Attention ASX Company Announcements Platform
Lodgement of Open Briefing®

OceanaGold Corporation
Level 5, 250 Collins Street
Melbourne, Victoria 3000

corporatefile.com.au

Date of lodgement: 16-May-2008

Title: Open Briefing®. OceanaGold. CEO Explains Upside from Didipio

Record of interview:

corporatefile.com.au
OceanaGold Corporation (TSX, ASX and NZX codes - OGC) recently announced an update on the Didipio gold-copper project in the Philippines. Can you outline the progress on the project, including the latest capital cost estimates and why they have changed?

CEO Steve Orr
We are now in the midst of construction at Didipio and are well into the bulk earthworks. In fact, there are currently approximately 900 people working on the project of which more than 98% are Filipino and about 50% of those are from the local provinces. The ore storage pad is just about completed and earthworks at the plant site are now the main focus to prepare for process and power plant foundations. Leighton has begun to mobilise equipment and are expected to start the pre-strip of the open-pit later this month.

Earlier this week, we announced that capital costs to commission the project have been revised to US$320 million. While we recognize this is a significant increase, Didipio is one of the highest grade gold-copper porphyries in the world today and this remains a very robust project. Payback on the project is just three years using an US$800 per ounce gold price and US$3.50 per pound copper price. The recent fall in our share price certainly does not reflect the strong financial returns from the project even after allowing for the higher capital costs. Didipio will have a very strong impact on OceanaGold's production and operating cash flows for at least l5 years.

corporatefile.com.au
What is the revised scope of the project? Why has that changed?

CEO Steve Orr
Late last year, following the appointment of the EPCM contractor and completion of the access road, we began to review the project and look for ways to reduce risk. After a number of studies, we decided to incorporate a heavy fuel oil power plant into the project scope so that we can generate our own power. Having reliable power is critical to a successful mine and we felt that the national power grid would not be dependable.

A 6.2 kilometre drainage tunnel to de-water the underground was eliminated following hydrological test work that confirmed we could manage water by increasing pumping capacity.

The updated capital cost therefore includes increased scope to our EPCM contractor, higher commodity prices for things like steel and fuel, increased freight costs, increased labour costs and allowances for foreign exchange fluctuations against the USD. The contingency was then tripled to US$33 million to ensure that we cover unanticipated issues such as adverse weather. In 30 years in this business I have never seen an inflationary environment such as this. We are fortunate to have an economically robust deposit at Didipio and it is still an attractive and important project for us. The key is to get Didipio commissioned as soon as possible. We have already invested US$40 million on the project and have about US$105M in cash on hand. We are well down the track on some debt financing options and any needs over the debt financing will be equity with priority given to our loyal shareholders.

corporatefile.com.au
Why is Didipio important for your growth? How do the revisions impact project returns?

CEO Steve Orr
Didipio is a key pillar of our strategy. It sets the stage for us to grow our presence in Australasia and further establish the Company as an international intermediate gold producer. This mine will not only increase our gold production to the 300,000-400,000 ounce per annum range, but it also adds revenue from about 15,000-20,000 tonnes of copper per annum.

Despite the increase in capital costs, Didipio still generates strong returns and significant annual cash flow. By way of example; in 2010 when the mine is expected to have its first full production year, we are forecasting the total company to generate operating cash flow of US$200 million based on a gold price of US$750 per ounce and copper price of US$2.50 per pound. Metal prices have almost doubled since the last feasibility study was completed in 2006.

corporatefile.com.au
Are you on track with the ramp-up at your New Zealand mines? How are they performing from a cost and margin perspective?

CEO Steve Orr
We have commissioned two new mines in the past 18 months and I think it is safe to say there are few companies our size that have achieved the same. Reefton, which was commissioned last year, is performing above expectations.

It took us six months to get it ramped up but the team there have done a great job and our throughput rates are now exceeding design.

At Macraes, we are making progress on increasing recoveries at the process plant and also increasing the rock movement from the open pit. Grade from the Frasers Underground is improving following under-performance in the first quarter of this year. Development is proceeding to the higher grade Panel 2 where we expect ore grades to increase further.

Our costs for the quarter came in at US$496 per ounce, which was slightly higher than we had expected. Interestingly enough, 65% of that increase year-on-year was attributable to the strengthening of the New Zealand dollar against the US dollar. The good news is that the weakening US dollar means a higher gold price and our margins grew by 100%. We've increased our cash cost guidance for the year to US$490-$520 per ounce to reflect the higher power and fuel costs we are experiencing, along with the stronger New Zealand dollar.

corporatefile.com.au
Can you give a general exploration update across your New Zealand mines and in the Philippines?

CEO Steve Orr
Exploration is important from the standpoint of increasing ore reserves and creating additional value from new discoveries. We are fortunate that Nick Franey has joined us as Vice-President, Exploration. Nick was most recently with Anvil Mining, where he led the exploration team to double resources at their African projects and acquire an exploration project in the Philippines. Before that, he spent more than 20 years at Anglo-American. Nick is particularly keen to begin drilling additional prospects within the Didipio Valley. We now have 3 drills turning on near-mine targets and another drill expected to arrive shortly. There are 8 separate targets within 1,500 metres of Didipio. We have 20,000 metres planned over the next 2 years and will make this a key focus concurrently with construction of Didipio. Early drilling at Golden Eagle intercepted Didipio-style mineralization. The strategy is to identify other deposits that would justify an expansion to the operation. We are also making arrangements to get a drill into the Manhulayan project in the northern Surigao.

At Macraes, drilling is focused at the Frasers Underground Panel 2 to identify further high grade material that could be converted into reserves. Development into Panel 2 is progressing and we expect to be mining there in the December quarter. At Reefton, we are working to convert resources to reserves following our earlier success in adding a year to mine life with the recent program over the past two or three quarters.

corporatefile.com.au
In summary, how will project development and exploration add to your growth profile and value?

CEO Steve Orr
We have consistently said that our strategy is to bring on the Reefton and Frasers Underground projects in New Zealand and use those as a base from

which to expand the business throughout Australasia. Didipio is the next leg of that expansion and by the end of 2009 we expect to be one of the premier Australasian-focused gold producers. Our focus right now is on constructing Didipio, which will help us establish a solid platform in one of the most prospective countries for copper-gold porphyry deposits.

corporatefile.com.au
Thank you Steve.

For more information about OceanaGold, please visit www.oceanagold.com or contact Darren Klinck, Vice President, Corporate and Investor Relations, OceanaGold Corporation, telephone + 61 3 9656 5300.

For previous Open Briefings or to receive future Open Briefings by e-mail, please visit www.corporatefile.com.au.