



MANDALAY RESOURCES CORPORATION ANNOUNCES CEO TRANSITION PLAN AND SENIOR MANAGEMENT PROMOTIONS

TORONTO, ON, December 6, 2022 — Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND, OTCQB: MNDJF) today announced that Dominic Duffy has advised the board of directors of his decision to resign as President and Chief Executive Officer for personal reasons. Mr. Duffy will continue to serve as CEO and assist with the transition of leadership until his departure in July 2023. He will also remain on the board in a non-executive capacity after his departure as CEO. Mandalay's board of directors have engaged a recruiting firm to lead the search process for Mr. Duffy's successor.

Mandalay is also pleased to announce that, effective December 15, 2022, Ryan Austerberry will be promoted to the role of Chief Operating Officer. Mr. Austerberry is currently the General Manager of Mandalay's Costerfield mine and was previously the General Manager of Mandalay's other operating mine, Björkdal. Adam Self the current Mine Manager at Costerfield will replace Mr. Austerberry as Costerfield's General Manager.

Bradford Mills, Executive Chairman, commented:

"On behalf of everyone at Mandalay, I would like to extend our deepest thanks to Dominic for his strategic vision, leadership and dedication to Mandalay over the past 12 years. In particular, Dominic played a crucial role in Mandalay's turnaround over the past four years, leading a dramatic improvement of our operating performance and financial results.

"When Dominic was appointed CEO in 2018, Mandalay was facing significant operational and liquidity issues. He led Mandalay through these challenges by successfully recapitalizing the Company, disposing of our non-core assets, transforming both operations and achieving significant exploration success, particularly at Costerfield. His efforts led to the Company's remarkable performance since then, and he leaves Mandalay in a very strong financial position with two producing mines that are generating significant free cash flow and have significant additional exploration potential. We are also glad that Dominic has agreed to continue to serve as a director following his departure as CEO, which will ensure leadership continuity and maintain a strong technical presence on the Mandalay board.

"I would like to congratulate Ryan and Adam on their well-earned promotions. Their history with Mandalay, together with Dominic's continued involvement will help to make the transition to Mandalay's next CEO as seamless as possible."

Dominic Duffy, President and CEO of Mandalay commented:

"I would like to thank Mandalay and the board of Mandalay for giving me the opportunities over the last 12 years and especially the chance to lead the Company for the last four years. It is with sadness that I will be leaving the CEO position; I have worked with a fantastic team, who have proven themselves with the dramatic turnaround of Mandalay over a four-year period. I will be stepping back at Mandalay, leaving it in an excellent position to continue growing and I look forward to seeing its future successes.

"I congratulate Ryan on his promotion to COO. Ryan has proven his operational expertise while running both the Björkdal and Costerfield operations, allowing for a smooth transition for the incoming CEO. I would also like to congratulate Adam on moving into the role of General Manager at Costerfield."

Biographies of Ryan Austerberry and Adam Self are set out below:

Ryan Austerberry (MAusIMM CP) has over 18 years experience in the resources industry, predominantly in technical roles and project management. Mr. Austerberry has worked with Mandalay since 2009, and prior to becoming General Manager of Costerfield, Mr. Austerberry was General Manager of Björkdal, and was Corporate Manager of Technical Services. Mr. Austerberry holds a Bachelor of Applied Science Degree from the Royal Melbourne Institute of Technology, a Graduate Diploma in Mining from the University of Ballarat, an MBA from the Australian Institute of Business, and is a Graduate of the Australian Institute of Company Directors Course. Mr. Austerberry sits on the board of Equus Mining as the Mandalay appointed director.

Adam Self has over 25 years experience in the resources industry, predominantly in underground production roles. Mr. Self commenced his career as an underground operator across operations in Western Australia and Queensland before locating to BHP Billiton's Cannington mine, quickly advancing to a supervisor role and continuing to progress through roles in Business Improvement (Six Sigma Green Belt) and Technical Services to become a senior engineer. Mr. Self was a leader of Emergency Response Team, attaining a Certificate 4 in Public Safety (Leadership), and Certificate 3 Mine Emergency Response and Rescue. Mr. Self has been with Mandalay's Costerfield operation since 2018, originally as Technical Services Superintendent, and since 2019 in the role of Mine Manager.

For Further Information:

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About Mandalay Resources Corporation:

Mandalay Resources is a Canadian-based natural resource company with producing assets in Australia (Costerfield gold-antimony mine) and Sweden (Björkdal gold mine), with projects in Chile and Canada under care and maintenance, closure or development status. The Company is focused on growing its production profile and reducing costs to generate significant positive cash flow.

Mandalay's mission is to create shareholder value through the profitable operation of both its Costerfield and Björkdal mines. Currently, the Company's main objective is to continue mining the high-grade Youle vein at Costerfield, which continues to supply high-grade ore, and also focus on extending Youle's Mineral Reserves at depth. At Björkdal, the Company will aim to increase

production from the Aurora zone in the coming years, in order to maximize profit margins from the mine.

Forward-Looking Statements:

This news release contains "forward-looking statements" within the meaning of applicable securities laws, including statements regarding Mandalay's CEO transition plan. There is no assurance that the proposed transaction will be completed on the terms set out in this press release or at all. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, changes in commodity prices and general market and economic conditions. The factors identified above are not intended to represent a complete list of the factors that could affect Mandalay. A description of additional risks that could result in actual results and developments differing from those contemplated by forward-looking statements in this news release can be found under the heading "Risk Factors" in Mandalay's annual information form dated March 30, 2022, a copy of which is available under Mandalay's profile at www.sedar.com. In addition, there can be no assurance that any inferred resources that are discovered as a result of additional drilling will ever be upgraded to proven or probable reserves. Although Mandalay has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.