OceanaGold Investor Centre

Oceanagold Reports Preliminary Second Quarter 2021 Results

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(All financial figures in US Dollars unless otherwise stated)

BRISBANE, Australia, July 16, 2021 /CNW/ - OceanaGold Corporation (TSX: OGC) (ASX: OGC) (the "Company") is pleased to release its preliminary production and costs for the quarter ended June 30, 2021. The Company will release its complete second quarter and first half 2021 financial and operational results after TSX market close on Thursday July 29, 2021 (Toronto, Eastern Daylight Time).



Key Highlights

- First half 2021 consolidated production of 177,039 ounces of gold at All-In Sustaining Costs[1] ("AISC") of $1,227 per ounce on sales of 178,781 ounces of gold.
- Consolidated second quarter gold production of 93,848 ounces at AISC of $1,226 per ounce on sales of 95,934 ounces of gold.
- Record quarterly gold production from Haile of 57,240 ounces in the second quarter, with 101,581 ounces produced year to date.
- Total immediate available liquidity of $142.3 million, including $92.3 million of cash and $50.0 million in available undrawn credit facilities.
- Re-commencement of sustained milling operations at Waihi with production from Martha Underground.
- Didipio's Financial or Technical Assistance Agreement ("FTAA") renewed by the Philippine National Government.

Michael Holmes, President and CEO said, "We delivered improved operational results across the portfolio in the second quarter while also progressing our organic growth projects. Haile delivered record production in the second quarter reflecting the combination of continued productivity improvements and the expected increase in feed grade. As previously mentioned, we are also very pleased to appoint David Londono as Executive General Manager of the Haile operation. He brings 35 years of experience in the mining industry with a significant focus on mine management and optimisation."

[1] AISC are provisional and may change on release of final results. Site AISC are before the allocation of Corporate General and Administrative expenses; consolidated AISC include allocation of Corporate General and Administrative expenses.

"We are also pleased to confirm the successful completion of the Waihi SAG mill upgrade and re-commencement of sustained milling operations. As we continue to ramp-up Martha Underground and advance the greater Waihi district through exploration and permitting, we are well on our way to achieving our objective of realising the enormous potential identified at Waihi."

"With the Didipio's FTAA renewed for another 25 years, we anticipate implementing a staged restart of operations in the coming weeks. Our initial priorities will be to rehire and retrain our exceptional Philippine workforce and transport and monetise the finished product inventory at site. Upon the restart of milling, gold and copper production will recommence utilising existing stockpiles and this cash flow will fund working capital requirements for underground development. We currently expect to achieve the full underground mining rate of 1.6 million tonnes per annum within twelve months and thereafter produce approximately 10,000 ounces of gold and 1,000 tonnes of copper per month. We expect to provide a fulsome update on Didipio restart plans over the coming weeks."

Quarter ended 30 Jun 2021		**Haile**	**Didipio**	**Waihi**	**Macraes**	**Consolidated Q2 2021**	**Q2 2020**
Gold Produced	koz	57.2	-	3.9	32.7	**93.8**	58.7
Gold Sales	koz	59.3	-	3.4	33.2	**95.9**	61.9
Average Gold Price	US$/oz	1,825	-	1,799	2,024	**1,893**	1,523[(1)]
Copper Produced	kt	-	-	-	-	**-**	-
Copper Sales	kt	-	-	-	-	**-**	-
Average Copper Price	US$/lb	-	-	-	-	**-**	-

Cash Costs	US$/oz	615	-	1,215	897	734	946
Site All-In Sustaining Costs[2]	US$/oz	922	-	1,223	1,524	1,226	1,265

Year to date 30 Jun 2021		**Haile**	**Didipio**	**Waihi**	**Macraes**	**Consolidated YTD 2021**	**YTD 2020**
Gold Produced	koz	101.6	-	8.3	67.2	**177.0**	139.4
Gold Sales	koz	104.5	-	6.5	67.7	**178.8**	153.3
Average Gold Price	US$/oz	1,812	-	1,761	1,901	**1,843**	1,515
Copper Produced	kt	-	-	-	-	**-**	**-**
Copper Sales	kt	-	-	-	-	**-**	**-**
Average Copper Price	US$/lb	-	-	-	-	**-**	**-**
Cash Costs	US$/oz	684	-	1,099	857	764	860
Site All-In Sustaining Costs[2]	US$/oz	953	-	976[3]	1,428	1,227	1,237

(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.

(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 first quarter and the associated low sales volume.

In the first half of the year, the Company produced 177,039 ounces of gold, including 93,848 ounces in the second quarter. Gold production in the first half of 2021 was 27% higher than the same period in 2020 primarily due to improved performance at Haile, incremental production from Waihi including the Martha Underground development, and limited impacts from COVID-19. Higher quarter-on-quarter gold production reflects improved grades and higher processing throughputs at Haile, partially offset by lower than expected production at Macraes. The Company also recommenced milling at Waihi at the end of the second quarter.

The Company reported consolidated AISC of $1,226 per ounce and $1,227 per ounce in the second quarter and year to date ("YTD") respectively, on gold sales of 95,934 and 178,781, respectively. Cash costs for the first half of the year were $764 per ounce while second quarter cash costs were $734 per ounce, lower than the prior year and previous quarter due to improved grades and unit cost reductions at Haile, partially offset by higher per ounce cash costs at Macraes.

The Company ended the second quarter with $92.3 million in cash and $142.3 million in liquidity, including $50.0 million in undrawn credit facilities.

Haile produced a quarterly record 57,240 gold ounces in the second quarter, consistent with expectations of a stronger first half of the year. Gold production increased 29% quarter-on-quarter, reflecting increased higher throughput and higher feed grade as expected. Over the prior YTD, gold production nearly doubled as a result of productivity improvements and higher head grade. AISC for the second quarter was $922 and cash costs of $615 on sales of 59,287. YTD AISC and cash costs were $953 and $684 per ounce on gold sales of 104,516.

Waihi produced 3,939 gold ounces in the second quarter and 8,276 gold ounces in the first half of the year. Gold production decreased quarter-on-quarter and over the prior YTD due to the planned plant shutdown for the installation of a new SAG mill, which was completed late in the second quarter. The plant has now recommenced sustained milling with no major plant shutdowns or upgrades planned in the near term. Cash costs were $1,215 per ounce in the second quarter and $1,099 per ounce YTD on gold sales of 3,442 and 6,547, respectively. AISC of $1,223 per ounce in the second quarter and $976 per ounce YTD reflect limited early production from Martha Underground in June and batch processing completed in the first quarter.

Macraes produced 32,669 gold ounces in the second quarter and 67,182 gold ounces in the first half of 2021. Gold production decreased quarter-on-quarter, reflecting access limitations to some higher grade open pit ore zones due to geotechnical challenges plus delays in the planned mill shutdown. Over the prior YTD, gold production increased 27%, reflecting unrestricted operating conditions after COVID-19-related stoppages in 2020, partially offset by periodic weather and milling disruptions in the first half of 2021. Second quarter AISC of $1,524 per ounce and cash costs of $897 per ounce on gold sales of 33,205, were higher quarter-on-quarter. The increase reflects lower sales combined with higher waste movements due to mine sequence changes as the geotechnical risks were addressed. YTD AISC and cash costs were $1,428 per ounce and $857 per ounce, respectively, on gold sales of 67,718.

At Didipio, the Company recently announced the FTAA renewal by the Philippine National Government, effective for a 25-year period as of June 19, 2019. The Company currently plans a staged restart of operations with milling to recommence as soon as possible utilising stockpiled ore. The safe rehiring and retraining of the Philippine workforce is also a priority and key catalyst to achieving full production, currently expected within the next 12-months.

Second Quarter Results and Webcast

The Company will release its financial and operational results for the second quarter ending June 30, 2021 after the TSX market close on Thursday July 29, 2021 (Toronto, Eastern Daylight Time). The results will be available on the Company's

website at www.oceanagold.com.

The Company will also host a conference call / webcast to discuss the results at 7:30 am on Friday July 30, 2021 (Melbourne, Australian Eastern Standard Time) / 5:30 pm on Thursday July 29, 2021 (Toronto, Eastern Daylight Time).

Webcast Participants

To register, please copy and paste the link below into your browser:
https://produceredition.webcasts.com/starthere.jsp?ei=1479464&tp_key=b7a29eb104

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

Local (toll free) dial in numbers are:

North America: 1 888 390 0546

Australia: 1 800 076 068

United Kingdom: 0 800 652 2435

Switzerland: 0 800 312 635

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

Playback of Webcast

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 OceanaGold Corporate Company Secretary,Liang Tang.

www.oceanagold.com | Twitter: @OceanaGold

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 a significant 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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https://investors.oceanagold.com/2021-07-16-Oceanagold-Reports-Preliminary-Second-Quarter-2021-Results