MANDALAY RESOURCES

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022

AS OF NOVEMBER 9, 2022

CONTENTS

Management's Discussion and Analysis for the Three and Nine Months Ended September 30, 2022

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited condensed consolidated interim financial statements and notes to the condensed consolidated interim financial statements of Mandalay Resources Corporation ("Mandalay" or the "Company") for the three and nine months ended September 30, 2022, the Company's Annual Information Form dated March 31, 2022 (the "AIF"), the Company's 2021 audited consolidated financial statements and accompanying 2021 MD&A, as well as other information relating to the Company on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. The Company's reporting currency is the United States ("U.S.") dollar and all amounts in this MD&A are expressed in U.S. dollars unless otherwise stated. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards ("IFRS"). The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

This MD&A contains references to non-IFRS measures. Please refer to Section 1.14 "Non-IFRS Measures" at the end of this MD&A for the list of these measures and their definitions.

Cautionary Note Regarding Forward-Looking Information

Certain statements contained in this document constitute "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. Such factors include, among others, the following: risks surrounding the current COVID-19 pandemic, mining industry risks; fluctuations in the market price of mineral commodities; project development; expansion targets and operational delays; environmental risks and hazards; requirement of additional financing; health and safety; uncertainty as to calculations of mineral deposit estimates; marketability; licenses and permits; title matters; governmental regulation of the mining industry; cybersecurity event; current global financial conditions including inflation; currency risk; uninsured risks; competition; repatriation of earnings; properties without known mineral reserves; dependence upon key management personnel and executives; dependence on major customers; infrastructure; litigation; potential volatility of market price of common shares; possible conflicts of interest of directors and officers of the Company; risk of dilution; payment obligations relating to properties; instability of political and economic environments; and integration of acquisitions. Specific reference is made to the Annual Information Form for a discussion of some of the factors underlying forward-looking statements. 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, the reader is cautioned not to place undue reliance on forward-looking statements.

Overview of Mandalay Resources

Mandalay Resources 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 the deeper Shepherd veins into production, both of which are expected to continue to supply high-grade ore to the processing plant, and to extend Youle's 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.

1.0 FINANCIAL AND OPERATING SUMMARY

Third Quarter 2022 Highlights:

- **Maintained a stable net cash[1] position of $5.9 million**. Cash on hand was $42.6 million at September 30, 2022, with debt of $36.7 million. This compares to $23.4 million net debt, consisting of $29.8 million of cash and $53.2 million in debt as at September 30, 2021.

- **Consolidated gold equivalent production of 27,287 ounces** compared to 33,121 ounces in Q3 2021. The decrease in ounces produced in the current quarter compared to Q3 2021 was due to a significant increase in absenteeism from sick leave at both Costerfield and Björkdal and the absence of any production from Cerro Bayo in the current quarter due to its sale in December 2021 to Equus Mining Ltd.

- **Revenue of $46.0 million on 26,551 gold equivalent ounces sold** compared to $52.6 million on 29,509 ounces in Q3 2021. This decrease in revenue in the current quarter as compared to Q3 2021 was mainly due to lower ounces sold at Björkdal and the absence of revenue from Cerro Bayo.

- **Adjusted EBITDA[1] of $19.4 million** compared to $25.1 million in Q3 2021. EBITDA was lower as compared to Q3 2021 due to the decrease in revenue in the current quarter.

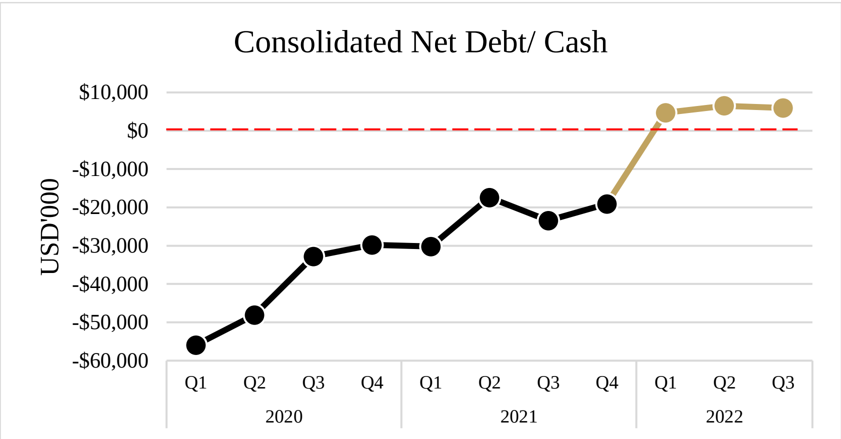
- **Adjusted net income[1] of $2.5 million ($0.03 or C$0.04 per share)** compared to an adjusted net income of $10.1 million ($0.11 or C$0.14 per share) in Q3 2021.

- **Consolidated net income in Q3 2022 was $9.3 million ($0.10 or C$0.13 per share)**, compared to a consolidated net income of $9.3 million ($0.10 or C$0.13 per share) in Q3 2021.

- **Consolidated cash cost[1] of $846 and all-in sustaining cost[1] of $1,111 per ounce of saleable gold equivalent production** compared to $825 and $1,135 per ounce, respectively in Q3 2021. The higher unit cash cost was due to lower production in Q3 2022 as compared to Q3 2021. The decrease in all-in sustaining cost was driven by lower sustaining capital expenditures.

- **Free cash flow[1] of ($0.9) million** compared to $1.3 million of cash flow in Q3 2021. The decrease in Q3 2022 as compared to Q3 2021 was due to Costerfield's final 2021 tax payment of $11.5 million. Cash flow from operating activities of $7.5 million compared to $8.2 million in Q3 2021.

- **Consolidated capital expenditures of $9.1 million** compared to $12.4 million in Q3 2021.



1 Adjusted EBITDA, adjusted net income, free cash flow, net debt/cash, cash and all-in sustaining costs are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. Refer to Section 1.14 "Non-IFRS Measures" for further information.

Summary of Mandalay Operational and Financial Results

Operating Summary

The following table sets forth a summary of the Company's operational results for the three and nine months ended September 30, 2022 and 2021:

	Three months ended September 30		Nine months ended September 30	
	2022	**2021**	**2022**	**2021**
Björkdal				
Gold produced (oz)	10,291	11,250	30,991	34,046
Gold sold (oz)	10,001	11,297	31,111	35,505
Cash cost per oz gold produced ($)(1)	1,139	1,186	1,308	1,235
All-in sustaining cost(1) per oz gold produced ($)	1,362	1,440	1,617	1,578
Costerfield				
Gold produced (oz)	12,526	13,315	35,802	34,356
Antimony produced (t)	582	860	1,788	2,550
Gold equivalent produced (oz)(2)	16,996	18,946	49,232	49,222
Gold sold (oz)	12,272	10,717	36,734	32,528
Antimony sold (t)	557	677	1,832	2,293
Gold equivalent sold (oz)(2)	16,550	15,150	50,501	45,721
Cash cost(1) per oz gold eq. produced ($)	669	546	629	608
All-in sustaining cost(1) per oz gold eq. produced ($)	838	837	840	920
Cerro Bayo				
Gold produced (oz)	-	1,763	-	4,294
Silver produced (oz)	-	85,279	-	216,040
Gold equivalent produced (oz)(2)	-	2,925	-	7,372
Gold sold (oz)	-	1,872	-	3,600
Silver sold (oz)	-	87,396	-	177,420
Gold equivalent sold (oz)(2)	-	3,062	-	6,111
Cash cost(1) per oz gold eq. produced ($)	-	1,243	-	1,136
All-in sustaining cost(1) per oz gold eq. produced ($)	-	1,303	-	1,165
Consolidated				
Gold equivalent produced (oz)(2)	27,287	33,121	80,223	90,640
Gold equivalent sold (oz)(2)	26,551	29,509	81,612	87,337
Cash cost(1) per oz gold eq. produced ($)	846	825	891	886
All-in sustaining cost(1) per oz gold eq. produced ($)	1,111	1,135	1,194	1,230
Average gold price ($/oz)	1,730	1,790	1,825	1,799
Average silver price ($/oz)	-	24.38	-	25.73
Average antimony price ($/t)	13,286	11,720	13,718	10,486

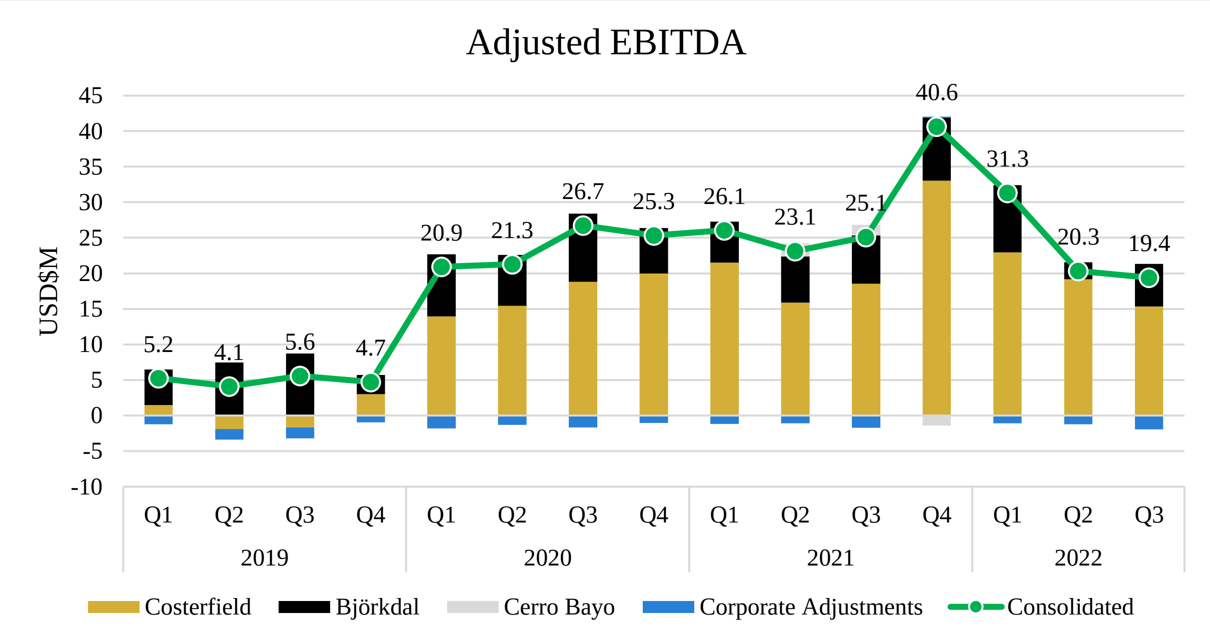
1. Cash and all-in sustaining costs are non-IFRS measures. Refer to Section 1.14 "Non-IFRS Measures" for further information.
2. Gold equivalent ounces (or "Au Eq. oz") produced/sold is calculated by multiplying the saleable quantities of gold and antimony in the period by the respective average market price of the commodities in the period, adding the two amounts to get "total contained value based on market price", and then dividing that total contained value by the average market price of gold in the period. Average Au price in the period is calculated as the average of the daily LME PM fixes in the period, with price on weekend days and holidays taken from the last business day; average Sb price in the period is calculated as the 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.

Financial Summary

The following table sets forth a summary of the Company's financial results for the three and nine months ended September 30, 2022 and 2021:

	Three months ended September 30		Nine months ended September 30	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Revenue	46,048	52,567	150,318	156,492
Cost of sales	24,690	25,695	74,932	78,244
Income from operations (excl. depr. & depletion)[1]	21,358	26,872	75,386	78,248
General and administrative costs	1,950	1,757	4,344	3,936
Adjusted EBITDA[1]	19,408	25,115	71,042	74,312
Depreciation and depletion	8,775	10,358	25,667	30,129
Adjusted EBIT[1]	10,633	14,757	45,375	44,183
Finance costs	2,305	2,163	8,962	6,333
Unrealized loss (gain) on financial instruments	(4,935)	835	(5,958)	(12,717)
Gain on sale of subsidiary	(1,828)	-	(1,828)	-
Revision of reclamation liability, tax, forex and others[2]	5,816	2,504	21,736	11,022
Adjusted net income[1]	2,512	10,090	21,769	27,211
Consolidated net income	9,275	9,255	22,463	39,545
Adjusted net income per share[1]	0.03	0.11	0.24	0.30
Consolidated net income per share	0.10	0.10	0.24	0.43
Total assets	278,359	301,269	278,359	301,269
Total liabilities	105,038	136,561	105,038	136,561
Total equity	173,321	164,708	173,321	164,708
Consolidated capital expenditures[3]				
Capital development	2,562	5,017	9,021	16,223
Property, plant and equipment purchases	4,082	5,109	12,878	15,161
Capitalized exploration	2,450	2,323	7,759	6,669
Total	9,094	12,449	29,658	38,053

1. Income from operations (excl. depreciation & depletion), adjusted EBIT, adjusted EBITDA and adjusted net income are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. Refer to Section 1.14 "Non-IFRS Measures" for further information.
2. Others includes such items as share-based compensation, loss (gain) on sale of assets and interest income.
3. Includes capitalized spending from non-operating sites.



Quarterly Highlights

Exploration

At Costerfield, drilling continued on the extension and infill of Shepherd with an update of the ongoing programs described in the Company's September 13, 2022 press release. The press release discussed the southern and depth extensions as well as the infill program which included a result of 234.7 g/t gold over 4.17 m (estimated true width of 1.49 m) and the Youle East and Kendal drilling programs. The Brunswick Deeps drilling program was recommenced in Q3 and is expected to continue into Q4.

The surface drilling programs ramped-up in Q3 with drilling continuing on the Robinson and Margaret prospects along with the commencement of drilling on the MacDonald's, True Blue and Taits North prospects.

Near-mine exploration during Q4 2022 is expected to include further extension drilling on Shepherd, Brunswick Deeps and Kendal programs along with the commencement of N lode North extension. The surface the regional targets include continued drilling on the True Blue and MacDonalds programs as well as the commencement of the West Costerfield program.

At Björkdal, drilling continued on the eastern flank of the mine following up on results disclosed on June 9, 2022. Drilling also continued on the delineation of North Zone and testing of the depth extension to Aurora.

Surface exploration saw another ramp-up in drilling with the Vidmyran project completed and the drill testing programs of Lapptjärn, Tarsnäs, Granholm and Nyholm commenced. Surface drilling also saw the commencement and completion of the Nylunds confirmation drilling and the Aurora upper extension drilling.

Q4 2022 is expected to see a continuation of the eastern extension drilling as well as North Zone drilling. The Aurora upper program will also recommence from underground. The regional programs of Lapptjärn, Tarsnäs, Granholm and Nyholm are due to be completed in Q4 2022.

The Company plans to continue the North Zone drilling programs through Q4 2022 with drilling recommencing on the Eastern zone with an infill program. The focus of surface regional testing will move to the west of the tenement package where a number of drilling programs with follow up on targets highlighted through geophysics, mapping and sampling programs.

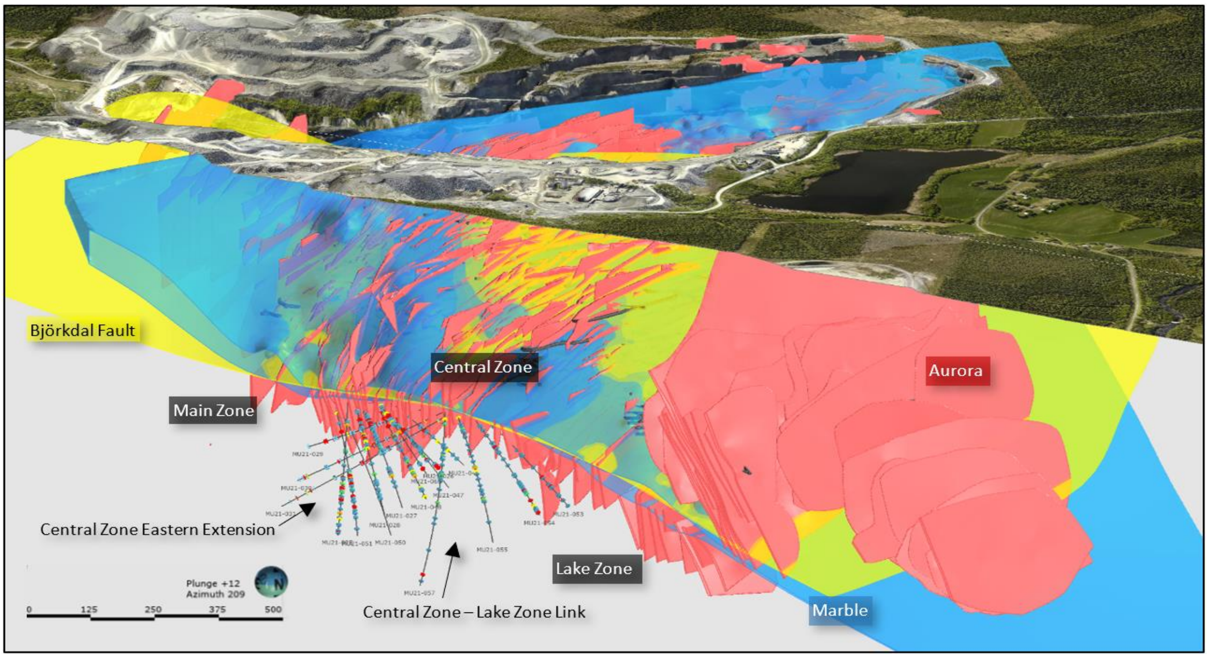


Figure 1: Perspective view of the Björkdal Mine looking towards the SSW highlighting the interaction of the veining (Red) Marble (Blue) and Björkdal fault (Yellow). Drilling of the latest Central Zone extension programs is also shown.

COVID-19 Pandemic and Ukraine Conflict

The COVID-19 pandemic continues to be present in all countries in which the Company operates, with cases being reported in Canada, Australia and Sweden. At this time, the Company has activated business continuity practices across all sites. The duration and full financial effect of the COVID-19 pandemic is unknown at this time, management will continue to monitor developments across all jurisdictions and will adjust its planning as necessary.

The ongoing conflict in Ukraine continued to disrupt supply chains and caused instability in the global economy. The conflict resulted in imposition of economic sanctions, which have had an adverse effect on economic markets, including global supply and pricing of energy, precious metals, raw materials and other commodities and components. The short and long-term implications of the conflict are difficult to predict at this time.

Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 pandemic and conflict in Ukraine may materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty. Therefore, uncertainty about judgements, estimates and assumptions made by management during the preparation of the Company's unaudited interim condensed consolidated financial statements related to potential impacts of the COVID-19 pandemic and conflict in Ukraine on revenue, expenses, assets, liabilities, and note disclosures could result in a material adjustment to the carrying value of the asset or liability affected in future periods.

As of the date of the issuance of MD&A, there have been no other significant impacts, including impairments, to the Company's operations and financial statements.

Outlook

Mandalay expects to see continued improvements in production and costs from Costerfield and Björkdal over the remainder of 2022. At Costerfield, the Company anticipates an incremental improvement to the production profile during the last quarter of 2022 as development continues at Youle and with the initiation of production from the high-grade Shepherd deposit. Mandalay also expects continued production and cost improvements at Björkdal for the remainder of 2022. The Company anticipates stoping rates within the lower, higher-grade levels of Aurora zone to increase and anticipates higher grades from stopes as dilution control measures continue to be implemented. The operation will also focus on production from higher confidence grade areas for the remainder of 2022.

The Company's 2022 production and capital expenditures guidance were revised as presented in the table below (disclosed in the Company's October 14, 2022 press release). Cash and all-in sustaining cost guidance remain unchanged due to cost savings and the stronger US Dollar.

	Björkdal	Costerfield	Consolidated(1)
	2022E		
Gold production (oz)	42,000-45,000	45,000-48,000	87,000-93,000
Antimony production (t)	-	2,500-3,000	2,500-3,000
Gold eq. production (oz)(1)	42,000-45,000	64,000-70,000	106,000-115,000
Cash cost, $/oz gold eq.(2)	980-1,130	560-710	700-900
All-in sustaining $/oz gold eq.(2,3)	1,400-1,550	830-980	1,100-1,300
Capex, $ million(4)	22-24	19-21	41-45

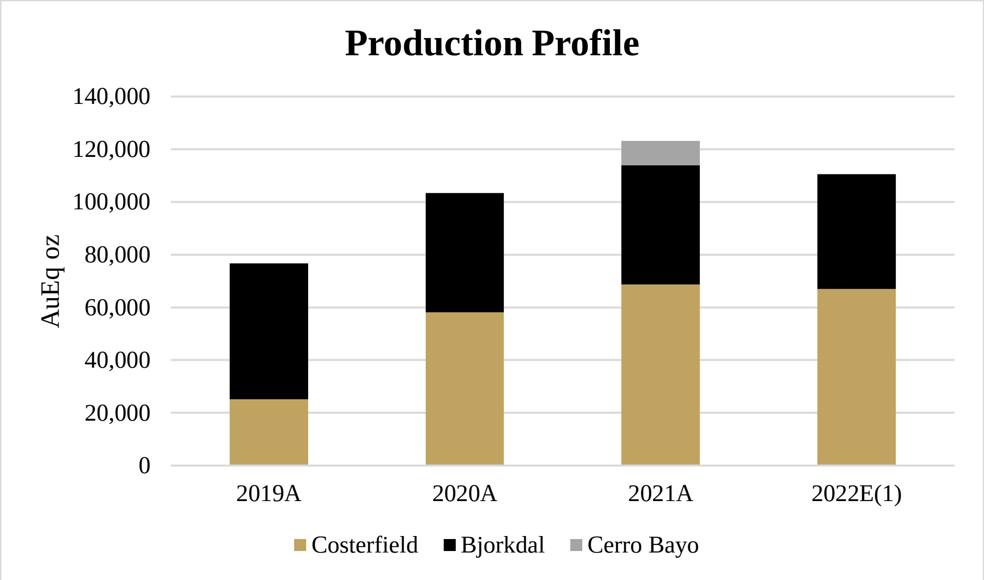
1. Assumes average metal prices of: Au $1,750/oz, Sb $13,000/t
2. Cash cost and all-in sustaining costs are non-IFRS measures. Refer to Section 1.14 "Non-IFRS measures" for further information. Costs are as per original guidance.
3. Consolidated costs per Au Eq. oz includes corporate overhead spending.
4. Revised 2022 guidance assumes foreign exchange rates of: AUD/USD 0.69 and USD/SEK 10.26

Mandalay's 2022 original cost guidance takes into account the following factors and assumptions:

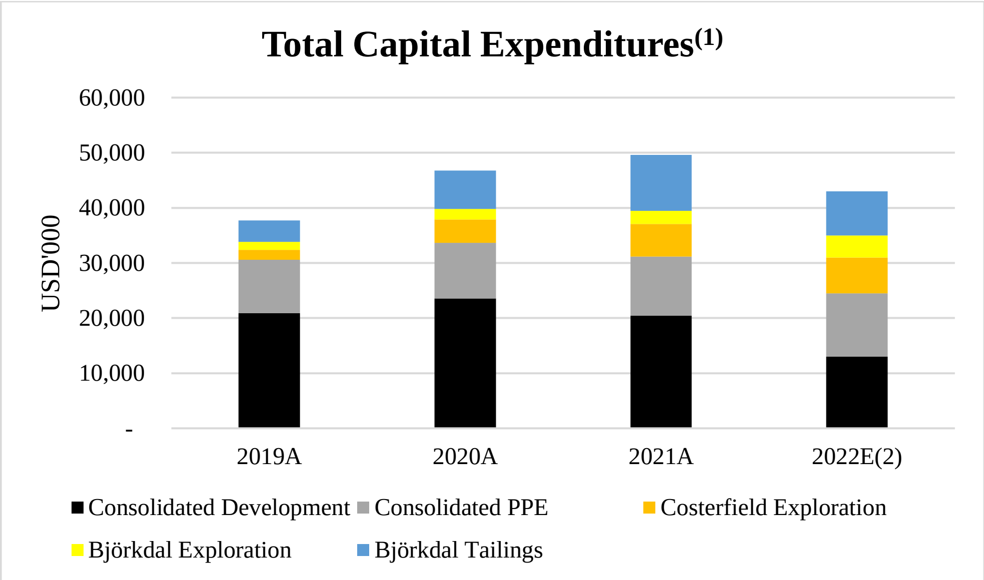
- The value of the Australian dollar and Swedish krona relative to the US dollar and overall country cost inflation has impacted 2022 guidance relative to 2021. A comparison of actual and assumed rates is shown below:
    - Average 2021 rates: AUD/USD 0.751 and USD/SEK 8.58
    - Original guidance 2022 rates: AUD/USD 0.73 and USD/SEK 8.79

- Significant capital spending at Björkdal, including continued work on the tailings storage facility expansion project. This project will allow for tailings capacity through the current life of mine.

- Capital exploration spending is as follows:
    - Björkdal: $4-5 million
    - Costerfield: $7-9 million



1. Revised 2022E average production graphed.



1. Excludes Cerro Bayo capital expenditures spending.
2. Revised 2022E average CAPEX graphed.

1.1 RESULTS OF OPERATIONS

Costerfield Gold-Antimony Mine, Victoria, Australia

Costerfield Financial Results

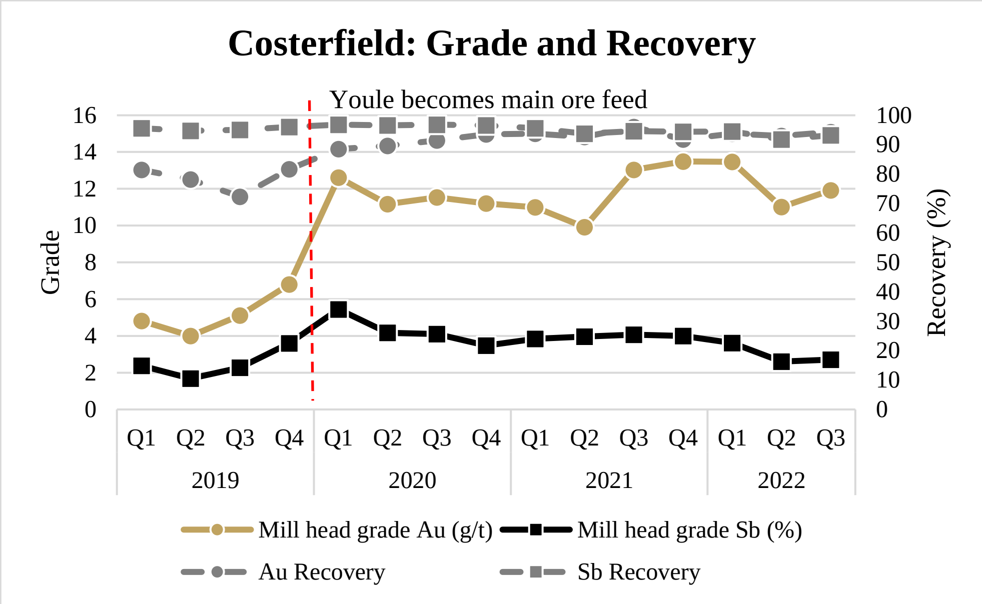
	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Revenue	28,188	27,000	91,036	82,152
Cost of sales	12,846	8,420	33,476	26,176
Income from operations (excl. depr. & depletion)	15,342	18,580	57,560	55,976
General and administrative costs(1)	259	219	742	698
Adjusted EBITDA(2,3)	15,336	18,539	57,452	55,815
Depreciation & depletion	4,107	5,765	11,371	15,774
Adjusted EBIT(3)	10,976	12,596	45,447	39,504
Unrealized loss (gain) on hedge	(1,704)	2,371	(847)	(2,050)
Finance costs, forex and others(3,4)	(4,211)	(1,061)	(5,571)	(1,607)
Income before tax	16,891	11,286	51,865	43,161
Current tax expense	3,308	3,276	12,738	10,910
Deferred tax expense	1,851	210	3,083	2,302
Adjusted net income(3)	10,028	10,171	35,196	27,899
Consolidated net income after tax	11,732	7,800	36,044	29,949
Capital development	1,205	2,925	2,843	9,011
Property, plant and equipment purchases	1,085	1,648	5,113	3,578
Capitalized exploration	1,500	1,536	4,673	4,343
Total capital expenditures	3,790	6,109	12,629	16,932

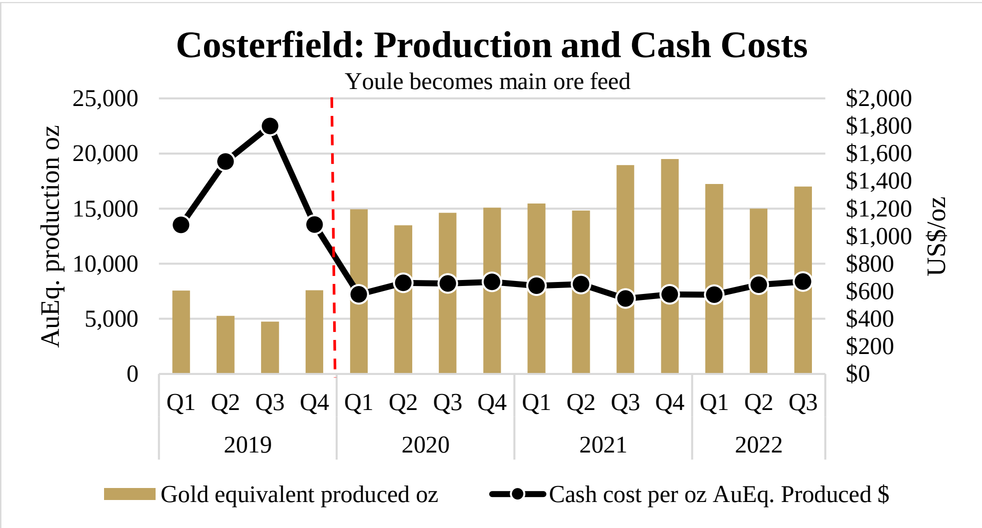
1. Includes intercompany transfer pricing costs of $253,000 and $634,000 in three months and nine months ended September 30, 2022 and $178,000 and $537,000 in the corresponding periods of 2021.
2. Does not include intercompany transfer pricing recharge costs.
3. Adjusted EBITDA, Adjusted EBIT and Adjusted net income are non-IFRS performance measures. Refer to Section 1.14 "Non-IFRS measures" for further information. Finance costs includes realized loss on gold hedge of $731,000 and $2,483,000 in three months and nine months ended September 30, 2022 and loss of $156,000 and gain of $197,000 in the corresponding periods of 2021.
4. Others includes such items as gain/loss on disposals of properties and intercompany transfer pricing recharge for marketing fees of $564,000 and $1,821,000 for the three and nine months ended September 30, 2022, and $537,000 and $1,785,000 for the corresponding periods in 2021.

Costerfield Operating Results

		Three months ended September 30		Nine months ended September 30	
		2022	2021	2022	2021
Operating development	m	818	1,150	2,793	3,634
Mined ore	t	33,119	39,554	107,032	124,556
Mined ore Au grade	g/t	16.47	11.87	12.98	10.74
Mined ore Sb grade	%	2.79	3.05	2.70	3.68
Mined contained Au	oz	17,541	15,090	44,678	43,021
Mined contained Sb	t	923	1,205	2,887	4,586
Mining cost per tonne ore	$/t	204	158	165	147
Processed ore	t	36,765	35,707	105,489	109,316
Processed ore mill head grade Au	g/t	11.91	13.04	12.08	11.29
Processed ore mill head grade Sb	%	2.71	4.06	2.95	3.96
Recovery Au	%	94.25	96.05	93.70	94.28
Recovery Sb	%	93.19	94.64	93.26	94.65
Saleable Au produced	oz	12,526	13,315	35,802	34,356
Saleable Sb produced	T	582	860	1,788	2,550
Saleable Au equivalent produced	oz	16,996	18,946	49,232	49,222
Processing cost per tonne ore	$/t	61.44	53.38	58.26	45.98
Au sold in gravity concentrate	oz	8,519	7,028	24,618	19,761
Au sold in floatation concentrate	Oz	3,753	3,689	12,116	12,767
Au sold (total)	oz	12,272	10,717	36,734	32,528
Sb sold	t	557	677	1,832	2,293
Capital development metres	m	144	502	442	1,754
Capital development cost per metre	$/m	8,397	5,822	6,432	5,137
Cash cost per tonne ore processed [1,2]	$/t	309	290	294	274
Adjusted EBITDA per tonne ore processed [1,2]	$/t	417	519	545	511
Cash cost per oz Au eq. produced [1,2]	$/oz	669	546	629	608
Site all-in sustaining cost per oz Au eq. produced [1,2]	$/oz	838	837	840	920

1. Does not include intercompany transfer pricing recharge costs.
2. Cash and site all-in sustaining costs and Adjusted EBITDA are non-IFRS performance measures. Refer to Section 1.14 "Non-IFRS Measures" for further information.





Costerfield – Three Months Ended September 30, 2022 and 2021

- ***Production*** — Saleable gold production for Q3 2022 was 12,526 ounces, a 6% decrease from the 13,315 ounces produced in Q3 2021. Saleable antimony production during Q3 2022 was 582 tonnes, a 32% decrease from the 860 tonnes produced in Q3 2021. Gold equivalent production for Q3 2022 was 16,996 ounces, a 10% decrease from the 18,946 gold equivalent ounces produced in Q3 2021. Processed gold grades were lower during Q3 2022 at 11.91 g/t gold as compared to 13.04 g/t gold in Q3 2021. Processed antimony grades were lower at 2.71% during Q3 2022 as compared to 4.06% in Q3 2021.

- ***Revenue*** – Costerfield's revenue for Q3 2022 was $28.2 million, a 4% increase from $27.0 million in Q3 2021. This was due to higher gold equivalent ounces sold during the current quarter. Gold equivalent ounces sold increased by 9% to 16,550 ounces in Q3 2022, as compared to 15,150 ounces in Q3 2021.

- ***Operating Costs*** – Cost of sales excluding depletion and depreciation at Costerfield was $12.8 million for Q3 2022, compared to $8.4 million during Q3 2021. The increase in the current quarter is mainly due to a decrease in inventory.

- ***Income from Operations*** – Income from mine operations before depreciation and depletion at Costerfield during Q3 2022 was $15.3 million, adjusted EBITDA was $15.3 million, adjusted net income was $10.0 million and net income after tax was $11.7 million. Comparable results for Q3 2021 were income from mine operations before depreciation and depletion of $18.6 million, adjusted EBITDA of $18.5 million, adjusted net income of $10.2 million and net income after tax of $7.8 million. The decrease in income from operations is due to the higher cost of sales during Q3 2022.

- ***Depletion and Depreciation*** – Depletion and depreciation expense at Costerfield decreased to $4.1 million in Q3 2022, compared to $5.8 million for Q3 2021 mainly due to an update to the reserves balance made in Q1 2022 resulting in a lower per ounce depletion rate.

- ***Cost per Ounce*** – Cash cost per ounce of saleable gold equivalent produced at Costerfield in Q3 2022 was $669 compared to $546 in Q3 2021. All-in sustaining cost per ounce of saleable gold equivalent produced in Q3 2022 was $838 compared to $837 in Q3 2021. These per ounce costs were higher as compared to Q3 2021 due to lower production.

- ***Capital Expenditures –*** Capital expenditures in Q3 2022 totaled $3.8 million ($1.2 million in capital development costs, $1.5 million for exploration, and $1.1 million in property, plant and equipment) as compared to the $6.1 million ($2.9 million in capital development costs, $1.5 million for exploration, and $1.7 million for property, plant and equipment) during Q3 2021. The decrease in capital expenditures in Q3 2022 was mainly due to a decrease in capital development activities during the current quarter.

Costerfield – Nine Months Ended September 30, 2022 and 2021

- ***Production*** — Saleable gold production for the first nine months of 2022 was 35,802 ounces, a 4% increase from the 34,356 ounces produced in the first nine months of 2021. Saleable antimony production for the nine months ended September 30, 2022, was 1,788 tonnes, a 30% decrease from the 2,550 tonnes produced during same period in 2021. Gold equivalent production for the nine months ended September 30, 2022, was 49,232 ounces, a slight increase from the 49,222 gold equivalent ounces produced in the same period in 2021. Processed gold grades were higher during first nine months of 2022 at 12.08 g/t gold as compared to 11.29 g/t gold during the same period in 2021. Processed antimony grades were lower during the first nine months of 2022 at 2.95% as compared to 3.96% in the same period in 2021.

- ***Revenue*** – Costerfield's revenue for the nine months ended September 30, 2022, was $91.0 million, a 11% increase from $82.2 million in the nine months ended September 30, 2021. This was due to an increase in gold equivalent ounces sold and from the support of higher realized gold and antimony prices. Gold equivalent ounces sold increased by 10% to 50,501 ounces in the nine months ended September 30, 2022, as compared to 45,721 ounces in the nine months ended September 30, 2021.

- ***Operating Costs*** – Cost of sales excluding depletion and depreciation at Costerfield was $33.5 million for the nine months ended September 30, 2022, compared to $26.2 million for the same period of 2021. This increase was mainly due to decrease in the value of inventory build-up during the first nine months of 2022 as compared to same period in 2021.

- ***Income from Operations*** – Income from mine operations before depreciation and depletion at Costerfield during the nine months ended September 30, 2022, of $57.6 million, adjusted EBITDA was $57.5 million, adjusted net income was $35.2 million and net income after tax of $36.0 million. Comparable results for the nine months ended September 30, 2021, were income from mine operations before depreciation and depletion of $56.0 million, adjusted EBITDA of $55.8 million, adjusted net income of $27.9 million and net income after tax of $29.9 million.

- ***Depletion and Depreciation*** – Depletion and depreciation expense at Costerfield decreased to $11.4 million in the nine months ended September 30, 2022, compared to $15.8 million for the same period in 2021 mainly due to a lower unit depletion rate during first nine months of the current year.

- ***Cost per Ounce*** – Cash cost per ounce of saleable gold equivalent produced at Costerfield in the nine months ended September 30, 2022 was $629 compared to $608 in the nine months ended September 30, 2021. This increase was due to higher operating cost during first nine months of the current year. All-in sustaining cost per ounce of saleable gold equivalent produced in the nine months ended September 30, 2022, was $840 compared to $920 in the nine months ended September 30, 2021. This decrease was mainly due to lower sustaining capital expenditures.

- ***Capital Expenditures*** – Capital expenditures in the first nine months ended September 30, 2022 totalled $12.6 million ($2.8 million in capital development costs, $4.7 million for exploration, and $5.1 million in property, plant and equipment) as compared to the $16.9 million ($9.0 million in capital development costs, $4.3 million for exploration, and $3.6 million for property, plant and equipment) during the first nine months of 2021. The decreased capital expenditures were due to decrease in capital development activities in the current period.

Björkdal Gold Mine, Sweden

Björkdal Financial Results

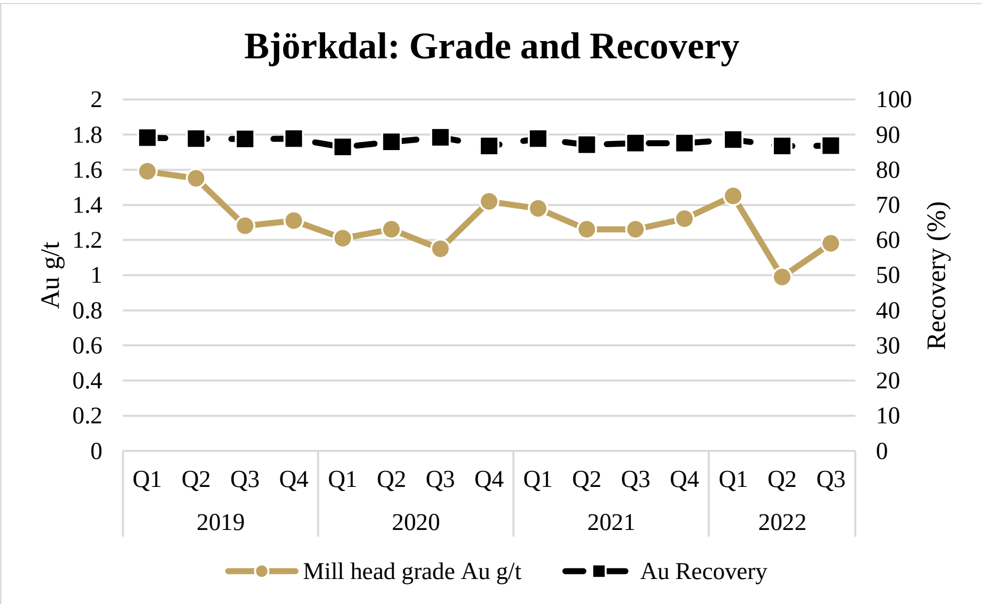
	Three months ended September 30		Nine months ended September 30	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Revenue	17,860	20,524	59,282	63,886
Cost of sales	11,844	13,744	41,457	44,842
Income from operations (excl. depreciation & depletion)	6,016	6,780	17,825	19,044
General and administrative costs (1)	173	124	498	432
Adjusted EBITDA (2,4)	6,016	6,780	17,825	19,044
Depreciation & depletion	4,667	4,593	14,295	14,355
Adjusted EBIT (4)	1,176	2,063	3,032	4,257
Unrealized gain on hedge	(3,765)	(1,725)	(6,737)	(11,224)
Finance costs, forex and others (3)	5,365	3,004	15,192	8,480
Income (loss) before tax	(424)	784	(5,423)	7,001
Current tax expense	-	-	11	-
Deferred tax (recovery) expense	182	141	(916)	1,424
Adjusted net loss (4)	(4,371)	(1,082)	(11,255)	(5,647)
Consolidated net income (loss) after tax	(606)	643	(4,518)	5,577
Capital development cost	1,357	2,092	6,178	7,212
Capital purchases	2,997	3,461	7,765	11,583
Capitalized exploration	950	566	2,771	1,624
Total capital expenditure (5)	5,304	6,119	16,714	20,419

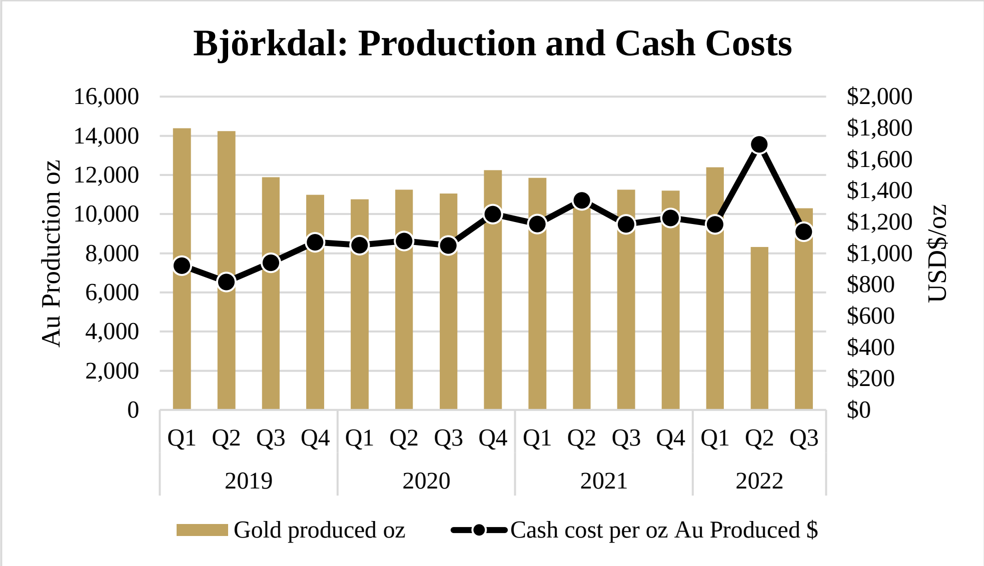
1. Includes intercompany transfer pricing recharge costs of $173,000 and $498,000 for the three and nine months ended September 30, 2022 and $124,000 and $432,000 for the same periods in 2021.
2. Does not include intercompany transfer pricing recharge costs.
3. Finance costs includes realized loss on gold hedge of $703,000 and $3,975,000 for the three and nine months ended September 30, 2022 compared to loss of $1,092,000 and $3,490,000 for the same periods in 2021. Others includes such items as gain/loss on disposals of properties and intercompany transfer pricing recharge for marketing fees and stock-based compensation of $370,000 and $1,227,000 for the three and nine months ended September 30, 2022 and $421,000 and $1,304,000 for the corresponding periods of 2021.
4. Income from operations (excl. depreciation & depletion) and Adjusted EBITDA, Adjusted EBIT and Adjusted net income are non-IFRS performance measures. Refer to Section 1.14 "Non-IFRS measures" for further information.
5. Includes capitalized depreciation on equipment.

Björkdal Operating Results

		Three months ended September 30		Nine months ended September 30	
		2022	**2021**	**2022**	**2021**
Underground mining					
Operating development	m	1,370	1,333	4,158	4,386
Mined ore	t	261,836	255,865	854,199	795,580
Mined ore Au grade	g/t	1.32	1.43	1.26	1.42
Mined contained Au	oz	11,090	11,761	34,715	36,232
Mining cost per tonne ore	$/t	25.18	28.10	25.84	26.43
Processed ore	t	321,463	325,048	937,774	951,845
Processed ore mill head grade Au	g/t	1.18	1.26	1.22	1.30
Recovery Au	%	86.80	87.53	86.44	87.77
Saleable Au produced	oz	10,291	11,250	30,991	34,046
Processing cost per tonne ore	$/t	8.28	8.58	9.58	9.77
Au sold	oz	10,001	11,297	31,111	35,505
Capital development (underground)	m	597	633	2,353	2,262
Capital development cost per metre	$/m	2,422	2,890	2,604	2,950
Cash operating cost per tonne ore processed(1)	$/t	36.47	41.04	43.21	44.17
Adjusted EBITDA per tonne ore processed(1,2)	$/t	18.71	20.86	19.01	20.01
Cash cost per oz Au produced(1,2)	$/oz	1,139	1,186	1,308	1,235
Site all-in sustaining cost per oz Au produced(1,2)	$/oz	1,362	1,440	1,617	1,578

1. Does not include intercompany transfer pricing recharge costs.
2. Adjusted EBITDA, cash and site all-in sustaining costs are non-IFRS performance measures. Refer to Section 1.14 "Non-IFRS Measures" for further information.





Björkdal - Three Months Ended September 30, 2022 and 2021

- ***Production*** – Saleable gold production at Björkdal in Q3 2022 was 10,291 ounces, a 9% decrease from the 11,250 ounces produced in Q3 2021 due to lower throughput levels, feed grades and recoveries at the processing plant.

- ***Revenue*** – Björkdal's revenue for Q3 2022 was $17.9 million, a decrease of 13% from the $20.5 million generated in Q3 2021. This decrease was due to fewer gold ounces sold with 10,001 ounces in Q3 2022 as compared to 11,297 gold ounces in Q3 2021 and a decline in realized gold prices during the same period.

- ***Operating Costs*** – Cost of sales excluding depletion and amortization at Björkdal was $11.8 million in Q3 2022, lower than $13.7 million for Q3 2021. This decrease was mainly due to lower production during the current quarter.

- ***Income from Operations*** – Income from mine operations before depreciation and depletion at Björkdal for Q3 2022 was $6.0 million, adjusted EBITDA was $6.0 million, adjusted net loss was $4.4 million and net loss after tax was $0.6 million. Comparable results for Q3 2021 were income from mine operations before depreciation and depletion of $6.8 million, adjusted EBITDA of $6.8 million, adjusted net loss of $1.1 million and net income after tax of $0.6 million.

- ***Depletion and Depreciation*** – Depletion and depreciation expense at Björkdal increased to $4.7 million in Q3 2022, compared to $4.6 million for the same period in 2021.

- ***Cost per Ounce*** – Cash cost per ounce of saleable gold produced at Björkdal for Q3 2022 was $1,139, 4% lower as compared to $1,186 during Q3 2021. All-in sustaining cost per ounce of saleable gold produced for Q3 2022 was $1,362, 5% lower than the $1,440 during Q3 2021. These per ounce costs were lower due to lower cost of production and sustaining capital expenditure during the current period.

- ***Capital Expenditures*** – Capital expenditures at Björkdal for Q3 2022 totaled $5.3 million ($1.3 million in mine development costs, $1.0 million for exploration, and $3.0 million in property, plant and equipment) compared with $6.1 million ($2.1 million in mine development costs, $0.6 million for exploration, and $3.4 million for property, plant and equipment) during Q3 2021.

Björkdal – Nine Months Ended September 30, 2022 and 2021

- ***Production*** – Saleable gold production at Björkdal for the nine months ended September 30, 2022, was 30,991 ounces, a 9% decrease from the 34,046 ounces produced during the same period in 2021 due to lower tonnes and grades processed.

- ***Revenue*** – Björkdal's revenue for the nine months ended September 30, 2022, was $59.3 million, lower than the $63.9 million generated in the same period of 2021. This was due to lower gold ounces sold during the first nine months of 2022 compared to 2021.

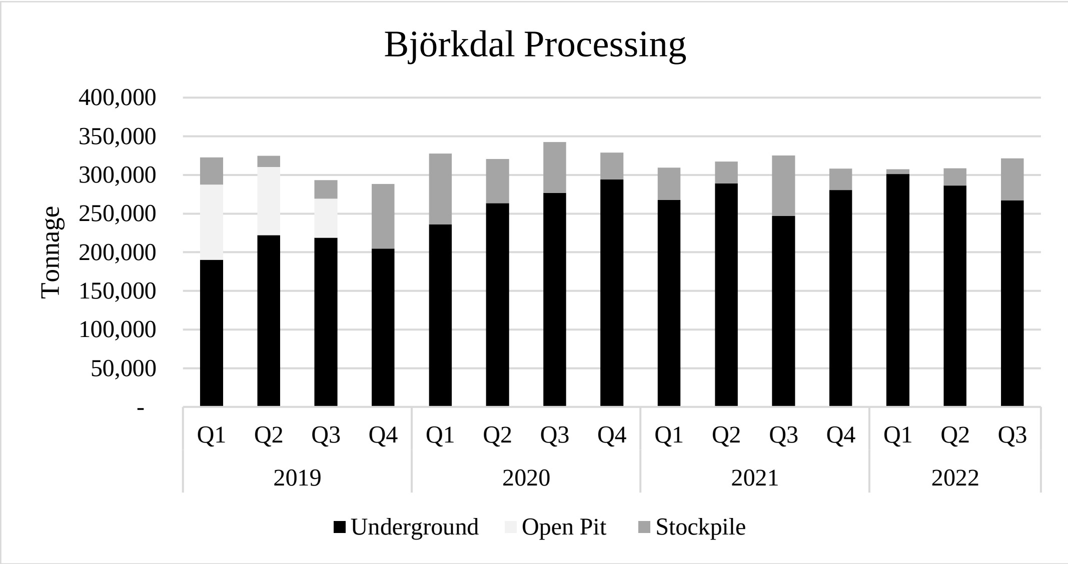
- ***Operating Costs –*** Cost of sales excluding depreciation and depletion at Björkdal was $41.5 million for the nine months ended September 30, 2022, lower than the $44.8 million during the same period of 2021. This decrease was mainly due to increase in the value of closing inventory build-up during the first nine months of 2022 as compared to same period in 2021.

- ***Income from Operations*** – Income from mine operations before depreciation and depletion at Björkdal for the nine months ended September 30, 2022, was $17.8 million, adjusted EBITDA was $17.8 million, adjusted net loss was $11.3 million and net loss after tax was $4.5 million. Comparable results for the same period of 2021 were income from mine operations before depreciation and depletion of $19.0 million, adjusted EBITDA of $19.0 million, adjusted net loss of $5.6 million and net income after tax was $5.6 million.

- ***Depletion and Depreciation*** – Depletion and depreciation expense at Björkdal decreased to $14.3 million in the nine months ended September 30, 2022, compared to $14.4 million for the same period in 2021 due to lower production during the first nine months of the year.

- ***Cost per Ounce*** – Cash cost per ounce of gold produced at Björkdal for the nine months ended September 30, 2022, was $1,308, 6% higher than the cash cost per ounce of gold produced in the same period of 2021 of $1,235. All-in sustaining cost per ounce of gold produced for the nine months ended September 30, 2022, was $1,617, 2% higher than the all-in sustaining cost per ounce of gold produced in the same period of 2021 of $1,578. These per ounce costs were higher in 2022 compared to 2021 primarily due to lower production.

- ***Capital Expenditures*** – Capital expenditures at Björkdal for the nine months ended September 30, 2022, totalled $16.7 million ($6.2 million in mine development costs, $2.8 million for exploration, and $7.8 million in property, plant and equipment) compared with $20.4 million ($7.2 million in mine development costs, $1.6 million for exploration, and $11.6 million for property, plant and equipment) during the same period of 2021. The decrease in capital expenditures was primarily due to lower amounts spent on mining equipment and tailings spend.



Non-Core Properties

<u>Challacollo</u>

On November 12, 2019, the Company announced that it had entered into a definitive agreement with Aftermath Silver Ltd. ("Aftermath") in respect of the previously announced transaction in which Aftermath will acquire Minera Mandalay Challacollo Limitada ("MMC"), which currently owns the Challacollo silver-gold project located in Region I (Tarapaca) of Chile. Pursuant to the terms of the transaction, Aftermath will purchase 100% of MMC in exchange for total consideration of up to C$11.0 million, consisting of C$7.5 million in non-contingent consideration (the "Non-Contingent Consideration") plus a 3% net smelter returns royalty on production at Challacollo, capped at US$3.0 million.

The Non-Contingent Consideration is payable as follows:

- C$1.0 million in cash payable on or before December 30, 2019 (received in Q4 2019);
- C$1.0 million in cash payable on or before December 30, 2020 (received in Q4 2020);
- C$3.0 million in cash or shares payable on or before April 30, 2021 (received in Q2 2021);
- C$1.5 million in shares and C$1.0 million in cash (received upon the final closing of the transaction in Q3 2022); and
- C$0.5 million in cash payable on or before December 31, 2022.

Aftermath exercised its option to pay C$3.0 million in cash and shares by April 30, 2021, with Mandalay receiving C$1.5 million in cash and 2,054,794 shares of Aftermath with a fair value of C$0.73 per share. For the year ended December 31, 2021, 678,794 shares were sold at an average price of C$0.57 per share.

The Company completed the sale of Challacollo to Aftermath on August 10, 2022. At closing, Aftermath paid the Company C$1.0 million in cash and 6,122,448 Aftermath shares with a fair value of C$0.245 per share and will receive a final payment of C$0.5 million plus interest in cash on or before December 31, 2022. The Company is also entitled to receive a 3% net smelter returns royalty on production at Challacollo, capped at US$3.0 million. The Company recognized a gain of US$1.8 million related to sale of Challacollo.

<u>Lupin</u>

The Company spent less than $0.1 million on care and maintenance at Lupin during Q3 2022 and $0.2 million for Q3 2021. Reclamation expenditures at Lupin was $1.4 million and $4.9 million for the three and nine months ended September 30, 2022 respectively, compared to $6.4 million and $7.5 million for the corresponding periods of 2021. Lupin is currently in the process of final closure and reclamation activities mainly funded by progressive security reductions. As at September 30, 2022, $8.3 million in restricted cash stands as a deposit against the present value of reclamation cost obligations of $9.7 million. As on July 13, 2022, the Company received C$3.1 million from its restricted cash as a part-compensation for work completed to date. As a result of a review of the remaining reclamation costs, the reclamation liability was revised by $7.1 million as at September 30, 2022.

La Quebrada

The Company continues to evaluate options for this non-core asset. Care and maintenance spending at La Quebrada was less than $0.1 million during Q3 2022, which was similar to the comparative period in 2021.

1.2 THIRD QUARTER FINANCIAL RESULTS

Summary Financial Performance

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Revenue	46,048	52,567	150,318	156,492
Cost of sales	24,690	25,695	74,932	78,244
Income from operations (excl. depr. and depletion) (1)	21,358	26,872	75,386	78,248
Depreciation and depletion	8,775	10,358	25,667	30,129
Income from mining operations	12,583	16,514	49,719	48,119
General and administrative costs	1,950	1,757	4,344	3,936
Adjusted EBITDA(1)	19,408	25,115	71,042	74,312
Finance costs	2,305	2,163	8,962	6,333
Unrealized loss (gain) on financial instruments	(4,935)	835	(5,958)	(12,717)
Gain on sale of subsidiary	(1,828)	-	(1,828)	-
Revision of reclamation liability, forex and others(2)	474	(1,123)	6,820	(3,614)
Consolidated income before tax	14,617	12,882	37,379	54,181
Current tax expense	3,309	3,276	12,749	10,910
Deferred tax expense	2,033	351	2,167	3,726
Adjusted net income (1)	2,512	10,090	21,769	27,211
Consolidated net income	9,275	9,255	22,463	39,545
Adjusted income per share(1)	0.03	0.11	0.24	0.30
Consolidated income per share	0.10	0.10	0.24	0.43
Total assets	278,359	301,269	278,359	301,269
Total liabilities	105,038	136,561	105,038	136,561
Total equity	173,321	164,708	173,321	164,708
Capital expenditures – Consolidated(3)				
Underground capital development	2,562	5,017	9,021	16,223
Property, plant and equipment purchases	4,082	5,109	12,878	15,161
Capitalized exploration	2,450	2,323	7,759	6,669
Total capital expenditures	9,094	12,449	29,658	38,053

1. Income from operations (excl. depreciation & depletion), adjusted EBITDA, adjusted net income and adjusted income per share are non-IFRS performance measures. Refer to Section 1.14 "Non-IFRS Measures" for further information.
2. Others includes such items as share-based compensation, loss (gain) on sale of assets and interest income.
3. Includes capitalized spending from non-operating sites.

Summary Balance Sheet

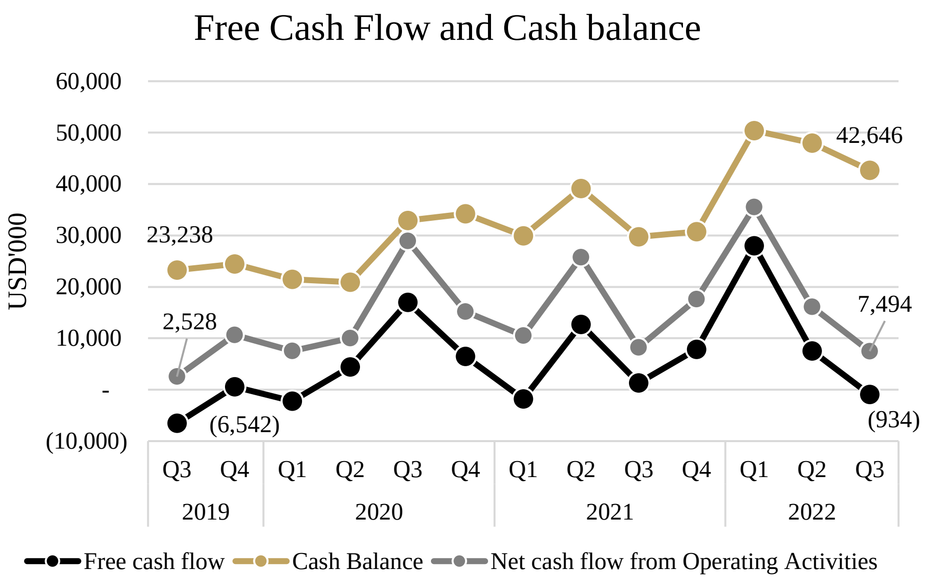
	As at September 30, 2022	As at December 31, 2021
	$'000	$'000
Cash and cash equivalents	42,646	30,738
Inventories, accounts rec. and other current assets	52,094	82,691
Assets held for sale	-	906
Total current assets	**94,740**	**114,335**
Property, plant and equipment	172,941	193,731
Reclamation deposits and other non-current assets	10,678	9,777
Total assets	**278,359**	**317,843**
Syndicated Facility – *current*	31,944	15,111
Other current liabilities	39,498	62,816
Liabilities held for sale	-	478
Total current liabilities	**71,442**	**78,405**
Syndicated Facility – *non-current*	-	27,658
Non-current liabilities	33,596	35,093
Equity attributable to common shareholders	173,321	176,687
Total equity and liability	**278,359**	**317,843**

Summary Cash Flow

The table below summarizes the Company's cash flow for the three and nine months ended September 30, 2022 and 2021 and reconciles free cash flow to reported net cash flows from operating activities for those periods. See Section 1.14 "Non-IFRS Measures" for more information.

	Three months ended September 30, 2022	Three months ended September 30, 2021	Nine months ended September 30, 2022	Nine months ended September 30, 2021
	$'000	$'000	$'000	$'000
Net cash flows from operating activities	**7,494**	**8,189**	**59,114**	**44,410**
Reclamation expenditures	1,207	5,007	6,472	6,082
Capital expenditures	(8,900)	(11,543)	(28,825)	(36,891)
Lease payments	(735)	(333)	(2,175)	(1,369)
Free cash flow[1]	**(934)**	**1,320**	**34,586**	**12,232**
Net reclamation expenditures	1,169	(5,007)	(4,097)	(3,937)
Proceeds from sale of non-core assets	-	-	-	1,847
Net repayment on borrowings	(3,919)	(4,118)	(11,108)	(10,961)
Payment of gold derivative contracts	(1,730)	(1,352)	(6,572)	(3,411)
Shares issued for cash	-	22	181	46
Effects of exchange rate changes	112	(214)	(1,082)	(258)
Net cash flow	(5,302)	(9,349)	11,908	(4,442)
Cash/cash equivalents, end of period	**42,646**	**29,764**	**42,646**	**29,764**

1 Free cash flow is a non-IFRS performance measures. Refer to Section 1.14 "Non-IFRS Measures" for further information



Adjusted EBITDA, Adjusted EBIT and Adjusted Net Income Reconciliation to Net Income

The table below reconciles adjusted EBITDA, adjusted EBIT and adjusted net income to reported net income for the three and nine months ended September 30, 2022 and 2021. See Section 1.14 "Non-IFRS Measures" for more information.

	Three months ended September 30, 2022	**Three months ended September 30, 2021**	**Nine months ended September 30, 2022**	**Nine months ended September 30, 2021**
	$'000	**$'000**	**$'000**	**$'000**
Consolidated net income	9,275	9,255	22,463	39,545
Add/less: Special items				
Gain on sale of subsidiary	(1,828)	-	(1,828)	-
Revision of reclamation liability	-	-	7,092	-
Fair value loss (gain) on fin. instruments	(4,935)	835	(5,958)	(12,717)
Care and maintenance costs	-	-	-	383
Adjusted net income	**2,512**	**10,090**	**21,769**	**27,211**
Add/less: Non-cash and finance costs				
Depletion and depreciation	8,775	10,358	25,667	30,129
Loss (gain) on disposal of PPE	(16)	(31)	302	(602)
Share based compensation expense	209	95	974	532
Finance charges	2,305	2,163	8,962	6,333
Current tax expense	3,309	3,276	12,749	10,910
Deferred tax expense	2,033	351	2,167	3,726
Foreign exchange loss (gain)	539	(1,085)	(1,080)	(3,647)
Interest and other income	(258)	(102)	(468)	(280)
Adjusted EBITDA	**19,408**	**25,115**	**71,042**	**74,312**
Depletion and depreciation	8,775	10,358	25,667	30,129
Adjusted EBIT	**10,633**	**14,757**	**45,375**	**44,183**

Cash Cost and All-in Sustaining Cost Reconciliation to Cost of Sales:

The table below reconciles cash cost, all-in sustaining cost to reported cost of sales for the three and nine months ended September 30, 2022 and 2021. Refer to Section 1.14 "Non-IFRS Measures" for further information.

	Three months ended September 30, 2022	Three months ended September 30, 2021	Nine months ended September 30, 2022	Nine months ended September 30, 2021
	$'000	**$'000**	**$'000**	**$'000**
Cost of sales, excluding depletion and depreciation	**24,690**	**25,695**	**74,932**	**78,244**
Add:				
General and administrative costs	7	41	108	118
Less:				
Change in inventory	(923)	2,293	(1,030)	4,231
Royalties	(689)	(713)	(2,520)	(2,272)
Total cash cost	**23,085**	**27,316**	**71,490**	**80,321**
Saleable Au equivalent produced (oz)	27,287	33,121	80,223	90,640
Cash cost per oz gold produced ($)	**846**	**825**	**891**	**886**

	Three months ended September 30, 2022	Three months ended September 30, 2021	Nine months ended September 30, 2022	Nine months ended September 30, 2021
	$'000	**$'000**	**$'000**	**$'000**
Total Cash cost	**23,085**	**27,316**	**71,490**	**80,321**
Add:				
General and administrative costs	1,944	1,709	4,212	3,812
Capital development	2,562	5,017	9,021	16,223
Capital purchases – sustaining	1,608	2,513	7,335	7,571
Capital exploration – infill drilling	309	308	1,051	1,226
Royalties	689	713	2,520	2,272
Accretion on rehabilitation provisions	113	1	179	29
All-in sustaining cost	**30,310**	**37,578**	**95,808**	**111,454**
Saleable Au equivalent produced (oz)	27,287	33,121	80,223	90,640
All-in sustaining cost per oz Au prod. ($)	**1,111**	**1,135**	**1,194**	**1,230**

Consolidated Financial Results - Three Months Ended September 30, 2022 and 2021

- ***Revenue*** – Consolidated revenue for Q3 2022 was $46.0 million, 13% lower than the $52.6 million in Q3 2021. Consolidated gold equivalent ounces sold decreased to 26,551 ounces in Q3 2022 as compared to 29,509 ounces sold in Q3 2021. The decrease in revenue as compared to Q3 2021 was mainly due to lower ounces sold at Björkdal and the absence of revenue from Cerro Bayo.

- ***Operating Costs*** – Consolidated cost of sales excluding depletion and amortization was $24.7 million for Q3 2022 compared to $25.7 million for Q3 2021. The decrease in Q3 2022 costs were mainly due to lower production at Björkdal.

- ***Income from Operations*** – Consolidated income from mine operations before depreciation and depletion for Q3 2022 was $21.4 million, adjusted EBITDA was $19.4 million, adjusted net income was $2.5 million and net income after tax was $9.3 million. Comparable results for Q3 2021 were income from mine operations before depreciation and depletion of $26.9 million, adjusted EBITDA of $25.1 million, adjusted net profit of $10.1 million and net income after tax of $9.3 million.

- ***Depletion and Depreciation*** – Depletion and depreciation expense in Q3 2022 was $8.8 million compared to $10.4 million in Q3 2021 decrease is mainly due to reduced production.

- ***Cost per Ounce*** – Consolidated cash cost per ounce of saleable gold equivalent produced for Q3 2022 was $846, a 3% increase compared to $825 during Q3 2021. Consolidated all-in sustaining cost per ounce of saleable gold equivalent produced for Q3 2022 was $1,111, 2% lower than Q3 2021 of $1,135. The higher unit cash cost was due to lower production in Q3 2022 as compared to Q3 2021. The decrease in all-in sustaining cost was driven by lower sustaining capital expenditures.

- ***Capital Expenditures*** – Consolidated capital expenditures for Q3 2022, totaled $9.1 million ($3.8 million occurred at Costerfield and $5.3 million at Björkdal). By comparison, total capital expenditures, including capitalized depreciation and exploration, in Q3 2021 were $12.4 million ($6.1 million at Costerfield, $6.1 million at Björkdal).

Consolidated Financial Results - Nine Months Ended September 30, 2022 and 2021

- ***Revenue*** – Consolidated revenue for the nine months ended September 30, 2022 was $150.3 million, a decrease from $156.5 million during the nine months ended September 30, 2021, mainly due to lower ounces sold at Björkdal and the absence of revenue from Cerro Bayo. Consolidated gold equivalent ounces sold decreased by 7% to 81,612 ounces in the nine months ended September 30, 2022, compared to 87,337 ounces in the nine months ended September 30, 2021.

- ***Operating Costs*** – Consolidated cost of sales excluding depletion and amortization was $74.9 million for the nine months ended September 30, 2022, compared to $78.2 million for the same period of 2021. The decrease in costs were mainly due to lower production at Björkdal.

- ***Income from Operations*** – Consolidated income from mine operations before depreciation and depletion for the nine months ended September 30, 2022 was $75.4 million, adjusted EBITDA was $71.0 million, adjusted net income was $21.8 million and net income after tax was $22.5 million. Comparable results for the nine months ended September 30, 2021 were income from mine operations before depreciation and depletion of $78.2 million, adjusted EBITDA of $74.3 million, adjusted net profit of $27.2 million and a net income after tax of $39.5 million.

- ***Depletion and Depreciation*** – Depletion and depreciation expense was decreased to $25.7 million in the nine months ended September 30, 2022 compared to $30.1 million for the same period in 2021 decrease is mainly due to reduced production.

- ***Cost per Ounce*** – Consolidated cash cost per ounce of gold equivalent produced for the nine months ended September 30, 2022, was $891, slightly higher than the cash cost per ounce of gold equivalent produced in the nine months ended September 30, 2021 of $886. Consolidated all-in sustaining cost per ounce of gold equivalent produced for the nine months ended September 30, 2022, was $1,194, 3% lower than the all-in sustaining cost per ounce of gold equivalent produced in the nine months ended September 30, 2021 of $1,230. These per ounce cash costs were higher in the nine months of 2022 compared to the same period in 2021 due to lower production. The decrease in all-in sustaining cost was driven by lower sustaining capital expenditure during the nine months of 2022 compared to the same period in 2021.

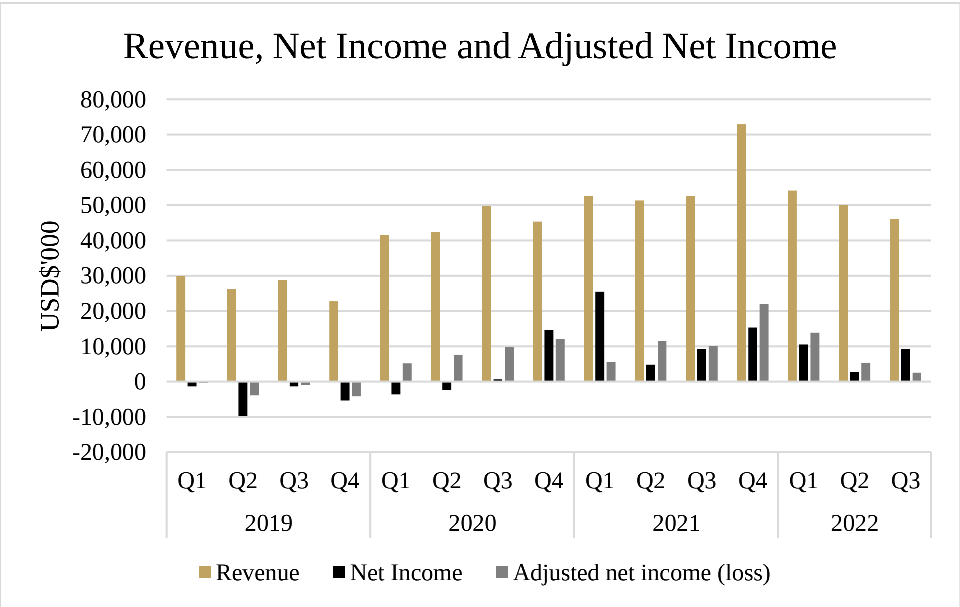
- ***Capital Expenditures*** – Consolidated capital expenditures for the nine months ended September 30, 2022, totalled $29.7 million ($12.6 million occurred at Costerfield and $16.7 million at Björkdal). By comparison, total capital expenditures, including capitalized depreciation and exploration, in the nine months ended September 30, 2021 were $38.1 million ($16.9 million occurred at Costerfield and $20.4 million at Björkdal).

1.3 SUMMARY OF QUARTERLY RESULTS

The following information is derived from the Company's quarterly financial statements for the past eight quarters:

	Quarter 3 2022	Quarter 2 2022	Quarter 1 2022	Quarter 4 2021
	$'000	$'000	$'000	$'000
Revenue	46,048	50,116	54,154	72,904
Adjusted net income	2,512	5,370	13,887	21,992
Net income	9,275	2,703	10,485	15,334
Adjusted net income per share – Basic	0.03	0.06	0.15	0.24
Net income per share – Basic and diluted	0.10	0.03	0.11	0.17

	Quarter 3 2021	Quarter 2 2021	Quarter 1 2021	Quarter 4 2020
	$'000	$'000	$'000	$'000
Revenue	52,567	51,352	52,573	45,320
Adjusted net income	10,090	11,475	5,646	12,065
Net income	9,255	4,790	25,500	14,722
Adjusted net income per share – Basic	0.11	0.13	0.06	0.13
Net income per share – Basic and diluted	0.10	0.05	0.28	0.16



Financial results are impacted by the amounts of gold and antimony production, the costs associated with that production, and the prices received for metal in concentrate. Metal prices are determined using prevailing international prices for gold and antimony. The Company's products are priced in U.S. Dollars, whereas the majority of the mining costs are in Australian Dollars (at Costerfield) and Swedish Krona (at Björkdal). The Company's results will be impacted by exchange rate variations during the reporting periods.

The increase in revenue and earnings over recent years is due to the combined impact of changes in production volumes, increases in metal prices and timing of concentrate shipments.

1.4 MARKETS – CURRENCY EXCHANGE RATES

The average currency exchange rates for the reporting periods are summarized in the table below:

Currency	Average Rate July 1, 2022 – September 30, 2022	Average Rate July 1, 2021 – September 30, 2021	Average Rate January 1, 2022 – September 30, 2022	Average Rate January 1, 2021 – September 30, 2021
1A$ = C$	0.8922	0.9254	0.9074	0.9496
1 A$ = US$	0.6837	0.7350	0.7075	0.7591
1 US$ = C$	1.3050	1.2591	1.2825	1.2510
1 US$ = Chilean Peso	929	773	860	738
1 US$ = SEK	10.543	8.6477	9.9071	8.4878

Markets – Commodity Prices

Realized and market prices of gold were lower in Q3 2022 as compared to Q3 2021. In case of Antimony, these prices were higher as compared to Q3 2021. The average market and realized commodity prices for the reporting period are summarized in the table below:

Commodity	Prices July 1, 2022 – September 30, 2022	Prices July 1, 2021 – September 30, 2021	Prices January 1, 2022 – September 30, 2022	Prices January 1, 2021 – September 30, 2021
Realized gold US$/oz[1]	1,735	1,839	1,851	1,798
Average gold US$/oz – London PM close (Transamine)	1,730	1,790	1,825	1,799
Realized antimony US$/tonne[1]	13,286	10,229	13,499	10,316
Average antimony US$/tonne – Rotterdam Warehouse (Metal Bulletin)	13,286	11,720	13,718	10,486

1. Includes the effect of prior period smelter revenue adjustment on sales revenue and realized prices for the periods

1.5 LIQUIDITY, SOLVENCY AND USES OF CASH

As at September 30, 2022, the Company's working capital was $23.3 million compared to $35.9 million at December 31, 2021. The Company had cash and cash equivalents of $42.6 million as at September 30, 2022, as compared to $30.7 million at December 31, 2021.

On March 17, 2020, the Company entered into a credit agreement with HSBC and Macquarie providing for (i) a senior secured revolving credit facility in an aggregate amount of up to US$25 million and (ii) a senior secured term credit facility in an aggregate amount of up to US$40 million (the "Syndicated Facility"). The Syndicated Facility amends and restates the Company's previous US$40 million revolving credit facility with HSBC, which was scheduled to mature on July 24, 2020 (the "Prior Credit Facility"). The initial drawdown under the Syndicated Facility was used to repay the Prior Credit Facility in full and to fund the repurchase or redemption of the outstanding Gold Bonds. The Syndicated Facility has a term of three years and the Company repaid $6.0 million of this facility in the second half of 2020, $3.8 million each in Q1, Q2, Q3 and

Q4 of 2021, and Q1, Q2 and Q3 of 2022. In addition to repaying the Existing Facility and repurchasing or redeeming Gold Bonds, proceeds from the Syndicated Facility were used for general corporate and working capital purposes. As at September 30, 2022, the Company was in compliance with all covenants of its Syndicated Facility. For more details, please refer to Section 1.6 "Contractual commitments and contingencies".

During Q1 2020, in conjunction with the Syndicated Facility, Mandalay entered into two separate hedging programs with HSBC and Macquarie for a total of 150,000 ounces of saleable gold over the Syndicated Facility's three-year term commencing monthly in July 2020, or 50,000 ounces of saleable gold a year. This consisted of a zero-cost collar U.S Dollar hedge for 75,000 ounces of saleable gold with a floor price of $1,550 per ounce and a ceiling of $1,617 per ounce; and an Australian Dollar gold forward contract for the remaining 75,000 ounces of salable gold at AU$2,390 per ounce. During Q3 2022 the Company paid $1.7 million as settlement of expired gold derivatives contracts as compared to $1.4 million in Q3 2021.

1.6 CONTRACTUAL COMMITMENTS AND CONTINGENCIES

$65 Million Syndicated Facility

On March 17, 2020, the Company entered into the Syndicated Facility, which consists of:

1. A senior secured Revolver Credit Facility in an aggregate amount of up to $25.0 million; and
2. A senior secured Term Credit Facility in an aggregate amount of up to $40.0 million.

The initial drawdown under the Syndicated Facility was used to repay the Prior Credit Facility in full and to fund the repurchase or redemption of the outstanding Gold Bonds.

The Syndicated Facility has the following financial covenants:

- Debt Service Coverage Ratio of
  - not less than 1.25:1:00 for the Rolling periods (two quarters) ended March 31, 2020, June 30, 2020, September 30, 2020 and December 31, 2020, and
  - not less than 1.50:1:00 for the Rolling periods (two quarters) ended March 31, 2021 and thereafter;
- Leverage Ratio of not more than 3.00:1.00 at all times;
- Adjusted Tangible Net Worth of not less than $95.0 million plus 50% of net income (cumulative) earned after Closing Date, less any write-downs related to non-core assets and add/less any fair value loss/gain related to the gold derivative contracts; and
- the aggregate of the Company's unrestricted cash shall not be less than $10.0 million at any time.

As at September 30, 2022, the Company was in compliance with all financial covenants on the Syndicated Facility.

The Syndicated Facility has a three-year term and the Term Credit Facility and was reduced by $3.0 million each quarter commencing September 30, until December 31, 2020, and thereafter repaid in eight equal quarterly installments of $3.8 million starting March 31, 2021, with the final payment of $28.8 million on the maturity date, March 16, 2023, which includes repayment of the Revolver Credit Facility in full, as at September 30, 2022 the Syndicated Facility is treated as a current liability. The Syndicated Facility allows for early repayments with no associated penalties and holds security over the Company's material assets. The Syndicated Facility has an effective interest rate of 8.82%. The nominal interest rate at September 30, 2022, was 4.25%+LIBOR. As at September 30, 2022, the Company made a total of $32.5 million debt repayment, leaving an outstanding principal value of the Syndicated Facility of $32.5 million.

In conjunction with the Syndicated Facility, Mandalay entered into two separate hedging programs with HSBC and Macquarie for a total of 150,000 ounces of saleable gold over the Syndicated Facility's three-year term commencing monthly in July 2020, or 50,000 ounces of saleable gold per year. This consisted of a zero-cost U.S Dollar collar hedge for 75,000 ounces of saleable gold with a floor price of $1,550 per ounce and a ceiling of $1,617 per ounce; and an Australian Dollar gold forward contract for the remaining 75,000 ounces of saleable gold at AU$2,390 per ounce. As at September 30, 2022, 18,750 ounces of saleable gold and 20,834 ounces of saleable gold contracts are yet to be matured for hedging programs with HSBC and Macquarie respectively. The Company recognized an unrealized fair value gain of $5.5 million and $7.6 million for the three and nine months ended September 30, 2022 relating to these hedges. As the gain or loss from the valuation of these hedges can be volatile due to the valuation methods involved, as well as the long-term nature of the hedge and the price of gold from time to time, the Company has classified the valuation as a special item.

During the three and nine months ended September 30, 2022, the Company paid $1.7 million and $6.6 million respectively, as settlement of expired gold derivatives contracts as compared to $1.4 million and $3.4 million in the corresponding period of 2021. Depending on certain factors, mainly the price of gold, the Company may be required to settle gold derivative contracts in the future.

Marketable securities

On May 5, 2021, the Company received 2,054,794 shares of Aftermath with a fair value of C$0.73 per share as part of the compensation under Challacollo sale agreement. During the year ended December 31, 2021, the Company has sold 678,794 Aftermath shares at an average of C$0.57 per share. On August 10, 2022 the Company received additional 6,122,448 shares of Aftermath with a fair value of C$0.245 per share as a part of sale consideration on closing. The value of securities as at September 30, 2022 is $1.0 million. These securities are stated at fair value with any resulting gain or loss recognized in income statement. The Company recorded an unrealized fair value loss of $0.4 million and $0.6 million respectively for the three and nine months ended September 30, 2022, using Level 1 assumptions.

On December 18, 2021, the Company received 29,375,121 shares (after consolidation of 20 shares into 1 share) of Equus Mining Ltd with a fair value of A$0.18 per share as part of the compensation under Cerro Bayo sale agreement. The value of securities as at September 30, 2022 is $1.7 million. Equus securities are stated at fair value with any resulting gain or loss recognized in income statement. The Company recorded an unrealized fair value loss of $0.2 million and $1.1 million respectively for the three and nine months ended September 30, 2022, using Level 1 assumptions.

Contractual Obligations as at September 30, 2022

Contractual obligations	Payments due by year ($ '000)		Total ($ '000)
	Less than 1 year	1-3 years	
Syndicated Facility	32,555	-	**32,555**
Lease obligations	2,114	1,974	**4,088**
Other equipment loan obligations	382	280	**662**
Total contractual obligations	**35,051**	**2,254**	**37,305**

1.7 OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

1.8 TRANSACTIONS WITH RELATED PARTIES

The Company has not entered into any transactions with related parties during current and comparative periods.

1.9 FINANCIAL INSTRUMENTS

General

The Company's financial instruments consist of cash and cash equivalents, trade receivables and other assets, reclamation and other deposits, derivative financial instruments, trade and other payables. The Company also periodically uses financial instruments to protect itself against future downward fluctuations in the prices of gold and antimony and against currency exchange rate fluctuations (see gold hedging programs in Section 1.6 Contractual Commitments and Contingencies).

The Company has exposure to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The Company has credit risk which is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's accounts receivable and derivative financial instruments. The Company closely monitors extensions of credit and has not experienced significant credit losses in the past. As at September 30, 2022, the Company had no past overdue trade receivables.

The Company is subject to interest rate risk on its cash and cash equivalents and believes that its results of operations, financial position and cash flows would not be significantly affected by a sudden change in market interest rates relative to the investment interest rates due to the short-term nature of the investments. Excess cash is invested in highly rated investment securities at fixed interest rates with varying terms to maturity but generally with maturities of three months or less from the date of purchase.

The Company reports its financial statements in U.S. Dollars. However, the Company's operations are located in Australia, Sweden, and Chile, where local costs are at least partially incurred in local currencies. As a consequence, the financial results of the Company's operations as reported in U.S. Dollars are subject to changes in the value of the U.S. Dollar relative to the Australian Dollar, Chilean Peso and Swedish Krona. The Company has at times entered into foreign exchange hedges to limit exposure to exchange rate fluctuations. The Company's management assesses the Company's strategy towards its foreign exchange rate risk as needed, depending on market conditions.

1.10 OTHER MD&A REQUIREMENTS

INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS

I. Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, so that appropriate decisions can be made regarding public disclosure.

II. Internal Controls and Financial Reporting

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, are responsible for establishing and maintaining adequate internal control over financial reporting. The Company evaluates the design and operational effectiveness of its internal controls over financial reporting as defined under NI 52-109 on a regular basis. The Company's controls include policies and procedures that:

- relate to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Company's management and directors; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual financial statements or interim financial statements.

  There has been no change in the Company's design of internal controls and procedures over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting during the period covered by this MD&A.

III. Limitation of Controls and Procedures

The Company's management, including its Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur due to simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

1.11 OUTSTANDING SHARES

As of the date of this MD&A, the Company had 92,242,836 common shares issued and outstanding. The weighted average number of shares outstanding during Q3 2022 used for the calculation of per share results were 92,242,333.

In Q3 2022, the following events occurred with, or added to the total amount, of outstanding shares, stock options and restricted share units of the Company:

Omnibus Equity Incentive Plan

On May 20, 2020, the shareholders of the Company approved a rolling Omnibus Equity Incentive Plan (the "Omnibus Plan") which provides flexibility to the Company to grant equity-based incentive awards in the form of stock options, restricted share units, performance share units and deferred share units as described in the Company's Management Information Circular dated April 3, 2020. The Omnibus Plan replaced the Company's Stock Option Plan and Restricted Share Unit Plan which remain in effect with respect to stock options and restricted share units issued prior to the adoption of the Omnibus Plan, but no further stock options and restricted share units will be issued thereunder. The total number of common shares reserved for issuance pursuant to awards granted under the Omnibus Plan and all other security-based compensation outstanding under the Stock Option Plan and RSU Plan shall not exceed 10% of the issued and outstanding common shares from time to time.

Stock Options

Prior to the Omnibus Plan, during 2013, the Company had established a "rolling" stock option plan (the "Option Plan") in compliance with the TSX's policy for granting stock options. The exercise price of each stock option shall not be less than the market price of the Company's stock at the date of grant. Options generally vest over three years. Options issued until December 31, 2016, had a maximum term of five years, and thereafter have a maximum term of up to seven years.

Stock options issued and outstanding as at September 30, 2022 are as follows:

Exercise Price C$	As of September 30, 2022	As of November 9, 2022	Expiry Date
2.65	295,175	295,175	30 June, 2029
2.14	304,173	304,173	30 June, 2028
0.61	741,333	741,333	30 June, 2027
1.10	333,334	333,334	30 June, 2026
2.00	199,500	199,500	30 June, 2025
6.00	140,000	140,000	30 June, 2024
Total	**2,013,515**	**2,013,515**	

During Q3 2022, no options were exercised, compared to 41,000 options in corresponding period of 2021. There were 2,013,515 options outstanding as of September 30, 2022.

Restricted Share Units

Prior to the Omnibus Plan, during 2013, the Company adopted a Restricted Share Unit Plan (the "RSU Plan") and granted Restricted Share Units ("RSUs") to certain directors. Under the RSU Plan, those directors granted RSUs receive the Company's common shares at no cost or a cash payment equal to the market value of such shares at the time of vesting, which is based on vesting over three years. Each RSU is equivalent in value to one common share. Commencing in 2021, non-executive directors will be granted part of their compensation in the form of DSUs, rather than RSUs, pursuant to the Omnibus Plan. The RSUs issued and outstanding as at September 30, 2022, is as follows:

	Number of RSU Awards
Balance, December 31, 2020	**673,192**
Granted	168,025
Redeemed	(285,047)
Forfeited	(80,212)
Balance, December 31, 2021	**475,958**
Granted	118,337
Redeemed	(213,109)
Forfeited	-
Balance, September 30, 2022	**381,186**
Redeemed	-
Outstanding as at November 09, 2022	**381,186**

PSUs

The Company grants PSUs to certain employees pursuant to the Omnibus Plan. Those employees granted PSUs will receive the Company's common shares at no cost or a cash payment equal to the market value of such shares upon the achievement of certain performance goals at the time of vesting, which is based on vesting over three years subject to the Company's three-year Total Shareholder Return performance against VanEck Vectors Junior Gold Miners ETF, on a sliding scale payout. Each PSU is equivalent in value to one common share. The PSUs issued and outstanding as at September 30, 2022 is as follows:

	Number of PSU Awards
Balance, December 31, 2020	**-**
Granted	336,049
Redeemed	(40,000)
Balance, December 31, 2021	**296,049**
Granted	236,673
Redeemed	(43,574)
Balance, September 30, 2022	**489,148**

DSUs

Commencing in 2021, non-executive directors will be granted part of their compensation in the form of DSUs, rather than RSUs, pursuant to the Omnibus Plan. The DSUs vest immediately on grant date. Those directors granted DSUs will receive the Company's common shares at no cost or a cash payment equal to the market value of such shares following their departure from the board. Each DSU entitles the holder to one common share. The DSUs issued and outstanding as at September 30, 2022 is as follows:

	Number of DSU Awards
Balance, December 31, 2020	**-**
Granted	150,148
Balance, December 31, 2021	**150,148**
Granted	136,044
Redeemed	(23,364)
Balance, September 30, 2022	**262,828**

1.12 QUALIFIED PERSONS

Disclosures of a scientific or technical nature in this MD&A in respect of each of the Company's material mineral resource properties were prepared by, or under the supervision of, Chris Davis (VP of Operational Geology & Exploration, MAusIMM CP (Geo), and a "qualified person" (as that term is defined in National Instrument 43-101).

1.13 SUBSEQUENT EVENTS

There were no material subsequent events after the end of the quarter.

1.14 NON-IFRS MEASURES

Non-IFRS performance measures are included in this MD&A because the Company believes these are useful indicators to discuss and understand performance of the Company and its operations. These performance measures do not have a meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These non-IFRS performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

Management uses adjusted EBITDA, adjusted EBIT, adjusted net income and free cash flow as measures of operating performance to assist in assessing the Company's ability to generate liquidity through operating cash flow in order to fund future working capital needs and to fund future capital expenditures, as well as in measuring financial performance from period to period on a consistent basis. Management uses adjusted net income in order to facilitate an understanding of the Company's financial performance prior to the impact of non-recurring or special items. The Company believes that these measures are used by and are useful to investors and other users of the Company's financial statements in evaluating the Company's operating and cash performance because they allow for analysis of its financial results without regard to special, non-cash and other non-core items, which can vary substantially from company to company and over different periods.

The Company presents "cash cost" and "all-in sustaining costs" metrics for its gold and antimony production because it believes that these measures assist investors and other users of the Company's financial statements in understanding the economics of the Company's gold and antimony mining activities. Management also uses these metrics to assess Company's ability to meet short and long-term financial objectives.

1. *Income from operations (excl. depreciation & depletion)* – The Company defines Income from operations (excl. depreciation & depletion) as revenue net of cost of sales excluding depreciation, depletion and any write down of assets.
2. *Adjusted EBITDA* – The Company defines adjusted EBITDA as income from mine operations, net of General and administrative, and business development costs, and before interest, taxes, non-cash charges/(income), intercompany charges and finance costs. Refer to Section 1.2 for a reconciliation between adjusted EBITDA and net income.
3. *Adjusted EBIT* – The Company defines Adjusted EBIT as Adjusted EBITDA less depletion and depreciation.
4. *Adjusted net income* – The Company defines adjusted net income as net income before special items. Special items are items of income and expense that are presented separately due to their nature and, in some cases, expected infrequency of the events giving rise to them. Starting in the first quarter of 2020, adjusted net income was calculated by excluding the impact of any loss or gain on financial instruments associated with gold hedging programs. This is because this amount can be volatile from the valuation methods involved, as well as the long-term nature of the hedge and the price of gold from time to time. Refer to Section 1.2 for a reconciliation between adjusted net income and net income.
5. *Adjusted net income per share* – The company defines adjusted net income per share as adjusted net income divided by weighted average number of shares outstanding.
6. *Gold equivalent ounces* - Gold equivalent ounces is calculated by multiplying the saleable quantities of gold and antimony in the period by the respective average market price of the commodities in the period, adding the two amounts to get "total contained value based on market price", and then dividing that total contained value by the average market price of gold in the period. Average Au price in the period is calculated as the average of the daily LME PM fixes in the period, with price on weekend days and holidays taken from the last business day; average Sb price in the period is calculated as the 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, with price on weekend days and holidays taken from the last business day. The source for all prices is www.metalbulletin.com.
7. *Site cash cost per ounce of saleable gold equivalent produced* – For all sites, the cash cost per ounce of saleable gold equivalent equals the total cash operating cost associated with the production of saleable equivalent ounces produced in the period divided by the saleable equivalent gold ounces produced. The cash cost excludes royalty expenses.
8. *Site all-in sustaining cost per ounce of saleable gold equivalent produced* – Site all-in sustaining costs include total cash operating costs, sustaining mining capital, royalty expense and accretion of reclamation provision. Sustaining capital reflects the capital required to maintain each site's current level of operations. For all sites, the all-in sustaining cost per ounce of saleable gold equivalent in a period equals the all-in sustaining cost divided by the saleable equivalent gold ounces produced in the period.

9. *Consolidated cash cost per ounce of gold equivalent produced* – The corporate cash cost per saleable ounce gold equivalent produced in the period equals the sum of cash costs associated with the production of the gold equivalent ounces at all operating sites in the period plus operating site overhead expense in the period divided by the total saleable gold equivalent ounces produced in the period. The cash cost excludes royalty and corporate level general and administrative expenses. This definition was updated this quarter to exclude corporate G&A expenses to better align with industry standard.

10. *Consolidated all-in sustaining cost per ounce of saleable gold equivalent produced* – The corporate all-in sustaining cost per saleable ounce gold equivalent produced in the period equals the sum of cash costs associated with the production of gold equivalent ounces at all operating sites in the period plus corporate overhead expense in the period plus sustaining mining capital, royalty expense, accretion of reclamation provision, divided by the total saleable gold equivalent ounces produced in the period. Refer to Section 1.2 for a reconciliation between consolidated cash cost per ounce and consolidated all-in sustaining cost per ounce, on the one hand, and cost of sales and consolidated cash cost per ounce, on the other hand.

11. *Free cash flow* – The Company defines free cash flow as a measure of the Corporation's ability to generate and manage liquidity. It is calculated starting with the net cash flows from operating activities (as per IFRS) and then adding capital expenditures and lease payments. Refer to Section 1.2 for a reconciliation between free cash flow and net cash flows from operating activities.

12. *Net Debt/Cash* – The Company defines net debt/cash as total cash less total debt as per the balance sheet as at reporting date. Total debt excludes any derivative liabilities held by the Company.