



MEDIA RELEASE

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OCEANAGOLD PROVIDES UPDATE ON DIDIPIO PROJECT

(MELBOURNE) OceanaGold Corporation (**ASX: OGC, TSX: OGC, NZX: OGC**) (the "Company") is pleased to provide a progress report on the Didipio Project in the Philippines where pre-commissioning activities are underway.

HIGHLIGHTS

- The grinding mills are installed with the liner installation scheduled to start in the next week
- The high and low voltage switchrooms are installed for the process plant and are expected to be energized next week
- The first six power generating units have been run synchronously with the remaining six expected to be commissioned later this month
- The initial lift of the Tailings Storage Facility is completed and ready to accept tailing
- Crushing of material to the emergency stockpile is expected to commence later in October
- All major mine roads are completed
- Ore is currently being delivered to the ROM pad
- All senior operations staff have been recruited
- Capital costs are on target

Didipio Project Construction Progress

Construction activities at the Didipio Project have continued to progress to schedule as the project now moves into the final stages development. Approximately 1600 workers are engaged on the project with 98% of these being Filipino nationals. Demobilization of the earthworks and concrete contractors is expected to start next week as these disciplines of work are substantially complete.

The initial lift of the Tailings Storage Facility (TSF) is now completed and piping to and from the TSF is also nearing completion with the return water line already in service. Power lines are now being installed to the TSF (Figure 2). Additional lifts to the TSF will be built over the next six years in conjunction with ongoing operations to expand the facility to its full Life of Mine capacity.

Construction activities at the process plant are now focused on completing the piping and electrical work. Structural and mechanical works are 95% complete. Vendor representatives are now at site assisting with equipment testing and pre-commissioning. Belts are presently being installed on the conveying system (Figure 3).

More than 80 electricians are pulling and terminating electrical cable throughout the process plant. Substantial completion of the electrical work for the process plant is expected by the end of October at which time we plan to energise the mills and commence pumping water through the process plant.

All reagents and media have been delivered to site and 85% of the inventory of plant spares/first fills are also in storage at Didipio. Recruitment of the senior operations managers is complete and the current focus is on ramping up the operator training programs in preparation for commissioning of the process plant.

The mining contractor is taking delivery of the larger haul trucks and excavators to complement the current equipment at site. This will continue through to Q1 2013. Mining continues to ramp up (Figure 5) and now that stage one TSF construction is complete, the focus has shifted to ore mining and delivery to the ROM pad which commenced last month.

The Company expects to commence processing ore through the mills in November. Capital costs for construction remain in line with the revised capital cost of \$220 million, which was released in July this year.

Community & Environmental Activities

Training programs are well underway in preparation for operations. Once operations reach a steady state, we expect approximately 1,000 employees and contractors employed on roster at the Operation. The majority of these workers come from local and surrounding communities in Nueva Vizcaya and Quirino provinces.

Reforestation initiatives continue to be an area of focus with eight local barangays entering into a Memorandum of Agreement to establish 40 hectares of reforestation plantations. A local cooperative at the nearby community of Dibibi has also been formed which is now advancing plans to establish a 100 hectare commercial tree farm in partnership with OceanaGold and a private company.

Various infrastructure improvements have been undertaken with farm to market roads upgraded, clean water systems in Barangay Tucod completed, as well as construction of classroom expansions for nearby communities in Didipio and Alimit.

Figure 1 – Plant Site Overview (Oct 1)



Figure 2 – Power Lines Being Installed to TSF



Figure 3 – Conveyor Belts Installation Underway



Figure 4 – Grinding Area of Process Plant



Figure 5 – Mining Activities at Didipio



To view recent construction progress at Didipio, please visit our website at:

<http://www.oceanagold.com/investors-and-media/images-and-videos/>

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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 which is in construction and is on track to commission in Q4 2012. 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.

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