OceanaGold Provides Corporate Update

(All financial figures in US Dollars unless otherwise stated)

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BRISBANE, Australia, Aug. 28, 2020 /CNW/ - OceanaGold Corporation (TSX: OGC) (ASX: OGC) (the "Company") wishes to provide a corporate update regarding the continued efforts to manage near-term risks associated with the COVID-19 global pandemic, associated impacts on production guidance and a general operational update.

Michael Holmes, President and CEO of OceanaGold said, "We continue to manage the near-term risks presented by the COVID-19 global pandemic to our business while we work diligently to deliver on our commitments and advance our exciting organic growth opportunities. The health and wellbeing of our workforce is always our top priority which is why we implemented stringent protocols at each of our operations. These protocols include a rigorous health screening process upon entry to the mine site, physical distancing, staggered shifts, continuous disinfecting of common use areas and mandatory self-isolation of suspected or confirmed cases."

"These measures have been in place since the beginning of March and up until June, the Company had no positive cases of COVID-19. Since June, Haile has had 18 positive cases and approximately 220 workers have been required to self-isolate for a two-week period at some point since the beginning of March. These protocols while essential, have adversely impacted staffing levels at Haile. Given the continued fluid situation in the United States regarding COVID-19, combined with productivity losses due to weather, the outlook at Haile for the remainder of the year is now uncertain. We are behind schedule on our targeted mining advance rates, which is delaying access to the higher-grade zones of the open pits necessary to achieve the significantly higher production levels expected in the latter months of the year."

"To that end, we have revisited our near-term mine plan for Haile to better understand what is achievable in the current work environment. As such, we are now expecting Haile's 2020 production to range between 135,000 and 175,000 ounces of gold. The wide range represents the high degree of uncertainty we currently face and the short-term sensitivity the 2020 production plan has to advance rates given the increasing grade profile."

"In response to this uncertain outlook and to enhance our balance sheet, we have entered into a new forward gold sale arrangement with members of our existing bank group. Under the new arrangement, the Company will receive a pre-payment of approximately US$77 million, in exchange for delivering of 40,000 ounces of gold in the second quarter of 2021, representing approximately 10% of next year's expected gold output excluding any contribution from Didipio. This recognises the change in the timing of operating cash flow and provides additional liquidity to continue to manage the near-term risks of COVID-19 while continuing development of Martha Underground ahead of first production in the second quarter of 2021."

"OceanaGold is a solid mid-tier gold producer with one of the premier growth pipelines in the gold mining industry. We continue to advance the Waihi District opportunities which are planned to deliver the largest organic growth in OceanaGold's 30-year history. In addition to Waihi, we continue to advance the Golden Point underground study which we anticipate completing this quarter and demonstrate a meaningful mine life extension at Macraes. We also expect to commence development of the Horseshoe underground in 2021 providing access to a high-grade underground feed source at Haile. These opportunities are expected to create significant value for shareholders."

Operations

In New Zealand, the operations were impacted by a five-week government shutdown in April with Macraes limited to processing stockpiles to maintain the autoclave in a safe and operable state. At the end of July, the Company announced that despite a strong rebound in mining activity at Macraes in May and June, the operation would not be able to make up for the shortfall in mining this year and some production originally expected in the fourth quarter would shift into 2021. As a result, the Company announced at the end of July that is has reduced Macraes 2020 production guidance range to between 140,000 and 150,000 ounces of gold.

In the United States, the Haile operation's strict protocols also include the mandatory self-isolation of workers who exhibit COVID-19 symptoms, have tested positive for the virus, and/or have come in contact with someone who has exhibited symptoms or has tested positive for the virus. Since the beginning of March, approximately 220 workers have had to self-isolate at some point, including 50 since the end of June. The operation had no positive cases of COVID-19 until June and since June, 18 workers have tested positive for the virus and three additional workers are currently in isolation as presumptive positive cases. Despite these cases, the Company continues to be COVID-19 free at site through its rigorous safety protocols and contact tracing process.

As noted several times throughout the year, Haile's full year production is significantly weighted to the second half of the year

due to mine sequencing whereby grades increase materially as the year progresses. This mine plan is predicated on moving a significant amount of material to access the higher-grade ore zones which are expected to be mined in the latter months of the year. These months are expected to deliver significant production levels.

With the ongoing challenges presented by COVID-19, which has and continues to adversely impact staffing levels combined with delays in accessing some areas of the open pit in the first half of the year due to loss production from weather, the outlook for the operation is now uncertain. As a result, the Company is revising Haile's production guidance to account for these ongoing challenges impacting the operation's ability to achieve the mining rates required to access the high-grade zones in the timeframe previously anticipated.

The Company now expects Haile to produce between 135,000 ounces and 175,000 ounces of gold at a site All-In Sustaining Cost ("AISC") ranging between $1,100 and $1,400 per ounce sold. The Company wishes to note that the resource model remains strongly intact with reconciliation at or above expectations. As such, any high-grade zones previously expected to be accessed in 2020 would be delayed to subsequent quarters.

With this revision, along with the previously announced revision to the Macraes outlook, the Company now expects full year consolidated production of between 295,000 and 345,000 ounces of gold at an AISC range between $1,150 and $1,250 per ounce sold.

This revised outlook is based on the Company's best efforts to estimate the ongoing impacts of the COVID-19 global pandemic.

Liquidity

In response to the revised 2020 outlook, the Company has entered into a new forward gold sale arrangement with Citibank, BNP Paribas and the Commonwealth Bank of Australia. Under the new arrangement, the Company will receive a pre-payment of approximately US$77 million on August 28, 2020, in exchange for delivering 40,000 ounces of gold between April and June 2021. The amount of gold presold is expected to represent approximately 10% of the expected full year production for 2021, excluding any potential ounces produced from Didipio.

The cash consideration for the advanced gold sale will be treated as deferred revenue to be amortised and the revenue recognised when the physical delivers occur. The cash consideration will be included in operating cash flow for the third quarter of 2020. Prior to inclusion of the $77 million gold pre-sale proceeds, the Company's current cash position is approximately $105 million.

The existing 48,000 ounce forward gold sale executed in February and due for delivery will be completed as scheduled between September and December 2020.

The Company will continue to manage its balance sheet in a prudent manner to ensure sufficient liquidity to address near-term risks associated with the COVID-19 global pandemic and ensure continued investment in organic growth projects, particularly Martha Underground and WKP on the optimal timelines.

Growth

Despite the five-week temporary cessation of development at Martha Underground, the Company continues to expect first production in the second quarter of 2021. The Company continues to advance the other opportunities within the Waihi District through the permitting phase and recently announced receipt of the mining permit for the WKP Hauraki tenement. Exploration drilling continues at both Martha Underground and WKP with a focus on resource conversion and extension.

The Company continues to advance the Golden Point Underground study to completion this quarter. The Golden Point Underground is expected to replace the Frasers Underground and along with additional open pit opportunities, extend the mine life of Macraes. The release of this study in the form of an updated Macraes National Instrument 43-101 Technical Report ("NI 43-101") will exclude Inferred resources however, it will include an initial resource for Golden Point Underground.

At Haile, the Company expects to complete the Horseshoe underground optimisation before the end of the year and deliver an updated NI 43-101. The updated Technical Report will include any new details on Horseshoe but will also include an updated mine plan for the overall Haile operation.

Didipio

The Company continues to engage with the Philippine National Government on advancing the renewal of the FTAA which is currently with the Office of the President pending a decision. The Company has not been provided any timeline on when a decision will be made on the renewal.

Since mid-April, the Company has temporarily laid-off approximately 500 workers and is required to either re-instate or terminate the workers effective mid-October. The Company will be required to provide notices to the workforce of its intent in mid-September.

The Company was encouraged by positive tangible actions taken by the Government earlier this year along with re-endorsement of the FTAA renewal by government agencies to the Office of the President for a decision. The Company also recognises the ongoing challenges the Government has faced in managing the COVID-19 pandemic. The Company continues to recognise and appreciate the significant support demonstrated by thousands of local residents in the provinces of Nueva Vizcaya and Quirino and the vocal support from local unions, cooperatives and organisations for the FTAA renewal and the Company as their responsible mining company of choice.

Authorised for release to market by OceanaGold Corporate Company Secretary,Liang Tang.

About OceanaGold

OceanaGold Corporation is a mid-tier, high-margin, multinational gold producer with assets located inthe 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 ofNew 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.

For 2020, and subject to the cautionary statement below, the Company expects to produce between 295,000 and 345,000 ounces of gold from Haile, Waihi and Macraes combined at a consolidated All-In Sustaining Costs ranging from $1,150 to $1,250 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, achievement of guidance, 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 outbreak of an infectious disease, 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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