



MEDIA RELEASE

21 July 2010

OCEANAGOLD ANNOUNCES FURTHER DOWN DIP EXTENSIONS OF MINERALISATION AT PANEL 2: FRASERS UNDERGROUND MINE

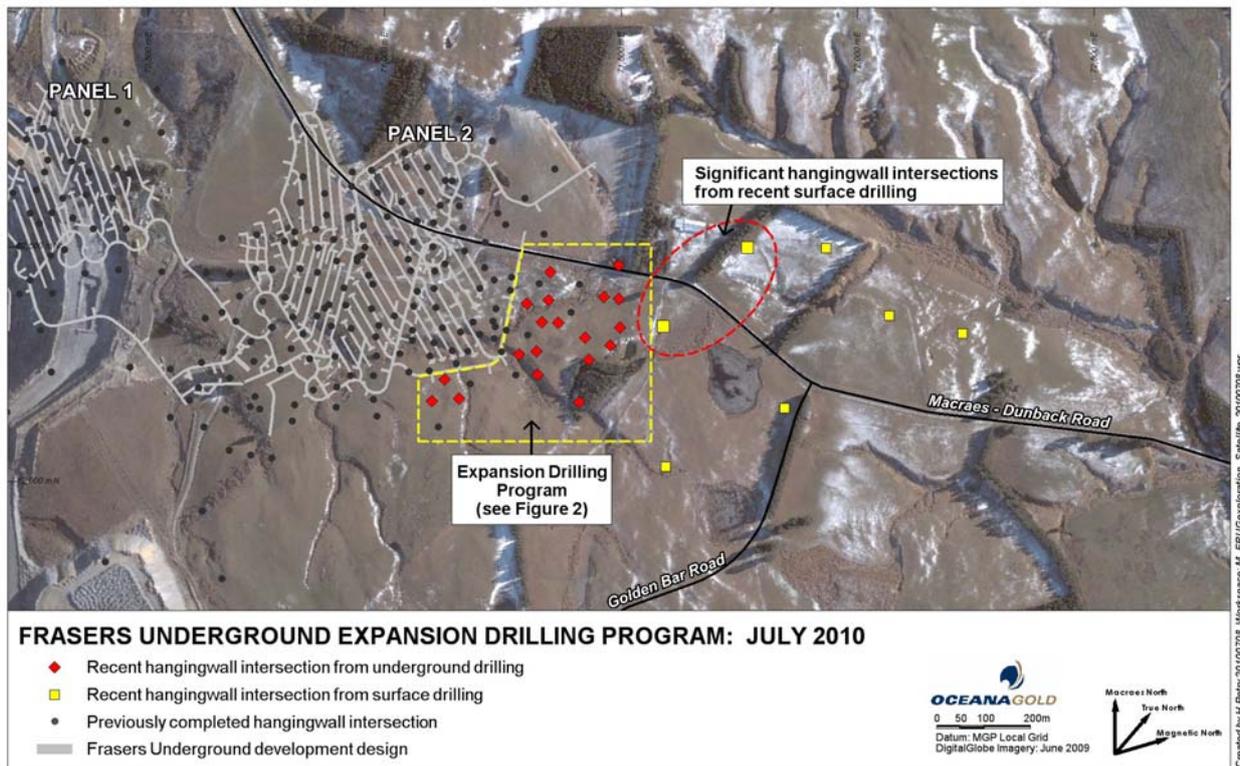
(MELBOURNE) OceanaGold Corporation (ASX: OGC, TSX: OGC, NZX: OGC) ("the Company") is pleased to announce further results from an underground diamond drilling program at the Frasers underground mine in Otago, New Zealand.

Highlights

- 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.
- Hangingwall Shear intercepts (estimated true widths) including 5.0m @ 5.55g/t (UDH6036), 5.0m @ 3.17g/t Au (UDH6025), 11.0m @ 2.72 g/t Au (UDH6026), 6.0m @ 2.71 g/t Au (UDH6024) and 5.5m @ 2.96g/t (UDH6035) demonstrate grades and lode thicknesses similar to the current Panel 2 mining area.
- Significant intercepts (estimated true widths) below the Hangingwall Shear of 4.0m @ 4.87 g/t Au (UDH6013), 6.0m @ 4.90 g/t Au (UDH6021), 6.0m @ 5.08 g/t Au (UDH6031), 6.0m @ 3.00 g/t Au (UDH6032) and 3.5m @ 7.98 g/t Au (UDH6022) indicate potential for a new sub parallel structure similar to the P2 Deeps mineralisation under Panel 2C.

N.B. The Hangingwall Shear refers to the geologically continuous mineralised zone immediately below the over-laying 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 - Frasers Underground drilling programs in relation to current underground development design



Diamond drilling from the underground exploration drive tested up to 250 metres east (down dip) of the current mine design (Figure 1) and extended 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.

Assay results from 20 diamond holes drilled east and south of the exploration drive and outside the current indicated resource boundary are listed in Table A below.

Significant intercepts 10-20 metres beneath the Hangingwall Shear were also recorded in a number of holes. This is the first indication of a new possible area of mineralisation and these intercepts may represent one or more sub-parallel lodes similar to the Panel 2 Deeps discovery announced last year.

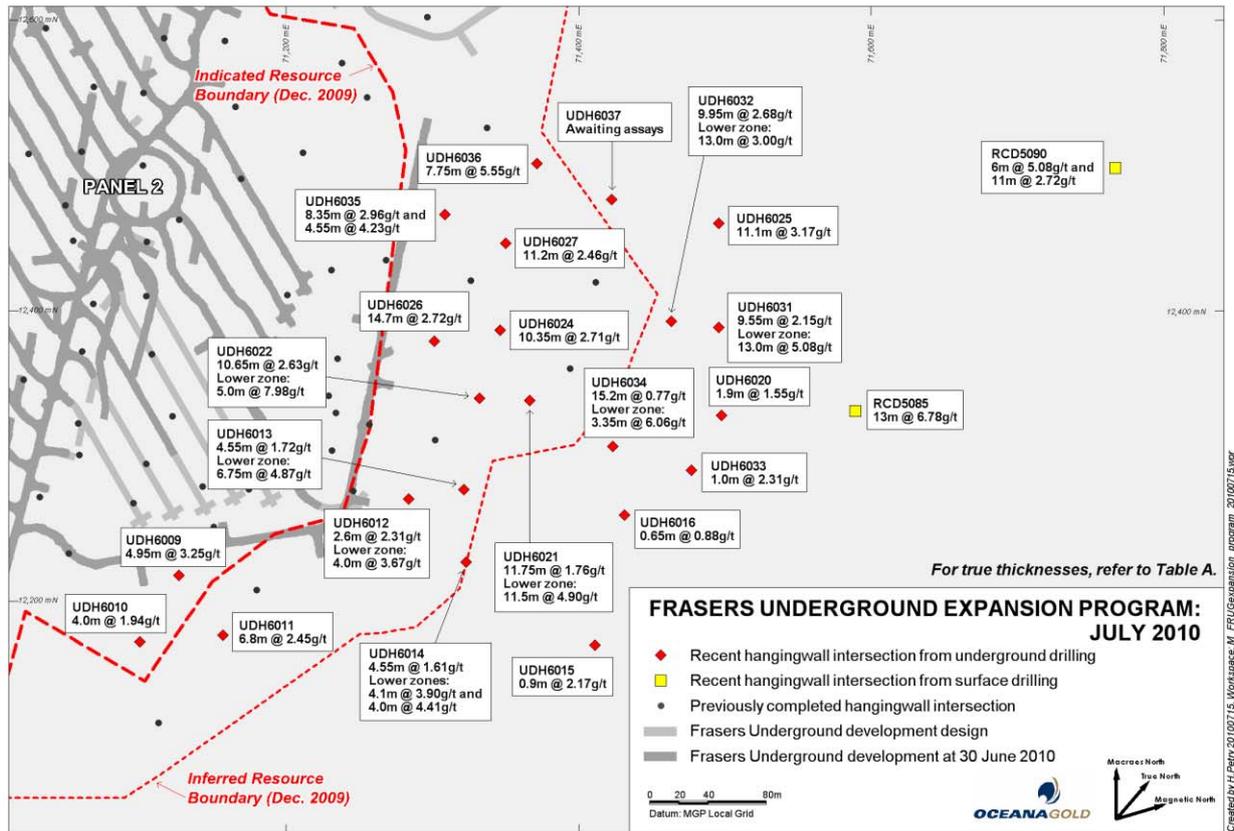
Table A – Significant intercepts from the Frasers Underground Expansion drill program

<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>
UDH6009	38.00	42.95	4.95	3.0	3.25
UDH6010	45.4	49.2	4.00	1.0	1.94
UDH6011	72.7	79.5	6.80	2.0	2.45
UDH6012	105.55	108.15	2.60	2.0	2.31
And	124.00	128.00	4.00	3.0	3.67

UDH6013		127.7	132.25	4.55	3.0	1.72
	And	156.40	163.15	6.75	4.0	4.87
UDH6014		134.45	139.00	4.55	3.0	1.61
	And	152.90	157.00	4.10	2.5	3.90
	And	173.00	177.00	4.00	2.5	4.41
UDH6015		230.10	231.00	0.90	0.5	2.17
UDH6016		230.65	231.30	0.65	0.5	0.88
UDH6020		272.10	274.00	1.90	0.7	1.55
UDH6021		145.60	157.35	11.75	6.0	1.76
	And	188.00	199.5	11.50	6.0	4.90
UDH6022		116.05	126.70	10.65	7.5	2.63
	And	143.00	148.00	5.00	3.5	7.98
UDH6024		132.65	143.00	10.35	6.0	2.71
UDH6025		299.90	311.00	11.10	5.0	3.17
UDH6026		111.30	126.00	14.70	11.0	2.72
UDH6027		166.80	178.00	11.20	6.0	2.46
UDH6031		275.55	285.10	9.55	4.0	2.15
	And	310.00	323.00	13.00	6.0	5.08
UDH6032		246.05	256.00	9.95	4.4	2.68
	And	283.00	296.00	13.00	6.0	3.00
UDH6034		209.60	224.80	15.20	10.0	0.77
	And	236.95	240.30	3.35	2.0	6.06
UDH6035		164.50	172.85	8.35	5.5	2.96
	And	212.45	217.00	4.55	3.5	4.23
UDH6036		228.25	236.00	7.75	5.0	5.55

Figure 2 below is a plan view of the Frasers Underground Expansion Project area showing reported drill intersections outside the indicated resource boundary and current mine design.

Figure 2 – Plan view of Frasers Underground Expansion Project Area with 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, south and southeast. Indications are that the Panel 2 mineralisation is likely to continue in these directions and may eventually join or extend beyond the intercepts recorded from the surface exploration holes RCD5085 and RCD5090 announced on 3 May 2010.

Paul Bibby, CEO commented, “The most recent results from the down dip drilling program at Panel 2 are very encouraging. These results confirm the continuity between Panel 2 and the surface drilling announced on May 3rd and consequently we will continue with this underground program to test for further extensions. The indication of a sub-parallel mineralised package similar to P2 Deeps will also be followed up with deeper drilling incorporated into the program. As we continue to expand the infill drilling program outwards we expect this to further improve the confidence of the resource and lead to increased mine life.”

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 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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