



MEDIA RELEASE

12 July 2010

OCEANAGOLD ANNOUNCES 20 METRES @ 3.73 g/t AU AT PANEL 2 DEEPS - FRASERS UNDERGROUND MINE

(MELBOURNE) OceanaGold Corporation (ASX: OGC, TSX: OGC, NZX: OGC) ("the Company") is pleased to announce results from an underground exploration program at the Panel 2 Deeps area of the Frasers underground mine in Otago, New Zealand.

Highlights

- Infill drilling within the P2 Deeps inferred resource boundary recorded significant grades and thicknesses including 20 metres of 3.73 g/t Au (UDH5729) and 9 metres of 3.39 g/t Au (UDH5762);
- Results to date are expected to extend indicated resource boundary and therefore expand P2 Deeps reserves;
- The follow-up drill program at Panel 2 Deeps is underway.

P2 Deeps Infill Drill Program

In April 2009 OceanaGold reported high grade mineralisation encountered from drilling at Panel 2 Deeps below the hangingwall shear and under Panel 2C of the Frasers underground mine. Further infill drilling resulted in a resource estimate for P2 Deeps which was announced on 14 September 2009 and included over 0.5Mt of an inferred resource. Approximately 40% of the indicated resource announced at the same time has subsequently been upgraded to probable reserves and mine development of this area commenced in March 2010.

The first 14 diamond drill holes of an infill drill program targeting the southern part of the inferred resource was completed in June 2010. Significant intercepts are listed in Table A below with good widths and grades reported in all holes. The widths and grade tenor continue to appear as good as or better than the current Panel 2 mining area.

An updated resource estimate will be calculated for release later this year and it is expected that a significant portion of the current inferred resources will be upgraded to indicated resources and then integrated into the mine plan as reserves.

N.B. The hangingwall shear refers to the geologically continuous mineralised zone immediately below the over-lying waste sequence. In the underground operation this is the principally targeted zone for mining due to its higher and more consistent gold grades.

Figure 1 – Panel 2 Deeps area in relation to Frasers underground current development design

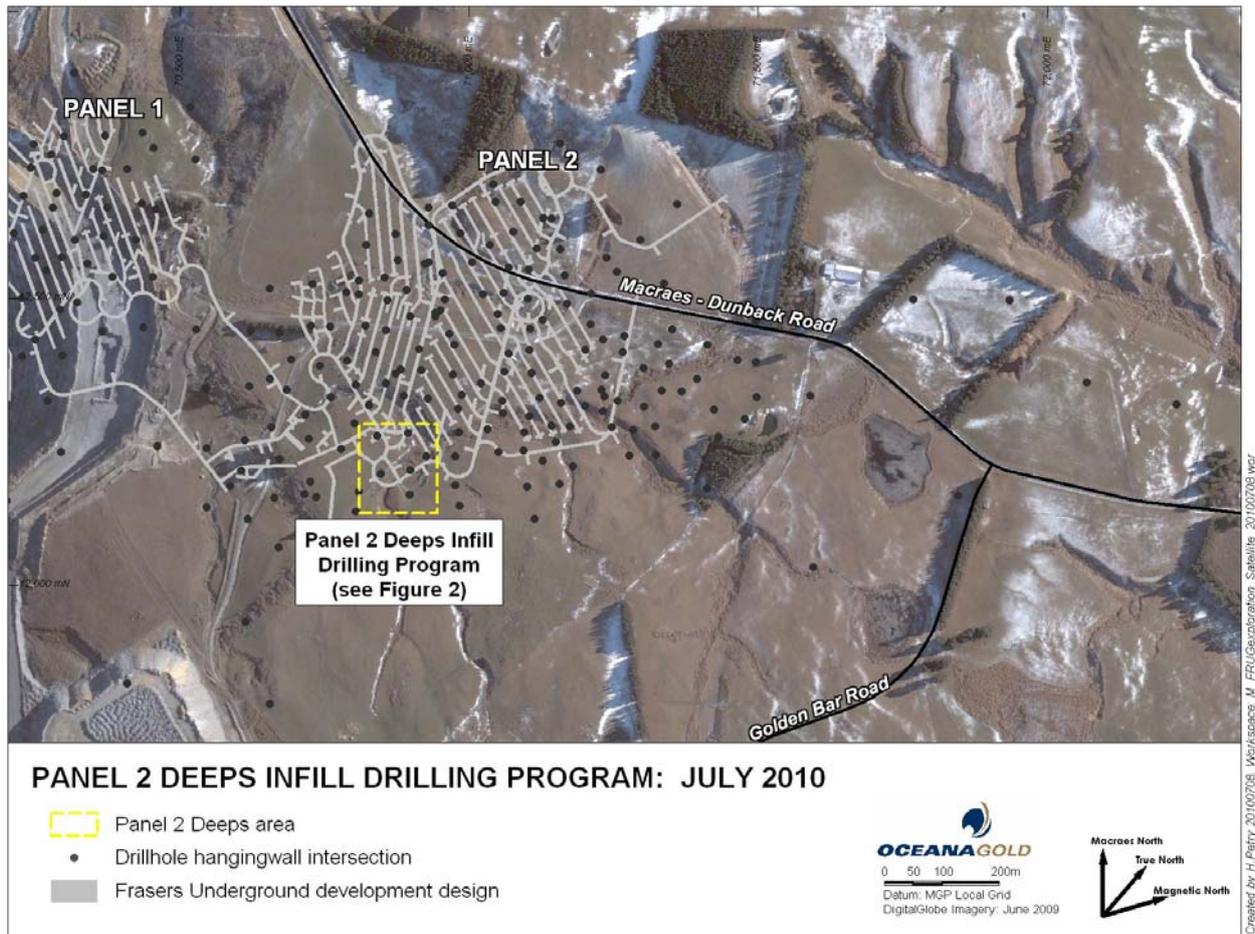


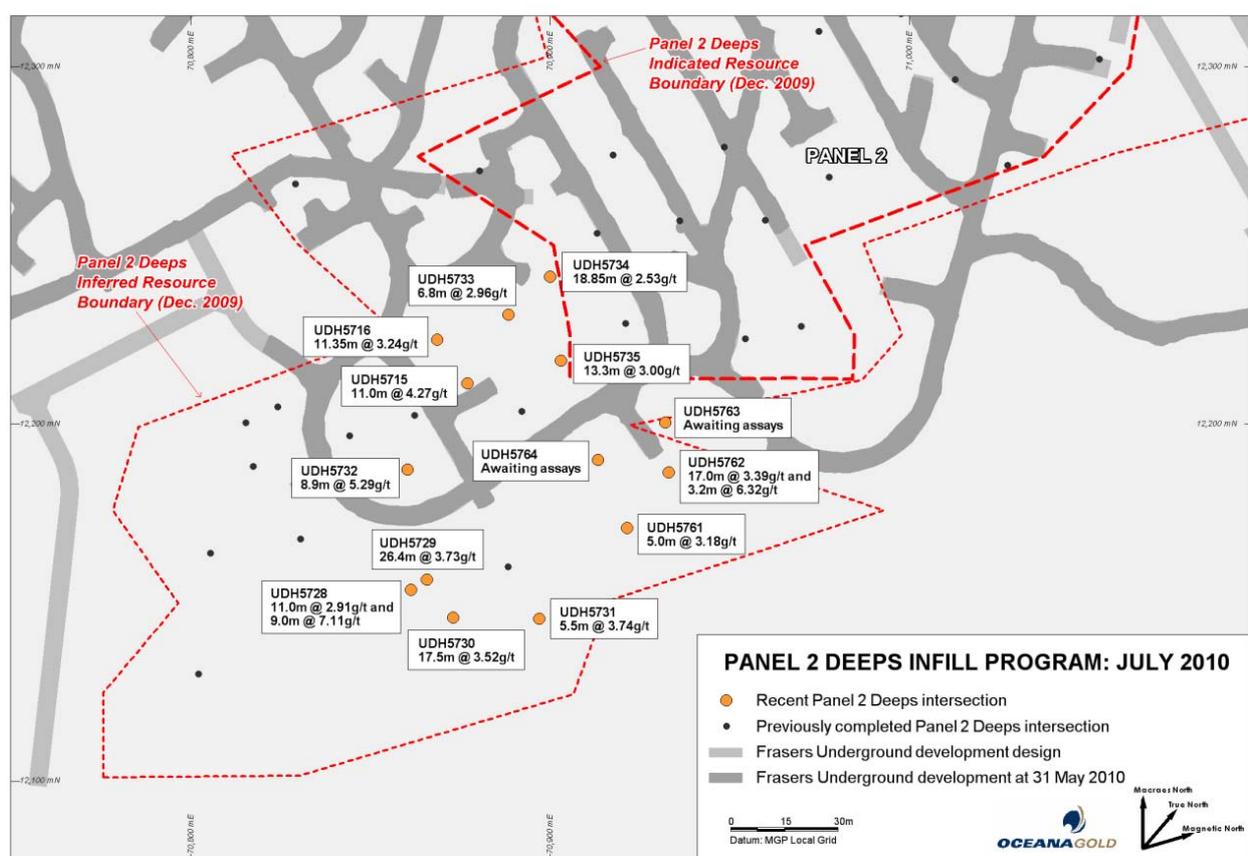
Table A – Significant Intercepts from the Frasers Underground Panel 2 Deeps Infill drill program

Hole ID	From (m)	To (m)	Intercept Length (m)	True Thickness (m)	Grade (g/t Au)
UDH5715	20.00	31.00	11.00	6.0	4.27
UDH5716	24.65	36.00	11.35	7.0	3.24
UDH5728	36.00	47.00	11.00	6.0	2.91
And	53.00	62.00	9.00	5.0	7.11
UDH5729	25.60	52.00	26.40	20.0	3.73
Including	25.60	32.60	7.00	5.0	4.55
And	37.00	43.95	6.95	5.0	6.21
UDH5730	34.50	52.00	17.5	6.0	3.52
UDH5731	38.50	44.00	5.50	4.5	3.74
UDH5732	16.30	25.20	8.90	7.0	5.29
UDH5733	28.00	32.20	4.20	3.5	4.29
And	37.10	43.90	6.80	6.0	2.96
UDH5734	50.90	69.75	18.85	12.0	2.53
Including	54.25	63.95	9.70	6.0	3.29

UDH5735		38.70	52.00	13.30	10.0	3.00
UDH5761		21.00	26.00	5.00	3.0	3.18
UDH5762		6.00	23.00	17.00	9.0	3.39
	Including	12.00	23.00	11.00	6.0	3.77
		31.00	34.20	3.20	2.0	6.32

Figure 2 below provides a plan view of the infill drilling program targeting the sub-parallel P2 Deeps deposit and the extensions beyond the current indicated resource boundary. A follow-up drilling program is underway and is focused on further expanding the indicated resource boundary as well as to test the limits of the area of mineralisation to the south and southeast where the deposit is still open.

Figure 2 – Plan view of Frasers Underground P2 Deeps Infill Drilling Program



CEO Paul Bibby commented, “The resource at P2 Deeps, originally announced in September last year, now represents the potential for an additional 1.5 years of underground mine life providing we continue to be successful upgrading the confidence of the resource through the infill drilling program. The results from this most recent program further point to an expanding mineralised package which should be integrated into the mine plan. We expect to be able to determine the total extent of P2 Deeps through continued drilling programs scheduled through to the year end.”

Qualified Persons

Rod Redden, Exploration and Development Manager and Jonathan Moore, Principal Resource Geologist, both of Oceana Gold New Zealand Limited are the “qualified persons” pursuant to National Instrument 43-101 of the Canadian Securities Administrators. Both are members of the AusIMM.

The Qualified Persons, Mr Redden and Mr Moore have prepared 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 geological interpretation was completed by Mr Peter Edwards, Senior Project Geologist, MSc (Hons) Geology, Grad. Dip. Business, Grad. Dip Computing, MAusIMM. Samples, collected at 1m intervals from sawn diamond core, were prepared and assayed by fire assay methods at the OceanaGold facilities at Macraes, New Zealand and the SGS facilities in Westport and Waihi, New Zealand. Standard reference materials were inserted to monitor the quality control of the assay data.

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 between 270,000 – 300,000 ounces of gold per annum from the New Zealand operations. The Company also owns the Didipio Gold-Copper Project in northern Luzon, Philippines.

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 in respect of its most recently completed financial year. 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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