



MEDIA RELEASE

26 October 2017

OCEANAGOLD REPORTS THIRD QUARTER 2017 RESULTS; DECLARES DIVIDEND

(All financial figures in US Dollars unless otherwise stated)

(MELBOURNE) OceanaGold Corporation (TSX/ASX: OGC) (the "Company") is pleased to release its financial and operational results for the quarter ended 30 September 2017. 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

- Consolidated production of 408,394 ounces of gold and 14,664 tonnes of copper in the nine months ended 30 September 2017, including 136,043 ounces of gold and 4,387 tonnes of copper in the third quarter.
- Consolidated year-to-date All-In Sustaining Cost of \$644 per ounce on sales of 326,778 ounces of gold (excluding Haile) and 13,249 tonnes of copper.
- Consolidated third quarter All-In Sustaining Cost of \$748 per ounce on sales of 98,565 ounces of gold (excluding Haile) and 3,273 tonnes of copper.
- Recorded revenue of \$478.3 million with EBITDA of \$259.8 million and a net profit of \$83.1 million in the first nine months of 2017 including revenue of \$144.8 million with an EBITDA of \$73.4 million and a net profit of \$21.7 million in the third quarter.
- Declared a semi-annual dividend of \$0.01 per common share or CHESD Depository Interests (CDIs).
- Ended the quarter with immediate liquidity of \$118.4 million including \$61.2 million in cash.
- Initial significant gold intercepts beneath the open pit at Waihi including 18.1m @ 7.9 g/t (true width) and 11.1m @ 8.1 g/t (true width).
- Subsequent to the quarter end, declared commercial production at the Haile Gold Mine, effective 1 October 2017.

Mick Wilkes, President and CEO of OceanaGold said, "I am pleased with our third quarter performance with higher gold production and steady financial results. In particular, I am very pleased that the technical issues that were identified within the Haile process plant during the second quarter were resolved leading to the commencement of commercial production at the start of the fourth quarter." He added, "We continue to ramp-up operations at Haile with positive results and expect stronger production again next quarter. We also expect stronger production from Macraes as we begin to process higher grade ore from Coronation North, steady

production at Waihi, partially offset by reduced production from Didipio as we process lower grade stockpile ore, and advance the development of the underground mine toward first production.”

“The Board of Directors is also pleased to declare our second 2017 semi-annual dividend of \$0.01 per share which reflects our confidence in our business and commitment to provide a return to our valued shareholders.”

Table 1 – Production and Cost Results Summary

		Didipio	Waihi	Macraes	Haile ⁽²⁾	Consolidated	
Third Quarter 2017 Results						Q3 2017	Q2 2017
Gold Produced	<i>ounces</i>	31,887	35,904	36,878	31,374	136,043	124,396
Copper Produced	<i>tonnes</i>	4,387	-	-	-	4,387	4,322
Gold Sales	<i>ounces</i>	25,656	36,167	36,742	32,506	131,071⁽³⁾	129,750 ⁽³⁾
Copper Sales	<i>tonnes</i>	3,273	-	-	-	3,273	5,828
Cash Costs	<i>\$ per ounce</i>	(113)	410	792	-	416	401
All-In Sustaining Costs ⁽¹⁾	<i>\$ per ounce</i>	137	659	1,262	-	748	681
First Nine Months 2017 (September 30 2017)						YTD Sep 30 2017	YTD Sep 30 2016
Gold Produced	<i>ounces</i>	137,534	87,323	115,205	68,332	408,394	314,313
Copper Produced	<i>tonnes</i>	14,664	-	-	-	14,664	17,358
Gold Sales	<i>ounces</i>	124,308	87,667	114,804	60,267	387,046 ⁽³⁾	331,489 ⁽³⁾
Copper Sales	<i>tonnes</i>	13,249	-	-	-	13,249	16,453
Cash Costs	<i>\$ per ounce</i>	(101)	483	795	-	371	477
All-In Sustaining Costs ⁽¹⁾	<i>\$ per ounce</i>	40	786	1,188	-	644	730

Notes:

1. In the first nine months of 2017, all revenue and costs reported do not include the Haile operations. These have been capitalised as commercial production was declared after the end of the third quarter (effective from October 1, 2017).

2. Haile gold mine commenced selling gold in February 2017. Revenue from the sale of gold is treated as pre-production income.

3. Consolidated 2017 gold sales ounces include gold sales from Haile.

Table 2 – Consolidated Financial Summary*

\$'000	Q3 Sep 30 2017	Q2 Jun 30 2017	Q3 Sep 30 2016	YTD Sep 30 2017	YTD Sep 30 2016
Revenue	144,849	171,650	150,388	478,299	481,202
Cost of sales, excluding depreciation and amortisation	(59,490)	(73,767)	(77,524)	(190,091)	(229,055)
General & administration – other	(13,429)	(14,513)	(11,361)	(36,892)	(39,294)
Foreign currency exchange gain/(loss)	201	647	(604)	627	2,664
Gain on sale of available-for-sale assets	-	-	-	5,314	-
Other income/(expense)	1,268	728	669	2,558	1,209
Earnings before interest, tax, depreciation and amortisation (EBITDA) (excluding gain/(loss) on undesignated hedges and impairment charge)	73,399	84,745	61,568	259,815	216,726
Depreciation and amortisation	(44,372)	(51,171)	(31,973)	(131,946)	(93,757)
Net interest expense and finance costs	(4,296)	(4,292)	(2,538)	(13,145)	(7,261)
Earnings before income tax and gain/(loss) on undesignated hedges and impairment charge	24,731	29,282	27,057	114,724	115,708
Tax on earnings	(3,314)	(4,538)	(2,587)	(9,170)	(13,392)
Earnings after income tax and before gain/(loss) on undesignated hedges and impairment charge	21,417	24,744	24,470	105,554	102,316
Impairment charge	-	-	-	(17,654)	-
Gain/(loss) on fair value of undesignated hedges	611	1,075	8,852	(6,188)	(11,280)
Tax (expense)/benefit on gain/loss on undesignated hedges	(171)	(301)	(2,478)	1,733	3,158
Share of profit/(loss) from equity accounted associates	(111)	(161)	(151)	(337)	(315)
Net Profit	21,746	25,357	30,693	83,108	93,879
Basic earnings per share	\$0.04	\$0.04	\$0.05	\$0.14	\$0.15
CASH FLOWS					
Cash flows from Operating Activities	38,169	88,391	29,440	178,903	152,599
Cash flows used in Investing Activities	(50,495)	(71,696)	(116,342)	(188,101)	(342,578)
Cash flows (used in) / from Financing Activities	(13,676)	(6,635)	70,607	(9,766)	85,467

Note:

In this third quarter 2017 MD&A, all revenue and costs reported do not include the Haile operations as these have been capitalised as commercial production was declared after the end of the third quarter (effective from October 1, 2017).

On a consolidated basis, including attributable production from the Haile Gold Mine (“Haile”), the Company produced 408,394 ounces of gold and 14,664 tonnes of copper in the first nine months of 2017, including 136,043 ounces of gold and 4,387 tonnes of copper in the third quarter. The quarter-on-quarter increase in consolidated gold production was driven by higher production from Haile and Waihi, partially offset by lower production from Didipio as previously forecast.

Increased production from Haile follows the changes made to the process plant to address the issues reported just prior to the start of the third quarter. As the quarter progressed, throughput and recoveries continued to improve and as a result, the Company announced commercial production at Haile effective October 1, 2017.

In New Zealand, production at Waihi increased by 40% compared to the previous quarter on the back of mining higher grade zones in the underground. At Macraes, production was lower than expected due to equipment availability at both the surface operations and underground resulting in lower average grades in ROM ore processed. At Didipio, decreased quarter-on-quarter production was expected and previously forecast as lower grade stockpiled ore remained the sole source of mill feed.

On a consolidated basis for the first nine months of 2017, and excluding Haile gold sales, the Company recorded an AISC of \$644 per ounce on sales of 326,778 ounces of gold and 13,249 tonnes of copper. During the third quarter, the Company recorded an AISC of \$748 per ounce on sales of 98,565 ounces of gold and 3,273 tonnes of copper.

Revenue for the first nine months of 2017 was \$478.3 million with an EBITDA of \$259.8 million and a net profit of \$83.1 million. For the third quarter, revenue was \$144.8 million while EBITDA was \$73.4 million and net profit \$21.7 million. Revenues and cash flow was impacted by timing delays in sales of both gold/copper concentrate and gold Dore from Didipio around quarter end.

Operating cash flow for the first nine months of the year was \$178.9 million including \$38.2 million in the third quarter. The decrease in operating cash flow from the second quarter was primarily due to lower revenue related to the timing of quarterly sales from Didipio as well negative working capital movements, including increased inventories and trade creditors and decreased trade payables.

At the end of the third quarter of 2017, the Company had immediate available liquidity of \$118.4 million which included a cash balance of \$61.2 million. In addition, \$69.9 million of marketable securities were held in strategic investments. During the quarter, the Company repaid \$12.0 million of its \$300 million revolving credit facility.

Dividend

The Company also announces the second semi-annual dividend payment for 2017 of \$0.01 per common share or CDI. Shareholders of record at the close of business in each jurisdiction on 8 November 2017 (the "Record Date") will be entitled to receive payment of the dividend on 22 December 2017. The dividend payment applies to holders of record of the Company's common shares traded on the Toronto Stock Exchange and holders of CDIs on the Australian Securities Exchange.

Table 3 – Dividend Key Dates

	Date
Last date for processing requests to convert securities between stock exchanges before the Record Date ¹	Friday, 3 November 2017
Common Shares (TSX) and CDIs (ASX) trade on an ex-dividend basis	Tuesday, 7 November 2017
Record Date	Wednesday, 8 November 2017
Processing recommences for requests to convert securities between stock exchanges ¹	Thursday, 9 November 2017
Dividend Payment Date	Friday, 22 December 2017

At the election of the security holder, the Company will pay the dividend in US Dollars, Australian Dollars, New Zealand Dollars, or British Pounds Sterling for ASX listed CDIs, and US Dollars, Canadian Dollars or British Pounds Sterling for TSX listed common shares.

Computershare will mail shareholders the relevant materials, and election of payment currency must be made by 15 December 2017. Please refer to the end of this media release for important information relating to Australian income tax and Canadian withholding tax.

Third Quarter 2017 Results Webcast

The Company will host a conference call / webcast to discuss the results at 8:00 am on Friday 27 October 2017 (Melbourne, Australian Eastern Daylight Time) / 5:00 pm on Thursday 26 October 2017 (Toronto, Eastern Daylight Time).

Webcast Participants

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

<http://event.on24.com/r.htm?e=1521491&s=1&k=A62BB6A3DCE1A27A1AFC4DEDB629B6E2>

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 0546

All other countries (toll): + 1 416 764 8688

Playback of Webcast

If you are unable to attend the call, a recording will be available for viewing on the Company's website.

¹ The Company has received a temporary waiver of the relevant ASX Settlement Operating Rules. Under the waiver, the processing of transfers of Common Shares and CDIs between stock exchanges, lodged on or after 3 November 2017, will be deferred until after the Record Date of 8 November 2017.

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About OceanaGold

OceanaGold Corporation is a mid-tier, high-margin, multinational gold producer with assets located in the Philippines, New Zealand and the United States. The Company's assets encompass its flagship operation, the Didipio Gold-Copper Mine located on the island of Luzon in the Philippines. On the North Island of New Zealand, the Company operates the high-grade Waihi Gold Mine while on the South Island of New Zealand, the Company operates the largest gold mine in the country at the Macraes Goldfield which is made up of a series of open pit mines and the Frasers underground mine. In the United States, the Company recently commissioned the Haile Gold Mine, a top-tier asset located in South Carolina. OceanaGold also has a significant pipeline of organic growth and exploration opportunities in the Americas and Asia-Pacific regions.

OceanaGold has operated sustainably since 1990 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 2017, the Company expects to produce 550,000 to 600,000 ounces of gold and 18,000 to 19,000 tonnes of copper with sector leading All-In Sustaining Costs that range from \$600 to \$650 per ounce sold.

Tax Information for Dividend

Australian Income Tax

For Australian income tax purposes, the dividend is unfranked and there is no amount of Conduit Foreign Income per security for this dividend payment.

Canadian Withholding Tax

Holders of Common Shares or CDIs are advised that this dividend is designated by the Company to be an "eligible dividend" pursuant to subsection 89(14) of the *Income Tax Act* (Canada) and corresponding provincial legislation. As the dividend originates from Canada, withholding tax at the rate of 25% will be deducted from dividends paid to non-Canadian residents unless the shareholder or CDI holder is a resident of a country with a tax treaty with Canada, in which event a lower withholding rate may apply. Such

shareholders or CDI holders must certify their non-resident status by completing the relevant forms required by the Canada Revenue Agency. The Company will mail every holder further information following the Record Date.

Information contained in this media release is based on the directors' current expectations and may be subject to change. If any of the dates should change, the revised dates will be announced by media release and will be available from www.oceanagold.com.

Competent/Qualified Person's Statement

The exploration results were prepared in accordance with the standards set out in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code") and in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101"). The JORC Code is the accepted reporting standard for the Australian Stock Exchange Limited ("ASX"). Information relating to Waihi exploration results in this document has been verified by, is based on and fairly represents information compiled by or prepared under the supervision of Lorraine Torckler, a Fellow of the Australasian Institute of Mining and Metallurgy and an employee of OceanaGold. Mr Torckler has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code and is a Qualified Person for the purposes of the NI 43-101. Mr Torckler consents to the inclusion in this public report of the matters based on their information in the form and context in which it appears.

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, sovereign risks, risk of suspension 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 because 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 because 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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