\$0.29	February 3, 2014	Nil		
	170,000	\$0.33	December 11, 2011	Nil		
Lisa Hartin CFO	500,000	\$0.12	September 17, 2014	Nil	N/A	N/A
	100,000	\$0.29	February 3, 2014	Nil		
	50,000	\$0.33	December 11, 2011			
Wayne Johnston COO	500,000	\$0.12	September 17, 2014	Nil	N/A	N/A
	200,000	\$0.29	February 3, 2014	Nil		
Ces Iewago Chairman	900,000	\$0.12	September 17, 2014	Nil	N/A	N/A
	200,000	\$0.29	February 3, 2014	Nil		
Maurice Gannon President, Acting CEO	500,000	\$0.12	September 17, 2014	Nil	N/A	N/A
	100,000	\$0.29	February 3, 2014	Nil		

Notes:

- (1) Value of In-the-money options is calculated based on the difference between the closing market price of the Common Shares underlying the options at the end of the most recently completed financial year and the exercise price of the options. The closing market price of the Common Shares on the TSXV as of December 31, 2010 was \$0.10 per share.
- (2) The Company has not granted any share-based awards.
- (3) Mr. McNeil resigned as President on January 31, 2010 and as Chairman and CEO on October 31, 2010. On February 1, 2011, Mr. McNeil was appointed as Acting CEO.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table summarizes, for each of the NEOs, the value of options vested during the year ended December 31, 2010.

Name (a)	Option-based awards – Value vested during the year (\$) (b) ⁽¹⁾	Share-based awards – Value vested during the year (\$) (c) ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year (\$) (d)
Robert D. McNeil ⁽³⁾ Former Chairman, President & CEO	\$70,335	Nil	Not Applicable
Lisa Hartin CFO	\$26,050	Nil	Not Applicable
Wayne Johnston COO	\$26,050	Nil	Not Applicable
Ces Iewago Chairman	\$46,890	Nil	Not Applicable
Maurice Gannon President, Acting CEO	\$26,050	Nil	Not Applicable

Notes:

- (1) For options that vested during the most recently completed financial year and were in-the-money on the vesting date, based on the difference between the most recent closing market price of the Common Shares underlying the vested option at the time of vesting and the exercise price of the options.
- (2) The Company has not granted any share-based awards
- (3) Mr. McNeil resigned as President on January 31, 2010 and as Chairman and CEO on October 31, 2010. On February 1, 2011, Mr. McNeil was appointed as Acting CEO

Pension and Retirement Benefit Plans

No pension or retirement benefit plans have been instituted by the Company and none are proposed at this time.

Termination and Change of Control Benefits

The Company has no plan or arrangement whereby any NEO may be compensated in the event of that NEO's resignation, retirement or other termination of employment, or in the event of a change of control of the Company or a change in NEO's responsibilities following such a change of control.

Director Compensation

The Company currently has five directors, one of which is also a NEO, namely Ces lewago.

During the Company's most recently completed financial year, there were no standard compensation arrangements, or other arrangements in addition to or in lieu of standard arrangements, under which the directors of the Company were compensated for services in their capacity as directors (including any additional amounts payable for committee participation or special assignments), or for services as consultants or experts.

Director Compensation Table

The following table sets forth the value of all compensation provided to directors of the Company's most recently completed financial year ended December 31, 2010:

Name (a) ⁽¹⁾	Fees earned (\$) (b)	Share-based awards (\$) (c)	Option-based awards (\$) (d) ⁽²⁾	Non-equity incentive plan compensation (\$) (e)	Pension value (\$) (f)	All other compensation (\$) (g)	Total (\$) (h)
Ab Berar	\$10,000	Nil	\$46,890	Nil	Nil	Nil	\$57,890
Bryan Nethery ⁽³⁾	Nil	Nil	\$46,890	Nil	Nil	Nil	\$46,890
Colin McKenzie ⁽⁴⁾	Nil	Nil	\$46,890	Nil	Nil	Nil	\$46,890
Michael Reynolds ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) For the compensation of Robert D. McNeil, Wayne Johnston and Ces lewago, who are or were recently NEOs of the Company, see "Statement of Executive Compensation – Summary Compensation Table". Wayne Johnston resigned as a director of the Company on August 18, 2010 and Robert D. McNeil resigned as a director of the Company on February 9, 2011.
- (2) The deemed fair value of option based awards was determined using the *Black Scholes Option Pricing Mode*. For options granted in the fiscal year ended December 31, 2010 please see Note 16(b) of the annual financial statements for that fiscal year for the terms and assumptions used.
- (3) Bryan Nethery became a director of the Company on February 4, 2010.
- (4) Colin McKenzie became a director of the Company on June 29, 2010.
- (5) Michael Reynolds became a director of the Company on August 18, 2010.

Outstanding Share-Based Awards and Option-Based Awards

Name (a) ⁽¹⁾	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options (\$) (b) ⁽²⁾	Number of shares or units of shares that have not vested (#) (f) ⁽³⁾	Market or payout value of share-based awards that have not vested (\$) (g) ⁽³⁾
Ab Berar	900,000 200,000 50,000	\$0.12 \$0.29 \$0.33	September 17, 2014 February 3, 2014 December 11, 2011	Nil	Nil	Nil
Bryan Nethery	900,000	\$0.12	September 17, 2014	Nil	Nil	Nil
Colin McKenzie	900,000	\$0.12	September 17, 2014	Nil	Nil	Nil
Michael Reynolds	900,000	\$0.12	September 17, 2014	Nil	Nil	Nil

Notes:

- (1) For the outstanding option-based awards to Robert D. McNeil, Wayne Johnston and Ces Iewago, who are or were recently NEOs of the Company, see "Statement of Executive Compensation – Incentive Plan Awards – Outstanding Share-Based and Option-Based Awards". Wayne Johnston resigned as a director of the Company on August 18, 2010 and Robert D. McNeil resigned as a director of the Company on February 9, 2011.
- (2) Value of in-the-money options is calculated based on the difference between the closing market price of the Common Shares underlying the options at the end of the most recently completed financial year and the exercise price of the options. The closing market price of the Common Shares on the TSXV as of December 31, 2010 was \$0.10 per share.
- (3) The Company has not granted any share-based awards.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table summarizes the value of each incentive plan award vested or earned by each Director who is not an NEO during the financial year ended December 31, 2010.

Name (a) ⁽¹⁾	Option-based awards – Value vested during the year (\$) (b) ⁽²⁾	Share-based awards – Value vested during the year (\$) (c) ⁽³⁾	Non-equity incentive plan compensation – Value earned during the year (\$) (d)
Ab Berar	\$46,890	Nil	Nil
Bryan Nethery	\$46,890	Nil	Nil
Colin McKenzie	\$46,890	Nil	Nil
Michael Reynolds	Nil	Nil	Nil

Notes:

- (1) For the compensation of Robert D. McNeil, Wayne Johnston and Ces Iewago, who are or were recently NEOs of the Company, see above. Wayne Johnston resigned as a director of the Company on August 18, 2010 and Robert D. McNeil resigned as a director of the Company on February 9, 2011.
- (2) For options that vested during the most recently completed financial year and were in-the-money on the vesting date, based on the difference between the most recent closing market price of the Common Shares underlying the vested option at the time of vesting and the exercise price of the options.
- (3) The Company has not granted any share-based awards.

Plan-based Awards

The significant terms of the Company's stock option plan are set out below under the heading "Particulars of Matters to be Acted Upon – Re-Approval of Incentive Stock Option Plan".

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has no compensation plans under which equity securities are authorized for issuance as at the fiscal year ended December 31, 2010, with the exception of the Company's Stock Option Plan.

The following table sets forth information with respect to the Company's Stock Option Plan as at the year ended December 31, 2010.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	15,220,000	\$0.05	4,950,290 ⁽¹⁾
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	15,220,000	\$0.05	4,950,290

Notes:

(1) This figure is based on the total number of shares authorized for issuance under the Company's Option Plan, less the number of Options outstanding as at the Company's year ended December 31, 2010. As at December 31, 2010, the Company was authorized to issue a total of 20,170,290 Options being 10% of the outstanding issued share capital of the Company at the date the last option plan was approved by shareholders.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

None of the individuals who are, or at any time during the most recently completed year were, directors or executive officers of the Company or any of its subsidiaries, the proposed nominees for election as a director, or associates of such persons is or has been indebted to the Company (other than routine indebtedness) at any time since the beginning of the most recently completed financial year, or is a person whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or a subsidiary thereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Information Circular, "informed person" means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its

securities. No informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or its subsidiary.

CORPORATE GOVERNANCE

General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent communication with the Board.

As of the date of this Information Circular, the following persons are the directors of the Company:

Ab Berar	Independent
Ces lewago	Not Independent ⁽¹⁾
Bryan T. Nethery	Independent
Colin McKenzie	Independent
Michael Reynolds	Independent

Notes:

- (1) The Company considers a member of the Board as "Not Independent" if he or she has a direct or indirect "material relationship" with the issuer as set out in NI 52-110

Directorships

Certain of the directors, or nominee for director, are also directors or officers of other reporting issuers, as follows:

Director of Other Reporting Issuers

Director	Other Reporting Issuer
Ab Berar	Nil
Ces lewago	Coppermoly Limited
Bryan T. Nethery	Frontera Copper Corporation
Colin McKenzie	Cornerstone Capital Resources Inc.
Michael Reynolds	Oceanic Iron Ore Corp.

Orientation and Continuing Education

Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of the Company's business will be necessary and relevant to each new director. The Company provides continuing education for its directors as such need arises and encourages open discussion at all meetings which format encourages learning by the directors.

Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance objectives and goals.

In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President of the Company. The Board monitors but does not formally assess the performance of individual Board members or committee members on their contributions.

Compensation

Compensation for the NEOs has been disclosed above. Cash compensation paid to directors of the Company for the director's services as a director during the fiscal year ended December 31, 2010 is disclosed in the director's compensation table above.

Other Board Committees

In addition to the Audit and Compensation committees, the Company has a Planning and Operations Committee and an Administration and Accounting Committee.

Assessments

The Board collectively conducts and reviews informal annual assessments of the Board's effectiveness, its individual directors and its individual committees.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 Audit Committees of the Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

The Audit Committee Charter

1. Members. The Board of Directors will appoint an Audit Committee of at least three (3)

members, a majority of whom should be “independent” directors of the Board. “Independent” means a director who meets the definition of “independence” under National Instrument 52-110 or any successor policy promulgated by securities regulatory authorities.

All members of the Audit Committee should be “financially literate”. An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. Each appointed member of the Audit Committee shall be subject to annual reconfirmation and may be removed by the Board of Directors at any time.

2. Purposes, Duties, and Responsibilities. The Audit Committee represents the Board of Directors in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and audit activities and legal compliance of the Company and its subsidiaries; however, the Audit Committee’s function shall not relieve the Company’s management of its responsibilities for preparing financial statements which accurately and fairly present the Company’s financial results and conditions or the responsibilities of the independent accountants relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) Recommend to the Board the appointment (including terms of appointment such as compensation and scope of duties) and discharge the external auditor of the Company (the “auditor”) who perform the annual audit or other audit, review or attest services in accordance with applicable securities laws, which auditor shall be ultimately accountable to the Board of Directors through the Audit Committee. The auditor of the Company must report directly to the Audit Committee;
- (b) Have the authority to communicate directly with the auditor of the Company;
- (c) Review with the auditor the scope of the audit and the results of the annual audit examination by the auditor and any reports of the auditor with respect to reviews of interim financial statements or other audit, review or attest services. The Audit Committee will be responsible for resolving any disagreements between management and the auditor regarding financial reporting;
- (d) Review information, including written statements, if any, from the auditor concerning any relationships between the auditor and the Company or any other relationships that may adversely affect the independence of the auditor and assess the independence of the auditor;
- (e) Review and discuss with management and the auditor the Company’s annual audited financial statements prior to their public disclosure, including a discussion with the auditors of their judgments as to the quality of the Company’s accounting principles;
- (f) Review the Company’s financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information;
- (g) Review the services to be provided by the auditor to assure that the auditor does not undertake any engagement for services for the Company that would constitute prohibited services under applicable securities laws under the rules of any stock exchange or trading market on which the Company’s shares are listed for trading, or could be viewed as compromising the auditor’s independence. The Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries by the auditor;

- (h) Review with management and the auditor the results of any significant matters identified as a result of the auditor's interim review procedures prior to the filing of each quarterly financial statements or as soon thereafter as possible;
- (i) Review the annual program for the Company's internal audits, if any, and review audit reports submitted by the internal auditing staff, if any;
- (j) Periodically review the adequacy of the Company's internal controls;
- (k) Review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditor that may have a significant impact on the Company's financial reports, and make comments on the foregoing to the Board of Directors;
- (l) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer;
- (m) Periodically review the adequacy of this Audit Committee Charter;
- (n) Make reports and recommendations to the Board of Directors within the scope of its functions;
- (o) Approve material contracts where the Board of Directors determines that it has a conflict;
- (p) Establish procedures for receipt, retention and treatment of complaints received by the Company regarding auditing, internal accounting controls or accounting matters and establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (q) Where considered necessary by the Audit Committee to carry out its duties, have the authority to engage independent counsel and/or other advisors at the Company's expense upon the terms and conditions, including compensation, determined by the Audit Committee;
- (r) Satisfy itself that management has put into place procedures that facilitate compliance with the disclosure and financial reporting controls provisions of applicable securities laws, including adequate procedures for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements. The Audit Committee will assess the adequacy of these procedures annually;
- (s) Review all loans to officers;
- (t) Review and monitor all related party transactions which may be entered into by the Company as required by rules of the stock exchange or trading market upon which the Company's shares are listed for trading;
- (u) Ensure all public disclosure regarding the audit committee is made in compliance with applicable stock exchange rules and securities legislation.

3. Meetings. The Audit Committee will, when expedient, meet to review the Company's quarterly and annual financial statements and MD&A, and will hold special meetings as it deems necessary or appropriate in its judgment. The Audit Committee will endeavor to meet at any time that the auditor believes that communication to the Audit Committee is required. As it deems appropriate, but not less than once each year, the Audit Committee will meet in private session with the independent accountants. The majority of the members of the Audit Committee constitute a quorum and shall be

empowered to act on behalf of the Audit Committee. The members of the Audit Committee will designate one member as chair. Meetings may be held in person or by telephone, and shall be at such times and places as the Audit Committee determines.

Composition of the Audit Committee

The following are the members of the audit committee:

	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Colin McKenzie	yes	yes
Ces Iewago	no	yes
Ab Berar	yes	yes

Notes:

(1) As defined by NI 52-110.

The Company is relying on the exemption provided under Section 6.1 of NI 52-110.

Relevant Education and Experience

Colin McKenzie

Mr. McKenzie has over 25 years experience in major exploration projects and business development internationally. He currently serves as a director of Cornerstone Capital Resources Inc. (TSXV:CGP), prior to which he served as President and Chief Executive Officer of that same company and as Vice President, Exploration for Skye Resources Inc. (formerly TSX listed). He also previously served as Director, Exploration for Inco Ltd., where he was in charge of exploration in Latin America as well as responsible for generating new business opportunities from Inco's portfolio of non-core exploration properties. From 1996 to 2000 he was Vice President, Exploration for Voisey's Bay Nickel Company, responsible for managing exploration and resource evaluation of the Voisey's Bay deposits. Prior to that he held increasingly senior exploration positions with Rio Algom Limited and at BP Mining Canada Ltd., where he was credited with the discovery of the Hope Brook gold deposit. Mr. McKenzie holds a BSc (Hons) and MSc in Geology from Dalhousie University. Mr. McKenzie joined the board of the Company on June 29, 2010.

Ces Iewago

Mr. Iewago has over 20 years experience in the banking, finance and Investment sectors in Papua New Guinea. Over the last decade, he has been involved as a promoter and director of a number of mineral and petroleum explorations companies exploring in Papua New Guinea. He currently serves on the board of Coppermoly Limited (ASX:COY). Mr. Iewago previously served as Managing Director of the Public Officer's Superannuation Fund, PNG's largest Superannuation fund (2000-2003) and is credited with preparing the fund for its transition to an approved fund at market deregulation. Prior to this he served as Country Director and General Manager, Merrill Lynch Papua New Guinea, responsible for the country business unit. (1997 – 2000). Mr. Iewago previously served as Deputy Managing Director of Resources & Investment Finance Ltd, PNG's first Merchant Bank (1990-1996) responsible for business banking and Portfolio Management. He holds an MBA from Canterbury University and a BA in Commerce from University of Papua New Guinea. Mr. Iewago is a fellow of the Australian Institute of Company Directors (FAICD) and joined the board of the company on 5 December 2005.

Ab Berar

Mr. Berar was born in Duncan, British Columbia, Canada. He graduated from the University of British Columbia in 1960 earning a Bachelor of Commerce degree. Mr. Berar began his career in the securities industry in 1969 and has over 35 years experience in the areas of corporate finance, financial services and investments. As Vice-President, Investment Adviser, with RBC Dominion Securities in Vancouver, he specialized in the resource sector, including mining, forestry and oil and gas. Mr. Berar retired from RBC in 2003. Mr. Berar joined the board of the Company on March 31, 2005.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis* Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in Section 2(g) of the Audit Committee Charter which is reproduced above.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
December 31, 2010	\$157,072	Nil	\$4,368	Nil
December 31, 2009	\$101,642	Nil	\$3,848	Nil

Notes:

- (1) The aggregate fees billed by the Company's auditor for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning. These services include the filing of the Company's annual tax returns.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

Exemption

The Company is relying upon the exemptions set out in section 6.1 of National Instrument 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of the Instrument.

MANAGEMENT CONTRACTS

The management functions of the Company are not to any substantial degree performed by any person other than the senior officers and directors of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

Re- Adoption of Incentive Stock Option Plan

In August of 2002, the TSX Venture Exchange adopted a new stock option policy whereby all Tier 2 companies must implement and approve a stock option plan. At the Meeting, shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution approving the renewal of the Company's Stock Option Plan (the "Plan"). The Plan was initially approved by shareholders at the Company's Annual and Special General Meeting held on February 20, 2004 and has been approved for renewal annually thereafter. It is a condition of Exchange approval of the Plan that shareholder approval be obtained annually. The purpose of the Plan is to assist the Company in attracting, retaining and motivating directors, officers and employees of the Company and to closely align the personal interests of such directors, officers and employees with the interests of the Company and its shareholders. Options granted under the Plan are non-assignable and may be granted for a term not exceeding that permitted by the Exchange (currently ten years) although all of the Company's existing options have a five year expiry term. A summary of the material aspects of the Plan is as follows:

1. the Plan will be administered by the Company's Board of Directors or, if the Board so designates, a Committee of the Board appointed in accordance with the Plan to administer the Plan;
2. the maximum number of shares in respect of which options may be outstanding under the Plan at any given time is equivalent to 10% of the issued and outstanding shares of the Company at that time, less the number of shares, if any, subject to Prior Options;
3. following termination of an optionee's employment, directorship, consulting agreement or other qualified position, the optionee's option shall terminate upon the expiry of such period of time following termination, not to exceed 90 days (30 days if the optionee is engaged in providing investor relations services), as has been determined by the directors;
4. an option granted under the Plan will terminate one year following the death of the optionee. These provisions do not have the effect of extending the term of an option which would have expired earlier in accordance with its terms, and do not apply to any portion of an option which had not vested at the time of death or other termination;
5. as long as required by Exchange policy, no one individual may receive options on more than 5% of the issued and outstanding shares of the Company (the "Outstanding Shares") in any 12 month period, no one consultant may receive options on more than 2% of the Outstanding Shares in any 12 month period, and options granted to persons employed to provide investor relations services may not exceed, in the aggregate, 2% of the Outstanding Shares in any 12 month period;
6. options may not be granted at prices that are less than the Discounted Market Price as defined in Exchange policy which, subject to certain exceptions, generally means the most recent closing price of the Company's shares on the Exchange, less a discount of from 15% to 25%, depending on the trading value of the Company's shares; and
7. in the event of a reorganization of the Company or the amalgamation, merger or consolidation of the shares of the Company, the Board of Directors shall make such appropriate provisions for the protection of the rights of the optionee as it may deem advisable.

The Board may amend, subject to the approval of any regulatory authority whose approval is required, suspend or terminate the Option Plan or any portion thereof.

Recommendation

Management recommends, and the persons named in the accompanying form of proxy intend to vote in favour of, the re-adoption of the Option Plan as set out above. A copy of the Company's current Plan will be available for review at the meeting. In order to be passed, a majority of the votes cast at the Meeting in person or by proxy must be voted in favour of the resolution.

Recommendation of the Company's Directors

The directors have reviewed and considered all facts respecting the foregoing matters that they have considered to be relevant to shareholders. It is the unanimous recommendation of the Company's directors that shareholders vote for passage of the foregoing resolutions.

ADDITIONAL INFORMATION

Additional Information relating to the Company is available on SEDAR at www.sedar.com or the Company's web site www.newguineagold.ca. Financial Information concerning **New Guinea Gold Corporation** is provided in the Company's comparative financial statements for the financial year ended December 31, 2010 and also available on SEDAR. Shareholders may contact the Company to request copies of financial statements at the following address:

New Guinea Gold Corporation
Suite 900 – 595 Howe Street
Vancouver, B.C. V6C 2T5
Telephone: (604) 604.689.1515 ext 103
Fax: (604) 687.8678 • E-mail: info@newguineagold.ca

OTHER MATERIAL FACTS

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

CERTIFICATION AND BOARD APPROVAL

The undersigned hereby certifies that the contents and the sending of this Information Circular to the Company's shareholders have been approved by the Board of Directors. The foregoing contains no untrue statement of material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

DATED at Vancouver, British Columbia, on the **25th day of May 2011**

BY ORDER OF THE BOARD

"Ces E. Iewago"

Chairman of the Board