

Mandalay Resources Corporation Announces the Results of its Annual and Special Meeting of Shareholders and Filing of Initial ESTMA Report

TORONTO, ON, May 11, 2017 – Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND) is pleased to announce the results of its Annual and Special Meeting of Shareholders held today in Toronto, Ontario. All of the resolutions presented at the meeting were approved by the shareholders, with the votes cast by proxy representing 74.27% of the total shares outstanding as of the proxy cut-off date, May 9, 2017.

Election of Directors

The number of directors was fixed at six members and each of the six nominees listed in the Company's management information circular dated April 11, 2017 (the "Circular") were re-elected to the Company's Board of Directors. Abraham Jonker remains the lead independent director and Bradford Mills continues as the Chair. The vote was conducted by a show of hands. Detailed results of the votes cast by proxy are set out below.

Motion	Votes Cast by Proxy For	% For	Votes Cast by Proxy Withheld	% Withheld
Number of Directors	335,006,431	99.97	93,232	0.03
Abraham Jonker	314,102,561	99.68	1,000,716	0.32
Amy Freedman	314,446,995	99.79	656,282	0.21
Bradford A. Mills	311,821,079	98.96	3,282,198	1.04
Mark Sander	314,767,313	99.89	335,964	0.11
Peter R. Jones	314,655,405	99.86	447,872	0.14
Robert Doyle	314,531,812	99.82	571,465	0.18

Appointment of Auditors

Ernst & Young LLP was appointed as the 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 and the directors were authorized to fix the auditor's remuneration. The vote was conducted by a show of hands. Detailed results of the votes cast by proxy are set out below.

Motions	Votes Cast by Proxy For	% For	Votes Cast by Proxy Withheld	% Withheld
Appointment of Auditors	334,554,097	99.84	545,566	0.16

Restricted Share Unit Plan

The resolution to ratify the Company's restricted share unit plan and to approve all unallocated options, rights and entitlements thereunder was passed. The vote was conducted by a show of hands. Detailed results of the votes cast by proxy are set out below.

Motions	Votes Cast by Proxy For	% For	Votes Cast Against	% Withheld
Restricted Share Unit Plan	282,789,839	89.75	32,313,438	10.25

Restricted Share Unit Issuance

The resolution to ratify the issuance of 573,339 restricted share units issued by the Company since May 12, 2016 was passed. The vote was conducted by a show of hands. Detailed results of the votes cast by proxy are set out below.

Motions	Votes Cast by Proxy For	% For	Votes Cast Against	% Withheld
Restricted Share Unit Issuance	282,879,672	89.77	32,223,605	10.23

Stock Option Plan

The resolution to ratify the Company's amended stock option plan and to approve all unallocated options, rights and entitlements thereunder was passed. The vote was conducted by a show of hands. Detailed results of the votes cast by proxy are set out below.

Motions	Votes Cast by Proxy For	% For	Votes Cast Against	% Withheld
Restricted Share Unit Plan	282,752,261	89.73	32,351,016	10.27

ESTMA REPORT

The Company has filed its Extractive Sector Transparency Measures Act Report for the year ended December 31, 2016. The Extractive Sector Transparency Measures Act Report can be accessed on the Company's website at www.mandalayresources.com.

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, Chile and Sweden, and a development project 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.