



MEDIA RELEASE

12 December 2016

OCEANAGOLD ANNOUNCES 2017 PRODUCTION AND COST GUIDANCE

(All financial figures in US Dollars unless otherwise stated)

(MELBOURNE) OceanaGold Corporation (**TSX/ASX/NZX: OGC**) (the “Company”) is pleased to announce its full year 2017 production and cost guidance which reflects an approximate 35% increase in gold production and 15% decrease in All-In Sustaining Costs (“AISC”) from that of 2016.

Table 1 – 2017 Production and Cost Guidance

		Didipio	Waihi	Macraes	Haile ⁽¹⁾	Consolidated
Gold Production	<i>ounces</i>	110,000 – 130,000	110,000 – 120,000	180,000 – 190,000	150,000 – 170,000	550,000 – 610,000
Copper Production	<i>tonnes</i>	15,000 – 17,000	–	–	–	15,000 – 17,000
Cash Costs ⁽³⁾	<i>\$ per ounce</i>	(\$20) – \$40	\$460 – \$510	\$600 – \$650	\$400 – \$450	\$370 – \$420
All-In Sustaining Costs ^{(2), (3)}	<i>\$ per ounce</i>	\$130 – \$180	\$740 – \$790	\$950 – \$1,000	\$500 – \$550	\$600 – \$650

Notes:

- Haile guidance reflects full year expected production and cost guidance. Production and costs prior to declaration of commercial production will be capitalised and reflected on the balance sheet.*
- AISC calculation conforms to the methodology outlined by the World Gold Council. It includes all cash costs, corporate G&A, maintenance capital expenditures, capitalised mining expenditures and exploration. It excludes development capital expenditures such as the development of the Haile Gold Mine and Didipio Underground.*

Assumptions

- NZD:USD exchange rate of 0.70, Copper price: \$2.50 / lb on average for full year.*

The increase in production year-on-year is a result of incremental production from the Haile Gold Mine which is nearing completion of construction and the commencement of wet commissioning. In addition to the increase in gold production guidance, the Company is pleased to report decreased AISC guidance which reflects lower costs expected from Didipio and the inclusion of high margin ounces from Haile.

Mick Wilkes, President and CEO said, “Looking to the year ahead, we are well positioned to generate significant free cash flow even in a lower gold price environment. Our strategy to create a high margin business from our portfolio of high-quality assets has been a successful one thus far. As we near the completion of construction at Haile and anticipate the commencement of milling before the end of this year, OceanaGold is poised to continue delivering on its commitments and further solidify ourselves as the gold mining company of choice.”

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About OceanaGold

OceanaGold Corporation is a mid-tier, low-cost, multinational gold producer with assets located in the Philippines, New Zealand and the United States. The Company's assets encompass its flagship operation, the Didipio Gold-Copper Mine located on the island of Luzon in the Philippines. On the North Island of New Zealand, the Company operates the high-grade Waihi Gold Mine while on the South Island of New Zealand, the Company operates the largest gold mine in the country at the Macraes Goldfield which is made up of a series of open pit mines and the Frasers underground mine. In the United States, the Company is currently constructing the Haile Gold Mine, a top-tier asset located in South Carolina along the Carolina Terrane. The Company expects the Haile Gold Mine to commence commercial production in early 2017. OceanaGold also has a significant pipeline of organic growth and exploration opportunities in the Asia-Pacific and Americas regions.

OceanaGold has operated sustainably over the past 26 years with a proven track record for environmental management and community and social engagement. The Company has a strong social license to operate and works collaboratively with its valued stakeholders to identify and invest in social programs that are designed to build capacity and not dependency.

In 2016, the Company expects to produce 385,000 to 425,000 ounces of gold from the combined New Zealand and Didipio operations and 19,000 to 21,000 tonnes of copper from the Didipio operation at All-In Sustaining Costs of US\$700 to US\$750 per ounce. In 2017, the Company expects to produce 550,000 to 610,000 ounces of gold and 15,000 to 17,000 tonnes of copper at All-In Sustaining Costs of US\$600 to US\$650 per ounce.

Cautionary Statement for Public Release

Certain information contained in this public release may be deemed "forward-looking" within the meaning of applicable securities laws. Forward-looking statements and information relate to future performance and

reflect the Company's expectations regarding the generation of free cash flow, execution of business strategy, future growth, future production, estimated costs, results of operations, business prospects and opportunities of OceanaGold Corporation and its related subsidiaries. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those expressed in the forward-looking statements and information. They include, among others, the accuracy of mineral reserve and resource estimates and related assumptions, inherent operating risks and those risk factors identified in the Company's most recent Annual Information Form prepared and filed with securities regulators which is available on SEDAR at www.sedar.com under the Company's name. There are no assurances the Company can fulfil forward-looking statements and information. Such forward-looking statements and information are only predictions based on current information available to management as of the date that such predictions are made; actual events or results may differ materially as a result of risks facing the Company, some of which are beyond the Company's control. Although the Company believes that any forward-looking statements and information contained in this press release is based on reasonable assumptions, readers cannot be assured that actual outcomes or results will be consistent with such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements and information, whether as a result of new information, events or otherwise, except as required by applicable securities laws. The information contained in this release is not investment or financial product advice.

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