

MAWSON RESOURCES LIMITED

Chairman's Report to the Shareholders

Dear Shareholders and Stakeholders,

I am pleased to write that positive signs of a recovery in exploration have now emerged. This is in stark contrast to the downturn experienced from 2011 to early 2016. Exploration expenditures have increased and discovery is once again being rewarded. New and large discoveries of any commodity in our industry are rare. During the last year, our first large scale drill program validated a large discovery at our Rompas-Rajapalot gold project in Finland.

Substantial progress was made during the year. In December 2016, Mawson announced the first systematic, large scale and deep test of the area with a large diamond drill and BOT drill program after years of permitting delays. Drilling confirmed the presence of a large, gold-bearing, sulphide-bearing hydrothermal system, similar in age to Agnico Eagle's 7.8Moz Kittilä project that lies 150 kilometres north of Rompas-Rajapalot and delivered one of Finland's most significant gold discoveries.

The combination of a high hit rate of gold over regional-scale areas, the discovery of multiple high-grade mineralized bodies and an extensive gold-footprint provided by base-of-till drilling, all in the first year of systematic, yet regional-scale drill testing, can be considered impressive. Forty-two percent of drill holes (58 out of the total 137 holes drilled in the Rajapalot project) have hit geochemically significant gold (greater than 1g/t-m). Furthermore, 28% of drill holes (39 out of a total of 137) have recorded greater than 5 g/t-m intersections. We are just scratching the surface with the average drill depth on the project of 109 metres. Best drill results during the year included:

- PAL0030: **10.0 metres @ 11.6 g/t gold from 110.2 metres plus 3.0 metres @ 5.3 g/t gold from 143.9 metres** at the Palokas prospect;
- PAL0027: **6.8 metres @ 14.7 g/t gold from 34.4 metres** at the Palokas prospect and;
- PAL0075: **27.0 metres @ 3.3 g/t gold (no lower cut) from 64.0 metres, including 8.8 metres @ 7.5 g/t gold from 82.2 metres** at the Raja prospect, 1.75km from Palokas.

Effective stakeholder engagement is mission critical – and is now a core competency for Mawson. Safety is a license to operate issue – and there are no excuses for not getting this right. We continue to employ full time environmental, ecological and community orientated staff to deal with the reality of operating in a modern mining industry. To demonstrate this commitment, Noora Ahola (nee Raasakka), our Environmental Leader, was promoted to the Mawson Board in September 2016. During the year we also warmly welcomed Philip Williams as a director. Philip rounds out our board experience, bringing more than 15 years of mining and finance industry experience in the Toronto markets.

On behalf of the Board of Directors, I would again like to thank you, our shareholders large and small, and our stakeholders in Finland and abroad, for your continued support. Mawson is well poised to take our next steps, with a change in market sentiment, with all permits now in place, and many stand-out high-grade gold drill results within our large district-scale Finnish land package.

Sincerely,

"Michael Hudson"

Michael Hudson
Chairman and CEO

Vancouver, British Columbia Canada,
October 10, 2017