

**ERDENE RESOURCE DEVELOPMENT CORP. ("Company")**

**CORPORATE GOVERNANCE AND DISCLOSURE POLICY COMMITTEE CHARTER**

**I. Purpose**

The Corporate Governance and Disclosure Policy Committee ("**Committee**") is a standing committee of the Board of Directors ("**Board**") charged with assisting the Board in fulfilling its responsibility to the shareholders and investment community. Its role is to oversee the development and maintenance of the corporate governance practices of the Company and make recommendations to the Board on amendments to such practices.

**II. Authority**

The Board authorizes the Committee, within the scope of its responsibilities, to:

- Seek any information it requires from any employee (and all employees are directed to co-operate with any request made by the Committee).
- Ensure the attendance of Company officers at meetings, as appropriate.
- Engage independent counsel and other advisors as it determines necessary to carry out its duties.
- Set and pay the compensation for any advisors employed by the Committee.

**III. Composition**

The Committee will be comprised of at least two directors. A majority of the Committee members shall be independent of management and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

The Committee members shall be elected annually.

**IV. Responsibilities**

Responsibilities of the Committee include:

- Oversee the preparation and adoption of criteria regarding the composition of the Board and Board committees.
- Review the qualifications of candidates for Board membership and the slate of candidates for directors to be nominated for election by shareholders at annual general meetings of shareholders.

- Review the terms of reference and the composition of the Board committees, the nominees to the chairmanship of the Board committees and the procedures relative to the conduct of committee business.
- Oversee the development and implementation of a process for assessing the effectiveness of the Board, its size and composition and its committees.
- Oversee the development of appropriate induction and education programs for new directors.
- Oversee the development of corporate governance policies and practices and a procedure for assessing the effectiveness of, and compliance with, those policies and practices.
- Oversee the development of a process for evaluating the performance of the Chief Executive Officer and ensuring appropriate succession planning.
- Establish procedures for Board meetings and to otherwise ensure that the processes, procedures and structure are in place to ensure that the Board functions independently of management and without conflicts of interest. Without limiting the foregoing, the Committee shall ensure that an in camera meeting of the independent members of the Board be held following each meeting of the Board.
- Review the mandates of the Board committees and recommend any appropriate changes.
- Recommend to the Board any improvements necessary to ensure an effective and appropriate working relationship between management and the Board.
- Review related party transactions to ensure that they reflect sound industry practices and are in the best interests of the Company.
- Such responsibilities as are set forth in the Company's Disclosure Policy from time to time.

## **V. Meetings**

The Committee will meet regularly at times necessary to perform the duties described above in a timely manner, but not less than once a year. Special meetings may be held at any time deemed appropriate by any member of the Committee.

These meetings may be with representatives of appropriate officers or members of management, either individually or collectively as may be required by the Chairman of the Committee.

The Chairman of the Committee will report periodically its findings and recommendations to the Board.

As amended June, 2009