

DEVELOPING THE HIGH-GRADE KHUNDII MINERALS DISTRICT

Unlocking treasures - sharing benefits

Q2 2023



FORWARD LOOKING STATEMENTS

This presentation contains certain forward-looking information and statements which may not be based on fact, including without limitation, statements regarding the timing and completion of the three stages of the Strategic Alliance and the future plans and objectives for Erdene Mongol LLC and the Khundii Minerals District under the Strategic Alliance, the Company's expectations in respect of its future financial position, business strategy, future exploration and production, mineral resource potential, exploration drilling, permitting, access to capital, events or developments that the Company expects to take place in the future. All statements, other than statements of historical facts, are forward-looking information and statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will" and similar expressions identify forward-looking information and statements. In addition to the forward-looking information and statements noted above, this presentation includes those that relate to: the expected results of exploration activities; the estimation of mineral resources; the ability to identify new mineral resources and convert mineral resources into mineral reserves; ability to raise additional capital and complete future financings; capital expenditures and costs, including forecasted costs; the ability of the Company to comply with environmental, safety and other regulatory requirements; future prices of precious metals; the ability of the Company to obtain all necessary approvals and permits in connection with the development of the Bayan Khundii Gold Project.

Such forward-looking information and statements are based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such information and statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies and which may prove to be incorrect. These estimates and assumptions relate to, among other things, the continuance of the Company and its subsidiaries as a going concern, general economic and market conditions, gold prices, the accuracy of mineral resources and mineral reserve statements, and the other estimates and assumptions.

Readers are cautioned that forward-looking information and statements are not guarantees of future performance. There can be no assurance that such information and statements will prove to be accurate and actual results and future events could differ materially from those presented in such information and statements. Forward-looking information and statements is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information and statements. Such risks include, but are not limited to, the volatility of the price of gold, uncertainty of mineral resources, exploration potential, mineral grades and mineral recovery estimates, delays in exploration and development plans, insufficient capital to complete development and exploration plans, risks inherent with mineral acquisitions, delays in obtaining government approvals or permits, financing of additional capital requirements, commercial viability of mineral deposits, cost of exploration and development programs, risks associated with competition in the mining industry, risks associated with the ability to retain key executives and personnel, the impact of COVID-19, title disputes and other claims, changes in governmental and environmental regulation that results in increased costs, cost of environmental expenditures and potential environmental liabilities, accidents and labour disputes. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information and statements. Please see the Company's Annual Information Form dated March 8, 2022 available on the Company's website at www.erdene.com or on the Company's SEDAR profile at www.sedar.com, for details of other risks facing the Company. The Company disclaims any intention or obligation to update or revise any forward-looking information and statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

Peter Dalton, P.Geol. (Nova Scotia), Senior Geologist for Erdene and a "Qualified Person" under National Instrument 43-101, has reviewed and approved the scientific and technical information in this presentation. All currencies are reported in Canadian dollars unless otherwise specified.

DEVELOPING THE HIGH-GRADE KHUNDII MINERALS DISTRICT

Investment Highlights



First mover in an unexplored portion of the **Trans Altai Terrane** in one of the world's most **prolific copper-gold belts**



Strategic alliance with **Mongolian Mining Corporation (MMC)**, Mongolia's largest independent miner to unlock the **District**



Shovel ready, high-grade (>3 g/t Au), open-pit Bayan Khundii gold project moving rapidly to **First Gold**



High-grade gold discoveries adjacent the Bayan Khundii Gold Project and significant exploration potential



Holder of one of Asia's largest undeveloped **Mo-Cu deposits – Zuun Mod**




Strong social license to operate, recognized ESG practices and supportive **shareholders** including **Eric Sprott**



EXPOSURE TO MONGOLIAN PRECIOUS AND BASE METALS

Khundii Minerals District Holds Proven Gold, Copper and Molybdenum Resources



TSX : ERD
Eric Sprott (18%)
EBRD (8%)

MSE : ERDN
6,000 Mongolian
shareholders

Erdene Mongol LLC
Gold Focused

Trans Altai Terrane
World Class Au-Cu Belt

Anian Resources LLC
Cu-Mo Focused

50% Equity Interest - CAD \$54M Cash*
Advancing towards production

District Scale Upside
5% NSR** over 700 km² area

100% Equity Interest
Large scale copper-molybdenum project

Bayan Khundii
Gold Project

Dark Horse
Gold Project

Altan Nar
Gold-Polymetallic Project

Ulaan
Gold Project

Zuun Mod
Copper-Moly
Project

Khuvyn Khar
Copper Project

Khundii
Mining Licence

Nomin Tal
Mining Licence

Ulaan
Exploration Licence

Khuvyn Khar
Mining Licence

STRATEGIC ALLIANCE – KEY TERMS

Uniting to Create a Mongolian Mining Champion



Economic interest	50% equity interest + 5% NSR (after 400,000 oz Au)	50% equity interest
Contribution to the JV	Exploration and Development Licenses <ul style="list-style-type: none">• Khundii (Bayan Khundii & Dark Horse Gold Projects)• Nomin Tal (Altan Nar Gold Project)• Ulaan (Ulaan Gold Project)	Capital and Technical Capability <ul style="list-style-type: none">• US\$40M cash injection• Development and operating experience• ESG experience
Operations of the JV	ERD appoints: <ul style="list-style-type: none">• Chief Executive Officer• Chief Exploration Officer	MMC appoints: <ul style="list-style-type: none">• Chief Operating Officer• Chief Financial Officer
Governance	Governed by a Board of Directors with equal representation – each party will have veto rights over key decisions, with customary deadlock resolution provisions	
Transfer of ownership	Parties retain a right of first offer (ROFO) and Tag-Along rights	

MONGOLIAN MINING CORPORATION

Mongolia's Largest Independent Miner



- **MMC is Mongolia's largest publicly traded miner**

 - Listed on the Hong Kong Stock Exchange main board (HKEX: 975)

 - MCS Group, a Mongolian conglomerate with operations in Engineering, Construction, Utilities and Real Estate is MMC's largest shareholder

- **MMC's vision is to build a diversified mining company**

 - Owns and operates the Ukhaa Khudag (UHG) and Baruun Naran (BN) high-quality coking coal mines in Umnugovi province

 - Investment in Erdene expands operations to precious and base metals

- **Key Operating Statistics**

 - 14-year operating history

 - Approximately 2,000 employees

 - Strong safety culture – 0.0 LTI from 5.9 million man-hours in 2021

 - Property, plant and equipment investments of US\$1.5 billion

 - Major contributor to the local economy investing US\$2.7 million in community programs and procuring US\$1.4 million locally in 2021



MCS GROUP

Mongolia's Leading Diversified Business

- **MCS is one of Mongolia's largest conglomerates**
30-year history operating in Mongolia
Businesses in mining, engineering, energy, communications, property, consumer goods, healthcare and hospitality
- **MCS Group's businesses employ over 10,000 staff in Mongolia**
Contribute approximately US\$500 million to the Mongolian economy annually
One of Mongolia's largest taxpayers
- **MCS is committed to developing and enriching the Mongolian economy through its pursuit of responsible corporate excellence and progressive technology**
MCS strives to ensure its operations benefit the communities in which it operates
The Group provides transparent sustainability reporting



FUNDING & DEVELOPMENT MILESTONES

Partnering to Fast Track Construction of the Khundii Minerals District



FOCUSED ON A WORLD CLASS GOLD-COPPER BELT

The Underexplored Trans Altai Terrane in Southwestern Mongolia



MAJOR GOLD-COPPER DEPOSITS OF THE EASTERN CENTRAL ASIAN OROGENIC BELT

USGS
science for a changing world

Global Mineral Resource Assessment

Porphyry Copper Assessment of the Central Asian Orogenic Belt and Eastern Tethysides—China, Mongolia, Russia, Pakistan, Kazakhstan, Tajikistan, and India

Prepared in cooperation with the China Geological Survey, the Centre for Russian and Central Eurasian Mineral Studies, and the Russian Academy of Sciences

Scientific Investigations Report 2010-5090-X

U.S. Department of the Interior
U.S. Geological Survey

USGS Study Identifies Trans Altai as Highest Potential for Porphyry/Epithermal Copper-Gold Discovery in CAO



Notes:

- Copper = 17.8B lbs in M&I and 48.6B in Inferred, Gold = 8.5M oz in M&I and 34.4M oz in Inferred
- Source: TRQ 2021 Annual Information Forum

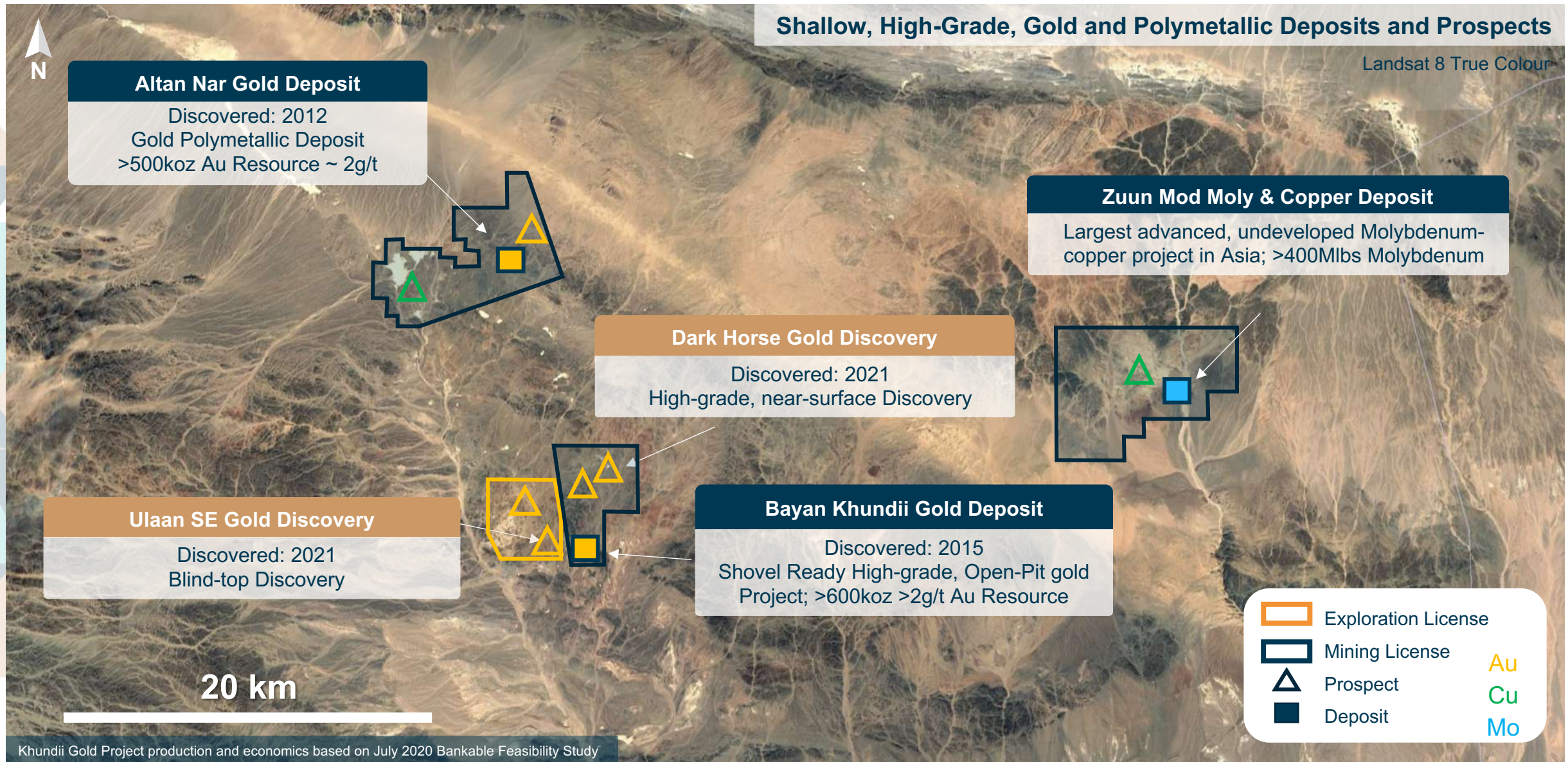
IMPROVED INFRASTRUCTURE IN A GROWING MINING JURISDICTION

Less than 200km from China



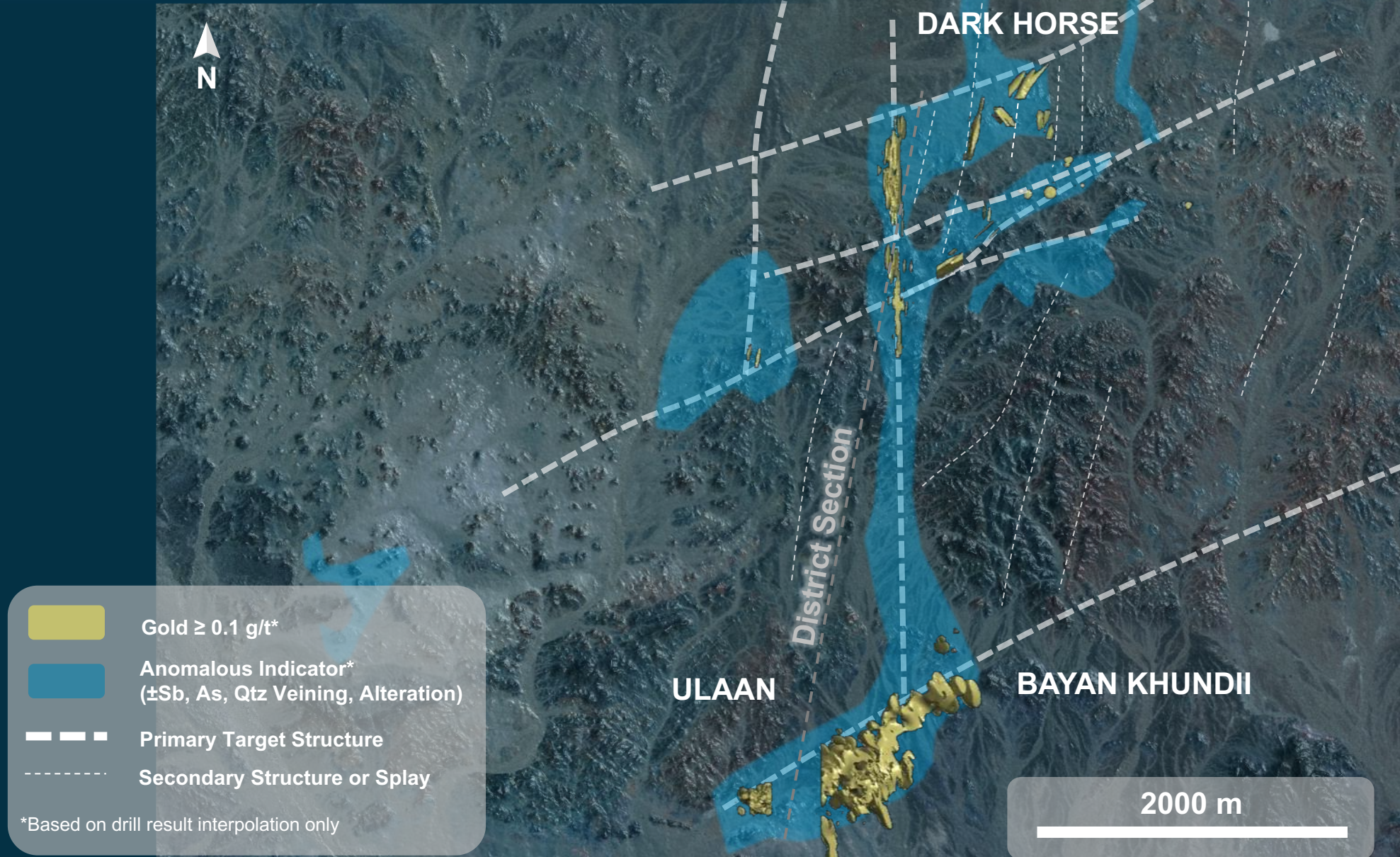
THE KHUNDII MINERALS DISTRICT – MULTI-MILLION OUNCE POTENTIAL

Four Gold Discoveries, Molybdenum Copper Deposit and Multiple High-Priority Targets



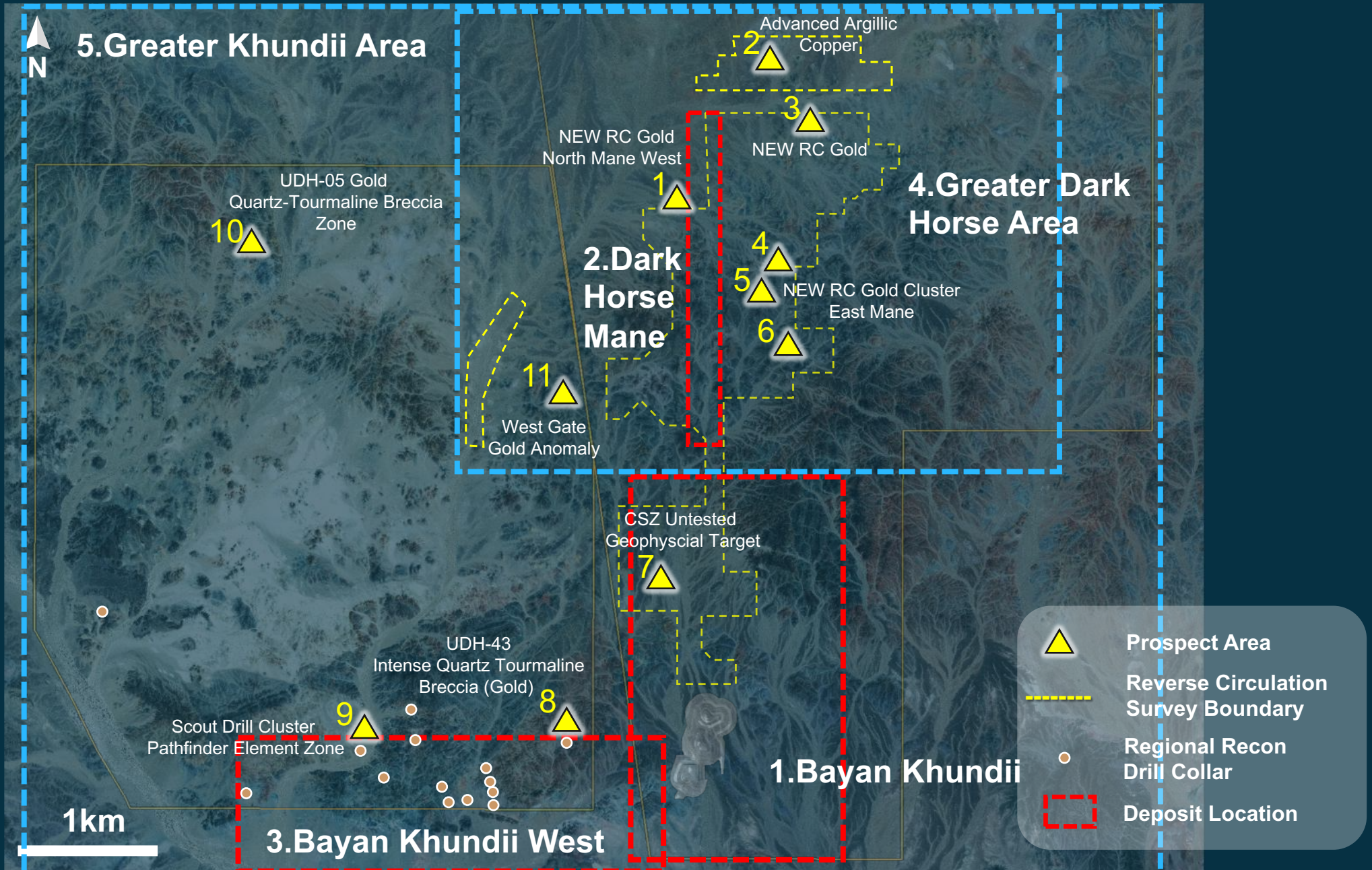
KHUNDII MINERALS DISTRICT – STRUCTURAL COMPLEX

Multiple High-Grade Gold Targets



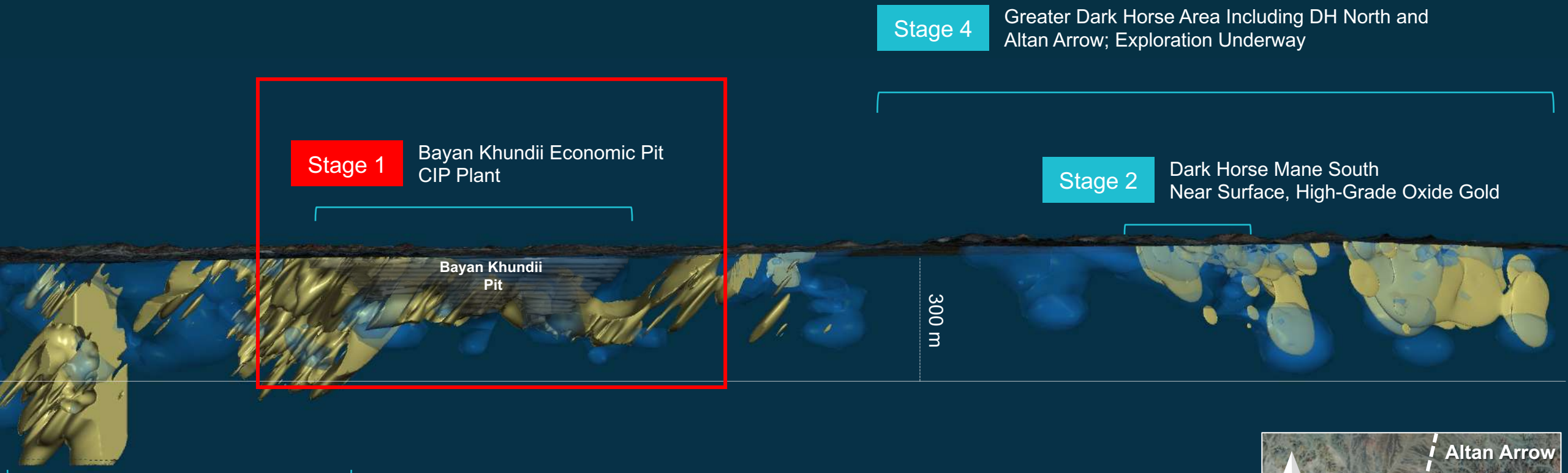
KHUNDII MINERALS DISTRICT – HIGH-GRADE GOLD EXPLORATION

Priority Targets



KHUNDII MINERALS DISTRICT SECTION – STAGED DEVELOPMENT

An Expanding Footprint of High-Grade Gold Deposits





Stage 1 Bayan Khundii Economic Pit
CIP Plant

Stage 4 Greater Dark Horse Area Including DH North and
Altan Arrow; Exploration Underway

Stage 2 Dark Horse Mane South
Near Surface, High-Grade Oxide Gold

Stage 3 Bayan Khundii West
Resources: Striker W,
Khuren Tsav, Ulaan

 Gold $\geq 0.1\text{g/t}^*$

 Anomalous Indicator*
($\pm\text{Sb, As, Qtz Veining, Alteration}$)

*Based on drill result interpolation only





Midfield North

Midfield

Striker

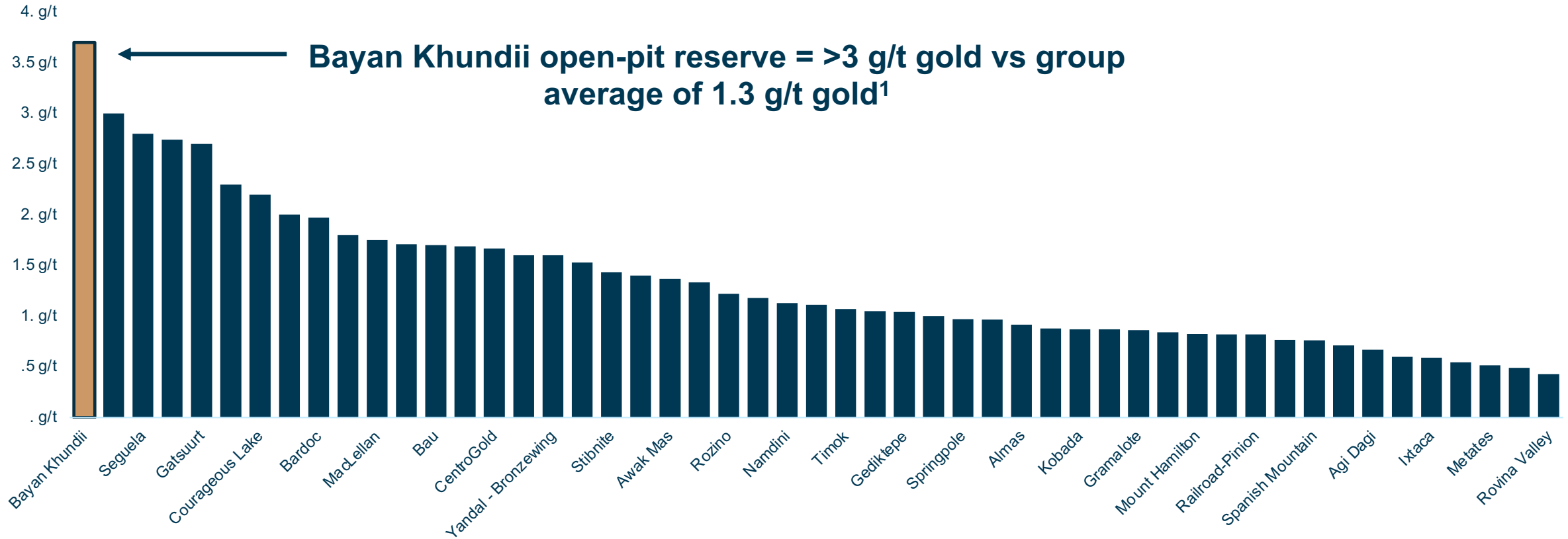
Gold Hill

West Striker

BAYAN KHUNDII GOLD PROJECT
Main Mineralized Zones Looking South

WORLD-CLASS, HIGH-GRADE DEPOSIT

Bayan Khundii Open-Pit Reserve Grade Averages Over 3 g/t Au

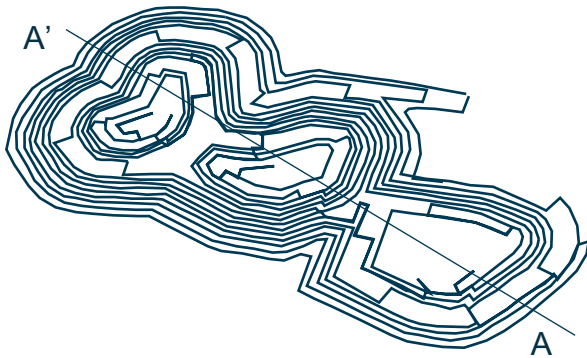


BAYAN KHUNDII – HIGH-GRADE, OPEN-PIT RESERVES

Mineralization extends from surface to 144 metres in open-pit



Bayan Khundii Proposed Pit – Plan View

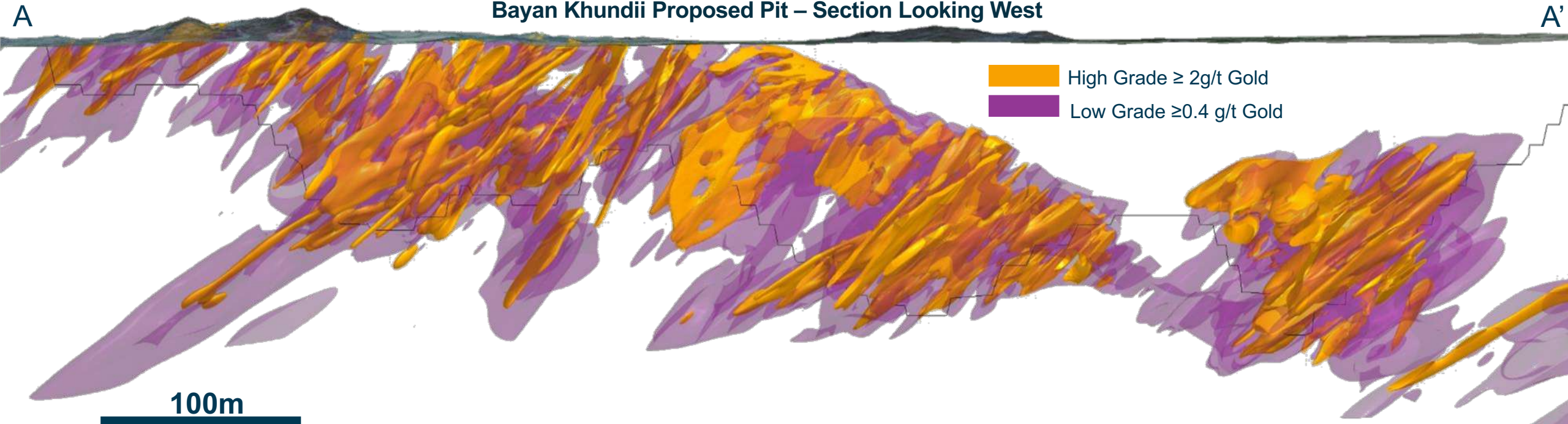


Bayan Khundii Deposit Reserve and Resource Estimates

Reserve Category	Total (Mt)	Grade Au g/t	Contained Gold Koz	Cut-off Grade	Resource Classification	Quantity (Mt)	Grade Au g/t	Gold Koz
Proven	1.2	4.2	166	0.40	Measured	3.0	2.39	233
					Indicated	5.3	2.08	352
Probable	2.2	3.5	244		Measured & Indicated	8.3	2.19	585
Total P&P	3.4	3.7	409		Inferred	0.5	2.18	36

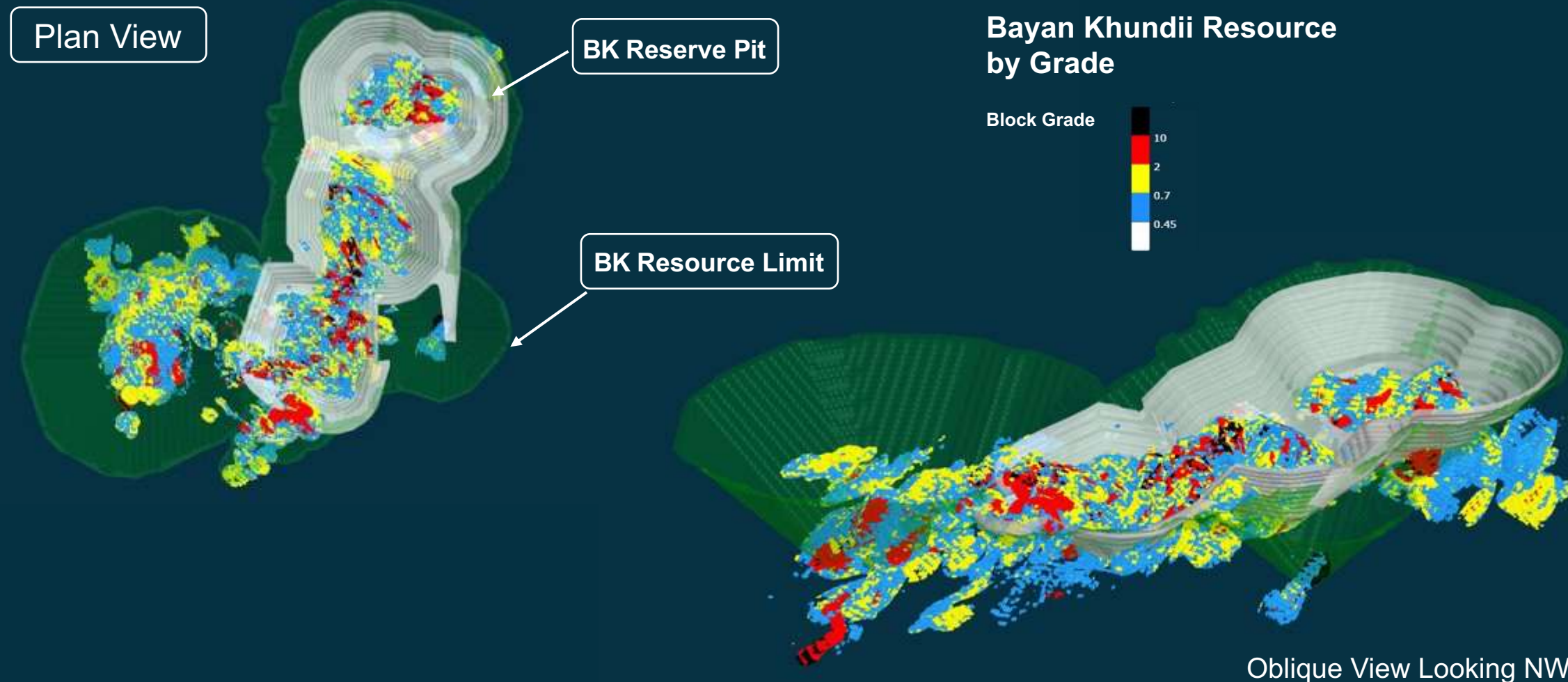
*Refer to Bayan Khundii Gold Project Feasibility Study NI 43-101 Technical Report, July 20, 2020, and Erdene's Q2 2021 press release, August 16, 2021

Bayan Khundii Proposed Pit – Section Looking West



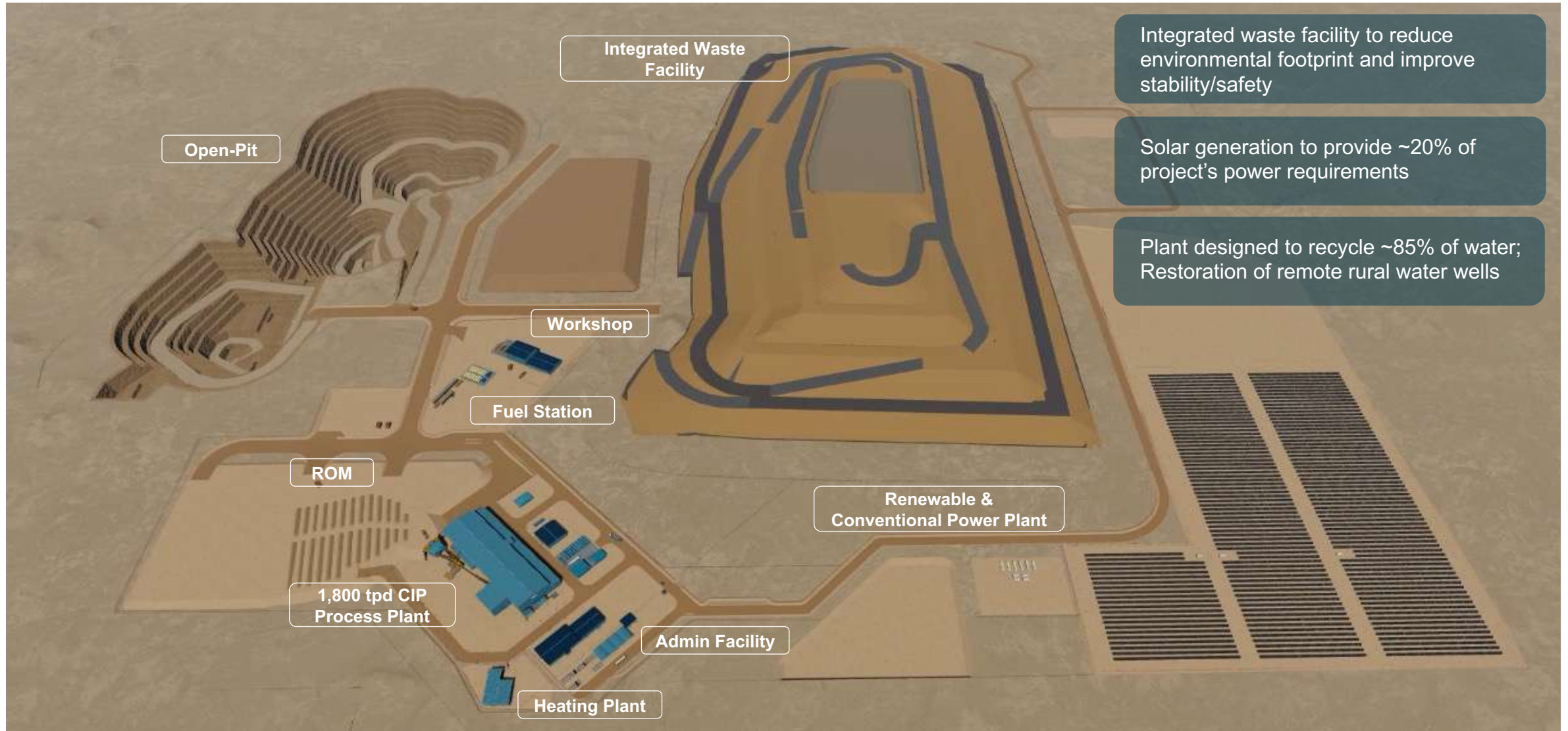
BAYAN KHUNDII GOLD DEPOSIT

Reserve Expansion Potential Adjacent to Planned Open-Pit



600,000 TPA MILL DESIGNED TO ACCOMDATE HIGHER THROUGHPUT

93% Recoveries from Conventional Processing Methods and Free-Milling Ore



Integrated waste facility to reduce environmental footprint and improve stability/safety

Solar generation to provide ~20% of project's power requirements

Plant designed to recycle ~85% of water; Restoration of remote rural water wells

BAYAN KHUNDII PROJECT – EARLY WORKS

Accommodation & Staging Area Expansion, Borefield Development and Water Exploration, Communications Tower & Dust Monitoring Station Construction, Project Controls Software Implementation



BAYAN KHUNDII – BULK EARTH WORKS

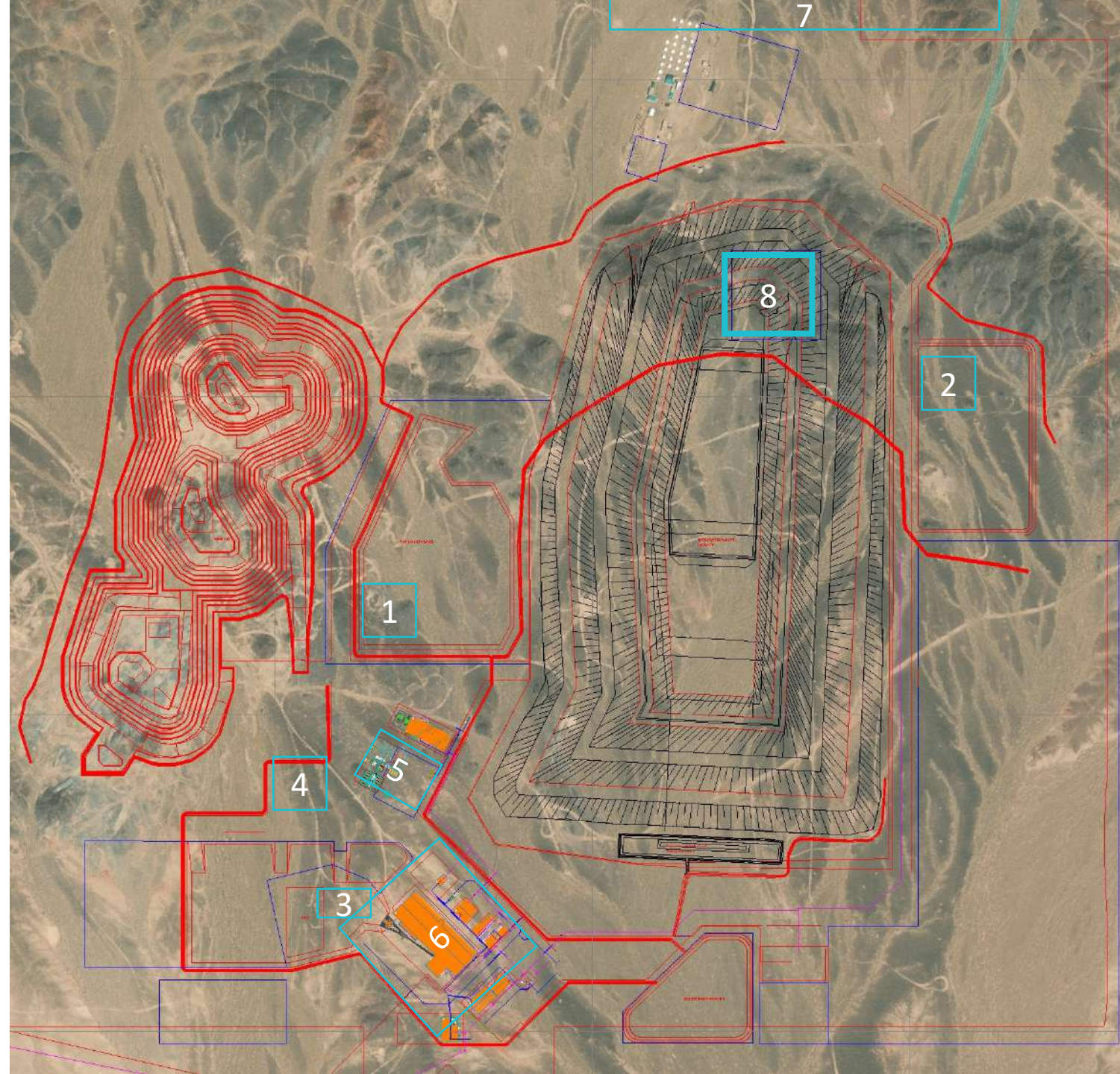
Establishing the Site for Construction

Leveling (limited initial fleet for establishment):

1. Topsoil stockpile (strip)
2. Waste Management Area
3. ROM (strip; place unsuitable cut)
4. HV parking
5. Fuel storage
6. **Process Plant and NPI**
7. Drainage (storm, north of temporary camp)
8. Aggregate production area
9. Permanent camp area (not shown in map)

Aggregate :

- Limited initial material required.
- Imported aggregate (~300 m³?), plus some removal of overburden
- Concrete for temp facilities and camp
- Dust suppression cover for pads



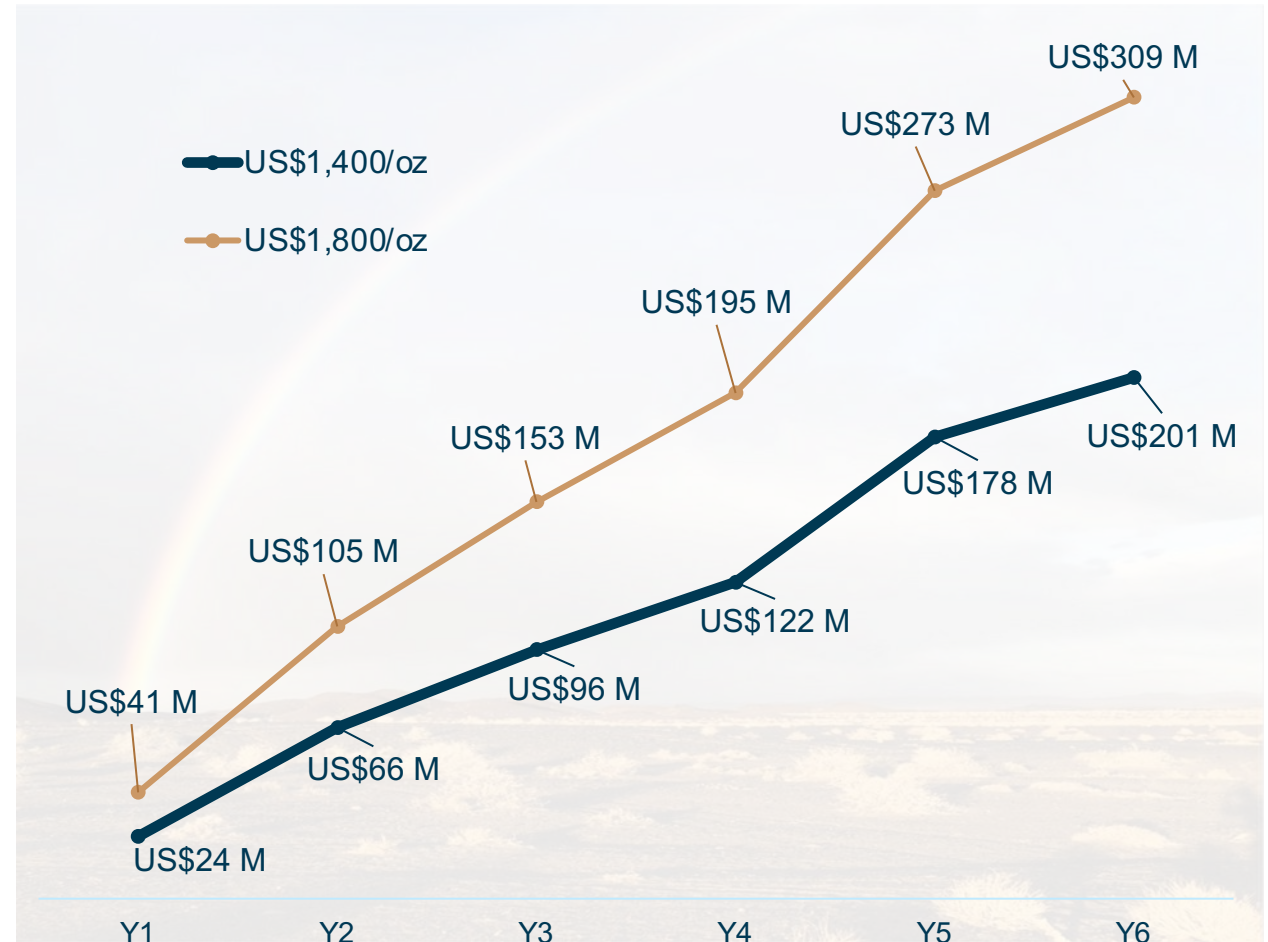
TRANSITIONING TO A SELF-FUNDING, SUSTAINABLE BUSINESS

Bayan Khundii Free Cash Flow to Drive District Exploration

- BK Project expected to generate **\$50M annually**¹ in Free Cash; transitioning to a self-funding, self-sustainable Company
- Initial mine life **6 years production** and 1.5 year build with significant potential for mine life extension
- Meaningful cash flow generation will enable anti-dilutive exploration and development

Note: 1 Based on US\$1,800/oz gold price
Bayan Khundii Gold Project production and economics based on July 2020 Bankable Feasibility Study

Forecast Net After-Tax Cumulative Cash Flow



PROJECT FINANCE STRATEGY

Backing of Leading International and Domestic Institutions



Mongolian Mining Corporation

- US\$40M equity investment in Erdene's subsidiary to fund project
- Assignment of engineering and development staff to support project



Export Development Canada

- Mandate Letter signed for senior secured debt facility
- Due diligence completed by SLR Consulting
- EDC is a debt provider to Oyu Tolgoi, Mongolia's largest mining operation



European Bank for Reconstruction and Development

- Major shareholder (8%) following loan conversion in Q4 2020
- Mandate Letter signed for Project's Cost Overrun Facility ("COF")
- Largest foreign direct investor in Mongolia with €2.2B invested



Bank of Mongolia and Mongolian Commercial Banks

- Government COVID stimulus and Gold-2 programs provide financial incentives, tax stability agreements and loans to the gold mining sector
- Erdene in advanced discussions for credit facility / loan with Mongolian commercial banks

Eric Sprott

Eric Sprott

- Erdene's largest shareholder (18%)



Mongolian Stock Exchange

- Sharing Benefits with more than 6,000 Mongolian shareholders
- Erdene is first company cross-listed on both Mongolia and Toronto Stock Exchanges



KHUNDII MINERALS DISTRICT EXPLORATION

Two Recent High-Grade Gold Discoveries Within 2.4Km of Bayan Khundii



Plunge +17
Azimuth 093

0 500 1000 1500

KHUNDII MINERALS DISTRICT – SECOND DEVELOPMENT STAGE

Dark Horse Mane South



Stage 4

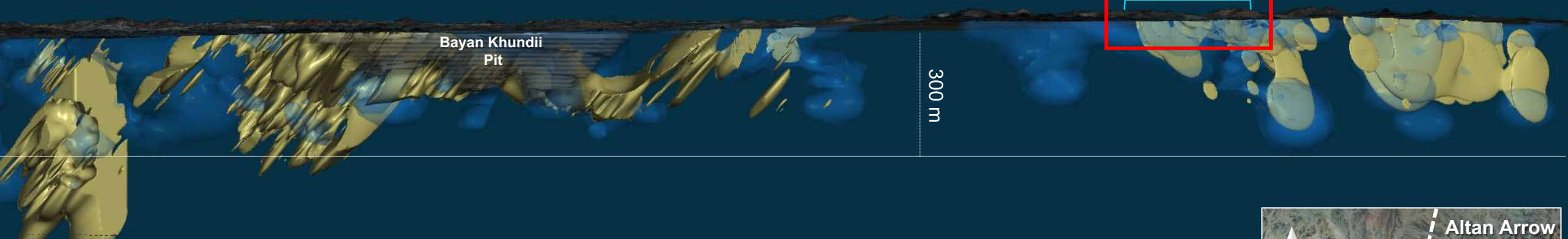
Greater Dark Horse Area Including DH North and Altan Arrow; Exploration Underway

Stage 1

Bayan Khundii Economic Pit
CIP Plant

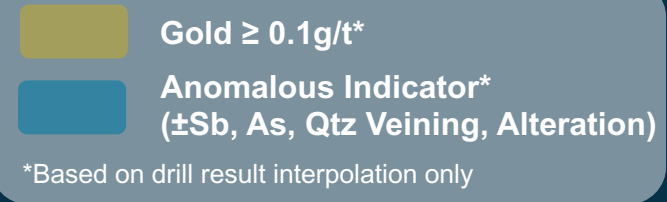
Stage 2

Dark Horse Mane South
Near Surface, High-Grade Oxide Gold



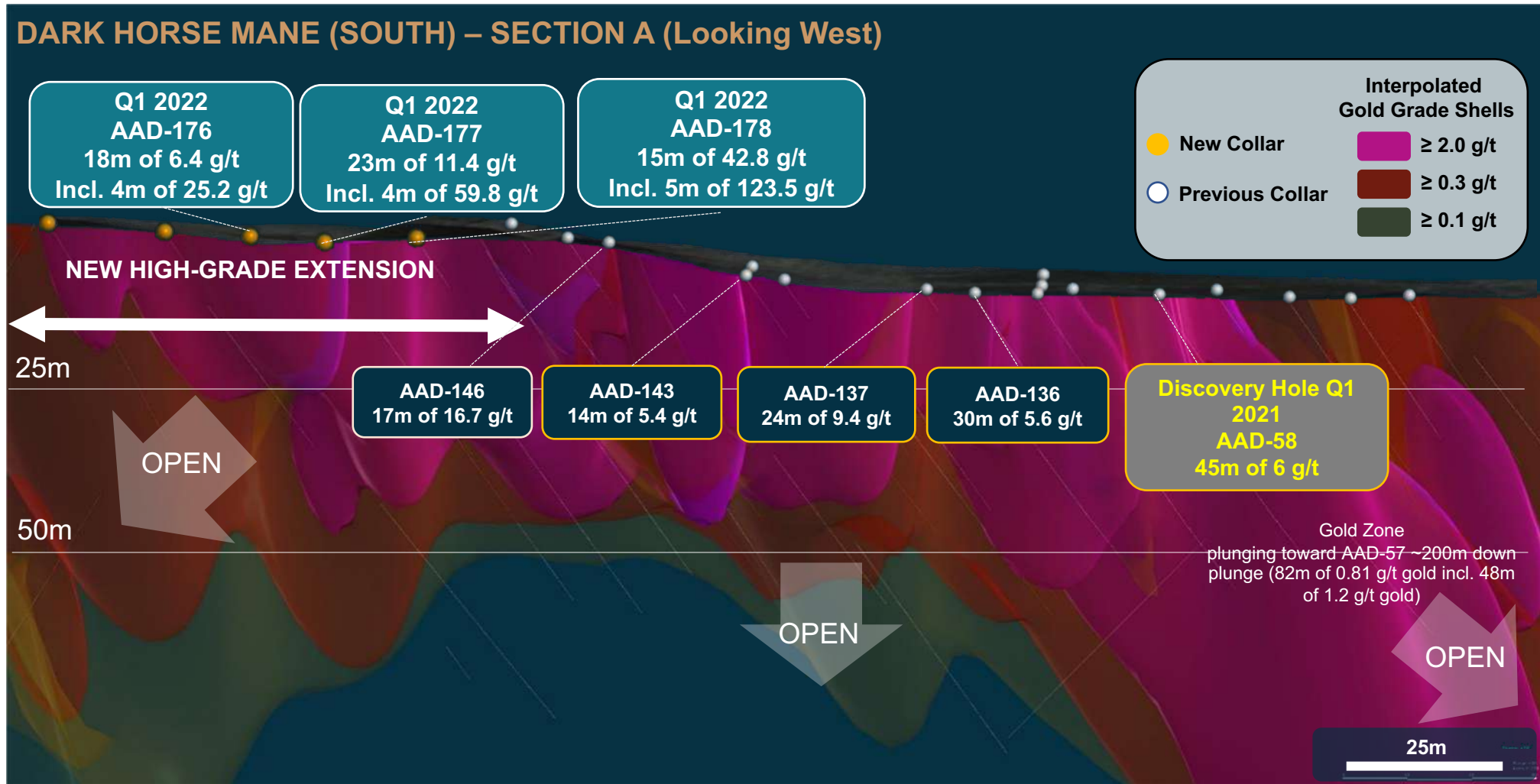
Stage 3

Bayan Khundii West
Resources: Striker W,
Khuren Tsav, Ulaan



DARK HORSE MANE SOUTH – FEBRUARY 2022 RESULTS

15 Metres of 42.8 g/t Gold Beginning 11 Metres Downhole (AAD-178)



DARK HORSE MANE – PLAN MAP AND SECTIONS

DARK HORSE MANE Plan View

South Mane

North Mane



AAD-192
Long Section 1

AAD-217 AAD-215
AAD-218 AAD-216 AAD-214

AAD-191

AAD-211
AAD-199 AAD-210

AAD-195
AAD-196 AAD-208
AAD-209 AAD-206
AAD-207 AAD-166
AAD-205

AAD-204
AAD-194

Cross Section 1

DARK HORSE MANE Long Section 1

750m



Looking West

100m

200m

OPEN

OPEN

- New DDH Collar
- GOLD GRADE SHELL**
- ≥0.1g/t
- ≥0.3g/t
- ≥1.0g/t

AAD-178; @ 11m: 15m of 42.8 g/t Gold, Incl. 5m of 123.5 g/t Gold

Hole ID	Au Grade (g/t)	Interval (m)	Downhole Depth (m)	Notes
AAD194	4.14	8	159	Incl. 2m of 11.23 g/t Au
AAD214	5.85	18	2	Incl. 6m of 10.51 g/t Au
AAD215	4.62	18.6	1.4	Incl. 4m of 10.80 g/t Au
AAD216	1.94	13	2	Incl. 1m of 10.96 g/t Au
AAD217	8.73	15	Surface	Incl. 6m of 20.59 g/t Au
AAD218	20.20	12	Surface	Incl. 6m of 39.62 g/t Au

KHUNDII MINERALS DISTRICT – THIRD DEVELOPMENT STAGE

Bayan Khundii West



Stage 4

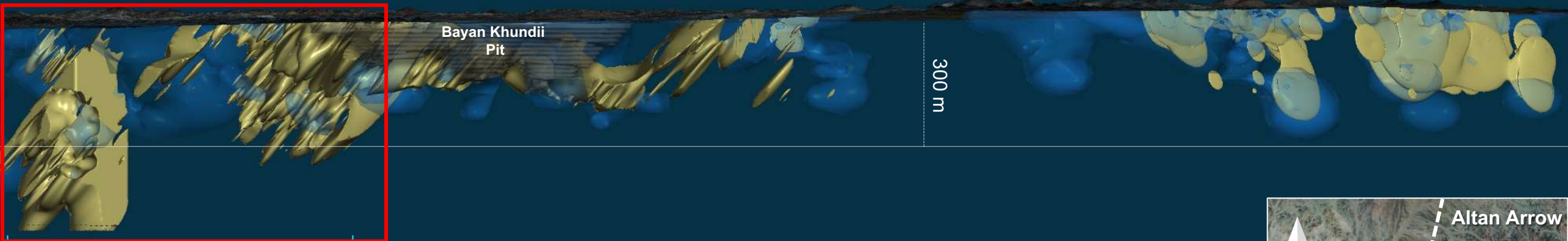
Greater Dark Horse Area Including DH North and Altan Arrow; Exploration Underway

Stage 1

Bayan Khundii Economic Pit
CIP Plant

Stage 2

Dark Horse Mane South
Near Surface, High Grade Oxide Gold



Stage 3

Bayan Khundii West
Resources: Striker W,
Khuren Tsav, Ulaan



Gold $\geq 0.1\text{g/t}^*$



Anomalous Indicator*
($\pm\text{Sb}$, As, Qtz Veining, Alteration)

*Based on drill result interpolation only



KHUNDII MINERALS DISTRICT – THIRD DEVELOPMENT STAGE

Bayan Khundii Gold Deposit – Extended Resources

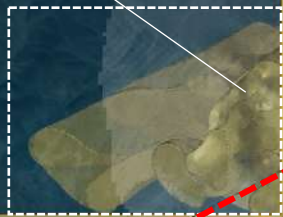
Ulaan Exploration License

KT License

Khundii Mining License

ULAAN SE: Q2 2022 Drilling Defines HIGH-GRADE STRUCTURE

UDH-35: 41m of 8.1 g/t Gold;
Incl 23m of 13.7 g/t Gold;
Incl 3m of 68 g/t Gold



A

Defined Gold Domain

Section A

A'

Bayan Khundii Reserve Pit
409 Koz Gold
P+P only
3.7 g/t Au

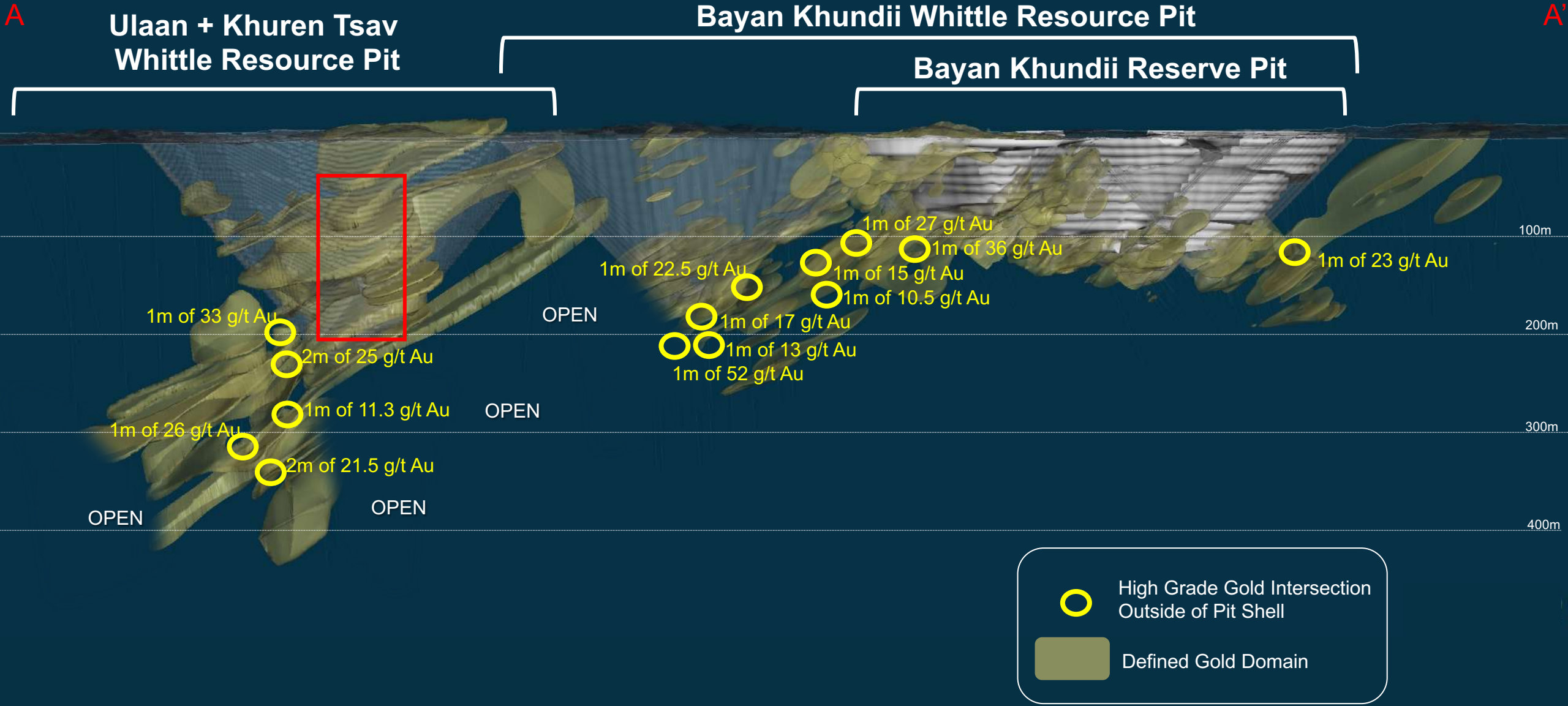
**Bayan Khundii
Resource Constrained
Whittle Shell**
621 Koz Gold
M+I+I >2g/t

300m



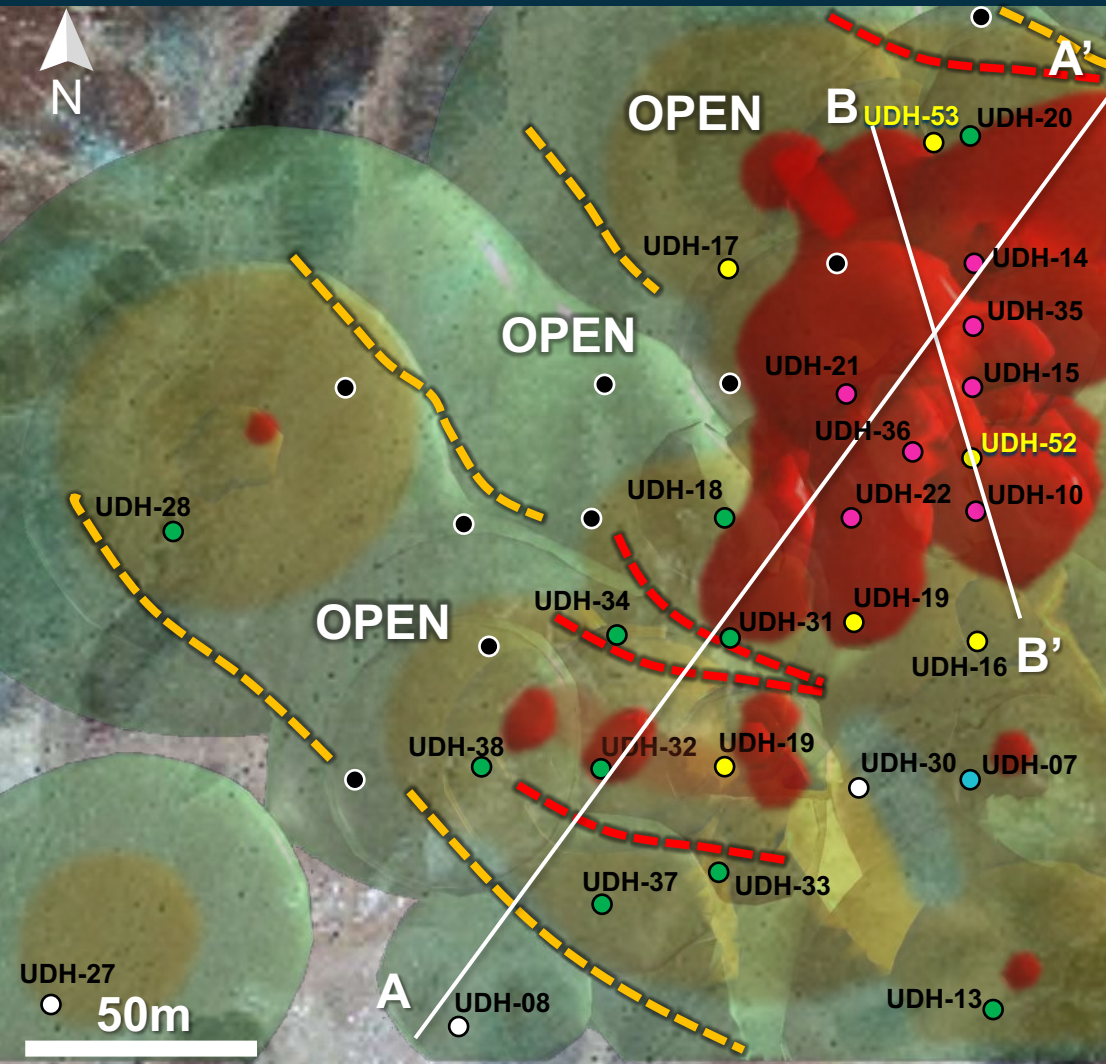
KHUNDII MINERALS DISTRICT – THIRD DEVELOPMENT STAGE

Bayan Khundii Gold Deposit – Extended Resources – Section A



ULAAN SE DEPOSIT

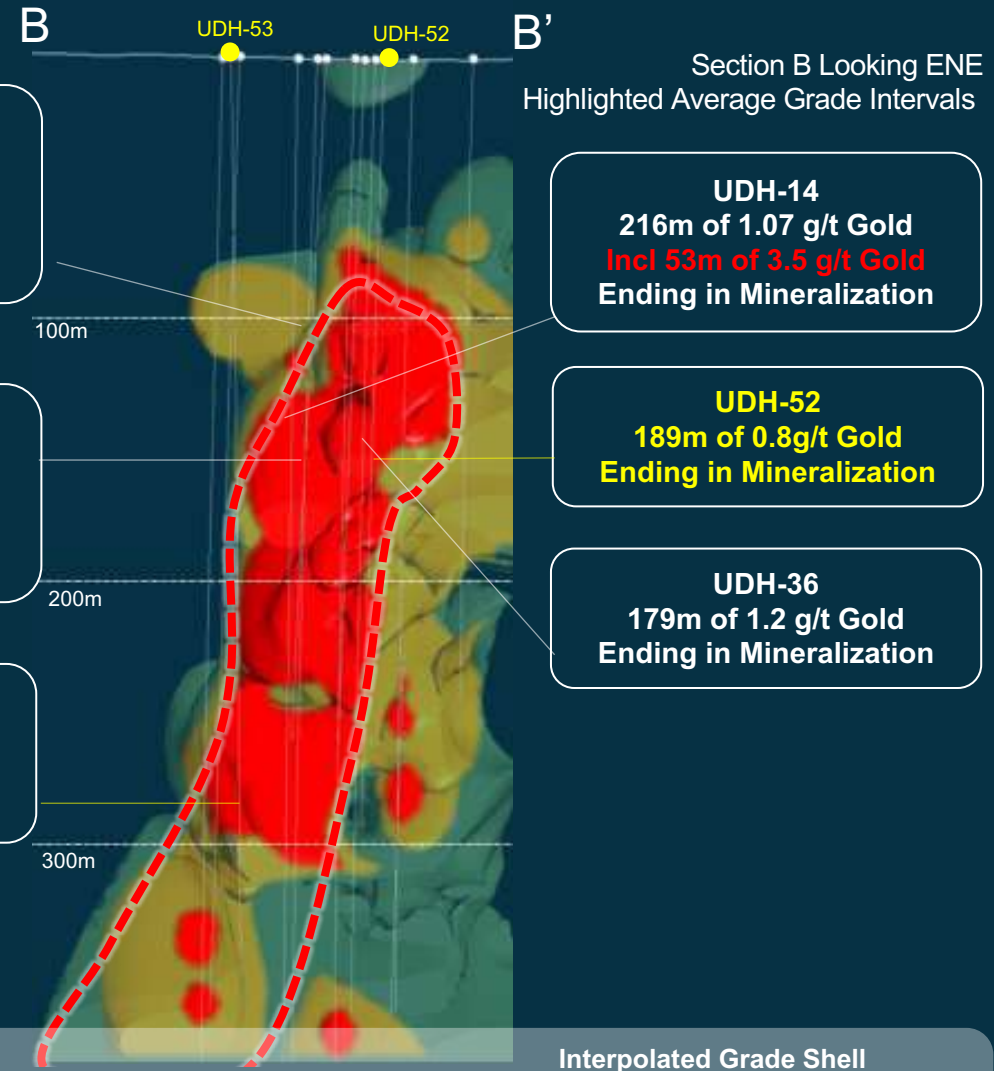
High-Grade Structure 300 metres west of Bayan Khundii – Discovered in 2021



UDH-21
 115m of 1.1 g/t Gold
 Incl 27m of 8.7 g/t Gold
 Incl 1m of 157 g/t Gold
 Ending in Mineralization

UDH-35
 41m of 8.1 g/t Gold
 Incl 23m of 13.7 g/t Gold
 Incl 3m of 68 g/t Gold
 Ending in Mineralization

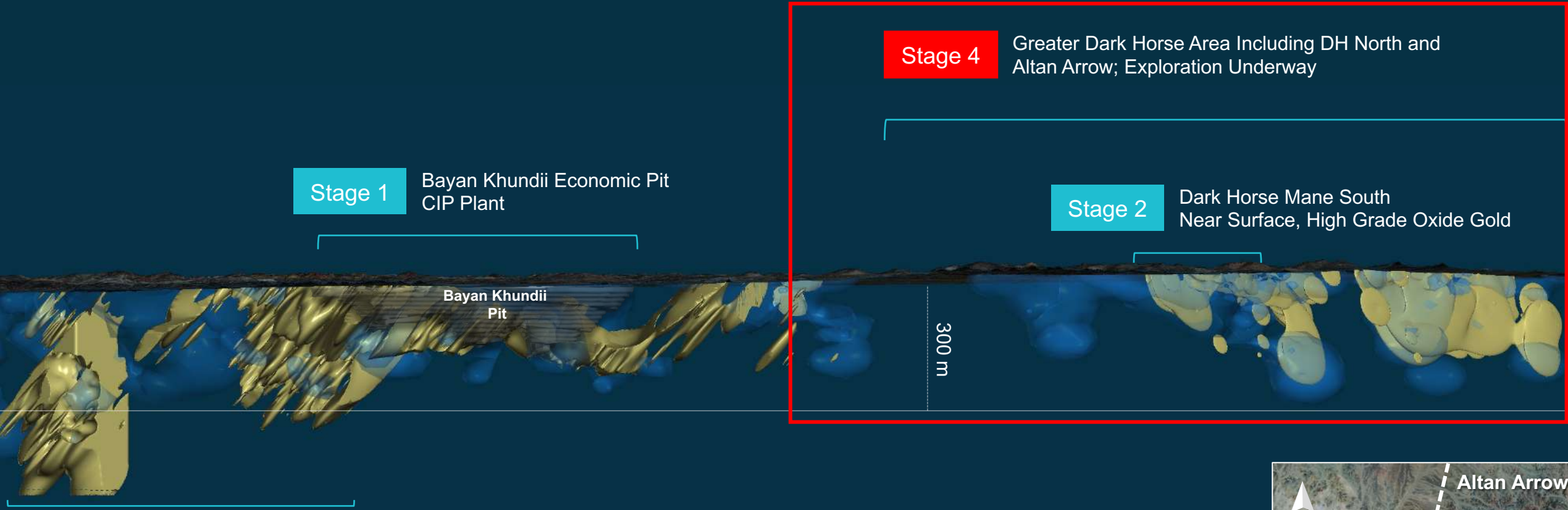
UDH-53
 89m of 1.4 g/t Gold
 Incl 27m of 3.47 g/t Gold
 Ending in Mineralization



Drill Collar (Gram x Meter)			UDH Reported Hole	Interpolated Grade Shell	
● ≥ 200	● ≥ 10	● < 5	UDH Previous Hole	■ 0.3 g/t Au	
● ≥ 50	● ≥ 5	● Q3-22 Proposed		■ 1.0 g/t Au	
				■ ≥ 2.0 g/t Au	

KHUNDII MINERALS DISTRICT – FOURTH DEVELOPMENT STAGE

Greater Dark Horse Prospect





Stage 1 Bayan Khundii Economic Pit
CIP Plant

Stage 4 Greater Dark Horse Area Including DH North and
Altan Arrow; Exploration Underway

Stage 2 Dark Horse Mane South
Near Surface, High Grade Oxide Gold

Stage 3 Bayan Khundii West
Resources: Striker W,
Khuren Tsav, Ulaan

 Gold $\geq 0.1\text{g/t}^*$

 Anomalous Indicator*
($\pm\text{Sb}$, As, Qtz Veining, Alteration)

*Based on drill result interpolation only



DARK HORSE PROSPECT

High-Grade Gold Targets Within 2km of Bayan Khundii

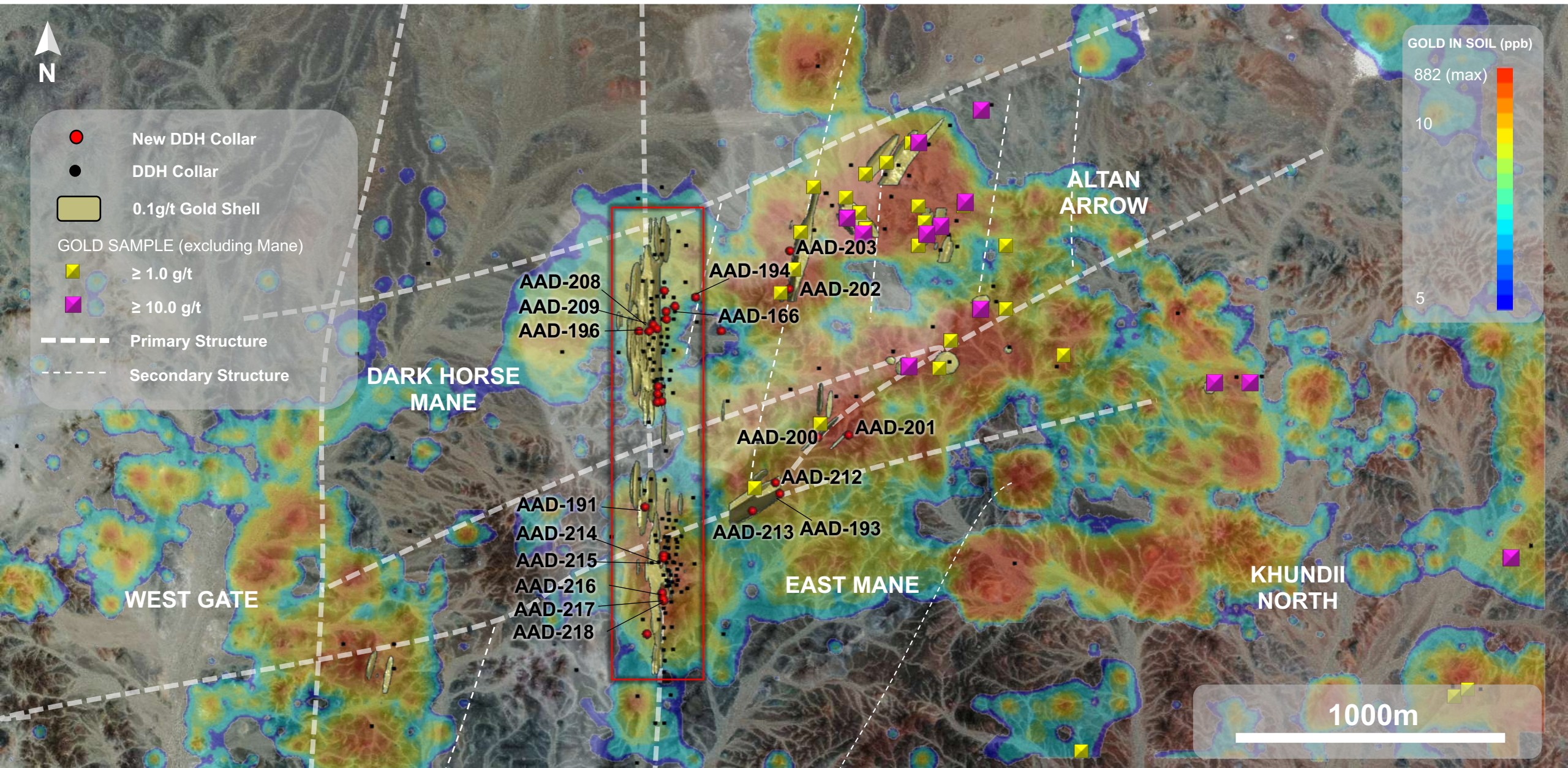
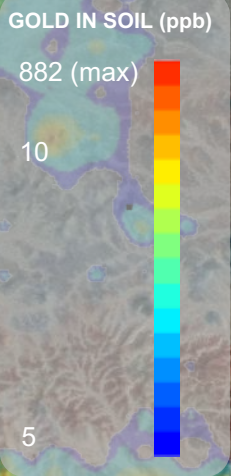


- New DDH Collar
- DDH Collar
- 0.1g/t Gold Shell

GOLD SAMPLE (excluding Mane)

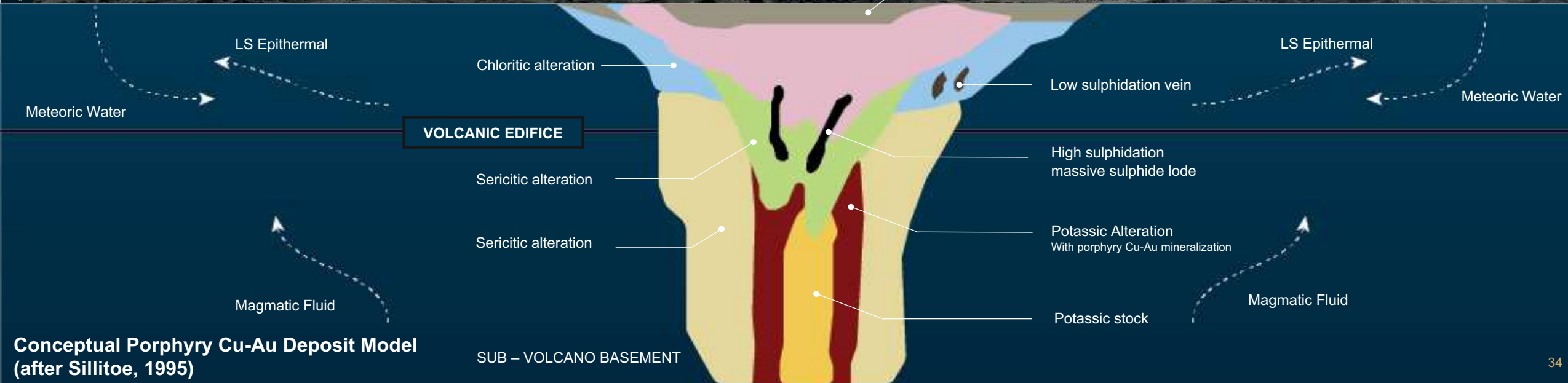
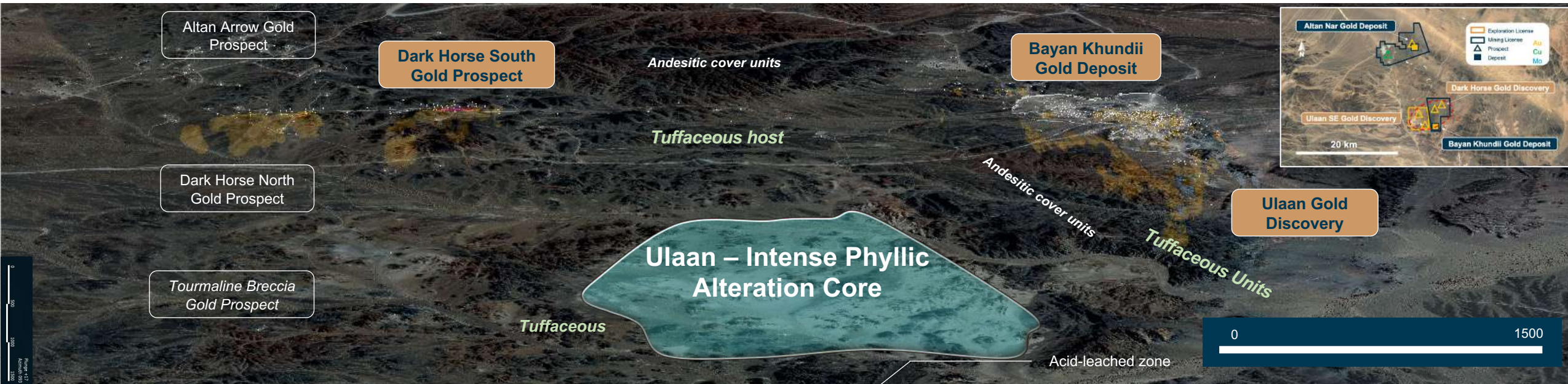
- ≥ 1.0 g/t
- ≥ 10.0 g/t

- Primary Structure
- Secondary Structure



KHUNDII ALTERATION SYSTEM – KHUNDII, ULAAN AND DARK HORSE

Interpreted as a Single, Large Epithermal System Overprinting a Porphyry



Conceptual Porphyry Cu-Au Deposit Model (after Sillitoe, 1995)

ALTAN NAR – NEAR SURFACE, HIGH-GRADE, 5.6KM MINERALIZED SYSTEM

Strong Potential for Resource Expansion Along Strike and at Depth



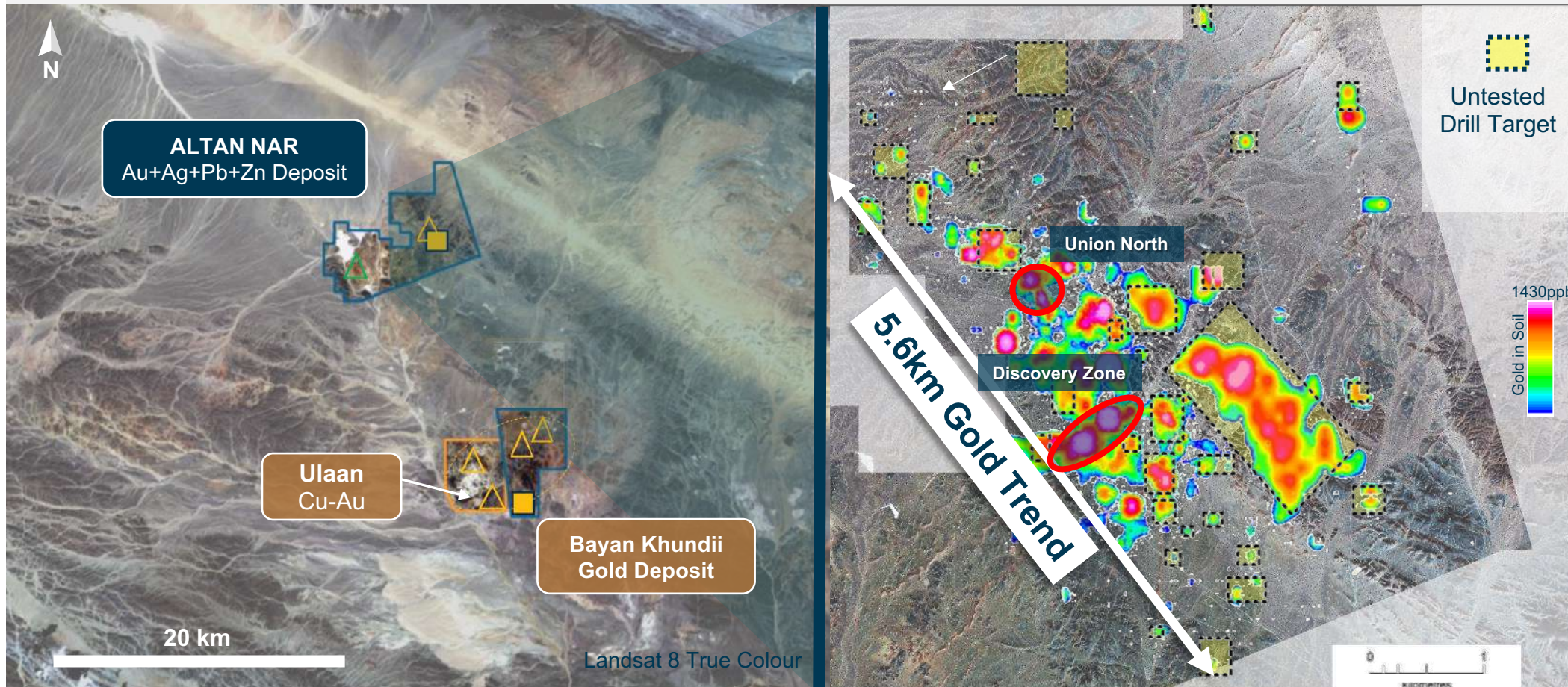
2019 Resource	Category	Au Oz (1.9g/t)	Ag Oz (~10g/t)	Pb lbs (~0.6%)	Zn lbs (~0.6%)
Altan Nar	Indicated	318,000	2,350,000	63,800,000	69,520,000
0.7g/t AuEq cut-off	Inferred	186,000	866,000	49,060,000	52,140,000

Carbonate Base Metal- Intermediate Sulphidation deposit similar to some of the world's largest:

- Porgera (>25 Moz Au)
- Kelian (5.7 Moz Au)
- Amatok (10 Moz Au)
- Montana Tunnels (36 Moz Ag)
- Fruta del Norte (6.7 Moz Au)
- Rosia Montanna (17 Moz Au)

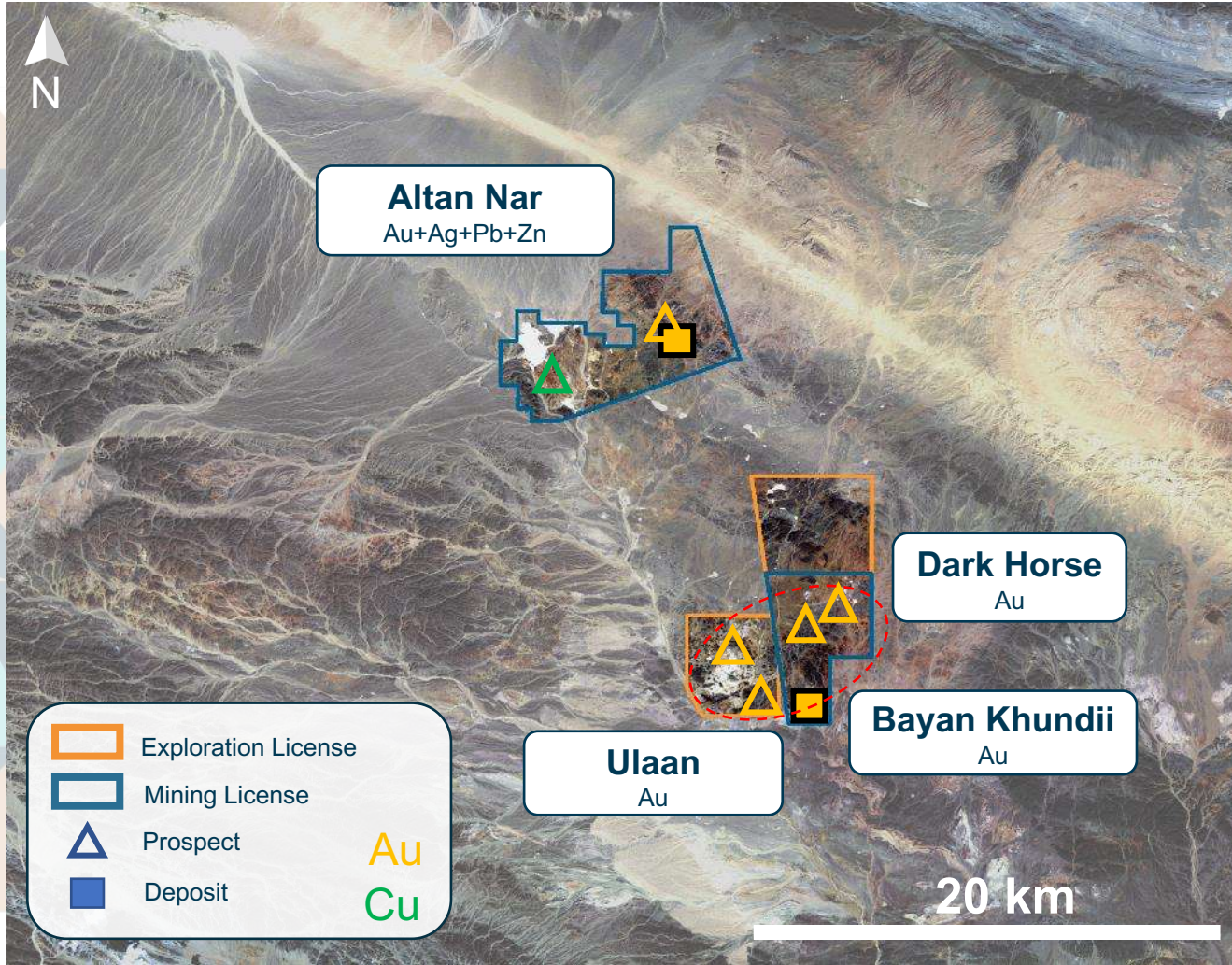
Altan Nar: 16km north of the Bayan Khundii Deposit on all season road

>20 Intermediate Sulphidation Gold-polymetallic targets



KHUNDII MINERALS DISTRICT – ENHANCEMENT OPPORTUNITIES

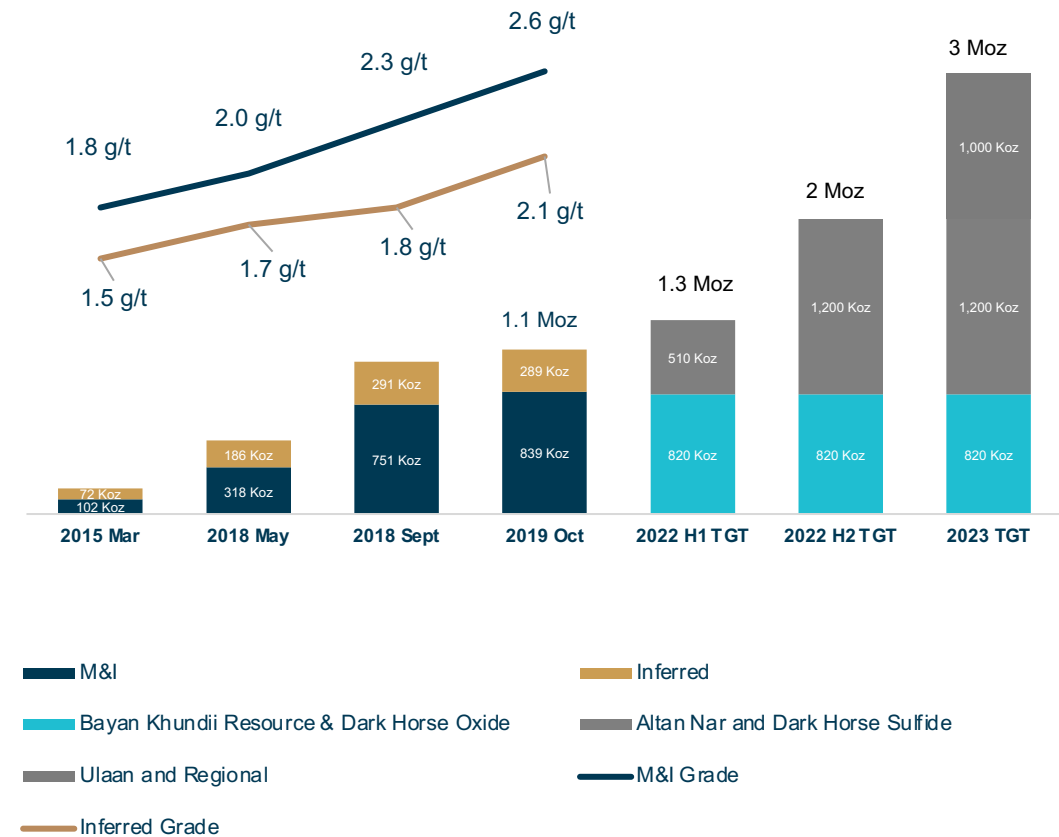
Three Priority Areas For Near-Term Enhancement of the Bayan Khundii Development



Landsat 8 True Colour



RESOURCE TARGETS



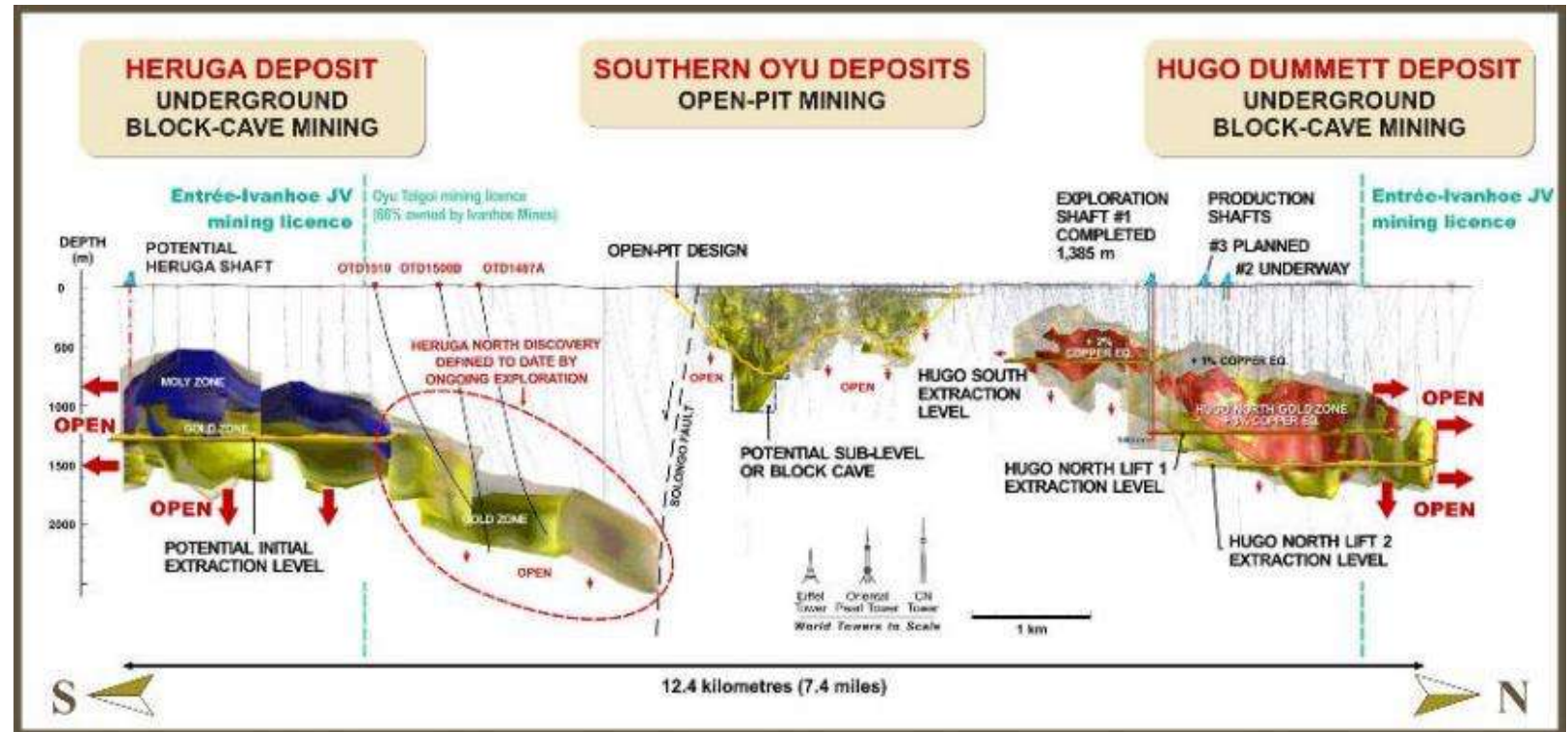
TSX: ERD | MSE: ERDN | OTC: ERDCF

OYU TOLGOI – A WORLD CLASS COPPER-GOLD DISTRICT

One of the World's Largest Copper-Gold Mines in Southern Mongolia



- Projected to be the fourth-largest copper mine globally by 2030
- Resources of 66.4Blbs copper and 43Moz gold^{1,2}
 - Over 3.3Blbs of copper and almost 3Moz gold extracted since commissioning³
- Underground production of block cave commenced February 2022
- Potential to operate for 100 years



Notes:

1. Copper = 17.8B lbs in M&I and 48.6B in Inferred, Gold = 8.5M oz in M&I and 34.4M oz in Inferred
2. Source: TRQ 2021 Annual Information Forum
3. Source: TRQ annual reports

ZUUN MOD – MOLY-COPPER PROJECT

One of Asia's Largest Undeveloped Molybdenum-Copper Deposits

OWNERSHIP

- 100% owned by Erdene
- 30+ year Mining License granted

LOCATION

- 180 km from China, the world's largest steel producing market
- 30 km east of the Bayan Khundii Gold Project

MOLYBDENUM PRICING

- Prices have risen from \$7/lb to over \$40/lb in the past three years
- Recent increase in molybdenum price due to strengthening demand, China stimulus and muted supply growth

Sandbox Royalties Corp. holds a 1.5% net smelter return royalty on the Zuun Mod License, subject to a buy-down provision. NI 43-101 Technical Report, Zuun Mod Porphyry Molybdenum-Copper Project, Minarco-MineConsult, June 2011

NI 43-101 Resources

	Cut-Off %	Tonnes Mt	Grade		Contained Metal	
			% Mo	% Cu	M lb Mo	M lb Cu
M&I	0.04	218	0.057	0.069	274	331
Inf	0.04	138	0.052	0.065	158	198

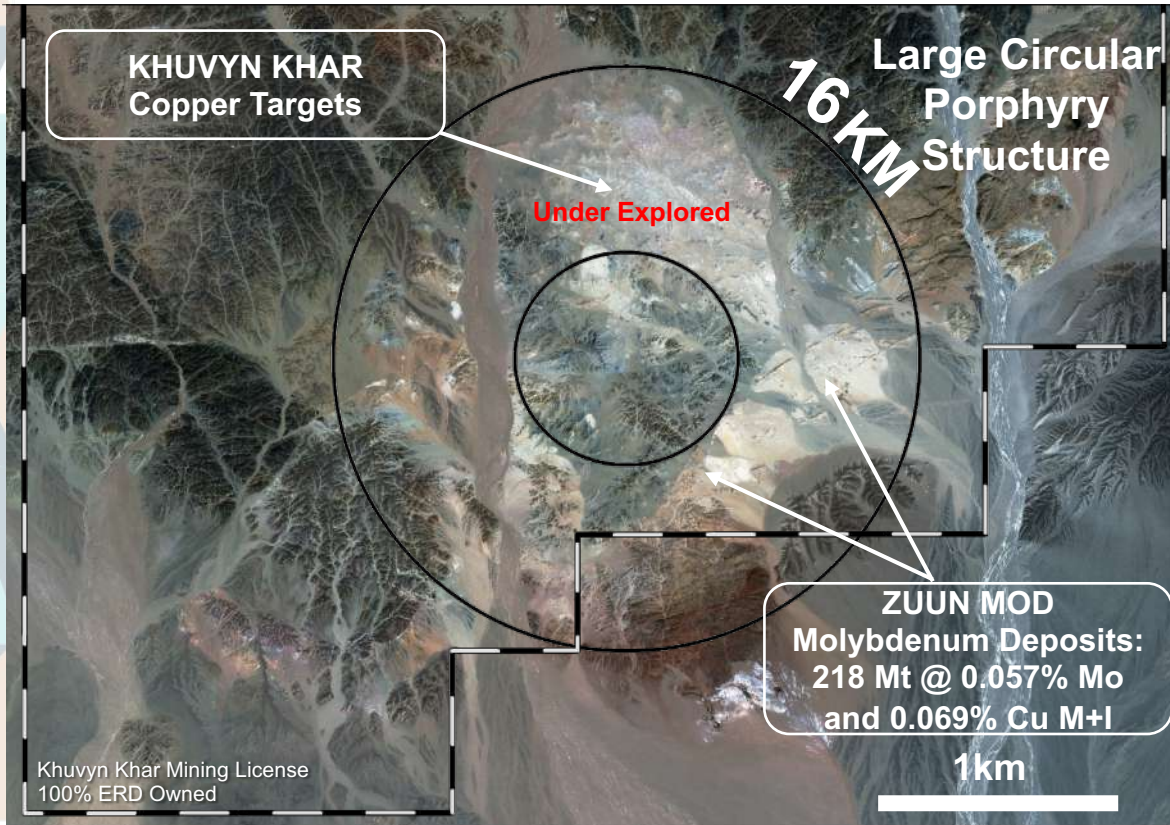


KHUVYN KHAR PORPHYRY COMPLEX

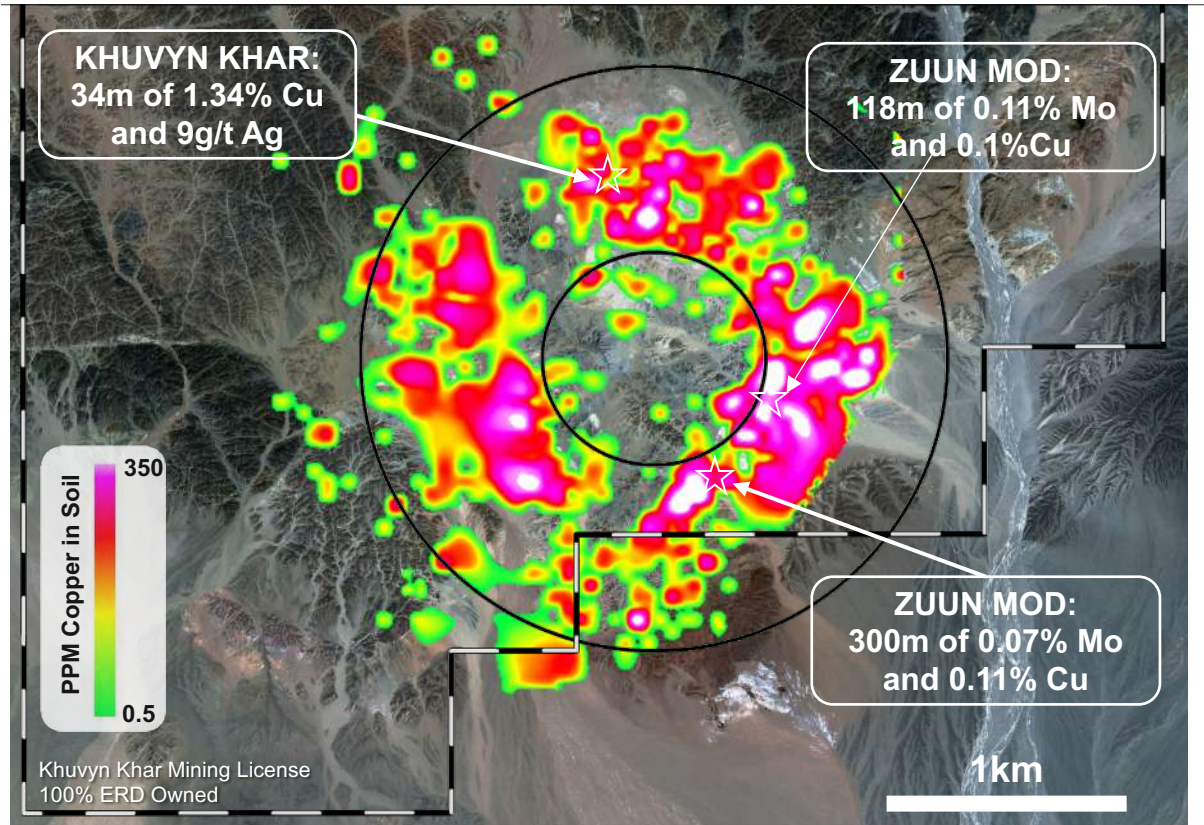
One of Asia's Largest Undeveloped Molybdenum-Copper Deposits



Khuvyn Khar Copper Prospects and Zuun Mod Molybdenum Deposit

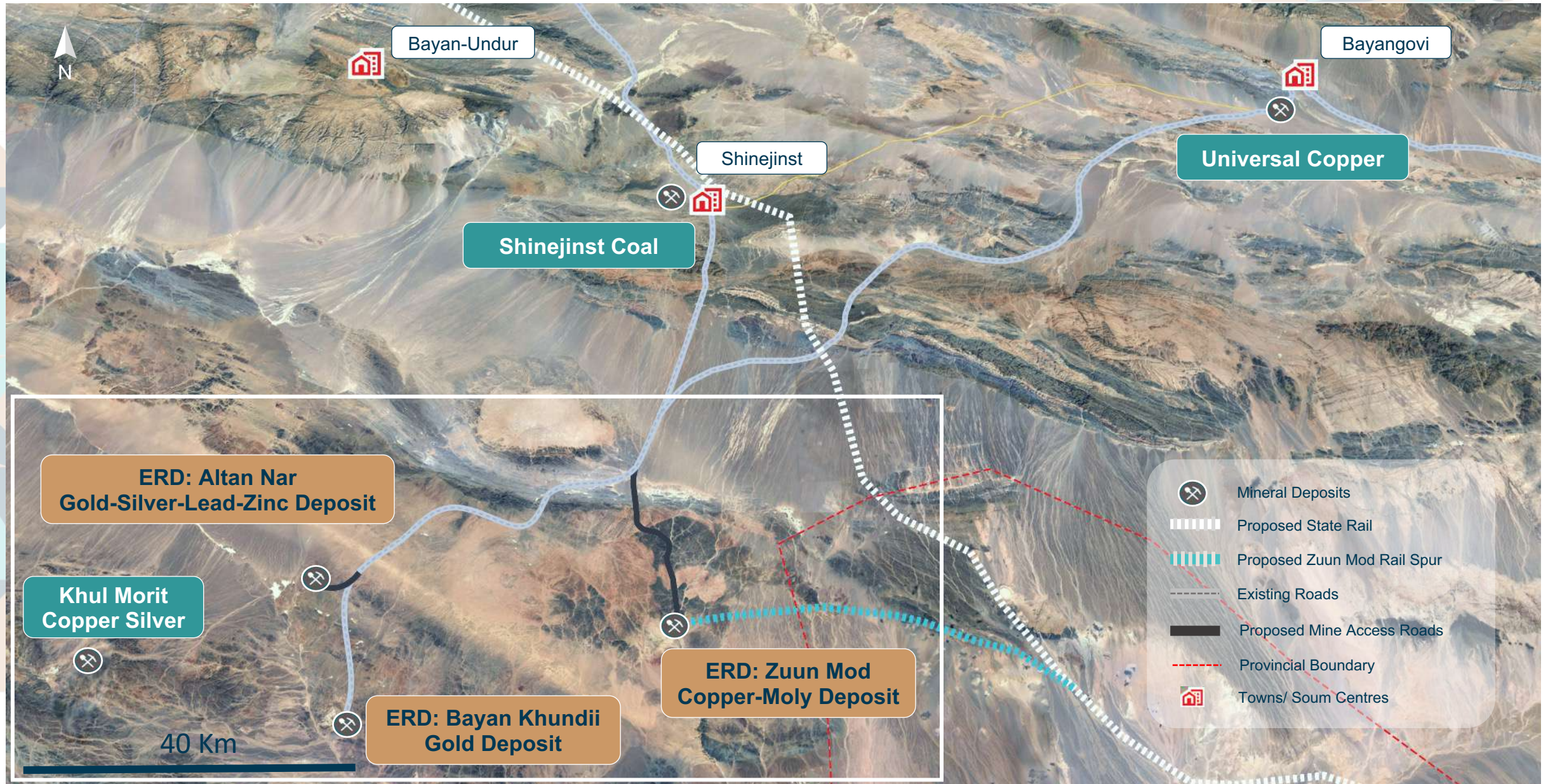


Khuvyn Khar Copper in Soil Anomaly with Drill Highlights



KHUNDII MINERALS DISTRICT

Planned Mine and Infrastructure Development



UNIQUELY QUALIFIED BOARD OF DIRECTORS

Pioneers in Mongolia's Modern Mining Era

MONGOLIA



Dr. Anna Biolik ^{1,3}
Director

Diplomat with over 30 years experience including acting as Canadian Ambassador to Mongolia, Kazakhstan, Kyrgyzstan & Tajikistan.



Layton Croft ^{1,2,3}
Chairman

27 years of leadership experience in Mongolia, 16 years of global mining experience with Ivanhoe Mines, Rio Tinto, Peabody Energy and Pancontinental Resources.



Kenneth MacDonald ^{1,2}
Director

Chartered Professional Accountant with over 40 years of mining finance experience, including 17 years as Executive VP and CFO of Erdene.



Cameron McRae, ⁴
Director

Mining executive with 28 years at Rio Tinto, including President of Oyu Tolgoi where he led construction of the US\$6 billion copper-gold mine in southern Mongolia.

COMBINED EXPERIENCE

> 50 Years in Mongolia

> 50 Years in Capital Markets

> 100 Years Mining/Exploration

88% Independent



John Byrne ^{1,3}
Director

Finance professional with more than 40 years experience in the Canadian banking industry. President of Petroleum Corp of Canada Exploration since 1997.



Peter Akerley ⁴
President & CEO; Director

Mining executive and geologist with 30 years experience in exploration, corporate finance, project development & management of public resource companies.



David Mosher ²
Director

Mining executive and geologist with 35 years experience. Former President & CEO of High River Gold Mines where he developed gold mines in Burkina Faso and Russia.



Hedley Widdup ⁴
Director

Geologist and investment manager with 20 years experience in the evaluation and development of mining projects.

MONGOLIA

CAPITAL MARKETS

TECHNICAL

EXECUTIVE & MANAGEMENT TEAM

Experienced in Mongolian Exploration and Development



Geology



Peter Akerley
President & CEO; Director

Mining executive and geologist with 30 years experience in exploration, corporate finance, project development & management of public resource companies.



Michael X. Gillis
Vice President, Operations

Geologist with over 30 years of experience in the mineral exploration industry in increasingly senior project and corporate management positions.



G. Bat-Erdene
Senior Geologist

Respected Mongolian geologist with over 25 years experience in the Country's resource exploration industry.

Mining Operations



Paul Korpi
Senior Technical Advisor

Metallurgical Engineer & Mining Consultant with over 40 years experience including role as President and Executive Director of the Boroo Gold Mine in Mongolia.



Julien Lawrence
Bayan Khundii Mining Engineer

Mining Engineer and Project Manager with over 20 years experience in mine development and operation across Asia, including Mongolia.



Jon M.L. Lyons
Vice President, Projects

Executive with over 15 years experience in sustainability development, community relations and corporate responsibility in Mongolia.

Finance / Administrative



Robert Jenkins
Chief Financial Officer

Chartered Professional Accountant with 20 years experience working with public companies focused on corporate finance, operations and project management.



B. Bayarmaa
Chief Administrative Officer

Administrative executive with over 15 years experience in the Mongolian resources industry.



Bilguun Ankhbayar
Vice President, Business Development

Mining finance professional with over 15 years experience advising TSX and ASX listed companies and working for a Canadian investment bank.

15 YEARS FORGING A SOCIAL LICENSE TO OPERATE

Creating Value for our Mongolian Stakeholders



- **Supporting our host communities for over 10 years before construction decision**
 - Awarding scholarships since 2012
 - Providing training in unrelated industries that benefit local communities
- **Invested ~\$50M in Mongolia since inception**
- **Longstanding, deep-rooted relationships with all levels of government and well respected within Mongolian business community**
 - Peter Akerley awarded Mongolia's Order of the Polar Star in 2019
- **70% of executive team resident in country and almost ~7,000 Mongolian shareholders**
- **Bayan Khundii Gold Project forecast to contribute over \$100M in direct taxes & royalties to Mongolian Government over 6 years and support 400 direct jobs¹**

Environment

- **Solar power:** Mongolia's first solar-battery-diesel co-generation facility, powering ~20% of Bayan Khundii
- **Water conservation:** Process plant engineered to recycle over 85% of water
- **Land management:** Integrated Waste Facility will combine waste rock with tailings, reducing environmental footprint and improving stability/safety

Social

- **Scholarships:** Awarded over 80 higher learning scholarships since 2012
- **Employment:** Trained 100 local residents as part of construction employee readiness program; support local garment manufacturing facility; employ more than 15 locals during field season
- **Water Availability:** Discovered potable water source for local communities through water well drilling and drilled/rehabilitated herder wells

Governance

- **Local Investment:** Signed Local Cooperation Agreement which includes C\$3M investment in local communities over 4 years
- **Equality:** Women represent 30% of Erdene's workforce - almost double the average for the global mining industry
- **Board of Directors:** 88% independent; Women represent 12.5% of directors; Average Director tenure is 7.25 years

Notes: 1. Does not include indirect jobs industries or account for the economic multiplier effect

SUPPORTIVE SHAREHOLDER REGISTER

Cornerstone Investor in Eric Sprott



Capital Structure – Q2 2023

(as of April 4)

	CAD	USD
Share price	\$0.37	\$0.28
52-Wk range	\$0.25-\$0.47	\$0.19-\$0.38
Market cap	\$127.4M	\$96.4M
Shares O/S		344M
Options	17M / Proceeds: CAD\$6M	
Warrants	25M / Proceeds: CAD\$11M	
DSU		7M
Shares F/D		393M

First company to cross list on Mongolian Stock Exchange with ~6,000 Mongolian shareholders

TSX:ERD



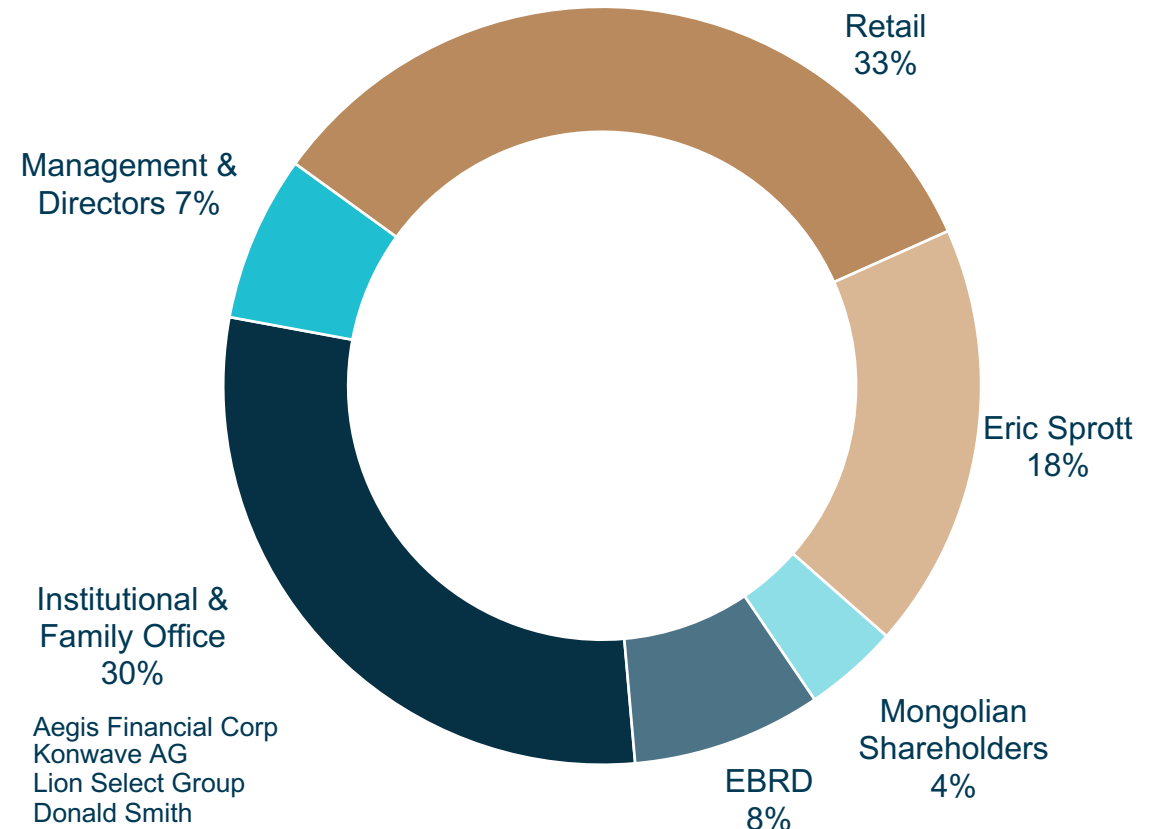
MSE:ERDN



OTC:ERCF

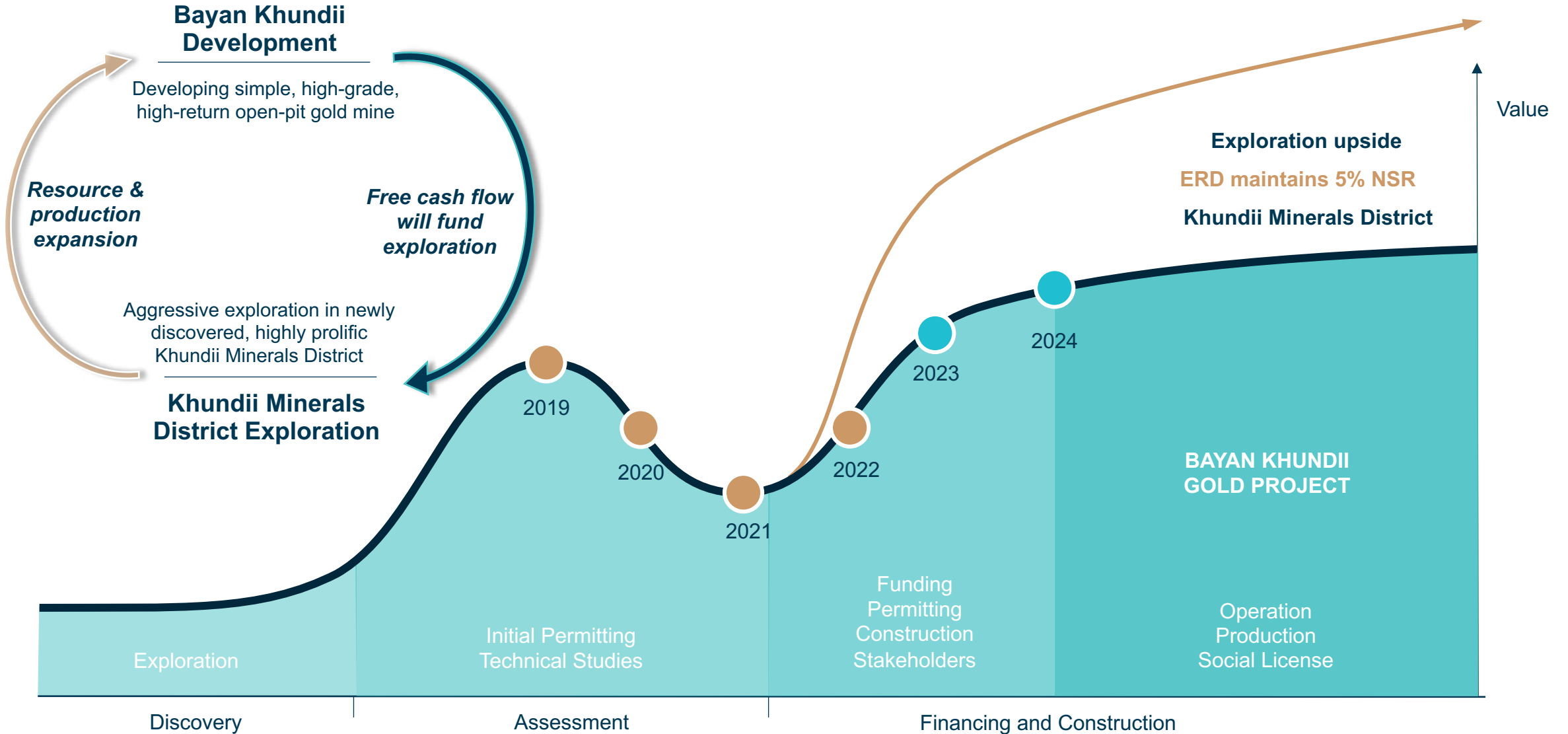


Diverse Shareholder Base



POSITIONED FOR VALUE CREATION

Cashflow from Bayan Khundii will unlock the value of the Khundii Minerals District



DEVELOPING A MULTI-MILLION OUNCE MINERALS DISTRICT

Creating Value with Two-Pronged Strategy

Develop Bayan Khundii Gold Deposit

- Update Feasibility Study and Life of Mine Plan
- Prepare for 2023 construction – targeting first gold year-end 2024
- Increase planned production to >80k oz/y utilizing mill's excess capacity, higher grade material, and plant modifications
- Employ free cash to fund anti-dilutive exploration
- Debt repayment and return wealth to shareholders

Aggressive, Targeted Exploration

- Expand recent Ulaan and Dark Horse gold discoveries
- Achieve 2 million ounce gold resource target
- Convert near-pit resources to reserves
- Drive meaningful resource & production expansion
- Unlock value of Zuun Mod Copper-Moly project

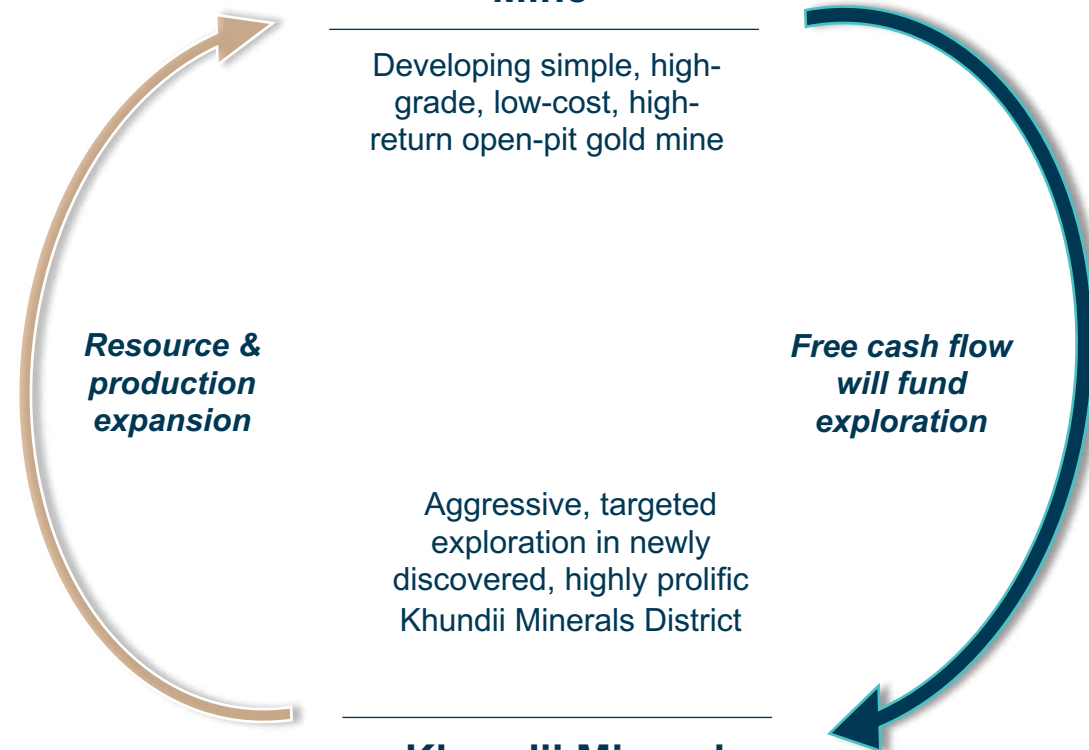
Note: Bayan Khundii Gold Project production and economics based on July 2020 Bankable Feasibility Study

Bayan Khundii Mine

Developing simple, high-grade, low-cost, high-return open-pit gold mine

Aggressive, targeted exploration in newly discovered, highly prolific Khundii Minerals District

Khundii Minerals District Exploration



TSX:ERD MSE:ERDN OTC:ERDCF



CONTACT US FOR MORE INFORMATION

Phone (Canada): +1-902-423-6419
Phone (Mongolia): +976-11-318-532
Email: info@erdene.com

FOLLOW US ON SOCIAL MEDIA

-  ErdeneRes
-  Erdene Resource Development Corp.

www.erdene.com

APPENDIX

MONGOLIA – A MINING FOCUSED ECONOMY

Government Focused on Stimulating Economy Through Mining Development

Emerging mining region

- +40,000 mining employees
- ~ 97% of Oyu Tolgoi's ~15,000 staff are Mongolian
- 70% of the country's land is under-explored
- Government investing in mining related infrastructure

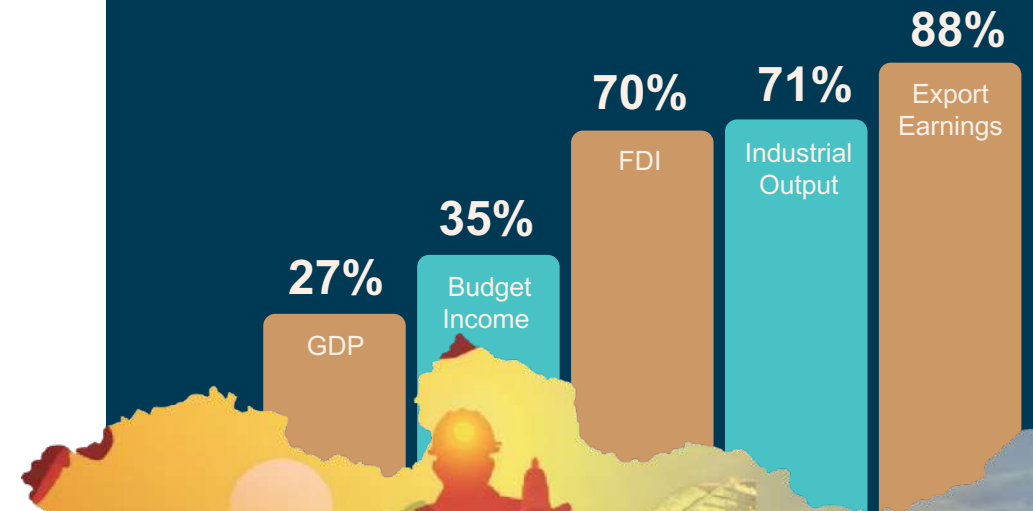
Competitive regulatory regime

- 5% gold royalty rate and 25% corporate income tax
- Stabilization certificates provide certainty of current tax rates for seven years
- Double tax treaty with Canada and ~20 other nations
- Canada-Mongolia Foreign Investment Promotion and Protection Agreement (FIPA)

Growing democracy located on China's doorstep

- Low Population Density: Only 3M people in the world's 18th largest country
- GDP growth of 5.1% in 2019
- 30-year history of democratic elections
- Well educated, young population with 98% literacy rate

Mining's Contribution to Mongolia's Economy



MONGOLIAN MINERALS PRODUCTION

Emerging Hard Rock Copper & Gold Mining Industry



BAYAN AIRAG

Bayan Airag LLC



1 Moz open-pit, heap leach.
Production started in Q2-2014.

ZAAMAR

Placer mining



Alluvial mining along 50 km
section of Tuul River.

BOROO

Boroo Pte. Ltd.



Produced 1.5 Moz @ approx.
\$500/oz cash cost.

GATSUURT

Boroo Pte. Ltd.



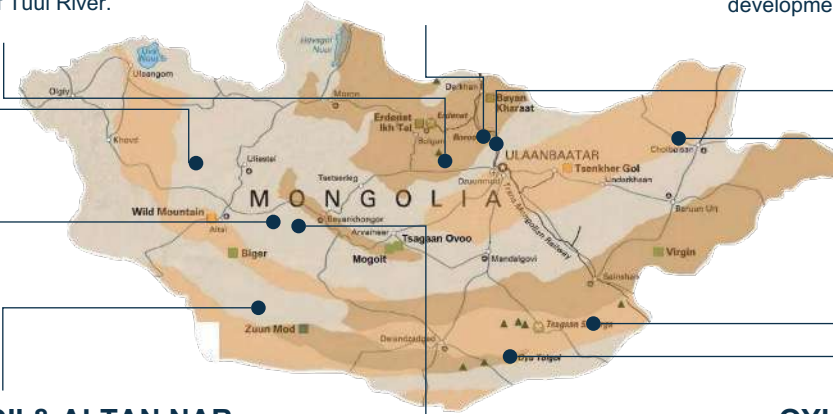
1.6 Moz reserve, open-pit
development. Permitting stage.

ATO

Steppe Gold



0.7 Moz Au (+5 Moz Ag),
@ 1.3 g/t Au. Production
started in early 2020.



TSAGAAN TSAKHIR

Naran Mandal



Commenced production in
early 2016.

BAYAN KHUNDII & ALTAN NAR

Erdene Resource Development



Emerging gold district.
High-grade, Open Pit
Development.

BAYANKHONGOR

Artisanal mining



Alluvial mining activity.

OYU TOLGOI

Turquoise Hill/Rio Tinto



61 Moz gold resource, open pit /
underground.

Kharmagtai

Xanadu/Zijin



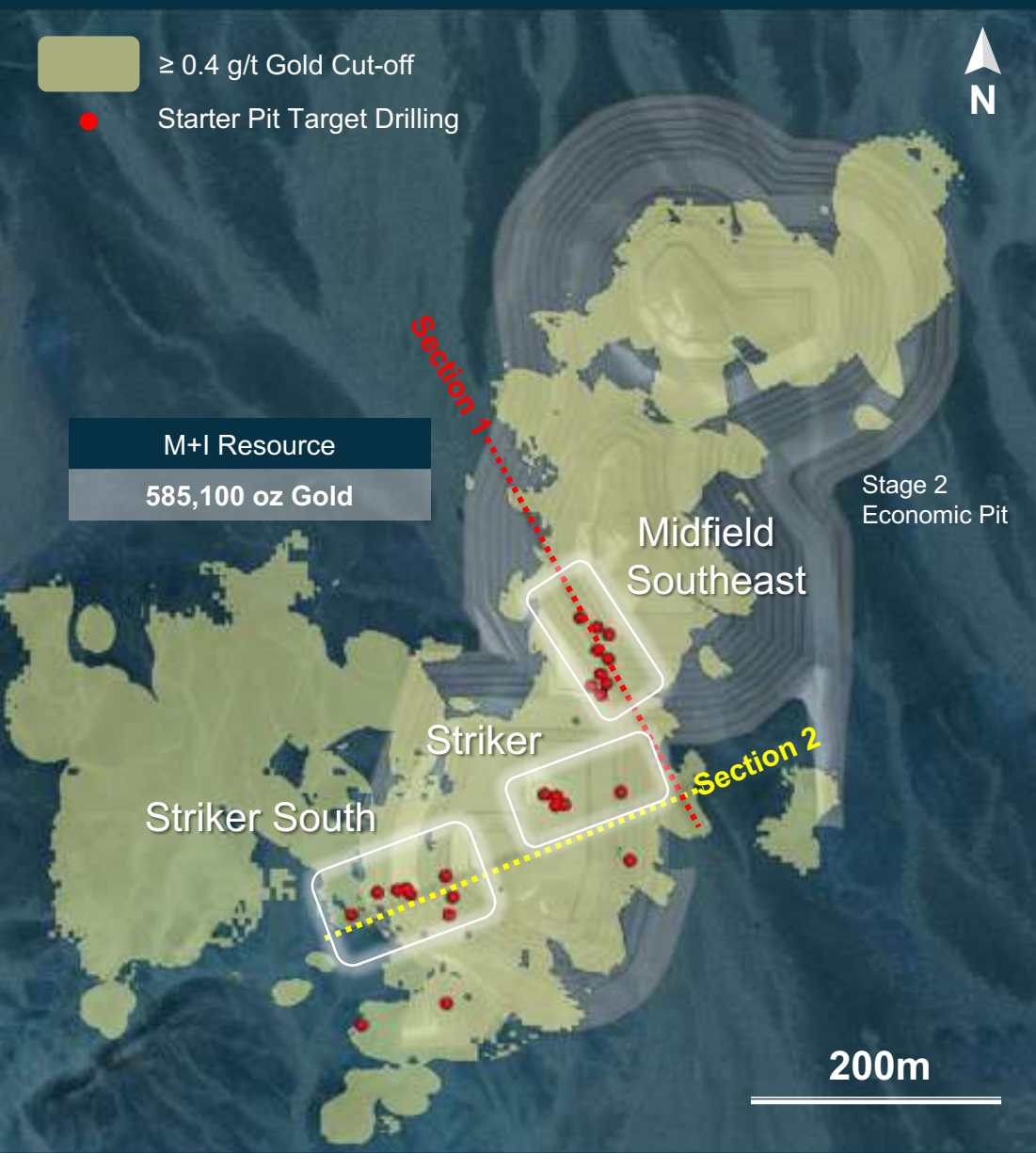
Emerging gold district.
High-grade, early stage.

BAYAN KHUNDII GOLD DEPOSIT PLAN MAP

High-Grade Starter Pit Targeting and Definition

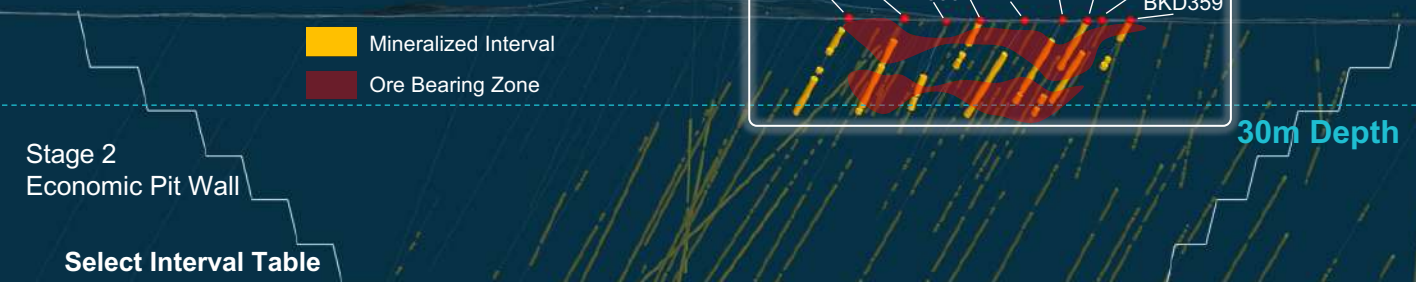
- ≥ 0.4 g/t Gold Cut-off
- Starter Pit Target Drilling

M+I Resource
585,100 oz Gold



Stage 1: Near Surface, High-Grade Starter Pit Targets

Section 1 Looking NE



Select Interval Table

Hole ID	Au Grade (g/t)	Interval (m)	Downhole Depth (m)	Notes
BKD352	6.2	5	18	Incl. 1m of 15 g/t Au
BKD354	11.8	7	From Surface	Incl. 1m of 67.5 g/t Au
BKD356	5.7	10	7	Incl. 1m of 39.6 g/t Au
BKD358	8	16	10	Incl. 4m of 29.6 g/t Au

Section 2 Looking NW



Select Interval Table

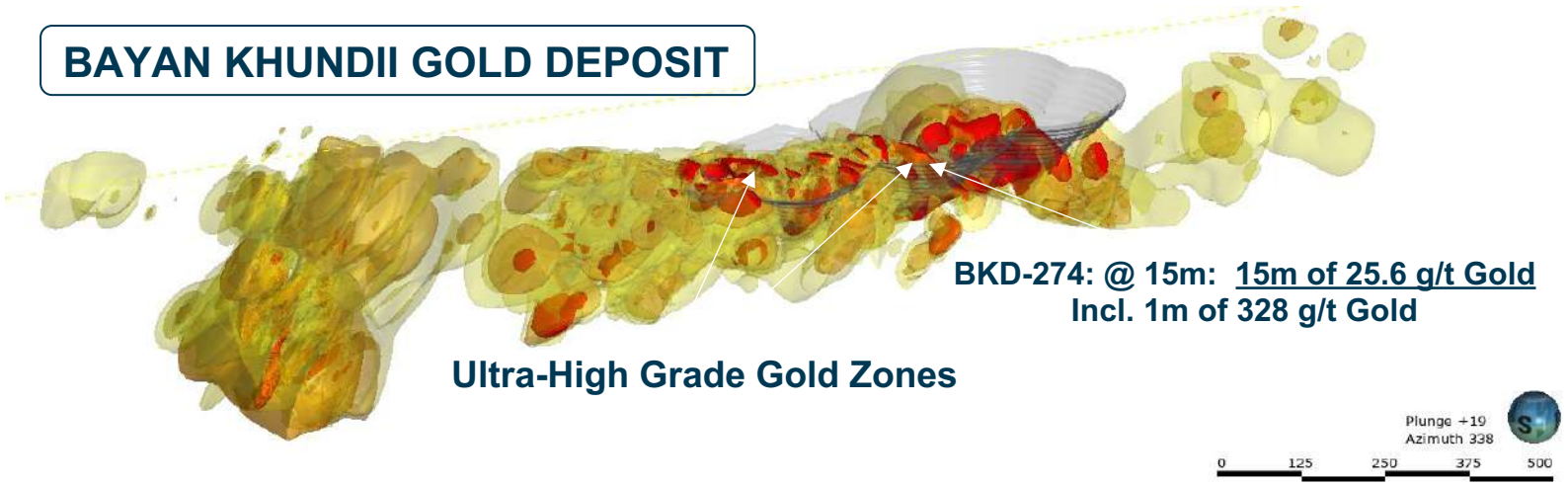
Hole ID	Au Grade (g/t)	Interval (m)	Downhole Depth (m)	Notes
BKD369	10.4	20	From Surface	Incl. 2m of 32.6 g/t Au
BKD370	10.6	6.5	2.5	Incl. 1m of 30.5 g/t Au
BKD371	9.3	5	From Surface	Incl. 2m of 21.5 g/t Au
BKD372	5.7	4	18	Incl. 1m of 12.0 g/t Au
BKD361	14.4	10	5	Incl. 2m of 68.0 g/t Au

BAYAN KHUNDII – NEAR SURFACE, HIGH GRADE DISCOVERIES SINCE 2020

Early Cashflow Opportunity



BAYAN KHUNDII GOLD DEPOSIT



DARK HORSE GOLD DEPOSIT

