

ERDENE PROVIDES CORPORATE FINANCE UPDATE

Press Release

Halifax, Nova Scotia
2024.12.10

Erdene Resource Development Corp. (TSX:ERD | MSE:ERDN) ("Erdene" or the "Company") is pleased to announce the execution of an up to US\$50 million working capital facility with Trade and Development Bank of Mongolia ("TDB") by Erdene Mongol LLC ("EM") to fund commissioning and ramp up of the high-grade, open-pit Bayan Khundii Gold Project ("Bayan Khundii", "BK" or "Project"), under development with Mongolian Mining Corporation ("MMC"). Additionally, the Company is pleased to provide an update on recent warrant exercises.

Peter Akerley, Erdene's President and CEO stated, "We are very pleased to announce the working capital financing from TDB, one of Mongolia's leading financial institutions. Proceeds will fund pre-mining and commissioning for the Bayan Khundii Gold Project as we work toward first gold in mid-2025 and commercial production in Q3 2025. This financing will provide liquidity during ramp up. We have begun to close in the process plant and complete critical non-process infrastructure buildings, in advance of mechanical and electrical works completion in Q1 and commissioning beginning in Q2 2025. In addition, the 13,700 metre grade control drilling program and the first phase of the project's integrated waste facility construction, supporting year one mining, are on track to be complete this month positioning the project to commence pre-production mining in Q2 2025."

Mr. Akerley continued, "We have also received commitments for the exercise of approximately C\$5 million of warrants, including from our cornerstone investor, Mr. Eric Sprott. These proceeds will allow the Company to advance other projects including our Zuun Mod project, one of Asia's largest undeveloped molybdenum resources."

Bayan Khundii Working Capital Facility

Erdene Mongol LLC ("EM") has executed financing documents with TDB for a working capital facility to commission the Bayan Khundii Gold Project. The up to US\$50 million facility has a term of 24 months, and will be repayable through six equal payments during the final six months of the loan term. The facility will bear interest at a rate of 13.3% per annum and is secured by Bayan Khundii's process plant assets. See Erdene press release dated January 29, 2024 for details on the Erdene-MMC Strategic Alliance: "[Erdene Commences Construction at the High-Grade Bayan Khundii Gold Project and Finalizes Strategic Alliance with Mongolian Mining Corporation](#)".

December 2024 Warrant Exercises

Erdene is pleased to announce that the Company has received commitments to exercise all common share purchase warrants with an expiry of December 21, 2024, including those held by Mr. Eric Sprott, through 2176423 Ontario Ltd., a corporation which is beneficially owned by him. Pursuant to these commitments, the Company has issued 6,689,697 shares and will issue a further 6,370,755 shares by December 21, 2024, for aggregate gross proceeds of \$5,224,181. Proceeds will be used to advance projects outside the EM area of interest, including the Company's Zuun Mod molybdenum-copper project and for general corporate purposes. See Erdene press release dated December 22, 2022 for details: "[Erdene completes \\$7M Private Placement Led by Investment from Eric Sprott](#)".

About Erdene

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

Forward-Looking Statements

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

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

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