



MANDALAY RESOURCES CORPORATION ANNOUNCES RECENT DRILLING RESULTS FOR AURORA (BJÖRKDAL), HIGHLIGHTING HIGH-GRADE EXTENSIONS TO BOTH THE EAST AND AT DEPTH

TORONTO, ON, November 24, 2020 – Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND, OTCQB: MNDJF) is pleased to provide an update on encouraging results from the Aurora extension and delineation drill programs at its Björkdal mine. These results highlight the open nature of the plunge extensions and an emerging new high-grade domain.

Aurora Drilling Highlights

Extensional drilling to the east and down plunge:

- **4.8 g/t gold over a true width of 2.47 m** in MU20-007; and
- **2.7 g/t gold over a true width of 2.82 m** in MU20-016

Definition drilling to the east:

- **8.1 g/t gold over a true width of 2.99 m** in DOD2020-063; and
- **3.0 g/t gold over a true width of 3.45 m** in DOD2020-073

Surrounding veining highlights:

- **14.5 g/t gold over a true width of 2.92 m** in DOD2020-060; and
- **38.7 g/t gold over a true width of 0.59 m** in DOD2020-074; and
- **55.6 g/t gold over a true width of 0.28 m** in MU20-018

Note: A full listing of significant drilling composites can be found in Tables 1 and 2 at the bottom of this document.

Dominic Duffy, President and Chief Executive Officer of Mandalay, commented, "We are pleased to report continued encouraging results from the Aurora extension program. These results come at a time when ore production from Aurora is ramping up and becoming the most significant ore source for Björkdal."

Mr. Duffy continued, "With the exceptional grades seen at Aurora, its extension - both to the east and west - represents an important incremental step for Björkdal providing the foundation to bolster overall feed grade and extend mine life. We are also encouraged by some very high-grade intercepts of veins in close proximity to Aurora which will also be a focus of additional drilling going forward."

Mr. Duffy continued, "With the current exploration focus turned to strategic development of other targets within Björkdal, we look forward to continuing the Aurora expansion program in early 2021."

Mr. Duffy concluded, "Alongside this exploration release, a video has been prepared by Mr. Chris Davis, Vice President of Operational Geology and Exploration to further illustrate the detail in this press release, I would like to invite everyone to view the posted video [here](#)."

Aurora Extensional Drilling

The Aurora Extensional Drilling has continued since Mandalay's last Aurora update in June 2020. To the east MU20-016 returned an intercept of 2.82 m @ 2.7 g/t Au, indicating the plunge extent of Aurora is still open at depth. This was supported by MU20-013 with a reasonably well mineralized array of veining over 3.02 m at 1.6 g/t Au, typical of Aurora, intercepted approximately 60 m above. Higher in the system there has been a reinterpretation of Aurora veining due to new information mining and other drilling results. As a consequence MU20-007 was reinterpreted to include a high-grade composite of 2.47 m at 4.8 g/t Au that, combined with another previously reported intercept (MU20-018 at 7.21 m at 2.5 g/t Au) to the north, highlights a new enriched domain open to the east (see Figure 2).

Further drilling to the east within holes MU20-030 and MU20-032 did not intercept significant mineralization along the interpreted Aurora continuation however in both cases the footwall veining was enriched with 0.25 m at 23.5 g/t Au in MU20-030 and 0.96 m at 12.4 g/t in MU20-032 (see Figure 1). This could indicate a jump across structures of the gold endowment or an as yet unrecognised offset to the main Aurora structure. These results represent the furthest intercepts yet drilled to the east. Continuation of the extension campaign is expected in early 2021.

Surrounding Veining

As well as delineating and extending Aurora the drilling is providing grade information on the stacked set of veins that exist in both the footwall and hanging wall. As seen in MU20-30 and MU20-32, these veins are sometimes higher grade than Aurora and are an important addition to the production potential of the Björkdal mine. In the last Resource update for Björkdal, Aurora made up approximately 45% of metal in resource from veining above the marble contact with the remainder in the surrounding veining. Results from the surrounding veining within recent drilling can be found in Table 2 and illustrated within Figure 1.

Western Definition Drilling

Due to the complicated nature of the veining and gold enrichment within and around Aurora, it is necessary to undertake targeted definition drilling to optimise ore extraction. From this drilling Mandalay has discovered that the Aurora system is also open to the west with encouraging intercepts following along the Frea Fault interaction such as 3.17 m at 3.0 g/t Au in DOD2020-075 and 4.66 m at 2.1 g/t Au in DOD2020-072. In this area approximately 15 additional continuous veins exist alongside Aurora with highlights of 0.59 m at 38.7 g/t Au in DOD2020-074 and 0.37 m at 31.7 g/t in DOD2020-075. As with the extension to the east, a drilling program will focus on extension along this trend in early 2021.

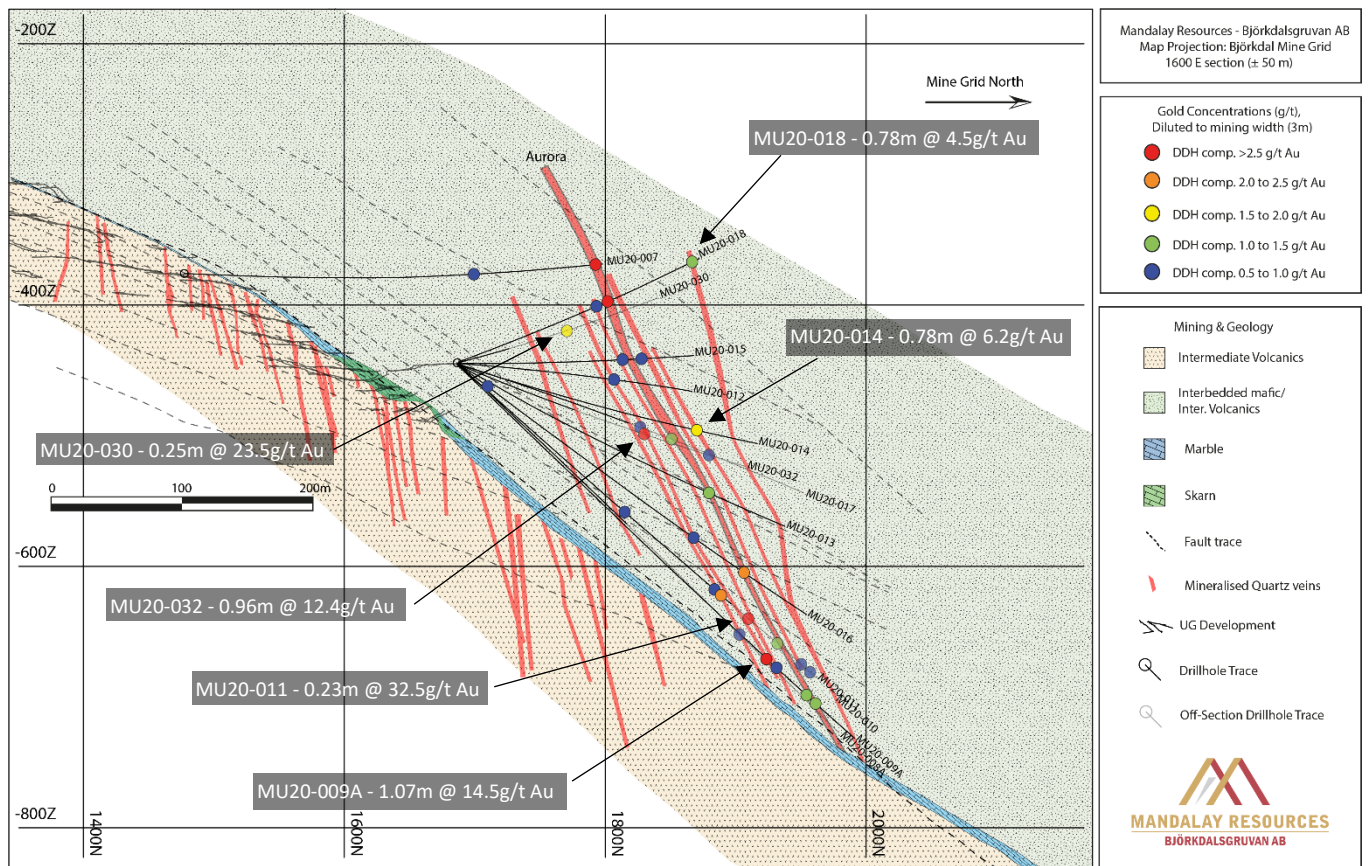


Figure 1. North-South Cross Section at illustrating the location and orientation of the new intercepts surrounding Aurora between 1550 E and 1650 E. Veining and interpreted lithology is displayed at 1600 E. The DOD series of holes are drilled further to the west and are not shown on this section.

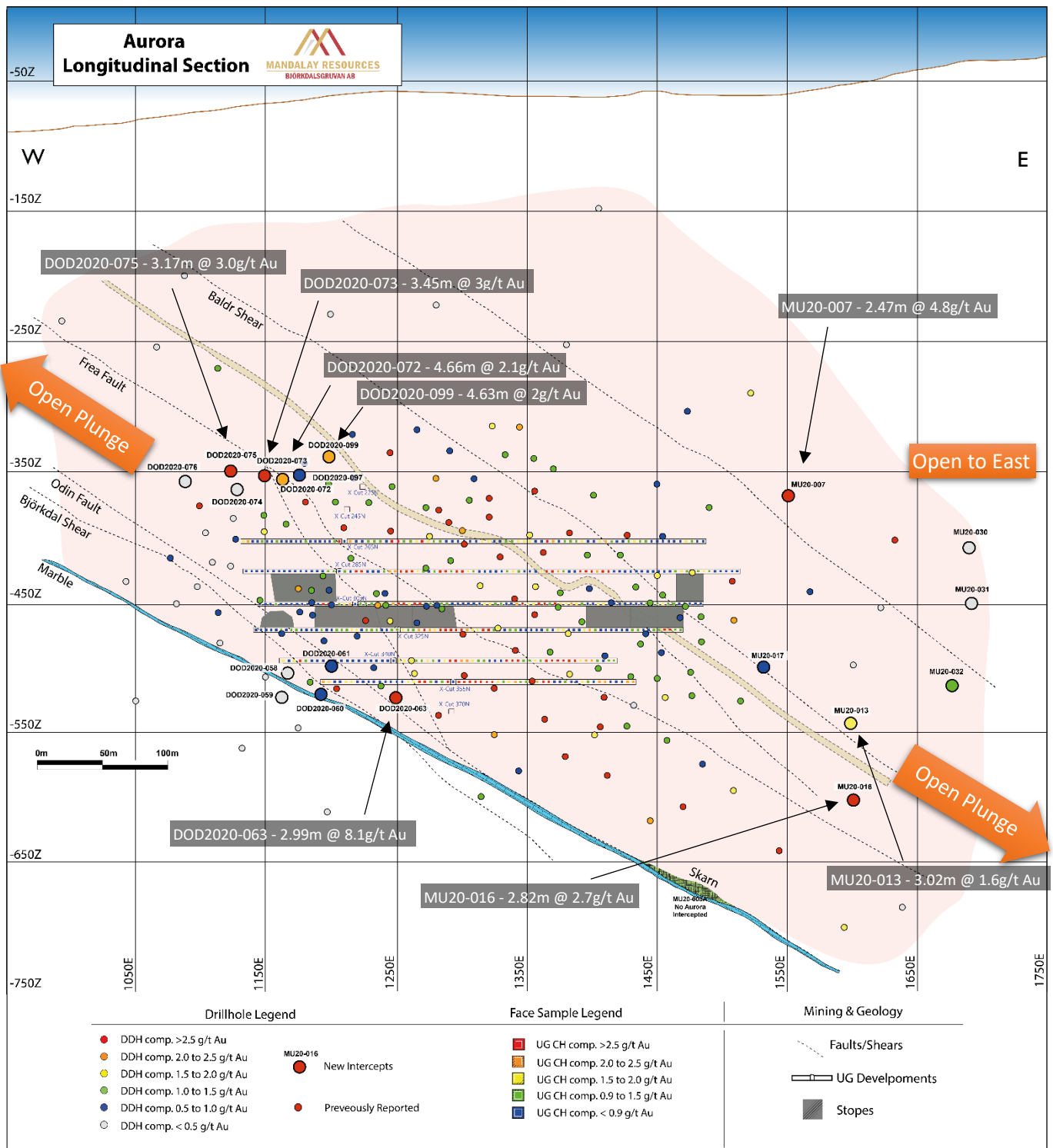


Figure 2. Longitudinal section of Aurora illustrating the location of recent extension and definition drilling results.

Drilling and Assaying

At Björkdal, all diamond drill core was logged and sampled by Björkdal geologists. Exploration drill hole samples (prefix MU) were sent to CRS Laboratories Oy ("CRS") in Kempele, Finland for sample preparation and assaying. Development optimization drill hole samples (prefix DOD) were prepared and assayed at the onsite laboratory ran by Minlab AB, a subsidiary of

CRS (see Technical Report dated March 30, 2020 entitled "Technical Report on the Björkdal Gold Mine, Sweden", available on SEDAR (www.sedar.com), which contains a complete description of drilling, sampling, and assaying procedures).

Assaying was conducted utilizing the Pal1000 cyanide leaching processes. Mandalay's rigorous QA/QC program included the use of standard reference samples, blanks, duplicates, repeats, and internal laboratory quality assurance procedures.

Qualified Person:

Chris Davis, Vice President of Operational Geology and Exploration at Mandalay Resources, is a Chartered Professional of the Australian Institute of Mining and Metallurgy (MAusIMM CP(Geo)), and a Qualified Person as defined by NI 43-101. He has reviewed and approved the technical and scientific information provided in this release.

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 exploration and development potential of the Aurora Zone (Björkdal). 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, 2020, 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.

Table 1. New Drilling Composites on Aurora

Drill Hole ID	From (m)	To (m)	Drill Width (m)	True Width (m)	Au Grade (g/t)	Au (g/t) over min. 3m mining width	Target
DOD2020-058	77	80.65	3.65	2.81	0.2	0.1	Western Definition
DOD2020-059	87.9	93.52	5.62	3.78	0.4	0.4	Western Definition
DOD2020-060	79.65	85	5.35	4.25	0.8	0.8	Western Definition
DOD2020-061	66.6	70.2	3.60	3.33	0.9	0.9	Western Definition
DOD2020-063	94.25	98.4	4.15	2.99	8.1	8.1	Western Definition
DOD2020-072	148.5	153.2	4.70	4.66	2.1	2.1	Western Definition
DOD2020-073	142.25	145.7	3.45	3.45	3.0	3.0	Western Definition
DOD2020-074	145.7	149.5	3.80	3.77	0.2	0.2	Western Definition
DOD2020-075	139.05	142.25	3.80	3.17	3.0	3.0	Western Definition
DOD2020-076	145.45	148.3	3.80	2.67	0.2	0.2	Western Definition
DOD2020-097	121	126.6	5.55	3.50	0.7	0.7	Western Definition
DOD2020-099	107.2	113.8	6.55	4.63	2.0	2.0	Western Definition
MU20-007	323.45	326.2	2.75	2.47	4.8	3.9	Eastern Extension
MU20-013	216.1	219.55	3.45	3.02	1.6	1.6	Eastern Extension
MU20-016	271.6	276.6	5.00	2.82	2.7	2.5	Eastern Extension
MU20-017	188.3	197.75	9.45	7.30	0.6	0.6	Eastern Extension
MU20-030	132	135.4	3.40	2.36	0.6	0.5	Eastern Extension
MU20-031	161.95	163.85	1.90	1.17	0.4	0.1	Eastern Extension
MU20-032	208.25	211.15	2.90	1.89	1.6	1.0	Eastern Extension

Notes

1. Where True widths are greater than 3 m, grades are not diluted and are presented as the grade over the composite true width.

Table 2. New Drilling Composites Surrounding Aurora

Drill Hole ID	From (m)	To (m)	Drilled Width (m)	True Width (m)	Au Grade (g/t)	Au (g/t) over min. 3m mining width	Description
DOD2020-058	71.00	72.80	1.80	1.60	2.9	1.6	Foot Wall Veining
DOD2020-060	73.60	77.80	4.20	2.92	14.5	14.1	Foot Wall Veining
DOD2020-060	115.00	115.35	0.35	0.25	9.5	0.8	Hanging Wall Veining
DOD2020-061	52.55	60.10	7.55	6.51	2.6	2.6	Foot Wall Veining
DOD2020-061	97.30	97.70	0.40	0.31	8.9	0.9	Hanging Wall Veining
DOD2020-063	133.80	134.10	0.30	0.19	57.4	3.6	Hanging Wall Veining
DOD2020-072	83.80	84.75	0.95	0.92	9.7	3.0	Foot Wall Veining
DOD2020-072	116.10	116.50	0.40	0.31	5.9	0.6	Foot Wall Veining
DOD2020-072	157.75	158.75	1.00	0.78	4.8	1.3	Hanging Wall Veining
DOD2020-072	187.55	188.10	0.55	0.50	7.6	1.3	Hanging Wall Veining
DOD2020-072	191.50	192.00	0.50	0.49	3.8	0.6	Hanging Wall Veining

DOD2020-073	48.05	48.65	0.60	0.59	5.8	1.1	Foot Wall Veining
DOD2020-073	64.50	64.85	0.35	0.31	6.3	0.6	Foot Wall Veining
DOD2020-073	153.15	153.60	0.45	0.44	3.8	0.6	Hanging Wall Veining
DOD2020-073	178.05	179.65	1.60	1.59	4.9	2.6	Hanging Wall Veining
DOD2020-073	185.70	186.00	0.30	0.21	24.3	1.7	Hanging Wall Veining
DOD2020-074	32.70	33.30	0.60	0.59	38.7	7.6	Foot Wall Veining
DOD2020-074	131.95	132.35	0.40	0.39	16.0	2.1	Foot Wall Veining
DOD2020-074	153.70	156.10	2.40	2.15	2.0	1.4	Hanging Wall Veining
DOD2020-074	165.90	167.75	1.85	1.80	3.5	2.1	Hanging Wall Veining
DOD2020-074	185.60	185.95	0.35	0.34	6.1	0.7	Hanging Wall Veining
DOD2020-075	31.60	32.05	0.45	0.42	5.6	0.8	Foot Wall Veining
DOD2020-075	52.75	53.10	0.35	0.34	7.7	0.9	Foot Wall Veining
DOD2020-075	77.00	77.35	0.35	0.33	5.1	0.6	Foot Wall Veining
DOD2020-075	108.75	109.10	0.35	0.31	9.3	1.0	Foot Wall Veining
DOD2020-075	123.20	124.60	1.40	1.29	3.2	1.4	Foot Wall Veining
DOD2020-075	170.15	170.65	0.50	0.34	10.3	1.2	Hanging Wall Veining
DOD2020-075	180.80	181.20	0.40	0.37	31.7	3.9	Hanging Wall Veining
DOD2020-075	190.25	190.60	0.35	0.31	13.3	1.4	Hanging Wall Veining
DOD2020-076	29.88	30.25	0.37	0.27	6.1	0.5	Foot Wall Veining
DOD2020-076	51.40	52.83	1.43	1.36	1.8	0.8	Foot Wall Veining
DOD2020-076	103.00	103.35	0.35	0.29	7.4	0.7	Foot Wall Veining
DOD2020-076	117.30	117.65	0.35	0.27	12.4	1.1	Foot Wall Veining
DOD2020-076	126.15	126.50	0.35	0.32	6.5	0.7	Foot Wall Veining
DOD2020-076	157.20	157.70	0.50	0.31	5.6	0.6	Hanging Wall Veining
DOD2020-076	163.00	164.45	1.45	1.38	3.3	1.5	Hanging Wall Veining
DOD2020-076	183.35	183.70	0.35	0.31	15.0	1.6	Hanging Wall Veining
DOD2020-076	196.30	199.30	3.00	2.69	2.1	1.9	Hanging Wall Veining
DOD2020-076	201.65	202.00	0.35	0.31	5.1	0.5	Hanging Wall Veining
DOD2020-097	111.25	112.25	1.00	0.78	3.5	0.9	Foot Wall Veining
DOD2020-097	166.15	166.80	0.65	0.37	7.9	1.0	Hanging Wall Veining
DOD2020-099	112.90	113.75	0.85	0.70	4.0	0.9	Hanging Wall Veining
DOD2020-099	139.55	139.95	0.40	0.29	11.2	1.1	Hanging Wall Veining
MU20-007	229.30	230.00	0.70	0.61	2.7	0.6	Foot Wall Veining
MU20-008A	320.05	321.95	1.90	1.90	1.4	0.9	Foot Wall Veining
MU20-009A	327.05	329.00	1.95	1.07	14.5	5.2	Foot Wall Veining
MU20-009A	338.40	338.85	0.45	0.27	5.9	0.5	Foot Wall Veining
MU20-011	177.60	178.50	0.90	0.78	2.5	0.6	Foot Wall Veining
MU20-011	271.60	273.00	1.40	0.30	7.2	0.7	Foot Wall Veining
MU20-011	278.75	279.25	0.50	0.23	32.5	2.5	Foot Wall Veining
MU20-011	337.45	338.65	1.20	0.29	13.9	1.3	Hanging Wall Veining
MU20-011	362.20	362.75	0.55	0.26	6.2	0.5	Hanging Wall Veining
MU20-011	371.60	372.00	0.40	0.31	5.1	0.5	Hanging Wall Veining
MU20-012	119.70	120.00	0.30	0.29	6.5	0.6	Foot Wall Veining
MU20-014	191.30	192.15	0.85	0.78	6.2	1.6	Hanging Wall Veining
MU20-015	153.75	154.70	0.95	0.79	2.9	0.8	Hanging Wall Veining
MU20-016	27.90	28.60	0.70	0.70	3.4	0.8	Foot Wall Veining
MU20-016	224.40	224.75	0.35	0.20	12.5	0.8	Foot Wall Veining
MU20-017	167.65	168.15	0.50	0.34	5.6	0.6	Foot Wall Veining

MU20-018	114.20	114.65	0.45	0.44	3.7	0.5	Foot Wall Veining
MU20-018	194.40	195.25	0.85	0.78	4.5	1.2	Hanging Wall Veining
MU20-030	96.20	96.55	0.35	0.25	23.5	2.0	Foot Wall Veining
MU20-032	155.70	156.85	1.15	0.96	12.4	4.0	Foot Wall Veining

Notes

1. Where True widths are greater than 3 m, grades are not diluted and are presented as the grade over the composite true width.
2. Composites that are below 0.5 g/t Au when diluted to 3 m are not reported in this table.