



MANDALAY RESOURCES CORPORATION ANNOUNCES CHANGES TO EXECUTIVE TEAM AND TO BOARD OF DIRECTORS

TORONTO, ON, May 14, 2018 — Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND) today announced changes to its Board of Directors and senior executive team. Effective immediately, Dr. Mark Sander has resigned as President, Chief Executive Officer and Director of Mandalay. Replacing Dr. Sander as President and Chief Executive Officer is Dominic Duffy, currently Chief Operating Officer of Mandalay.

Dr. Sander is withdrawing his nomination for election to the Board at Mandalay's Annual General and Special Meeting on May 16, 2018. Mandalay's board of directors (the "Board") would like to thank Dr. Sander for his long-term service to Mandalay both as a founder and key executive.

The Board selected Mr. Duffy as Dr. Sander's replacement based on their view that Mandalay would be best served at this time by an operations-oriented leader with a detailed understanding of Mandalay's existing operations and proven experience at productivity and cost management. Mr. Duffy successfully restarted Cerro Bayo after its acquisition from Coeur D'Alene Mines in 2010 and has been the Company's Chief Operating Officer since 2013, overseeing operational performance success at Costerfield and the successful turnaround program at Björkdal.

Speaking about the change in leadership, Bradford Mills, Chairman of Mandalay commented, "I want to thank Dr. Sander for his many years of service to Mandalay and his critical role as a founder of the Company. Mark has helped the Company weather the operational crisis triggered by the Cerro Bayo accident and positioned the Company to grow from its base of existing operations. I am very pleased to welcome Dominic Duffy to the role of President and Chief Executive Officer. Dominic has demonstrated his commitment to delivering efficient, low-cost operations, which I believe is a critical next step for Mandalay and a key objective for the Company."

Dominic Duffy brings 20 years of extensive technical and operational management experience, having worked at numerous operations throughout Australia and Latin America. Prior to joining Mandalay Resources, Mr. Duffy most recently worked for Coeur d'Alene Mines and Hecla Mining Company in South America.

Given Mr. Duffy's operational expertise, the Company will not be appointing a new Chief Operating Officer at the moment.

For Further Information:

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President and Chief Executive Officer

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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, copper, silver and antimony projects in Australia, the Americas and Europe to generate near-term cash flow and shareholder value.

Forward-Looking Statements:

This news release contains "forward-looking statements" within the meaning of applicable securities laws, including statements regarding the Company's production of gold, silver and antimony for the 2018 fiscal year. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, changes in commodity prices and general market and economic conditions. The factors identified above are not intended to represent a complete list of the factors that could affect Mandalay. A description of additional risks that could result in actual results and developments differing from those contemplated by forward-looking statements in this news release can be found under the heading "Risk Factors" in Mandalay's annual information form dated March 29, 2018, 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.