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Management Discussion and Analysis

Full Year 2020 Results

February 19, 2021

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, inability or delays in obtaining renewal of the Financial or Technical Assistance Agreement 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, 2019, 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

For further scientific and technical information (including disclosure regarding mineral resources and mineral reserves) relating to the Haile Project, the Waihi mine, the Macraes mine and the Didipio mine please refer to the NI 43-101 compliant technical reports available at sedar.com under the Company's name.

The exploration results were prepared in accordance with the standards set out in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code") and in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101"). The JORC Code is the accepted reporting standard for the Australian Stock Exchange Limited ("ASX").

Mr Craig Feebrey, Executive Vice President and Head of Exploration of the Company, a qualified person under NI 43-101, has approved the written disclosure of all other exploration related scientific and technical information contained in this MD&A.

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Highlights

- Total Recordable Injury Frequency Rate ("TRIFR") of 3.3 per million hours worked compared to 3.6 per million hours worked at the end of 2019.
- Maintained MSCI ESG "A-rating"; released an updated statement of position on climate change with a goal to achieve net zero greenhouse emissions from our operations by 2050.
- New $250 million revolving credit facility established with maturity date of December 31, 2024.
- Total immediate available liquidity of $229.0 million, including $179.0 million of cash and $50.0 million in undrawn credit facilities. Net debt decreased to $133.9 million as at December 31, 2020.
- Fourth quarter gold production increased 57% quarter-on-quarter with 99,155 ounces produced while full year 2020 production was 301,675 ounces.
- Fourth quarter All-In Sustaining Costs ("AISC") of $1,080 per ounce sold, a 36% decrease quarter-on-quarter while full year AISC stood at $1,278 per ounce on sales of 310,531 ounces of gold.
- Fourth quarter revenue of $168.2 million with adjusted Earnings before Interest, Depreciation and Amortisation ("EBITDA") of $70.4 million while full year revenue was $500.1 million with adjusted EBITDA of $165.3 million.
- Adjusted net profit of $2.0 million in the fourth quarter and adjusted net loss of $38.6 million for the full year.
- Advanced organic growth projects, including the completion of 7,371 metres of underground development at Martha Underground at Waihi and commenced portal development at Golden Point Underground at Macraes prior to year-end.

Period ended 31 December 2020 (US$m)	Q4 2020	2020
Gold Production (koz)	**99.2**	**301.7**
Copper Production (kt)	**-**	-
Consolidated All-In Sustaining Costs ($/oz)	**1,080**	**1,278**
Revenue	**168.2**	**500.1**
Adjusted EBITDA (excluding gain/(loss) on undesignated hedges, Didipio carrying costs and impairment charges)	**70.4**	**165.3**
Adjusted Net profit/(loss) (excluding gain/(loss) on undesignated hedges, Didipio carrying costs and impairment charges)	**2.0**	**(38.6)**
Net Profit/(loss)	**3.9**	**(150.4)**
Basic earnings/(loss) per share	**$0.01**	**$(0.24)**
Adjusted earnings/(loss) per share	**$0.00**	**$(0.06)**
Net operating cash flow	**(1.6)**	**198.8**

Notes:

- All numbers in this document are expressed in USD unless otherwise stated.
- Cash Costs, All-In Sustaining Costs, All-In Sustaining Margin, EBITDA and liquidity are non-GAAP measures.
- Refer to the Accounting & Controls section of this report for explanation.
- Cash Costs and All-In Sustaining Costs are reported on ounces sold and net of by-product credits unless otherwise stated and exclude capital costs associated with expansionary growth.
- Consolidated All-in Sustaining Costs are inclusive of Corporate general and administrative expenses; site All-in Sustaining Costs are exclusive of Corporate general and administrative expenses.
- Adjusted earnings are earnings after income tax and before gains or losses on undesignated hedges, Didipio carrying costs and impairment charges.

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Results for the full year ended December 31, 2020

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Health and Safety

At the end of the fourth quarter 2020, the Company achieved a total recordable injury frequency rate (12 month moving average ("12MMA") TRIFR of 3.3 per million hours worked. There were eight recordable injuries during the quarter.

In response to the COVID-19 pandemic, the Company continues to enforce strict protocols to protect the health, safety and wellbeing of employees and contractors. At the end of the fourth quarter, the Company had 68 confirmed cases of COVID-19 among employees and contractors globally.

Operational and Financial Overview

Consolidated gold production for full year 2020 was 301,675 ounces, including 99,155 ounces produced in the fourth quarter, 57% higher than the third quarter and 36% below the full year 2019. Higher quarter-on-quarter production was driven by accessing higher grade zones of the open pit operations at both Haile and Macraes, as well as the temporary restart of the Waihi processing plant where accumulated ore stocks were treated. The year-over-year decrease in gold production mainly reflects COVID-19 lockdowns in New Zealand, the full year suspension of operations at Didipio and temporary shutdown of processing at Waihi in the second and third quarters as development of the Martha Underground progressed.

Full year consolidated AISC were $1,278 per ounce on sales of 310,531 ounces of gold, reflecting an increase of 19% as compared to 2019 primarily due to lower production and higher cash costs with the full year suspension of Didipio. Fourth quarter AISC was $1,080 per ounce on sales of 96,398 ounces of gold. AISC decreased 37% quarter-on-quarter as a result of higher gold production and sales.

Full year cash costs were $866 per ounce while fourth quarter cash costs were $783 per ounce, an increase of 18% over the prior year and decrease of 23% quarter-on-quarter. The year-over-year cash cost increase largely reflects the absence of production from Didipio, increased operating costs incurred as a result of COVID-19, and generally higher input costs. Quarter-on-quarter, the decrease in cash cost primarily reflects the higher sales volume.

At Haile, strict protocols were implemented at in March 2020 to address the COVID-19 global pandemic. The protocols have been effective in preventing the spread of COVID-19 at site. However, Haile did experience a material increase in positive cases across the workforce in the second half of the year consistent with trends in the local community and State of South Carolina. Since the beginning of March, approximately 500 employees and contractors have self-isolated for two weeks and the total number of confirmed COVID-19 cases across the workforce increased from two at the end of the second quarter to 63 as of December 31.

Haile also experienced its highest average rainfall in the last 35 years, particularly in the third quarter which adversely impacted mining rates and reduced mill throughputs due to consistently wet mill feed. As a result of COVID-19 impacts and high rainfall, targeted mining advance rates fell significantly behind schedule, delaying access to the higher-grade ore zones resulting in lower than planned production for the full year. Given seasonally average rainfall and effective site management of COVID-19 risks across the fourth quarter, the Company achieved its revised full year production guidance, delivering 137,413 gold ounces for the full year and 48,988 ounces in the fourth quarter. Haile's fourth quarter production was the second highest quarter of production since operations commenced in 2017.

In New Zealand, Macraes delivered strong performance in the second half of the year following the end of government mandated COVID-19 restrictions and five-week shutdown which impacted in the first half. For the full year, Macraes produced 144,487 gold ounces, including 42,564 gold ounces in the fourth quarter. At Macraes, in the fourth quarter, portal development for the Golden Point Underground commenced and earthworks began for cutback of open pits to progress the life of mine extensions to 2028. At Waihi, development of the Martha Underground advanced and remains on-track for achieving steady-state production in the second quarter of 2021. Waihi produced 19,775 gold ounces for the full year, including 7,604 gold ounces in the fourth quarter with the resumption of batch processing of narrow vein mining ore stocks as planned.

The Didipio mine remained suspended during the quarter due to ongoing restraints placed on the operations by local government units and anti-mining activists' blockade of the access road. During the quarter, the Company enacted the permanent layoff of 584 Didipio employees as a result of the ongoing restraint of the operation. Given the enactment of the permanent layoffs and the potential for extended delays in achieving a re-start of operations, an impairment assessment was performed which resulted in an impairment charge of $80 million being recognised in the third quarter financial results in relation to Didipio's mining assets.

In early December 2020, the Company announced that the Office of the President in the Philippines instructed government agencies, including the Departments of Finance and Environment and Natural Resources to engage with the Company to finalise the renewal of the Financial or Technical Assistance Agreement ("FTAA"). Subsequent to this announcement, the Company and Philippine government agencies held several meetings and the renewal is expected to be returned to the Office of the President for approval. The Company is uncertain on the timeline for a decision and achieving a return to steady state production will be dependent on the timing of the renewal and workforce recruitment efforts.

For the full year 2020, the Company reported revenue of $500.1 million and adjusted EBITDA of $165.3 million, below the prior year by 23% and 29%, respectively, mainly due to the Didipio operations remaining temporarily suspended. Full year general and administrative costs included $35.7 million to maintain Didipio in a state of operational readiness, including $9.1 million in the fourth quarter with the asset transitioning to operational standby. Full year adjusted net loss (excluding Didipio carrying costs and impairment charges) was $38.6 million compared to an adjusted net profit of $49.8 million in the prior year.

For the fourth quarter, the Company reported revenue of $168.2 million and adjusted EBITDA of $70.4 million, both significantly above the prior quarter in view of strong sales from Haile and inclusion of sales from Waihi. Fourth quarter adjusted net profit, excluding Didipio carrying costs, was $2.0 million compared to an adjusted net loss of $14.6 million in the prior quarter.

For the full year 2020, the Company recorded operating cash flow of $198.8 million, 3% below 2019 due to reduced cash flows from Didipio and Waihi mostly offset by favourable working capital movements including $76.7 million received from the pre-sale of 40,000 gold ounces for delivery in the second quarter of 2021.

As at December 31, 2020, the Company had available liquidity of $179.0 million, and the Company's revolving credit facilities remained drawn to $200.0 million with a further $50.0 million undrawn. Across the fourth quarter, the Company's net debt decreased to $133.9 million, which mainly reflected the increased cash balance.

The Company's remaining hedges of New Zealand dollar ("NZD") denominated gold put and call options were fully closed out on December 31, 2020.

On February 25, 2020, the Group entered into a gold prepayment arrangement with four financial institutions, in exchange for delivering 48,000 gold ounces between September and December 2020. During the fourth quarter, 36,000 ounces of gold valued at $58.9 million were delivered as part of the gold prepayment arrangements following the delivery of 12,000 ounces valued at $19.6 million in the third quarter.

On August 28, 2020, the Company entered into a gold prepayment arrangement with three financial institutions, in exchange for delivering 40,000 gold ounces between April and June 2021 for net proceeds of $76.7 million (approximately $1,919 per ounce).

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On September 29, 2020, the Company entered into an agreement with a syndicate of underwriters who agreed to purchase, on a Canadian bought deal basis, an aggregate of 73 million common shares of the Company at a share price of C$2.06 with an option for the underwriters to purchase up to an additional 10.95 million common shares. The initial 73 million share offering closed on October 19, 2020. The underwriters exercised their option to acquire an additional 8.55 million shares which closed on October 23, 2020. In total, the Company issued 81.55 million common shares for total net proceeds of approximately $122.4 million. The Company will use the net proceeds to fund organic growth projects including the Haile underground development, ongoing exploration and development of the Company's mineral properties in New Zealand as well as for working capital and for general corporate purposes.

On December 18, 2020, the Company announced execution of a new $250 million revolving credit facility with maturity date of December 31, 2024. This facility replaced the previous facility of $200 million providing additional liquidity to the Company. The new facility was completed with a group of leading global banks including previous lenders Scotiabank, Citi, BNP Paribas and Commonwealth Bank of Australia, plus new entrants the Bank of Montreal and Canadian Imperial Bank of Commerce.

Capital Expenditure

Consolidated capital expenditure in the fourth quarter 2020 was $71.7 million, 12% lower than the previous quarter primarily due to reduced pre-stripping activities. Full year capital expenditures of $266.9 million includes pre-strip and capitalised mining at both Macraes and Haile plus growth capital spend for the development of Martha Underground at Waihi and the expansion of the tailings and waste storage facilities at Haile.

Fourth quarter capital expenditure of $36.0 million at Haile was primarily related to the ongoing expansion of mining operations, including commencement of the third tailings storage facility ("TSF") wall lift and heavy earthworks related to the construction of potentially acid generating ("PAG") waste storage facilities.

Fourth quarter capital expenditure of $15.2 million at Macraes included infrastructure works associated with the re-alignment of a local public road as part of the mine life extension and commencement of portal development at Golden Point Underground.

Waihi growth capital spend of $16.1 million in the fourth quarter primarily reflects ongoing development of the Martha Underground where 2,276 metres of development were completed during the quarter.

Exploration capital totalled $22.7 million for the full year, over half of which was allocated to infill and extensional drilling at Martha Underground and the Wharekirauponga ("WKP") project at Waihi totalling 28,387 metres.

Quarter ended 31 Dec 2020 (US$m)	**Q4 31 Dec 2020**	Q3 30 Sep 2020	Q4 31 Dec 2019	**2020**	2019
General Operations Capital	**6.7**	7.7	6.1	28.0	**38.5**
Pre-strip and Capitalised Mining	**12.9**	22.4	5.0	65.8	**62.5**
Growth Capital (incl. corporate capital)	**46.2**	43.7	29.5	150.4	**99.5**
Exploration	**5.9**	7.9	8.7	22.7	**40.1**
Capital and exploration expenditure	**71.7**	81.7	49.4	266.9	**240.7**

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Capital and exploration expenditure by location are summarised in the following table:

Quarter ended 31 Dec 2020 (US$m)	Haile	Didipio	Waihi	Macraes
General Operations	0.2	0.1	0.0	6.3
Pre-strip and Capitalised Mining	10.7	0.0	0.0	2.2
Growth Capital	24.4	0.2	16.1	4.8
Exploration	0.7	0.0	3.3	1.9
Capital and exploration expenditure	**36.0**	**0.3**	**19.4**	**15.2**

Year to date 31 Dec 2020 (US$m)	Haile	Didipio	Waihi	Macraes
General Operations	3.2	0.6	0.1	24.1
Pre-strip and Capitalised Mining	41.3	0.0	0.0	24.5
Growth Capital	78.6	5.4	54.7	8.5
Exploration	2.8	0.0	11.5	7.2
Capital and exploration expenditure	**125.8**	**6.0**	**66.4**	**64.3**

Notes:

- Capital expenditure presented on an accruals basis and excludes current period rehabilitation and closure costs of $0.6 million at Reefton in the fourth quarter.
- Capital and exploration expenditure by location includes related regional greenfield exploration where applicable. Corporate capital projects and other greenfield exploration spend including costs associated with Joint Venture arrangements not related to a specific operating region are excluded. These totaled $0.3 million in the fourth quarter.

Income Statement

A summary of the financial performance is provided within the following table:

Quarter ended 31 Dec 2020 (US$m)	Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Revenue	**168.2**	97.9	152.1	**500.1**	651.2
Cost of sales, excluding depreciation and amortization	**(76.9)**	(60.9)	(81.5)	**(273.6)**	(360.6)
General and administration – indirect taxes [(2)]	**(0.3)**	(1.0)	(3.4)	**(3.4)**	(11.9)
General and administration – idle capacity charges [(1)]	**(9.1)**	(10.4)	(10.1)	**(35.7)**	(17.7)
General and administration – other	**(13.1)**	(11.7)	(12.3)	**(48.5)**	(47.4)
Foreign currency exchange gain/(loss)	**(8.6)**	(0.8)	0.2	**(14.9)**	0.5
Other income/(expense)	**1.1**	0.4	0.2	**5.6**	0.1
EBITDA (excluding gain/(loss) on undesignated hedges and impairment charge)	**61.3**	**13.5**	**45.2**	**129.6**	**214.2**
Depreciation and amortization	**(55.8)**	(36.1)	(50.1)	**(181.4)**	(168.6)
Net interest expense and finance costs	**(2.5)**	(2.7)	(3.0)	**(11.1)**	(13.2)
Earnings/(loss) before income tax (excluding gain/(loss) on undesignated hedges and impairment charge)	**2.9**	**(25.4)**	**(7.9)**	**(63.0)**	**32.4**
Income tax (expense)/ benefit on earnings	**(10.2)**	0.5	7.2	**(11.4)**	(0.3)
Earnings/(loss) after income tax and before gain/(loss) on undesignated hedges and impairment charge	**(7.1)**	**(24.9)**	**(0.7)**	**(74.3)**	**32.1**
Impairment charge	**-**	(80.0)	-	**(80.0)**	-
Write off exploration/property expenditure / investment [(3)]	**-**	(0.1)	(4.0)	**(6.9)**	(8.6)
Gain/(loss) on fair value of undesignated hedges	**15.3**	11.4	18.6	**15.0**	(12.5)
Tax (expense) / benefit on gain/loss on undesignated hedges	**(4.3)**	(3.2)	(5.2)	**(4.2)**	3.5
Share of loss form equity accounted associates	**-**	-	(0.1)	**-**	(0.1)
Net Profit/(loss)	**3.9**	**(96.8)**	**8.7**	**(150.4)**	**14.5**
Basic earnings/(loss) per share	**$0.01**	$(0.16)	$0.01	**$(0.24)**	$0.02
Diluted earnings/(loss) per share	**$0.01**	$(0.16)	$0.01	**$(0.24)**	$0.02

(1) The Company did not record any revenue or cost of sales from the Didipio mine during the second half of 2019 nor during the nine months ended 31 December 2020. In addition, General and Administration – other – idle capacity charges reflects the non-production costs related to maintaining Didipio's operational readiness.

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(2) Represents production-based taxes in the Philippines specifically excise tax, local business and property taxes.
(3) Impairment expense in relation to land at Haile of $4.1 million in the second quarter and write-off of deferred exploration related costs/investment in Locrian Resources Inc.

The following table provides a quarterly financial summary:

Quarter ended 31 Dec 2020 (US$m)	Dec 31 2020	Sep 30 2020	Jun 30 2020	Mar 31 2020	Dec 31 2019	Sep 30 2019	Jun 30 2019	Mar 31 2019
Average Gold Price Received[2] (US$/oz)	**1,726**	1,601	1,523	1,509	1,404	1,414	1,331	1,308
Average Copper Price Received (US$/lb)	-	-	-	-	-	-	2.60	3.12
Revenue [1]	**168.2**	97.9	95.8	138.2	152.1	133.6	186.0	179.5
EBITDA (excluding gain/(loss) on undesignated hedges and impairment charge)	**61.3**	13.5	12.4	42.4	45.2	33.9	70.7	64.4
Earnings after income tax and before gain/(loss) on undesignated hedges and impairment charge (net of tax)	**(7.1)**	(24.9)	(31.5)	(10.7)	(0.7)	(5.3)	22.1	16.0
Net Profit/(loss)	**3.9**	(96.8)	(31.4)	(26.0)	8.7	(21.9)	15.3	12.4
Net Earnings/(loss) per share								
Basic	**$0.01**	$(0.16)	$(0.05)	$(0.04)	$0.01	$(0.04)	$0.02	$0.02
Diluted	**$0.01**	$(0.16)	$(0.05)	$(0.04)	$0.01	$(0.04)	$0.02	$0.02

(1) The Company did not record any revenue or cost of sales from the Didipio mine during the second half of 2019 nor in the nine months to 31 December 2020.
(2) Realised gains and losses on the close- out of the gold price hedging are not included in the average gold prices.

Revenue

In 2020, the Company recorded annual operating revenue of $500.1 million which was 23% below 2019. The primary drivers for the year-on-year decrease are the absence of sales from Didipio due to ongoing suspension of operations, as well as reduced sales from Waihi where processing ceased between April and September as development of Martha Underground progressed. This was partially offset by a higher average gold price received.

Fourth quarter operating revenue of $168.2 million increased significantly quarter-on-quarter primarily due to higher sales volume from Haile and Macraes, the inclusion of sales from Waihi, and a slightly higher average gold priced received.

EBITDA

Analysis of revenue and costs for each operating site is contained within the Business Summary section of this report. The Company recorded EBITDA (excluding impairment charge) for the full year 2020 of $129.6 million including $61.3 million in the fourth quarter. The full year adjusted EBITDA (excluding Didipio's idle capacity costs) was 29% below 2019 mainly due to limited sales from Didipio and lower production from Waihi, partly offset by improved performance from Haile as mining and milling rates improved materially year-over-year and unit costs decreased. Quarter-on-quarter EBITDA was higher mainly due to the increase in revenue.

Depreciation and Amortisation

Depreciation and amortisation charges include amortisation of mine development and deferred pre-stripping costs plus depreciation of property, plant and equipment. Depreciation and amortisation charges are mostly calculated on a mining or processing units of production basis that account for the life of mine. Amortisation of deferred pre-stripping further considers completion of mining stages. Depreciation of some assets is on a straight-line basis.

Depreciation and amortisation charges totalled $181.4 million in 2020 which were 8% higher than the prior year mainly due to increased mining and processing rates at Haile, which were materially lower in the prior year. In addition, the Haile expansion includes a progressive increase in mining fleet capacity and processing

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plant upgrades that were completed and started depreciation during the year. These were partially offset by lower charges at Didipio where operations remain suspended.

Fourth quarter charges of $55.8 million were 55% above the third quarter primarily due to increased amortisation of capitalised pre-stripping costs at Haile due to higher ore mined and inclusion of amortisation charges for the Ledbetter pit given mining stage reached. In New Zealand, higher amortisation charges at Macraes and Waihi were in line with higher production. At Reefton, a new rehabilitation workplan led to additional costs being provisioned and amortised during the quarter.

Undesignated Hedges Gains/Losses

Unrealised hedge gains and losses reflect the changes in the fair value of the Company's undesignated hedges which are brought to account at the end of each reporting period. These valuation adjustments for the fourth quarter amounted to a $15.3 million unrealised gain on the close out of the New Zealand dollar gold hedges. This compared to an unrealised gain of $11.4 million in the prior quarter.

For the full year 2020, the Company recorded a $15.0 million gain in the close out of the New Zealand dollar gold hedges which compared favourably to unrealised losses of $12.5 million for the full year 2019 due to revaluation of a year of undesignated hedges.

Taxation

The Company recorded an income tax expense of $14.5 million in the fourth quarter which mainly reflected higher income tax expense on profits for the New Zealand and United States operations. There were no potential tax benefits recognised associated with carrying costs incurred to maintain Didipio in a state of operational readiness and transition to operational standby. This compared with an income tax expense of $2.7 million in the previous quarter which included a tax expense of $3.2 million associated with the mark-to-market revaluation gain on the gold price hedges.

For the full year 2020, the Company recorded an income tax expense of $15.6 million primarily related to operational profits in New Zealand. The higher income tax expense in 2020, despite the Company recording an overall net loss for the year, was primarily due to and the lack of tax benefits recorded on the $80 million impairment charge and the Didipio holding costs and redundancy costs incurred during the year. In the United States, increased deferred tax expenses were mostly offset by tax benefits on the operational loss for the year. This compared to a tax benefit of $3.2 million for the full year 2019 which was primarily related to the United States operations and following tax credits further recognised upon finalising and lodging the United States tax returns in 2019. This was partly offset by the income tax expense related to the New Zealand operations.

Cash Flows

Quarter ended 31 Dec 2020 (US$m)	Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Cash flows from / (used in) Operating Activities	**(1.6)**	63.1	46.7	**198.8**	204.3
Cash flows used in Investing Activities	**(62.7)**	(78.4)	(51.4)	**(225.8)**	(239.7)
Cash flows from / (used) in Financing Activities	**117.2**	(6.0)	(4.3)	**159.5**	(21.0)

Cash flows used in operating activities for the fourth quarter totalled $1.6 million as the stronger EBITDA was more offset by working capital movements, primarily the physical settlements of the gold prepayment of $58.9 million executed in February plus income tax paid of $17.5 million in New Zealand in relation to finalisation of the 2018 tax year. This was significantly below the previous quarter primarily due to the $76.7 million gold pre-payment arrangement executed in August 2020 and recorded as an operating cash inflow in the prior quarter.

For the full year 2020, cash inflows from operating activities of $198.8 million were 3% below the full year 2019 due to lower operating cash flows from Didipio and Waihi, mostly offset by $76.7 million received from the gold pre-payment arrangement for delivery in 2021.

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Cash used for investing activities of $62.7 million in the fourth quarter reflected lower capital expenditure relative to the prior quarter primarily due to lower capitalised pre-strip at Macraes and Haile partly offset by higher growth capital at Haile for the ongoing expansion of mining operations.

For the full year 2020, cash used for investing activities of $225.8 million was 6% below the full year 2019 primarily due to lower capital spend at Didipio and proceeds from the sale of Gold Standard Venture ("GSV") shares partly offset by higher pre-strip costs and increased spend for growth capital at Haile and Waihi.

Cash from financing activities for the fourth quarter of $117.2 million mainly reflects the $122.4 million of proceeds from issue of shares associated with the bought deal offering partly offset by finance lease repayments.

For the full year 2020, cash from financing activities of $159.5 million mainly reflected the proceeds from the issuance of shares and the first quarter's $50 million debt drawdown under the revolving credit facility partly offset by net finance lease repayments. This compared to the prior year's cash used in financing activities of $21.0 million which primarily reflected dividends of $6.3 million and finance lease repayments of $15.2 million.

Balance Sheet

Quarter ended 31 Dec 2020 (US$m)	Q4 31 Dec 2020	Q4 31 Dec 2019
Cash and cash equivalents	**179.0**	49.0
Other Current Assets	**128.1**	167.2
Non-Current Assets	**1,946.2**	1,856.0
Total Assets	**2,253.3**	2,072.2
Current Liabilities	**266.3**	202.7
Non-Current Liabilities	**422.1**	305.9
Total Liabilities	**688.4**	508.6
Total Shareholders' Equity	**1,564.9**	1,563.6

Current assets were $307.1 million as at December 31, 2020 compared to $216.2 million as at December 31, 2019 mainly due to higher cash balances which include $76.7 million received from the gold prepay arrangement and $122.4 million from issue of shares and higher trade receivables partly offset by lower inventory at the operating sites including Didipio's ore, stores and spares inventories which were reclassified as non-current.

Non-current assets increased to $1.95 billion as at December 31, 2020 compared to $1.86 billion as at December 31, 2019. The increase mainly reflects higher property, plant and equipment and inventories including above-mentioned Didipio inventories reclassified to non-current. Increased mining assets for the full year were partially offset by the impairment charge of $80 million recognised in the third quarter which reduced the carrying value of mining assets at Didipio. Other financial assets reduced following the sale of GSV shares in the first half of 2020.

Current liabilities were $266.3 million as at December 31, 2020 compared to $202.7 million as at December 31, 2019. This increase was mainly attributable to the prepaid gold sales contracts of $76.7 million partially offset by decreased income tax liabilities.

Non-current liabilities increased to $422.1 million as at December 31, 2020 from $305.9 million as at December 31, 2019 mainly due to the $50 million drawdown under the revolving credit facility and finance lease liabilities related to the progressive upgrade of the mining fleet at Haile.

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Shareholders' Equity

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

Quarter ended 31 Dec 2020 (US$m)	Q4 31 Dec 2020
Total equity at beginning of the quarter	**1,413.5**
Profit/(loss) after income tax	**3.9**
Movement in other comprehensive income/(loss)	**22.9**
Movement in contributed surplus	**2.1**
Issue of shares (net of costs)	**122.5**
Total equity at end of the quarter	**1,564.9**

Shareholders' equity increased by $151.4 million to approximately $1.6 billion as at December 31, 2020, mainly due to the issuance of 81.55 shares following the completion of a bought deal offering, movements in other comprehensive income and the net profit in the fourth quarter. Other Comprehensive Income reflects the net changes in the fair value of other financial assets and currency translation differences which arise from the translation of values of assets and liabilities in entities with a functional currency other than USD.

A summary of capital resources is set out below:

Quarter ended 31 Dec 2020	Shares Outstanding	Options and Share Rights Outstanding	Fully Diluted Shares Outstanding
February 17, 2021	703,991,373	14,741,642	718,733,015
December 31, 2020	703,991,373	14,741,642	718,733,015
December 31, 2019	622,323,696	12,198,187	634,521,883

Debt Management and Liquidity

As at December 31, 2020, the cash funds held were $179.0 million compared to $49.0 million as at December 31, 2019. The increase was mainly due to cash flow from operations, $76.7 million received from forward gold sales for settlement in 2021, the drawdown of $50 million against the Company's revolving credit facility and $23.1 million from the sale of the Company's non-core equity interest in GSV.

The Company was in a net current asset position of $40.8 million as at December 31, 2020 compared to a net current asset position of $13.5 million as at December 31, 2019. The Company continues to proactively manage liquidity in light of the ongoing delay in a resumption of operations at Didipio. During 2020, this included the sale of the GSV shares, gold pre-sale arrangements to be settled by future physical gold deliveries, the bought deal offering completed during the fourth quarter. The proceeds of the offering are primarily to be utilised to fund organic growth projects including the planned underground development at Haile and continued exploration and development in the Waihi district.

On December 18, 2020, the Company also announced a new $250 million revolving credit facility maturing on December 31, 2024. This replaced the previous $200 million facility that was to mature on 31 December 2021.

As at December 31, 2020, the Company's total debt facilities stood at $250 million of which $200 million remained drawn. The Company had immediately available liquidity of $229.0 million as at December 31, 2020 with $179 million in cash and $50 million of available undrawn credit facilities. This compared to immediate available liquidity of $99.0 million as at December 31, 2019 with $49 million in cash and $50 million of undrawn credit facilities. The Company's net debt decreased from the prior quarter to $133.9 million, which mainly reflected the increased cash balance.

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Capital Commitments

Capital commitments relate principally to the purchase of property, plant and equipment at Haile, Waihi, Macraes and Didipio and the development of mining assets at Waihi and Didipio. The Company's capital commitments as at December 31, 2020 are as follows:

Quarter ended 31 Dec 2020 (US$m)	Capital Commitments
Within 1 year	**15.9**

Selected Annual Information

The following table provides financial data for the Company for each of the three most recently completed financial years:

Quarter ended 31 Dec 2020 (US$m)	Q4 2020	2020	2019	2018
Revenue	**168.2**	**500.1**	651.2	772.5
Net Profit/(loss) after Tax	**3.9**	**(150.4)**	14.5	121.7
Net Earnings/(loss) per share – Basic	**$0.01**	**($0.24)**	$0.02	$0.20
Net Earnings/(loss) per share – Diluted	**$0.01**	**($0.24)**	$0.02	$0.19
Total assets	**2,253.3**	**2,253.3**	2,072.2	2,025.0
Total non-current financial liabilities	**289.4**	**289.4**	203.6	166.6
Cash dividends per share	**$0.00**	**$0.00**	$0.01	$0.03

Across these years, the Company's revenue and earnings have mainly reflected the results of the operations in New Zealand, the United States and the Philippines. The Didipio Mine in the Philippines did not make any sales in the second half of 2019 nor any sales between April and December 2020 due to the suspension of operations.

Non-current liabilities reflected the phase of growth with the Company increasing its equipment leases for the upgraded mining fleet at Haile in 2019 and 2020. In March 2020, the Company drew down $50 million of the revolving credit facility to maximise cash reserves and reduce credit market liquidity risk.

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Business Summary

A summary of the operational performance of the operations is presented below.

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	US$/oz	1,877	-	1,826	1,842	1,726	1,404
Copper Produced	kt	-	-	-	-	-	0.1
Copper Sales	kt	-	-	-	-	-	-
Average Copper Price	US$/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	%	83.4	-	89.7	84.2	84.1	86.4
Cash Costs	US$/oz	658	-	1,017	879	783	757
Site AISC[2]	US$/oz	916	-	955[3]	1,140	1,080	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	US$/oz	1,774	1,673	1,663	1,746	1,597	1,360
Copper Produced	kt	-	-	-	-	-	10.3
Copper Sales	kt	-	-	-	-	-	6.9
Average Copper Price	US$/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	1.57	-	5.03	1.01	1.27	1.42
Gold Recovery	%	79.5	-	89.0	82.2	81.4	84.4
Cash Costs	US$/oz	940	443	641	848	866	733
Site AISC[2]	US$/oz	1,349	444	583[3]	1,204	1,278	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 is 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.

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A reconciliation of Cash Costs and consolidated All-In Sustaining Costs is presented below.

Quarter ended 31 Dec 2020		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Cost of sales, excl. D&A	USDm	**76.9**	60.9	81.5	**273.6**	360.6
Indirect taxes (1)	USDm	**0.0**	-	0.0	**0.5**	7.4
Selling costs	USDm	**0.3**	0.4	0.3	**1.3**	10.1
Other non-cash adjustments	USDm	**(0.2)**	1.0	0.9	**(2.6)**	(1.2)
By-product credits	USDm	**(1.5)**	(0.6)	(1.4)	**(3.8)**	(48.3)
Cash Costs (net of by-product credits)	USDm	**75.5**	61.7	81.3	**269.0**	328.6
Sustaining capital expenditure	USDm	**19.4**	33.2	14.7	**95.7**	112.6
Corporate general & administration	USDm	**6.1**	4.9	6.7	**21.1**	27.8
Other	USDm	**3.1**	3.2	2.4	**11.1**	6.7
All-In Sustaining Costs	USDm	**104.1**	103.0	105.1	**396.8**	475.7
Gold sales	koz	**96.4**	60.8	107.3	**310.5**	448.4
Cash Costs	**US$/oz**	**783**	1,015	757	**866**	733
All-In Sustaining Costs	**US$/oz**	**1,080**	1,695	980	**1,278**	1,061

(1) In accordance with the World Gold Council's updated methodology for AISC calculation, as from January 1, 2019, the Company has included production taxes paid in the AISC – specifically excise tax, local business and property taxes paid in the Philippines

2021 Outlook

On a consolidated basis, the Company expects to produce 340,000 to 380,000 ounces of gold from the Haile Gold Mine and the New Zealand operations. The consolidated AISC is expected to range between $1,050 and $1,200 per ounce sold while consolidated cash costs are expected to range between $750 and $850 per ounce sold.

At Haile, the Company expects to produce between 150,000 and 170,000 ounces of gold in 2021 at site AISC ranging from $950 to $1,100 per ounce sold, representing an approximate increase of 30% to the midpoint in gold production and lower AISC relative to 2020. Cash costs are expected to range from $750 to $850 per ounce sold. Production in the first half of the year from Snake Phase 2 and Ledbetter Phase 1 is expected to be approximately 60% of the year's gold output at correspondingly lower AISC. The third and fourth quarters are expected to have the lowest production at the highest costs for the year with the transition of ore mining to other open pits. Portal development of Horseshoe at Haile Underground ("HUG") is expected to commence in the second quarter with underground development beginning in the third quarter. First production from HUG is expected in the fourth quarter of 2022.

At Macraes, the Company expects to produce between 155,000 and 165,000 ounces of gold at a site AISC of between $1,000 and $1,100 per ounce. Cash costs are expected to range from $700 to $800 per ounce sold. Gold production is expected to be consistent through the year. Portal development for the Golden Point Underground is expected to continue with first production in the fourth quarter of 2021.

At Waihi, the Company expects production of 35,000 to 45,000 gold ounces for the full year at site AISC of $1,350 to $1,450 per ounce sold which reflects the burden of start-up costs on limited production. Cash costs are expected to range from $1,000 to $1,100 per ounce sold. The Company expects to campaign remaining narrow vein ore from Correnso and initial ore from Martha Underground in the first quarter before the process plant is shut down for upgrades. Processing will resume with ore feed from the Martha Underground later in the second quarter.

The Company expects 2021 consolidated growth investments of $165 million to $185 million and pre-strip and capitalised mining investments of $50 million to $60 million. This outlook assumes no further material change to the current operating or regulatory environment at the Company's operations due to the COVID-19 pandemic.

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Haile

Production statistics

		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Gold Produced	koz	**49.0**	28.3	46.4	**137.4**	146.1
Material Mined	kt	**9,956**	9,611	7,939	**38,323**	24,947
Waste Mined	kt	**8,661**	8,904	6,574	**34,922**	21,730
Ore Mined	kt	**1,295**	707	1,365	**3,401**	3,217
Ore Mined Grade	g/t	**1.66**	1.62	1.51	**1.57**	1.78
Mill Feed	kt	**844**	864	863	**3,511**	3,204
Mill Feed Grade	g/t	**2.17**	1.26	2.09	**1.52**	1.80
Gold Recovery	%	**83.4**	81.0	80.0	**79.5**	78.6

At the end of the fourth quarter, Haile recorded a 12MMA TRIFR of 2.8 per million hours worked, down from 6.6 in the 12 months ended 31 December 2019. The operation remains focussed on the continuous improvement of safety performance and ongoing high levels of employee engagement.

The operation implemented strict protocols beginning in March 2020 in response to the COVID-19 pandemic, including health screenings upon entry, strict social distancing measures, and staggered shift changes. As a result of adherence to these protocols, over 500 employees were required to self-isolate for two weeks at some point in 2020, over one-third of which occurred in the third quarter of the year. As of year-end, 63 workers had tested positive for COVID-19, 62 of which occurred in the second half of the year with the most significant ramp-up through the third quarter. However, the strict protocols in place prevented the spread of COVID-19 within the site, and the operation also increased headcount through the second half of the year to mitigate COVID-19-related absenteeism and disruption to the workforce.

2020 annual rainfall recorded at Haile totalled 62 inches which was 34% above the 35-year historic average. Through the first three quarters of the year, the operation recorded 51 inches of rainfall, the highest amount on record for the last 35 years. This record rainfall reduced mining advance rates and negatively impacted mining equipment utilisation rates throughout the year.

Gold production for the full year was 137,413 ounces, including 48,988 ounces in the fourth quarter, down 6% compared to the full year 2019 and up 73% quarter-on-quarter. The year-on-year decrease reflects persistent COVID-19 related absenteeism and the impact of record rainfall. This was partially offset by continued improvement in mining productivity as a result of the upsized mining fleet and improved mill throughput and recoveries. The quarterly production increase was driven primarily by access to higher grade zones as expected.

Total 2020 mining movements increased 54% compared to 2019 and 4% quarter-on-quarter. The significant increase over 2019 reflects planned increases in mining rates with full commissioning of 19 new Komatsu 730E haul trucks and the successful implementation of a management operating system focussed on short interval control in the mine, plant and maintenance areas.

Full year 2020 ore mined increased 6% over 2019 and nearly doubled quarter-on-quarter, reflecting mine sequencing that included ore mining in Snake Phase 2 and Ledbetter Phase 1 during the fourth quarter. The increase over 2019 primarily reflects higher levels of ore mining in the second half of the year in Red Hill, Snake and Ledbetter open pits.

Mill feed for the full year was 10% higher than 2019 due to ongoing mill optimisation initiatives and throughput decreased modestly quarter-on-quarter due to wet in-circuit material following record third quarter rainfall and disruptions in the crusher resulting in unplanned maintenance work.

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The average feed grade decreased 16% year-over-year as expected, consistent with the life of mine plan. Quarter-on-quarter the average feed grade increased 72% as a result of accessing higher grade ore zones in the Snake and Ledbetter open pits as expected.

Gold recoveries increased quarter-on-quarter primarily reflecting the higher head grade. Year-on-year improvements were despite a lower head grade and reflect improvements to the fine grinding circuit.

Financial statistics

		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Gold Sales	koz	**46.7**	26.8	42.3	**138.5**	143.3
Silver Sales	koz	**34.6**	24.9	45.4	**128.3**	85.4
Average Gold Price Received	US$/oz	**1,877**	1,909	1,479	**1,774**	1,409
Cash Costs	US$/oz	**658**	1,111	772	**940**	859
Site All-In Sustaining Costs [(1)]	US$/oz	**916**	1,781	959	**1,349**	1,209
Site All-In Sustaining Margin	**US$/oz**	**961**	128	520	**425**	200

(1) Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly.

Unit Costs		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Mining Cost [(1)]	US$/t mined	**3.07**	2.83	3.04	**2.75**	3.68
Processing Cost	US$/t milled	**11.28**	13.64	12.04	**12.22**	13.48
Site G&A Cost	US$/t milled	**5.99**	5.42	6.14	**5.66**	5.76

(1) Mining unit costs are inclusive of any capitalised mining costs.

Haile unit costs		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Cash Costs (gross)		**34.7**	30.1	38.3	**127.7**	128.1
Less: by-product credits	USDm	**(0.9)**	(0.6)	(0.8)	**(2.7)**	(1.4)
Add: Adjustments to inventory	USDm	**(3.1)**	0.0	(4.9)	**4.7**	(4.0)
Add: Freight, treatment and refining charges	USDm	**0.1**	0.3	0.1	**0.6**	0.4
Cash Costs (net)	USDm	**30.8**	29.8	32.7	**130.3**	123.1
Add: General capital and leases	USDm	**0.6**	3.5	4.9	**12.4**	19.6
Add: Pre-strip and capitalised mining	USDm	**10.7**	13.8	1.5	**41.3**	25.7
Add: Brownfields exploration	USDm	**0.7**	0.7	1.5	**2.8**	4.9
Site All-In Sustaining Costs (net)	USDm	**42.8**	47.7	40.6	**186.8**	173.2
Gold sales	koz	**46.7**	26.8	42.3	**138.5**	143.3
Cash cost per ounce sold	US$/oz	**658**	1,111	772	**940**	859
Site All-In Sustaining Costs per ounce sold	US$/oz	**916**	1,781	959	**1,349**	1,209

Fourth quarter average mining and processing unit costs were $3.07 per tonne mined and $11.28 per tonne milled, respectively, and site-based G&A unit costs were $5.99 per tonne milled.

Mining unit costs increased 9% quarter-on-quarter, reflecting material unplanned maintenance on one of two active excavators involving contract labour as well as other necessary mechanical work. Processing unit costs per tonne milled decreased 17% quarter-on-quarter due to lower reagent use in the plant and lower total plant throughput. The 11% increase in site-based G&A unit costs quarter-on-quarter reflects increased property tax and community contributions, as well as the lower total plant throughput.

Full year mining unit costs of $2.75 per tonne mined and processing unit costs of $12.22 per tonne milled decreased 25% and 9%, respectively over the prior year. The decrease in mining and milling costs reflects increased productivity from upgraded mining equipment and ongoing mill optimisation initiatives. Site G&A unit costs of $5.66 per tonne milled slightly decreased from 2019 from higher mill throughput.

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Fourth quarter AISC was $916 per ounce sold with cash costs of $658 per ounce sold. The 49% decrease quarter-on-quarter reflects the impact of higher gold grades and associated gold sales, as well as lower sustaining capital with reduced pre-stripping. Year-over-year, the 11% increase in AISC largely reflects higher pre-stripping costs and lower gold sales.

Full year 2021 production is expected to be between 150,000 and 170,000 ounces of gold at cash costs ranging from $750 to $850 per ounce sold and site AISC between $950 and $1,100 per ounce sold. Approximately 60% of Haile's production is expected in the first half of the year at correspondingly lower AISC and the remaining production is expected in the second half. The variability in production is related to mine sequencing whereby higher grades will be mined and processed in the first half. The Company notes that the Haile outlook could be adversely impacted by additional challenges related to the COVID-19 pandemic.

Exploration

In the fourth quarter, exploration expenditure and other related costs were approximately $0.7 million for a total of 3,813 metres drilled and 14,616 metres for the year.

Brownfields exploration focused on reserve pits at Ledbetter, Snake and Mill Zone phase 2 to tighten drill hole spacing, verify RC grades and convert inferred blocks to indicated category. The year-end geologic and block models were completed.

Total exploration expenditure in 2020 was $2.8 million for a total of 14,616 metres drilled. A total of approximately 18,000 metres of drilling is planned during 2021. First quarter drilling will focus on resource growth at the Haile Underground at Horseshoe, including Lower Horseshoe, Horseshoe Extension and Mill Zone phase 2 conversion.

Projects

During the quarter, project execution plans, construction and procurement schedules, risk registers and economic models were completed for the Haile Underground. Additional critical path activities commenced including ordering of long lead mobile equipment and engineering design works for the batch plant and surface earthworks. Negotiations are also well advanced on the selection of the preferred contractor for the construction of the surface facilities. Portal construction is expected to begin in the second half of 2021.

Field construction activities for the TSF stage three wall-lift continued during the quarter. Completion of this expansion is currently expected in the third quarter of 2021.

Completion of phase 1 the East PAG storage facility ("EPAG") is currently expected in the first quarter of 2021. Construction commenced on phase 2 during the fourth quarter of 2020 and is expected to be complete by the third quarter of 2021. Clearing works also began on the West PAG waste storage facility site.

The Company is in the final stages of the Supplemental Environmental Impact Statement ("SEIS") permit process to expand the Haile operation. The SEIS will allow continued development of the existing Haile footprint, expansion of the TSFs and waste dumps, and a commitment of mining from the Horseshoe mine. To date, there have been no objections by any stakeholder group to the SEIS, and at this stage, the Company anticipates a successful Record of Decision and completion of the process by mid-2021.

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Macraes

Production statistics

		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Gold Produced	koz	**42.6**	34.8	45.5	**144.5**	172.5
Total Material Mined	kt	**11,565**	12,857	11,883	**47,450**	51,619
Waste Mined	kt	**9,108**	11,145	10,042	**40,371**	45,163
Ore Mined (Open Pit)	kt	**2,229**	1,485	1,539	**6,252**	5,462
Ore Mined (U/G)	kt	**227**	226	302	**826**	994
Ore Mined Grade (Open Pit)	g/t	**0.69**	0.62	0.82	**0.70**	0.84
Ore Mined Grade (U/G)	g/t	**1.82**	2.25	2.1	**2.07**	2.11
Mill Feed	kt	**1,450**	1,384	1,465	**5,419**	5,917
Mill Feed Grade	g/t	**1.08**	0.94	1.18	**1.01**	1.10
Gold Recovery	%	**84.2**	83.5	81.6	**82.2**	82.5

In the fourth quarter of 2020, the Macraes operation reported two recordable injuries and a 12-MMA TRIFR of 3.7, 31% below the fourth quarter 2019 TRIFR of 5.4. The operation continued its trend of reduction in the severity of injuries with continued strong engagement throughout 2020 in the behavioural based safety initiatives.

Macraes produced 144,487 ounces of gold for 2020, including 42,564 ounces in the fourth quarter. Full year production was down 16% year-over-year reflecting the start of two new open pit stages at Gay Tan 2 and Coronation North phase 4 as well as five-weeks of restricted operations during the government-imposed nation-wide COVID-19 shutdown. Quarter-on-quarter production increased 22% with access to higher grade ore, particularly from Coronation North phase 4.

Total material movement within the open pits was 8% lower than in 2019, primarily reflecting the cessation of mining materials during the five-week COVID-19 lockdown in the first half of the year. Open pit movements decreased 12% quarter-on-quarter, due primarily to increased ore production and associated haul cycle times relative to waste handling. Underground material movement decreased 15% year-over-year as a result of the COVID-19 lockdown and the increasing haul distances as the operation extends at depth.

Total mill feed decreased 8% year-over-year reflecting the COVID-19 lockdown which restricted throughput to the minimum capacity required to safely maintain the autoclave, as well as the processing of harder ore from Coronation phase 5. Quarter-on-quarter mill feed increased 5% as a result of improved mechanical availability and a reduction in the volume of harder ore feed.

Mill feed grade decreased 9% as compared to 2019 due to processing of a higher proportion of low-grade stockpiles during the COVID-19 shutdown. Quarter-on-quarter mill feed grade increased 15% due to higher-grade ore sources at Coronation North phase 4, partially offset by a 19% reduction in grade from Frasers Underground consistent with plan.

Full year recoveries were consistent over the prior year and also quarter-on-quarter.

Looking ahead to 2021, Macraes is expected to produce between 155,000 ounces and 165,000 ounces at a gold cash cost of $700 to $800 per ounce and site AISC of $1,000 to $1,100 per ounce sold. The production profile by quarter is expected to be consistent throughout 2021.

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Financial statistics

		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Gold Sales	koz	**42.2**	34.0	46.4	**144.2**	175.8
Average Gold Price Received (2)	US$/oz	**1,842**	1,813	1,485	**1,746**	1,391
Cash Costs	US$/oz	**879**	938	788	**848**	736
Site All-In Sustaining Costs (1)	US$/oz	**1,140**	1,482	976	**1,204**	1,058
Site All-In Sustaining Margin	**US$/oz**	**702**	331	509	**542**	333

(1) Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly.
(2) Macraes' average gold prices received are based on revenue which includes the gold prepay unwind for September. Realised gains and losses on New Zealand Dollar gold hedging are not included in Macraes' average gold price received.

Unit Costs		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Mining Cost (Open Pit) (1)	US$/t mined	**1.26**	1.19	1.33	**1.13**	1.21
Mining Cost (U/G)	US$/t mined	**46.71**	43.65	33.74	**43.83**	37.90
Processing Cost	US$/t milled	**7.67**	7.72	6.43	**7.19**	6.89
Site G&A Cost	US$/t milled	**2.51**	2.11	2.40	**2.22**	2.16

(1) Mining unit costs are inclusive of any capitalised mining costs.

Macraes unit costs		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Cash Costs (gross)		**39.0**	31.7	36.5	**122.4**	125.1
Less: By-product credits	USDm	**0.0**	0.0	(0.1)	**(0.1)**	(0.1)
Add: Adjustments to inventory	USDm	**(2.0)**	(0.1)	(0.1)	**(0.7)**	3.7
Add: Freight, treatment and refining charges	USDm	**0.1**	0.2	0.2	**0.6**	0.7
Cash Costs (net)	USDm	**37.1**	31.8	36.5	**122.2**	129.4
Add: General capital and leases	USDm	**6.9**	7.4	4.4	**19.6**	22.1
Add: Pre-strip and capitalised mining	USDm	**2.2**	8.6	3.5	**24.5**	32.9
Add: Brownfields exploration	USDm	**1.9**	2.5	0.8	**7.3**	1.6
Site All-In Sustaining Costs (net)	USDm	**48.1**	50.4	45.2	**173.6**	186.0
Gold sales	**koz**	**42.2**	**34.0**	**46.4**	**144.2**	**175.8**
Cash cost per ounce sold	US$/oz	**879**	938	788	**848**	736
Site All-In Sustaining Costs per ounce sold	**US$/oz**	**1,140**	**1,483**	**976**	**1,204**	**1,058**

Fourth quarter open pit unit mining costs were $1.26 per tonne mined, underground unit mining costs were $46.71 per tonne mined, processing costs were $7.67 per milled tonne and site G&A unit costs were $2.51 per tonne milled. Open pit mining costs increased 6% quarter-on-quarter as increased amounts of ore were delivered to the run of mine stockpile areas increasing average cycle times.

Underground mining costs unit rates trended higher quarter-on-quarter and relative to 2019 due to the higher proportion of development ore compared to stope ore, particularly in the fourth quarter, and the timing of maintenance costs as compared to previous quarters. Processing costs per tonne milled increased 4% year-on-year due to reduced throughput for the full year as a result of the five-week COVID-19 shutdown. Quarter-on-quarter processing costs were unchanged. G&A unit costs increased in the fourth quarter due to timing of one-off consenting and compliance costs.

Macraes' fourth quarter AISC was $1,140 per ounce sold, which was 23% lower than the previous quarter due to the increased ounces sold and decreased sustaining capital costs. Full year AISC of $1,204 per ounce increased over the prior year due to decreased gold sales, partially offset by reduced sustaining capital spend.

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Exploration

In the fourth quarter, exploration expenditure and other related costs were $1.9 million for a total of 9,519 metres drilled.

Brownfields exploration focused at Golden Point Underground ("GPUG"), Deepdell North ("Deepdell") and Frasers Underground ("FRUG"). At GPUG, drilling focused on resource conversion of proposed underground stopes and extension drilling of the Golden Point ore shoot in support of the September 2020 underground resource announcement. At Deepdell, drilling continued targeting the definition of ore shoot extensions. At FRUG drilling focused on down-dip resource definition of panel 2 delineating remaining opportunities for ore extraction.

Total exploration expenditure in 2020 was $7.2 million for a total of 36,553 metres drilled. A total of approximately 44,000 metres of drilling is planned during 2021. First quarter drilling will focus on resource extensions at GPUG and FRUG resource definition.

Projects

During the quarter, work was undertaken in preparation for the commencement of mining in the Golden Point Underground, with establishment of the surface portal area. Relocation of the Frasers Underground Infrastructure was completed in the quarter to allow the development of the Frasers West Open Pit in 2021. The relocated infrastructure will service both the Frasers and Golden Point Undergrounds.

The Company continues to focus on resource conversion and expansion on multiple surface and underground targets within the Macraes Goldfield. The Company will incorporate results of this drilling in the 2020 Resource and Reserve update.

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Waihi

Production statistics

		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Gold Produced	koz	**7.6**	0.0	15.8	**19.8**	68.1
Material Mined	kt	**53.4**	21.4	101.0	**131.3**	574.0
Waste Mined	kt	**0.8**	1.1	1.0	**2.8**	140.6
Ore Mined	kt	**52.6**	20.3	100	**128.5**	433.4
Ore Mined Grade	g/t	**5.09**	4.91	5.81	**5.33**	5.60
Mill Feed	kt	**80.0**	0.0	97	**137.4**	435.5
Mill Feed Grade	g/t	**3.29**	0.0	5.82	**5.03**	5.61
Gold Recovery	%	**89.7**	0.0	86.6	**89.7**	86.6

The Waihi operation reported a 12MMA TRIFR of 8.8 per million hours for the fourth quarter. This is an increase from 5.2 at the end of the third quarter as a result of three low severity recordable injuries.

Waihi produced 19,775 ounces of gold for the full year, including 7,604 ounces in the fourth quarter. Gold production decreased 71% year-over-year with the planned completion of mining at Correnso and transition to development of the Martha Underground ("MUG"). Fourth quarter production reflected batch processing of stockpiled ore.

Further batch processing of accumulated Correnso narrow vein ore and MUG ore is planned at the end of the first quarter of 2021 prior to instalment of the new semi-autogenous grinding ("SAG") mill. Processing is expected to restart full time at the end of the second quarter with ore sourced exclusively from the new MUG mine.

In 2021, Waihi is expected to produce between 35,000 ounces and 40,000 ounces at a gold cash cost of $1,000 to $1,100 per ounce and site ASIC of $1,350 to $1,450 per ounce sold. The Company expects the bulk of the production in the fourth quarter, as production is ramped up post re-commencement of processing late in the second quarter.

Financial statistics

		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Gold Sales	koz	**7.5**	0.0	18.6	**21.0**	69.2
Average Gold Price Received	US$/oz	**1,826**	0.0	1,474	**1,663**	1,392
Cash Costs	US$/oz	**1,017**	0.0	646	**641**	682
Site All-In Sustaining Costs [1]	US$/oz	**955**	0.0	666	**583**	755
Site All-In Sustaining Margin	**US$/oz**	**871**	0.0	808	**1,080**	637

(1) Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly.

Unit Costs		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Mining Cost [1]	US$/t mined	**57.41**	58.01	43.24	**52.76**	44.86
Processing Cost [2]	US$/t milled	**18.27**	0.0	31.19	**24.60**	28.26
Site G&A Cost [2]	US$/t milled	**13.69**	0.0	25.49	**23.37**	21.44

(1) Mining unit costs are inclusive of any capitalised mining costs.
(2) Milling was idle in the second and third quarters of 2020 as Martha Underground development continued.

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Waihi unit costs		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Cash Costs (gross)		**3.7**	0.0	10.7	**8.9**	47.8
Less: by-product credits	USDm	**(0.5)**	0.0	(0.6)	**(0.9)**	(2.1)
Add: Adjustments to inventory	USDm	**4.4**	0.0	1.9	**5.4**	1.3
Add: Freight, treatment and refining charges	USDm	**0.1**	0.0	0.1	**0.1**	0.2
Cash Costs (net)	USDm	**7.7**	0.0	12.1	**13.5**	47.2
Add: General capital and leases	USDm	**(0.5)**	0.0	0.3	**(1.2)**	2.0
Add: Pre-strip and capitalised mining	USDm	**0.0**	0.0	0	**0.0**	3.0
Add: Brownfields exploration	USDm	**0.0**	0.0	0	**0.0**	0.1
Site All-In Sustaining Costs (net)	USDm	**7.2**	0.0	12.4	**12.2**	52.2
Gold sales	koz	**7.5**	0.0	18.6	**21.0**	69.2
Cash cost per ounce sold	US$/oz	**1,017**	0.0	646	**641**	682
Site All-In Sustaining Costs per ounce sold	US$/oz	**955**	0.0	666	**583**	755

Fourth quarter underground mining unit costs were $57.41 per tonne mined, processing unit costs were $18.27 per tonne milled, and site G&A unit costs were $13.69 per tonne milled. The quarter-on-quarter increase in processing and G&A unit costs reflects the commencement of batch processing of stockpiled ore.

Fourth quarter Site AISC was $1,017 per ounce sold, an increase quarter-on-quarter and relative to prior periods, due to lower ounces sold. The 2020 AISC was $583 per ounce sold, 29% lower year-over-year due to lower operating costs and credits for net proceeds on the sale of assets.

Exploration

In the fourth quarter, exploration expenditure and other related costs were $3.3 million for a total of 6,293 metres drilled.

Brownfields exploration continued to focus on resource definition at the Martha Underground Project where 4,605 metres was drilled utilising three diamond drill rigs. A total of 24,397 metres was drilled on the project during 2020. This drilling both supports the updated Waihi District Study Preliminary Economic Assessment (“PEA”) and the Martha Underground Indicated Resource reported in July 2020. Drilling also supported model updates that were completed in support of the MUG feasibility study scheduled for completion in the first quarter of 2021.

Drilling at the regional Wharekirauponga (WKP) prospect, located approximately ten kilometres north of Waihi, continued in the fourth quarter for a full year total of 3,990 metres comprising both extensional and infill drilling targeting resource growth and resource conversion, respectively. This drilling supports the WKP resource announced in February 2020. The Company recently reported intercepts from the 2020 drill program, including: 22.8 g/t Au and 39.0 g/t Ag over 48.9 metres, 169.0 g/t Au and 164.2 g/t Ag over 3.1 metres, 45.6 g/t Au and 81.5 g/t Ag over 2.2 metres, 41.4 g/t Au and 81.6 g/t Ag over 9.0 metres, and 52.2 g/t Au and 28.8 g/t Ag over 3.6 metres.

Total exploration expenditure in 2020 was $11.5 million for a total of 30,334 metres drilled. Approximately 38,000 metres of drilling is planned in 2021 at Waihi with the first quarter focus on further resource definition at Martha Underground and extension drilling at WKP.

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Projects

Development of the Martha Underground continued, with 2,276 metres of mine development completed in the fourth quarter, concentrating on mining of the 920mL and 800mL Edward, Empire West, Royal West and Rex declines and inclines, crosscuts, footwall drives and ventilation development. Further work was undertaken on the dewatering system to complete the installation of pumps to service the four dewatering wells.

Feasibility level studies on the Martha Underground continued which are focused on mine design using an updated geological model to define an updated mining inventory and potential mineral reserve, life of mine scheduling and supporting analysis, systems and infrastructure. Resource conversion drilling to upgrade the geological resource continued with 4,288 metres completed for the quarter.

With the announcement of the potential within the greater Waihi District in the second quarter of 2020, effort during the fourth quarter focussed on stakeholder engagement and feedback processes, along with finalising scope elements and assessment of project impacts. These engagement and assessment activities will continue into the first half of 2021 leading towards a formal consent application submission later in the year. The development of Wharekirauponga (“WKP”) also advanced, including the assessment of access options between the resource and the Waihi mine and process plant. Access options under consideration include underground tunnel access only with limited surface expression of supporting infrastructure.

Also as part of the greater Waihi District development, the existing SAG mill shell assembly in the process plant is being replaced. Fabrication of the SAG mill shell was completed in the fourth quarter and installation is planned for the second quarter of 2021.

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Didipio

Production statistics

		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Gold Produced	koz	-	-	0.4	-	83.9
Copper Produced	kt	-	-	0.1	-	10.3
Material Mined	kt	-	-	-	-	1,267
Waste Mined	kt	-	-	-	-	94
Ore Mined	kt	-	-	-	-	1,173
Ore Mined Grade Gold	g/t	-	-	-	-	1.80
Ore Mined Grade Copper	%	-	-	-	-	0.57
Mill Feed	kt	-	-	23	-	2,656
Mill Feed Grade Gold	g/t	-	-	0.67	-	1.11
Mill Feed Grade Copper	%	-	-	0.33	-	0.36
Gold Recovery	%	-	-	89.9	-	88.3
Copper Recovery	%	-	-	88.8	-	89.5

Didipio achieved a TRIFR of 1.7 per million hours worked at the end of the fourth quarter, a decrease from 2.1 per million hours worked recorded in the third quarter. The operation had zero recordable injuries for the quarter, and the TRIFR remains at an industry-leading standard.

There was no production in the fourth quarter due to the suspension of operations as a result of the local government unit and anti-mining activists' blockade of the access road.

Geotechnical, hydrological and other environmental management activities are ongoing for health and safety purposes and to ensure full ongoing environmental compliance and that the mine is maintained in a state of operational standby to facilitate a rapid resumption of normal operations post renewal.

No gold-copper concentrate was sold in the fourth quarter due to the restrictions on material movements.

Financial statistics

		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Gold Sales	koz	-	-	-	**6.8**	60.2
Copper Sales	kt	-	-	-	-	6.9
Average Gold Price Received	US$/oz	-	-	-	**1,673**	1,385
Average Copper Price Received	US$/lb	-	-	-	-	2.85
Cash Costs	US$/oz	-	-	-	**443**	481
Site All-In Sustaining Costs [1]	US$/oz	-	-	-	**444**	606
Site All-In Sustaining Margin	**US$/oz**	-	-	-	**1,229**	779

(1) Site AISC are exclusive of Corporate general and administrative expenses and have been restated in prior periods accordingly.

Unit Costs		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Mining Cost (Open Pit) [1]	US$/t mined	-	-	-	-	15.63
Mining Cost (U/G)	US$/t mined	-	-	-	-	39.34
Processing Cost	US$/t milled	-	-	-	-	6.18
Site G&A Cost	US$/t milled	-	-	-	-	6.56

(1) Mining unit costs are inclusive of any capitalised mining costs.

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Didipio unit costs		Q4 31 Dec 2020	Q3 30 Sep 2020	Q4 31 Dec 2019	2020	2019
Cash Costs (gross)		**-**	-	-	**2.6**	57.5
Less: by-product credits	USDm	**-**	-	-	**-**	(44.8)
Less: production taxes	USDm	**-**	-	-	**0.5**	7.4
Add: Freight, treatment and refining charges	USDm	**-**	-	-	**-**	8.8
Cash Costs (net)	USDm	**-**	-	-	**3.0**	28.9
Add: General capital and leases	USDm	**-**	-	-	**-**	6.4
Add: Pre-strip and capitalised mining	USDm	**-**	-	-	**-**	1.1
Add: Brownfields exploration	USDm	**-**	-	-	**-**	0.1
Site All-In Sustaining Costs (net)	USDm	**-**	-	-	**3.0**	**36.5**
Gold sales	koz	**-**	-	-	**6.8**	60.2
Cash cost per ounce sold	US$/oz	**-**	-	-	**443**	481
Site All-In Sustaining Costs per ounce sold	US$/oz	**-**	-	-	**444**	606

(1) Represents final adjustments on completion of concentrate shipments from the prior period.

During the fourth quarter, $9.1 million of holding costs were expensed as part of consolidated Corporate General and Administration, which related to maintaining Didipio in a state of operational standby. These costs also included $2.5 million for permanent layoffs of 584 employees that took place in the fourth quarter.

Holding costs included costs to maintain dewatering activities in the underground mine and maintain the process plant in optimal condition during the suspension. It also included continued payments of remaining employee salaries while the FTAA renewal process continues.

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Financial or Technical Assistance Agreement ("FTAA")

The initial term of the FTAA ended on June 20, 2019. The FTAA is renewable for another 25 years and the Company lodged the application for the renewal in March 2018. The renewal is currently under review with the Office of the President ("OP") after being reindorsed for a second time by the Secretary of DENR and by the Mines and Geosciences Bureau ("MGB"). The MGB has confirmed in writing in a letter dated June 20, 2019 that the Didipio mine is permitted to continue its mining operations pending the completion of the renewal process.

In December 2019, the Department of Interior and Local Government ("DILG") sent a letter to the Nueva Vizcaya ("NV") governor informing him that the checkpoint being used as a restriction of access to Didipio requires a permit which has not been granted and therefore the checkpoint should be removed. The NV governor replied and argued the non-renewal of the FTAA. The DILG sent a second letter to the NV governor reiterating their position on the unauthorized status of the checkpoint.

On January 21, 2020, the OP granted authority for the Company to deliver diesel to the Didipio Mine for dewatering activities. On April 6, 2020 approximately 100,000 litres of diesel were delivered with the assistance of the Philippine National Police, which ensured that the fuel tank trucks were not stopped at checkpoints. The Company has subsequently successfully completed two additional deliveries of diesel fuel in the second half of the year.

The Company continued with proactive engagement with the various Government agencies, including the DENR and MGB, Department of Finance, OP, and National Commission on Indigenous Peoples on the FTAA renewal process.

By mid-September, OGPI issued the notices for permanent termination of employment to 496 employees (excluding contracted workforce) on temporary lay-off. The termination became effective on October 13, 2020 given the ongoing restrain on operations from the Local Government and anti-mining activists' road blockade. The Company implemented a second round of permanent lay-offs in mid-November affecting 88 employees. These workforce terminations are expected to impact the expected timeline to resume full operations which may as a result be increased by up to 12 months.

During the fourth quarter, the Company was notified that the Office of the President of the Philippines instructed the Department of Environment and Natural Resources ("DENR") and the Department of Finance ("DoF") to engage with the Company to finalise the terms of the renewal of the FTAA. The notification followed the grant of a Certification of Non-Overlap ("CNO") to the Company which states that the FTAA area is outside of ancestral domain of the Indigenous Cultural Communities/Indigenous Peoples. The Company engaged in a series of meetings with representatives from respective government departments to finalise terms of the FTAA renewal through the month of December 2020. The renewal is to be returned to the Office of the President for approval.

In the meantime, OceanaGold's main petition in the Regional Trial Court where the Company is seeking the Court to (a) declare as null and void the Nueva Vizcaya Governor's restraining order, and (b) prohibit local government units from restraining the Didipio operations is undergoing pre-trial conference. Following this, the case is expected to proceed to trial of the substantive issues. In addition, the Company has lodged a petition with the Philippines Supreme Court on the denial of its appeal by the Court of Appeals against the local Governor's order to blockade the mine.

The Philippines remains under community quarantine. Government continues to focus on managing the COVID-19 pandemic and the situation continues to present limitations on Government's usual operations. With the COVID-19 pandemic continuing, the Company concludes that there is an increased risk that resolution to the above matter(s) may take longer than previously anticipated.

In the prior quarter, the Company had identified that there was an indicator of impairment resulting from the permanent layoffs of 496 employees at Didipio which were announced pre-September 30, 2020 and which took place on October 13, 2020. These layoffs impacted the expected timeline to resume full operations in view of recruitment that may be required prior to restart. Accordingly, an impairment assessment was performed on the Didipio CGU in the third quarter to calculate the recoverable amount.

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The impairment assessment resulted in the recognition of an impairment charge as recognised in the third quarter of $80.0 million. Should adverse circumstances arise where there is an expectation that an FTAA renewal will not be granted, or the conditions under which it is renewed will result in an extended period of suspension of production beyond the range expected, the carrying value of the Didipio assets may be further impaired. However, if the FTAA renewal were obtained and full operations resumed sooner than assumed, a reversal of impairment may be recognised after giving due consideration to those circumstances. At December 31, 2020, Management assessed that the conditions had not fundamentally changed and hence, there was no further indicator of impairment requiring assessment or grounds for a reversal.

Detailed planning and consultation with the Philippines Mines & Geosciences Bureau is underway in preparation for recommencement of operations at Didipio subject to final approval of the FTAA renewal from the Office of the President.

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Environment, Social & Governance

Response to COVID-19

The Company's management of COVID-19 requires a flexible and adaptable approach that reflects the local reality at our offices and operations. The local reality is considerate of national and regional response requirements, local workforce demographics, and resources and the physical aspects of the workplace.

The priority, first and foremost, is the health and wellbeing of our workforce and the communities in which we live and work. We are in regular communication with the regulatory agencies in each operational jurisdiction, subscribe to the advice of the World Health Organisation, and are consistently reviewing industry best practice to assess opportunities to reduce our exposure to the virus.

Our focus is prevention, preparedness, response and recovery for all our workplace and community activities, and our management measures fall into three key areas:

1. Minimise the risk of employee's contracting or spreading COVID-19 at work or during transit to or from work;
2. Have a well-informed workforce that can self-manage to reduce exposure risks to themselves and their families; and
3. Develop specific and stringent operational continuity plans that reflect the specific requirements at each of our offices and operations and prevent the workplace from becoming a potential source of transmission in each jurisdiction.

The outbreak of the pandemic was unprecedented and unpredictable, and it remains so. Across the Company we have strict global COVID-19 protocols and are responding swiftly to new ways of working. We continue working with our business partners, including contractors, suppliers, banks and customers to keep them apprised of our planning and operational status, including the protocols being implemented across the Company.

At the end of the fourth quarter, the Company had 68 confirmed cases of COVID-19 among employees and contractors globally.

Environment and Community

In November the Company released an updated statement of position on climate change, energy use and greenhouse gas, with a goal to achieve net zero greenhouse emissions from our operations by 2050 in support of the Paris Climate Agreement. This supports the aim of limiting the increase in global average temperature to well below 2°C above pre-industrial levels.

In line with this commitment we have established a roadmap of strategic actions to help reduce the Company's carbon footprint and improve energy management, including:

- Setting the goal to achieve net zero Greenhouse Gas ('GHG') emissions by 2050.
- Establishing milestone interim emission targets by the end of 2021, linked to employment performance incentives.
- Establishing a climate change Technical Coordinating Committee to identify opportunities to reduce GHG emission intensity and identify risks, opportunities, priorities and costs across OceanaGold.
- Undertaking climate change management and reporting to meet the requirements of the Task Force on Climate-related Financial Disclosures (TCFD).

Targets will be achieved through the implementation of four key strategic areas: improved energy efficiency and energy reduction; decarbonisation of electrical energy supply; decarbonisation of mobile equipment fuel; and carbon sequestration.

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In December the Company finalised the first phase of the Macraes Social Change Assessment. This study measured the significant changes within the local region since the commencement of modern mining in the region to understand how the operation has impacted the community. The study outcomes will be included in the Company's 2020 Sustainability Report and includes the operation's impact on livelihoods, local and regional economy and community development.

In the fourth quarter the Company maintained its MSCI ESG "A-rating" and improved its Vigeo Eiris rating. We are now ranked fourth best in mining industry for ESG performance. We were formerly ranked fifth.

Haile

In October the Haile Gold Mine received a US$100,000 fine (consent order) for 2018 and 2019 exceedance of permitted level of mercury in air emissions from processing plant. In February 2018, an air quality test sample came back at with 0.17 lbs./ton concentrate (above the permit limit of 0.14 lbs./ton concentrate). The operation immediately launched an investigation to discover the source of the mercury and a steering committee was established to develop a solution. Several solutions were tested but failed to reduce the level of mercury. In May 2019, Haile proposed a mercury abatement system to address the issue, and the South Carolina Department of Health, Environmental Control ("DHEC") accepted the plan. The system was constructed then commissioned in November 2019. In February 2020, source sampling produced a result that was significantly below the compliance limit. Subsequent testing in April and June 2020 were also compliant. The system has been fully compliant with mercury limits since it was started. The operation reported all findings to the South Carolina DHEC upon discovery and engaged with the agency to successfully remedy the exceedance with the construction, installation and commissioning of an operational unit for $1.1 million.

In November the first phase of the Lindsay Pettus Greenway walking trail was opened in in Lancaster, South Carolina. The operation partnered with Lindsay Pettus Greenway, Inc. to support the development of this two-mile trail that protects and promotes the natural environment and provides active community recreational facilities.

Macraes

In November the operation won the New Zealand Minerals Sector Award for health and safety. The award recognises the strongest overall demonstration of excellence in a health and safety initiative carried out by a New Zealand operator in the minerals sector. The operation won the award for its "Healthy Employees Make Safer Employees" program which is systematically educating and supporting the workforce on a journey towards healthier and happier lifestyles.

In November and December, the operation received consents (permits) for the Golden Point Underground Mine, Deepdell North Stage III open pit extension and the Frasers West expansion. These permits allowed the Company to proceed with the development of new and extended open pit and underground mining opportunities, extending the life of the operations to 2028.

In December the operation finalised the first phase of the Macraes Social Change Assessment, as stated above, and will be included in the Company's 2020 Sustainability Report.

Waihi

In October the operation commenced engagement with key stakeholders of the Wharekirauponga ("WKP") Project. Early engagement is focused on outlining the potential scope of the project, understanding the potential impacts various design options would have on stakeholders, and providing an opportunity for key stakeholders to provide their feedback.

In November the operation's Mines Rescue Team participated in the Auckland Sky Tower Challenge, raising over NZ$20,000 for Leukemia and Blood Cancer New Zealand.

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Didipio

With the temporary suspension of mining and processing activities, the environmental focus remained on compliance-driven monitoring and reporting. Progressive rehabilitation continued.

Following four extreme weather events in November, the operation supported local relief and recovery, including clearing and re-building community roads in Didipio and adjacent communities.

Reefton Restoration Project

In the fourth quarter, the project completed the first phase of an engineered wetland at the former Fossickers Tailings Storage Facility. The wetland is designed to deliver long-term sediment control of the lake's discharge and has been planted with around 12,000 specially selected wetland species. The project will continue in 2021 with planting of native riparian species around the lake margins.

In November the operation established a partnership with the Reefton Visitor Centre and Browkins Honey who will produce, bottle and sell a special manuka honey blend, named Reefton Gold. The initiative is community-focused and a natural way to turn a post-mining landscape into productive land use, while improving biodiversity outcomes. The partnership was established under the Reefton Restoration Project Socio-Economic Governance Fund.

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Other Information

Investments

As at December 31, 2020, the Company held $5.5 million in marketable securities mainly a 10.2% equity position in NuLegacy (NUG), which holds prospective exploration tenements in a main producing gold belt of Nevada, United States.

Joint Ventures

During the quarter, the Company withdrew from, and holds no residual interest in, the two remaining projects under Option/Joint Venture Agreement with Bravada Gold Corporation and Renaissance Gold Inc. located in Nevada.

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Accounting & Controls Information

Corporate Governance

As announced during the fourth quarter, the Company appointed Ms. Sandra Dodds to the Board of Directors as a Non-Executive Director, effective November 5, 2020.

The current members of the Board's Committees are:

Audit and Financial Risk Management Committee	Remuneration Committee	Sustainability Committee	Governance and Nomination Committee
Paul B. Sweeney (Chair)	Craig J. Nelsen (Chair)	Dr. Geoff Raby (Chair)	Catherine Gignac (Chair)
Dr. Geoff Raby	Paul B. Sweeney	Craig J. Nelsen	Paul B. Sweeney
Catherine Gignac	Ian M. Reid	Catherine Gignac	Dr. Geoff Raby
Ian M. Reid		Ian M. Reid	Ian M. Reid
Sandra Dodds		Sandra Dodds	

Risks and Uncertainties

This document contains some forward-looking statements that involve risks, uncertainties and other factors that could cause actual results, performance, prospects, opportunities and continued mining operations 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: ongoing potential impacts of the COVID-19 global pandemic, failure to obtain necessary permits and approvals from government authorities including failure or delay in obtaining renewal of the Financial or Technical Assistance Agreement; extended suspension of mining and processing activities at the Didipio operation; inability to access critical supplies which in the event of an emergency may impact Didipio's ability to meet all ongoing compliance obligations; volatility and sensitivity to market prices for gold and copper; 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; 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.

Summary of Quarterly Results of Operations

The Income Statement section of this report sets forth unaudited information for each of the eight quarters ended March 31, 2019 to December 31, 2020. 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. The most significant factors causing variation in the result are the volatility of the gold and copper price, the variability in the grade of ore mined from the Haile, Didipio, Waihi and Macraes 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 NZD. In the current quarter the restrictions on material movements at Didipio imposed by the provincial and local government units have continued to cause variation in the results of operations.

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Non-GAAP Financial Information

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) a non-GAAP measure and a reconciliation of this measure to Net Profit / (Loss) is provided in the Income Statement section of this report.
- Adjusted EBITDA has been calculated as EBITDA excluding Didipio carrying costs, gain/(loss) on undesignated hedges and impairment charges.
- All-In Sustaining Costs ('AISC') per ounce sold is based on the World Gold Council methodology, is a non-GAAP measure and a Group reconciliation of these measures to cost of sales, is provided in the Business Summary section of this report.
- Cash Costs per ounce sold is a non-GAAP measure and a Group reconciliation of these measures to cost of sales, is provided in the Business Summary section of this report.
- All-In Sustaining margin refers to the difference between average gold price received, and AISC per ounce of gold sold.
- Net debt has been calculated as total interest-bearing loans and borrowings less cash and cash equivalents.
- Liquidity has been calculated as cash and cash equivalents and the total of funds which are available to be drawn under the Company's loan facilities.
- Adjusted net profit / (loss) is defined as Earnings / (Loss) after income tax excluding Didipio carrying costs and before gain/(loss) on undesignated hedges and impairment charge as calculated in the Income Statement of this report.
- Adjusted earnings / (loss) per share represents the adjusted net profit / (loss) on a per share basis.

Transactions with Related Parties

There were no significant related party transactions during the period.

No Offer of Securities

Nothing in this release should be construed as either an offer to sell or a solicitation of an offer to buy or sell OceanaGold securities in any jurisdiction or be treated or relied upon as a recommendation or advice by OceanaGold.

Reliance on Third Party Information

The views expressed in this release contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This release should not be relied upon as a recommendation or forecast by OceanaGold.

Additional Information

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

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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, 2020. 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, 2020 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 based on the criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (2013 framework).

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, 2020. 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.

During the three months ended December 31, 2020, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. 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.

Critical Accounting Estimates and Judgements and Impairments

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. Please refer to Note 3 of OGC's consolidated financial statements for the year ended December 31, 2020 for further information.

Please refer to Notes 3 and 4 of OGC's consolidated financial statements for the full year December 31, 2020 for further information.

Accounting Policies

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

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