



MEDIA RELEASE

1 February 2018

OCEANAGOLD ANNOUNCES 2018 GUIDANCE

(All financial figures in US Dollars unless otherwise stated)

(MELBOURNE) OceanaGold Corporation (**TSX/ASX: OGC**) (the “Company”) is pleased to release its full year 2018 production and cost guidance. Additionally, the Company has provided details related to its capital cost program and expectations for the year.

Mick Wilkes, President and CEO said, “We expect this year to be an exciting year for OceanaGold as we advance our expansion plans at Haile and Waihi through prudent capital investment and the commencement of the permitting process in each jurisdiction. We will drive operational enhancements at Didipio and Haile while furthering our extensive exploration activities across our business to create organic growth.”

“After a strong finish to 2017, the Haile Gold Mine is expected to increase gold production by 20% to 25% year-on-year with higher throughput rates. We also expect a solid year at Macraes with a 20% increase in production from higher grades at Coronation North.” He added, “After the strong performance from Didipio last year, we see 2018 as a year of transition for the asset through the steady ramp-up of mining rates from panel one in the underground and continued development of panel two. While at Waihi, our focus is to further advance and define our expansion plans for the operation which should deliver significant benefits to our communities and create value for our shareholders.”

Table 1 – 2018 Production and Cost Guidance

		Didipio	Waihi	Macraes	Haile	Consolidated
Gold Production	<i>ounces</i>	80,000 – 90,000	75,000 - 85,000	190,000 – 200,000	135,000 – 155,000	480,000 – 530,000
Copper Production	<i>tonnes</i>	15,000 – 16,000	–	–	–	15,000 – 16,000
All-In Sustaining Costs ⁽¹⁾	<i>\$ per ounce</i>	\$260 – \$310	\$750 – \$790	\$950 – \$1,000	\$725 – \$775	\$725 – \$775

Notes:

1. 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.

Assumptions:

- NZD:USD exchange rate of 0.72, average copper price, inclusive of executed hedges: \$3.15 / lb on average for full year.

In addition, the Company is pleased to provide its 2018 capital expenditure program, which includes capital investments for growth initiatives such as the Haile expansion, the Martha Project and development of the second panel at Didipio underground. Exploration expenditures are consistent with 2017 and reflect the Company’s extensive drilling programs.

Table 3 – 2018 Capital Expenditure Program

<i>USDm</i>	Didipio	Waihi	Macraes	Haile	TOTAL	Included in AISC
Non-Sustaining	40 – 45	20 – 23	2 – 3	40 – 45	102 – 116	0
Sustaining	5 – 7	2 – 3	10 – 12	3 – 5	20 – 27	20 – 27
Pre-stripping / capitalised mining	4 – 6	3 – 4	35 – 40	22 – 28	64 – 78	64 – 78
Exploration	1 – 2	15 – 20	3 – 5	5 – 7	24 – 34	6 – 10
TOTAL	50 – 60	40 – 50	50 – 60	70 – 85	210 – 255	90 – 115

Notes:

- Sustaining, Pre-stripping/capitalised mining and brownfields exploration is included in the Company's All-In Sustaining Cost guidance
- The Company also expects to spend approximately \$4-\$5 million of closure and rehabilitation costs at Reefton.

United States

At Haile, the Company will continue to identify bottlenecks and increase productivity to further improve throughput rates. As a result, the operation is expected to increase production by 20% to 25% from 2017 with source feed from both the Mill Zone and Snake Pits.

Growth capital for 2018 at Haile is expected to range between \$40 million and \$45 million as part of the recommendations outlined in the Optimisation Study which was completed in June 2017. Capital expenditures for 2018 at Haile include the procurement and installation of a pebble crusher, tower mill and Isa mill for additional fine grinding capacity, plus other infrastructure required to debottleneck the plant and incrementally increase plant throughput rates toward the optimised design of between 3.5 and 4.0 million tonnes per year, whilst enhancing gold recoveries.

Although plant recoveries have consistently averaged in the low 80% range since the commencement of commercial production, the grind size achieved has been only 19 microns. The installation of additional fine grinding capacity is designed to reduce the grind size to 13 microns, which the Company expects will potentially further increase recoveries and deliver additional value from the asset.

Permitting of the expanded Haile operation is expected to commence in the second quarter with the main components of the permitting being the development of an underground operation at Horseshoe, the expansion of the existing open pit designs and provision for additional waste and tailings facilities.

Philippines

At Didipio, production in 2018 is expected to be lower than in 2017 mainly due to treating an increased proportion of lower-grade stockpile material while ramping up the higher-grade production from the newly developed underground mine. The Company expects an increased proportion of higher grade mill feed to come from the underground in 2019 and beyond, which will result in gold production of between 110,000 and 130,000 ounces.

Underground ore was delivered to the ROM pad early in 2018 while construction of the primary underground pump and paste-fill plant was completed with commissioning currently underway. Once commissioned, stoping from panel one of the underground will steadily ramp-up, delivering 500,000 to 600,000 tonnes of mill feed in 2018 and higher-grades in the second half of 2018. Construction of panel two has commenced and as construction continues mill feed will increase, whereby at the end of 2019, when construction is

expected to be complete, the underground mining rate will increase to a steady-state of 1.6 million tonnes per annum.

The Company is also in the process of updating the mine plan at Didipio, which is expected to deliver enhanced value through a revised mine plan, mining higher grade ore from the breccia zone earlier in the mine life.

New Zealand

At Waihi, the production decrease is a result of the mining sequence whereby the operation will be mining lower grade areas of the underground veins for much of the year.

The Company will continue to advance the Martha Project with permitting expected to commence in the second quarter. Drilling from the two underground drill drives will continue, with the goal of converting the targeted one million ounces to resources.

At Macraes, the increased production is mainly attributable to higher grades from Coronation North. This higher head grade is expected to deliver a 20% year-on-year increase in production. The higher production and improved margins at Macraes are expected to persist through 2019 and into 2020.

Exploration

Exploration capital expenditures are similar to 2017 and support the Company's extensive drilling program across its operational footprint and Greenfields targets such as WKP and in the Carolinas. Results from drilling over the past few years have delivered positive results with significant high-grade intercepts across each asset and potential extensions to the resource base.

Mr. Wilkes went on to say, "Our focus continues to be on delivering sustained and long-term value. We will invest judiciously seeking opportunities that have the potential to generate strong returns on invested capital, and maintain the same level of performance achieved over the past several years."

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About OceanaGold

OceanaGold Corporation is a mid-tier, high-margin, multinational gold producer with assets located in the Philippines, New Zealand and the United States. The Company's assets encompass 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 operates the Haile Gold Mine, a top-tier, long-life, high-margin asset located in South Carolina. OceanaGold also has a significant pipeline of organic growth and exploration opportunities in the Americas and Asia-Pacific regions.

OceanaGold has operated sustainably over the past 27 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 2018, the Company expects to produce 480,000 to 530,000 ounces of gold and 15,000 to 16,000 tonnes of copper with All-In Sustaining Costs that range from \$725 to \$775 per ounce sold.

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-

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