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DEVELOPING A NEW HIGH GRADE GOLD DISTRICT


Q2 2019

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 Erdene Resource Development Corp.

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FORWARD LOOKING STATEMENTS

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This presentation contains certain forward-looking information and statements which may not be based on fact, including without limitation, statements regarding 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 Khundii 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. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking information and statements. Such factors include, but are not limited to, fluctuations in the price of gold and other commodities, the inability of the Company to raise sufficient monies to carry out its business plan, changes in government legislation, taxation, controls, regulations and political or economic developments in Mongolia, the accuracy of the Company's current estimates of mineral resources and mineral grades and its preliminary economic assessment, the accuracy of the geology and vein structures at the Khundii Project, risks associated with mining or development activities, including the ability to procure equipment and supplies, including, without limitation, drill rigs, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits. Many of these uncertainties and contingencies can affect the Company's actual performance and could cause actual performance to differ materially from those expressed or implied in any forward-looking information and statements made by, or on behalf of, the Company.

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, 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 26, 2018 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.

Michael MacDonald, P.Geo. (Nova Scotia), Vice President of Exploration 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.

WHAT MAKES ERDENE UNIQUE?

EXPLORATION UPSIDE IN EMERGING GOLD DISTRICT

- Multi million dollar regional exploration program has generated the largest propriety database for the region
- Generated 2 high grade gold deposits and 22 high quality targets

NEAR TERM CASH FLOW FROM KHUNDII GOLD PROJECT

- High grade: 3x global average open-pit grade¹
- High IRR: 56% after tax (gold price \$1,200)
- High return: Payback 2 years with CAPEX of \$32M

STRONG SOCIAL LICENSE TO OPERATE

- 20 years of experience in Mongolia
- First dual listed company on the MSE
- Over 6000 Mongolian shareholders

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1. Measured and Indicated Resource of 642,000 ounces gold @ 3.7 g/t gold

ERDENE AND MONGOLIA

Active in
Mongolia since
2002; its
principals since
1997

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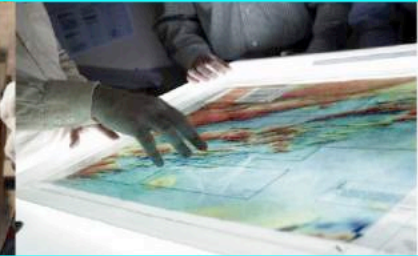
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Strong technical and social license to operate



Principals in
Mongolia since 1997

Largest proprietary
technical database



First company
cross-listed on
the MSE

Over 6,800
Mongolian
shareholders



BOARD OF DIRECTORS

Pioneers in Mongolia's modern exploration & mining era

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Pioneers in Mongolia's modern exploration period

Peter Akerley
President & CEO



Mining executive/geologist with 25+ years experience in mineral exploration, corporate finance, project development & management of publicly listed resource companies.

Chris Cowan
Chairman



Mining executive/engineer with 40+ years in senior industry positions, including 28 years with Falconbridge in a variety of senior management and board positions.

Dr. Anna Biolik
Director



One of the foremost Canadian experts on Central Asian business and diplomacy. Former Canadian Ambassador to Mongolia, Kazakhstan, Kyrgyzstan & Tajikistan.

David Mosher
Director



Geologist/mining executive with 35 years international experience. Former President & CEO of High River Gold Mines where he developed gold mines in Burkina Faso and Russia.

John Byrne
Director



Finance industry professional with 30+ years experience in Canadian banking industry. President of Petroleum Corp of Canada Exploration since 1997.

Layton Croft
Director



Corporate executive, 23 years Mongolia experience, with 14 years in mining sector, including with Ivanhoe Mines, Rio Tinto, SouthGobi Resources, Peabody Energy, Duke Energy and Pancontinental Gold.

Cameron McRae
Director



Mining industry executive, 28 with Rio Tinto, including as President of Oyu Tolgoi LLC where he led the construction and start-up of the US\$6 billion Oyu Tolgoi copper-gold mine in southern Mongolia.

MONGOLIA'S MINING SECTOR

Mining's contribution to Mongolia's economy:

22% of GDP

80% of exports

30% of national budget revenue

70% of FDI

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Mining driven growth



6.9% GDP growth



25% Corporate income tax



5% Royalty on gold



Gold-2 program support



Tender/licensing system opening



Recent economic reforms

Development and permitting precedence

Boroo Gold Mine 1.4M oz (Centerra Gold)	(2000)	(2004)	(2004-14)	(2014)
	Stability agreement	Started production	Annual production 50-200K oz	Exhaust ore, closes mine
Oyu Tolgoi 10.4M oz Au, 23.9B lb Cu (Rio Tinto)	(2001)	(2009)	(2009-12)	(2012)
	Discovered by Ivanhoe Mines	Investment agreement signed	Construction CAPEX- \$4.6B	Open pit production began
Golden Hills 0.5M oz Au (Kerry Mining)	early 2000's	(2010)	(2011-14)	(2014)
	Discovered by QGX	Development decision by Kerry Mining	Construction CAPEX- \$40M	Production began

MONGOLIA'S EMERGING MINING DISTRICT

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Rapidly expanding infrastructure in southern Mongolia



KHUNDII GOLD PROJECT PEA HIGHLIGHTS MINERAL RESOURCES

84% of resources incorporated in the PEA are Measured and Indicated

Multiple targets on Erdene's licenses to **expand resources**

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Resources

Khundii project NI 43-101 resource estimate of 642 koz gold @ 3.7 g/t gold in Measured & Indicated, with 250 koz gold @ 2.3 g/t in Inferred (1.4 g/t cut-off)

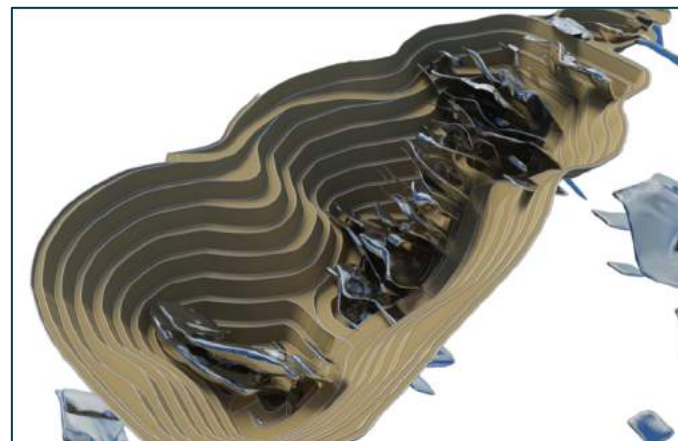
Mineable PEA resources include 4.6Mt at an average diluted head grade of 3.42 g/t for 506 koz gold

98% of the Bayan Khundii resource is Measured & Indicated

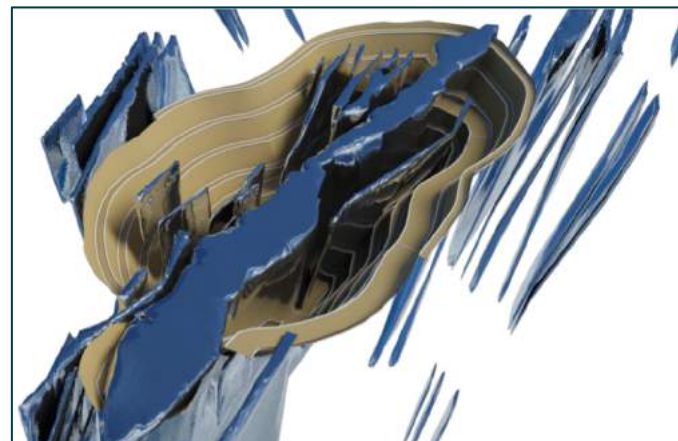
70% of the Altan Nar resource is Measured & Indicated

70% of the potential ore at Bayan Khundii is within 100m of surface

Multiple high potential targets on the Bayan Khundii license close to the pit



Bayan Khundii high-grade loads



Altan Nar high-grade loads

1. See Company's September 18, 2018 news release for more detailed information pertaining to the mineral resource estimate

ERDENE'S KHUNDII DISTRICT DEPOSITS

642,000 ounces
gold @ 3.7 g/t
gold in Measured
and Indicated

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Erdene's Khundii gold district resource estimate ¹

Cut-off grade ⁽²⁾	Resource classification	Quantity (Mt)	Gold grade (g/t)	Gold ounces (000)	AuEq grade (g/t)	AuEq ounces (000)
0.2	Measured & Indicated	23.6	1.2	904	1.4	1,046
	Inferred	16.8	0.8	416	1.0	511
0.4	Measured & Indicated	15.1	1.7	824	2.0	965
	Inferred	8.6	1.2	342	1.6	436
0.6 / 0.7 ⁽³⁾	Measured & Indicated	10.1	2.3	751	2.7	886
	Inferred	5.2	1.8	291	2.3	382
1.0	Measured & Indicated	6.8	3.1	678	3.7	803
	Inferred	3.9	2.1	261	2.9	349
1.4	Measured & Indicated	5.5	3.7	642	4.3	755
	Inferred	3.4	2.3	250	3.0	333

1. Combined resources from Bayan Khundii and Altan Nar. See slides 22 and 27 for more detail.
2. Cut-off grades for Altan Nar are AuEq and for Bayan Khundii are gold only.
3. RPMGlobal recommended cut-off grade for Bayan Khundii is 0.6 g/t gold and Altan Nar is 0.7 g/t AuEq above a pit and 1.4 g/t AuEq below the same pit shell.

KHUNDII GOLD PROJECT PEA HIGHLIGHTS

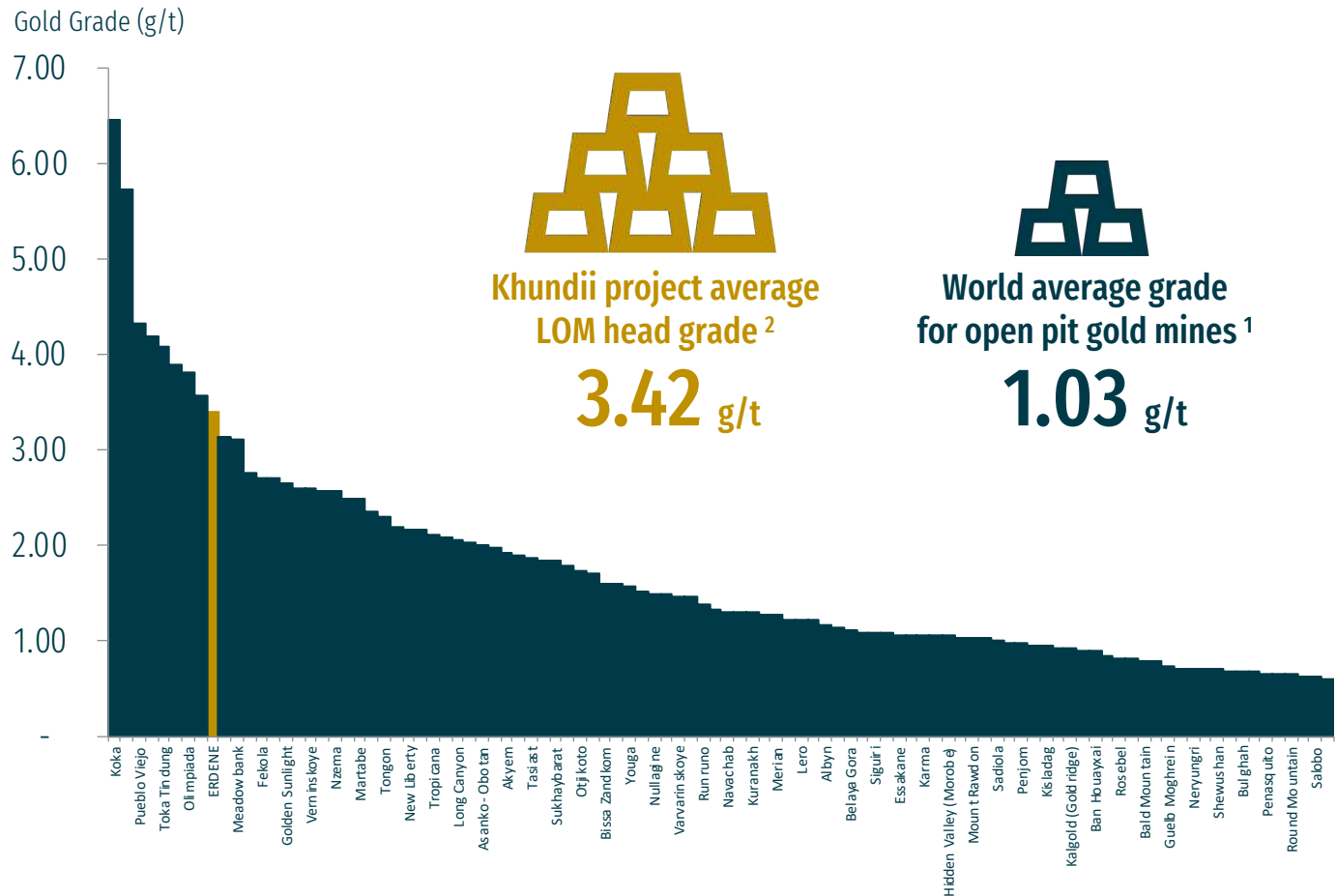
LOM gold grade
is in the **top**
decile of active
open pit gold
mines ²

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Triple the average grade for open pit gold mines

Top 100 global open pit gold mines ¹



1. Source: Wood MacKenzie Global Gold Mine Cost database for open pit gold mines, August 2018
2. Refer to Erdene's news release dated December 18, 2018 for additional information on the results of the Preliminary Economic Assessment.

KHUNDII GOLD PROJECT PEA HIGHLIGHTS KEY TECHNICAL ASSUMPTIONS

600 ktpa mine open
pit mine

Carbon in pulp
processing

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Open-pit mining and conventional processing

Open-pit operation

Beginning at Bayan Khundii
before incorporating resources
from Altan Nar

Conventional processing

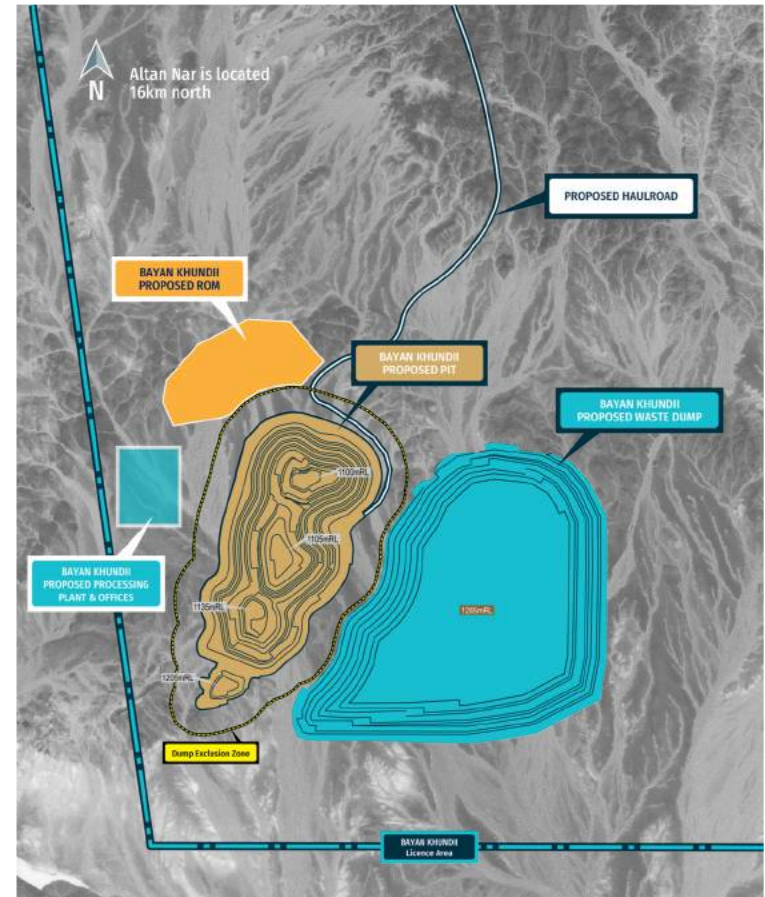
600 ktpa throughput of free-
milling ore

Simple carbon in pulp
processing plant

Low capital costs

Access to high quality Asian
manufactured plant

Readily available fleet leasing
and contract miner capability in
Mongolia



KHUNDII GOLD PROJECT PEA HIGHLIGHTS

Low capital intensity

Low operating cost

Rapid payback

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Preliminary economic assessment - results summary

ASSUMPTIONS

Gold price - base case US \$1200/oz

PRODUCTION PROFILE

Head grade 3.42 g/t Au
Operating mine life 8 years
Production rate per day 1,800 tonnes
Avg annual gold production 51,200 oz
Peak annual gold production 68,100 oz
Total gold production LOM 412,000 oz
Strip ratio 10.5
Avg life of mine gold recovery rate 82%
LOM cash cost plus sustaining cost (AISC) US \$714/oz

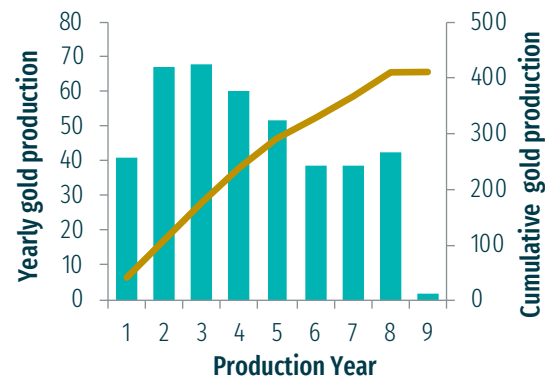
PROJECT ECONOMICS

Pre-tax NPV (5%) US \$135 mln
After-tax NPV (5%) US \$99 mln
Pre-tax IRR 70%
After-tax IRR 56%
After-tax Payback period 2 years

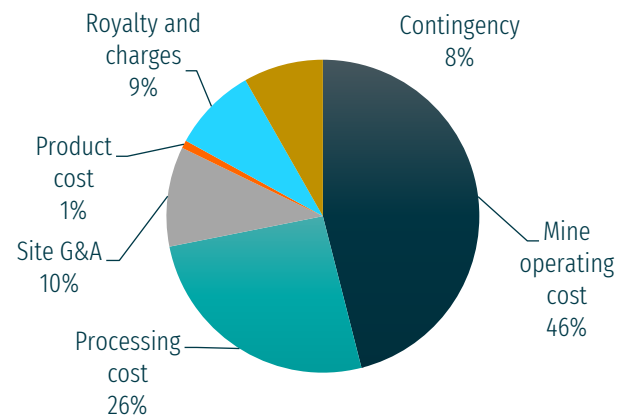
CAPITAL REQUIREMENTS

Initial capital cost, incl. 20% contingency US \$32.2 mln
LOM remaining capital cost US \$7.8 mln

GOLD PRODUCTION (KOZS)



OPERATING COSTS (\$US/oz)



KHUNDII GOLD PROJECT PEA HIGHLIGHTS CAPITAL COSTS

Total life of mine
capital of **\$40
million**

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Modest capital costs

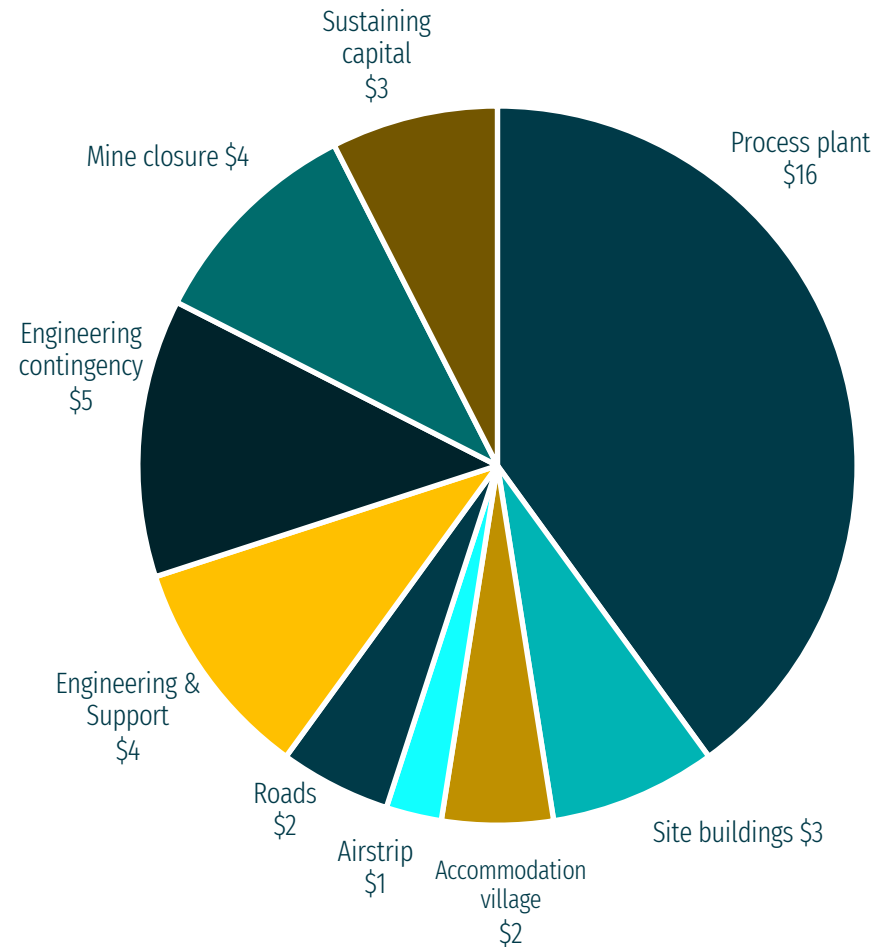
\$32 million initial capital investment

Half of the start up spend is attributable to the process plant

PEA incorporates a contract mining and a leased mining fleet

Life of mine sustaining capex of \$3 million

Mine closure expenses of \$4 million



KHUNDII GOLD PROJECT PEA HIGHLIGHTS

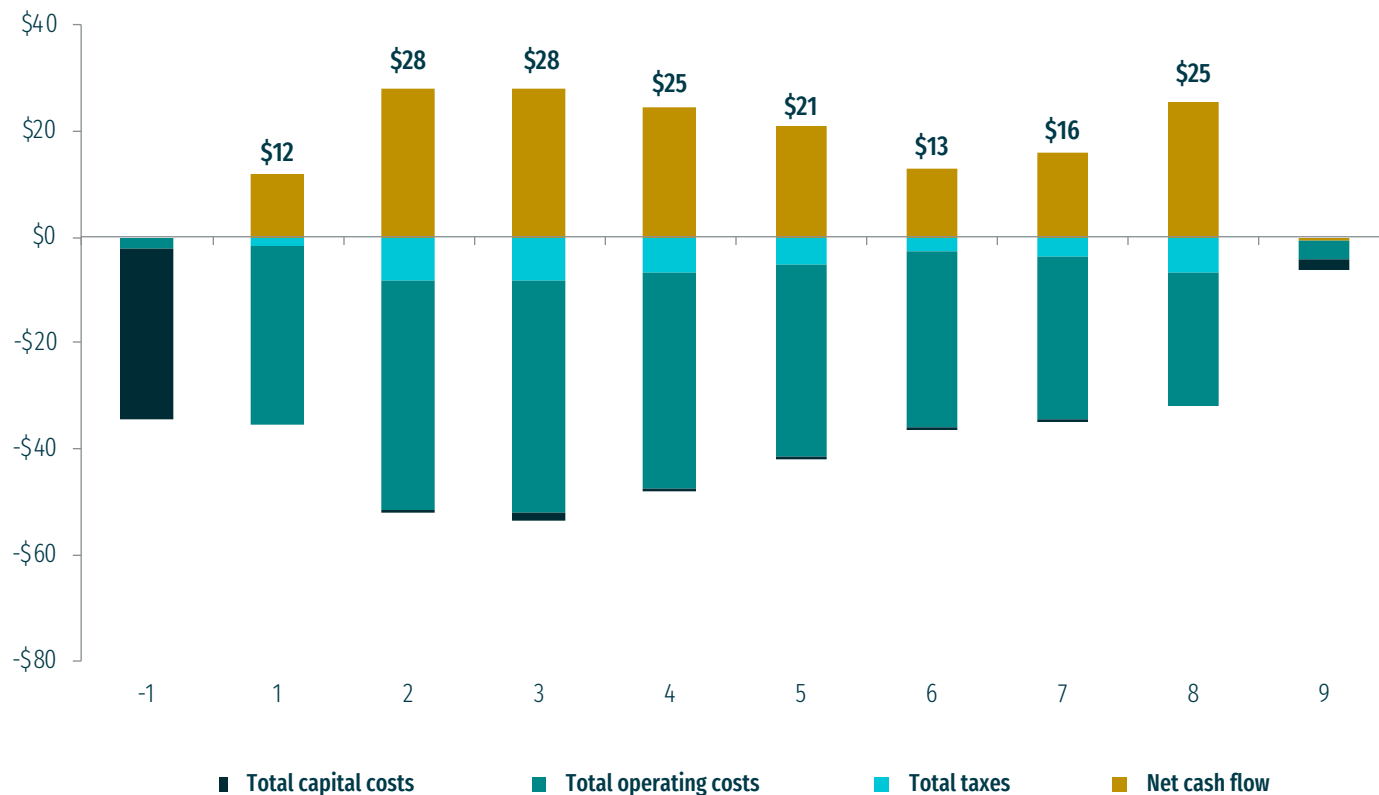
PEA demonstrates
attractive
economics

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Cash flow profile

- Payback period: 2 years
- Average LOM free cash flow: \$20M



KHUNDII GOLD PROJECT PEA HIGHLIGHTS

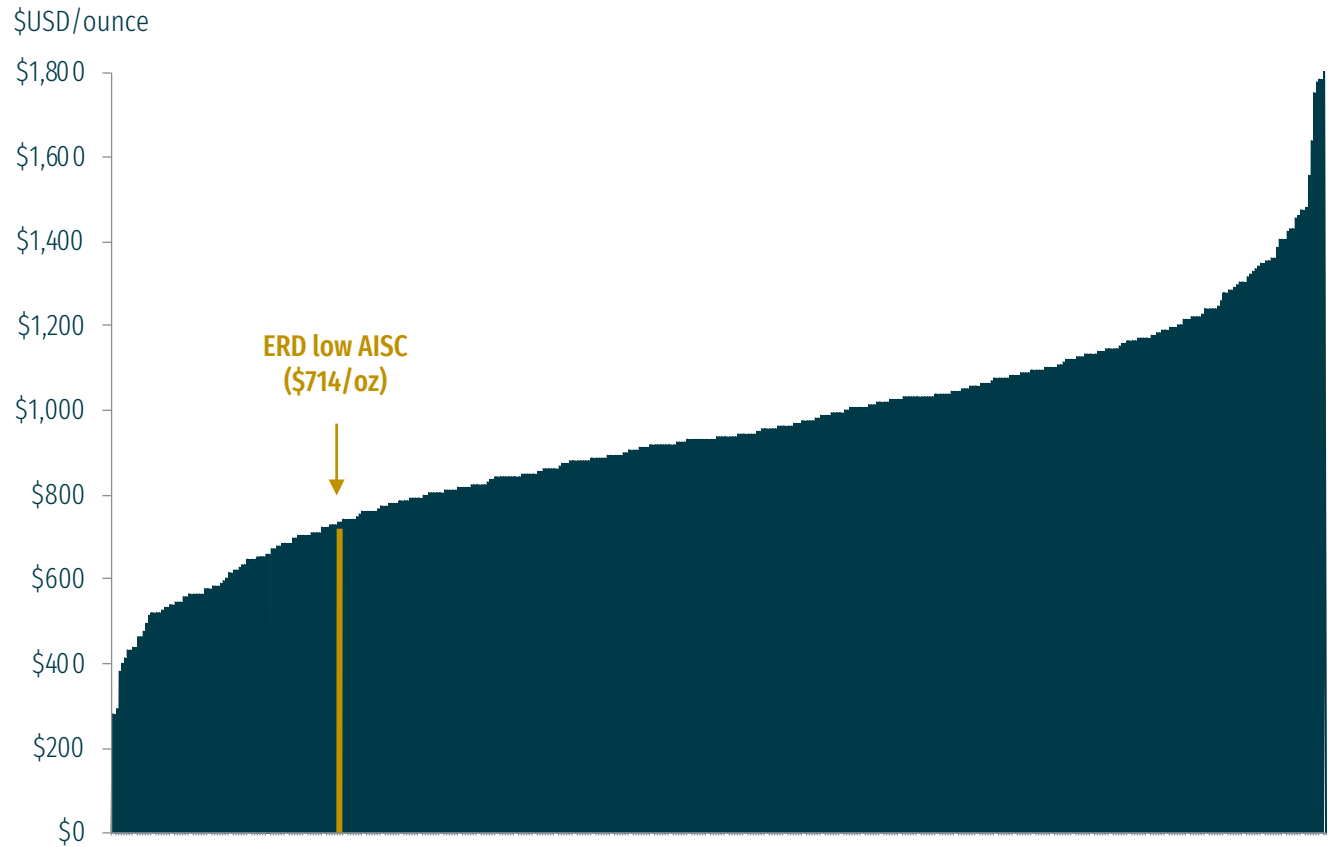
**Bottom quartile
all-in sustaining
cash cost**

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Bottom quartile cash costs

All-in sustaining cash cost for global gold mines ¹



1. Source: Wood Mackenzie global gold database for global gold mines, December 2019

KHUNDII GOLD PROJECT PEA HIGHLIGHTS

70% Pre-tax IRR

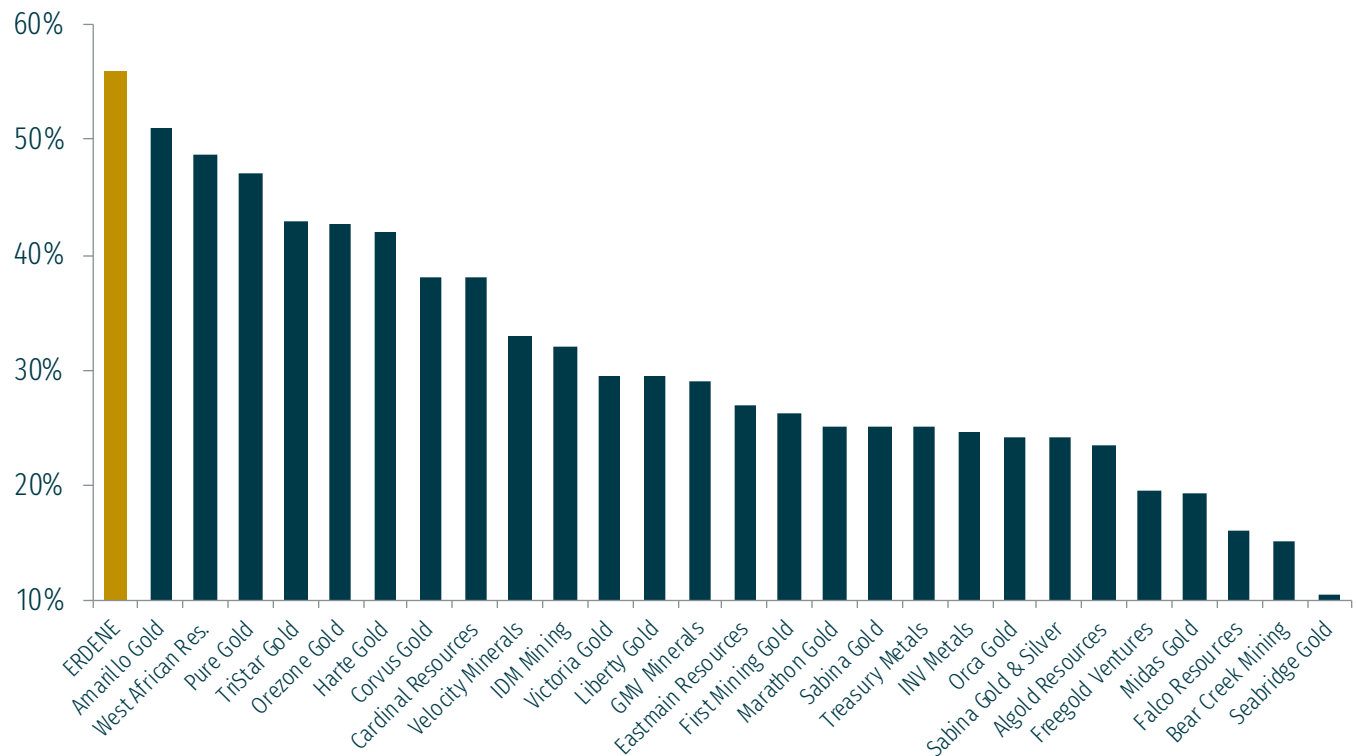
56% After-tax IRR

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Highest IRR project in peer group

After-tax IRR for pre-development stage, TSX/TSXV listed gold companies ¹



1. Source: Public company filings

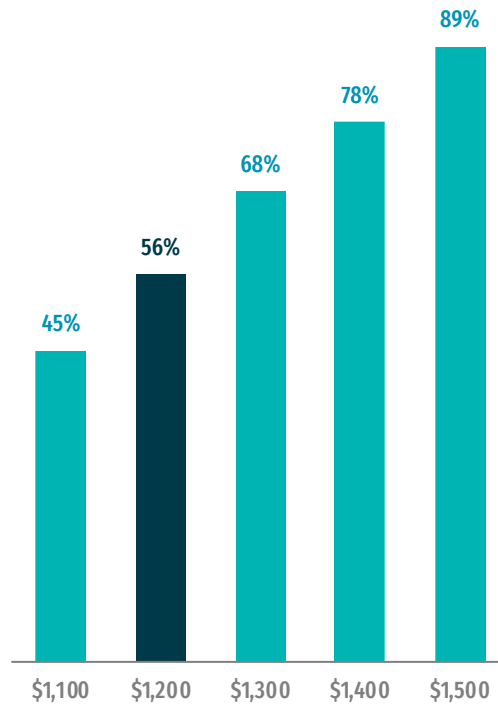
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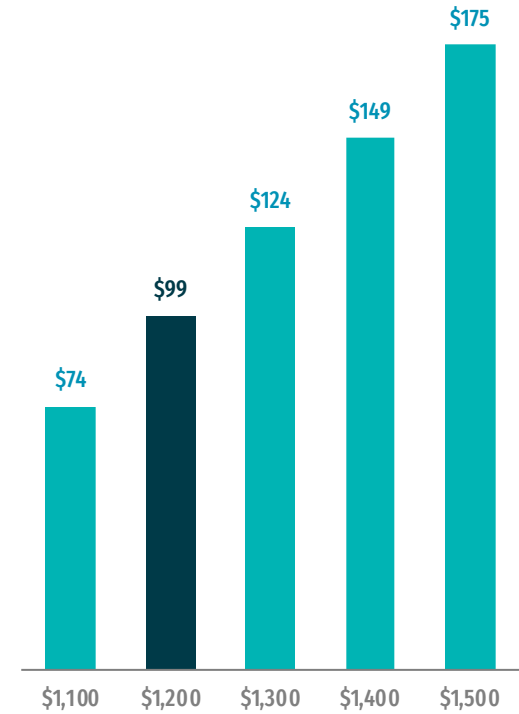
Financial sensitivity - strongly benefits from higher gold price

After-tax IRR (%)



Gold price per ounce (\$US)

After-tax NPV_{5%} (million USD)



Gold price per ounce (\$US)

KHUNDII GOLD PROJECT PEA HIGHLIGHTS ROADMAP

Refine economics and engineering and acquire key permits in 2019

Construction in 2020

First gold pour in 2021

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Development timeline



KHUNDII GOLD PROJECT PEA HIGHLIGHTS VALUE CREATION

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Levers to unlock further value

HIGHER GRADE UPSIDE

Block model is capped at 55 g/t compared to intersections up to 2,200 g/t

ADDITIONAL RESOURCES

130,000 oz of indicated resources grading over 4 g/t are outside the PEA pit walls

EXPLORATION POTENTIAL

Deposits are in highly prospective region subjected to limited exploration

LAND ACQUISITION

Expect priority targets to come to tender in 2019

GREATER RECOVERIES

Metallurgical tests have achieved recoveries of up to 99%

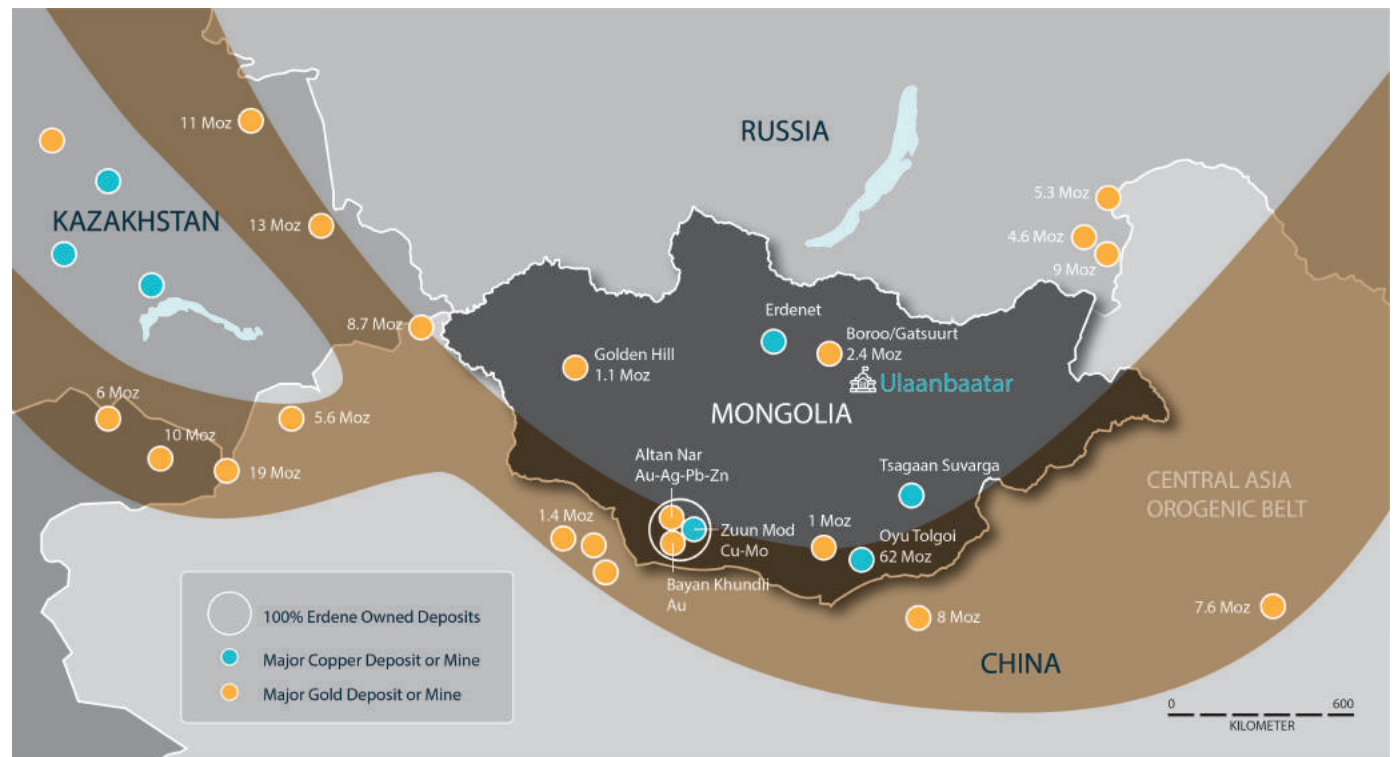
MINE PLANNING

Potential cost savings in pit and mine sequencing, haul optimization and equipment

CENTRAL ASIA OROGENIC BELT

Prolific metal belt with limited exploration in southwest Mongolia

- Central Asia Orogenic Belt includes the largest known economic gold accumulations after South Africa
- Southeast Mongolia hosts significant copper and gold deposits including Oyu Tolgoi
- Erdene is the leading prospector in under-explored southwest Mongolia and has defined two resources, several prospects and a number of targets



DISTRICT SCALE POTENTIAL

Greater than 90%
of drilling to date
focused on Bayan
Khundii and Altan
Nar projects within
150 metres of
surface

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The Khundii district - 25 x 10 km mineralized district



DISTRICT SCALE POTENTIAL

Low sulphidation
epithermal gold
deposit discovered
by ERD in 2015

High-grade and
exposed at surface

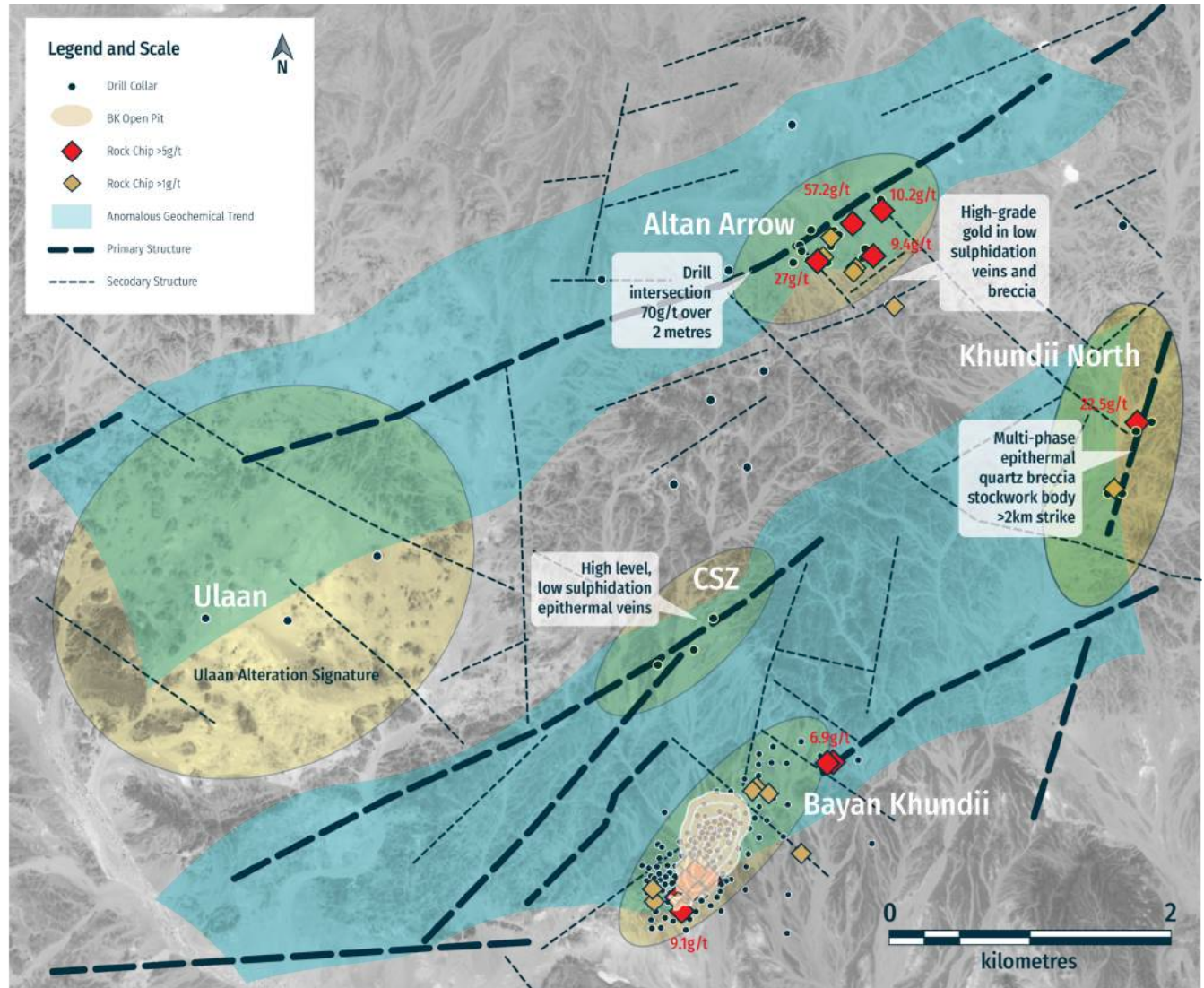
43 km of drilling in
two years

92-99% recovery and
free milling

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Multiple gold targets throughout the Khundii license



DISTRICT SCALE POTENTIAL

Bayan Khundii
deposit: ultimate
PEA pit shell

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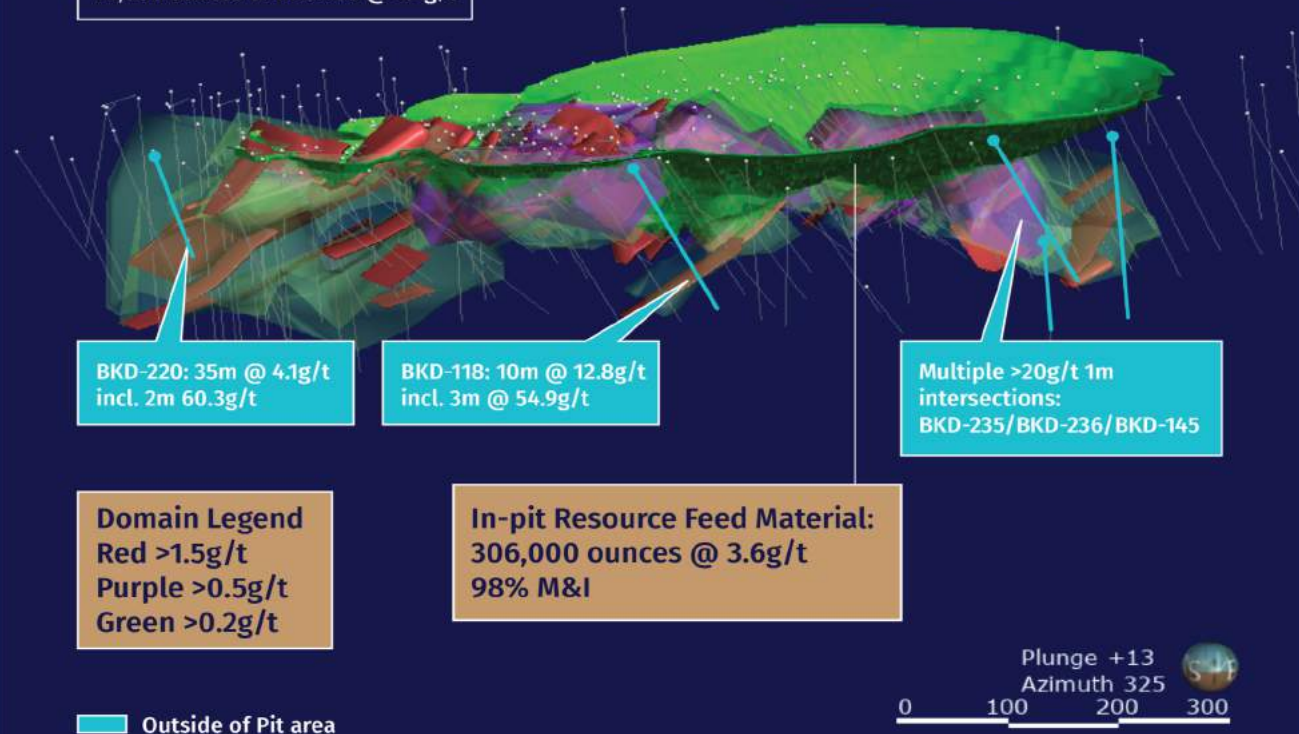
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Development opportunities beyond projected PEA open pit

BAYAN KHANDII DEPOSIT: DEVELOPMENT OPPORTUNITIES BEYOND PROJECTED PEA OPEN PIT

BK Resource @ 1.4g/t cut-off
357,000 ounces of M&I @ 5.2g/t
74,000 ounces of Inferred @ 4.4g/t

ULTIMATE PEA PIT SHELL



ALTAN NAR GOLD PROJECT

Intermediate
sulphidation
epithermal gold-
silver-lead-zinc

Discovered in 2011

18 targets over 5.6
km trend

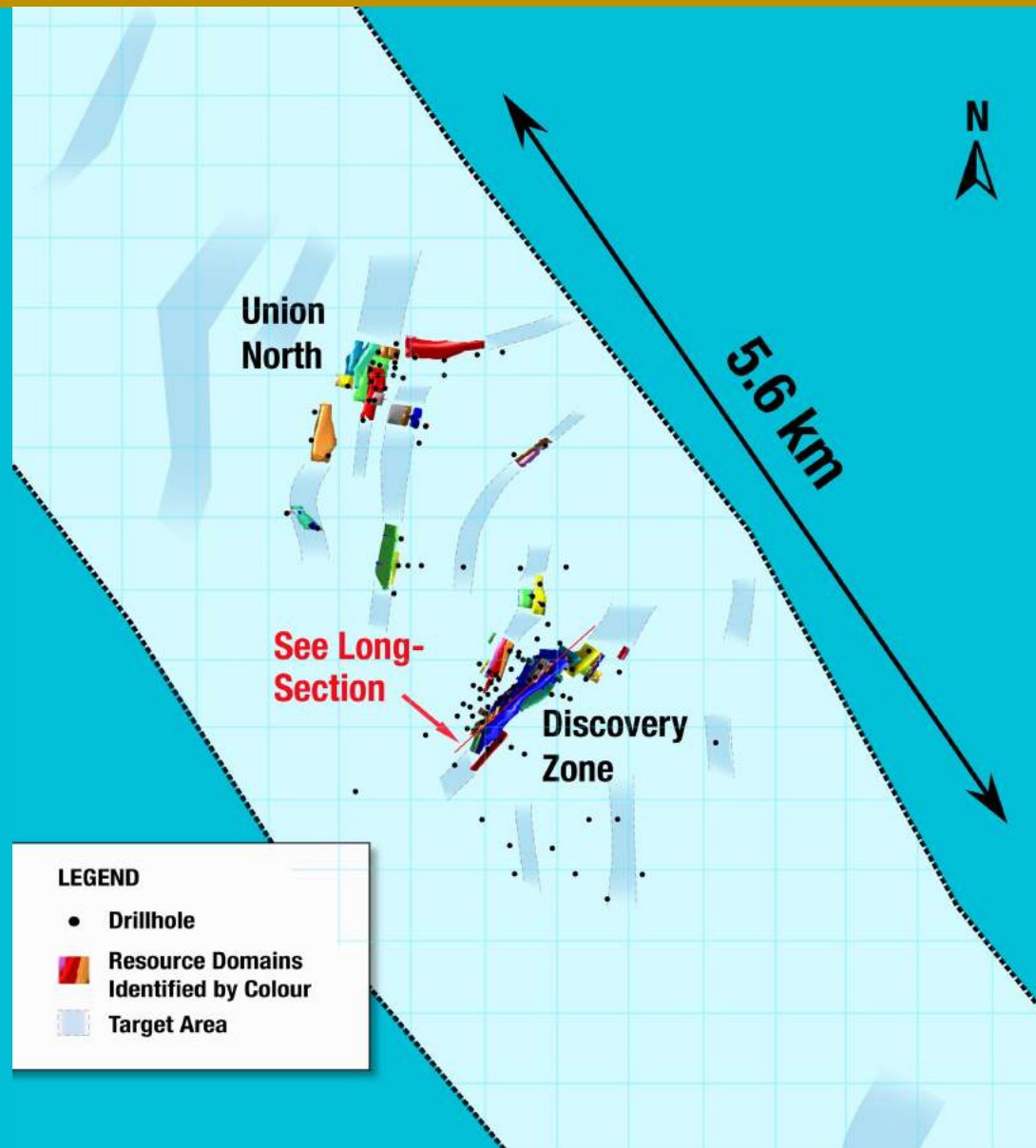
19 km of drilling

Discovery Zone &
Union North most
advanced targets

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5.6 km trend, high-grade, Au-Ag-Pb-Zn system

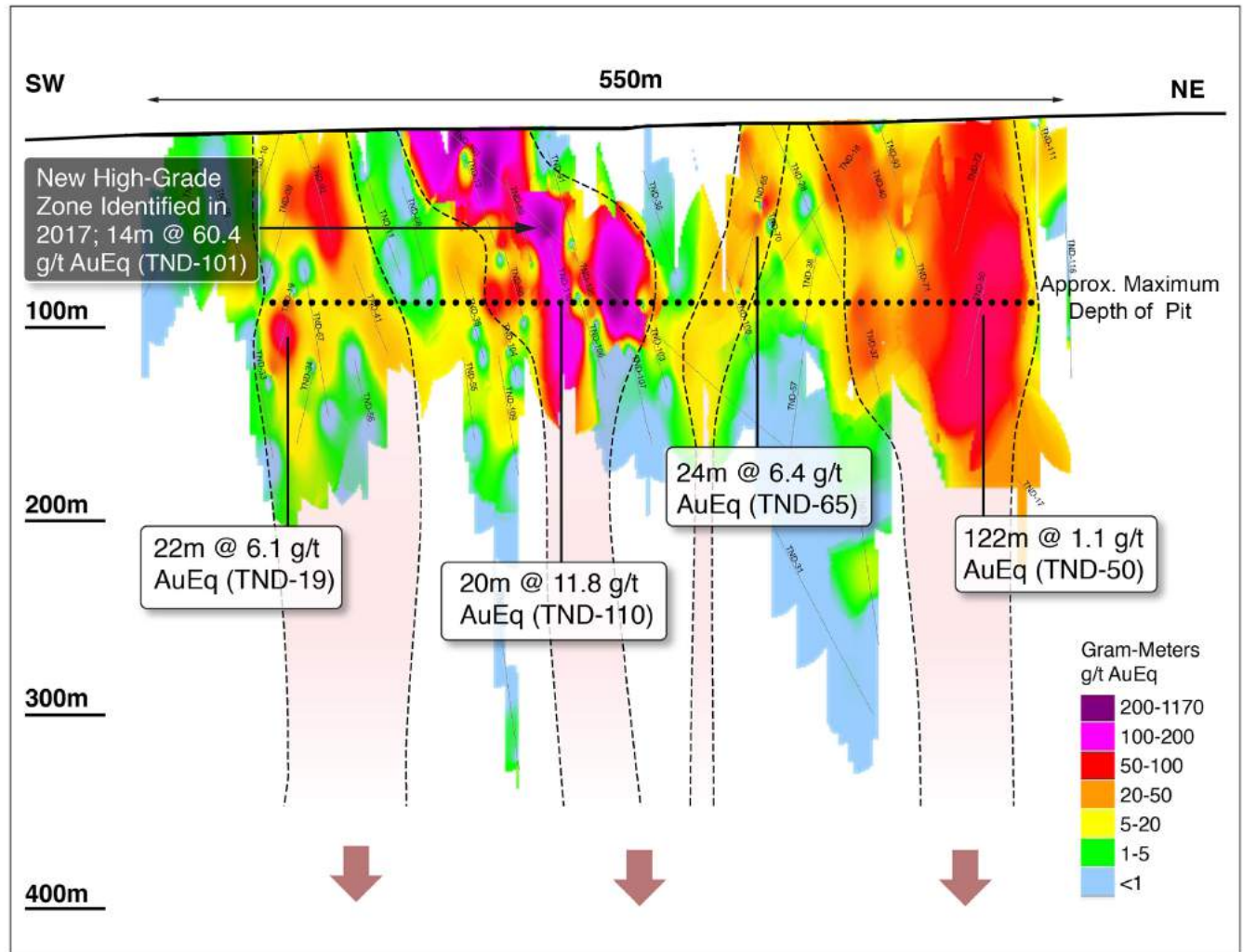


ALTAN NAR GOLD PROJECT

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Exploration upside at depth



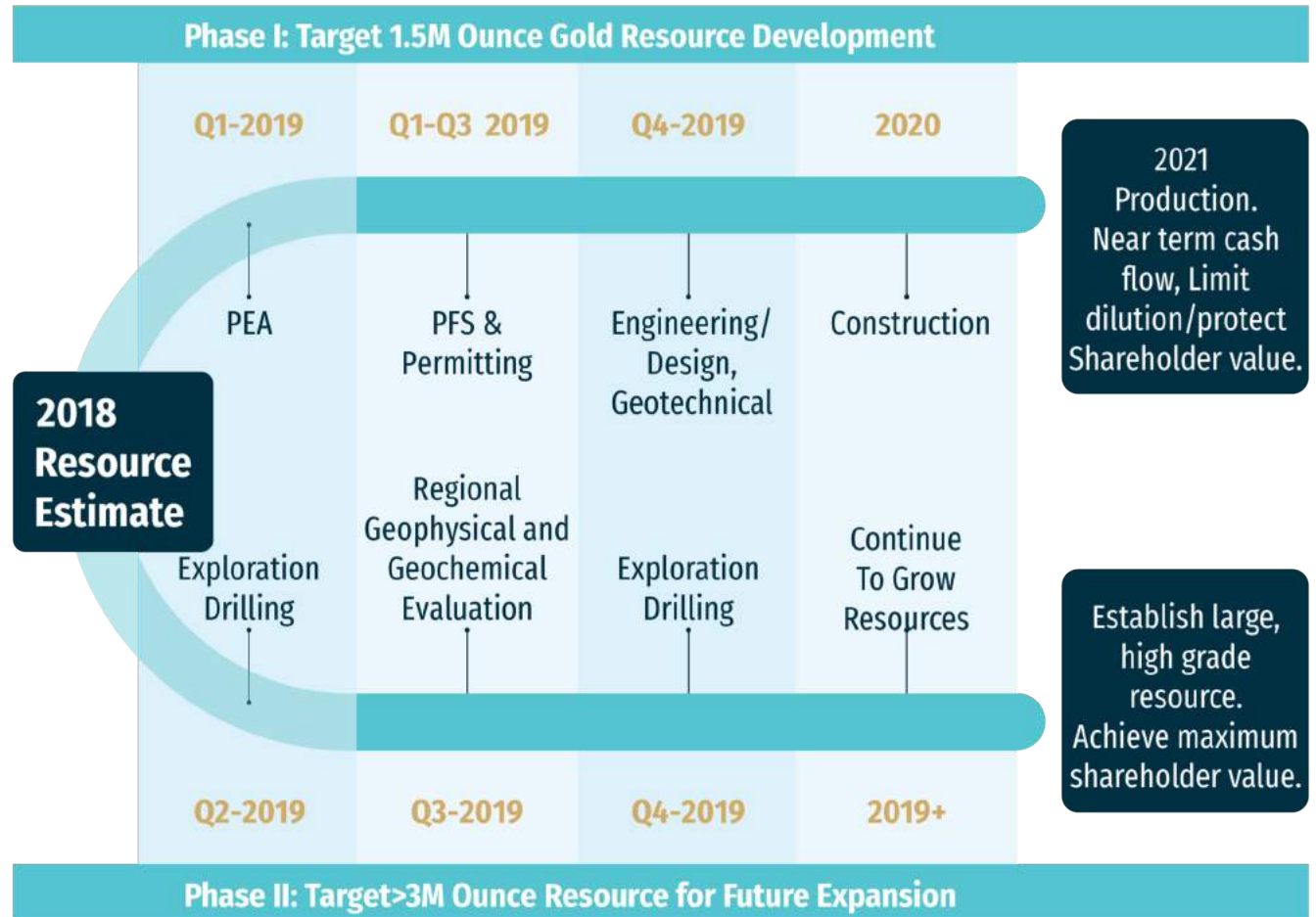
VALUE ACCRETION ROADMAP

Cash flows from
Khundii to support
further exploration

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Balancing mine development and exploration upside



CAPITAL STRUCTURE

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Share & capital structure

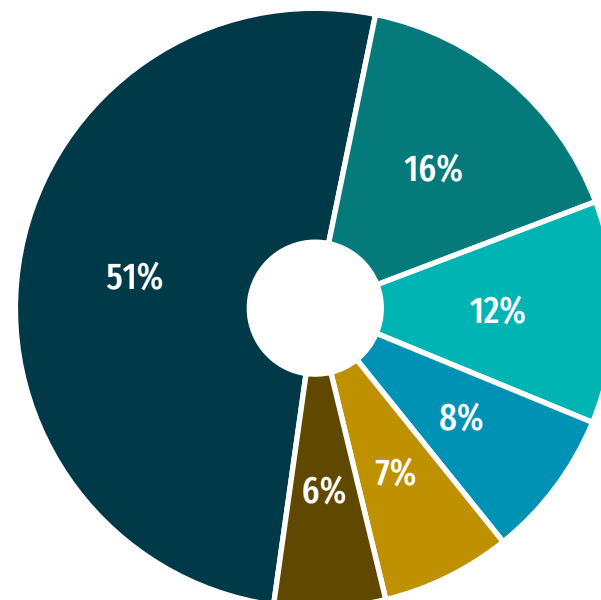
	CAD	USD
Share price	\$0.205	\$0.15
52-Wk range	\$0.18-\$0.53	\$0.13-\$0.39
Market cap	\$34.7 mln	\$26 mln
Shares O/S	173.9 mln	-
Shares F/D	207.5 mln	-
Cash	\$1.7 mln	\$1.2 mln
Debt	nil	-

As of April 15, 2019

Stock Exchanges

Toronto Stock Exchange	ERD
Mongolian Stock Exchange	ERDN

Shareholder summary



-  Retail
-  Institutional
-  High Net Worth Family Offices
-  ERD Management and Directors
-  Teck Resources Limited
-  Mongolian Shareholders

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Compelling investment opportunity in an emerging gold district

PEA INDICATES ROBUST ECONOMICS

Bottom quartile cash costs, low capex & rapid payback

HIGH-GRADE AND OPEN PIT

Head grade of 3.4 g/t gold, starting at surface

EXPERIENCED MINING STUDIES GROUP

Locally-experienced, international mine builders leading technical efforts

STRONG COMMITMENT TO MONGOLIA

Principles working in country since 1997, and over 6000 Mongolian shareholders


EXCEPTIONAL UPSIDE IN SURROUNDING DISTRICT

Continued regional exploration to expand scope & scale of the project


GROWING INFRASTRUCTURE

Rapidly expanding mining region




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