



MEDIA RELEASE

25 October 2012

OCEANAGOLD ANNOUNCES SECOND ROUND OF DRILL RESULTS FROM BLACKWATER HIGH-GRADE GOLD PROJECT

(MELBOURNE) OceanaGold Corporation (**ASX: OGC, TSX: OGC, NZX: OGC**) (the "Company") is pleased to announce the second round of results from a deep drilling program at the Blackwater (Birthday Reef) high-grade gold project located in the Reefton Goldfield in South Island, New Zealand.

Highlights

- During the third quarter, OceanaGold successfully intersected the Birthday Reef on two occasions approximately 680 metres vertically below previously mined workings of the historic Blackwater mine.
- Parent hole, WA22C, intersected 0.61 metres (estimated true width of 0.5 metres) @ 15.65 g/t Au.
- The daughter hole, WA22D, intersected 1.13 metres (estimated true width of 1.0 metres) @ 85.2 g/t Au. WA22D intercepted the reef 11 metres from the parent hole WA22C.
- Both results are within the normal range of historically mined widths and grades.
- Historically, each vertical metre of the reef corresponded with approximately 1,000 ounce gold resource.

Historical Mining Background (1906 to 1953)

The Blackwater mine was the largest historical producer in the Reefton Goldfield with approximately 740,000 ounces from 1.6Mt for a recovered grade of 14.6 g/t Au. This represents approximately one third of the historical two million ounces of gold produced from hard rock sources.

Birthday Reef Geometry and Nature of Gold Mineralisation

The Birthday Reef is a simple, relatively planar, steeply-dipping quartz vein striking NNE for approximately one kilometre. The lode is remarkably persistent both along strike, and down-plunge, with the average widths and grades remaining consistent with depth.

Drill Results

WA22C successfully intersected the Birthday Reef at 1,632.3 metres down-hole and returned an intercept of 0.61 metres down hole (estimated true width of 0.5 metres) @ 15.65 g/t Au (Table A and Figure 2). The final hole depth was 1,675.2 metres.

A daughter drill hole WA22D intersected the Birthday Reef at 1,623.9 metres down-hole and returned an intercept of 1.13 metres down hole (estimated true width 1.0 metres) @ 85.2 g/t Au (Table A and Figure 2). The final hole depth was 1,641.2 metres. The two intercepts in holes WA22C and WA22D are located 11 metres apart along the Birthday Reef.

Historic mining records from the Birthday Reef reported an average of 14 gram-meters mined up until it was closed in 1951. The average gram-meters of the modern drilling completed to date is within the range of historic records. WA22C and WA22D represent the fifth and sixth holes (including daughter holes) testing mineralisation below the extent of historic workings. Both holes successfully intersected the quartz reef approximately 950 metres down plunge and 680 metres vertically below the historic Blackwater mine workings. The result extends the known extent of the reef to ~1,390 metres below surface.

The next drill hole (WA24) is designed to test the northern strike extent to the Birthday Reef beneath the historical workings. This hole is now underway and results are expected in the second quarter of 2013.

Table A - Blackwater Mine Drill Intercepts

| Hole ID | From (m) | To (m) | Intercept (m) | True Width (m) | Grade (Au g/t) | Grade width (g*m) | Comment |
|---------|----------|----------|---------------|----------------|----------------|-------------------|---------------|
| WA11 | 979.6 | 980.3 | 0.7 | 0.5 | 24.5 | 12.3 | Parent Hole |
| WA11A | 980.3 | 981.0 | 0.7 | 0.5 | 59.7 | 29.9 | Daughter Hole |
| WA21A | 1,315.9 | 1,316.9 | 1.0 | 0.5 | 23.3 | 11.7 | Daughter Hole |
| WA22C | 1,632.3 | 1,632.91 | 0.61 | 0.5 | 15.65 | 7.8 | Parent Hole |
| WA22D | 1,623.9 | 1,625.03 | 1.13 | 1.0 | 85.2 | 85.2 | Daughter Hole |

Note: Drill holes WA11, WA11A and WA21A have been previously reported. The true width of drill intercepts may vary slightly from those reported due to local variations in the orientation of the reef.

Figure 1 below shows the native gold hosted within quartz from drill hole WA22D at 1,624.65 metres depth down hole.

Mick Wilkes, Managing Director and CEO commented, "We are very pleased with the continued success of the drilling program at Blackwater. To date, we have uncovered remarkable continuity in the Birthday Reef which gives us strong confidence of the continuation of the orebody below previously mined workings. Our project development team is now starting to assemble data in preparation for technical study work in the first half of 2013 while we also await results from the current hole testing the northern extent of the orebody."

Figure 1- Native gold hosted on stylolites in quartz (Hole WA22D) at Blackwater (Birthday Reef)

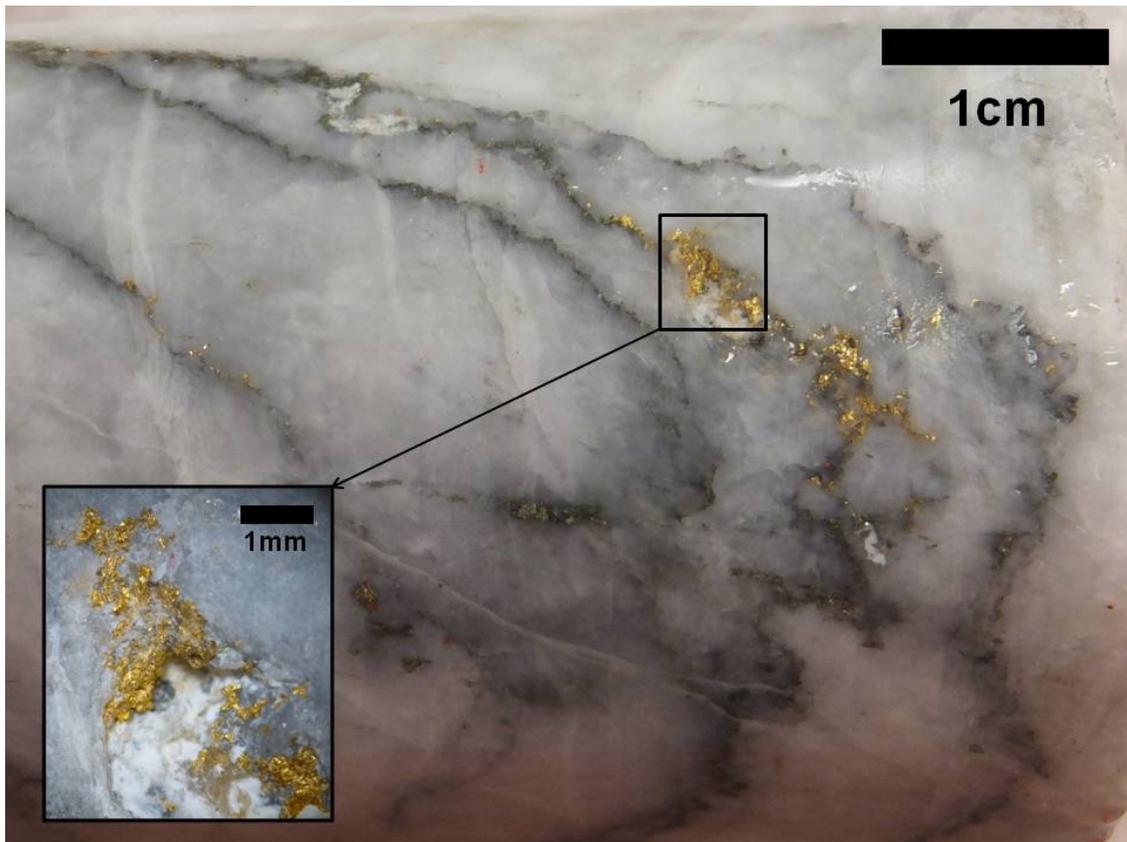
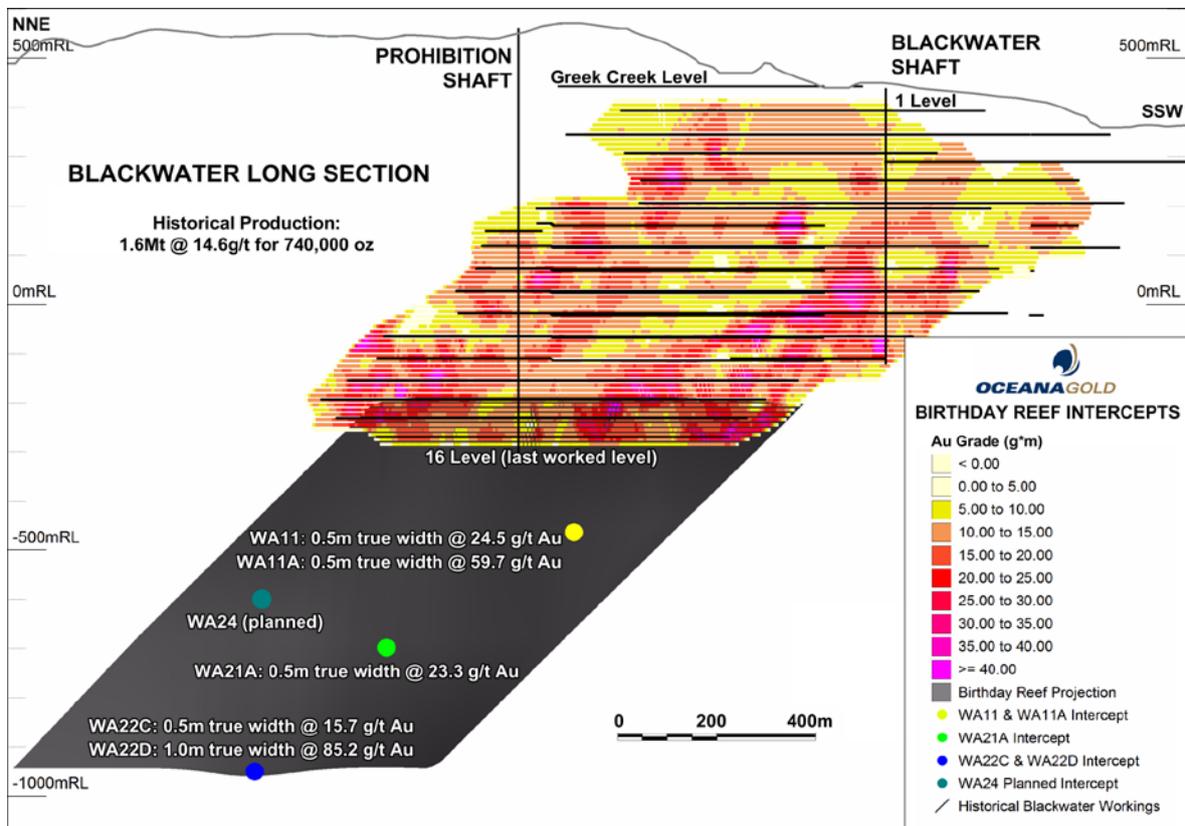


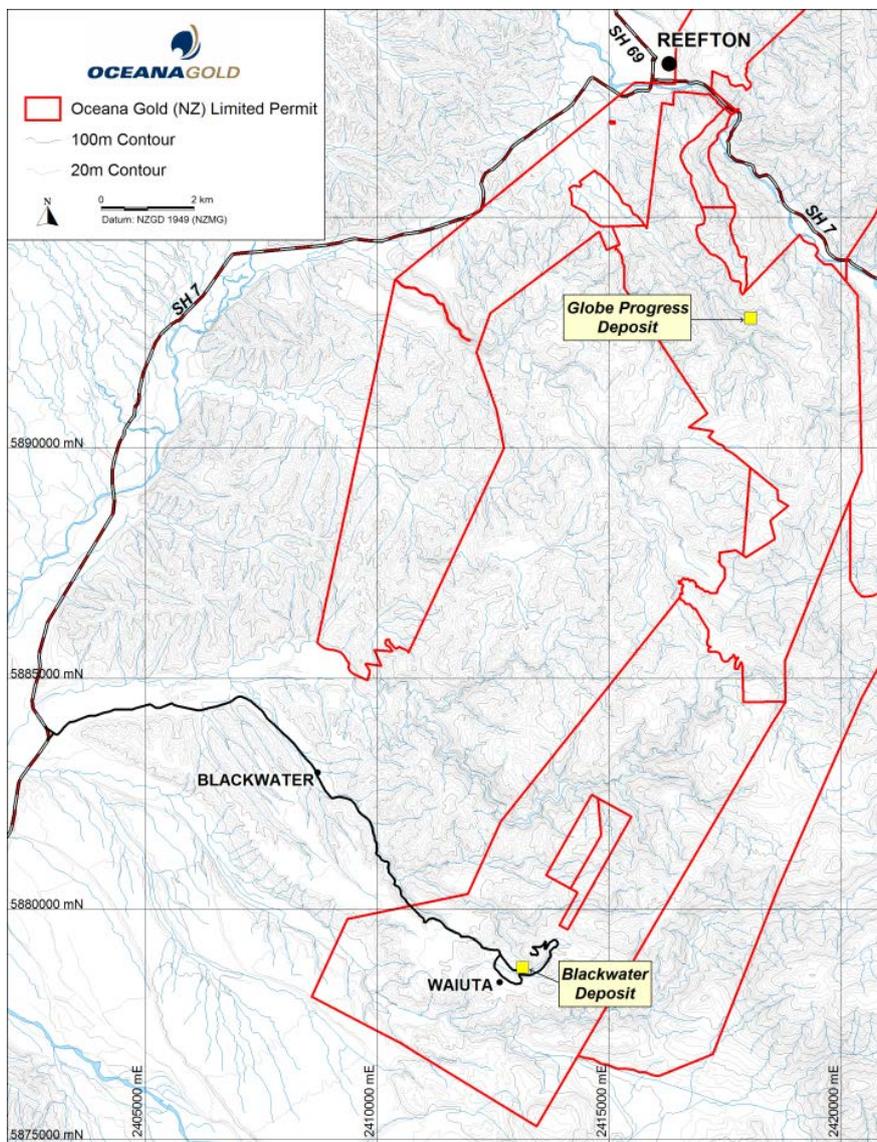
Figure 2 - Blackwater Mine Long Section showing gram-metres from historical workings and drill intercept locations with estimated true widths and gold assay results



Project Location

The historical Blackwater mine is situated in the Grey District of the west coast of the South Island of New Zealand approximately 37 kilometres south (by road) from Reefton and 60 kilometres northeast of Greymouth (Figure 3). The mine is located 15 kilometres from OceanaGold's Globe – Progress Mine at 42°17'30"S latitude and 171°49'30"E near the abandoned mining township of Waiuta.

Figure 3 - Location of the Blackwater Mine



Blackwater Study Update

OceanaGold's project development team will commence a technical study on the viability of a narrow vein, underground operation at Blackwater in the first half of 2013. Previous metallurgical studies have highlighted optical sorting as a probable pre-treatment mechanism opening up the possibility of mechanised mining of this deposit. Additionally, previous metallurgical test work has indicated recoveries in the 95% range with 70% of the gold reporting to a gravity concentrate.

With the results from the current drill program increasing the known extent of mineralisation, the project team will evaluate various mining scenarios with a view of targeting a production rate of circa 50,000 - 60,000 ounces of gold per annum. This study is expected in the second half of 2013.

Technical Disclosure

Dr Michael Roache, (PhD) - Head of Exploration and Mr Jonathan Moore – Group Mine Geology Manager, all of OceanaGold, are responsible for the technical disclosure in this document, and are Qualified Persons under the Canadian Securities Administrators' National Instrument 43-101 – Standards of Disclosure of Mineral Projects ("NI 43-101"). Dr Roache is a member of both the AusIMM and Australasian Institute of Geoscientists, while Mr. Moore is a Chartered Professional with the AusIMM. The 2012 drill samples, were collected at geologically defined intervals from sawn NQ diamond core, and assayed by screen fire assay (method code Au-SCR22AA) at the Townsville ALS Laboratory, Australia. Two quartz flushes were inserted between each sample and also underwent screen fire analysis. Coarse blanks were also inserted after each mineralized quartz vein.

For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating to the Reefton Project, please refer to the NI 43-101 compliant technical report entitled "Independent Technical Report for the Reefton Project located in the province of Westland, New Zealand" dated 9 May, 2007, prepared by McIntyre, White, Frew, Gossage, and Penter and available at www.sedar.com under the Company's name.

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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 230,000 - 250,000 ounces of gold per annum from the New Zealand operations. The Company also owns the Didipio Project in northern Luzon, Philippines where commissioning activities are currently underway. Currently, Didipio is expected to produce 100,000 ounces of gold and 14,000 tonnes of copper per year over an estimated 16 year mine life.

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 such as production forecasts and development timelines 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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