



## MEDIA RELEASE

30 October 2014

### OCEANAGOLD UPDATES DIDIPIO NI 43-101 TECHNICAL REPORT

*(All figures in US Dollars unless otherwise stated)*

(MELBOURNE) OceanaGold Corporation (**TSX/ASX/NZX: OGC**) (the “Company”) is pleased to announce the completion of the updated technical report for the Didipio operation, prepared in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“Technical Report”). The release of the updated Technical Report follows the announcement on the preliminary results of the Didipio Optimisation Study dated September 12, 2014 (“Optimisation Study”). It includes an updated Resource and Reserve statement, optimised mine plans and enhanced economics. Please also refer to JORC Table 1 released concurrently with the Technical Report for information relating to the estimates of Ore Reserves and Mineral Resources at the Didipio operation.

#### Key Outcomes

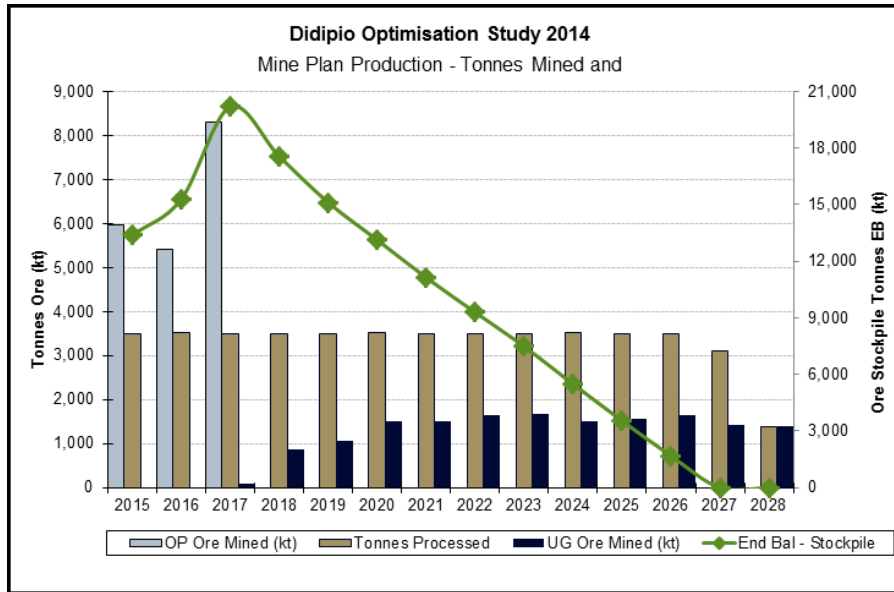
- Earlier access to high grade ore from the underground and completion of open pit mining in 2017 resulting in improved production and cash flow profiles over life of mine.
- Enhanced Didipio operation economics with forecast operating cash flow after tax and capital expenditure of \$944 million over the life of mine based on long term metal prices of \$1,300/oz gold and \$3.20/lb copper.
- Reduced waste movement of 67 million tonnes from the previous open pit mine plan resulting in a cost savings of \$215 million over the mine life of the open pit.
- Underground unit mining costs estimated to be \$26.45 per tonne mined; an improvement on the original estimates of \$33.50 per tonne mined.
- Increased total Proven and Probable mineral reserves by 3.35 million tonnes of ore, 180,300 ounces of gold and 8,480 tonnes of copper after depletion to September 30, 2014.
- Total Measured and Indicated Resources after depletion of 58.6 million tonnes of ore, 2.08 million ounces of gold and 250 thousand tonnes of copper.

Mick Wilkes, Managing Director and CEO said, “With the update to the Technical Report now complete and delivering very positive results, we continue to effectively execute on our strategy to maximise value from our existing assets. Moreover, we have further demonstrated the robust operational and economic attributes of this very high quality asset.”

As previously reported, the underground operation at Didipio will be brought forward by one year with development of the underground portal and surface facilities scheduled to commence in the first quarter of 2015. First underground ore mined is expected in late 2017, two years earlier than originally planned.

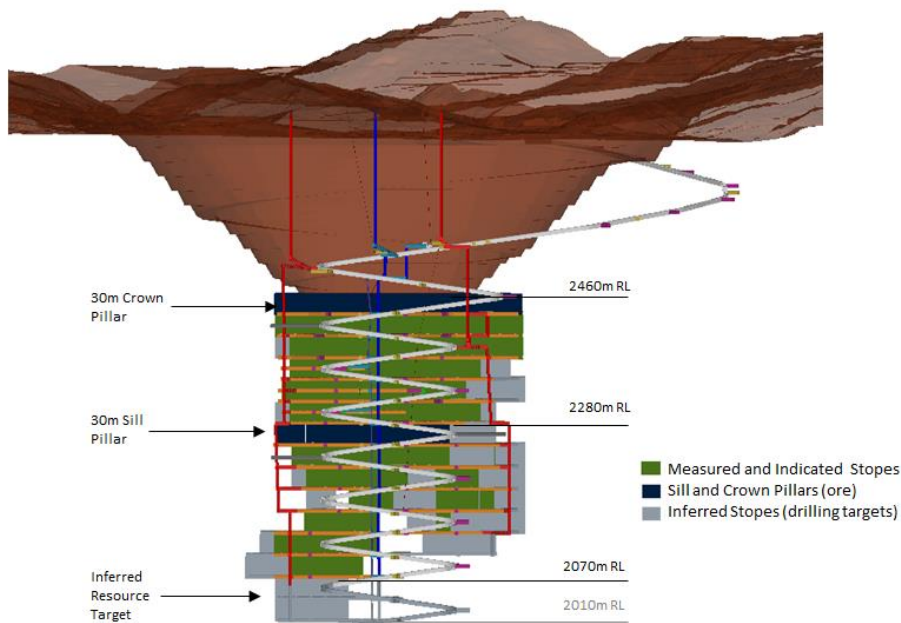
Under the revised mine plan, the open pit mining operations is now expected to be completed at the end of 2017 at which point, the underground feed and open pit stockpiles will maintain the mill capacity (Figure 1).

**Figure 1 – Process Plant Feed Profile**



Through the information gathered from nearly two years of mining operations, extensive geotechnical drilling and analysis and Whittle modelling, the Company has redesigned the open pit to match the geometry of the ore body, improve the ramp layout and lift the interface (crown pillar) between the open pit and underground by 80 metres. The Company has also extended the depth of the underground by an additional 110 metres to 2,070mRL. An Inferred Resource target has been assessed as being economically viable, however it requires improved geological confidence. The potential to extend the underground depth by an additional 60 metres to 2,010mRL exists should the Company be successful in converting this Inferred Resource into the Indicated category (Figure 2). A larger underground will now support mining in two domains thus increasing the underground mining rate from 1.2 Mtpa to a target rate of 1.6 Mtpa.

**Figure 2 – Underground Mine Design Cross Section**



Factoring in the optimised design and mining depletion from the first nine months of 2014, the Company has updated the mineral reserves and resources for Didipio. Tables 1 and 2 below illustrate the updated mineral reserves for Didipio and the variances from the December 31, 2013 mineral reserve statement. The cut-off grades of 0.52 g/t AuEq for the open pit and 1.3 g/t AuEq for the underground are based on metal prices of \$1,250/oz gold and \$3.20/lb copper.

**Table 1 – Updated Mineral Reserves<sup>1</sup>**

Reserve Area	Reserve Class	Tonnes	Gold Grade	Copper Grade	Contained Gold	Contained Copper
		Mt	g/t	%	Moz	kt
Open Pit	Proven	6.65	1.77	0.54	0.38	35.7
	Probable	15.44	0.61	0.42	0.30	64.8
Underground	Proven	2.25	2.48	0.47	0.18	10.5
	Probable	13.67	1.76	0.43	0.77	58.1
Stockpiles	Proven	10.99	0.40	0.43	0.14	47.4
	Probable	0.00	0.00	0.00	0.00	0.00
<b>Total Proven</b>		<b>19.89</b>	<b>1.10</b>	<b>0.47</b>	<b>0.70</b>	<b>93.6</b>
<b>Total Probable</b>		<b>29.11</b>	<b>1.13</b>	<b>0.44</b>	<b>1.77</b>	<b>216.5</b>

**Table 2 – Mineral Reserves Variance<sup>1</sup>**

	Ore Tonnes		Gold Grade		Contained Gold		Copper Grade		Contained Copper	
	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13
	Mt	Mt	g/t	g/t	Moz	Moz	%	%	kt	kt
Open Pit	22.10	32.32	0.96	1.02	0.68	1.06	0.45	0.46	100.5	147.3
Underground	15.92	5.91	1.86	2.25	0.95	0.43	0.43	0.45	68.6	26.6
Stockpiles	10.99	7.42	0.40	0.43	0.14	0.10	0.43	0.46	47.4	34.1
<b>Total</b>	<b>49.00</b>	<b>45.65</b>	<b>1.13</b>	<b>1.09</b>	<b>1.77</b>	<b>1.59</b>	<b>0.44</b>	<b>0.46</b>	<b>216.5</b>	<b>208</b>

Notes:

1. Refer to the updated Didipio Technical Report located at [www.oceanagold.com](http://www.oceanagold.com) for full Resource and Reserve Statement.
2. Open pit resources does not include stockpiles inventory.

Tables 3 and 4 below present and compare the updated Didipio mineral resources within the December 31, 2013 resource statement. The cut-off grades of 0.47 g/t AuEq (above 2,460mRL) for the open pit and 1.12 g/t AuEq for the underground resource are based on metal prices of \$1,450/oz gold and \$3.80/lb copper.

**Table 3 – Updated Mineral Resources (Open Pit)<sup>1,2</sup>**

	Tonnes		Gold Grade		Contained Gold		Copper Grade		Contained Copper	
	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13
	Mt	Mt	g/t	g/t	Moz	Moz	%	%	kt	kt
Measured	6.06	10.58	1.81	1.85	0.35	0.63	0.55	0.55	33.1	58.2
Indicated	21.91	35.36	0.59	0.66	0.42	0.75	0.36	0.36	79.1	127.3
<b>Measured &amp; Indicated</b>	<b>27.96</b>	<b>45.94</b>	<b>0.86</b>	<b>0.93</b>	<b>0.77</b>	<b>1.38</b>	<b>0.40</b>	<b>0.40</b>	<b>112.2</b>	<b>185.5</b>
Inferred	9.8	12.9	0.40	0.40	0.10	0.17	0.20	0.20	19.6	26.0

**Table 4 – Updated Mineral Resources (Underground)<sup>1</sup>**

	Tonnes		Gold Grade		Contained Gold		Copper Grade		Contained Copper	
	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13	Sep 30/14	Dec 31/13
	Mt	Mt	g/t	g/t	Moz	Moz	%	%	kt	kt
Measured	2.57	–	2.50	–	0.21	–	0.48	–	12.3	–
Indicated	17.10	7.67	1.74	2.36	0.96	0.58	0.46	0.51	78.5	39.1
<b>Measured &amp; Indicated</b>	<b>19.67</b>	<b>7.67</b>	<b>1.84</b>	<b>2.36</b>	<b>1.17</b>	<b>0.58</b>	<b>0.46</b>	<b>0.51</b>	<b>90.8</b>	<b>39.1</b>
Inferred	6.39	1.80	1.30	1.60	0.30	0.09	0.40	0.40	23.4	7.0

Notes:

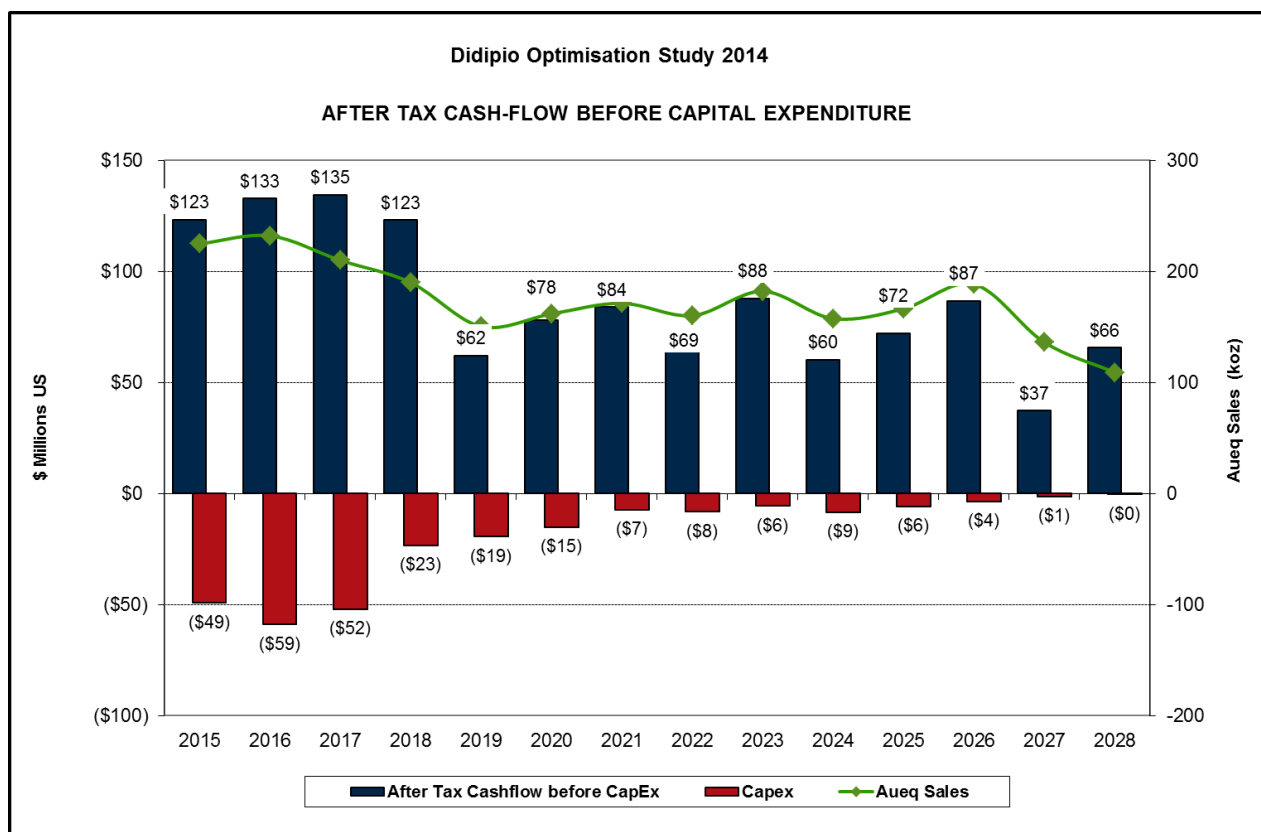
1. Refer to the updated Didipio Technical Report located at [www.oceanagold.com](http://www.oceanagold.com) for full Resource and Reserve Statement.
2. Open pit resources does not include stockpiles inventory.

The pre-production capital cost for the underground development has been estimated to be \$116 million (including purchase of mobile equipment) over a three year period with the bulk of the capital expenditure taking place in 2016 and 2017. The total life of mine sustaining capital costs for the underground is estimated to be \$75 million.

The changes to the mine design and revised mine plan whereby high grade ore feed is brought forward by two years has significantly improved the Didipio production schedule and operating cash flow profile than in the original plan (Figure 3). The smaller open pit design has resulted in 67 million tonnes of waste eliminated from the previous mine plan, which translates into a cost savings for open pit mining of \$215 million from 2018 to 2020. The higher underground production rate has reduced the unit underground mining costs.

With these changes, the Didipio operation's economics have been significantly improved. Using a gold price assumption of \$1,300/oz, copper price assumption of \$3.20/lb, the Company forecasts an after tax and capital expenditure cash flow of \$944 million over the life of mine.

**Figure 3 – Didipio After-Tax Cash Flow Profile**



Mr. Wilkes added, “The Company is preparing for construction of the underground portal scheduled to commence in the first quarter of 2015. In addition to developing access to the underground mine, this will also allow us to explore for new resources at depth beneath the existing ore body. The cost associated with the development is fully financed through the strong free cash flow generation of the business.”

The Technical Report has been filed on SEDAR at [www.sedar.com](http://www.sedar.com) and can also be located on the Company’s website at [www.oceanagold.com](http://www.oceanagold.com).

**Qualified Persons**

The Technical Report was prepared under the supervision of Michael Holmes, Simon Griffiths and Jonathan Moore. Messrs Holmes, Griffiths and Moore are members and Chartered Professionals with the AusIMM. Each is a “qualified person” for the purposes of the National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators (“NI 43-101”). Mr Holmes is a full-time employee of the Company, whilst Messrs Griffiths and Moore are full-time employees of the Company’s subsidiary, OceanaGold (New Zealand) Limited. All such persons are “qualified persons” for the purposes of NI 43-101 and have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person. The qualified persons have reviewed the information and data contained in this press release and have approved it for dissemination.

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### **About OceanaGold**

OceanaGold Corporation is a significant multinational gold and copper producer with over 24 years of operating sustainably in New Zealand and more recently the Philippines. Its flagship operation is the Didipio Mine located in the northern Philippines which commenced commercial production on April 1, 2013 and has a current mine life to 2029. In New Zealand on the South Island, OceanaGold operates the country's largest gold operation at the Macraes Goldfield and the Reefton Gold Mine on the west coast. OceanaGold has an unwavering commitment to the environment and to the host communities in which it operates it.

In 2014, the Company expects to produce 275,000 to 305,000 ounces of gold from the combined New Zealand and Philippine operations and 21,000 to 24,000 tonnes of copper from the Philippine operations.

OceanaGold is listed on the Toronto, Australian and New Zealand stock exchanges under the symbol OGC.

### **Technical Disclosure**

The Company's disclosure of Mineral Reserve and Mineral Resource information is governed by NI 43-101 under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as may be amended from time to time by the CIM ("CIM Standards"). The disclosure of Mineral Reserve and Mineral Resource information is also based on the reporting requirements of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves of December 2012 (the 'JORC Code'). CIM definitions of the terms "Mineral Reserve", "Proven Mineral Reserve", "Probable Mineral Reserve", "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource", are substantially similar to the JORC Code corresponding definitions of the terms "ore reserve", "proved ore reserve", "probable ore reserve", "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource", respectively. Estimates of Mineral Resources and Mineral Reserves prepared in accordance with the JORC Code would not be materially different if prepared in accordance with the CIM definitions applicable under NI 43-101.

There can be no assurance that those portions of such Mineral Resources that are not Mineral Reserves will ultimately be converted into Mineral Reserves. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All Mineral Reserves are within the Mineral Resource.

### **Cautionary Statement for Public Release**

Certain information contained in this public release may be deemed "forward-looking" within the meaning of applicable securities laws. Forward-looking statements and information relate to future performance and reflect the Company's expectations regarding the future growth, results of operations, business prospects and opportunities of OceanaGold Corporation and its related subsidiaries. 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 are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those expressed in the forward-looking statements and information. 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](http://www.sedar.com) under the Company's name. There are no assurances the Company can fulfil forward-looking statements and information. Such forward-looking statements and information 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. Although the Company believes that any forward-looking statements and information contained in this press release is based on reasonable assumptions, readers cannot be assured that actual outcomes or results will be consistent with such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements and information, whether as a result of new information, events or otherwise, except as required by applicable securities laws. The information contained in this release is not investment or financial product advice.

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