



## **MEDIA RELEASE**

15 October 2019

### **OCEANAGOLD REVISES 2019 GUIDANCE AND RELEASES PRELIMINARY THIRD QUARTER RESULTS**

(MELBOURNE) OceanaGold Corporation (**TSX: OGC**) (**ASX: OGC**) (the “Company”) announces that due to the local government unit blockade impacting operations in the Philippines, it is revising full year guidance. With continued restraint of supplies to the Didipio Mine, and the timing of a resumption uncertain, the Company has temporarily suspended processing following depletion of consumables necessary for sustained operations. This follows the suspension of underground mining in mid-July.

The Company now expects to produce between 460,000 and 480,000 ounces of gold along with 10,000 to 11,000 tonnes of copper for the full year. The Company’s consolidated All-In Sustaining Costs (“AISC”) is now expected to range between US\$1,040 and US\$1,090 per ounce sold while the cash cost guidance has been revised to US\$710 to US\$760 per ounce sold.

This guidance assumes no further production or sales from the Didipio operation for the remainder of the year. In the event an injunction is granted by the Philippine Court of Appeals, or a renewal of the Financial or Technical Assistance Agreement (“FTAA”) is finalised and normal operations resume, the Company may provide a further update on its full year guidance.

Mick Wilkes, President and CEO of OceanaGold said, “This is a very disappointing outcome for the Company, our shareholders and our truly valued Filipino workforce. The Didipio Mine has contributed significant socio-economic benefits to the Barangay of Didipio and neighbouring communities within the provinces of Nueva Vizcaya and Quirino. The Didipio Mine is a major direct and indirect employer in the remote communities of Northern Luzon and is the template for responsible mining in the Philippines.”

“With the timing of the Court of Appeals injunction decision uncertain, and efforts to finalise a renewal of the FTAA ongoing, we have no other choice but to temporarily suspend production at Didipio. The operations will remain in a state of readiness for re-start and the health and safety of our employees will continue, as always to be a top priority. We also remain actively engaged with the national government and our regulators to finalise a renewal of the FTAA and secure the long-term future of the best mining operation in the Philippines.”

When operational, the Didipio mine directly employs 1,500 workers of which approximately 97% are Philippine nationals including over 59% from the local communities and provides several thousand indirect jobs through the supply chain, partnerships with cooperatives and social development organisations.

## **Preliminary and Unaudited Third Quarter 2019 Results**

For the nine months ended 30 September 2019, consolidated production was 362,450 ounces of gold and 10,187 tonnes of copper at cash cost of \$725 per ounce and AISC of \$1,087 per ounce on sales of 341,100 ounces of gold.

Consolidated production for the third quarter of 2019 was 107,478 ounces of gold and 2,316 tonnes of copper including 16,727 ounces of gold and 2,316 tonnes of copper produced at Didipio. The third quarter production from Didipio went unsold in the quarter due to the cessation of transport activities early in the quarter.

Consolidated AISC for the third quarter was \$1,122 per ounce on sales of 94,347 ounces of gold while cash costs were \$828 per ounce sold.

Haile gold production in the third quarter was 36,812 ounces with AISC of \$1,106 per ounce on sales of 42,085 ounces. The quarter-on-quarter decrease in AISC reflects improved mine productivity and continued increases in process plant throughput across the quarter. Mining movements increased 36% from the second quarter with ore mining up nearly 10% quarter-on-quarter. Mining, processing and site general & administrative unit costs were all significantly lower. The slight decrease in recovery relates mainly to processing of low-grade stockpiles and continued fine tuning of the new regrinding circuit. As previously stated, the Company expects second half 2019 production at Haile to be greater than in the first half and as such, production is expected to be higher in the fourth quarter.

At Waihi, gold production was 16,021 ounces with AISC of \$778 per ounce on sales of 15,257 ounces. The quarter-on-quarter decrease in production was previously forecast and related to mine sequencing whereby lower grades were mined and processed. The Company expects broadly similar production in the fourth quarter.

At Macraes, gold production was 37,918 ounces with AISC of \$1,262 per ounce on sales of 37,595 ounces. Production was flat quarter-on-quarter as previously forecast due to similar grades and recoveries. The Company expects increased production from Macraes in the fourth quarter due to higher grades.

Production, cash costs and AISC figures provided for the third quarter are preliminary in nature. As such, they are subject to finalisation in the full financial results release on October 31, 2019.

**Table 1 – Production and Cost Results**

Quarter ended 30 Sept 2019		Haile	Didipio	Waihi	Macraes	Consolidated	
						Q3 2019	Q2 2019
Gold Produced	koz	36.8	16.7	16.0	37.9	107.5	129.3
Gold Sales	koz	42.1	(0.6)	15.3	37.6	94.3	125.6
Average Gold Price	US\$/oz	1,477	-	1,481	1,482	1,414	1,331
Copper Produced	kt	-	2.3	-	-	2.3	4.0
Copper Sales	kt	-	-	-	-	-	3.6
Average Copper Price	US\$/lb	-	-	-	-	-	2.60
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Total Ore Mined	kt	669	92	115	1,181	2,057	2,836
Tonnes Processed	kt	834	604	117	1,471	3,026	3,431
Gold Grade Processed	g/t	1.75	0.97	4.93	0.98	1.34	1.40
Gold Recovery	%	78.1	89.4	86.3	81.9	82.4	83.8
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Cash Costs	US\$/oz	888	0 <sup>(1)</sup>	686	805	828	684
All-In Sustaining Costs	US\$/oz	1,106	0 <sup>(1)</sup>	778	1,262	1,122	1,118
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Year to date 30 Sept 2019		Haile	Didipio	Waihi	Macraes	Consolidated	
						YTD 2019	YTD 2018
Gold Produced	koz	99.7	83.5	52.3	127.0	362	407
Gold Sales	koz	100.9	60.2	50.5	129.5	341	401
Average Gold Price	US\$/oz	1,380	1,385	1,361	1,358	1,346	1,315
Copper Produced	kt	-	10.2	-	-	10.2	12.1
Copper Sales	kt	-	6.9	-	-	6.9	11.4
Average Copper Price	US\$/lb	-	2.84	-	-	2.84	3.05
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Total Ore Mined	kt	1,852	1,173	333	4,616	7,974	7,839
Tonnes processed	kt	2,341	2,633	338	4,452	9,763	9,241
Gold grade processed	g/t	1.69	1.11	5.55	1.07	1.39	1.58
Recovery	%	77.9	88.5	86.5	82.8	83.3	86.4
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Cash Costs	US\$/oz	896	481	695	718	725	465
All-In Sustaining Costs	US\$/oz	1,366	694	855	1,142	1,087	751

(1) Didipio recorded nil gold sales in the quarter ended 30 September 2019 and therefore did not record an AISC on an ounce sold basis. An AISC on gold produced during Q3 will be recognised on sale.

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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 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 operates the Haile Gold Mine, a top-tier, long-life, high-margin asset located in South Carolina. OceanaGold also has a significant pipeline of organic growth and exploration opportunities in the Americas and Asia-Pacific regions.

OceanaGold has operated sustainably since 1990 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 2019, the Company expects to produce between 460,000 to 480,000 ounces of gold and 10,000 to 11,000 tonnes of copper at All-In Sustaining Costs ranging between \$1,040 and \$1,090 per ounce sold.

## **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, sovereign risks, risk of suspension 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](http://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 because 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

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