



SUSTAINABILITY REPORT 2017



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ABOUT THIS REPORT

OceanaGold and our respective subsidiaries operate as OceanaGold Corporation. Throughout this sustainability report, this group of companies, offices and sites are referred to as OceanaGold.

In this sustainability report, we disclose our payments in relation to sponsorships, donations, and social investment activities. All other payments in relation to the regulatory obligations, including licensing application fees, amendments application fees, annual renewals and general compliance costs, are fully disclosed in financial statements located on our website, www.oceanagold.com.

OUR REPORTING FRAMEWORK

Our sustainability report aligns with the International Council on Mining and Metals (ICMM) Sustainable Development Framework. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards – Core Option and the GRI G4 Mining and Metals Sector Disclosures.

Bureau Veritas has provided independent assurance of this sustainability report. A copy of this assurance report is provided on page 94.

REPORTING SCOPE AND LIMITATIONS

This sustainability report provides information on our four operating assets during the period 1 January 2017 to 31 December 2017. These assets include:

- Haile Gold Mine, South Carolina, United States of America
- Didipio Gold and Copper Mine, Luzon, Philippines
- Waihi Gold Mine, North Island, New Zealand
- Macraes Goldfield Mine, South Island, New Zealand.

Data relating to our Globe Progress mine, located near Reefton in the West Coast region of New Zealand's South Island, is not included in this report. Mining operations ceased in December 2016 and a comprehensive closure and rehabilitation program is under way, and described in further detail on pages 14 and 84 of this report. Once closure and rehabilitation is complete, the management of the site will be returned to the New Zealand Department of Conservation.

All financial figures noted in this report are denominated in US dollars, unless otherwise stated.

This sustainability report is part of our annual reporting suite. It follows our previous Sustainability Report published in May 2017. There are no significant restatements of information or changes to the way in which this report has been produced. All reports are available on our website, www.oceanagold.com.

Feedback on this sustainability report is welcomed and may be provided to us at info@oceanagold.com.

Haile open pit, United States



CHAIR AND CEO MESSAGE

It is our pleasure to present our 2017 sustainability report.

This report outlines the performance of our four operating assets – Haile Gold Mine, Didipio Gold and Copper Mine, Waihi Gold Mine and Macraes Gold Mine – from 1 January to 31 December 2017, in accordance with the core Global Reporting Initiative (GRI) Standards and the GRI G4 Mining and Metals Sector Disclosures.

OUR SUSTAINABLE DEVELOPMENT PERFORMANCE

We continue to strengthen our sustainability performance by enhancing our understanding and management of our operational impacts, and listening and responding to our stakeholders. To support this work, we welcomed our Executive Vice President and Head of External Affairs and Social Performance, Sharon Flynn, in September, and commenced a review of our Responsible Mining Framework.

We also welcomed Scott McQueen to the role of Chief Financial Officer in June.

We employed 2,068 staff in 2017, increased average training hours across the board, and expanded our Leadership Skills Development Program.

Our total recordable injury frequency rate (TRIFR) remained consistent with our 2016 result but did not meet our ambitious target of 2.99. With more than 50 per cent of these injuries sustained to the hands and fingers, we launched hand injury prevention initiatives at each of our operations and reviewed our PPE requirements. We also commenced a behavioural safety program at Didipio, Waihi and Macraes focused on employee hazard identification and management, empowering all staff, regardless of level, to speak up if they see an unsafe behaviour or situation.

We prioritised local procurement, with 87 per cent of our total procurement investment spent within our host countries. Of this, we invested 32 per cent locally and the remaining 55 per cent nationally.

We invested more than US\$8.65 million in social programs, donations, in-kind support and community infrastructure – an increase of 32 per cent. This reflects the commencement of production at our Haile gold mine and the expansion of our program at the Didipio gold and copper mine.

Community complaints dropped by 40 per cent to 235, related primarily to noise and vibrations in New Zealand and land in the Philippines, and we expanded our InForm stakeholder engagement management system to continue our documentation and reporting of stakeholder engagement and compliance activities.

We also implemented a company-wide environmental database and obligation management system that issues automatic notification when sampling results exceed compliance levels, and reminders for all activities required for regulatory and internal compliance.

“We invested more than US\$8.65 million in social programs, donations, in-kind support and community infrastructure – an increase of 32 per cent.”

Our operations recycled 85 per cent of all the water used for mining and processing activities, which reduced our need to extract water from local catchments.

We won awards in the Philippines and the United States for our sustainable development achievements, including the Best Practice in Sustainable Development award at the inaugural Association of Southeast Asian Nations (ASEAN) Mineral Awards.

OUR OPERATIONAL PERFORMANCE IN 2017

While not without its challenges, 2017 was a strong year for OceanaGold.

We produced a record-high 574,606 ounces of gold and, for the sixth consecutive year, we achieved our full year production and cost guidance.

We celebrated the commencement of commercial production at our Haile gold mine in South Carolina in the United States in October. This milestone saw the first commercial gold production from Haile in 25 years. While we experienced a commissioning delay because of challenges at our processing plant, we are very proud of commencing commercial production within two years of taking ownership of the project. The hard work and dedication of our workforce and the support of our host communities, partners and stakeholders led to this success.

“In 2018, we will continue to enhance our performance against sustainability and operational targets as we work toward our vision of being the gold mining company of choice.”

The Haile gold mine is a world-class asset with strong profit margins, a growing proven resource base, and significant expansion potential. This was demonstrated with the completion of the *Haile Optimisation Study* in June and the *Haile Technical Report* in August, outlining a mineral resource increase of more than 70 per cent from original estimates, supporting increased annual production by 50 per cent, increased net cash flows of 60 per cent over the life of the mine, and an extension of the mine life to 18 years.

In February, our Didipio gold and copper mine disappointingly received a suspension order from the Department of Environment and Natural Resources (DENR) in the Philippines. The order was based on a petition of the local government of Nueva Vizcaya for the cancellation of the Financial or Technical Assistance Agreement (FTAA), allegations of damages to houses caused by blasting in the open pit, and the potential of adverse impact to the agricultural areas of the host province. We immediately appealed this order to the Office of the President, which triggered a stay on the suspension order pending a review of our appeal. At the time of this report's publication (1 June 2018), the Philippines government continues to consider the appeal.

In March, the Republic of El Salvador passed a national law prohibiting metal mining activities in the country. Shortly after the passing of this legislation, OceanaGold made the decision to exit El Salvador and began the process of closing its activities at El Dorado. These activities concluded in September. We are now in the process of dissolving our companies and assets in the country in compliance with legal requirements, and we are keeping government authorities and the local community updated on the process.

In New Zealand, we continued our extensive exploration at Waihi, with the focus on drilling the Martha underground. Our objective is to increase the mine life at Waihi by an additional 10 years, and at the time of publishing this report, we have now lodged our application for the permit. In April, we were granted consent for the Coronation North pit, which extended our mine life at Macraes by three years and will feature best practice biodiversity and water management practices.

We continued our exploration program to prove up the significant potential that exists at each of our assets and in nearby greenfield areas. This is in line with our organic growth strategy and presents a shared value opportunity for all of our stakeholders, including our host communities.

We also made strategic investments, entering into option and joint venture agreements in May and October with Mirasol Resources Limited on the La Curva and Claudia projects, both located in Santa Cruz Province, Argentina.

LOOKING FORWARD TO 2018

In 2018, we will continue to enhance our performance against sustainability and operational targets as we work toward our vision of being the gold mining company of choice.

This means continuing our focus on the health and safety of our people and the wellbeing of our local communities, and our ongoing commitment to uphold the highest standards in environmental and sustainability practices.

We will develop and implement a group-wide Diversity Standard to support the implementation of our Employment and Diversity Policy and review our diversity strategies and practices to expand beyond gender to embrace the diverse thinking, skills, experiences and work styles of our people.

We will grow our new External Affairs and Social Performance function to enhance our understanding and management of operational impacts, our collaboration with our diverse stakeholders, and shared value creation. This will include a program of work to revise, implement and embed our Responsible Mining Framework and benchmark our social performance.

We will advance our organic growth program – including developing the underground at Didipio – commence permitting expansions at Haile and Waihi and continue drilling at each operation to increase resources and reserves.

You will find more information about all these initiatives and more in the sections of this report. If you have questions or feedback, please contact us at **+61 3 9656 5300** or info@oceanagold.com.



JAMES (JIM) ASKEW

Chairman of the
Board of Directors



MICHAEL (MICK) WILKES

President and Chief
Executive Officer

Haile open pit, United States







1

SECTION

ABOUT US

ABOUT US

OceanaGold is a multinational, mid-tier gold mining company with significant global operating, development and exploration experience.

Our vision is to be the gold mining company of choice, operating long-life, high-quality and high-margin assets, while delivering superior returns in a responsible manner.

We are publicly listed on the Toronto Stock Exchange (TSX) and the Australian Securities Exchange (ASX) under the ticker 'OGC'. Our shareholders comprise approximately 86 per cent institutional investors with brokers, retail and corporate investors accounting for the remaining 14 per cent. Our investors are primarily located in North America (59.5 per cent), the United Kingdom (21 per cent), Australia/New Zealand (8 per cent) and mainland Europe (9.4 per cent).

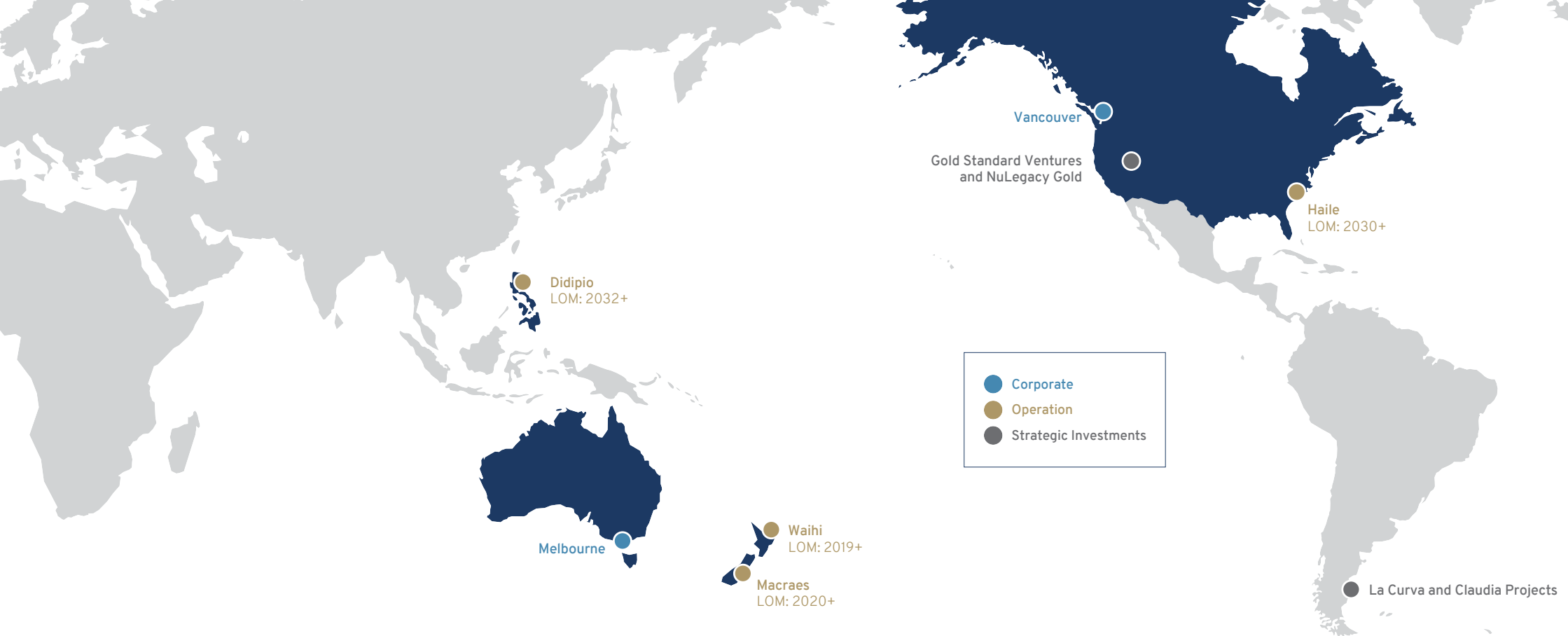
OUR OPERATIONS

Our operating assets are located in the Philippines, New Zealand and the United States and include:

- Didipio Gold-Copper Mine on Luzon Island in the Philippines
- Macraes Goldfield Mine on the South Island of New Zealand
- Waihi Gold Mine on the North Island of New Zealand
- Haile Gold Mine located in South Carolina, United States of America (which formally commenced commercial operations from 1 October 2017).

2017 was a record year of financial and operating performance for OceanaGold. For the sixth consecutive year we achieved our full-year production and cost guidance, producing 574,606 ounces of gold, 18,351 tonnes of copper, and delivering a record revenue of \$724 million (net profit after tax of \$172 million).

Our gold doré bars (containing silver and gold) are stamped with the mine of origin. Gold originating from our Philippine and New Zealand mines is sold to the Perth Mint, while gold originating from our mine in the United States is sold to Metalor. After sale Perth Mint and Metalor further refine the doré bars to produce higher purity gold and silver. In addition, we have an offtake agreement with Trafigura for copper-gold concentrate originating from our Philippine mine.



DIDIPIO

Didipio Gold and Copper Mine, Luzon, the Philippines

- Underground operation
- Internationally recognised for exceptional safety, environment and social development performance
- Measured and Indicated resources: 1.39 Moz gold, 2.88 Moz silver, 0.17 Mt copper
- Inferred resources: 0.3 Moz gold, 0.3 Moz silver, 0.03 Mt copper
- Current mine life to 2032
- 2017 production: 176 790 ounces of gold and 18 351 tonnes of copper

MACRAES

Macraes Goldfield Mine, South Island, New Zealand

- Mining for more than 29 years
- Open pit and underground operations
- Measured and Indicated resources: 3.6 Moz gold
- Proven and Probable resources: 1.2 Moz gold
- Mine life to 2020
- Drilling to continue to extend mine life
- 2017 production: 160 266 ounces of gold

WAIHI

Waihi Gold Mine, North Island, New Zealand

- Underground operation (transitioned from open pit)
- Measured and Indicated resources: 0.36 Moz gold
- Proven and Probable resources: 0.24 Moz gold
- Current mine life to 2019
- Commenced permitting Project Martha, the first stage of a potential 10-year mine life extension
- 2017 production: 119 084 ounces of gold

HAILE

Haile Gold Mine, South Carolina, United States of America

- Open pit operation (with additional underground resources)
- Measured and Indicated resources: 3.32 Moz gold
- Inferred resources: 0.6 Moz gold
- Current life of mine to 2032
- Permitting of the Haile expansion to commence in mid-2018
- 2017 production: 118 466 ounces of gold

OceanaGold has a significant pipeline of organic growth and exploration opportunities within Australasia, Southeast Asia and the Americas.



Pre-shift meeting

OUR GROWTH STRATEGY

Over the short- to medium-term, we expect to leverage these opportunities to sustainably grow our business, continue delivering consistent positive results and strengthen our financial position.

We will remain disciplined in our approach to merger and acquisition activities and will evaluate external opportunities with strict internal investment criteria that includes return on invested capital, net present value, investment payback, and social, environmental and political risks.

ORGANIC GROWTH

Each of our operating assets hold additional growth potential and we are progressing organic growth opportunities to maximise value for our shareholders.

At Waihi, the recently announced Martha Project is one of our most exciting and near-term opportunities, and the first stage of a potential 10-year life of mine extension. This exploration target sits below the historical Martha Open Pit. The permitting process will run concurrently with the exploration drilling and we anticipate both will be completed before the end of 2019. With ongoing community support and a successful permitting process, we expect the Waihi mine will continue to operate, providing benefits to the local region and New Zealand for many years to come.

At Haile, we continue to explore near-mine priority targets while also drilling on and around the fringes of known mineralisation to potentially expand the boundaries of the current pit shells. We have also commenced the installation of infrastructure to increase process plant throughput capacity from the current 2.5 million tonnes per annum (Mtpa) to a target of 4.0 Mtpa. In addition, we expect to submit permits and supporting documentation in mid-2018. This will support the expanded open pit design and an underground mine, which will increase production at Haile to support a long-life, high-margin operation.

After transitioning from open pit to underground mining at Didipio, we achieved first production from the underground mine in January 2018. We continue to develop the mine to increase underground throughput to 1.2–1.3 Mtpa in 2019, reaching 1.6 Mtpa in 2020 and onwards for the life of the mine. Stockpiled lower-grade material will supplement throughput for the life of the mine.

At Macraes, we continue to drill at the Round Hill project located near the current process plant. At current gold prices, developing this resource remains marginal given it will require redeveloping the plant. We will continue to drill the area, seeking additional resources at higher grades that may improve project economics to support a potential 10-year life of mine extension.

STRATEGIC INVESTMENTS

La Curva and Claudia projects

In 2017, we entered into two separate option agreements with Mirasol Resources to earn up to a 75 per cent interest in the La Curva and Claudia Projects, which are early stage exploration projects located in Santa Cruz Province in Argentina. OceanaGold has the right to earn its interest of the La Curva and Claudia Projects in stages by completing a series of exploration investments and making staged option payments to Mirasol.

Gold Standard Ventures

Gold Standard Ventures (GSV) is an exploration company traded on the Toronto Stock Exchange (TSX) Venture Exchange. GSV controls the second-largest contiguous land package (208 sq km in the Carlin Trend, which is North America's most prolific gold-producing area, and the world's second-largest known gold resource). At 31 December 2017, OceanaGold holds approximately 15.7 per cent of the issued and outstanding shares of GSV.

NuLegacy Gold

NuLegacy Gold is a junior exploration company listed on the TSX Venture Exchange. It is currently drilling the Red Hill Project in the Cortez Trend in Nevada, USA, close to some of the world's largest gold discoveries. As of 31 December 2017, OceanaGold holds approximately 16.2 per cent of the issued and outstanding shares of NuLegacy.

Locrian Resources Inc.

Locrian Resources Inc. is a private Canadian company focused on exploration activities in Laos and Myanmar. As of 31 December 2017, OceanaGold holds approximately 30.81 per cent of Locrian's issued and outstanding shares.

Sam's Creek

In New Zealand, OceanaGold holds a 20 per cent interest in the Sam's Creek project, which consists of exploration on a near-surface, mineralised, porphyritic felsic dyke on New Zealand's West Coast of New Zealand's south island. The project is a joint venture with Australian Stock Exchange-listed MOD Resources Ltd.

OTHER PROJECTS

In addition to the Didipio mine and tenements, OceanaGold has a portfolio of prospective exploration properties in the Philippines. This portfolio includes interests in the Didipio region (outside of the Didipio Financial or Technical Assistance Agreement area), Northern Luzon and the Surigao Peninsula area of northern Mindanao. These interests comprise direct holdings of, and options over, 5 granted tenements, with 10 currently being considered for renewal by the Mines and Geosciences Bureau.

OceanaGold also holds an interest in an unincorporated joint venture copper gold project located near Orange, New South Wales, Australia.

CLOSED SITES

REEFTON MINE, NEW ZEALAND

The Reefton Mine, located in the West Coast region of New Zealand's South Island, commenced operations in 2005. In December 2016, we announced operations would close.

The Reefton Restoration Project, a comprehensive closure and rehabilitation program, is currently under way and described in further detail on page 84 of this report.

Rehabilitation works to date have included ground preparation, including waste rock reshaping, backfilling operations and seedling coverage on a seasonal basis.

The Water Treatment Plant remains operational to meet regulatory requirements for the discharge of site-collected water sources to the environment.

Engagement and collaboration with landholders, the New Zealand Department of Conservation and Reefton township community are ongoing as we deliver our closure plan. Once complete, the site's management will be returned to the New Zealand Department of Conservation.

EL DORADO PROJECT, EL SALVADOR

In March 2017, the Republic of El Salvador passed a national law prohibiting metal mining activities in the country. Shortly after the passing of this legislation, OceanaGold made the decision to exit El Salvador and began the process of closing its activities at El Dorado. This included the closure of the El Dorado Foundation and redundancies for approximately 80 local employees involved in administration, social programs and geological analysis. These activities concluded on September 15, 2017.

We are now in the process of dissolving our companies and assets in the country in compliance with legal requirements. We are keeping government authorities and the local community updated on the process.

The closure process for the El Dorado Project includes:

- **Safety & Environmental Review:** In December 2017, Knight Piesold (KP) performed a review of existing infrastructure and land parcels owned by the company at the El Dorado Project to assess potential safety and environmental risks. Overall, the infrastructure is sound and since there has been no active mining in the area since the 1950s, no environmental issues were identified. Based on the review, OceanaGold decided to cap two historical shafts, seal two historical adits, rehabilitate drill exploration holes currently used for water monitoring and undertake minor erosion control works. This work is to be undertaken in 2018.
- **Sale of Land & Infrastructure** – after third party valuations, OceanaGold is engaging with former and local landowners to assess their interest in buying back or purchasing land. OceanaGold is prioritising local landowners for the sale of assets and will not sell land or assets to any party with known mining interests. It is likely all land and infrastructure will be sold before the end of 2018.
- **Legal Closure of El Salvador companies** – this legal process is under way and will continue through 2019.

Background on El Dorado

OceanaGold acquired the El Dorado Project in November 2013 through the acquisition of Pacific Rim Mining Corp. El Dorado operated as an underground mine from 1948 to 1953. At the time of its purchase by OceanaGold and today, El Dorado has been an exploration project and has not been an operating mine since 1953.

In 2004, after eight years of exploratory drilling and planning, Pacific Rim applied to the Ministry of Environment and Natural Resources for an environmental permit. At the same time, Pacific Rim also applied to the Ministry of the Economy for a permit to extract and process minerals.

By 2009, Pacific Rim had not received a response from the El Salvador Ministries and filed an arbitration claim with the International Centre for the Settlement of Investment Disputes (ICSID) seeking issuance of the permits or compensation. At the time of the Pacific Rim acquisition in 2013, OceanaGold chose to continue the arbitration process to gain clarity on the Government of El Salvador's position on the permit application filed by Pacific Rim.

On October 14 2016, ICSID found in favour of the Government of El Salvador and required OceanaGold to cover El Salvador's expenses for the process initiated by Pacific Rim. In compliance with this decision, OceanaGold paid just over US\$8 million to the Government of El Salvador in July 2017.

Following this decision, and the passing of the law prohibiting metal mining, OceanaGold decided to close the El Dorado project.

Transparent and accountable compliance with local laws and regulations is fundamental to the way OceanaGold does business. In this context, we respect and abide by the decision by the Government of El Salvador with respect to mining in the country. OceanaGold will provide additional periodic updates as we finalise the dissolution of our assets in country. OceanaGold does not plan future investments in El Salvador.

OUR HISTORY

1990

1990

Macraes Mining Company Limited commenced gold production at Macraes.

1991

Reefton Goldfield acquired from CRA Limited.

1999

Pressure oxidation and autoclave facility commissioned at Macraes, only one of three in the Southern Hemisphere.

2000

2003

OceanaGold Limited.

2004

OceanaGold Limited listed on Australian Stock Exchange and New Zealand Stock Exchange.

2006

Didipio Gold-Copper Project acquired through merger with Climax Mining Limited.

2007

OceanaGold Corporation incorporated and listed on Toronto Stock Exchange.

Reefton open pit mine commissioned.

Flotation cells commissioned at Macraes, the largest of this type operating in the world.

2008

Frasers Underground Mine at Macraes commissioned.

Didipio placed under care and maintenance following global financial crisis.

2010

2011

Didipio Mine construction recommenced in June.

2012

Didipio Mine construction completed and first gold produced in December.

2013

Didipio Mine commenced commercial production in April.

2014

Four millionth ounce of gold poured from New Zealand operations. Declared annual dividend.

2015

Acquired Waihi Gold Mine in New Zealand from Newmont Mining Corp.

Acquired Romarco Minerals Inc. and continued development of the Haile Gold Mine.

Made strategic investment in Gold Standard Ventures.

2016

Made strategic investment in NuLegacy Gold.

Delisted from the New Zealand Stock Exchange.

2017

First gold poured from the Haile Gold Mine.

Didipio open pit





2

SECTION

THE OCEANAGOLD WAY

OUR VALUES

Our values shape our culture and define the character of our company. They serve as a guide for how we want to behave and make decisions. These beliefs, reflect the OceanaGold way of doing things.

RESPECT

We value our people, cultural diversity, communities and environment.

INTEGRITY

We are true to ourselves and do what is right.

TEAMWORK

We collaborate and value the power of teams.

INNOVATION

We challenge ourselves and others to improve.

ACTION

We move effectively from concept to implementation.

ACCOUNTABILITY

We take ownership of our decisions and actions.

THE OCEANAGOLD WAY

OUR VISION

To be the gold mining company of choice, operating high-quality assets and delivering superior returns in a responsible manner

We have an unwavering focus on the health and safety of our people, the wellbeing of our local communities and an unrelenting commitment to uphold the highest standards in environmental and sustainability practices.

OUR STRATEGIC OBJECTIVES

- Effective common OceanaGold framework
- Injury-free, healthy work environments without fatalities
- Recognised for responsible environmental management
- Demonstrated and positive social responsibilities with communities
- Established positive government relationships that enable company activities
- Realise the potential of our people to build a high-performance organisation
- Maximise the value from our mineral resources, plant and equipment
- Value enhancement through cost management and continuous improvement processes
- Ensure a pipeline of quality projects to deliver growth in shareholder returns

OUR PEOPLE

We have adopted six leadership qualities expected in our people: innovation, decisiveness, talent-building, collaboration, inspiration and vision. These are the defining qualities of our current and future leaders.

WE ARE SUCCESSFUL WHEN:

- Our people start each day with a sense of purpose and end the day with a sense of accomplishment and personal pride.
- We challenge ourselves and others to improve our business and community programs.
- Our communities, governments and suppliers ask to do more work with us and invite us to grow with them.
- We gain respect through high-performing operations and financial strength and discipline.
- Our shareholders are proud of their investment in us and we deliver a superior return to our investors.

Snow tussock, New Zealand

At OceanaGold, we recognise high standards of governance are fundamental to our ability to deliver on our vision, create enduring value, and maintain our social licence to operate.

CORPORATE GOVERNANCE

OUR BOARD

Our Board is responsible for guiding and monitoring our business and, in collaboration with our executive team, sets our policies, goals, strategies and performance targets to meet all commercial, community and other stakeholder expectations.

The Board also ensures we have appropriate processes in place for risk assessment, management, and internal control and performance monitoring.

The Board delegates certain responsibilities and authorities to the Chief Executive Officer (CEO) and the Executive Committee (EXCO) to enable them to conduct the company's day-to-day activities, subject to certain limitations. Matters that are beyond the scope of those limitations require Board approval.

The Board coordinates the following committees to assist in the execution of its responsibilities:

- Sustainability Committee
- Audit and Financial Risk Management Committee
- Remuneration and Nomination Committee.

The Board oversees our sustainability approach with its Sustainability Committee assisting with governance and monitoring. The Sustainability Committee reviews and makes recommendations on the assessment and mitigation of technical risk and our performance in relation to our commitments to environmentally sound and responsible resource development, healthy and safe work environment, our commitments to social performance and our relationship with stakeholders and governments.

The Audit and Financial Risk Management Committee oversees OceanaGold's accounting and financial reporting processes and reviews and audits our financial statements.

The Remuneration and Nomination Committee reviews and makes recommendations in relation to the remuneration of directors and senior executives of the company.

Each committee is governed by a formal charter approved by the Board, documenting the committee's composition and responsibilities. Copies of these charters are available from our website at www.oceanagold.com.

“Our Board is responsible for guiding and monitoring our business and, in collaboration with our executive team, sets our policies, goals, strategies and performance targets to meet all commercial, community and other stakeholder expectations.”

During the company's 2017 financial year, the composition of the Board and member representation on committees was as follows:

BOARD MEMBER	COMMITTEE
Mr James E Askew (Chairman and non-executive director)	Audit Committee Remuneration and Nomination Committee Sustainability Committee
Mr Jose P Leviste, Jr (non-executive director)	Sustainability Committee
Dr Geoff W Raby (non-executive director)	Audit Committee
Mr Paul B Sweeney (non-executive director)	Audit Committee Remuneration and Nominations Committee
Dr Diane Garrett (non-executive director)	Sustainability Committee
William (Bill) Myckatyn (Non-executive director)	Sustainability Committee Remuneration and Nominations Committee
Mr Michael F Wilkes President and CEO	

In April 2018, OceanaGold announced changes to our Board of Directors with the appointment of Dr Nora L Scheinkestel and Mr Ian M Reid to the Board as non-executive directors. Non-executive directors Dr Diane Garrett, Mr William Myckatyn and Mr Jose P Leviste Jr retired on 1 June 2018.



Macraes Gold Mine, New Zealand

2017 Board committee meetings

	BOARD OF DIRECTORS		AUDIT AND FINANCIAL RISK MANAGEMENT COMMITTEE		REMUNERATION AND NOMINATION COMMITTEE		SUSTAINABILITY COMMITTEE	
Director	Number held	Number attended	Number held	Number attended	Number held	Number attended	Number held	Number attended
J E Askew	4	4	4	4	3	3	4	4
J P Leviste Jr.	4	4	-	Non-member	-	Non-member	4	4
P B Sweeney	4	4	4	4	3	3	-	Non-member
W H Myckatyn	4	4	-	Non-member	3	3	4	4
MF Wilkes	4	4	-	Non-member	-	Non-member	-	Non-member
G W Raby	4	4	4	4	-	Non-member	-	Non-member
D R Garrett	4	3	-	Non-member	-	Non-member	4	2

Board Members



JAMES (JIM) ASKEW
Chairman of the Board of Directors (appointed March 2007)

Jim Askew is a mining engineer with more than 40 years of broad international experience as a Director and/or CEO for a wide range of Australian and international publicly listed mining, mining finance and other mining related companies. He holds a Bachelor of Mining Engineering (Honours) and a Master Degree in Engineering Science. James has served on the board of many public companies, currently including Evolution Mining Ltd and Syrah Resources Ltd.



MICHAEL (MICK) WILKES
President and CEO (appointed January 2011)

Mick Wilkes is a mining engineer with 35 years of broad international experience, predominantly in precious and base metals across Asia and Australia. He has been the President and CEO of OceanaGold Corporation since 2011. In previous roles he was the Executive General Manager of Operations at OZ Minerals responsible for the development of the Prominent Hill copper/gold project in South Australia and General Manager of the Sepon gold/copper project for Oxiana based in Laos. His earlier experience included 10 years in various project development roles in Papua New Guinea and, at the outset of his career, at Mount Isa Mines in operations and design. Mick holds a Bachelor of Engineering from the University of Queensland, a Master of Business Administration from Deakin University, and is a member of both the Australian Institute of Mining and Metallurgy, and the Australian Institute of Company Directors.



DIANE R GARRETT
PhD, non-executive director (October 2015 – May 2018)

Diane Garrett has more than 20 years of senior management and financial expertise in the field of natural resources. In June 2016, she was appointed as President, CEO and Director of Wellgreen Platinum Ltd, a Canadian mining exploration and development company focused on advancement of platinum group metals and nickel projects. Prior to that, Dr Garrett held numerous senior positions in public mining companies including: President and CEO of Romarco Minerals; Vice President, Corporate Development of Dayton Mining Corporation; and Vice President, Corporate Development of Beartooth Platinum Corporation. Earlier in her career, Dr Garrett was the Senior Mining Analyst and Portfolio Manager in the precious metals sector with US Global Investors.

Dr Garrett is also a director of TriStar Gold Inc, a gold exploration company focused on high-potential properties in Brazil. Dr Garrett holds a PhD in Engineering in addition to a Master of Arts (MA) in Mineral Economics from the University of Texas at Austin.



DR GEOFF RABY
Non-executive director (appointed August 2011)

Dr Geoff Raby was Australia's Ambassador to the People's Republic of China from 2007 to 2011. Prior to that, he was a Deputy Secretary in the Department of Foreign Affairs and Trade (DFAT). Dr Raby has extensive experience in international affairs and trade, having been Australia's Ambassador to the World Trade Organisation (1998–2001), Australia's APEC Ambassador (2003–2005), Head of DFAT's Office of Trade Negotiations and Head of the Trade Policy Issues Division at the OECD, Paris. Between 1986 and 1991 he was Head of the Economic Section at the Australian Embassy, Beijing. He has been the Chair of DFAT's Audit Committee and served as an ex officio member of the Boards of Austrade and EFIC (Export Finance and Insurance Corporation). Dr Raby is also a non-executive director of Fortescue Metals Group Ltd and Chairman of SmartTrans Ltd, both ASX listed companies. Dr Raby holds a PhD in Economics and a Bachelor of Economics (Honours) from La Trobe University.



DR JOSE (JOEY) LEVISTE JR
Non-executive director (December 2007 – May 2018)

Joey Leviste is the current Chairman of OceanaGold's wholly-owned subsidiary company in the Philippines, OceanaGold (Philippines) Inc and has been a Director of the Philippines Company since OGC's merger with Climax Mining in 2006. He is also the Philippine Resident Representative of the Australia-Philippine Business Council and a Director of the Chamber of Mines of the Philippines. Joey was recently appointed by the President of the Philippines as a private sector member of the Governing Council of the Philippines Council for Agriculture, Aquatic and Natural Resource, which is chaired by the Secretary of Science and Technology. Dr Leviste graduated in economics from Ateneo University with an MBA degree from Columbia University and a MA Economics degree from Fordham University in the United States. He was granted a Doctorate in Humanities, Honoris Causa from the Nueva Vizcaya State University for his work in social, civic and community work as Chairman of OceanaGold (Philippines).



PAUL B SWEENEY
Non-executive director (Appointed July 2014)

Paul Sweeney brings with him substantial international experience across mining and renewable energy industries. An independent business consultant since May 2011, he is currently on the board of many Canadian listed public companies including Tahoe Resources, Inc. Paul is an immensely experienced finance and mining executive, and more latterly, company director.



WILLIAM (BILL) MYCKATYN
Non-executive director (April 2010 – 31 May 2018)

Bill Myckatyn is a mining engineer with more than 30 years of technical and management experience in mine financing, development and operations. He was the Chairman and subsequently Vice Chairman of Quadra FNX Mining Ltd, an intermediate copper and gold producer focused in the Americas, until its takeover in 2012. Prior to founding Quadra Mining in 2002, Bill held the position of CEO and senior positions at other mining and metals companies over the period of a decade including Dayton Mining, Princeton Mining and Gibraltar Mines. For more than 10 years prior to that, he worked for various operations controlled by Placer Dome Inc and its associated and predecessor companies, including four separate mines in Australia and the Philippines. Bill also sits on the Board of Directors for Canadian-based exploration companies: First Point Minerals and San Marco Resources.



IAN M REID
Non-executive director (appointed April 2018)

Ian Reid has a long and proven track record of running successful heavy equipment businesses serving the mining and construction industries in Canada and elsewhere, plus extensive Board experience.

He has held several senior management positions in Caterpillar distributors, culminating in his appointment as President of Finning (Canada) in 1997 and retiring from that position in 2008. Ian led Finning to become one of the largest and most successful Caterpillar equipment distributors in the world, with 4 500 employees in more than 100 service operations and revenues that tripled during his tenure. Ian currently serves as a non-executive director at Canadian Western Bank, Stuart Olson Inc, FountainTire Ltd (Chairman), Associated Engineering and Voice Construction OPCO ULC.

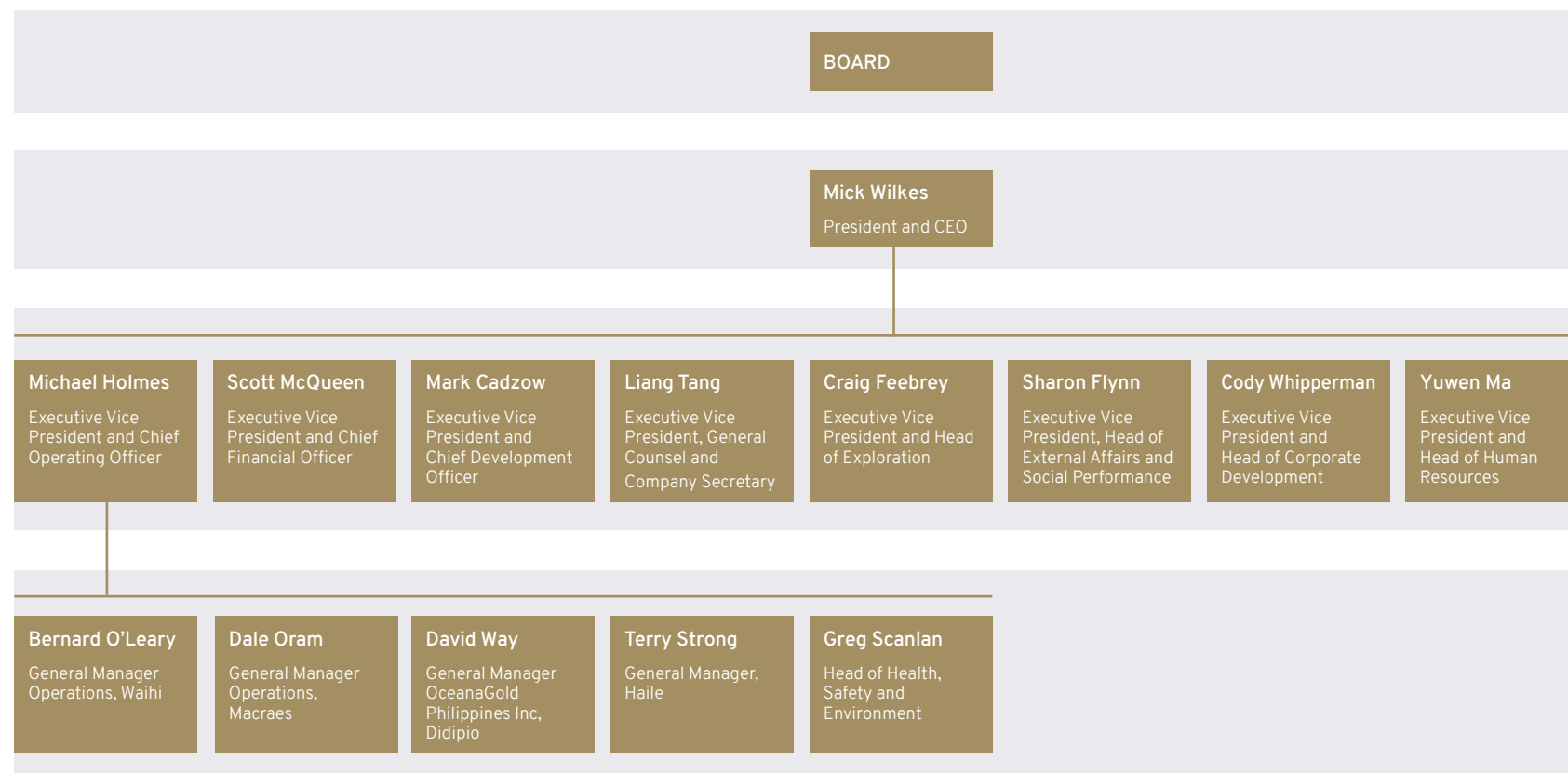


NORA L SCHEINKESTEL
Non-executive director (appointed April 2018)

Nora L Scheinkestel is an experienced company director with a background as a senior banking executive in international and project financing. She consults to government, corporate and institutional clients in areas such as corporate governance, strategy and finance. She is also an Associate Professor in the Melbourne Business School at Melbourne University and a former member of the Takeovers Panel.

Dr Scheinkestel has served as Chairman and Director in a range of companies across various industry sectors including utilities, AMP Limited and its funds management and banking subsidiaries, Mayne Group Limited and Mayne Pharma Limited, Medical Benefits Fund of Australia Ltd, Newcrest Mining Limited, North Limited and Pacific Brands. In 2003, she was awarded a centenary medal for services to Australian society in business leadership.

ORGANISATIONAL CHART





Macraes operations, New Zealand





3

SECTION

OUR COMMITMENT TO
RESPONSIBLE MINING

OUR COMMITMENT TO RESPONSIBLE MINING

OUR CONTRIBUTION TO A SUSTAINABLE FUTURE

In line with our vision to be the gold mining company of choice, we continually assess and apply improvements and innovations to sustainably explore, extract and process metals.

We produce gold, silver and copper, all metals that are essential to economic development and societal wellbeing – from renewable energy to life-saving medical devices and the communication and information technology that connects our communities.

Our success is due to the dedication and efforts of our people, and their health, safety and wellbeing is of utmost importance. We value human rights and build sustainable community partnerships based on the priorities identified by our host communities.

From exploration through to operations and closure, we manage our environmental and social impacts across the life cycle of our assets. We are committed to the highest standards of governance and act ethically and with integrity in all of our interactions with stakeholders.

OUR SUSTAINABILITY FRAMEWORK

At OceanaGold, sustainability is fundamental to the way we do business. We are committed to responsible mining, managing our impacts and, more broadly, contributing to our host communities and society.

Following significant acquisitions during the past two years, OceanaGold has transitioned from a junior company to a mid-tier international mining company with a portfolio of high-quality, globally diversified assets.

We consider all aspects of our business in our decision-making processes including health, safety, environment and shareholders as well as economic impacts and opportunities. This holistic approach has enabled us to rapidly grow and optimise our operations with strong management systems and practices at the asset level.

We continue to strengthen our sustainability performance with a focus on a deeper understanding of our operational impacts, and greater consistency in the execution of our sustainability policies and practices across our global operations. As we progress our growth strategy, our challenge is to continue building on this strong foundation to support these robust practices with consistent execution across the business.

To achieve this, we commenced a review of our Responsible Mining Framework in 2017. This includes policies and systems, informed by industry best practice, that guide our performance. In 2018, the Responsible Mining Committee, comprising representatives from across our business, will update and launch a revised framework, and ensure it is understood and implemented.

We continued to improve transparency and stakeholder engagement across the business with a focus on how our business improves transparency with our global stakeholders. This includes improving our sustainability reporting.

In September 2017, we appointed a Senior Vice President and Head of External Affairs and Social Performance to lead our global approach to community, government and stakeholder engagement. In 2018, we will grow this new function within our business, and develop a framework to enhance our understanding and management of operational impacts, our collaboration with our diverse stakeholders, and shared value creation.

Further information about our External Affairs and Social Performance function is outlined in the case study on page 29 of this report.

CASE STUDY

STRENGTHENING OUR SOCIAL PERFORMANCE

Following the acquisitions of the Waihi Gold Mine in New Zealand and Haile Gold Mine in the USA in 2015, OceanaGold significantly expanded its global footprint and grew to become a truly international gold producer.

With the company's transformation to a mid-tier miner, OceanaGold CEO, Mick Wilkes said, "We are committed to responsible minerals development and, with our continued growth trajectory, we recognise the importance of continually enhancing our sustainability performance, particularly in relation to the consistent execution of our policies and standards across our global operations.

"We are pleased Sharon Flynn has joined us in the newly created role of Executive Vice President External Affairs and Social Performance. Her appointment reflects our commitment to strengthening our sustainability practices along with our focus on increased engagement with stakeholders at both a local and global level.

"As a core member of the Executive Committee, Sharon is driving our renewed corporate approach to social performance that will leverage our robust relationships and practices locally while continuing to build capacity and alignment globally," Mick explained.

Sharon brings to the role more than 20 years of experience designing and implementing sustainability strategies with global multi-nationals in the mining, oil and gas, construction and forestry industries. She has



OceanaGold Executive Vice President External Affairs and Social Performance, Sharon Flynn (third from right) with members of our Didipio and Waihi teams working on social management systems

also worked in the non-profit sector with a focus on community development, biodiversity conservation and peace building.

A passionate advocate for business contribution to social and economic development, Sharon brings a track record in working with companies to build respectful and collaborative relationships with stakeholders and foster a participatory approach to social performance and engagement.

"With the company's rapid expansion it's an exciting time to join the business. From a social performance perspective, it's important we assess what we've achieved to date, understand our ongoing impacts on host communities and strengthen our

engagement and collaboration with government, NGOs and other groups who can provide us with constructive feedback to improve our performance," Sharon explained.

"One of the reasons I joined OceanaGold was its strong values-based culture and genuine commitment to making a difference. I look forward to working with our global operations teams to identify and leverage best practices from within the company and industry more broadly so we leave a positive legacy for communities and governments hosting our operations."

PRECAUTIONARY APPROACH

We are committed to reducing the environmental and social impact of our operations. We abide by robust performance standards. We meet and often go beyond the regulatory requirements of the countries that host our operations.

Our approach centres on adopting the mitigation hierarchy in relation to any impacts throughout the life cycle of our operations. If incidents do occur, we investigate the cause and take immediate action to remediate and prevent a recurrence.

We conduct robust risk assessments and develop and implement management plans for water, biodiversity, waste, rehabilitation and greenhouse gas, among others. We conduct extensive monitoring and reporting against site-specific permit conditions relating to environment, health and safety, social and economic performance. In addition, we conduct audit assessments to ensure compliance with internal standards and regulatory requirements.

MEMBERSHIPS AND ASSOCIATIONS

We continued to play an active role in international, national and regional industry organisations and multi-stakeholder groups in 2017 through membership, funding, provision of expertise and participation on boards, and in committees and working groups.

- World Gold Council
- Association of Mineral Exploration
- Prospectors and Developers Association of Canada
- Denver Gold Group
- South Carolina Mining Association
- US Mining Association
- South Carolina Manufacturers Alliance
- US Chamber of Commerce
- South Carolina Chamber of Commerce
- Lancaster County Chamber of Commerce
- Kershaw Chamber of Commerce
- South Carolina Business and Industry Political Education Committee
- Lynches River Conservation Fund
- Melbourne Mining Club
- Extractive Industries Transparency Initiative Philippines Multi-Partied Stakeholder Group
- Philippine Mine Safety and Environment Association
- Chamber of Mines of the Philippines
- Philippine Mineral Exploration Association
- Diwata-Women in Resource Development Inc

MATERIALITY

In determining content for this sustainability report, we assessed our sustainability risks and opportunities through a range of sources including stakeholder engagement and complaints registers, corporate risk registers, Board reports and feedback from our ongoing engagement with internal and external stakeholders throughout the year.

In identifying issues or topics that are material to our operations, we have considered issues arising from the management of our business and those raised by stakeholders including our employees, contractors and suppliers, host communities and governments, shareholders and analysts, industry bodies and non-government organisations.

In determining material topics for our 2017 Sustainability Report, we have undertaken a process of identification, prioritisation, validation and review in line with the Global Reporting Initiative (GRI) principles for defining report content. These material topics have been continuously reviewed throughout the preparation of this report.

In 2018, we will review and enhance this process, extending our engagement around material issues with both our internal Responsible Mining Committee and key external stakeholders.

OUR MATERIAL TOPICS	REPORT SECTION	PAGE NUMBER
Economic performance	Economic performance and contribution	38
Anti-corruption	Our commitment to responsible mining	34
Emissions	Our environmental performance	82
Effluent and waste	Our environmental performance	88
Environmental compliance	Our environmental performance	82
Health and safety	Our health and safety performance	52
Local communities	Our stakeholders	71
Socio-economic compliance	Our stakeholders	30, 39
Closure planning	Our environmental performance	83

GALA DINNER COMM, 10th ASOM

and

Ceremony

ASEAN MINERAL AWARDS



Our operations continued to receive industry recognition in 2017 for the positive work they have undertaken in collaboration with our host communities to progress responsible minerals development. This recognition includes the following achievements and awards.

AWARDS

DIDIPIO, PHILIPPINES

Our Didipio operation commenced commercial production in 2013 and has achieved significant industry recognition since then for its leadership in responsible mining in the Philippines. This continued in 2017, with our Didipio operation receiving multiple awards for its safety, social and environmental performance at the Global CSR Awards and the Philippines National Mine Safety and Environmental Conference.

This included a Platinum Achievement Award for the Presidential Mineral Industry Environmental Award (PMIEA). The PMIEA recognises the exemplary efforts of mining companies in achieving environmentally and socially responsible exploration, mining and mineral-processing operations. This is the fourth consecutive year OceanaGold has been recognised as part of this prestigious national award.

Our Didipio operation also represented the Philippines at the first ASEAN Mineral Awards held in Nay Pyi Taw, Myanmar, securing Best Practices in Sustainable Mineral Development (Mineral Processing category). The awards recognise mining companies from the Association of Southeast Asian Nations (ASEAN) region for their contributions to advancing responsible minerals development. OceanaGold was one of two Filipino mining companies to receive top accolades at the awards ceremony, highlighting the strong performance of the Philippine mining industry within the region.

In 2017, our Didipio operation was recognised with the following awards.

9th Global CSR Summit and Awards in Langkawi, Malaysia

- Gold Award for Best Workplace Practices
- Silver Award for Environmental Excellence
- Bronze Award for Best in Community Program for the Didipio Community Development Corporation (Dicorp)

64th Annual National Mine Safety and Environmental Conference, Philippines

- Safest Mining Operation Award
- Safest Surface Mining Operation Award
- Safest Mineral Processing Award (Concentrator category)
- Platinum Achievement Award for the Presidential Mineral Industry Environmental Award (Surface Mining Operation category)
- First Runner-up Best Mining Forest (Metallic Mining Operation category)

43rd Philippine Business Conference and Expo

- Special Citation for Ecology and Economy Award

HAILE, USA

Our Haile operation commenced commercial production in 2017, and was recognised by the South Carolina Chamber of Commerce with a 2017 Excellence in Safety Award. The awards are presented to companies that have demonstrated their commitment to making workplace safety a priority by achieving commendable lost workday case rates during the calendar year. 2017 marks the third consecutive year our Haile operations have been recognised for our strong safety performance and reflects our commitment to being one of South Carolina's safest workplaces.



Acting with integrity and accountability are core values of OceanaGold and central to the way we do business.

ACTING ETHICALLY AND WITH INTEGRITY

OUR APPROACH

Acting with integrity and accountability are core values of OceanaGold, and central to the way we do business.

We are committed to ethical business practices and high standards of governance and transparency across our operations and in all interactions with our stakeholders. We have established – and continue to develop – robust processes, systems and standards to support the implementation of our values and deliver on this commitment.

CODE OF CONDUCT

At OceanaGold, all of our people are responsible for ensuring we consistently achieve the highest standards of business conduct. Our Code of Conduct describes the standards by which we undertake our business and applies to all OceanaGold representatives, including directors, officers, employees and contractors acting on behalf of the company.

The Code is supplemented by policies and procedures that establish appropriate standards and processes in relation to health and safety, environmental management, human rights, community engagement, culture and heritage, employment and diversity, anti-bribery and anti-corruption, and investor relations.

As part of our induction process, new employees undertake training on our Code of Conduct and its associated policies and procedures. Our anti-corruption and anti-bribery training program further supports the implementation of the Code.

We have mechanisms in place to respond to stakeholder concerns regarding potential breaches of our Code of Conduct. Concerns can be raised with the company's regional whistle-blower protection officers, or through the independent and confidential 24-hour whistle-blower hotline service provided by Deloitte.

We acknowledge, investigate as appropriate, and document all disclosures made in line with our protected disclosures (whistle-blower) policy. Where disclosures are substantiated we take appropriate remedial action and advise the reporter on the progress and outcome of the process. OceanaGold does not tolerate any form of retaliatory or discriminatory action against anyone who makes a disclosure or participates in an investigation.

In 2017, six complaints were reported through our independent whistle-blower hotline service, relating to safety (one complaint), discrimination (three complaints) and misconduct (two complaints). All matters have been investigated and resolved.

ANTI-CORRUPTION COMPLIANCE

At OceanaGold we comply with all relevant anti-bribery and anti-corruption laws within our countries of operation. Our commitment to anti-corruption compliance is reflected in our Code of Conduct and supporting Anti-bribery and Anti-corruption Policy and Standard which prohibit all forms of bribery or corrupt practices.

In 2017, we implemented a revised anti-bribery and anti-corruption training program targeted towards managerial and supervisory staff across the business with responsibility for procurement, contract management and stakeholder engagement. During the year, 83 per cent of these selected managers and supervisors participated in this training.

All Board and executive committee members received training in the company's updated anti-bribery and anti-corruption policy and procedures in 2017. In addition to training for selected managers and supervisors, all employees received electronic communication outlining the changes to the anti-bribery and anti-corruption policy and procedures. Business partners were not included in this communication or training.

ANTI-CORRUPTION COMPLIANCE TRAINING *	PHILIPPINES	AMERICA/ CANADA	AUSTRALIA/ NEW ZEALAND	TOTAL
Completed	350	109	98	557
Incomplete	48	42	28	118
% of selected staff	88%	72%	78%	83%
% of total employees	46%	30%	12%	29%

*The breakdown by employee category is not available for 2017

Our anti-corruption training program includes practical examples and hypothetical scenarios to assist staff to understand their legal and regulatory obligations, and guidance on appropriate interaction with government officials and other external parties. Managerial and supervisory staff will continue to undertake this training every two years in addition to any site- or role-specific anti-corruption training that may be required.

TRANSPARENCY

We support the Extractive Industries Transparency Initiative (EITI) to increase transparency regarding company payments and government revenues in the extractives sector.

In the Philippines, we are an industry representative on the EITI Philippines Multi-Partied Stakeholder Group. This group provides a platform for industry and civil society stakeholders to engage government in implementing EITI in the Philippines, and to influence policy in the extractive industry. In 2017, the Philippines was the first country to meet the standards of the EITI international initiative. Both the Philippines and the USA are EITI candidate countries.

We consider transparency around payments to government, government officials and related organisations to be critical to our company's integrity and to maintaining our licences to operate globally.

A significant portion of our government payments relate to taxation and licence fees as required by legislation in host countries. We publicly report our royalty and tax payments to governments and this information can be found on page 40 of this report.

In 2017, we did not provide any financial or in-kind contribution to political parties or individuals.

HUMAN RIGHTS

Our Human Rights Policy outlines our commitment to conduct our business activities in a manner that is consistent with the United Nations Universal Declaration of Human Rights and Voluntary Principles on Security and Human Rights (VPSHR).

In 2017, all employees at our Haile operation received training on our Human Rights Policy coinciding with the commencement of commercial operations. Human rights training for security personnel at our Didipio operation was conducted in 2016 and is being undertaken again in 2018.

As a member of the World Gold Council, we are opposed to activities that cause, support or benefit unlawful armed conflict or contribute to human rights abuses. We are undertaking an assessment of our operations against the World Gold Council Conflict-Free Gold Standard in 2018.

We have also commissioned an independent third-party review of our Human Rights Policy and management system. This assessment will assist us to benchmark our social performance and strengthen consistent implementation of our Human Rights Policy across the business.







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SECTION

ECONOMIC PERFORMANCE AND CONTRIBUTION

ECONOMIC PERFORMANCE AND CONTRIBUTION

We strive to deliver positive returns and long-term economic and social development outcomes in line with stakeholder expectations.

Our strategic focus is on long-life, high-margin, expandable upstream operations across multiple geographies.

In 2017, we achieved strong financial results with a record net profit and revenue, underpinned by a record year of production at sector-leading margins.

In this section, we outline our financial contribution to the countries in which we operate. All financials are reported in US\$ unless otherwise stated.

Further details regarding entities included in our consolidated financial statements can be found in these statements published on our website: www.oceanagold.com/investor-centre/financial-results.

FINANCIAL SUMMARY

US\$	2017
Revenue	\$724,413,000
EBITDA	\$408,419,000
Net profit	\$171,743,000

Notes: For the nine months ended September 30 2017, all revenue and costs reported do not include the Haile operations as these have been capitalised as commercial production was declared effective from October 1 2017. EBITDA: Earnings before interest, tax, depreciation and amortisation.

Notes: AISC for Haile includes only the period post declaration of commencement of commercial operations at Haile (effective from October 1 2017). In the nine months to September 30 2017, all Haile revenue and costs were capitalised.

PRODUCTION AND COST RESULTS SUMMARY

FULL YEAR 2017 RESULTS		HAILE	DIDIPIO	WAIHI	MACRAES
Gold produced	Ounces	118,466	176,790	119,084	160,266
Copper produced	Tonnes	0	18,351	0	0
Gold sales	Ounces	109,532	167,653	117,721	160,726
Copper sales	Tonnes	0	18,091	0	0
Cash costs	\$/ounce	272	(92)	471	737
All-in sustaining costs (AISC)	\$/ounce	509	70	759	1,115

FINES AND PENALTIES

In 2017, we did not pay any fines or penalties at our operating assets (i.e. Haile, Didipio, Waihi and Macraes). In July 2017, we paid US\$8,097,072 to the Government of El Salvador, relating to the El Dorado project. The payment was for the Government of El Salvador's expenses related to an arbitration claim with the International Centre for the Settlement of Investment Disputes. For more information about the El Dorado project, please see page 14 of this report.

SOCIAL INVESTMENT

We operate with the consent of our host communities and work in partnership to create a positive socio-economic legacy based on enhanced capacity, not dependency.

We work collaboratively with our host communities and other stakeholders to make a significant and long-term contribution in three key ways:

- direct and indirect contribution of our operating assets and exploration projects
- payment of taxes, license and approval fees, and royalties to host countries where we conduct business
- community and social investment programs.

Our operations create jobs and purchase goods and services from local, national and international providers. We prioritise local employment and procurement at our operations.

We invest in social programs and local infrastructure in line with priorities identified by our host communities and governments with a focus on local enterprise development and access to quality education, training and health care. Further details about our social investment programs can be found on page 71 of this report.



SUMMARY OF PAYMENTS AND FINANCIAL CONTRIBUTIONS MADE BY OCEANAGOLD IN 2017

PAYMENTS AND FINANCIAL CONTRIBUTION (US\$)	HAILE	DIDIPIO	WAIHI	MACRAES	GROUP-WIDE	TOTAL
Fines and penalties	\$0	\$0	\$0	\$0	\$0	\$0
Legal settlement payments*	\$0	\$0	\$0	\$0	\$8,097,072	\$8,097,072
Payments to capital providers					Dividends paid to shareholders: \$12,277,000 Interest expenses and finance costs: \$17,699,000	\$29,976,000
Payments to government (royalties, rates, taxes)	\$4,000,000	\$26,791,000	\$11,049,000	\$2,268,000	-	\$44,108,000
Donations and community investment (cash)	\$400,000	\$53,000	\$46,000	\$100,000	-	\$599,000
Value of in-kind donations and community investment	\$0	\$74,000	\$4,000	\$0	-	\$78,000
Community programs and infrastructure investment	\$0	\$7,833,000	\$142,000	\$0	-	\$7,976,000
Total	\$4,400,000	\$34,751,000	\$11,241,000	\$2,368,000	\$38,073,072	\$90,834,000

(*) Payment to the Government of El Salvador to cover cost for arbitration claim with the International Centre for the Settlement of Investment Disputes

SUMMARY OF PROCUREMENT SPEND BY OUR OPERATIONS IN 2017

SPEND WITH SUPPLIERS (\$US)	HAILE	%	DIDIPIO	%	WAIHI	%	MACRAES	%	TOTAL
Local suppliers	\$50,000,000	33	\$38,955,000	34	\$33,591,000	34	\$34,580,000	27	\$157,104,000
National suppliers	\$95,000,000	64	\$48,317,000	43	\$56,992,000	58	\$67,512,000	52	\$267,821,000
International suppliers	\$4,800,000	3	\$25,510,000	23	\$8,123,000	8	\$26,621,000	21	\$65,054,000
Total	\$149,800,000		\$112,782,000		\$98,684,000		\$128,713,000		\$489,979,000

* All \$ round to the nearest \$1,000

CASE STUDY

OCEANAGOLD'S CONTRIBUTION TO NEW ZEALAND

OceanaGold owns and operates New Zealand's two largest gold mines.

We have operated the Macraes mine for 27 years and acquired the Waihi mine in 2015. We also operated the Reefton mine for 10 years.

Reefton mine concluded operations in 2016 and has transitioned to a restoration project. Making up the majority of the gold mining industry in New Zealand, OceanaGold makes a significant contribution to the country's economy.

In 2017, we engaged KPMG to develop a report detailing the contributions our company makes to New Zealand from a local to national level. The report highlights the positive impact of OceanaGold in creating long-term value for business, shareholders, employees and host communities.

OceanaGold's New Zealand operations contribute approximately 84 per cent of their total expenditure to the national economy (Figure 1). In 2016, this in-country spend is estimated at NZ\$373 million and includes payments to local or national suppliers and contractors, government, employees, and community investment activities – including financial and in-kind support (Figure 2). Of this expenditure, NZ\$330 million, or 88 per cent, reached people and business through wages and procurement.

As detailed in the report, our overall economic and community contribution to New Zealand includes:

- Significant economic activity and increased employment in the regions and local districts where we operate. In 2016, 81 per cent of employees lived locally to the Macraes site and 59 per cent of employees lived locally to the Waihi site, resulting in NZ\$64 million of wages and benefits retained

predominantly within the local districts of Waitaki, Dunedin, Hauraki and Western Bay of Plenty.

- The average income of OceanaGold employees is double the New Zealand average, meaning the economic participation of employees within their local and regional communities also creates flow on impacts, raising household incomes and stimulating economic growth.
- A major role in exports, with an export value of 1.1 per cent, comparable to other primary and agricultural industries, and the second largest exporter to Australia.
- Financial and in-kind investment to host communities equivalent to 2.15 per cent of pre-tax profit, four times the London Benchmarking Group's community investment benchmark (0.56 per cent) for Australia and New Zealand.

We also take our environmental stewardship role seriously and, in 2016, we invested NZ\$4.9 million, about 1 per cent of total revenue, on environmental management across our New Zealand operations. This included applying leading water management and vegetation techniques both on and offsite at Waihi mine; restoration activities at Reefton and establishing registered covenants to protect significant local flora and fauna in perpetuity at Macraes.

Employee pay
and benefits

\$91m



\$42.5m

Payments to
governments

Royalties of \$10m
Income and corporate tax payments of \$30.5m
Land use and other payments \$2m



**Community
contribution**
(includes in-kind
support)

\$945,000



\$239m



Payments
to local and
national
suppliers

INTERNATIONAL \$67M

Suppliers and contractors \$67m



NATIONAL \$134M

Wages and salaries \$4.6m
Suppliers and contractors \$128.2m
Head office income tax \$626,000
Other payments to
government \$822,000



REGIONAL \$239M (INCLUDES LOCAL)

Royalties \$10m
Wages and salaries \$86.4m
Income and corporate tax \$29.7
Suppliers and contractors \$110.7m
Community investment \$945,000
Land use and other payments to
government \$1.5m

WAIKATO
**WESTERN
BAY OF
PLENTY**
OTAGO
**WEST
COAST**

Figure 1: 2016 national economic contribution breakdown

Figure 2: OceanaGold's direct economic expenditure in New Zealand in 2016

All figures on this page are in NZ\$ unless stated otherwise.



SECTION

OUR PEOPLE

OUR PEOPLE

OceanaGold is committed to merit-based employment and promotion, and equal employment opportunity. We value and respect our people and will not tolerate any form of discrimination, bullying, intimidation, victimisation, vilification or any other form of harassment.

In addition to providing fair remuneration and creating safe and inclusive workplaces based on a strong set of values, we are committed to providing development and training opportunities to support our people to achieve their full potential.

EMPLOYMENT

In 2017, our operations provided employment for 2068 employees with the majority (94.5 per cent) of our workforce employed on permanent contracts.

We are committed to finding the right balance between investing in our communities and meeting the needs of our business. We strive to maximise local employment and training opportunities to ensure communities benefit from our operations and we can recruit people with the right skillsets into our business.

We recognise the importance of strong local representation at all levels of our organisation and continue to roll out leadership development programs focused on strengthening the depth of leadership talent across our business.

We encourage a residential workforce at all of our operations. We provide training and development to grow our local workforce and, where required, support people to relocate to the communities in which we operate.

INCLUSION AND DIVERSITY

We recognise a diversified workforce is crucial to achieving our vision of being a high-performing mid-tier gold producer. Our Employment and Diversity Policy reflects this commitment and outlines our approach to diversity management to enhance our inclusive culture and business performance.

We are focused on fostering diversity at all levels of our organisation and adopt measurable objectives to achieve our diversity strategy. Globally, we set ambitious targets to improve gender balance across our operations. Our objectives for 2017 and our progress towards these are detailed on page 45.

In 2018, we are developing a Diversity Standard to support the implementation of our Employment and Diversity Policy. In addition, we will review our diversity strategies and practices to expand beyond gender to embrace the diverse thinking, skills, experiences and work styles of our people. This joint initiative involving our HSE, External Affairs and Social Performance and Human Resources teams and our Company Secretary will better incorporate our Diversity Standard into our responsible mining framework.

A core focus for our operating sites in 2018 will be developing site-specific diversity and inclusion plans aligned with our corporate objectives and including at least one diversity improvement initiative. In addition, we will continue to focus on improving our measurement and reporting of diversity metrics through all of our talent management processes across the business.

In 2017, the company had one female director, Dr Diane Garrett, on its Board of seven directors (14 per cent). We also appointed an additional female executive member, Ms Sharon Flynn, Executive Vice President and Head of External Affairs and Social Performance to the company's executive team of eight executives, increasing the number of female executives to two (25 per cent). In 2017, women accounted for 16 per cent of the entire workforce at OceanaGold and approximately 15 per cent of leadership (executive and managerial) positions.

OCEANAGOLD DIVERSITY TARGETS AND OBJECTIVES

2017 OBJECTIVES	PROGRESS TOWARDS ACHIEVEMENT	COMMENTS	2018 OBJECTIVES
Obtain a minimum of two applications from female candidates for 75 per cent of open roles.	Not achieved	In 2017, this goal was achieved in our United States operation and Australian corporate office. However, the goal was not achieved in the Philippines and this indicator was not tracked at our New Zealand operations.	Increase the representation of women in all roles.
Increase the percentage of women in professional and supervisory roles by 3 per cent.	Achieved	In 2017, the number of women in professional and supervisor roles was 44 per cent, an increase of 3.6 per cent compared to last year.	Develop the Diversity Standard to support the implementation of Employment and Diversity Policy.
Increase awareness of employee rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.	Achieved	Employee inductions include training on rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity and inclusion. Additional training (including online training) is also provided to the existing employees.	Develop at least one diversity improvement initiative.
Review and update the current diversity policy and implementation of the policy at sites.	Achieved	Diversity policy was reviewed and updated in July 2017 and subsequently rolled out across all sites.	

OCEANAGOLD WORKFORCE BREAKDOWN BY GENDER

	MALE	FEMALE	TOTAL	TOTAL % OF ALL EMPLOYEES	GENDER	
					MALE	FEMALE
Executives	6	2	8	0.4	75	25
General managers	12	0	12	0.6	100	0
Manager	27	6	33	1.6	82	18
Supervisory and senior professional	164	42	206	10.0	80	20
Professionals	197	61	258	12.5	76	24
General staff	1326	225	1551	74.9	86	14
TOTAL	1732	336	2068	100.0	84	16

CASE STUDY

TATAU TUWHERA – OPENING DOORS

In 2017, a small group of diverse individuals at our Waihi operation took the initiative to meet and discuss ways the site could become a more inclusive workplace. Selecting the name *tatau tuwhera* – which translates to *opening doors* – the group’s philosophy is “a journey in pursuit of knowledge is better than the silence of ignorance.”

Tatau tuwhera members then approached site management with a proposal detailing the group’s objectives to:

- provide cultural advice and assistance to the management team or employees as needed in relation to matters that arise on site
- provide basic cultural guidance
- provide appropriate support to all employees that is readily accessible and non-judgemental
- build a sense of unity on site that acknowledges different cultures and the common goal of family and a sense of self
- assist in creating a strong safety culture
- help inform employees on the company’s Employment and Diversity Policy

With the support of the Waihi leadership team, the group continued to meet on an as needs basis throughout the year and drove initiatives including the establishment of a family picnic area outside the mine front gate and regular communication updates in the site newsletter. Members regularly arranged the blessing of machinery and equipment new to site. The group also commenced drafting a ‘ground up’ cultural policy for the site.

The Tatau Tuwhera group is committed to fostering a safe and inclusive culture on site and continues to support initiatives that promote and draw on the strengths of a diverse workplace.



Dawn equipment blessing at the underground workshop organised by Tatau Tuwhera members.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

All of our employees have the right to collective representation and are free to join a union.

We strive to form direct relationships between our employees and management teams that are based on leadership, effective communication, respect and mutual trust.

We communicate regularly with our employees and provide ongoing support during times of organisational change, such as acquisitions or the closure of operations. Minimum notice periods vary across our operations and are generally specified in collective agreements.

Within our business we implement various workplace relations models, including individual agreements and collective bargaining agreements, in accordance with local laws and regulations. Collective bargaining agreements are in place at our Didipio, Macraes and Waihi operations. In 2017, 41 per cent of employees were covered by collective bargaining agreements.

TRAINING AND DEVELOPMENT

In line with our commitment to providing development and training opportunities to support our people to achieve their full potential, we delivered a wide range of on-the-job and technical training throughout the year. On average, our employees received 42.45 hours of training in 2017 – a 4.8 per cent increase on the previous year. This included safety training and training to meet local and position-specific requirements.

In 2017, we continued our efforts to improve employee engagement and enhance leadership capacity within our organisation. Following the introduction of our global Leadership Skills Development Program in 2016, we expanded the roll-out of this initiative to current and future leaders across our operations.

Our Leadership Program comprises three programs: Leading A Team, Leader As Coach and Leading Leaders. Each program includes formal and on-the-job training and provides individuals with the tools and support necessary to enhance their skills in effective leadership.

EMPLOYEE ENGAGEMENT

In 2017, our operating sites continued to implement employee engagement initiatives to foster a high-performing culture across our business based on the results of our 2016 company-wide employee survey.

Key focus areas for our sites included:

- enhanced employee communication with more regular and relevant updates
- improved goal-setting to better align employees' daily work activities with company objectives
- leadership development programs to improve leadership capacity across our organisation and foster better relationships between team leaders and their teams.

These ongoing efforts to foster a highly engaged workforce were reflected in our turnover rate of 15 per cent in 2017, which was consistent with the previous year and a significant improvement on our 2015 turnover rate of 22 per cent.

CHILD AND FORCED LABOUR

We support the elimination of all forms of forced or compulsory labour and we do not tolerate any form of child labour. In 2017, our youngest employee was 18, who worked at our Macraes operation in the role of Truck Operator (Level 1).

DATA: OUR PEOPLE

	2017	2016*	2015
EMPLOYEES			
Australia	35	37	29
Canada	5	6	5
New Zealand	848	741	622
Philippines	822	752	700
USA	358	292	159
El Salvador	-	39	36
Total	2068	1867	1551
TURNOVER			
Rate of turnover (%)	15	12	22
COLLECTIVE BARGAINING AGREEMENT			
Number of employees under a collective bargaining agreement	850	842	439
% of employees under a collective bargaining agreement	41	45	28

*2016 figures restated

	2017	2016	2015
EMPLOYEES BY GENDER			
Number of male	1731	1462	1292
Number of female	335	293	259
Total number of employees	2066	1755	1551
% of male	84	83	83
% of female	16	17	17
% of women in leadership positions	15	5.6	5.4

	2017	2016	2015
HSE AND OTHER TRAINING			
Total hours	87497	71065	-
Hours/employee	42.45	40.5	-

2017 WORKFORCE BREAKDOWN

2017 OceanaGold workforce breakdown by contract type, gender and region

	PHILIPPINES		USA/CANADA		AUS/NZ		TOTAL		
	Male	Female	Male	Female	Male	Female	Male	Female	
Permanent	614	139	313	49	731	108	1658	296	1954
Temporary	46	23	0	1	28	16	74	40	114

2017 OceanaGold workforce by gender and employment type

	MALE	FEMALE	TOTAL
Full time	1727	324	2051
Part time	6	11	17



Roxanne and Jeff, Haile, United States





6

SECTION

OUR HEALTH AND SAFETY
PERFORMANCE

OUR HEALTH AND SAFETY PERFORMANCE

OUR APPROACH

We strive to achieve injury-free, safe work environments with robust standards and systems in place to manage and protect the health and wellbeing of our employees and contractors.

We identify and manage health and safety risks to as low as reasonably practicable, and set measurable objectives and targets to focus our activities on key areas to reduce harm and optimise health and wellbeing.

We provide our employees and contractors with the necessary training, education, equipment, resources and information to foster a safe workplace. We also promote visible leadership, open communication and consultation on health and safety matters to encourage personal commitment to a strong safety culture and safe behaviours.

We comply with all host country health and safety laws, as a minimum, and implement company-wide health and safety standards consistent with internationally accepted standards and conventions.

We continuously monitor, review and improve our health and safety management and performance. When we detect an unsafe condition or a safety incident occurs, we investigate immediately and take the necessary action to eliminate or mitigate the risks involved to prevent reoccurrence.

Our Health and Safety Policy details our commitment and management approach to achieving a healthy, injury-free work environment. The implementation of this policy is supported by our Health Safety and Environment compliance standards, which set out the minimum company expectations. These standards are audited annually on a rotating basis at both a corporate and site level. They provide a consistent approach to health and safety management, that is founded on sound industry practice and drive continual improvement. In addition, all our operations have health and safety management plans in place which are reviewed regularly at both site and corporate levels.

SAFETY CULTURE

We commissioned an independent safety maturity assessment in 2016, which found we had made good progress towards advancing our safety leadership and systems following our first assessment in 2012. The assessment highlighted that our corporate governance frameworks and supporting systems had become more sophisticated in line with an organisation focused on improving safety systems, compliance and performance.

In 2017, we continued to build on this solid foundation with a focus on strengthening safety leadership at all levels of the organisation to foster a culture where safety is considered part of 'who we are' as individuals and as an organisation. This was progressed through two key initiatives – the Gold Standard Program and the Behavioural Safety Program.

GOLD STANDARD PROGRAM

We recognise a strong safety culture must be led at all organisational levels. However, visible leadership at a senior level is vital to reinforcing safety as a core value, demonstrating personal and company commitment, and driving heightened focus on safe workplaces and safety performance.

The Gold Standard Program sets key performance indicator (KPI) targets for senior leaders – including superintendents, managers and general managers – to encourage and measure their participation in pre-start meetings, field-based task observations, quality reviews of risk management tools, workplace inspections, safety process reviews, incident investigations and audits.

As part of the program, senior leaders are also mentoring and coaching line managers on our health and safety standards to enhance their capacity to provide effective safety leadership of their teams. Our senior leaders embraced the program, achieving 90 per cent compliance with KPI targets for the year.

BEHAVIOURAL SAFETY PROGRAM

To complement the Gold Standard Program, we implemented a behavioural safety program focused on engaging employees in proactively identifying workplace hazards, and fostering a culture where people look out for each other and feel empowered to speak up when they see unsafe behaviours or situations.

In 2017, the program was rolled-out across our Macraes, Waihi and Didipio operations, and will be implemented at our Haile operation in 2018. The program is tailored for each site with employees and contractors at all levels of the organisation identifying the key behaviours, which if performed by everyone, will create an injury-free, healthy work environment.

In addition, crews selected representatives of their work areas who will provide support and coaching to colleagues, raise employee issues in management forums, and manage approved action plans to promote safe work practices and health and wellbeing initiatives in their work areas.

Central to the program is an understanding of what motivates and enables individuals to behave safely. A core motivator for employees to work and behave safely is family, and all sites launched their program with a Family Day and commitment sessions where employees and contractors confirmed their personal commitment to achieving a safe workplace.

A wide range of short-, mid- and long-term initiatives are being planned and implemented across our operations as part of the Behavioural Safety Program, encompassing training and capacity-building, reward and recognition, and communication and engagement, as well as improvements to workplace infrastructure and practices.



Staff at our Didipio operation confirmed their commitment to agreed safe behaviours by fixing a lock to a heart-shaped structure representing their core driver for staying safe: their love for their families.



Contractors and employees confirming their commitment to the Macraes Behaviour Program.



Flags fly outside the Macraes underground mining offices reminding staff of their commitment to the agreed safe behaviours.

“A core motivation for employees to work and behave safely is family”

SAFETY PERFORMANCE

In 2017, our total recordable injury frequency rate (TRIFR) of 4.0 remained consistent with the previous year, but below our target of less than 2.99.

We had 39 recordable injuries, which included 11 lost time injuries, 12 restricted work injuries and 16 medical treatment injuries. There were no fatalities at our operations in 2017. Review and analysis of the injury data identified the major injury types for the year as lacerations (36 per cent), musculoskeletal disorders (26 per cent) and fractures (20 per cent).

Hand injury prevention programs have been implemented at sites as the majority (55 per cent) of injuries sustained in 2017 were to the hand or fingers. The program focused on education and training as well as review and provision of appropriate PPE. A muscular skeletal prevention and early intervention program continues to be a focus for 2018.

Analysis of the data indicates no consistent trend in fracture injuries with root cause typically attributed to non-compliance with established safety standards and procedures. In 2017, our operations continued to focus on safety leadership and behavioural programs to strengthen safety culture across all levels of the business.

HEALTH AND SAFETY	TARGETS	2017 OUTCOME	RESULT	2018 TARGETS
Lag indicators	TRIFR less than 2.99	4.00	●	<3.4
Lead indicators	Safety audit compliance rating of >80%	Achieved	●	80%
	All sites to have a 'Gold Standard' program in place to monitor workplace behaviours with a minimum of 90% compliance by the year end	Achieved	●	>90% compliance
	Develop health risk registers identifying occupational exposures for operational sites	Achieved	●	Monitor data in InHealth database with independent review by external party
	All sites to develop health and wellbeing calendar and activities	Achieved	●	All sites to continue to implement Health and Wellbeing calendar and activities
	Implement a behavioural safety program at New Zealand and Philippine operational sites.	Achieved	●	Implement a behavioural safety program at Haile operation
Corporate safety projects	Implement the Intuition training database at New Zealand and Philippine operational sites	Achieved	●	Continue to implement the operation of the Intuition database
	The Executive Committee to review one incident investigation per month	Achieved	●	The Executive Committee will review one incident investigation per quarter

TRIFR: Total recordable injury frequency rate AIFR: All injury frequency rate

SAFETY AUDITS

To support our efforts in developing a strong safety culture across our organisation, we continued with our safety compliance audit program throughout the year to provide feedback on how our Health and Safety Policy and associated standards are being implemented across our sites.

Each year, we assess, on average, eight standards which represents 25 per cent of our total Health and Safety Standards. The standards selected for assessment reflect priority areas identified for improvement through operational and safety reviews, health and safety performance data and previous years' audits.

In 2017, our audits focused on:

- **System standards:** Internal and External Audits, Policy and Commitments, Planning Hazard ID and Control (with a focus on principle hazards), Preventative and Corrective Actions, Performance Measurement and Monitoring.
- **Health standards:** Workplace Occupational Health Monitoring
- **Safety standards:** Permit to Work System.

All sites achieved ≥ 80 per cent compliance with safety, health and management system standards in line with our target for the year. The audit results highlighted that our operations are particularly strong in Permit to Work Systems, with robust management systems implemented across all sites.

2017 SAFETY AUDIT PROGRAM – COMPLIANCE WITH STANDARDS

OPERATION	2017	2016	2015
Macraes	83%	79%	81%
Waihi	87%	88%	N/A
Didipio	80%	81%	80%
Haile*	N/A	N/A	N/A

* Haile commenced commercial operations in the fourth quarter of 2017 and was not included in this year's audit program.



SAFETY INNOVATION AWARDS

In line with our core values, we continue to seek innovative ways to improve health and safety performance across our operations. Each year we hold our Safety Innovation Awards to recognise employees who have taken direct action to improve safety in their workplace.

Now in its fifth year, these awards reflect the commitment and drive of our employees to continuously improve our safety performance and is testament to the strong safety culture they continue to foster at our sites.

In 2017, we received 15 nominations from across the business which were assessed by a panel of senior leaders against five key criteria:

1. Innovation
2. Application of the Hierarchy of Controls
3. Risk-reduction effectiveness
4. Application to other areas of the business
5. Overall benefit to the organisation.

The winner of this year's Safety Innovation Award was Stan Butterworth from our Waihi operation, who designed and constructed a circular cradle to assist with the safe unpacking of coiled steel cables.

Cable is delivered to site in coils, which release significant stored energy when the ties holding the coil together are cut. By containing the steel cable in the cradle during this commonly performed task, the risk of personnel being struck by the steel cable as it uncoils is eliminated. The cradle set-up is simple to use, cost-effective to produce and has received extremely positive feedback from personnel using it.

The runner-up for this year's award was Andrew Kuizinas, also from our Waihi operation, who designed a catcher system to contain objects ejected from a section of the crusher, thereby eliminating the risk of personnel being hit by projectile objects and preventing the re-entry of the object back into the processing system.

HEALTH AND WELLBEING PROGRAMS

We employ registered nurses at all our operations to facilitate, promote and monitor the health and wellbeing of our workforce. All of our sites run 'health calendars' that identify and promote health topics relevant to employees, that form an annual program of events with initiatives ranging from health talks and assessments, to educational activities and collaboration with external agencies.

In 2017, topics covered by site programs included stress management, fatigue management, mental health, diet and nutrition, heart health and defibrillator use, manual handling, alcohol and substance misuse and fitness for work.



Steel cables are delivered to site in coils (top). Stan Butterworth's cradle structure reduces the risk of personnel being struck by a rapidly uncoiling cable when the ties holding it together are cut.

CASE STUDY

FITNESS FOR WORK CAMPAIGN

Having a workforce that is fit for work is fundamental to maintaining a strong safety performance. In 2017, as part of its annual health program, our Macraes operation ran a fitness for work campaign with a focus on fatigue management.

The site safety team conducted awareness sessions and safety alertness checks, supported workers to undertake fatigue self-assessments, and encouraged self-reporting where fatigue was a concern. In addition, a student from Otago Polytechnic's Applied Management Business School conducted a research project to identify opportunities for enhancing fatigue management practices onsite. The project highlighted the site has most of its key controls already in place.

Enhancements to site practices that have subsequently been implemented include increasing employee awareness of fatigue, its causes and management, and further training for supervisors on fatigue management. Sleep monitoring devices for employees have also been subsidised. As poor hydration is known to be a contributing factor to fatigue, a hydration study was undertaken by the site's occupational health nurse. Fatigue packs are now handed out during inductions which includes relevant information for both employees and their families.

In partnership with Eden Sleep in Dunedin, Macraes also participated in another research project to identify and manage a medical condition called obstructive sleep apnoea (when breathing repeatedly stops and starts during sleep, disrupting the quality and duration of sleep).

The Thoracic Society of Australia and New Zealand estimates obstructive sleep apnoea affects approximately 16,000 New Zealanders and is often not recognised by the individuals affected.

Twenty-two people volunteered to participate in the project and were selected in consultation with the site's registered nurse. Participants' sleep was monitored to identify episodes of apnoea. Following the initial monitoring program, 11 participants were identified to trial a continuous positive airway pressure machine to improve their quality of sleep.



Macraes Occupational Health Nurse Pauline Carruthers led the fitness for work initiative undertaken in 2017.



Rescue training, Macraes, New Zealand

WORKPLACE OCCUPATIONAL HEALTH MONITORING

We continued to implement occupational health and hygiene sampling and analysis at our operations with no new cases of occupational disease recorded in 2017. Monitoring programs are tailored to site-specific occupation health and safety risks and typically include noise, vibration, dust particulates, welding fumes and diesel particulate matter.

All our operations engage independent, external occupational hygienists to develop and implement monitoring programs specific to site requirements. Based on operational need, occupational hygienists visit sites every quarter to undertake monitoring programs, each running for up to two weeks. These monitoring programs are supported by supplementary sampling undertaken by on-site technicians in line with risk-based monitoring plans developed by the occupational hygienists.

NOISE

Noise sources across our operations are routinely monitored to inform our noise reduction strategies – including hearing protection requirements, maintenance schedules, sound-proofing options, and plant and equipment selection and design – to reduce the likelihood of noise-induced hearing loss.

DUST CONTAMINANTS, WELDING FUMES AND DIESEL PARTICULATES

Our employees and contractors participate in personal inhalable and respirable dust monitoring programs across all work areas of our operations to provide representative samples of exposure. Crystalline silica, welding fumes and diesel particulates are also analysed from respirable samples.

Results from these programs provide an indication of exposure levels for the various workgroups, and form the basis for determining performance against exposure criteria and evaluating controls.

The occupational hygiene monitoring program is part of our process to constantly review emerging data trends and respond to identified risks.

In addition to the routine monitoring program, we undertake non-routine sampling on request that is often used to evaluate exposures related to tasks undertaken infrequently or in response to concerns raised by our employees. Static sampling is also undertaken on request and is valuable for monitoring emissions, evaluating contaminant levels at specific locations, and for evaluating controls.

VIBRATION

Sources of vibration across our operations, including mobile equipment, processing plant and hand-held tools, are monitored to inform our occupational health and risk management strategies to reduce the impacts of prolonged exposure to vibration.

COMMUNITY SAFETY

Our sites have the specialist equipment and expertise to assist local emergency and rescue services when additional capacity is required, and continued to provide emergency response services to support host communities as needed throughout the year.

In New Zealand, our Waihi mine rescue team is very active in the local community and has assisted search and rescue operations. Likewise, our Macraes mine rescue team works closely with local emergency services to respond to incidents in the district and, in some instances, are the first responders on the scene.

At our Haile operation in the United States, our mine rescue team trains with local law enforcement and emergency services. However, with jurisdiction limited to the mine lease, the team does not directly support emergencies or incidents within our host community in Kershaw.

In the Philippines, the government introduced the Disaster Risk Reduction and Management (DRRM) Act in 2010 which aims to achieve safer, more adaptive and disaster-resilient Filipino communities with a focus on four priority areas: disaster prevention and mitigation; disaster preparedness; disaster response and disaster rehabilitation and recovery.

In 2017, our Didipio operation continued to provide community training initiatives in line with DRRM priority areas. This included training in first aid, earthquake and fire drills, and basic water safety and rescue for groups including schools, volunteer fire brigades and local councils.



Cindi, Occupational Nurse, Haile, United States

DATA: HEALTH AND SAFETY

Safety performance summary

SAFETY PERFORMANCE INDICATOR	2017	2016	2015
Lost time injury (LTI)	11	6	3
Lost time injury rate (LTIR)	1.13	0.57	0.35
Total recordable injuries (TRI)	39	42	21
Total recordable injury frequency rate (TRIFR)	4.0	3.99	2.69
Fatalities	0	1	0

TRI: Total number of injuries involving medical treatment, restricted work or lost time

AI: TRI + all minor injuries

Injury analysis

INJURY ANALYSIS	2017	2016	2015
Nature of injury	Lacerations (36%) Musculoskeletal disorders (26%) Fractures (20%) Other (8%)	Lacerations/cuts (55%) Fractures (14%) Sprains/strains (7%) Other (24%)	Lacerations (71%) Sprain/strains (14%) Fractures (10%) Other (5%)
Mechanism of injury	Struck by moving objects (33%) Caught in/on equipment (15%) Hitting object with body (5%) Other (47%)	Hit by object (41%) Caught in/on object (19%) Trip/fall same level (12%) Other (28%)	Struck by moving objects (38%) Caught in/on equipment (24%) Hitting object with body (9%) Other (29%)
Body part injured	Hand/finger (55%) Legs/hips (18%) Feet (10%) Other (17%)	Hand/finger (41%) Face/head (24%) Leg/hip (12%) Other (23%)	Hands/fingers (58%) Legs/hips (10%) Feet (5%) Other (27%)

TOTAL RECORDABLE INJURIES

All injury data supplied in the tables below includes medical treated, restricted work and lost time injury data, but excludes minor injuries. These are the injuries we categorise as Total Recordable Injuries as described below:

- Note 1 – Recordable injury – injuries that result in classification as lost time injury, restricted duties injury or medically treated injury
- Note 2 – Lost time injury – any injury or illness that results in one or more shifts away from work, excluding the day of the incident.
- Note 3 – Medical treated injury – any injury or illness that results in medical treatment, but does not result in any lost or restricted shifts.
- Note 4 – Restricted Work Injury – any injury or illness that results in a person not being able to perform their normal duties.

ALL OCEANAGOLD

(including operations, construction projects, exploration and corporate offices data)

	FY17								FY16								FY15							
	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR
Recordable injury ¹	39	0	19	3.85	20	4.21	39	4.00	42	0	27	4.14	15	3.76	42	3.99	21	0	16	3.29	5	1.51	21	2.69
Lost time injury ²	11	0	3	0.43	8	1.81	11	1.13	6	0	5	0.77	1	0.50	6	0.67	3	0	2	0.39	1	0.30	3	0.35
Medical treated injury ³	16	0	10	2.14	6	1.20	16	1.64	26	0	18	2.76	8	2.00	26	2.47	12	0	10	2.13	2	0.61	12	1.53
Restricted work injury ⁴	12	0	6	1.28	6	1.20	12	1.23	9	0	4	0.61	5	1.25	9	0.86	6	0	4	0.77	2	0.61	6	0.71
Occupational disease	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Work related fatalities	0	0	0	0	0	0	0	0	1	0	0	0	1	See note below	1	See note below	0	0	0	0	0	0	0	0

Note: The fatality recorded in 2016 has been included in the Lost Time Injury Frequency rate, therefore there is no separate frequency rate.

MACRAES OPERATION

	FY17								FY16								FY15							
	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR
Recordable injury ¹	10	0	5	19.01	5	4.36	10	7.09	8	0	3	11.31	5	5.45	8	6.77	7	0	4	19.04	3	3.61	7	6.73
Lost time injury ²	2	0	1	3.80	1	0.87	2	1.42	2	0	2	7.54	0	0.00	2	1.69	0	0	0	0.00	0	0.00	0	0.00
Medical treated injury ³	3	0	1	3.80	2	1.74	3	2.13	2	0	0	0.00	2	2.18	2	1.69	3	0	2	9.52	1	1.20	3	2.88
Restricted work injury ⁴	5	0	3	11.40	2	1.74	5	3.54	4	0	1	3.77	3	3.27	4	3.38	4	0	2	9.52	2	2.41	4	3.84
Occupational disease	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Work related fatalities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

DIDIPIO OPERATION

	FY17								FY16								FY15							
	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR
Recordable injury ¹	2	0	1	0.4	1	0.7	2	0.51	9	0	7	1.82	2	1.55	9	1.75	11	0	9	2.48	2	1.55	11	2.23
Lost time injury ²	0	0	0	0.00	0	0.00	0	0.00	1	0	0	0.00	1	0.77	1	0.19	1	0	0	0.00	1	0.77	1	0.20
Medical treated injury ³	2	0	1	0.4	1	0.7	2	0.51	8	0	7	0.77	1	1.82	8	1.56	8	0	7	1.93	1	0.77	8	1.62
Restricted work injury ⁴	0	0	0	0.00	0	0.00	0	0.00	0	0	0	0.00	0	0.00	0	0.00	2		2	0.55	0	0.00	2	0.41
Occupational disease	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Work related fatalities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

WAIHI OPERATION

	FY17								FY16							
	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR
Recordable injury ¹	4	0	1	7.13	3	5.99	4	6.24	3	0	1	3.46	2	6.24	3	4.92
Lost time injury ²	1	0	0	0.00	1	2.00	1	1.56	0	0	0	0.00	0	3.12	0	1.64
Medical treated injury ³	1	0	0	0.00	1	2.00	1	1.56	1	0	0	0.00	1	3.12	1	1.64
Restricted work injury ⁴	2	0	1	7.13	1	2.00	2	3.12	1	0	1	3.46	0	0.00	1	1.64
Occupational disease	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Work related fatalities	0	0	0	0	0		0	0	1	0	0	0	1	See note 2	1	See note 2



Note 1: OceanaGold completed its acquisition of Waihi in the fourth quarter of 2015. Data for full years under OceanaGold management is provided.

Note 2: The fatality recorded in 2016 has been included in the Lost time injury frequency rate, therefore there is no separate frequency rate.

Haile commenced commercial operations the fourth quarter of 2017. Data for Haile during construction is included in the OceanaGold figures (on page 60).



HAILE OPERATION

	Q4-FY17							
	Male	Female	Contractors	Contractor TRIFR	Employees	Employee TRIFR	All workers	Total TRIFR
Recordable injury ¹	2	0	1	17.68	1	5.55	2	8.45
Lost time injury ²	0	0	0	0.00	0	0.00	0	0.00
Medical treated injury ³	1	0	1	17.68	0	0.00	1	4.22
Restricted work injury ⁴	1	0	1	0.00	0	5.55	1	4.22
Occupational disease	0	0	0	0	0	0	0	0
Work related fatalities	0	0	0	0	0	0	0	0





Kershaw playground, United States



7

SECTION

OUR STAKEHOLDERS

OUR STAKEHOLDERS

STAKEHOLDER TARGETS FOR 2017 AND 2018

2017	Develop and implement a process to evaluate and measure social investment benefits at Waihi (achieved).
	Sign a Memorandum of Understanding with the four iwi groups at Macraes to establish a process for engagement around mine development (partially achieved: MOU drafted and reviewed by both parties, however not yet finalised at the end of 2017).
	Revise the Didipio Regional Stakeholder Relationship Management register to enhance engagement across stakeholder groups (achieved).
2018	Engage the host community in Waihi to provide feedback on our social investment program.
	Engage and seek feedback from the Macraes host community around the revised Mine Closure Plan.
	Achieve 100 per cent compliance with the Didipio Social Development and Management Plan, the Information, Education and Communication Plan, and the Development of Mining Technology and Geosciences Plan.
	Develop a three-year strategy to revise, implement and embed our Responsible Mining Framework across the business.
	Develop a management system to align and embed external affairs and social performance across the business.
	Undertake an assessment of our operations against the World Gold Council Conflict-Free Gold Standard.
	Commence an independent review of our Human Rights Policy and management system.
	Continue to report on selected environment, social and governance (ESG) metrics and issues within external reports and presentations
	Develop a strategy for improving external engagement and transparency across all stakeholder groups.

STAKEHOLDER ENGAGEMENT AND CONSULTATION

We interact with a diverse range of stakeholders as detailed on pages 67–69. We systematically identify and review the stakeholders with whom we engage through internal assessments, our involvement in industry associations and initiatives, and engagement with parties interested in or affected by our operations.

All our operations have communication and engagement plans in place and we strive to conduct our stakeholder engagement activities in an equitable and culturally-appropriate manner with the maximum transparency commercially possible.

We use the feedback we gain from our stakeholders to improve our management of key issues and impacts, identify opportunities, inform our business strategy and activities, collaboratively develop social investment programs, and respond to concerns or issues relating to our business activities. Key topics and concerns raised through stakeholder engagement are outlined on pages 67–69.

In 2016, we implemented a stakeholder engagement management database, InForm, across all our operations. We expanded the database in 2017 to manage permitting and compliance obligations. The InForm database is progressively transforming the way we manage and report information relating to our stakeholder engagement activities and compliance obligations with a focus on enhanced consistency and continuity at both the operational and corporate level.

In determining content for this sustainability report, we assessed our sustainability risks and opportunities as identified through a range of sources including stakeholder engagement and community grievance registers as well as feedback from our ongoing engagement with internal and external stakeholders throughout the year.

STAKEHOLDER	KEY AREAS OF INTEREST	OCEANAGOLD ENGAGEMENT
Host communities and indigenous groups Our operations bring us into contact with a diverse range of communities in the United States, the Philippines, Latin America, New Zealand, Canada and Australia. Our staff engage with local community groups, and community representatives including government representatives and representatives from non-government organisations. Our commitment We are committed to respecting the rights and interests of the communities in which we operate. We work collaboratively with communities to minimise operational impacts and deliver beneficial social investment programs.	• Community impacts • Social investment • Environmental performance • Employment opportunities • Cultural impacts	We engage with the community via our senior management and stakeholder engagement teams and our employees more broadly, community meetings, community leaders' groups, education and information centres, social investment programs, company surveys and publications.
Labour unions At most of our sites, labour unions represent our employees and are regular visitors to our sites. Our commitment To provide a fair day's pay for a fair day's work under fair work conditions across all our business activities.	• Workers' rights • Health and safety • Remuneration and work conditions • Mine closure processes	Direct communication as required, regular on-site meetings, attendance at tool box talks and through nominated employee union representatives.
Employees and contractors We employ 2068 people (excluding contractors) across our sites. Our commitment To provide a safe working environment where all our employees and contractors can reach their potential by encouraging professional and personal development, recognising and rewarding good performance and by fostering diversity.	• Health and safety performance • Business strategy and performance • Community engagement initiatives • Environmental performance • Remuneration and work conditions • Training and development opportunities	Initiatives include: • start-up meetings • toolbox talks • town halls • union meetings • General Managers' briefings • safety stand-downs • company publications and intranet. We also ensure employee representation on committees (e.g. health and safety, diversity, etc).

Visitors at the Didipio seedling farm, Philippines



STAKEHOLDER	KEY AREAS OF INTEREST	OCEANAGOLD ENGAGEMENT
Investors Our investment community includes individual investors, institutional investors, debt and credit providers and analysts and advisors. Our commitment Delivering superior shareholder returns through operational efficiency, optimisation of existing operations, focusing on substantial low cost reserves, managing debt and seeking strategic growth opportunities.	• Economic performance • Sustainability performance • Acquisition risk • Project delivery	We deliver these through: • annual general meeting • investor roadshows • investor meetings and briefings • industry conferences and presentations • business forums • corporate publications and reports • company website.
Business partners We have joint venture partners and investment partners. This stakeholder group includes suppliers of goods and services to our exploration activities, projects, operations and corporate offices. Our commitment To work with our business partners to optimise performance and drive business success of both parties. To develop values-based relationships which drive innovation through our resource sector.	• Fair and open procurement practices • Commitment to buy locally • Business strategy and performance • Sustainability performance	We achieve this through: • direct engagement • industry forums and presentations • corporate publications and reports • company website.
Regulators Governments and regulators at local, regional, state and national levels. Our commitment We are committed to providing accurate and transparent reporting. We are committed to working with governments to introduce mining legislation that protects the health and safety of workers, protects the environment and human rights, and contributes to social and economic development of the countries in which we operate.	• Business strategy and performance • Economic contribution • Sustainability performance	We ensure this through: • direct engagement • participation in government • consultation programs and other forums • providing regulatory information • corporate publications and reports • company website.

STAKEHOLDER	KEY AREAS OF INTEREST	OCEANAGOLD ENGAGEMENT
Customers We have three customers. Our gold is sold to the Perth Mint and Metalor and our copper concentrate is sold to Trafigura. Our commitment To ensure on-time delivery of a quality product safely every time.	• Quality of product • Contract performance	We communicate with customers through: • direct engagement • corporate publications and reports • company website.
Non-government organisations (NGOs) Environmental, social and human rights organisations at local, national and international levels. Our commitment Open and transparent dialogue engagement and public reporting.	• Sustainability performance • Economic contribution • Anti-bribery and anti-corruption practices • Human rights practices • Commitment to external initiatives, charters, principles	We deliver this through: • direct engagement (briefings, site visits) • NGO forums • industry conference and initiatives • corporate publications and reports • company website.
Industry peers and associations Industry and commodity-specific associations, industry peers. Our commitment Open and transparent dialogue and public reporting and contribution towards the enhancement of industry standards and practices across health and safety, environmental and social performance.	• Business strategy and performance • Sustainability performance • Best practices and lessons learned • New technologies and innovations	Our actions include: • direct engagement • participation in industry forums • working groups • committees and conferences • corporate publications and reports • company website.
Media Representatives from social, digital, print and broadcast media. Our commitment Open and transparent dialogue, engagement and public reporting.	• Issues reflecting stakeholder concerns and priorities	We deliver this through: • direct engagement (interviews, briefings, site visits) • media releases • corporate publications and reports • company website.

CASE STUDY

COMMON GROUND STUDY

We are committed to understanding the ecological values in the regions we explore and operate. We anticipate our effects on those values and develop plans to avoid effects or, where this is not possible, to minimise, restore and offset those effects.

Our Macraes operation in New Zealand is in the Macraes Ecological District, which contains a high degree of botanical diversity relative to similar districts.

As part of managing the effects of our operations, we have established a series of protective land covenants covering over 267 hectares which is fenced and routinely monitored for invasive weed and pest species. These covenants cover a range of natural habitats important to the district including ephemeral wetlands, tussock grasslands, riparian zones and rocky bluffs. As part of the recent Coronation North expansion to our existing operations, we are establishing additional covenants totalling 393 hectares.

In addition to ongoing mitigation actions, we also developed the Macraes Biodiversity Action Plan (MBAP). The two primary actions within the MBAP are the Biodiversity Concept Paper, which outlines the principles for managing effects on biodiversity and ecology which inform our business activities, and the Common Ground Study, which strives to establish a common vision for land use among stakeholders in the Macraes Ecological District.

In 2017, researchers from the University of Otago's Department of Social Science were commissioned to undertake a program of stakeholder engagement for the Common Ground Study to better understand the issues,

concerns and priorities of key stakeholders in the district in relation to integrated land use and conservation in and around the mine.

Researchers are continuing that consultation in 2018, conducting interviews with the New Zealand Department of Conservation, district and regional councils, mine management and the local farming community.

Data gathered through this interview phase will be compiled and assessed with the results used to inform a facilitated workshop involving all stakeholders.

We anticipate the study will be completed in mid-2019, and hope the process will provide a way forward in resolving current tensions amongst stakeholders in relation to the co-existence and management of mining, farming and conservation activities in the district.

To further support efforts in this area, our Macraes operation will commission a third-party land use study in 2018 that will run concurrently with the Common Ground Study, with a focus on identifying current and historical land use practices and changes in the district over time.

With regional and district councils across New Zealand placing greater focus on ecological mitigation for mining and other commercial activities, the Common Ground Study will provide valuable insight and data that can be used by industry more broadly as it seeks to work collaboratively with stakeholders to drive positive conservation outcomes.

Covenant - A covenant is a legal agreement between the landholder and the covenanting agency about how the area's natural values will be protected.

Biodiversity Concept Paper		COMMITMENT
Biodiversity Management Framework		BUSINESS PROCESS
Habitat Mapping	Biodiversity Database	TOOLS
Common Ground: Valuing the land for Mining, Farming and Conservation		STAKEHOLDER ENGAGEMENT

In 2017, our operations invested more than US\$8.65 million in social programs, donations, in-kind support and community infrastructure.

SOCIAL INVESTMENT

We are committed to making a positive contribution to the social, economic and institutional development of the communities that host our business activities.

We recognise communities' right to self-determination and develop our social investment plans in consultation with host communities to ensure our programs align with community-identified needs and priorities, and support social and economic development in a manner that avoids dependency on our operations over the long-term.

Primarily, our social investment programs support the following core development areas:

- education, training and employment
- community health
- local business development
- community infrastructure.

In 2017, our operations invested more than US\$8.65 million in social programs, donations, in-kind support and community infrastructure. Investment in social programs increased by approximately 32 per cent on the 2016 investment of \$5.88 million, reflecting the commencement of our Haile operation and the expansion of programs supporting regional development at our Didipio operation.

Our Didipio operation continued to support dental and medical outreach programs during the year with 21 missions reaching more than 2,500 community members. Delivered in collaboration with municipal health services, we provide funding for dentists, doctors and nurses to travel to regional communities to provide a wide range of services including medical and dental check-ups, minor surgical procedures, screening for tuberculosis and women's health, laboratory diagnostic services and medication prescriptions.

Our Waihi operation continued its annual partnerships with nine local schools and day care centres, to support a range of initiatives including infrastructure improvements, the purchase of new equipment and educational materials and teacher aide time for classroom learning. Similarly, social investment at our Macraes operation had a strong focus on supporting the local school with funding going towards professional development for teaching staff, management system software and training, curriculum resources, and building and facility improvements.

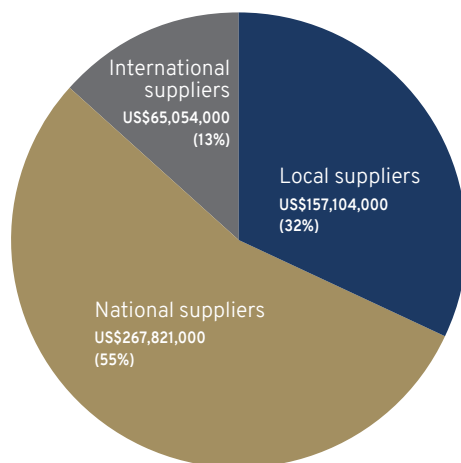
In partnership with the Kershaw Chamber of Commerce, our Haile operation provided support to two community events. Funds raised at these events were used by the chamber to develop resources for the business community and its growth and development, and information packs for new residents.

Waihi students, New Zealand



LOCAL PROCUREMENT

We prioritise local procurement at all our operations. In 2017, we spent \$157,104,097 with local suppliers and a further \$267,821,234 with national suppliers on goods and services including mining equipment and supplies, specialist mining services and general site services. Around 87 per cent of our procurement is spent within the countries that host our operations.



A summary of our social investments and other economic contributions to host communities and countries in which we operate is provided on pages 72–73.

* All \$ round to the nearest \$1,000

SUMMARY OF PAYMENTS AND FINANCIAL CONTRIBUTIONS MADE BY OUR OPERATIONS IN 2017

PAYMENTS AND FINANCIAL CONTRIBUTION (US\$)	HAILE	DIDIPIO	WAIHI	MACRAES	TOTAL
Fines and penalties	\$0	\$0	\$0	\$0	\$0
Payments to government (royalties, rates, taxes)	\$4,000,000	\$26,791,000	\$11,049,000	\$2,268,000	\$44,108,000
Donations and community investment (cash)	\$400,000	\$53,000	\$46,000	\$100,000	\$599,000
Value of in-kind donations and community investment	\$0	\$74,000	\$4,000	\$0	\$78,000
Community programs and infrastructure investment	\$0	\$7,833,000	\$142,000	\$0	\$7,975,000
Total	\$4,400,000	\$34,751,000	\$11,241,000	\$2,368,000	\$52,760,000

SUMMARY OF PROCUREMENT SPEND BY OUR OPERATIONS IN 2017

SPEND WITH SUPPLIERS (\$US)	HAILE	%	DIDIPIO	%	WAIHI	%	MACRAES	%	TOTAL
Local suppliers	\$50,000,000	33	\$38,955,000	34	\$33,569,000	34	\$34,580,000	27	\$157,104,000
National suppliers	\$95,000,000	64	\$48,317,000	43	\$56,992,000	58	\$67,512,000	52	\$267,821,000
International suppliers	\$4,800,000	3	\$25,510,000	23	\$8,123,000	8	\$26,621,000	21	\$65,054,000
Total	\$149,800,000		\$112,782,000		\$98,684,000		\$128,713,000		\$489,979,000

* All \$ round to the nearest \$1,000

CASE STUDY

SOCIAL INVESTMENT IN THE PHILIPPINES

Our Didipio operation is committed to social investment that is undertaken in collaboration with our host communities and supports the development of non-mining livelihoods to minimise dependency on our operations over the life of the mine.

Prior to the commencement of mining operations in 2013, we invested around US\$1.6M over nine years on various community development programs. This included infrastructure projects farm-to-market roads, scholarship grants and training. This investment coincided with the permitting, approval and construction phase of the mine, was determined in consultation with the local government units and communities, and in line with the Philippine Mining Act of 1995 and its Implementing Rules and Regulation.

Since the commencement of mining operations, we have invested a total of US\$14.9 million in social and economic development initiatives within host communities directly impacted by our operations in Nueva Vizcaya province and downstream in Quirino province.

In accordance with the Mining Act, this has included an investment of 1.5 per cent of Didipio operating costs annually to fund our Social Development Management Plan (SDMP). As required, these investments are directed towards initiatives that support the social and economic development of host communities impacted by our operation (75 per cent), the development of mining technology and geosciences (10 per cent) and information, education and communication on mining and geosciences (15 per cent). Under the Act, we are responsible for managing the expenditure of SDMP funding and developing the funded projects.

To ensure community and government participation in the decision-making process around SDMP and other company-initiated social investment, we established six steering committees to oversee our six social investment pillars of infrastructure, health, education, training and employment, enterprise development, and environment.

These steering committees are chaired by OceanaGold representatives and committee members include different community sector leaders, and representatives from government agencies and non-government organisations (NGOs). These steering committees report to the Central Steering Committee that is co-chaired by the Didipio Mine General Manager, the Municipal Mayors of Kasibu, Nueva Vizcaya and the Didipio Community Chief.

Over the past five years, our SDMP investment has totalled US\$5.8 million. Key initiatives supported through the SDMP

include infrastructure, medical and dental community outreach programs, livelihood programs, and training and capacity building.

In addition to our SDMP investment, we are supporting community development programs that enhance the livelihood and wellbeing of our host communities. These programs are primarily focused on the development of agribusinesses and farmer co-ops to grow an alternate, sustainable industry within the region. Over the past three years, we have invested \$US9.1 million in these programs.

We are currently working with the Provincial Government of Quirino on a Memorandum of Understanding to establish and fund the Quirino Provincial Development Fund (QPDF) that will deliver additional support to downstream communities over the next five years.



Didipio SDMP implementing procedure and guidelines review

INDIGENOUS RIGHTS

We identify and acknowledge Indigenous Peoples, their duly elected representatives and their significant sites. We support ongoing engagement to anticipate and avoid adverse impacts or to minimise and/or offset/mitigate for such impacts.

Our Waihi operation has five formal agreements in place with iwi in New Zealand and one currently in draft. Our Macraes operation currently has one draft agreement with iwi. These memorandums of understanding acknowledge the relationship between iwi and OceanaGold and agrees an approach for collaboration.

In South Carolina, we do not have a formal agreement with the Catawba Indian Nation. Catawba Indian Nation is, however, a cooperating agency and a key stakeholder for our Haile operation.

We do not have agreements in place with Indigenous Peoples at our Didipio operation.

COMMUNITY GRIEVANCES

Our operations record, monitor and respond to community complaints, taking corrective action as required. Our community engagement teams at each operation undertake ongoing consultation and engagement with host communities and provide an important conduit for identifying, reporting and responding to community grievances.

All our operations have a community hotline or office through which community members can report grievances (via phone, online or in person). Community members may also report concerns relating to non-compliance with our Code of Conduct through our independent, confidential whistle-blower hotline service managed by Deloitte.

In 2017, we received a total of 235 community complaints, with the majority relating to noise, vibration and land. Complaints by type and region are outlined below.

Our Waihi operation received 213 complaints during the year, a 30 per cent reduction on 2016. Most of the complaints (90 per cent) related to noise and vibration, reflecting the proximity of mining operations to the town. Our Waihi team continues to work collaboratively with residents and other stakeholders to manage and mitigate the impacts of our mining operations on the community, particularly in relation to vibration from blasting (refer to case study page 76).

At our Didipio operation in the Philippines, we received 15 community complaints in relation to land and continued to mediate and negotiate land grievances from previous years. In 2017, seven cases were resolved and closed, with mediation and negotiation ongoing in relation to the remaining grievances. We continue to proactively address land matters at Didipio. In 2018, we have commissioned a study to review past practices and legacy issues that will inform our approach to addressing land grievances.

2017 COMMUNITY GRIEVANCES

OPERATION	NUMBER OF COMPLAINTS	DESCRIPTION
Waihi	213	There were 213 community complaints lodged, with the majority (90 per cent) relating to noise and vibration. One property complaint is following the prescribed complaints process as per the site's operating permit conditions.
Macraes	5	The five complaints related to access on leases without notice or insufficient notice (3) and noise (2). One noise complaint is still under mediation.
Haile	0	There were no formal complaints. Stakeholder concerns were resolved through proactive and continuous engagement with stakeholder groups.
Didipio	17	Two complaints related to environmental issues. All complaints were investigated, remediated as required and closed. There were 15 complaints related to land grievances. Mediation and negotiation is ongoing in relation to eight of these grievances along with 15 from previous years.

CASE STUDY

WAIHI BLAST MANAGEMENT

We currently operate two mines in Waihi, the Martha open pit and Correnso underground.

For the town of Waihi, located on New Zealand's North Island, gold mining has been an important part of its economic and social development for the past 140 years.

Community acceptance of our operations and activities is crucial to the ongoing viability of Waihi's mines, particularly in relation to our management of vibration resulting from blasting operations.

The site's blast notification program combines innovative technology, proprietary hardware and social outreach to keep the community informed on blasting activities. It also enables real-time monitoring by the site environment team.

The system consists of 22 monitors connected via cellular modems to a central database. Every day the Waihi team informs the community of blast times via phone, SMS message and the site's website. For residents who want further advice prior to blasting, additional notification is provided just prior to a blast being fired.

Following a blast, the vibration detected at each of the monitors is published on the site's website to provide accurate and timely information to the community and other stakeholders such as regulatory agencies.

To complement the monitoring system, the Waihi team undertakes a range of community outreach programs to provide further information on the company's management strategies and gain feedback from residents. This includes workshops, community meetings, underground tours and regular publications.

Data obtained from vibration monitoring together with community feedback is used to inform the mine's blasting program to mitigate impacts on the community as much as practicable.

The Waihi team continues to work collaboratively with residents and other stakeholders to responsibly manage and mitigate the impacts of blast vibrations to ensure the town's strong gold mining tradition can be sustained into the future.

Waihi township and the Martha open pit mine



DATA: STAKEHOLDERS

Community complaints

	2017	2016
General complaints		
Waihi	213	315
Macraes	5	1
Haile	0	0
Didipio	17	84
Total	235	400
Total disputes under mediation and negotiation		
Waihi	1	0
Macraes	1	0
Haile	0	0
Didipio	23	66
Total	23	66

Indigenous agreements in place

OPERATION	MEMORANDUM OF UNDERSTANDING (MOU) SIGNED OR DRAFTED	
Waihi	5	4 signed MOUs; 1 draft MOU
Macraes	1	1 draft MOU
Haile	0	Not required for current mine scope
Didipio	0	There are no Indigenous groups identified by the Government of the Philippines located within the mine area.





Releasing the Carolina Heelsplitter in Flat Creek, United States



SECTION

OUR ENVIRONMENTAL PERFORMANCE

OUR ENVIRONMENTAL PERFORMANCE

OUR APPROACH

We are committed to responsible environmental management across all our business activities. We contribute to biodiversity conservation by respecting designated protected areas, sharing information and practices on biodiversity management, and supporting, developing and implementing inclusive and transparent procedures for integrated land use.

We assess and monitor the positive, negative, direct, indirect and cumulative environmental impacts of our activities, report all environmental hazards and incidents, and undertake the corrective actions identified in response. We are committed to efficiently using resources to minimise waste and prevent pollution, and we provide safe storage and disposal of all residual waste and process residues.

We design and plan all operations to ensure adequate resources for rehabilitation and mine closure, to meet post-mining land use and closure requirements, and continually improve our environmental performance to support healthy and sustainable environments that leave a lasting, positive legacy for our host communities.

Our Environment Policy details our commitment and management approach to responsible environmental management at our operations. We comply with all host country environmental laws, as a minimum, and implement company-wide environmental performance standards consistent with internationally accepted standards and conventions. We provide the necessary training, education equipment and information to our employees and contractors to support their implementation.

Our health, safety and environment compliance standards are audited annually on a rotating basis and provide a consistent approach to environmental management that is founded on sound industry practice, and drives continual improvement. In addition, all our operations have environmental management plans in place for key environmental risk areas and these are reviewed annually.

MATERIAL TOPICS

Our materiality assessments, undertaken throughout the year and in conjunction with the preparation of this report, determined that greenhouse gas emissions, discharges to water bodies, tailings management and mine closure are all material environmental topics in 2017.

These material topics were assessed during the year as part of our management and compliance standards review processes. No changes to our management approach for these material environmental aspects were required at any operation in 2017.

MATERIAL ENVIRONMENTAL TOPICS	
Emissions	Greenhouse gas and global warming are significant global issues and, as a large energy user, our performance in this area is of significant interest to our stakeholders.
Effluent and waste	Our operational sites are in areas with positive water balances. As such, our discharges to water bodies – rather than water take – is a topic of interest for our stakeholders. Our management of tailings is also of interest to our stakeholders, given that significant environmental impact can result from poor practices.
Closure	Closure planning is an integral component in the lifecycle of a mine. It is the legacy that remains once the operational mining phase is completed and a topic of significant interest for our stakeholders.

OUR PERFORMANCE

In line with our Environment Policy, we are committed to reducing our environmental footprint and minimising our environmental impacts through robust management systems and practices and strongly focusing on continuous improvement and innovation.

In 2017, we implemented a company-wide environmental database and obligation management system. This new system – triggered when sampling results imported directly from the laboratory to our database show compliance limits are exceeded – issues automatic notifications. The system also sends reminder notifications for the activities we are required to complete for regulatory or internal compliance, such as environmental monitoring and reporting.

We also continued to improve our environmental management practices in the areas identified as priority focus areas in 2016 – water, biodiversity and closure management.

A systematic, in-depth peer review of management plans and associated standards was undertaken in lieu of a corporate environmental audit. In addition to assessing compliance with standards, the review focused on developing site-specific 2018 work plans and sharing lessons learned and leading practices across our operations.

In 2018, we will resume corporate compliance audits of environmental standards for our operations.

ENVIRONMENTAL	TARGETS	2017 OUTCOME	RESULT	2018 TARGETS
Lag indicators	Number of level 3 or greater environmental events	Achieved	●	Number of level 3 or greater environmental events ¹ .
	Nil material breaches of environmental license conditions	Achieved	●	Nil material breaches of environmental license conditions
Lead indicators	Complete review of water, closure and biodiversity plans	Achieved	●	Environmental audit compliance >80% for water, closure and biodiversity standards
	80% of planned rehabilitation successfully completed	Achieved	●	80% of planned rehabilitation successfully completed
			●	Introduce key environmental metrics for monthly monitoring in relation to water, electricity and fuel use.
Corporate environmental projects	Full implementation of the corporate permits and obligations register	Achieved	●	Embed operational use of permit and obligation register
	Introduction of a comprehensive compliance monitoring program across all sites	Not Achieved	●	Develop common closure cost template across sites
				Develop OCG water management framework

¹ Measurable impact contained on site or low impact off site, clean up requiring seven days

REDUCING ENVIRONMENTAL NON-COMPLIANCE

We continued our strong focus on operational controls and environmental management across all sites throughout 2017. We did not receive any environmental fines or penalties, nor did we record any significant environmental incidents.

We did capture minor technical or administrative breaches through our internal compliance monitoring system as reported in below.

(MINOR TECHNICAL/ ADMINISTRATIVE) ¹	2017	2016	2015
Didipio	0	40	74
Haile	0	-	-
Macraes	35	44	33
Waihi	2	2	-
Total	37	86	107

¹ Minor non-compliances only, none of which resulted in any action by a regulator or other agency. For 2017, Didipio has reported non-compliances with regulatory requirements where previously they have recorded internal trigger breaches which are set at lower levels than regulatory requirements.

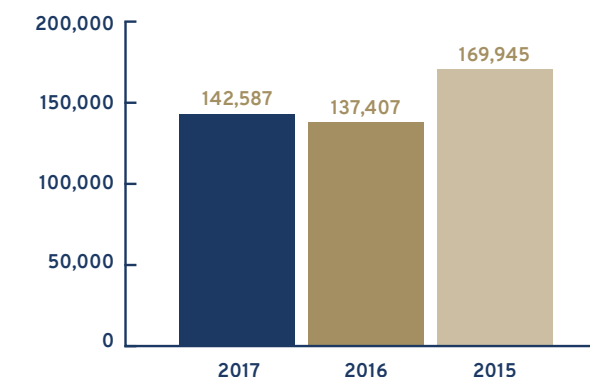
GREENHOUSE GAS EMISSIONS

Our direct energy use and greenhouse gas emissions increased by 5 per cent and 4 per cent respectively in 2017. This is attributed to the increase in energy use and associated emissions at our Haile operation, which commenced commercial production in the fourth quarter of the year.

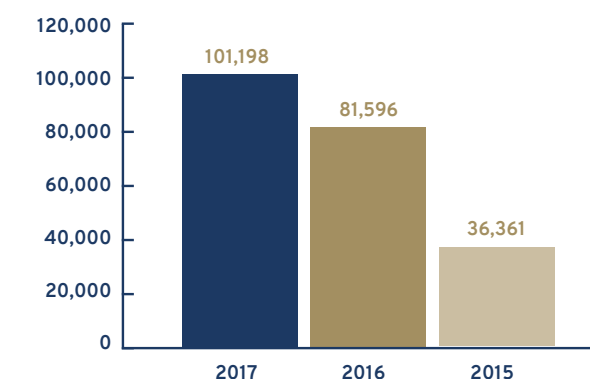
Indirect energy use and greenhouse gas emissions increased by 21 per cent and 24 per cent respectively, primarily due to commencing commercial production at Haile.

In 2018, we will introduce monthly monitoring of key energy sources to enhance our understanding of our energy consumption and further refine our site-specific energy and greenhouse management plans as part of our ongoing efforts to reduce our emissions across our operations.

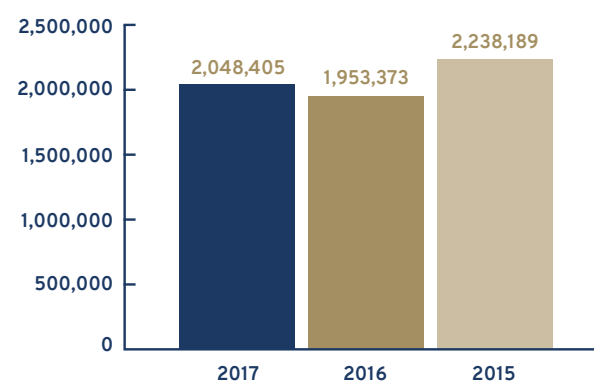
GREENHOUSE GAS EMISSIONS (TCO2E) – DIRECT SCOPE 1



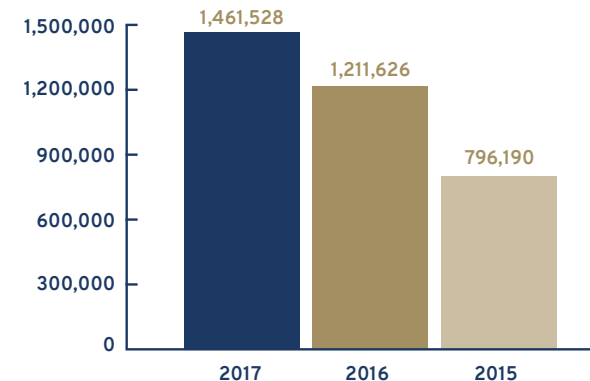
GREENHOUSE GAS EMISSIONS (TCO2E) – INDIRECT SCOPE 2



ENERGY – TOTAL DIRECT (GJ)



ENERGY – TOTAL INDIRECT (GJ)



In 2017, OceanaGold has transitioned to using energy and greenhouse conversion figures published by the Australian Department of the Environment and Energy. This has had minimal impact on reported figures however provides a more current series of conversion factors for reporting going forward.

CLOSURE PLANNING AND LEGACY MANAGEMENT

We recognise successful closure planning and site rehabilitation is critical to managing the complete mining lifecycle.

In preparing for a mine's closure, we undertake stakeholder consultation in relation to economic impact, employment, post-closure environmental impacts and public health and safety to develop closure management plans that will leave a positive legacy for the community.

All our operations have a closure plan in place that is reviewed annually. Our annual operating budgets include funding for required works undertaken each year as specified in our approved closure plans. In addition to our internal reviews, our regulators also regularly review our closure plans and ensure sufficient bonding is in place to provide for closure to be completed.

Each closure plan varies in maturity depending on the life-cycle stage of the individual operation, and is based on robust technical information that takes into consideration stakeholder expectations for post-operational land use. Our closure plans draw on information gathered from our environmental and social baseline data, our environmental and social impact assessments, household surveys and our ongoing environmental and social monitoring data.



CASE STUDY

REEFTON MINE CLOSURE

The Reefton Globe Progress Mine operated between 2005 and 2016, producing more the 610,000 ounces of gold.

In 2016, we concluded operations, and in 2017 we transitioned the mine into a restoration project.

As part of the transition to closure, surplus office supplies and equipment and other site materials were gifted to local community facilities and volunteer organisations where possible. We also negotiated the sale of the site's large mobile mining fleet – this equipment will be refurbished for future use.

The mine is located within the Victoria Conservation (Forest) Park, which is managed by the New Zealand Department of Conservation (DOC), the agency responsible for conserving the country's natural and historic heritage.

As part of the mine's permits issued by both central and regional government, the land must be restored to a condition appropriate to the site's environmental values in line with relevant legislation.

In consultation with DOC, we have worked with Professor David Norton from the School of Forestry at the University of Canterbury to develop a restoration and monitoring program based on a range of success criteria, including the extent of canopy cover, dominance of native forest shrub and tree species, and natural regeneration of forest understory plants.

In preparation for the restoration project, several trials were undertaken on-site to assess soil quality and depth and podocarp (conifer tree) growth. A visual inspection of plant growth and health has also been used to inform decisions on planting species and planting seasons.

The restoration project is comprised of three stages. The first stage focuses on planting native colonising species, such as West Coast Beech and Manuka, and includes good land preparation and intensive pest and weed management.

The second stage allows for natural plant succession, in which seeds for secondary species are brought into the site naturally by wind and birds. To assist with this second phase, old tree stumps have been placed around the site to provide roosting habitats for birds.

The third and final stage involves monitoring and research. Working with DOC and other stakeholders, a monitoring system has been developed and agreed.

As part of the ongoing monitoring program, we will use drone photography to help track restoration progress in terms of plant height, mortality, successional processes and canopy closure. To date, there has been little long-term monitoring of restoration work on this type of forest. This project presents a significant opportunity to gain valuable scientific data to support broader restoration efforts in the region.

In addition to land restoration monitoring, the Reefton Restoration Project has an extensive water-monitoring program to assess surface and groundwater quality across the site, including water bodies such as the lake developing in the former mine pit. Information collected on the formation of the pit lake will also provide valuable scientific data to assist the mining industry in planning and managing future closures activities.

Native Manuka planted at Reefton as part of the former mine site restoration



LAND MANAGEMENT

We strive to effectively manage the land under our stewardship, including protecting biodiversity and cultural values. We recognise our land management, rehabilitation and biodiversity protection activities have implications for the natural environment that extend beyond the boundary of the mine.

For example, some of our lease areas provide connectivity between areas of high biodiversity and support – or have the potential to support – species and ecological communities of conservation significance. Furthermore, some of our host communities have a long-standing spiritual connection to the land that we lease or own, and this must be respected.

Land management is integral to our operations and how we plan our mining activities and our land management practices include:

- sediment and erosion control
- waste rock siting and management
- storm water diversion
- soil profiling and management
- soil conservation
- progressive rehabilitation
- hydro seeding of pit walls and waste rock stacks.

The total amount of land rehabilitated across our operations decreased significantly this year to 17.4 hectares. Opportunities for rehabilitation are limited at most sites. Most of the land currently disturbed at our operations is considered 'active' and not available for rehabilitation.

LAND DISTURBANCE AND REHABILITATION (HA)	2017	2016	2015
Total land disturbed at beginning of reporting period	2,485	2,159	1,643
Amount of newly disturbed land	244.5	518	272.5
Amount of land rehabilitated to agreed criteria	17.4	52	32
Total amount of land currently disturbed	2,711.9	2,626	1,683

PROTECTED LAND AND ENVIRONMENTAL OFFSETS	2017	2016	2015
Area of protected land managed/owned by OGC (ha)	2,097.8	1,324	860
Area of offset land purchased	0	21	4,389

WATER MANAGEMENT

Our operations proactively reduce water use and maximise water recycling where possible. This reduces our need to extract water from local catchments, ensuring our host communities maintain access to water sources.

Our potential to reuse waste water from our processing facilities has steadily increased across all our operations. All sites are equipped with water treatment plants that treat process water for reuse or release. In 2017, we recycled 85 per cent of the water used in our processing facilities and mining operations.

All water discharged from our operations met the site-specific discharge limits set by host country regulators. The water bodies into which our operations discharge are noted in the table to the right.

All operating sites have a water management plan in place. These were reviewed during 2017 and will be audited against our environmental standard in 2018 as part of our ongoing compliance audit program.

OPERATION	WATER DISCHARGE DESTINATION
Waihi	Ohinemuri River
Macraes	Not applicable
Haile	Tributary of the Little Lynches River
Didipio	Dinauyan River

WATER USE AND RECYCLING	2017	2016	2015
Total water uses ¹	28,226,209	29,337,433	22,439,126
Water extracted for use (m ³)	3,765,871	5,610,127	3,411,485
Recycled/reused water (m ³)	24,460,338 ²	23,727,306	19,027,641
% recycled/reused water	87	81	85
Total volume discharged (m ³)	5,656,997		

¹ Excludes water taken for mine dewatering, which is treated and discharged.

² This figure includes an estimated recycle value for half of the Haile operations recycled water based on a calibrated flow monitoring for the second half of the year.

CASE STUDY

PROTECTING ENDANGERED HEELSPLITTER MUSSELS

The crisp, clear, cool waters of Flat Creek flow through land owned by our Haile operation.

In late September 2017, for the first time in recorded history, the United States Fish and Wildlife Service (USFWS) agents released Carolina heelsplitter mussels, raised in captivity, into the wild in Flat Creek.

“This is one of the rarest animals on the planet,” said Morgan Wolf, lead USFWS agent for the heelsplitter project.

The Carolina Heelsplitter is a freshwater mussel that was once abundant in the streams of South Carolina’s Piedmont and Lancaster County. The Carolina heelsplitter is in danger of becoming extinct but, fortunately, the clean water in Flat Creek and Gills Creek will allow the populations of heelsplitters to survive.

Environmental experts estimate there are fewer than 200 heelsplitter mussels alive in the wild.

“When we learned of the endangered Carolina heelsplitter, we knew we wanted to help with the preservation effort,” said David Thomas, Vice President and Country Director at Haile.

The Haile team included critical habitat land for the heelsplitter in the gold mine’s mitigation plan drafted during Haile’s permitting process. That was several years ago. Since then, both state and federal environmental regulators have been planning for this historic day celebrated on September 25, 2017.

The heelsplitters that were released are young mussels raised in captivity. Carolina heelsplitters have a complicated reproduction cycle and need clean, moving water to stay alive. The USFW service and South Carolina’s Department of Natural Resources learned how to breed and raise the endangered species supported by our funding.



Carolina heelsplitters ready for release into Flat Creek

WASTE MANAGEMENT

We recognise robust waste management is central to our ability to minimise long-term legacy impacts. Our mining activities produce two main waste streams: mineral and non-mineral waste.

Each site is required to develop a waste management plan that describes how each waste stream will be managed. Based on the fundamental principles of reduce, reuse and recycle, each site's waste management plan must also address the design, location and operational management of all waste storage facilities located on site, and any monitoring requirements for the waste streams to ensure long-term impacts from our waste management practices are minimised.

Our operations ensure all hazardous waste is appropriately managed on site. Where waste is required to be transported from site, we use licensed and approved waste transport contractors and recycle or dispose waste at licensed and approved facilities.

In 2017, total waste to landfill decreased by 11 per cent, reflecting our ongoing efforts to reduce, reuse and recycle where possible. We recycled 116.2 tonnes of material during the year.

WASTE GENERATION	2017	2016	2015
Waste rock (tonnes) ¹	53,655,476	75,297,854	52,2395,788
Tailings (tonnes)	12,732,113	10,977,217	11,220,077
Hazardous oils (L)	271,738l	240,329	209,392
Waste to landfill (tonnes)	1273	1426	603
Material recycled (t)	116.2	-	-
Hazardous (tonnes)	391	370	-

¹ Calculated using site specific conversion factors based on site specific factors such as rock characteristics and operational practices.

TAILINGS MANAGEMENT

Tailings storage facilities (TSF) are engineered structures designed and constructed to hold mineral waste (tailings) from the site's ore processing facilities.

In 2017, total tailings generated by our operations increased by 16 per cent reflecting the commencement of commercial production at Haile.

The management of tailings and the structural integrity of our TSFs are critical to community safety and environmental protection. Our facilities are designed to meet international engineering standards and we adopt rigorous quality control and quality assurance measures throughout the construction phase.

All our operations have tailings facility management plans that are reviewed annually and document the placement of tailings and how each facility will be managed. An overview of our tailing management governance is outlined below.

MACRAES OPERATION

Our Macraes mine has three TSFs. All undergo extensive internal monitoring and have detailed annual regulatory reporting requirements regarding the stability and performance of pollution controls and environmental effects.

The Macraes TSFs were reviewed by an independent third-party technical expert, commencing in 2016 and completed during 2017.

The review updated a similar assessment performed in 2011, and covered design, operation and monitoring processes, and a risk assessment of the safety and stability of the tailings embankments based on their status. It also reviewed compliance against the New Zealand Society of Large Dams' New Zealand Dam Safety Guidelines.

DIDIPIO OPERATION

There is one TSF at our Didipio operation. The TSF has been designed to exceed compliance standards as stipulated in the guideline issued by the Philippine Department of Environment and Natural Resources and the Australian National Committee on Large Dams' Guidelines on Tailings Dams.

Quality control and assurance of construction criteria and materials is undertaken by an independent engineering specialist with support from operational personnel. Quarterly and annual monitoring has been implemented since the start of construction by an independent third-party technical expert. In addition, an annual external review was conducted by a separate independent third-party technical expert in October 2017.

WAIHI OPERATION

Our Waihi operation has two TSFs, although tailings deposits into one of these facilities ceased in 2005. Both TSFs were designed by an independent third-party technical expert in accordance with the New Zealand Society of Large Dams.

Both TSFs have monitoring plans that are reviewed and approved by the local regulators and undergo extensive internal monitoring. They also have detailed annual regulatory

reporting requirements in relation to the stability and performance of pollution controls and environmental effects. Annual reviews of the construction and operation of the TSFs are undertaken by an independent project engineer.

An expert peer review panel has been appointed to review the annual monitoring program and completion of the facility. The panel comprises independent third-party technical experts appointed by the local regulatory bodies with expertise in geotechnical engineering, geochemistry, groundwater and rehabilitation.

These annual reviews have been conducted since 1987 and cover the following information:

- design, construction, monitoring, performance and stability reports from embankment construction
- operation, maintenance and surveillance records for the period of review
- other internal and external reports related to operations and closure of TSFs, including reviews of compliance against the New Zealand Society of Large Dams (NZSOLD) New Zealand Dam Safety Guidelines.

HAILE OPERATION

The Haile tailings storage facility was constructed in and became operational in 2016 following final regulatory approval by the South Carolina Department of Health and Environmental Control (SC-DHEC), which holds jurisdictional authority over the facility through their Dam Safety Division.

We commissioned an independent technical expert to undertake a Final Construction Inspection Report and a Dam Safety and Structural Review Inspection Report.

In addition, the SC-DHEC undertook the following reviews prior to granting approval to operate the TSF:

- TSF design review including:
 - geotechnical assessment
 - structural materials of construction
 - seismic analysis
 - earthwork monitoring procedures
 - construction oversight
 - surface water drainage patterns
 - significant storm events modelling
 - hazard risk analysis
 - site-wide water balance.
- Weekly construction reports with both construction notes and field inspection reports
- QA/QC reports issued an independent analytical inspection service
- Construction reports and final as-built drawings
- TSF operating and maintenance procedures
- Field inspection reports from the SC-DHEC Mine Group and the dam safety compliance engineers.

The structure has been in operation for just over a year with manuals established for its operation and maintenance. A set monitoring regime is in place.

WASTE ROCK MANAGEMENT

All our operations have a detailed waste rock management plan that defines stack construction, drainage, layout, height and other dimensions. The plan also details mitigation measures to manage any acid and metal-generating material that may be found in extracted overburden material.

Strategies to reduce potential discharge from acid-generating material include the early identification of all non-acid forming (NAF) and potentially acid-forming (PAF) material for segregation and placement to allow encapsulation of PAF within NAF material. This technique is standard resource industry practice and is incorporated in the waste rock management plans where required.

In 2017, waste rock generation decreased by 29 per cent primarily due to reduced mining operations at our Didipio operation as it transitioned from an open pit to underground operation.

DATA: ENVIRONMENT

Environmental governance

ENVIRONMENTAL POLICIES AND PLANS	DIDIPIO	MACRAES	HAILE	WAIHI
Environmental policy	✓	✓	✓	✓
Environmental risk assessment and metric	✓	✓	✓	✓
Environmental compliance standard	✓	✓	✓	✓
Energy efficiency and greenhouse management	✓	✓	✓	✓
Water management	✓	✓	✓	✓
Waste and tailings management	✓	✓	✓	✓
Sediment and erosion control	✓	✓	✓	✓
Air quality	✓	✓	✓	✓
Noise, vibration and blasting	✓	✓	✓	✓
Rehabilitation	✓	✓	✓	✓
Acid rock management	✓	✓	✓	✓
Dust management	✓	✓	✓	✓
Mine closure	✓	✓	✓	✓
Emergency management	✓	✓	✓	✓
Artisanal and small-scale mine operators	Y	N	N	N

Energy and greenhouse gas¹

ENERGY - TOTAL DIRECT (GJ)	2017	2016	2015
Didipio	502,190	1,052,578	1,673,943
Haile	542,218	-	-
Macraes	902,439	820,264	564,246
Waihi	101,557	80,531	-
Total	2,048,405	1,953,373	2,238,189

ENERGY - TOTAL INDIRECT (GJ)	2017	2016	2015
Didipio	384,927	325,518	48,019
Haile	190,700	-	-
Macraes	690,116	706,692	748,171
Waihi	195,786	179,416	-
Total	1,461,528	1,211,626	796,190

Audit performance²

COMPLIANCE WITH ENVIRONMENTAL STANDARDS	2017	2016	2015
Macraes (%)	-	95	86
Didipio (%)	-	81	80
Waihi (%)	-	-	-
Haile (%)	-	-	-
Average (%)	-	88	83

GREENHOUSE GAS EMISSIONS (TCO2E) - DIRECT SCOPE 1	2017	2016	2015
Didipio	35,093	73,439	127,301
Haile	37,514	-	-
Macraes	62,737	58,076	42,644
Waihi	7,243	5,892	-
Total	142,587	137,407	169,945

GREENHOUSE GAS EMISSIONS (TCO2E) - INDIRECT SCOPE 2	2017	2016	2015
Didipio	56,711	47,628	7,890
Haile	15,203	-	-
Macraes	22,812	27,090	28,471
Waihi	6,472	6,878	-
Total	101,198	81,596	36,361

Environmental spills

MODERATE TO MAJOR ENVIRONMENTAL SPILLS	2017	2016	2015
Didipio	0	0	0
Haile	0	-	-
Macraes	0	0	0
Waihi	0	0	-
Total	0	0	0

¹ In 2017, OceanaGold has transitioned to using energy and greenhouse conversion figures published by the Australian Department of the Environment and Energy. This has had minimal impact on reported figures but provides a more current series of conversion factors for reporting going forward.

² In 2017, in-depth reviews of management plans for water, biodiversity and closure were undertaken for each operation in lieu of environmental audits. In addition to assessing compliance, the reviews focused on developing site-specific work plans for 2018. Corporate audits will resume in 2018.

GRI CONTENT INDEX (EXTERNALLY ASSURED TOPICS)

ASPECT / TOPIC	DISCLOSURE # ¹	DISCLOSURE TITLE OR INDICATOR	SECTION OF REPORT AND PAGE NUMBER
General disclosures – in accordance with “core”			
Organisational profile	102-1	Name of the organisation	About this report, p. 4
	102-2	Activities, brands, products, and services	About us, pp. 10–14
	102-3	Location of headquarters	Back cover (Head office contact details)
	102-4	Location of operations	About us, pp. 10–14
	102-5	Ownership and legal form	About this report, p. 4
	102-6	Markets served	About us, pp. 10–14
	102-7	Scale of the organisation	About us, pp. 10–14
	102-8	Information on employees and other workers	Our people, pp. 44–48
	102-9	Supply chain	About us, p. 10 Our stakeholders, p. 72
	102-10	Significant changes to the organisation and its supply chain	About us, pp. 10–14
	102-11	Precautionary principle or approach	Our commitment to responsible mining, p. 30
	102-12	External initiatives	Our commitment to responsible mining, p. 35
	102-13	Membership of associations	Our commitment to responsible mining, p. 30
Strategy	102-14	Statement from senior decision-maker	2017 in Review, pp. 5–7
Ethics and integrity	102-16	Values, principles, standards, and norms of behaviour	The OceanaGold Way, pp. 18–19
Governance	102-18	Governance structure	The OceanaGold Way, pp. 20–24

ASPECT / TOPIC	DISCLOSURE # ¹	DISCLOSURE TITLE OR INDICATOR	SECTION OF REPORT AND PAGE NUMBER
Stakeholder engagement	102-40	List of stakeholder groups	Our stakeholders, pp. 67–69
	102-41	Collective bargaining agreements	Our people, pp. 47 and 48
	102-42	Identifying and selecting stakeholders	Our stakeholders, p. 66
	102-43	Approach to stakeholder engagement	Our stakeholders, pp. 67–69
	102-44	Key topics and concerns raised	Our stakeholders, pp. 67–69
Reporting practice	102-45	Entities included in the consolidated financial statements	Economic performance and contribution, p. 38
	102-46	Defining report content and topic boundaries	About this report, p. 4
	102-47	List of material topics	Our commitment to responsible mining, p. 31
	102-48	Restatements of information	Our people, p. 48
	102-49	Changes in reporting	About this report, p. 4
	102-50	Reporting period	About this report, p. 4
	102-51	Date of most recent report	About this report, p. 4
	102-52	Reporting cycle	About this report, p. 4
	102-53	Contact point for questions regarding the report	About this report, p. 4 Back cover (Head office contact details)
	102-54	Claims of reporting in accordance with the GRI Standards	About this report, p. 4
	102-55	GRI Content Index	GRI Content Index, pp. 92–93
	102-56	External assurance	Assurance statement, p. 94

ASPECT / TOPIC	DISCLOSURE # ²	DISCLOSURE TITLE OR INDICATOR	SECTION OF REPORT AND PAGE NUMBER
Specific standard disclosures (ma + indicators) – in accordance with “core”			
Economic performance	201-1	Direct economic value generated and distributed	Economic performance and contribution, pp. 39–41
	G4-EC1 (MM)	Direct economic value generated and distributed	Economic performance and contribution, pp. 39–41
Anti-corruption	205-2	Communication and Training about Anti-Corruption policies and procedures	Our commitment to responsible mining, p. 34
Emissions	305-1	Direct (Scope 1) GHG emissions	Our environmental performance, p. 82 and p. 91
	305-2	Energy indirect (Scope 2) GHG emissions	Our environmental performance, p. 82 and p. 91
Effluent and waste	306-1	Water discharge by quality and destination	Our environmental performance, p. 86
	MM3	Total amounts of overburden, Rock, Tailings, and sludges and their associated risks	Our environmental performance, pp. 88 –89
Environmental compliance	307-1	Non-compliance with environmental laws and regulations	Our environmental performance, p.82
Occupational health and safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, absenteeism, and number of work related fatalities	Our health and safety performance, p. 54 and pp. 58–62
	G4-LA6	Types of injury and rates of injury, occupational diseases, lost days, absenteeism, and number of work related fatalities by region and by gender	Our health and safety performance, p. 54 and pp. 58–62

ASPECT / TOPIC	DISCLOSURE # ²	DISCLOSURE TITLE OR INDICATOR	SECTION OF REPORT AND PAGE NUMBER
Security practices	410-1	Security personnel trained in human rights policies or procedures	Our commitment to responsible mining, p. 35
Local communities	413-2	Operations with significant actual and potential negative impacts on local communities	About us, pp. 10–14
	MM6	Number and description of significant disputes relating to land use, customary rights of local communities and indigenous people	Our stakeholders, p. 75
	MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and indigenous people, and the outcomes	Our stakeholders, p. 75
Socioeconomic compliance	419-1	Non-compliance with laws and regulations in the social and economic area	Our stakeholders, p. 72
Closure planning	MM10	Number and percentage of operations with closure plans	Our environmental performance, p. 84

²GRI Stad.2016 + GRI G4 Mining and Metals Sector Disclosures (MM)

INDEPENDENT ASSURANCE STATEMENT



To: The Stakeholders of OceanaGold Corporation

Introduction and objectives of work

Bureau Veritas Australia Pty Ltd was engaged by OceanaGold Corporation ("OceanaGold") to provide independent limited assurance of its 2017 Sustainability Report ("the Report"). This Assurance Statement applies to the related information included within the scope of assurance described below.

This information and its presentation in the 2017 Sustainability Report are the sole responsibility of the management of OceanaGold. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance of the accuracy of information included. This is the third year in which we have provided limited assurance over the OceanaGold Sustainability Report.

Scope of Assurance

OceanaGold requested Bureau Veritas to verify the accuracy of the data and information included in the Report in accordance with both the "Core" GRI Standard Disclosures and with identified material aspects from the "Mining and Metals Sector" Disclosures from GRI G4. The complete list of assured elements is referred to within the GRI Content Index of the Report.

The scope of work was limited to the data, related to the activities of Haile (USA), Didipio (Philippines), Waihi (NZ) and Macraes (NZ) mining operations for the period of 1st January 2017 to 31st December 2017.

Methodology

As part of its independent limited assurance, Bureau Veritas undertook the following activities:

- Interviews and follow-up communication with relevant personnel;
- Review of documentary evidence produced by OceanaGold representatives;
- Audit of performance data and factual information including source verification;
- Review of OceanaGold's processes for identification, aggregation and analysis of relevant information, report content and performance data from mining activities.

Our work was planned and executed in a manner designed to produce a limited level of assurance and to provide a sound basis for our conclusions.

Our assurance process is aligned with and informed by Bureau Veritas' standard procedures and guidelines for external verification of sustainability reports, GRI Sustainability Reporting Standards 2016, GRI G4 "Mining and Metals Sector" Disclosures and the International Standard for Assurance Engagements (ISAE) 3000.

Our findings

On the basis of our methodology and the activities described above, we provide limited assurance that:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate and the information included therein is not fairly stated;
- It is our opinion that OceanaGold has established systems for the collection, aggregation and analysis of relevant information and quantitative data.



Move Forward with Confidence



Evaluation against the Global Reporting Initiative Sustainability Reporting Standards 2016 (GRI Standards)

OceanaGold's 2017 Sustainability Report has been prepared in accordance with both the "Core" Standard Disclosures of the GRI Standards 2016 and the "Mining and Metals Sector" Disclosures of the GRI G4 Guidelines, including appropriate consideration of the reporting principles, profile disclosures, management approach disclosures and performance indicators.

Bureau Veritas' evaluation of OceanaGold's 2017 Sustainability Report included cross checking the GRI Content Index against all the reference documents.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined reporting period;
- Statements of commitment to, or intention to undertake future actions by OceanaGold;
- Statements of position, opinion, belief and/or aspiration by OceanaGold;
- Financial data audited by an external third party;
- Other sites and activities not included in the scope.

This independent assurance statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the 2017 Sustainability Report.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 180 years history in providing independent assurance services.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with OceanaGold, its Directors or Managers beyond that required of this assignment. We have conducted this assurance independently, and there has been no conflict of interest.

The independent assurance team has extensive experience in conducting assurance over environmental, social, security, safety, health and ethical information, systems and processes, and through its combined experience in this field, an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Bureau Veritas Australia Pty Ltd
31st May 2018

Jeremy Leu
Manager - Sustainability Services



Move Forward with Confidence







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