OceanaGold reports significant increase in mineral resources at Waihi in New Zealand

07.03.2019 | CNW

/NOT FOR DISSEMINATION OR DISTRIBUTION IN THE UNITED STATES AND NOT FOR DISTRIBUTION TO US N SERVICES./

MELBOURNE, March 7, 2019 - OceanaGold Corp. (TSX: OGC) (ASX: OGC) (the "Company") is pleased to announce Mineral Resource estimate for the Martha Underground Project (the "Project") and recent exploration results highlightin high-grade gold intersections at the Company's Waihi Gold Mine ("Waihi") located in New Zealand.

Highlights

- Increased total Indicated Resource by 136% to 331,000 ounces of gold.
- Increased total Inferred Resource by 97% to 667,000 ounces of gold.

Table 1: Updated Martha Project Mineral Resources

Resource Category	Cut-off	RESOURCES		
	Au g/t	kt	Au g/t	Au koz
Indicated	2.15	2,129	4.84	331
Inferred	2.15	4,522	4.59	667

Notes:

- Resources are reported below the consented Martha Phase 4 open pit design,
- Resources are constrained to within a conceptual underground designed based upon the incremental cut-off grade and at a gold price of NZD$2,142/oz.
- No dilution is included in the reported figures and no adjustments have been made to allow for mining recoveries.
- The tabulated resources are estimates of metal contained as troy ounces of gold and do not include allowances for processing.
- All figures are rounded to reflect the relative accuracy and confidence of the estimates and totals may not add correctly.
- There is no certainty that Mineral Resources that are not Mineral Reserves will be converted to Mineral Reserves.

Significant Drill Results

True Width (metres)	Gold Grade g/t	Silver Grade g/t	Location
10.7	36.0	221.8	Harry-Empire Intersection
4.7	47.2	67.9	Royal Vein
16.5	10.1	17.1	Martha Vein
5.8	18.8	53.3	State Vein
8.8	10.6	121.0	Royal Vein
1.3	70.7	71.7	Martha Vein
6.1	14.8	60.2	Edward Vein
4.1	19.8	14.6	Dominion Vein

Mick Wilkes, President and CEO, "I am very pleased to announce a further increase to the mineral resource estimate for the Martha Underground Project. Over the past two years, we have made prudent investments in extensively drilling out the mineralised structures beneath the Martha Open Pit. Since that time, we have reported dozens of significant drill intercepts and a growing resource which has now culminated into an Indicated Resource of 331,000 ounces of gold and Inferred Resource of 667,000 ounces."

"The consenting (permitting) process was completed nearly a month ago and we continue to add significant resources as we seek to achieve our exploration targets. We are in the process of implementing the project development and mine plans. Once fully developed and ramped-up, production from the Martha Underground is expected to increase to recent historical levels while delivering significant socio-economic benefits to New Zealand."

Over the course of the next twelve to eighteen months, the Company will continue its extensive exploration program along the two underground drill drives to further discover and convert resources. The Waihi vein system is extensive and the primary structures such as the Martha, Empire, Edward and Royal veins are in part well defined. The exploration target is associated with these structures, however, additional veins, notably Dominion, State, Republic and Harry that are branches of and linking splays between these major veins are also returning high-grade intersections.

Following positive updates in August 2018 and October 2018 for the Martha Underground, drilling has continued at multiple drill locations extending 900 metres along two vertically separated underground drill drives (800m-drill drive and 920m-drill drive, Figure 1) and from several surface locations. These drives are advancing well with the breakthrough from the 920-drill drive to the Martha open pit now established and the 800-drill drive over 90% complete.

Since the commencement of the Martha Underground drill program, approximately 30,700 metres have been drilled to define mineralisation along sections of the Martha, Royal, Empire and Rex veins that support the geological and resource model. Following receipt of the Martha Underground consent, the focus of drilling with six underground rigs and two surface rigs is balanced between growing the Resource and converting areas to an Indicated Resource status sufficient to support feasibility studies and mine planning.

The intersection of high-grade mineralisation to date supports the exploration target reported in August 2018 with a potential volume of between 5 million and 8 million tonnes at a grade of between 4.0 g/t and 6.0 g/t gold. This exploration target is based on the assessment of surface and underground drilling data collected by the Company in addition to the significant amount of historical and archived geological and mining data from over a century of mining activity at Waihi. Exploration targets are conceptual in nature; there has been

insufficient exploration to define a mineral resource of the potential volume and grade stated and that it is uncertain if further exploration will result in the target being delineated as a mineral resource of this size and grade.

Mick Wilkes added, "The recent drill results at Waihi continue to demonstrate the significant exploration potential at the Martha Underground. We will continue to invest in our extensive drill program from the two underground drill drives and have allocated a budget of over $11 million for 2019 to go with the $8 million planned spend for our newly discovered WKP prospect which we reported an initial resource of 234,000 ounces of gold in the Indicated category and 401,000 ounces of gold in Inferred Resources."

Table 2 - Significant Intersections from the Waihi Martha Underground Resource Drilling

Hole ID	East#	North#	Collar RL	Az#	Dip	From (m)	To (m)	True width (m)	Gold Grade (g/t)	Silver Grade (g/t)	Vein
	(metres)	(metres)	(metres)								
800DC1RN1240	395901.9	643001.1	780.8	209.9	7.2	82.60	95.10	8.8	10.59	121.0	Royal
800DC1RN1245	395900.9	643001.1	779.4	226.6	-21.5	121.40	128.10	2.9	8.74	14.8	Royal
800DC1RN1246	395905.4	643002.2	778.6	127.4	-57.6	25.00	33.90	6.8	5.10	8.1	Royal
800SP1MR1214	395967.2	643097.5	778.7	290.7	-33.6	234.80	239.90	4.4	10.59	73.1	Martha
800SP1MR1214	395967.2	643097.5	778.7	290.7	-33.6	180.70	191.40	6.9	5.05	6.5	Dreadnought
800SP1MR1224	395967.2	643097.5	779.7	290.6	1.2	206.10	218.50	10.7	36.01	221.8	Harry-Empire
800SP1MR1224	395967.2	643097.5	779.7	290.6	1.2	159.40	163.75	4.2	15.99	37.7	Empire
800SP1MR1224	395967.2	643097.5	779.7	290.6	1.2	123.70	132.80	6.4	10.49	13.8	Dreadnought
800SP1MR1224	395967.2	643097.5	779.7	290.6	1.2	268.90	273.90	4.7	6.32	49.3	Martha
800SP1MR1258	395967.8	643098.3	779.2	304.6	-16.0	136.20	142.20	3.6	22.17	25.3	Dreadnought
800SP1MR1258	395967.8	643098.3	779.2	304.6	-16.0	188.70	201.20	10.8	4.72	10.7	Harry
800SP1MR1258	395967.8	643098.3	779.2	304.6	-16.0	205.00	213.20	8.2*	5.53	8.8	Harry-Martha
800SP1MR1269	395967.8	643098.1	779.0	300.7	-22.6	198.90	219.00	16.5	10.10	17.1	Martha
800SP1MR1277	395967.9	643098.4	779.9	311.0	6.3	148.50	149.30	0.8	61.10	73.3	Empire
800SP3MN1237	395989.8	643115.4	779.5	339.9	-12.6	187.80	192.90	4.1	19.84	14.6	Dominion
800SP3MN1237	395989.8	643115.4	779.5	339.9	-12.6	142.90	149.00	4.3	7.84	16.5	Empire
800SP3MR1221	395991.0	643115.3	779.9	8.7	-2.0	200.70	209.15	8.5*	13.26	208.4	Republic
800SP3MR1221	395991.0	643115.3	779.9	8.7	-2.0	200.70	203.20	2.3	15.16	59.3	Empire
800SP3MR1227	395990.8	643115.3	779.7	6.2	-8.1	236.10	253.80	13.6	5.84	10.1	Martha
800SP3MR1227	395990.8	643115.3	779.7	6.2	-8.1	196.00	197.10	0.9	28.90	33.3	Empire
800SP3MR1227	395990.8	643115.3	779.7	6.2	-8.1	183.00	187.65	3.7	6.95	11.5	Empire

800SP3MR1231	395991.1	643115.3	779.9	13.2	-2.6	206.70	216.00	7.8	7.24	28.9	Empire
800SP3MR1244	395990.6	643115.4	780.0	359.7	4.0	190.90	197.40	5.8	18.76	53.3	State
800SP3MR1248	395990.3	643115.5	779.3	353.0	-22.6	167.05	179.70	8.1	7.07	14.1	Empire
800SP3MR1248	395990.3	643115.5	779.3	353.0	-22.6	181.00	184.30	2.1	20.34	27.2	State
800SP3MR1248	395990.3	643115.5	779.3	353.0	-22.6	163.00	166.40	2.8	9.09	12.5	Dreadnought
800SP3MR1257	395990.5	643115.6	779.7	356.1	-7.1	187.50	197.20	8.4	4.53	4.6	State
800SP3MR1262	395990.7	643115.4	779.3	2.9	-14.0	202.40	207.20	4.6	12.00	13.7	State
800SP3MR1265	395991.2	643115.4	779.6	12.5	-7.7	208.20	214.00	3.6	18.32	38.7	Empire
800SP3MR1265	395991.2	643115.4	779.6	12.5	-7.7	255.30	261.35	5	7.72	9.8	Martha
800SP3MR1278	395989.5	643115.2	779.4	334.0	-16.3	141.10	145.40	4.2	12.89	20.6	Empire
920RCCRN1202	395746.7	642915.6	919.6	195.1	-12.5	67.00	69.30	2.2	21.88	27.6	Royal
920RCCRN1242	395747.0	642915.0	919.8	185.6	-4.3	69.55	71.00	1.3	25.91	247.5	Royal
920RCCRN1256	395747.6	642915.0	919.5	173.0	-6.8	71.10	75.50	4.3	7.94	50.4	Royal
920RCCRN1270	395749.4	642915.4	919.8	136.8	-3.5	101.80	107.35	4.7	47.17	67.9	Royal
920SP2MN1254	396156.3	643097.5	921.9	348.2	-27.0	309.95	313.40	2.1	21.05	15.3	State
920SP3MR1217	396038.3	643058.1	921.6	337.2	-6.8	355.20	356.80	1.3	70.70	71.7	Martha
920SP5MN1205	395810.5	642983.3	919.5	333.5	-0.6	292.10	296.50	3.4	22.71	32.9	Martha
920SP5MN1205	395810.5	642983.3	919.5	333.5	-0.6	298.30	303.10	3.4	9.34	9.7	Martha
920SP5MN1228	395809.6	642983.0	918.5	316.6	-24.2	166.50	171.20	4.7*	6.10	77.1	Boxall
920SP8GT1238	395480.7	642862.5	925.8	341.7	4.8	127.10	135.10	6.4	7.77	61.2	Empire
920SP9MN1264	395464.4	642833.2	925.6	267.1	-36.1	119.40	127.30	6.1	14.76	60.2	Edward
920SP9MN1281	395464.8	642832.2	926.4	238.3	-2.9	76.60	81.80	3.3	8.68	38.0	Edward
UW678	395585.4	642598.2	1113.2	83.5	-55.5	176.10	180.30	3.4	13.13	10.0	Rex

Old Mt Eden Coordinate system

* Downhole length as not possible to determine true width

All drill data in relation to the Waihi Project can be found on the Company's website at http://www.oceanagold.com/investor-centre/filings/. In line with ASX listing requirements, OceanaGold has appended the information required by JORC Table 1 for Waihi Exploration Results to its ASX announcement. JORC Table 1 is not required under National Instrument 43-101. Readers are referred to the ASX website at www.asx.com.au or the OceanaGold website at www.oceanagold.com to view JORC Table 1.

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 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 500,000 to 550,000 ounces of gold and 14,000 to 15,000 tonnes of copper at All-In Sustaining Costs ranging between $850 and $900 per ounce sold.

Competent/Qualified Person's Statement

The exploration results were prepared in accordance with the standards set out in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code") and in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101"). The JORC Code is the accepted reporting standard for the Australian Stock Exchange Limited ("ASX").

Information relating to Waihi Mineral Resource and Exploration Results in this document has been verified by, is based on and fairly represents information compiled by or prepared under the supervision of Mr Peter Church, a Chartered Professional of the Australasian Institute of Mining and Metallurgy and an employee of OceanaGold. Mr Church has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code and is Qualified Persons for the purposes of the NI 43 101. Mr Church consents to the inclusion in this public report of the matters based on their information in the form and context in which it appears.

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 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 that forward-looking statements and information will prove accurate, and investors should not place undue reliance on forward-looking statements and information. Forward-looking statements and information are based on, among other things, opinions, assumptions and estimates made by 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.

Contact:
Investor Relations: Sam Pazuki, Tel: +1 416 815 8123, ir@oceanagold.com; Media Relations: Melissa Bowman, Tel: +61 459 909 099, info@oceanagold.com; www.oceanagold.com; Twitter: @OceanaGold

SOURCE: OceanaGold Corp.