

Mandalay Resources Corp.

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Mandalay Resources reports continued exploration success from its producing Australian and Swedish mines

Metals miner Mandalay Resources Corp (TSE:MND) (OTCMKTS:MNDJF) told investors Tuesday that the recent successful exploration at its Australian and Swedish mines has underlined the positive potential at both operations.

The Toronto-headquartered miner today released diamond drill results since its last update in September. Three exploration programs are continuing at Costerfield in Australia, while at Björkdal, Sweden, the group has assayed 27 drill holes in the Aurora zone and four test holes to the north of the current mining operations.

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Notably, in Australia, the group has continued to develop and optimize extraction at its high-grade Youle vein, where mining is now underway.

Step-out drilling on the vein to the north has yielded mineralized extensions, Mandalay said.

Meanwhile, at the Costerfield Deeps target, the firm has now completed a daughter hole wedged off the first Costerfield Deeps hole beneath the Youle orebody, increasing the geological understanding of this prospective area.

The miner is now planning the second deep parent and daughter holes to target under the Augusta system, which will be drilled later this year.

In Sweden, extensional drilling at the Aurora zone continues to enlarge the high-grade mineralization, said Mandalay which trends at depth towards the east

Drilling of high-grade targets, including skarn mineralization near underground infrastructure, have also improved mine planning to deliver sustainable high head grades for processing.

Continuation of mineralization

Meanwhile, target holes have confirmed the continuation of mineralization in new veins up to 500 metres (m) northward from the presently defined Aurora zone, added the company.

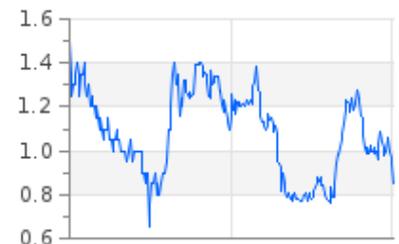
"We are pleased to report continued exploration success at both of our sites. The most recent drilling results at Costerfield and Björkdal confirm the significant upside potential value of our operations," said Dominic Duffy, the chief executive at Mandalay.

"At Costerfield, optimization drilling within the upper part of the Youle vein has confirmed the high-grade resources previously published for the vein and filled in previous wide-spaced intercepts along a strike of 450 m. These results will support improved planning and execution of mining operations and longer life of the Youle vein."

Price: 0.75

Market Cap: \$68.31 m

1 Year Share Price Graph



February 2019 August 2019 February 2020

Share Information

Code: MND

Listing: TSX

52 week High Low
1.57 0.65

Sector: Gold & silver

Website: www.mandalayresources.com

Company Synopsis:

Mandalay Resources creates exceptional shareholder value through the acquisition of undervalued assets that can rapidly become cash generative, self fund exploration, establish and maintain high operating margins and return cash to shareholders within a planned period of time.

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Duffy added: "At Björkdal, drilling to extend orebodies currently being mined has allowed us to bring higher head grade into the mine plan.

"Both the Aurora zone and skarn mineralization have been significantly extended. Meanwhile, target testing as much as 500 m north of the Aurora zone has intersected new gold bearing veins."

Mandalay has producing mines in Australia and Sweden, and care and maintenance and development projects in Chile.

It aims to grow production at its gold and antimony operation in Australia, and gold production from its operation in Sweden to generate near term cash flow.

Shares in Toronto nudged up 0.84% to C\$1.20.

---Adds share price---

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