

(All financial figures in US Dollars unless otherwise stated)

MELBOURNE, July 27, 2017 /CNW/ - [OceanaGold Corp.](#) (TSX/ASX: OGC) (the "Company") is pleased to release its financial and operational results for the quarter ended 30 June 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](http://www.oceanagold.com)

#### Key Highlights

- Consolidated production of 272,352 ounces of gold and 10,277 tonnes of copper in the first half of 2017, including 124,396 ounces of gold and 4,322 tonnes of copper in the second quarter.
- Consolidated year-to-date All-In Sustaining Costs of \$599 per ounce on sales of 228,214 ounces of gold (excluding Haile) and 9,976 tonnes of copper.
- Consolidated second quarter All-In Sustaining Costs of \$681 per ounce on sales of 114,192 ounces of gold (excluding Haile) and 5,828 tonnes of copper.
- First half revenue of \$333.5 million with EBITDA of \$186.4 million and a net profit of \$61.4 million.
- Second quarter revenue of \$171.7 million with an EBITDA of \$84.7 million and a net profit of \$25.4 million.
- Completed the Haile Optimisation Study which demonstrated significant value enhancement through increased production and cash flows over a longer mine life and a 70% increase in total reserves.
- Immediate liquidity of \$126.8 million including \$81.6 million in cash, excluding \$71.6 million of marketable securities held in strategic investments.
- Continued encouraging exploration results.

Mick Wilkes, President and CEO of OceanaGold said, "The first half of the year yielded strong financial and operating results from our diversified portfolio of assets. The Didipio operation continued its strong performance delivering strong cash flows and high-margin ounces to offset weaker production from Haile where production is improving as we rectify the commissioning issues previously flagged."

He added, "Although commissioning of the Haile process plant has taken longer than expected, it is still a top-tier asset as reflected by the results of the optimisation study. Over the next 18 years or more we expect the Haile Gold Mine to deliver significant cash flows and remain excited about the long term exploration potential of the district. We plan to be operating there for a very long time."

Table 1 – Production and Cost Results Summary

		Didipio	Waihi	Macraes	Haile <sup>(2)</sup>	Consolidated	
Second Quarter 2017 Results						Q2 2017	Q1 2017
Gold Produced	ounces	42,899	25,559	39,778	16,160	124,396	147,956
Copper Produced	tonnes	4,322	-	-	-	4,322	5,955
Gold Sales	ounces	47,185	24,743	42,264	15,558	129,750 <sup>(3)</sup>	126,225 <sup>(3)</sup>
Copper Sales	tonnes	5,828	-	-	-	5,828	4,148
All-In Sustaining Costs <sup>(1)</sup>	\$ per ounce	147	913	1,140	-	681	521
YTD June 30 2017						YTD Jun 30 2017	YTD Jun 30 2016
Gold Produced	ounces	105,647	51,419	78,328	36,958	272,352	225,339
Copper Produced	tonnes	10,277	-	-	-	10,277	12,244
Gold Sales	ounces	98,652	51,500	78,062	27,761	255,975 <sup>(3)</sup>	233,293
Copper Sales	tonnes	9,976	-	-	-	9,976	10,858
All-In Sustaining Costs <sup>(1)</sup>	\$ per ounce	15	876	1,154	-	599	722

Notes:	
1.	In this second quarter 2017 MD&A, all revenue and costs reported do not include the Haile operations as these have been capitalised as commercial production is yet to be declared.
2.	Haile gold mine commenced selling gold in February 2017. Revenue from the sale of gold is treated as pre-production income.
3.	Consolidated 2017 gold sales include gold sales from Haile.

Table 2 – Consolidated Financial Summary\*

\$'000	Q2 Jun 30 2017	Q1 Mar 31 2017	Q2 Jun 30 2016	YTD Jun 30 2017	YTD Jun 30 2016
Revenue	171,650	161,800	169,763	333,450	330,814
Cost of sales, excluding depreciation and amortisation	(73,767)	(56,834)	(79,642)	(130,601)	(151,531)
General & administration – other	(14,513)	(8,950)	(15,565)	(23,463)	(27,933)
Foreign currency exchange gain/(loss)	647	(221)	2,543	426	3,268
Gain on sale of available-for-sale assets	-	5,314	-	5,314	-
Other income/(expense)	728	562	187	1,290	541
Earnings before interest, tax, depreciation and amortisation (EBITDA) (excluding gain/(loss) on undesignated hedges and impairment charge)	84,745	101,671	77,286	186,416	155,159
Depreciation and amortisation	(51,171)	(36,403)	(28,015)	(87,574)	(61,784)
Net interest expense and finance costs	(4,292)	(4,557)	(2,536)	(8,848)	(4,724)
Earnings before income tax and gain/(loss) on undesignated hedges and impairment charge	29,282	60,711	46,735	89,994	88,651
Tax (expense) / benefit on earnings	(4,538)	(1,318)	(5,599)	(5,857)	(10,806)
Earnings/(loss) after income tax and before gain/(loss) on undesignated hedges and impairment charge	24,744	59,393	41,136	84,137	77,845
Impairment charge	-	(17,654)	-	(17,654)	-
Gain/(loss) on fair value of undesignated hedges	1,075	(7,874)	(1,828)	(6,799)	(20,132)
Tax (expense)/benefit on gain/loss on undesignated hedges	(301)	2,205	511	1,904	5,637
Share of profit/(loss) from equity accounted associates	(161)	(65)	(164)	(226)	(164)
Net Profit	25,357	36,005	39,655	61,362	63,186
Basic earnings per share	\$0.04	\$0.06	\$0.07	\$0.10	\$0.10
<b>CASH FLOWS</b>					
Cash flows from Operating Activities	88,391	52,343	91,486	140,734	123,159
Cash flows used in Investing Activities	(71,696)	(65,910)	(122,496)	(137,606)	(226,236)
Cash flows (used in) / from Financing Activities	(6,635)	10,545	12,827	3,910	14,860

**Note:**

In this second quarter 2017 MD&A, all revenue and costs reported do not include the Haile operations as these have been capitalised as commercial production is yet to be declared.

On a consolidated basis, during the first half of 2017 the Company achieved production of 272,352 ounces of gold and 10,277 tonnes of copper, including 124,396 ounces of gold and 4,322 tonnes of copper in the second quarter. The quarter-on-quarter decrease in consolidated gold production was expected and previously forecast and due primarily to lower production from the

Didipio operation. In the second quarter, the Didipio head grade decreased following the cessation of open pit mining resulting in a higher proportion of lower grade stockpiled ore processed. Decreased production was also due to lower production from Haile where issues related to the commissioning of the Carbon-in-Leach ("CIL") circuit along with load imbalances in the milling circuit led to lower throughputs and recoveries.

On a consolidated basis, and excluding Haile gold sales, during the first half of 2017, the Company recorded an AISC of \$599 per ounce on sales of 228,214 ounces of gold and 9,976 tonnes of copper. During the second quarter, on a consolidated basis and excluding Haile gold sales, the Company recorded an AISC of \$681 per ounce on sales of 114,192 ounces of gold and 5,828 tonnes of copper.

During the first half, the Company achieved revenue of \$333.5 million including second quarter revenue of \$171.7 million.

EBITDA in the first half of 2017 was \$186.4 million including second quarter EBITDA of \$84.7 million, which was lower quarter-on-quarter due to increased operating and general and administrative ("G&A") costs, partially offset by higher revenue.

For the first half of 2017, the Company achieved a net profit of \$61.4 million and a second quarter net profit of \$25.4 million. The quarter-on-quarter decrease in net profit was a result of lower EBITDA, higher depreciation and amortisation costs and tax expense, which were partially offset by a gain on the fair value of undesignated hedges.

Operating cash flow for the first half of the year was \$140.7 million including \$88.4 million in the second quarter. The increase in operating cash flow from the first quarter was primarily due to higher revenues and favorable working capital movements at Didipio following the reduction of gold-copper concentrate inventories and decrease in trade debtors.

At the end of the second quarter of 2017, the Company had immediate available liquidity of \$126.8 million which included a cash balance of \$81.6 million, excluding \$71.6 million in marketable securities from strategic investments. During the quarter, the Company increased its revolving credit facilities to \$330 million of which \$284.8 million was drawn.

## Second Quarter 2017 Results Webcast

The Company will host a conference call / webcast to discuss the results at 7:30 am on Friday 28 July 2017 (Melbourne, Australian Eastern Standard Time) / 5:30 pm on Thursday 27 July 2017 (Toronto, Eastern Daylight Time).

### Webcast Participants

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

<http://event.on24.com/r.htm?e=1462822&s=1&k=3BC20600AC3044BA5401F93244445492>

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 0605

All other countries (toll): + 1 416 764 8609

### Playback of Webcast

If you are unable to attend the call, a recording will be available for viewing on the Company's website.

### About OceanaGold

[OceanaGold Corp.](#) 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. 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 27 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 600,000 ounces of gold and 18,000 to 19,000 tonnes of copper with sector leading All-In Sustaining Costs that range from \$600 to \$650 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 Corp.](#) 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 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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