

ERDENE RETURNS 68.2 G/T GOLD OVER 3 METRES WITHIN 8.1 G/T GOLD OVER 41 METERS AT ULAAN SOUTHEAST GOLD PROSPECT

Press Release
Halifax, Nova Scotia
2022.06.06

Erdene Resource Development Corporation (TSX: ERD | MSE: ERDN) (“Erdene” or the “Company”) is pleased to announce initial results from the first phase of its 2022 drill program at Ulaan Southeast (“Ulaan SE”), located 300 metres west of the Bayan Khundii Gold deposit in southwest Mongolia. The objective of this phase of the program has been met with the confirmation of continuity of an interpreted high-grade gold bearing “feeder” structure at the northern end of the Ulaan SE discovery, and expansion of the discovery to the west and at depth.

Highlights

- Testing of the conceptual “feeder” structure in the northern portion of Ulaan SE returned the highest average grade intersection to date at Ulaan
 - 3 metres of 68.3 g/t gold within 41 metres of 8.1 g/t gold (UDH-35), along with the highest silver grades encountered at Ulaan, up to 133g/t over 1 metre
 - A pending hole (UDH-53), down plunge to the west, returned visible gold in an intense zone of alteration and quartz veining and breccia
 - This potential “feeder” zone remains open to the west and at depth
- South of the interpreted “feeder” zone, UDH-36 confirmed continuity of the thick gold mineralized zones established in multiple holes within the Ulaan SE discovery
 - 179 metres of 1.2 g/t gold, ending in mineralization, including 1 metre intervals of 33.4, 15.5, 14.4 and 10.8 g/t gold, in quartz adularia veins and stockworks
- UDH-28, 150 metres west of UDH-35, was extended to test the downdip projection of the favoured tuffaceous host
 - Returned thick intervals of lower grade gold mineralization confirming the westward extension of the mineralized zone – remains open to the west
- The depth potential of Ulaan SE was tested with the extension of UDH-21
 - Originally returning 77 metres of 3.2 g/t gold, including 27 metres of 8.7 g/t gold, ending in mineralization ([press release here](#))
 - Returned further 108 metres of 0.5 g/t gold, ending in 33 metres of 0.9 g/t gold
- Two holes tested the southern and southwestern extent of mineralization (UDH-37 and UDH-38) confirming continuity of gold mineralization in this area

- Bayan Khundii Reverse Circulation (“RC”) drill program is currently underway
 - Program is targeting near-surface zones of high-grade oxide mineralization, similar to those encountered at Dark Horse Mine (including 5 metres 123.5 g/t gold in AAD-178 (Q1-2022 (press release [here](#)))
 - 179 shallow holes (1,314 metres) completed – results expected in mid-Q3 2022

Quotes from the Company

“Today’s results, including the highest average grade intersection on the Ulaan license to date, as well as the expansion of the deposit to the west and at depth, demonstrate the scale potential of this recent discovery,” said Peter Akerley, Erdene’s President and CEO. “Mineralization has now been extended over a strike of almost 200 metres, to a depth of 400 metres, and remaining open to the west and down dip.”

“The success at Ulaan SE reinforces our belief that the Khundii District has the potential to host a multimillion-ounce gold resource,” continued Mr. Akerley. “We have established five high-grade, gold mineralized zones in the Khundii District, all beginning within 100 metres of surface. These zones commonly include thick intervals (more than 100 metres) of lower grade gold mineralization surrounding high-grade structures, showing bulk tonnage open-pit development potential. With drilling underway across multiple targets, and plans to continue exploration throughout Q3, we anticipate continued growth and discovery in 2022, and beyond.”

Summary of Drill Results

The primary objective of the Ulaan SE drill program was to test interpreted high-grade “feeder” zones along intersecting structures in the northern portion of the Ulaan SE discovery. In addition, extensions to the south, west and at depth were included in the initial phase to test expansion potential of the discovery.

Six new holes, as well as five hole-extensions, totaling 2,463.7 metres, were completed as part of this Ulaan SE drilling program. The drilling results reported within this press release are from four of the six new holes and the five hole-extensions. Results are summarized below in Table 1. Results for the final two holes (UDH-52 and UDH-53) in the Ulaan SE program are pending.

This program confirmed a zone of high-grade mineralization interpreted to be associated with intersecting structures and possibly representing a feeder zone. Drill hole UDH-35 returned the highest average grade interval to date at Ulaan SE, including 41 metres of 8.1 g/t gold, starting 187 metres downhole. Higher silver values (including 8 metres averaging 30 g/t silver, beginning 203 metres downhole) in UDH-35 could provide a vector supporting the structure being closer to source fluids.

Drill hole UDH-36, 30 metres southwest of UDH-35, confirmed continuity of the thick gold mineralized zones now established in multiple holes within the Ulaan SE discovery. Highlight intersections from this hole included 179 metres of 1.2 g/t gold, ending in mineralization, with multiple higher grade intersections in quartz adularia veins and stockworks, including metre intervals of 33.4 g/t, 15.5 g/t, 14.4 g/t and 10.8 g/t gold.

Step-out drill holes and hole extensions continue to expand the area of known mineralization, which remains open to the west and at depth. Drillhole UDH-37 intersected the targeted gold mineralized tuffaceous host lithology, broadening the potential for gold mineralization as exploration progresses to the southwest. UDH-38 complimented the results of UDH-37, extending gold mineralization westward; however, this drillhole also indicates a shallowing of gold mineralization, with gold mineralization beginning 42 metres down hole.

UDH-28, 150 metres west of UDH-35, was extended to test the downdip projection of the favoured lithologic host. This hole returned thick intervals of lower grade gold mineralization, confirming the westward extension of the mineralized zone, which remains open to the west.

Hole extensions (an additional 100 to 200 metres, to 350 to 450 metres depth) demonstrated that gold mineralization extends over a > 400m vertically thick sequence of altered and silicified volcanics. Mineralization remains open at depth with two of the holes extended to 450 metres ending in mineralization.

Table 1: Ulaan Q2 2022 Drilling Highlights

(Intervals averaging over 0.30 g/t gold)

Hole ID	From	To	Interval ⁽¹⁾	Au g/t
New Drill Holes				
UDH-35	107	116	9	0.49
And	176	178	2	0.46
And	187	228	41	8.10
Incl	188	211	23	13.73
Incl	188	189	1	10.87
Incl	197	198	1	44.40
Incl	208	211	3	68.32
Incl	208	209	1	108.12
And	235	238	3	0.36
And	246	251 ⁽²⁾	5	0.34
UDH-36	2	4	2	0.51
And	72	251 ⁽²⁾	179	1.23
Incl	106	107	1	15.52
Incl	142	143	1	14.36
Incl	146	147	1	10.84
Incl	227	228	1	33.43
UDH-37	64	68	4	0.44
And	168	272	104	0.31
Incl	202	246	44	0.51
UDH-38	42	68	26	0.30
And	193	262	69	0.48
And	346	348	2	0.56

Hole ID	From	To	Interval ⁽¹⁾	Au g/t
Hole Extensions				
UDH-08	20	22	2	0.44 ⁽³⁾
And	202	206	4	0.37
UDH-12	310	314	4	0.36
And	324	328	4	0.46
And	338	340	2	0.58
UDH-17	287	289	2	1.71 ⁽³⁾
And	314	368	54	1.55 ⁽⁴⁾
Incl	348	350.3	2.3	21.57 ⁽³⁾
And	412	422	10	0.33
And	425	426	1	0.39
And	432	434	2	0.30
UDH-21	115	192	77	3.19 ⁽³⁾
Incl	131	158	27	8.74 ⁽³⁾
Incl	139	140	1	156.54 ⁽³⁾
Incl	155	156	1	20.98 ⁽³⁾
And	209	280	71	0.81 ⁽³⁾
Incl	257	271	14	2.79 ⁽³⁾
And	304	318	14	0.34 ⁽³⁾
And	342	450.3 ⁽²⁾	108.3	0.53 ⁽⁴⁾
Incl	417	450.3 ⁽²⁾	33.3	0.91
Incl	417	420	3	2.31
UDH-28	282	291	9	0.47 ⁽³⁾
And	306	356	50	0.47 ⁽⁴⁾
And	370	384	14	0.37
And	394	450 ⁽²⁾	56	0.34

1. Reported intervals in this release are downhole apparent widths. Continued exploration is required to confirm anisotropy of mineralization and true thicknesses
2. End of hole
3. Previously reported interval
4. Extended interval

Scout drilling was also conducted on high-priority greenfield targets in the southern and western portions of the Ulaan license, west of the Ulaan SE gold discovery. Results are pending for 13 scout holes and one hole-extension, totaling 1,441.6 metres.

Next Steps

The continued success at Ulaan SE supports an increased effort to continue to define and expand this gold bearing system. A significant program will be undertaken to extend both the interpreted “feeder zone” and the broader Ulaan area to the west. This program is under development and will be informed by the pending results. In addition to a follow up Ulaan drill program, additional drilling is planned for Dark Horse, Altan Arrow and Altan Nar in the coming months. Details on this program will follow in Q3 2022.

The previously announced 3,000 metre reverse circulation (RC) drilling program is currently underway, with approximately 180 holes completed to date. The goal of the RC program is to test for shallow, oxide related supergene gold zones, similar to those encountered at Dark Horse Mine in 2021 (intercepted up to 195 g/t gold over 1 metre), in areas masked by younger cover sediments. This program includes shallow (approximately 10-15 metres deep) RC drill holes, which can be drilled more rapidly and at lower cost relative to diamond drilling. RC drill targets have been identified across the greater Dark Horse prospect area, on both the Khundii and Ulaan licenses. The presence of gold-bearing oxide zones indicates that the level of erosion, hydrological and atmospheric conditions within the Khundii Gold District were conducive to deep oxidation and supergene enrichment gold mineralization. These conditions suggest an opportunity to discovery of additional near-surface, high-grade gold mineralization across the Khundii District.

Ulaan Southeast Overview

The Ulaan Southeast gold target is a blind top discovery identified in Q3 2021 (See Ulaan Q2 Field Visit (see video [here](#))). The prospect is characterized by hundreds of metres of gold mineralization (up to 400 metres thick) over an area currently 200 metres by 250 metres. Gold mineralization begins approximately 80 metres from surface and remains open along strike to the west/northwest and at depth. Intervals include 152 metres of 1.7 g/t gold in UDH-22 (from 85 metres) and 77 metres of 3.2 g/t gold in UDH-21 (from 115 metres), as well as the more recent results noted in this release. Similar to the Bayan Khundii gold deposit, approximately 300 metres east, the mineralizing event is characterized by exceptionally high-grade quartz \pm hematite and adularia veins and stockwork zones enveloped by the same gold bearing, silicified, white-mica altered lapilli tuff sequence.

The southern portion of the Ulaan license has areas of anomalous gold-in-soil over an area 3.5 kilometres by 1 kilometre. The underlying geology and alteration appears to be analogous to the gold mineralization at Ulaan Southeast and Bayan Khundii, namely tuffaceous units with white mica and silica alteration. A series of holes have been drilled to test high priority targets and the results are pending.

Khundii Minerals District

Erdene's deposits are in the Trans Altai Terrane, within the Central Asian Orogenic Belt, host to some of the world's largest gold and copper-gold deposits. The Company has been the leader in exploration in southwest Mongolia over the past decade and is responsible for the discovery of the Khundii Gold District comprised of multiple high-grade gold and base metal prospects, one of which is currently being developed, the 100%-owned Bayan Khundii Gold Project, and another which is being considered for development, the 100%-owned Altan Nar Project. In 2021, the Company identified two new significant gold prospects, Dark Horse and Ulaan Southeast.

The Bayan Khundii Gold Resource¹ includes 585,100 ounces of 2.19 g/t gold Measured and Indicated ("M&I")² and 35,900 ounces of Inferred resources at 2.18 g/t gold. Within

the M&I resource, a Proven and Probable open-pit reserve totals 409,000 ounces at 3.7 g/t gold³ (press release [here](#)), providing significant potential for reserves growth with the development of the remaining M&I and Inferred resources¹.

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 two exploration licenses in Southwest Mongolia, where exploration success has led to the discovery and definition of the Khundii Gold District. Erdene Resource Development Corp. is listed on the Toronto and the Mongolian stock exchanges. Further information is available at www.erdene.com. Important information may be disseminated exclusively via the website; investors should consult the site to access this information.

Qualified Person and Sample Protocol

Peter Dalton, P.Geo. (Nova Scotia), Senior Geologist for Erdene, is the Qualified Person as that term is defined in National Instrument 43-101 and has reviewed and approved the technical information contained in this news release. All samples have been assayed at SGS Laboratory in Ulaanbaatar, Mongolia. In addition to internal checks by SGS Laboratory, the Company incorporates a QA/QC sample protocol utilizing prepared standards and blanks. All samples undergo standard fire assay analysis for gold and ICP-OES (Inductively Coupled Plasma Optical Emission Spectroscopy) analysis for 33 additional elements. For samples that initially return a grade greater than 5 g/t gold, additional screen-metallic gold analysis is carried out which provides a weighted average gold grade from fire assay analysis of the entire +75 micron fraction and three 30-gram samples of the -75 micron fraction from a 500 gram sample.

Erdene's drill core sampling protocol consisted of collection of samples over 1 or 2 metre intervals (depending on the lithology and style of mineralization) over the entire length of the drill hole, excluding minor post-mineral lithologies and un-mineralized granitoids. Sample intervals were based on meterage, not geological controls, or mineralization. All drill core was cut in half with a diamond saw, with half of the core placed in sample bags and the remaining half securely retained in core boxes at Erdene's Bayan Khundii exploration camp. All samples were organized into batches of 30 including a commercially prepared standard, blank and either a field duplicate, consisting of two quarter-core

¹ For details of the Mineral Resources see Erdene's Q2/2021 results press release, dated August 16, 2021, and the Company's Q2 2021 MD&A, available on the Company's website or SEDAR.

² M&I: 232,700 ounces of 2.39 g/t gold Measured and 352,400 ounces of 2.08 g/t gold Indicated

³ P&P: 165,000 ounces of 4.4 g/t gold Proven and 256,000 ounces of 3.4 g/t gold Probable; For details of the Mineral Reserves see Khundii Gold Project NI 43-101 Technical Report, Tetra Tech December 4, 2019 available on the Company's website or SEDAR

intervals, or a laboratory duplicate. Sample batches were periodically shipped directly to SGS in Ulaanbaatar via Erdene's logistical contractor, Monrud Co. Ltd.

Reported intervals are apparent thicknesses, i.e. downhole widths. The current Ulaan drill holes are all dipping at 85 degrees and oriented to intersect SW dipping WNW trending gold bearing veins. Additional study is required to confirm true widths. Reported grades for intervals are weighted averages based on length of sampling intervals. No top cut has been applied; however, all intervals greater than 10 g/t gold and 100 g/t gold are reported individually for clarity

Forward-Looking Statements

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

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

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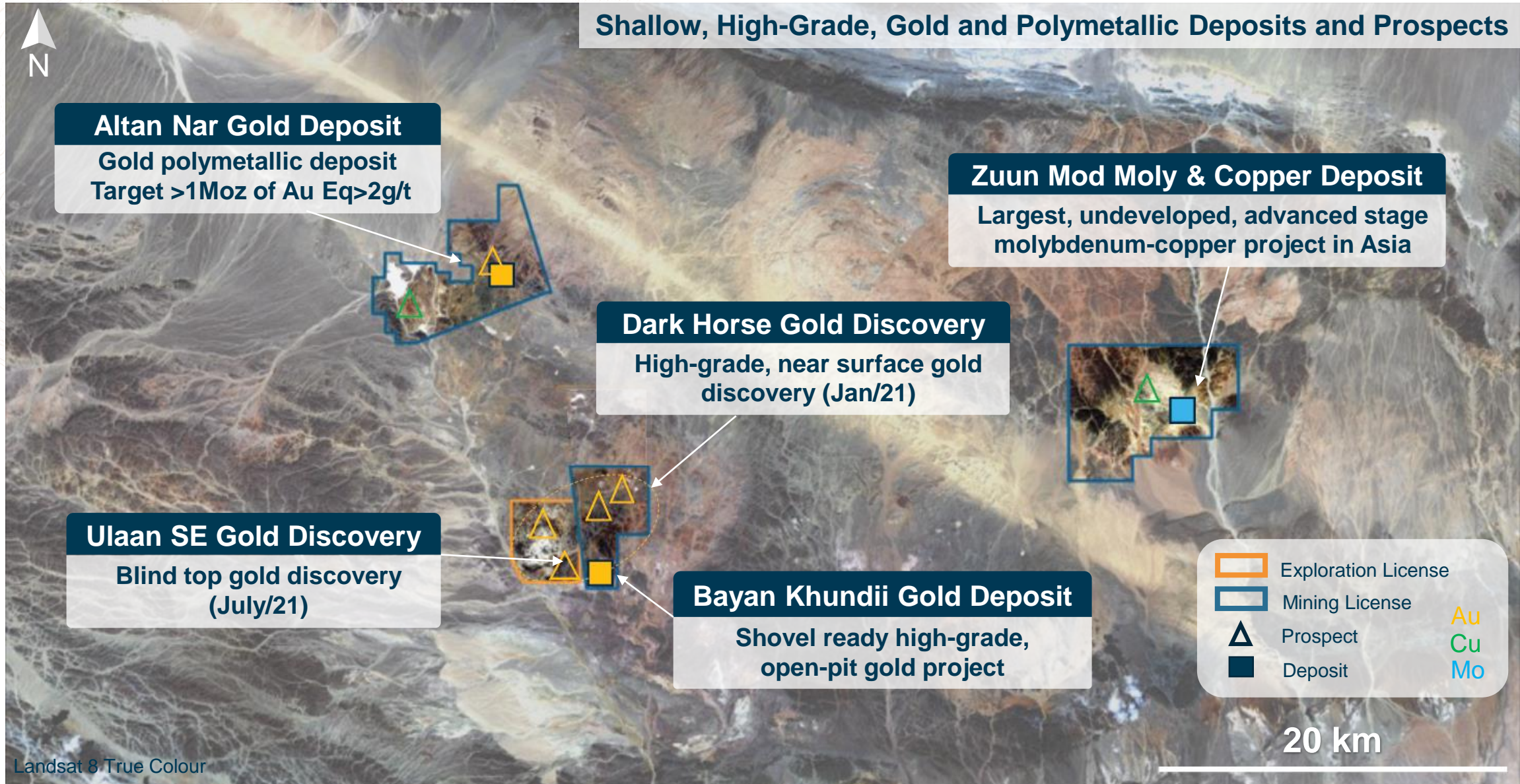
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KHUNDII MINERALS DISTRICT – MULTI-MILLION OUNCE POTENTIAL

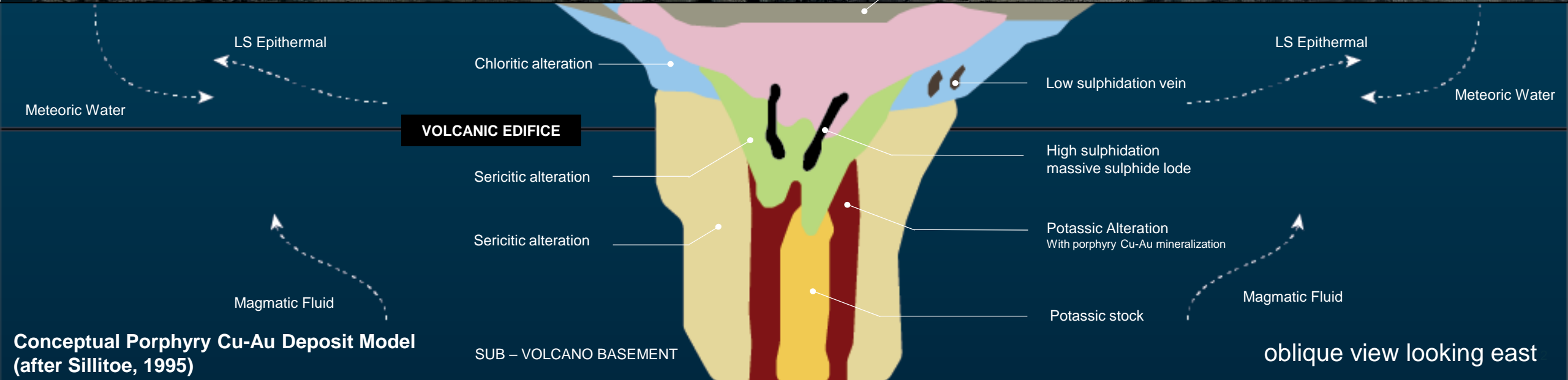
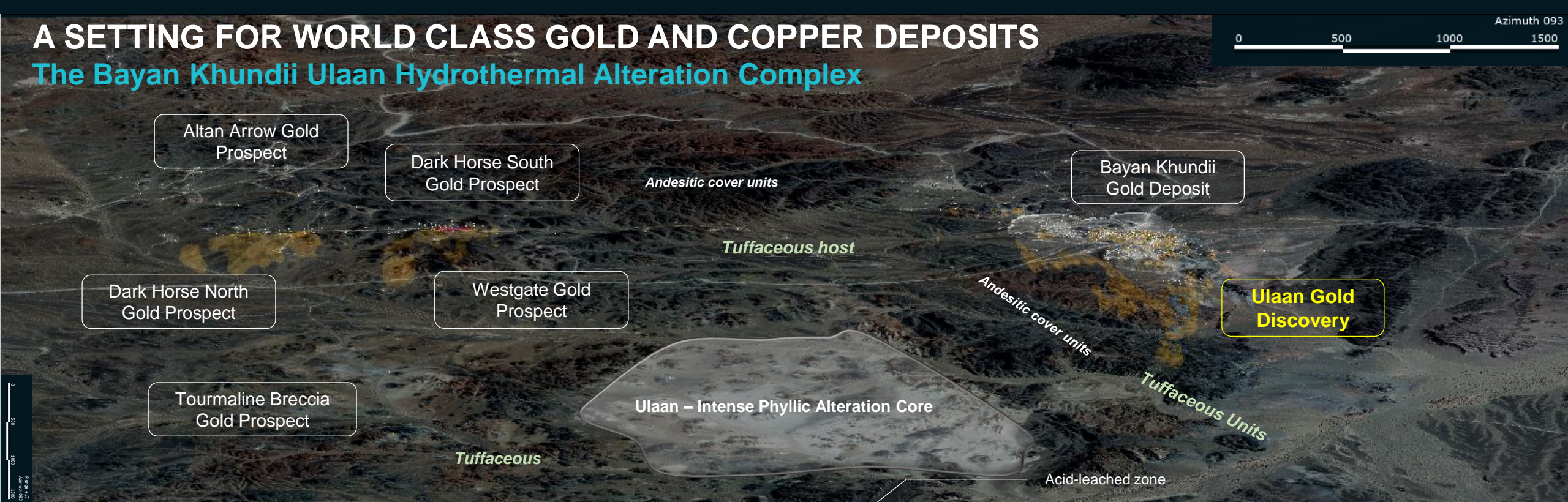
Four Gold Discoveries, Molybdenum Copper Deposit & Multiple High-Priority Targets



A SETTING FOR WORLD CLASS GOLD AND COPPER DEPOSITS

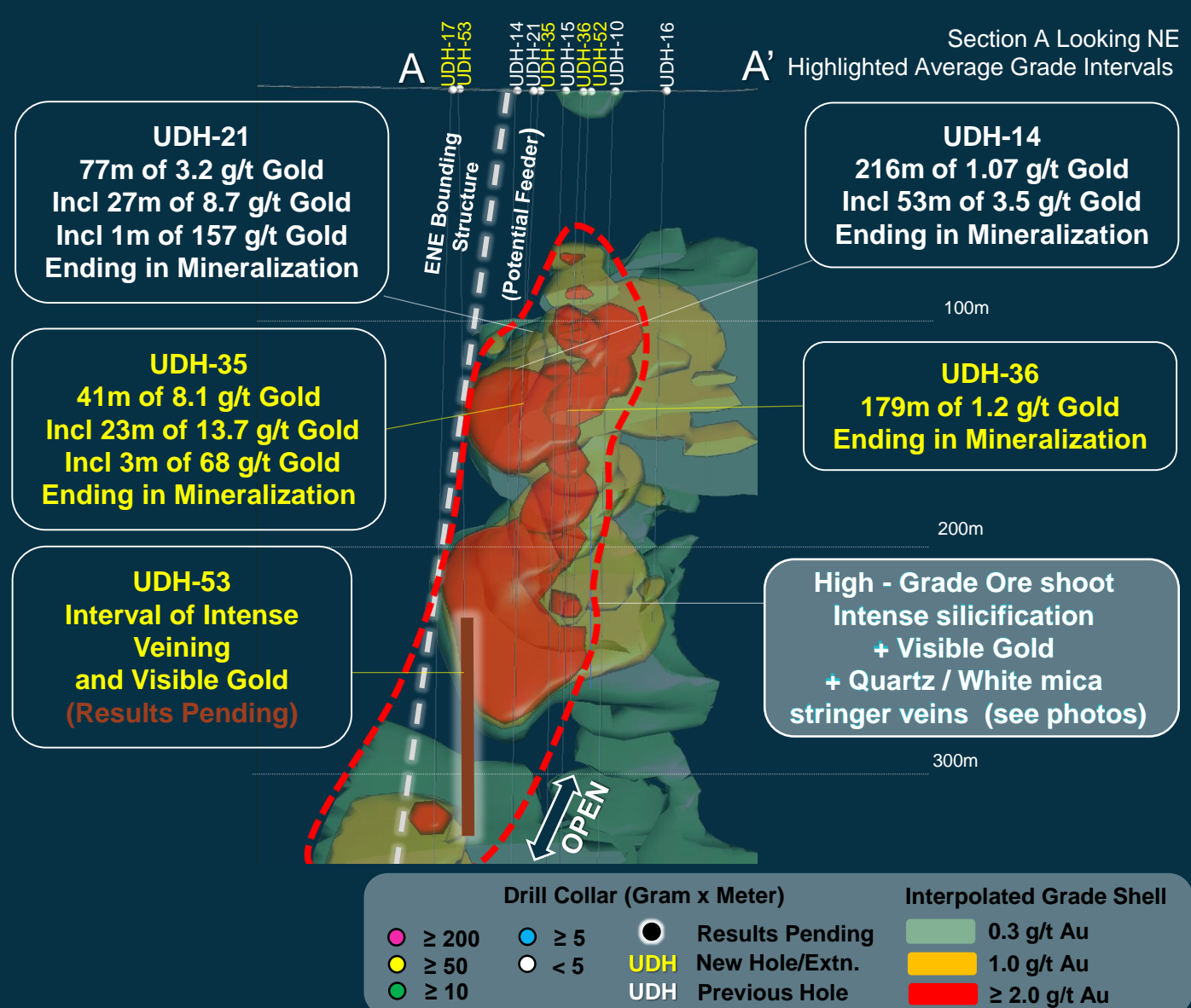
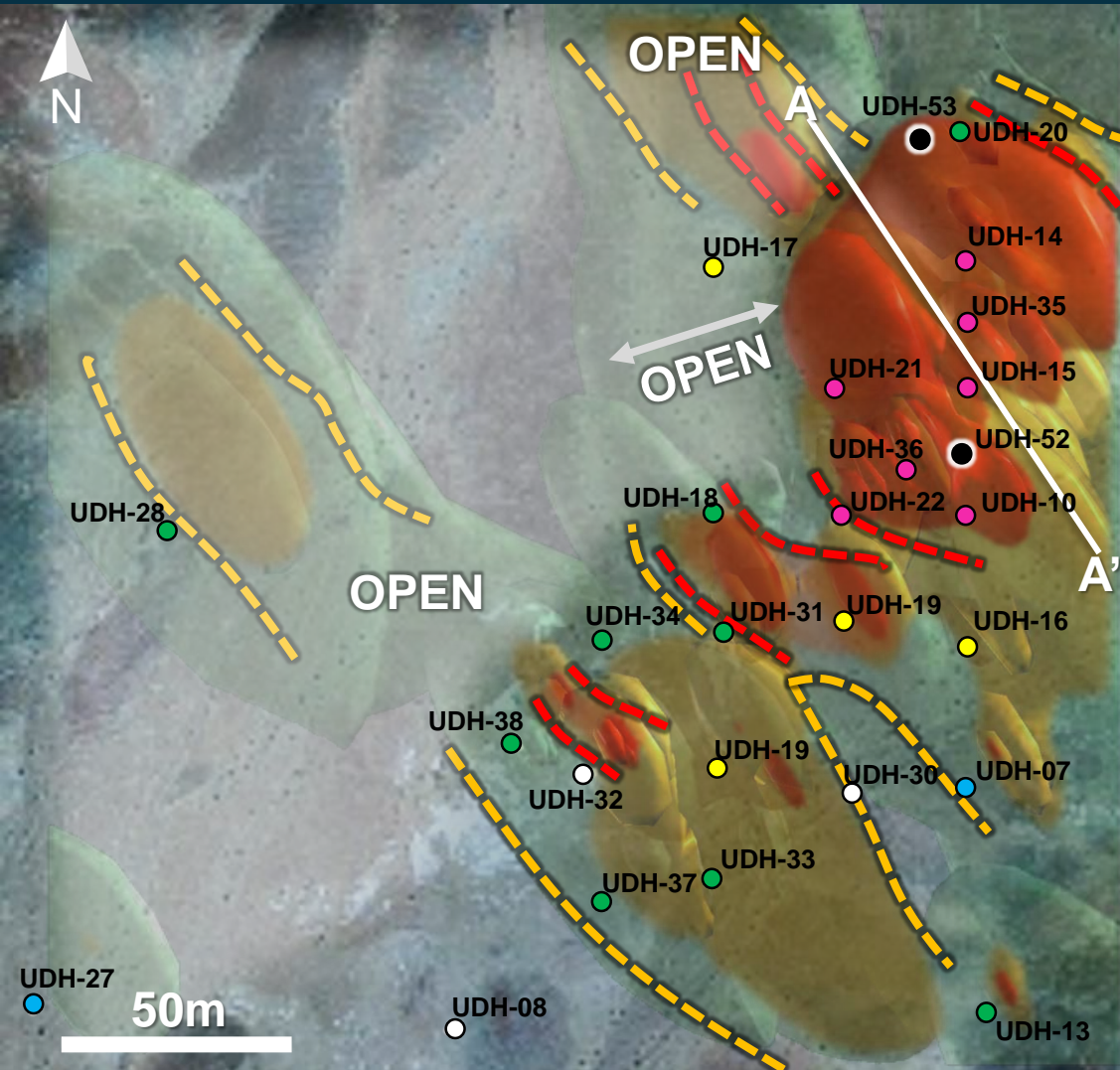
The Bayan Khundii Ulaan Hydrothermal Alteration Complex

0 500 1000 1500 Azimuth 093



ULAAN SOUTHEAST GOLD DISCOVERY: Q2 2022 DRILLING DEFINES HIGH-GRADE STRUCTURE

UDH-35 intersects 8 g/t gold over 41 metres, including 68 g/t gold over 3 metres



HIGH-GRADE STRUCTURE – INTERPRETED FEEDER ZONE

UDH-35 Core Photos – 3 metres averaging 68 g/t gold

208.7m

10cm sugary comb quartz-white mica vein, abundant VG

210.3m

10cm sugary comb quartz & white mica matrix breccia, trace VG

209.4m

10cm sugary comb quartz-white mica vein, abundant fine VG

209.6m

Lapilli tuff host intense silica-adularia-white mica altered cut by quartz-white mica stringer veins with VG

210.9m

Sugary comb quartz-white mica vein with abundant VG cut by white mica matrixed