



MEDIA RELEASE

23 February 2017

OCEANAGOLD ANNOUNCES RECORD REVENUE AND NET PROFIT FOR 2016; DECLARES DIVIDEND

(All financial figures in US Dollars unless otherwise stated)

(MELBOURNE) OceanaGold Corporation (TSX/ASX: OGC) (the "Company") is pleased to release its full year 2016 financial and operational results for the year ended 31 December 2016. This follows the Company's release of its operational results on 30 January 2017. Details of the consolidated financial statements and the Management Discussion and Analysis ("MD&A") are available on the Company's website at www.oceanagold.com

Key Highlights

- Achieved record full year revenue of \$628.6 million and net profit of \$136.5 million.
- Reported quarterly revenue of \$147.4 million and net profit of \$42.6 million in the fourth quarter.
- Achieved EBITDA of \$283.6 million for the full year and \$66.9 million for the fourth quarter.
- Declared semi-annual dividend of \$0.01 per common share or CDI to shareholders, reflecting continued strong performance.
- Maintained strong balance sheet with immediate liquidity of \$96.1 million including \$68.9 million in cash.
- Achieved full year gold production guidance range with 416,741 ounces of gold produced and slightly exceeded the top end of the copper guidance range with 21,123 tonnes produced.
- Reported consolidated full year All-In Sustaining Costs of \$708 per ounce and cash costs of \$452 per ounce on sales of 437,146 ounces of gold and 21,413 tonnes of copper.
- Subsequent to the quarter end, signed a letter of intent to enter into a joint venture with Mirasol Resources Ltd, which owns the La Curva Gold Project in Argentina.

Mick Wilkes, President and CEO said, "OceanaGold achieved strong financial results from our portfolio of high quality assets in 2016. With growth in production and higher margins expected in 2017, we are further strengthening our financial results and balance sheet. On the back of these results, the Board of Directors is pleased to declare a semi-annual ordinary dividend of \$0.01 per share." He added, "We expect this year to unlock significant growth opportunities in the business particularly in New Zealand and the United States. Commissioning of Haile continues to advance well and we expect to announce commercial production early in the second quarter. We will continue to create value through exploration supported by a larger exploration

spend in New Zealand and the United States. We will also complete studies for the potential expansion of Haile and the exciting Martha project at Waihi.”

Table 1 – Production and Cost Results Summary

| | | Didipio | Waihi | Macraes and Reefton | Consolidated | |
|------------------------------------|---------------------|---------|---------|---------------------|----------------|-------------------------|
| Fourth Quarter 2016 Results | | | | | Q4 2016 | Q3 2016 |
| Gold Produced | <i>ounces</i> | 30,695 | 29,280 | 42,453 | 102,428 | 88,975 |
| Copper Produced | <i>tonnes</i> | 3,765 | - | - | 3,765 | 5,114 |
| Gold Sales | <i>ounces</i> | 35,260 | 27,665 | 42,733 | 105,658 | 98,195 |
| Copper Sales | <i>tonnes</i> | 4,960 | - | - | 4,960 | 5,596 |
| Cash Costs | <i>\$ per ounce</i> | (120) | 427 | 743 | 372 | 529 |
| 2016 Results | | | | | 2016 | 2015¹ |
| Gold Produced | <i>ounces</i> | 147,150 | 116,028 | 153,563 | 416,741 | 419,153 |
| Copper Produced | <i>tonnes</i> | 21,123 | - | - | 21,123 | 23,109 |
| Gold Sales | <i>ounces</i> | 149,663 | 116,169 | 171,314 | 437,146 | 401,350 |
| Copper Sales | <i>tonnes</i> | 21,413 | - | - | 21,413 | 22,764 |
| Cash Costs | <i>\$ per ounce</i> | 1 | 473 | 832 | 452 | 458 |
| All-In Sustaining Costs | <i>\$ per ounce</i> | 239 | 735 | 1,099 | 708 | 709 |

Notes:

1. includes the actual results for Waihi Gold for the six months ended December 31, 2015. This disclosure is for information only, reflecting what the costs would have been, had the legal close of the Waihi Gold acquisition been on July 1, 2015.

Table 2 – Financial Summary*

| \$'000 | Q4 Dec 31 2016 | Q3 Sep 30 2016 | Q4 Dec 31 2015 | 2016 | 2015 |
|---|-------------------------------|-------------------------------|-------------------------------|----------------|----------------|
| Revenue | 147,432 | 150,388 | 143,612 | 628,634 | 507,985 |
| Cost of sales, excluding depreciation and amortisation | (63,406) | (77,524) | (71,080) | (292,461) | (265,058) |
| General & administration – merger and acquisition | - | - | (1,604) | - | (8,522) |
| General & administration** – legal settlement | (8,000) | - | - | (8,000) | - |
| General & administration – other | (10,203) | (11,361) | (11,743) | (49,497) | (36,806) |
| Foreign currency exchange gain/(loss) | (547) | (604) | (173) | 2,117 | (2,802) |
| Other income/(expense) | 1,614 | 669 | (1,443) | 2,826 | (1,309) |
| Earnings before interest, tax, depreciation and amortisation (EBITDA) (excluding gain/(loss) on undesignated hedges) | 66,890 | 61,568 | 57,569 | 283,619 | 193,488 |
| Depreciation and amortisation | (28,807) | (31,973) | (36,164) | (122,564) | (124,960) |
| Net interest expense and finance costs | (2,112) | (2,538) | (5,001) | (9,376) | (12,051) |
| Earnings before income tax and gain/(loss) on undesignated hedges | 35,971 | 27,057 | 16,404 | 151,679 | 56,477 |
| Tax (expense) / benefit on earnings | (4,318) | (2,587) | (5,654) | (17,711) | 461 |

| | | | | | |
|---|---------------|---------------|---------------|----------------|---------------|
| Earnings/(loss) after income tax and before gain/(loss) on undesignated hedges | 31,653 | 24,470 | 10,750 | 133,968 | 56,939 |
| Gain/(loss) on fair value undesignated hedges | 15,343 | 8,852 | 16,525 | 4,062 | (5,379) |
| Tax (expense)/benefit on gain/loss on undesignated hedges | (4,296) | (2,478) | (4,627) | (1,137) | 1,506 |
| Share of profit/(loss) from equity accounted associates | (126) | (151) | - | (441) | - |
| Net Profit | 42,574 | 30,693 | 22,648 | 136,452 | 53,066 |
| Basic earnings per share | \$0.07 | \$0.05 | \$0.04 | \$0.22 | \$0.14 |
| CASH FLOWS | | | | | |
| Cash flows from Operating Activities | 79,765 | 29,440 | 62,152 | 232,328 | 171,441 |
| Cash flows used in Investing Activities | (120,698) | (116,342) | (41,008) | (463,276) | (125,501) |
| Cash flows from / (used in) Financing Activities | 26,116 | 70,607 | 120,529 | 111,583 | 89,932 |

Notes:

*: includes results for Romarco Minerals and Waihi Gold from 1 and 30 October 2015 respectively.

** : reflects expensed costs of \$8 million following the arbitration ruling against Pacific Rim by the International Centre for the Settlement of Investment Disputes.

In 2016, the Company achieved record annual revenue of \$628.6 million, which was 24% higher than in the previous year on account of higher gold sales and an 8% increase in the average gold price received. The year-on-year increase was partly offset by lower copper sales. Full year EBITDA increased by 46% from the previous year to \$283.6 million driven primarily by stronger revenue, but partially offset by higher mining costs at the New Zealand operations and higher general and administrative (“G&A”) costs. The higher G&A costs included a one-off charge of \$8.0 million for legal settlement costs related to the El Salvador arbitration ruling against the Company.

The Company also achieved record annual net profit, which increased by 157% from the previous year due to higher EBITDA, lower interest costs and gain on the fair value of undesignated hedges. The increase was partly offset by higher income tax expense.

At the end of 2016, the Company had immediate available liquidity of \$96.1 million which included a cash balance of \$68.9 million and \$27.2 million available under the \$300 million revolving credit facility. During the fourth quarter, the Company drew down \$30.0 million from its revolving credit facility to fund capital works at Haile and repaid \$3.9 million of capital leases.

Dividend

In 2015, the OceanaGold Board of Directors (the “Board”) established a dividend policy designed to balance the competing priorities for the business with a sustainable payment to shareholders while maintaining prudent gearing. Under this policy, an ordinary dividend of \$0.02 per share plus a discretionary payment would be paid annually. The Board has now resolved to move to a semi-annual dividend that would be declared following the December and June quarters. Consistent with the dividend policy of a base dividend of US\$0.02 per annum, the Board today has declared a dividend of US\$0.01 per common share or CDI. Shareholders of record at the close of business in each jurisdiction on 7 March 2017 (the “Record Date”) will be entitled to receive payment of the dividend on 28 April 2017. The dividend payment applies to holders of record of the Company’s common shares traded on the Toronto Stock Exchange and holders of CHESS depository interests traded on the Australian Securities Exchange (“CDIs”).

Table 3 – Dividend Key Dates

| | Date |
|---|-------------------------|
| Last date for processing requests to convert securities between stock exchanges before the Record Date ¹ | Wednesday, 1 March 2017 |
| Common shares trade on an ex-dividend basis (TSX) | Friday, 3 March 2017 |
| CDIs trade on an ex-dividend basis (ASX) | Monday, 6 March 2017 |
| Record Date | Tuesday, 7 March 2017 |
| Processing recommences for requests to convert securities between stock exchanges ¹ | Wednesday, 8 March 2017 |
| Dividend Payment Date | Friday, 28 April 2017 |

This year, at the election of the security holder, the Company will pay the dividend in US Dollars, Australian Dollars, New Zealand Dollars or British Pounds Sterling for ASX listed CDIs, and US Dollars, Canadian Dollars or British Pounds Sterling for TSX listed common shares. Please refer to the end of this media release for important information relating to Australian income tax and Canadian withholding tax.

Other Investments

Subsequent to the year end, the Company signed a letter of intent (LOI) to enter into a joint venture with Mirasol Resources Ltd., a Canadian exploration company, enabling OceanaGold to acquire up to a maximum 75% interest in the La Curva Gold Project by completing various exploration and financial conditions. The Project is located in Santa Cruz; a highly prospective gold province in southern Argentina.

Philippines Update

Further to the Company news release dated 14 February 2017, the Department of Environment and Natural Resources (“DENR”) Order remains under appeal with the Office of the President in the Philippines. The Didipio mine continues to operate without interruption.

2016 Full Year Results Webcast

The Company will host a conference call / webcast to discuss the results at 8:30am on Friday 24 February 2017 (Melbourne, Australia time) / 4:30pm on Thursday 23 February 2017 (Toronto, Canada time).

Webcast Participants

To register, please copy and paste the link below into your browser:

<http://event.on24.com/r.htm?e=1349552&s=1&k=3A9B5447E56F208E102F5CD308EF4EBC>

Teleconference Participants (required for those who wish to ask questions)

Local (toll free) dial in numbers are:

Australia: 1 800 076 068

New Zealand: 0 800 453 421

Canada & North America: 1 888 390 0546

¹ The Company will seek and expects to be granted a temporary waiver of the relevant ASX Settlement Operating Rules. Under the waiver, the processing of transfers of Common Shares and CDIs between stock exchanges, lodged on or after 1 March 2017, will be deferred until after the Record Date of 7 March 2017.

All other countries (toll): + 1 416 764 8688

Playback of Webcast

If you are unable to attend the call, a recording will be available for viewing on the Company's website a few hours after the completion of the webcast.

- ENDS -

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About OceanaGold

OceanaGold Corporation is a mid-tier, high-margin, multinational gold producer with assets located in the Philippines, New Zealand and the United States. The Company's assets encompass its flagship operation, the Didipio Gold-Copper Mine located on the island of Luzon in the Philippines. On the North Island of New Zealand, the Company operates the high-grade Waihi Gold Mine while on the South Island of New Zealand, the Company operates the largest gold mine in the country at the Macraes Goldfield which is made up of a series of open pit mines and the Frasers underground mine. In the United States, the Company is currently commissioning the Haile Gold Mine, a top-tier asset located in South Carolina along the Carolina Terrane. The Company expects the Haile Gold Mine to commence commercial production early in the second quarter of 2017. OceanaGold also has a significant pipeline of organic growth and exploration opportunities in the Americas and Asia-Pacific regions.

OceanaGold has operated sustainably over the past 26 years with a proven track record for environmental management and community and social engagement. The Company has a strong social license to operate and works collaboratively with its valued stakeholders to identify and invest in social programs that are designed to build capacity and not dependency.

In 2017, the Company expects to produce 550,000 to 610,000 ounces of gold and 15,000 to 17,000 tonnes of copper with sector leading All-In Sustaining Costs that range from \$600 to \$650 per ounce sold.

Tax Information for Dividend

Australian Income Tax

For Australian income tax purposes, the dividend is unfranked and there is no amount of Conduit Foreign Income per security for this dividend payment.

Canadian Withholding Tax

Holders of Common Shares or CDIs are advised that this dividend is designated by the Company to be an "eligible dividend" pursuant to subsection 89(14) of the Income Tax Act (Canada) and corresponding provincial legislation. As the dividend originates from Canada, withholding tax at the rate of 25% will be deducted from dividends paid to non-Canadian residents unless the shareholder or CDI holder is a resident of a country with a tax treaty with Canada, in which event a lower withholding rate may apply. Such shareholders or CDI holders must certify their non-resident status by completing the relevant forms required by the Canada Revenue Agency. The Company will mail every holder further information following the Record Date.

Information contained in this media release is based on the directors' current expectations and may be subject to change. If any of the dates should change, the revised dates will be announced by media release and will be available from www.oceanagold.com.

Cautionary Statement for Public Release

Certain information contained in this public release may be deemed "forward-looking" within the meaning of applicable securities laws. Forward-looking statements and information relate to future performance and reflect the Company's expectations regarding the generation of free cash flow, execution of business strategy, future growth, future production, estimated costs, results of operations, business prospects and opportunities of OceanaGold Corporation and its related subsidiaries. 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. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those expressed in the forward-looking statements and information. They include, 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 most recent Annual Information Form prepared and filed with securities regulators which is available on SEDAR at www.sedar.com under the Company's name. There are no assurances the Company can fulfil forward-looking statements and information. Such forward-looking statements and information 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. Although the Company believes that any forward-looking statements and information contained in this press release is based on reasonable assumptions, readers cannot be assured that actual outcomes or results will be consistent with such

statements. Accordingly, readers should not place undue reliance on forward-looking statements and information. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements and information, whether as a result of new information, events or otherwise, except as required by applicable securities laws. The information contained in this release is not investment or financial product advice.

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