OceanaGold Reports Preliminary Full Year and Fourth Quarter 2020 Operational Results

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(All financial figures are unaudited and denominated in US Dollars unless otherwise stated)

BRISBANE, Australia, Jan. 18, 2021 /CNW/ - OceanaGold Corporation (TSX: OGC) (ASX: OGC) (the "Company") is pleased to announce its preliminary full year and fourth quarter 2020 operational results for the year ended 31 December 2020. The numbers contained in this document are unaudited and subject to finalisation. The Company will release its complete 2020 audited financial and operational results after TSX market close on Thursday February 18, 2021 (Toronto Eastern Standard Time).

Key Highlights

- Achieved consolidated full year gold production of 301,675 ounces including 99,155 ounces produced in the fourth quarter.
- Unaudited consolidated All-In Sustaining Costs ("AISC") for the full year of $1,276 per ounce sold and cash costs of $866 per ounce sold.
- Haile produced 48,988 ounces of gold in the fourth quarter and 137,413 ounces for the full year.
- Martha Underground progressing to first production in the second quarter of 2021.
- Completed new, four-year $250 million revolving credit facility with December 31, 2024 maturity date.
- Ended the full year with immediately available liquidity of $229 million, including $179 million of cash on hand and $50 million in undrawn credit facilities.
- Philippines Office of the President instructed government agencies to finalise terms and conditions of the Didipio FTAA renewal.

Michael Holmes, President and CEO of OceanaGold said, "We delivered a strong fourth quarter of production, consistent with our core value to deliver on our commitments. Despite the ongoing risks associated with the COVID-19 global pandemic in the United States, Haile achieved its full year production guidance with 137,413 gold ounces produced including 48,988 ounces in the fourth quarter. The risks associated with the management of COVID-19 remain, and we are focussed on keeping our workforce safe while delivering on our commitments. We expect the continued mining of high-grade zones at Haile through the first half of 2021."

"In New Zealand, both Macraes and Waihi operations delivered on full year production guidance with 144,487 and 19,775 ounces of gold, respectively. Development of the Martha Underground continues to advance, and we expect first production at the end of the second quarter. Meanwhile at Macraes, development of Golden Point Underground is progressing well with first production on-track for the fourth quarter. Over 30,000 metres were drilled in the Waihi District through 2020 with fourth quarter activities focussed on resource conversion drilling at Martha Underground and Wharekirauponga."

"In December, the Company met with Philippine Government officials, as instructed by the Office of the President, to finalise the terms and conditions of the FTAA renewal. We expect the renewal will be returned to the Office of the President for review and approval in the near-term. Didipio is a world-class operation that employs thousands of Filipinos and is a significant source of economic benefit to the National Government as well as the local communities of Nueva Vizcaya and Quirino. We look forward to working with stakeholders and Government officials to safely restart operations and continue the significant socio-economic benefits when the renewal has been approved. OceanaGold is a responsible gold mining Company that is focussed on operating to the highest social and environmental international standards and considers Didipio the template for responsible mining globally."

"Looking ahead to 2021, we expect stronger year-on-year production. Our robust organic growth pipeline is advancing to plan, and we are excited to bring Martha Underground into full production in the second quarter. Exploration remains a critical part of the OceanaGold story, and we will continue to invest in the drill bit to discover and convert ounces at each of our operations. OceanaGold is a dynamic and resilient gold miner with an exciting future, and we look forward to releasing our inaugural multi-year guidance on February 18 and hosting a webcast to better define the future of the business."

Table 1 – Fourth Quarter and Full Year 2020 Operational Results

Quarter ended 31 Dec 2020		Haile	Didipio	Waihi	Macraes	Consolidated Q4 2020	Q4 2019
Gold Produced	*koz*	49.0	-	7.6	42.6	99.2	108.2
Gold Sales	*koz*	46.7	-	7.5	42.2	96.4	107.3
Average Gold Price[(1)]	*US$/oz*	1,877	-	1,826	1,669	1,648	1,404

Copper Produced	*kt*	-	-	-	-	-	0.1
Copper Sales	*kt*	-	-	-	-	-	-
Average Copper Price	*US$/lb*	-	-	-	-	-	-
Material Mined	kt	9,956	-	53.4	11,565	21,574	19,924
Waste Mined	kt	8,661	-	0.8	9,108	17,770	16,617
Ore Mined	kt	1,295	-	52.6	2,456	3,804	3,306
Mill Feed	kt	844	-	80	1,450	2,374	2,449
Mill Feed Grade	g/t	2.17	-	3.29	1.08	1.54	1.59
Gold Recovery	%	83.2	-	89.7	84.2	84.1	86.4
Cash Costs	*US$/oz*	672	-	1,017	864	783	757
Site All-In Sustaining Costs[2]	*US$/oz*	904	-	955[3]	1,140	1,075	980

Full Year 31 Dec 2020		Haile	Didipio	Waihi	Macraes	Consolidated 2020	2019
Gold Produced	*koz*	137.4	-	19.8	144.5	301.7	470.6
Gold Sales	*koz*	138.5	6.8	21.0	144.2	310.5	448.4
Average Gold Price[1]	*US$/oz*	1,774	1,672	1,663	1,696	1,573	1,360
Copper Produced	*kt*	-	-	-	-	-	10.3
Copper Sales	*kt*	-	-	-	-	-	6.9
Average Copper Price	*US$/lb*	-	-	-	-	-	2.84
Material Mined	kt	38,323	-	131.3	47,450	85,904	78,408
Waste Mined	kt	34,922	-	2.8	40,371	75,296	67,128
Ore Mined	kt	3,401	-	128.5	7,079	10,608	11,280
Mill Feed	kt	3,511	-	137	5,419	9,067	12,212
Mill Feed Grade	g/t	1.52	-	5.03	1.01	1.27	1.42
Gold Recovery	%	79.5	-	89.0	82.2	81.4	84.4
Cash Costs	*US$/oz*	945	443	641	844	866	733
Site All-In Sustaining Costs[2]	*US$/oz*	1,345	444	583[3]	1,204	1,276	1,061

(1) Realised gains and losses on gold hedging are included in the consolidated average gold price. Realised gains and losses on gold hedging are not included in the site average gold prices. Macraes' average gold price are based on revenue including the gold prepay unwind for September to December.

(2) Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly; Consolidated AISC is inclusive of Corporate general and administrative expenses.

(3) The lower AISC (relative to Cash Costs) at Waihi reflects the inclusion of some proceeds from the sale of sustaining assets during the periods and the associated low sales volume.

The Company produced 301,675 ounces of gold, including 99,155 ounces in the fourth quarter. Gold production for the fourth quarter increased 57% quarter-on-quarter due to significantly higher production at Haile and Macraes attributable to higher head grades.

On a consolidated basis, the Company delivered AISC of$1,276 per ounce on annual sales of 310,531 ounces of gold including fourth quarter AISC of $1,075 per ounce on sales of 96,398 ounces of gold. AISC decreased 37% quarter-on-quarter on higher gold sales.

Haile produced 137,413 ounces of gold, including 48,988 ounces in the fourth quarter, a 73% quarter-on-quarter increase. In the quarter, the Company accessed higher grade zones of the open pits and increased mine utilisation rates despite continued challenges related to COVID-19. As of 2020 year-end, the Haile operation was impacted by 63 positive COVID-19 cases with over 500 workers self-isolating for a two-week period at some point since the beginning of March 2020. The two-week isolation periods and other strict protocols were implemented to safeguard the health and wellbeing of the workforce while at site. Mining of active high-grade zones is expected to continue through the first half of 2021 before grades reduce in the second half consistent with the open pit mine sequence.

In New Zealand, Macraes produced 144,487 ounces of gold, including 42,564 ounces in the fourth quarter. The quarter-on-quarter increase primarily reflects higher head grades from mining at Coronation North phase 4 and Gay Tan phase 2. Resumption of processing at Waihi in the fourth quarter delivered 7,604 ounces of gold production and 19,775 ounces of gold for the full year.

Development of Martha Underground continues to progress to first production by the end of the second quarter of 2021. Underground development advanced 2,276 metres in the fourth quarter and totalled 7,371 metres for the full year. Mining and processing of narrow vein ore from Correnso will continue in the first quarter of 2021 before the process plant is shut down for upgrades. Processing will resume with ore feed exclusively from the Martha Underground later in the second quarter.

In the Philippines, the Company had multiple meetings with national government officials in December 2020 to finalise the terms of the FTAA renewal, and the renewal is expected to be endorsed to the Office of the President for approval. The Company will continue to engage with government officials and will work with stakeholders for a safe restart of operations at Didipio. The timeline for the renewal remains uncertain and achieving steady state production will be dependent on the timing of the renewal and workforce recruitment efforts.

The Company will release multi-year guidance on Thursday February 18, 2021 after TSX market close (Toronto Eastern Standard time) / Friday February 19, 2021 (Brisbane Eastern Standard Time) in conjunction with the Company's full year and fourth quarter 2020 financial and operational results.

2021 Investor Update and 2020 Full Year Results Webcast

The Company will host its 2021 Investor Day and 2020 Full Year Results Webcast at 5:00pm on Thursday February 18, 2021 (Toronto, Eastern Standard Time) / 8:00am on Friday February 19, 2021 (Brisbane, Eastern Standard Time).

Webcast Participants

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

https://produceredition.webcasts.com/starthere.jsp?ei=1421371&tp_key=ef24d5a1a9

Teleconference Participants (required for those who wish to ask questions)

Local (toll free) dial in numbers are:

Canada & North America: 1 888 390 0546

Australia: 1 800 076 068

New Zealand: 0 800 453 421

United Kingdom: 0 800 652 2435

Switzerland: 0 800 312 635

All other countries (toll): + 1 416 764 8688

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

Authorised for release to market by Acting OceanaGold Corporate Company Secretary, Chris Hansen.

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About OceanaGold

OceanaGold is a multinational gold producer committed to the highest standards of technical, environmental and social performance. For 30 years, we have been contributing to excellence in our industry by delivering sustainable environmental and social outcomes for our communities, and strong returns for our shareholders. Our global exploration, development, and operating experience has created an industry-leading pipeline of organic growth opportunities and a portfolio of established operating assets including Didipio Mine in the Philippines; Macraes and Waihi operations in New Zealand; and Haile Gold Mine in the United States of America.

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.



SOURCE OceanaGold Corporation

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