



Mandalay Resources Corporation Announces Production and Sales Results for the First Quarter of 2022

TORONTO, ON, April 14, 2022 — Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND, OTCQB: MNDJF) announced today its production and sales results for the first quarter of 2022.

First Quarter Production Highlights:

- Consolidated saleable gold equivalent production and sales of 29,631 and 28,280 ounces respectively;
- 12,384 ounces of saleable gold production at Björkdal, highest quarterly production result since Q2 2019; and
- 12,134 ounces of gold sold at Björkdal, highest quarterly sales result since Q3 2019.

Dominic Duffy, President and CEO of Mandalay, commented:

"Mandalay's solid start to the year puts us on course to achieve our 2022 production guidance. The continued excellent operational results demonstrate the sustainability and incremental growth at both sites with a consolidated saleable production of 29,631 ounces of gold equivalent in Q1 2022, which is higher as compared to the same period last year.

"At Björkdal, the 12,384 saleable gold ounces of production during the first quarter was our highest quarterly production result since Q2 2019. Site production was at planned levels and we expect it to continue to grow throughout the year as we focus on higher grade production areas in the mine and continue to implement dilution reduction measures.

"Costerfield achieved another solid quarter, producing 17,247 ounces of saleable gold equivalent, 12% growth compared to Q1 2021, this is mainly due to near-record gold grades of 13.5 g/t during the current quarter. Metal produced in Q1 2022 decreased slightly compared to Q4 2021, as lower than average tonnes were processed due to issues encountered with the commissioning of the new crusher at the processing facility. Only 32,206 tonnes were processed in Q1 2022, against an average of 36,370 tonnes per quarter in 2021. The new crusher is now functioning optimally, and we expect processed tonnes to remain at budgeted rates for the remainder of the year. Towards the end of the quarter, shipping delays were encountered due to COVID-19 related issues at the Shanghai port where our product travels through – we expect these delays to be temporary.

"This strong start to the year solidifies the stable operational base we have established over the past couple of years. We are looking forward to further growth and establishing a long-standing sustainable track record of performance."

Saleable Production for the Quarter Ended March 31, 2022:

- In the first quarter of 2022, the Company produced a total of 24,581 ounces of gold and 683 tonnes of antimony representing a total of 29,631 ounces of gold equivalent, versus 23,661 ounces of gold and 832 tonnes of antimony in the first quarter of 2021, representing a total of 28,676 ounces of gold equivalent.
- Production at Björkdal was 12,384 ounces of gold in the first quarter of 2022 as compared to 11,855 ounces of gold in the first quarter of 2021.
- Production at Costerfield was 12,197 ounces of gold and 683 tonnes of antimony in the first quarter of 2022 versus 11,082 ounces gold and 832 tonnes antimony in the first quarter of 2021.

Table 1 – Production for First Quarter 2022 and 2021 and Fourth Quarter of 2021

Metal	Source	Three months ended March 31 2022	Three months ended March 31 2021	Three months ended December 31 2021
Gold (oz)	Björkdal	12,384	11,855	11,190
	Costerfield	12,197	11,082	13,397
	Cerro Bayo	-	724	1,009
	Total	24,581	23,661	25,596
Antimony (t)	Costerfield	683	832	830
Silver (oz)	Cerro Bayo	-	43,699	50,556
Average quarterly prices:				
Gold US\$/oz		1,874	1,795	1,796
Antimony US\$/t		13,856	9,442	13,221
Silver US\$/oz		-	26.23	23.31
Total Gold Eq. (oz)⁽¹⁾				
	Björkdal	12,384	11,855	11,190
	Costerfield	17,247	15,458	19,507
	Cerro Bayo	-	1,363	1,665
	Total	29,631	28,676	32,362

1. Quarterly gold equivalent ounces ("Au Eq. oz") produced is calculated by multiplying the saleable quantities of gold ("Au"), silver ("Ag") and antimony ("Sb") in the period by the respective average market prices of the commodities in the period, adding the amounts to get a "total contained value based on market price", and then dividing that total contained value by the average market price of Au in the period. Average Au and Ag prices in the periods are calculated as the average of the daily LME PM fixes in the period, with price on weekend days and holidays taken of the last business day; average Sb price in the period is calculated as the average of the daily average of the high and low Rotterdam warehouse prices for all days in the period, with price on weekend days and holidays taken from the last business day. The source for Au and Ag prices is www.transamine.com, and Sb price is www.metalbulletin.com.

Sales for the Quarter Ended March 31, 2022:

- In the first quarter of 2022, the Company sold a total of 24,383 ounces of gold and 527 tonnes of antimony, representing a total of 28,280 ounces of gold equivalent, versus 24,600 ounces of gold and 972 tonnes of antimony in the first quarter of 2021, representing a total of 29,713 ounces of gold equivalent.

- Björkdal sold 12,134 ounces of gold in the first quarter of 2022 versus 12,076 ounces of gold in the first quarter of 2021.
- Costerfield sold 12,249 ounces of gold and 527 tonnes of antimony in the first quarter of 2022 versus 12,524 ounces of gold and 972 tonnes of antimony in the first quarter of 2021.

Table 2 – Sales for First Quarter 2022 and 2021 and Fourth Quarter of 2021

Metal	Source	Three months ended March 31 2022	Three months ended March 31 2021	Three months ended December 31 2021
Gold (oz)	Björkdal	12,134	12,076	10,749
	Costerfield	12,249	12,524	17,057
	Cerro Bayo	-	-	764
	Total	24,383	24,600	28,570
Antimony (t)	Costerfield	527	972	1,334
Silver (oz)	Cerro Bayo	-	-	39,614
Average quarterly prices:				
Gold US\$/oz		1,874	1,795	1,796
Antimony US\$/t		13,856	9,442	13,221
Silver US\$/oz		-	26.23	23.31
Total Gold Eq. (oz)¹				
	Björkdal	12,134	12,076	10,749
	Costerfield	16,146	17,637	26,877
	Cerro Bayo	-	-	1,278
	Total	28,280	29,713	38,904

1. Quarterly Au Eq. oz sold is calculated by multiplying the saleable quantities of Au, Ag and Sb in the period by the respective average market prices of the commodities in the period, adding the amounts to get a "total contained value based on market price", and then dividing that total contained value by the average market price of Au for the period. The source for Au and Ag prices is www.transamine.com, and Sb price is www.metalbulletin.com, with price on weekend days and holidays taken of the last business day.

For Further Information:

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About Mandalay Resources Corporation:

Mandalay is a Canadian-based natural resource company with producing assets in Australia (Costerfield gold-antimony mine) and Sweden (Björkdal gold mine). The Company is focused on growing its production and reducing costs to generate significant positive cashflow. Mandalay is

committed to operating safely and in an environmentally responsible manner, while developing a high level of community and employee engagement.

Mandalay's mission is to create shareholder value through the profitable operation and continuing the regional exploration program, at both its Costerfield and Björkdal mines. Currently, the Company's main objectives are to continue mining the high-grade Youle vein at Costerfield, bring online the deeper Shepherd veins, both of which will continue to supply high-grade ore to the processing plant, and to extend Youle Mineral Reserves. At Björkdal, the Company will aim to increase production from the Aurora zone and other higher-grade areas 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 the Company's expected production of gold and antimony and costs for the 2022 fiscal year. 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, 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.