



MANDALAY RESOURCES CORPORATION ANNOUNCES CHANGES TO SENIOR MANAGEMENT TEAM

TORONTO, ON, August 15, 2018 -- Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND, OTCQB: MNDJF) announced today the following changes to its management team:

- Nick Dwyer to serve as Chief Financial Officer ("CFO") of the Company. Mr. Dwyer was previously the Group Financial Controller at Mandalay. Mr. Dwyer will replace Sanjay Swarup, who announced his resignation effective immediately, to pursue other interests. The Company is combining the Group Financial Controller and CFO positions.
- Ryan Austerberry to serve as General Manager of Björkdal. Mr. Austerberry has worked with the Company in several roles, previously holding the position of Manager, Technical Services at Mandalay Corporate, and prior to that, Manager, Technical Services at Björkdal. On July 30, 2018, Mr. Austerberry replaced Pär Göting, who has left the Company to pursue other interests. With Mr. Austerberry's promotion, the Company has eliminated the position of Manager, Technical Services.

In addition to combining the roles of CFO and Group Financial Controller, and eliminating the Manager, Technical Services role, Mandalay also announced further Corporate reductions, eliminating the positions of VP Leadership Development, Performance & Sustainability and Chief Cordilleran Geologist.

Dominic Duffy, President and CEO of Mandalay Resources, commented, "Cost reduction across all of Mandalay's working groups is a major strategic commitment for the Company. Since May of this year, we have worked to streamline Mandalay's organizational structure and have either eliminated, or combined through promotion, the positions of COO, VP Leadership Development, Performance & Sustainability, Chief Cordilleran Geologist, Group Financial Controller, and Manager, Technical Services. These changes and the resulting reduction in salaries and overhead will create cost savings and allow us to focus on getting the very best performance from our key assets. We endeavour to be as lean and efficient as possible as we work to generate more cash and strengthen our balance sheet."

Mr. Duffy continued, "On behalf of Mandalay management, I would like to extend our gratitude to Sanjay Swarup for his contributions to the Company over the past eight years. During his tenure, Mr. Swarup ensured that Mandalay had the financial flexibility and solid footing needed to grow and meet its strategic objectives, often navigating difficult markets. Mr. Swarup also did an exceptional job in preparing Nick Dwyer to eventually succeed him in the CFO position."

Mr. Duffy concluded, "Further, I am pleased to welcome Nick Dwyer and Ryan Austerberry to their new positions. Prior to their promotions, both individuals delivered excellent performance for the Company; Mr. Dwyer spearheading many of the efforts of our finance team, and Mr. Austerberry being an integral part of the operational turnaround at both Björkdal and Costerfield. I look forward to working with them on their new mandates."

Nick Dwyer has over 10 years of management, accounting and corporate finance experience across North America, Australia, Europe and Africa. Mr. Dwyer holds a Bachelor of Commerce degree from the University of Western Australia and is qualified as a Chartered Accountant (Australia). Prior to joining Mandalay, Mr. Dwyer served as Head of Corporate Accounting at African Minerals in London, UK, where he assisted with a \$1.5 billion foreign investment transaction. Mr. Dwyer also has banking experience from the RBS Banking Group.

Ryan Austerberry (MAusIMM CP) has over 15 years' experience in the resources industry, predominantly in technical roles and project management. Mr. Austerberry has worked with Mandalay Resources Corporation since 2009, and immediately prior to becoming GM of Björkdal, was Corporate Manager of Technical Services. Mr. Austerberry holds a Bachelors of Applied Science Degree from the Royal Melbourne Institute of Technology, a Graduate Diploma in Mining from the University of Ballarat, and an MBA from the Australian Institute of Business.

For further information:

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About Mandalay Resources Corporation:

Mandalay Resources is a Canadian-based natural resource company with producing assets in Australia and Sweden, and care and maintenance and development projects in Chile. The Company is focused on executing a roll-up strategy, creating critical mass by aggregating advanced or in-production gold, silver, and antimony projects in Australia, the Americas, and Europe to generate near-term cash flow and shareholder value.