



Toronto, Ontario March 20, 2006

Press Release 07 – 2006

Nayarit Gold Inc. Closes \$3 Million Non-Brokered Private Placement Financing

The Directors of Nayarit Gold Inc. are pleased to announce completion of a non-brokered private placement financing, as previously announced on February 27, 2006 (Press Release 05- 2006), of \$3 million comprising the sale of 4 million Units, sold at \$0.75 per Unit. Each Unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share for \$1.25 until March 20, 2007. All securities issued in conjunction with the offering will be subject to a hold period, which expires on July 21, 2006. No finder's fees or commissions were paid in conjunction with this financing.

Proceeds of the financing will be used for exploration activities on the company's mineral properties in Mexico, and for general working capital including complementary acquisitions. Proposed exploration activities include a minimum \$500,000 drill program on the La Estrella Property in Nayarit State, Mexico to test for strike and dip extensions to known mineralization and to explore for mineralization footwall and hanging wall structures. Acquisitions may entail additional exploration claims in the same area within Mexico, as well as certain capital expenses relating to the acquisition of exploration equipment. Proceeds used for general working capital will include G&A as well as marketing activities of the company.

Nayarit Gold Inc. is a Toronto based junior resource company dedicated to gold exploration in the proven precious metal districts of Mexico. Nayarit's work has been completed under the supervision of Michael P. Gross, M.S., P.Geol., a Qualified Person as defined by NI 43-101.

For further information on Nayarit Gold Inc. visit our website as www.nayaritgold.com or contact Michael Dehn, President and CEO at 647-477-2382 or Dennis Waddington, CFO at 647-477-6264.

CAUTIONARY STATEMENT The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This News Release includes certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding potential mineralization and reserves, exploration results, and future plans and objectives of Nayarit, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Nayarit's expectations are exploration risks detailed herein and from time to time in the filings made by Nayarit with securities regulators.