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BAYAN KHUNDII GOLD PROJECT

Updated Feasibility Study Results
August 15, 2023



www.erdene.com

FORWARD LOOKING STATEMENTS

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

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

Readers are cautioned that forward-looking information and statements are not guarantees of future performance. There can be no assurance that such information and statements will prove to be accurate and actual results and future events could differ materially from those presented in such information and statements. Forward-looking information and statements is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information and statements. Such risks include, but are not limited to, the volatility of the price of gold, uncertainty of mineral resources, exploration potential, mineral grades and mineral recovery estimates, delays in exploration and development plans, insufficient capital to complete development and exploration plans, risks inherent with mineral acquisitions, delays in obtaining government approvals or permits, financing of additional capital requirements, commercial viability of mineral deposits, cost of exploration and development programs, risks associated with competition in the mining industry, risks associated with the ability to retain key executives and personnel, the impact of COVID-19, title disputes and other claims, changes in governmental and environmental regulation that results in increased costs, cost of environmental expenditures and potential environmental liabilities, accidents and labour disputes. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information and statements. Please see the Company's Annual Information Form dated March 22, 2023 available on the Company's website at www.erdene.com or on the Company's SEDAR profile at www.sedar.com, for details of other risks facing the Company. The Company disclaims any intention or obligation to update or revise any forward-looking information and statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

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

BAYAN KHUNDII GOLD PROJECT UPDATED FEASIBILITY STUDY

Highlights



Gold Reserves
513,700 ounces

Average Head Grade
4.0 g/t Au

Average Annual Production
86,900 ounces
(years 2-5)

After-Tax NPV_{5%}
US\$170M
(\$1,800 oz/Au)

Strategic Partner
Mongolian Mining Corporation

Fully Permitted
for Construction

Capital Expenditures
US\$ 100M

Target First Gold
Early 2025



BAYAN KHUNDII GOLD PROJECT UPDATED FEASIBILITY STUDY

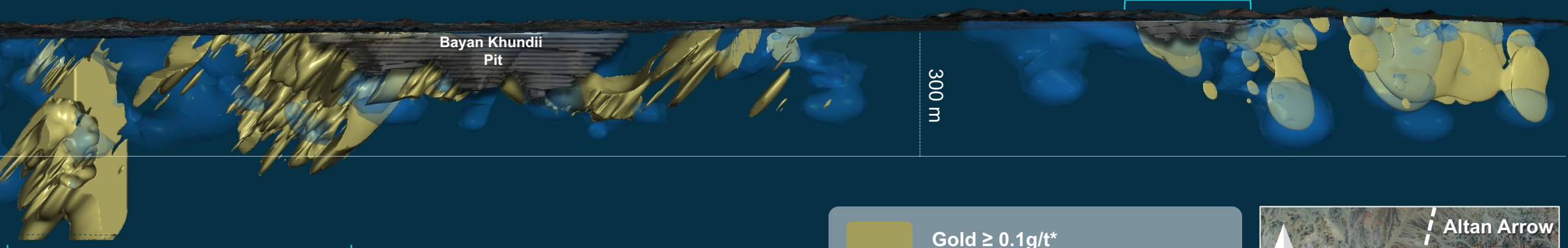
Underpinned by BK and DH Reserves With Multiple Opportunities for Growth



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

Bayan Khundii Economic Pit
CIP Plant


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




Bayan Khundii Pit

300 m

Bayan Khundii West Resources:
Striker West & Ulaan

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

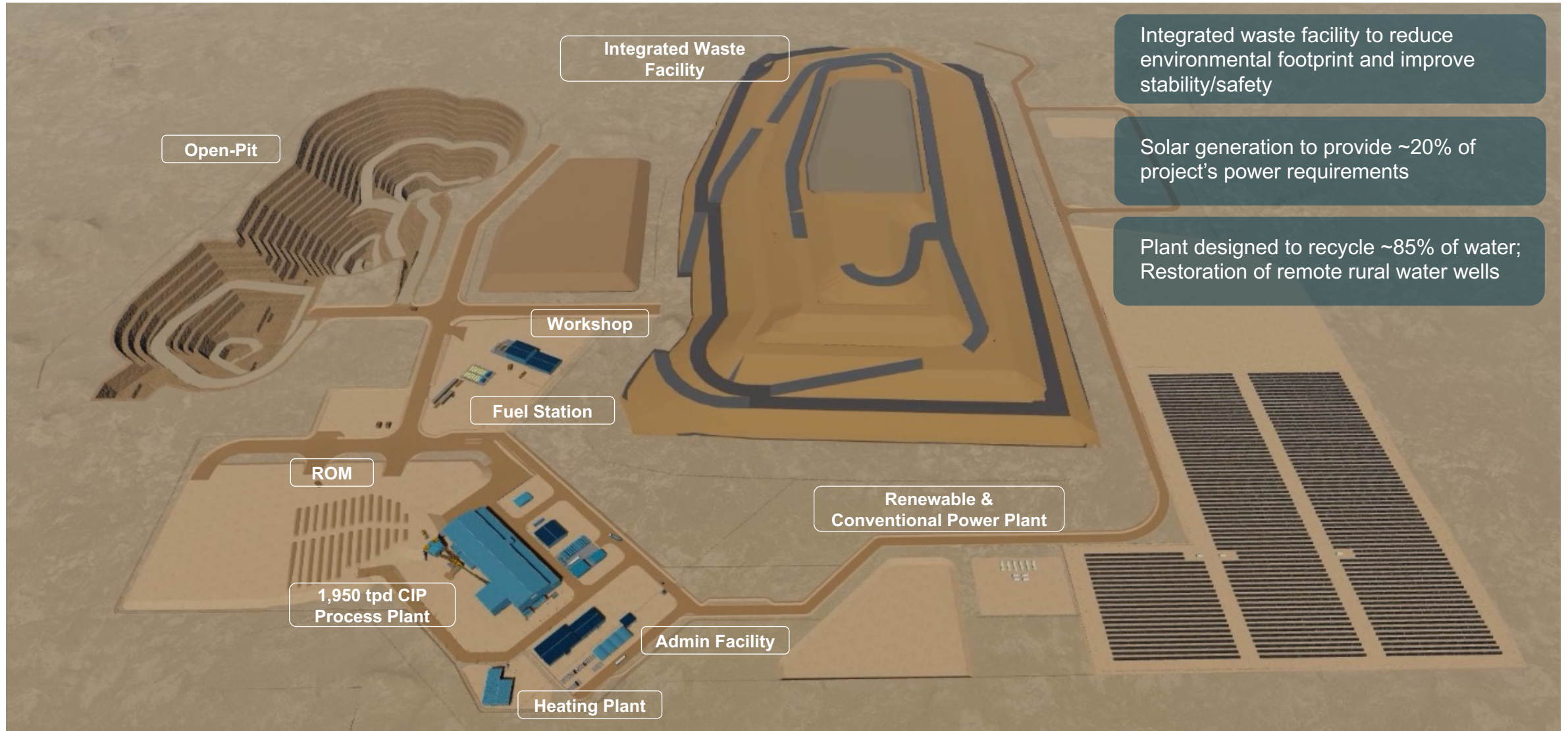
 Anomalous Indicator*
($\pm\text{Sb}$, As, Qtz Veining, Alteration)

*Based on drill result interpolation only



BAYAN KHUNDII GOLD PROJECT UPDATED FEASIBILITY STUDY

Plant and Supporting Infrastructure Optimized to Support Higher Throughput



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

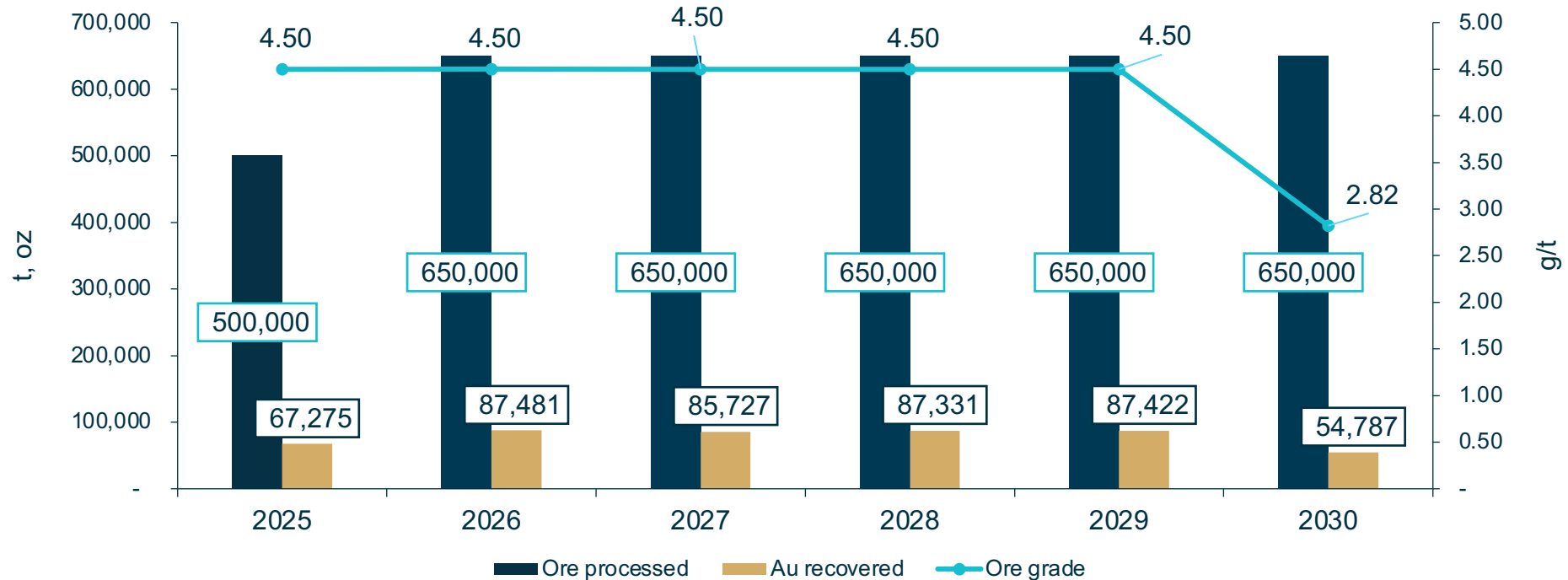
Solar generation to provide ~20% of project's power requirements

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

BAYAN KHUNDII GOLD PROJECT UPDATED FEASIBILITY STUDY

25% Increase in Recovered Gold Compared to 2020 Study

Bayan Khundii			Dark Horse		=	Total	
Ore	- 3.8Mt	+	Ore	- 0.2Mt	=	Ore	- 4.0Mt
Grade	- 3.8 g/t Au		Grade	- 7.0 g/t Au		Grade	- 4.0 g/t
Recovery	- 93%		Recovery	- 89%		Recovery	- 93%
Recovered gold	- 432,000 oz		Recovered gold	- 44,000 oz		Recovered gold	- 476,000 oz

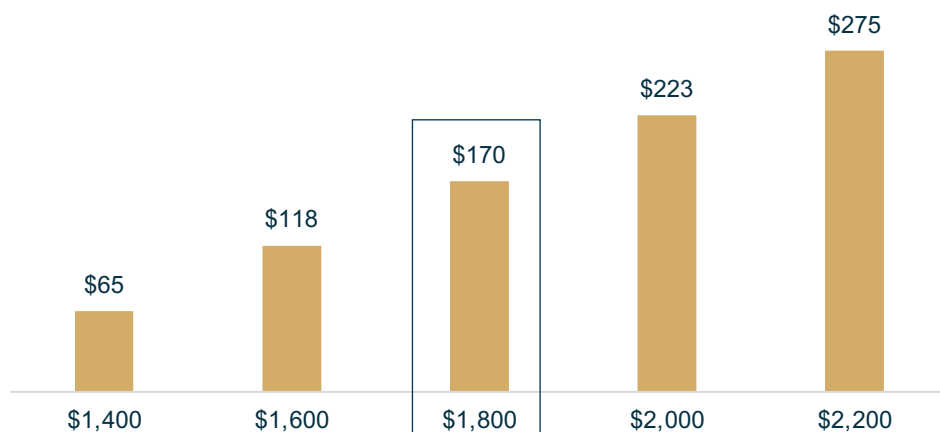


BAYAN KHUNDII GOLD PROJECT UPDATED FEASIBILITY STUDY

Exposure to Higher Gold Prices and Resilience to Increased Costs



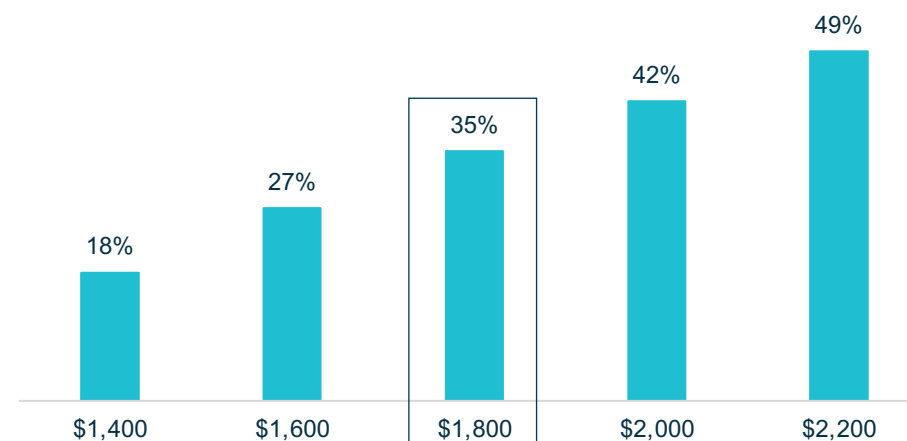
NPV5% SENSITIVITY TO GOLD PRICE US\$



Gold Price US\$

FS Base Case

IRR SENSITIVITY TO GOLD PRICE US\$

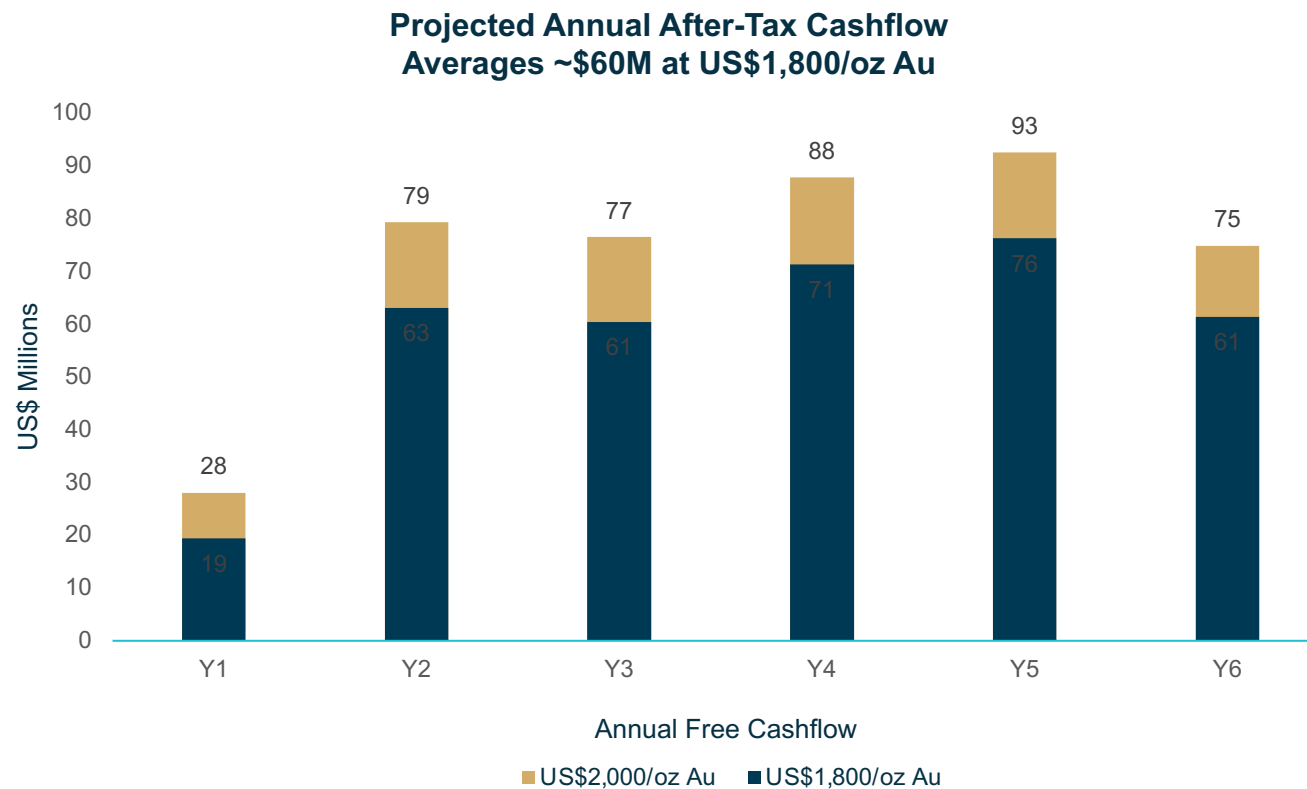


Gold Price US\$

FS Base Case

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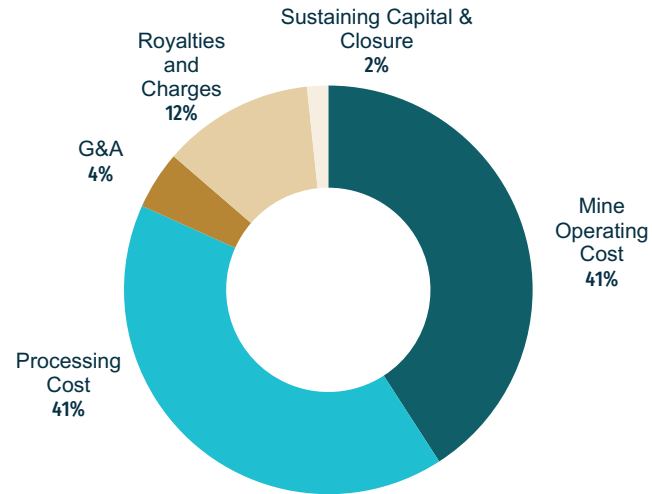
Averaging \$60M of Free Cash Flow Per Annum Under Base Case and over \$80M at \$2,000/oz Au



BAYAN KHUNDII GOLD PROJECT UPDATED FEASIBILITY STUDY

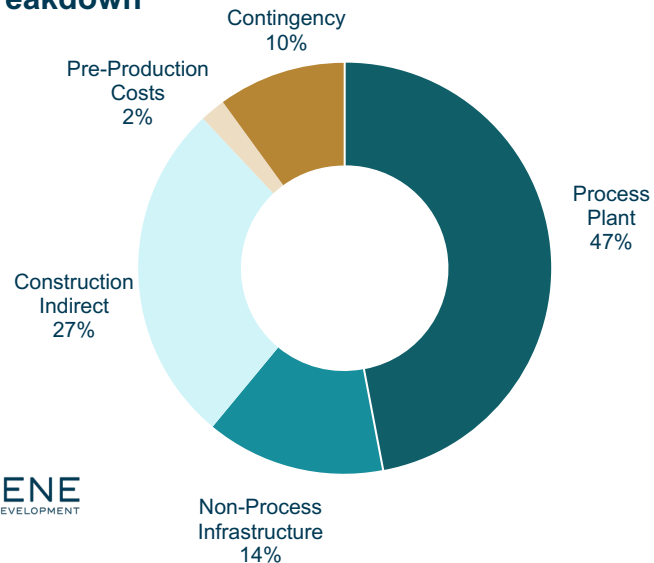
Operating in a Lower Cost Jurisdiction

Operating Cost Breakdown



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

Capital Cost Breakdown



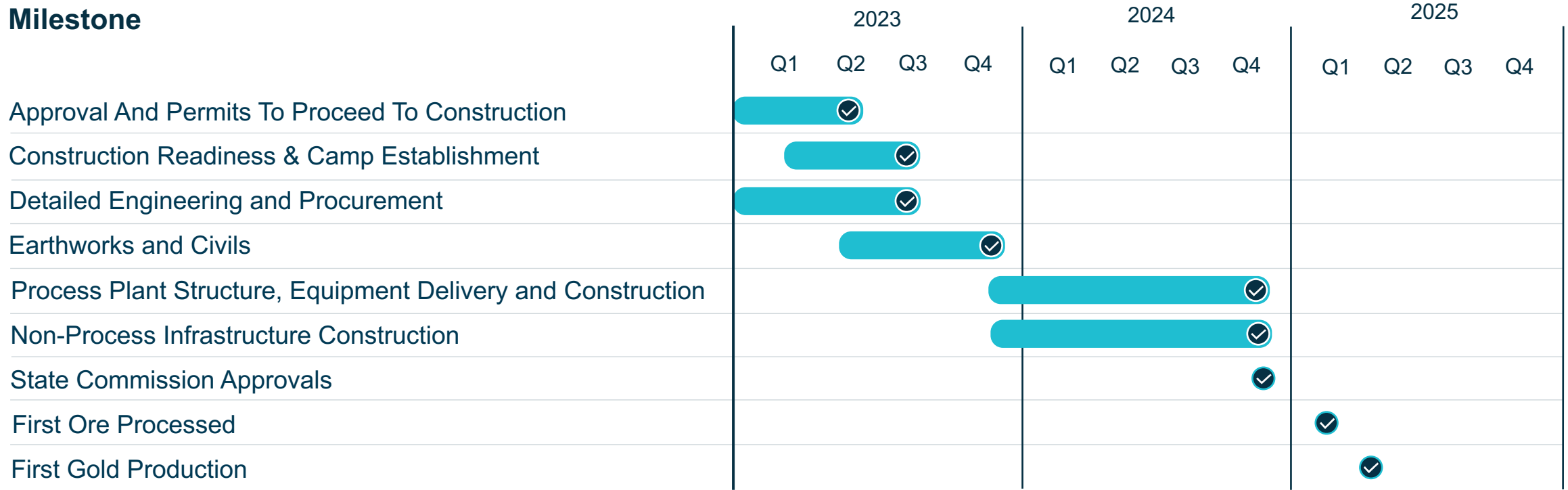
Capital Costs	US\$ million
Process Plant	\$47
Non-Process Infrastructure	\$14
Construction Indirects	\$27
Construction Costs	\$88
Pre-Production Costs	\$2
Contingency (12%)	\$10
Total Construction Costs	\$100

BAYAN KHUNDII GOLD PROJECT UPDATED FEASIBILITY STUDY

Targeting First Gold in 2025



Milestone



✓ Completion date