



MEDIA RELEASE

18 December 2012

OCEANAGOLD ANNOUNCES FIRST CONCENTRATE PRODUCED AT DIDIPIO AND PROVIDES FY2013 PRODUCTION GUIDANCE

(MELBOURNE) OceanaGold Corporation (**ASX: OGC, TSX: OGC, NZX: OGC**) (the “Company”) is pleased to announce that first copper-gold concentrate has been produced at the Didipio Project in the Philippines as commissioning of the process plant continues to track to expectations.

Mick Wilkes, Managing Director & CEO stated, “Following the start of milling activities late in November, commissioning has advanced well. Over the past week we have successfully commissioned the flotation cells and filter to produce saleable copper-gold concentrate. The process plant is now running in steady-state and the remainder of commissioning activities this year will focus on increasing throughput and improving recoveries and concentrate grade. This is a great outcome for the Company, the local communities of Nueva Viscaya and Quirino provinces and for the Republic of the Philippines. I would also like to acknowledge the support for the project we have received from our national and local government partners and we look forward to further strengthening this relationship in the future.”

He went on to say “We have had a strong finish to the year as expected with production from New Zealand on track to meet the revised guidance. We expect strong production next year in New Zealand and with Didipio coming on stream as planned. We are in a great position heading into 2013.”

HIGHLIGHTS

- Production of first copper-gold concentrate at Didipio
- Flotation plant including filter, commissioned and performing to expectations
- Commenced commissioning of gravity gold circuit
- 2013 guidance 285 – 325koz Au @ US\$650 - US\$800/oz (net of copper by-product credits)

Didipio Project Construction & Commissioning Progress

The main process plant construction activities are complete with remaining punch list items to be completed concurrently with operations. Construction of the remaining infrastructure such as plant and mine maintenance workshops will be completed as part of next year’s capital works, in conjunction with the ramp up of the process plant.

Commissioning has progressed well through the flotation and filtration stages of the plant, with the production of on-specification copper-gold concentrate filter cake. Commissioning of the gravity circuit is currently underway.

Milling rates currently are higher than predicted for this stage of the commissioning cycle, and the focus is on achieving recovery to maximise concentrate production.

Figure 1 – Flotation of Final Concentrate to Thickener



Figure 2 – Copper-Gold Concentrate in Hand at Didipio



Figure 3 – Concentrate Filter Press at Didipio



Figure 4 – Production of Filtered Copper-Gold Concentrate at Didipio



FY2013 Production Guidance

The Company is also pleased to provide production guidance for FY2013 of 285,000 – 325,000 oz of gold at cash costs of US\$650-\$800/oz net of copper by-product credits. Copper production from Didipio is expected to be in the range of 15 kt to 18 kt of copper in concentrate. During the commissioning phase, costs of production, offset by any revenue received will be capitalised in the balance sheet. The exact timing of revenue and costs reporting to the income statement is currently unknown but expected to be around the end of the first quarter next year. The Company will provide an updated cash cost range at that time.

Total Company		<u>Guidance Range</u>
	Au Production ('000 oz)	285 – 325
	Cash Cost (US\$/oz)	\$650 - \$800*
New Zealand	Au Production ('000 oz)	235 – 255
	Cash Cost (US\$/oz)	\$880-\$950
Didipio	Au Production ('000 oz)	50 – 70
	Cu Production (kt)	15 - 18
	Cash Cost (US\$/oz)	negative \$370 – negative \$50*

* denotes net of copper by-product credits using US\$3.40/lb of copper

To view recent construction progress at Didipio, please visit our website at:

<http://www.oceanagold.com/investors-and-media/images-and-videos/>

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About OceanaGold

OceanaGold Corporation is a significant Asia Pacific 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. The Company's Didipio Project in northern Luzon, Philippines is in commissioning and is expected to produce 100,000 ounces of gold and 14,000 tonnes of copper per year on average over an estimated 16 year mine life. OceanaGold expects to produce 285,000 to 325,000 ounces of gold in FY2013 from the New Zealand and Philippine operations combined.

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

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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

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