



Management Discussion and Analysis

First Quarter 2020 Results

May 14, 2020

www.oceanagold.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION IN MANAGEMENT DISCUSSION & ANALYSIS

This Management Discussion & Analysis contains “forward-looking statements and information” within the meaning of applicable securities laws which may include, but is not limited to, statements with respect to the future financial and operating performance of the Company, its subsidiaries and affiliated companies, its mining projects, the future price of gold, the estimation of mineral reserves and mineral resources, the realisation of mineral reserve and resource estimates, costs of production, estimates of initial capital, sustaining capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of the development of new mines, costs and timing of future exploration and drilling programs, timing of filing of updated technical information, anticipated production amounts, requirements for additional capital, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, consents and permits under applicable mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements and information can be identified by the use of words such as “may”, “plans”, “expects”, “projects”, “is expected”, “budget”, “scheduled”, “potential”, “estimates”, “forecasts”, “intends”, “targets”, “aims”, “anticipates” or “believes” or variations (including negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements and information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries and/or its affiliated companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, future prices of gold; general business, economic and market factors (including changes in global, national or regional financial, credit, currency or securities markets), changes or developments in global, national or regional political and social conditions; changes in laws (including tax laws) and changes in GAAP or regulatory accounting requirements; the actual results of current production, development and/or exploration activities; conclusions of economic evaluations and studies; fluctuations in the value of the United States dollar relative to the Canadian dollar, the Australian dollar, the Philippines Peso or the New Zealand dollar; changes in project parameters as plans continue to be refined; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability or insurrection or war; labour force availability and turnover; adverse judicial decisions, delays in obtaining financing or governmental approvals, inability or delays in obtaining renewal of the Financial or Technical Assistance Agreement or in the completion of development or construction activities or in the commencement of operations; as well as those factors discussed in the section entitled “Risk Factors” contained in the Company’s Annual Information Form in respect of its fiscal year-ended December 31, 2019, which is available on SEDAR at www.sedar.com under the Company’s name. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actual results, performance, achievements or events to differ from those anticipated, estimated or intended. Also, many of the factors are outside or beyond the control of the Company, its officers, employees, agents or associates. Forward-looking statements and information contained herein are made as of the date of this Management Discussion & Analysis and, subject to applicable securities laws, the Company disclaims any obligation to update any forward-looking statements and information, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information due to the inherent uncertainty therein. All forward-looking statements and information made herein are qualified by this cautionary statement. This Management Discussion & Analysis may use the terms “Measured”, “Indicated” and “Inferred” Resources. U.S. investors are advised that while such terms are recognised and required by Canadian regulations, the Securities and Exchange Commission does not recognise them. “Inferred Resources” have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Resources will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Resources may not form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into reserves. U.S. investors are also cautioned not to assume that all or any part of an Inferred Resource exists or is economically or legally mineable. This document does not constitute an offer of securities for sale in the United States or to any person that is, or is acting for the account or benefit of, any U.S. person (as defined in Regulation S under the United States Securities Act of 1933, as amended (the “Securities Act”)) (“U.S. Person”), or in any other jurisdiction in which such an offer would be unlawful.

TECHNICAL DISCLOSURE

For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating to the Haile Project, the Waihi mine, the Macraes mine and the Didipio mine please refer to the NI 43-101 compliant technical reports available at sedar.com under the Company’s name.

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”).

Mr Craig Feebrey, Executive Vice President and Head of Exploration of the Company, a qualified person under NI 43-101, has approved the written disclosure of all other exploration related scientific and technical information contained in this MD&A.

Highlights

- Michael Holmes appointed President and Chief Executive Officer, following nearly 8 years as Chief Operating Officer.
- Total Recordable Injury Frequency Rate ("TRIFR") of 3.0 per million hours worked compared to 3.6 per million hours worked at the end of 2019.
- Strict protocols in place to protect the health, safety and wellbeing of employees and contractors in response to the COVID-19 global pandemic; no confirmed cases to-date.
- First quarter revenue was \$138.2 million with Earnings before Interest, Depreciation and Amortisation ("EBITDA") of \$42.4 million.
- Cash balance and total immediately available liquidity of \$177.4 million; net debt decreased from \$179.4 million to \$121.1 million.
- Consolidated gold production of 80,707 ounces at consolidated All-In Sustaining Costs ("AISC") of \$1,218 per ounce on sales of 91,388 ounces of gold.
- Year-on-year increase in Measured and Indicated Resources of 800,000 ounces and Inferred Resources of 700,000 ounces, both net of mining depletion.
- Full mining, processing and development activities at the New Zealand operations resumed April 28, following the easing of COVID-19 restrictions implemented on March 25.
- Full year 2020 guidance reaffirmed.

Period ended 31 March 2020 (US\$m)	Q1 2020	Q4 2019
Gold Production (koz)	80.7	108.2
Copper Production (kt)	-	-
Consolidated All-In Sustaining Costs (\$/oz)	1,218	980
Revenue	138.2	152.1
EBITDA (excluding gain/(loss) on undesignated hedges)	42.4	45.2
Earnings/(loss) after income tax and before gain/(loss) on undesignated hedges and impairment charge	(10.7)	(0.7)
Net Profit/(loss)	(26.0)	8.7
Basic earnings/(loss) per share (\$)	(0.04)	0.01
Diluted earnings/(loss) per share (\$)	(0.04)	0.01
Diluted adjusted earnings/(loss) per share (\$)	(0.02)	(0.01)
Net operating cash flow	120.6	46.7

Notes:

- All numbers in this document are expressed in USD unless otherwise stated.
- Cash Costs, All-In Sustaining Costs, All-In Sustaining Margin, EBITDA and liquidity are non-GAAP measures.
- Refer to the Accounting & Controls section of this report for explanation.
- Cash Costs and All-In Sustaining Costs are reported on ounces sold and net of by-product credits unless otherwise stated and exclude capital costs associated with expansionary growth.
- Consolidated All-in Sustaining Costs are inclusive of Corporate general and administrative expenses; site All-in Sustaining Costs are exclusive of Corporate general and administrative expenses.
- Adjusted earnings are earnings after income tax and before gains or losses on undesignated hedges and impairment charges.

Results for the first quarter ended March 31, 2020

Health and Safety

At the end of the first quarter 2020, the Company achieved a total recordable injury frequency rate (12MMA “TRIFR”) of 3.0 per million hours worked, down from 3.6 per million hours at the end of 2019. There were three recordable injuries for the period compared to eight for the same period on 2019.

In response to the COVID-19 pandemic, the Company enacted strict protocols to protect the health, safety and wellbeing of employees and contractors. At the end of the first quarter, the Company had no confirmed cases of COVID-19 among employees nor contractors.

Operational and Financial Overview

Consolidated gold production for the first quarter was 80,707 ounces, a decrease from the previous quarter as expected, mainly due to lower average grades processed.

Relative to the prior year period, Haile production increased despite lower grades mined and processed, reflecting considerable improvements achieved in operating and processing efficiencies in 2019. This was offset by decreased production from Macraes where grade and mill throughput were both lower, decreased production at Waihi as the operation transitioned to development of Martha Underground, and the absence of production from Didipio during the quarter.

The Waihi operation completed mining of the main vein system at Correnso underground during the first quarter as planned and continued development of the Martha Underground.

The Haile operation was not materially impacted by any restrictions implemented by local government(s) in response to COVID-19 and operated at full capacity throughout the quarter. In New Zealand, all operations continued as per normal until a nationwide five-week lockdown was on March 25, 2020. While not material to the quarter, this resulted in the cessation of capital development at Waihi and limited processing activities for safety and environmental reasons at Macraes from March 25, until restrictions were eased on April 28. The Didipio mine remained temporarily suspended; however, the Company successfully exported gold doré produced in the second quarter of 2019 amounting to sales of 6,846 gold ounces.

The Company recorded consolidated AISC of \$1,218 per ounce on sales of 91,388 ounces of gold, reflecting an increase from the previous quarter due to planned lower gold sales, partially offset by lower operating costs.

For the first quarter, the Company reported revenue of \$138.2 million and EBITDA of \$42.4 million which was slightly below the fourth quarter of 2019. First quarter adjusted earnings resulted in a net loss of \$10.7 million compared to a net loss of \$0.7 million in the prior quarter. Additionally, the first quarter general and administrative costs included \$8.4 million to maintain Didipio in a state of operational readiness, approximately \$1.2 million of which was prior period production taxes expensed that were non-cash.

The first quarter net loss of \$26.0 million also reflected a \$21.2 million loss on the fair value of undesignated hedges relating to New Zealand dollar gold price hedges covering the remainder of 2020, whereas the prior quarter reflected an unrealised gain of similar value.

Operating cash flow for the first quarter was \$120.6 million, a significant increase from the prior quarter due to the inclusion of \$78.5 million received for the presale of 48,000 gold ounces scheduled for delivery between September and December 2020.

Fully diluted cash flow per share before working capital movements was \$0.07 in the first quarter and \$0.19 per share including the gold presales. Investing cashflows mainly reflected increased capitalised pre-strip at Macraes and Haile and growth expenditures at Waihi, partially offset by \$22.7 million received from the sale of the Company's non-core equity position in Gold Standard Ventures (“GSV”).

On March 25, 2020, the Company drew down the remaining US\$50 million under its revolving credit facility to increase cash reserves and reduce liquidity and credit market risk given market volatility associated with COVID-19.

As at March 31, 2020, the Company had available cash of \$177.4 million, and the Company's revolving credit facilities were fully drawn at \$200 million. The Company's net debt was reduced to \$121.1 million, which mainly reflected the increased operating cash flow, partially offset by an increase in total equipment leases mainly related to the progressive upgrade of the mining fleet at Haile.

The Company's hedging program includes New Zealand dollar ("NZD") denominated gold put and call options covering future gold production from Macraes, summarised below as at March 31, 2020:

Put Option Average Strike Price	Call Option Average Strike Price	Gold Ounces Remaining	Expiry Date
NZ\$2,000	NZ\$2,100	89,100	Dec 2020
Total		89,100	

On February 25, 2020, the Group entered into a gold prepayment arrangement with four financial institutions, in exchange for delivering 48,000 gold ounces between September and December 2020.

A summary of the marked to market value of derivatives is as per below:

Quarter ended 31 Mar 2020 (US\$m)	Hedge	Mar 31 2020	Dec 31 2019
Current Liabilities	Gold Options	(32.7)	(14.7)
Total		(32.7)	(14.7)

Capital Expenditure

Consolidated capital expenditure in the first quarter 2020 was \$58.8 million, 19% higher than the previous quarter due to increased capitalised pre-strip at Macraes and Haile and ongoing growth capital investment at Waihi in relation to the Martha Underground development. This was partially offset by lower exploration spend across the portfolio.

Total first quarter capital at Haile was primarily related to ongoing expansion of mining operations, including construction of the tailings storage facility wall lift, which was 40% complete at the end of the first quarter, and heavy earth work related to the next phase of construction of the PAG waste storage facility.

At Didipio, capital expenditure was curtailed due to the suspension of operations. The Company expects to resume capital programs related to the underground and general operations on the recommencement of normal operations.

Total first quarter capital expenditures at Macraes were largely attributable to general operations spending, reflecting the purchase of new mining equipment, plus pre-strip associated with the beginning of stripping at Coronation stage four.

Waihi exploration was primarily focussed on resource definition drilling at Martha Underground plus drilling at WKP where the Company continues to receive positive results. The latest drilling results will form part of the Waihi District Study, a preliminary economic assessment level-study, scheduled for completion in the second quarter of 2020 but resourcing and travel constraints related to COVID-19 may result in its delay to the third quarter.

Quarter ended 31 Mar 2020 (US\$m)	Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019	2020 Guidance
General Operations Capital	8.5	6.1	12.9	20 – 30
Pre-strip and Capitalised Mining	18.3	5.0	16.6	70 – 80
Growth Capital (including corporate capital)	27.1	29.5	15.1	110 – 120
Exploration	4.9	8.7	9.8	20 – 25
Capital and exploration expenditure	58.8	49.4	54.4	220 – 255

Capital and exploration expenditure by location are summarised in the following table:

Quarter ended 31 Mar 2020 (US\$m)	Haile	Didipio	Waihi	Macraes
General Operations	0.9	0.1	(0.8)	8.3
Pre-strip and Capitalised Mining	9.2	-	-	9.1
Growth Capital	13.7	1.9	10.1	0.4
Exploration	0.8	-	2.6	1.3
Capital and exploration expenditure	24.7	2.0	12.0	19.1

Notes:

- Capital expenditure presented on an accruals basis and excludes current period rehabilitation and closure costs of \$0.7 million at Reefton
- Capital and exploration expenditure by location includes related regional greenfield exploration where applicable. Corporate capital projects and other greenfield exploration spend including costs associated with Joint Venture arrangements not related to a specific operating region are excluded. These totaled \$0.4 million in the quarter.

Income Statement

A summary of the financial performance is provided within the following table:

Quarter ended 31 Mar 2020 (US\$m)	Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Revenue	138.2	152.1	179.5
Cost of sales, excluding depreciation and amortization	(74.0)	(81.5)	(101.0)
General and administration – other	(19.4)	(22.4)	(11.6)
General and administration – indirect taxes ⁽¹⁾	(1.2)	(3.4)	(2.8)
Foreign currency exchange gain/(loss)	(1.3)	0.2	(0.2)
Other income/(expense)	0.1	0.2	0.5
EBITDA (excluding gain/(loss) on undesignated hedges and impairment charge)	42.4	45.2	64.4
Depreciation and amortization	(50.1)	(50.1)	(40.4)
Net interest expense and finance costs	(2.8)	(3.0)	(3.6)
Earnings before income tax (excluding gain/(loss) on undesignated hedges and impairment charge)	(10.5)	(7.9)	20.4
Income tax (expense)/ benefit on earnings	(0.2)	7.2	(4.4)
Earnings after income tax and before gain/(loss) on undesignated hedges and impairment charge	(10.7)	(0.7)	16.0
Write off deferred exploration expenditure / investment	-	(4.0)	(4.6)
Gain/(loss) on fair value of undesignated hedges	(21.2)	18.6	1.4
Tax (expense) / benefit on gain/loss on undesignated hedges	5.9	(5.2)	(0.4)
Share of loss from equity accounted associates	-	(0.1)	(0.0)
Net Profit/(loss)	(26.0)	8.7	12.4
Basic earnings/(loss) per share	\$(0.04)	\$0.01	\$0.02
Diluted earnings/(loss) per share	\$(0.04)	\$0.01	\$0.02

(1) Represents production based taxes in the Philippines specifically excise tax, local business and property taxes.

(2) The Company did not record any revenue or cost of sales from the Didipio mine during the second half of 2019. In addition, General and Administration - other, includes non-production costs related to maintaining Didipio's operational readiness of \$8.4 million in the first quarter of 2020 compared to \$10.1 million in the fourth quarter in 2019.

The following table provides a quarterly financial summary:

Quarter ended 31 Mar 2020 (US\$m)	Mar 31 2020	Dec 31 2019⁽¹⁾	Sep 30 2019	Jun 30 2019	Mar 31 2019	Dec 31 2018	Sep 30 2018	Jun 30 2018
Average Gold Price Received (US\$/oz)	1,509	1,404	1,414	1,331	1,308	1,239	1,202	1,293
Average Copper Price Received (US\$/lb)	-	-	-	2.60	3.12	3.04	2.95	3.12
Revenue	138.2	152.1	133.6	186.0	179.5	183.3	186.8	205.7
EBITDA (excluding gain/(loss) on undesignated hedges and impairment charge)	42.4	45.2	33.9	70.7	64.4	73.7	79.4	109.7
Earnings after income tax and before gain/(loss) on undesignated hedges and impairment charge (net of tax)	(10.7)	(0.7)	(5.3)	22.1	16.0	17.4	20.4	47.7
Net Profit/(loss)	(26.0)	8.7	(21.9)	15.3	12.4	10.9	21.7	44.6
Net Earnings/(loss) per share								
Basic	\$(0.04)	\$0.01	\$(0.04)	\$0.02	\$0.02	\$0.02	\$0.04	\$0.07
Diluted	\$(0.04)	\$0.01	\$(0.04)	\$0.02	\$0.02	\$0.02	\$0.03	\$0.07

(1) The Company did not record any revenue or cost of sales from the Didipio mine during the second half of 2019.

Revenue

The Company recorded first quarter operating revenue of \$138.2 million which was below the prior quarter primarily due to lower sales volume from New Zealand and Haile, partially offset by the sale of gold doré inventory from Didipio and a higher average gold price received.

EBITDA

Analysis of revenue and costs for each operating site is contained within the Business Summary section of this report. The Company recorded EBITDA of \$42.4 million for the first quarter which was below the fourth quarter due to the lower sales volume and margin combined with currency translation losses, partially offset by lower general and administrative costs and indirect taxes.

Depreciation and Amortisation

Depreciation and amortisation charges include amortisation of mine development and deferred pre-stripping costs plus depreciation of property, plant and equipment. Depreciation and amortisation charges are mostly calculated on a mining or processing units of production basis taking into account the life of mine. Amortisation of deferred pre-stripping further takes into account completion of mining stages. Depreciation of some assets is on a straight-line basis. First quarter charges of \$50.1 million were higher than the first quarter of 2019 and in line with the prior quarter. The year-on-year increase mainly reflects increased mining and processing rates at Haile, which were materially lower in the first quarter of 2019 in part due to severe rain events materially impacting ground conditions and mining productivity at that time. In addition, the Haile expansion has included a progressive increase in mining fleet capacity plus upgrades to the processing plant. These have been partially offset by lower depreciation and amortisation at Didipio where operations remain suspended.

Undesignated Hedges Gains/Losses

Unrealised hedge gains and losses reflect the changes in the fair value of the Company's undesignated hedges which are brought to account at the end of each reporting period. These valuation adjustments for the first quarter resulted in a \$21.2 million unrealised loss due to the mark-to-market revaluation loss of the New Zealand dollar gold hedges for 2020. This compared to a \$23.0 million gain in the prior quarter.

Taxation

The Company recorded an income tax benefit of \$5.7 million in the first quarter which is mainly a tax benefit of \$5.9 million associated with the mark-to-market revaluation loss of the undesignated hedges. This compared to an income tax benefit of \$2.0 million in the previous quarter after taking into account a tax expense of \$5.2 million associated with the mark-to-market revaluation gain on the gold price hedges. Accordingly, the underlying tax expense in the first quarter was \$0.2 million compared to an underlying tax benefit of \$7.2 million in the previous quarter. The higher tax benefit in the previous quarter was due to the United States recognising a tax credit upon finalising the US tax returns. Overall the Company recorded a minor income tax expense for the first quarter following adjustments on lodgement of New Zealand's prior year tax returns.

The Philippines operations remained on an income tax holiday during the quarter.

Cash Flows

Quarter ended 31 Mar 2020 (US\$m)	Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Cash flows from Operating Activities	120.6	46.7	39.0
Cash flows used in Investing Activities	(33.8)	(51.4)	(57.9)
Cash flows from / (used) in Financing Activities	44.8	(4.3)	(2.6)

Cash inflows from operating activities for the first quarter of \$120.6 million were significantly above the previous quarter mainly due to the \$78.5 million pre-payment arrangement and sale of Didipio doré inventory, partly offset by expected lower gold sales from Haile, Macraes and Waihi.

Cash used for investing activities of \$33.8 million in the first quarter was below the previous quarter due to the inclusion of \$22.7 million received from the sale of Gold Standard Venture ("GSV") shares. This offset higher underlying capital expenditure largely related to capitalised pre-strip.

Cash from financing activities for the first quarter of \$44.8 million mainly reflected the debt drawdown of \$50 million under the revolving credit facility, partially offset by finance lease repayments. Prior comparative periods mainly reflected finance lease repayments.

Balance Sheet

Quarter ended 31 Mar 2020 (US\$m)	Q1 31 Mar 2020	Q4 31 Dec 2019
Cash and cash equivalents	177.4	49.0
Other Current Assets	155.9	167.2
Non-Current Assets	1,827.9	1,856.0
Total Assets	2,161.2	2,072.2
Current Liabilities	284.6	202.7
Non-Current Liabilities	368.7	305.9
Total Liabilities	653.3	508.6
Total Shareholders' Equity	1,507.9	1,536.6

Current assets were \$333.3 million as at March 31, 2020 compared to \$216.2 million as at December 31, 2019 mainly due to higher cash balances, partly offset by lower inventory at the operating sites.

Non-current assets decreased to \$1.83 billion as at March 31, 2020 compared to \$1.86 billion as at December 31, 2019, mainly due to a reduction in other financial assets following the sale of GSV shares, partly offset by increase in mining assets and property, plant and equipment.

Current liabilities were \$284.6 million as at March 31, 2020 compared to \$202.7 million as at December 31, 2019. This increase was mainly attributable to the prepaid gold sales contracts of \$78.5 million and unrealised losses in the fair value of undesignated hedges, partially offset by decreased income tax liabilities. During March, income tax of \$4.5 million was paid in New Zealand in relation to the 2018 year.

Non-current liabilities increased to \$368.7 million as at March 31, 2020 from \$305.9 million as at December 31, 2019 mainly due to the drawdown of \$50 million under the revolving credit facility and finance lease liabilities related to the progressive upgrade of the mining fleet at Haile.

Shareholders' Equity

A summary of the movement in shareholders' equity is set out below:

Quarter ended 31 Mar 2020 (US\$m)	Q1 31 Mar 2020
Total equity at beginning of the quarter	1,563.6
Profit/(loss) after income tax	(26.0)
Movement in other comprehensive income/(loss)	(30.9)
Movement in contributed surplus	1.2
Issue of shares	0.0
Total equity at end of the quarter	1,507.9

Shareholders' equity decreased by \$55.7 million to approximately \$1.51 billion as at March 31, 2020, mainly due to the movements in other comprehensive income and net loss in the first quarter. Other Comprehensive Income reflects the net changes in the fair value of other financial assets and currency translation differences which arise from the translation of values of assets and liabilities in entities with a functional currency other than USD. A summary of capital resources is set out below:

Quarter ended 31 Mar 2020	Shares Outstanding	Options and Share Rights Outstanding	Fully Diluted Shares Outstanding
May 13, 2020	622,323,696	15,847,305	638,171,001
March 31, 2020	622,323,696	9,291,711	631,615,407
December 31, 2019	622,323,696	12,198,187	634,521,883

Debt management and liquidity

As at March 31, 2020, the cash funds held were \$177.4 million compared to \$49.0 million as at December 31, 2019. The increase was mainly due to receipts of \$78.5 million from the forward gold sale and \$22.7 million from the sale of the Company's non-core equity interest in GSV. The Company was in a net current asset position of \$48.7 million as at March 31, 2020 compared to \$13.5 million as at December 31, 2019.

As at March 31, 2020, the Company's total debt facilities were fully drawn to \$200 million. The Company had immediately available liquidity of \$177.4 million as at March 31, 2020 as compared to \$99.0 million as at December 31, 2019.

Capital Commitments

Capital commitments relate principally to the purchase of property, plant and equipment mainly at Haile in relation to the upgrades to the mining fleet and the regrind circuit upgrade. The Company's capital commitments as at March 31, 2020 are as follows:

Quarter ended 31 Mar 2020 (US\$m)	Capital Commitments
Within 1 year	24.3

Selected Annual Information

The following table provides financial data for the Company for each of the three most recently completed financial years:

Quarter ended 31 Mar 2020 (US\$m)	Q1 2020	2019	2018	2017
Revenue	138.2	651.2	772.5	724.4
Net Profit/(loss) after Tax	(26.0)	14.5	121.7	171.8
Net Earnings/(loss) per share – Basic	(\$0.04)	\$0.02	\$0.20	\$0.28
Net Earnings/(loss) per share – Diluted	(\$0.04)	\$0.02	\$0.19	\$0.27
Total assets	2,161.2	2,072.2	2,025.0	2,045.8
Total non-current financial liabilities	271.6	203.6	166.6	176.5
Cash dividends per share	\$0.00	\$0.01	\$0.03	\$0.02

Across these years, the Company's revenue and earnings have mainly reflected the results of the operations in New Zealand, the Philippines and the United States where commercial production was declared at the Haile Gold Mine effective from October 1, 2017. The Didipio Mine in the Philippines did not make any sales in the second half of 2019 due to the temporary suspension of operations.

Non-current liabilities reflected the phase of growth with the Company increasing its equipment leases for the upgraded mining fleet at Haile in 2019. In March 2020, the Company drew down the remaining \$50 million of the revolving credit facility to maximise cash reserves and reduce liquidity risk.

Business Summary

A summary of the operational performance of the operations is presented below.

Quarter ended 31 Mar 2020		Haile	Didipio	Waihi	Macraes	Consolidated	
						Q1 2020	Q4 2019
Gold Produced	koz	29.4	-	12.2	39.2	80.7	108.2
Gold Sales	koz	33.3	6.8	13.5	37.8	91.4	107.3
Average Gold Price	US\$/oz	1,581	1,652	1,572	1,595	1,509⁽¹⁾	1,404 ⁽¹⁾
Copper Produced	kt	-	-	-	-	-	0.1
Copper Sales	kt	-	-	-	-	-	-
Average Copper Price	US\$/lb	-	-	-	-	-	-
Material Mined	kt	8,602	-	52	12,531	21,185	19,923
Waste Mined	kt	7,941	-	-	10,898	18,839	16,617
Ore Mined	kt	661	-	52	1,636	2,346	3,306
Mill Feed	kt	869	-	57	1,338	2,264	2,449
Mill Feed Grade	g/t	1.36	-	7.44	1.12	1.37	1.59
Gold Recovery	%	77.3	-	87.9	81.6	80.9	86.4
Cash Costs	US\$/oz	1,147	443	432	695	802	757
All-In Sustaining Costs ⁽²⁾	US\$/oz	1,551	444	376	1,218	1,218	980

(1) Realised gains and losses on gold hedging are included in the consolidated average gold price.

(2) Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly; Consolidated AISC is inclusive of Corporate general and administrative expenses.

A reconciliation of Cash Costs and consolidated All-In Sustaining Costs is presented below.

Quarter ended 31 Mar 2020		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Cost of sales, excl. D&A and including indirect taxes ⁽¹⁾	USDm	73.3	82.3	103.8
Selling costs	USDm	0.3	0.3	3.8
By-product credits	USDm	(0.4)	(1.4)	(24.2)
Cash Costs (net of by-product credits)	USDm	73.3	81.3	83.4
Sustaining capital expenditure	USDm	30.2	14.7	32.2
Corporate general & administration	USDm	5.6	6.9	7.5
Other	USDm	2.3	2.3	1.2
All-In Sustaining Costs	USDm	111.3	105.2	124.3
Gold sales	koz	91.4	107.3	121.1
Cash Costs	US\$/oz	802	757	688
All-In Sustaining Costs	US\$/oz	1,218	980	1,026

(1) In accordance with the World Gold Council's updated methodology for AISC calculation, as from January 1, 2019, the Company has included production taxes paid in the AISC – specifically excise tax, local business and property taxes paid in the Philippines

Outlook

On a consolidated basis, the Company expects to produce 360,000 to 380,000 ounces of gold in 2020, excluding Didipio. The consolidated AISC is expected to range between \$1,075 and \$1,125 per ounce sold (including corporate general and administrative costs) while consolidated cash costs are expected to range between \$675 and \$725 per ounce sold. This outlook assumes no material change to the current operating or regulatory environment at the Company's operations due to the evolving COVID-19 pandemic.

At Haile, the Company expects to produce between 180,000 and 190,000 ounces of gold in 2020 at site AISC ranging from \$1,080 to \$1,130 per ounce sold, representing an approximate increase of 25% to the midpoint in gold production with steady AISC relative to 2019. Cash costs are expected to range from \$650 to \$700 per ounce sold. Production in the second half of the year is expected to deliver two-thirds of the year's gold output and as a result, AISC are expected to be significantly lower in the second half.

The Company has maintained Didipio in a state of operational readiness for rapid re-start on the expectation that a resumption of normal operations is likely in 2020, either through lifting of restrictions imposed on access, or completion of a renewal of the Financial or Technical Assistance Agreement (FTAA).

In the first quarter, the Company did achieve tangible progress with respect to the FTAA renewal process, including continued positive engagement with regulators and a re-endorsement of the renewal by the Department of Environment and Natural Resources ("DENR") to the Office of the President ("OP"). The OP also provided written authorisation to the DENR to facilitate the delivery of emergency fuel supplies to Didipio which was completed subsequent to the quarter end with the assistance of the Philippine National Police. Further, gold doré produced in 2019 was successfully airlifted for export in March 2020.

The Waihi operation is expected to produce approximately 18,000 to 20,000 ounces of gold with 12,171 ounces produced in the first quarter and remaining ounces expected to be produced in fourth quarter of 2020. Site AISC is expected to range from \$715 to \$765 per ounce sold and cash costs are expected to be \$700 to \$750 per ounce sold. Mining from the Correnso underground was completed in the first quarter while processing was temporarily shut down but is expected to resume in the fourth quarter with batch processing of stockpiled ore from some narrow vein mining in the upper portions of Correnso. Following completion of processing of this ore in the fourth quarter, the process plant will be shut down temporarily and is expected to restart in the second quarter of 2021 with ore sourced exclusively from Martha Underground.

Macraes is expected to produce between 160,000 and 170,000 ounces of gold in 2020 at cash costs of \$725 to \$775 per ounce sold and site AISC of \$1,000 to \$1,050 per ounce sold. The Company continues to explore options to extend the mine life at Macraes with the advancement of projects like Golden Point Underground.

Haile

Production statistics

		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Gold Produced	koz	29.4	46.4	25.7
Material Mined	kt	8,602	7,939	3,842
Waste Mined	kt	7,941	6,574	3,276
Ore Mined	kt	661	1,365	566
Ore Mined Grade	g/t	1.68	1.51	1.75
Mill Feed	kt	869	863	749
Mill Feed Grade	g/t	1.36	2.09	1.39
Gold Recovery	%	77.3	80.0	76.1

At the end of the first quarter, Haile recorded a 12MMA TRIFR of 5.7 per million hours worked, down from 6.6 at the end of 2019. This represents a significant improvement in safety performance and reflects the ongoing focus on safety leadership and employee engagement. Haile had one recordable injury during the quarter.

Gold production for the first quarter of 2020 was 29,373 ounces, an increase from the first quarter of 2019 and decrease on the previous quarter. The quarter-on-quarter decrease in gold production was expected and primarily a result of a lower head grade and recoveries. Production in the first quarter of 2020, increased over the same period of 2019 on higher mill feed at a similar head grade.

Total first quarter mining movements increased significantly year-on-year and 8% quarter-on-quarter despite the quarter being challenged by higher than average rainfall which impacted mine fleet utilisation. The increased total mining movements reflect continued improvement in mining productivity despite the above average rainfall.

At the end of the quarter, the Company completed assembly and commissioning of the full complement of Komatsu 730E haul trucks planned for 2020. First quarter ore mined increased significantly year-on-year and decreased as expected quarter-on-quarter. Mining activities focused on ore mining at Red Hill and pre-stripping waste in Snake phase two and Ledbetter phase one which are scheduled to deliver ore feed in the second half of 2020.

Mill feed was 16% higher year-on-year and similar quarter-on-quarter, despite an extended shutdown of the process plant for planned maintenance in January. Milling rates increased progressively across the first quarter resulting in record daily milling rates in March. For the month of March, the mill processed over 320,000 tonnes of ore feed, equivalent to 3.8 million tonnes per annum.

The average feed grade decreased compared to the first quarter of 2019. The resulting decline in recoveries was broadly consistent with the decline in feed grade. The reduction was expected as the mine progressed through relatively low-grade ore blocks in Red Hill and included processing of low-grade supplemental ore stocks to maximise mill feed.

During the first quarter, the Company completed commissioning of the pre-aeration thickener to support grind size optimisation and operation of the new regrind circuit. The Company remains focused on delivering improved recoveries through the course of 2020 as the circuit operation is further optimised.

In addition, Haile continues to maximise efficiencies across the operation and sustain improvements via an integrated management operating system, including short interval control in the mine, plant and maintenance areas.

Financial statistics

		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Gold Sales	koz	33.3	42.3	24.8
Silver Sales	koz	-	45.4	15.8
Average Gold Price Received	US\$/oz	1,581	1,479	1,301
Cash Costs	US\$/oz	1,147	772	1,164
Site All-In Sustaining Costs ⁽¹⁾	US\$/oz	1,551	959	1,719
Site All-In Sustaining Margin	US\$/oz	30	520	(418)

(1) Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly.

Unit Costs		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Mining Cost ⁽¹⁾	US\$/t mined	2.89	3.04	5.40
Processing Cost	US\$/t milled	12.82	12.04	13.74
Site G&A Cost	US\$/t milled	5.78	6.14	6.47

(1) Mining unit costs are inclusive of any capitalised mining costs.

Haile unit costs		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Cash Costs (gross)		38.0	33.4	29.1
Less: by-product credits	USDm	(0.0)	(0.8)	(0.2)
Add: Freight, treatment and refining charges	USDm	0.1	0.1	0.0
Cash Costs (net)	USDm	38.2	32.7	28.9
Add: General capital and leases	USDm	3.4	4.9	4.5
Add: Pre-strip and capitalised mining	USDm	9.2	1.5	8.0
Add: Brownfields exploration	USDm	0.8	1.5	1.2
Site All-In Sustaining Costs (net)	USDm	51.6	40.5	42.7
Gold sales	koz	33.3	42.3	24.8
Cash cost per ounce sold	US\$/oz	1,147	772	1,164
Site All-In Sustaining Costs per ounce sold	US\$/oz	1,551	959	1,719

First quarter average mining and processing unit costs were \$2.89 per tonne mined and \$12.82 per tonne milled, respectively, and site-based G&A unit costs were \$5.78 per tonne milled.

Mining unit costs decreased 5% quarter-on-quarter due to the fleet ramp up and 46% over the prior year period, reflecting increased productivity over the last four quarters. Processing unit costs per tonne milled increased 7% quarter-on-quarter mainly reflecting planned maintenance activities completed during the period. Site based G&A unit costs were down 6% quarter-on-quarter.

First quarter AISC was \$1,551 per ounce sold with cash costs of \$1,147 per ounce sold. The increase on the previous quarter primarily reflected the lower gold sales. The quarter-on-quarter increase in AISC related to higher pre-stripping capital, which was partially offset by lower general operating and exploration capital.

For the balance of 2020, the Company expects continued improvement of mining operations, as the weather improves through the second quarter with a corresponding increase in the productivity and utilisation of the larger mining fleet. One-third of Haile's production is expected in the first half of the year and two-thirds in the second half with the variability in production related to mine sequencing whereby lower grades will be mined and processed in the first half. The Company expects the fourth quarter to deliver the highest quarter of production with the lowest corresponding AISC as compared to the first quarter, which delivered the lowest production at the highest AISC expected in 2020.

The Company expects to produce between 180,000 and 190,000 ounces of gold at cash costs ranging from \$650 to \$700 per ounce sold and site AISC between \$1,080 and \$1,130 per ounce sold in 2020.

Exploration

In the first quarter 2020, exploration expenditure and other related costs were approximately \$0.8 million for a total of 3,092 metres drilled. Drilling focused on reserve pits at Mill Zone, Haile, Ledbetter and Snake to tighten drill hole spacing in high-grade zones that drive pit bottom designs and to convert inferred blocks to an indicated category. Drilling is expected to yield reserve growth and optimised pit designs.

The Company reported a maiden resource on the Palomino exploration target in the first quarter. The resource estimate was completed based on 13,842 metres of drilling that informed an updated geological model, block model and scoping level underground mine designs and economic analyses. This work provided the basis for reporting an Inferred Resource of 6.5 Mt @ 2.8 g/t Au for 0.6 Moz at a 1.49 g/t Au cut-off grade.

Projects

Optimisation of the Horseshoe Underground Mine continued throughout the quarter, including evaluation of various mining scenarios, a review of stoping methods and backfill options and selection of the underground mining fleet. The Company continues to evaluate automation and digital enhancements for the mine development including, communications, equipment and infrastructure. Portal development is expected to start in 2021 as the optimisation study progresses through the balance of 2020.

Field construction activities for the Tailings Storage Facility stage two wall lift commenced in January and the project was on schedule and approximately 40% complete at end of the first quarter. The final embankment will be lifted by approximately three metres following completion of the project.

The Company completed field construction activities for the expanded PAG waste storage facility and received regulatory approval and subsequently brought the facility into service in January. Heavy earth work activities continued on the next phase of the facility which is expected to be brought in to service in the fourth quarter of 2020.

The Company is in the final stage of the Supplemental Environmental Impact Statement (“SEIS”) permit process to expand the Haile operation. To date, there have been no objections by any stakeholder group to the SEIS, and at this stage the Company anticipates a successful Record of Decision and completion of the process, in the second quarter of 2020 subject to change due to restrictions related to the COVID-19 virus protocols and government orders.

Macraes

Production statistics

		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Gold Produced	koz	39.2	45.5	51.2
Material Mined	kt	12,531	11,883	12,218
Waste Mined	kt	10,898	10,042	10,132
Ore Mined	kt	1,633	1,841	2,086
Ore Mined Grade	g/t	0.95	1.03	1.04
Mill Feed	kt	1,338	1,466	1,455
Mill Feed Grade	g/t	1.12	1.18	1.31
Gold Recovery	%	81.6	81.6	83.8

In the first quarter of 2020, the Macraes operation reported no recordable injuries and a record 12MMA TRIFR of 3.1 per million hours worked. The operation continues to see a reduction in the number and severity of injuries, with strong site engagement in the behavioural based safety initiatives and leadership activities.

Macraes produced 39,163 ounces of gold in the first quarter of 2020, down year-on-year and quarter-on-quarter, reflecting a lower head grade, as expected.

Open pit waste movement increased quarter-on-quarter as pre-stripping commenced at Coronation North stage four and Innes Mills. The increased waste movements were aided by the commissioning of a new excavator in the first quarter.

Total open pit material movement increased quarter-on-quarter despite the suspension of development activities in the final week of March due to the New Zealand Government's COVID-19 restrictions. The increase in open pit material movements reflects productivity improvements associated with mine activity planning.

Underground development during the first quarter increased from the same period in 2019 and was flat quarter-on-quarter, maintaining the planning and execution improvements delivered at the end of 2019. Total underground material movement was down quarter-on-quarter primarily due to COVID-19 restrictions implemented in late March.

Total mill feed decreased quarter-on-quarter and year-on-year due to harder ore feed from Coronation stage five during the quarter. The reduced mill feed also reflects suspension of a portion of the milling circuit in late March due to COVID-19 restrictions. The operation has continued to feed stockpile material through its primary milling circuit in order to safely maintain operability of the autoclave during the temporary suspension of mining activities.

The Company continues to expect production of 160,000 to 170,000 ounces of gold at cash costs of \$725 to \$775 per ounce sold and site AISC of \$1,000 to \$1,050 per ounce sold at Macraes in 2020. The fourth quarter is expected to deliver the highest production in 2020.

Financial statistics

		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Gold Sales	koz	37.8	46.4	52.2
Average Gold Price Received	US\$/oz	1,595	1,485	1,304
Cash Costs	US\$/oz	695	788	603
Site All-In Sustaining Costs ⁽¹⁾	US\$/oz	1,218	976	848
Site All-In Sustaining Margin	US\$/oz	377	509	456

(1) Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly.

Unit Costs		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Mining Cost (Open Pit) ⁽¹⁾	US\$/t mined	1.15	1.33	1.26
Mining Cost (U/G)	US\$/t mined	44.22	33.74	41.42
Processing Cost	US\$/t milled	6.64	6.43	6.98
Site G&A Cost	US\$/t milled	2.15	2.40	2.01

(1) Mining unit costs are inclusive of any capitalised mining costs.

Macraes unit costs		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Cash Costs (gross)		26.1	36.4	31.3
Less: by-product credits	USDm	0.0	(0.1)	0.0
Add: Freight, treatment and refining charges	USDm	0.2	0.2	0.2
Cash Costs (net)	USDm	26.2	36.5	31.5
Add: General capital and leases	USDm	9.3	4.4	6.3
Add: Pre-strip and capitalised mining	USDm	9.1	3.5	6.6
Add: Brownfields exploration	USDm	1.4	0.8	(0.1)
Site All-In Sustaining Costs (net)	USDm	46.0	45.2	44.2
Gold sales	koz	37.8	46.4	52.2
Cash cost per ounce sold	US\$/oz	695	788	603
Site All-In Sustaining Costs per ounce sold	US\$/oz	1,218	976	848

First quarter 2020 open pit unit mining costs were \$1.15 per tonne mined, underground unit mining costs were \$44.22 per tonne mined, processing unit costs were \$6.64 per tonne milled and site G&A unit costs were \$2.15 per tonne milled. The open pit costs per tonne mined improved both quarter-on-quarter and year-on-year, reflecting improved mining productivity and lower costs, including diesel.

The underground cost per tonne mined increased in the first quarter of 2020 as compared to prior year period due to the lower ore tonnes mined as a result of COVID-19 restrictions. Quarter-on-quarter, underground cost per tonne increased 31%, reflecting reduced activity from COVID-19 restrictions and a higher proportion of development ore to stoping ore as per the mine plan. Processing costs per tonne milled were slightly higher quarter-on-quarter due to lower mill feed

G&A costs per tonne milled trended lower quarter-on-quarter and slightly higher year-on-year due to the lower than expected mill throughput in the first quarter.

Macraes first quarter AISC was \$1,218 per ounce sold, which included \$113 per ounce related to the purchase of a new excavator. The Company is currently in the final stages of executing a sale and lease back arrangement on the excavator, the benefit of which will be reflected in the second quarter financial results.

Exploration

In the first quarter 2020, exploration expenditure was approximately \$1.3 million for a total of 5,801 metres drilled. The first quarter focused exclusively on brownfield exploration at Golden Point as the Company continues to investigate this target as a potential underground mine. This forms part of the mine life extension initiatives for the Macraes operation. Results from Golden Point were in-line with intercepts previously reported and support the current underground resource model. Drilling has concentrated on the Inferred resource blocks primarily around the margins of the currently defined Indicated resource and continues to increase the resource confidence in the modelled blocks.

Exploration activities in 2020 will continue to focus on Golden Point, in addition to Gay Tan and Frasers Underground with approximately 31,000 metres of drilling planned for the year.

Projects

During the quarter, construction began on mine life extension opportunities, including realignment of the public road and the detailed design and procurement for the Frasers Underground office move. Work progressed on the pre-feasibility study for the Golden Point Underground which is expected to be completed in the second half of 2020.

Waihi

Production statistics

		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Gold Produced	koz	12.2	15.8	15.1
Material Mined	kt	52.5	101.0	148.4
Waste Mined	kt	0.0	1.0	53.3
Ore Mined	kt	52.5	100	95.1
Ore Mined Grade	g/t	6.42	5.81	5.72
Mill Feed	kt	57.4	97.0	94.9
Mill Feed Grade	g/t	7.44	5.82	5.72
Gold Recovery	%	87.9	86.6	86.3

The Waihi operation reported a 12MMA TRIFR of 4.2 per million hours worked, up slightly from 3.6 per million hours worked recorded at the end of 2019. Waihi recorded a single recordable injury during the first quarter.

Waihi produced 12,171 ounces of gold in the first quarter of 2020, a decrease from the corresponding period in 2019 and quarter-on-quarter on lower mill feed following the completion of mining at Correnso Underground in late February.

Mill feed grade and recoveries improved quarter-on-quarter and year-on-year due to the mining of higher-grade stopes.

Mining of narrow veins in the upper part of Correnso will continue until the end of the year, and ore from these narrow veins will be stockpiled ahead of batch processing in the fourth quarter expected to produce approximately 7,000 to 8,000 ounces of gold. The plant will then temporarily halt and is expected to restart in the second quarter of 2021 with ore feed sourced from Martha Underground.

The Company expects 2020 production at Waihi to be approximately 18,000 to 20,000 gold ounces at cash costs ranging from \$700 to \$750 per ounce sold and site AISC of \$715 to \$765 per ounce sold.

Financial statistics

		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Gold Sales	koz	13.5	18.6	15.1
Average Gold Price Received	US\$/oz	1,572	1,474	1,300
Cash Costs	US\$/oz	432	646	767
Site All-In Sustaining Costs ⁽¹⁾	US\$/oz	376	666	918
Site All-In Sustaining Margin	US\$/oz	1,196	808	382

⁽¹⁾ Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly.

Unit Costs		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Mining Cost (Underground) ⁽¹⁾	US\$/t mined	42.50	43.24	60.33
Processing Cost	US\$/t milled	33.26	31.19	29.66
Site G&A Cost	US\$/t milled	34.92	25.49	24.44

⁽¹⁾ Mining unit costs are inclusive of any capitalised mining costs.

Waihi unit costs		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Cash Costs (gross)		6.2	12.6	11.9
Less: by-product credits	USDm	(0.4)	(0.6)	(0.4)
Add: Freight, treatment and refining charges	USDm	0.0	0.1	0.0
Cash Costs (net)	USDm	5.8	12.1	11.5
Add: General capital and leases	USDm	(0.8)	0.3	0.9
Add: Pre-strip and capitalised mining	USDm	0	0	1.4
Add: Brownfields exploration	USDm	0	0	0.0
Site All-In Sustaining Costs (net)	USDm	5.1	12.4	13.8
Gold sales	koz	13.5	18.6	15.1
Cash cost per ounce sold	US\$/oz	432	646	767
Site All-In Sustaining Costs per ounce sold	US\$/oz	376	666	918

First quarter underground mining unit costs were \$42.50 per tonne mined, processing unit costs were \$33.26 per tonne milled, and site G&A unit costs were \$34.92 per tonne milled. The quarter-on-quarter increase in G&A unit costs is due to the significant reduction of ore tonnes milled.

Waihi's first quarter AISC was \$376 per ounce sold and cash costs were \$432, a 44% and 33% reduction quarter-on-quarter, respectively. The lower AISC reflects that during the quarter no development was required, no waste material was mined, and no sustaining capital expenditure was required as mining activities concluded at Correnso Deepes. In addition there were several local property sales completed during the quarter.

Exploration

In the first quarter of 2020, exploration expenditure and other related costs at Waihi were approximately \$2.6 million for a total of 7,732 metres drilled. The Martha Underground Project accounted for a majority of the total exploration drilling in the first quarter, including 7,440 metres of resource definition drilling with four diamond drill rigs. At the WKP project, 293 metres were drilled on extensions of the East Graben vein before drought suspended drilling activities. The drill rigs remain on-site and ready to resume activities with government approvals.

Significant increases to Indicated and Inferred Resources at Martha Underground and WKP were reported in the first quarter. As at February 13, 2020 the Martha Underground Indicated Resource stood at 4.9 million tonnes at 5.2 g/t for 824,000 ounces of gold and Inferred Resources stood at 4.1 million tonnes at 4.7 g/t Au for 614,000 ounces of gold. As at February 24, 2020 the WKP resource includes 1.0 million tonnes at 13.4 g/t for 421,000 ounces of gold in the Indicated category and 1.9 million tonnes at 12.0 g/t for 717,000 ounces of gold in the Inferred category with most of the resource attributed to the East Graben vein. In total, Waihi's key projects include approximately 1.2 million gold ounces of Indicated Resource and 1.3 million gold ounces of Inferred Resources.

Projects

Development of the Martha Underground Project continued, with 1,513 metres of mine development completed in the first quarter, concentrating on mining of the planned declines adjacent to the Empire and Edward lodes and an access drive to the Rex lode. Feasibility level evaluations for the project also progressed, including design of the backfill system. Drilling of four dewatering wells was completed from the 800m level targeting the 620 to 650m level for dewatering the lower part of the mine.

Development of the Martha Underground Project was curtailed on March 25, 2020, due to a nationwide lockdown imposed by the New Zealand government in response to the COVID-19 global pandemic. The Company expects development will resume when the lockdown is lifted.

Work continued on the Waihi District Study and the Company expects to complete the Waihi District Study in the second quarter of 2020 with the potential for delay to the third quarter related to isolation measures required as part of the COVID-19 pandemic. The study will incorporate development of the Martha Underground and WKP deposits over the longer-term, highlighting production rates, high-level costs and production schedules.

Also, during the quarter, assessment of the Mining Permit application for the WKP project lodged by the Company continued.

Didipio

Production statistics

		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Gold Produced	koz	-	0.4	33.6
Copper Produced	kt	-	0.1	3.9
Material Mined	kt	-	0	377
Waste Mined	kt	-	0	42
Ore Mined	kt	-	0	335
Ore Mined Grade Gold	g/t	-	n/a	2.09
Ore Mined Grade Copper	%	-	n/a	0.56
Mill Feed	kt	-	23	1,007
Mill Feed Grade Gold	g/t	-	0.67	1.17
Mill Feed Grade Copper	%	-	0.33	0.43
Gold Recovery	%	-	89.9	88.3
Copper Recovery	%	-	88.8	89.2

Didipio achieved a 12MMA TRIFR of 1.5 per million hours worked at the end of the first quarter, a slight increase of 0.1 per million hours worked at the end of 2019. The operation had a total of one recordable injury for the quarter, and the TRIFR remains at an industry-leading standard.

There was no gold or copper production in the first quarter due to the suspension of operations as a result of the local government unit's continued blockade.

As previously reported, underground mining was suspended in mid-July 2019 due to the depletion of consumable mining supplies. Geotechnical, hydrological and other environmental management activities are ongoing for health and safety purposes, to ensure ongoing environmental compliance and to ensure the mine is maintained in a state of operational readiness for a rapid resumption of normal mining operations.

No gold-copper concentrate was sold in the first quarter due to the restrictions on material movements. During the quarter 6,846 ounces of gold produced in 2019 were successfully exported and sold. As a result Didipio was cash positive in the quarter.

As previously reported, on July 25, 2019, the Regional Trial Court of Nueva Vizcaya ('NV') denied OceanaGold's petition for an injunction against the Provincial Government of Nueva Vizcaya and local government units from interfering with Didipio operations. The Company appealed the Regional Trial Court decision to the Court of Appeals in Manila. A hearing took place on September 18, 2019 and the parties have subsequently filed their respective memorandum as required by the Court of Appeals. The matter is now pending a decision. In the meantime, OceanaGold's main petition in the Regional Trial Court where the Company is seeking the Court to (a) declare as null and void the Nueva Vizcaya Governor's restraining order, and (b) prohibit local government units from restraining the Didipio operations is undergoing pre-trial conference. Following this, the case is expected to proceed to trial of the substantive issues.

Financial statistics

		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Gold Sales	koz	6.8	-	29.1
Copper Sales	kt		-	3.3
Average Gold Price Received	US\$/oz	1,652	-	1,324
Average Copper Price Received	US\$/lb		-	3.12
Cash Costs	US\$/oz	443	0	394
Site All-In Sustaining Costs ⁽¹⁾	US\$/oz	444	0	554
Site All-In Sustaining Margin	US\$/oz	1,208	-	770

(1) Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly.

Unit Costs		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Mining Cost (Open Pit) ⁽¹⁾	US\$/t mined	-	-	-
Mining Cost (U/G)	US\$/t mined	-	-	36.24
Processing Cost	US\$/t milled	-	-	5.68
Site G&A Cost	US\$/t milled	-	-	5.56

(1) Mining unit costs are inclusive of any capitalised mining costs.

Didipio unit costs		Q1 31 Mar 2020	Q4 31 Dec 2019	Q1 31 Mar 2019
Cash Costs (gross)		2.6	-	27.9
Less: by-product credits	USDm	-	-	(23.5)
Less: production taxes	USDm	0.5	-	2.8
Add: Freight, treatment and refining charges	USDm	-	-	4.3
Cash Costs (net)	USDm	3.0	-	11.5
Add: General capital and leases	USDm	-	-	4.0
Add: Pre-strip and capitalised mining	USDm	-	-	0.6
Add: Brownfields exploration	USDm	-	-	0.0
Site All-In Sustaining Costs (net)	USDm	3.0	-	16.1
Gold sales	koz	6.8	-	29.1
Cash cost per ounce sold	US\$/oz	443	-	394
Site All-In Sustaining Costs per ounce sold	US\$/oz	444	-	554

During the first quarter, \$8.4 million of operating costs were expensed as part of consolidated Corporate General and Administration - other, which related to maintaining Didipio in a state of operational readiness for the resumption of normal operations.

Operating costs included costs to maintain dewatering activities in the underground mine and maintaining the process plant during the suspension. It also included continued payments of employee salaries while the FTAA renewal process continues.

Didipio recorded \$11.3 million for gold sales during the first quarter at AISC of \$444 per gold ounce.

Financial or Technical Assistance Agreement

The initial term of the FTAA ended on June 20, 2019. The FTAA is renewable for another 25 years and the Company lodged the application for the renewal in March 2018. The renewal process has continued during this duration and is currently under review with the Office of the President (OP) after being reindorsed for a second time by the Secretary of DENR and by the Mines and Geosciences Bureau ("MGB"). The MGB has confirmed in writing in a letter dated June 20, 2019 that the Didipio mine is permitted to continue its mining operations pending the completion of the renewal process.

The Company continued with proactive engagement with the various Government agencies, including the DENR and MGB, OP and National Coalition of Indigenous Peoples (“NCIP”) on the FTAA renewal process until Government shutdown due to COVID-19 pandemic on March 16, 2020.

On January 21, 2020, the OP granted authority for the Company to deliver diesel to the Didipio Mine for dewatering activities. On April 6, 2020 approximately 100,000 litres of diesel were delivered with the assistance of the Philippine National Police, which ensured that the fuel tank trucks were not stopped at checkpoints.

In December 2019 the Department of Interior and Local Government (“DILG”) sent a letter to the Nueva Vizcaya (“NV”) governor informing him that the checkpoint being used as a restriction of access to Didipio requires a permit which has not been granted and therefore the checkpoint should be removed. The NV governor replied and argued the non-renewal of the FTAA. The DILG sent a second letter to the NV governor reiterating their position on the unauthorized status the checkpoint.

As at 31 March 2020, the Company believes there has been no significant adverse change since the prior reporting period in the economic and legal environment, or the way the Didipio mine is intended to be used. The mine and associated facilities continued to be maintained by the Company in a state of operational readiness for rapid restart.

Moreover, the FTAA renewal remains with the Office of the President with no definitive timeline provided for a decision. With the COVID-19 pandemic and Government shutdown continuing after March 31, 2020, the Company concludes that there is an increased risk that resolution to the above matter(s) may take longer than previously anticipated.

Notwithstanding the operational readiness state of the asset, the Company has considered the potential impact further possible delays to a restart of normal operations may have on the recoverability of the carrying value of the asset. Based on that assessment, the Company believes that should a restart of normal operations occur as expected within the 2020 calendar year, the current carrying value of the asset remains appropriate. Should circumstances arise where the Company believes this is no longer probable, the asset may be impaired.

Sustainability

Environment and Community

The Company did not record any significant environmental incidents in the first quarter of 2020 and environmental performance remains consistently strong.

Data has been collected and collated in preparation for the delivery of the 2019 Sustainability Report to meet the Global Reporting Initiative (“GRI”) requirements with independent verification of the data by Bureau Veritas. The Sustainability Report is expected to be completed for release in June 2020.

In late 2019, the New Zealand operations and Haile completed a gap analysis against the OceanaGold External Affairs and Social Performance (“EASP”) Management System. In the first quarter the three operations commenced their work plans to enhance their operational EA&SP systems.

Haile

In the first quarter of 2020, works were progressed on the installation, commissioning and optimisation of a mercury abatement system to meet clean air compliance requirements for the South Carolina Department of Health and Environmental Control (DHEC). The Haile operation has been in close contact with DHEC through this implementation phase and final testing of the abatement system by DHEC is scheduled for the second quarter.

In the first quarter the operation completed a draft Human Rights Impact Assessment Report. The operation will finalise the report following community engagement and a site visit by independent third-party experts.

Didipio

With the temporary suspension of mining and processing activities, the environmental focus remained on compliance-driven monitoring and reporting. Progressive rehabilitation continued.

In the first quarter, tangible actions from the Philippine Government resulted following a meeting between the President with senior government officials. These tangible actions included export permits for the doré previously produced and a directive from the Office of the President authorising the delivery of emergency backup fuel for the Mine’s underground de-watering system, which was delivered at the start of the second quarter.

The operation continues to engage with the Provincial Government of Nueva Vizcaya and the Didipio Local Government Unit to resolve their current position which is restricting the mine’s ability to get supplies in or transport copper concentrate out.

Before the end of the quarter, the operation commenced COVID-19 preparedness and response support in the two host provinces of Nueva Vizcaya and Quirino. This included delivery of medicine and personal protective equipment to provincial medical facilities and food supplies to households in the host and adjacent communities.

Waihi

The Waihi Operation commenced their five-year Comprehensive Dam Safety Review study, engaging an independent expert to undertake an audit of all aspects of the Waihi Tailings Storage Facilities including the original design and construction, current modelling, monitoring results and operational management and accountability structures.

The operation also undertook an audit of the site procedures and systems as part of their commitment to meet the World Gold Council Responsible Gold Mining Principles by 2022.

A comprehensive stakeholder engagement strategy was developed to support the launch of the Waihi District Study. Under the New Zealand Resource Management Act public participation is required as part of the associated consenting process.

Following a review of the Waihi Social Impact Management Plan in 2019, the operation has developed a scope of work to engage a third-party expert to conduct a Social Impact Assessment of the Operation's upcoming projects which will commence in the second quarter.

Macraes

In the first quarter the Macraes Operation completed structural earthworks as part of the Site Water Management Plan to intercept drainage and runoff from the Fraser's waste rock stack. Additional works commenced to investigate the potential use of intercepted water in irrigation for improved pastures for sustainable grazing.

Stakeholders were engaged in discussions to assist the development of a biodiversity offset strategy and plan for land disturbances associated with the Deep Dell North development proposal.

Reefton Restoration Project

In the first quarter, activities concentrated around the construction of the wetland and spillway for the Fossickers Tailings Storage Facility. Wetland vegetation has been ordered and is due to arrive in September for the spring planting season.

The closure project continues monitoring and reporting to assess the effectiveness of environmental controls and to meet compliance needs.

In a joint partnership between OceanaGold, the Buller Regional Council and the Reefton Site Information centre, the Reefton Economic Diversification Governance Board was established to provide governance, direction and seek funding support for economic diversification over a three-year period.

Other Information

Investments

As at March 31, 2020, the Company held \$1.8 million in marketable securities in exploration companies listed on the Venture Stock Exchange in Toronto including a 12.2% equity position in NuLegacy (NUG), which holds prospective exploration tenements in the main producing gold belts of Nevada, United States.

Joint Ventures

Three projects are under Option/Joint Venture Agreement. In Nevada, USA, the Highland and Spring Peak Projects continue under option agreements with Bravada Gold Corporation and Renaissance Gold Inc., respectively. Field programs are being planned and scheduled for the 2020 field season commencing late second quarter. In the Catamarca Province of Argentina, the Pedernales project continues under an option agreement with a private Argentine exploration company, Rio De Oro. Field activities are on hold for the duration of winter, until the end of the third quarter.

Accounting & Controls Information

Corporate governance

As announced during the first quarter, Mr. Michael F. Wilkes resigned as the President and Chief Executive Officer of the Company, effective March 18, 2020.

Subsequent to the quarter end, the Company's Board of Directors appointed Mr. Michael Holmes as the President and Chief Executive Officer of OceanaGold Corporation.

The current members of the Board's Committees are:

Audit and Financial Risk Committee	Remuneration Committee	Sustainability Committee	Governance and Nomination Committee
Paul B. Sweeney (Chair)	Craig J. Nelsen (Chair)	Dr. Geoff Raby (Chair)	Catherine Gignac (Chair)
Dr. Geoff Raby	Paul B. Sweeney	Craig J. Nelsen	Paul B. Sweeney
Catherine Gignac	Ian M. Reid	Catherine Gignac	Dr. Geoff Raby

Risks and uncertainties

This document contains some forward-looking statements that involve risks, uncertainties and other factors that could cause actual results, performance, prospects, opportunities and continued mining operations to differ materially from those expressed or implied by those forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things: ongoing potential impacts of the COVID-19 global pandemic, failure to obtain necessary permits and approvals from government authorities including failure or delay in obtaining renewal of the Financial or Technical Assistance Agreement; extended suspension of mining and processing activities at the Didipio operation; inability to access critical supplies which in the event of an emergency may impact Didipio's ability meet all ongoing compliance obligations; volatility and sensitivity to market prices for gold; replacement of reserves; possible variations of ore grade or recovery rates; changes in project parameters; procurement of required capital equipment and operating parts and supplies; equipment failures; unexpected geological conditions; political risks arising from operating in certain developing countries; inability to enforce legal rights; defects in title; imprecision in reserve estimates; success of future exploration and development initiatives; operating performance of current operations; ability to secure long term financing and capital, water management, environmental and safety risks; seismic activity, weather and other natural phenomena; changes in government regulations and policies including tax and trade laws and policies; ability to maintain and further improve labour relations; general business, economic, competitive, political and social uncertainties and other development and operating risks. For further detail and discussion of risks and uncertainties refer to the Annual Information Form available on the Company's website.

Summary of quarterly results of operations

The Income Statement section of this report sets forth unaudited information for each of the eight quarters ended June 30, 2018 to March 31, 2020. This information has been derived from our unaudited consolidated financial statements which, in the opinion of management, have been prepared on a basis consistent with the audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for fair presentation of our financial position and results of operations for those periods. The most significant factors causing variation in the result are the volatility of the gold and copper price, the variability in the grade of ore mined from the Haile, Didipio, Waihi and Macraes mines, gold and copper recoveries, the timing of waste stripping activities, movements in inventories and large movements in foreign exchange rates between the USD and NZD. In the current quarter the restrictions on material movements at Didipio imposed by the provincial and local government units have continued to cause variation in the results of operations.

Non-GAAP financial information

Throughout this document, we have provided measures prepared according to IFRS (“GAAP”) as well as some non-GAAP performance measures. As non-GAAP performance measures do not have a standardised meaning prescribed by GAAP, they are unlikely to be comparable to similar measures presented by other companies. We provide these non-GAAP measures as they are used by some investors to evaluate OceanaGold’s performance. Accordingly, such non-GAAP measures are intended to provide additional information and should not be considered in isolation, or a substitute for measures of performance in accordance with GAAP.

- Earnings before interest, tax, depreciation and amortisation (EBITDA) a non-GAAP measure and a reconciliation of this measure to Net Profit / (Loss) is provided in the Income Statement section of this report
- All-In Sustaining Costs (‘AISC’) per ounce sold is based on the World Gold Council methodology, is a non-GAAP measure and a Group reconciliation of these measures to cost of sales, is provided in the Business Summary section of this report.
- Cash Costs per ounce sold is a non-GAAP measure and a Group reconciliation of these measures to cost of sales, is provided in the Business Summary section of this report.
- All-In Sustaining margin refers to the difference between average gold price received, and AISC per ounce of gold sold.
- Net debt has been calculated as total interest-bearing loans and borrowings less cash and cash equivalents.
- Liquidity has been calculated as cash and cash equivalents and the total of funds which are available to be drawn under the Company’s loan facilities.
- Adjusted net profit / (loss) is defined as Earnings / (Loss) after income tax and before gain/(loss) on undesignated hedges and impairment charge as calculated in the Income Statement of this report. Adjusted earnings / (loss) per share represents the adjusted net profit / (loss) on a per share basis.

Transactions with related parties

There were no significant related party transactions during the period.

No offer of securities

Nothing in this release should be construed as either an offer to sell or a solicitation of an offer to buy or sell OceanaGold securities in any jurisdiction or be treated or relied upon as a recommendation or advice by OceanaGold.

Reliance on third party information

The views expressed in this release contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This release should not be relied upon as a recommendation or forecast by OceanaGold.

Additional information

Additional information referring to the Company, including the Company’s Annual Information Form, is available at SEDAR at www.sedar.com and the Company’s website at www.oceanagold.com.

Disclosure controls and procedures

The Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the Company's disclosure controls and procedures as at March 31, 2020. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as at March 31, 2020 to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would be made known to them by others within those entities. These controls were designed and evaluated based on the criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (2013 framework).

Internal control over financial reporting

Management of OceanaGold, including the Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting and disclosure controls and procedures as of December 31, 2019. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that they were effective at a reasonable assurance level.

There were no significant changes in the Company's internal controls, or in other factors that could significantly affect those controls subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation, nor were there any significant deficiencies or material weaknesses in the Company's internal controls requiring corrective actions.

During the three months ended March 31, 2020, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. The Company's management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that its disclosure controls and internal controls over financial reporting will prevent all errors and fraud. A cost-effective system of internal controls, no matter how well conceived or operated, can provide only reasonable not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and related notes. Please refer to Note 3 of OGC's consolidated financial statements for the quarter ended March 31, 2020 for further information.

Accounting policies

There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.