

COVID-19 AND OUR RESPONSE



COVID-19 PANDEMIC AND MANAGEMENT CONTROLS

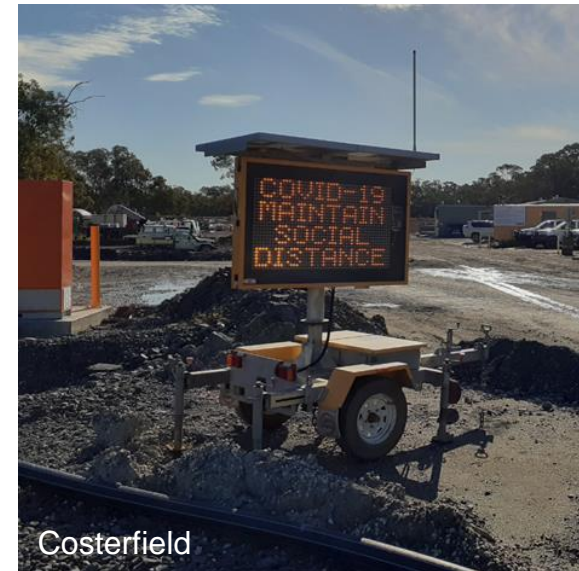
SAFE PRODUCTION AND SAFE WORKING CONDITIONS

Our priority is the health and safety of our employees, contractors and the communities in which we operate. At this time, all sites continue to operate with COVID-19 safety measures in place. The Company first released its statement on COVID-19 on March 20, 2020:

https://www.mandalayresources.com/site/assets/files/2084/business-continuity-pr_final.pdf

Mandalay management teams have taken comprehensive measures to reinforce safe work procedures. Business continuity plans are in place with site-specific contingency plans if they are needed for extended absenteeism or production shutdown.

Mandalay monitors information from local and national governments and international health organizations, to ensure safe operations for all our employees.



COVID-19 PANDEMIC AND MANAGEMENT CONTROLS

SAFE PRODUCTION AND SAFE WORKING CONDITIONS

The following protocols are in place across the Company:

- Company-wide restriction on international travel. Only essential domestic travel permitted and with specific protocols in place;
- Workforce to identify high-risk employees so that accommodations can be made;
- Established clear policies for any workers displaying signs of illness. Employees or contractors cannot come to work if displaying any symptoms;
- Where possible, work from home protocols in place, and flexible work arrangements to reduce contact between persons and maintain social distancing guidelines with strict meeting protocols in place;
- Sites have reviewed hygiene and sanitization protocols and increased frequency in cleaning of common and high-traffic zones. Additional hand washing stations installed and personal sanitization is available;
- Implementing processes for crew shift changes to ensure social distancing protocols (i.e. staggered shift start times); and
- Only essential visitors permitted on site.

OPERATIONS

COSTERFIELD AND BJÖRKDAL SITE PROTOCOLS

- At Costerfield, fully secured entry area with gates, turnstiles and keypad for entry to site.
- At Björkdal, fencing in place to secure the site from unnecessary visitors and minimize risk of COVID-19 entering site.
- Site Manager and HR Manager walk-arounds in place to ensure actions are complied with.
- A five-question questionnaire must be completed by all visitors entering site with specific protocols in place.



OPERATIONS

COSTERFIELD AND BJÖRKDAL

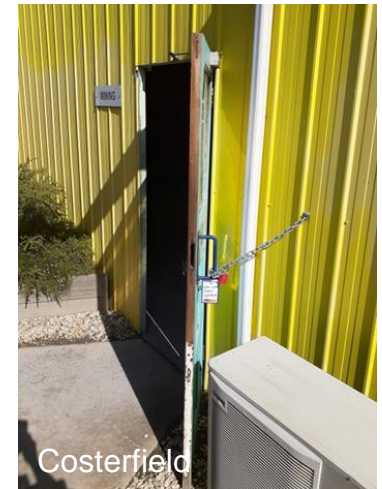
- At Björkdal, extra cars for transport of underground workers and at Costerfield, reconfigured car seating arrangements to limit personnel.
- Reconfigured seating in muster areas to ensure compliance with social distancing.
- Doors to enclosed muster areas have been fixed open.
- For any meetings held inside, room capacity has been reduced and notification of the total number of personnel allowed in each enclosed space is posted on the door to comply with one person per 4m² rule.



HR PRACTICES TARGETED TO COVID-19

COSTERFIELD AND BJÖRKDAL

- Regular messaging from HR with latest government information.
- Site personnel offered COVID-19 e-learning course.
- HR support (24-7) for all employees, surveys completed of employees.
- Pandemic coordinator appointed and a COVID-19 action group is meeting weekly.
- At Björkdal, regular collaborative communications with the Unions.
- At Costerfield, influenza vaccinations available to all employees and contractors. Temperature checking all personnel entering site with infrared thermometers. Employees Assistance programs to assist with Mental Health, also extended to contractors working onsite.



CERRO BAYO

SITE CURRENTLY IN CARE AND MAINTENANCE

- Restricted entry, suspension of visitors.
- Administrative employees working remotely.
- Shift changes and mobilization changes implemented for employees who enter the site to ensure social distancing protocols.
- Employees are given masks, gloves and all the appropriate PPE.
- The cleaning and disinfection 'Protocol in Work Environments' has been implemented and disseminated to all workers.
- Continuous talks are given to all employees about COVID-19 (protocols and communications from the Government of Chile)

CERRO BAYO

SITE CURRENTLY IN CARE AND MAINTENANCE



COMMUNITY ENGAGEMENT DURING COVID-19

All face-to-face contact with community members has ceased. Community engagement has continued via telephone and personnel are investigating delivering information using online methods.

COSTERFIELD

- Continuing with first round of community grants: although there is a current pandemic, the first tranche of these community grants is continuing, although the applicants will be assessed to ensure funds can be spent in the current climate.
- Monitoring community members for signs of stress: a dedicated community advisor keeps in regular contact with the locals, and if there are issues observed where assistance is warranted (i.e. if they need something picked up for them in town but they can't get there etc.) this is coordinated.
- Community Transport support offered in Heathcote through the Royal Flying Doctor Service; annual ongoing commitment of AUD\$5,000 contribution to assist and enable this service to continue (<https://www.flyingdoctor.org.au/vic/our-services/community-transport/>).
- Sponsorship of local events such as the O'Keefe Challenge (Marathon); Major sponsor since its inception in 2016 <https://www.theokeefe.com.au>. The run will be altered, and sponsorship maintained to assist with the future survival of the event.

COMMUNITY ENGAGEMENT DURING COVID-19

BJÖRKDAL

- Escape masks and gloves not needed at Björkdal have been delivered to the hospital in Skellefteå.
- Lunch from Eve´s, paid by Björkdal, will be delivered to IVA and medicine ward department of local hospital.

CERRO BAYO

- 30 lockers loaned to Chile Chico hospital for medical specialists' room.
- Special safety glasses were donated for the hospital specialists who must attend to possible cases of COVID-19.
- The facilities of the Hotel Fachinal were prepared to house the people of the community who could become infected and who do not have a place to carry out the quarantine.

MANDALAY RESOURCES

TSX:MND

OTCQB:MNDJF

Edison Nguyen

647 260 1566

e.nguyen@mandalayresources.com

www.mandalayresources.com

Twitter: @MandalayAuAg