



MEDIA RELEASE

30 July 2015

OCEANAGOLD REPORTS SECOND QUARTER 2015 OPERATIONAL AND FINANCIAL RESULTS

(MELBOURNE) OceanaGold Corporation (**TSX/ASX/NZX: OGC**) (the “Company”) released its first half and second quarter 2015 financial and operational results for the quarter ending 30 June 2015. Details of the consolidated financial statements and the Management Discussion and Analysis (“MD&A”) are available on the Company’s website at www.oceanagold.com

Key Highlights

- Produced 176,999 ounces of gold and 12,299 tonnes of copper in the first half of 2015 including 85,853 ounces of gold and 6,197 tonnes of copper in the second quarter.
- Recorded All-In Sustaining Costs of \$734 per ounce and cash costs of \$474 per ounce on sales of 169,124 ounces of gold and 11,683 tonnes of copper in the first half of the year.
- Generated free cash flow of \$36.7 million in the first half of 2015 including \$17.3 million in the second quarter.
- Paid \$12.2 million in dividends to common shareholders on April 30, 2015.
- Identified drill targets at the Paco tenements following the successful completion of the geophysical survey and recommenced drilling of the True Blue target near Didipio.

Mick Wilkes, Managing Director and CEO commented, “I am pleased to report another quarter of consistently strong performance from the Company with significant free cash flow generation, steady production and the advancement of our organic and external growth opportunities.” He added, “With the inclusion of low-cost production from Waihi along with the benefits associated with the weaker New Zealand dollar, we are well positioned to continue delivering positive results.”

Table 1 – Production and Cost Results Summary

		Didipio	New Zealand	Consolidated	
Second Quarter 2015				Q2 2015	Q1 2015
Gold Produced	<i>ounces</i>	30,041	55,812	85,853	91,146
Copper Produced	<i>tonnes</i>	6,197	–	6,197	6,102
Gold Sales	<i>ounces</i>	29,550	53,340	82,890	86,234
Copper Sales	<i>tonnes</i>	5,438	–	5,438	6,245
Cash Costs	<i>\$ per ounce</i>	78	810	549	402
YTD June 30 2015				YTD Jun 30 2015	YTD Jun 30 2014
Gold Produced	<i>ounces</i>	65,163	111,836	176,999	147,399
Copper Produced	<i>tonnes</i>	12,299	–	12,299	11,185
Gold Sales	<i>ounces</i>	64,209	104,915	169,124	166,344
Copper Sales	<i>tonnes</i>	11,683	–	11,683	12,925
Cash Costs	<i>\$ per ounce</i>	(12)	772	474	435
All-In Sustaining Costs	<i>\$ per ounce</i>	318	989	734	779

Consolidated production for the first half of the year was 176,999 ounces of gold and 12,299 tonnes of copper including 85,853 ounces of gold and 6,197 tonnes of copper produced in the second quarter. The decrease in production from the previous quarter was expected and due to lower production at Didipio and Macraes. The Company continued to deliver sector leading low costs with AISC of \$734 per ounce sold for the first half of the year.

At Didipio, production was lower quarter-on-quarter as expected and due to mine sequencing. The mining operations completed Stage 3 of the open pit and continued to advance Stages 4 and 5/6 to the higher grade zone of the ore body. The Company expects to be mining and processing higher grade material from Stage 4 by early in the fourth quarter.

Didipio's cash costs for the quarter were \$78 per ounce sold. For the first half of the year, Didipio's AISC was \$318 per ounce sold. The increase in costs from the previous quarter was due to lower sales and a higher total of mining costs. The mining costs increased as a result of the accelerated completion of the open pit which is expected by the end of 2017. The amount of material mined increased 20% quarter-on-quarter resulting in the higher mining costs.

Also in the Philippines, the Company completed the development of the Didipio underground portal and continued to advance the underground decline and the power grid connection. The Company expects the Didipio process plant to operate on grid power by the fourth quarter of 2015, which will deliver significant annual cost savings. During the quarter, the Company successfully completed the geophysical survey at the Paco tenements on the island of Mindanao and identified drilling targets. The Company is currently preparing the site for drilling, which is expected to commence in the third quarter.

In New Zealand, consolidated production was steady quarter-on-quarter with higher production from Reefton and slightly lower production from Macraes as expected. Mining operations at Reefton will cease in the third quarter while stockpiles will supplement the mill feed for the remainder of the year as the operation transitions to care and maintenance. At Macraes, mining operations were focused on increased waste movements at Coronation resulting in slightly higher costs, which were partly offset by the weaker New Zealand dollar. The consolidated New Zealand cash costs for the quarter was \$810 per ounce sold. For the first half of the year, the consolidated New Zealand AISC was \$989 per ounce sold.

Also in New Zealand, the Waihi transaction is expected to close in the third quarter. Subject to the legal closing of the transaction, effective from July 1 2015, the economic interest from Waihi accrues to the Company.

Subsequent to the quarter end, the Company reported encouraging drill results at the Macraes Goldfield and will continue drilling primary targets along the 30-km strike length and underground at the Frasers operation. The Company has also committed to advance the Macraes Gold Tungsten Project to the feasibility stage.

Table 2 – Consolidated Financial Summary

		Q2 Jun 30 2015	Q1 Mar 31 2015	YTD Jun 30 2015	YTD Jun 30 2014
Revenue	<i>US\$'000</i>	125,486	129,306	254,792	297,835
Operating Costs	<i>US\$'000</i>	(85,376)	(68,566)	(153,942)	(167,203)
EBITDA	<i>US\$'000</i>	40,110	60,740	100,850	130,632
Net Profit / (loss)	<i>US\$'000</i>	(971)	24,465	23,494	56,822
Average Gold Price Received	<i>\$ per ounce</i>	1,185	1,195	1,196	1,312
Average Copper Price Received	<i>\$ per pound</i>	2.67	2.24	2.44	3.14
Cash Flows					
Operating cash flows	<i>US\$'000</i>	42,259	43,229	85,488	126,018
Investing cash flows	<i>US\$'000</i>	(38,315)	(23,807)	(62,122)	(55,238)
Financing cash flows	<i>US\$'000</i>	(15,243)	(13,298)	(28,541)	(37,801)
Free cash flow	<i>US\$'000</i>	17,319	19,422	36,741	70,780

In the second quarter, the Company reported steady revenue of \$125.5 million despite lower overall gold sales. Second quarter EBITDA was \$40.1 million, a decrease quarter-on-quarter as a result of higher operating costs associated with increased expensed mining costs and general & administrative costs from the Waihi transaction. For the quarter, the Company reported a net loss of \$1.0 million, which was due to lower EBITDA, increased depreciation and amortisation costs associated with higher amortisation of pre-stripping costs at Didipio and Reefton and a non-cash, unrealised loss of \$15.4 million in undesignated hedges.

Despite a decrease in the average gold price received from the previous quarter, the Company generated \$17.3 million in free cash flow in the second quarter and \$36.7 million for the first half of the year. In the

second quarter and as previously announced, the Company invested \$13.4 million in Gold Standard Ventures (“GSV”) by way of a private placement for an equity stake of 14.9%.

The Company ended the quarter with a net debt of \$52.3 million and a cash balance of \$48.7 million which was lower than at the end of the first quarter due to a \$12.2 million dividend payment, debt repayment of \$3.0 million and the investment in Gold Standard Ventures.

Mr. Wilkes added, “Looking ahead, the Company expects a strong second half of the year. Upon the legal closing of the Waihi transaction, we will conduct a comprehensive optimisation study and focus an extensive exploration program within the current operations and adjacent permits.”

“In an environment where commodity prices are persistently under considerable pressure, OceanaGold is uniquely positioned to continue generating significant free cash flows. We have a strong balance sheet, a suite of high quality assets and a solid pipeline of organic growth opportunities. We will continue to be focused on stakeholder engagement and delivering value to shareholders and be the gold mining company of choice.”

The Company will host a conference call / webcast to discuss the results on Thursday 30 July 2015 at 8:30am (Toronto, Canada time / Thursday 30 July at 10:30pm (Melbourne, Australia time).

Webcast Participants

To register, please copy and paste the link below into your browser:

<http://event.on24.com/r.htm?e=1019738&s=1&k=258DFA596AAB8E46660A0CF02562DFDD>

Teleconference Participants (required for those who wish to ask questions)

Local (toll free) dial in numbers are:

Australia: 1 800 076 068

New Zealand: 0 800 453 421

Canada & North America: 1 888 390 0605

All other countries (toll): + 1 416 764 8609

Playback of Webcast

If you are unable to attend the call, a recording will be available for viewing on OceanaGold’s website from 12:30pm on Thursday July 30 2015 (Toronto, Canada time) / 2:30am on Friday 31 July 2015 (Melbourne, Australian time).

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About OceanaGold

OceanaGold Corporation is a significant multinational gold producer with mines located on the South Island of New Zealand and in the Philippines. The Company's assets encompass New Zealand's largest gold mining operation at the Macraes Goldfield in Otago which is made up of the Frasers and Coronation open pits and the Frasers underground mine. On the west coast of the South Island, the Company operates the Reefton Open Pit mine. At the end of April 2015, the Company announced the acquisition of the high quality Waihi Gold Mine located on the North Island of New Zealand where the transaction is expected to close in the third quarter of 2015. In the Philippines, OceanaGold owns and operates its flagship operation, the Didipio Gold-Copper Mine located on the island of Luzon. OceanaGold has a pipeline of organic growth and exploration opportunities in the Australasia and Americas regions.

OceanaGold has operated sustainably over the past 25 years with a proven track record for environmental management and community and social engagement. The Company has a strong social license to operate and works collaboratively with its valued stakeholders to identify and invest in social programs that are designed to build capacity and not dependency.

In 2015, the Company expects to produce 295,000 to 335,000 ounces of gold from the combined New Zealand (excluding Waihi) and Didipio operations and 21,000 to 23,000 tonnes of copper from the Didipio operation.

OceanaGold is listed on the Toronto, Australian and New Zealand stock exchanges under the symbol OGC.

Cautionary Statement for Public Release

Certain information contained in this public release may be deemed "forward-looking" within the meaning of applicable securities laws. Forward-looking statements and information relate to future performance and reflect the Company's expectations regarding the generation of free cash flow, execution of business strategy, future growth, future production, estimated costs, results of operations, business prospects and opportunities of OceanaGold Corporation and its related subsidiaries. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual

events or results to differ materially from those expressed in the forward-looking statements and information. They include, among others, the accuracy of mineral reserve and resource estimates and related assumptions, inherent operating risks and those risk factors identified in the Company's most recent Annual Information Form prepared and filed with securities regulators which is available on SEDAR at www.sedar.com under the Company's name. There are no assurances the Company can fulfil forward-looking statements and information. Such forward-looking statements and information are only predictions based on current information available to management as of the date that such predictions are made; actual events or results may differ materially as a result of risks facing the Company, some of which are beyond the Company's control. Although the Company believes that any forward-looking statements and information contained in this press release is based on reasonable assumptions, readers cannot be assured that actual outcomes or results will be consistent with such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements and information, whether as a result of new information, events or otherwise, except as required by applicable securities laws. The information contained in this release is not investment or financial product advice.

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