



MANDALAY RESOURCES

MANDALAY RESOURCES CORPORATION

**NOTICE OF ANNUAL GENERAL MEETING
AND
MANAGEMENT INFORMATION CIRCULAR**

Dated April 16, 2021

with respect to the

Annual General Meeting of Shareholders

to be held on May 26, 2021

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MANDALAY RESOURCES CORPORATION

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 26, 2021

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of Mandalay Resources Corporation (“**Mandalay**” or the “**Company**”) will be held in a virtual-only format, which will be conducted via live audio webcast available online using <https://virtual-meetings.tsxtrust.com/1120> (password: mandalay2021) on Wednesday, May 26, 2021, at 9:00 a.m., for the following purposes:

- to receive the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2020, together with the report of the auditor thereon;
- to fix the board of directors of the Company at seven members and to elect directors of the Company for the ensuing year;
- to appoint an auditor for the ensuing year and to authorize the directors to fix the auditor’s remuneration; and
- to transact such other business as may properly come before the Meeting.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying Management Information Circular. The Management Information Circular is deemed to form part of this notice of meeting. Please read the Management Information Circular carefully before you vote on the matters being transacted at the Meeting.

As a result of the novel coronavirus (“COVID-19”), the Company is proactively implementing measures to prioritize the health and well-being of its employees, customers, suppliers, partners, securityholders, communities and other stakeholders. The Company is conscious of its responsibility to slowdown the spread of COVID-19 pandemic and reduce its impact on its stakeholders and their health. Out of an abundance of caution, to proactively deal with the public health impact of COVID-19, and to limit and mitigate risks to the health and safety of our stakeholders, and to comply with the local laws or order restricting the size of public gatherings in response to COVID-19, the Company will hold the Meeting in a virtual-only format, which will be conducted by a live audio webcast. Accordingly, Shareholders will only be able to attend and participate in the Meeting online via audio webcast.

Mandalay’s board of directors has fixed April 16, 2021 as the record date (the “**Record Date**”) for determining Shareholders entitled to receive notice of and to vote at the Meeting and at any postponement or adjournment thereof. Only holders of Common Shares as at the close of the business on the Record Date will be entitled to have their votes counted at the Meeting.

The Company is using “notice and access” delivery to furnish proxy materials to Shareholder via the Internet. Management of the Company believes that this delivery process will expedite Shareholders’ receipt of proxy materials and lower the costs and reduce the environmental impact of the Meeting. On or before April 26, 2021, the Company will send to Shareholders of record as of the Record Date a notice and access notification (the “**N&A Notice**”) containing instructions on how to access the Company’s proxy materials for the fiscal year ended December 31, 2020. The N&A Notice will also provide instructions on how to vote and how to receive a paper copy of the proxy materials by mail.

Shareholders may attend the Meeting online. At the virtual meeting, registered shareholders and duly appointed proxyholders will have an opportunity to participate, to ask questions, and to vote, all in real time, at the Meeting through an online portal. Non-registered shareholders must carefully follow the procedures set out in the Management Information Circular in order to vote virtually and ask questions through the live audiocast. Guests, including non-registered Shareholders who have not been duly appointed as proxyholders, can log into the virtual

Meeting as a guest. Guests may listen to the Meeting but will not be entitled to vote or ask questions during the Meeting.

The vast majority of our shareholders vote by proxy in advance of the meeting and we encourage shareholders to continue to vote in this manner using one of the methods described in the Management Information Circular. To be effective, the enclosed proxy must be received by TSX Trust Company (according to the Instructions on the Form of Proxy), not later than 9 a.m. (Toronto time) on May 26, 2021, or forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the time set for the Meeting or any adjournment thereof.

DATED at Toronto, Ontario, this 16th day of April 2021.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Dominic Duffy*"

Dominic Duffy
President, Chief Executive Officer and Director

MANDALAY RESOURCES CORPORATION
MANAGEMENT INFORMATION CIRCULAR
as of April 16, 2021

This Management Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Mandalay Resources Corporation (“**Mandalay**” or the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of the shareholders of the Company (the “**Shareholders**”) to be held in a virtual-only format, which will be conducted via live audio webcast available online using <https://virtual-meetings.tsxtrust.com/1120> (password: mandalay2021) on Wednesday, May 26, 2021 at 9:00 a.m. (Toronto time), and at any adjournment(s) thereof, for the purposes set forth in the accompanying notice of meeting (the “**Notice of Meeting**”).

In this Circular: the “**Company**” means Mandalay Resources Corporation; “**Common Shares**” or “**shares**” means common shares in the capital of the Company; “**Shareholders**” means holders of Common Shares; “**Beneficial Shareholders**” means Shareholders who do not hold Common Shares in their own name; and “**intermediaries**” means brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The Company will use the “notice and access” delivery model (“**Notice and Access**”) to conduct the solicitation of proxies in connection with this Circular. Proxies may also be solicited personally or by telephone by individual directors of the Company or by officers and/or other employees of the Company. The Company will bear the cost in respect of the solicitation of proxies for the Meeting and will bear the legal, printing and other costs associated with the preparation of the Circular. The Company will also pay the fees and costs of intermediaries for their services in transmitting proxy-related material in accordance with National Instrument 54-101 — *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”). This cost is expected to be nominal.

Copies of the Company’s audited consolidated financial statements for the year ended December 31, 2020 and current annual information form (“**AIF**”) are available on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) website at www.sedar.com.

Notice and Access

The Company is using Notice and Access for both registered holders and Beneficial Shareholders (as defined below), which allows the Company to furnish proxy materials via the Internet to Shareholders instead of mailing paper copies of such materials. Under Notice and Access, the Company can deliver proxy-related materials by (i) posting the Circular (and other proxy related materials) on a website other than SEDAR and (ii) sending a notice informing Shareholder that the Circular and proxy related materials have been posted and explaining how to access them (the “**N&A Notice**”).

On or before April 26, 2021, the Company will send to Shareholders of record as of the Record Date a notice package containing the N&A Notice and the relevant voting document (a form of proxy or voting instruction form) (collectively, the “**Meeting Materials**”). The N&A Notice will contain basic information about the Meeting and the matters to be voted on, instructions on how to access the Meeting Materials, an explanation of the Notice and Access process and details of how to obtain a paper copy of this Circular upon request at no cost.

Appointment of Proxies

Instruments of proxy must be received by the Company at the office of its proxy tabulator, TSX Trust Company by mail or hand delivery at 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1, online by visiting www.voteproxyonline.com and entering the 12-digit control number located on the Proxy or via facsimile at 416-595-9593, not less than forty-eight (48) hours, excluding Saturdays, Sundays and statutory holidays in the Province of Ontario, before the time set for the holding of the Meeting or any adjournment(s) thereof.

The instruments of proxy must be in writing and must be executed by the Shareholder or such Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

The persons named in the enclosed instruments of proxy are either representatives, directors or officers of the Company. Each Shareholder has the right to appoint a proxyholder other than the persons designated in the accompanying form of proxy furnished by the Company, who need not be a Shareholder, to attend and act for such Shareholder and on such Shareholder's behalf at the Meeting. To exercise such right, the name of the Shareholder's appointee should be legibly printed in the blank space provided in the accompanying form of proxy.

Revocability of Proxy

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy personally attends the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or such Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal, if applicable, or by an officer or attorney thereof duly authorized, and deposited at the office of the Company's proxy tabulator, TSX Trust Company by mail or hand delivery at 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1, online by visiting www.voteproxyonline.com and entering the 12-digit control number located on the Proxy or via facsimile at 416-595-9593, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chair of the Meeting on the day of the Meeting prior to voting, or any adjournment thereof.

Voting at the Virtual Meeting

Registered Shareholders entitled to vote at the Meeting may attend and vote at the Meeting virtually by following the steps listed below:

1. Type in <https://virtual-meetings.tsxtrust.com/1120> on your browser at least 15 minutes before the Meeting starts.
2. Click on **"I have a control number"**.
3. Enter your 12-digit control number (on your proxy form).
4. Enter the password: mandalay2021 (case sensitive).
5. When the ballot is opened, click on the "Voting" icon. To vote, simply select your voting direction from the options shown on screen and click **Submit**. A confirmation message will appear to show your vote has been received.

Beneficial Shareholders entitled to vote at the Meeting may vote at the Meeting virtually by following the steps listed below:

1. Appoint yourself as proxyholder by writing your name in the space provided on the form of proxy or VIF.
2. Sign and send it to your intermediary, following the voting deadline and submission instructions on the VIF.
3. Obtain a control number by contacting TSX Trust Company by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.
4. Type in <https://virtual-meetings.tsxtrust.com/1120> on your browser at least 15 minutes before the Meeting starts.
5. Click on **"I have a control number"**.
6. Enter the control number provided by TSX Trust Company via email.
7. Enter the password: mandalay2021 (case sensitive).

8. When the ballot is opened, click on the "Voting" icon. To vote, simply select your voting direction from the options shown on screen and click **Submit**. A confirmation message will appear to show your vote has been received.

If you are a registered shareholder and you want to appoint someone else (other than the Management nominees) to vote online at the Meeting, you must first submit your proxy indicating who you are appointing. You or your appointee must then register with TSX Trust in advance of the Meeting by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.

If you are a non-registered shareholder and want to vote online at the Meeting, you must appoint yourself as proxyholder and register with TSX Trust in advance of the Meeting by emailing tsxtrustproxyvoting@tmx.com the "Request for Control Number" form, which can be found here <https://tsxtrust.com/resource/en/75>.

Guests can also listen to the Meeting by following the steps below:

1. Type in <https://virtual-meetings.tsxtrust.com/1120> on your browser at least 15 minutes before the Meeting starts. Please do not do a Google Search. Do not use Internet Explorer.
2. Click on "I am a Guest".

If you have any questions or require further information with regard to voting your Shares, please contact TSX Trust Company toll-free in North America at 1-866-600-5869 or by email at tmxeinvestorservices@tmx.com.

Persons Making the Solicitation

The solicitation is made on behalf of the management of the Company. The cost of solicitation by management will be borne by the Company. Proxies will be solicited by mail and may also be solicited personally or by telephone by the directors or officers of the Company, who will not be specifically remunerated therefor.

Exercise of Discretion by Proxy

On the form of proxy, you can indicate how you want to vote your Common Shares, or you can let your proxyholder decide for you. If you give directions on how to vote your Common Shares on your form of proxy, your proxyholder must vote your Common Shares according to your instructions. If you have not specified how to vote on a particular matter on your form of proxy, your proxyholder can vote your Common Shares as he or she sees fit. If neither you nor your proxyholder gives specific instructions, your Common Shares will be voted **FOR each of the matters stated in the Notice of Meeting. If any amendments or variations are proposed at the Meeting or any adjournment thereof to matters set forth in the proxy and described in the accompanying Notice of Meeting and this Circular, or if any other matters properly come before the Meeting or any adjournment thereof, the proxy confers upon the Shareholder's nominee discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the person voting the proxy at the Meeting. At the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.**

Advice to Beneficial Shareholders

The information set forth in this section is important to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own names. Shareholders who do not hold their Common Shares in their own names (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of the Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, investment dealer or other intermediary, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company.

Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing & Depository Services Inc., which acts as nominee for many Canadian brokerage

firms). Common Shares held by brokers, investment dealers or other intermediaries can only be voted (for or against resolutions) upon the Beneficial Shareholder's instructions. Without specific instructions, brokers, investment dealers and other nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Company may not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires brokers, investment dealers and other nominees to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every investment dealer or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its investment dealer or other intermediary is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders on how to vote on behalf of the Beneficial Shareholder. The majority of investment dealers or other nominees now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**"). Broadridge typically applies a decal to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy with a Broadridge decal on it cannot use that proxy to vote Common Shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting to have the Common Shares voted.

Beneficial Shareholders (other than Beneficial Shareholders who are duly appointed proxyholders) will not be admitted to the Meeting. Beneficial Shareholders are urged to vote their Common Shares in advance of the Meeting in accordance with the procedures and instructions received from Broadridge or other applicable intermediary. Beneficial Shareholders may listen to the Meeting using the live audioconferencing facilities described in this Circular.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company, nor any person who has held such a position at any time since January 1, 2019, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors.

VOTING SHARES AND PRINCIPAL SHAREHOLDERS

The Board of Directors of the Company (the "**Board**") has fixed the record date for determining Shareholders entitled to receive notice and to vote at the Meeting as the close of business on April 16, 2021 (the "**Record Date**"). Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The authorized capital of the Company consists of an unlimited number of Common Shares without nominal or par value. As of the Record Date, the Company had 91,249,500 issued and outstanding Common Shares. Each Common Share carries the right to one vote. The Common Shares are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "MND".

As at the date of this Circular, to the knowledge of the directors and senior officers of the Company, except as set out in the table below, no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of any class of voting securities of the Company, on a non-diluted basis.

Name	Number of Common Shares Owned or Controlled or Directed	Percentage of Outstanding Common Shares
CE Mining III MND Limited	23,236,296	25.5%
GMT Capital Corp.	18,004,488	19.7%
Ruffer LLP	17,344,688	19.0%
AzValor Asset Management SGIIC, S.A.U.	11,239,529	12.3%

As of the Record Date, the directors and executive officers of the Company, as a group, beneficially owned, or controlled or directed, directly or indirectly, approximately 23,690,324 Common Shares, representing approximately 25.96% of the outstanding Common Shares.

QUORUM

A quorum will be present at the Meeting if there are two persons who are, or who represent by proxy, Shareholders who, in the aggregate, hold at least 5% of the issued Common Shares entitled to be voted at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED ON AT THE MEETING

The Meeting has been called for Shareholders to consider and, if thought appropriate, to pass resolutions in relation to each of the following matters:

Financial Statements

The Company's audited consolidated financial statements for the fiscal year ended December 31, 2020, together with the auditor's reports thereon will be presented at the Meeting.

Election of Directors

Directors of the Company are elected annually by the Shareholders. Seven directors are to be elected at the Meeting. Accordingly, at the Meeting, Shareholders will be asked to vote on an ordinary resolution to fix the Board at seven members and to elect seven directors. Each director elected will hold office until the conclusion of the next annual meeting or until his or her successor is appointed, unless his or her office is vacated earlier in accordance with the *Business Corporations Act* (British Columbia) (the "Act") and the articles of the Company.

Majority Voting Policy

The Board has adopted a policy that entitles each Shareholder to vote for each nominee on an individual basis. Each director should be elected by the vote of a majority of the Common Shares represented in person or proxy at the Meeting that are voted in respect of that director. If any nominee for election as director receives, from the Common Shares voted at the Meeting in person or by proxy, a greater number of votes "withheld" than votes "for" his or her election, the director will be expected to immediately tender his or her offer to resign to the Chair of the Board following the Meeting.

In such circumstances, the Compensation, Corporate Governance and Nominating Committee will expeditiously consider such director's offer to resign and make a recommendation to the Board whether to accept such director's offer to resign. Within 90 days of the Meeting, the Board will make a final decision concerning the acceptance of such director's offer to resign and promptly announce its decision and the reasons for its decision in a news release (a copy of which will be provided to the TSX). Absent exceptional circumstances, the Board will accept such director's offer to resign. Any director who tenders his or her offer to resign will not participate in the deliberations of the Board or any of its committees pertaining to the offer to resign.

The above process applies only in circumstances involving an “uncontested” election of directors – where the number of director nominees does not exceed the number of directors to be elected and where no proxy materials are circulated in support of one or more nominees who are not part of the slate supported by the Board for election at the meeting. If any director fails to tender his or her offer to resign as contemplated above, the Board will not re-nominate that director. Where the Board accepts the offer of resignation of a director, such resignation will, upon such acceptance, take effect immediately. The Board may exercise its discretion with respect to the resulting vacancy and may, without limitation, leave the resulting vacancy unfilled until the next annual meeting of Shareholders, fill the vacancy by appointing a new director whom the Board considers to merit the confidence of the Shareholders, or call a special meeting of Shareholders to elect a new nominee to fill the vacant position.

Advance Notice Policy

The Company has adopted an amended and restated advance notice policy (the “**Amended and Restated Advance Notice Policy**”), which requires advance notice to the Company in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to: (i) a proposal made in accordance with the Act; or (ii) a requisition of the Shareholders made in accordance with the Act. Among other things, the Amended and Restated Advance Notice Policy fixes a deadline by which Shareholders must submit director nominations to the corporate secretary of the Company prior to any annual or special meeting of Shareholders and sets forth the specific information that a Shareholder must include in such notice for an effective nomination to occur. Pursuant to the Amended and Restated Advance Notice Policy, no person will be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Amended and Restated Advance Notice Policy.

Pursuant to the Amended and Restated Advance Notice Policy, in the case of an annual meeting of Shareholders, notice to the Company must be made not less than 30 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made by the Company, notice may be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

Nominees for Appointment

The Board is currently comprised of seven directors. The article of the Company provides for a minimum of three directors. The term of office for each of the Company’s present directors expires at the conclusion of the Meeting. Mr. Jones will not be standing for re-election at the Meeting.

The Board approved the nomination of the individuals named below (each a “**Nominee**”, and together the “**Nominees**”) for election as directors. Six of the Nominees are currently directors of the Company and have been since dates indicated. The other Nominee, namely Julie Galloway, will be proposed for election to the Board at the Meeting as a new director.

Each director will hold office until the conclusion of the next annual meeting of the Company, or until the director’s successor is duly elected or appointed, unless the director’s office is earlier vacated in accordance with the Company’s by-laws of the director becomes disqualified to act as a director. Management does not contemplate that any of the Nominees will be unable to serve as a director. However, if a Nominee should be unable to serve as a director for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. **Unless authority to do so with respect to one or more directors is withheld, the management representatives named in the form of proxy intend to vote FOR the election of each of the Nominees whose names are set forth below:**

Bradford A. Mills	Abraham Jonker
Amy Freedman	Dominic Duffy
Julie Galloway	Robert Doyle
Terrell Ackerman	

Bradford A. Mills**Status:** Chair and Non-Independent Director**Age:** 66**Residence:** Texas, United States of America**Joined Board:** September 25, 2009**Biography**

Mr. Mills has over 40 years of experience in the resource industry. He is the founder and managing director of Plinian Capital, a private equity firm whose principal business is investment in natural resources projects and companies. Mr. Mills served as the Chief Executive Officer of Mandalay from 2009 and oversaw its transition to a producing gold company from 2010 onwards. He stepped down as CEO in 2016. From 2004 – 2009, Mr. Mills held the position of Chief Executive Officer of Lonmin Plc (GBX: LMI), the world's number three platinum and platinum group metals producer. Prior to that, Mr. Mills served as president of the BHP Billiton's copper group. Mr. Mills is currently a director of Rambler Metals & Mining PLC (AIMM: RMM), a mining company engaged in the development, mining and exploration of base and precious metals in Newfoundland and Labrador, Canada; Circum Minerals, a private potash development company in Ethiopia and CNM, a private nickel-copper-cobalt-PGM producing company in Zambia.

Principal Occupation

Founder of Plinian Capital

Other Public Company Directorships Rambler Metals & Mining PLC (AIM: RMM) since June 2016

Securities Held as of April 16, 2021		Board and Committee Membership	2020 Attendance
Common Shares*	23,236,296	Board (Chair)	12 of 12 (100%)
Stock Options	Nil	Safety, Health and Environmental	
Restricted Share Units	81,967	Committee (Chair)	3 of 3 (100%)
Deferred Shared Units	23,364		

*Held in trust for CE Mining III LPs

Abraham Jonker**Status:** Lead Independent Director**Age:** 53**Residence:** British Columbia, Canada**Joined Board:** August 6, 2010**Biography**

Mr. Jonker is a registered Chartered Accountant in British Columbia, (Canada), England and Wales as well as South Africa. He is also a member of the Chartered Institute of Management Accountants in the United Kingdom and holds a Masters degree in South African and International Tax from the Rand Afrikaans University. Mr. Jonker has almost 30 years of extensive management, accounting and corporate finance experience across five continents, mostly in the mining industry. Mr. Jonker currently serves as the Lead Independent Director of Mandalay. Previously he was the Chief Financial Officer of Nevada Copper Corp. and Western Coal Corp. at the time of its take-over by Walter Energy for \$3.3 billion. During his career Mr. Jonker has played a pivotal role in several business recoveries, has been a key team member at management level in the strategic growth of several public companies, has raised and overseen the raising of more than \$750 million in the form of equity and debt instruments and has been involved in corporate transactions aggregating several billion dollars.

Principal Occupation

Corporate Director

Other Public Company Directorships East Coal Inc. (TSX-V: ECX.H) since July 2011

Securities Held as of April 16, 2021		Board and Committee Membership	2020 Attendance
Common Shares	95,903	Board (Lead Independent Director)	12 of 12 (100%)
Stock Options	Nil	Audit Committee	4 of 4 (100%)
Restricted Share Units	122,686	Special Committee	2 of 2 (100%)
Deferred Share Units	23,364		

Amy Freedman**Status:** Independent Director**Age:** 48**Residence:** Ontario, Canada**Joined Board:** May 24, 2016**Biography**

Amy Freedman is the CEO at Kingsdale Advisors, a firm specializing in corporate governance and shareholder advisory matters with a focus on proxy battles and hostile takeovers. Prior to Kingsdale Advisors, Ms. Freedman spent over 14 years as a capital markets professional in various roles within investment banking both in the United States and Canada. Ms. Freedman obtained her JD/MBA from the University of Toronto.

Principal Occupation

Chief Executive Officer of Kingsdale Advisors

Other Public Directorships

Park Lawn Corporation (TSX: PLC) since June 2020

Securities Held as of April 16, 2021		Board and Committee Membership	2020 Attendance
Common Shares	55,019	Board	12 of 12 (100%)
Stock Options	Nil	Audit Committee	4 of 4 (100%)
Restricted Share Units	122,686	Compensation, Corporate Governance &	
Deferred Share Units	23,364	Nominating Committee	4 of 4 (100%)

Dominic Duffy**Status:** Non-Independent Director**Age:** 45**Residence:** Ontario, Canada**Joined Board:** May 14, 2018**Biography**

Mr. Duffy holds a B.Eng. in Mining Engineering from the University of New South Wales (Sydney, Australia). He has extensive technical and operational management experience, having worked at numerous operations throughout Australia and Latin America. Prior to joining Mandalay Resources, Mr. Duffy most recently worked for Coeur d'Alene Mines and Hecla Mining Company in South America.

Principal Occupation

President & Chief Executive Officer of the Company

Other Public Directorships

None

Securities Held as of April 16, 2021**Board and Committee Membership****2020 Attendance**

Common Shares

45,300

Board

12 of 12 (100%)

Stock Options

816,298

Restricted Share Units

82,663

Performance Share Units 165,326

Julie Galloway**Status:** Independent Director Nominee**Age:** 57**Residence:** Ontario, Canada**Joined Board:** N/A**Biography**

Ms. Galloway is a lawyer with over 25 years of corporate legal experience in the mining industry. From 2010 to 2019, she was the Senior Vice President, General Counsel and Corporate Secretary of Detour Gold Corporation. Prior to that, she served as Vice-President, General Counsel and Corporate Secretary at FNX Mining Company Inc. (2008 to 2010), Vice President, General Counsel for Dynatec Corporation (2005 to 2007) and in a number of legal positions, including Associate General Counsel and Corporate Secretary, with Noranda Inc. Falconbridge Ltd. (1995 to 2005). Since leaving Detour Gold, Ms. Galloway has provided legal assistance to both Golden Star Resources Ltd. and Harte Gold Corp. Ms. Galloway started her career at the law firm Blake, Cassels and Graydon. She received a B.A. (Hons.) in economics and political science from the University of Waterloo and an LL.B. from the University of Toronto.

Principal Occupation Corporate Legal Counsel**Other Public Directorships** None

Securities Held as of April 16, 2021	Board and Committee Membership	2020 Attendance
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Common Shares	Nil	N/A
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Stock Options	Nil	
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Restricted Share Units	Nil	
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Robert Doyle**Status:** Independent Director**Age:** 66**Residence:** Ontario, Canada**Joined Board:** April 21, 2010**Biography**

Mr. Doyle has over 40 years of experience in all facets of international resource exploration, development and production. Currently, Mr. Doyle serves as a director of Golden Star Resources Ltd. He was Chief Executive Officer of Medoro Resources Limited until October 2009 and was Executive Vice President prior to that. Previously, Mr. Doyle was Chief Financial Officer of a number of companies including Pacific Stratus Energy Corp., Coalcorp Mining Inc., Bolivar Gold Corp. and HMZ Metals Inc., Lac Minerals and Falconbridge Limited. In addition, he was previously a gold market analyst at RBC Capital Markets and Credit Suisse First Boston. Mr. Doyle holds CPA, CA and C.Dir designations and graduated with an HBA in Business Administration from the Ivey School of Business, University of Western Ontario.

Principal Occupation

Corporate Director

Other Public Directorships

Golden Star Resources Ltd. (TSX: GSC) since February 2010

Securities Held as of April 16, 2021		Board and Committee Membership	2020 Attendance
Common Shares	135,139	Board	12 of 12 (100%)
Stock Options	Nil	Audit Committee (Chair)	4 of 4 (100%)
Restricted Share Units	122,686	Compensation, Corporate Governance &	
Deferred Share Units	23,364	Nominating Committee	4 of 4 (100%)

Terrell Ackerman**Status:** Non-Independent Director**Age:** 67**Residence:** Montana, United States of America**Joined Board:** June 18, 2019**Biography**

Mr. Ackerman was interim Chief Executive Officer of Stillwater Mining Company during 2013, having joined the company in 2000 as Director of Corporate Planning. During 1998 and 1999, Mr. Ackerman conducted feasibility studies, operational and mine planning reviews for various underground operations. Prior to this time, Mr. Ackerman was Vice President and General Manager of BHP Copper's San Manuel Operation in Arizona. Mr. Ackerman held increasing roles of accountability for Magma Copper Company starting as an underground engineer in training in 1976. Mr. Ackerman received a Bachelor of Science degree in Mine Engineering from the University of Idaho College of Mines.

Principal Occupation

Corporate Director

Other Public Directorships

Rambler Metals & Mining PLC (AIM: RMM) since June 2016

Securities Held**Board and Committee Membership****2020 Attendance**

Common Shares	9,260	Board	12 of 12 (100%)
Stock Options	Nil	Safety, Health & Environmental Committee	3 of 3 (100%)
Restricted Share Units	100,485		
Deferred Share Units	23,364		

Orders, Penalties and Bankruptcies

Abraham Jonker was a Director, President and Interim CFO of EastCoal Inc. (“**EastCoal**”) when EastCoal filed a Notice of Intention to Make a Proposal pursuant to the provisions of Part III of the *Bankruptcy and Insolvency Act* (Canada) on November 5, 2013. EastCoal emerged from creditor protection on May 21, 2014 following the successful implementation of a compromise agreement with creditors, in which the creditors agreed to reduce the claim amount providing for the full and final settlement of all the claims against EastCoal.

Other than as described above, to the knowledge of the Company, as of the date hereof, no Nominee:

- (a) is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, or has been, within 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while such Nominee was acting in that capacity, or within a year of such Nominee ceased to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such Nominee.

For the purposes of the above section, the term “order” means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation

that was in effect for a period of more than 30 consecutive days.

To the knowledge of the Company, as of the date hereof, no Nominee has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or any other penalties or sanctions imposed by a court or regulatory body.

Appointment of Auditors

Management recommends the re-appointment of Ernst & Young (“**E&Y**”) LLP, Chartered Professional Accountants, of Toronto, Ontario, as auditor of the Company to hold office until the close of the next annual meeting of the Shareholders, or until their successor is otherwise appointed. E&Y was first appointed as auditor of the Company on June 10, 2014. E&Y implemented Engagement Partner rotation and Independent Partner rotation during fiscal 2020.

The Board recommends that Shareholders vote **FOR** an ordinary resolution approving the re-appointment of E&Y as auditor of the Company and authorizing the Board, upon the recommendation of the Audit Committee, to fix their remuneration. Unless authority to do so is withheld, the management representatives named in the form of proxy intend to vote **FOR** the re-appointment of E&Y as the Company’s auditor until the close of the Company’s next annual meeting of shareholders and the authorization of the Board, upon the recommendation of the Audit Committee, to fix the remuneration of the auditor.

EXECUTIVE COMPENSATION¹

The following table provides a summary of total compensation earned during each of the 12 month periods ended December 31, 2020, December 31, 2019 and December 31, 2018, respectively, by the Company’s President and Chief Executive Officer and Chief Financial Officer, and each of the two other most highly compensated executive officers of the Company who were serving as such as at December 31, 2020 and whose total compensation was, individually, more than CDN\$150,000 (the “**Other Executive Officers**”) and each other individual who would have been an Other Executive Officer but for the fact that such individual was neither serving as an executive officer, nor acting in a similar capacity, as at December 31, 2020 (hereinafter, collectively, referred to as the “**Named Executive Officers**”) for services rendered in all capacities during such period. The Company does not have any pension plan or incentive plans (whether equity or non-equity based) other than the Omnibus Equity Incentive Plan (the “**Omnibus Plan**”), Stock Option Plan, executive incentive bonus program (the “**EIB**”) and the Restricted Unit Plan (the “**RSU Plan**”).

SUMMARY COMPENSATION TABLE									
Name and Principal Position of Named Executive Officer	Year	Salary ⁽¹⁾ CDN\$	Share-Based Awards CDN\$	Option Based Awards ⁽²⁾ CDN\$	Non-Equity Incentive Plan Compensation CDN\$		Pension Value	All Other Compensation ⁽⁴⁾	Total Compensation CDN\$
					Annual Incentive Plans ⁽³⁾	Long-Term Incentive Plans			
Dominic Duffy ⁽⁵⁾⁽⁶⁾ President and Chief Executive Officer	2020	414,000	NIL	108,690	377,988	NIL	NIL	4,500	905,177
	2019	414,000	NIL	127,611	349,586	NIL	NIL	4,500	895,697
	2018	378,359	NIL	130,865	NIL	NIL	NIL	4,500	513,724
Nick Dwyer ⁽⁷⁾⁽⁸⁾ Chief Financial Officer	2020	270,000	NIL	47,783	188,994	NIL	NIL	4,500	511,276
	2019	250,000	NIL	43,656	120,774	NIL	NIL	4,500	418,930
	2018	94,086	NIL	39,015	NIL	NIL	NIL	4,500	137,601
Belinda Labatte ⁽⁹⁾ Chief Development Officer	2020	309,400	NIL	40,006	151,195	NIL	NIL	4,500	505,101
	2019	309,400	NIL	44,866	146,885	NIL	NIL	4,500	505,651
	2018	309,400	NIL	57,139	NIL	NIL	NIL	4,500	371,039
Chris Davis ⁽¹⁰⁾ Vice President, Operational Geology & Exploration	2020	173,917	NIL	17,856	104,272	NIL	NIL	NIL	296,045

Notes:

(1) This column discloses the actual compensation earned during the fiscal year indicated.

¹The Company reports its financial results in US dollars. However, compensation paid to the Named Executive Officers is paid in American or Canadian currency. For the purpose of the “Executive Compensation” section of this Circular, and in accordance with s.1.3(a) of Form 51-102F6, compensation for all three years is reported in Canadian dollars. The exchange rates used for disclosure for fiscal 2018 is US\$1 = CDN\$1.29580, for fiscal 2019 is US\$1 = CDN\$1.3270 and for fiscal 2020 is US\$1 = CDN\$1.3403, AU\$1 = CDN\$0.9255 and AU\$1 = US\$0.6905.

- (2) The option-based award sets out the Black-Scholes value of the options granted in its respective year. The value has been calculated using the same basis as disclosed in the notes to the Company's audited financial statements for the applicable year. The option-based awards vest 1/3rd on each of the first, second and third anniversary of the grant date for options issued in 2020, 2019 and 2018.
- (3) In 2018, the Board deferred the payment of EIB for year ended December 31, 2017 (the "2017 EIB") due to its then financial position. With the completion of the financing in 2019 (please refer to the Company's press release dated March 29, 2019) the Board approved the payout of the 2017 EIB and the EIB payout for the year ended December 31, 2018 (the "2018 EIB").
- (4) All other compensation includes annual health spending benefits.
- (5) On May 14, 2018, Mr. Duffy transitioned from Chief Operating Officer of the Company to President and Chief Executive Officer. Mr. Duffy was not paid any compensation for his role as a director.
- (6) In 2020, Mr. Duffy received CDN\$377,988 as EIB payout for the year ended December 31, 2019 (the "2019 EIB") and in 2019 he received CDN\$91,390 for deferred 2017 EIB and CDN\$258,196 for 2018 EIB.
- (7) On August 15, 2018, Mr. Dwyer transitioned from Group Financial Controller of the Company to Chief Financial Officer.
- (8) In 2020, Mr. Dwyer received CDN\$188,994 for 2019 EIB and in 2019 he received CDN\$26,111 for deferred 2017 EIB and CDN\$94,663 for 2018 EIB.
- (9) In 2020, Ms. Labatte received CDN\$151,195 for 2019 EIB and in 2019 she received CDN\$52,222 for deferred 2017 EIB and CDN\$94,663 for 2018 EIB.
- (10) On February 1, 2020, Mr. Davis transitioned from Chief Geologist to Vice President, Operational Geology & Exploration.

Named Executive Officer Outstanding Option-Based Awards

As of December 31, 2020, the Company issued equity incentives to Named Executive Officers only in the form of stock options. The table below reflects all option-based awards for each Named Executive Officer outstanding as at December 31, 2020 (including option-based awards granted to a Named Executive Officer before such fiscal year).

On May 20, 2020, the shareholders of the Company approved an Omnibus Equity Incentive Plan (the "Omnibus Plan") which provides flexibility to the Company to grant equity-based incentive awards in the form of stock options, restricted share units, performance share units and deferred share units. The Omnibus Plan replaced the Company's Stock Option Plan and Restricted Share Unit Plan which remain in effect with respect to stock options and restricted share units issued prior to the adoption of the Omnibus Plan, but no further stock options and restricted share units will be issued thereunder. On February 25, 2021, the Named Executive Officers of the Company were issued a combination of stock options, restricted share units and performance share units.

Name of Named Executive Officer	Number of Securities Underlying Unexercised Options	Option Exercise Price (CDN\$/Security)	Option Expiration Date	Value of Unexercised In-the-Money Options (CDN) ⁽¹⁾
Dominic Duffy President and Chief Executive Officer	35,000	9.10	March 23, 2021	NIL
	40,000	6.00	June 30, 2024	NIL
	137,500	2.00	June 30, 2025	NIL
	180,000	1.10	June 30, 2026	153,000
	325,000	0.61	June 30, 2027	435,500
Nick Dwyer Chief Financial Officer	15,000	9.10	March 23, 2021	NIL
	20,000	6.00	June 30, 2024	NIL
	25,000	2.00	June 30, 2025	NIL
	80,000	1.10	June 30, 2026	68,000
	163,000	0.61	June 30, 2027	218,420
Belinda Labatte Chief Development Officer	23,800	9.10	March 23, 2021	NIL
	25,000	6.00	June 30, 2024	NIL
	35,000	2.00	June 30, 2025	NIL
	40,000	1.10	June 30, 2026	34,000
	109,000	0.61	June 30, 2027	146,060
Chris Davis Vice President, Operational Geology & Exploration	80,000	0.61	June 30, 2027	107,200

Notes:

- (1) This column contains the aggregate value of in-the-money unexercised options as at December 31, 2020, calculated based on the difference between the market price of the Common Shares underlying the options as at the close of day on December 31, 2020, being CDN\$1.95, and the exercise price of the options.

The table below provides information with respect to compensation plans under which equity securities of the Company were authorized for issuance as at December 31, 2020.

Plan Category	Securities to be issued upon Exercise of Outstanding Option Rights (#)	Weighted-Average Exercise Price of Outstanding Options (\$/Security)	Securities remaining Available for future issuance under Equity Compensation Plans (#)⁽¹⁾
Equity compensation plans approved by security holders			
Stock Option Plan	1,887,800	1.91	-
RSUs	673,195	N/A	-
Omnibus Plan	-	-	6,562,622
Equity compensation plans not approved by securities holders	NIL	NIL	NIL
Total	2,560,992	1.91	6,562,622

Notes:

(1) The total number of Common Shares issuable under the Omnibus Plan and all other security-based compensation outstanding under the Stock Option Plan and RSU Plan shall not exceed 10% of the issued and outstanding Common Shares from time to time.

The table below reflects the annual burn rate calculated in accordance with s. 613(d) of the TSX Company Manual, of each of the Company's security-based compensation arrangements for each of the 12 months period ended December 31, 2020, December 31, 2019 and December 31, 2018, respectively. The burn rate for each year is calculated as the number of stock options or restricted share units issued in such year divided by the average number of Common Shares outstanding for such year.

	2020 Burn Rate	2019 Burn Rate	2018 Burn Rate
Stock Option Plan	1.01%	0.71%	1.30%
RSU Plan	0.54%	0.20%	0.35%

Incentive Award Plans

The table below provides information concerning the incentive award plans of the Company with respect to each Named Executive Officer during the fiscal year ended December 31, 2020.

Name of Named Executive Officer	Option-Based Awards – Value Vested During Year Ended December 31, 2020 (CDN\$)	Non-Equity Incentive Plan Compensation – Value Earned During Year Ended December 31, 2020 (CDN\$) ⁽¹⁾
Dominic Duffy	66,000	377,988
Nick Dwyer	29,333	188,994
Belinda Labatte	22,000	151,195
Chris Davis	NIL	104,272

Notes:

(1) The non-equity incentive plan compensation amounts set out in this column represent EIB payments received in 2020 based on 2019 performance.

The only equity incentive award plan of the Company under which awards were made to Named Executive Officers during the 2020 fiscal year was the Stock Option Plan. The RSU Plan was reserved for non-executive directors. For a

description of the material terms of the Stock Option Plan, please refer to “Renewal of the Company’s Stock Option Plan – Summary of the Stock Option Plan” in the Company’s management information circular dated April 11, 2017. For a description of the RSU Plan, please refer to “Ratification of the Company’s Restricted Share Unit Plan – Description of the RSU Plan” in the Company’s management information circular dated April 11, 2017. For a description of the material terms of the non-equity incentive plan compensation, see “Compensation Discussion and Analysis – Annual Bonuses” in this Circular.

Compensation Discussion and Analysis

Introduction

The Compensation Discussion and Analysis section of this Circular sets out the objectives of the Company’s arrangements, the Company’s executive compensation philosophy and the application of this philosophy to the Company’s executive compensation arrangements.

Compensation Committee

In August 2010, the Company established the Compensation, Corporate Governance and Nominating Committee (as such committee relates to compensation matters, the “**Compensation Committee**”) to assist the Board with compensation, corporate governance and nominating matters. The Compensation Committee is responsible for oversight on, among other things:

- recruitment, development and retention of senior management;
- appointment, performance evaluation and compensation of senior management;
- succession, planning systems and processes relating to senior management; and
- compensation structure for the Board and senior management;

Adjustments in salary are reviewed by the Compensation Committee and recommended for approval to the Board.

The Compensation Committee is currently comprised of three members: Peter R. Jones, Robert Doyle and Amy Freedman. All members are considered “independent” in accordance with the definition set out in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”).

Relevant Education and Experience

Peter R Jones - Director

Mr. Jones has more than 15 years of experience as a senior executive and has served as CEO of both senior and junior mining companies where establishing compensation at all levels of the organization was one of his key roles. Currently, Mr. Jones is a member of the compensation committee for Battle North Gold Corp.. Previously, Mr. Jones was on the compensation committee of Victory Nickel Inc., Augyva Mining Resources Inc., Medusa Mining Limited and Adanac Molybdenum Company. With more than 40 years of experience in the mining business, Mr. Jones has an in-depth understanding of the industry and is comfortable structuring compensation packages which are appropriate in light of Mandalay’s objectives and risk tolerances.

Robert Doyle - Director

Mr. Doyle has over 40 years of experience in all facets of international resource exploration, development and production. Currently, Mr. Doyle serves as a director of Golden Star Resources Ltd and sits on its Audit Committee and Compensation Committee. He was Chief Executive Officer of Medoro Resources Limited until October 2009 and was Executive Vice President prior to that. Previously, Mr. Doyle was Chief Financial Officer of a number of companies including Pacific Stratus Energy Corp., Coalcorp Mining Inc., Bolivar Gold Corp. and HMZ Metals Inc., Lac Minerals and Falconbridge Limited. In addition, he was previously a gold market analyst at RBC Capital Markets and

Credit Suisse First Boston. Mr. Doyle holds CPA, CA and C.Dir designations and graduated with an HBA in Business Administration from the Ivey School of Business, University of Western Ontario.

Amy Freedman - Director

Ms. Freedman is CEO at Kingsdale Advisors, a firm that specializes in corporate governance and shareholder advisory matters with a focus on proxy battles and hostile takeovers. Prior to Kingsdale, Ms. Freedman spent over 14 years as a capital markets professional with various roles within investment banking both in the US and Canada. Ms. Freedman obtained her JD/MBA from the University of Toronto.

Philosophy

The Company believes that recruiting and retaining skilled and experienced executives is critical to the Company's success and to delivering value to shareholders. When determining compensation arrangements for Named Executive Officers, the following objectives are considered: (i) providing fair and competitive compensation; (ii) balancing the interests of management and shareholders; (iii) rewarding executive officers for superior corporate performance relative to objectives pre-approved by the Board; (iv) reflecting the Company's past performance and current state of development; and (v) be commensurate with the Company's financial ability to remunerate Named Executive Officers.

Compensation serves to attract and retain the right talented people, influence thinking, behavior and action towards desired results and align with shareholder value creation. Ultimately, the Company strives to create the "experience of personal satisfaction that comes with high performance and recognition" in alignment with these values for its employees.

Benchmarking

In determining the compensation level for each Named Executive Officer, management and the Compensation Committee considers and balances factors such as the relative complexity of the executive's role within the organization; the executive's experience, performance and potential for future advancement; and ranges of pay across its peer group. Part of the Compensation Committee's objective is to establish compensation levels that are fair and reasonable, based in part on benchmarking against similar companies, but offering significant incentive for above-average performance.

In determining the Company's benchmarking peer group, the Compensation Committee considered the following primary factors (not necessarily in order of significance): industry, location of company headquarters, total revenue and market capitalization.

The following are the comparable companies that comprised the peer group for the purposes of determining director and executive officer compensation in 2020: Premier Gold Mines Limited, Gran Colombia Gold Corp., Calibre Mining Corp., Great Panther Limited, Jaguar Mining Limited, Robex Resources Inc., TMAC Resources Inc., Alio Gold Inc., Superior Gold Inc., Dynacor Gold Mines Inc., and Orvana Minerals Corp.

Compensation Consultant

The Compensation Committee retained Phase 5 Advisors Inc. ("**Phase 5**") in 2019 to provide independent advice to the Committee and Kingsdale Advisors ("**Kingsdale**") in 2020 to provide corporate advisory service. Phase 5 assisted the Compensation Committee in reviewing executive officer and director compensation. Kingsdale performed a peer group analysis and recommended quantum of Option grants in 2020 and changes to the design of the Named Executive Officers' 2021 compensation. The following table sets forth, by category, the aggregate fees billed by Phase 5 and Kingsdale.

	Fiscal Year Ended December 31, 2020 (CDN\$)	Fiscal Year Ended December 31, 2019 (CDN\$)
Executive compensation-related fees	25,000	4,633
All Other Fees	NIL	NIL
Total	25,000	4,633

Elements of Compensation

The compensation paid to the Named Executive Officers in 2020 consisted of three primary components:

- (a) base salary;
- (b) short-term incentives in the form of annual cash bonuses; and
- (c) long-term incentives in the form of stock options.

The key features of these three primary components of compensation are as follows:

Base Salary

Base salary recognizes the value of an individual to the Company based on his or her role, skill, experience, performance, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Company competes for talent. Base salaries for the Named Executive Officers, and other key employees, are reviewed by the Compensation Committee annually. Any change in base salary of a Named Executive Officer is generally determined by an assessment of such executive's performance, a review of the performance of the Company as a whole and the role the executive officer played in corporate performance, as well base salaries at peer companies for comparable positions to the Named Executive Officer.

Short Term Incentive Plan ("STIP")

Commencing in the year ending December 31, 2013, executives of the Company and superintendents of each operation became eligible to receive annual cash bonuses based on financial and operating targets pre-approved each year by the Board. This form of short-term incentive motivates executives to achieve annual objectives each year that support sustainable delivery of shareholder value in alignment with our corporate values and key success variables.

Employees of the Company serving in positions designated "Vice-President" or higher, including mine site general managers and senior officers or executives of the Company approved by the Board (each a "**Participant**" and collectively, the "**Participants**"), are eligible to participate in the EIB. In addition, General Managers and their direct reports are eligible to participate in a Superintendents Incentive Bonus plan ("**SIB**"), the operational targets for which are aligned with the EIB targets also pre-approved and reviewed by the Board.

In 2020, the Board allocated 10% of the 2020 EIB targets to personal objectives to boost individual performance and the balance 90% to corporate objectives aligned with Mandalay's business strategy.

The table below sets out actual performance against EIB targets that were approved by the Board in February 2021 for the year ended December 31, 2020. If the target for any particular metric was not achieved, no amount was added to the bonus pool in respect of such metric; however, the Compensation Committee did recommend an exception to the Board. In particular, the Board used its discretion to approve the achievement of Company's 2020 capital costs target due to the overperformance of capital development and Board approved unbudgeted exploration.

In February 2021, the Board approved a total EIB payout of US\$1,201,780 on recommendation from the Compensation Committee.

Metric	2020 EIB Target	Weight	Actual 2020	Achieved or Not
Production, Cost, Financial				
Deliver at or higher than budget production (Au Eq. oz) ⁽¹⁾	101,240	20%	103,444	Yes – 20%
Achieve at or under total company budget operational costs ('000)	\$86,445	15%	\$95,727	No
Achieved or under total company budget capital costs ('000)	\$41,307	20%	\$46,750 In 2020, \$7.0m relates to overperformance of capital development and Board-approved unbudgeted exploration, therefore under budget by \$1.6m excluding the two above items.	Yes – 20%
Reserves				
Replace Au Eq. Depletion in reserves ⁽²⁾	Replace	10%	Replaced	Yes – 10%
Double Au Eq. Depletion in reserves or significant exploration discovery, determined by board ^{(2) (3)}	Double	10%	No	No
Safety				
Achieve less than corporate average LTIFR thru Dec 2019	11.1	15%	2.9	Yes – 15%
If any fatalities occur	0	-15%	None	
Personal Targets/ Goals				
3-4 individual targets or goals		10%	Yes	Yes – 5% to 10%
Total Bonus Achieved				70% - 75%

Notes:

- (1) Gold ounce equivalent production is calculated by multiplying the saleable quantities of gold, and antimony in the period by the respective average market prices of the commodities in the period, adding the three amounts to get a “total contained value based on market price”, and then dividing that total contained value by the average market price of gold in the period. Average gold price in the period is the average of the monthly LME PM fix and average antimony price is the average of the monthly high and low Rotterdam warehouse prices all reported in www.metalbulletin.com. The monthly commodity prices are calculated as the average of the daily prices, with holiday and weekend day prices carried forward from the last business day.
- (2) For corporate level Participants includes Reserves added via acquisition.
- (3) Defined as tonnes mined in the year divided by tonnes of Proven Reserves as of the end of the year.

For the year ended December 31, 2021, the Board changed the design of the STIP targets to align it better with the markets. The overall design of the scorecard remains the same with 7 metrics in key areas of the business defining the 90% in corporate performance metrics and 10% in individual performance metrics. However, the STIP plan was restructured to:

1. have a defined target opportunity for achieving target level of performance (i.e., budget).

- introduce a sliding scale for key payable metrics rather than a 'hit/miss' approach and corresponding payout opportunities as listed in the table below.

Metric	Lower Threshold	Target (i.e. Budget)	Upper Threshold
Production	90%	100%	130%
Opex/ Capex	110%	100%	70%
Reserves	50%	100%	200%

- adopt a payout range, with the bonus paying 0% for achievement below the lower threshold, a 50% payment at the lower threshold, a 100% payment at target and a 200% payment at the upper threshold.

The table below outlines the STIP targets for the year ended December 31, 2021:

Metric	Lower Threshold	Target (Budget)	Upper Threshold	Weight	Notes
Production, Cost, Financial					
Deliver at or higher than budget production (Au Eq. oz)	99,693	110,770	144,001	20.0%	Lower threshold 90%, upper threshold 130%.
Achieve at or under total company budget operational costs ('000) - excl. inventory	\$115,911	\$105,374	\$73,762	15.0%	Lower threshold 110%, upper threshold 70%.
Achieve at or under total company budget capital costs ('000)	\$57,486	\$52,260	\$36,582	20.0%	Lower threshold 110%, upper threshold 70%.
Reserves					
Replace AuEq Depletion in reserves	55,385	110,770	221,540	15.0%	Lower threshold 50%, upper threshold 200%
Significant exploration discovery, determined by CCGNC/Board				5.0%	Calculated at budget metal prices
Safety					
Maintain LTIFR below 5 through Dec 2021				15.0%	
If any fatalities occur				-15.0%	
Personal Targets / Goals					
3-4 Individual targets or goals to be established with direct supervisor and presented to board in Feb board meeting				10.0%	As per next slide
Total Bonus Available				100%	

Long Term Incentive Plan ("LTIP")

The Company provides long-term incentives to the Named Executive Officers and other key employees in the form of Options pursuant to its Stock Option Plan. The Board believes that stock option grants serve the Company's executive compensation philosophy by: (i) helping attract, retain, and motivate talent; (ii) aligning the interests of

the Named Executive Officers with total shareholder return by linking a specific portion of the Named Executive Officers' total pay to share price appreciation; and (iii) providing long-term accountability for Named Executive Officers. Stock options that are granted to the Named Executive Officers take into account a number of factors, including the amount and term of options previously granted, base salary and any competitive factors. Options granted in or after 2017 vest 1/3rd on each of the first, second and third anniversary of the grant date and have seven years to expiry. Grants of Options to the Named Executive Officers are reviewed and approved annually by the Compensation Committee and the Board.

Starting in 2021, the Named Executive Officers of the Company will be issued a LTIP mix of 25% Options, 25% restricted share units and 50% performance share units under the Omnibus Plan. This will provide a balance between performance upside and retention value in downside scenarios. Stock Options will vest 1/3rd on each of the first, second and third anniversary of the grant date and have seven years to expiry. Restricted Share Units will vest 1/3rd on each of the first, second and third anniversary of the grant date. Performance Share Units will also vest 1/3rd on each of the first, second and third anniversary of the grant date subject to relative performance assessment and sliding scale payout. Performance Share Units will be awarded for Mandalay's Total Shareholder Return ("TSR") performance over three years 'lookback' against VanEck Vectors Junior Gold Miners ETF ("GDXJ Index"), on a sliding scale payout of:

- a. 0% awarded at TSR below GDXJ Index,
- b. 50% of target award for TSR at par with GDXJ Index,
- c. 100% of target award for TSR 10% above GDXJ Index; and
- d. 200% of target award for TSR 30% above GDXJ Index.

Financial Instruments

The Company's compensation program prohibits a Named Executive Officer or a director from purchasing financial instruments, such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by a Named Executive Officer or director.

Compensation Related Risk

The Board and as applicable, the Compensation Committee, consider and assess, as necessary, risks relating to compensation prior to entering into or amending employment contracts with Named Executive Officers and when setting the compensation for directors. The Board and the Compensation Committee believe that the Company's compensation policies and practices are appropriate for its industry and stage of business and that such policies and practices do not have risks associated with them that are reasonably likely to have a material adverse effect on the Company or which would encourage a Named Executive Officer to take inappropriate or excessive risks. The Compensation Committee will continue to review the Company's compensation policies, including its compensation-related risk profile, as necessary, to ensure its compensation policies and practices are not reasonably likely to have a material adverse effect on the Company or encourage a Named Executive Officer to take any inappropriate or excessive risks.

The Compensation Committee regularly reviews and recommends to the Board for approval compensation and adjustments to compensation for Named Executive Officers, including equity compensation. Targets for all compensable activities are set by the Compensation Committee taking into account risk and potential for achievement. While risk of production and financial loss is a key element of all compensation, safety and environmental compliance is also an integral measure and compensation item. Management success with achieving safety, environmental, production cost and financial targets and compliance with budget is reported and reviewed monthly. Significant variations from budget are, when necessary, reviewed in-depth.

There are a number of governance practices in place that mitigate compensation risks, including insider trading policy, the Ethics Code and the Whistleblower Policy. In 2021, the Board also adopted a Compensation Clawback Policy in order to allow the Board to require, in specific situations, the reimbursement of short-term or long-term incentive compensation received by a member of management.

Management Contracts and Termination

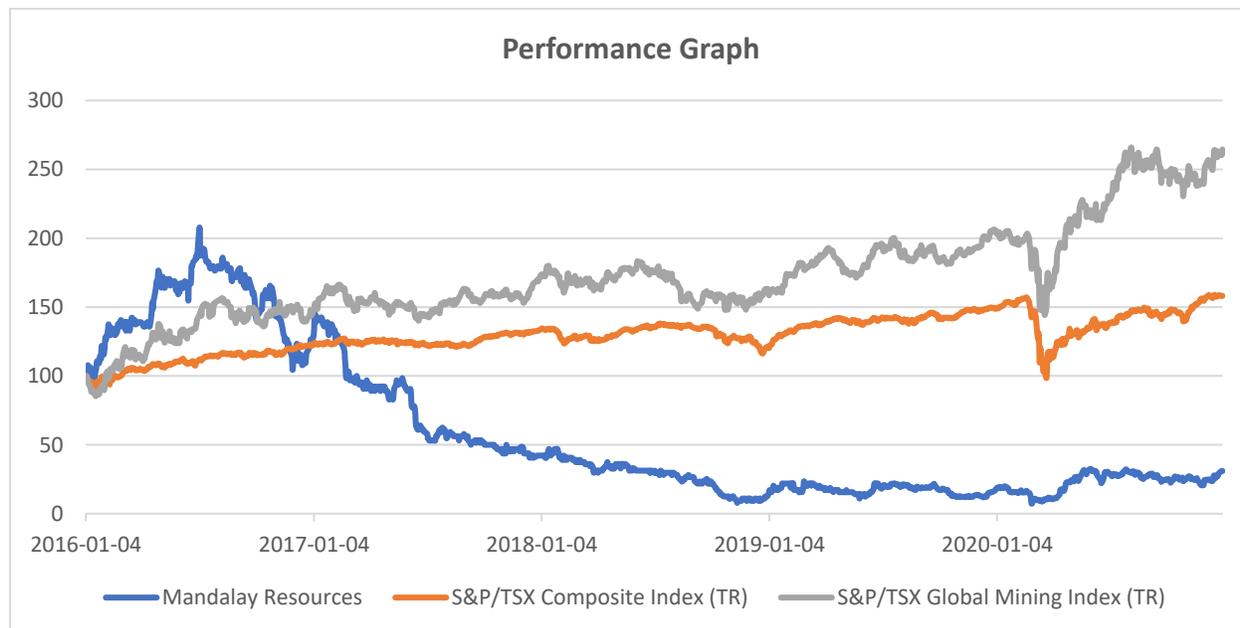
Effective May 11, 2017, the Company entered into an employment agreement with Dominic Duffy in respect of his services as Chief Operating Officer of the Company. Under the terms of the contract, the Company pays Mr. Duffy an annual base salary of US\$250,000 and reimburses certain expenses incurred by Mr. Duffy in connection with his duties under the agreement. On May 14, 2018, the Board approved the promotion of Dominic Duffy from Chief Operating Officer to President & Chief Executive Officer. In 2021, Mr. Duffy's annual compensation was increased to CDN\$443,975. In the event of termination without just cause or resignation with good reason, Mr. Duffy is entitled to reasonable notice or compensation in lieu of notice as provided by statute and/or common law. In the event of termination due to change of control, in lieu of the above, Mr. Duffy is entitled to receive a lump sum payment equal to two (2) times his base salary as at the date of termination. Mr. Duffy would have been entitled to a lump sum payment of CDN\$887,950 if his employment was terminated as of December 31, 2020 following a change of control of the Company. If employment terminated due to death, incapacity, change of control, without just cause or resignation without good reason, all unvested stock options held by Mr. Duffy shall be automatically vested and become exercisable.

Effective May 11, 2017, the Company entered into an employment agreement with Belinda Labatte in respect of her services as Chief Development Officer of the Company. Under the terms of the contract, the Company pays Ms. Labatte an annual base salary of CDN\$309,400 and reimburses certain expenses incurred by Ms. Labatte in connection with her duties under the agreement. In the event of termination without just cause or resignation with good reason, Ms. Labatte is entitled to reasonable notice or compensation in lieu of notice as provided by statute and/or common law. In the event of termination due to change of control, in lieu of the above, Ms. Labatte is entitled to receive a lump sum payment equal to two (2) times her base salary as at the date of termination. Ms. Labatte would have been entitled to a lump sum payment of CDN\$618,800 if her employment was terminated as of December 31, 2020 following a change of control of the Company. If employment is terminated due to death, incapacity, change of control, without just cause or resignation without good reason, all unvested stock options held by Ms. Labatte shall be automatically vested and become exercisable.

Effective August 16, 2018, the Company entered into an employment agreement with Nick Dwyer in respect of his services as Chief Financial Officer of the Company. Under the terms of the contract, the Company pays Mr. Dwyer an annual base salary of CDN\$290,000 and reimburses certain expenses incurred by Mr. Dwyer in connection with his duties under the agreement. In the event of termination without just cause or resignation with good reason, in lieu of the above, Mr. Dwyer is entitled to reasonable notice or compensation in lieu of notice as provided by statute and/or common law. In the event of termination due to change of control, in lieu of the above, Mr. Dwyer is entitled to receive a lump sum payment equal to two (2) times his base salary as at the date of termination. Mr. Dwyer would have been entitled to a lump sum payment of CDN\$580,000 if his employment was terminated as of December 31, 2020 following a change of control of the Company. If employment is terminated due to death, incapacity, change of control, without just cause or resignation without good reason, all unvested stock options held by Mr. Dwyer shall be automatically vested and become exercisable.

Performance Graph

The graph below compares the Company's cumulative total shareholder return, including dividends, (assuming an investment of \$100 on December 31, 2015) on its Common Shares during the period from January 1, 2016 to December 31, 2020, with the S&P/TSX Composite Index and S&P/TSX Global Mining Index (Total Return):



As of December 31, 2020, the compensation paid to the Company's Named Executive Officers is not contingent upon the performance of the Company's Common Shares on the TSX except to the extent that the share price impacts the Named Executive Officers' valuation as determined within the Stock Option Plan. Therefore, the Named Executive Officers' compensation may not directly compare to the trend shown in the performance graph.

Compensation of Directors

Annual retainers paid to the Company's directors are shown in the chart below. In addition, directors are reimbursed for travel and related expenses.

	Director Fees For Year-ended December 31, 2020 (CDN\$) ⁽¹⁾
Board of Directors Chair Fee	10,000
Board Member Fee	50,000
Audit Committee Chair Fee	10,000
Compensation, Corporate Governance and Nominating Committee Chair Fee	10,000
Safety, Health and Environmental Committee Chair Fee	10,000
Committee Member Fee	5,000
Board member RSU grant ⁽²⁾	\$50,000 equivalent

Notes:

- (1) Executive directors do not receive any compensation for their role as a director.
- (2) The number of RSU units granted will be calculated based on volume weighed average trading price of the Common Shares over the five days preceding the grant date. The RSUs vest 1/3rd on each of the first, second and third anniversary of the grant date.

Individual Director Compensation for Fiscal Year Ended December 31, 2020

The table below provides a summary of all amounts of compensation paid to the directors of the Company during the fiscal year ended December 31, 2020.

Name ⁽¹⁾	Fees Earned (CDN\$)	Option-Based Awards (CDN\$)	RSU-Based Awards (CDN\$)	Non-Equity Incentive Plan Compensation (CDN\$)	All Other Compensation (CDN\$)	Total (CDN\$)
Bradford A. Mills ⁽²⁾	70,000	NIL	26,389	NIL	241,255	337,644
Abraham Jonker	55,000	NIL	56,087	NIL	NIL	111,087
Amy Freedman	60,000	NIL	56,087	NIL	NIL	116,087
Peter R. Jones	65,000	NIL	56,087	NIL	NIL	121,087
Robert Doyle	65,000	NIL	56,087	NIL	NIL	121,087
Terrell Ackerman ⁽³⁾	55,000	NIL	39,588	NIL	NIL	94,588

Notes:

- (1) Mr. Duffy was not paid any compensation for serving as a director of the Company.
- (2) Mr. Mills receives a monthly fee of US\$15,000 as an independent contractor to the Company. The exchange rate used for disclosure is US\$1 = CDN\$1.3403.
- (3) Mr. Ackerman was appointed as a director on June 18, 2019.

Director Incentive Award Plans - Restricted Share Unit

The Company provides long-term incentives to the non-executive directors in the form of RSUs pursuant to its Restricted Share Unit Plan. The Board believes that RSUs (i) align the interests of the non-executive directors with shareholders of the Company, (ii) reward non-executive directors of the Company for their sustained contributions to the Company, and (iii) assist in attracting, retaining and motivating non-executive directors to the Company. RSUs that are granted to the non-executive directors take into account a number of factors, including the amount and term of RSUs previously granted. Grants of RSUs are reviewed by the Compensation Committee annually. The RSUs vest 1/3rd on each of the first, second and third anniversary of the grant date.

The table below provides information concerning the RSUs of the Company with respect to each director of the Company during the fiscal year ended December 31, 2020. The only incentive award plan of the Company under which awards have been made to non-executive directors during the fiscal year ended December 31, 2020 was the RSU Plan.

Name ⁽¹⁾	Option-Based Awards – Value Vested or Earned During Fiscal Year Ended December 31, 2020 (CDN\$) ⁽²⁾	RSU-Based Awards – Value Vested or Earned During Fiscal Year Ended December 31, 2020 (CDN\$)	Non-Equity Incentive Plan Compensation – Value Vested or Earned During Fiscal Year Ended December 31, 2020 (CDN\$)
Bradford A. Mills ⁽³⁾	NIL	NIL	NIL
Abraham Jonker	NIL	33,108	NIL
Amy Freedman	NIL	33,108	NIL
Peter R. Jones	NIL	33,108	NIL
Robert Doyle	NIL	33,108	NIL
Terrell Ackerman	NIL	14,260	NIL

Notes:

- (1) Mr. Duffy was not paid any compensation for serving as a director of the Company.
- (2) Represents the difference between the market price of the Common Shares that vested and the exercise price of the options on the applicable vesting date.

- (3) Mr. Mills was granted 400,000 stock options in May 2017 and a monthly fee of US\$15,000 for his role as an independent contractor to the Company. All of Mr. Mills' options and RSUs were cancelled on March 21, 2019 in connection with CE Mining's participation in the financing transaction that was completed on February 20, 2019.

On February 25, 2021, the non-executive directors of the Board were issued deferred share units instead of RSUs under the Omnibus Plan.

STATEMENT OF CORPORATE GOVERNANCE MATTERS

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 - *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but may be used by issuers in developing their own corporate governance practices.

Pursuant to NI 58-101, the Company has summarized its corporate governance practices below. The Board recognizes that the Company's corporate governance policies, procedures and practices cannot be static and that further refinements may be necessary as applicable legal and regulatory requirements and the Company's circumstances evolve. The Board will continue to monitor the Company's corporate governance policies, procedures and practices on an ongoing basis and, when necessary, implement such additional practices as it deems appropriate.

Living Our Values

Mandalay's mission is to build a long-lived, values-based and value-focused organization that is founded on safe and efficient work practices, continuous improvement, fiscal responsibility, and effective community relationships. Mandalay believes in Living Our Values and balancing outcomes and processes.

SAFETY - Safety is paramount in all our decisions and actions, we proactively protect people and property.

INTEGRITY - We are our word; we honor our commitments, we abide by applicable laws and live by high ethical standards.

RESPONSIBILITY - We are responsible for our actions and their consequences, we operate with social and environmental responsibility and promote sustainable development.

EXCELLENT PERFORMANCE & INNOVATION - We encourage excellence in everything we do, we create an environment where ideas and innovative methods to improve our processes and results are encouraged.

VALUE CREATION - We aim to seek and seize every opportunity to create more value with our resources.

AGILITY - We continuously seek out new opportunities and rapidly respond to new challenges.

Board of Directors

The Board is currently comprised of seven directors: Bradford A. Mills, Abraham Jonker, Amy Freedman, Dominic Duffy, Peter R. Jones, Robert Doyle and Terrell Ackerman. All, except Peter Jones, are proposed to be nominated as directors at the Meeting. The other Nominee, namely Julie Galloway, will be proposed for election to the Board at the Meeting. The Charter of the Board is set out in Schedule A hereto and can be viewed on the Company's website at www.mandalayresources.com.

NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as independent directors, within the meaning set out under National Instrument 52-110 Audit Committees ("NI 52-110"), which provides that a director is independent if he or she has no direct or indirect "material relationship" with the company. "Material relationship" is defined as a relationship which could, in the

view of a company’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The majority of the directors of the Board are independent, except Bradford Mills, Terrell Ackerman and Dominic Duffy. Mr. Mills is not considered independent because he receives consulting fees from the Company. Mr. Ackerman is not considered independent because he was appointed to the Board on June 18, 2019 as a nominee of CE Mining Fund III L.P. (“**CE Mining**”), an investment fund advised by Plinian Capital LLP, which is controlled by Bradford Mills, Chairman of the Board. Mr. Duffy is not considered independent because he is the President and Chief Executive Officer of the Company. The remaining directors are considered to be independent directors since they are all independent of management and free from any material relationship with the Company. The basis for this determination is that, since the beginning of the fiscal year ended December 31, 2017, none of the independent directors have worked for the Company, received remuneration from the Company (other than in their capacity as directors) or had material contracts with or material interests in the Company which could interfere with their ability to act with a view to the best interests of the Company.

The Chair of the Board, Bradford Mills, is not an independent director. Accordingly, the Board has appointed Abraham Jonker as lead independent director (the “**Lead Director**”). The role of the Lead Director includes, among other things, (i) organizing and presiding over *in camera* or other meetings of the independent directors and taking the lead in establishing the agenda for such meetings, and (ii) serving as the principal liaison between the independent directors and the Chair on matters where the Chair may be conflicted.

The Lead Director meets with all the non-executive directors of the Company for “in-camera” sessions scheduled after every meeting of the Board. The executive directors and members of management are not in attendance for these in-camera sessions.

Board and Committee Meetings and Attendance

The chart below sets out details regarding attendance of the directors and the Board and committee meetings during 2020:

Director Name	Board	Audit Committee	Compensation, Corporate Governance and Nominating Committee	Safety, Health, Environmental and Community Committee	Special Committee	Total	
	Meetings Attended	Meetings Attended	Meetings Attended	Meetings Attended	Meetings Attended	Meetings Attended	Overall % Attendance
Bradford A. Mills	12/12	-	-	3/3	2/2	17/17	100%
Abraham Jonker	12/12	4/4	-	-	2/2	18/18	100%
Amy Freedman	12/12	4/4	4/4	-	-	20/20	100%
Dominic Duffy	12/12	-	-	-	-	12/12	100%
Peter R. Jones	12/12	-	4/4	3/3	2/2	21/21	100%
Robert Doyle	12/12	4/4	4/4	-	-	20/20	100%
Terry Ackerman	12/12	-	-	3/3	-	15/15	100%

Skills and Experience

The following matrix sets out the skills and expertise that the Board considers important in fulfilling its oversight role in respect of the Company and the specific skills and expertise of each director nominee. It reflects the current

strengths of the Board as a whole following an exercise with the Board to review and determine the strengths and weaknesses of the Board.

The Board has satisfied itself that the skills and expertise needed for oversight of the Company's strategic design and other processes are represented in the skills matrix and in the search for a new director, candidates will be reviewed in the context of the required skills to provide effective oversight. The specific skills and expertise are categorized into the following four areas, which align with the Company's strategy and long term vision: (i) strategic design; (ii) operational processes; (iii) stakeholder engagement; and (iv) scalability and infrastructure.

The matrix is reviewed at least once annually to (i) identify and evaluate the competencies and skills of its members based on the individual experience and background of each director and (ii) identify areas for strengthening the Board, if any, which will be addressed through the recruitment of new members. In assessing future Board candidates, in addition to the skills and expertise highlighted in the matrix, diversity is equally important.

	Abraham Jonker	Amy Freedman	Bradford A. Mills	Dominic Duffy	Julie Galloway	Robert Doyle	Terrell Ackerman
Strategic Design							
Mining Industry Global Strategic Planning	✓		✓	✓	✓	✓	✓
Safety Program Development & Public and Industrial Health			✓	✓			✓
Risk Management		✓	✓	✓	✓	✓	✓
Capital Markets and Finance	✓	✓	✓	✓	✓	✓	✓
Operational Processes							
Geology and Exploration			✓	✓			✓
Mining and Production Planning & Marketing	✓		✓	✓			✓
Metallurgy			✓	✓			✓
Stakeholder Engagement							
Local Community Relations and Environmental Management	✓		✓	✓			✓
Corporate Communications	✓	✓	✓	✓	✓	✓	✓
Employee Engagement, Diversity, Planning & Compensation Strategy		✓	✓	✓	✓	✓	
Labour relations	✓		✓	✓			✓
International & Local Government & NGO engagement	✓		✓	✓			✓
Scalability and Infrastructure							
IT Management and Security						✓	
Global M&A Due Diligence, Execution and Integration	✓	✓	✓	✓	✓	✓	✓
Accounting	✓	✓	✓	✓		✓	✓
Legal, Ethics and Governance	✓	✓	✓	✓	✓	✓	✓
Statistics							
Time Served as Director	10y 9m	4y 11m	11y 7m	3y	-	10y 9m	1y 9m
Gender	M	F	M	M	F	M	M
Highest position of Responsibility reached	CEO	CEO	CEO	CEO	SVP	CEO	CEO Interim
Principal Occupation	Corporate Director	CEO of Kingsdale Advisors	Founder of Plinian Capital	President & CEO of MND	Corporate Legal Counsel	Corporate Director	Corporate Director
Education	M. Comm.	MBA LLB	MS Geology	B.Eng.	Hons BA, LLB	Honors BA	BS Mining Engr.
Public Boards Served on (Including Mandalay)	2	2	2	1	-	2	2
Independent Director	✓	✓			✓	✓	
Global Exposure							
Languages Spoken	English & Afrikaans	English	English, Spanish	English, Spanish	English	English	English

	Abraham Jonker	Amy Freedman	Bradford A. Mills	Dominic Duffy	Julie Galloway	Robert Doyle	Terrell Ackerman
Countries resided in continuously for more than one year	Canada, South Africa & UK	Canada & US	Australia, Chile, UK, South Africa	Australia, Chile & Canada	Canada	Canada	US
Countries within which have been responsible for P&L	Australia, Canada, South Africa, UK & US	-	Australia, Chile, Peru, South Africa, Sweden	Australia, Canada, Chile & Sweden	Canada	Canada, Chile, Colombia & Venezuela	US

Diversity

The Company has adopted a policy regarding diversity on the Board (the “**Diversity Policy**”) which addresses the importance of diverse culture, geographical backgrounds, age, skills and experience and gender diversity when considering a potential director.

Board of Directors

Mandalay currently has one female director representing 14% of the Board. The Company seeks to attain a board composition in which women comprise at least 25% of the Board by 2021. The Board has nominated a second female director for election to the Board at the Meeting which will bring the diversity to 29% if elected.

The Board believes that the fundamental criteria underlying a director search should be the summary of skills added to the business by the individual, assessed against the skills matrix provided in this Circular. To support a non-exclusionary and inclusive process, and to meet the goal of increasing women’s representation at all levels of the business, the Board will proactively solicit women for all open director positions.

Executive Officers

Mandalay currently has one female executive officer representing 25% of its executive officers.

Mandalay considers a range of factors, including gender, in making executive officer appointments and takes a non-exclusionary and inclusive approach to executive searches. There is no policy in place to provide additional consideration to women in executive officer positions and the Company does not intend to implement such a policy or to adopt a specific target for female representation among its executive officers.

At the same time, the Board acknowledges the importance of diversity, including gender diversity, among its executive officers and, furthermore, the compelling reasons and rationale to support initiatives that remove obstacles or roadblocks from women advancing in the mining industry across all stages of their career.

Mandalay intends to address women’s representation in executive officer positions by continuing to encourage a work environment where merit, experience, opportunity and diversity of thought is encouraged. Furthermore, Mandalay believes that particular attention ought to be given to encouraging female representation within the mining industry as a whole.

Term Limits

The Company does not impose term limits on its directors, as it takes the view that term limits are an arbitrary mechanism for removing directors that can result in valuable, experienced directors being forced to leave the Board solely because of length of service. Instead, Board renewal is considered annually, as part of the annual director self-assessment process and subsequent review and assessment of the Board’s skills and expertise required for oversight. The directors assess, on an annual basis, the skills and expertise required of the Board to provide effective oversight based on the overall composition of the Board.

Other Reporting Issuer Directorships

The following table provides details regarding directors of the Company who are currently serving as directors of other reporting issuers or the equivalent in other jurisdictions:

Name of Director	Name of Other Reporting Issuer	Term of Directorship
Bradford Mills	Director – Rambler Metals & Mining PLC	Since June 2016
Abraham Jonker	Director – EastCoal Inc.	Since July 2011
Amy Freedman	Director - Park Lawn Corporation	Since June 2020
Peter R. Jones	Director – Battle North Gold Corp. Director - Reyna Silver Corp	Since December 2016 Since April 2019
Robert Doyle	Director – Golden Star Resources Ltd.	Since February 2010
Terrell Ackerman	Director – Rambler Metals & Mining PLC	Since June 2016

Position Descriptions

The Board has adopted specific position descriptions for the Executive Chair of the Board, the Lead Director and each of the Committees of the Board and for the executive officers of the Company. These position descriptions are reviewed by the Board and respective committees on an annual basis.

Copies of these position descriptions can be obtained by request to the Corporate Secretary of the Company.

Orientation and Continuing Education

The Company has an orientation program in place that includes:

- written information about duties and responsibilities of directors in the form of a Board charter;
- presentations on business and operations of the Company;
- documents from recent Board meetings;
- recent filings and financial information;
- governance documents including policies and charters; and
- opportunities for meetings and discussion with senior management and other directors.

The Company established a formal continuing education program for its directors in 2012. The program seeks to ensure that the directors are informed about issues affecting the Company's business, the industry and governance and other related issues. The program includes, on an ongoing basis:

- presentations by senior management on matters such as safety, operations, explorations and business development;
- presentations by external advisors and experts on matters such as corporate governance developments; and
- site visits annually or every two years.

Risk Oversight

Risk is a combination of external and internal factors that constantly change and evolve. The current risk management approach is designed to create visibility on the key material risks at the sites that could adversely impact the Corporation and prevent it from achieving its key operational and strategic priorities.

The General Manager of each property is responsible for identification and mitigation of their risks and have identified team leaders to manage and update risks on a quarterly basis. The CEO, CDO and CFO are responsible for corporate risk identification and mitigation and to ensure all site level risks are identified and managed and communicated to the Board. The Board is responsible for risk oversight and requiring that the CEO and senior executives prioritize risk management so that management policies and procedures around risk are consistent with the Corporation's strategy and risk appetite. At time of writing the Corporation has updated all the material risks in the Corporation with a bottom up and top-down approach, and risks pertaining to the ongoing Covid-19 pandemic have been identified, and mitigating actions are in place.

In 2014, Mandalay adopted a risk management system that consists of a bottom-up and top-down risk management process, with the goal of, at the time, identifying, managing, and reducing overall operational, financial, and strategic risks faced by the Corporation. The identified risks, risk managers and action plans were tracked on Mandalay's risk register. The key achievements of this process include risk profiles and individual risk records for the Corporation as a whole, Costerfield operations, Cerro Bayo operations, Challacollo operations and Björkdal operations. In 2015, Mandalay updated the risk management system across the Corporation as a whole, and integrated new management actions into the strategic planning and budgeting process. The risk management system continues to be reviewed and updated.

In addition, KPMG, the Corporation's third-party internal auditors, have been tasked with a risk-based internal audit process which was initiated in 2015. In 2018, KPMG reviewed Mandalay's operational and environmental permit compliance. Going forward KPMG will be used selectively, and Mandalay is reviewing a more efficient risk management process for the size of the business.

Ethical Business Conduct

The Company has adopted a Code of Business Conduct and Ethics (the "**Code**") to assist all Company personnel in making ethical decisions regarding the Company's affairs. The Code can be accessed under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.mandalayresources.com. The Code addresses such matters as compliance with laws, conflicts of interest, confidential information, protection and proper use of Company assets, fair dealings, rules and regulations, workplace conduct and reporting of illegal and unethical behaviour. Annual certification is required by each director, officer and employee of the Company acknowledging compliance with the Code.

In addition, the Company adopted a whistleblower policy in December 2015. The policy governs the process through which the Company's employees, suppliers, customers and community members or government at all jurisdictions of operations and projects, can anonymously and confidentially report any potential violation or concern contrary to the Company's policies or local laws or regulations. Mandalay has retained the services of Whistle-Blower Security, an independent service provider to receive reports on an anonymous and confidential basis. The whistleblower policy can be accessed on the Company's website at www.mandalayresources.com.

Company personnel are encouraged to talk to supervisors, managers, or other appropriate personnel about observed illegal or unethical behaviour and, when in doubt, about the best course of action in a particular situation. The Company's policy is to prohibit retaliation for reports of misconduct by others made in good faith. Senior management of the Company is responsible for monitoring compliance with the Code and the Compensation, Corporate Governance and Nominating Committee (as such committee relates to governance matters, the "**Governance Committee**") is responsible for overall oversight. In particular, the Governance Committee is responsible for reviewing senior management's monitoring of compliance with the Code and granting any waivers from the application of the Code. No waivers have been granted since the adoption of the Code. At least annually, the Governance Committee reviews the adequacy of the Code and recommends any proposed changes to the Code to the Board for approval.

Nomination of Directors

The Board has established a Compensation, Corporate Governance and Nominating Committee (as such committee relates to nominating matters, the "**Nomination Committee**") composed entirely of independent directors to assist

the Board in discharging its mandate with respect to the identification and nomination of directors. The role of the Nomination Committee is to, among other things:

- develop and recommend to the Board criteria for selecting new directors;
- assist the Board by identifying qualified individuals to become members of the Board;
- recommend to the Board the director nominees for the next annual meeting of shareholders and for each committee of the Board, the chair of each committee;
- develop and recommend to the Board procedures for the conduct of Board meetings and the proper discharge of the Board's mandate; and
- oversee the annual review of performance by the Board, its committees and the individual directors and assess the charters of the Board and its committees.

The responsibilities of the Nominating Committee in this regard include, among other things, the following:

- review the competencies, skills and personal qualities required of directors on an annual basis;
- oversee orientation and education for new directors;
- actively seek individuals qualified to become Board members;
- review and recommend membership and allocation of directors to committees;
- establish procedures for receipt of comments from all directors to be included in assessments of the Board's performance; and
- if necessary, approve the engagement of independent advisors.

The Nomination Committee does not have a formal process for identifying new candidates for Board nominations. In assessing a potential nominee, the Nomination Committee considers the Board's skills matrix and whether there are any areas for improvement, and the professional experience, education, skills, and viewpoints of the nominee and how those factors would contribute to expanding the collective knowledge and experience of the Board. The Nomination Committee considers that, while nominees should present a good fit with the existing Board in terms of their ability to work together to create shareholder value in a constructive way, diversity in opinion and gender diversity will contribute to the overall success of the Board and the Company as a whole. The Nomination Committee also consults with the CEO prior to making its recommendations to the Board.

Compensation

The Compensation Committee, which is discussed in detail above, is comprised entirely of independent directors. The Compensation Committee conducts reviews with respect to directors' compensation once a year. To make its recommendation on directors' compensation, the Compensation Committee considers the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies.

Board Committees

In addition to the Audit Committee (described in this Circular under "**Audit Committee Information**") and the Compensation, Corporate Governance and Nominating Committee, the Board also has a Safety, Health, Environmental and Community Committee (the "**Safety Committee**"). The purpose of the Safety Committee is to assist the Board in management of Company policies, programs and systems relating to environmental, health and safety issues. The Safety Committee works with management to develop appropriate safety, health and environmental performance and metrics. The responsibilities of the Safety Committee include, among other things, the following:

- reviewing with senior management the Company's goals and policies in respect of the environment and health and safety of employees and the community and providing oversight on the development and implementation of management systems relating to environmental, health and safety matters;
- ensuring that senior management has implemented an environmental and health and safety compliance audit program, which should provide an indication of the Company's risk exposures, steps taken to monitor and control such exposures, the effect of relevant regulatory initiatives and trends and material claims, and request from senior management, periodic status reports on such program and provide feedback on necessary improvements to the program; and
- receiving environmental, health and safety reports from management that include any environmental, health and safety issues of a material nature, including details of incidents reports.

Assessments

Annually, under the supervision of the Chair of the Compensation, Corporate Governance and Nominating Committee, the directors conduct a formal evaluation of the performance, effectiveness, skills, and expertise of the Board. Board renewal is also considered. Likewise, the members of each committee of the Board conduct a formal evaluation of the committees of the Board with which they are involved. As part of the evaluation process, each director completes questionnaires which require the director to assess the performance of the Board or the applicable committee. The questionnaires require input on the role, responsibilities and effectiveness of the Board/applicable committee(s), membership, conduct of meetings, performance of the Chair, and any improvements that could be made to enhance effectiveness. The questionnaire in respect of the Board includes a self-evaluation. The results of the evaluations are reviewed by the Compensation, Corporate Governance and Nominating Committee and reported to the Board.

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees.

AUDIT COMMITTEE INFORMATION

Pursuant to applicable laws, the Company is required to have an audit committee comprised of not less than three directors, all of whom must be independent and financially literate. The Audit Committee is responsible for the Company's financial reporting process and the quality of its financial reporting. In addition to its other duties, the Audit Committee reviews all financial statements, annual and interim, intended for circulation among Shareholders and reports its findings to the Board. In addition, the Board may refer to the Audit Committee other matters and questions relating to the Company's financial position. In performing its duties, the Audit Committee maintains effective working relationships with the Board, management and the external auditors and monitors the independence of those auditors.

Audit Committee's Charter

The Audit Committee's Charter can be accessed under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.mandalayresources.com.

Composition of the Audit Committee

Relevant Education and Experience

Abraham Jonker – Director

Mr. Jonker is a registered Chartered Accountant in British Columbia, (Canada), England and Wales as well as South Africa. He is also a member of the Chartered Institute of Management Accountants in the United Kingdom and holds a Masters degree in South African and International Tax from the Rand Afrikaans University. Mr. Jonker has almost 30 years of extensive management, accounting, and corporate finance experience across five continents, mostly in

the mining industry. Mr. Jonker currently serves as the Lead Independent Director of the Mandalay Board. Previously he was the Chief Financial Officer Nevada Copper Corp and Western Coal Corp at the time of its take-over by Walter Energy for \$3.3 billion. During his career Mr. Jonker has played a pivotal role in several business recoveries, has been a key team member at management level in the strategic growth of several public companies, has raised and overseen the raising of more than \$750 million in the form of equity and debt instruments and has been involved in corporate transactions aggregating several billion dollars.

Amy Freedman – Director

Amy Freedman is CEO at Kingsdale Advisors, a firm specializing in corporate governance and shareholder advisory matters with a focus on proxy battles and hostile takeovers. Prior to Kingsdale Advisors, Ms. Freedman spent over 12 years as a capital markets professional in various roles within investment banking both in the United States and Canada. Ms. Freedman obtained her JD/MBA from the University of Toronto.

Robert Doyle – Director

Mr. Doyle has over 40 years of experience in all facets of international resource exploration, development and production. Currently, Mr. Doyle serves as a director of Golden Star Resources Ltd. He was Chief Executive Officer of Medoro Resources Limited until October 2009 and was Executive Vice President prior to that. Previously, Mr. Doyle was Chief Financial Officer of a number of companies including Pacific Stratus Energy Corp., Coalcorp Mining Inc., Bolivar Gold Corp. and HMZ Metals Inc., Lac Minerals and Falconbridge Limited. In addition, he was previously a gold market analyst at RBC Capital Markets and Credit Suisse First Boston. Mr. Doyle holds CPA, CA and C.Dir designations and graduated with an HBA in Business Administration from the Ivey School of Business, University of Western Ontario.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company’s external auditors and pre-approve the provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve any non-audit services or additional work which the Chair of the Audit Committee deems as necessary, and the Chair of the Audit Committee will notify the other members of the Audit Committee of such non-audit or additional work.

External Audit Service Fees

The following table sets forth fees paid by the Company to E&Y for all services in the fiscal years ended December 31, 2020 and December 31, 2019. E&Y was appointed as auditor of the Company on June 10, 2014.

	Fiscal Year Ended December 31, 2020 (CDN\$)	Fiscal Year Ended December 31, 2019 (CDN\$)
Audit Fees	611,000	702,000
Audit-related Fees	-	-
Tax Fees	136,000	85,000
All Other Fees	-	-
Total	747,000	787,000

Notes:

- (1) “Audit Fees” include assurance and services related to the performance of the audit or review of financial statements.
- (2) “Tax Fees” include tax compliance, tax advice and tax planning.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the fiscal year ended December 31, 2020, to the date hereof, no director, executive officer or employee or former executive officer, director or employee of the Company or any of its subsidiaries has been indebted to the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in the Company's management information circular dated March 1, 2019, the Company's prospectus supplement dated February 12, 2019 to the Company's final short form base shelf prospectus dated February 12, 2018, or the consolidated audited financial statements of the Company for the fiscal year ended December 31, 2018, which can be accessed under the Company's profile on SEDAR at www.sedar.com, or otherwise set out herein, for the fiscal year ended December 31, 2019, to the date hereof, "informed persons" (as such term is defined in National Instrument 51-102) of the Company, proposed directors and associates and affiliates of any such persons did not have an interest in any transactions or proposed transactions which have materially affected or would materially affect the Company or any of its subsidiaries.

REGISTRAR AND TRANSFER AGENT

Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, ON M5J 2Y1, is the registrar and transfer agent for the Common Shares.

OTHER MATTERS

Management of the Company knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Circular. However, if any other matter properly comes before the Meeting, the forms of proxy furnished by the Company will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Liability Insurance

Mandalay maintains a Directors' and Officers' Liability insurance program for the benefit of its directors and officers. This provides coverage for loss that a director or officer becomes legally obligated to pay on account of a claim made against them from an alleged or actual wrongful act committed in their executive capacity.

Although Mandalay maintains insurance in amounts that it believes to be reasonable, the Corporation's insurance might not cover all the potential risks associated with its business. The Corporation may be unable to maintain insurance to cover certain risks at economically feasible premiums or insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

Additional information relating to the Company can be found on SEDAR at www.sedar.com. Financial information is provided in the Company's comparative annual financial statements and management discussion and analysis for the Company's most recently completed financial year. Copies of the Company's financial statements and management discussion and analysis may be obtained, without charge, upon request to the Company at Suite 330 – 76 Richmond Street East, Toronto, Ontario, M5C 1P1.

APPROVAL OF DIRECTORS

The contents and the sending of this Circular have been approved by the directors of the Company.

DATED at Toronto, Ontario this 16th day of April, 2021.

(signed) "Dominic Duffy"

Dominic Duffy
President and Chief Executive Officer

SCHEDULE A

MANDALAY RESOURCES CORPORATION (the "Company")

BOARD OF DIRECTORS CHARTER

PURPOSE

The Board of Directors is elected by the Company's shareholders to supervise the affairs of the Company and ensure management of the business in the best interests of the Company. The Board of Directors shall:

- Review and approve the strategic plan and business objectives of the Company that are submitted by senior management and monitor the implementation by senior management of the strategic plan. During at least one meeting each year, the Board of Directors will review the Company's long-term strategic plans and the principal issues that the Company expects to face in the future.
- Review the principal strategic, operational, reporting and compliance risks for the Company and oversee, with the assistance of the Audit Committee, the implementation and monitoring of appropriate risk management systems and the mitigation of risks.
- Ensure, with the assistance of the Corporate Governance and Nominating Committee, the effective functioning of the Board of Directors and its committees, in compliance with corporate governance requirements of applicable legislation, and ensure that the Corporate Governance and Nominating Committee review such compliance periodically.
- Ensure that internal controls and management information systems for the Company are in place and are reviewed and evaluated periodically on the initiative of the Audit Committee.
- Assess the performance of the Company's senior management and periodically monitor the compensation levels of such senior management based on determinations and recommendations made by the Compensation Committee.
- Ensure that the Company has in place a policy for effective communication with shareholders, other stakeholders and the public generally.
- Review and, where appropriate, approve the recommendations made by the various committees of the Board of Directors, including, without limitation, to: select nominees for election to the Board of Directors; appoint directors to fill vacancies on the Board of Directors; appoint members of the various committees of the Board of Directors; and, establish the form and amount of director compensation.

COMPOSITION

The Board of Directors collectively should possess a broad range of skills, expertise, industry and other knowledge, and business and other experience useful to the effective oversight of the Company's business. The Board of Directors should be comprised of that number of individuals which will permit the Board of Directors' effective functioning. The appointment and removal of directors shall occur in accordance with the Company's by-laws. A majority of the Board of Directors should meet the independence requirements of applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators. The Board of Directors has adopted a set of categorical standards for determining whether directors satisfy those requirements for independence. A copy of those standards is attached as **Appendix A**. The Board of Directors, upon the recommendation of the Corporate Governance and Nominating Committee, shall designate the Chair by majority vote of the Board of Directors.

MEETINGS

The Board of Directors shall meet at least four times each year and more frequently as circumstances require. All members of the Board of Directors should strive to be at all meetings. The Board of Directors may meet separately,

periodically, without senior management, and may request any member of the Company's senior management or the Company's outside counsel or independent auditor to attend meetings of the Board of Directors or with advisors thereto.

COMMITTEES

The Board of Directors may delegate authority to individual directors and committees where the Board of Directors determines it is appropriate to do so. The Board of Directors expects to accomplish a substantial amount of its work through committees and shall form at least the following three committees: the Audit Committee, the Compensation, Corporate Governance and Nominating Committee and the Safety, Health, Community and Environmental Committee. The Board of Directors may, from time to time, establish or maintain additional standing or special committees as it determines to be necessary or appropriate. Each committee should have a written charter and should report regularly to the Board of Directors, summarizing the committee's actions and any significant issues considered by the committee.

INDEPENDENT ADVICE

In discharging its mandate, the Board of Directors shall have the authority to retain (and authorize the payment by the Company of) and receive advice from special legal, accounting or other advisors as the Board of Directors determines to be necessary to permit it to carry out its duties.

ANNUAL EVALUATION

Annually, or more frequently at the request of the Chief Executive Officer as a result of legislative or regulatory changes, the Board of Directors through the Corporate Governance and Nominating Committee shall, in a manner it determines to be appropriate:

- Conduct a review and evaluation of the performance of the Board of Directors and its members and committees, including the compliance of the Board of Directors with this Charter. This evaluation will focus on the contribution of the Board of Directors to the Company and specifically focus on areas in which the directors and senior management believe that the contribution of the Board of Directors could be improved.
- Review and assess the adequacy of this Charter and the position description for the Chair and make any improvements the Board of Directors determines to be appropriate, except for minor technical amendments to this Charter, authority for which is delegated to the Chief Executive Officer, who will report any such amendments to the Board of Directors at its next regular meeting.

MANDALAY RESOURCES CORPORATION
(the “Company”)

Appendix A

CATEGORICAL STANDARDS FOR DETERMINING

INDEPENDENCE OF DIRECTORS

For a director to be considered independent under the policies of the Canadian Securities Administrators, he or she must have *no direct or indirect material relationship with the Company*, being a relationship that could, in the view of the Board of Directors, reasonably interfere with the exercise of a Director’s independent judgment.

The Board of Directors, upon the recommendation of the Corporate Governance and Nominating Committee, has considered the types of relationships that could reasonably be expected to be relevant to the independence of a director of the Company. The Board of Directors has determined that:

1. A director’s interests and relationships arising solely from his or her (or any immediate family members’¹) shareholdings in the Company are not, in and of themselves, a bar to independence.
2. Unless a specific determination to the contrary is made by the Corporate Governance and Nominating Committee as a result of there being another direct or indirect material relationship with the Company, a director will be independent unless currently, or at any time within the past three years, he or she or any immediate family member:
 - **Employment:** Is (or has been) an officer or employee (or, in the case of an immediate family member, an executive officer) or (in the case of the director only) an affiliate² of the Company or any of its subsidiaries or affiliates (collectively, the “**Company Group**”) or is actively involved in the day-to-day management of the Company.
 - **Direct Compensation:** Receives (or has received) direct compensation during any twelve-month period from the Company Group (other than director fees and committee fees and pension or other forms of deferred compensation for prior service, provided it is not contingent on continued service)³.
 - **Auditor Relationship:** Is (or has been) a partner or employee of a firm that is the Company’s internal or independent auditor (provided that in the case of an immediate family member, he or she participates in its audit, assurance or tax compliance (but not tax planning practice)) and if during that time, he or she or an immediate family member was a partner or employee of that firm but no longer is such, he or she or the immediate family member personally worked on the Company’s audit;
 - **Material Commercial Relationship:** Has (or has had), or is an executive officer, employee or significant shareholder of a person that has (or has had), a significant commercial relationship with the Company Group.

¹ A (i) spouse, parent, child, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or (ii) any person (other than domestic employees) who shares that director’s home.

² A company is a subsidiary of another company if it is controlled, directly or indirectly, by that other company (through one or more intermediaries or otherwise). An “Affiliate” of a person is a person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with the first person.

³ Employment as an interim chair or an interim Chief Executive Officer need not preclude a director from being considered independent following the end of that employment. Receipt of compensation by an immediate family member need not preclude a director from being independent if that family member is a non-executive employee.

- Cross-Compensation Committee Link: Is employed as an executive officer of another entity whose compensation committee (or similar body) during that period of employment included a current executive officer of the Company.
- Material Association: Has (or has had) a close association with an executive officer of the Company.

Notwithstanding the foregoing, no director will be considered independent if applicable securities legislation, rules or regulations expressly prohibit such person from being considered independent.

