

Mandalay Resources Corporation Provides Statement on COVID-19 and Management Controls in Place

TORONTO, ON, March 20, 2020 — Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND, OTCQB: MNDJF) reports today on business continuity protocols in place to manage ongoing risks posed by the Coronavirus ("COVID-19") pandemic. Management has taken measures to reinforce safe work procedures, and all site leadership teams remain committed to the health and wellbeing of employees, contractors and their families. The priority remains the safety of workplaces and the ability for employees to conduct their work safely. To date, COVID-19 has not impacted production or the supply chain.

The Coronavirus outbreak is present in all countries in which the Company operates, with cases being reported in Canada, Australia, Sweden and Chile. None of our employees and contractors have been diagnosed with having contracted the virus.

At this time, the Company has activated business continuity practices across all sites, including its corporate office in Toronto, Canada, that is now closed, with all employees working from home, in keeping with Public Health Ontario guidelines. Management will continue to monitor developments across all jurisdictions and will adjust its planning as necessary.

The Company confirms sites are abiding by all local government guidelines and will work in cooperation with public health authorities if required. The following protocols are in place at our Costerfield mine in Victoria, Australia, and Björkdal mine in Skellefteå, Sweden, as well as sites that are non-operating:

- The Company has instituted a company-wide restriction on international travel to limit risk of exposure. Domestic travel is only permitted if necessary and essential. Local fourteen-day self-isolation procedures are in place and monitored at all sites for any employees returning from an international trip;
- Sites have established clear policies for any workers displaying signs of illness. Employees or contractors cannot come to work if displaying symptoms of the influenza or Coronavirus;
- Where possible, employees are encouraged to work from home, and flexible work arrangements are in place to reduce contact between persons and maintain social distancing guidelines. All non-legislated training has been postponed. Where possible, employees are meeting virtually, and limitations on face-to-face contact are in place;
- All sites have reviewed hygiene and sanitization protocols and increased frequency in cleaning of common and high-traffic zones. Communications with employees has increased on sanitization and social distancing;

- Sites are currently implementing intermittent temperature screening at the mining operations upon arrival and will follow all local government guidelines with respect to reporting of symptoms related to COVID-19 to public health authorities;
- Sites are implementing risk management processes for crew shift changes to ensure social distancing protocols and reduction in movement of employees between crews;
- Sites are restricting visitors to essential visitors only, and only for immediate and work-related activities;
- Where relevant, ongoing and transparent communications are being held with unions on protocols during COVID-19; and
- The Lupin site, currently managed by a third-party contractor, is following all federal and territorial guidelines with respect to COVID-19 and has instituted policies for its employees.

The Company confirms it is in regular contact with its customers to monitor product shipments at both of the Company's mining operations. For critical spares and supplies, each site is reviewing its inventory and ensuring sufficient supplies and stock are in place.

For business continuity, the Company is managing current impacts of the pandemic carefully and reviewing the potential for more severe impacts resulting from the virus and regulations imposed, and site-specific contingency plans are being developed should they be required.

For Further Information:

Dominic Duffy
President and Chief Executive Officer

Edison Nguyen
Manager, Analytics and Investor Relations

Contact:
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 growing production at its gold and antimony operation in Australia, and gold production from its operation in Sweden to generate near-term cash flow.

Forward-Looking Statements:

This news release contains "forward-looking statements" within the meaning of applicable securities laws, including statements regarding the New Credit Facility and the repurchase or redemption of outstanding Gold Bonds. 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 28, 2019, 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.