



MEDIA RELEASE

29 March 2011

OCEANAGOLD ANNOUNCES EXTENSIONS TO MINERALISATION AT FRASERS UNDERGROUND MINE

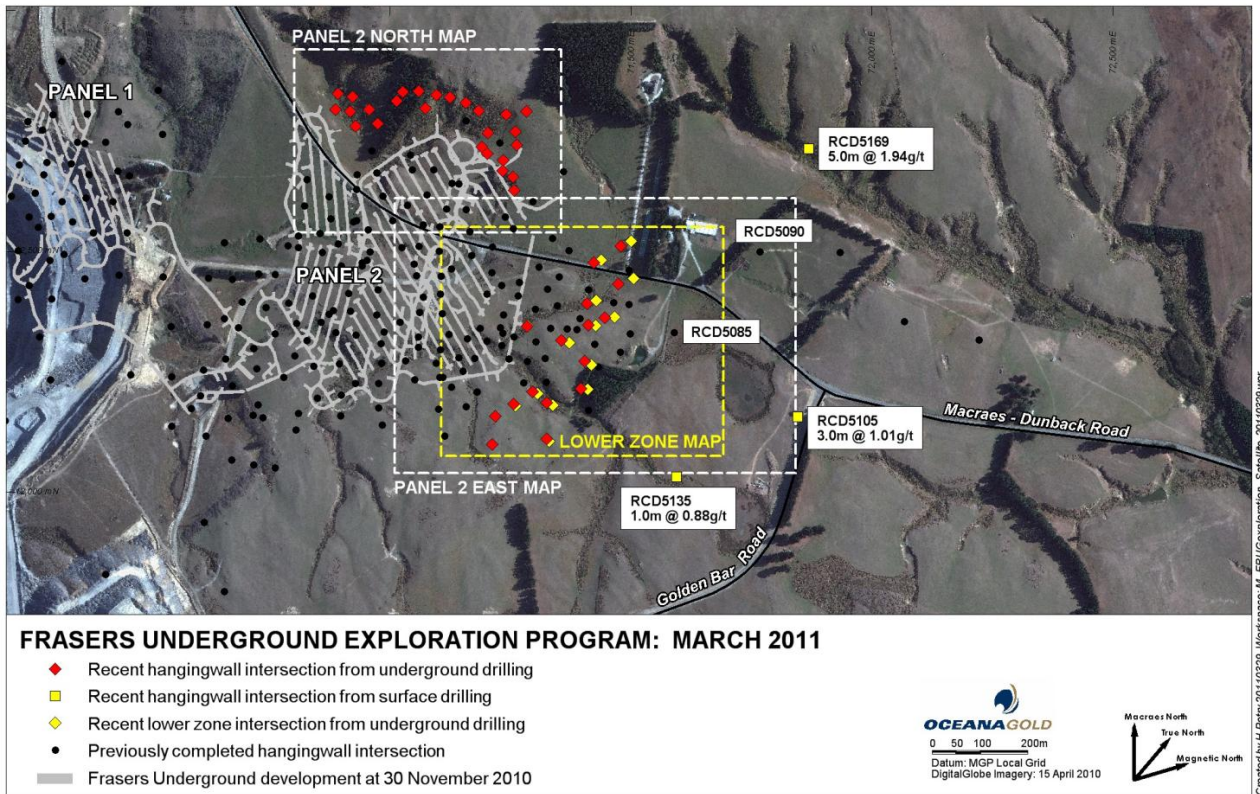
(MELBOURNE) OceanaGold Corporation (ASX: OGC, TSX: OGC, NZX: OGC) (“the Company”) is pleased to announce further results from its surface and underground diamond drilling programs at the Frasers underground mine in Otago, New Zealand.

Highlights

- Significant Lower Zone intercepts (Figure 4) indicate further extensions to the lower zone demonstrating grades and lode thicknesses similar or better than the current Panel 2 mining area.
- Surface and underground diamond drilling has identified further extensions to the gold mineralisation at depth and down dip from the current mine workings in Panel 2 at the Frasers underground mine. Hole RCD5169 drilled north-east of Panel 2 (Figure 1) confirms mineralisation extends at least 500 metres down plunge below the current workings.
- Underground drilling Hangingwall (HW) Shear intercepts shown in Figures 2 and 3 below are demonstrating grades and lode thicknesses similar or better than the current Panel 2 mining area.

N.B. The underground operation primarily targets mineralisation developed along the Hangingwall Shear, which is the most consistently mineralised structure within the Hyde Macraes Shear Zone. Lower Zone refers to a second mineralised zone lying 10-20 metres beneath the Hangingwall Shear to the east of the current mine workings.

Figure 1 – Overview of Frasers Underground Mine



Diamond drilling from the underground exploration drives tested up to 250 metres east and 100 metres north of the current mine workings (Figure 1) extending out towards the significant surface drilling intercepts (RCD5085 and RCD5090) announced 3 May 2010. All holes completed to date successfully intercepted the main mineralised Hangingwall Shear structure.

Figure 2 below is a plan view of the Frasers Underground Exploration Project area showing reported Hangingwall drill intersections east of the current mine design. Figure 3, also below, is a similar plan view showing reported Hangingwall drill intersections north of the current mine design where mineralisation has also been extended.

Figure 2 – Plan view of Frasers Underground Eastern Exploration Project Area with Drill Intersections

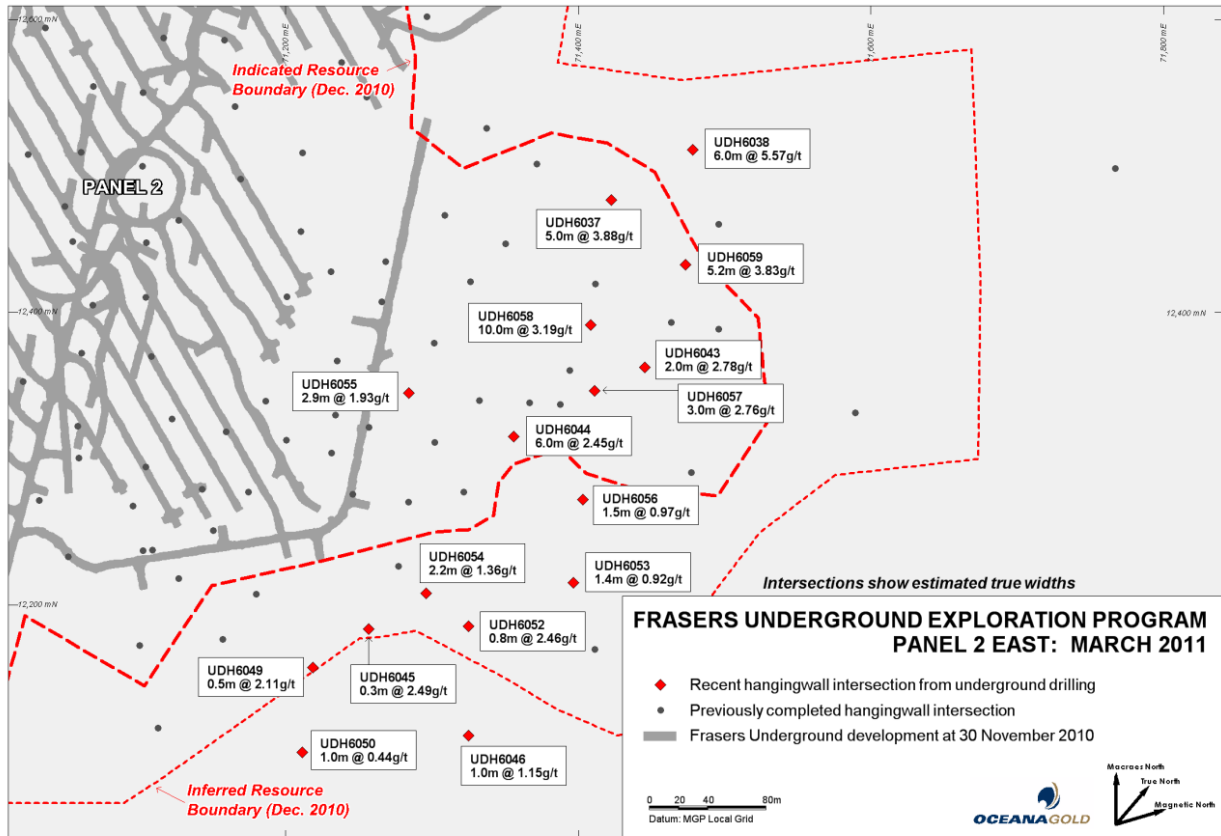


Figure 3 – Plan view of Frasers Underground Northern Exploration Area with Drill Intersections

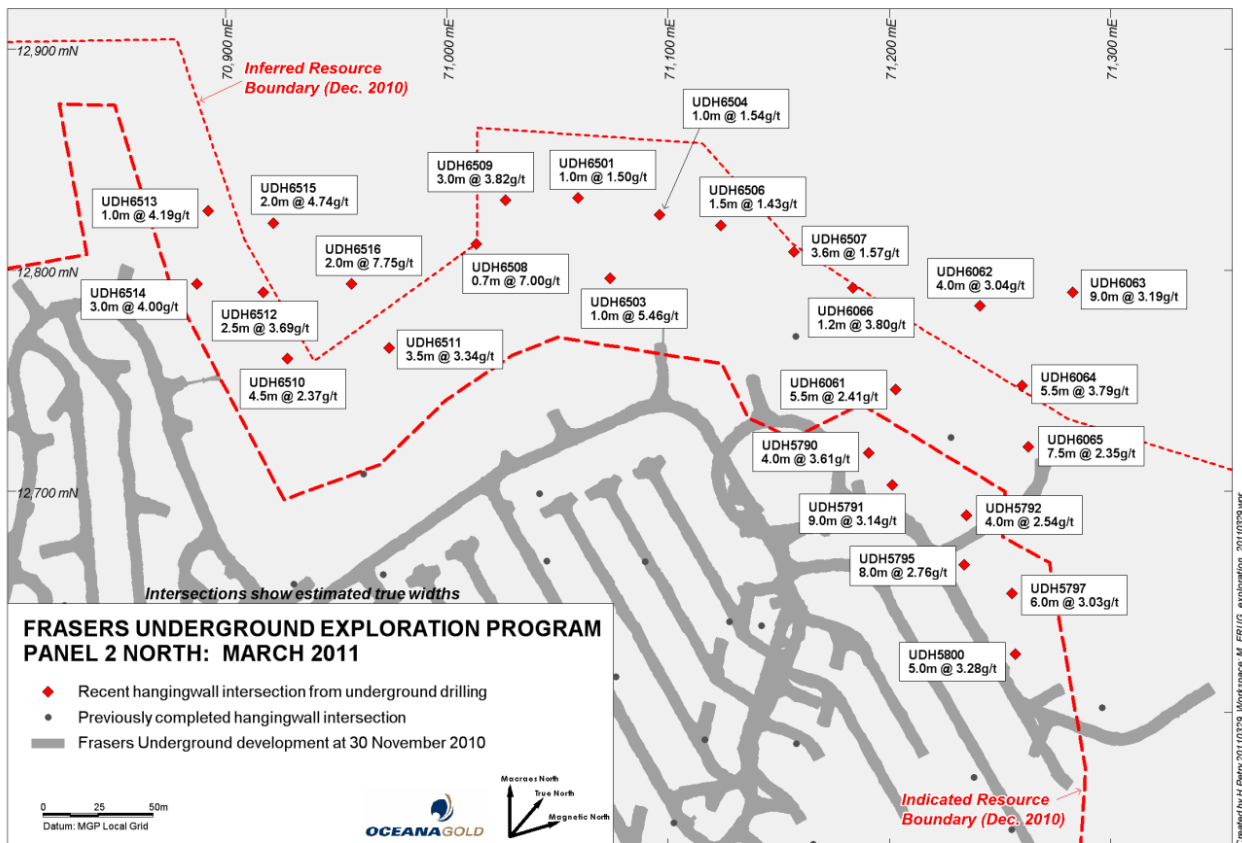
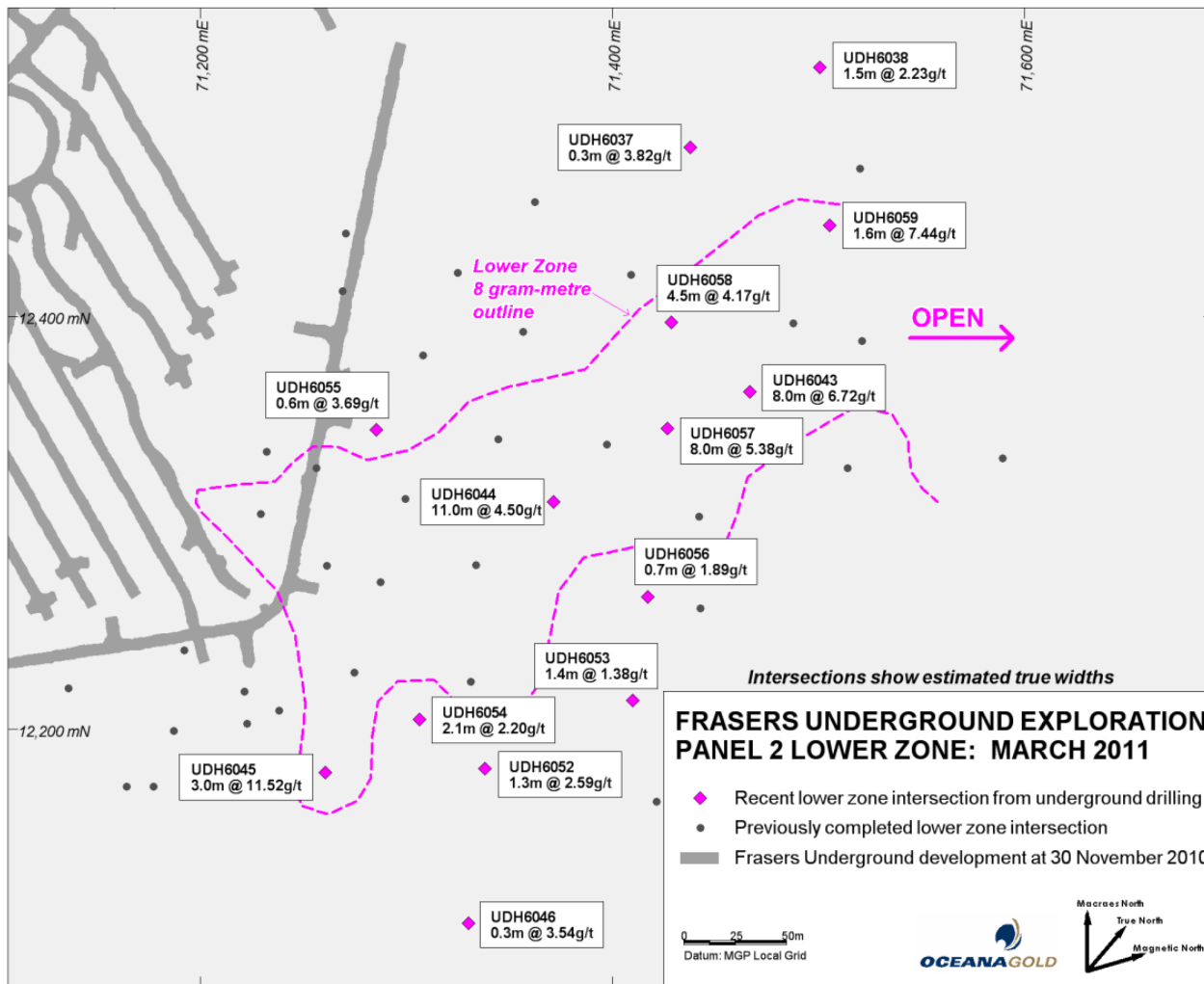


Figure 4 below is a plan view of the Lower Zone which was first reported in Q3 2010 after a number of significant intercepts 10-20 metres beneath the Hangingwall Shear were intercepted. The Figure shows current and previously reported drill intersections interpreted to be part of the same structure. The mineralisation remains open to the north-east and will be further tested through down dip drilling programs in 2011 and 2012. The southern end of the Lower Zone is readily accessible from the current mine workings which will provide platforms for infill drilling and access development. A resource estimate for the Lower Zone is expected to be completed in H2 2011.

Figure 4 – Plan view of Frasers Underground Eastern Exploration Area with Lower Zone Drill Intersections



Diamond drilling from the underground exploration drive continues to infill gaps in the known mineral resources and is also testing for extensions to the north and northeast. Indications are that the Panel 2 mineralisation (HW Shear and Lower Zone) is likely to continue in these directions and may eventually join with or extend beyond the intercepts recorded from surface exploration holes RCD5085 and RCD5090 announced on 3 May 2010 and the more recent intercepts in RCD5169.

Mick Wilkes, CEO commented, “The continued extension of mineralisation at the Frasers underground mine demonstrates the tremendous prospectivity that the Macraes goldfield holds even today after 21 years of production. We are investing another US\$5 – 6 million in resource drilling at the mine this year with an objective to further extend the reserve down dip and to the north of the current mining area. Some of the focus will also target the new lower zone that was discovered last year and is shaping up to be additional reserves that we expect to work into the mine plan in 2012.”

Drill Results

Surface drilling tested the HW shear to the east of the underground workings (Figure 1) and confirmed the general north-east trend of the mineralisation. Assay results from the three holes completed are listed in Table A.

Table A – HW Intercepts from the Frasers Surface Exploration Drill Program

<i>Hole ID</i>	<i>From (m)</i>	<i>To (m)</i>	<i>Intercept Length (m)</i>	<i>True Thickness (m)</i>	<i>Grade (g/t Au)</i>
RCD5105	773.00	776.00	3.00	3.00	1.01
RCD5135	667.00	668.00	1.00	1.00	0.88
RCD5169	867.00	872.00	5.0	5.0	1.94
And	880.00	882.00	2.0	2.0	1.48

Assay results from the most recent 42 diamond holes drilled north, east and south of the underground workings and outside the current mine design are listed in Table B (Hangingwall) and Table C (Lower Zone) below.

Table B – Hangingwall Intercepts from the Frasers Underground Exploration Drill Program

<i>Hole ID</i>	<i>From (m)</i>	<i>To (m)</i>	<i>Intercept Length (m)</i>	<i>True Thickness (m)</i>	<i>Grade (g/t Au)</i>
UDH5790	26.70	34.00	7.30	4.0	3.61
UDH5791	26.30	38.00	11.80	9.0	3.14
UDH5792	36.00	43.00	7.00	4.0	2.54
UDH5795	32.35	42.00	9.65	8.0	2.76
UDH5797	41.00	48.65	7.65	6.0	3.03
UDH5800	37.50	44.00	6.50	5.0	3.28
UDH6037	210.15	219.30	9.15	5.0	3.88
UDH6038	269.00	282.25	13.25	6.0	5.57
UDH6043	228.00	230.95	2.95	2.0	2.78
UDH6044	139.20	147.85	8.65	6.0	2.45
UDH6045	103.70	104.15	0.45	0.3	2.49
UDH6046	196.95	199.05	2.10	1.0	1.15
UDH6049	109.00	110.10	1.10	0.5	2.11
UDH6050	144.90	146.4	1.50	1.0	0.44
UDH6052	154.90	156.30	1.40	0.8	2.46
UDH6053	223.00	225.60	2.60	1.4	0.92
UDH6054	129.00	132.10	3.10	2.2	1.36
UDH6055	97.65	100.70	3.05	2.9	1.93
UDH6056	202.15	204.80	2.65	1.5	0.97
UDH6057	196.60	201.40	4.80	3.0	2.76
UDH6058	199.90	216.00	16.10	10.0	3.19
UDH6059	266.20	277.00	10.80	5.2	3.83
UDH6061	77.00	86.85	9.85	5.5	2.41

UDH6062	104.20	114.90	10.70	4.0	3.04
UDH6063	121.15	147.00	25.85	9.0	3.19
UDH6064	76.90	86.10	9.20	5.5	3.79
UDH6065	57.95	69.95	12.00	7.5	2.35
UDH6066	123.70	126.85	3.15	1.2	3.80
UDH6501	62.80	66.00	3.20	1.0	1.50
UDH6503	31.70	33.45	1.75	1.0	5.46
UDH6504	45.10	47.45	2.35	1.0	1.54
UDH6506	50.40	53.90	3.50	1.5	1.43
UDH6507	76.30	87.00	10.70	3.6	1.57
UDH6508	87.20	89.95	2.75	0.70	7.00
UDH6509	84.90	95.45	10.55	3.0	3.82
UDH6510	56.00	62.05	6.05	4.5	2.37
UDH6511	100.30	109.85	9.55	3.5	3.34
UDH6512	61.00	65.15	4.15	2.5	3.69
UDH6513	85.15	87.00	1.85	1.0	4.19
UDH6514	54.90	59.80	4.90	3.0	4.00
UDH6515	86.30	91.00	4.70	2.0	4.74
UDH6516	92.10	95.70	3.60	2.0	7.75

Table C – Lower Zone intercepts from the Frasers Underground Exploration drill program

<i>Hole ID</i>	<i>From (m)</i>	<i>To (m)</i>	<i>Intercept Length (m)</i>	<i>True Thickness (m)</i>	<i>Grade (g/t Au)</i>
UDH6037	230.60	231.05	0.45	0.3	3.82
UDH6038	299.00	301.40	2.40	1.5	2.23
UDH6043	259.00	272.95	13.95	8.0	6.72
UDH6044	168.65	183.75	15.10	11.0	4.50
UDH6045	116.45	121.00	4.55	3.0	11.52
UDH6046	206.65	207.20	0.55	0.3	3.54
UDH6052	175.90	178.30	2.40	1.3	2.59
UDH6053	241.00	243.70	2.70	1.4	1.38
UDH6054	149.05	152.00	2.95	2.1	2.20
UDH6055	103.85	104.45	0.60	0.3	3.69
UDH6056	224.00	225.25	1.25	0.7	1.89
UDH6057	222.60	239.75	17.15	8.0	5.38
UDH6058	231.00	238.90	7.90	4.5	4.17
UDH6059	311.00	314.15	3.15	1.6	7.44

Qualified Persons

Jonathan Moore, Principal Resource Geologist of Oceana Gold New Zealand Limited is the “qualified person” pursuant to National Instrument 43-101 of the Canadian Securities Administrators. He is a member of the AusIMM.

The Qualified Person Mr Moore has reviewed 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. The underground geological interpretation was completed by Mr Peter Edwards, Senior Project Geologist, MSc (Hons) Geology, Grad. Dip. Business, Grad. Dip Computing, MAusIMM. Underground drilling samples, collected at approximately 1m intervals from sawn diamond core, were prepared and assayed by fire assay methods at the OceanaGold facilities at Macraes, New Zealand. The surface geological interpretation was completed by Mr Matthew Grant, Senior Exploration Geologist, PhD (Applied Geology), BSc (Hons) Geology. Surface drilling samples, collected at 1m intervals from sawn diamond core were prepared and assayed by fire assay methods at the ALS Minerals facilities in Brisbane, Australia. Standard reference materials were inserted to monitor the quality control of the assay data of the surface and underground samples.

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 Reefton open-pit mine. OceanaGold produces approximately 270,000 ounces of gold per annum from the New Zealand operations. The Company also owns the Didipio Gold-Copper Project in northern Luzon, Philippines where pre-construction activities are now underway.

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. 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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