



MEDIA RELEASE

5 December 2011

OCEANAGOLD ANNOUNCES AN INCREASE IN MINERAL RESOURCES AT FRASERS UNDERGROUND MINE

(MELBOURNE) OceanaGold Corporation (ASX: OGC, TSX: OGC, NZX: OGC) (“the Company”) is pleased to announce an updated mineral resource estimate for the Frasers Underground mine in Otago, New Zealand.

Highlights

- Measured and Indicated Resources for the main Hangingwall Shear mineralisation at Panel 2 has increased to 7.9Mt @ 2.36g/t Au for 602Koz. Net of mining depletion in 2011, this represents an addition of 118Koz since 31 December 2010, a 25% increase.
- Infill drilling of the Lower Zone has expanded the Measured and Indicated Resources to 1.0Mt @ 2.51 g/t Au for 77Koz. This expansion has replaced mining depletion in this zone for 2011.
- Frasers Underground mine life expected to extend to at least 2017.
- Both the Hangingwall Shear and Lower Zone Inferred Resource areas are extended down-dip and remain open to the northeast.
- Total Measured and Indicated Resources for Frasers Underground, including Panel 1, now stands at 10.2Mt @ 2.26g/t Au for 745Koz.

Mick Wilkes, Managing Director & CEO commented, “The exploration program over the past 12 months has been successful in considerably expanding the measured and indicated resources at Frasers Underground, and is expected to extend the mine life at that operation by at least another three years. We will continue to complete lower zone infill and extension drilling and explore the Hangingwall down dip, which has the potential to add further years to the mine life at Frasers Underground.”

The Frasers Underground mine primarily exploits down-dip extensions of Hangingwall Shear mineralisation currently being mined in the Macraes Open Pit. Within Panel 2 of the Frasers Underground mine, the Hangingwall Shear mineralisation is typically between 5 and 10 metres thick. Production stoping has recently commenced along a second and thinner mineralised shear, 10 to 20 metres beneath, and sub-

parallel to the Hangingwall Shear. This mineralisation is known as the Lower Zone and includes an area referred to in previous releases as 'Panel 2 Deeps'.

Ongoing diamond drilling from underground mine development, in conjunction with diamond drilling from surface, continues to test the fringes of the current Panel 2 resource area as well as to infill the existing area of Inferred Resource. To-date in 2011, this drilling has significantly extended the limits of the Panel 2 resource, both for the Hangingwall Shear and the Lower Zone.

Figure 1 below shows the expanded footprints for Indicated and Inferred Resource limits within the Hangingwall Shear. The mineralisation remains open to the north-east.

Figure 1 – Plan view of Frasers Underground Panel 2 mining area comparing both new and previous resource classification boundaries and recent drill intercepts.

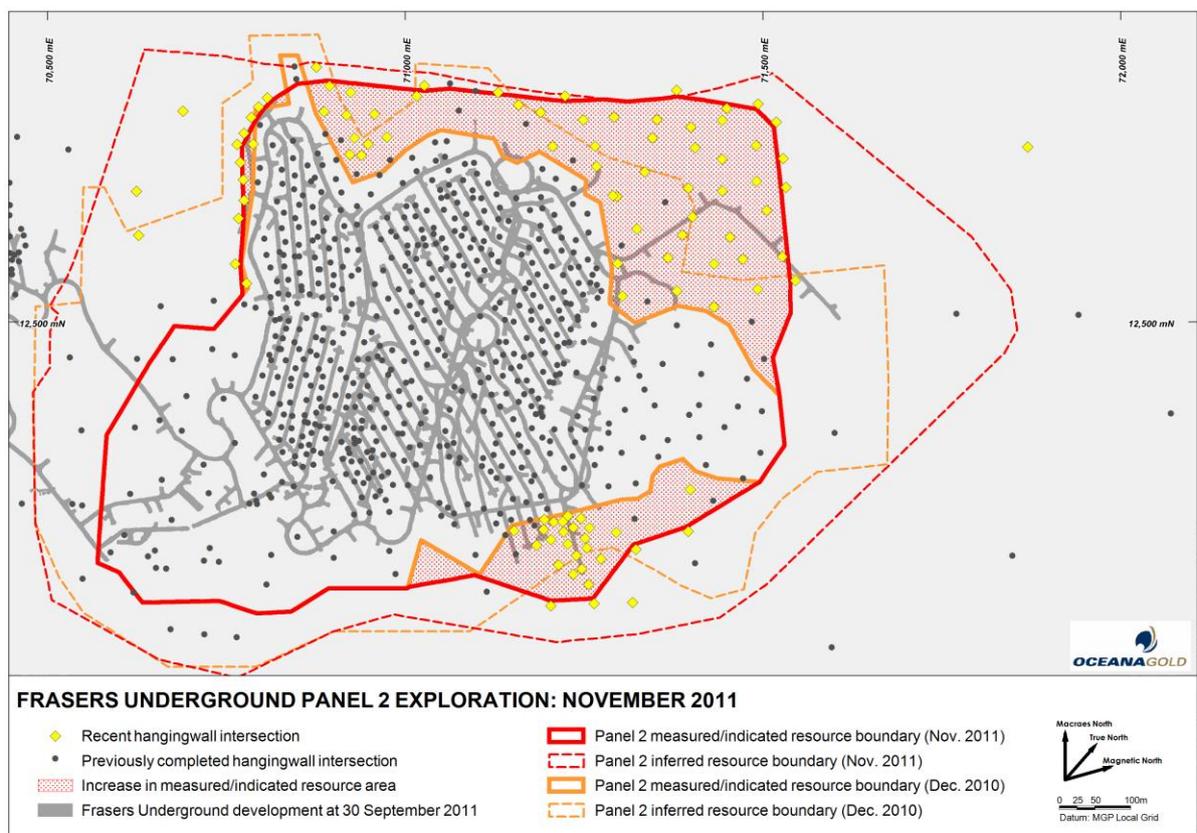


Figure 2 below shows the expanded footprints for Indicated and Inferred Resource limits within the Lower Zone. The mineralisation remains open to the north-east.

Figure 2 – Plan view of Frasers Underground Lower Zone comparing resource classification boundaries and recent drill intercepts.

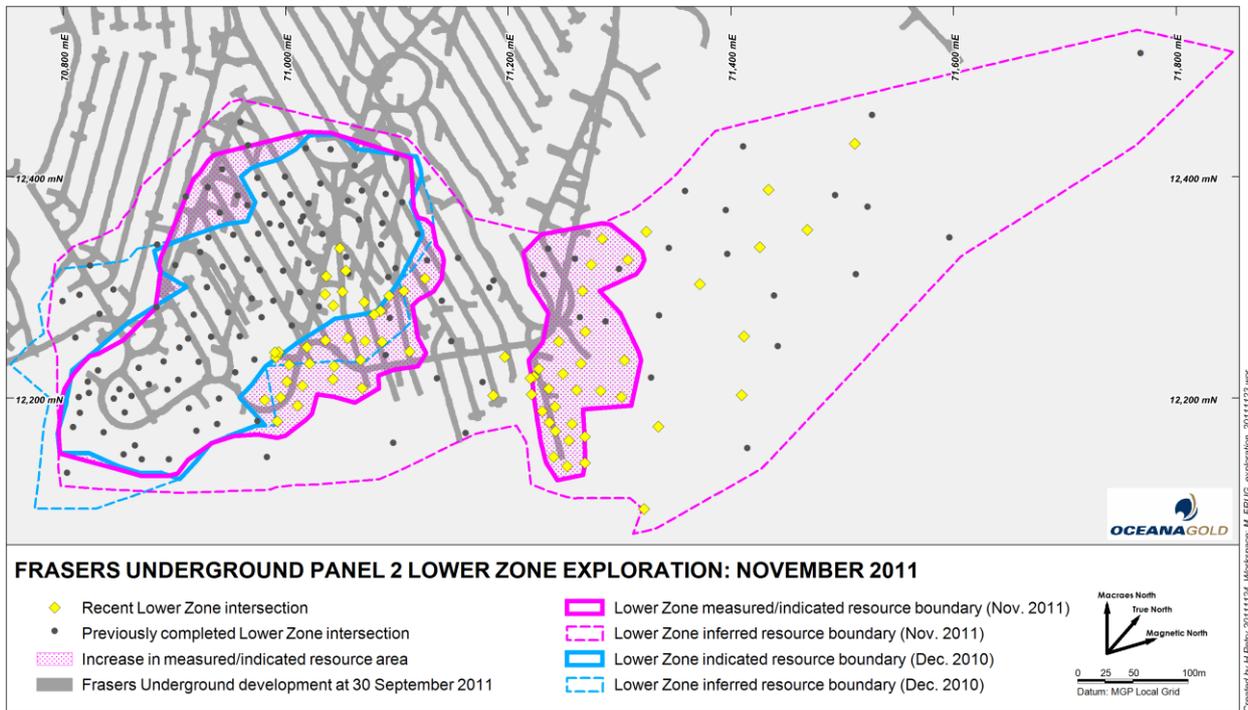


Figure 3 below shows the relative locations of Panel 1, Panel 2 and Lower Zone.

Figure 3 - East-west cross section through the Frasers Underground showing Hangingwall Shear, Lower Zone and underground development.

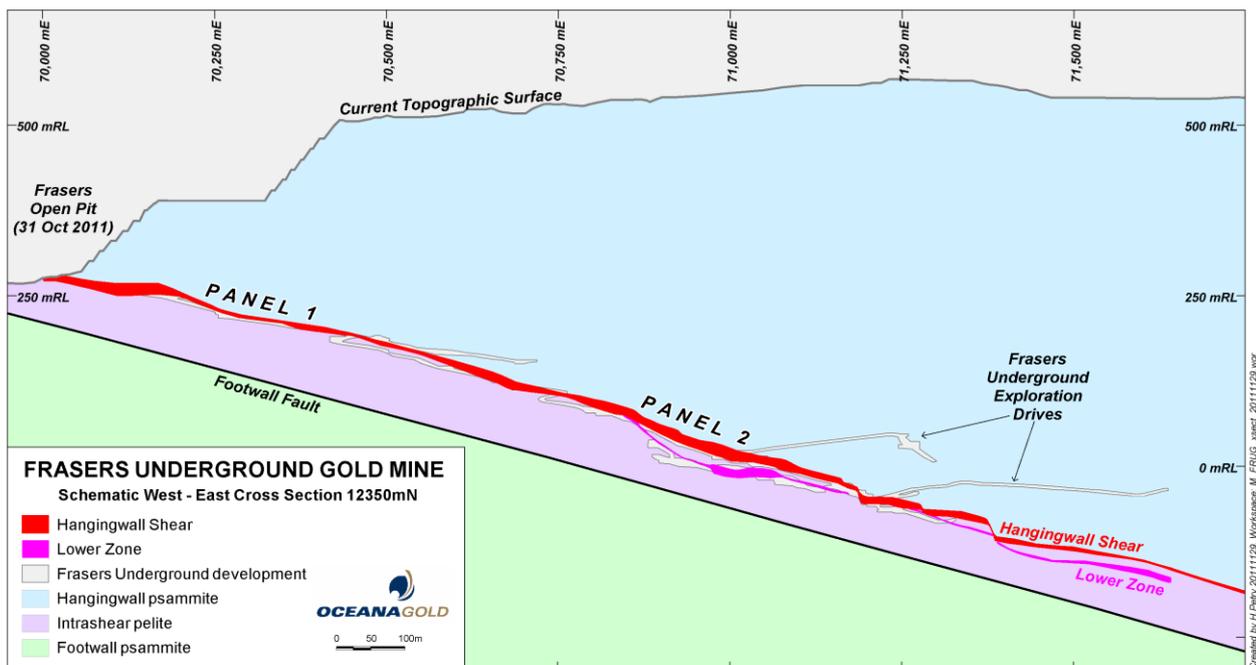


Table 1 summarises the estimated Panel 2 resource, depleted for mining as at 20 November 2011. Net of mining depletion, this represents an increase in Measured and Indicated Resources of 124Koz and an increase in Inferred Resources of 177Koz since 31 December 2010.

Table 1 - Resource Estimates of Frasers Underground Panel 2 Only (Hangingwall Shear and Lower Zone) depleted for production to November 2011

| | Panel 2 Hangingwall Shear | | | Lower Zone | | | Panel 2 Total | | |
|-----------------------------|---------------------------|-------------|------------|------------|-------------|-----------|---------------|-------------|------------|
| | Mt | g/t | koz | Mt | g/t | koz | Mt | g/t | koz |
| Measured | 2.5 | 2.89 | 236 | 0.2 | 4.82 | 33 | 2.7 | 3.04 | 268 |
| Indicated | 5.4 | 2.11 | 366 | 0.7 | 1.85 | 44 | 6.1 | 2.08 | 411 |
| Measured + Indicated | 7.9 | 2.36 | 602 | 1.0 | 2.51 | 77 | 8.9 | 2.38 | 679 |
| <i>Inferred</i> | 4.9 | 1.85 | 291 | 1.1 | 3.37 | 121 | 6.0 | 2.13 | 412 |

Note: the stated resources include reserves

Table 2 below shows total resources for the total Frasers Underground Mine, including both Panel 1 and Panel 2.

Table 2 - Total Resource Estimates for Frasers Underground depleted for production to November 2011

| | Panel 2 | | | Panel 1 | | | Frasers Underground Total | | |
|-----------------------------|------------|-------------|------------|------------|-------------|-----------|---------------------------|-------------|------------|
| | Mt | g/t | koz | Mt | g/t | koz | Mt | g/t | koz |
| Measured | 2.7 | 3.04 | 268 | 0.2 | 1.81 | 13 | 3.0 | 2.95 | 281 |
| Indicated | 6.1 | 2.08 | 411 | 1.1 | 1.45 | 53 | 7.3 | 1.98 | 464 |
| Measured + Indicated | 8.9 | 2.38 | 679 | 1.4 | 1.51 | 66 | 10.2 | 2.26 | 745 |
| <i>Inferred</i> | 6.0 | 2.13 | 412 | 1.0 | 1.25 | 41 | 7.0 | 2.00 | 453 |

Qualified Persons

Jonathan Moore, Group Mine Geology Manager of Oceana Gold New Zealand Limited is the “qualified person” pursuant to National Instrument 43-101 of the Canadian Securities Administrators. He is a member and Chartered Professional with the AusIMM.

The Qualified Person Mr Moore has reviewed the technical information and approved the contents of this news release.

Quality Control

Mr Jonathan Moore, B.Sc (Hons) Geology and Dip.Grad. Physics, is the Group Mine Geology Manager with Oceana Gold (NZ) Ltd and is the Qualified Person under National Instrument 43-101 – *Standards of Disclosure of Mineral Projects* (“NI 43-101”) for the technical disclosure in this release and has verified the data disclosed, including sampling, analytical and test data underlying the information contained in this release. Geological modelling was completed by Dr. Matthew Grant, Resource Geologist with Oceana Gold (NZ) Ltd, PhD Applied Geology, BSc (Hons) Geology, MAIG. Geological interpretation was by Dr. Grant and Mr. Peter Edwards, Senior Project Geologist, MSc (Hons) Geology, Grad. Dip. Business, Grad. Dip Computing, MAusIMM. Underground drilling samples, collected at approximately 1m intervals from sawn diamond core, were prepared and assayed by fire assay methods at the SGS Minerals facility (and former AMDEL facility) at Macraes, New Zealand. Surface drilling samples, collected at 1m intervals from sawn diamond core were prepared and assayed by fire assay methods at the SGS Minerals facilities in Westport and Waihi, New Zealand. Standard reference materials were inserted to monitor the quality control of the assay data of the surface and underground samples.

For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating to the Macraes Project, please refer to the NI 43-101 compliant technical report entitled "Independent Technical Report for the Macraes Project located in the Province of Otago, New Zealand" dated February 12, 2010, prepared by R Redden and J G Moore and available at www.sedar.com under the Company's name.

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For further information please contact:

Ms Nova Young

Investor Relations Officer

info@oceanagold.com

Tel: +61(3) 9656 5300

About OceanaGold

OceanaGold Corporation is a significant Asia Pacific gold producer with projects located on the South Island of New Zealand and in the Philippines. The Company's assets encompass New Zealand's largest gold mining operation at the Macraes goldfield in Otago which is made up of the Macraes Open Pit and the Frasers Underground mines. Additionally on the west coast of the South Island, the Company operates the Reefton Open Pit mine. OceanaGold produces approximately 255,000 - 270,000 ounces of gold per annum from the New Zealand operations. The Company also owns the Didipio Project in northern Luzon, Philippines which is in construction and expected to commission in Q4 2012.

OceanaGold is listed on the Toronto, Australian and New Zealand stock exchanges under the symbol OGC.

Cautionary Statement

Statements in this release may be forward-looking statements or forward-looking information within the meaning of applicable securities laws. 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 reflected in the forward-looking statements. 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 such forward-looking statements and, subject to applicable securities

laws, the Company undertakes no obligation to update such statements. Such forward-looking statements 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. Accordingly, readers should not place undue reliance on forward-looking statements.

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