

MEDIA RELEASE

3 May 2010

**OCEANAGOLD ANNOUNCES DISCOVERY OF MINERALISATION DOWN DIP
AT FRASERS UNDERGROUND MINE**

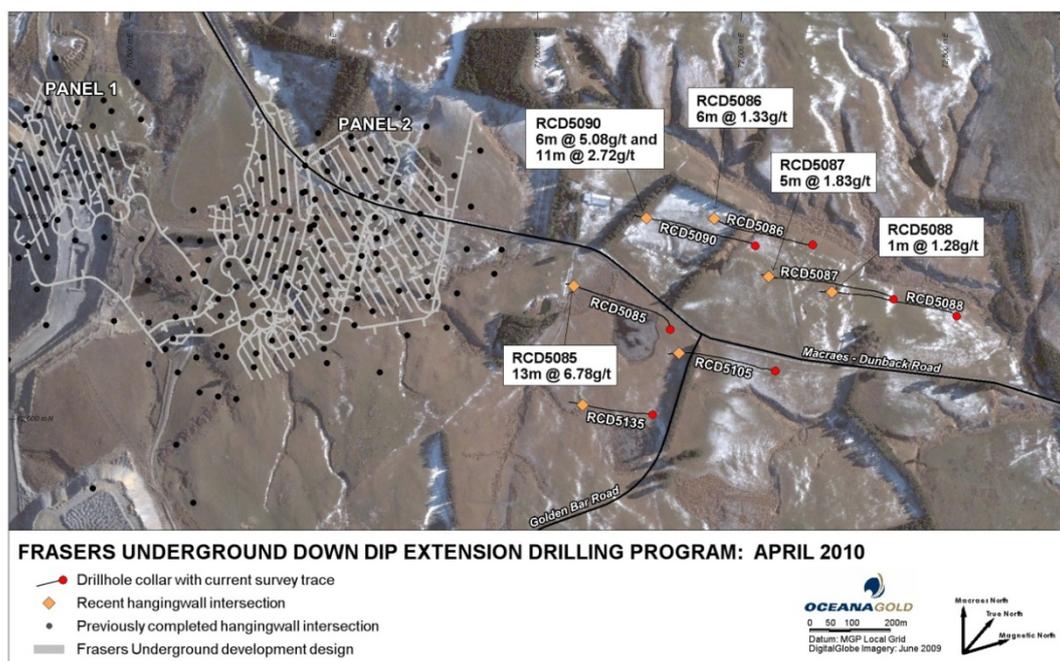
(MELBOURNE) OceanaGold Corporation (ASX: OGC, TSX: OGC, NZX: OGC) (the “Company”) is pleased to announce results from a diamond drilling program at the Frasers Underground mine in Otago, New Zealand that has identified extensions to gold mineralisation down dip from current underground mining operations.

Highlights

- Drilling has identified continuation of gold mineralisation at depth adjacent to the Frasers Underground Mine.
- Significant intercepts of 13m @ 6.78 g/t Au and 6m @ 5.08 g/t Au demonstrate grades and lode thickness similar to or better than Panel 2 where mining is currently being undertaken.

Five holes from a diamond drilling program in progress targeted the existence of mineralisation down dip along the Hangingwall Shear which is currently being mined at Frasers Underground Panel 1 and Panel 2. Surface drilling was completed at distances of between 200m and 850m east (down-dip) of the existing exploration drilling coverage (Figure 1). All of the holes successfully intercepted the main mineralised Hangingwall shear structure.

Figure 1 - Frasers Underground drilling program in relation to current underground development design



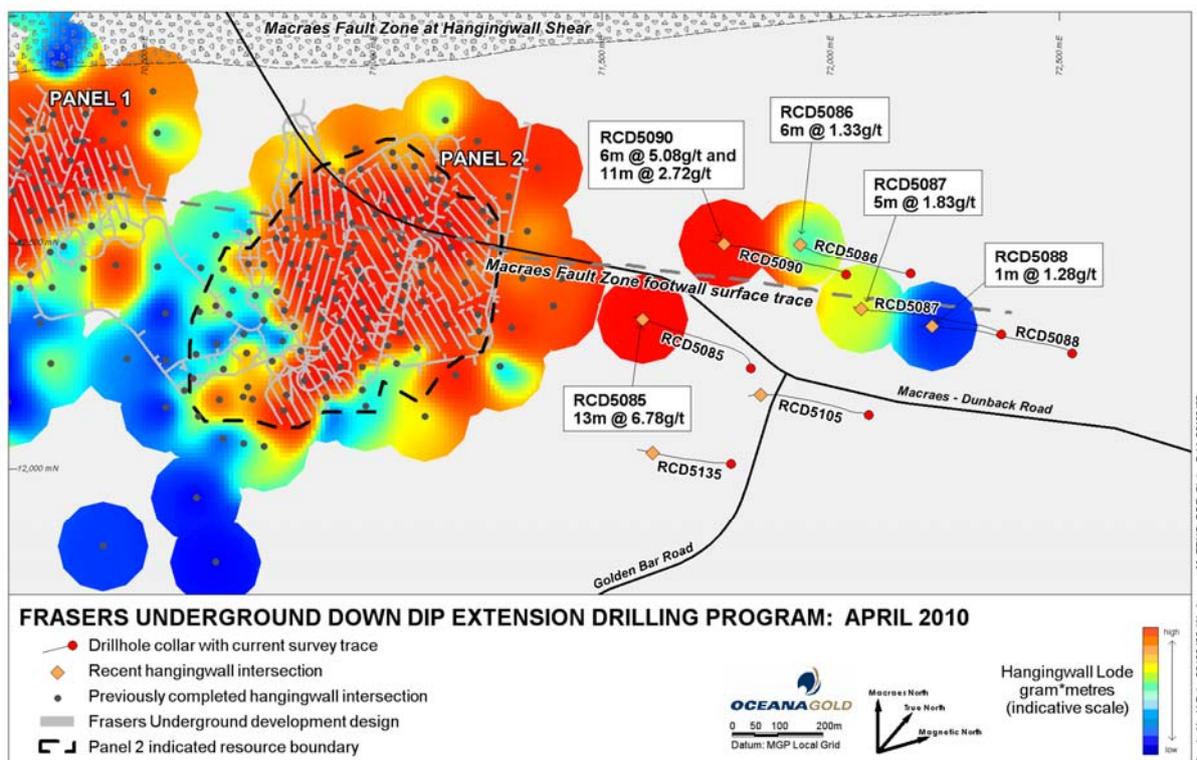
Assay results from five drill holes have been received with Hangingwall Lode intercepts listed in Table A below. Highlights include 13 metres @ 6.78 g/t Au from RCD5085 and 6m @ 5.08 g/t Au from RCD5090. A second intercept of 11m @ 2.72 g/t Au in RCD5090 beneath the Hangingwall Lode is interpreted to likely be a concordant lode beneath the Hangingwall Shear. Assay results for the final two holes (RCD5105 and RCD5135) are still pending.

Table A - Significant intercepts from the Frasers Underground Extension drill program.

Hole ID	From	To	Thickness (m)	Grade (g/t Au)
RCD5085	742	755	13	6.78
<i>including</i>	750	752	2	14.30
RCD5086	830	836	6	1.33
RCD5087	852	857	5	1.83
RCD5088	872	873	1	1.28
RCD5090	787	793	6	5.08
<i>including</i>	789	791	2	12.10
	795	806	11	2.72

Figure 2 below shows a plan view of the Frasers Underground mine with reference to grades and widths. A follow up surface drilling program is planned to now test for extensions of mineralisation to the north of RCD5085 and RCD5090.

Figure 2 – Plan view of Frasers Underground mine with reference to grade and widths (gram metres Au) buffered to a radius of 100m.



Current diamond drilling from the underground exploration drive is continuing to test the eastern and northern fringes of the current Panel 2 resource. Early indications are showing that the mineralisation extends beyond the current Panel 2 resource boundary. This, along with the step out surface holes further

to the east, as discussed in this release are likely to result in a development extension to the underground exploration drive for better access to these new areas for infill drilling.

Paul Bibby, CEO commented, "The results from the Frasers Underground surface program are very promising and an all important first step to extending the mine life of our underground operations. The underground diamond drilling program continues to demonstrate the likelihood of additional mineralised panels along the boundaries of Panel 2 and now with the strong results from the step-out surface holes, we are planning follow-up infill programs in these areas."

He went on to say, "Over the past five months OceanaGold's brownfields exploration program has materially increased gold reserves in New Zealand, and when coupled with the Company recently becoming a 100% unhedged gold producer, OceanaGold is well positioned to further unlock embedded value within the Company."

Qualified Persons

Rod Redden, Exploration and Development Manager and Jonathan Moore, Principal Resource Geologist, both of Oceana Gold New Zealand Limited are the "qualified persons" pursuant to National Instrument 43-101 of the Canadian Securities Administrators. Both are members of the AusIMM.

The Qualified Persons, Mr Redden and Mr Moore have prepared the technical information and approved the contents of this news release.

Quality Control

Mr Jonathan Moore, B.Sc (Hons) Geology and Dip.Grad. Physics, is the Principal Resource Geologist with Oceana Gold (NZ) Ltd and is the Qualified Person under National Instrument 43-101 – *Standards of Disclosure of Mineral Projects* ("NI 43-101") for the technical disclosure in this release and has verified the data disclosed, including sampling, analytical and test data underlying the information contained in this release. Based on the current interpretation, the assay intervals as presented are believed to represent true thicknesses. Samples, collected at 1m intervals from sawn diamond core was prepared and assayed by fire assay methods at the ALS Minerals facility in Brisbane, Australia and the SGS facilities in Westport and Waihi, New Zealand. Standard reference materials were inserted to monitor the quality control of the assay data. The potential quantity and grade of results discussed in this release are conceptual in nature and there has been insufficient exploration completed to define a mineral resource for these new areas of the Frasers Underground mine. It is also uncertain if further exploration will result in this area being delineated as a mineral resource in the future.

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

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About OceanaGold

OceanaGold Corporation is a significant Pacific Rim 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 Reefion open-pit mine. OceanaGold produces between 270,000 – 300,000 ounces of gold per annum from the New Zealand operations. The Company also owns the Didipio Gold-Copper Project in northern Luzon, Philippines.

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. Such forward-looking statements include, without limitation, statements with respect to any future reserves attributable to the Macraes and Frasers Underground projects and estimated production from the Company's existing properties. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements including, 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 Annual Information Form prepared and filed with securities regulators in respect of its most recently completed financial year. 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. It is also noted that mineral resources that are not mineral reserves do not have demonstrated economic viability.

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