Fourth Quarter & Full Year 2013 Results

February 20, 2014

www.oceanagold.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Management Discussion & Analysis contains “forward-looking statements and information” within the meaning of applicable securities laws which may include, but is not limited to, statements with respect to the future financial and operating performance of the Company, its subsidiaries and affiliated companies, its mining projects, the future price of gold, the estimation of mineral reserves and mineral resources, the realisation of mineral reserve and resource estimates, costs of production, estimates of initial capital, sustaining capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of the development of new mines, costs and timing of future exploration and drilling programs, timing of filing of updated technical information, anticipated production amounts, requirements for additional capital, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, consents and permits under applicable mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements and information can be identified by the use of words such as “may”, “plans”, “expects”, “projects”, “is expected”, “budget”, “scheduled”, “potential”, “estimates”, “forecasts”, “intends”, “targets”, “aims”, “anticipates” or “believes” or variations (including negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements and information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries and/or its affiliated companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, future prices of gold; general business, economic and market factors (including changes in global, national or regional financial, credit, currency or securities markets), changes or developments in global, national or regional political and social conditions; changes in laws (including tax laws) and changes in GAAP or regulatory accounting requirements; the actual results of current production, development and/or exploration activities; conclusions of economic evaluations and studies; fluctuations in the value of the United States dollar relative to the Canadian dollar, the Australian dollar, the Philippines Peso or the New Zealand dollar; changes in project parameters as plans continue to be refined; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability or insurrection or war; labour force availability and turnover; adverse judicial decision, delays in obtaining financing or governmental approvals or in the completion of development or construction activities or in the commencement of operations; as well as those factors discussed in the section entitled “Risk Factors” contained in the Company’s Annual Information Form in respect of its fiscal year-ended December 31, 2012, which is available on SEDAR at www.sedar.com under the Company’s name. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actual results, performance, achievements or events to differ from those anticipated, estimated or intended. Also, many of the factors are outside or beyond the control of the Company, its officers, employees, agents or associates. Forward-looking statements and information contained herein are made as of the date of this Management Discussion & Analysis and, subject to applicable securities laws, the Company disclaims any obligation to update any forward-looking statements and information, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information due to the inherent uncertainty therein. All forward-looking statements and information made herein are qualified by this cautionary statement. This Management Discussion & Analysis may use the terms “Measured”, “Indicated” and “Inferred” Resources. U.S. investors are advised that while such terms are recognised and required by Canadian regulations, the Securities and Exchange Commission does not recognise them. “Inferred Resources” have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Resources will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Resources may not form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into reserves. U.S. investors are also cautioned not to assume that all or any part of an Inferred Resource exists, or is economically or legally mineable. This document does not constitute an offer of securities for sale in the United States or to any person that is, or is acting for the account or benefit of, any U.S. person (as defined in Regulation S under the United States Securities Act of 1933, as amended (the “Securities Act”)) (“U.S. Person”), or in any other jurisdiction in which such an offer would be unlawful.

Technical Disclosure

The Mineral Resources for Reefton and Didipio were prepared by, or under the supervision of, J. G. Moore, whilst the Mineral Resources for Macraes were prepared by S. Doyle. The Mineral Reserves for Didipio were prepared under the supervision of R.Corbett, while the Mineral Reserves for Macraes and Reefton were prepared by, or under the supervision of, K Madambi. C. Bautista is Exploration Manager for the Philippines. S. Doyle, K. Madambi, and J. G. Moore are Members and Chartered professionals with the Australasian Institute of Mining and Metallurgy and each is a “qualified person” for the purposes of NI 43-101. R. Corbett is a Registered Professional Engineer (Ontario) and is a “qualified person” for the purposes of NI 43-101. C. Bautista is a member of the AIG and is a “qualified person” for the purposes of NI 43-101. Messrs Moore, Doyle, Corbett, Madambi and Bautista have sufficient experience, which is relevant to the style of mineralisation and type of deposits under consideration, and to the activities which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (“JORC Code”).

The resource estimates for the El Dorado Project were prepared by Mr. Steven Ristorcelli, C.P.G., of Mine Development Associates, Reno, Nevada (who is an independent Qualified Person as defined in NI 43-101) and conforms to current CIM Standards on Mineral Resources and Reserves.

For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating to the Reefton Project, the Macraes Project and the Didipio Project please refer to the NI 43-101 compliant technical reports available at sedar.com under the Company’s name. For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating to the El Salvador Project please refer to the reports publicly available on SEDAR (www.sedar.com) prepared for Pacific Rim.

Management Discussion and Analysis Report for the Fourth Quarter and the Full Year ended December 31, 2013

HIGHLIGHTS

Fourth Quarter 2013

- Record gold production of 115,219 ounces, a 54% increase over the previous quarter.
- Copper production of 7,536 tonnes, a 23% increase compared to the previous quarter.
- Net repayment of borrowings $45 million.
- Revenue of $170.1 million with a net loss of $28.2 million after a pre-tax impairment charge of $107.8 million and a net profit of $49.5 million before impairment.
- Added the El Dorado[2] high grade, gold-silver project in El Salvador to portfolio of assets through the completed acquisition of Pacific Rim Mining Corp.
- Awarded the annual “Most Environment Compliant” by the regional office of the Environment Management Bureau, a supporting body of the Department of Environment and Natural Resources (“DENR”) in the Philippines.

Full Year 2013

- Record gold production of 325,732 ounces, slightly ahead of gold production guidance.
- Strong copper production of 23,059 tonnes, exceeding copper production guidance.
- Net repayment of borrowings $64 million.
- Revenue of $553.6 million and EBITDA[1] of $262.4 million with a net loss after impairment of $47.9 million and a net profit before impairment of $91.3 million.
- Cash costs[1] net of by-product credits of $426 per ounce, lower than the cash cost guidance.
- All-In Sustaining Costs[1] net of by-product credits of $868 per ounce.
- Over 8.8 million man hours worked without a lost time injury at Didipio as at the end of 2013.

All statistics are compared to the corresponding 2012 period unless otherwise stated.

OceanaGold has adopted USD as its presentation currency and all numbers in this document are expressed in USD unless otherwise stated.

1. *Cash costs, All-In Sustaining Costs and EBITDA (earnings before interest, taxes, depreciation and amortisation, excluding gain/(loss) on undesignated hedges and impairment) are non GAAP measures. Refer to page 20 for explanation of non GAAP measures.*
2. *Refer to OceanaGold news release dated 8 October 2013 at www.oceanagold.com for full details of acquisition and details on the El Dorado Project including the current arbitration claim.*

OVERVIEW

Production and Costs Results

The Company recorded revenue of $170.1 million and a net loss after impairment of $28.2 million and a net profit of $49.5 million before impairment in the fourth quarter of 2013. For the full year 2013, Company revenue was $553.6 million with a net loss of $47.9 million after impairment and a net profit of $91.3 million before impairment.

In the fourth quarter, strong performance across all operations resulted in a record 115,219 ounces of gold produced, a 54% increase from the previous quarter on account of processing higher grade ore across all operations. Fourth quarter copper production of 7,536 tonnes was 23% higher than in the previous quarter. For the full year 2013, the Company achieved record gold production with 325,732 ounces, slightly exceeding the Company's 2013 gold production guidance range of 285,000 to 325,000 ounces. The Company exceeded its 2013 copper production guidance range of 18,000 to 20,000 tonnes with 23,059 tonnes produced. See table 1 for fourth quarter and full year 2013 production and cost results.

The total Company cash cost net of by-product credits for the fourth quarter was $210 per ounce on 100,410 ounces of gold sold. The decrease in cash costs was due mainly to an increase in gold ounces sold and reduced expenditures in New Zealand.

For the full year, the Company's cash cost net of by-product credits was $426 per ounce on 305,290 ounces of gold sold, which excludes Didipio gold ounces sold prior to commercial production on April 1, 2013. This result was better than the 2013 cash cost guidance and significantly lower than 2012 cash costs of $940 per ounce of gold. Higher gold production and strong copper by-product credits from Didipio contributed to the year-over-year decrease in cash costs. The Company's full year All-In Sustaining Costs ("AISC") was $868 per ounce net of by-product credits.

The Company's fourth quarter average gold price received was $1,262 per ounce compared to $1,333 per ounce received in the third quarter. The average copper price received by the Company for the quarter was $7,291 per tonne versus $7,017 per tonne in the previous quarter. For the full year, the Company's average gold price received was $1,382, lower than the average gold price received of $1,675 per ounce in 2012.

The cash balance at the end of the quarter was $24.8 million compared to $14.7 million at the end of the third quarter. The net increase in cash was a result of increased sales and reduced costs in New Zealand partly offset by a net repayment of borrowings of $45 million and lower sales at Didipio which had an increase in concentrate inventories.

As a result of the continued lower gold price environment and changes made to the mine schedule at Macraes (announced on January 7, 2014), the Company has reviewed the carrying value of its assets and has taken a pre-tax impairment charge of $107.8 million. Further details are outlined on page 17.

Production & Cost Guidance

In 2014, the Company is planning to produce 275,000 to 305,000 ounces of gold at cash costs of $400 to $450 per ounce net of copper by-product credits and AISC of $750 to $850 per ounce net of copper by-product credits. Copper production from Didipio is expected to be between 21,000 to 24,000 tonnes of copper in concentrate. See table 2.

In New Zealand, production for 2014 is expected to be lower than in 2013 as a result of changes made to the mine schedule at Macraes. The Company expects to mine less ore and at lower grades from the open pit at Macraes and the operation will supplement the mill feed with low grade stockpile ore resulting in a lower head grade than in 2013. The Company expects production at Macraes to be higher in the first half of the year than in the second half.

At Didipio in the Philippines, the Company expects to increase gold production while maintaining strong copper production. By the end of 2014, the Company expects to achieve the planned ramp-up throughput rate of 3.5 Mtpa.

Pacific Rim Acquisition

On November 27, 2013, the Company announced the successful completion of the plan of arrangement to acquire all remaining outstanding shares of Pacific Rim Mining Corp ("Pacific Rim") in an all-share transaction.

The acquisition aligns well with the Company's strategy to invest in high quality, low cost assets and utilise its proven mine development capabilities and experience to advance the project. The Company will seek to develop and invest in a number of community initiatives in El Salvador by engaging with key stakeholders to unlock the significant opportunity that exists at the El Dorado Project for the Salvadoran people.

In 2009, Pacific Rim filed an arbitration claim with the International Centre for the Settlement of Investment Disputes (ICSID) in Washington District of Columbia, seeking monetary compensation under the Investment Law of El Salvador. This followed the passive refusal of the Government of El Salvador to issue a decision on Pacific Rim's application for environmental and mining permits for El Dorado. The matter is now in the final phase of arbitration and a decision is expected after the submissions and testimonies. Notwithstanding the current arbitration, OceanaGold will also continue to seek a negotiated resolution to the El Dorado permitting impasse.

Table 1 – Q4 & FY2013 Production and Cost Results Summary

		Didipio[2]	New Zealand	Group
Q4 2013 Results				
Gold Produced	*ounces*	27,713	87,506	115,219
Copper Produced	*tonnes*	7,536	-	7,536
Gold Sales	*ounces*	20,900	79,510	100,410
Copper Sales	*tonnes*	6,461	-	6,461
Average Gold Price Received	*$ per ounce*	$1,244	$1,267	$1,262
Average Copper Price Received	*$ per tonne*	$7,291	-	$7,291
Cash Costs	*$ per ounce*	(1,081)[1]	550	210[1]
Full Year 2013 Results				
Gold Produced	*ounces*	66,277	259,455	325,732
Copper Produced	*tonnes*	23,059	-	23,059
Gold Sales	*ounces*	55,604	252,477	308,081
Copper Sales	*tonnes*	21,290	-	21,290
Average Gold Price Received	*$ per ounce*	$1,287	$1,402	$1,382
Average Copper Price Received	*$ per tonne*	$7,127	-	$7,127
Cash Costs	*$ per ounce*	(1,078)[1]	740	426[1,2]
All-In Sustaining Costs	*$ per ounce*	(688) [1]	1,194	868[1,2]

1. *Net of by-product credits*
2. *Commercial production was declared effective April 1, 2013 at Didipio and operating costs net of revenue received prior to this date were capitalised. As such, Didipio's 2013 cash costs and AISC reflects the costs from April 1, 2013 to December 31, 2013 whilst production statistics are for the full year 2013*

Table 2 – 2014 Production and Cost Guidance

		Didipio	New Zealand	Group
Gold Production	*ounces*	85,000 – 95,000	190,000 – 210,000	275,000 – 305,000
Copper Production	*tonnes*	21,000 – 24,000	–	21,000 – 24,000
Cash Costs	*$ per ounce*	($725) – ($650)[1]	$840 – $925[2]	$400 – $450[1,2]
All-In Sustaining Costs[3]	*$ per ounce*	($240) – ($210)[1]	$1,170 – $1,290[2]	$750 – $850[1,2]

1. *Net of copper by-product credits at $3.20/lb copper*
2. *NZD/USD $0.80 exchange rate*
3. *Based on the World Gold Council methodology, expansionary and growth capital expenditures are excluded from the AISC*

Philippines Overview

In the fourth quarter, production at Didipio was 27,713 ounces of gold and 7,536 tonnes of copper, an increase from the previous quarter on account of increased mill throughput along with higher grade ore processed and improved recoveries for both gold and copper. On April 1, 2013, commercial production began at Didipio and for the year, Didipio produced 66,277 ounces of gold, in line with guidance and 23,059 tonnes of copper, which exceeded guidance.

Fourth quarter cash costs net of by-product credits at Didipio were negative ($1,081) per ounce on 20,900 ounces of gold sold and 6,461 tonnes of copper sold. Didipio's cash costs net of by-product credits for the nine months of commercial production in 2013 were negative ($1,078) per ounce on 52,813 ounces of gold sold and 19,741 tonnes of copper sold. Didipio's co-product cash costs were $434 per ounce for the quarter and $532 per ounce for the year. See page 14 for the gold equivalent ounces calculation. Didipio's 2013 AISC at Didipio was negative ($688) per ounce net of by-product credits.

The total material mined in the fourth quarter was 6.1 million tonnes including 2.6 million tonnes of ore, most of which was stockpiled. During the quarter, mining operations also continued to provide competent waste rock to the build-out of the stage 3 Tailings Storage Facility (TSF).

Mill throughput in the fourth quarter was 729,121 tonnes of ore grading 1.33 g/t gold and 1.09% copper. Throughput for the year was 2.58 million tonnes grading 0.94 g/t gold and 0.98% copper. Fourth quarter recoveries of 88.7% gold and 95.0% copper were slightly higher than in the previous quarter on account of higher gold and copper grades processed. The full year recoveries were 83.0% for gold and 91.5% for copper.

For 2014, the Company expects Didipio to mill approximately 3.0 million tonnes of ore and achieve the planned throughput rate of 3.5 Mtpa by the end of the year.

New Zealand Overview

In New Zealand, strong performance at Macraes and Reefton resulted in a combined fourth quarter gold production of 87,506 ounces, a 54% increase from the previous quarter. This increase was attributable to mining of higher grade ore at Macraes, processing higher grade ore at both operations and increased throughputs at Reefton. The increase in production was partly offset by a slightly lower throughput at Macraes and lower recoveries at Reefton. For the full year, New Zealand operations exceeded its gold production guidance with 259,455 ounces of gold produced.

The fourth quarter cash costs at the New Zealand operations were $550 per ounce on 79,510 ounces of gold sold. Cash costs were lower than the previous quarter due mainly to an increase in gold ounces sold and from cost reductions made at both operations through mine optimisation. The full year 2013 cash costs at New Zealand were $740 per ounce on 252,477 ounces of gold sold, which were significantly lower than its cash costs of $940 per ounce in 2012. New Zealand's full year AISC was $1,194 per ounce.

The total material mined at the New Zealand operations for the fourth quarter was 15 million tonnes, lower than in the previous quarter on account of less waste mined at Macraes and Reefton but partly offset by increased ore mined at both operations. For the full year, the total material mined at New Zealand was 65.2 million tonnes, which was 6% higher than in the previous year but lower than planned. During the year, the Company deferred a major cutback at Macraes and put the final cutback at Reefton on hold in response to the decline in the gold price.

Mill throughput in New Zealand was 1.8 million tonnes for the fourth quarter and 7.3 million tonnes for the year. Mill feed grade was 1.79 g/t for the fourth quarter and 1.35 g/t for the year. The overall recovery for the New Zealand operations was 83.2% for the fourth quarter and 81.3% for the year.

Subsequent to the year end, the Company announced that in response to the continued lower gold price environment, it had re-optimised the mine schedule at the Macraes Open Pit and Frasers Underground. As a result, the current Macraes Open Pit mine plan continues until the end of 2017 while the Frasers Underground is expected to end in mid-2015. Additionally, the Company partially hedged gold production at Macraes utilising a zero-cost collar hedge covering 208,000 ounces of gold over the next two years of production with purchased put options at an exercise price of NZ$1,500 per ounce which were financed through selling an equal number of call options at NZ$1,600 per ounce.

Sustainability Overview

During the fourth quarter, the Company continued investments in community initiatives which were implemented within Didipio and neighbouring communities. As in previous quarters following on with local community priority initiatives, the largest component of the expenditure was on infrastructure development.

In the fourth quarter, the Company dispatched its Didipio Emergency Response Team ("ERT") to provide rescue and relief assistance to two major natural disasters that had caused mass destruction and devastation in the Visayas region of the Philippines: the earthquake on the island of Bohol and the category five super typhoon Haiyan that struck Tacloban City.

Table 3 – Key Financial Statistics for Didipio Operations

	Q4 Dec 31 2013	Q3 Sep 30 2013	Q2 Jun 30 2013	Q1[2] Mar 31 2013	Year 2013[2]
Gold Sold (ounces)	20,900	20,827	11,086	2,791	55,604
Copper Sold (tonnes)	6,461	8,207	5,073	1,549	21,290
Average Gold Price Received ($ per ounce)	1,244	1,339	1,270	1,629	1,287
Average Copper Price Received ($ per tonne)	7,291	7,017	7,094	8,070	7,127
Cash Operating Costs[1,2] ($ per ounce)	(1,081)	(1,336)	(586)	N/A	(1,078)
Cash Operating Margin ($ per ounce)	**2,325**	**2,675**	**1,856**	**N/A**	**2,365**

1. *Net of by-product credits*
2. *Commercial production was declared effective April 1, 2013 at Didipio and operating costs net of revenue received prior to this date were capitalised. As such, Didipio's 2013 average commodity prices received and cash costs reflect the gold ounces and copper tonnes sold and costs from April 1, 2013 to December 31, 2013.*

Table 4 – Didipio Operating Statistics

	Q4 Dec 31 2013	Q3 Sep 30 2013	Q2 Jun 30 2013	Q1* Mar 31 2013	Year 2013*
Gold Produced (ounces)	27,713	18,011	13,676	6,877	66,277
Copper Produced (tonnes)	7,536	6,150	5,710	3,663	23,059
Total Ore Mined (tonnes)	2,618,832	2,602,651	1,729,314	1,837,081	8,787,878
Ore Mined Grade Gold (grams/tonne)	0.69	0.58	0.55	0.49	0.58
Ore Mined Grade Copper (%)	0.53	0.55	0.64	0.65	0.58
Total Waste Mined (tonnes) including pre-strip	3,473,327	3,832,560	4,342,999	2,750,042	14,398,928
Mill Feed (dry milled tonnes)	729,121	672,921	727,550	448,703	2,578,295
Mill Feed Grade Gold (grams/tonne)	1.33	0.97	0.75	0.59	0.94
Mill Feed Grade Copper (%)	1.09	0.97	0.91	0.92	0.98
Recovery Gold (%)	88.7	86.2	77.5	79.8	83.0
Recovery Copper (%)	95.0	94.2	87.3	88.6	91.5

** Note: operating statistics at Didipio before April 1, 2013 are pre-commercial production*

Table 5 – Key Financial Statistics for New Zealand Operations

	Q4 Dec 31 2013	Q3 Sep 30 2013	Q4 Dec 31 2012	Year 2013	Year 2012	Year 2011
Gold Sales (ounces)	79,510	54,762	69,761	252,477	230,119	249,261
Average Price Received ($ per ounce)	1,267	1,331	1,706	1,402	1,675	1,587
Cash Operating Cost ($ per ounce)	550	882	638	740	940	875
Cash Operating Margin ($ per ounce)	**717**	**449**	**1,068**	**662**	**735**	**712**

Table 6 – Combined Operating Statistics for New Zealand

Combined Operating Statistics for New Zealand Operations	Q4 Dec 31 2013	Q3 Sep 30 2013	Q4 Dec 31 2012	Year 2013	Year 2012	Year 2011
Gold Produced (ounces)	87,506	56,686	76,844	259,455	232,909	252,499
Total Ore Mined (tonnes)	2,559,315	2,315,658	2,219,617	8,650,072	6,872,686	8,103,693
Ore Mined Grade (grams/tonne)	1.53	1.25	1.60	1.31	1.34	1.21
Total Waste Mined (tonnes) including pre-strip	12,436,112	13,900,056	14,059,837	56,544,293	54,580,473	59,176,017
Mill Feed (dry milled tonnes)	1,824,732	1,835,140	1,826,880	7,290,217	7,432,375	7,588,354
Mill Feed Grade (grams/tonne)	1.79	1.20	1.59	1.35	1.20	1.25
Recovery (%)	83.2	80.1	82.8	81.3	81.0	82.9

Table 7 – Macraes Goldfield Operating Statistics

	Q4 Dec 31 2013	Q3 Sep 30 2013	Q4 Dec 31 2012	Year 2013	Year 2012	Year 2011
Gold Produced (ounces)	68,419	42,199	58,872	198,820	169,609	174,851
Total Ore Mined (tonnes)	2,026,193	1,878,700	1,815,587	6,962,730	5,558,056	6,589,904
Ore Mined Grade (grams/tonne)	1.55	1.19	1.57	1.27	1.29	1.07
Total Waste Mined (tonnes) including pre-strip	7,838,100	9,061,894	9,496,424	38,725,444	36,363,043	44,407,352
Mill Feed (dry milled tonnes)	1,412,920	1,493,679	1,454,089	5,811,868	5,789,255	5,817,001
Mill Feed Grade (grams/tonne)	1.79	1.10	1.52	1.30	1.12	1.12
Recovery (%)	84.1	79.7	83.2	81.4	81.1	83.3

Table 8 – Reefton Goldfield Operating Statistics

	Q4 Dec 31 2013	Q3 Sep 30 2013	Q4 Dec 31 2012	Year 2013	Year 2012	Year 2011
Gold Produced (ounces)	19,087	14,487	17,972	60,635	63,300	77,648
Total Ore Mined (tonnes)	533,122	436,958	404,030	1,687,342	1,314,630	1,513,789
Ore Mined Grade (grams/tonne)	1.45	1.51	1.71	1.47	1.56	1.80
Total Waste Mined (tonnes) including pre-strip	4,598,012	4,838,162	4,563,413	17,818,849	18,217,430	14,768,665
Mill Feed (dry milled tonnes)	411,812	341,461	372,791	1,478,349	1,643,120	1,771,353
Mill Feed Grade (grams/tonne)	1.79	1.61	1.84	1.57	1.48	1.67
Recovery (%)	80.3	81.8	81.1	81.1	80.6	81.4

PRODUCTION

In the fourth quarter, strong performance across all operations resulted in a record 115,219 ounces of gold produced, a 54% increase from the previous quarter on account of processing higher grade ore across all operations. Fourth quarter copper production of 7,536 tonnes was 23% higher than in the previous quarter. For the full year 2013, the Company achieved record gold production with 325,732 ounces, slightly exceeding the Company's 2013 gold production guidance range of 285,000 to 325,000 ounces. The Company exceeded its 2013 copper production range of 18,000 to 20,000 tonnes with 23,059 tonnes produced.

The total Company cash costs net of by-products for the fourth quarter were $210 per ounce on 100,410 ounces of gold sold. For the full year, the Company's cash costs net of by-product credits were $426 per ounce on 305,290 ounces of gold sold. This is inclusive of the nine months of Didipio commercial production. The Company's full year AISC was $868 per ounce of gold sold.

Didipio Mine (Philippines)

The Didipio Mine incurred no lost time injuries ("LTI") during the fourth quarter and as at the end of the year 2013, the operations had recorded over 8.8 million man hours worked without a LTI.

In the fourth quarter, production in the Philippines was 27,713 ounces of gold and 7,536 tonnes of copper, an increase from the previous quarter on account of increased throughput along with higher grade ore processed and improved recoveries for both gold and copper. For the year, Didipio produced 66,277 ounces of gold, in line with guidance and 23,059 tonnes of copper, which exceeded guidance.

In the fourth quarter, the mining operations focused on delivering ore from stages 2 and 3 of the open pit and commencing the stage 4 cutback. The mining operations continued to supply competent waste rock for stage 3 of the Tailings Storage Facility ("TSF") lift, which the Company expects to continue building over the next six years to reach its ultimate life of mine capacity.

The total material mined in the fourth quarter was 6.1 million tonnes including 2.6 million tonnes of ore, most of which was stockpiled while higher grade ore was delivered to the ROM pad for processing. As at the end of the year, approximately 7.5 million tonnes of ore of varying grades was stockpiled for future processing.

The total feed through the mill in the fourth quarter was 729,121 tonnes, an increase of 8% from the previous quarter on account of better mill availability. For the year, the total mill feed was 2.58 million tonnes. Mill feed grade for the quarter was 1.33 g/t gold and 1.09% copper.

Recoveries in the fourth quarter were 88.7% for gold and 95.0% for copper, slightly higher than the previous quarter due to higher grade ore processed.

In the fourth quarter, the Company made five shipments of concentrate totalling approximately 26,000 dry metric tonnes from the San Fernando port on the west coast of Luzon to smelters in Asia. The Company also made two shipments of gold doré bars to the Perth Mint in Australia. A significant increase in nickel exports from Indonesia resulted in an increased demand for cargo ships. As a result, fewer ships were available to transport the Didipio concentrate and as at the end of the year, the Company had nearly 10,000 dry metric tonnes of concentrate stockpiled at port and 8,000 dry metric tonnes of concentrate at the mine site.

The focus of the operations in the first quarter of 2014 is to continue improving on process plant availability, ramping up mill throughput rates and increasing gold recoveries. For 2014, the Company expects Didipio to mill approximately 3.0 million tonnes of ore and achieve the planned throughput rate of 3.5 Mtpa by the end of the year.

The Company has previously reported on the progress of the constitutional challenge against the Department of Environment and Natural Resources of the Philippines and a number of FTAA holders in the Philippines Supreme Court. There has been no significant progress on the substantive case since the last quarter and the matter remains before the Court for a decision. The Company has been and will continue to closely monitor the situation.

Macraes Goldfield (New Zealand)

There were no LTIs during the fourth quarter and three LTIs recorded for the full year at the Macraes Goldfield. For each incident, the Company performed root cause analysis and the results were used to further enhance training and awareness programs. The Company continues to focus on further enhancing its health and safety initiatives through increasing the number of task-based observations and providing additional supervisor safety training.

Production from the Macraes Goldfield in the fourth quarter was 68,419 ounces of gold, an increase of 62% from the previous quarter. The increase was attributable to higher grade ore mined and processed with better recoveries, partly offset by a slightly lower throughput. In 2013, a wall movement in January and inclement weather in June restricted access to the higher grade areas of the open pit. As a result of these events, the Company had revised its mine schedule whereby mining of the high grade zone commenced late in the third quarter. For the full year 2013, the Macraes operation produced 198,820 ounces of gold, higher than in 2012 on account of processing higher grade ore.

In the fourth quarter, 9.9 million tonnes of material was mined at the Macraes Goldfield, which was 10% lower than in the previous quarter due to less waste being mined but partly offset by increased ore mined. For the full year 2013, the total material mined was 45.7 million tonnes versus 41.9 million tonnes in 2012. The increase was due to more waste mined in the first half of 2013 and higher ore mined for the full year. The Frasers 6 cutback was deferred in 2013, which resulted in a reduction in the amount of material that was planned to be mined during the year.

Open pit mining activities continued in the Frasers 5 and Frasers West areas. At Frasers Underground, mining was undertaken in both Panel 1 and 2 throughout the year. Total ore mined from the underground for the quarter was 222,987 tonnes, similar to the previous quarter. The total ore mined from the underground was 880,956 tonnes for 2013, a 21% increase over the previous year due mainly to increased productivity in the second half of 2013.

Mill throughput in the fourth quarter was 1.41 million tonnes compared to 1.49 million tonnes in the previous quarter. The decrease was due to higher quartz content in the feed resulting in harder ore processed thus slightly reducing capacity of the mill. The full year throughput was 5.81 million tonnes compared to 5.79 million tonnes in 2012. Mill feed grade for the fourth quarter was 1.79 g/t, significantly higher than the previous quarter due to higher grade ore mined from the open pit. The full year mill feed grade was 1.30 g/t which was 16% higher than 2012 due to higher grade ore mined.

The process plant recovery was 84.1% in the fourth quarter compared to 79.7% in the previous quarter due to higher grade ore processed and to higher flotation recoveries. The full year recovery of 81.4% was similar to 2012.

Subsequent to the year end, the Company announced that in response to the continued lower gold price environment, it had re-optimised the mine schedule at the Macraes Open Pit and Frasers Underground. As a result, the current Macraes Open Pit mine plan continues until the end of 2017 while the Frasers Underground is expected to end in mid-2015. Additionally, the Company partially hedged gold production at Macraes utilising a zero-cost collar hedge covering 208,000 ounces of gold over the next two years of production with purchased put options at an exercise price of NZ$1,500 per ounce which were financed through selling an equal number of call options at NZ$1,600 per ounce.

As a result of these changes to the mine schedule, the open pit mine plan for 2014 involves a 60% reduction in material to be mined. Underground mining is planned to continue down dip in Panel 2 and in Panel 1 with pillar robbing of remnant stopes.

Throughput rates at Macraes are expected to be similar to 2013. However, feed grade will be lower than in 2013 as the operation will be mining lower grade ore and feeding low grade stockpiles as a supplement to less ore being mined. As a result, production and recovery rates are expected to be lower in 2014 and production at Macraes is expected to be stronger in the first half of the year than in the second half.

Reefton Goldfield (New Zealand)

In the fourth quarter of 2013, the Reefton operation recorded one LTI when a mechanical fitter was injured while disembarking from a heavy truck. The Reefton operation recorded five LTIs for 2013. For each incident, the Company performed root cause analysis and the results were used to further enhance training and awareness programs. The Company continues to focus on further enhancing its health and safety initiatives through increasing the number of task-based observations and providing additional supervisor safety training.

In the fourth quarter of 2013, the Reefton Goldfield produced 19,087 ounces of gold, an increase of 32% from the previous quarter. This increase was attributable to increased mill throughput and higher grade ore processed which was partly offset by lower recoveries. The total full year gold production at Reefton was 60,635 ounces compared to 63,300 ounces in 2012. Mining activities in the fourth quarter continued with the development of the stage 6 and stage 7 cutbacks and in the extraction of ore from within the pit floor. The stage 6 and 7 developments support the exposure of ore, which will be mined over the balance of the mine life.

The total material mined in the quarter was 5.1 million tonnes, a slight decrease than the previous quarter on account of less waste mined due to longer haul cycle times to the waste stacks. The decrease was partly offset by an increase in ore mined. Total material mined for the year was 19.5 million tonnes which was similar to the previous year.

The total ore mined for the fourth quarter was 533,122 tonnes, a 22% increase on the previous quarter. Total ore mined for 2013 was 1.69 million tonnes, an increase of 28% on the previous year. The increase was due to favourable ore to waste stripping ratios in the lower parts of the pit.

Mill throughput was 411,812 tonnes in the fourth quarter versus 341,461 tonnes in the previous quarter. The increase was a result of improved mill availability following the repair of the mill gear box which had restricted throughput rates to approximately 75% of the normal operating rate in the previous quarter. Total mill throughput for 2013 was 1.48 million tonnes, lower than the 1.64 million tonnes in 2012 due to restricted throughput rates of the mill.

Mill feed grade in the fourth quarter was 1.79 g/t versus 1.61 g/t in the previous quarter as a result of blending higher grade stockpiled ore with mined ore. Mill feed grade for the full year was 1.57 g/t versus 1.48 g/t in 2012.

Gold recovery for the quarter decreased from 81.8% in the previous quarter to 80.3%. This decrease was due mainly to an overall increase in the amount of stibnite rich ore and to lower floatation recoveries. The decrease was partly offset by a higher head grade. The gold recovery for 2013 was 81.1%, slightly better than the previous year.

EXPLORATION

Exploration expenditure for the fourth quarter was $1.4 million and $6.7 million for 2013.

In the Philippines during the fourth quarter and for much of 2013, the focus of the exploration program was on target identification within the broader FTAA area and on near mine site drilling.

The exploration activities in New Zealand focused on regional mapping and target generation in the Reefton region and on drilling of the Scotia/Gallant prospect near Blackwater.

Philippines

Exploration expenditure in the Philippines for the fourth quarter of 2013 totalled $0.8 million and $2.5 million for the full year.

The exploration activities during the full year were focused on identifying drilling targets within the broader FTAA area and on drilling near mine. The Company also conducted additional drilling of the Didipio ore body to better define the high grade zones.

During the quarter, the Company drilled four holes for a total of 997 metres. At D'Beau and Luminag, the Company continued drilling activities with one additional hole at each location producing no significant results. At Chinichinga, two holes were drilled with varying results with additional assay results pending.

In 2014, the Company plans to drill the near mine prospect of San Pedro and the broader FTAA area should the renewal of the FTAA exploration permits be granted.

New Zealand

Exploration expenditure in New Zealand for the fourth quarter was $0.6 million and $4.2 million for 2013.

Reefton Goldfield

For much of the fourth quarter, the Company continued its diamond drilling program at the Scotia/Gallant prospect, which is located south of the current Reefton Mine. In total, six diamond drill holes were complete for 1,291 metres. Further drilling and assay testing required and initial results demonstrate potential of Blackwater style mineralisation.

In 2013, exploration at Reefton focused on greenfields and brownfields drilling with programs near the historic Blackwater Mine and the Globe Progress Mine. For 2013 at Reefton, 18 diamond drill holes were completed for 3,701 metres. In January 2013, the deep drilling program at Blackwater that commenced in November 2011 was completed.

During the year, regional mapping and target generation continued to advance, following the recognition of several important structural attributes that appears critical for the formation of economic gold deposits in the Reefton Goldfield. The Company will continue identifying additional targets for potential drilling programs.

Macraes Goldfield

No significant exploration activities took place at Macraes in the fourth quarter. Drilling activities at the Coronation and Deepdell prospects took place during the year and the results will be included in the updated resource statement, which will be released in the first quarter of 2014.

Project Development

At Didipio, construction of the third stage of the TSF lift commenced early in the fourth quarter with the construction of the flow through dam. The Company expects to complete the construction of the Didipio TSF to its ultimate life of mine capacity over the next six years at a total estimated capital cost of $40 million, lower than previously estimated.

During the quarter, the Company advanced its Didipio high voltage power line study. By connecting to the power grid, the Company expects to reduce its power costs at the operation. A decision on whether to proceed with construction of the power line is expected in the middle of 2014.

In New Zealand, the Blackwater technical study is near completion with a decision expected in the first half of 2014. At Macraes, the Round Hill gold / tungsten study is advancing well with resource definition on track for completion in 2014.

Sustainability

During the fourth quarter, the Company continued investments in community initiatives through the Social and Development Management Plan (“SDMP”) and other development programs which were implemented within Didipio and neighbouring communities. As in previous quarters, the largest component of the expenditure was on infrastructure development.

Education assistance through scholarships, teachers’ salaries and subsidies, health, enterprise development and capacity building of development partners are among the other programs that the company continued to support during the fourth quarter. As at the end of the year, the Company had been subsidising the salaries of 36 teachers and providing scholarships and financial education assistance to 189 students.

Assistance with enterprise development focused on the assessment and identification of suitable livelihood projects for the communities. For Didipio, the Didipio Community Development Corporation (“DiCorp”) generated approximately $1.5 million in revenues for the quarter as a result of the contracts with the Didipio Mine operations. The Company has provided DiCorp with over $40 million in contracts for mine services over the life of mine. DiCorp currently has 400 shareholders, all of whom are long-term residents of Didipio and continues to be one of the largest employers in Nueva Vizcaya and Quirino provinces.

During the quarter, additional forest plantations were established both in the municipalities of Kasibu and Cabarroguis. These plantations generated seasonal incomes to several households who participated in the seedling production and tree planting and maintenance activities. In the fourth quarter, approximately 200 hectares of land were reforested and approximately 111,000 trees planted. For the full year, the Company reforested nearly 340 hectares of land and approximately 179,000 trees.

In the fourth quarter, two natural disasters caused mass destruction and devastation in the Visayas region of the Philippines. On October 15, 2013, the island of Bohol was hit by a 7.2-magnitude earthquake. On November 8, 2013, the deadliest recorded typhoon in Philippine history, the category five Super Typhoon Haiyan (Yolanda) struck Tacloban City. As a response to these natural disasters, the Company dispatched its Didipio Emergency Response Team (“ERT”) to work closely with the Philippines Mine Safety and Environment Association (“PMSEA”) and the Provincial Disaster Risk Reduction and Management Council (“PDRRMC”), along with International organisations and provide rescue and relief assistance. Additionally, the Company worked with the PMSEA in providing medicines, supplies and logistics support.

As a result of the Didipio ERT’s efforts, the PDRRMC on behalf of the Honourable Governor Ruth R. Padilla of the Province of Nueva Vizcaya presented an award of appreciation and recognition to Roumel Estimada, the captain of Didipio ERT.

Also in the fourth quarter, the Didipio Mine was awarded the “Most Environment Compliant” by the regional office of the Environment Management Bureau, a supporting body of the Department of Environment and Natural Resources (“DENR”) in the Philippines for demonstrating outstanding performance and safeguard of the environment. This annual award is awarded to companies that have met the criteria for three consecutive years.

In 2014, the Company will continue to advance its sustainability programs and its partnerships. Together with the International RiverFoundation (“IRF”), the Company will promote effective river basin management and educate communities on managing local waterways.

Through its long and successful track record of developing and operating gold mines in partnerships with local communities, the Company will seek to 7develop and invest in a number of community initiatives in El Salvador. The Company will engage key stakeholders in El Salvador to unlock the significant opportunity that exists at El Dorado for the Salvadoran people.

FINANCIAL SUMMARY

STATEMENT OF OPERATIONS	Q4 Dec 31 2013 $000	Q3 Sep 30 2013 $000	Q4 Dec 31 2012 $000	Year 2013 $000	Year 2012 $000	Year 2011 $000
Sales	170,142	156,617	119,018	553,612	385,448	395,609
Cost of sales, excluding depreciation and amortisation	(64,089)	(76,249)	(46,656)	(260,651)	(226,039)	(216,789)
General & Administration	(8,602)	(6,895)	(4,607)	(28,423)	(14,911)	(14,537)
Foreign Currency Exchange Gain/(Loss)	526	2,688	(250)	1,267	(961)	320
Other income/(expense)	(1,480)	130	(405)	(3,445)	1,095	(680)
Earnings before interest, tax, depreciation & amortisation (EBITDA) (excluding gain/(loss) on undesignated hedges and impairment charge)	**96,497**	**76,291**	**67,100**	**262,360**	**144,632**	**163,923**
Depreciation and amortisation	(34,855)	(25,089)	(27,606)	(129,315)	(91,376)	(85,822)
Net interest expense and finance costs	(7,991)	(6,287)	(7,670)	(26,978)	(21,510)	(12,909)
Earnings/(loss) before income tax and gain/(loss) on undesignated hedges and impairment charge	**53,651**	**44,915**	**31,824**	**106,067**	**31,746**	**65,192**
Tax (expense)/ benefit on earnings/loss	(7,841)	(1,790)	(8,704)	(13,290)	(11,426)	(21,025)
Earnings/(loss) after income tax and before gain/(loss) on undesignated hedges and impairment charge	**45,810**	**43,125**	**23,120**	**92,777**	**20,320**	**44,167**
Impairment charge	(107,800)	-	-	(193,300)	-	-
Gain/(loss) on fair value undesignated hedges	5,210	871	1,539	(2,083)	503	-
Tax (expense)/benefit on gain/loss on undesignated hedges and impairment	28,621	(261)	(462)	54,749	(151)	-
Net Profit/(loss)	**(28,159)**	**43,735**	**24,197**	**(47,857)**	**20,672**	**44,167**
Basic earnings per share	$(0.10)	$0.15	$0.09	$(0.16)	$0.08	$0.17
Diluted earnings per share	$(0.10)	$0.14	$0.09	$(0.16)	$0.08	$0.17
CASH FLOWS						
Cash flows from Operating Activities	89,023	39,101	60,218	159,429	115,253	154,555
Cash flows used in Investing Activities	(33,200)	(35,412)	(91,400)	(158,812)	(294,548)	(146,595)
Cash flows used in Financing Activities	(50,017)	(3,004)	110,275	(83,190)	108,919	(16,110)

BALANCE SHEET	As at Dec 31 2013 $000	As at Dec 31 2012 $000	As at Dec 31 2011 $000
Cash and cash equivalents	24,788	96,502	169,989
Other Current Assets	126,400	89,276	56,491
Non-Current Assets	745,638	845,878	591,155
Total Assets	**896,826**	**1,031,656**	**817,635**
Current Liabilities	129,478	199,413	123,623
Non-Current Liabilities	175,618	222,383	215,772
Total Liabilities	**305,096**	**421,796**	**339,395**
Total Shareholders' Equity	**591,730**	**609,860**	**478,240**

RESULTS OF OPERATIONS

Net Earnings

In the fourth quarter, the Company reported a net loss (after impairment charge) of $28.2 million versus a net profit of $43.7 million in the third quarter. The net loss is after a pre-tax impairment charge in the quarter of $107.8 million. The fourth quarter net profit before the impairment charge was $49.5 million.

The Company reported EBITDA (excluding gain/loss on undesignated hedge and impairment charge) was $96.5 million in the fourth quarter of 2013 compared to $76.3 million in the third quarter of 2013. The increase is attributed to increased gold sales from both New Zealand and Philippines operations and lower costs of sales, partly offset by a lower gold price received and lower copper sales.

The earnings before income tax and before gain/(loss) on undesignated hedges and impairment charge was a profit of $53.7 million for the fourth quarter of 2013 compared to a profit of $44.9 million in the third quarter of 2013. The increase is due mainly to increased sales in New Zealand and lower costs, partly offset by increased depreciation and amortisation.

For the full year, the Company reported a net loss (after impairment charge) of $47.9 million and a net profit before impairment of $91.3 million.

Sales Revenue

Philippines

Fourth quarter concentrate sales revenue net of concentrate treatment, refining and selling costs in Philippines was $63.5 million of which the revenue from copper was $47.1 million. Gold bullion revenue was $4.3 million. In the fourth quarter, the average gold price received at Didipio was $1,244 per ounce compared to $1,339 per ounce in the third quarter and the average copper price received was $7,291 per tonne compared to $7,017 per tonne in the third quarter. Gold sold in the fourth quarter was 20,900 ounces and copper sold was 6,461 tonnes.

A significant increase in nickel exports from Indonesia resulted in an increased demand for cargo ships. As a result, fewer ships were available to transport the Didipio concentrate and as at the end of the year, the Company had nearly 10,000 dry metric tonnes of concentrate stockpiled at port and another 8,000 dry metric tonnes of concentrate at the mine site.

New Zealand

Fourth quarter revenue New Zealand was $100.7 million compared to revenue in the third quarter of $72.9 million. This 38% increase was due mainly to higher ounces of gold sold, partly offset by a lower average gold price received.

The average gold price received in New Zealand in the fourth quarter was $1,267 per ounce compared to $1,331 per ounce received in the previous quarter. Gold sold in the fourth quarter was 79,510 ounces compared to 54,762 ounces in the third quarter. This increase was due mainly to increased production at both Macraes and Reefton.

Operating Costs and Margins per Ounce

Philippines

Operating cash costs at Didipio were negative ($1,081) per ounce sold, net of by-product credits for the fourth quarter compared to negative ($1,336) per ounce in the third quarter. On a co-product basis, the operating cash costs were $434 per ounce of gold sold compared to $494 in previous quarter, and were $532 per ounce for the year. The gold equivalent ounces have been calculated by converting copper and silver revenue using an average gold price received of $1,244 per ounce for the quarter and $1,287 per ounce for the year. Silver sales for the quarter were 76,813 ounces compared with 129,168 ounces in the previous quarter.

New Zealand

Operating cash costs in New Zealand were $550 per ounce sold for the fourth quarter compared to $882 per ounce sold in the previous quarter. This result was mainly due to higher ounces of gold sold in the quarter, and lower mining costs, partly offset by a stronger New Zealand dollar.

The average cash margin in New Zealand was $717 per ounce for the fourth quarter versus $449 for the third quarter 2013. The increase was a result of a lower cash cost per ounce sold partly offset by a lower average gold price received.

Depreciation and Amortisation

Depreciation and amortisation charges include amortisation of mine development, deferred pre-stripping costs and depreciation on equipment.

Depreciation and amortisation charges are mostly calculated on a unit of production basis and totalled $34.9 million for the fourth quarter 2013 compared to $25.1 million in the previous quarter. The increase reflects mainly the higher production in both New Zealand and in Philippines.

Net Interest Expense and Finance Costs

The net interest expense and finance costs of $8.0 million for the quarter were higher than the previous quarter of $6.3 million due mainly to higher finance costs and bank fees associated with restructuring of the bank facility away from project type covenants to more corporate covenants, and also due to the resulting accelerated amortisation of establishment fees.

Undesignated Hedges Gains/Losses

Unrealised gains and losses calculated as a fair value adjustment of the Company's undesignated hedges are brought to account at the end of each reporting period and reflect changes in the spot gold price and changes in market premiums of the Australian dollar forwards. These valuation adjustments for the quarter ending December 31, 2013, reflect a gain of $5.2 million compared to a gain for the third quarter of $0.9 million.

Details of the derivative instruments held by the Company at year end are summarised below under "Derivative Assets/ Liabilities".

DISCUSSION OF CASH FLOWS

Operating Activities

Cash inflows from operating activities were $89.0 million for the fourth quarter of 2013 compared to $39.1 million in the previous quarter. The increase was mainly the result of higher gold revenues in New Zealand on the back of higher gold ounces sold partly offset by lower copper revenues in Philippines and a lower average gold price received.

Investing Activities

Cash used for investing activities totalled $33.2 million in the fourth quarter of 2013 compared to $35.4 million in the previous quarter of 2013.

Investing activities comprised expenditures for capitalised mining expenditure, sustaining capital and exploration expenditure at both the New Zealand and Philippines operations.

Financing Activities

Financing net outflows for the fourth quarter of 2013 were $50.0 million compared to a net outflow of $3.0 million in the previous quarter. This reflects mainly the net repayment of borrowings of $45.3 million during the quarter.

DISCUSSION OF FINANCIAL POSITION AND LIQUIDITY

Company's funding and capital requirements

For the quarter ended December 31, 2013, the Company recorded a net loss of $28.2 million, after booking a pre-tax impairment charge of $107.8 million. As at the end of the year, the cash funds held were $24.8 million. Net current assets were $21.7 million at quarter end. The Company repaid its convertible notes that matured in December 2013 partially with cash and the remainder with its undrawn term facility. The Company also repaid $25 million of its drawn term facility prior to the end of the year.

At December 31, 2013, undrawn funds from the revolving credit facility established in 2012 were $30.0 million. Together with cash, the Company has immediate available liquidity of $54.8 million.

Commitments

The Company's capital commitments as at December 31, 2013 are as follows:

	Dec 31 2013 $000
Within 1 year	19,914

This includes mainly contracts supporting the operations of the Didipio Mine.

Financial Position

Current Assets

Current assets at the end of 2013 were $151.2 million compared to $185.8 million at the end of 2012. The reduction in the current assets was due mainly to a decrease in cash used for repaying net borrowing and finance liabilities of $64 million and financing Didipio operations prior to first shipment, offset partly by cash generated from commercial operations as from the second quarter, increases in inventories, trade receivables and prepayments.

Non-Current Assets

Non-current assets were $745.6 million compared to $845.9 million at December 31, 2012. The decrease mainly reflects the impairment charge recognised in the second and fourth quarter which reduced the carrying value of mining assets, property, plant and equipment, and inventories, partly offset by increases in input tax credits paid, increases in capitalised mining costs, increases in inventories and additions to property, plant and equipment.

Current Liabilities

Current liabilities were $129.5 million as at December 31, 2013 compared to $199.4 million as at December 31, 2012. This decrease was attributed mainly to the repayment of convertible notes that matured in December, partially financed by a term facility of which $50.0 million is repayable during 2014.

Non-Current Liabilities

Non-current liabilities were $175.6 million as at December 31, 2013 compared to $222.4 million at December 31, 2012. The decrease resulted from a decrease in deferred tax liabilities due mainly to the impairment charge recognised in the second and fourth quarter and a decrease in finance lease liabilities.

Derivative Assets / Liabilities

In the prior year, the Company had purchased forward contracts as a hedge against foreign exchange movements to ensure that the potential US denominated credit facility drawdowns would be sufficient in the repayment of the A$ denominated convertible notes. The convertible notes matured in December 2013. During the year, the Company had entered into a gold bullion zero cost collar agreement to purchase gold put options at an exercise price of NZ$1,600 per ounce, which were financed by an equal number of gold call options sold at an exercise price of NZ$1,787 per ounce for 115,650 ounces of production at the Reefton operation for the period from July 2013 to June 2015. The balance of the gold production at the Reefton mine under this agreement as at December 31, 2013 was 84,690 gold ounces.

The above hedges are undesignated and do not qualify for hedge accounting.

A summary of the Company's marked to market derivatives is as per below:

	Dec 31 2013 $000	Dec 31 2012 $000
Current Assets		
Forward rate agreements	-	552
Gold put/call options	7,501	89
	7,501	641
Non Current Assets		
Gold put/call options	2,619	-
Total Assets	**10,120**	**641**

	Dec 31 2013 $000	Dec 31 2012 $000
Current Liabilities		
Forward rate agreements	-	151
Total Liabilities	**-**	**151**

Shareholders' Equity

A summary of the movement in shareholders' equity is set out below:

	Period Ended Dec 31 2013 $000
Total equity at beginning of financial period	609,860
Profit/(loss) after income tax	(47,857)
Movement in other comprehensive income	16,669
Movement in contributed surplus	2,096
Issue of shares/ (Equity raising costs)	10,962
Total equity at end of financial period	591,730

Shareholder's equity has decreased by $18.1 million to $591.7 million at December 31, 2013, mainly as a result of a net loss after tax for the year of $47.9 million after booking a pre-tax impairment charge of $193.3 million during the year, and currency translation differences reflected in "Other Comprehensive Income" that arise from the translation of entities with a functional currency other than USD.

Capital Resources

As at Dec 31, 2013, the share and securities summary was:

Shares outstanding	300,350,127
Options and share rights outstanding	9,846,182

As at February 20, 2014 there was no change in shares and securities:

Shares outstanding	300,350,127
Options and share rights outstanding	9,846,182

As at December 31, 2012, the share and securities summary was:

Shares outstanding	293,517,918
Options and share rights outstanding	8,624,268

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING POLICIES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and related notes.

Exploration and Evaluation Expenditure

Exploration and evaluation expenditure is stated at cost and is accumulated in respect of each identifiable area of interest.

Such costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area of interest (or alternatively by its sale), or where activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable resources, and active work is continuing.

Accumulated costs in relation to an abandoned area are written off to the Statement of Operations in the period in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Mining Properties in Production or Under Development

Expenditure relating to mining properties in production and development are accumulated and brought to account at cost less accumulated amortisation in respect of each identifiable area of interest. Amortisation of capitalised costs, including the estimated future capital costs over the life of the area of interest, is provided on the production output basis, proportional to the depletion of the mineral resource of each area of interest expected to be ultimately economically recoverable.

Costs associated with the removal of overburden and other mine waste materials that are incurred in the production phase of mining operations are included in the costs of inventory in the period in which they are incurred, except when the charges represent getting better access to a component of the mineral property.

Charges are capitalised when the stripping activity provides better access to components of the ore body and reserves that will be produced in future periods that would not have been accessible without the stripping activity. When charges are deferred in relation to such activity, the charges are amortised over the reserve in the betterment accessed by the stripping activity using the units of production method.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Should the carrying value of expenditure not yet amortised exceed its estimated recoverable amount, the excess is written off to the Statement of Comprehensive Income.

Asset Retirement Obligations

OceanaGold recognises the present value of future asset retirement obligations as a liability in the period in which it incurs a legal obligation associated with the retirement of long-lived assets that results from the acquisition, construction, development and/or normal use of the assets. OceanaGold concurrently recognises a corresponding increase in the carrying amount of the related long-lived asset that is depreciated over the life of the asset.

The key assumptions on which the present value of the asset retirement obligations are based include the estimated risk-adjusted future cash flows, the timing of those cash flows and the risk-free rate or rates on which the estimated cash flows have been discounted. Subsequent to the initial measurement, the liability is accreted over time through periodic charges to earnings. The amount of the liability is subject to re-measurement at each reporting period if there has been a change to the key assumptions.

Asset Impairment Evaluations

The carrying values of exploration, evaluation, mining properties in production or under development and plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the discounted future cash flows from these assets, the assets are written down to the fair value of the estimated future cash flows based on OceanaGold's weighted average cost of capital.

Non-current assets are tested for impairment when events or changes in circumstances suggest that the carrying amount may not be fully recoverable.

Impairment indicators were identified for the New Zealand Cash Generating Unit ("CGU") in the second and fourth quarters of the year, and an assessment was performed. An impairment charge of $193.3 million was recognized for the full year, with $85.5 million recognised during the second quarter and $107.8 million during the fourth quarter.

Derivative Financial Instruments/Hedge Accounting

The consolidated entity has used derivative financial instruments to manage commodity price and foreign currency exposures from time to time. Derivative financial instruments are initially recognised in the balance sheet at fair value and are subsequently re-measured at their fair values at each reporting date.

The fair value of gold hedging instruments is calculated by discounting the future value of the hedge contract at the appropriate prevailing quoted market rates at the reporting date. The fair value of forward exchange contracts is calculated by reference to the current forward exchange rate for contracts with similar maturity profiles.

Stock Option Pricing Model

Stock options granted to employees or external parties are measured by reference to the fair value at grant date and are recognised as an expense in equal instalments over the vesting period and credited to the contributed surplus account. The expense is determined using an option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradable nature of the option, the current price and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Income Tax

The Group follows the liability method of income tax allocation. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using the substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred tax assets including tax losses are recognised to the extent that it is probable that the Company will generate sufficient future taxable income. Utilisation of the tax losses also depends on the ability of the entities to satisfy certain tests at the time the losses are recouped.

Foreign Currency Translation

The consolidated financial statements are expressed in United States dollars ("USD") and have been translated to USD using the current rate method described below. The controlled entities of OceanaGold have either Australian dollars ("AUD"), New Zealand dollars ("NZD") or United States dollars ("USD") as their functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than an operation's functional currency are recognised in the statement of income.

Significant areas where Management's judgment is applied include ore reserve and resource determinations, exploration and evaluation assets, mine development costs, plant and equipment lives, contingent liabilities, current tax provisions and future tax balances and asset retirement obligations. Actual results may differ from those estimates.

RISKS AND UNCERTAINTIES

This document contains some forward looking statements that involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by those forward looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things: volatility and sensitivity to market prices for gold; replacement of reserves; possible variations of ore grade or recovery rates; changes in project parameters; procurement of required capital equipment and operating parts and supplies; equipment failures; unexpected geological conditions; political risks arising from operating in certain developing countries; inability to enforce legal rights; defects in title; imprecision in reserve estimates; success of future exploration and development initiatives; operating performance of current operations; ability to secure long term financing and capital, water management, environmental and safety risks; seismic activity, weather and other natural phenomena; failure to obtain necessary permits and approvals from government authorities; changes in government regulations and policies including tax and trade laws and policies; ability to maintain and further improve labour relations; general business, economic, competitive, political and social uncertainties and other development and operating risks.

For further detail and discussion of risks and uncertainties refer to the Annual Information Form available on the Company's website.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Adoption of new accounting policies

The accounting policies adopted during the period are consistent with those of the previous financial year and corresponding reporting period.

Accounting policies effective for future periods

The following accounting policies are effective for future periods:

IFRS 9 – *Financial instruments*

This standard will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two classification categories: amortized cost and fair value.

Classification of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A 'simple' debt instrument is measured at amortised cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument solely represent payments of principal and interest.

All other financial assets, including investments in complex debt instruments and equity investments must be measured at fair value.

All fair value movements on financial assets must be recognised in profit or loss except for equity investments that are not held for trading (short-term profit taking), which may be recorded in other comprehensive income (FVOCI). However, in December 2012, the IASB proposed limited amendments which would introduce a FVOCI category for certain eligible debt instruments.

For financial liabilities that are measured under the fair value option, entities will need to recognise the part of the fair value change that is due to changes in the entity's own credit risk in other comprehensive income rather than profit or loss.

New hedging rules will also be included in the standard. These will make testing for hedge effectiveness easier which means that more hedges are likely to be eligible for hedge accounting. The new rules will also allow more items to be hedged and relax the rules on using purchased options and non-derivative financial instruments as hedging instruments.

This standard is effective for years beginning on/after January 1, 2015. The Group has not assessed the impact of this new standard.

IAS 39 - Financial instruments

Amended to provide relief from discontinuing hedge accounting when novation of a hedging instrument to a central counterparty ("CCP") meets specified criteria.

This amendment is effective for years beginning on/after January 1, 2014. Since the group has not novated any hedging contracts in the current or prior periods, applying the amendments does not affect any of the amounts recognised in the financial statements.

IAS 36 - Impairment of assets

The IASB has made small changes to some of the disclosures that are required under IAS 136 Impairment of Assets.

This amendment is effective for years beginning on/after January 1, 2014. These may result in additional disclosures if the group recognises an impairment loss or the reversal of an impairment loss during the period. They will not affect any of the amounts recognised in the financial statements. The group has applied the amendment from 1 January 2014 to the extent applicable.

IFRIC 21 - Levies

The standard sets out the accounting for an obligation to pay a levy imposed by a government in accordance with legislation. It clarifies that a liability must be recognised when the obligating event occurs, being the event that triggers the obligation to pay the levy.

This standard is effective for years beginning on/after January 1, 2014. It has no material impact on the Group.

IFRS 2 – Share-based payment

The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

This standard is effective for share-based payment transactions for which the grant date is on or after 1 July 2014. The Group has not assessed the impact of this amendment.

IFRS 3 – Business combinations

The standard is amended to clarify that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32, 'Financial instruments: Presentation'. The standard is further amended to clarify that all non-equity contingent consideration, both financial and non-financial, is measured at fair value at each reporting date, with changes in fair value recognised in profit and loss. Consequential changes are also made to IFRS 9, IAS 37 and IAS 39.

The amendment is effective for business combinations where the acquisition date is on or after 1 July 2014. The Group will apply the standard accordingly.

SUMMARY OF QUARTERLY RESULTS OF OPERATIONS

The following table sets forth unaudited information for each of the eight quarters ended March 31, 2012 through to December 31, 2013. This information has been derived from our unaudited consolidated financial statements which, in the opinion of management, have been prepared on a basis consistent with the audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for fair presentation of our financial position and results of operations for those periods.

STATEMENT OF OPERATIONS	Dec 31 2013 $000	Sep 30 2013 $000	Jun 30 2013 $000	Mar 31 2013 $000	Dec 31 2012 $000	Sep 30 2012 $000	Jun 30 2012 $000	Mar 31 2012 $000
Sales Revenue	170,142	156,617	131,213	95,639	119,018	91,153	86,719	88,558
EBITDA (excluding gain/(loss) on undesignated hedges and impairment charge)	96,497	76,291	42,495	47,076	67,100	28,614	25,632	23,285
Earnings/(loss) after income tax and before gain/(loss) on undesignated hedges (net of tax and impairment charge)	45,810	43,125	(2,647)	6,490	23,120	328	735	(3,863)
Net Profit/(Loss)	(28,159)	43,735	(70,491)	7,059	24,197	(397)	735	(3,863)
Net earnings/(loss) per share Basic	$(0.10)	$0.15	$(0.24)	$0.02	$0.09	$(0.00)	$0.00	$(0.01)
Diluted	$(0.10)	$0.14	$(0.24)	$0.02	$0.09	$(0.00)	$0.00	$(0.01)

The most significant factors causing variation in the results are the volatility of the gold price and copper price, the variability in the grade of ore mined from the Macraes, Reefton Open Pit and Didipio mines, the timing of waste stripping activities, movements in inventories and large movements in foreign exchange rates between the USD and the NZD.

NON-GAAP MEASURES

Throughout this document, we have provided measures prepared according to IFRS ("GAAP") as well as some non-GAAP performance measures. As non-GAAP performance measures do not have a standardised meaning prescribed by GAAP, they are unlikely to be comparable to similar measures presented by other companies.

We provide these non-GAAP measures as they are used by some investors to evaluate OceanaGold's performance. Accordingly, such non-GAAP measures are intended to provide additional information and should not be considered in isolation, or a substitute for measures of performance in accordance with GAAP.

Earnings before interest, tax, depreciation and amortisation (EBITDA) is one such non-GAAP measure and a reconciliation of this measure to net Profit / (Loss) is provided on page 13.

All-In Sustaining Costs per ounce sold is based on the World Gold Council methodology and is a non-GAAP measure.

Cash costs per ounce are other such non-GAAP measures and a reconciliation of these measures to cost of sales, is provided on the next page.

Statement of Operations	Q4 Dec 31 2013	Q3 Sep 30 2013	Q4 Dec 31 2012	Year 2013*	Year 2012	Year 2011
Cost of sales, excluding depreciation and amortisation	64,089	76,249	46,656	260,651	226,039	216,798
Selling costs and Sundry General and Administration	5,663	4,608	159	14,527	520	1,402
Corporate Administrative Adjustment	-	-	(2,307)	-	(10,240)	-
By-product credits	(48,666)	(60,407)	-	(145,124)	-	-
Total Cash Costs (Net of by-product credits)	21,086	20,450	44,508	130,056	216,312	218,200
Gold Sales from operating mines (ounces)	100,410	75,589	69,761	305,290*	230,119	249,261
Cash Operating Costs ($/ounce)	210	271	638	426	940	875

** Note: Commercial production was declared effective April 1, 2013 at the Didipio Mine and costs net of revenue received prior to this date were capitalised. Ounces sold reflect Didipio's contribution for the period from April 1, 2013 to December 31, 2013*

ADDITIONAL INFORMATION

Additional information referring to the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com and the Company's website at www.oceanagold.com.

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the Company's disclosure controls and procedures as at December 31, 2013. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as at December 31, 2013 to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would be made known to them by others within those entities.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of OceanaGold, including the Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting and disclosure controls and procedures as of December 31, 2013. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that they were effective at a reasonable assurance level.

There were no significant changes in the Company's internal controls, or in other factors that could significantly affect those controls subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation, nor were there any significant deficiencies or material weaknesses in the Company's internal controls requiring corrective actions.

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that its disclosure controls and internal controls over financial reporting will prevent all errors and fraud. A cost effective system of internal controls, no matter how well conceived or operated, can provide only reasonable not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

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