



**OCEANAGOLD**

# Q3 2019 RESULTS PRESENTATION

November 1, 2019

CONSISTENTLY DELIVERING ON COMMITMENTS

INNOVATION | PERFORMANCE | GROWTH



*Didipio, Philippines*

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## **Technical Disclosure**

Mineral Resources for Macraes have been verified and approved by, or are based upon information prepared by or under the supervision of S. Doyle; that relating to Waihi by P. Church; that relating to Didipio by J. G. Moore; and that relating to Macraes by P. Doelman, S. Doyle, J. Jory, J. G. Moore, and T. Maton for the underground. Mineral Reserves for Macraes have been verified and approved by, or are based upon information prepared by, or under the supervision of, P. Doelman for open pit and T. Maton for the underground; for that relating to Waihi by T. Maton for open pit and D. Townsend for underground; and that relating to Didipio by C. Fawcett. The Mineral Reserves and Resources for Haile have been verified and approved by, or are based upon information prepared by or under the supervision of B. van Brunt.

Information relating to Macraes exploration results in this presentation has been verified by, is based on and fairly represents information compiled by or prepared under the supervision of H. Blakemore; information relating to Waihi exploration results by L. Torckler; information relating to Didipio exploration results by J. Moore; and information relating to Haile exploration results by J. Jory.

P. Church, P. Doelman, S. Doyle, J. Jory, J. G. Moore, and T. Maton are Members and Chartered professionals with the Australasian Institute of Mining and Metallurgy while H. Blakemore is a member of the Australian Institute of Geoscientists (AIG). Messrs Blakemore, Church, Doelman, Doyle, Jory, Moore, and Maton 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") and all are Qualified Persons for the purposes of the NI 43-101. Messrs Blakemore, Church, Doelman, Doyle, Jory, Moore, and Maton are employees of OceanaGold, and they consent to the inclusion in this public presentation of the matters based on their information in the form and context in which it appears.

For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating the Macraes Operation, the Didipio Operation, the Waihi Operation and the Haile Operation, please refer to the NI 43-101 compliant technical reports available at [sedar.com](http://sedar.com) under the Company's name.

## **General Presentation Notes**

All AISC and cash costs are net of by-product credits unless otherwise stated

All financials are denominated in US Dollars unless otherwise stated

# Results Overview

## OPERATING RESULTS

	Q3 2019	YTD 2019	
GOLD PRODUCTION	<b>107.5</b>	<b>362.4</b>	koz
GOLD SALES	<b>94.3</b>	<b>341.1</b>	koz
COPPER PRODUCTION	<b>2.3</b>	<b>10.2</b>	kt
COPPER SALES	<b>—</b>	<b>6.9</b>	kt
AISC	<b>\$1,122</b>	<b>\$1,087</b>	per oz sold

## FINANCIAL RESULTS

	Q3 2019	YTD 2019	
REVENUE	<b>\$134</b>	<b>\$499</b>	million
EBITDA	<b>\$34</b>	<b>\$169</b>	million
ADJUSTED NET PROFIT <sup>(1)</sup>	<b>\$(5)</b>	<b>\$33</b>	million
ADJUSTED <sup>(1)</sup> EPS (fully diluted)	<b>\$(0.01)</b>	<b>\$0.05</b>	
ADJUSTED <sup>(2)</sup> CFPS (fully diluted)	<b>\$0.05</b>	<b>\$0.26</b>	

1. Profit after income tax and before gain/loss on undesignated hedges and impairment charges

2. Cash flow from operations before working capital movements

## OPERATIONS

- Haile delivered third consecutive quarter of operating improvements
- Similar QoQ production at Haile & Macraes, both ops expected to be stronger in Q4

## FINANCIAL

- Delivered similar QoQ group AISC despite no Didipio sales with lower AISC at Haile
- Revenue, EBITDA, earnings impacted by lower sales due to Didipio

## GROWTH

- Development of Martha UG underway at Waihi
- Horseshoe UG permitting on-track
- Solid exploration results across the business

## ESG

- Received Top Pollution Control Officer award in the Philippines
- Health and safety performance improvement due to Macraes & Haile

# Didipio – A World Class Operation

## DIDIPIO IS THE TEMPLATE FOR RESPONSIBLE MINING

▶ **FTAA RENEWAL PROGRESSING**

▶ **AWAITING OUTCOME OF LEGAL  
INJUNCTION AGAINST GOVERNOR  
“ORDER”**

▶ **STRONG SOCIAL LICENSE TO OPERATE**

▶ **DIRECT WORKFORCE: 1,500 (97% FILIPINOS, 59% LOCAL)**

**INDIRECT WORKFORCE: > 4,000 FROM NUEVA VIZCAYA & QUIRINO PROVINCES**

▶ **DELIVERING SIGNIFICANT SOCIO-ECONOMIC BENEFITS TO BOTH PROVINCES**



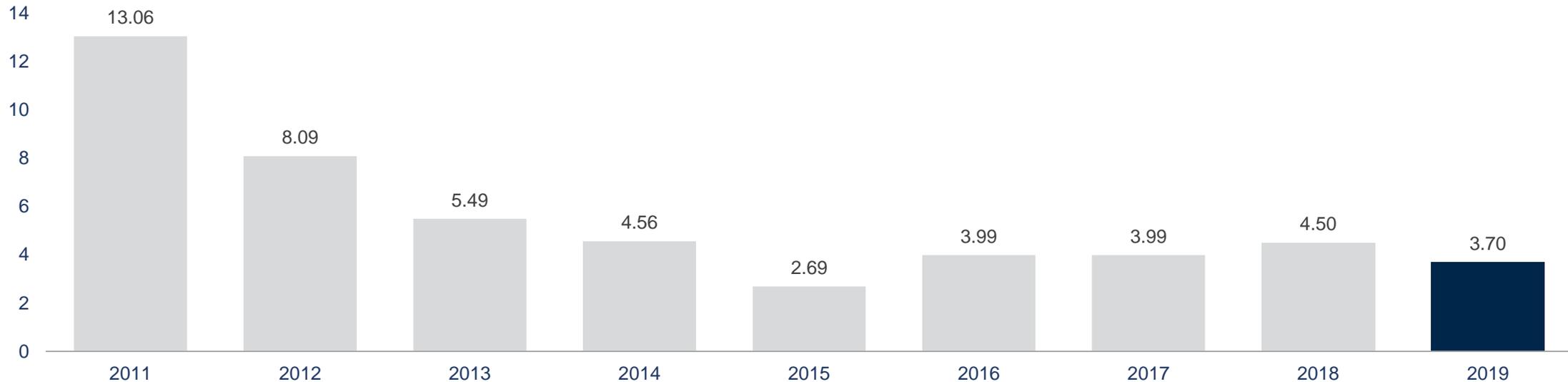
# OPERATIONAL RESULTS



Macraes Operations, New Zealand

# Health & Safety Performance

TOTAL RECORDABLE INJURY FREQUENCY RATE (12-MMA)



## Significant improvements at Haile and Macraes driving overall safety performance

- Didipio remains a sector leader in safety performance
- Haile demonstrating better safety leadership and results
- Macraes' continued demonstration of improving safety culture
- Waihi implementing actions from safety maturity survey intended to reduce TRIFR

# Haile Operations Overview

	Q3 2019	YTD 2019	
TRIFR (12-MMA)	-	6.7	per million work hours
GOLD PRODUCTION	36.8	99.7	koz
GOLD SALES	42.1	100.9	koz
CASH COSTS	\$888	\$896	per oz sold
AISC	\$1,106	\$1,366	per oz sold
<b>OPERATING COSTS</b>			
MINING COSTS	\$3.42	\$3.99	per tonne mined
PROCESSING COSTS	\$13.23	\$14.01	per tonne milled
SITE G&A COSTS	\$4.78	\$5.62	per tonne milled

## MINING

- Mine movements up 36% QoQ
- Unit mining costs decreased 10% QoQ
- AISC decreased 20% QoQ
- September mining impacted by poor ground conditions at Snake Phase 1

## PROCESSING

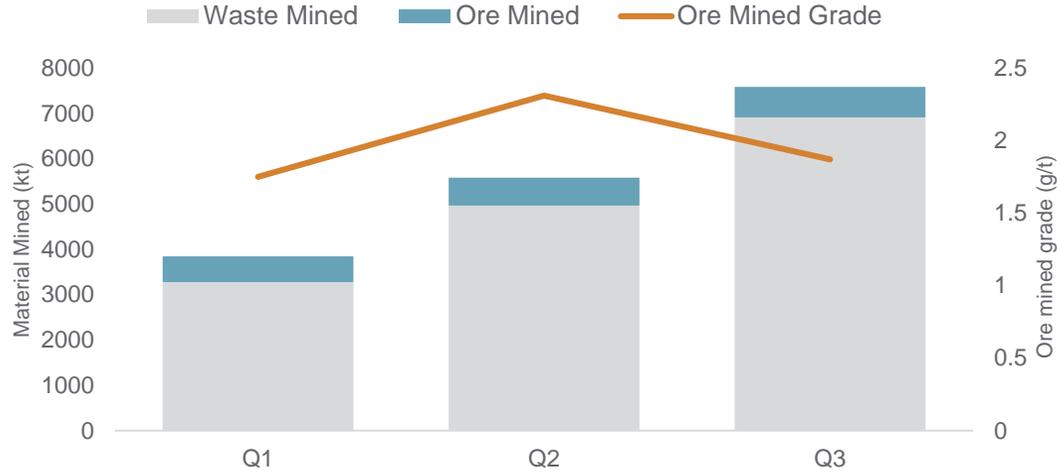
- Plant operating above 3.5 Mtpa at quarter-end; achieving record daily feed rates
- Head grade lower QoQ from delayed access to high grade, processing low-grade stockpiles in Sept
- Recoveries stable QoQ at higher throughput rates
- Unit processing costs decreased 12% QoQ

## OUTLOOK

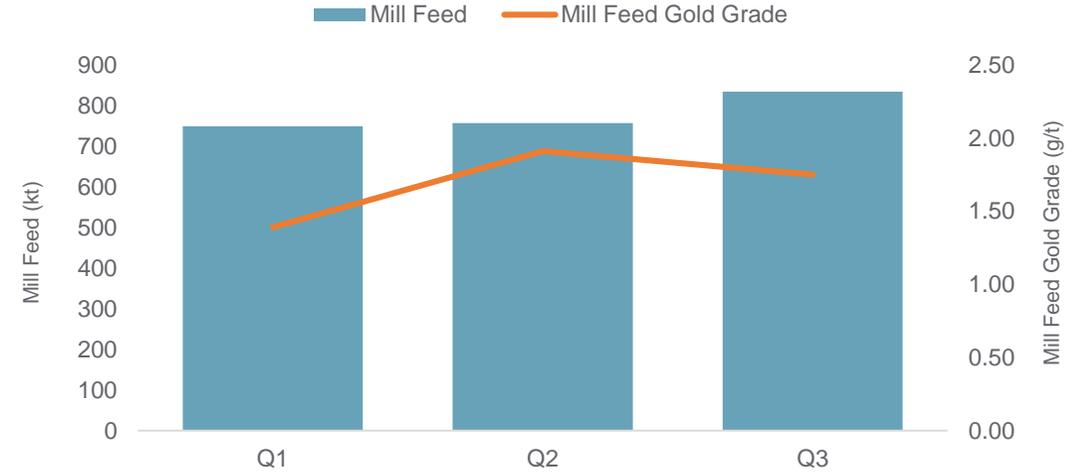
- Improved production expected in Q4
- Horseshoe UG permit on-track for Q1 2020; development commences Q3 2020

# Haile Physicals

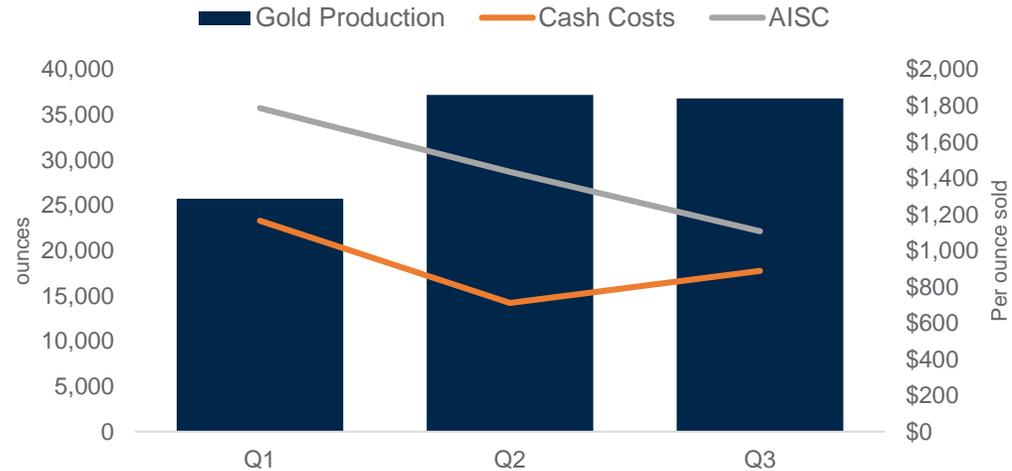
## MINING PHYSICALS



## PROCESSING PHYSICALS



## GOLD PRODUCTION



\*Mine productivity represents the net reduction to AISC quarter-on-quarter from reduced stripping costs of \$426 per ounce and increased cash costs of \$178 per ounce.

# Didipio Operations Overview

	Q3 2019	YTD 2019	
TRIFR (12-MMA)	–	1.3	per million work hours
GOLD PRODUCTION	16.7	83.5	koz
GOLD SALES	(0.6)	60.2	koz
COPPER PRODUCTION	2.3	10.2	kt
COPPER SALES	–	6.9	kt
CASH COSTS	–	\$481	per oz sold
AISC	–	\$694	per oz sold
<b>OPERATING COSTS</b>			
UG MINING COSTS	–	\$39.34	per tonne mined
PROCESSING COSTS	\$8.04	\$6.18	per tonne milled
SITE G&A COSTS	\$9.63	\$6.56	per tonne milled

## MINING

- Underground mining temporarily suspended in mid-July due to Governor of Nueva Vizcaya order to restrain operations

## PROCESSING

- Predominantly processing low-grade stockpiles
- Completed 24-day scheduled shutdown in September for maintenance
- Processing temporarily suspended in Oct

## OUTLOOK

- Revised group guidance based on no further production / sales in 2019
- Subject to change based on circumstances

# Waihi Operations Overview

	Q3 2019	YTD 2019	
TRIFR (12-MMA)	-	5.5	per million work hours
GOLD PRODUCTION	16.0	52.3	koz
GOLD SALES	15.3	50.5	koz
CASH COSTS	\$686	\$695	per oz sold
AISC	\$778	\$855	per oz sold
<b>OPERATING COSTS</b>			
MINING COSTS	\$43.16	\$49.74	per tonne mined
PROCESSING COSTS	\$27.05	\$27.39	per tonne milled
SITE G&A COSTS	\$19.04	\$20.27	per tonne milled

## MINING & PROCESSING

- Mining and production tracking to plan

## GROWTH

- ~1km of development complete at Martha UG
- Exploration drilling continues to yield solid results
- Waihi district study expected in H1/20 and will include: production rates, capital & operating costs, timelines, economics

## OUTLOOK

- Production similar in Q4
- Correnso production complete in Q1 2020
- Transitioning to production at Martha UG in 2021

# Macraes Operations Overview

	Q3 2019	YTD 2019	
TRIFR (12-MMA)	-	4.6	per million work hours
GOLD PRODUCTION	37.9	127.0	koz
GOLD SALES	37.6	129.5	koz
CASH COSTS	\$805	\$718	per oz sold
AISC	\$1,262	\$1,142	per oz sold
<b>OPERATING COSTS</b>			
MINING COSTS (Open Pit)	\$1.18	\$1.17	per tonne mined
MINING COSTS (Underground)	\$37.04	\$39.63	per tonne mined
PROCESSING COSTS	\$7.12	\$7.04	per tonne milled
SITE G&A COSTS	\$2.19	\$2.08	per tonne milled

## MINING

- QoQ production flat as expected with higher head grade offset by decreased mill feed and recoveries
- Lower total mining movements due to longer haul distances

## GROWTH

- Golden Point UG feasibility study in progress
- Exploration continues to yield significant results

## OUTLOOK

- Higher production expected in Q4



# FINANCIAL RESULTS

*Haile Gold Mine, United States*

# Financial Results Overview

FINANCIAL OVERVIEW		Q3 2019	Q2 2019	YTD 2019
REVENUE	million	\$134	\$186	\$499
EBITDA	million	\$34	\$71	\$169
NPAT	million	\$(22)	\$15	\$6
ADJUSTED NET PROFIT <sup>(1)</sup>	million	\$(5)	\$22	\$33
ADJUSTED EPS <sup>(1)</sup>	\$/share	\$(0.01)	\$0.03	\$0.05
<hr/>				
AVG GOLD PRICE <sup>(2)</sup>	US\$/oz	\$1,414	\$1,331	\$1,346
GOLD SALES	koz	94.3	125.6	341.1
CASH FLOW OVERVIEW				
OPERATING CASH FLOW	million	\$33	\$86	\$158
INVESTING CASH FLOW	million	\$(54)	\$(76)	\$(188)
FINANCING CASH FLOW	million	\$(4)	\$(10)	\$(17)

## REVENUE & EBITDA

- Decreased QoQ due to nil sales from Didipio, partially offset by higher gold price received
- Inventory remains available for sale on re-start

## PROFIT

- NPAT includes \$17 million unrealized loss on hedging
- Q3 adjusted EPS reflects the reduction in EBITDA partially offset by lower D&A

## CASH FLOW

- QoQ operating cash flow decrease from lower EBITDA related to Didipio
- Significant decrease in investing capital related to reduced investments at Haile and Didipio
- \$7.6 million in non-production costs at Didipio included in G&A

1. Earnings after tax and before gains/losses on undesignated hedges and impairment

2. Average prices received include adjustments on final settlement of provisional sales from prior periods

# Capital Investment Overview

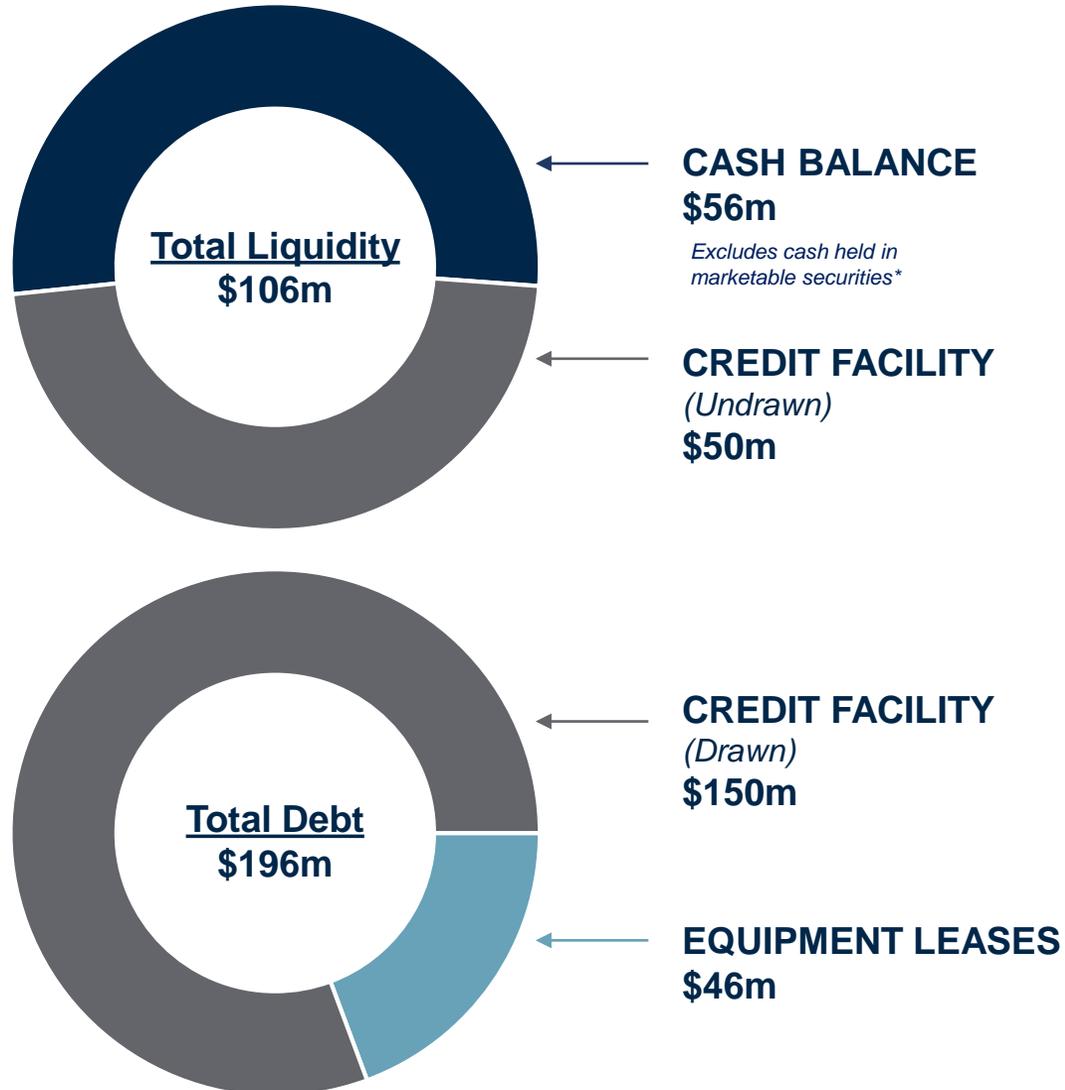
CONSOLIDATED (USDm)	Q3 2019	Q2 2019	YTD 2019	2019 UPDATED GUIDANCE
GENERAL OPERATING	7.7	12.1	32.7	40 - 45
GROWTH CAPITAL	24.1	30.4	69.6	100 – 105
PRE-STRIP & CAPITALISED MINING	11.3	29.6	57.5	63 – 68
EXPLORATION	11.7	9.9	31.4	37 – 42
<b>TOTAL</b>	<b>54.8</b>	<b>82.0</b>	<b>191.2</b>	<b>240 – 260</b>

YTD 2019 (USDm)	HAILE	DIDIPIO	WAIHI	MACRAES	CORPORATE
GENERAL OPERATING	7.6	8.3	1.6	15.1	-
GROWTH CAPITAL	41.5	13.2	7.5	0.7	6.7
PRE-STRIP & CAPITALISED MINING	24.1	1.1	3.0	29.4	-
EXPLORATION	4.5	-	18.1	5.5	3.3
<b>TOTAL<sup>(2)</sup></b>	<b>77.7</b>	<b>22.6</b>	<b>30.2</b>	<b>50.7</b>	<b>10.0</b>

1. Capital costs are based on accruals

2. Subject to rounding

# Balance Sheet Overview (as at 30 Sep 2019)



## NET DEBT

**\$140** million

## NET DEBT/EBITDA<sup>(2)</sup>

**0.62**

- Commenced process of amending credit facility in-line with liquidity and growth plans.

1. Total liquidity excludes the value of marketable securities in GSV and NUG of C\$34.1m as at 30 Sept 2019  
 2. As of Sept 30, 2019.



# OUTLOOK

*Waihi Gold Mine, New Zealand*

# Outlook

## PRODUCTION

- Increased production expected from Macraes and Haile
- Track record of operational improvements expected to continue at Haile
- Didipio guidance dependent on outcome of FTAA renewal & appeal process

## FINANCIAL

- Q4 AISC expected to be lower with higher production at Macraes and Haile
- Full year AISC outlook broadly consistent with YTD assuming no Didipio

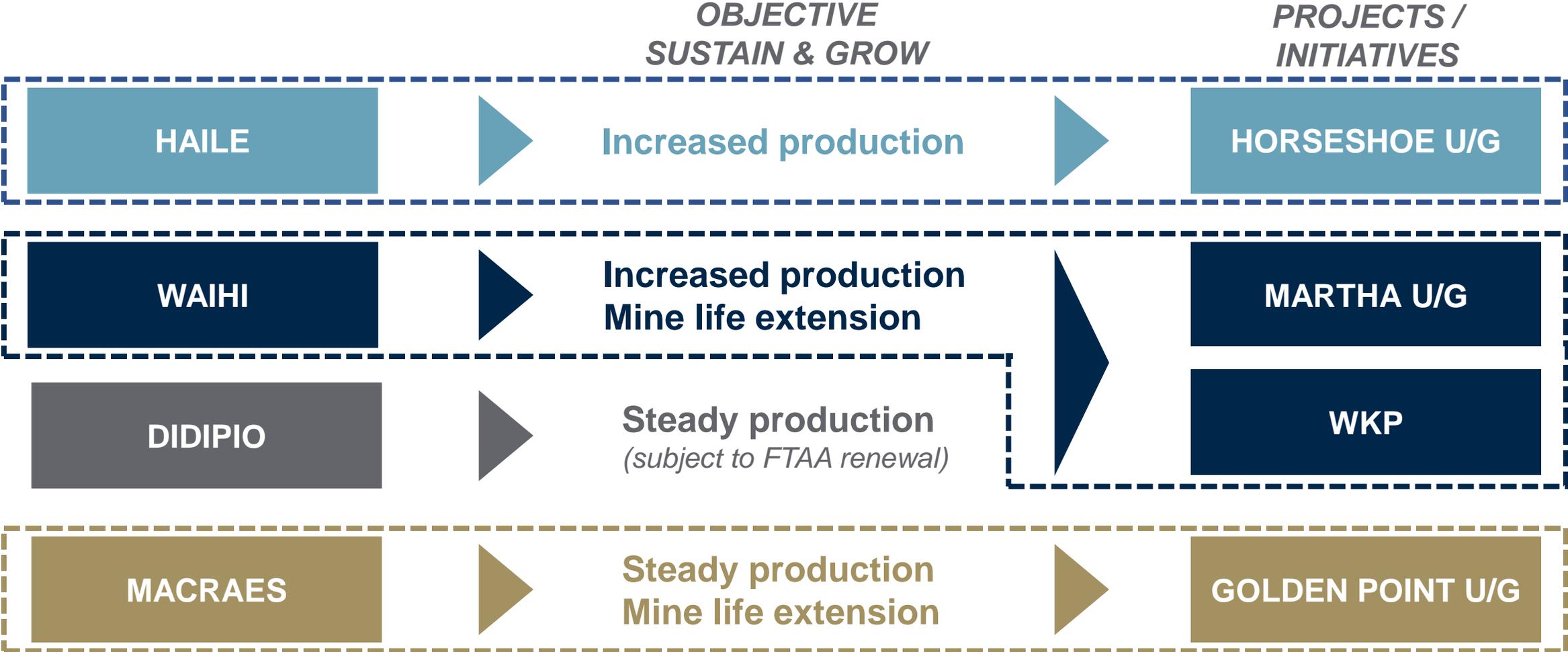
## GROWTH

- Continued advancement of the Martha Underground development
- Horseshoe UG permitting on-track at Haile
- Extensive exploration drilling across the operational footprint

## ESG

- Further improve safety culture and performance
- Continue to build upon our solid social license to operate

# Organic Growth





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