



Mandalay Resources Reports Steady Q2 Production, US\$101M Cash and Crucial Investment to Support Growth at Costerfield

TORONTO, ON, July 09, 2025 — Mandalay Resources Corporation ("Mandalay" or the "Company") (TSX: MND, OTCQB: MNDJF) announces second quarter production results for the quarter ended June 30, 2025.

Second Quarter Highlights:

- Quarter-end cash balance of \$101 million, \$13 million Q-o-Q increase despite significant sustaining and growth capital expenditures;
- Produced 22,554 consolidated gold equivalent ounces;
 - Costerfield: 8,145 ounces of gold and 137 tonnes of antimony for 11,371 ounces of gold equivalent;
 - Björkdal: 11,183 ounces of gold;
- Sold 21,247 consolidated gold equivalent ounces; and
- Commissioned new 7-year capacity tails dam at Costerfield.

Frazer Bouchier, President and CEO, commented:

"With \$101 million in cash and no debt, Mandalay brings a strong financial position and operational performance to the pending Alkane merger, which is expected to close in early August. The combined company will be nearly double the size of Mandalay and will be well positioned for a potential valuation re-rate. In addition, the 22,554 gold equivalent ounces produced in Q2 keeps Mandalay on track to achieve full-year production guidance of 85,000 – 95,000 gold equivalent ounces.

"Q2 was, as expected as a high cash expenditure quarter with its annual tax reconciliation payment of \$7 million and final expenditures of \$4 million for the completion of the tails dam build at Costerfield. We were pleased to complete a major milestone with the successful commissioning of this new seven-year capacity tailings storage facility, which opens the potential to again add mine life via exploration and unlock value beyond its current mineral reserves."

Ryan Austerberry, COO, commented:

"Björkdal produced 11,183 gold ounces in Q2, navigating a seasonally slower June. While some manageable overbreak was encountered, mining activity and grades were maintained, with both milling throughput and recoveries delivering as planned. The team continues to actively implement new operating strategies to drive improved reliability over the summer period.

"At Costerfield, production totaled approximately 11,371 gold equivalent ounces, including 8,145 ounces of gold and 137 tonnes of antimony in Q2. Despite a four-day plant shutdown due to mill

maintenance that impacted throughput late in the quarter, mined tonnes remained strong with gold and antimony production aligned with expectations.

"Looking ahead, both operations are advancing improvement initiatives aimed at maintaining or enhancing plant performance. We expect similar production levels at Björkdal in the second half, while at Costerfield, we anticipate a grade uplift – particularly in antimony – as we advance production into the higher-grade Youle zones."

Production for the Quarter Ended June 30, 2025:

- The Company produced a total of 19,328 ounces of gold and 137 tonnes of antimony representing a total of 22,554 gold equivalent ounces produced, compared to 23,626 ounces of gold and 359 tonnes of antimony in the second quarter of 2024, representing a total of 26,372 gold equivalent ounces produced.
- Production at Björkdal was 11,183 ounces of gold compared to 12,599 ounces of gold in the second quarter of 2024.
- Production at Costerfield was 8,145 ounces of gold and 137 tonnes of antimony versus 11,027 ounces gold and 359 tonnes antimony in the second quarter of 2024.

Production for the Six Months Ended June 30, 2025:

- The Company produced a total of 39,704 ounces of gold and 298 tonnes of antimony representing a total of 44,896 gold equivalent ounces, versus 45,972 ounces of gold and 763 tonnes of antimony in corresponding first six months of 2024, which represented a total of 51,308 gold equivalent ounces.
- Production at Björkdal was 22,010 ounces of gold.
- Production at Costerfield was 17,694 ounces of gold and 298 tonnes of antimony.

Table 1 – Second Quarter and Six Months Production for 2025 and 2024

Metal	Source	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Gold produced (oz)	Björkdal	11,183	12,599	22,010	22,969
	Costerfield	8,145	11,027	17,694	23,003
	Total	19,328	23,626	39,704	45,972
Antimony produced (t)	Costerfield	137	359	298	763
Gold US\$/oz		3,280	2,338		
Antimony US\$/t		58,813	17,885		
Total Gold Eq. (oz) ^(1,2)	Björkdal	11,183	12,599	22,010	22,969
Produced	Costerfield	11,371	13,773	22,886	28,339
	Total	22,554	26,372	44,896	51,308

⁽¹⁾ Quarterly gold equivalent ounces ("Gold Eq. (oz)") produced is calculated by multiplying the production quantities of gold ("Au"), antimony ("Sb") in the period by the respective average market prices of the commodities in the period, adding the amounts to get a "total contained value based on market price", and then dividing that total contained value by the average market price of Au in the period. The source for Au price is www.lbma.org.uk, and Sb price is www.metalbulletin.com.

⁽²⁾ In Q1 2025, quarterly Gold Eq. (oz) produced were calculated by multiplying Au volumes by average market Au prices and Sb volumes by average realized Sb prices for the period, adding the amounts to get a total contained value, then dividing by the average market Au price. These Q1 2025 Gold Eq. (oz) have since been recalculated using the "average market Sb price" instead of the "average realized Sb price". The resulting difference of 769 Gold Eq. (oz) has been adjusted in Q2 2025.

Sales for the Quarter Ended June 30, 2025:

- The Company sold a total of 18,822 ounces of gold and 83 tonnes of antimony, representing a total of 21,247 gold equivalent ounces, compared to 23,431 ounces of gold and 435 tonnes of antimony in the second quarter of 2024, representing a total of 26,759 gold equivalent ounces.
- Björkdal sold 11,460 ounces of gold versus 12,320 ounces of gold in the second quarter of 2024.
- Costerfield sold 7,362 ounces of gold and 83 tonnes of antimony versus 11,111 ounces of gold and 435 tonnes of antimony in the second quarter of 2024.

Sales for the Six Months Ended June 30, 2025:

- The Company sold a total of 42,208 ounces of gold and 279 tonnes of antimony, representing a total of 47,026 gold equivalent ounces, compared to 46,618 ounces of gold and 761 tonnes of antimony in the first six months of 2024, representing a total of 52,036 gold equivalent ounces.
- Björkdal sold 23,501 ounces of gold. Costerfield sold 18,707 ounces of gold and 279 tonnes of antimony.

Table 2 – Second Quarter and Six Months Sales for 2025 and 2024

Metal	Source	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Gold sold (oz)	Björkdal	11,460	12,320	23,501	23,081
	Costerfield	7,362	11,111	18,707	23,537
	Total	18,822	23,431	42,208	46,618
Antimony sold (t)	Costerfield	83	435	279	761
Gold US\$/oz		3,280	2,338		
Antimony US\$/t		58,813	17,885		
Total Gold Eq. (oz) ^(1,2)	Björkdal	11,460	12,320	23,501	23,081
Sold	Costerfield	9,787	14,439	23,525	28,955
	Total	21,247	26,759	47,026	52,036

⁽¹⁾Quarterly Gold Eq. (oz) sold is calculated by multiplying the sale quantities of Au and Sb in the period by the respective average market prices of the commodities in the period, adding the amounts to get a "total contained value based on market price", and then dividing that total contained value by the average market price of Au for the period. The source for Au price is www.lbma.org.uk, and Sb price is www.metalbulletin.com.

⁽²⁾In Q1 2025, quarterly Gold Eq. (oz) sold were calculated by multiplying Au volumes by average market Au prices and Sb volumes by average realized Sb prices for the period, adding the amounts to get a total contained value, then dividing by the average market Au price. These Q1 2025 Gold Eq. (oz) have since been recalculated using the "average market Sb price" instead of the "average realized Sb price". The resulting difference of 937 Gold Eq. (oz) has been adjusted in Q2 2025.

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 (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, ramping up production from deeper Shepherd veins, both of which will continue to supply high-quality ore to the processing plant, and to extend Mineral Reserves. At Björkdal, the Company will continue to produce from the Aurora zone and other higher-grade areas in the coming years, in order to maximize profit margins from the mine.

Forward-Looking Statements:

This news release contains "forward-looking statements" within the meaning of applicable securities laws, including statements regarding the Company's expected production of gold and antimony for the 2025 fiscal year and the expected benefits of the Company's pending merger with Alkane Resources. 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 28, 2025, a copy of which is available under Mandalay's profile at www.sedarplus.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.