OCEANAGOLD CORPORATION

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FIRST QUARTER REPORT

MARCH 31ST, 2009

UNAUDITED

U N A U D I T E D   I N T E R I M   C O N S O L I D A T E D   B A L A N C E   S H E E T

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(in thousands of United States dollars)	*Notes*	*March 31 2009 $'000*	*December 31 2008 $'000*
ASSETS			
Current assets			
Cash and cash equivalents		17 366	9 711
Accounts receivable and other receivables		4 917	2 680
Inventories	2	26 270	21 910
Prepayments		579	961
Derivatives	6	282	1 493
Future income tax assets	3	15 409	8 936
Total current assets		64 823	45 691
Non-current assets			
Inventories	2	17 297	18 763
Derivatives	6	1 093	1 997
Future income tax assets	3	19 446	31 175
Property, plant and equipment	4	119 868	131 377
Mining assets	5	396 724	400 987
Total non-current assets		554 428	584 299
TOTAL ASSETS		619 251	629 990
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		24 052	24 459
Employee benefits	7	1 661	1 726
Derivatives	6	59 388	48 780
Interest-bearing loans and borrowings	8	13 237	14 087
Asset retirement obligation		44	53
Total current liabilities		98 382	89 105
Non-current liabilities			
Other long term obligations		1 418	3 216
Employee benefits	7	67	68
Derivatives	6	65 509	80 066
Future income tax liabilities	3	58 775	61 457
Interest-bearing loans and borrowings	8	136 312	142 625
Asset retirement obligation		6 573	6 797
Total non-current liabilities		268 654	294 229
TOTAL LIABILITIES		367 036	383 334
SHAREHOLDERS' EQUITY			
Share capital	9	334 975	334 975
Accumulated deficit		(102 472)	(111 526)
Contributed surplus	13	33 906	33 897
Accumulated other comprehensive income	10	(14 194)	(10 690)
TOTAL SHAREHOLDERS' EQUITY		252 215	246 656
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		619 251	629 990

Contingencies (note 14)
Commitments (note 15)

On behalf of the Board of Directors:

(Signed) James E. Askew
Director

(Signed) J. Denham Shale
Director

The accompanying Notes to the Interim Consolidated Financial Statements are an integral part of these financial statements.

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS

For the Quarter ended March 31, 2009

(in thousands of United States dollars except per share amounts)	*Notes*	*Three months ended March 31 2009 $'000*	*Three months ended March 31 2008 $'000*
Revenue			
Gold sales		55 270	62 263
Release from other comprehensive income of deferred unrealised gain/(loss) on designated hedges		-	157
		55 270	62 420
Cost of sales, excluding depreciation and amortisation		(22 342)	(33 000)
Depreciation and amortisation		(13 473)	(14 204)
General and administration expenses		(2 055)	(3 908)
Operating profit / (loss)		**17 400**	**11 308**
Other expenses			
Interest expense		(3 436)	(5 897)
Foreign exchange gain/(loss)		113	(3 697)
		(3 323)	(9 594)
Gain/(loss) on fair value of undesignated hedges		(2 265)	(21 498)
Interest income		72	1 430
Other income		46	32
Earnings/(loss) before income taxes		11 930	(18 322)
Income taxes benefit/(expense)		(2 876)	7 166
Net earnings/(loss)		9 054	(11 156)
Net earnings/(loss) per share:			
- basic	16	$0.06	($0.07)
- diluted	16	$0.05	($0.07)

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF ACCUMULATED DEFICIT

For the Quarter ended March 31, 2009

(in thousands of United States dollars)	*Notes*	*Three months ended March 31 2009 $'000*	*Three months ended March 31 2008 $'000*
Accumulated deficit at beginning of period		(111 526)	(56 791)
Net earnings/(loss)		9 054	(11 156)
Accumulated deficit at end of period		(102 472)	(67 947)

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)

For the Quarter ended March 31, 2009

	Notes	*Three months ended March 31 2009 $'000*	*Three months ended March 31 2008 $'000*
Net earnings / (loss)		9 054	(11 156)
Other comprehensive income for the period, net of tax:			
Cash flow hedge gain / (loss)		-	(103)
Currency translation differences		(3 504)	12 937
		(3 504)	12 834
Comprehensive income / (loss)		**5 550**	**1 678**

The accompanying Notes to the Interim Consolidated Financial Statements are an integral part of these financial statements.

UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For Quarter ended March 31, 2009

(in thousands of United States dollars)	Notes	Three months ended March 31 2009 $'000	March 31 2008 $'000
Operating activities			
Net earnings/(loss)		9 054	(11 156)
Charges / (credits) not affecting cash			
Depreciation and amortisation expense		13 473	14 204
Net gain on disposal of property, plant & equipment		(13)	(13)
Non-cash interest charges		593	2 435
Unrealised foreign exchange (gains) / losses		28	(341)
Stock based compensation charge		9	503
Loss on fair value of undesignated hedges		2 265	21 341
Future tax expense/(benefit)		2 876	(7 166)
Changes in non-cash working capital			
(Increase)/decrease in accounts receivable and other receivables		(2 166)	(3 265)
(Increase)/decrease in inventory		(2 153)	2 570
(Decrease)/increase in accounts payable		323	118
(Decrease)/increase in other working capital		(1 326)	502
Net cash provided by operating activities		22 963	19 732
Investing activities			
Proceeds from sale of property, plant and equipment		26	16
Payments for property, plant and equipment		(579)	(58)
Payments for mining assets: exploration and evaluation		(130)	(15 518)
Payments for mining assets: development		(1 532)	-
Payments for mining assets: in production		(9 355)	(16 378)
Net cash used for investing activities		(11 570)	(31 938)
Financing activities			
Payment of finance lease liabilities		(1 506)	(1 956)
Repayments of borrowings		(2 578)	(406)
Net cash used for financing activities		(4 084)	(2 362)
Effect of exchange rates changes on cash held in foreign currencies		346	5 054
Net increase/(decrease) in cash and cash equivalents		7 655	(9 514)
Cash and cash equivalents at beginning of period		9 711	119 837
Cash and cash equivalents at end of period		17 366	110 323
Cash Interest Paid		(2 844)	(3 462)

The accompanying Notes to the Interim Consolidated Financial Statements are an integral part of these financial statements.

1 BASIS OF PRESENTATION

The unaudited interim consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due.

The preparation of the financial statements is based on accounting policies and practices consistent with those used in the preparation of the audited annual consolidated financial statements. Where necessary, comparative information has been reclassified for consistency with current year disclosures.

The accompanying unaudited consolidated financial statements should be read in conjunction with the notes to the audited consolidated financial statements of OceanaGold Corporation (OceanaGold) for the year ended December 31, 2008, since they do not contain all disclosures required by Canadian GAAP for annual financial statements. These unaudited interim consolidated financial statements reflect all normal and recurring adjustments, which are, in the opinion of management, necessary for a fair presentation of the respective interim periods presented.

Current liabilities exceed current assets by $33.6m. Cash flow forecasts reflect that debts will be repaid as they become due. The current liabilities include $59.4m of financial instruments that will be settled through delivery of future gold production.

Adoption of new accounting policies

International Financial Reporting Standards ("IFRS")

In January 2006, the CICA's AcSB formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability. On February 13, 2008 the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company will be required to have prepared, in time for its first quarter of fiscal 2011 filing, comparative financial statements in accordance with IFRS for the three months ended March 31, 2010. While the Company has begun assessing the impact of the adoption of IFRS on its financial statements, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Mining Exploration Costs

On March 27, 2009, the Emerging Issues Committee of the CICA approved an abstract EIC-174, "Mining Exploration Costs", which provides guidance on capitalization of exploration costs related to mining properties in particular, and on impairment of long-lived assets in general. The Company has applied this new abstract for the year ended December 31, 2008 and there was no significant impact on its financial statements as a result of applying this abstract.

2 INVENTORIES

	March 31 2009 $'000	*December 31 2008 $'000*
Current		
Gold in circuit	5 639	2 415
Ore	8 718	7 434
Stores	11 913	12 061
	26 270	21 910
Non-Current		
Ore	17 297	18 763
Total inventories	43 567	40 673

3 FUTURE INCOME TAX

	March 31 2009 $'000	*December 31 2008 $'000*
Future income tax		
Future income tax at period end relates to the following:		
Future income tax assets		
Losses available for offset against future taxable income	50 856	57 136
Revaluations of derivatives to fair value	37 469	38 654
Provisions	2 455	4 312
Accrued expenses	17	3
Share issue costs	1 410	1 563
Other	664	614
Gross future income tax assets	92 871	102 282
Set off future tax liabilities	(58 016)	(62 171)
	34 855	40 111
Less: current portion	(15 409)	(8 936)
Net non-current future tax assets	19 446	31 175
Future income tax liabilities		
Mining assets	(85 003)	(86 940)
Property, plant and equipment	(30 075)	(35 529)
Inventory	(878)	(913)
Interest Receivable	(308)	(313)
Accrued Revenue	-	(1 771)
Revaluations of derivatives to fair value	(412)	(1 047)
Other	(115)	(115)
Gross future income tax liabilities	(116 791)	(123 628)
Set off future tax assets	58 016	62 171
	(58 775)	(61 457)
Less: current portion	-	-
Net non-current future tax liabilities	(58 775)	(61 457)

4 PROPERTY, PLANT AND EQUIPMENT

	March 31 2009 $'000	*December 31 2008 $'000*
Freehold land		
Cost	3 582	3 708
Buildings		
Cost	3 845	3 927
Accumulated depreciation	(1 854)	(1 868)
Net of accumulated depreciation	1 991	2 059
Plant and equipment		
Cost	202 812	211 237
Accumulated depreciation	(92 141)	(86 639)
Net of accumulated depreciation	110 671	121 598
Rehabilitation		
Cost	6 197	6 415
Accumulated amortisation	(2 573)	(2 403)
Net of accumulated amortisation	3 624	4 012
Net book value of property, plant and equipment	119 868	131 377

5 MINING ASSETS

	March 31 2009 $'000	*December 31 2008 $'000*
Mining Assets: Exploration and evaluation phase		
Cost	17 596	22 717
Mining Assets: Development phase		
Cost	290 715	293 817
Mining Assets: In production		
Cost	167 392	154 769
Accumulated amortisation	(78 979)	(70 316)
Net of accumulated amortisation	88 413	84 453
Net book value of mining assets	396 724	400 987

The recovery of the costs deferred in respect of exploration and evaluation expenditure is dependent upon successful development and commercial exploitation of the respective area of interest.

6 DERIVATIVES

	March 31 2009 $'000	*December 31 2008 $'000*
Current Assets		
Gold put options	282	1 493
Non-current Assets		
Gold put options	1 093	1 997
Total Assets	1 375	3 490
Current Liabilities		
Gold call options	8 767	1 831
Gold forward sales contracts	50 621	46 949
	59 388	48 780
Non Current Liabilities		
Gold call options	27 695	34 358
Gold forward sales contracts	37 814	45 708
	65 509	80 066
Total Liabilities	124 897	128 846

Prices for the consolidated entity's primary commodity products (gold bullion) are determined on international markets and quoted in US dollars.

Metal prices are fixed using forward sale contracts and options. Derivative financial instruments are matched with estimated future metal production.

The primary instruments held are undesignated forward gold sales contracts for 177,765 ounces with an average price of NZ$773 (Dec 31, 2008: 206,076 ounces), undesignated gold put options over 146,142 ounces (Dec 31, 2008: 199,496 ounces) with an average exercise price of NZ$1,000 and undesignated gold call options over 104,024 ounces (Dec 31, 2008: 136,024 ounces) of forecast 2010 production with an average exercise price of NZ$1,062. These derivative instruments are contracted with a consortium of banks under a hedging facility, secured by a pledge against the assets of Oceana Gold (NZ) Ltd.

The forward sales programme is managed in accordance with policies approved by the Board. Performance under these policies is regularly reported to the Board.

The net gains and losses that relate to contracts not designated as specific hedges have been recognised in the statement of operations.

From December 31, 2008 to March 31, 2009 the NZD gold price moved from approximately $1,523 per ounce to $1,643 contributing significantly to the increase in the gold derivative liabilities, offset by the close out of contracts.

7 EMPLOYEE BENEFITS

(a) Employee benefit liability

	March 31 2009 $'000	*December 31 2008 $'000*
Aggregate employee benefit liability is comprised of:		
Accrued wages, salaries	824	660
Employee benefit provisions current	1 661	1 726
Employee benefit provisions non-current	66	68
	2 551	2 454

(b) Defined Contribution Plans

The company has defined contribution pension plans for certain groups of employees. The company's share of contributions to these plans is recognised in the statement of operations in the year it is earned by the employee.

8 INTEREST-BEARING LOANS AND BORROWINGS

	Effective interest rate %	*Maturity*	*March 31 2009 $'000*	*December 31 2008 $'000*
Current				
Capital leases	6.56%	5/31/2014	6 803	6 897
Insurance Premium Loan (NZ$ Nil)	3.26%	02/28/2009	-	189
Insurance Premium Loan (AUD$ Nil)	3.11%	02/28/2009	-	51
Project debt facility (NZ$11.5m)	5.22%	12/31/2010	6 434	6 950
			13 237	14 087
Non-current				
Capital leases	6.56%	5/31/2014	29 389	32 235
5.75% Convertible Notes (A$55m)	9.16%	12/22/2012	36 705	37 030
7.00% Convertible notes (A$70m)	10.13%	12/22/2013	48 073	48 614
7.00% Convertible notes (A$30m)	10.64%	3/22/2014	19 907	20 113
Project debt facility (NZ$4.0m)	5.22%	12/31/2010	2 238	4 633
			136 312	142 625

5.75% Convertible Notes (Unsecured)

The Notes bear interest at 5.75% per annum, payable semi-annually in arrears. The Notes are due for redemption at 109% of their principal amount in 2012, unless converted to common shares prior to this date at the option of the noteholder. The number of shares to be delivered upon conversion shall be determined by dividing the principal amount of the note by the conversion price of A$4.2435 (subject to adjustment for certain specified events).

7.00% Convertible Notes (Unsecured)

The Notes bear interest at 7.00% per annum, payable semi-annually in arrears and have a face value of A$70 million. Interest accrued in respect of the notes for the first two years is not payable but is instead capitalised into the redemption value of the notes. The Notes are due for redemption in 2013 at a value equal to the sum of their principal amount plus the capitalised interest amount, unless converted to common shares prior to this date at the option of the noteholder. The number of shares to be delivered upon conversion shall be determined by dividing the principal amount of the note by the conversion price. The conversion price is A$4.0950 (subject to adjustment for certain specified events).

On March 22, 2007 A$30m (US$24.2m) in convertible notes were issued under the same terms and conditions as the 7% convertible notes. The conversion price is A$4.3000 (subject to adjustment for certain specified events) and the notes are due for redemption in 2014. Of the A$28.8m (US$23.2m) net proceeds of the issue A$24.9m (US$20.1m) was allocated to interest bearing liabilities and A$3.9m (US$3.1m) was allocated to equity.

Project debt Facility (Secured)

The consolidated entity has a project debt facility of NZ$15.5m (December 31, 2008:NZ$20.0m) provided by a consortium of banks. The facility was fully drawn at March 31, 2009. The project debt facility has a floating interest rate which is paid quarterly in arrears. Oceana Gold (New Zealand) Ltd's assets are pledged as security over this facility

9 SHARE CAPITAL

	No. shares Thousands	$'000
Movement in common shares on issue		
At 1 January 2008	161 635	334 975
At 31 December 2008	161 635	334 975
At 30 March 2009	161 635	334 975

There were an additional 30,321,702 listed options in issue. Each OceanaGold option entitles the holder to subscribe for one OceanaGold share at an exercise price of A$4.625. The OceanaGold options can only be exercised during the period from January 1, 2008 to January 1, 2009 (or earlier in the event of a successful takeover bid for OceanaGold). These options lapsed on January 1, 2009.

10 ACCUMULATED OTHER COMPREHENSIVE INCOME / (LOSS) ("OCI")

	March 31 2009 $'000	*December 31 2008 $'000*
Balance at the start of the period		
Deferred gain/(loss) on cash flow hedging activities	-	882
Currency translation adjustments	(10 690)	42 720
	(10 690)	43 602
OCI for the period:		
Transfers of cash flow hedge gains to earnings on recording hedged items in earnings	-	(1 272)
Currency translation differences	(3 504)	(53 410)
OCI before tax	(3 504)	(54 682)
Income tax benefit on effective portion of change in fair value of gold put options	-	390
OCI net of tax	(3 504)	(54 292)
Accumulated OCI at the end of the period		
Currency translation adjustments	(14 194)	(10 690)
	(14 194)	(10 690)

11 SEGMENT INFORMATION

The Group's operations are managed on a regional basis. The two reportable segments are New Zealand and the Philippines. Capital expenditure includes the cost of segment assets acquired by way of business combinations.

	New Zealand $'000	Philippines $'000	Corporate $'000	Total $'000
Quarter Ended March 31, 2009				
Revenue				
Sales to external customers	55 270	-	-	55 270
Inter segment management and gold handling fees	-	-	103	103
Release from other comprehensive income of deferred unrealised losses on designated hedges	-	-	-	-
Total Segment Revenue	55 270	-	103	55 373
Result				
Segment result excluding unrealised hedge losses	18 813	(316)	(763)	17 734
Inter segment management and gold handling fees	(103)	-	-	(103)
Release from other comprehensive income of deferred unrealised losses on designated hedges	-	-	-	-
Loss on fair value of undesignated hedges	(2 265)	-	-	(2 265)
Total segment result before interest and tax	16 445	(316)	(763)	15 366
Income tax benefit/(expense)	(4 626)	-	1 750	(2 876)
Total segment result	11 819	(316)	987	12 490
Interest expense				(3 436)
Net earnings for the period				9 054
Assets				
Segment assets	307 774	305 472	6 005	619 251

11 SEGMENT INFORMATION (continued)

	New Zealand $'000	Philippines $'000	Corporate $'000	Total $'000
Quarter Ended March 31, 2008				
Revenue				
Sales to external customers	62 263	-	-	62 263
Inter segment management and gold handling fees	-	-	131	131
Release from other comprehensive income of deferred unrealised losses on designated hedges	157	-	-	157
Total Segment Revenue	62 420	-	131	62 551
Result				
Segment result excluding unrealised hedge losses	14 483	(152)	(5 546)	8 785
Inter segment management and gold handling fees	131	-	-	131
Release from other comprehensive income of deferred unrealised losses on designated hedges	157	-	-	157
Loss on fair value of undesignated hedges	(21 498)	-	-	(21 498)
Total segment result before interest and tax	(6 727)	(152)	(5 546)	(12 425)
Income tax benefit				7 166
Total segment result				(5 259)
Interest expense				(5 897)
Net loss for the period				(11 156)
Assets				
Segment assets	416 493	340 975	103 443	860 911

12 STOCK-BASED COMPENSATION

(i) Stock Option movements

The following table reconciles the outstanding share options granted under the executive share option scheme at the beginning and the end of the period:

WAEP = weighted average exercise price

	March 31, 2009		*December 31, 2008*	
	No.	**WAEP**	**No.**	**WAEP**
Outstanding at the start of the period	4 019 988	A$ 2.74	2 600 000	A$3.81
Granted	886 655	A$0.38	2 403 320	A$1.68
Forfeited	(716 664)	A$1.69	(983 332)	A$3.00
Balance at the end of the period	**4 189 979**	**A$2.42**	**4 019 988**	**A$2.74**
Exercisable at the end of the period	1 500 009	A$3.667	703 338	A$3.825

Options granted were priced using a binomial option pricing model. Where options had a single exercise date the Black Scholes valuation model was used. Where options do not have a performance hurdle they were valued as American style options using the Cox Rubenstein Binomial model.

The expected life used in the model has been based on the assumption that employees remain with the company for the duration of the exercise period and exercise the options when financially optimal. This is not necessarily indicative of exercise patterns that may occur.

Due to the lack of exchange traded data for option prices of OceanaGold, historical volatility has been used for the purposes of the valuation. Expected volatility is based on the historical share price volatility using 3 years of traded share price data. As a result it reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the outcome.

Dividend yield is assumed to be nil on the basis that no dividends have been declared for the 2009 or 2008 financial years due to the large ongoing capital commitment.

(ii) Balance at end of the period

The share options on issue at the end of the financial period had an exercise price of between A$0.00 and A$4.255 and a weighted average remaining vesting period of 4.1 years.

13 CONTRIBUTED SURPLUS MOVEMENT

	March 31 2009 $'000	*December 31 2008 $'000*
Balance at start of period	33 897	32 379
Stock based compensation expense	9	1 518
Balance at end of period	33 906	33 897

Contributed surplus		
Employee stock based compensation	3 512	3 503
Fair value of options issued	18 083	18 083
Equity portion of Convertible notes	12 311	12 311
	33 906	33 897

14 CONTINGENCIES

a. The company has issued bonds in favour of various New Zealand authorities (Ministry of Economic Development – Crown Minerals, Otago Regional Council, Waitaki District Council, West Coast Regional Council, Buller District Council, Timberlands West Coast Limited and Department of Conservation) as a condition for the grant of mining and exploration privileges, water rights and/or resource consents, and rights of access for the Macraes Gold Mine and the Globe Progress mine at the Reefton Gold Project which amount to approximately $16.0m (NZ$23.9m) (December 31, 2008 $13.8m, NZ$23.9m).

b. The company has provided a cash operating bond to the New Zealand Department of Conservation of $0.3m (NZ$0.4m) (December 31, 2008 $0.2m, NZ$0.4m) which is refundable at the end of the Globe Progress mine. This amount is included in the total referred to in (a) above.

c. In the course of normal operations the consolidated entity may receive from time to time claims and suits for damages including workers compensation claims, motor vehicle accidents or other items of similar nature. The consolidated entity maintains specific insurance policies to transfer the risk of such claims. No provision is included in the accounts unless the Directors believe that a liability has been crystallised. In those circumstances where such claims are of material effect, have merit and are not covered by insurance, their financial effect is provided for within the financial statements.

d. The company has provided a guarantee in respect of a capital lease agreement for certain mobile mining equipment entered into by a controlled entity. At March 31, 2008 the outstanding rental obligations under the capital lease are $36.2m (December 31, 2008 $39.1m).

e. The Didipio Project is held under a Financial of Technical Assistance Agreement (“FTAA”) granted by the Philippines Government in 1994. The FTAA grants title, exploration and mining rights with a fixed fiscal regime. Under the terms of the FTAA, after a period in which the company can recover development expenditure, capped at 5 years from the start of production, the Company is required to pay the Government of the Republic of the Philippines 60% of the “net revenue” earned from the Didipio Project. For the purposes of the FTAA, “net revenue” is generally the net revenues derived from mining operations, less deductions for, among other things, expenses relating to mining, processing, marketing, depreciation and certain specified overheads. In addition, all taxes paid to the Government shall be included as part of the 60% payable to the Government.

15 COMMITMENTS

Capital commitments

At March 31, 2009, the consolidated entity has commitments of $3.6m (Dec 31, 2008 $6.6m), principally relating to the development of mining facilities.

The commitments contracted for at reporting date, but not provided for:

	March 31 2009 $'000	*December 31 2008 $'000*
Within one year:		
- development of new mining facilities	2 754	5 656
After one year but not more than five years:		
- development of new mining facilities	886	917
	3 640	6 573

16 EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net income/(loss) for the period attributable to common equity holders of the parent by the weighted average number of common shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net income attributable to common shareholders (after adding back interest on the convertible notes) by the weighted average number of common shares outstanding during the period (adjusted for the effects of dilutive options and dilutive convertible notes where the conversion of potential common shares would decrease earnings per share).

The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

	Three months ended	
	March 31 2009 $'000	*March 31 2008 $'000*
Numerator:		
Net income/(loss) attributable to equity holders from continuing operations (used in calculation of basic earnings per share)	9 054	(11 156)
Interest on convertible notes*	1 667	-
Net income/(loss) attributable to equity holders from continuing operations (used in calculation of diluted earnings per share)*	10 721	(11 156)
	Thousands	*Thousands*
Denominator:		
Weighted average number of common shares (used in calculation of basic earnings per share)	161 635	161 635
Effect of dilution:		
Share options*	1 460	-
Convertible notes*	37 032	-
Adjusted weighted average number of common shares (used in calculation of diluted earnings per share)*	200 127	161 635
Net loss per share:		
- basic	$0.06	($0.07)
- diluted	$0.05	($0.07)

* For periods to March 31, 2008 conversion of share options and convertible notes would decrease the loss per share and hence are non-dilutive.