



MANDALAY RESOURCES

Mandalay Resources Corporation Resumes Shipments from its Cerro Bayo Silver-Gold Project, Chile

TORONTO, ON, April 2, 2012 -- Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND, MND.WT) is pleased to announce that the Company has resumed shipping concentrate from its Cerro Bayo silver-gold project in Chile (please refer to Mandalay news releases dated February 24, 2012 and March 9, 2012). Mandalay expects to catch up on all delayed shipments in the second quarter of 2012.

The Company has also made an arrangement to make future shipments from an alternate port facility of Lirguen, Chile. This port near Concepcion, Chile was not affected by the protests in Aysen Province and gives the Company a secondary route for future shipments.

Management affirms its 2012 production guidance for Cerro Bayo of 12K-16K ounces of gold and 2.7M-3.0M ounces of silver in concentrate.

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 and producing and exploration 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 and the Americas 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 with respect to 2012 production guidance for Cerro Bayo. 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 30, 2012, 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.