2012 Quarter 1 Results

April 26, 2012

www.oceanagold.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Management Discussion & Analysis contains “forward-looking statements and information” within the meaning of applicable securities laws which may include, but is not limited to, statements with respect to the future financial and operating performance of the Company, its subsidiaries and affiliated companies, its mining projects, the future price of gold, the settlement and cancellation of the Company's hedging facilities, the early redemption of the Company’s convertible notes, the estimation of mineral reserves and mineral resources, the realisation of mineral reserve and resource estimates, costs of production, estimates of initial capital, sustaining capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of the development of new mines, costs and timing of future exploration, requirements for additional capital, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, consents and permits under applicable mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements and information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “targets”, “aims”, “anticipates” or “believes” or variations (including negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements and information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries and/or its affiliated companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, future prices of gold; general business, economic, competitive, political and social uncertainties; the actual results of current production, development and/or exploration activities; conclusions of economic evaluations and studies; fluctuations in the value of the United States dollar relative to the Canadian dollar, the Australian dollar, the Philippines Peso or the New Zealand dollar; changes in project parameters as plans continue to be refined; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability or insurrection or war; labour force availability and turnover; delays in obtaining financing or governmental approvals or in the completion of development or construction activities or in the commencement of operations; as well as those factors discussed in the section entitled “Risk Factors” contained in the Company’s Annual Information Form in respect of its fiscal year-ended December 31, 2010, which is available on SEDAR at www.sedar.com under the Company’s name. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Also, many of the factors are outside or beyond the control of the Company, its officers, employees, agents or associates. Forward-looking statements and information contained herein are made as of the date of this Management Discussion & Analysis and, subject to applicable securities laws, the Company disclaims any obligation to update any forward-looking statements and information, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward -looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information due to the inherent uncertainty therein. All forward-looking statements and information made herein are qualified by this cautionary statement.

This Management Discussion & Analysis may use the terms “Measured”, “Indicated” and “Inferred” Resources. U.S. investors are advised that while such terms are recognised and required by Canadian regulations, the Securities and Exchange Commission does not recognise them. “Inferred Resources” have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Resources will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Resources may not form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into reserves. U.S. investors are also cautioned not to assume that all or any part of an Inferred Resource exists, or is economically or legally mineable.

This document does not constitute an offer of securities for sale in the United States or to any person that is, or is acting for the account or benefit of, any U.S. person (as defined in Regulation S under the United States Securities Act of 1933, as amended (the “Securities Act”)) (“U.S. Person”), or in any other jurisdiction in which such an offer would be unlawful.

Technical Disclosure

Dr Michael Roache, (PhD) - Head of Exploration, Mr Jonathan Moore – Group Mine Geology Manager, Mr Rod Redden – General Manager Technical Services and Knowell Madambi, Principal Development Engineer all of OceanaGold, are responsible for the technical disclosure in this document, and are Qualified Persons under the Canadian Securities Administrators’ National Instrument 43-101 – Standards of Disclosure of Mineral Projects (“NI 43-101”). Dr Roache is a member of both the AusIMM and Australasian Institute of Geoscientists while Messrs. Moore and Redden are both members and Chartered Professionals with the AusIMM. Soil samples, and drill samples collected at 1 metre intervals or less, from both reverse circulation chips and sawn diamond core, were prepared and assayed by fire assay methods at either the SGS facilities at Macraes, Westport and Waihi, New Zealand, and the ALS facilities in Brisbane and Townsville, Australia. Philippine soil samples were prepared and assayed at McPhar laboratories in Manila, Philippines. Standard reference materials were inserted to monitor the quality control of assay data. Dr Roache and Messrs. Moore, Redden and Madambi have approved the technical information in this document.

For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating to the Reefton Project, the Macraes Project and the Didipio Project please refer to the NI 43-101 compliant technical reports available at sedar.com under the Company’s name.

Management Discussion and Analysis of Financial Condition and Results of Operations for the Quarter Ended March 31, 2012

HIGHLIGHTS

- Revenue of $88.6 million for the quarter from gold sales of 51,852 ounces at an average price of $1,708 per ounce and cash costs of $1,126 per ounce
- Produced 50,842 ounces of gold during the first quarter
- EBITDA (earnings before interest, taxes, depreciation and amortisation)* was $23.3 million
- Construction activities at Didipio Project in the Philippines progressed as planned with key milestones during the first quarter being majority completion of the process plant foundation, commencement of the tailings storage facility and arrival of major lead time items on site
- Initial drill results from Blackwater exploration program were successful with intersection of high grade quartz reef reporting 1.0 meter (0.5m true width) at 23.3g/t Au
- Total Company Proven and Probable reserves increased to 3.65 Moz gold and 229,000 t copper representing the third consecutive year of reserve expansion
- Cash Balance March 31, 2012 was $123.3 million

All statistics are compared to the corresponding 2011 period unless otherwise stated.

OceanaGold has adopted USD as its presentation currency and all numbers in this document are expressed in USD unless otherwise stated.

* EBITDA is a non GAAP measure. Refer to page 26 for explanation of non GAAP measures.

OVERVIEW

Results from Operations

OceanaGold recorded revenue of $88.6 million in the first quarter of 2012 from sales of 51,852 ounces at a cash cost of $1,126 per ounce.

Gold production for the first quarter of 2012 was 50,842 ounces, down 23% versus 65,750 ounces in the previous quarter due to planned extended plant maintenance at both Macraes and Reefton. In addition, higher than expected ground movement occurred at Frasers Underground. Some of the drives have been closed for routine access, restricting access to a number of stoping areas. Redevelopment work was largely completed by the end of the first quarter and it is expected that normal levels of production at Frasers Underground will return later in the second quarter.

The average gold price received in the first quarter of 2012 was $1,708 per ounce and was comparable to the previous quarter. Operating cash cost per ounce sold was $1,126 versus the prior quarter of $890 (prior to year inventory adjustment). The increase was due to lower ounces produced and adverse foreign exchange rate movements. Review of cost management is continuing as part of the Company's Performance Management Program.

Total material mined during the first quarter of 15.0 million tonnes was 10% lower than the previous quarter due to longer trucking haulage distances at Macraes Open Pit as the pit deepens, partly offset by increased movement at Reefton.

Mill throughput for the first quarter of 1.81 million tonnes decreased by 5% over the prior quarter as a result of planned plant maintenance at both Macraes and Reefton. Mill feed grade was 1.08g/t versus 1.31 g/t in the prior quarter due to lower underground ore tonnage mined and repeated issues with Stibnite adversely impacting the feed grade at Reefton which is currently under investigation. Overall recovery remained strong at 81.4%.

Cash flow from operations for the first quarter was $24.1 million. The cash balance at the end of the quarter was $123.3 million.

Production & Cost Guidance

In December 2011, the company reported FY2012 production guidance set at 230,000 – 250,000 ounces of gold at cash costs of $900 - $980 per ounce (assumes NZD/USD exchange rate of $0.80).

The Company expects gold production in the second half of the year to be greater than the first half as the production of the higher grade gold from Frasers Stage 5 at Macraes Goldfields commences, Frasers Underground returns to normal operating levels following redevelopment of access to certain stoping areas and increased mining rates at Reefton. As a result of the higher production expected in the second half, cash costs are expected to be lower in this period assuming constant exchange rates.

Guidance remains unchanged.

Didipio Project

During the first quarter of 2012, construction progress remained on track with the majority of the process plant foundation complete, commencement of steel erection, major equipment such as mills shells and flotation tanks have arrived on site and construction of the tailings storage facility is well underway.

The process plant design is complete and over 50% of the concrete pouring was achieved by quarter end and is progressing at a rate of 5% per week. Steel erection is underway and the major structural and mechanical contractor mobilised to site in April. Key long lead time items such as the flotation tanks and mill shells were shipped and arrived on site during the quarter. All major construction contracts are either awarded or are in post tender negotiations.

Mining commenced in January with two starter waste rock pits developed within the ultimate pit. Waste rock within the pit is being used for construction of the tailings storage facility (TSF). The completion of Phase 1 of the TSF clay core keyway was the first milestone of the TSF construction.

There are currently over 1,000 contractors and employees on site engaged in construction activities, of which 97% are Filipinos. The construction camp is now complete and beds at near full capacity and other staff not from the area being billeted with families in the local community.

During the quarter, $42.9 million was spent on construction. Total spend since the project recommenced in June 2011 was $108.5 million.

The project is on schedule to commission in Q4 2012.

During the quarter, "DiCorp", the local community cooperative was awarded the major contract for maintenance of the access road. Other initiatives during the quarter included providing fruit bearing seedlings as part of a forest protection program and continuation of the medical missions including participation from the Company's physician.

Exploration

The Company invested $3.8 million on exploration during the first quarter with the majority of that being incurred in New Zealand.

At Reefton in New Zealand, exploration during the quarter focused on Greenfields and Brownfields exploration drilling. Diamond drill rigs continued deep drilling programs at the Globe Progress Mine and Blackwater historical mine during the quarter. Subsequent to quarter end, the Company announced successful drilling at Blackwater intersected the high grade quartz reef approximately 650 metres down plunge below previously mined workings.

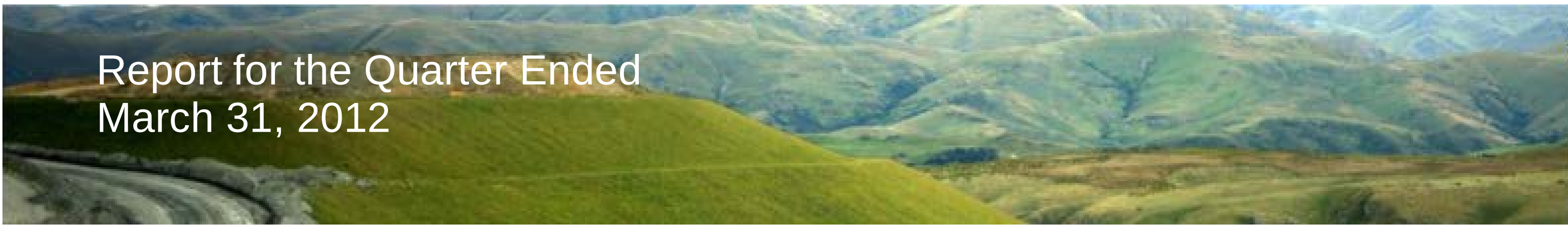
Helicopter assisted diamond drilling was conducted at Big River South, Blackwater North and Target 38.

Exploration continued at the Frasers Underground mine with mineralisation being confirmed to the north and northeast of the current workings. Mineralisation remains open in both directions. Exploration drilling will continue in the down dip areas of Panel 2 to convert inferred resources to reserves.

Surface drilling programs at the Macraes Goldfield targeted blind mineralisation located immediately east (down-dip) of the Frasers Underground mine and between 2.5 to 6 kilometres north of Macraes Open Pit (namely Innes Mills and Coronation South projects).

Exploration in the Philippines focused on the Financial or Technical Assistance (FTAA) areas with additional soil sampling at the MMB, TNN, Papaya, and D'Beau prospects to further delineate Au-Cu geochemical anomalies as well as trenching at the Papaya and Mogambos prospects where anomalous copper and gold sample results were obtained.

During the quarter, the Company announced total Proven and Probable reserves increased to 3.65 Moz gold and 229,000 t copper representing the third consecutive year of reserve expansion net of mine depletion.



- Table 1 -
Key Financial and Operating Statistics

Financial Statistics	**Q1 Mar 31 2012**	**Q4 Dec 31 2011**	**Q1 Mar 31 2011**
Gold Sales (Ounces)	51,852	62,515	64,765
	USD	**USD**	**USD**
Average Price Received ($ per ounce)	1,708	1,705	1,401
Cash Operating Cost ($ per ounce)	1,126**	947*	687
Cash Operating Margin ($ per ounce)	**582**	**758**	**714**
Non-Cash Cost ($ per ounce)	426	349	296
Total Operating Cost ($ per ounce)	1,598	1,296	983
Total Cash Operating Cost ($ per tonne processed)	33.65	31.13	23.62

Combined Operating Statistics	**Q1 Mar 31 2012**	**Q4 Dec 31 2011**	**Q1 Mar 31 2011**
Gold Produced (ounces)	50,842	65,750	65,671
Total Ore Mined (tonnes)	1,407,349	2,310,815	2,005,085
Ore Mined Grade (grams/tonne)	1.29	1.26	1.21
Total Waste Mined (tonnes) - incl pre-strip	13,608,782	14,369,845	14,387,602
Mill Feed (dry milled tonnes)	1,806,704	1,902,368	1,876,154
Mill Feed Grade (grams/tonne)	1.08	1.31	1.29
Recovery (%)	81.4%	82.2%	83.4%

Combined Financial Results	**Q1 Mar 31 2012 $'000**	**Q4 Dec 31 2011 $'000**	**Q1 Mar 31 2011 $'000**
EBITDA	23,285	43,662	43,998
Earnings/(loss) after income tax	(3,863)	14,336	14,772

***Cash operating costs per ounce in Q4 2011 before year end inventory adjustment were $890. No such inventory adjustments were recorded in the prior quarters in 2011.**

**** Cash operating costs per ounce has been adjusted in Q1 2012 to reflect the decision to combine the administrative functions of the Melbourne, Dunedin and Makati offices under single management from 1 January 2012. In particular, previously the activities of the Dunedin office, such as finance, legal, regulatory, information technology, technical and supply services were treated as part of mine operating costs. With the start-up of the Didipio operations scheduled for Q4 2012, this change reflects the development of the business into a multi-regional mining company.**

PRODUCTION

Gold production for the first quarter of 2012 was 50,842 ounces, down 23% versus 65,750 ounces in the previous quarter due to planned extended plant maintenance at both Macraes and Reefton. In addition, higher than expected ground movement occurred at Frasers Underground with ground support rehabilitation restricting access to a number of stoping areas resulting in production levels below our expectations. The Company expects gold production in the second half of the year to be greater than the first half as the production of the higher grade gold from Frasers Stage 5 at Macraes Goldfields commences, Frasers Underground returns to normal operating levels following redevelopment of certain stopes and increased mining rates at Reefton. Full year 2012 production guidance of 230,000 to 250,000 ounces of gold remains unchanged.

Cash operating costs for the first quarter of 2012 were $1,126 per ounce sold. The increase of cash costs from the previous quarter was mainly due to lower ounces produced and unfavourable movement in foreign exchange rates.

The Company continues to strive for operational excellence and opportunities to efficiently manage its operating costs without compromising the safety of its employees and contractors or adverse impact on local communities and environment. As part of its Performance Management Program, OceanaGold is currently reviewing its supply chain and cost base for fuel and explosives which comprise a significant proportion of overall cash costs. The tendering process is nearing completion with expected combined annualised savings of 6% on the current fuel and explosives costs.

As expected, first quarter cash costs fell outside of the full year guidance range of $900 to $980 per ounce which assumes an exchange rate of NZD/USD $0.80. As production levels in the second half are expected to be greater than the first half, cash costs are expected to be lower in the second half than the first half of the year. Full year cash cost guidance remains unchanged.

OPERATIONS

Macraes Goldfield (New Zealand)

The Macraes operations (Open Pit and Underground) incurred two lost time injuries (LTI) during the first quarter. Both involved a loss of footing – one in the process plant on a concrete bund and one in the open pit dismounting from a dozer. In the plant incident, safer access has been provided, whilst for the dozer incident modifications to the access steps have been made and reinforcement of the correct dismounting practice.

Production from the Macraes Goldfield for the quarter was 34,851 gold ounces compared to 44,451 gold ounces the previous quarter. The lower production was due to less ore tonnage mined from the Frasers Underground mine and lower mill throughput as a result of a planned processing plant and autoclave shutdown that lasted for six days.

Total material movement from the Macraes Open Pit was 10.1 million tonnes in the quarter, down 17% on the previous quarter due to longer trucking haulage distances as the open pit deepens.

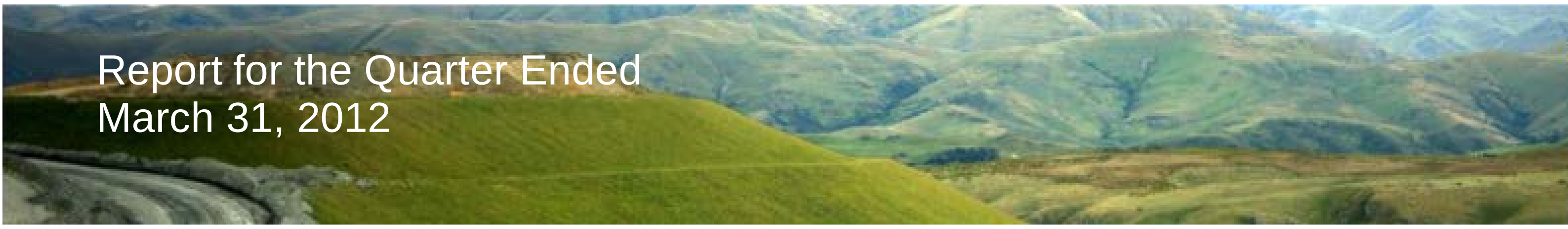
Mining continued in the Frasers 5 cutback with the overburden material hauled to the Frasers East and Frasers West waste dumps.

At Frasers Underground, mining was carried out in Panel 2. Total ore mined for the quarter was 157,000 tonnes, a 35% reduction on the fourth quarter in 2011. Stope production was well down on the previous quarter due to higher than expected ground movement in Panel 2 within some of the drives which have been closed for routine access. The main consequence of this was restricting loss of access to a number of stoping areas until alternate access could be developed. Ground movement had been modelled to occur but was greater than expected.

The redevelopment work to return underground production levels back to normal was largely completed by the end of the first quarter. Ore production levels from the underground are expected to average approximately 70% of normal rates for the first half of 2012.

Mill throughput was 1.39 million tonnes compared to 1.47 million tonnes in the previous quarter. An extended plant shutdown took place in February to upgrade the conductor on the 66kV power line from Ranfurly to Macraes, descaling of the autoclave, overhauling the cryogenic oxygen plant and maintenance on the primary mill trunnion bearing. Mill feed grade for the quarter was 0.98 grams per tonne, versus the previous quarter of 1.14 grams per tonne. The grade difference was mainly due to lower underground ore tonnage mined this quarter.

The process plant recovery in the first quarter was 80.8% compared to 82.5% the previous quarter. The recovery was in line with our expectations given the lower feed grade.



Reefton Goldfield (New Zealand)

There was one lost time injury (LTI) during the quarter at the Reefton Operations and an Incident Cause Analysis Method (ICAM) investigation is underway. As a result, the LTI frequency rate has increased to 3.43 (from 1.84 in 2011) per million man hours. Two safety audits, one internal and one behavioural practices based, were undertaken in the first quarter. Work is underway on the findings and recommendations from the internal audit, whilst the other audit findings are due in the second quarter.

Gold produced for the quarter was 15,991 ounces, compared with 21,299 ounces in the preceding quarter. The lower production is due to the timing of the higher grades expected from the remainder of the Souvenir deposit, now due later in the year.

Total material mined for the first quarter was 4.7 million tonnes, 10% higher than the previous quarter, yet below our expectations due to lower mechanical availability and performance of hire fleet. The fleet has now been replaced with larger haul trucks owned and maintained by the Company.

The total ore mined was 319,112 tonnes, and was ahead of our plan. No mining or production occurred at Souvenir Pit due to the required cutback of the south wall that required further consents to be granted. The consents were awarded in late March. Mining is expected to resume at Souvenir Pit in the second quarter with ore produced in the third quarter.

During the first quarter, an overhauled excavator and four CAT 785C's were transferred from Macraes and two new dozers were delivered to replace hired equipment. This additional equipment will have a significant effect on total movement in the second quarter with both increased capacity and mechanical availability compared to the poor performing hire fleet.

In February, a major plant maintenance program took place over eight days and resulted in the full overhaul & rebuild of the apron feeder, full reline of the mill, overhaul of the mill electric motor and rebuild of the jaw crusher. This was the largest shutdown of the plant since commissioning in 2007. As a result, process plant throughput was 414,644 tonnes, which was lower than the previous quarter.

Grade through the mill was 1.44 g/t in the first quarter. Mill recovery has been impacted by issues with Stibnite (antinomy sulphide) adversely affecting the tails grade, due to sliming in mill circuit. Further investigation is underway to fully understand this occurrence.

Gold recovery for the quarter improved to 83.2% versus the previous quarter at 81.3%.

The first quarter has seen the operation focus on short and medium term mine planning along with the corresponding consent application being compiled and submitted for approval. Work is still ongoing with the life of mine consent application, due for submission in late second quarter.

Recruitment during the first quarter improved significantly and headcount increased with new hires and several newly created positions. The processing plant converted from three to four panel roster in March. A review of the mining maintenance rosters is underway to improve both the attraction and retention in this area.

- Table 2 -
Macraes Operating Statistics

Macraes Goldfield Operating Statistics	Q1 Mar 31 2012	Q4 Dec 31 2011	Q1 Mar 31 2011
Gold produced (ounces)	34,851	44,451	44,157
Total Ore Mined (tonnes)	1,088,237	1,894,369	1,618,906
Ore Mined grade (grams/tonne)	1.16	1.12	1.06
Total Waste Mined (tonnes) incl pre-strip	9,183,015	10,489,708	10,935,566
Mill Feed (dry milled tonnes)	1,392,060	1,470,713	1,456,622
Mill Feed Grade (grams/tonne)	0.98	1.14	1.13
Recovery (%)	80.8%	82.5%	83.6%

- Table 3 -
Reefton Operating Statistics

Reefton Goldfield Operating Statistics	Q1 Mar 31 2012	Q4 Dec 31 2011	Q1 Mar 31 2011
Gold produced (ounces)	15,991	21,299	21,514
Total Ore Mined (tonnes)	319,112	416,446	386,179
Ore Mined grade (grams/tonne)	1.74	1.87	1.82
Total Waste Mined (tonnes) incl pre-strip	4,425,767	3,880,137	3,452,036
Mill Feed (dry milled tonnes)	414,644	431,655	419,532
Mill Feed Grade (grams/tonne)	1.44	1.89	1.84
Recovery (%)	83.2%	81.3%	82.4%

DEVELOPMENT

Didipio Project (The Philippines)

There was one lost time injury (LTI) late in the quarter at the Didipio Project shortly after achieving over one million man hours without a LTI.

During the first quarter of 2012, construction progress remained on track with the majority of the process plant foundation complete, commencement of steel erection, major equipment such as mills shells and flotation tanks have arrived on site and construction of the tailings storage facility is well underway.

The process plant design is now complete and the earthworks for the power plant were finished in March. Concrete pouring was over 50% complete by the end of the quarter and is progressing at a rate of 5% per week. Structural concrete pours have been completed for the concentrate handling shed, tailings thickener, crusher and reagents areas and is well advanced on the water storage areas, gold room, flotation and grinding area which will be completed in early April, ready for the major structural and mechanical contractor to start on schedule. Steel erection for the concentrate and reagents building is well underway with a target completion of late April. Key long lead-time equipment was shipped to NE Luzon by sea and is now at Didipio site. This includes items such as flotation tanks and mill shells.

Mining commenced in January 2012 with the Philippines based contractor starting construction of the haul road between the open pit and the tailings dam. Two starter waste rock pits have been developed within the ultimate pit. Permits for the explosives magazine were received and blasting of waste rock within the pit has commenced with the rock being used for the tailings storage facility (TSF) construction, ROM pad construction, and other civil foundation purposes.

The TSF Phase 1 clay core keyway has been constructed, with Phase 2 keyway excavation completed and placement of engineered fill underway. The successful completion of the Phase 1 keyway is the first milestone for the construction of the TSF. The first waste rock from the mining starter pit has also been delivered for the TSF wall buttressing with works progressing to schedule.

All major construction contracts are either awarded or are in post tender negotiations. The major installation contract covering the structural and mechanical works for the power station and process plant including the mill and crusher installation has been awarded to a local Filipino company with international construction experience who have now mobilised to site. During the quarter, contracts for the explosives and fuel supply were also awarded.

There are currently over 1,000 contractors and employees on site engaged in construction activities, of which 97% are Filipinos. The construction camp is complete with almost 500 beds at near full capacity. Of the remaining staff, 300 are from the local community and the rest are being billeted with families in the local community. The permanent operations accommodation village is scheduled to be completed in second quarter 2012 to facilitate the full mining and operations workforce.

During the quarter, $42.9 million was spent on the construction. Total spend on construction since the project recommenced in June 2011 was $108.5 million.

As part of its Financial or Technical Assistance Agreement (FTAA) at Didipio, the Company is committed to developing a Social Development and Management Plan (SDMP) and commit 1.5% of its operating costs to funding initiatives under the SDMP. The SDMP benefits are shared amongst the host community (Didipio) and nine other upstream and downstream communities. During the quarter, the Company successfully concluded a Memorandum of Agreement between Didipio and the nine surrounding communities on how to share the SDMP funding.

In the first quarter of 2012, the local community cooperative formed in 2011 ("DiCorp") was awarded the major contract for maintenance of the 22km access road. Other contracts awarded to DiCorp include recycling & waste collection, transportation services, construction of a new tree nursery, and supply of general labour pools. Following detailed consultation with the host community and nine neighbouring communities, infrastructure improvement has been identified as a key priority. As a result, construction of a major drainage system upgrade within the Didipio community is well advanced. An additional contract for similar improvements to the community's main access road has also been recently awarded.

Other community initiatives during the quarter included providing fruit bearing seedlings as part of a community environment and forest protection program, sponsored training in basic journalism for Didipio high school students and continuing medical missions including participation by the Company's physician who conducted minor surgery services.

Figure 1: Concentrate handling ring beam, March 2012

Figure 2: Completed grinding mill plinths, March 2012

EXPLORATION

Exploration expenditure in New Zealand was $3.5 million during the first quarter.

Reefton Goldfield – New Zealand

Several exploration programs were ongoing at the Reefton Goldfield. The deep drill programs at the Globe Progress Mine and Blackwater historical mine continued throughout the quarter. Helicopter assisted diamond drilling was conducted at Big River South, Target 38 and Blackwater North (Figure 3).

The deep drilling program at the historic Blackwater underground mine commenced in November 2011. The first hole (WA21) returned poor core recovery through the reef, however, a daughter hole (WA21A) successfully intersected the reef at 1,315.9 metres down hole with acceptable core recovery. WA21A intersected the reef at approximately 652m down plunge (391m vertical metres) from the old workings. Half core from WA21A was submitted for screen fire assay. Subsequent to quarter end, the Company announced initial results from WA21A which indicated 1.0m (estimated true width of 0.5m) grading 23.3 g/t Au. These results were consistent with historical mining records from the mine. A new hole WA22 commenced in late March aimed at testing the reef along strike to the north at a similar depth below the workings (Figure 4). The program is expected to continue throughout 2012.

The Globe Deeps preliminary geological interpretation was completed with a 95,000 ounce inferred resource announced in May 2011. An 18 drill hole program commenced at Globe Progress last year. The program will consolidate mineralisation within the Globe Open Pit as well as test extensions, known as Globe Deeps, beneath the final pit floor design. Assay results for only RCD0015 have been received to-date. RCD0015, an open pit infill drill hole, returned 12m @ 2.60 g/t Au from 229m.

Screen-fire and standard fire gold assay results for the final hole BR0019 of the diamond drilling program at Big River were received during the quarter (Table A). During 2011, 19 holes for 3,980m were completed. Drilling targeted two sub-parallel zones (upper and lower) of high-grade gold mineralisation adjacent to the historical Big River mine. The Big River mine extended to 600m below surface and historically produced 135,974 ounces at an average grade of 34.1 g/t Au. Mineralisation has been tested 260m along strike and approximately 360m down dip from surface. The mineralised structures persist along strike and down dip, however, lower assay results have been encountered in later holes BR0013 to BR0019. A resource estimate will be completed to determine if additional drilling is warranted.

Assay results for the final three holes (HVS003 to HVS006) were received from the six hole (791m) diamond drill program completed at Happy Valley Shear, located four kilometres south of the Reefton processing plant. The best results include hole HVS005 with 5m (down hole) or 2.1m true width @ 2.78 g/t Au from 108m depth (Table B). The potential for additional drilling is currently being assessed.

At Target 38, a two hole (330m), helicopter-assisted diamond drilling program was completed in first quarter targeting a coincident arsenic-gold soil anomaly. The area is located five kilometres south of the Reefton processing plant. Results have been received and are of low tenor. No additional drilling is currently planned.

A seven hole (BRS001 to BRS007) helicopter-assisted diamond drilling program for 926.2m was completed in first quarter at Big River South. Drilling targeted bedrock gold anomalies highlighted using portable jack hammers. Results have been received for the first five holes and include 4m down hole @ 2.09 g/t Au from 72m depth in hole BRS004.

Figure 3: Reefton exploration overview

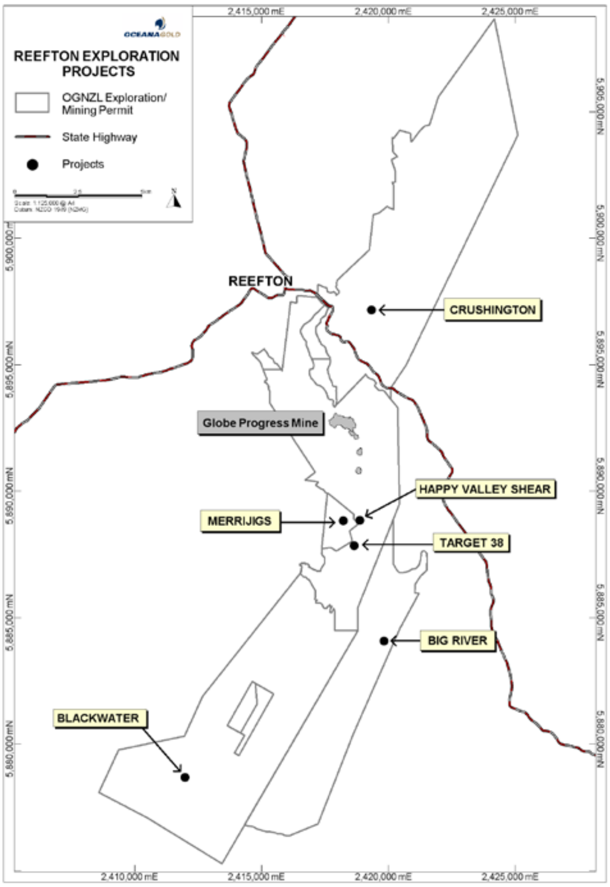
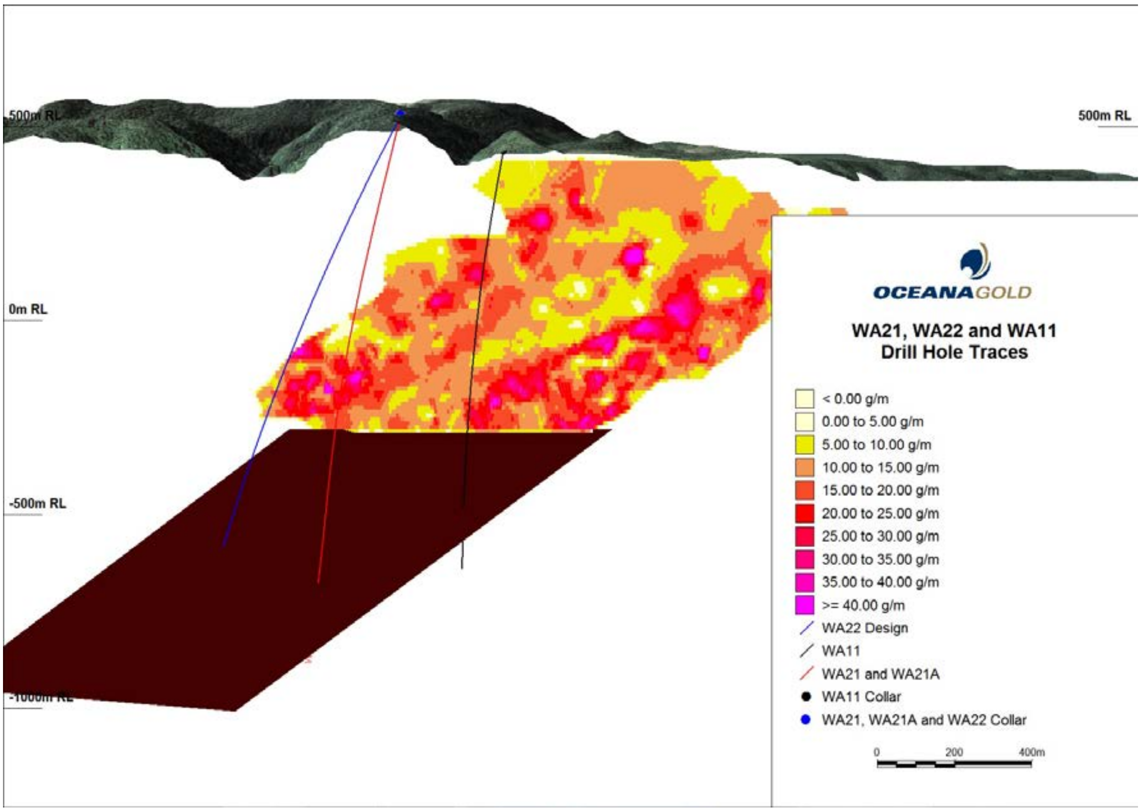


Figure 4: Oblique view of the Blackwater historical mine showing gram-metres from historical workings, modelled down plunge quartz reef extension and drill hole traces.



Macraes Goldfield

Underground exploration and resource infill drilling continued at the Frasers Underground mine with 2,393.4m drilled and 11 diamond drill holes completed in the first quarter. The drilling confirmed mineralisation extends to the north and north-east of the underground workings and the deposit remains open in both directions. Diamond drilling of a stock work zone under part of the lower mineralised zone also commenced in this quarter. The underground exploration drive advanced a further 47m during the quarter providing access down-dip for step-out and infill underground drilling. Exploration drive development has now ceased to allow diamond drilling to continue uninterrupted.

An eleven hole drilling program was completed during first quarter to test for projections of mineralisation into the east wall of the Frasers open pit. All assay results have been received. Best intersections include; RCH5403 12m @ 1.62 g/t Au from 119m, RCH5407 10m @ 1.40 g/t Au from 220m, RCH5424 6m @ 1.52 g/t Au from 268m, RCH5425 25m @ 1.3 g/t from 163m and RCH5427 6m @ 2.31 g/t from 223m. A follow-up infill drilling program is underway and expected to be completed during second quarter.

A four hole surface drill program planned to test potential extensions to mineralisation to the south west from Frasers Underground mine (holes RCD5448 to RCD5451) for 2,464.3m commenced in late October 2011 and was completed in February 2012. The drilling has closed off mineralisation to the south west.

Assay results for a two hole RC drill programme (RCH5452 and RCH5453) at Golden Bar on Dunback Permit (EP 40524) were received during the first quarter. Best Results include hole RCH5452 with 4m down hole (3.9m true width) @ 1.47 g/t Au from 251m and hole RCH5453 with 2m down hole (2m true width) @ 1.66 g/t Au from 266m. Mineralisation remains open down plunge.

A four hole drill program commenced in December 2011 targeting blind mineralisation located between 2.5 and 3.5 kilometres north of the Macraes Open Pit. To date the first 2 holes (RCD5454 and RCD5455) were completed for 1,214m. Assay results for the first hole have returned encouraging results with an intercept of 18m down hole (15.6m true width) @ 1.27 g/t Au from 481m including 2m down hole (1.8m true width) @ 3.59 g/t Au from 495m. Drilling of the remaining 2 holes is expected to be completed in the second quarter.

A combined surface RC and diamond drill program comprising 11 holes for 1,230m has been completed immediately south of the Coronation deposit. Drilling has defined a shallow east dipping 1 to 2 metre thick mineralised Hangingwall shear. Assay results are expected in the second quarter. Follow-up drilling may be required.

Three new permit applications have been submitted including two exploration permit applications and one prospecting permit application (Figure 6).

Figure 5: Exploration drilling activity at Macraes during the quarter was conducted at several locations including immediately east of the Fraser Underground mine and between 2.5 and 6 kilometres north of Macraes Open Pit (namely Innes Mills and Coronation South).

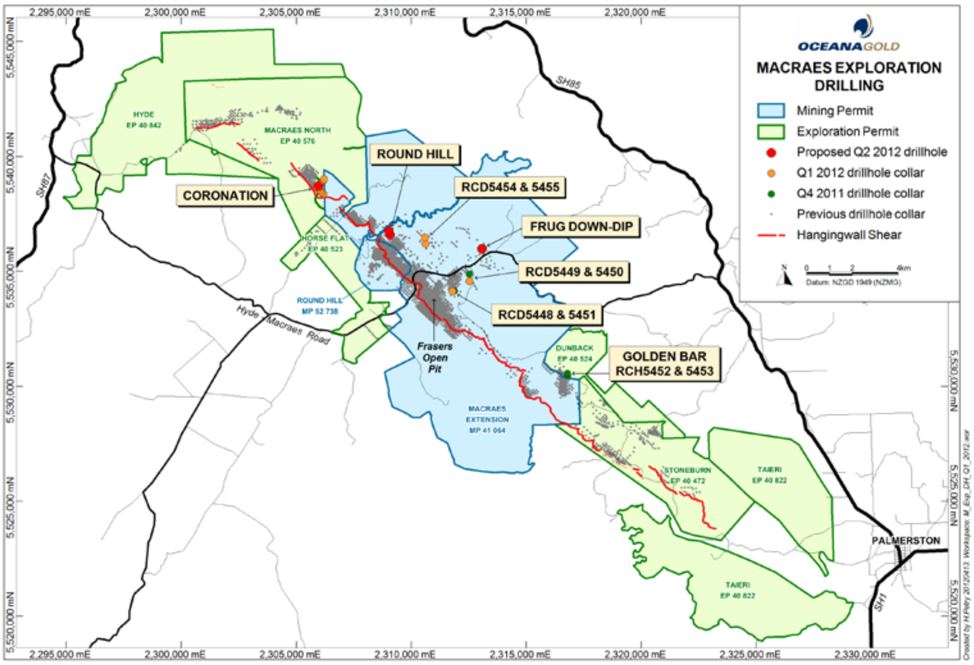


Figure 6: Three new permit applications in relation to existing Macraes permits.

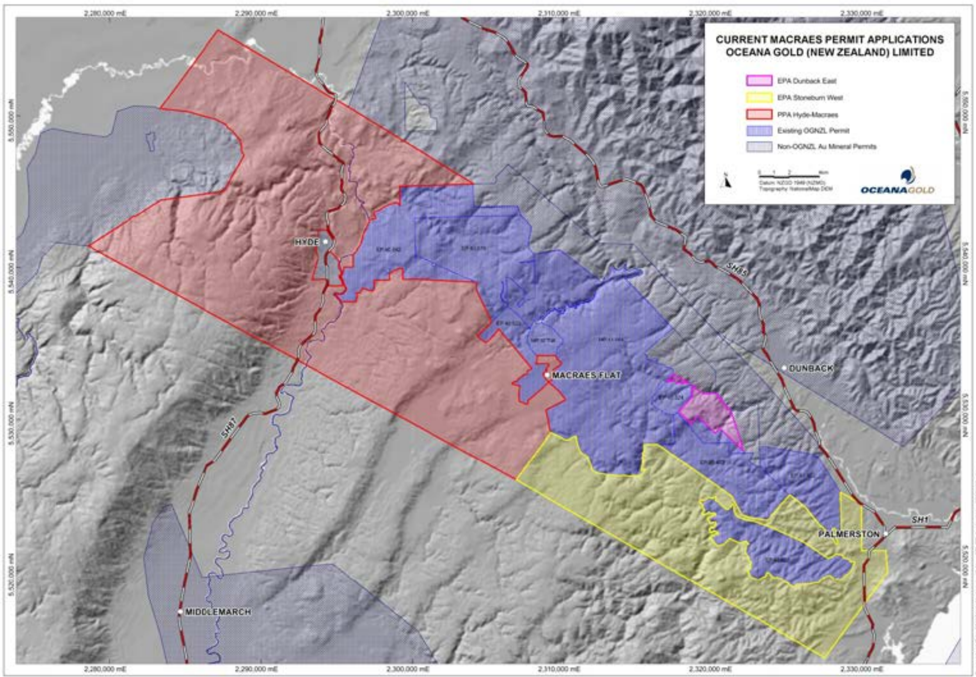


Table A: Big River (Reefton) Drill Results received during Q1 2012

Hole ID		From (m)	To (m)	Intercept (m)	True Width (m)	Au (g/t)
BR0006		132.7	135.1	2.4	1.7	1.50
		188.0	190.0	2.0	1.4	0.82
		193.0	194.0	1.0	0.7	1.49
BR0011		128.0	128.7	0.7	0.6	4.76
		139.0	141.5	2.5	2.1	8.54
	including	141.0	141.5	0.5	0.4	22.70
		173.0	175.0	2.0	1.7	0.68
		184.0	186.0	2.0	1.7	1.48
BR0012		170.0	174.0	4.0	2.4	4.52
		202.0	208.0	6.0	3.6	1.22
BR0013	No significant results					
BR0014	No significant results					
BR0015		82.0	86.0	4.0	3.2	0.72
		98.0	100.0	2.0	1.6	1.28
		103.0	106.0	3.0	2.4	0.54
BR0016		99.9	104.9	5.0	3.9	1.06
BR0017		130.0	134.0	4.0	2.6	1.13
BR0018		298.0	300.0	2.0	1.5	1.48
BR0019	No significant results					

Results quoted in table A are intercepts returning ≥1 gram metres (true width (m) multiplied by gold grade in grams per ton)
Drill holes BR005 – BR010 have been previously reported.

Table B: Happy Valley Shear (Reefton) Drill Results received during Q1 2012

Hole ID		From (m)	To (m)	Intercept (m)	True Width (m)	Au (g/t)
HVS001		103.0	105.0	2.0	0.9	1.84
HVS002		47.0	50.0	3.0	2.0	1.59
		59.0	65.0	6.0	4.1	2.52
HVS003	Preliminary*	54.0	60.0	6.0	2.6	17.57
	Including	58.0	58.5	0.5	0.2	198.50
	Preliminary*	78.0	81.0	3.0	1.3	1.40
HVS004		91.0	97.0	6.0	2.1	1.71
		103.0	110.0	7.0	2.5	1.83
	Including	106.0	110.0	4.0	1.4	2.76
HVS005		108.0	113.0	5.0	2.1	2.78
	Including	111.0	112.0	1.0	0.4	4.62
HVS006	No significant results					

Results quoted in table B are intercepts returning ≥1 gram metres (true width (m) multiplied by gold grade in grams per ton).
Preliminary results for follow-up screen fire assays from selected quarter core are pending.

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PHILIPPINES

Exploration expenditure in the Philippines for the first quarter of 2012 totalled $0.3 million.

Didipio

Exploration within the FTAA continues at the Papaya prospect, MMB/TNN areas, and D'Beau prospect (Figure 7).

The planned drilling at Mogambos to test the soil anomalies will commence shortly after the drilling permit is received. Results of trenching conducted towards the end of FY2011 were received during the quarter and include a continuous sample cut of 28m @ 0.19 g/t Au and 312 ppm Cu in trench MGTR01 (Figure 7).

Grid soil sampling continues at the MMB and TNN areas. A total of 233 soil samples were collected and have closed-off the NE-SW trending soil anomaly at TNN however the eastern part of TNN remains open to the north. Mapping has located crystalline quartz veins containing abundant covellite, chalcopyrite and pyrite that may be associated with deeper epithermal-style mineralisation associated with a buried porphyry intrusion. Additional mapping and sampling are planned to determine the extents of the geochemical anomalies and assist with identification of drill targets.

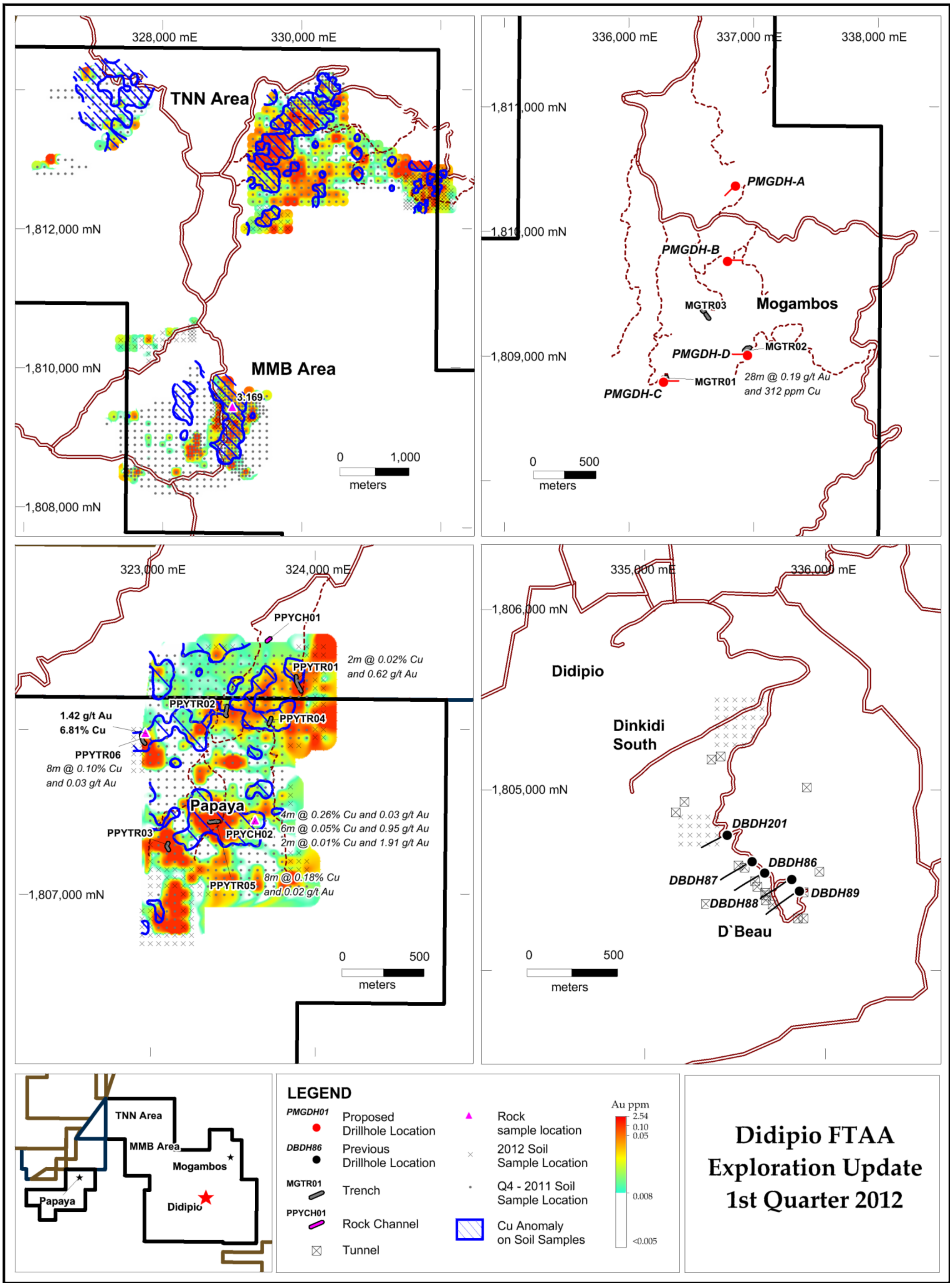
Additional soil sampling at the Papaya prospect, 12km west of Didipio, has closed-off the Au anomalism at the southern and north-western part of the soil grid. A sample of a silicified breccia located at the southwest end of a strong NE-SW Au+Cu+Pb+Zn soil anomaly returned an assay result of 6.81% Cu and 1.42 g/t Au.

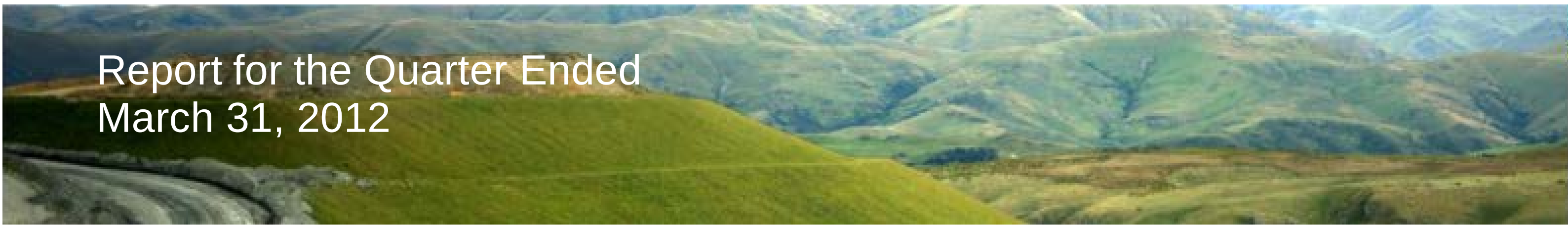
Six trenches were excavated with the following significant results (Figure 7):

PPYCH02: 6m @ 0.95 g/t Au, 0.05% Cu
PPYCH02: 2m @ 1.91 g/t Au, 0.01% Cu
PPYCH02: 4m @ 0.26% Cu, 0.03 g/t Au
PPYTR05: 8m @ 0.18% Cu, 0.02 g/t Au
PPYTR06: 8m @ 0.10% Cu, 0.03 g/t Au

Exploration of the D'Beau prospect,1.2km southeast of Didipio, was initiated during the quarter. Previous exploration (5 drill holes) failed to intersect significant mineralisation despite prolific small scale mining activities targeting bornite-chalcopyrite veinlets and disseminations associated with monzonite porphyry. Results of rock and soil samples are not yet available.

Figure 7: Schematic results of the MMB, TNN, and Papaya prospects soil sampling programs; and proposed location of scout drill holes at the Mogambos prospect, Didipio FTAA.



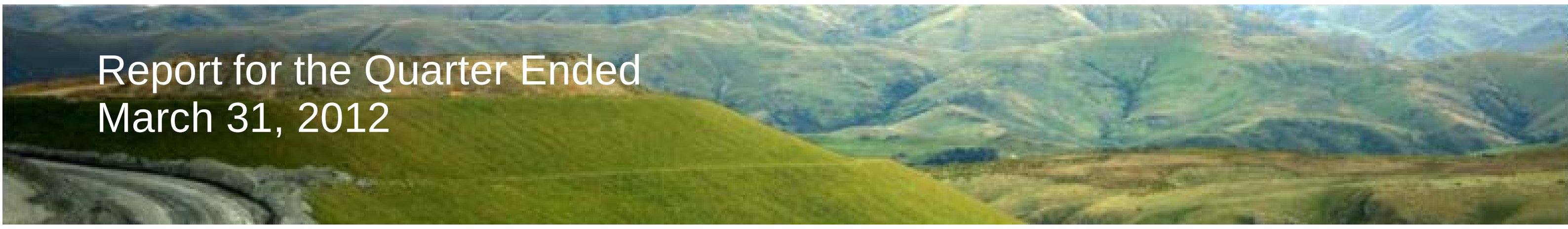


FINANCIAL SUMMARY

The table below provides selected financial data comparing Q1 2012 with Q4 2011 and Q1 2011.

STATEMENT OF OPERATIONS	Q1 Mar 31 2012 $'000	Q4 Dec 31 2011 $'000	Q1 Mar 31 2011 $'000
Gold sales	88,558	106,603	90,746
Cost of sales, excluding depreciation and amortisation	(60,688)	(58,854)	(44,065)
General & Administration	(3,093)	(3,636)	(3,356)
Foreign Currency Exchange Gain/(Loss)	(1,622)	328	592
Other income/(expense)	130	(779)	81
Earnings before interest, tax, depreciation & amortisation (EBITDA)	**23,285**	**43,662**	**43,998**
Depreciation and amortisation	(21,823)	(21,520)	(18,927)
Net interest expense	(4,002)	(3,523)	(2,793)
Earnings/(loss) before income tax	**(2,540)**	**18,619**	**22,278**
Tax (expense)/ benefit	(1,323)	(4,283)	(7,506)
Net earnings / (loss)	**(3,863)**	**14,336**	**14,772**
Basic earnings / (loss) per share	$(0.01)	$0.05	$0.06
Diluted earnings / (loss) per share	$(0.01)	$0.05	$0.06
CASH FLOWS			
Cash flows from Operating Activities	24,067	56,010	47,163
Cash flows used in Investing Activities	(68,395)	(47,744)	(29,353)
Cash flows used in Financing Activities	(3,615)	(4,595)	(5,021)

BALANCE SHEET	As at Mar 31 2012 $'000	As at Dec 31 2011 $'000
Cash and cash equivalents	123,297	169,989
Other Current Assets	67,047	56,491
Non Current Assets	656,953	591,155
Total Assets	**847,297**	**817,635**
Current Liabilities	134,046	123,623
Non Current Liabilities	220,304	215,772
Total Liabilities	**354,350**	**339,395**
Total Shareholders' Equity	**492,947**	**478,240**



RESULTS OF OPERATIONS

Net Earnings

The Company reported a first quarter net loss of $3.9 million, a result below expectations when compared to net earnings of $14.8 million and $14.3m in the first and fourth quarters 2011 respectively. The result was largely attributable to lower ounces produced and sold, and the strength of the New Zealand dollar.

Total production of 50,842 ounces for Q1 2012 was 22.6% lower than the production of 65,671 ounces in Q1 2011. This lower production was primarily due to higher than expected ground movements at Frasers Underground impeding access, lower mill feed grades and recoveries, and extended plant and autoclave maintenance shutdowns.

The Company reported EBITDA of $23.3 million in the first quarter compared to $44.0 million in Q1 2011. The lower production and sale of gold ounces more than offset the benefit of higher gold prices received during the period.

The net result before income tax was a loss of $2.5 million for Q1 2012 compared to a profit of $22.3 million in Q1 2011.

Sales Revenue

Gold revenue in Q1 2012 of $88.6 million is a 16.9% decrease over Q4 2011 due to lower volume of gold ounces sold. The average gold price received in the first quarter was $1,708 per ounce compared to $1,705 in the previous quarter.

Gold sales volumes for Q1 2012 of 51,852 ounces were 17.1% lower than Q4 2011 (sales of 62,515 ounces).

Operating Costs & Margins

Cash costs per ounce sold were $1,126 for Q1 2012 an increase of 18.9% compared to Q4 2011 costs of $947 (including year end inventory adjustment). This increase results largely from the lower ounces produced and sold, and a stronger New Zealand dollar, which could not be offset by the lower overall mining and processing costs achieved.

The average cash margin was $582 per ounce, for Q1 2012, compared to $758 per ounce in Q4 2011.

Depreciation and Amortisation

Depreciation and amortisation charges include amortisation of mine development, deferred pre-stripping costs and depreciation on equipment.

Depreciation and amortisation charges are calculated on a unit of production basis and totalled $21.8 million for Q1 2012 compared to $21.5 million for Q4 2011.

Net Interest Expense

The net interest expense of $4.0 million for Q1 2012 is slightly higher than $3.5 million incurred in Q4 2011 and reflects decreased interest income from funds on deposit and increased interest costs associated with convertible notes and finance leases.

DISCUSSION OF CASH FLOWS

Operating Activities

Cash inflows from operating activities were $24.1 million in Q1 2012 compared to $47.2 million in Q1 2011. The decrease reflected the decrease in gold ounces sold as well as decreased cash margin per ounce.

Investing Activities

Investing activities comprised expenditure for pre-strip mining and sustaining capital at the New Zealand operations, plus capitalised development costs mainly associated with the construction of the Didipio Project in the Philippines.

Cash used for investing activities totalled $68.4 million compared to $29.4 million in Q1 2011. The expenditure reflects predominantly constructions costs for the Didipio Project of $42.9 million.

Financing Activities

Financing outflows for Q1 2012 were $3.6 million compared to cash outflows of $5.0 million in Q1 2011.

The outflow predominantly represented lease repayments offset by sundry proceeds from capital issues.

DISCUSSION OF FINANCIAL POSITION AND LIQUIDITY

Company's funding and capital requirements

For the quarter ended March 31, 2012, the Company recorded a net loss of $3.9 million. As at that date, cash funds held were $123.3 million. Net current assets were $56.3 million at quarter end.

Commitments

OceanaGold's capital commitments as at March 31, 2012 are as follows:

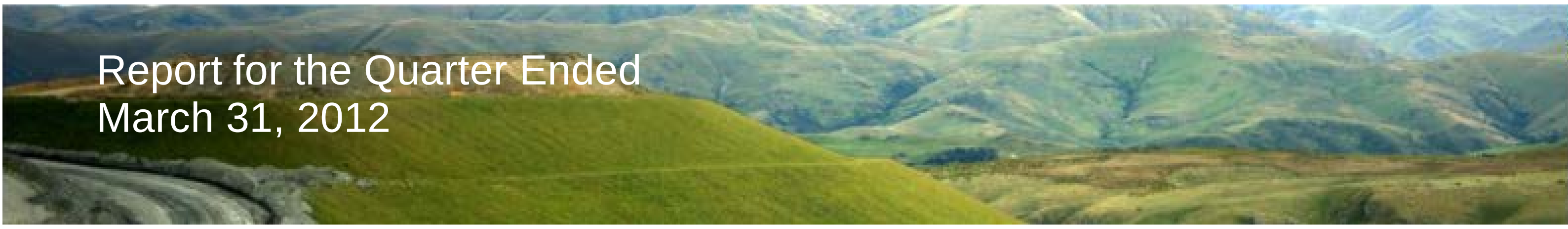
	March 31 2012 $'000
Within 1 year	30,938

This includes equipment for New Zealand operations and contracts supporting the construction of the Didipio Project.

Financial position

Current Assets

As at March 31, 2012 current assets were $190.3 million compared to $226.5 million at the end of the December 31, 2011. Current assets have decreased by $36.2 million primarily due to a decrease in cash of $46.7 million offset by increases in maintenance stores inventory and receivables.



Non-Current Assets

At March 31, 2012 non-current assets were $657.0 million compared to $591.2 million at December 31, 2011. Increase mainly reflects expenditure of $72.6 million on Property, Plant and Equipment and, Mining Assets resulting from the acquisition of additional equipment (some of which was leased) being greater than depreciation and further capitalised expenditure in Q1 2012 for the construction of the Didipio Project.

Current Liabilities

Current liabilities increased by $10.4 million in Q1 2012 to $134.0 million compared to $123.6 million at December 2011. Increase is attributable to increased accounts payable for the Didipio Project and New Zealand operations, and also higher lease liabilities.

Non-Current Liabilities

Non-current liabilities were $220.3 million at March 31, 2012, compared with $215.8 million at December 31, 2011. The slight increase reflects higher interest bearing loans of $3.1 million and retirement obligations of $1.2 million.

Derivative Assets / Liabilities

For the quarter ended March 31, 2012 the company did not hold any financial derivatives or gold sales contracts.

Shareholders' Equity

A summary of the movement in shareholders' equity is set out below:

	Quarter Ended March 31 2012 $'000
Total equity at beginning of financial period	**478,240**
Profit/(loss) after income tax	(3,863)
Movement in other comprehensive income	17,812
Movement in contributed surplus	453
Issue of shares (net of costs)	305
Total equity at end of financial period	**492,947**

Shareholders' equity has increased by $14.7 million to $492.9 million at March 31, 2012 mainly as a result of currency translation differences reflected in Other Comprehensive Income that arise from the translation of entities with a functional currency other than USD, offset by a net loss for the quarter.

Capital Resources

As at March 31, 2012, the share and securities summary was:

Shares outstanding	262,827,709
Options outstanding	6,859,687

As at April 26, 2012 there was no change in shares and securities:

Shares outstanding	262,834,376
Options outstanding	6,853,020

As at December 31, 2011, the share and securities summary was:

Shares outstanding	262,642,606
Options outstanding	7,404,540

CRITICAL ACCOUNTING ESTIMATES AND ACCOUNTING POLICIES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and related notes. The accounting policies that involve significant management judgment and estimates are discussed in this section. For a list of the significant accounting policies, reference should be made to Note 2 of the December 31, 2011 audited consolidated financial statements of OceanaGold Corporation.

Exploration and Evaluation Expenditure

Exploration and evaluation expenditure is stated at cost and is accumulated in respect of each identifiable area of interest.

Such costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area of interest (or alternatively by its sale), or where activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable resources, and active work is continuing.

Accumulated costs in relation to an abandoned area are written off to the Statement of Operations in the period in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Mining Properties in Production or Under Development

Expenditure relating to mining properties in production and development are accumulated and brought to account at cost less accumulated amortisation in respect of each identifiable area of interest. Amortisation of capitalised costs, including the estimated future capital costs over the life of the area of interest, is provided on the production output basis, proportional to the depletion of the mineral resource of each area of interest expected to be ultimately economically recoverable.

Costs associated with the removal of overburden and other mine waste materials that are incurred in the production phase of mining operations are included in the costs of inventory in the period in which they are incurred, except when the charges represent a betterment to the mineral property.

Charges represent a betterment to the mineral property when the stripping activity provides access to reserves that will be produced in future periods that would not have been accessible without the stripping activity. When charges are deferred in relation to a betterment, the charges are amortised over the reserve in the betterment accessed by the stripping activity using the units of production method.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Should the carrying value of expenditure not yet amortised exceed its estimated recoverable amount, the excess is written off to the Statement of Comprehensive Income.

Asset Retirement Obligations

OceanaGold recognises the fair value of future asset retirement obligations as a liability in the period in which it incurs a legal obligation associated with the retirement of long-lived assets that results from the acquisition, construction, development and/or normal use of the assets. OceanaGold concurrently recognises a corresponding increase in the carrying amount of the related long-lived asset that is depreciated over the life of the asset.

The key assumptions on which the fair value of the asset retirement obligations are based include the estimated risk-adjusted future cash flows, the timing of those cash flows and the risk-free rate or rates on which the estimated cash flows have been discounted. Subsequent to the initial measurement, the liability is accreted over time through periodic charges to earnings. The amount of the liability is subject to re-measurement at each reporting period if there has been a change to the key assumptions.

Asset Impairment Evaluations

The carrying values of exploration, evaluation, mining properties in production or under development and plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the discounted future cash flows from these assets, the assets are written down to the fair value of the estimated future cash flows based on OceanaGold's discount rate for the asset.

Derivative Financial Instruments /Hedge Accounting

The consolidated entity has used derivative financial instruments to manage commodity price and foreign currency exposures from time to time. Derivative financial instruments are initially recognised in the balance sheet at fair value and are subsequently re-measured at their fair values at each reporting date.

The fair value of gold hedging instruments is calculated by discounting the future value of the hedge contract at the appropriate prevailing quoted market rates at the reporting date. The fair value of forward exchange contracts is calculated by reference to the current forward exchange rate for contracts with similar maturity profiles.

Stock Option Pricing Model

Stock options granted to employees or external parties are measured by reference to the fair value at grant date and are recognised as an expense in equal instalments over the vesting period and credited to the contributed surplus account. The expense is determined using an option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradable nature of the option, the current price and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Income Tax

The Group follows the liability method of income tax allocation. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using the substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred tax assets including tax losses are recognised to the extent that it is probable that the company will generate future taxable income. Utilisation of the tax losses also depends on the ability of the entities to satisfy certain tests at the time the losses are recouped.

Foreign Currency Translation

The consolidated financial statements are expressed in United States dollars ("USD") and have been translated to USD using the current rate method described below. The controlled entities of OceanaGold have either Australian dollars ("AUD"), New Zealand dollars ("NZD") or United States dollars ("USD") as their functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than an operation's functional currency are recognised in the statement of income.

ACCOUNTING ESTIMATES

Significant areas where management's judgment is applied include ore reserve and resource determinations, exploration and evaluation assets, mine development costs, plant and equipment lives, contingent liabilities, current tax provisions and future tax balances and asset retirement obligations. Actual results may differ from those estimates.

RISKS AND UNCERTAINTIES

This document contains some forward looking statements that involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by those forward looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things: volatility and sensitivity to market prices for gold; replacement of reserves; possible variations of ore grade or recovery rates; changes in project parameters; procurement of required capital equipment and operating parts and supplies; equipment failures; unexpected geological conditions; political risks arising from operating in certain developing countries; inability to enforce legal rights; defects in title; imprecision in reserve estimates; success of future exploration and development initiatives; operating performance of current operations; ability to secure long term financing and capital, water management, environmental and safety risks; seismic activity, weather and other natural phenomena; failure to obtain necessary permits and approvals from government authorities; changes in government regulations and policies including tax and trade laws and policies; ability to maintain and further improve labour relations; general business, economic, competitive, political and social uncertainties and other development and operating risks.

For further detail and discussion of risks and uncertainties refer to the Annual Information Form available on the Company's website.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Adoption of new accounting policies

No new accounting policies were adopted during the quarter.

Accounting policies effective for future periods

IFRS 9 – "Financial instruments - classification and measurement"
This is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two Measurement categories: amortised cost and fair value. All equity instruments are measured at fair value.

A debt instrument is at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss. Effective for years beginning on/after January 1, 2015. The group does not have any liabilities designated at fair value so there is no impact expected for reporting.

IFRS 9 – *"Financial instruments – classification and measurement"*
Updated to include guidance on financial liabilities and de-recognition of financial instruments. Effective for years beginning on/after January 1, 2015. The Company has not assessed the impact of this new standard.

IAS 1 – *"Presentation of items of other comprehensive income ("OCI")"*
Change to the disclosure in OCI, including a requirement to separate items presented into two groups based on whether or not they may be recycled to profit or loss in the future. Effective for years beginning on/after July 1, 2012.

IAS 19 – *"Employee benefits"*
Amended for (i) changes to recognition and measurement of defined benefit pension expense and termination benefits, and (ii) expanded disclosure. Effective for years beginning on/after January 1, 2013. No impact as the Company does not have defined benefit plan.

IFRS 13 – *"Fair value measurement and disclosure requirements"*
Provides a single source of guidance on how to measure fair value and enhances disclosure requirements for fair value measurements. Effective for years beginning on/after January 1, 2013. Not expected to have a material effect on the Company.

"*New standards addressing scope of reporting entity*"

IFRS 10, - "*Consolidated Financial Statements*",
IAS 27, - "*Consolidated and Separate Financial Statements",* and
SIC-12, - "*Consolidation – Special Purpose Entities"*
IFRS 11, - "*Joint Arrangements"*
Entities in joint operations will follow accounting for jointly controlled assets and jointly controlled operations under IAS 31.
IFRS 12, - "*Disclosure of Interests in Other Entities"*,
Effective for years beginning on/after January 1, 2013.
Not expected to have a material effect on the Company disclosure.

IFRIC 20 - "Stripping costs in the production phase of a surface mine"

Provides guidance on the accounting for overburden (pre-strip) in the production phase. Costs can only be recognised as an asset if they can be attributed to an identifiable component of the ore body. Effective January 1, 2013. Not expected to have a material impact on the Company.

IFRS 7 - *"Financial instruments" – disclosures*
Amended to enhance disclosure requirements relating to offsetting of financial assets and financial liabilities. Effective for annual periods beginning on/after January 1, 2013. Not expected to affect the accounting of offsetting arrangements or have a material effect on the Company.

IAS 32 - *"Financial instruments" – presentation*
Amended to clarify requirements for offsetting of financial assets and financial liabilities. Effective for annual periods beginning on/after January 1, 2014. Not expected to affect the treatment of offsetting arrangements or have a material effect on the Company.

SUMMARY OF QUARTERLY RESULTS OF OPERATIONS

The following table sets forth unaudited information for each of the eight quarters ended June 30, 2010 through to March 31, 2012. This information has been derived from our unaudited consolidated financial statements which, in the opinion of management, have been prepared on a basis consistent with the audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for fair presentation of our financial position and results of operations for those periods. On adoption to IFRS there were no material differences to the income statements and management believes the results are comparable as they were prepared on a consistent basis.

	Mar 31 2012 $'000	**Dec 31 2011 $'000**	**Sep 30 2011 $'000**	**Jun 30 2011 $'000**	**Mar 31 2011 $'000**	**Dec 31 2010 $'000**	**Sep 30 2010 $'000**	**Jun 30 2010 $'000**
Gold sales	88,558	106,603	103,455	94,805	90,746	93,777	83,344	80,218
EBITDA (excluding undesignated gain/(loss) on hedges)	23,285	43,662	43,270	32,994	43,998	49,259	42,608	39,169
Earnings/(loss) after income tax and before undesignated gain/(loss) on hedges (net of tax)	(3,863)	14,336	10,912	4,147	14,772	20,655	13,683	7,968
Net earnings/(loss)	(3,863)	14,336	10,912	4,147	14,772	20,979	13,683	7,958
Net earnings/(loss)per share								
Basic	($0.01)	$0.05	$0.04	$0.02	$0.06	$0.08	$0.06	$0.03
Diluted	($0.01)	$0.05	$0.04	$0.02	$0.06	$0.08	$0.06	$0.03

The most significant factors causing variation in the results are the variability in the grade of ore mined from the Macraes and Reefton open pit mines and variability of cash cost of sales due to the timing of waste stripping activities. The volatility of the gold price has a significant impact both in terms of its influence upon gold revenue and returns. Adding to the variation are large movements in foreign exchange rates between the USD and the NZD.

NON-GAAP MEASURES

Throughout this document, we have provided measures prepared according to IFRS ("GAAP"), as well as some non-GAAP performance measures. As non-GAAP performance measures do not have a standardised meaning prescribed by GAAP, they are unlikely to be comparable to similar measures presented by other companies.

We provide these non-GAAP measures as they are used by some investors to evaluate OceanaGold's performance. Accordingly, such non-GAAP measures are intended to provide additional information and should not be considered in isolation, or a substitute for measures of performance in accordance with GAAP.

Earnings before interest, tax, depreciation and amortisation (EBITDA) is one such non-GAAP measure and a reconciliation of this measure to net earnings/(losses) is provided on page 18.

Cash and non cash costs per ounce are other such non-GAAP measures and a reconciliation of these measures to cost of sales, including depreciation and amortisation, is provided on the next page.

	Q1 Mar 31 2012 $'000	Q4 Dec 31 2011 $'000	Q1 Mar 31 2011 $'000
Cost of sales, excluding depreciation and amortisation	60,688	58,854	44,065
Depreciation and amortisation	21,823	21,520	18,927
Total cost of sales	82,511	80,374	62,992
Add sundry general & administration	114	358	414
Add non cash & selling costs	193	311	267
Total operating cost of sales	82,818	81,043	63,673
Gold Sales from operating mines (ounces)	51,852	62,515	64,765
Total Operating Cost ($/ ounce)	1,598	1,296	983
Less Non-Cash Cost and Q1 2012 Corporate Admin adjustment ($/ ounce)	472	349	296
Cash Operating Cost ($/ ounce)	1,126*	947	687

ADDITIONAL INFORMATION

Additional information referring to the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com and the Company's website at www.oceanagold.com.

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the Company's disclosure controls and procedures as at December 31, 2011. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as at March 31, 2012 to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would be made known to them by others within those entities.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of OceanaGold, including the Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the design and operation of the Company's of the internal controls over financial reporting and disclosure controls and procedures as of December 31, 2011.

Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that they were effective at a reasonable assurance level.

There were no significant changes in the Company's internal controls, or in other factors that could significantly affect those controls subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation, nor were there any significant deficiencies or material weaknesses in the Company's internal controls requiring corrective actions.

The Company's management, including the Chief Executive Officer and the Chief Financial Officer does not expect that its disclosure controls and internal controls over financial reporting will prevent all errors and fraud. A cost effective system of internal controls, no matter how well conceived or operated, can provide only reasonable not absolute, assurance that the objectives of the internal controls over financial reporting are achieved

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***Refer to page 6 for further details.**