Fourth Quarter and Full Year 2014 Results

February 19, 2015

www.oceanagold.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION IN MANAGEMENT DISCUSSION & ANALYSIS

This Management Discussion & Analysis contains “forward-looking statements and information” within the meaning of applicable securities laws which may include, but is not limited to, statements with respect to the future financial and operating performance of the Company, its subsidiaries and affiliated companies, its mining projects, the future price of gold, the estimation of mineral reserves and mineral resources, the realisation of mineral reserve and resource estimates, costs of production, estimates of initial capital, sustaining capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of the development of new mines, costs and timing of future exploration and drilling programs, timing of filing of updated technical information, anticipated production amounts, requirements for additional capital, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, consents and permits under applicable mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements and information can be identified by the use of words such as “may”, “plans”, “expects”, “projects”, “is expected”, “budget”, “scheduled”, “potential”, “estimates”, “forecasts”, “intends”, “targets”, “aims”, “anticipates” or “believes” or variations (including negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements and information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries and/or its affiliated companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, future prices of gold; general business, economic and market factors (including changes in global, national or regional financial, credit, currency or securities markets), changes or developments in global, national or regional political and social conditions; changes in laws (including tax laws) and changes in GAAP or regulatory accounting requirements; the actual results of current production, development and/or exploration activities; conclusions of economic evaluations and studies; fluctuations in the value of the United States dollar relative to the Canadian dollar, the Australian dollar, the Philippines Peso or the New Zealand dollar; changes in project parameters as plans continue to be refined; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability or insurrection or war; labour force availability and turnover; adverse judicial decisions, delays in obtaining financing or governmental approvals or in the completion of development or construction activities or in the commencement of operations; as well as those factors discussed in the section entitled “Risk Factors” contained in the Company’s Annual Information Form in respect of its fiscal year-ended December 31, 2013, which is available on SEDAR at www.sedar.com under the Company’s name. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actual results, performance, achievements or events to differ from those anticipated, estimated or intended. Also, many of the factors are outside or beyond the control of the Company, its officers, employees, agents or associates. Forward-looking statements and information contained herein are made as of the date of this Management Discussion & Analysis and, subject to applicable securities laws, the Company disclaims any obligation to update any forward-looking statements and information, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information due to the inherent uncertainty therein. All forward-looking statements and information made herein are qualified by this cautionary statement. This Management Discussion & Analysis may use the terms “Measured”, “Indicated” and “Inferred” Resources. U.S. investors are advised that while such terms are recognised and required by Canadian regulations, the Securities and Exchange Commission does not recognise them. “Inferred Resources” have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Resources will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Resources may not form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into reserves. U.S. investors are also cautioned not to assume that all or any part of an Inferred Resource exists, or is economically or legally mineable. This document does not constitute an offer of securities for sale in the United States or to any person that is, or is acting for the account or benefit of, any U.S. person (as defined in Regulation S under the United States Securities Act of 1933, as amended (the “Securities Act”)) (“U.S. Person”), or in any other jurisdiction in which such an offer would be unlawful.

Technical Disclosure

The Mineral Resources for Didipio were prepared by, or under the supervision of, J. G. Moore, whilst the Mineral Resources for Macraes and Reefton were prepared by S. Doyle. The Mineral Reserves for Didipio were prepared under the supervision of M. Holmes, while the Mineral Reserves for Macraes and Reefton were prepared by, or under the supervision of, K Madambi. C. Bautista is Exploration Manager for the Philippines. M. Holmes, S. Doyle, K. Madambi, and J. G. Moore are Members and Chartered professionals with the Australasian Institute of Mining and Metallurgy and each is a “qualified person” for the purposes of NI 43-101. C. Bautista is a member of the AIG and is a “qualified person” for the purposes of NI 43-101. Messrs Holmes, Moore, Doyle, Madambi and Bautista have sufficient experience, which is relevant to the style of mineralisation and type of deposits under consideration, and to the activities which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (“JORC Code”).

The resource estimates for the El Dorado Project were prepared by Mr. Steven Ristorcelli, C.P.G., of Mine Development Associates, Reno, Nevada (who is an independent Qualified Person as defined in NI 43-101) and conforms to current CIM Standards on Mineral Resources and Reserves.

For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating to the Reefton Project, the Macraes Project and the Didipio Project please refer to the NI 43-101 compliant technical reports available at sedar.com under the Company’s name. For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating to the El Dorado Project please refer to the reports publicly available on SEDAR (www.sedar.com) prepared for Pacific Rim.

Management Discussion and Analysis for the Fourth Quarter and the Full Year ended December 31, 2014

HIGHLIGHTS

Full Year 2014

- Achieved record annual revenue of $563.3 million with a record net profit of $111.5 million.
- Declared a dividend of US$0.04 per Common Share or CDI for 2014, reflecting the strong performance in 2014.
- Exceeded 2014 production guidance range with 307,463 ounces of gold and 25,010 tonnes of copper produced.
- Achieved record annual gold production at Didipio with 106,256 ounces of gold and 25,010 tonnes of copper produced.
- Delivered sector leading low cash costs of $418 per ounce and All-In Sustaining Costs (“AISC”) of $785 per ounce, both net of by-product credits and within the cost guidance range.
- Strengthened the balance sheet through repayment of $77.4 million of total debt and increased cash position by $26.4 million.
- Increased Didipio process plant throughput rate to the planned 3.5 Mtpa.
- Continued improvements in annual safety performance across the Company’s operations.

Fourth Quarter 2014

- Recorded quarterly revenue of $142.7 million and a net profit of $37.8 million.
- Produced 92,712 ounces of gold and 6,747 tonnes of copper in the fourth quarter on the back of record quarterly gold production of 34,783 ounces at Didipio.
- Delivered sector leading low cash costs of $369 per ounce sold including negative $279 per ounce sold at Didipio, both net of by-product credits.
- Repaid $34.8 million of total debt and increased cash balance to $51.2 million.
- Received the ISO14001 Environment Management System certification for the Didipio Mine.

All statistics are compared to the corresponding 2013 period unless otherwise stated.

OceanaGold has adopted USD as its presentation currency and all numbers in this document are expressed in USD unless otherwise stated.

1. *Cash costs, All-In Sustaining Costs and EBITDA (earnings before interest, taxes, depreciation and amortisation, excluding gain/(loss) on undesignated hedges) are non GAAP measures. Refer to page 20 for explanation of non GAAP measures.*

OVERVIEW

Operating and Financial Results

OceanaGold exceeded its 2014 production guidance on the back of record quarterly gold production at Didipio and strong production from the New Zealand operations in the fourth quarter. For the full year, the Company produced 307,463 ounces of gold and 25,010 tonnes of copper with 92,712 ounces of gold and 6,747 tonnes of copper produced in the fourth quarter.

In 2014, the Didipio operation exceeded its production guidance with 106,256 ounces of gold and 25,010 tonnes of copper produced. In the quarter, the Didipio operation achieved record gold production with 34,783 ounces produced along with 6,747 tonnes of copper. The increase in gold production from the previous quarter was attributable to higher grades processed and record quarterly mill throughput following the completion of debottlenecking activities. The Didipio process plant is now operating at an annualised throughput rate of 3.5 Mtpa as planned.

In 2014, the New Zealand operations produced 201,207 ounces of gold including 57,929 ounces in the fourth quarter. The quarter on quarter increase in production can be attributed to stronger production at Reefton on the back of higher grades processed and increased mill feed plus higher grades processed at Macraes.

On a consolidated basis, the Company's 2014 cash costs net of by-product credits were $418 per ounce on sales of 318,972 ounces of gold and 25,886 tonnes of copper. Consolidated cash costs, net of by-product credits for the fourth quarter were $369 per ounce on sales of 88,386 ounces of gold and 6,271 tonnes of copper. Cash costs were lower in the fourth quarter than in the previous quarter due mainly to higher gold sales, lower fuel costs and a weaker New Zealand dollar, partly offset by lower by-product credits.

On a co-product basis, consolidated cash costs were $682 per ounce on 464,373 gold equivalent ounces sold in 2014 and $604 per ounce on 124,469 gold equivalent ounces sold in the fourth quarter. Consolidated All-In Sustaining Costs ("AISC") net of by-product credits were $785 per ounce sold in 2014, within the cost guidance range.

In 2014, the Company achieved record annual revenue of $563.3 million and record net profit of $111.5 million. For the quarter, the Company recorded revenue of $142.7 million with a net profit of $37.8 million. Full year EBITDA was $239.8 million while EBITDA for the fourth quarter was $65.7 million.

In 2014, the Company received an average gold price of $1,273 per ounce versus $1,382 per ounce in 2013 and received an average copper price of $3.11 per pound compared to $3.23 per pound received in 2013.

The cash balance at the end of the year was $51.2 million compared to $24.8 million at the end of 2013. In 2014, the Company generated $105.5 million in free cash flow which was used primarily to strengthen the balance sheet. Over the past two years, the Company has successfully reduced its total debt (including leases on mining equipment) by $149.4 million including $77.4 million in 2014.

Dividend

With the strong performance in 2014, the Board of Directors of the Company (the "Board") have established a dividend policy designed to balance competing priorities for the business with a sustainable payment to shareholders while maintaining prudent gearing. Under the policy, an ordinary dividend of $0.02 per share is intended to be paid annually. In addition, the policy includes a discretionary payment that will be based on the profitability of the business while taking into account capital and investment requirements for growth opportunities.

For 2014, the Board has declared a dividend payment of $0.04 per share (for an aggregate of approximately $12 million). Shareholders of record at the close of business in each jurisdiction on 2 March 2015 will be entitled to receive payment of the dividend on 30 April 2015.

2015 Outlook

At Didipio, the mining operation will continue to mine the high grade core of the ore body from Stage 3 of the open pit while advancing Stage 4 into a higher grade zone and continuing the Stages 5/6 cutback. The Company is on schedule to commence development of the underground portal in the first quarter. Production at Didipio is expected to increase in 2015 on account of strong head grades and a higher mill feed. The Company expects production at Didipio to be the strongest in the first and fourth quarters of 2015 while the third quarter is forecast to be the softest.

In New Zealand, the Company expects steady production from the Macraes operations throughout the year and expects higher production from the Reefton operation. At the end of 2015, the Reefton operation will transition into a care and maintenance phase barring a substantial improvement in the gold price.

For 2015, the Company expects to produce 295,000 to 335,000 ounces of gold and 21,000 to 23,000 tonnes of copper at cash costs of $450 to $530 per ounce and AISC of $770 to $840 per ounce both net of by-product credits.

Table 1 – Production and Cost Results Summary

		Didipio	New Zealand	Group
Fourth Quarter 2014 Results				
Gold Produced	*ounces*	34,783	57,929	92,712
Copper Produced	*tonnes*	6,747	–	6,747
Gold Sales	*ounces*	33,088	55,298	88,386
Copper Sales	*tonnes*	6,271	–	6,271
Average Gold Price Received	*$ per ounce*	1,180	1,214	1,201
Average Copper Price Received	*$ per pound*	3.00	–	3.00
Cash Costs	*$ per ounce*	(279)[1]	756	369[1]
2014 Results				
Gold Produced	*ounces*	106,256	201,207	307,463
Copper Produced	*tonnes*	25,010	–	25,010
Gold Sales	*ounces*	110,510	208,462	318,972
Copper Sales	*tonnes*	25,886	–	25,886
Average Gold Price Received	*$ per ounce*	1,261	1,279	1,273
Average Copper Price Received	*$ per pound*	3.11	–	3.11
Cash Costs	*$ per ounce*	(420)[1]	862	418[1]
All-In Sustaining Costs[2]	*$ per ounce*	(103)[1]	1,255	785[1]

1. *Net of by-product credits*
2. *Based on the World Gold Council methodology, expansionary and growth capital expenditures are excluded from the AISC*

Table 2 – 2015 Production and Cost Guidance

		Didipio	New Zealand	Group
Gold Production	*ounces*	100,000 – 120,000	195,000 – 215,000	295,000 – 335,000
Copper Production	*tonnes*	21,000 – 23,000	–	21,000 – 23,000
Cash Costs*	*$ per ounce*	($240) – ($190)	$850 – $900	$450 – $530
All-In Sustaining Costs*	*$ per ounce*	$200 – $250	$1,090 – $1,140	$770 – $840

**Notes:*

1. *Net of copper by-product credits at $2.70 / lb copper*
2. *NZD/USD 0.78 exchange rate*
3. *Diesel price of $0.70 / litre*

Table 3 – Key Financial Statistics for Didipio Operations

		Q4 Dec 31 2014	Q3 Sep 30 2014	Q4 Dec 31 2013	Year 2014	Year 2013[2]
Gold Sales	*ounces*	33,088	23,412	20,900	110,510	55,604
Copper Sales	*tonnes*	6,271	6,690	6,461	25,886	21,290
Silver Sales	*ounces*	72,628	74,054	119,310	307,211	254,530
Average Gold Price Received	*$ per ounce*	1,180	1,265	1,244	1,261	1,287
Average Copper Price Received	*$ per pound*	3.00	3.14	3.31	3.11	3.23
Cash Operating Costs[1]	*$ per ounce*	(279)	(636)	(1,081)	(420)	(1,078)
Cash Operating Margin	***$ per ounce***	**1,459**	**1,901**	**2,325**	**1,681**	**2,365**

1. *Net of by-product credits*
2. *Commercial production was declared effective April 1, 2013 at Didipio and operating costs and net revenue received prior to this date were capitalised.*

Table 4 – Didipio Mine Operating Statistics

		Q4 Dec 31 2014	Q3 Sep 30 2014	Q4 Dec 31 2013	Year 2014	Year 2013*
Gold Produced	*ounces*	34,783	26,207	27,713	106,256	66,277
Copper Produced	*tonnes*	6,747	7,078	7,536	25,010	23,059
Silver Produced	*ounces*	78,192	82,787	119,310	291,889	254,530
Total Ore Mined	*tonnes*	2,516,092	2,785,511	2,618,832	8,380,658	8,787,878
Ore Mined Grade Gold	*g/t*	0.70	0.60	0.69	0.65	0.58
Ore Mined Grade Copper	*%*	0.54	0.52	0.53	0.54	0.58
Total Waste Mined including pre-strip	*tonnes*	4,062,237	3,793,036	3,473,327	16,975,568	14,398,928
Mill Feed	*tonnes*	870,617	849,656	729,121	3,111,516	2,578,295
Mill Feed Grade Gold	*g/t*	1.39	1.09	1.33	1.19	0.94
Mill Feed Grade Copper	*%*	0.83	0.90	1.09	0.86	0.98
Recovery Gold	*%*	90.2	88.3	88.7	89.5	83.0
Recovery Copper	*%*	93.8	92.3	95.0	93.7	91.5

* *Note: operating statistics at Didipio before April 1, 2013 were pre-commercial production*

Table 5 – Key Financial Statistics for New Zealand Operations

		Q4 Dec 31 2014	Q3 Sep 30 2014	Q4 Dec 31 2013	Year 2014	Year 2013
Gold Sales	*ounces*	55,298	40,829	79,510	208,462	252,477
Average Gold Price Received	*$ per ounce*	1,214	1,275	1,267	1,279	1,402
Cash Operating Costs	*$ per ounce*	756	1,058	550	862	740
Cash Operating Margin	***$ per ounce***	**458**	**217**	**717**	**417**	**662**

Table 6 – Consolidated Operating Statistics for New Zealand

		Q4 Dec 31 2014	Q3 Sep 30 2014	Q4 Dec 31 2013	Year 2014	Year 2013
Gold Produced	*ounces*	57,929	41,145	87,506	201,207	259,455
Total Ore Mined	*tonnes*	1,042,469	991,379	2,559,315	4,389,736	8,650,072
Ore Mined Grade	*g/t*	1.77	1.27	1.53	1.39	1.31
Total Waste Mined including pre-strip	*tonnes*	7,057,418	4,278,361	12,436,112	23,767,522	56,544,293
Mill Feed	*tonnes*	1,928,499	1,704,453	1,824,732	7,100,328	7,290,217
Mill Feed Grade	*g/t*	1.12	0.90	1.79	1.06	1.35
Recovery	*%*	83.8	83.2	83.2	82.9	81.3

Table 7 – Macraes Goldfield Operating Statistics

		Q4 Dec 31 2014	Q3 Sep 30 2014	Q4 Dec 31 2013	Year 2014	Year 2013
Gold Produced	*ounces*	41,798	35,403	68,419	153,510	198,820
Total Ore Mined	*tonnes*	531,870	653,672	2,026,193	2,886,593	6,962,730
Ore Mined Grade	*g/t*	2.08	1.38	1.55	1.44	1.27
Total Waste Mined including pre-strip	*tonnes*	5,325,454	1,794,455	7,838,100	10,795,467	38,725,444
Mill Feed	*tonnes*	1,523,801	1,468,187	1,412,920	5,669,729	5,811,868
Mill Feed Grade	*g/t*	1.01	0.90	1.79	1.01	1.30
Recovery	*%*	84.6	83.3	84.1	83.4	81.4

Table 8 – Reefton Mine Operating Statistics

		Q4 Dec 31 2014	Q3 Sep 30 2014	Q4 Dec 31 2013	Year 2014	Year 2013
Gold Produced	*ounces*	16,131	5,742	19,087	47,697	60,635
Total Ore Mined	*tonnes*	510,599	337,707	533,122	1,503,143	1,687,342
Ore Mined Grade	*g/t*	1.45	1.04	1.45	1.29	1.47
Total Waste Mined including pre-strip	*tonnes*	1,731,964	2,483,906	4,598,012	12,972,055	17,818,849
Mill Feed	*tonnes*	404,698	236,266	411,812	1,430,599	1,478,349
Mill Feed Grade	*g/t*	1.52	0.92	1.79	1.26	1.57
Recovery	*%*	80.9	82.6	80.3	81.1	81.1

OPERATIONS

Consolidated

OceanaGold exceeded its 2014 production guidance on the back of record quarterly gold production at Didipio and strong production from the New Zealand operations in the fourth quarter. For the full year 2014, the Company produced 307,463 ounces of gold and 25,010 tonnes of copper with 92,712 ounces of gold and 6,747 tonnes of copper produced in the fourth quarter.

In the fourth quarter at Didipio, cash costs net of by-product credits were negative $279 per ounce on sales of 33,088 ounces of gold and 6,271 tonnes of copper. In 2014, Didipio's cash costs were negative $420 per ounce and AISC was negative $103 per ounce, both net of by-product credits and on sales of 110,510 ounces of gold and 25,886 tonnes of copper. The cash costs and AISC at Didipio were slightly higher than its guidance range as a result of higher mining costs associated with increased waste movements following the decision to accelerate the completion of the open pit. Additionally, higher gold sales ounces adversely impacted negative by-product unit costs.

In New Zealand, the consolidated cash costs were $756 per ounce on sales of 55,298 ounces in the fourth quarter. For the full year, New Zealand consolidated cash costs were $862 per ounce and AISC was $1,255 per ounce, both within the guidance range and on sales of 208,462 ounces of gold.

Didipio Mine (Philippines)

The Didipio operation recorded one lost time injury ("LTI") during the quarter when a Didipio Community Development Corporation ("DiCorp") employee sustained an injury in the Didipio camp kitchen. The Company has worked closely with DiCorp to further emphasize the importance of hazard identification and following standard operating procedures. For the full year, Didipio recorded two LTIs and prior to the first LTI in the second quarter, the operation had achieved 10.4 million man hours worked without an LTI.

For the full year 2014, the Didipio operation exceeded its production guidance with a record annual output of 106,256 ounces of gold and 25,010 tonnes of copper. In the fourth quarter, Didipio achieved record quarterly gold production of 34,783 ounces while producing 6,747 tonnes of copper. Gold production was higher in the fourth quarter than in the previous quarter on account of higher grades processed and increased mill feed.

In the fourth quarter, the Company made three shipments of concentrate totalling 22,607 dry metric tonnes to smelters in Asia and delivered over 7,650 ounces of gold in Dore bars to the mint in Perth, Australia.

In the fourth quarter, the operations focused on balancing ore mining from both Stages 3 and 4 of the open pit with pre-stripping of Stages 5/6 and preparing for the commencement of the underground portal development.

For the year, the total material mined was 25.3 million tonnes compared to 23.2 million tonnes mined in 2013. The increase was a result of more waste material mined to access later stages of the open pit. In the fourth quarter, the total material mined was 6.6 million tonnes which was similar to the previous quarter.

For the year, the operation mined 8.4 million tonnes of ore, slightly lower than in the previous year. The total ore mined in the fourth quarter was 2.5 million tonnes compared to 2.8 million tonnes in the third quarter. This decrease can be attributed to a higher proportion of waste movement to ore associated with the commencement of the Stages 5/6 cutback. Most of the ore mined in the quarter was delivered to stockpiles and as at the end of the quarter, over 12 million tonnes of ore had been stockpiled for future processing.

For the year, the total mill feed was 3.11 million tonnes, which was 21% higher than in the previous year on account of the debottlenecking activities completed throughout the year. Total mill feed in the fourth quarter was 870,617 tonnes, the highest quarterly throughput recorded to date at the operation. In the quarter, the Company completed the installation and commissioning of the pebble crusher circuit as planned. The Didipio process plant is now operating at an annualised throughput rate of 3.5 Mtpa as planned.

For the year, the mill feed grade was 1.19 g/t gold and 0.86% copper compared with 0.94 g/t gold and 0.98% copper in 2013. In the fourth quarter, mill feed grade was 1.39 g/t for gold and 0.83% for copper, with gold grade materially higher and copper grade marginally lower than in the previous quarter. The grade variance is a result of mined gold grades increasing and to a lesser degree, copper grades decreasing with depth and from mining different zones of the ore body as expected.

For the year, gold and copper recoveries were 89.5% and 93.7% respectively. For the fourth quarter, gold and copper recoveries were 90.2% and 93.8% respectively, both higher than in the previous quarter due to processing less oxidized ore and processing higher gold grades.

Looking ahead to the first quarter of 2015, the Didipio operations will continue to mine the high grade core of Stage 3 while advancing Stage 4 of the open pit into the higher grade zone of the ore body. Additionally, the Company will continue pre-stripping Stages 5/6 of the final open pit design.

Detailed planning of the underground development is underway and decline portal construction activities are expected to commence in the first quarter of 2015.

Production at Didipio is expected to increase in 2015 on account of strong head grades and a higher mill feed. The Company expects production at Didipio to be the strongest in the first and fourth quarters of 2015 while the third quarter is forecast to be the softest on account of mine sequencing.

Macraes Goldfield (New Zealand)

There were no LTI's during the fourth quarter at the Macraes operations and one LTI for the full year in 2014. This compares to three LTIs recorded in 2013. The improvement in safety can be attributed to increased task-based observations and continuous managerial and supervisory reinforcement of standard operating procedures.

For the year, Macraes produced 153,510 ounces of gold, lower than in 2013 on account of mining lower grade ore and processing a higher proportion of low-grade stockpiles, but partly offset by higher recoveries. Macraes produced 41,798 ounces of gold in the fourth quarter, which was 18% higher than in the previous quarter due to a higher head grade, increased mill feed and better recoveries.

In the fourth quarter at Macraes, mining took place in the Frasers and Innes Mills West open pits, the underground mine at Frasers and at the Coronation open pit where the operation continued to advance the cutback.

For the full year, the total material mined at Macraes was 13.7 million tonnes, a 70% reduction from the previous year. The decrease is a result of an optimised mine plan whereby the operation is mining less ore and waste in the low gold price environment to ensure a cash flow positive operation for the remainder of its current mine life. The total material mined at Macraes in the fourth quarter was 5.9 million tonnes, higher than in the previous quarter as a result of increased waste mined from the Coronation pit.

In the fourth quarter, ore mined from the Frasers underground mine was 249,118 tonnes, an 8% decrease on the previous quarter. The reduction in tonnage from the underground was offset by higher grades mined.

Mill feed for the full year was 5.67 million tonnes which was similar to the previous year. Mill feed for the fourth quarter was 1.52 million tonnes, an increase of 3% on the previous quarter due to better plant availability following a planned shutdown in the third quarter.

The mill feed grade in 2014 was 1.01 g/t, lower than the previous year on account of mining lower grades and processing a higher proportion of low grade stockpile ore. The mill feed grade in the fourth quarter was 1.01 g/t compared to 0.90 g/t in the previous quarter. The increase in head grade was due mainly to higher ore grade mined from the Frasers underground.

Despite the lower grades processed in 2014, the recovery of 83.4% was higher than the previous year on account of better flotation and carbon-in-leach ("CIL") recoveries. Overall plant recovery in the fourth quarter was 84.6%, an improvement on the previous quarter due to higher grades processed.

Looking ahead to the first quarter of 2015, production at Macraes is expected to be lower than the previous quarter due to a lower head grade however, production for the full year at Macraes is expected to be similar to 2014.

Reefton Mine (New Zealand)

There were no LTI's during the fourth quarter at the Reefton operation and three LTIs for the full year in 2014. This compares to five LTIs recorded in 2013. Throughout the year, the Company reinforced the importance of following standard operating procedures, increased task-based observations by supervisors and provided additional training.

In 2014, Reefton produced 47,697 ounces of gold, lower than the previous year on account of lower mill feed and head grade. In the fourth quarter, gold production at Reefton was 16,131 ounces, a 181% increase from the third quarter. As previously reported, geotechnical instability of one of the pit walls hampered mining operations in the second quarter of 2014. The Company redesigned the open pit and the remediation work was completed in the third quarter resulting in reduced operating rates, lower mill feed and lower grade ore mined.

For the full year 2014, the total material mined was 14.5 million tonnes, a 26% decrease from the previous quarter. In the fourth quarter, the total material mined was 2.2 million tonnes, a 21% decrease from the previous quarter. In both cases, the decrease was due primarily to a significant reduction in waste mined following the completion of the final cutback of the open pit in the third quarter.

The total ore mined in 2014 was 1.5 million tonnes, an 11% decrease from 2013 due in large part to reduced mining rates following the geotechnical instability of the pit wall and subsequent remediation work in the second and third quarters. Total ore mined in the fourth quarter was 510,599 tonnes, up 51% from the previous quarter as a result of the mining operations returning to normal levels.

For the year, mill feed was 1.43 million tonnes which was similar to the previous year. Mill feed in the fourth quarter was 404,698 tonnes, a 71% increase from the previous quarter. The improved ore availability from the open pit enabled milling operations to return to normal operating levels at the end of the fourth quarter.

Mill feed grade in 2014 was 1.26 g/t, compared to 1.57 g/t in 2013. The decrease in grade can be attributed to mining lower grades as access to the higher grade section of the open pit was hampered by the geotechnical instability of the pit wall. The mill feed grade in the fourth quarter increased to 1.52 g/t from 0.92 g/t in the previous quarter for the same reasons.

Despite the lower head grade, recoveries in 2014 were similar to 2013 due to better overall CIL recoveries and improved ore characteristics. Gold recovery for the quarter was 80.9% which was lower than in the previous quarter. Ore from within the high grade ore zones associated with old historic workings had remnant material that contained a higher oxide content resulting in lower flotation recoveries.

Looking ahead to 2015 at Reefton, production for the year is expected to be higher than in 2014 on account of mining and processing higher grades. The total material mined is expected to be significantly lower than in 2014 and mining operations are expected to be completed in the fourth quarter of 2015. The operation will transition into a care and maintenance phase by the end of 2015, barring a substantial improvement in the gold price.

GROWTH

Exploration

Exploration expenditure for the full year was $3.7 million including $1.0 million in the fourth quarter.

Exploration activities in the fourth quarter were mainly focussed on drill-testing the targets identified through the Titan 24 geophysical survey within the Didipio near-mine area. At the Paco tenement on the island of Mindanao, the Company continued preparations for a geophysical survey program.

Philippines

Exploration expenditure in the Philippines for the full year was $2.5 million including $0.7 million in the fourth quarter.

During the quarter, the Company completed the geophysical survey at Didipio and the results demonstrated the existence of chargeability and resistivity signatures similar to the Didipio deposit. As a result of this work, the Company identified nine drill targets within the Didipio Mine area.

Drilling commenced in November and by the end of December, the Company had two diamond drills in operation. For the quarter, the Company drilled a total 1,590 metres from four holes, two of which were completed prior to the year end. Assay results are pending.

At the Paco tenement in Mindanao, the Company continued to prepare for a geophysical survey through soil sampling and line cutting. The Company expects that the soil sampling could detect buried mineralisation to depths of up to 500 metres. The Paco tenement is immediately to the west of the Silangan copper-gold porphyry deposits. Both of these deposits are significant discoveries that occur beneath the same formation.

Project Development

In the fourth quarter, the Company completed an updated Didipio National Instrument 43-101 (“NI43-101”) Technical Report, which was subsequently released. The Technical Report was based on an optimisation study and resulted in a revised mine plan for the Didipio operation. Under the new mine plan, the Company has brought forward the underground mine development by one year and is scheduled to commence at the end of the first quarter of 2015.

Also in the fourth quarter, the Company released the results of the Blackwater preliminary economic assessment (“PEA”). The Company has not made any decisions on advancing the Blackwater project to the next phase which requires the development of an exploration drive to allow for additional at depth drilling of the ore body. At Macraes, the Round Hill study continues to advance with assessment of geotechnical considerations and mining options.

During the quarter, the debottlenecking activities of the Didipio process plant to achieve the planned 3.5 Mtpa throughput rate were completed on schedule with the installation and commissioning of the pebble crusher circuit. The connection to the power grid at Didipio continues to advance well and is on schedule for completion in the third quarter of 2015.

The Didipio Underground development is scheduled to commence in the first quarter 2015 with portal and surface facilities activities.

In 2015, the project development team will continue to support the technical due diligence of external opportunities. Additionally, the team will commence a detailed technical review of the El Dorado Project in El Salvador.

SUSTAINABILITY

In 2014, the Company invested over $3.0 million on community related programs and initiatives mainly within Didipio and neighbouring communities and also in El Salvador. For the fourth quarter, the Company invested approximately $0.4 million in the Philippines and El Salvador.

Philippines

In the Philippines, the majority of this investment was spent on infrastructure projects such as the construction and upgrade of day care centres, rehabilitation of an irrigation system and the continued upgrade of a farm to market access road.

Ongoing support of community education programs continued in the fourth quarter through the provision of salary subsidisation for teachers and school staff, school electrification, scholarships grants and assistance to school activities. In 2014, the Company subsidised the salaries of approximately 50 teachers and provided scholarships and education tuition assistance to over 200 students.

During the quarter, the Company continued to support enterprise development by lending funds to members of a community cooperative.

In the fourth quarter, the Company completed 123 hectares of reforestation in the municipality of Kasibu in the province of Nueva Vizcaya. Projects included significant forest tree plantations where over 50 local farmers participated. At the Company’s nursery in Kasibu, rubber tree and coffee demonstration farms were planted. In the quarter, a total of 148,000 seedlings were donated to twenty one schools in the Municipalities of Kasibu, Cabarroguis and Diffun, three local government units in Kasibu and three local Department of Environment and Natural Resources (“DENR”) offices in the provinces of Nueva Vizcaya and Quirino. In 2014, the Company donated nearly 250,000 seedlings and planted over 100,000 trees.

In November, the Company attended the 61st Annual National Mine Safety and Environment Conference in the Philippines which was hosted by the Philippine Mine Safety and Environment Association (PMSEA) and the Mines and Geosciences Bureau (MGB). At the event, OceanaGold received the top award for the 2014 Presidential Mineral Industry Environment Awards while Didipio received the prestigious Safest Mining Operation award. Also in the quarter, the Didipio Mine received its ISO14001 certification demonstrating the operation’s compliance with industry best-practice standards in environment management.

El Salvador

In El Salvador, the Company continues to make investments in programs and initiatives to build capacity based on the requirements and priorities identified by the local stakeholder groups within the El Dorado Project area and neighbouring communities.

Most of the investment was made in education programs and in the quarter, the Company worked in collaboration with the Ministry of Education to develop the Accelerated School Program designed to further the education of adults. The Company continued to provide tuition support to its employees seeking to further their education and technical skill sets. Investments were also made to recreational facilities such as parks and to health programs for women.

In the quarter, the Company developed a specialised sports program near the El Dorado community that includes over 40 participating children. The program is designed to provide community children with an opportunity for recreational development by learning new skills from professional instructors.

The Company was also focused on promoting entrepreneurship within its local communities by conducting workshops that demonstrated manufacturing of consumer products such as multipurpose soap and cleaning products such as shampoos.

FINANCIAL SUMMARY

STATEMENT OF OPERATIONS	Q4 Dec 31 2014 $000	Q3 Sep 30 2014 $000	Q4 Dec 31 2013 $000	Year 2014 $000	Year 2013 $000
Sales	142,655	122,838	170,142	563,328	553,612
Cost of sales, excluding depreciation and amortisation	(69,167)	(68,995)	(64,089)	(289,888)	(260,651)
General & Administration	(8,923)	(7,870)	(8,602)	(34,539)	(28,423)
Foreign Currency Exchange Gain/(Loss)	1,188	(2,509)	526	1,711	1,267
Other income/(expense)	(95)	41	(1,480)	(817)	(3,445)
Earnings before interest, tax, depreciation & amortisation (EBITDA) (excluding gain/(loss) on undesignated hedges and impairment charge)	**65,658**	**43,505**	**96,497**	**239,795**	**262,360**
Depreciation and amortisation	(34,111)	(30,651)	(34,855)	(129,561)	(129,315)
Net interest expense and finance costs	(2,952)	(2,980)	(7,991)	(11,206)	(26,978)
Earnings/(loss) before income tax and gain/(loss) on undesignated hedges and impairment charge	**28,595**	**9,874**	**53,651**	**99,028**	**106,067**
Tax (expense)/ benefit on earnings/loss	2,020	10,814	(7,841)	13,137	(13,290)
Earnings/(loss) after income tax and before gain/(loss) on undesignated hedges and impairment charge	**30,615**	**20,688**	**45,810**	**112,165**	**92,777**
Impairment charge	-	-	(107,800)	-	(193,300)
Gain/(loss) on fair value undesignated hedges	10,019	(5,284)	5,210	(876)	(2,083)
Tax (expense)/benefit on gain/loss on undesignated hedges and impairment	(2,805)	1,480	28,621	246	54,749
Net Profit/(loss)	**37,829**	**16,884**	**(28,159)**	**111,535**	**(47,857)**
Basic earnings per share	$0.13	$0.06	($0.10)	$0.37	($0.16)
Diluted earnings per share	$0.12	$0.05	($0.10)	$0.36	($0.16)
CASH FLOWS					
Cash flows from Operating Activities	60,714	28,209	89,023	214,941	159,429
Cash flows used in Investing Activities	(26,539)	(27,641)	(33,200)	(109,418)	(158,812)
Cash flows used in Financing Activities	(35,540)	(2,092)	(50,017)	(75,433)	(83,190)

BALANCE SHEET	As at Dec 31 2014 $000	As at Dec 31 2013 $000
Cash and cash equivalents	51,218	24,788
Other Current Assets	126,116	126,400
Non-Current Assets	741,862	745,638
Total Assets	**919,196**	**896,826**
Current Liabilities	85,455	129,478
Non-Current Liabilities	138,267	175,618
Total Liabilities	**223,722**	**305,096**
Total Shareholders' Equity	**695,474**	**591,730**

RESULTS OF OPERATIONS

Net Earnings

For the full year, the Company reported a record $563.3 million in revenue and net profit of $111.5 million. For the year, the Company reported an EBITDA of $239.8 million.

In the fourth quarter, the Company reported a quarterly net profit of $37.8 million versus a net profit of $16.9 million in the previous quarter. The Company reported EBITDA (excluding gain/loss on undesignated hedges) of $65.7 million in the fourth quarter compared to $43.5 million in the third quarter. The increase from the previous quarter was attributed to higher gold sales, partly offset by slightly lower copper sales and lower average gold price and copper price received.

Sales Revenue

Philippines

Fourth quarter concentrate sales revenue net of concentrate treatment, refining and selling costs in Philippines was $67.7 million of which copper revenue was $41.5 million while gold bullion revenue was $7.8 million. In the fourth quarter, the average gold price received at Didipio was $1,180 per ounce compared to $1,265 per ounce in the previous quarter and the average copper price received was $3.00 per pound compared to $3.14 per pound in the previous quarter. Fourth quarter sales at Didipio were 33,088 ounces of gold, an increase on the previous quarter, and 6,271 tonnes of copper, a slight decrease on the previous quarter. Silver sales for the quarter were 72,628 ounces compared with 74,054 ounces in the previous quarter.

During the quarter, the Company shipped 22,607 dry metric tonnes of concentrate to smelters in Asia.

New Zealand

In New Zealand, fourth quarter revenue was $67.1 million which was higher than the previous quarter on account of increased gold sales, partly offset by a lower average gold price received. The average gold price received in New Zealand in the fourth quarter was $1,214 per ounce compared to $1,275 per ounce received in the previous quarter. Gold sales in the fourth quarter were 55,298 ounces compared to 40,829 ounces in the previous quarter.

Operating Costs and Margins per Ounce

Philippines

Operating cash costs at Didipio were negative $279 per ounce sold, net of by-product credits for the fourth quarter compared to negative $636 per ounce sold in the previous quarter. On a co-product basis, the operating cash costs were $482 per ounce of 69,171 equivalent gold ounces sold compared to $537 per ounce in previous quarter. The increase in cash costs was due mainly to lower by-product credits, higher mining costs and higher gold ounces sold.

New Zealand

Operating cash costs in New Zealand were $756 per ounce sold for the fourth quarter compared to $1,058 per ounce in the previous quarter. The decrease from the previous quarter was due mainly to higher gold sales and a weaker New Zealand dollar.

Depreciation and Amortisation

Depreciation and amortisation charges include amortisation of mine development, deferred pre-stripping costs and depreciation on equipment.

Depreciation and amortisation charges are mostly calculated on a unit of production basis and totalled $34.1 million for the fourth quarter compared to $30.7 million in the previous quarter. The increase reflects the increased production from Didipio and the New Zealand operations in the quarter.

Net Interest Expense and Finance Costs

The net interest expense and finance costs of $3.0 million for the quarter were in line with the previous quarter.

Undesignated Hedges Gains/Losses

Unrealised gains and losses calculated as a fair value adjustment of the Company's undesignated hedges are brought to account at the end of each reporting period and reflect changes in the spot gold price. These valuation adjustments for the fourth quarter reflect a gain of $10.0 million compared to a loss of $5.3 million in the previous quarter.

Details of the derivative instruments held by the Company at quarter end are summarised below under "Derivative Assets/ Liabilities".

DISCUSSION OF CASH FLOWS

Operating Activities

Cash inflows from operating activities were $60.7 million for the fourth quarter compared to $28.2 million in the previous quarter. The increase was due primarily to higher gold sales in New Zealand and the Philippines, partly offset by lower copper sales in the Philippines. The increase can also be attributed to a net decrease in receivables.

Investing Activities

Cash used for investing activities totalled $26.5 million in the fourth quarter compared to $27.6 million in the previous quarter.

Investing activities included expenditures in capitalised mining and on sustaining and expansionary capital.

Financing Activities

Financing net outflows for the fourth quarter were $35.5 million compared to a net outflow of $2.1 million in the previous quarter. In the fourth quarter, the Company repaid $34.8 million of in total debt.

DISCUSSION OF FINANCIAL POSITION AND LIQUIDITY

Company's funding and capital requirements

For the quarter ended December 31, 2014, the Company recorded a net profit of $37.8 million. As at the end of the quarter, the cash funds held were $51.2 million while net current assets were $91.9 million.

In the second quarter, the Company had refinanced and consolidated its corporate debt into a $200 million revolving credit facility. This revolving credit facility consists of competitive financial terms and standard corporate debt covenants and matures on June 30, 2017. In the fourth quarter, the Company repaid $30 million of the credit facility.

As at December 31, 2014, the Company had immediate available liquidity of $163.4 million including $51.2 million in cash.

Dividend

With the strong performance in 2014, the Board has established a dividend policy designed to balance competing priorities for the business with a sustainable payment to shareholders while maintaining prudent gearing. Under the policy, an ordinary dividend of $0.02 per share is intended to be paid annually. In addition, the policy includes a discretionary payment that will be based on the profitability of the business while taking into account capital and investment requirements for growth opportunities.

For 2014, the Board has declared a dividend payment of $0.04 per share (for an aggregate of approximately $12 million). Shareholders of record at the close of business in each jurisdiction on 2 March 2015 will be entitled to receive payment of the dividend on 30 April 2015.

Commitments

The Company’s capital commitments as at December 31, 2014 are as follows:

	Dec 31 2014 $000
Within 1 year	16,846

This includes mainly contracts supporting the Didipio operations.

Financial Position

Current Assets

Current assets were $177.3 million as at December 31, 2014 compared to $151.2 million as at December 31, 2013. The variance in the current assets was due mainly to an increase in cash generated from operations as well as increased trade receivables partly offset by a decrease in current hedge assets and prepayments.

Non-Current Assets

Non-current assets were $741.9 million as at December 31, 2014 compared to $745.6 million as at December 31, 2013. The variance is due mainly to increases in inventories mainly in Philippines, input tax credits paid, small strategic investment in a South East Asian focused exploration company and prepayments, offset by depreciation and amortisation.

Current Liabilities

Current liabilities were $85.5 million as at December 31, 2014 compared to $129.5 million as at December 31, 2013. This decrease was attributed mainly to the repayment of $77.4 million in total debt during the year, partly offset by an increase in trade payables.

Non-Current Liabilities

Non-current liabilities were $138.3 million as at December 31, 2014 compared to $175.6 million as at December 31, 2013. The decrease was mainly due to a decrease in finance lease liability, deferred tax liabilities which was partly offset against deferred tax assets, and decrease in asset retirement obligations in New Zealand following utilisation and re-assessment of requirements.

Derivative Assets / Liabilities

In 2013, the Company entered into a gold bullion zero cost collar agreement to purchase gold put options at an exercise price of NZ$1,600 per ounce, which were financed by an equal number of gold call options sold at an exercise price of NZ$1,787 per ounce for 115,650 ounces of production for the period from July 2013 to June 2015. As at the end of December 31, 2014, the balance of gold production under this agreement was 22,770 ounces.

In early 2014, the Company entered into another gold bullion zero cost collar agreement to purchase gold put options at an exercise price of NZ$1,500 per ounce, which were financed by an equal number of gold call options sold at an exercise price of NZ$1,600 per ounce for 208,000 ounces of production over a two-year period ending December 2015. As at December

31, 2014, the balance of gold production under this agreement was 101,000 ounces.

In October 2014, the Company expanded its hedging program in New Zealand through a zero-cost collar for 153,498 ounces. Under this program, the Company purchased put options at a strike price of NZ$1,600 per ounce and sold an equal number of call options at a strike price of NZ$1,736 per ounce over a two-year period from January 2015 to December 2016.

In December 2014, the Company entered into a zero-cost collar for 19,680 ounces. Under this program, the Company purchased put options at a strike price of NZ$1,628 per ounce and sold an equal number of call options at a strike price of NZ$1,736 per ounce for the period through to December 2016. As at December 31, 2014, the balance of gold production under this agreement was 19,680 ounces.

The above hedges are undesignated and do not qualify for hedge accounting.

A summary of the Company's marked to market derivatives is as per below:

	Dec 31 2014 $000	Dec 31 2013 $000
Current Assets		
Gold put/call options	4,057	7,501
Non-Current Assets		
Gold put/call options	5,285	2,619
Total Assets	**9,342**	**10,120**

Shareholders' Equity

A summary of the movement in shareholders' equity is set out below:

	Period Ended Dec 31 2014 $000
Total equity at beginning of the quarter	657,187
Profit/(loss) after income tax	37,829
Movement in other comprehensive income	551
Movement in contributed surplus	(93)
Issue of shares/ (Equity raising costs)	-
Total equity at end of financial period	**695,474**

Shareholders' equity has increased by $38.3 million to $695.5 million at December 31, 2014, mainly as a result of a net profit after tax for the period of $37.8 million, and currency translation differences reflected in "Other Comprehensive Income" that arise from the translation of entities with a functional currency other than USD.

Capital Resources

	Shares Outstanding	Options and Share Rights Outstanding
31 December 2014	301,520,186	8,839,655
19 February 2015	301,520,186	8,839,655
31 December 2013	300,350,127	9,846,182

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and related notes.

i. Mining assets

The future recoverability of mining assets including capitalized exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related tenements itself or, if not, whether it successfully recovers the related mining assets through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices and foreign exchange rates.

Exploration and evaluation expenditure is capitalized if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. These assets are allocated based on the geographical location of the asset. To the extent that capitalized exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

The Group defers mining costs incurred during the production stage of its operations. Changes in an individual mine's design will result in changes to the life of component ratios of production. Changes in other technical or economic parameters that impact reserves will also have an impact on the life of component production and cost profile even if they do not affect the mine design. Changes to deferred mining resulting from change in life of component ratios are accounted for prospectively.

ii. Impairment of assets

The Group assesses each Cash-Generating Unit (CGU), to determine whether there is any indication of impairment or reversal. Where an indicator of impairment or reversal exists, a formal estimate of the recoverable amount is made, which is deemed as being the higher of the fair value less costs to sell and value in use calculated in accordance with accounting policy. These assessments require the use of estimates and assumptions such as discount rates, exchange rates, commodity prices (gold, copper and tungsten prices), future operating development and sustaining capital requirements and operating performance (including the magnitude and timing of related cash flows).

The recoverable value of the New Zealand CGU is dependent on certain identified exploration targets. Should these projects prove to be uneconomic, the carrying value of the New Zealand CGU could be impaired by a significant amount.

iii. Net realizable value of inventories

The Group reviews the carrying value of its inventories at each reporting date to ensure that the cost does not exceed net realizable value. Estimates of net realizable value include a number of assumptions and estimates, including grade of ore, commodity price forecasts, foreign exchange rates and costs to process inventories to a saleable product.

iv. Asset retirement obligations

Decommissioning and restoration costs are a normal consequence of mining, and the majority of this expenditure is incurred at the end of a mine's life. In determining an appropriate level of provision, consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), and the estimated future level of inflation.

The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques and experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes in reserves or to production rates.

Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results. These estimates are reviewed annually and adjusted where necessary to ensure that the most up to date data is used.

v. Determination of ore reserves and resources

Ore reserves and resources are based on information compiled by a Competent Person as defined in accordance with the Australasian Code of Mineral Resources and Ore Reserves (the JORC code) and in accordance with National Instrument 43-101-Standards of Disclosure for Mineral Projects ("NI-43-101") under the guidelines set out by the Canadian Institute of Mining, Metallurgy and Petroleum. There are numerous uncertainties inherent in estimating ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated.

Such changes in reserves could impact on depreciation and amortization rates, asset carrying values and provisions for rehabilitation.

vi. Taxation

The Group's accounting policy for taxation requires management's judgment in relation to the application of income tax legislation. There may be some transactions and calculations undertaken during the ordinary course of business where the ultimate tax determination is uncertain. The Group recognizes liabilities for tax, and if appropriate taxation investigation or audit issues, based on whether tax will be due and payable. Where the taxation outcome of such matters is different from the amount initially recorded, such difference will impact the current and deferred tax positions in the period in which the assessment is made.

In addition, certain deferred tax assets for deductible temporary differences and carried forward taxation losses have been recognized. In recognizing these deferred tax assets, assumptions have been made regarding the Group's ability to generate future taxable profits from current operations and successful development of certain identified exploration targets where there are higher degrees of confidence in the economic extraction of minerals. Utilization of the tax losses also depends on the ability of the tax consolidated entities to satisfy certain tests at the time the losses are recouped. If the entities fail to satisfy the tests, the carried forward losses that are currently recognized as deferred tax assets would have to be written off to income tax expense. There is an inherent risk and uncertainty in applying these judgements and a possibility that changes in legislation will impact upon the carrying amount of deferred tax assets and deferred tax liabilities recognized on the statement of financial position.

Moreover, in certain jurisdictions, tax losses may be restricted and only available to offset future profits generated from the same mining permit area. In this case, the recovery of the losses depends on the successful exploitation of the relevant project. Restricted losses could be forfeited if the project did not proceed.

vii. Non-Controlling Interest

A third party has a contractual right to an 8% interest in the operating vehicle that is formed to undertake the management, development, mining and processing of ore, and marketing of products as part of the Didipio mine in the Philippines. This 8% interest in the common share capital of the operating vehicle has similar voting and dividend rights to the remaining majority, subject to the operating vehicle having fully recovered its pre-operating costs. A subsidiary of the Company is currently involved in arbitration proceedings with the third party over certain payment claims.

At the same time, the third party is also involved in a legal dispute with another party over the ownership of the 8% interest. At December 31, 2014 no such equity has been issued to any third party. Consequently, no non-controlling interest has been recognised. A non-controlling interest is intended to be recognized after the issue of shares and after the full recovery of pre-operating expenses.

RISKS AND UNCERTAINTIES

This document contains some forward looking statements that involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by those forward looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things: volatility and sensitivity to market prices for gold; replacement of reserves; possible variations of ore grade or recovery rates; changes in project parameters; procurement of required capital equipment and operating parts and supplies; equipment failures; unexpected geological conditions; political risks arising from operating in certain developing countries; inability to enforce legal rights; defects in title; imprecision in reserve estimates; success of future exploration and development initiatives; operating performance of current operations; ability to secure long term financing and capital, water management, environmental and safety risks; seismic activity, weather and other natural phenomena; failure to obtain necessary permits and approvals from government authorities; changes in government regulations and policies including tax and trade laws and policies; ability to maintain and further improve labour relations; general business, economic, competitive, political and social uncertainties and other development and operating risks.

For further detail and discussion of risks and uncertainties refer to the Annual Information Form available on the Company's website.

CHANGES IN ACCOUNTING POLICIES AND STANDARDS INCLUDING INITIAL ADOPTION

Adoption of new accounting policies, standards, amendments and interpretations

The Group did not adopt any new and/or revised standards, amendments and interpretation from January 1, 2014 which had a material effect on the financial position or performance of the Group..

Accounting policies effective for future periods

The following accounting policies are effective for future periods:

IFRS 9 – Financial instruments

This standard will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 has two classification categories: amortized cost and fair value.

Classification of debt assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A 'simple' debt instrument is measured at amortised cost if: a) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows, and b) the contractual cash flows under the instrument solely represent payments of principal and interest.

All other financial assets, including investments in complex debt instruments and equity investments must be measured at fair value.

All fair value movements on financial assets must be recognised in profit or loss except for equity investments that are not held for trading (short-term profit taking), which may be recorded in other comprehensive income (FVOCI). However, in March 2013, the IASB proposed limited amendments which would introduce a FVOCI category for certain eligible debt instruments.

For financial liabilities that are measured under the fair value option, entities will need to recognise the part of the fair value change that is due to changes in the entity's own credit risk in other comprehensive income rather than profit or loss.

New hedging rules are also included in the standard. These will make testing for hedge effectiveness easier which means that more hedges are likely to be eligible for hedge accounting. The new rules will also allow more items to be hedged and relax the rules on using purchased options and non-derivative financial instruments as hedging instruments.

It also contains a new impairment model which will result in earlier recognition of losses. The amendment also modifies the relief from restating prior periods. As part of this relief, the board published and amendment to IFRS 7, 'Financial instruments: Disclosure', to required additional disclosures on transition from IAS 39 to IFRS 9.

This standard is effective for years beginning on/after January 1, 2018. The Group has not assessed the impact of this new standard.

IFRS 7 – Financial instruments – Disclosure

This standard has been amended to require additional disclosures on transition from IAS 39 to IFRS 9. It is effective on adoption of IFRS 9.

The mandatory effective date for IFRS 9 is for the years beginning on/after January 1, 2018. The Group will apply the standard accordingly.

IAS 38 – Intangible assets

This standard is amended to clarify that the use of a revenue-based amortization method is not appropriate and the presumption may only be rebutted in certain limited circumstances.

The standard is effective for years beginning on/after January 1, 2016. The Group does not expect any material impact of this amendment.

IFRS 11 – Joint arrangements

The standard is amended to provide specific guidance on accounting for the acquisition of an interest in a joint operation that constitutes a business. The amendments are applicable to both the acquisition of the initial interest in a joint operation and the acquisition of additional interest in the same joint operation.

This standard is effective for years beginning on/after January 1, 2016. The Group will apply the standard accordingly and does not expect any material impact of this amendment.

IFRS 15 – Revenue from contracts with customers

This standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service.

The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The group is assessing the impact of IFRS 15.

IAS 27 – Separate Financial Statements

This standard is amended to restore the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

This amendment is effective for years beginning on/after January 1, 2016. The Group does not expect any material impact of this amendment.

IAS 28 – Investments in associates and joint ventures

This standard is amended to address the inconsistency between IFRS 10 and IAS 28. The main consequence of the amendments is that a full gain or loss is recognised when the transaction involves a business combination, and whereas a partial gain is recognised when the transaction involves assets that do not constitute a business.

This amendment is effective for years beginning on/after January 1, 2016. The Group will apply the standard accordingly.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

SUMMARY OF QUARTERLY RESULTS OF OPERATIONS

The following table sets forth unaudited information for each of the eight quarters ended March 31, 2013 through to December 31, 2014. This information has been derived from our unaudited consolidated financial statements which, in the opinion of management, have been prepared on a basis consistent with the audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for fair presentation of our financial position and results of operations for those periods.

STATEMENT OF OPERATIONS	Dec 31 2014 $000	Sep 30 2014 $000	Jun 30 2014 $000	Mar 31 2014 $000	Dec 31 2013 $000	Sep 30 2013 $000	Jun 30 2013 $000	Mar 31 2013 $000
Sales Revenue	142,655	122,838	127,480	170,355	170,142	156,617	131,213	95,639
EBITDA (excluding gain/(loss) on undesignated hedges and impairment charge)	65,658	43,505	29,602	101,030	96,497	76,291	42,495	47,076
Earnings/(loss) after income tax and before gain/(loss) on undesignated hedges (net of tax and impairment charge)	30,615	20,688	993	59,869	45,810	43,125	(2,647)	6,490
Net Profit/(Loss)	37,829	16,884	(2,123)	58,945	(28,159)	43,735	(70,491)	7,059
Net earnings/(loss) per share								
Basic	$0.13	$0.06	$(0.01)	$0.20	$(0.10)	$0.15	$(0.24)	$0.02
Diluted	$0.12	$0.05	$(0.01)	$0.19	$(0.10)	$0.14	$(0.24)	$0.02

The most significant factors causing variation in the results are the volatility of the gold price and copper price, the variability in the grade of ore mined from the Macraes, Reefton and Didipio mines, gold and copper recoveries, the timing of waste stripping activities, movements in inventories and large movements in foreign exchange rates between the USD and the NZD.

NON-GAAP MEASURES

Throughout this document, we have provided measures prepared according to IFRS ("GAAP") as well as some non-GAAP performance measures. As non-GAAP performance measures do not have a standardised meaning prescribed by GAAP, they are unlikely to be comparable to similar measures presented by other companies.

We provide these non-GAAP measures as they are used by some investors to evaluate OceanaGold's performance. Accordingly, such non-GAAP measures are intended to provide additional information and should not be considered in isolation, or a substitute for measures of performance in accordance with GAAP.

Earnings before interest, tax, depreciation and amortisation (EBITDA) is one such non-GAAP measure and a reconciliation of this measure to net Profit / (Loss) is provided on page 12.

All-In Sustaining Costs per ounce sold is based on the World Gold Council methodology and is a non-GAAP measure.

Cash costs per ounce sold is another such non-GAAP measures and a reconciliation of these measures to cost of sales, is provided on the next page.

Cash operating margin refers to the difference between average gold price received, and cash cost (net of by-product credits) per ounce of gold sold.

Free cash flows have been calculated as cash flows from operating activities less cash flows used in investing activities.

Statement of Operations		Q4 Dec 31 2014	Q3 Dec 31 2014	Q4 Dec 31 2013	Year 2014	Year* 2013
Cost of sales, excluding depreciation and amortisation	*$000*	69,167	68,995	64,089	289,888	260,651
Selling costs and sundry general and administration	*$000*	6,024	7,127	5,663	26,795	14,527
By-product credits	*$000*	(42,577)	(47,792)	(48,666)	(183,353)	(145,124)
Total cash costs (net of by-product credits)	*$000*	32,614	28,330	21,086	133,330	130,056
Gold sales from operating mines	*ounces*	88,386	64,241	100,410	318,972	305,290
Cash operating costs	*$/ounce*	369	441	210	418	426

** Note: Commercial production was declared effective April 1, 2013 at the Didipio Mine and costs net any revenue received prior to this date were capitalised. Ounces sold reflect Didipio's contribution for the period from April 1, 2013 to December 31, 2013*

ADDITIONAL INFORMATION

Additional information referring to the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com and the Company's website at www.oceanagold.com.

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the Company's disclosure controls and procedures as at December 31, 2014. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as at December 31, 2014 to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, would be made known to them by others within those entities. These controls were designed and evaluated using the framework set forth in Internal Control – Integrated Framework published by The Committee of Sponsoring Organizations of the Treadway Commission ("COSO" 1992).

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of OceanaGold, including the Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting and disclosure controls and procedures as of December 31, 2014. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that they were effective at a reasonable assurance level.

There were no significant changes in the Company's internal controls, or in other factors that could significantly affect those controls subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation, nor were there any significant deficiencies or material weaknesses in the Company's internal controls requiring corrective actions.

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that its disclosure controls and internal controls over financial reporting will prevent all errors and fraud. A cost effective system of internal controls, no matter how well conceived or operated, can provide only reasonable not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

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