

**ERDENE RESOURCE DEVELOPMENT CORP. (“Corporation”)  
DISCLOSURE POLICY**

**1.0 OBJECTIVE AND SCOPE**

- 1.1 The objective of this Disclosure Policy is to ensure that communications with the investing public about the Corporation are:
- (a) timely, factual and accurate; and
  - (b) broadly disseminated in accordance with all applicable legal and regulatory requirements.
- 1.2 This Disclosure Policy confirms in writing the Corporation’s existing disclosure policies and practices. Its goal is to raise awareness of the Corporation's approach to disclosure among the board of directors of the Corporation (“**Board**”), senior management and employees.
- 1.3 This Disclosure Policy extends to all employees of the Corporation, its Board, those authorized to speak on its behalf and all other insiders.
- 1.4 This Disclosure Policy covers:
- (a) disclosures in documents filed with securities regulators;
  - (b) financial and non-financial disclosure, including management's discussion and analysis and written statements made in the Corporation's annual and quarterly reports;
  - (c) news releases;
  - (d) letters to shareholders;
  - (e) presentations by senior management; and
  - (f) information contained on the Corporation’s web site and other electronic communications.
- 1.5 This Disclosure Policy also extends to oral statements made in:
- (a) meetings and telephone conversations with analysts and investors;
  - (b) interviews with the media;
  - (c) speeches;

- (d) press conferences; and
- (e) conference calls.

## **2.0 MECHANISMS OF POLICY IMPLEMENTATION**

- 2.1 It is essential that the Board's Corporate Governance and Disclosure Policy Committee and its Audit and Risk Management Committee, be kept fully apprised of all pending material developments related to the Corporation in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information. If it is deemed that Material Information, as defined in section 3.1 below, should remain confidential, the Corporate Governance and Disclosure Policy Committee will determine how that information will be controlled.
- 2.2 The Corporate Governance and Disclosure Policy Committee, in close consultation with the Audit and Risk Management Committee, will identify appropriate industry and corporate benchmarks for a preliminary assessment of materiality. Guided by these benchmarks, the Corporate Governance and Disclosure Policy Committee will use experience and judgement to determine the timing for public release of Material Information.
- 2.3 The Corporate Governance and Disclosure Policy Committee, in close consultation with the Audit and Risk Management Committee, will ensure appropriate systems, processes and controls for disclosure are in place.

## **3.0 PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION**

- 3.1 **"Material Information"**, for the purposes of this Disclosure Policy, is any information relating to the business and affairs of the Corporation that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Corporation's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.
- 3.2 In complying with the requirement to immediately disclose all Material Information under applicable laws and stock exchange rules, the Corporation will adhere to the following basic disclosure principles:
  - (a) Subject to subsection 3.2(b), Material Information will be publicly disclosed immediately via news release.
  - (b) If the Corporate Governance and Disclosure Policy Committee determines that public disclosure of Material Information would be unduly detrimental to the Corporation (for example, if release of the information would prejudice negotiations in a corporate transaction), the Material Information will be kept confidential until the Corporate Governance and Disclosure Policy Committee

determines it is appropriate to publicly disclose. In these circumstances the Corporate Governance and Disclosure Policy Committee will:

- (i) cause a confidential material change report to be filed with the applicable securities regulators;
  - (ii) cause a confidential filing to be made in accordance with applicable Toronto Stock Exchange policies in place from time to time; and
  - (iii) periodically (at least every 10 days) review its decision to keep the information confidential.
- (c) Disclosure must include any information the omission of which would make the rest of the disclosure misleading.
  - (d) Unfavourable Material Information must be disclosed as promptly and completely as favourable information.
  - (e) There must not be selective disclosure. Material Information disclosed to one or more individuals must also be disclosed to the investing public.
  - (f) If previously undisclosed Material Information is inadvertently disclosed (e.g. in an investor meeting or during a telephone conversation with an analyst), this information must be broadly disclosed immediately via news release.
  - (g) Disclosure should be consistent among all audiences, including the investment community, the media, investors and employees.
  - (h) Disclosure on the Corporation's web site alone does not constitute adequate disclosure of Material Information.
  - (i) Disclosure must be corrected immediately if the Corporation subsequently learns that earlier disclosure contained a material error at the time it was given.

#### **4.0 INSIDER TRADING POLICY AND PRE-CLEARANCE POLICY**

- 4.1 Employees, officers, directors, consultants and others who have non-public Material Information about the Corporation are prohibited by law from trading in securities of the Corporation, as well as from communicating such information to others who have not signed a confidentiality agreement with the Corporation with respect to such information and except "in the necessary course of business". To help ensure that such individuals do not engage in prohibited insider trading and to avoid even the appearance of an improper transaction, the Corporation has adopted an Insider Trading Policy governing trading and securities by such persons. The Corporation's Insider Trading Policy is included herewith as Appendix A. All directors, officers, employees and consultants of the Corporation and others who have non-public Material Information about the Corporation will be provided

with a copy of and will be expected to comply with the Corporation's Insider Trading Policy.

- 4.2 To protect the reputation of the Corporation and avoid the appearance of impropriety, all directors, officers and members of their families who reside with them are required to pre-clear all proposed trades in the Corporation's securities in accordance with the Corporation's Pre-Clearance Policy for Insiders and Others, included herewith as Appendix B.
- 4.3 Insiders are personally responsible for filing accurate and timely insider trading reports. Insiders are required to provide a copy of all insider reports to the Chief Financial Officer or other designated person concurrent with their filing with regulatory authorities.

## **5.0 MAINTAINING CONFIDENTIALITY**

- 5.1 Any employee privy to confidential information is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to confidential information to only those who need to know the information and those persons will be advised that the information is to be kept confidential.
- 5.2 Outside parties shall not be privy to undisclosed Material Information concerning the Corporation prior to public dissemination unless such disclosure is "in the necessary course of the Corporation's business" or such person has entered into a confidentiality agreement with the Corporation regarding such undisclosed material information. Such outside parties will be told that they must not divulge this information to anyone else, other than in the necessary course of the Corporation's business, and that they may not trade in the Corporation's securities until the information is publicly disclosed.
- 5.3 To prevent the misuse or inadvertent disclosure of Material Information, the following procedures should be observed at all times:
  - (a) Documents and files containing confidential information should be kept in a safe place, with access restricted to individuals who "need to know" that information in the necessary course of business. Code names should be used if necessary.
  - (b) Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
  - (c) Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.
  - (d) Employees must ensure they maintain the confidentiality of information in their possession outside of the office as well as inside the office.

- (e) Transmission of documents by electronic means, such as by fax, e-mail or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
- (f) Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
- (g) Access to confidential electronic data should be restricted through the use of passwords.

## **6.0 DESIGNATED SPOKESPERSONS**

- 6.1 In order to ensure the investing community, regulators, and the media, are receiving consistent and accurate information, persons holding the following positions with the Corporation are the official spokespersons for the Corporation:

Chief Executive Officer  
Chief Financial Officer

- 6.2 These individuals may, from time to time, designate others within the Corporation with authority to speak on behalf of the Corporation as back-ups or to respond to specific inquiries.
- 6.3 Employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do so by an authorized spokesperson. All inquiries made to non-designated spokespersons should be referred to an official spokesperson.

## **7.0 NEWS RELEASES**

- 7.1 Once the Corporate Governance and Disclosure Policy Committee determines that a development is material, it will authorize the issuance of a news release unless the Corporate Governance and Disclosure Policy Committee, in close consultation with the Audit and Risk Management Committee, determines that such developments must remain confidential for the time being. If developments are to remain confidential, appropriate confidential filings must be made and control of the inside information must be instituted. Should a material statement inadvertently be made in a selective forum, the Corporation will immediately issue a news release to fully disclose that information.
- 7.2 News releases containing earnings guidance and financial results will be reviewed by the Corporation's Audit and Risk Management Committee or Board prior to issuance. Financial results will be publicly released immediately following Audit and Risk Management Committee or Board approval of the Corporation's management discussion and analysis, financial statements and notes.

- 7.3 If any stock exchange upon which shares of the Corporation are listed is open for trading at the time of a proposed announcement, prior notice of a news release announcing Material Information must be provided to its market surveillance division to enable a trading halt, if deemed necessary by the stock exchange. If a news release announcing Material Information is issued outside of trading hours, the exchange must be notified promptly and in any event before the market reopens.
- 7.4 News releases will be disseminated through an approved newswire service that provides simultaneous national distribution. Full-text news releases will be transmitted to all stock exchange members, relevant regulatory bodies, major business wires, national financial media, and the local media in areas where the Corporation has its headquarters.
- 7.5 News releases will be posted on the Corporation's web site and otherwise distributed by the Corporation only after confirmation of dissemination over the news wire. The web site will include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures.

## **8.0 CONFERENCE CALLS**

- 8.1 Conference calls will be held for major corporate developments, accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the internet. The call will be preceded by a news release containing all relevant material information. At the beginning of the call, a spokesperson for the Corporation will provide appropriate cautionary language regarding any forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties applicable to the news.
- 8.2 The Corporation will provide advance notice of the conference call and webcast by issuing a news release announcing the date, time and topic and providing information on how interested parties may access the call and webcast. These details will be provided on the Corporation's web site. In addition, the Corporation may send invitations to analysts, institutional investors, the media and others. Any non-material supplemental information provided to participants will also be posted to the web site for others to view.
- 8.3 A tape replay of the conference call and/or an archived audio webcast and/or text transcript will be made available following the call for a period of time deemed appropriate by the Corporation's management.
- 8.4 Promptly after each conference call, the Chief Executive Officer and Chief Financial Officer shall consider whether a disclosure of previously undisclosed material information occurred during the call, and if so take steps to publicly disclose the information promptly via news release in accordance with this Disclosure Policy.

## **9.0 SOCIAL MEDIA AND RUMOURS**

- 9.1 The Corporation does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the internet. The Corporation's spokespersons will respond consistently to any rumours, saying: "It is our policy not to comment on market rumours or speculation."
- 9.2 Should a stock exchange request that the Corporation make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the Corporate Governance and Disclosure Policy Committee, in close consultation with the Audit and Risk Management Committee, will consider the matter and decide whether to make a policy exception. If the rumour is true in whole or in part, this may be evidence of a leak, and the Corporation will immediately issue a news release disclosing the relevant Material Information.
- 9.3 To protect the reputation of the Corporation and avoid the appearance of impropriety, all directors and officers are required to follow the stipulations of the Corporation's Social Media Policy, included herewith as Appendix C.

## **10.0 CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA**

- 10.1 Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If the Corporation intends to announce Material Information at an analyst or shareholder meeting or a press conference or conference call, the announcement must be preceded by a news release.
- 10.2 The Corporation recognizes that meetings with analysts and significant investors are an important element of its investor relations program. The Corporation will meet with analysts and investors individually or in small groups as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this Disclosure Policy. All analysts will receive fair treatment regardless of whether they are recommending buying or selling the Corporation's securities.
- 10.3 The Corporation will provide only non-material information through individual and group meetings, in addition to publicly disclosed information, recognizing that an analyst or investor may construct this information into a mosaic that could result in Material Information. The Corporation cannot alter the materiality of information by breaking down the information into smaller, non-material components.
- 10.4 The Corporation will provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors and may post this information on its web site.
- 10.5 The Corporation's spokespersons will keep notes of telephone conversations with analysts and investors and where practicable more than one representative of the Corporation will

be present at all individual and group meetings. A debriefing will be held after these meetings and if it is determined that selective disclosure of previously undisclosed Material Information has occurred, the Corporation will immediately disclose the information broadly via news release.

## **11.0 REVIEWING ANALYST REPORTS AND FINANCIAL MODELS**

- 11.1 Upon request, the Corporation may review analysts' draft research reports or financial models for factual accuracy based on publicly disclosed information. The Corporation will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's financial model and earnings estimates.
- 11.2 To avoid appearing to endorse an analyst's report or model, the Corporation will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

## **12.0 REDISTRIBUTION OF ANALYST REPORTS**

- 12.1 The Corporation may redistribute analysts' reports to those on its mailing list and may post them to its web site provided that all (and not selective) reports are so disseminated and/or posted.
- 12.2 All analysts' reports that are disseminated by the Corporation will include the following disclaimer language:

“The attached report contains only the view and opinion of those who prepared it and does not, in any way, represent the views of the Corporation. The Corporation has no control over any part of the contents of such report, and neither endorses nor takes any responsibility for any aspects of the report and its contents. The Corporation will not be liable for any claims of any nature arising from or in connection with the report.”

## **13.0 PROVIDING GUIDANCE**

- 13.1 The Corporation will try to ensure, through its regular public dissemination of quantitative and qualitative information, that analysts' estimates are in line with the Corporation's expectations. The Corporation will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' financial models and earnings estimates.
- 13.2 If the Corporation has determined that it will be reporting results materially below or above publicly held expectations, it may decide to disclose this information in a news release to enable discussion without risk of selective disclosure (see Section 14.0, “Forward-Looking Information”).

## **14.0 FORWARD-LOOKING INFORMATION**

14.1 A consistent approach to disclosure is important. Where the Corporation elects to disclose forward-looking information, including in continuous disclosure documents, speeches, conference calls, and press releases, the following guidelines will be observed:

- (a) All forward-looking Material Information will be broadly disseminated via news release.
- (b) The information will be clearly identified as forward looking.
- (c) The Corporation will identify the material assumptions used in the preparation of the forward-looking information.
- (d) The information will be accompanied by a statement that identifies, in specific terms, the risks and uncertainties that may cause the actual results to differ materially from those projected in the statement.
- (e) The information may be accompanied by supplementary information such as a range of reasonably possible outcomes or a sensitivity analysis to indicate the extent to which different business conditions may affect the actual outcome.
- (f) The information will be accompanied by a statement that the information is stated as of the current date and subject to change after that date, and the Corporation disclaims any intention to update or revise this statement of forward-looking information, whether as a result of new information, future events or otherwise.
- (g) Once disclosed, the Corporation's practice for updating forward-looking information will be to regularly assess whether previous statements of forward-looking information should be replaced by new financial outlooks and to ensure that past disclosure of forward-looking information is accurately reflected in its current management's discussion and analysis.

14.2 If the Corporation has issued a forecast or projection in connection with an offering document covered by National Policy 48 – Future Oriented Financial Information (“NP 48”), the Corporation will update that forecast or projection periodically as required by NP 48.

## **15.0 QUIET PERIODS**

15.1 To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Corporation will observe quiet periods when material changes are pending.

15.2 During a quiet period, the Corporation will not initiate any meetings or telephone contacts with analysts and investors, but will respond to unsolicited inquiries concerning factual

matters. If the Corporation is invited to participate, during a quiet period, in investment meetings or conferences organized by others, the Corporate Governance and Disclosure Policy Committee will determine, on a case-by-case basis, if it is advisable to accept these invitations. If accepted, extreme caution will be exercised to avoid selective disclosure of any non-public Material Information.

## **16.0 DISCLOSURE RECORD**

16.1 The Corporation will maintain a five-year record of all public information about the Corporation, including continuous disclosure documents, news releases, analysts' reports, transcripts or tape recordings of conference calls, debriefing notes, notes from meetings and telephone conversations with analysts and investors, and newspaper articles.

## **17.0 RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS**

17.1 This Disclosure Policy applies to electronic communications. Accordingly, officers and personnel responsible for written and oral public disclosures are also responsible for electronic communications.

17.2 The Corporation is responsible for updating the investor relations section of the Corporation's web site and, along with counsel to the Corporation, for monitoring all Corporation information placed on the web site to ensure that it is accurate, complete, up-to-date and in compliance with relevant securities laws.

17.3 Disclosure on the Corporation's web site alone does not constitute adequate disclosure of information that is considered non-public Material Information. Any disclosures of Material Information on the web site will be preceded by the issuance of a news release.

17.4 All continuous disclosure documents will be provided in the Investor Relations section of the Corporation's web site. All information posted, including text and audiovisual material, will show the date the material was issued. Any material changes in information must be updated immediately following issuance of a news release. The web site will include a notice that advises the reader that the information was accurate at the time of posting, but may be superseded by subsequent disclosures.

17.5 The Corporation will maintain a log indicating the date that Material Information is posted and/or removed from the Investor Relations section of the web site. Documents filed with securities regulators will be maintained on the web site for a minimum of two years.

17.6 The Corporation must approve all links from the Corporation's web site to third party web sites. The web site will include a notice that advises readers they are leaving the Corporation's web site and that the Corporation is not responsible for the contents of any other site except for the Corporation's filings on SEDAR.com.

- 17.7 The Corporation will also be responsible for responses to electronic inquiries. Only public information or information that could otherwise be disclosed in accordance with this Disclosure Policy shall be used to respond to electronic inquiries.
- 17.8 In accordance with this Disclosure Policy, employees (including designated spokespersons) are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Corporation's activities or its securities.

**18.0 COMMUNICATION, EDUCATION AND ENFORCEMENT**

- 18.1 This Disclosure Policy extends to all employees of the Corporation, its Board, its authorized spokespersons and all other insiders. New directors, officers, employees, spokespersons and insiders will be provided with a copy of this Policy and educated about its importance.
- 18.2 This Disclosure Policy will be posted on the Corporation's web site and changes will be communicated to all employees.
- 18.3 Any employee who violates this Disclosure Policy or the Corporation's Insider Trading Policy may face disciplinary action up to and including termination of employment with the Corporation without notice. The violation of this Policy and/or the Corporation's Insider Trading Policy may also violate certain securities laws, which could expose directors, officers or employees to personal liability. If it appears that an employee may have violated such securities laws, the Corporation may refer the matter to the appropriate regulatory authorities, which could lead to fines or other penalties.

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(Approved by the Board of Directors of Erdene Resource Development Corporation as of January 7, 2005; updated June 2009; reviewed and updated by the Corporate Governance and Disclosure Policy Committee in May, 2020.)

Appendix A

**ERDENE RESOURCE DEVELOPMENT CORP. (“Corporation”)  
INSIDER TRADING POLICY**

**Defined Terms**

“**Material Information**” is a fact or a change (or a decision by the board of directors or executive management of the Corporation to implement a change) in the business, operations or capital of the Corporation that would reasonably be expected to have a significant effect on the market price or value of the Corporation's securities. In other words, material information is information that a reasonable investor would consider to be important in reaching an investment decision.

“**Material Non-Public Information**” is Material Information that has not been publicly disclosed.

Persons in a “**special relationship**” with the Corporation (referred to herein as “**Insiders**”) include:

- (a) all directors, officers or employees of the Corporation and all directors or senior officers of a subsidiary of the Corporation;
- (b) any person or corporation who beneficially owns or controls more than 10% of the common shares of the Corporation and every director or senior officer thereof;
- (c) a person or corporation that is proposing to make a takeover bid or acquire a substantial portion of the Corporation’s papers, to become a party to a reorganization, amalgamation, merger, arrangement, or other business combination with the Corporation, and every director, officer or employee thereof;
- (d) a person or corporation that is engaging or proposes to engage in any business or professional activity with or on behalf of the Corporation, and every director, officer or employee thereof;
- (e) a person or corporation that learns of Material Non-Public Information while the person or Corporation was any of the persons or companies described in (a), (b), (c), or (d); and
- (f) a person or corporation that learns of Material Non-Public Information with respect to the Corporation (a “**tippee**”) from any other person or Corporation in a special relationship with the Corporation (a “**tipper**”) where the tippee knows or ought reasonably to have known that the tipper is in a special relationship with the Corporation.

**Introduction**

Employees, officers, directors, consultants and others who have Material Non-Public Information about the Corporation are prohibited by law from trading in securities of the Corporation, as well

as from communicating such information to others who might trade on the basis of that information. To help ensure that such individuals do not engage in prohibited insider trading and to avoid even the appearance of an improper transaction, the Corporation has adopted this Insider Trading Policy governing trading in securities by such persons.

This Insider Trading Policy is intended to protect the Corporation and its directors, officers, employees, consultants and others who have material non-public information about the Corporation. It is essential that every person governed by this Policy understands and complies with its terms.

### **Offences at Law**

Under Canadian law, it is an offence for any person in a “special relationship” with the Corporation to purchase or sell any securities of the Corporation with knowledge of Material Non-Public Information. It is also an offence for the Corporation or any person in a special relationship with the Corporation to inform another person or Corporation of Material Non-Public Information with respect to the Corporation, other than in the necessary course of business

### **The Corporation’s Insider Trading Policy**

This Insider Trading Policy applies to all Insiders and to all others who have Material Non-Public Information about the Corporation:

#### *Confidentiality of Non-public Information*

Non-public information relating to the Corporation is the property of the Corporation and the unauthorized disclosure of such information is forbidden. Care must be taken by all who have access to such information to prevent the unauthorized access to such information. Non-public information must not be discussed in situations where it could be overheard.

#### *No Tipping*

No Insider shall communicate Material Non-Public Information with respect to the Corporation to any other person, including family members, neighbours, friends or acquaintances, nor shall any Insider make recommendations or express opinions on the basis of Material Non-Public Information for the purpose of or in the context of trading in the Corporation's securities.

#### *No Trading on Material Non-Public Information*

No Insider (or spouse or relative of an Insider who lives at the same address) shall engage in any transaction involving a purchase or sale of the Corporation’s securities with knowledge of any Material Non-Public Information concerning the Corporation.

This restriction applies during any period commencing with the date that the Insider first possesses Material Non-Public Information concerning the Corporation, and ending at the close of business on the trading day following the date of public disclosure by the Corporation of such information,

or at such time as such non-public information no longer constitutes material information. The term “trading day” means a day on which the primary stock exchange on which the Corporation’s securities are traded (currently the Toronto Stock Exchange) is open for trading.

### *Trading Blackout Periods*

From time to time certain Insiders may be asked by the Corporation not to trade in securities of the Corporation (or exercise their options) during certain periods of time (“**Trading Blackout Periods**”). The Corporation will circulate a memorandum to all such Insiders announcing the beginning and the end of each Trading Blackout Period. Insiders who are notified of a Trading Blackout Period shall not trade in securities of the Corporation during such Trading Blackout Period.

### **Implementation and Compliance**

Compliance with applicable insider trading laws is a personal responsibility. Although Trading Blackout Periods may apply from time to time and may only apply to certain Insiders, every Insider is prohibited from trading on Material Non-public Information at any time. It is up to the Insider to determine whether he or she is in possession of such information when contemplating a trade.

Every Insider has the individual responsibility to comply with applicable securities laws and with this Policy. An Insider may, from time to time, have to forego a proposed transaction in the Corporation’s securities even if he or she planned to complete the transaction before learning of the Material Non-Public Information.

### **Penalties**

#### *Breaches of Law*

Trading when in possession of Material Non-Public Information and tipping are serious offences under Canadian securities laws and persons contravening the rules are subject to:

- (a) fines of up to \$5 million or triple the profit made or loss avoided, whichever is greater;
- (b) imprisonment for up to 5 years; and
- (c) the responsibility to compensate the other party to the illegal transaction for damages.

Where a corporation contravenes the rules, each director or officer of that corporation who authorized, permitted or acquiesced in the offence is also guilty of an offence and is liable to a fine of up to \$5 million and/or imprisonment for up to 5 years.

*Breaches of this Insider Trading Policy*

Violations of this Insider Trading Policy can be violations of laws that carry substantial penalties, including fines, orders to return profits, and incarceration, and they can result in acute embarrassment to the Corporation. If the Corporation discovers that an Insider has breached securities laws, it may refer the matter to the appropriate regulatory authorities. If the Insider is an employee, disciplinary action may be brought against the employee, which could result in termination of employment.

**Individual Responsibility**

Each Insider has an individual responsibility to comply with applicable securities laws and with this Insider Trading Policy. If any Insider has any doubt about whether he or she possesses Material Non-Public Information at the time he or she is contemplating the purchase or sale of securities of the Corporation, he or she should seek legal advice.

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(Approved by the Board of Directors of Erdene Resource Development Corporation as of January 7, 2005 and reviewed and updated by the Corporate Governance and Disclosure Policy Committee in May, 2020.)

**Appendix B**

**ERDENE RESOURCE DEVELOPMENT CORP. (“Corporation”)  
PRE-CLEARANCE POLICY FOR INSIDERS AND OTHERS**

**Application**

This Pre-Clearance Policy for Insiders and Others applies to all officers and directors of the Corporation and to any members of their family who reside with them.

**Pre-Clearance Policy**

All officers and directors of the Corporation must pre-clear with a member of the Pre-Clearance Committee any trading by them (or by any member of their family who resides with them) in the Corporation’s securities, except during Trading Blackout Periods (as defined in the Corporation’s Insider Trading Policy) when trading is prohibited. This is to ensure that all directors and officers of the Corporation are in a position to comply with the Corporation’s Insider Trading Policy and to avoid, through inadvertence, any breach or appearance of breach of the Corporation’s Insider Trading Policy.

The Pre-Clearance Committee will not object to a trade if it is at a time of business as usual. It will object to a proposed trade if a significant business development is imminent and where the public disclosure of this development might affect the market's perception of the Corporation’s shares.

Pre-clearance may be provided verbally by the member of the Pre-Clearance Committee but shall be confirmed by the committee member in writing (including electronically) as soon as possible thereafter.

Obtaining Pre-Clearance approval does not relieve an officer or director of his or her obligation to comply with all applicable securities laws and with the Corporation’s Insider Trading Policy.

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(Approved by the Board of Directors of Erdene Resource Development Corporation as of January 7, 2005 and reviewed and updated by the Corporate Governance and Disclosure Policy Committee in May, 2020.)

**ERDENE RESOURCE DEVELOPMENT CORP. (“Corporation”)  
SOCIAL MEDIA POLICY**

**SUMMARY**

This Social Media Policy is designed to guide the Corporation’s employees, officers and directors in creating, posting or otherwise contributing to blogs, social networks or other social media either through the Corporation’s social media accounts or on behalf of the Corporation, as well as personal use of social media.

Regulators treat social media in the same way as press releases and other formal disclosure methods. This Social Media Policy is not meant to discourage social media use, but to provide principles when using social media. This Social Media Policy should be read in conjunction with the Corporation’s Code of Ethics and Business Conduct and Disclosure Policy.

**PURPOSE AND SCOPE**

The purpose of this Social Media Policy is to set forth the rules and guidelines that govern the use of social media by all employees, officers and directors of the Corporation.

The Corporation recognizes that its employees and officers participate in personal social media and online communication and it is not the intention of this Social Media Policy to deter that communication. This Social Media Policy is designed to protect the Corporation and assist the Corporation’s employees, officers and directors in making responsible decisions when creating, posting or otherwise contributing to blogs, social networks or other social media on behalf of the Corporation, as well as personal use of social media. These guidelines must be followed when using sites such as Facebook, LinkedIn, Twitter, or YouTube, or when making comments on blogs or any other digital media.

**DEFINITIONS USED IN THIS SOCIAL MEDIA POLICY**

“**Social Media**” refers to any tool or service that facilitates conversations or the sharing of content over the internet.

“**Social Media Disclosure Committee**” – A committee of management comprised of the Corporation’s:

- President and Chief Executive Officer
- Chief Financial Officer
- Vice President of Business Development
- Vice President of Regulatory Affairs,

and such other persons as are designated from time to time by the President and Chief Executive Officer of the Corporation.

“**Disclosure Officer**” – the individual who is appointed by the Corporation’s Social Media Disclosure Committee and is responsible for communicating and managing the Corporation’s Social Media messaging.

## **BASIC PROCEDURES**

All of the Corporation’s Social Media posts must be reviewed and approved by at least two members of the Corporation’s Social Media Disclosure Committee, one of whom shall be the President and Chief Executive Officer or the Chief Financial Officer before posting.

The Disclosure Officer will act as lead on all official posts regarding the Corporation, ensuring the Corporation’s social media “voice” and approach are aligned with the official press release and its marketing objectives. Disclosure should be consistent among all audiences, including the investment community, the media, investors and employees.

The Disclosure Officer will be responsible for monitoring all of the Corporation’s Social Media accounts, including third party postings about the Corporation.

## **BASIC PRINCIPLES**

These principles apply to professional use of Social Media on behalf of the Corporation as well as personal use:

- (a) **Adhere to the Corporation’s Code of Ethics and Business Conduct and Disclosure Policies.** The policies can be found on the Corporation’s website at <https://theCorporation.com/en/corporate/governance/>.
- (b) **Use common sense and good judgment.** Each employee, officer and director of the Corporation is responsible for his or her own actions and each must know that information that is posted or published has the potential to remain in the public domain indefinitely. All posts regarding the Corporation, or any of its activities, should reflect official and publicly available corporate policy.

Anyone posting or commenting on the Corporation’s activities or interests without authorization from the Disclosure Officer or Social Media Disclosure Committee should make clear reference to the fact that the poster is conveying a personal opinion, and not speaking as an expert or qualified person or on behalf of the Corporation. Posts, or responses that warrant an expert response should be referred to the appropriate person who has the authority to address the matter on behalf of the Corporation. Each employee, officer or directors of the Corporation is required to report to the Disclosure Officer or a member of the Social Media Disclosure Committee any misleading, false or otherwise inappropriate posts.

Bearing in mind the viral nature of social media, team members must consider fully and carefully the content of any post, knowing it could make its way to the front pages of

major news sites, and should strive to be respectful and exhibit professionalism in all posts. Any posts that contain statements, photos, video or audio that could reasonably be seen as malicious, obscene, threatening or intimidating will be regarded as a violation of this Social Media Policy.

- (c) **Maintain confidentiality of business and proprietary information.** With reference to the Corporation's Disclosure Policy, it would be regarded as a clear violation of this Social Media Policy to discuss any corporate-related information on social media that is not already in the public domain. This includes, but is not limited to, drill results, photographs of un-assayed drill cores, financial results and negotiations with stakeholders with respect to permitting or other matters. If a team member is uncertain as to whether something is confidential or not, that person should speak to a member of the Social Media Disclosure Committee prior to posting or commenting anything.
- (d) **Only post information that is known to be accurate and publicly disclosed.** If an employee, officer or director of the Corporation inadvertently posts information that is incorrect or misleading, that person must correct it immediately and, at the same time, bring the matter to the attention of the Social Media Disclosure Committee.
- (e) **Refer media, press and investor inquiries to an authorized spokesperson of the Corporation if an official Corporation response is needed.** No employee, officer or director of the Corporation should speak on behalf of the Corporation with the media, press or analysts/shareholders, unless they are an authorized spokesperson for the Corporation (namely the President and Chief Executive Officer or the Chief Financial Officer) or have consent from the Social Media Disclosure Committee.
- (f) **Look before you link.** Each employee, officer and director of the Corporation bears full responsibility for the content of what they post online. It is therefore essential that, prior to posting or responding to linked content, the employee, officer or director of the Corporation has read and understood the entire webpage or article to understand and ensure that their post is both accurate and factual. In posting a link, the team member assumes responsibility for third party content on that link.
- (g) **Communicating in multiple languages.** Disclosure should be consistent among all audiences, including the investment community, the media, investors and employees. This principle applies to contents that are translated into English or Mongolian.

## **SOCIAL MEDIA DOs and DON'Ts**

The following outlines expectations of employees, officers and directors of the Corporation when using Social Media on behalf of the Corporation and personally:

### **What You Should Do:**

- **Disclose your Affiliation.** If you talk about work related matters that are within your area of job responsibility you must disclose your affiliation with the Corporation.

- **State That It's YOUR Opinion when commenting on the business or work-related matters.** Unless authorized to speak on behalf of the Corporation, you must state that the views expressed are your own.
- **Protect Yourself.** Be careful about what personal information you share online.
- **Act responsibly and ethically.** When participating in online discussions, do not misrepresent yourself or the Corporation.
- **Honour Our Differences.** The Corporation will not tolerate discrimination, including, but not limited to age, sex, race, color, creed, religion, ethnicity, sexual orientation, gender identity, national origin, citizenship, disability, or marital status or any other legally recognized protected basis under Canadian and Mongolian laws, regulations or ordinances.
- **Comply with the Corporation's policies.** This includes The Corporation's Disclosure Policy, and the Code of Ethics and Business Conduct.

**What You Should Never Disclose:**

- **Non-public Information.** Non-public financial, assay result or operational information or any other non-public information cannot be disclosed. If it's not already public information, it is not your job to make it so.
- **Personal Information:** Never share personal information about other employees, officers or directors of the Corporation or any of the Corporation's contractors or service providers.
- **Legal Information.** Do not disclose anything concerning legal issues, legal cases, or attorneys without authorization of the Social Media Disclosure Committee.
- **Anything that belongs to someone else.**
- **Confidential Information:** Do not publish, post, or release anything that is considered confidential.
- **Rumours:** The Corporation does not comment, affirmatively or negatively, on rumours, including those on the Internet or social media and any interpretation of Corporation information by external parties. Further guidance on the Corporation's policy towards rumours and contacts with external media may be found in the Corporation's Disclosure Policy.

**VIOLATIONS**

If an employee, officer or director of the Corporation violates the guidelines provided in this Social Media Policy, the Corporation may require that person to correct, edit or remove a post or statement. In addition, violations of this Social Media Policy by employees can result in disciplinary action, including termination of employment and claims for damages.

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(Approved by the Board of Directors of Erdene Resource Development Corp. as of June 8, 2020.)