

## ERDENE COMPLETES \$7M PRIVATE PLACEMENT LED BY INVESTMENT FROM ERIC SPROTT

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Press Release  
Halifax, Nova Scotia  
2022.12.22

**Erdene Resource Development Corporation** (TSX:ERD | MSE:ERDN) (“**Erdene**” or the “**Company**”) is pleased to announce completion of the previously announced non-brokered private placement, raising gross proceeds of \$7,000,248, led by a \$3.4 million investment from Mr. Eric Sprott (the “Offering”).

“We are pleased to close this financing led by Mr. Sprott, preparing us for a transformational year in 2023,” said Mr. Peter Akerley, Erdene’s President and CEO. “These funds will allow us to complete preparatory works for our Bayan Khundii Gold Project and continue to grow ounces in our Khundii Gold District.”

Pursuant to the Offering, Erdene sold 25,926,844 units of the Company (the “Units”) at a price of \$0.27 per Unit. Each Unit consists of one common share and one-half (½) of one common share purchase warrant (the “Warrant”). Warrants are exercisable by the holder into one common share of the Company within two years of the closing date, at a price of \$0.40 per share. Erdene will pay finder’s fees of \$127,699 and will issue 97,031 finder’s warrants in connection with the Offering. The finder’s warrants are exercisable on the same terms as the unit Warrants.

Proceeds of the Private Placement will be used to fund exploration, early development works for the Company’s Bayan Khundii Gold Project, and for general working capital purposes.

Mr. Sprott through 2176423 Ontario Ltd., a corporation which is beneficially owned by him acquired 12,530,955 Units pursuant to the private placement for aggregated consideration of \$3,383,357.85. As a result of the Acquisition, Mr. Sprott beneficially owns and controls 61,225,488 Shares and 9,598,827 Warrants representing approximately 17.8% of the issued and outstanding Shares of the Company on a non-diluted basis and approximately 20.0% of the issued and outstanding Shares of the Company on a partially diluted basis assuming exercise of such warrants. Prior to the Acquisition, Mr. Sprott owned and controlled 48,694,533 Shares and 3,333,350 Warrants, representing approximately 15.3% of the issued and outstanding Shares on a non-diluted basis, and approximately 16.2% on a partially diluted basis assuming exercise of such Warrants.

The Shares were acquired by Mr. Sprott for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities including on the open market or through private acquisitions or sell the securities including on the open market

or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors.

A copy of the early warning report with respect to the foregoing will appear on the company's profile on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com) and may also be obtained by calling Mr. Sprott's office at (416) 945-3294 (2176423 Ontario Ltd., 200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J1).

Section 604(a) of the TSX Company Manual provides that shareholder approval must be obtained for transactions involving the issuance or potential issuance of securities that will materially affect control of the Company. In July and August 2020, Erdene received approval from shareholders holding more than 50% of the Company's common shares, by written consent in accordance with the requirements of the TSX, to issue securities to Mr. Eric Sprott, or an entity controlled by him, that could result in them holding more than 20% of the voting securities of the Company.

## About Erdene

Erdene Resource Development Corp. is a Canada-based resource company focused on the acquisition, exploration, and development of precious and base metals in underexplored and highly prospective Mongolia. The Company has interests in three mining licenses and an exploration license in Southwest Mongolia, where exploration success has led to the discovery and definition of the Khundii Gold District. Erdene Resource Development Corp. is listed on the Toronto and the Mongolian stock exchanges. Further information is available at [www.erdene.com](http://www.erdene.com). Important information may be disseminated exclusively via the website; investors should consult the site to access this information.

## Forward-Looking Statements

Certain information regarding Erdene contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although Erdene believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Erdene cautions that actual performance will be affected by a number of factors, most of which are beyond its control, and that future events and results may vary substantially from what Erdene currently foresees. Factors that could cause actual results to differ materially from those in forward-looking statements include the ability to obtain required third party approvals, market prices, exploitation and exploration results, continued availability of capital and financing and general economic, market or business conditions. The forward-looking statements are expressly qualified in their entirety by this cautionary statement. The information contained herein is stated as of the current date and is subject to change after

that date. The Company does not assume the obligation to revise or update these forward-looking statements, except as may be required under applicable securities laws.

NO REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED THE CONTENTS OF THIS RELEASE

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