



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three months ended March 31, 2024 and 2023

(Canadian dollars)
(Unaudited)

Prepared by management – See Notice to Reader

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice to this effect. These unaudited condensed consolidated interim financial statements have been prepared by management of the Corporation. Management have compiled the unaudited condensed consolidated interim statements of financial position of Erdene Resource Development Corporation as at March 31, 2024, and December 31, 2023, and the unaudited condensed consolidated interim statements of comprehensive loss (income), changes in equity and cash flows for the three months ended March 31, 2024 and 2023. The Corporation's independent auditors have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the March 31, 2024, and 2023 condensed consolidated interim financial statements. Readers are cautioned that these statements may not be appropriate for their intended purposes.

ERDENE RESOURCE DEVELOPMENT CORPORATION

Condensed Consolidated Interim Statements of Financial Position

(Canadian dollars)

(Unaudited)

	Notes	March 31, 2024	December 31, 2023
Assets			
Cash and cash equivalents		\$ 2,972,072	\$ 4,349,599
Receivables		316,351	6,722
Prepaid expenses		25,792	1,455,652
Current assets		3,314,215	5,811,973
Investment in associate	4	52,288,475	51,248,731
Exploration and evaluation assets	5	2,161,943	1,961,506
Property, plant and equipment		43,205	21,155
Right-of-use assets		12,238	19,581
Non-current assets		54,505,861	53,250,973
Total Assets		\$ 57,820,076	\$ 59,062,946
Liabilities and Equity			
Trade and other payables		\$ 302,264	\$ 163,212
Lease liabilities		14,449	22,939
Current liabilities		316,713	186,151
Total Liabilities		316,713	186,151
Shareholders' Equity			
Share capital	7	\$ 158,371,736	\$ 158,086,286
Contributed surplus	7	31,105,785	30,147,989
Accumulated other comprehensive loss		(787,903)	(849,598)
Deficit		(131,186,255)	(128,507,882)
Total Shareholders' Equity		57,503,363	58,876,795
Total Liabilities and Equity		\$ 57,820,076	\$ 59,062,946

Commitments (Note 6)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Approved on behalf of the Board:

Signed "John P. Byrne"

_____ Director

Signed "Kenneth W. MacDonald"

_____ Director

ERDENE RESOURCE DEVELOPMENT CORPORATION

Condensed Consolidated Interim Statements of Comprehensive Loss (Income)

(Canadian dollars)

(Unaudited)

	Notes	For the three months ended	
		2024	2023 <i>Adjusted</i> <i>(Note 12)</i>
Operating Expenses			
Exploration and evaluation	8	\$ 783,156	\$ 66,827
Corporate and administration	9	2,777,588	580,111
Loss from operating activities		3,560,744	646,938
Loss from investment in associate	4	257,016	564,206
Finance income		(49,018)	(77,109)
Interest expense		268	806
Foreign exchange (gain) loss		(19,900)	4,095
Gain on loss of control of subsidiary	4	-	(6,544,863)
Gain on dilution of investment in associate	4	(1,070,737)	-
Net Loss (Income)		\$ 2,678,373	\$ (5,405,927)
Other comprehensive (income) loss:			
Foreign currency translation difference arising on translation of foreign subsidiaries		(61,695)	474,400
Foreign currency translation difference realized on loss of control of subsidiary	4	-	(5,110,896)
Other Comprehensive Income		(61,695)	(4,636,496)
Total Comprehensive Loss (Income)		\$ 2,616,678	\$ (10,042,423)
Basic and diluted loss (income) per share		\$ 0.01	\$ (0.02)
Basic weighted average number of shares outstanding		344,987,736	344,300,376
Diluted weighted average number of shares outstanding		344,987,736	345,870,278

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

ERDENE RESOURCE DEVELOPMENT CORPORATION

Condensed Consolidated Interim Statements of Changes in Equity

(Canadian dollars)

(Unaudited)

	Notes	Number of shares	Share capital	Contributed surplus	Accumulated other comprehensive loss	Deficit	Total equity
Balance at January 1, 2024		344,888,176	\$ 158,086,286	\$ 30,147,989	\$ (849,598)	\$ (128,507,882)	\$ 58,876,795
Total comprehensive loss for the period:							
Net loss		-	-	-	-	(2,678,373)	(2,678,373)
Other comprehensive income		-	-	-	61,695	-	61,695
Options exercised	7	650,000	285,450	(81,450)	-	-	204,000
Share-based compensation		-	-	1,039,246	-	-	1,039,246
Total transactions with owners		650,000	285,450	957,796	-	-	1,243,246
Balance at March 31, 2024		345,538,176	\$ 158,371,736	\$ 31,105,785	\$ (787,903)	\$ (131,186,255)	\$ 57,503,363
					<i>Adjusted (Note 12)</i>	<i>Adjusted (Note 12)</i>	
Balance at January 1, 2023		344,300,376	\$ 157,880,069	\$ 28,727,197	\$ (5,952,986)	\$ (129,029,925)	\$ 51,624,355
Total comprehensive income for the period:							
Net income		-	-	-	-	5,405,927	5,405,927
Other comprehensive income		-	-	-	4,636,496	-	4,636,496
Share-based compensation		-	-	57,232	-	-	57,232
Total transactions with owners		-	-	57,232	-	-	57,232
Balance at March 31, 2023		344,300,376	\$ 157,880,069	\$ 28,784,429	\$ (1,316,490)	\$ (123,623,998)	\$ 61,724,010

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

ERDENE RESOURCE DEVELOPMENT CORPORATION

Condensed Consolidated Interim Statements of Cash Flows

(Canadian dollars)

(Unaudited)

		For the three months ended March 31,	
	Notes	2024	2023 Adjusted (Note 12)
Cash flows from (used in) operating activities:			
Net (loss) income		\$ (2,678,373)	\$ 5,405,927
Items not involving cash:			
Depreciation and amortization		9,023	9,380
Share-based compensation	7	1,039,246	57,232
Finance income		(49,018)	(77,109)
Foreign exchange not related to cash		(19,900)	4,095
Loss from investment in associate	4	257,016	564,206
Gain on loss of control of subsidiary	4	-	(6,544,863)
Gain on dilution of investment in associate	4	(1,070,737)	-
Change in non-cash operating working capital		1,032,222	(1,020,561)
Cash flows used in operating activities		(1,480,521)	(1,601,693)
Cash flows from (used in) financing activities:			
Proceeds on exercise of stock options	7	204,000	-
Repayment of lease liabilities		(8,490)	(7,954)
Cash flows from financing activities		195,510	(7,954)
Cash flows from (used in) investing activities:			
Expenditures on exploration and evaluation assets	5	(140,244)	-
Expenditures on property, plant and equipment		(23,730)	-
Interest received		49,018	77,109
Loss of cash from deconsolidation of subsidiary		-	(254,049)
Cash flows used in investing activities		(114,956)	(176,940)
Effect of exchange rate changes on cash balances		22,440	(4,271)
Increase in cash and cash equivalents		(1,377,527)	(1,790,858)
Cash and cash equivalents, beginning of period		4,349,599	7,421,600
Cash and cash equivalents, end of period		\$ 2,972,072	\$ 5,630,742

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

1. Nature of operations:

Erdene Resource Development Corporation (“Erdene” or the “Corporation”) is a Canadian based resource company focused on the exploration and development of precious and base metal deposits in Mongolia. Currently, the Corporation’s principal development is the Bayan Khundii Gold Project, located in Bayankhongor province, Mongolia, held by its Associate, Erdene Mongol LLC. The Corporation’s common shares are listed on the Toronto Stock Exchange under the symbol "ERD" and the Mongolian Stock Exchange under the symbol “ERDN”. The address of the Corporation’s registered office is 1300-1969 Upper Water Street, Halifax, Nova Scotia, B3J 2V1.

2. Basis of presentation

These unaudited condensed consolidated interim financial statements for the three months ended March 31, 2024 (the “Interim Financial Statements”) have been prepared in accordance with IAS 34 – Interim Financial Reporting. The Interim Financial Statements should be read in conjunction with the annual audited consolidated financial statements for the year ended December 31, 2023 (“Annual Financial Statements”), which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS”).

These unaudited condensed consolidated interim financial statements were authorized for issue on behalf of the Board of Directors on May 9, 2024.

3. Changes in accounting policies

Erdene has adopted the following new and revised standards, along with any consequential amendments, effective January 1, 2024. These changes were made in accordance with applicable transitional provisions.

IAS 1 – Presentation of Financial Statements

In October 2022, the IASB finalized issuance of Classification of Liabilities as Current or Non-Current, which made amendments to IAS 1 Presentation of Financial Statements, providing a more general approach to the classification of liabilities. The amendment clarifies that the classification of liabilities as current or noncurrent depends on the rights existing at the end of the reporting period as opposed to the expectations of exercising the right for settlement of the liability. The amendments further clarify that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. The application of the amendment has been made on a prospective basis and did not have an impact on the Corporation.

4. Investment in Associate

On January 10, 2023, the Corporation entered into Strategic Alliance and Investment Agreements (the “Agreements”) with Mongolian Mining Corporation (“MMC”) for the development of its Bayan Khundii Gold Project. The key economic terms of these agreements are as follows:

- MMC to invest US\$40 million through a series of convertible promissory notes in return for a 50% equity interest in Erdene’s primary Mongolian subsidiary, Erdene Mongol LLC (“EM”), which holds the Khundii and Altan Nar mining licenses, as well as the Ulaan exploration license.
- Erdene will retain a 50% equity interest in EM and a 5.0% Net Smelter Return (“NSR”) royalty on all production from the Khundii, Altan Nar and Ulaan licenses, as well as any properties acquired within 5 kilometres of these licenses, beyond the first 400,000 ounces of gold recovered.

While Erdene owned 100% of the equity of EM during the year ended December 31, 2023, the Agreements contained governance provisions such that the Corporation could no longer unilaterally direct relevant activities of EM. Consequently, the Corporation concluded that control of EM was lost and derecognized the assets and liabilities of EM on January 10, 2023.

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

4. Investment in Associate (continued)

However, Management determined that Erdene maintained significant influence over the decision-making processes of EM and thus began using the equity method to account for its investment in EM from this date.

At the date that control of the subsidiary was lost, January 10, 2023, the Corporation calculated the fair value of its investment in EM as \$53,527,101 using the value implied by MMC's investment, as such value was agreed through negotiation between arm's length, market participants. As a result, a gain of \$6,544,863 as well as \$5,110,896 of foreign currency translation difference was recognized in its consolidated statement of comprehensive loss (income) for the three months ended March 31, 2023.

The following tables summarize the financial information relating to Erdene's investment in EM on January 10, 2023, which was immediately prior to deconsolidation. The amounts disclosed are before intercompany eliminations:

As at	January 10, 2023
Cash and cash equivalents	\$ 254,049
Receivables	69,558
Other current assets	43,236
Current assets	366,843
Current liabilities	(1,145,712)
Current net assets	(778,869)
Exploration and evaluation assets (Note 5)	42,130,165
Property, plant and equipment	520,046
Non-current assets	42,650,211
Total net assets	41,871,342

On January 23, 2024, EM issued shares representing 50% of its equity to MMC in connection with the conversion of the convertible promissory notes. At the date MMC subscribed to shares in EM, the Corporation recognized a gain on dilution of its investment retained in EM of \$1,296,760, calculated in reference to MMC's investment in EM through the convertible promissory notes. A summary of changes in the Corporation's Investment in Associate during the three months ended March 31, 2024 is as follows:

As at	January 23, 2024
Investment in associate, December 31, 2023	\$ 51,248,731
Share of loss of associate to January 23, 2024	(26,250)
Investment in associate, January 23, 2024	51,222,481
Gain on dilution, January 23, 2024	1,296,760
Investment in associate, January 23, 2024	52,519,241
Share of loss of associate from January 23, 2024	(230,766)
Investment in associate, March 31, 2024	\$ 52,288,475

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

5. Exploration and evaluation assets

	Bayan Khundii	Altan Nar	Ulaan	Zuun Mod & Other	Total
Balance, January 1, 2024	\$ -	\$ -	\$ -	\$ 1,961,506	\$ 1,961,506
Additions	-	-	-	140,244	140,244
Effect of movements in exchange rates	-	-	-	60,193	60,193
Balance, March 31, 2024	\$ -	\$ -	\$ -	\$ 2,161,943	\$ 2,161,943
Balance, January 1, 2023	\$ 36,183,734	\$ 4,257,954	\$ 1,688,477	\$ 923,991	\$ 43,054,156
Deconsolidation (Note 4)	\$ (36,183,734)	\$ (4,257,954)	\$ (1,688,477)	-	(42,130,165)
Additions	-	-	-	1,043,280	1,043,280
Effect of movements in exchange rates	-	-	-	(5,765)	(5,765)
Balance, December 31, 2023	\$ -	\$ -	\$ -	\$ 1,961,506	\$ 1,961,506

Mongolian mineral exploration licenses are valid for a period of three years and, through renewals, can be extended to a maximum of twelve years. Mining licenses are issued for an initial term of 30 years with two 20-year extensions possible.

With the loss of control of its subsidiary EM as at January 10, 2023, the Corporation's exploration and evaluation assets for its Bayan Khundii, Altan Nar and Ulaan licenses are reported within its Investment in Associate from this date. See Note 4 for further details.

Zuun Mod Copper & Molybdenum Resource & Other

The Zuun Mod property is located in Bayankhongor province in Mongolia and is comprised of a 6,041-hectare molybdenum-copper mining license, issued in 2011. In 2021, the Corporation completed a strategic and economic review of the property which confirmed the potential viability of the property. Recent exploration expanded mineralization at the large porphyry deposit, further demonstrating the potential of the project.

6. Commitments

Sandstorm Gold Ltd. ("Sandstorm") holds a 1% net smelter returns royalty ("NSR Royalty") on the Altan Nar, Khundii and Ulaan licenses held by EM, that is guaranteed by the Corporation. Sandstorm has been given a right of first refusal on future stream or royalty financings related to these licenses.

Sandbox Royalties Corp. holds a 1.5% NSR Royalty on Erdene's Zuun Mod license. Erdene has the option to buy down a portion of the royalty if certain production milestones are achieved.

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

7. Share capital and contributed surplus

Authorized

An unlimited number of common shares with no par value.

Warrants

The following table summarizes the continuity of the warrants for the three months ended March 31, 2024, and 2023:

	March 31, 2024		March 31, 2023	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding at January 1	25,264,122	\$ 0.42	25,264,122	\$ 0.42
Outstanding at March 31	25,264,122	\$ 0.42	25,264,122	\$ 0.42
Exercisable at March 31	25,264,122	\$ 0.42	25,264,122	\$ 0.42

The warrants outstanding at March 31, 2024, expire in July, August and December 2024.

Omnibus equity incentive plan and Legacy Plans

The Corporation adopted an omnibus equity incentive plan (the "Omnibus Plan") which was approved by the shareholders of the Corporation on June 22, 2023. The Omnibus Plan provides the Corporation with share-related mechanisms, including incentive stock options, deferred share units ("DSUs"), restricted share units ("RSUs"), and performance share units ("PSUs"), to attract, retain and motivate qualified directors, employees and consultants of the Corporation and its subsidiaries. The Omnibus Plan replaced legacy plans including an incentive stock option plan and a deferred stock option plan (the "Legacy Plans"). Awards granted under these legacy plans remain in place under the terms of their initial issuance.

The Omnibus Plan is a variable plan and the aggregate number of common shares that may be issued upon the exercise or settlement of awards granted under the Omnibus Plan, together with awards outstanding under the Legacy Plans, shall not exceed 10% of the Corporation's total issued and outstanding common shares at any time.

For the three months ended March 31, 2024, the Corporation charged a total of \$1,039,246 of stock-based compensation expense to the statement of comprehensive loss (income) (2023 – \$57,232), reflecting the fair value of options and DSUs granted under the Omnibus Plan and the Legacy Plans. Details on the outstanding awards under the Omnibus Plan and Legacy Plans are included below.

Stock options

The Corporation's Omnibus Plan and Legacy Plans allow for the grant of options to purchase common shares of the Corporation by directors, officers, employees and consultants of the Corporation. The terms and conditions of each grant of options are determined by the Board of Directors. If there are no terms specified upon grant, options vest immediately on the grant date. All stock options currently outstanding were granted under the terms of the Plan.

Options granted during the three months ended March 31, 2024 resulted in a charge of \$939,500 to share based compensation included in exploration expenses and in corporate and administration expenses (2023 – \$0). During the three months ended March 31, 2024, 650,000 options were exercised and 250,000 options expired (2023 – 0 options exercised and 150,000 options expired).

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

7. Share capital and contributed surplus (continued)

Changes in stock options during the three months ended March 31, 2024 and 2023 were as follows:

	March 31, 2024		March 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at January 1	20,485,000	\$ 0.35	17,555,000	\$ 0.36
Granted	5,680,000	0.30	-	-
Expired	(250,000)	0.40	(150,000)	0.43
Exercised	(650,000)	0.31	-	-
Outstanding at March 31	25,265,000	\$ 0.34	17,405,000	\$ 0.36
Exercisable at March 31	25,265,000	\$ 0.34	17,405,000	\$ 0.36

Deferred share units

During the three months ended March 31, 2024, the Corporation granted 249,366 DSUs under the Omnibus Plan with an average fair value of \$0.40 per DSU (2023 – 169,809 DSUs with fair value of \$0.36 per DSU). The fair value of \$99,746 (2023 – \$57,232) was charged to share based compensation included in exploration expenses and corporate and administration expenses.

On the grant date, DSUs vest immediately and plan members are credited with the DSUs granted to them. Upon termination or death of the plan member, the Corporation pays the then market value of the plan member's shares either in cash or in shares, at the sole discretion of the Corporation. Since the type of payout is at the discretion of the Corporation, and the Corporation does not intend to cash settle awards under the plan, the plan is accounted for as an equity settled plan. The provisions of DSUs issued under the Omnibus Plan adopted on June 22, 2023, are consistent with those of the legacy DSU plan.

The following table summarizes the continuity and five-day volume weighted average price at grant date of DSUs for the three months ended March 31, 2024 and 2023:

	March 31, 2024	March 31, 2023
	Number of DSUs	Number of DSUs
Outstanding at January 1	8,442,250	6,103,362
Granted	249,366	169,809
Outstanding at March 31	8,691,616	6,273,171

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	Five day volume weighted average price at grant date	\$ 0.40

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

8. Exploration and evaluation expenses

The following table summarizes exploration and evaluation expenses for the three months ended March 31, 2024 and 2023:

	For the three months ended March 31	
	2024	2023
		<i>Adjusted (Note 12)</i>
Direct costs	175,712	31,132
Employee compensation costs	254,494	22,784
Share-based compensation	352,950	12,911
	\$ 783,156	\$ 66,827

9. Corporate and administration expenses

The following table summarizes corporate and administration expenses for the three months ended March 31, 2024 and 2023:

	For the three months ended March 31	
	2024	2023
Administrative services	\$ 417,742	\$ 180,171
Depreciation and amortization	9,023	9,380
Directors fees and expenses	31,250	34,072
Financing costs	1,269,124	-
Investor relations and marketing	107,875	83,486
Office and sundry	27,260	25,794
Professional fees	90,298	103,177
Regulatory compliance	63,674	62,325
Share-based compensation	686,296	44,321
Travel and accommodations	75,046	37,385
	\$ 2,777,588	\$ 580,111

10. Financial instruments

Credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying Amount	
	March 31, 2024	December 31, 2023
Cash and cash equivalents	\$ 2,972,072	\$ 4,349,599
Receivables	316,351	6,722
	\$ 3,288,423	\$ 4,356,321

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

10. Financial instruments (continued)

The Corporation manages credit risk by holding the majority of its cash and cash equivalents with high quality financial institutions in Canada, where management believes the risk of loss to be low. At March 31, 2024, \$87,060 or 3% of the balance of cash was held in banks outside Canada (2023 - \$35,672 or 1%).

Liquidity risk:

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Corporation's approach to managing liquidity is to ensure, to the extent possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions.

Market risk:

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Corporation invests excess cash in interest bearing savings accounts, which are subject to interest rate risk.

b) Foreign currency risk

The functional currency of the Corporation is the Canadian dollar, and the functional currency of the Corporation's subsidiaries is the Mongolian tugrik. Additionally, the Corporation incurs expenses in US dollars. Consequently, fluctuations of the Canadian dollar in relation to other currencies impacts the fair value of financial assets, liabilities and operating results. Financial assets and liabilities subject to currency translation risk primarily include US dollar denominated cash, accounts payable and accrued liabilities, as well as the Corporation's net investment in its Mongolian subsidiaries. The Corporation maintains US dollar bank accounts in Canada.

The Corporation's exposure to US dollar currency risk was as follows:

	March 31, 2024	December 31, 2023
Cash and cash equivalents	\$ 531,364	\$ 1,050,778
Trade and other payables	(32,210)	(5,949)
	\$ 499,154	\$ 1,044,829

A 10% change in the US dollar exchange rate would affect net and comprehensive loss (income) and deficit by approximately \$49,900 (December 31, 2023 - \$104,500).

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

10. Financial instruments (continued)

The Corporation's exposure to Mongolian Tugrik currency risk was as follows:

	March 31, 2024	December 31, 2023
Cash and cash equivalents	\$ 3,462	\$ 876
Trade and other receivables	14,601	2,138
Trade and other payables	(46)	(18)
	\$ 18,017	\$ 2,996

A 10% change in the Mongolian Tugrik exchange rate would affect net and comprehensive loss (income) and deficit by approximately \$1,800 (December 31, 2023 - \$300).

c) Price risk

The Corporation's financial instruments are not exposed to direct price risk other than that associated with commodity price fluctuations impacting the mineral exploration and mining industries as the Corporation has no significant revenues.

Fair Value:

Assets and liabilities measured at fair value in the consolidated statements of financial position, or disclosed in the notes to the financial statements, are categorized using a fair value hierarchy that reflects the significance of the inputs used in determining the fair values:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- b) Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of financial assets and liabilities are approximately equal to their carrying values given the short term to maturity of such instruments.

11. Related parties

The Corporation has defined key management personnel as senior executive officers, as well as the Board of Directors. The total remuneration of key management personnel and the Board of Directors was as follows:

	Three months ended March 31,	
	2024	2023
Directors' fees and other compensation	\$ 31,250	\$ 43,250
Share-based compensation to directors	536,750	37,700
Executive compensation and benefits	665,883	308,547
Share-based compensation to key management	377,847	6,621
	\$ 1,611,730	\$ 396,118

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

12. Prior Period Adjustment

In preparing the annual consolidated financial statements for the year ended December 31, 2023, it was determined that while the Corporation held 100% of the shares in its subsidiary EM throughout the year ended December 31, 2023, the Corporation lost control of EM on January 10, 2023, the date Erdene executed the Agreements with MMC (see note 4 for further details).

With the loss of control of EM, the Corporation no longer consolidates its investment in EM. However, as significant influence is maintained, the Corporation accounts for its investment in EM using the equity method of accounting. Consequently, certain comparative period financial statement line items have been updated to reflect the change in accounting presentation.

As there was no change in the Corporation's economic ownership of EM throughout 2023, the net impact of this change is limited to the non-cash gain recognized on loss of control, which is not considered material. The following tables summarize the change in presentation of prior year balances as a result of the change in disclosure from consolidation to equity accounting for the investment in EM (Note: Rounding in the tables below may cause computational discrepancies):

Condensed Consolidated Interim Statement of Financial Position

As at March 31, 2023	As previously reported	Prior period adjustment	As adjusted
Current assets	\$ 13,244,870	\$ (6,158,845)	\$ 7,086,026
Investment in associate	-	52,508,291	52,508,291
Other non-current assets	44,155,999	(41,681,377)	2,474,622
Current liabilities	7,318,171	(6,987,690)	330,481
Non-current liabilities	14,448	-	14,448
Net assets	50,068,250	11,655,759	61,724,010

Condensed Consolidated Interim Statement of Comprehensive Loss (Income)

As at March 31, 2023	As previously reported	Prior period adjustment	As adjusted
Loss from operating activities	\$ 938,399	\$ (291,461)	\$ 646,938
Net Loss (Income)	1,138,937	(6,544,863)	(5,405,927)
Other comprehensive loss (income)	474,400	(5,110,896)	(4,636,496)
Total Comprehensive Loss (Income)	1,613,337	(11,655,759)	(10,042,423)
Basic and diluted loss (income) per share	\$ -	\$ (0.02)	\$ (0.02)

Condensed Consolidated Interim Statement of Changes in Equity

Three months ended March 31, 2023	As previously reported	Prior period adjustment	As adjusted
Share capital	\$ 157,880,069	\$ -	\$ 157,880,069
Contributed surplus	28,784,429	-	28,784,429
Accumulated other comprehensive loss	(6,427,386)	5,110,896	(1,316,490)
Deficit	(130,168,862)	6,544,863	(123,623,998)
Total equity	\$ 50,068,250	\$ 11,655,759	\$ 61,724,010

ERDENE RESOURCE DEVELOPMENT CORPORATION

Notes to Condensed Consolidated Interim Financial Statements

(Canadian dollars)

(Unaudited)

For the three months ended March 31, 2024 and 2023

12. Prior Period Adjustment (continued)

Condensed Consolidated Interim Statement of Cash Flows

Three months ended March 31, 2023	As previously reported	Prior period adjustment	As adjusted
Cash used in operating activities	\$ (1,603,799)	\$ 2,106	\$ (1,601,693)
Cash flows from (used in) financing activities	6,808,537	(6,816,491)	(7,954)
Cash flows used in investing activities	(1,011,847)	834,907	(176,940)
Increase (decrease) in cash and cash equivalents	4,291,497	(6,082,355)	(1,790,858)
Cash and cash equivalents, end of period	\$ 11,713,097	\$ (6,082,355)	\$ 5,630,742



MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS
Three months ended March 31, 2024

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This Management Discussion and Analysis (“MD&A”), dated May 9, 2024, relates to the operating results and financial condition of Erdene Resource Development Corporation (“Erdene” or the “Company” or the “Corporation”) and should be read in conjunction with the Corporation’s unaudited consolidated financial statements for the three months ended March 31, 2024 and 2023, and the audited consolidated financial statements for the years ended December 31, 2023 and 2022, and the notes thereto. The consolidated financial statements of the Corporation have been prepared in Canadian dollars in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS”).

This discussion includes certain statements that may be deemed “forward-looking statements”. All statements in this discussion, other than statements of historical fact, including statements concerning the timing of production at Bayan Khundii, construction and commissioning timelines and expectations that address reserve potential, exploration drilling, exploitation activities, budgeted financial results, and events or developments that the Corporation expects, are forward-looking statements. Although the Corporation believes the expectations expressed in such forward-looking statements are based on reasonable assumptions (including, but not limited to, assumptions in connection with the continuance of the Corporation and its subsidiaries as a going concern, general economic and market conditions, mineral prices, and the accuracy of mineral resource estimate), such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploration and evaluation results, continued availability of capital and financing and general economic, market or business conditions.

The risk factors identified above are not intended to represent a complete list of the factors which could affect the Corporation. Additional factors are noted under “Risk Factors” in the Corporation’s latest Annual Information Form, a copy of which is available on the Corporation’s SEDAR+ document page at www.sedarplus.ca.

Any financial outlook or future-oriented financial information in this MD&A, as defined by applicable securities legislation, has been approved by management of the Corporation as of the date of this MD&A. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such outlook or information should not be used for purposes other than for which it is disclosed in this MD&A.

Company Overview

Erdene Resource Development Corporation is a Canadian based resource company focused on the acquisition, exploration, and development of large, high-grade, near surface, precious and base metals deposits in under-explored and highly prospective Mongolia. Erdene is listed on the Toronto Stock Exchange (TSX: ERD) and Mongolian Stock Exchange (MSE: ERDN).

The Company holds interests in three mining licenses and an exploration license in southwest Mongolia, where exploration success has led to the discovery of the Khundii Minerals District (“KMD”). The KMD is located within the Trans Altai Terrane of the Central Asian Orogenic Belt (“CAOB”). The CAOB extends 2,500 kilometres from the Ural Mountains to eastern China. The belt hosts several world class porphyry and porphyry related copper and gold deposits, including one of the world’s largest gold deposits, Muruntau, in Uzbekistan, as well as Rio Tinto’s Oyu Tolgoi copper-gold deposit, located approximately 650 kilometres east of the KMD in southeast Mongolia.

The discovery of the KMD is the result of almost 20 years of exploration by Erdene in an under-explored region of southwest Mongolia. Over this period, Erdene has defined the Altan Nar (“AN”), Bayan Khundii (“BK”) and Dark Horse Mane (“DH”) epithermal gold deposits, the Ulaan and Greater Dark Horse gold prospects, the Zuun Mod (“ZM”) molybdenum-copper porphyry deposit, and several other prospects. Collectively, these discoveries form the core of the KMD, covering an area approximately 50 by 100 kilometres, elongated northwest.

In January 2023, Erdene entered a Strategic Alliance with Mongolian Mining Corporation (“MMC”), the Country’s largest independent miner, to develop the KMD, beginning with the Bayan Khundii Gold Project. Under the terms of the Strategic Alliance, MMC invested US\$40 million for a 50% interest in Erdene’s Mongolian subsidiary, Erdene Mongol LLC (“EM”), which holds the Khundii and Altan Nar mining licenses and the Ulaan exploration license. Erdene retains a 50% equity interest in EM as well as a 5% Net Smelter Return (“NSR”) royalty on all production from the Khundii, Altan Nar and Ulaan licenses, as well as any properties acquired within five kilometres of these licenses, after the first 400,000 ounces of gold recovered. Erdene also maintains a 100% interest in the Zuun Mod copper-molybdenum project. The strategic alliance was formally closed on January 23, 2024 with the issuance of shares in EM to MMC. Following the Strategic Alliance, Erdene no longer consolidates its investment in EM for accounting purposes.

Following the execution of the Strategic Alliance, EM launched the early works program for the Bayan Khundii Gold Project. Representing approximately 12% of total construction effort, EM built temporary construction facilities, including aggregate crushing and concrete batch plants, fuel depot and construction camp, construction roads, and completed site leveling, excavation, poured reinforced concrete footings and installed columns for the Project’s process plant in the second half of 2023.

Over the past twelve months, EM has received Mongolian regulatory approval for the Project’s detailed design, secured construction permits for key facilities and placed orders for critical long lead time items. On January 15, 2024, Erdene and MMC reached a formal decision to commence construction at Bayan Khundii. This decision was followed by the announcement on February 8, 2024, of the execution of financing documents between MMC and Erdene for the capital required for construction. The Project is on schedule and budget to achieve operations commissioning and first gold in Q2 2025.

Concurrently, Erdene is progressing its ZM project, one of Asia’s largest undeveloped molybdenum-copper deposits. In May 2023, the Company completed a 4,100-metre drill program at this property. Results from multiple drill holes along the current resource boundary expanded mineralization and intersections within the core of the deposit exceeded the average block grades in the vicinity. Additionally, the discovery of resource-grade mineralization in an exploration hole 1.7 kilometres north of the deposit further demonstrates the upside of this large copper-molybdenum porphyry complex, which remains open in all directions. Erdene will complete further market, technical and economic studies in the coming months, building upon a conceptual assessment of the project completed by RPMGlobal in late 2021.

Furthermore, Erdene sees the potential to increase resources through the acquisition of licenses in this under-explored portion of the prolific gold and copper producing CAOB. The KMD hosts the full spectrum of arc-related base and precious metal systems, including copper-molybdenum porphyries, intermediate sulphidation/carbonate base-metal gold deposits, and low sulphidation epithermal gold and gold-silver systems. As the longest established Company operating in southwest Mongolia, and through its partnership with MMC, Erdene is well positioned to expand its license portfolio in Mongolia.

Highlights and Significant Subsequent Events

Bayan Khundii Gold Project

- Announced formal construction decision for Bayan Khundii on January 15, 2024
 - Mobilized for full construction during Q1 2024 with over 400 personnel now on-site
 - Project is proceeding to budget and schedule – construction expected to be substantially complete by the end of 2024, commissioning in Q1 2025 and first gold production in Q2 2025
- Reached 15% construction progress at Bayan Khundii by the end of Q1 2024
 - Achieved 1,000,000 hours construction effort without a lost-time incident
 - Finished detailed design work and completed procurement of critical long-lead equipment
 - Commenced Process Plant structural steel erection
- Advanced community development and local employment stakeholder programs
 - Local Cooperation Agreement in place to support 2024 community development programs
 - Recruitment and training of Bayan Khundii mine workforce well advanced, with 100 local residents completing mining equipment operator training

Khundii Minerals District Exploration

- Completed 2024 exploration program planning for the Khundii Minerals District
 - Near-term focus on mine geology for Bayan Khundii and near-pit expansion opportunities
 - Planning completed for follow-up drilling at Zuun Mod to confirm resources in advance of planned Preliminary Economic Assessment
- Field program commenced in early Q2 on high priority targets within the KMD, including mapping and surface sampling to ground-truth drill targets

Corporate

- Closed strategic alliance with MMC on January 23, 2024 to advance construction of BK Project
 - MMC invested US\$40 million for a 50% equity interest in EM, the company holding the BK Project
 - Erdene retains a 50% equity interest in EM as well as a 5% NSR royalty on production from the Khundii District after the first 400,000 ounces of gold production and 100% interest in Zuun Mod
- Secured BK Finance from strategic partner MMC
 - Up to US\$80 million shareholder loan to EM, the entity co-owned by Erdene and MMC
 - Five-year bullet maturity, bearing interest at 13.8%, payable in arrears
 - Secured by Erdene's interests in EM and preferential rights over Erdene's properties
- Recorded net loss of \$2,678,373 for the three months ended March 31, 2024, compared to a net income of \$5,405,927 for three months ended March 31, 2023
 - Exploration and evaluation expenses totaled \$783,156 for the three months ended March 31, 2024, compared to \$66,827 for the same quarter in 2023, with the increase from the comparative prior year period primarily due to the timing of annual staff performance bonuses and stock option grants, which were incurred in the current quarter compared to the second quarter of 2023
 - Corporate and administrative expenses totaled \$2,777,588 for the three months ended March 31, 2024, compared to \$580,111 for three months ended March 31, 2023, with the change from the prior year comparative quarter resulting from the recognition of financing costs following the close of the BK project loan in Q1 2024 as well as the timing of annual staff performance bonuses and stock option grants, which were incurred in the current quarter versus Q2 2023
 - Non-cash gain on dilution of investment in associate of \$1,070,737 with the issuance of equity in EM to MMC on January 23, 2024, compared to a gain of \$6,544,863 in the first quarter of 2023, following the loss of control of EM due to the Strategic Alliance with MMC
 - Loss from investment in associate of \$257,016 for the three months ended March 31, 2024, compared to a loss from investment in associate of \$564,206 for the three months ended March 31, 2023, with the period over period change primarily due to a 50% reduction in Erdene's ownership of EM during the current period with the close of the Strategic Alliance.

Strategy and Outlook

Erdene is focused on the discovery and development of precious and industrial metal deposits in the KMD. Erdene's two near-term strategic priorities are advancing BK to production with MMC, and through exploration, and acquisition, expanding and subsequently developing other deposits in the KMD.

In January 2024, the Company closed the Strategic Alliance with MMC announced in January 2023 to develop the deposits of the KMD. MMC is the largest private producer and exporter of high-quality washed hard coking coal in Mongolia. MMC owns and operates the Ukhua Khudag and the Baruun Naran open pit coking coal mines, both located in Umnugovi Aimag (South Gobi Province), Mongolia. The shares of MMC are listed on the main board of the Hong Kong Stock Exchange (HKEx: 975), and the company has a current market capitalization of over US\$1 billion.

MMC's largest beneficial shareholder is MCS Group, one of Mongolia's leading conglomerates. MCS has operated in Mongolia for 30 years, and has operations in engineering and construction, energy, communications, property, mining, consumer goods, health, and hospitality. MCS employs approximately 13,000 staff in Mongolia and is one of the Country's largest private taxpayers.

Erdene's exploration and pre-development capabilities, MMC's mining and operational expertise and the ability of MCS Group companies to provide complimentary engineering, infrastructure and energy solutions creates the ideal platform to develop the KMD for the benefit for all stakeholders.

The Company and MMC reached a formal construction decision for Bayan Khundii in early 2024. An Engineering, Procurement and Construction contract is in place with MCS Properties, and the Project's Power Purchase Agreement has been executed with MCS International, one of Mongolia's leading private energy companies. Full construction is underway with over 400 contractors and staff now on site. Construction is expected to be substantially complete by year end, with commissioning planned for the first quarter of 2025 and first gold expected in mid-2025.

Erdene's exploration suggests the greater Khundii-Ulaan alteration zone, including the BK Deposit, Dark Horse prospect and Ulaan, are part of the same, large, gold-bearing hydrothermal system, that shows the potential to host a multimillion-ounce gold deposit. The 2023 gold exploration program, focusing on the Greater Dark Horse and Ulaan prospects, provided a number of new targets for follow-up.

In 2023, Erdene completed a 4,100-metre drill program at its ZM project, one of Asia's largest undeveloped molybdenum-copper deposits, successfully expanding mineralization at this deposit. Along with the exploration work, Erdene will complete further market, technical and economic studies as well as permitting work in the coming months to build upon the conceptual assessment completed by RPMGlobal (formally Minarco-Mine Consult) in late 2021. Beyond the ZM Deposit, the broader license hosts several high-potential copper and molybdenum prospects. The northern portion of the ZM porphyry complex hosts a large area of disseminated copper mineralization within several kilometres of phyllic and potassic altered quartz monzonite and granodiorite intrusives. Multiple copper mineralized zones have been intersected in wide-spaced drilling, including 34 metres of 1.3% copper and 9.24 g/t silver from 308 to 342 metres (hole ZMD-121). The large ZM porphyry complex remains largely untested and management sees several potential areas for resource expansion and discovery across the license.

Erdene continues to evaluate acquisition opportunities throughout the KMD. Over the past decade Erdene has developed the largest proprietary geologic database of Southwest Mongolia's mineralization that has led to the identification of more than 20 high-priority targets for acquisition. The Company expects that through its partnership with MMC, it will be an active participant in license tenders in the KMD. Additionally, the Company will selectively evaluate precious and industrial metals opportunities in other parts of the country where the Company's historical work has demonstrated prospectivity.

Bayan Khundii Project Development and Construction Update

EM announced the construction decision for Bayan Khundii in January 2024 following the completion of early works in late 2023. Subsequently, mobilization for full construction began in February 2024. There are currently over 400 staff and contractors on site, 30% of whom are residents of Bayankhongor province, where the Project is located. In mid-April the Project reached the 1,000,000-person hour milestone without a lost time incident.

Similarly, zero reportable environmental incidents have occurred at the Project to date. Environmental management efforts are focused on mitigating adverse impacts and advancing environmental protection activities, such as endemic plant vegetation trials at the two-hectare facility on site.

Schedule and Budget

At the end of the first quarter, approximately 15% of the total construction was complete, including two-thirds of process plant civil works and all temporary construction infrastructure. The Project remains on schedule and budget with first gold production projected in the second quarter of 2025.

Process Plant

Earthworks and excavation for the process plant, including the grinding and crushing circuit, were completed during the early works phase in 2023 and excavation of crushed ore conveyor foundations was started in the first quarter of 2024. Reinforced concrete works for the process plant are 64% complete as of March 31, 2024, including major footings and columns on critical path. Concrete for the crusher retaining wall at the ROM pad was approximately 50% complete at the end of the first quarter. Slab concrete work throughout the process plant, along with plinth and column work in the mills area, remains ongoing according to schedule. In total, almost 6,000 m³ of concrete has been poured at the Project to date.

Structural steel and tank material deliveries to site began in the first quarter. In March, structural steel installation commenced along the north axis of the main process plant building, including both bottom columns and pipe rack. Overall progress of structural steel installation for the main process plant building was 4% at the end of the quarter.

Process mechanical equipment manufacturing is well advanced, with deliveries continuing during the first quarter. Final shipments of the SAG and Ball mills equipment from CITIC commenced in March, in line with schedule, and delivery to site is planned to be completed by early May. Fabrication, final testing, and packing were completed for the elution plant, and delivery to site is scheduled during the second quarter. Major mechanical equipment installation will also begin during the second quarter.

Non-process Infrastructure

Temporary facilities, including the concrete batch plant and construction accommodations, were completed in late 2023. During the first quarter, bulk earth works and excavation for the assay laboratory, heating station, warehouse, and administration office were completed, and concrete works are now over 50% complete. The permanent camp, workshop, chemicals storage, water supply system, fuel station, and utilities reticulation works are scheduled to start in the second quarter. Power supply works this quarter were focused on procurement and construction readiness, with mobilization planned in the second quarter according to schedule.

Engineering and Procurement

Detailed engineering is substantially complete for the project. Design works continue for the process plant vendor data certification, shop drawings, and as-builts. Non-process infrastructure design has been completed, with the regulatory review well advanced and on schedule for completion in the second quarter. Procurement of major mechanical equipment has been completed, with 88 percent of equipment packages under contract at the end of the first quarter. Similarly, EPC contractor procurement remains on schedule, with major materials supply secured and critical subcontractor selections completed.

Mining

To date, approximately 35,000 tonnes of overburden material have been removed from the Bayan Khundii pit for construction purposes. No mining activities occurred during the first quarter. Construction material excavation and handling activities are conducted by the EPC Contractor.

Construction Permitting

All major permits required for the Project have been received, including the statutory feasibility, environmental assessment, land and water permissions. Design and construction permits have been received for the majority of facilities, including the process plant. Remaining construction permits are scheduled to be received in the second quarter.

Human Resources

At the end of the first quarter, 412 people were employed at the project site, including contractors. Approximately 30% of site personnel are residents of Bayankhongor province, a significant portion of whom reside in Shinejinst, the closest settlement to the Bayan Khundii Project. Of the Project's direct employees, 28% are female.

Community Programs

Beyond the Project's employment at site, the company has supported mining equipment operator training for 100 residents of Bayankhongor Province, representing approximately 70% of total planned operator staff. By the end of the first quarter, 80 percent of trainees had gone on to full-time operator employment at the Ukhaa Hudag coal mine complex of Mongolian Mining Corporation to gain work experience before being deployed to work at the Bayan Khundii mine when it commences operations.

The Company has executed a Local Cooperation Agreement ("LCA") with the Provincial and Sub-Provincial governments that host the Bayan Khundii project as well as the company's other projects in Bayankhongor. Under this agreement, the Company will provide approximately US\$500,000 of funding in 2024 for local development programs focused on public infrastructure, education and health.

Additionally, EM is conducting community development programs focused on supporting small and medium-sized entities through local procurement, providing public health services and funding education for youth in the communities closest to its operations.

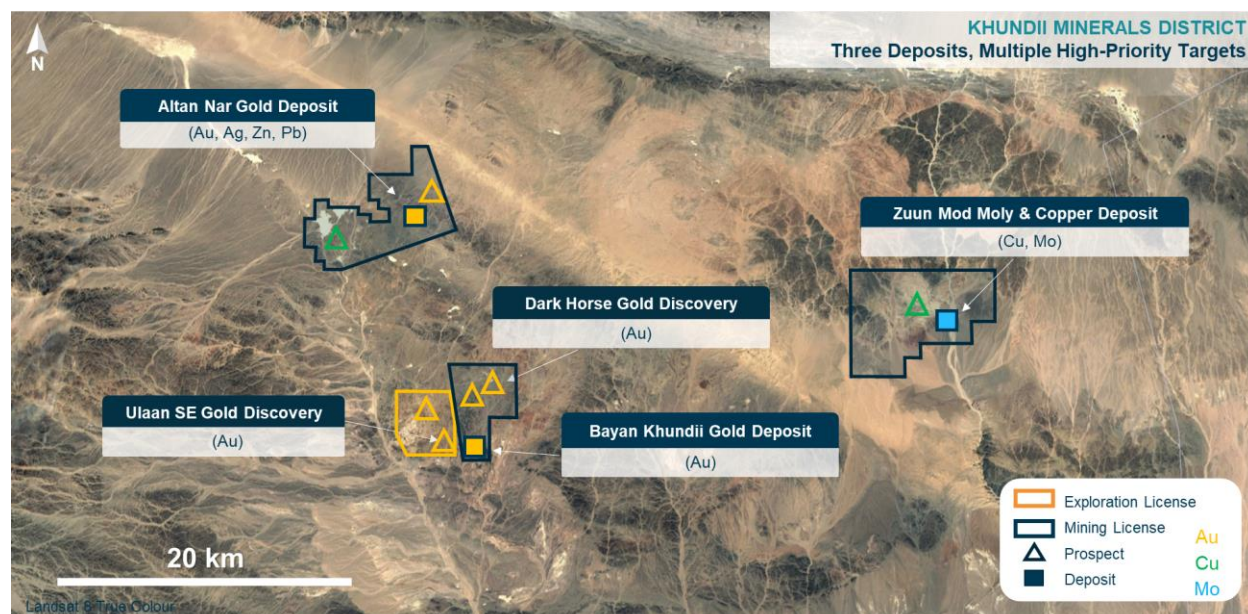
Development and Exploration Projects

NI 43-101 Technical Reports – Resources and Reserves

On September 15, 2018, the Company announced a resource estimate for the Bayan Khundii and Altan Nar deposits. Since this date, the Company has commissioned progressive technical reports, prepared to the standards defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") for its Bayan Khundii Gold Project. Most recently, on September 25, 2023, the Company filed the Technical Report entitled "Bayan Khundii Gold Project, Feasibility Study Update, NI 43-101 Technical Report" with an effective date of August 15, 2023, prepared by a consortium of International and Mongolian firms with significant experience operating in Mongolia and internationally, led by O2 Mining Ltd and Roma Group Ltd.

Apart from Altan Nar, Dark Horse and Zuun Mod, the Company's other targets are early stage and do not contain any mineral resource estimates as defined by NI 43-101. Except for those deposits already delineated, potential quantities and grades disclosed in this MD&A are conceptual in nature, and there has been insufficient exploration to define a mineral resource estimate for other targets disclosed herein. It is uncertain if further exploration will result in these targets being delineated as a mineral resource. Additional information about our projects is also summarized in our AIF and the respective NI 43-101 Technical Reports and can be viewed under the Company's issuer profile on SEDAR+ at www.sedarplus.ca.

Khundii Minerals District



The Khundii Minerals District includes EM's high-grade, near-surface Bayan Khundii, Dark Horse Mane and Altan Nar deposits, Ulaan SE and Greater Dark Horse prospects and Erdene's Zuun Mod Molybdenum-Copper resource.

The Bayan Khundii Gold Project is located on the 2,309-hectare Khundii mining license held by EM. The Khundii mining license includes the Bayan Khundii and Dark Horse mineral resources and reserves reported in "Bayan Khundii Gold Project, Feasibility Study Update, NI 43-101 Technical Report".

Bayan Khundii Gold Project

On August 15, 2023, Erdene announced the results of an updated independent Bankable Feasibility Study for the Bayan Khundii Gold Project. The report, titled "Bayan Khundii Gold Project Feasibility Study Update, NI 43-101 Technical Report", dated September 25, 2023, and with an effective date of August 15, 2023, was prepared by international and Mongolian firms with significant experience operating in Mongolia. The study incorporates detailed mine design and scheduling, front-end engineering and design for the processing plant and site infrastructure, a hydrogeological assessment, mineral waste facility design, comprehensive capital and operating cost estimation, and an updated economic model.

The 2023 FS envisions a high-grade, open pit mine beginning at surface in the southern portion of the BK deposit (Striker and Gold Hill), expanding northward into adjacent zones at Midfield and North Midfield. The Dark Horse deposit will commence mining concurrently with BK from the third year of operations. The Project incorporates conventional crushing and grinding, leach and a Carbon in Pulp plant with processing capacity of 1,950 tonnes per day. The 2023 FS includes 4.0 million mineable tonnes from the BK resource at an average diluted head grade of 4.0 g/t gold, all of which are Proven and Probable Reserves. The 2023 FS is based on an open-pit mining operation targeting 650,000 tonnes per year of feed material for the processing plant. The total mineable mineralized plant feed is 4.0 million tonnes at an average diluted head grade of 4.0 g/t gold and average strip ratio of 10.9:1 (waste tonne: plant feed tonne). Mineralization starts at surface, with the majority of the deposit contained within the top 100 metres. The deposit structure, grades and depth suggest selective open cut mining will be utilized. Mining will use hydraulic excavators in backhoe configuration. Drilled and blasted material will be loaded into haul trucks, with waste rock deposited in an engineered Integrated Waste Facility ("IWF") adjacent to the pit, and ore hauled to a crusher or run-of-mine ("ROM") pad adjacent to the processing plant.

As part of the 2023 FS, an updated BK Gold Deposit Mineral Resource Estimate ("BK Mineral Resource") was prepared in accordance with NI 43-101 and CIM standards by AGP Mining Consultants Inc. ("AGP") with an effective date of April 20, 2023. The BK Mineral Resource was prepared by Paul Daigle, P.Geo., who is a qualified person ("QP") as defined by NI 43-101.

The Mineral Resource has been constrained to a conceptual pit shell and is reported at a cut-off grade of 0.40 g/t gold. The assumptions and parameters utilized to establish the cut-off grade and pit shell are reported below in notes to the resource table.

BK Gold Deposit – Mineral Resource Estimate Summary, April 2023

Resource Classification	Quantity (Mt)	Gold Grade (Au g/t)	Ounces Gold (Koz)	Silver Grade (Ag g/t)	Ounces Silver (Koz)
Measured	4.0	3.03	394	1.44	187
Indicated	3.3	2.04	219	1.22	131
M&I	7.4	2.58	613	1.34	319
Inferred	0.2	1.08	6	1.32	8

Notes:

1. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
2. Summation errors may occur due to rounding.
3. The effective date of the Mineral Resources is April 20, 2023.
4. Open pit mineral resources are reported within an optimized constraining shell.
5. Open pit cut-off grade is 0.4 g/t Au based on the following parameters:
 - Gold Price of US\$2,000/oz Au
 - Gold recovery of 95%
 - Mining Costs of US\$3.00/t
 - Milling Costs and G&A of US\$22.00/t
 - Capping of gold grades was 200 g/t Au and 50 g/t Ag on 1m composite values.
 - The density varies between 2.58 g/cm³ and 2.66 g/cm³ depending on lithology.

Dark Horse Mane Mineral Resource Estimate

As part of the 2023 FS, the Company reported the maiden mineral resource estimate for the Dark Horse Mane Gold Deposit (“Dark Horse Mineral Resource”) discovered in 2021 and located just two kilometres north of the BK Gold Deposit. The Dark Horse Mineral Resource was prepared in accordance with NI 43-101 and CIM standards by RPM Global (“RPM”) with an effective date of November 1, 2022.

The Dark Horse Mineral Resource is reported above a gold cut-off grade of 0.35 g/t gold for oxide and transition mineralization and 1.02 g/t gold for fresh mineralization. The Mineral Resource has been constrained to a conceptual pit shell. The assumptions and parameters utilized to establish the cut-off grade and pit shell are reported below in notes to the resource table.

Dark Horse Gold Deposit – Mineral Resource Estimate Summary, November 2022

Type	Indicated Mineral Resource			Inferred Mineral Resource		
	Tonnes (Kt)	Gold Grade g/t Au	Ounces Gold (K oz)	Tonnes (Kt)	Gold Grade g/t Au	Ounces Gold (K oz)
Oxide	578	3.0	56.2	75	1.1	2.7
Transitional	99	1.5	4.8	109	1.2	4.1
Fresh	5	4.9	0.7	-	-	-
Total	682	2.8	61.7	184	1.2	6.8

Notes:

1. The Statement of Estimates of Mineral Resources has been compiled under the supervision of Mr. Oyunbat Bat-Ochir who is a full-time employee of RPM and a Member of the Australian Institute of Geoscientists. Mr. Bat-Ochir has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity that he has undertaken to qualify as a Qualified Person as defined in the CIM Standards of Disclosure.
2. All Mineral Resources figures reported in the table above represent estimates at November 1, 2022. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.
3. Mineral Resources are reported on a dry in-situ basis.
4. The Mineral Resource is reported using a 0.35 g/t Au cut-off grade in oxide and transition mineralisation and 1.02 g/t Au cut-off in fresh mineralisation and is constrained above conceptual optimised pit shell. Cut-off parameters were selected based on an RPM internal cut-off calculator, assuming an open cut mining method with 5% ore loss and 10% dilution, a gold price of US \$1,723 per ounce, a mining cost of US \$3 per tonne and a processing cost of US\$16 per tonne milled and processing recovery of 90% for oxide, 87% for transitional and 30% for fresh Au mineralisation. The conceptual optimised pit shell was constructed using a gold price of US\$ 2,000 per ounce, which is 1.4 times the long-term consensus forecast price.
5. Mineral Resources referred to above, have not been subject to detailed economic analysis and therefore, have not been demonstrated to have actual economic viability.

BK and DH Reserve Estimate

The Bayan Khundii and Dark Horse Mineral Reserves reported in the 2023 FS have been estimated by Mr. Julien Lawrence, Director, O2 Mining Limited, a Qualified Person as defined by NI 43-101. The total Mineral Reserves for the Bayan Khundii and Dark Horse Mine deposits are shown in the tables below. Mineral Reserves are based on the BK Mineral Resource and Dark Horse Mineral Resource, reported above. Mineral Reserves estimated for the BK and DH deposits are based on Measured and Indicated Resources and have an effective date of August 1, 2023. Reserves were calculated by O2 Mining using FS level engineering designs for the pit and associated process plant operating parameters.

The cut-off grade for mineral reserve calculations is 0.63 g/t gold for the BK Gold Deposit and 0.68 g/t gold for Dark Horse Gold Deposit, based on a gold price of US\$1,816/oz. The reserves, as defined by the regularized block model, contain modelled mineral losses of 2.5% and average internal dilution of 10%, within the ultimate pit.

A summary of the Mineral Reserves estimated for the BK and Dark Horse deposits with an effective date of August 1, 2023 are as follows.

BK Gold Deposit – Mineral Reserve Summary

Classification	Tonnage (Mt)	Grade (g/t Au)	Contained Gold (Koz)	Grade (g/t Ag)	Contained Silver (Koz)
Proven	2.7	4.1	360.2	1.8	159.4
Probable	1.1	3.0	104.7	1.7	61.1
Total	3.8	3.8	464.9	1.8	220.5

Dark Horse Gold Deposit – Mineral Reserve Summary

Classification	Tonnage (Mt)	Grade (g/t Au)	Contained Gold (Koz)
Proven	-	-	-
Probable	0.2	7.0	48.8
Total	0.2	7.0	48.8

Notes:

1. The effective date of the Mineral Reserve estimate is August 1, 2023. The QP for the estimate is Mr. Julien Lawrence of O2 Mining Limited;
2. The Mineral Reserve estimates were prepared with reference to the 2014 Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards (2014 CIM Definition Standards) and the 2003 CIM Best Practice Guidelines;
3. Reserves estimated assuming open-pit mining method;
4. Waste to ore cut-offs were determined using a NSR for each block in the model. NSR is calculated using prices and process recoveries for each metal accounting for all off-site losses, transportation, smelting and refining charges;
5. Reserves are based on a gold price of US\$1,816/oz; and
6. Mineral Reserves were calculated from a diluted "mining" block model which included average dilution of 10% and losses of 2.5%.

The 2023 FS assumes processing of ROM material via a conventional crush and grind circuit and a carbon in pulp plant. Plant design by 360-Global has been based on testing at Blue Coast Research which has established optimal processing parameters, including grind size of 80% passing 60 microns; design inputs for comminution circuit, low cyanide concentration in leach circuit (0.5 g/litre sodium cyanide), 36-hour retention time, carbon adsorption parameters and detoxification reagent dosages. The process circuit has been designed to maximize water recovery with the most efficient dewatering process to achieve the targeted 15% moisture in tailings, minimize chemical and reagent usage and minimize environmental impact.

The ore-processing plant will be located adjacent to the Bayan Khundii open pit and throughput will target 650,000 ore-tonnes per year, nominally 1,935 tonnes per day. Total mineralized material from BK processed in the plant over the course of the mine life is 4.0 million tonnes at an average diluted head grade of 4.0 g/t gold. Using an estimated mill recovery of 92.7%, total recovered gold over the life of the Bayan Khundii deposit is 476,001 ounces.

Operating costs are based on the mining and processing scenarios outlined above and assume owner mining. Power for operations will be generated through an on-site hybrid diesel and solar generation solution, provided under a power purchase agreement for the duration of the Project. All other activities are assumed to be owner operated. The AISC for Bayan Khundii is estimated at US\$869/oz.

Operating Costs

	LOM (US\$ millions)	US\$/oz	US\$/tonne
Mine Operating Cost	165	347	41
Processing Cost	166	349	41
G&A	20	43	5
Total Site Operating Costs	352	739	88
Royalty and Charges	51	108	13
Sustaining Capital & Closure Costs	10	22	3
All-In Sustaining Cost	414	869	103

Note: Rounding may cause computational discrepancies

Capital Costs

Construction costs, primarily comprising the process plant and supporting infrastructure, accommodation village, and associated engineering and indirect costs are estimated at US\$88 million. Pre-production costs, including first fills and mobile site equipment total US\$2 million. Additionally, a 12% contingency, or US\$10 million, has been provided in arriving at the total estimated capital cost. Sustaining capital of US\$4 million has been included in the mine plan and net mine closure costs are estimated at US\$5 million, accounting for salvage values. Total life of mine capital expenditures for the Bayan Khundii Gold Project are estimated at US\$109 million. Approximately US\$48 million has been incurred as at March 31, 2024.

Item	US\$ millions
Process Plant	47
Non-Process Infrastructure	14
Construction Indirects	27
Construction Costs	88
Pre-Production Costs	2
Contingency	10
Subtotal Plant and Infrastructure	100
Sustaining Capital	4
Reclamation and Mine Closure	7
Salvage	(2)
Total	109

Note: Rounding may cause computational discrepancies

Khundii Minerals District Exploration

Erdene has been the leader in exploration in southwest Mongolia over the past two decades and is responsible for the discovery of the KMD comprised of multiple high-grade gold and base metal prospects. In addition to the Bayan Khundii Project, the Company has identified several other prospects, particularly within the Khundii-Ulaan Trend, that show the potential to hold gold-copper deposits of scale.

The Khundii mining license and adjoining Ulaan exploration license cover nearly 4,000 hectares of the Khundii-Ulaan hydrothermal alteration zone, which extends from Ulaan over 10 kilometres to the northeast. This alteration trend has a central zone of intense residual silica with a peripheral halo of white mica alteration which hosts the Bayan Khundii gold deposit. This northeast trending alteration area, which incorporates the Ulaan, Bayan Khundii, Dark Horse and other mineralized targets in the area, is associated with a regional structural dilational jog and associated major volcano-plutonic centre, along a northeast trending transform fault. The various styles of alteration and mineralization within the Khundii-Ulaan target area are consistent with a fertile magmatic island arc, with evidence for possible arc migration, and overlapping or telescoped mineralization along major structures.

Exploration results to date suggest the greater Khundii-Ulaan alteration zone and known gold occurrences are part of the same, large, gold-bearing hydrothermal system which remains largely under-explored. Gold mineralization identified to date is hosted within an expansive, white mica and silica altered tuffaceous sequence exposed around the periphery of the Khundii-Ulaan hydrothermal alteration system. Quartz vein textures and clay alteration compositions indicate a large-scale epithermal type gold mineralizing environment existed within the Khundii-Ulaan system with the tuffaceous lithologies acting as preferred hosts for gold mineralization. Exploration planning is currently underway to test multiple high-priority geological, geochemical and geophysical targets across the Khundii-Ulaan target area.

Regional drilling has been restricted to shallow targets with average drill depths of about 100 metres with approximately 70% of regional drill holes having intersected anomalous gold mineralization (defined as >0.1 g/t gold). Success has been driven by the abundance of untested, near surface geochemical and geophysical targets in a region that has had no previous modern exploration. Recent exploration successes testing shallow targets, and the definition of three deposits, exposed at surface, are testament to the discovery potential of this new district.

Greater Dark Horse Prospect

The Greater Dark Horse prospect area (approximately 20 square kilometres) is located in the northern portion of the Khundii mining and Ulaan exploration licenses and is characterized by elevated gold in soil anomalism with multiple surface rock-chip, trench and drill core samples assaying greater than 1 g/t gold. Trace element anomalism, geophysical anomalies related to alteration and mineralization, structures interpreted to represent conduits for mineralizing fluids, and alteration signatures supporting an epithermal mineralization model characterize the Greater Dark Horse prospect area. To date, the Company has completed 25,132 metres of drilling in 236 holes ranging in vertical depths from 8 to 318 metres within the Greater Dark Horse prospect.

Most of the drilling to date has been focused on the Dark Horse Mane, discovered in early 2021. Erdene discovered Dark Horse Mane, 2 kilometres north of the Bayan Khundii deposit, when initial drilling returned 6.0 g/t gold over 45 metres, beginning 10 metres downhole, including 8 metres of 27.1 g/t gold (AAD-58). Drilling has since defined a 1.5-kilometre trend of alteration and gold mineralization within the Dark Horse Mane that remains open along strike to the north and south, and at depth. Highlight interceptions at Dark Horse Mane since the initial discovery include:

- AAD-126: 30 metres of 5.6 g/t gold, beginning 10 metres downhole, including 24.1 g/t over six metres, starting 26 metres downhole
- AAD-137: 24.5 metres of 9.4 g/t gold beginning 1.5 metres downhole, including 13.5 metres of 16.1 g/t gold
- AAD-138: 25 metres of 6.1 g/t gold beginning 18 metres downhole, including 8 metres of 17.1 g/t gold
- AAD-177: 23 metres of 11.4 g/t gold beginning 1 metre downhole, including 4 metres of 59.8 g/t gold within 8 metres of 32.2 g/t gold
- AAD-178: 15 metres of 42.8 g/t gold beginning 11 metres downhole, including 3 metres of 160.4 g/t gold within 5 metres of 123.5 g/t gold
- AAD-218: 12 metres of 20.2 g/t gold beginning at surface, including 6 metres 39.6 g/t gold

The Dark Horse Mane is associated with a north-south trending, linear structural corridor which intersects deep seated northeast trending transform faults, believed to be a conduit for primary mineralizing fluids. The N-S structure has been traced over five kilometres, from the southern portion of the Bayan Khundii deposit to the northern extension of Dark Horse Mane. Gold mineralization is hosted within strongly altered tuffaceous and volcanoclastic rocks, crosscut by quartz and quartz-hematite veins and stockwork zones. The Dark Horse Mane shallow oxide zone begins at surface, hosting supergene enriched gold zones with values up to 195 g/t over 1 metre and ranging in thickness from 20 to 60 metres vertical depth with locally deeper oxidation along fractures. The high-grade oxide body exhibits strong continuity along a north-south strike. Mineralization remains open along strike and at depth; however, the core of the near-surface mineralization forms the basis of the Dark Horse Mane Reserve estimate that forms part of the BK Project.

The near surface oxide gold zones discovered at Dark Horse Mane are the result of oxidation of sulfide bearing epithermal veins and hydrothermal breccias within white mica altered host lithologies. Limited deeper drilling has gold bearing epithermal veins and associated white mica and sulfide alteration zones to a depth of up to 230 metres vertically, that remains open at depth. The gold mineralization near surface at Dark Horse Mane is related to broader areas of structurally controlled alteration and mineralization believed to be connected to feeder structures distributing gold bearing fluids over a wide area as these fluids approached the paleo surface. Evidence for these feeder structures includes a series of exposed residual quartz lithocaps, associated locally with increasing copper anomalism at depth interpreted to predate the gold mineralization. These lithocaps are distributed along dominant NE trending structures believed to represent transform faults and potentially feeder conduits from a magmatic porphyry source at depth. The highest-grade gold bearing oxide zones at the southern end of the Dark Horse Mane are located proximal to the residual quartz lithocaps and hosted within tuffaceous to porphyritic volcanoclastic units.

Scout drilling and IP surveys in 2023 identified several new prospects within the Greater Dark Horse prospect. The program identified multiple areas of near-surface gold and indicator element anomalism, with 10 holes intersecting anomalous gold (greater than 0.1 g/t Au) and indicator elements mineralization, and

a further 6 holes returning indicator element anomalies. Gold, together with antimony, arsenic and molybdenum, geochemical anomalies are characteristic of the Dark Horse deposit and were instrumental, in conjunction with other geological data, in the initial discovery of the Dark Horse Mine high-grade, near-surface gold mineralization.

Ulaan Southeast

In June 2021, the Company completed the maiden gold exploration program in the southern portion of the Ulaan license, reporting a significant new gold discovery just 300 metres west of the Bayan Khundii Deposit. Results to date, including follow-up drilling in 2022, have confirmed a significant gold discovery at Ulaan SE. Multiple drill holes have returned hundreds of metres (up to 354 metres) of gold mineralization, often ending in mineralization, over an area 200 metres by 250 metres. Gold mineralization begins approximately 80 metres from surface with anomalous gold intersected as shallow as 4 metres depth (UDH-18) and remains open along strike to the west/northwest and at depth. Gold grades up to 156 g/t are related to intense quartz ± hematite veins and stockwork zones enveloped by the same gold bearing silicified, white mica altered lapilli tuff sequence which hosts Erdene's Bayan Khundii epithermal gold deposit, located just east on the Khundii mining license. Structural controls are also similar with northwest striking, southwest dipping veins hosting the gold and intensifying adjacent to bounding structures and/or feeder conduits typically oriented northeast or north. Gold mineralization, particularly the low-grade envelope, also appears to be partially controlled by lithology with low permeability silicified ash tuffs focusing fluid flow and coarser lapilli tuffs acting as a preferred host to mineralization, stratigraphically dipping to the northwest.

Highlight interceptions at Ulaan SE since the initial discovery include:

- UDH-14: 217 metres of 1.1 g/t gold beginning 188 metres downhole, including 3.5 g/t gold over 53 metres
- UDH-21: 335 metres of 1.1 g/t gold beginning 115 metres downhole, including 8.7 g/t gold over 27 metres within 77 metres of 3.2 g/t gold
- UDH-22: 152 metres of 1.7 g/t gold beginning 85 metres downhole, including 3.1 g/t gold over 65 metres
- UDH-35: 23 metres of 13.7 g/t gold within 41 metres of 8.1 g/t gold, beginning 187 metres downhole
- UDH-36: 179 metres of 1.2 g/t gold, beginning 72 metres downhole, including several one-metre intervals, ranging from 10 to 33 g/t gold, and ending in mineralization at 350 metres
- UDH-53: 2 metres of 24.9 g/t gold within 27 metres of 3.5 g/t gold, beginning 248 metres downhole

Together with the Bayan Khundii deposit and Dark Horse prospect, results from drilling at Ulaan Southeast demonstrate the potential scale of mineralization within the nearly 4,000-hectare Khundii-Ulaan Hydrothermal system, which extends from Ulaan over 10 kilometres to the northeast onto the Khundii license.

Furthermore, the central and northern portion of the Ulaan license hosts a porphyry copper prospect primarily based on a broad (5km by 4km) zone of phyllic (quartz-sericite-pyrite) alteration at surface, with characteristics thought to be related to a porphyry intrusion at depth. Rock chip and stream sediment geochemical sampling identified anomalous concentrations of gold, copper and molybdenum in the surrounding area, and geophysical surveys have produced a number of follow-up targets for deeper drilling.

Altan Nar

The Altan Nar deposits are located on EM's 4,669-hectare Altan Nar mining license, 16 kilometres northwest of Bayan Khundii. The AN mining license was received on March 5, 2020 and is valid for an initial 30-year term with provision to renew the license for two additional 20-year terms. The license hosts 18 mineralized (gold, silver, lead, zinc) target areas within a 5.6 by 1.5-kilometre mineralized corridor. Two of the early discoveries, Discovery Zone ("DZ") and Union North ("UN"), host wide zones of high-grade, near-surface mineralization, and are the focus of a Resource Estimate released in Q2 2018.

Altan Nar is an intermediate sulphidation, carbonate base-metal gold ("CBMG") deposit with similarities to prolific gold deposits such as Barrick Gold's Porgera mine (Papua New Guinea), Rio Tinto's formerly producing Kelian mine (Indonesia), Lundin Gold's Fruta Del Norte deposit (Ecuador), and Continental Gold's Buritica project (Colombia). CBMG deposits generally occur above porphyry intrusions in arc settings and may extend for more than 500 metres vertically.

Altan Nar received limited exploration over the past few years as the Company's resources were focused on the Bayan Khundii discovery. In late Q4 2019, the Company drilled five holes totaling 667 metres in DZ. Four holes tested the high-grade core area of the Discovery Zone, over a 130-metre strike length, 70 metres of which remains untested by drilling ("Gap Zone"). The fifth hole tested the southern extension of the deposit. Results from the 2019 program, including the intersection of 45.7 g/t gold, 93.4 g/t silver, 1.54%

lead and 3.40% zinc over 7 metres beginning at approximately 70 metres vertical depth, within 23 metres grading 17 g/t gold, are amongst the strongest to date. Many of the 2019 high-grade intersections are locally outside or in areas of previously low-grade resource blocks and therefore expand the DZ high-grade core indicating consistency in high-grade mineralization within the identified ore horizon. These results are expected to positively impact the resource at Altan Nar and open the way for further expansion along strike and elsewhere in the district. The program also demonstrated continuity of anomalous gold and base metals along the structural corridor to the south of the DZ, which will be tested further in upcoming programs.

To date, Indicated Mineral Resources have been established for the Discovery Zone and Union North prospects. The remaining 16 targets at Altan Nar appear very prospective and the Company intends to complete further drilling on the license to increase its understanding of the system. RPMGlobal calculated the mineral resource estimate for Altan Nar in May 2018 at a number of gold cut-offs, however, RPM recommends reporting the Altan Nar mineral resource at cut-off of 0.7 g/t AuEq2 (see definition for AuEq2 in note 8 below) above a pit and 1.4 g/t AuEq2 below the same pit shell. For further details on the Altan Nar mineral resource estimate, please see the Company's Altan Nar Gold-Polymetallic Project NI 43-101 Technical Report dated March 29, 2021.

Cut-off AuEq2 g/t	Resource Classification	Quantity (Mt)	Grade					Contained Metal				
			Au g/t	Ag g/t	Zn g/t	Pb g/t	AuEq2 g/t	Au Koz	Ag Koz	Zn Kt	Pb Kt	AuEq2 Koz
0.7	Indicated	5.0	2.0	14.8	0.6	0.6	2.8	318	2,350	31.6	29.0	453
	Inferred	3.4	1.7	7.9	0.7	0.7	2.5	186	866	23.7	22.3	277

Notes:

- (1) The Mineral Resources have been constrained by topography and a cut-off of 0.7 g/t AuEq2 above a pit and 1.4 g/t AuEq2 below the same pit shell.
- (2) The Mineral Resource Estimate Summary was compiled under the supervision of Mr. Jeremy Clark who is a full-time employee of RPM and a Member of the Australian Institute of Geoscientists. Mr. Clark has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity that he has undertaken to qualify as a Qualified Person as defined in the CIM Standards of Disclosure.
- (3) All Mineral Resource figures reported in the table above represent estimates as at May 7, 2018. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.
- (4) Mineral Resource grades are reported in accordance with the CIM Standards.
- (5) Mineral Resources reported on a dry in-situ basis.
- (6) No dilution or ore loss factors have been applied to the reported Resource Estimate.
- (7) No allowances have been made for recovery losses that may occur should mining eventually result.
- (8) For the AN resource estimate Gold Equivalent ("AuEq2") calculations assume metal prices of US \$1,310 per ounce gold, US \$18 per ounce silver, and US \$2,400 per tonne lead and US \$3,100 per tonne zinc.

Further details on Altan Nar can be found in "Altan Nar Gold-Polymetallic Project, Bayankhongor Aimag, Southwest Mongolia, National Instrument 43-101 Technical Report" dated March 29, 2021, filed on SEDAR+.

Zuun Mod Molybdenum-Copper Project

The Zuun Mod Molybdenum-Copper Project is a porphyry molybdenum-copper deposit located in southwest Mongolia on the Company's Khuvyn Khar license. This project is approximately 950 kilometres southwest of Ulaanbaatar and 215 kilometres from railhead on the Mongolia-China border at Ceke. The property consists of a mining license totaling 6,041 hectares. The mining license is registered in the name of Anian Resources LLC ("AN"), a wholly owned subsidiary of the Corporation, and has an initial term of 30 years that can be extended for up to 70 years. This project was acquired from Gallant Minerals Limited in 2005 and is subject to a net smelter returns royalty ("NSR Royalty") of 1.5% held by Sandbox Royalties, subject to a buy-down provision.

In 2011, the Corporation released a NI 43-101 resource estimate for Zuun Mod containing a Measured and Indicated Resource of 218 million tonnes ("Mt") at an average grade of 0.057% molybdenum, and 0.069% copper at a cut-off grade ("COG") of 0.04% molybdenum. This equates to 273.5 million pounds ("Mlbs") of contained molybdenum and 330.7 Mlbs of contained copper. In addition, there is a 168 Mt Inferred Resource at an average grade of 0.052% molybdenum and 0.065% copper, equating to a further 191.8 M lbs of contained molybdenum and 240.5 Mlbs of contained copper.

In 2023, Erdene completed a twelve hole, approximately 4,100 metre drill program at Zuun Mod. Five holes, totaling 2,476 metres, were drilled to confirm continuity of higher-grade mineralization in the central part of the deposit (ZMD-131) and to expand continuity of Indicated Resources at the periphery of the deposit (ZMD-132 to 135). A further seven holes, totaling 1,619 metres (ZMD-136 to 142) tested targets across the greater Zuun Mod porphyry complex.

Hole ZMD-131 intersected a very wide zone of mineralization, returning 374 metres averaging 0.053% Mo and 0.072% Cu, with multiple zones (28 to 74 metres wide) averaging greater than 0.080% Mo, including a 28-metre interval (252 to 280 metres) averaging 0.140% Mo and 0.121% Cu. All four holes on the periphery of Zuun Mod's Indicated Resources (ZMD-132 to 135), intersected resource-grade mineralization (>0.04% Mo) ranging in thickness from 40 to 187 metres. Several of the exploration holes (ZMD-140 to 142) within the northern Zuun Mod porphyry complex returned anomalous copper mineralization (greater than 0.05% Cu). Approximately one kilometre west of the main deposit area, three holes (ZMD-136 to 138) in a 600-metre east-west target area, returned anomalous molybdenum, copper and silver. In addition, an exploration hole, ZMD-139, located 1.7 kilometres north of the main molybdenum orebody (currently defined by ZMD-135), intersected a significant interval of molybdenum mineralization, (12 metres of 0.067% Mo) hosted by porphyritic granodiorite, typical of the Zuun Mod porphyry complex. No drilling has been carried out between the Zuun Mod deposit and hole ZMD-139, opening up a large area of potential expansion.

In addition to the molybdenum-copper porphyry deposit, the license hosts a large copper-silver prospect, approximately 2.2 kilometres north of the Zuun Mod deposit. Exploration work at the copper-silver prospect has included geological mapping, vein density mapping, geochemical sampling, geophysical surveys, and wide spaced drilling. Previous drilling intersected 34 metres of 1.3% copper and 9.24 g/t silver from 308 to 342 metres (ZMD-121). The prospect has a very large copper mineralized zone trending over 900 metres with multiple zones in three drill holes returning assays in excess of 0.2% copper over significant widths (12 to 42 metres).

Erdene will complete further market, technical and economic studies to build upon a conceptual assessment of the project completed by RPMGlobal in late 2021. Based on the studies, as well as the results from recent exploration, Erdene will develop a strategy to maximize value from this project.

Further details on the Zuun Mod resource can be found in the "Technical Report Zuun Mod Porphyry Molybdenum-Copper Project, South-Western Mongolia, National Instrument 43-101 Independent Technical Report" dated June 2011, filed on SEDAR+.

Acquisitions

Mongolia's Ministry of Mining and Heavy Industry periodically issues areas for exploration. Erdene has established the largest proprietary geologic database of Southwest Mongolia with a priority list of acquisition targets. The Company will participate in the tendering process as its priority targets are opened for tender. The Company has also been evaluating privately held licenses for acquisition. Through its Strategic Alliance with MMC, Erdene will be an active participant in tenders or license acquisitions in the KMD. Additionally, as the longest tenured foreign explorer operating in Mongolia, the Company will selectively evaluate precious and industrial metal opportunities across the Country.

Discussion of Operations

Three months ended March 31, 2024 and 2023

The following table summarizes exploration and evaluation expenses for the three months ended March 31, 2024 and 2023.

	For the three months ended March 31,		
	2024	2023	Change
Direct costs	\$ 175,712	\$ 31,132	\$ 144,580
Employee compensation costs	254,494	22,784	231,710
Share-based compensation	352,950	12,911	340,039
	\$ 783,156	\$ 66,827	\$ 716,329

Exploration and evaluation expenses totaled \$783,156 for the three months ended March 31, 2024, compared to \$66,827 for three months ended March 31, 2023.

Direct costs for the three months ended March 31, 2024, were \$144,580 greater than those in the prior year quarter due to increased expenditures on community and stakeholder relations and Mongolian office costs following the close of the Strategic Alliance with MMC.

Employee compensation costs for the three months ended March 31, 2024 were \$231,710 greater than in the prior year comparative quarter due primarily to the timing of annual staff performance bonuses, which were paid in Q1 2024 compared to Q2 2023.

Non-cash share-based compensation for the three months ended March 31, 2024 were \$340,039 greater than the comparative prior year quarter as annual performance stock option grants were awarded in the first quarter of the current year, compared to the second quarter of the prior year.

The following table summarizes corporate and administration expenses for the three months ended March 31, 2024 and 2023.

	For the three months ended March 31,		
	2024	2023	Change
Administrative services	\$ 417,742	\$ 180,171	\$ 237,571
Depreciation and amortization	9,023	9,380	(357)
Directors fees and expenses	31,250	34,072	(2,822)
Financing costs	1,269,124	-	1,269,124
Investor relations and marketing	107,875	83,486	24,389
Office and sundry	27,260	25,794	1,466
Professional fees	90,298	103,177	(12,879)
Regulatory compliance	63,674	62,325	1,349
Share-based compensation	686,296	44,321	641,975
Travel and accommodations	75,046	37,385	37,661
	\$ 2,777,588	\$ 580,111	\$ 2,197,477

Corporate and administrative expenses totaled \$2,777,588 for the three months ended March 31, 2024, compared to \$580,111 for three months ended March 31, 2023.

Administrative services expenditures for the three months ended March 31, 2024, were \$237,571 greater than those in the prior year quarter due to the timing of the payment of annual performance bonuses, which were paid in the first quarter of 2024, compared to the second quarter of 2023, as well as cost of living salary increases.

Financing costs for the three months ended March 31, 2024 of \$1,269,124 relate to the recognition of capitalized project finance arrangement costs following the execution of the Bayan Khundii loan agreements with MMC.

Investor relations and marketing expenditures for the three months ended March 31, 2024, were \$24,389 greater than in the previous year quarter due to the engagement of an IR consultant in the current quarter.

Professional Fees for the three months ended March 31, 2024 were \$12,879 less than in three months ended March 31, 2023, due to a reduction in capital markets support, partially offset by a modest increase in legal fees.

Non-cash share-based compensation for the three months ended March 31, 2024 was \$641,975 greater than the previous year quarter as annual performance stock option grants were awarded in the first quarter of the current year, compared to the second quarter of the prior year.

Travel and accommodations for the three months ended March 31, 2024 was \$37,661 greater than the previous year quarter due to increased travel in support of corporate and investor relations activities.

Depreciation and amortization, Directors fees and expenses, Office and sundry, and Regulatory compliance expenditures for the three months ended March 31, 2024, were not materially different from those incurred in the prior year comparative period.

Summary of Quarterly Results

Expressed in thousands of Canadian dollars except per share amounts

	Fiscal 2024		Fiscal 2023		Fiscal 2022			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
	Mar	Dec	Sep	Jun	Mar	Dec	Sep	Jun
Net loss (income)	\$2,678	\$1,583	\$2,144	\$2,796	(\$7,045)	\$2,308	\$1,980	\$1,698
Basic loss (income) per share	\$0.01	\$0.00	\$0.01	\$0.01	(\$0.02)	\$0.00	\$0.01	\$0.01
Total assets	\$57,820	\$59,063	\$60,663	\$62,478	\$64,162	\$52,533	\$47,785	\$42,495

For the three months ended March 31, 2024, the Corporation recognized a net loss of \$2,678,373 compared to net income of \$5,405,927 for the same period in 2023, with the period over period change primarily due to the gain recognized on loss of control of EM in the prior year comparative quarter.

The Corporation's expenditures vary from quarter to quarter, largely due to the timing of its Mongolian exploration and evaluation programs. The Corporation is not aware of any other specific trends which account for fluctuations in financial results from period to period.

Liquidity and Capital Resources

At the date of this MD&A, the Corporation had approximately \$2.9 million of cash and working capital of \$2.8 million, calculated as current assets less current liabilities.

Funds raised have been used to advance the Corporation's projects in Mongolia and to meet administrative costs in support of those programs (see Development and Exploration Projects and Discussion of Operations). The ability of the Corporation to continue with its development and exploration programs is contingent upon securing additional funds through the issuance of equity, the formation of alliances, such as the MMC Strategic Alliance, debt financing, asset sales and option and/or joint venture agreements.

The Corporation has minimal sources of income. It is therefore difficult to identify any meaningful trends or develop an analysis from the Corporation's cash flows. The Corporation is dependent primarily on the issuance of share capital and debt to finance its development and exploration programs.

Other than as discussed herein, the Corporation is not aware of any trends, demands, commitments, events or uncertainties that may result in the Corporation's liquidity or capital resources materially increasing or decreasing at present or in the foreseeable future other than planned expenditures.

Outstanding Share Data

Authorized

An unlimited number of common shares with no par value.

Issued and Outstanding Share Capital

	May 9, 2024	December 31, 2023
Common shares issued and outstanding	346,523,176	344,888,176
Options outstanding	24,215,000	20,485,000
Warrants outstanding	25,264,122	25,264,122
DSU's outstanding	8,691,616	8,442,250
Total instruments outstanding	404,693,914	399,079,548

Contractual Obligations

The following table summarizes the maturity of the Corporation's contractual obligations at March 31, 2024:

	Total	Less than one year	1 - 2 years
Office leases	\$ 14,449	\$ 14,449	\$ -
Accounts payable and accrued liabilities	302,264	302,264	-
	\$ 316,713	\$ 316,713	\$ -

Other Financing Arrangements and Commitments

MMC Strategic Alliance

In January 2023, Erdene entered a Strategic Alliance with MMC where MMC agreed to invest a total of US\$40 million for a 50% interest in Erdene's Mongolian subsidiary, Erdene Mongol LLC. This investment was structured as a series of promissory notes that were converted into an equity interest in EM on January 23, 2024. Erdene retains a 50% equity interest in EM and a 5.0% Net Smelter Return royalty on production from the Khundii, Altan Nar and Ulaan licenses, as well as any properties acquired within five kilometres of these licenses, beyond the first 400,000 ounces gold recovered.

On February 8, 2024, Erdene executed financing documents with MMC to develop the Bayan Khundii Gold Project. The financing has been structured as a shareholder loan from MMC to EM, the entity co-owned by Erdene and MMC that holds the Bayan Khundii mining license, as well as the Altan Nar mining license and highly prospective Ulaan exploration license.

The shareholder loan is for US\$50 million providing the funding for construction of the Bayan Khundii gold mine and processing complex. The loan may be drawn in up to five tranches, in multiples of at least US\$5 million. The loan will mature five years from the date of first draw, and accrue interest at a rate of 13.8%, paid quarterly in arrears. EM has the option to capitalize the first four interest payments. The loan will be repayable in full upon maturity. A further US\$30 million, under the same terms, is available at MMC's discretion. EM is also in discussions with Mongolian commercial banks on financing for up to \$30 million.

This loan is secured by a 50% guarantee by Erdene and Erdene's interests in the Project, including its shares of EM and NSR interest, as well as preferential rights over the Khundii, Altan Nar and Ulaan licenses. For so long as the loan is outstanding, MMC will be granted priority voting rights under the Strategic Alliance agreement between the parties and a right of first refusal over Erdene's Zuun Mod project. Additionally, Erdene has the right to purchase 50% of the loan and participate as a lending shareholder on the same terms as MMC.

Sandstorm Gold Ltd. Royalty Agreement

Sandstorm Gold Ltd. ("Sandstorm") holds a 1% net smelter returns royalty ("NSR Royalty") on EM's Altan Nar, Khundii and Ulaan licenses, guaranteed by Erdene. Sandstorm has been given a right of first refusal on future stream or royalty financings related to these licenses.

Other

Sandbox Royalties Corp. holds a 1.5% NSR Royalty on Erdene's Zuun Mod license. Erdene has the option to buy down a portion of the royalty if certain production milestones are achieved.

Off-Balance Sheet Arrangements

As at March 31, 2024, the Corporation had no off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risks to the Corporation, other than those related to the MMC Strategic Alliance, as detailed above.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires Erdene to establish accounting policies and to make estimates that affect both the amount and timing of the recording of assets, liabilities, revenues and expenses. Some of these estimates require judgments about matters that are inherently uncertain.

A detailed summary of the Corporation's significant accounting policies and the key sources of estimation uncertainty that have a risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next twelve months are included in Note 2 to the consolidated financial statements for the year ended December 31, 2023. While all of the key sources are important to the Corporation's consolidated financial statements, the following key sources have been identified as being critical:

- Determination of significant influence over investment in associate; and
- Share-based compensation.

Determination of significant influence

Judgment is needed to assess whether the Corporation has control over its investees as a result of its right to direct relevant activities or, when control is not retained, its interest meets the definition of significant influence and therefore would be accounted for under the equity method. Management makes this determination based on its legal ownership interest and through an analysis of the Corporation's participation in entities' decision-making processes. Immediately after the Corporation lost control of EM, its Mongolian subsidiary, on January 10, 2023, management determined it was able to exert significant influence over EM and accounted for this investment as an associate under the equity method.

Following the issuance of shares representing 50% of the outstanding equity of EM to MMC on January 23, 2024, in connection with the close of the Strategic Alliance, Management updated its analysis and confirmed that the Corporation retained significant influence over EM and therefore continues to account for this investment as an associate under the equity method.

Share-based payments

Equity-settled share-based payments issued to employees and directors are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. Fair value is measured using the Black-Scholes pricing model and requires the exercise of judgment in relation to variables such as expected volatilities and expected lives based on information available at the time the fair value is measured. The Corporation charged a total of \$1,039,246 of non-cash share-based compensation to the statement of comprehensive loss for the three months ended March 31, 2024 (2023 – \$57,232).

Adoption of New Accounting Standards

Erdene has adopted the following amendments, effective January 1, 2024. These changes were made in accordance with applicable transitional provisions.

IAS 1 – Presentation of Financial Statements

In October 2022, the IASB finalized issuance of Classification of Liabilities as Current or Non-Current, which made amendments to IAS 1 Presentation of Financial Statements, providing a more general approach to the classification of liabilities. The amendment clarifies that the classification of liabilities as current or noncurrent depends on the rights existing at the end of the reporting period as opposed to the expectations of exercising the right for settlement of the liability. The amendments further clarify that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. The application of the amendment has been made on a prospective basis and did not have an impact on the Corporation.

Financial Instruments and Other Risks

Financial Instruments

The fair values of the Corporation's financial instruments are considered to approximate the carrying amounts. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes levels to classify the inputs to valuation techniques used to measure fair value.

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs are unobservable (supported by little or no market activity).

Fair Value

During the three months ended March 31, 2024 and the three months ended March 31, 2023, there were no transfers between level 1, level 2 and level 3 classified assets and liabilities. The fair value of financial assets and liabilities are approximately equal to their carrying values given the short term to maturity of such instruments.

Credit Risk

The Corporation manages credit risk by holding the majority of its cash and cash equivalents with high quality financial institutions in Canada, where management believes the risk of loss to be low. At March 31, 2024, \$87,060 or 3% of the balance of cash was held in banks outside Canada (2023 - \$35,672 or 1%).

Liquidity Risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Corporation's approach to managing liquidity is to ensure, to the extent possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. All of the Corporation's financial liabilities are expected to be settled within the next twelve months.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Corporation invests excess cash in interest bearing savings accounts, which are subject to interest rate risk.

Foreign Currency Risk

The functional currency of the Corporation is the Canadian dollar, and the functional currency of the Corporation's subsidiaries is the Mongolian tugrik. Additionally, the Corporation incurs expenses in US dollars. Consequently, fluctuations of the Canadian dollar in relation to other currencies impacts the fair value of financial assets, liabilities and operating results. Financial assets and liabilities subject to currency translation risk primarily include US dollar denominated cash, accounts payable and accrued liabilities, as well as the Corporation's net investment in its Mongolian subsidiaries. The Corporation maintains US dollar bank accounts in Canada.

The Corporation's exposure to US dollar currency risk was \$499,154 as at March 31, 2024 (December 31, 2023 - \$1,044,829). A 10% change in the US dollar exchange rate would affect net loss and comprehensive loss and deficit by approximately \$49,900 (December 31, 2023 – \$104,500).

The Corporation's exposure to Mongolian Tugrik currency risk was \$18,017 as at March 31, 2024 (December 31, 2023 - \$2,996). A 10% change in the Mongolian Tugrik would affect net loss and comprehensive loss and deficit by approximately \$1,800 (December 31, 2023 – \$300).

Price Risk

The Corporation's financial instruments are not exposed to direct price risk other than that associated with commodity price fluctuations impacting the mineral exploration and mining industries as the Corporation has no significant revenues.

Other Risks

In conducting its business, the principal risks and uncertainties faced by the Corporation relate primarily to construction, exploration, permitting, financing and, to a lesser extent, metal and commodity prices. Exploration for minerals and development of mining operations involve many risks, many of which are outside the Corporation's control. In addition to the normal and usual risks of exploration and mining, the Corporation works in remote locations that lack the benefit of infrastructure and easy access. More information on risks is available in the Corporation's Annual Information Form available on SEDAR+ at www.sedarplus.ca.

Disclosure Controls and Internal Controls over Financial Reporting

Erdene has established and maintains disclosure controls and procedures over financial reporting, as defined under the rules adopted by the Canadian Securities Regulators in instrument 52-109. The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have evaluated the design and effectiveness of Erdene's disclosure controls and procedures as of March 31, 2024 and have concluded that such procedures are adequate and effective to provide reasonable assurance that material information relating to Erdene and its consolidated subsidiaries would be made known to them by others within those entities to allow for accurate and complete disclosures in its filings.

The Management of Erdene, with the participation of the CEO and CFO (collectively "Management"), is responsible for establishing and maintaining adequate internal controls over financial reporting. Erdene's internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements in accordance with IFRS.

A material change in internal controls over financial reporting occurred during the three months ended March 31, 2024, relating to the interpretation and application of IFRS. During this period, the Corporation updated its processes and controls to include consultation with external technical experts on the interpretation of IFRS for complex and unusual transaction, specifically related to the accounting for the issuance of shares of EM to MMC under the Strategic Alliance Agreement.

Management evaluated the design and effectiveness of Erdene's internal controls over financial reporting as of March 31, 2024, including the material change in controls noted above. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in its report "Internal Control – Integrated Framework (2013)". This evaluation included reviewing controls in key risk areas, assessing the design of these controls, testing these controls to determine their effectiveness, reviewing the results and then developing an overall conclusion.

Based on management's evaluation, the CEO and the CFO have concluded that as of March 31, 2024, Erdene's internal controls over financial reporting were effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

However, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness in future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Person

Peter Dalton, P.Geo. (Nova Scotia) is a qualified person under NI 43-101 and supervises all of the Corporation's exploration programs. Samples are assayed at SGS Laboratory in Ulaanbaatar, Mongolia or Tianjin China, Central Geological Laboratory in Ulaanbaatar, Blue Coast Research Ltd in Parksville British Columbia, Canada, or ALS Chemex in Vancouver, Canada. In addition to internal checks by SGS Laboratory, Central Geological Laboratory and ALS Chemex, the Corporation incorporates a QA/QC sample protocol utilizing prepared standards, field and laboratory splits, and blanks.

The disclosure in this MD&A of scientific or technical information about mineral projects on Erdene's properties has been reviewed and approved by Peter Dalton, P. Geo, who is not independent of the Corporation.

The information in this MD&A that relates to the financial models for the Bayan Khundii Feasibility Study Update is based on information compiled and reviewed by Mark Reynolds, engaged through O2 Mining Limited. The information in this MD&A that relates to the capital and operating cost estimation for the Bayan Khundii Feasibility Study is based on information compiled and reviewed by Julien Lawrence, who is a FAusIMM and the Director of O2 Mining Ltd. The information in this MD&A that relates to the process design and recovery methods for the Bayan Khundii Feasibility Study is based on information compiled and reviewed by Jeffrey Jardine, who is a FAusIMM, and is engaged through O2 Mining Ltd. The information in this MD&A that relates to the BK Resource Estimate is based on information compiled and reviewed by Paul Daigle, who is a P.Geo, and is an employee of AGP Mining Consultants Inc. The information in this MD&A that relates to the Dark Horse Resource Estimate is based on information compiled and reviewed by Oyunbat Bat-Ochir who is a full-time employee of RPM Global and a Member of the Australian Institute of Geoscientists. The information in this MD&A that relates to the Bayan Khundii reserve estimate is based on information compiled and reviewed by Julien Lawrence. Each of Mr. Reynolds, Mr. Lawrence, Mr. Jardine, Mr. Daigle and Mr. Bat-Ochir has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they have undertaken to qualify as a Qualified Person, as that term is defined by National Instrument 43-101. Each of Mr. Reynolds, Mr. Lawrence, Mr. Jardine, Mr. Daigle and Mr. Bat-Ochir is not aware of any potential for a conflict of interest in relation to this work with Erdene.

Other Information

Additional information regarding the Corporation, including the Corporation's Annual Information Form, is available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.erdene.com.