



## **MEDIA RELEASE**

28 October 2010

### **OCEANAGOLD POSTS STRONG THIRD QUARTER RESULT**

(MELBOURNE) OceanaGold Corporation (ASX: OGC, TSX: OGC, NZX: OGC) (the "Company") has recorded strong quarter on quarter growth with a 72% increase in net earnings of \$13.7 million and at \$42.6 million, a 9% improvement in EBITDA over the previous quarter.

Gold production for the quarter totalled 68,763 ounces, realising a YTD total of 201,595 ounces. OceanaGold is Australia's third largest ASX listed gold producer.

The quarter also saw the Company successfully close a C\$115.5 million equity raising to complete development of its highly prospective Didipio Project in the Philippines. Key personnel appointments related to Didipio's development were made during the period, including a Project Director - Philippines who will oversee all aspects of construction and project management.

Executive Chairman, Jim Askew, said "OceanaGold's third quarter results demonstrated higher cash operating margins and solid cash flows from our NZ operations. With the commencement of the development of the Didipio Project the company will be well positioned for ongoing earnings growth and expansion".

"Didipio represents a long life mine with robust economics that, after allowing for copper by-product credits, will create a cash cost profile that aims to put the Company within the lowest quartile amongst its peer group," he said.

"Integrating Didipio into the stable of well managed mines that already exist in New Zealand will be OceanaGold's priority in the months ahead and is expected to result in significant profitability gains for the Company."

Other highlights from the 2010 Third Quarter Report include:

- Improved mining and milling rates at the Macraes open cut and Frasers underground operations resulting in a 20% increase in production when compared to the previous quarter.
- A New Zealand exploration program added 3,600 metres of underground drilling completed at Frasers Underground (Macraes) and 7,600 metres of drilling at Globe Deeps (Reefton).

- ENDS -

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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 – 290,000 ounces of gold per annum from the New Zealand operations. The Company also owns the Didipio Project in northern Luzon, Philippines where construction is scheduled to re-commence in H1 2011.

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. 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.

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