



Why OceanaGold Shares Soared Today

Description

Although we don't believe in timing the market or panicking over market movements, we do like to keep an eye on big changes — just in case they're material to our investing thesis.

What: Shares of **OceanaGold Corporation** ([TSX: OGC](#)) soared 12% today after the gold miner's quarterly results impressed Bay Street.

So what: The stock has rallied nicely in 2014 on optimism over rebounding gold prices, and today's Q1 results — revenue of \$170.4 million, EBITDA of \$101.0 million, and earnings of \$58.9 million — only confirm those good vibes. In fact, OceanaGold's key Didipio mine in the Philippines reported record gold production of 30,480 ounces during the quarter, prompting analysts to boost their growth estimates considerably.

Now what: Don't expect the operating momentum to slow anytime soon. "The Didipio process plant is well on track to increase throughput rates to 3.5 Mtpa by the end of the year and will continue generating strong free cash flows," said CEO Mick Wilkes. "For the remainder of the year, we will continue to further strengthen the balance sheet by repaying debt to enhance shareholder value and position the Company for new value-add opportunities."

So while the stock might be too volatile and speculative for average investors, resource-savvy Fools might want to take a closer look at OceanaGold's seemingly brightened prospects.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:OGC (OceanaGold Corporation)

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