Note to Reader: This version of the following press release contains immaterial revisions to certain of the figures contained in the original version of the press release that was disseminated on February 21, 2018 via GlobeNewsire.

Mandalay Resources Corporation Announces its Unaudited 2017 Fourth Quarter and Full-Year 2017 Financial Results

TORONTO, ON, February 21, 2018 -- Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND) today announced its unaudited financial results for the year-ended December 31, 2017.

Mandalay's audit of its 2017 annual consolidated financial statements is not yet complete and accordingly all financial amounts referred to in this news release are unaudited and represent management's estimates. Readers are advised that these amounts are subject to audit and may be subject to change as a result. The Company intends to file its condensed and consolidated financial results for the year ended December 31, 2017, together with its Management's Discussion and Analysis ("MD&A") for the corresponding period, at the close of business on February 22, 2018 under the Company's profile on www.sedar.com and on the Company's website at www.mandalayresources.com. All currency references in this press release are in U.S. dollars except as otherwise indicated.

The Company generated revenue of $38.1 million, adjusted EBITDA of $14.4 million and consolidated net loss of $23.1 million, or $0.05 loss per share, for the fourth quarter of 2017.

For the full-year 2017, Mandalay generated revenue of $163.0 million, adjusted EBITDA of $48.6 million and adjusted net loss before special items of $10.1 million. After special items totaling $32.6 million ($19.8 million Cerro Bayo write-off of assets and $12.8 million of Cerro Bayo incident related expenses), the Company reported consolidated net loss for the year of $42.7 million and $0.09 loss per share.

There were several one-time items contributing to the Company's net cash outflow in 2017 that Mandalay expects will not recur going forward. In 2017, free cash flow for the Company totalled $20.0 million outflow. However, this amount includes $12.8 million of expenses related to the search and recovery effort after the June, 2017 inundation at Cerro Bayo and follow-on redundancy and care and maintenance costs. The Company expects that, from 2018 onwards, care and maintenance costs at Cerro Bayo will be about $6.0 million per year. The other items the Company incurred which it does not expect to recur in 2018 include $26.4 million of cash outflows, including:

- Net repayment of borrowings of $14.2 million (mainly consisting of part repayment of the Gold Loan, and drawdown of the Revolver Facility);

- Increase in reclamation deposit required at the Lupin mine of $7.5 million (which the Company is working to recover); and

- Dividends of $4.7 million (the Company has suspended its dividend policies on its common shares during 2017).

The Company also spent $1.7 million on reclamation on the Ulu and Lupin sites in 2017, which it expects will reduce the estimate of final closure costs there and possibly be reimbursed through reduction of required reclamation deposits.

Mandalay also expects the benefit of the cash inflow from the record fourth quarter production at Björkdal to be reflected in the first quarter 2018 financial results.

Commenting on 2017 results, Dr. Mark Sander, President and CEO of Mandalay, noted, "2017 was a challenging year for the Company. Mandalay generated 12% lower revenue in 2017 than in 2016 due to suspension of production at Cerro Bayo after the inundation on June 9, 2017. Lack of production from Cerro Bayo was offset by record production at Björkdal, which continues to demonstrate operational improvements. Mandalay cost of sales decreased by 15% year-on-year as relatively high-cost Cerro Bayo left the mix and Björkdal unit costs declined signficantly. With the impact of lower revenue, the Company generated only 4% less adjusted EBITDA and follow-on reduced net income before special items in the current quarter."

Dr. Sander continued, "The fourth quarter of 2017 was distinguished by record performance at Björkdal. The fourth quarter saw the highest gold production at Björkdal since Mandalay assumed ownership. For the last three quarters of 2017 since the turnaround really took hold, the mine has produced at an annualized rate of almost 68,500 ounces of gold at an average cash cost of $770/oz. We are pleased that the grade control program continues to function well and that the debottlenecking actions we took in the open pit and underground mines at the end of the first quarter performed exactly as planned. We expect continued good performance from Björkdal into 2018 as the management team builds on its success.

"Costerfield continued to deliver dependable performance in the fourth quarter of 2017, producing 12,360 gold equivalent ounces at a very sound cash cost of $707 per ounce, and at an all-in cost of $902 per ounce. We expect continued performance at these levels for the upcoming year as development of the new Brunswick lode is completed and production transitions from Cuffley to Brunswick.

"As expected, Cerro Bayo remained on care and maintenance through the entire fourth quarter. Staffing has been reduced to approximately 50, focused on: care and maintenance activities, investigating the cause of the inundation last June, and obtaining all permits necessary to restart and complete the life of mine plan. The Company has decided that, given the range of expectations about timing of the restart permitting process, it is appropriate to impair the carrying value of the asset by $19.8 million."

Dr. Sander concluded, "Mandalay is committed as always to delivering strong shareholder returns and increasing net asset value per share to its investors. While the events at Cerro Bayo have indeed challenged this commitment, I am incredibly impressed by the dedication and focus of our people on generating value to not only counter that challenge, but go beyond."

Unaudited Fourth Quarter and Full-Year 2017 Financial Highlights

The following table summarizes the Company's financial results for the three months and year ended December 31, 2017 and 2016:

	Three months Ended December 31, 2017	Three months Ended December 31, 2016	Year Ended December 31, 2017	Year Ended December 31, 2016
	$'000	$'000	$'000	$'000
Revenue	38,093	32,391	162,997	185,543
Cost of Sales	22,690	32,812	107,111	125,554
Adjusted EBITDA*	14,405	(2,321)	48,597	50,865
Income from mine operations before depreciation and depletion	15,403	(421)	55,886	59,989
Adjusted net income (loss) before special items*	839	(10,768)	(10,114)	(2,526)
Consolidated net loss	(23,073)	(25,542)	(42,706)	(20,233)
Cash capex	12,485	11,637	47,465	42,348
Total assets	305,061	350,232	305,061	350,232
Total liabilities	139,522	147,195	139,522	147,195
Adjusted net income (loss) per share*	$0.00	$(0.02)	$(0.02)	$(0.01)
Consolidated net loss per share	$(0.05)	$(0.06)	$(0.09)	$(0.05)

* Adjusted EBITDA, adjusted net income (loss) before special items and adjusted net income (loss) per share are non-IFRS measures. See "Non-IFRS Measures" at the end of this press release.

In the fourth quarter of 2017, Mandalay sold 1% more ounces of gold equivalent than in the fourth quarter of 2016. This is a result of the breakthrough performance quarter at Björkdal offsetting the lack of production from Cerro Bayo. At the same time, average gold and antimony prices rose 5% and 9% quarter-over-quarter respectively, while average price of silver (of which the Company produced and sold none in the fourth quarter) decreased by 3%. The net effect is that Mandalay's revenue of $38.1 million in the fourth quarter of 2017 was $5.7 million higher than in the fourth quarter of 2016.

Total cost of sales across the Company was lower in the fourth quarter of 2017 than in the fourth quarter of 2016. Other than the $8.2 million decrease due to the production suspension at Cerro Bayo, cost of sales decreased at Costerfield by $2.9 million, while it increased at Björkdal by $1.1 million. Consolidated administrative costs across the Company decreased by $0.9 million.

Mandalay generated $14.4 million in adjusted EBITDA in the current quarter, $3.7 million higher than in the previous quarter, and $16.7 million higher than the fourth quarter of 2016. This led to a consolidated net loss of $23.4 million in the fourth quarter of 2017 versus a loss of $25.5 million in the fourth quarter of 2016, which was impacted by the expenses of search efforts related to the flooding incident, care and maintenance costs at Cerro Bayo and and write-down of assets of $19.8 million.

Mandalay ended the fourth quarter with $16.9 million in cash and cash equivalents and with $15 million drawn on the total $40 million revolving credit facility.

Fourth Quarter and Full-Year 2017 Operational Highlights

The table below summarizes the Company's capital expenditures and operational unit costs for the three and twelve months ended December 31, 2017 and 2016:

		Three months ended December 31, 2017	Three months ended December 31, 2016	Year ended December 31, 2017	Year ended December 31, 2016
		$'000	$'000	$'000	$'000
Björkdal					
	Gold produced (oz)	22,035	10,934	62,028	48,143
	Cash cost* per oz gold produced	$617	$1,160	$816	$956
	All-in cost* per oz gold produced	$848	$1,374	$1,083	$1,190
	Underground capital devel. & open pit prestrip	4,502	2,144	14,499	9,611
	Capital purchases	3,902	2,000	9,699	4,917
	Capital exploration	140	948	1,823	3,980
Costerfield					
	Gold produced (oz)	7,222	7,523	31,512	41,310
	Antimony produced (t)	805	792	3,115	3,598
	Gold equivalent produced (oz)	12,360	12,403	52,137	60,076
	Cash cost* per oz gold equivalent produced	$707	$837	$701	$640
	All-in cost* per oz gold equivalent produced	$902	$1,096	$991	$890
	Underground capital devel. & open pit prestrip	553	Nil	2,437	Nil
	Capital purchases	954	1,033	4,492	3,407
	Capital exploration	787	1,010	4,020	4,551
Cerro Bayo					
	Silver produced (oz)	-	365,214	794,533	1,731,031
	Gold produced (oz)	-	2,807	5,909	13,792
	Cash cost* per oz silver net byproduct credit	-	$17.48	$14.10	$12.29
	All-in cost* per oz silver net byproduct credit	-	$25.99	$27.05	$20.87
	Underground capital devel. & open pit prestrip	-	2,014	5,971	8,260
	Capital purchases	741	260	2,216	3,292
	Capital exploration	529	762	1,402	3,040
Consolidated					
	Gold equivalent produced (oz)	34,395	31,293	131,186	145,498
	Average cash cost* per oz gold equivalent	$680	$1,101	$851	$899
	Average all-in cost* per oz gold equivalent	$945	$1,385	$1,175	$1,189
	Underground capital devel. & open pit prestrip	5,055	4,158	22,907	17,871
	Capital purchases	5,651	3,317	16,465	11,821
	Capital exploration	1,778	4,179	8,093	13,805

*Cash cost and all-in cost are non-IFRS measures. See "Non-IFRS Measures" at the end of this press release.

Björkdal gold mine, Sweden

Björkdal delivered its best quarter since being acquired by Mandalay in 2014, with its highest gold production (22,035 ounces) and lowest cash and all-in costs ($617/oz and $848/oz, respectively). These results are based on continued grade control discipline, improved rates of underground stoping and open pit production, and, to some extent, positive grade reconciliations in high-grade parts of the mine. As a result, mill head grade averaged approximately 1.76 g/t for the year, much higher than the previous year's 1.35 g/t. Recoveries were also higher in 2017 due to the successful commissioning of the flotation expansion mid-year, which increased recoveries by approximately 1.5%.

Costerfield gold-antimony mine, Victoria, Australia

Costerfield continued its dependable performance, in which well-controlled costs and a consistently full plant deliver production that is directly related to the grade of mill feed in the period, and cash costs per ounce that are inversely related. Grade variations are predicted well, and generate expected variability in production and financial results. Costerfield's production of 12,360 ounces gold equivalent in the fourth quarter of 2017 was less than in the third quarter of 2017 due to lower grades. Lower production in the fourth quarter of 2017 compared to the fourth quarter of 2016 was expected, as a year ago Mandalay was mining in the heart of the highest-grade portion of the Cuffley lode and currently is mining lower-grade parts of the deposit. After the end of the fourth quarter, Mandalay committed to develop the Brunswick lode, which resulted in Mineral Reserve additions and an extended mine life for the operation.

Cerro Bayo silver-gold mine, Patagonia, Chile

No production occurred at Cerro Bayo in the fourth quarter. As of the end of 2017, care and maintenance staff (of about 50 employees) is focused on keeping the infrastructure in good condition for restart, investigating the causes of the Delia NW inundation, and obtaining regulatory permits for the restart. Any restart will be contingent on the Company being confident that flooding will not recur in the mines around Laguna Verde and the receipt of all permits necessary for the life of mine plan. The Company is engaged with Chilean regulators to submit high-quality applications based on this work, respond to questions with timely, high-quality answers and achieve rapid permitting outcomes.

Challacollo, Chile

Mandalay completed its water exploration program at Challacollo in the second quarter of 2017, finding sufficient supply of groundwater to support a potential operation. The Company continues to pursue both the achievement of receiving water rights associated with this new source and the environmental permit for exploration drilling to enlarge the Mineral Resource.

La Quebrada

The La Quebrada copper-silver project in central Chile remained on care and maintenance throughout the period. Spending on care and maintenance at La Quebrada was less than $0.1 million during the fourth quarter of 2017.

Lupin and Ulu

The Lupin and Ulu gold projects in Nunavut, Canada were acquired with the Elgin acquisition and are currently held for sale as non-core assets. On October 31, 2016, the Company entered into a definitive agreement for sale of both projects to WPC Resources Inc. ("WPC"), but the transaction was not completed due to a C$9.1 million increase in reclamation bonding requirement for the Lupin project that was imposed shortly before the planned closing date. Subsequently, and due to the bonding requirements, the Company and WPC entered into two separate non-binding Letters of Intent regarding WPC's potential acquisition of the two projects on terms that are substantially similar, in the aggregate, to those contemplated by the prior definitive agreement. A definitive agreement for Ulu, consistent with the Letter of Intent, has since been executed and the Company and WPC are in the process of negotiating a definitive agreement for Lupin with WPC. During the fourth quarter of 2017, the Company decided to recognize a $1.5 million-write-down at the Ulu and Lupin assets.

Conference Call

Mandalay's management will be hosting a conference call for investors and analysts on February 22, 2018 at 8:00 am (Toronto time).

Analysts and interested investors are invited to participate using the following dial-in numbers:

Participant Number:	(201) 689-8341
Participant Number (Toll free):	(877) 407-8289
Conference ID:	13676606

A replay of the conference call will be available until 11:59 pm (Toronto time), March 8, 2018 and can be accessed using the following dial-in number:

Encore Toll Free Dial-in Number:	(877) 660-6853
Encore ID:	13676606

MANDALAY RESOURCES CORPORATION
Unaudited consolidated statements of loss and comprehensive loss

Years ended December 31, 2017 and 2016
(Expressed in U.S. dollars)

		Year ended December 31,
	2017	2016
	($'000)	($'000)
Revenue	**162,997**	185,543
Cost of operations		
Cost of sales, excluding depletion and depreciation	**107,111**	125,554
Depletion and depreciation	**40,258**	40,027
	147,369	165,581
Income from mining operations	**15,628**	19,962
Expenses		
Administration	**7,289**	9,124
Care and maintanance and other operating expenses	**12,815**	-
Write-off of assets	**21,813**	17,925
Share-based compensation	**1,000**	905
Loss on disposal of property, plant and equipment	**575**	635
	43,492	28,589
Loss from operations	**(27,864)**	(8,627)
Other income (expenses)		
Finance costs	**(8,176)**	(5,693)
Loss on financial instruments	**(2,608)**	(262)
Other income	**434**	337
Foreign exchange loss	**(1,717)**	(943)
	(12,067)	(6,561)
Loss before income taxes	**(39,931)**	(15,188)
Income tax expense		
Current	**2,948**	123
Deferred	**(173)**	4,922
Income tax expense	**2,775**	5,045
Net loss for the year	**(42,706)**	(20,233)
Other comprehensive income (loss), net of tax		
Item that may subsequently be reclassified to net loss		
Foreign currency translation	**8,875**	(4,735)
Comprehensive loss for the year	**(33,831)**	(24,968)
Net loss per share		
Basic	**(0.09)**	(0.05)
Diluted	**(0.09)**	(0.05)
Weighted average number of common shares outstanding		
Basic and Diluted ('000)	**451,247**	430,151

MANDALAY RESOURCES CORPORATION
Unaudited consolidated statements of financial position

As at December 31, 2017 and 2016

(Expressed in U.S. dollars)

	December 31, 2017	December 31, 2016
	($'000)	($'000)
Assets		
Current assets		
Cash and cash equivalents	**16,935**	66,917
Trade receivables and other assets	**27,186**	26,226
Inventories	**24,249**	25,207
Prepaid expenses	**2,850**	3,713
Assets held for sale	**-**	31,382
	71,220	153,445
Non-current assets		
Reclamation and other deposits	**35,924**	5,146
Trade and other receivables	**3,324**	1,884
Property, plant and equipment	**194,564**	188,818
Intangible asset	**29**	305
Deferred tax asset	**-**	634
	233,841	196,787
	305,061	350,232
Liabilities		
Current liabilities		
Trade and other payables	**24,281**	23,133
Borrowings	**1,699**	1,303
Five-year exchangeable loan	**27,784**	56,424
Income taxes payable	**1,053**	3,570
Other provisions	**2,083**	2,603
Financial instruments	**3,567**	1,072
Liabilities associated with assets held for sale	**-**	21,554
	60,467	109,659
Non-current liabilities		
Borrowings	**16,161**	1,263
Reclamation and site closure costs provision	**49,886**	23,391
Other provisions	**1,590**	1,146
Deferred tax liability	**11,418**	11,736
	79,055	37,536
	139,522	147,195
Equity		
Share capital	**191,893**	191,819
Share option reserve	**9,816**	8,854
Foreign currency translation reserve	**(28,654)**	(37,529)
Retained earnings	**(7,516)**	39,893
	165,539	203,037
	305,061	350,232

MANDALAY RESOURCES CORPORATION
Unaudited consolidated statements of cash flows

for the year ended December 31, 2017 and 2016
(Expressed in U.S. dollars)

	Year ended December 31, 2017	2016
	($'000)	($'000)
Operating activities		
Net loss	**(42,706)**	(20,233)
Adjustments to reconcile net income to net cash flows from operating activities		
Amortization of intangible asset	**276**	492
Depletion and depreciation	**40,258**	40,027
Share-based compensation	**1,000**	905
Loss on disposal of property, plant and equipment	**575**	635
Write-off of assets	**21,813**	17,925
Finance cost	**8,176**	5,693
Unrealized gain on derivative financial instruments	**2,608**	262
Other income	**(434)**	(337)
Foreign exchange gain (loss)	**2,677**	(450)
Income tax expense	**2,775**	5,045
Changes in non-cash operating working capital items		
Trade and other receivables	**(179)**	(2,860)
Inventories	**2,183**	1,589
Prepaid and other expenses (income)	**138**	(2,187)
Trade and other payables	**(4,303)**	6,076
Provisions	**1,329**	1,075
Cash generated from operations	**36,186**	53,657
Income taxes paid	**(2,860)**	(2,871)
Interest and other income	**434**	337
Interest and bank charges paid	**(6,271)**	(3,825)
Net cash flows from operating activities	**27,489**	47,298
Investing activities		
Payment on reclamation and other deposits	**(7,500)**	(294)
Reclamation spent	**(1,667)**	-
Payment for cancellation of royalty contract	**-**	(4,000)
Expenditure for property, plant and equipment	**(47,465)**	(42,348)
Proceeds on disposal of property, plant and equipment	**39**	1,082
Net cash flows used in investing activities	**(56,593)**	(45,560)
Financing activities		
Proceeds from borrowings	**16,243**	908
Repayments of borrowings and associated costs	**(30,465)**	(1,052)
Issuance of common shares for cash	**-**	31,459
Cost for issue of common shares	**-**	(1,859)
Dividends paid	**(4,703)**	(11,873)
Net cash flows (used in) provided by financing activities	**(18,925)**	17,583
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	**(1,953)**	(1,603)
Increase (decrease) in cash and cash equivalents	**(49,982)**	17,718
Cash and cash equivalents, beginning of the year	**66,917**	49,199
Cash and cash equivalents, end of year	**16,935**	66,917
Cash and cash equivalents consist of		
Cash	**16,935**	66,917
Cash equivalents	**-**	-
	16,935	66,917

For Further Information:

Mark Sander
President and Chief Executive Officer

Greg DiTomaso
Director of Investor Relations

Contact:
1.647.260.1566

About Mandalay Resources Corporation:

Mandalay Resources is a Canadian-based natural resource company with producing assets in Australia and Sweden, and care and maintenance and development projects in Chile. The Company is focused on executing a roll-up strategy, creating critical mass by aggregating advanced or in production gold, copper, silver and antimony projects in Australia, the Americas and Europe to generate near-term cash flow and shareholder value.

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of applicable securities laws, including guidance as to anticipated gold, silver, and antimony production and production costs in the future and the potential for a restart of operations at the Company's Cerro Bayo mine. Readers are cautioned not to place undue reliance on forward-looking statements. 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 31, 2017 and in its short form base shelf prospectus dated February 12, 2018, copies of which are available under Mandalay's profile at www.sedar.com. 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.

Non-IFRS Measures

This news release may contain references to adjusted EBITDA, adjusted net income, cash cost per saleable ounce of gold equivalent produced, cash cost per saleable ounce of silver produced net of gold credits, site all-in cost per saleable ounce of gold equivalent produced, site all-in cost per saleable ounce of silver produced net of gold credits, all-in costs and cash capex, all of which are non-IFRS measures and do not have standardized meanings under IFRS. Therefore, these measures may not be comparable to similar measures presented by other issuers.

Management uses adjusted EBITDA as a measure of operating performance to assist in assessing the Company's ability to generate liquidity through operating cash flow to fund future working capital needs and to fund future capital expenditures, as well as to assist in comparing financial performance from period to period on a consistent basis. Management uses adjusted net income in order to facilitate an understanding of the Company's financial performance prior to the impact of non-recurring or special items. The Company believes that these measures are used by and are useful to investors and other users of the Company's financial statements in evaluating the Company's operating and cash performance because they allow for analysis of its financial results without regard to special, non-cash and other non-core items, which can vary substantially from company to company and over different periods.

The Company defines adjusted EBITDA as income from mine operations, net of administration costs, and before interest, taxes, non-cash charges/(income), intercompany charges and finance costs. A reconciliation between adjusted EBITDA and net income will be included in the MD&A.

The Company defines cash capex as cash spent on mining interests, property, plant and equipment, and exploration as set out in the cash flow statement of the financial statements.

The Company defines free cash flow as a measure of the Corporation's ability to generate and manage liquidity. This term does not have a standard meaning and is intended to provide the reader with additional information.

For Costerfield, saleable equivalent gold ounces produced is calculated by adding to saleable gold ounces produced, the saleable antimony tonnes produced times the average antimony price in the period divided by the average gold price in the period. The total cash operating cost associated with the production of these saleable equivalent ounces produced in the period is then divided by the saleable equivalent gold ounces produced to yield the cash cost per saleable equivalent ounce produced. The cash cost excludes royalty expenses. Site all-in costs include total cash operating costs, royalty expense, accretion, depletion, depreciation and amortization. The site all-in cost is then divided by the saleable equivalent gold ounces produced to yield the site all-in cost per saleable equivalent ounce produced.

For Cerro Bayo, the cash cost per saleable silver ounce produced net of gold byproduct credit is calculated by deducting the gold credit (which equals saleable ounces gold produced times the realized gold price in the period) from the cash operating costs in the period and dividing the resultant number by the saleable silver ounces produced in the period. The cash cost excludes royalty expenses. The site all-in cost per saleable silver ounce produced net of gold byproduct credit is calculated by adding royalty expenses, accretion, depletion, depreciation, and amortization to the cash cost net of gold byproduct credit, dividing the resultant number by the saleable silver ounces produced in the period.

Also for Cerro Bayo, saleable equivalent gold ounces produced is calculated by adding to saleable gold ounces produced, the saleable silver ounces produced times the average silver price in the period divided by the average gold price in the period. The total cash operating cost associated with the production of these saleable equivalent ounces produced in the period is then divided by the saleable equivalent gold ounces produced to yield the cash cost per saleable equivalent ounce produced. The cash cost excludes royalty expenses. Site all-in costs include total cash operating costs, royalty expense, accretion, depletion, depreciation and amortization. The site all-in cost is then divided by the saleable equivalent gold ounces produced to yield the site all-in cost per saleable equivalent ounce produced.

For Björkdal, the total cash operating cost associated with the production of saleable gold ounces produced in the period is then divided by the saleable gold ounces produced to yield the cash cost per saleable gold ounce produced. The cash cost excludes royalty expenses. Site all-in costs include total cash operating costs, royalty expense, accretion, depletion, depreciation and amortization. The site all-in cost is then divided by the saleable gold ounces produced to yield the site all-in cost per saleable gold ounce produced

For the Company as a whole, cash cost per saleable gold equivalent ounce is calculated by summing the gold equivalent ounces produced by each site and dividing the total by the sum of cash operating costs at the sites plus corporate overhead spending.