

ERDENE REPORTS BAYAN KHANDII GOLD PROJECT EXPLORATION RESULTS FROM DARK HORSE PROSPECT

Press Release
Halifax, Nova Scotia
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Erdene Resource Development Corporation (TSX: ERD | MSE: ERDN) (“Erdene” or the “Company”) is pleased to announce results of recent exploration at the Dark Horse Gold prospect, part of the greater Bayan Khundii Gold Project. The Dark Horse Gold prospect is located approximately two kilometers north of the planned Bayan Khundii (BK) open-pit in the Khundii Minerals District (the “District”), in southwest Mongolia.

Quotes from the Company

“Since discovery in early 2021, Erdene has defined a 1.5-kilometre mineralized trend at the Dark Horse Mane, including the very high-grade Dark Horse Mane South Deposit at the Bayan Khundii Gold Project,” said Peter Akerley, Erdene’s President and CEO. “Results from the most recent exploration work open up several new targets for follow up in the 20 square kilometer greater Dark Horse prospect area that show potential to host high-grade gold mineralization.”

“Located just two kilometres north of the initial Bayan Khundii open-pit, ore from Dark Horse Mane will be incorporated into the feasibility study update, expected to be announced in the coming weeks,” continued Mr. Akerley. “Growing resources at Dark Horse will strengthen the already strong economics of the Bayan Khundii Gold Project.”

Exploration Program Results

Erdene recently completed a shallow drilling and geophysical exploration program across the greater Dark Horse prospect at the Bayan Khundii Gold Project (Figures 1 and 3). The program included an 18-hole scout exploration drilling campaign, totaling 1,040 metres, and a gradient array induced polarization (IP) geophysical survey covering nine-square kilometres over the core of the greater Dark Horse prospect. The program was primarily designed to test for near-surface oxide related gold mineralization, similar to the Dark Horse Mane deposit, and to identify targets for follow-up deeper drilling.

The program identified multiple areas of near-surface, gold and indicator element anomalism, with 12 holes intersecting anomalous gold (greater than 0.1 g/t and up to 5.8 g/t Au) and 16 holes returning indicator element mineralization locally over wide intervals up to 55 metres. Gold, together with antimony, arsenic and molybdenum, geochemical anomalies are characteristic of the Dark Horse deposit and were instrumental, in the initial discovery of high-grade, near-surface gold mineralization at the Dark Horse Mane. These results suggest gold mineralized hydrothermal fluids, carrying gold and other related elements, affect a wide zone within the greater Dark Horse area.

Highlight gold intersections from the program are provided in Table 1.

Table 1: Dark Horse Q3 2023 Drilling Highlights

(Intervals averaging over 0.30 g/t gold)

Hole	From	To	Interval ⁽¹⁾	g/t Au
AAD-222	2	8	6	1.44
And	17	18	1	0.41
And	24	25	1	0.71
AAD-226	22	30	8	1.03
Incl	24	25	1	5.17
AAD-235	40	50 ⁽²⁾	10	0.96
Incl	42	43	1	5.81

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

Hole AAD-222 was a step-out from previous north-south trending trenches and drill holes that returned up to 70.2 g/t gold over 2 metres (AAD-12). The intersection of mineralization in AAD-222 extends the area of known gold mineralization approximately 135 metres along trend to the southwest, increasing the gold mineralization strike length to 250 metres. Mineralization in this zone remains open along trend for hundreds of meters. Additionally, mineralization remains open at depth, with exploration to date testing to a maximum depth of 110 metres.

Hole AAD-226 was a near surface follow-up hole to AAD-110 that returned 7 metres of 1.46 g/t gold in the area of East Mane. Hole AAD-226 intersected near surface oxide gold mineralization above the previously intersected mineralization in AAD-110. The newly acquired gradient array IP data shows that the East Mane prospect is located along a strong north-south lineation, parallel to the Dark Horse Mane trend, that extends over 3 kilometres (the N-S width of the IP survey area). This lineation may represent a previously unidentified N-S structure. Wide spaced drilling along this lineation, as well as rock and soil geochemical surveys, have returned gold and thick intersections of indicator element anomalism. Follow-up exploration will be undertaken later in the year.

Hole AAD-235 was drilled in the Altan Arrow area, where earlier drilling and trenching returned strong gold, silver and base metal mineralization along a 1.2-kilometre long NE trend. In addition to the gold mineralization, AAD-235 returned two metres averaging 65 g/t silver, 0.34% lead and 0.06% molybdenum (from 42 to 44 metres downhole). This combination of elements is more typical of deeper epithermal mineralization, closer to a possible porphyry center at depth in the untested northeast portion of the Khundii mining license. Anomalous molybdenum mineralization in soil sampling extends along trend two kilometres to the northeast, an area that has not been drilled tested to date.

Gradient Array Survey

A detailed gradient array IP survey, focusing on defining near surface (up to 100 metres depth) chargeability and resistivity targets, was completed over a nine square kilometre area, centered on Dark Horse Mane.

The gradient array survey shows the major NE trend of structures, as well as a strong north-south trends, supporting the structural interpretation of extension zones opening along a set of NE trending major strike-slip faults, hosting north-south trends of mineralization identified at Dark Horse Mane. A number of parallel zones with similar geophysical signatures to known mineralization at Dark Horse Mane have been identified. These areas are under tested or untested by drilling, including the strong north-south lineation through East Mane, intersected by AAD-226.

Also of note are two north-south, elongated gradient array chargeability/resistivity anomalies, 400 and 700 metres, respectively, west of Dark Horse Mane South. These zones have the same gradient array IP signature as Dark Horse Mane South and similarly lie just north of a major NE trending structure interpreted to be a deep-seated structure and likely conduit for mineralizing fluids. These new geophysical anomalies represent strong new exploration targets. Together with other geological and geochemical data, all zones of gradient array IP anomalism will be assessed and prioritized for future drilling. (See Figure 4)

Gold Mineralization at Bayan Khundii

The area of known gold mineralization within the Bayan Khundii Project area extends from Ulaan in the southwest, through the Bayan Khundii Gold Deposit and north throughout the greater Dark Horse prospect, covering an area of over 40 square kilometres. Gold mineralization is focused along northeast-southwest and related north-south structures, that acted as conduits for mineralized fluids from deep magmatic sources, potentially related to porphyry centers at depth (Figures 2 and 5).

The variety of minerals associated with the gold mineralization, and the large area of mineralization, suggests either multiple magmatic/porphyry sources, varying depths of mineralization (with subsequent varying levels of uplift and erosion to expose different depths of mineralization at the current surface) or both.

The greater Dark Horse prospect (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.

The Dark Horse Mane prospect 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.

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 intersected 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.

Continued success in identifying gold mineralization in the greater Dark Horse area, and beyond, together with increased understanding of the controls on mineralization, suggest high potential for the discovery of additional gold mineralization both near surface and at depth across the Bayan Khundii Project area. It is anticipated that by incorporating the new exploration data into our geological model, additional high priority targets will be identified. A return to drilling at the Bayan Khundii Project, including at Dark Horse, is expected later in the year.

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.

Qualified Person and Sample Protocol

Peter Dalton, P.Geol. (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 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 Bayan Khundii drill holes (reported in this release) are all dipping from 45 to 60 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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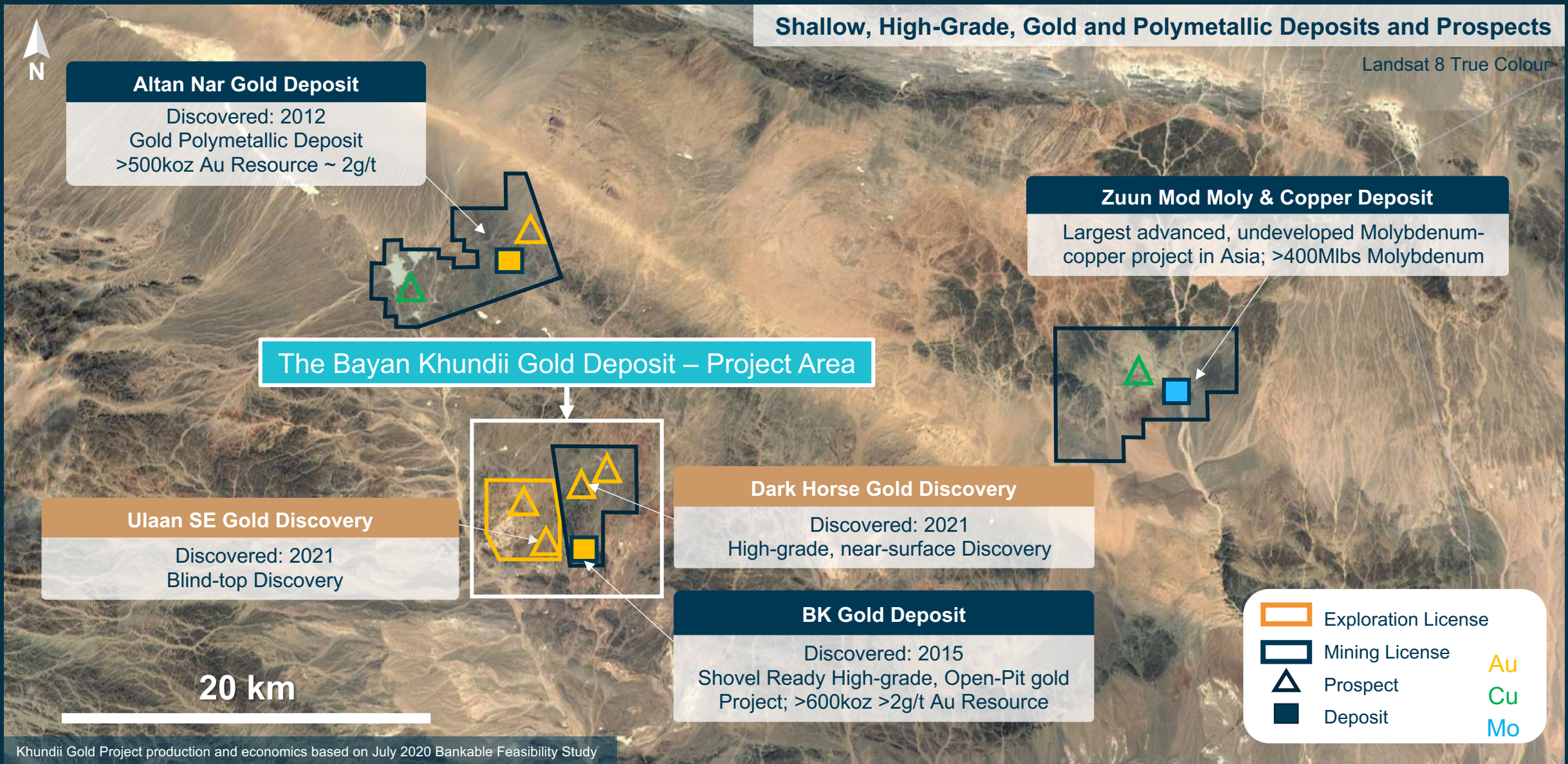
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THE KHUNDII MINERALS DISTRICT – MULTI-MILLION OUNCE POTENTIAL

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



BAYAN KHUNDII PROJECT AREA – LARGE, HIGH-GRADE, EPITHERMAL GOLD SYSTEM

Multiple High-Grade Gold Targets: Over 10km of Mineralized Structures – Exploration Largely Limited to Upper 150 Metres

HISTORIC GOLD INTERSECTION HIGHLIGHTS

DARK HORSE DEPOSIT (2021-22)

Drill Hole	From	To	M	Au g/t	G*M
AAD-58	10	55	45	5.96	268
AAD-137	1.5	26	24.5	9.37	230
AAD-146	15	32	17	16.65	283
AAD-177	1	24	23	11.37	262
AAD-178	11	26	15	42.84	643

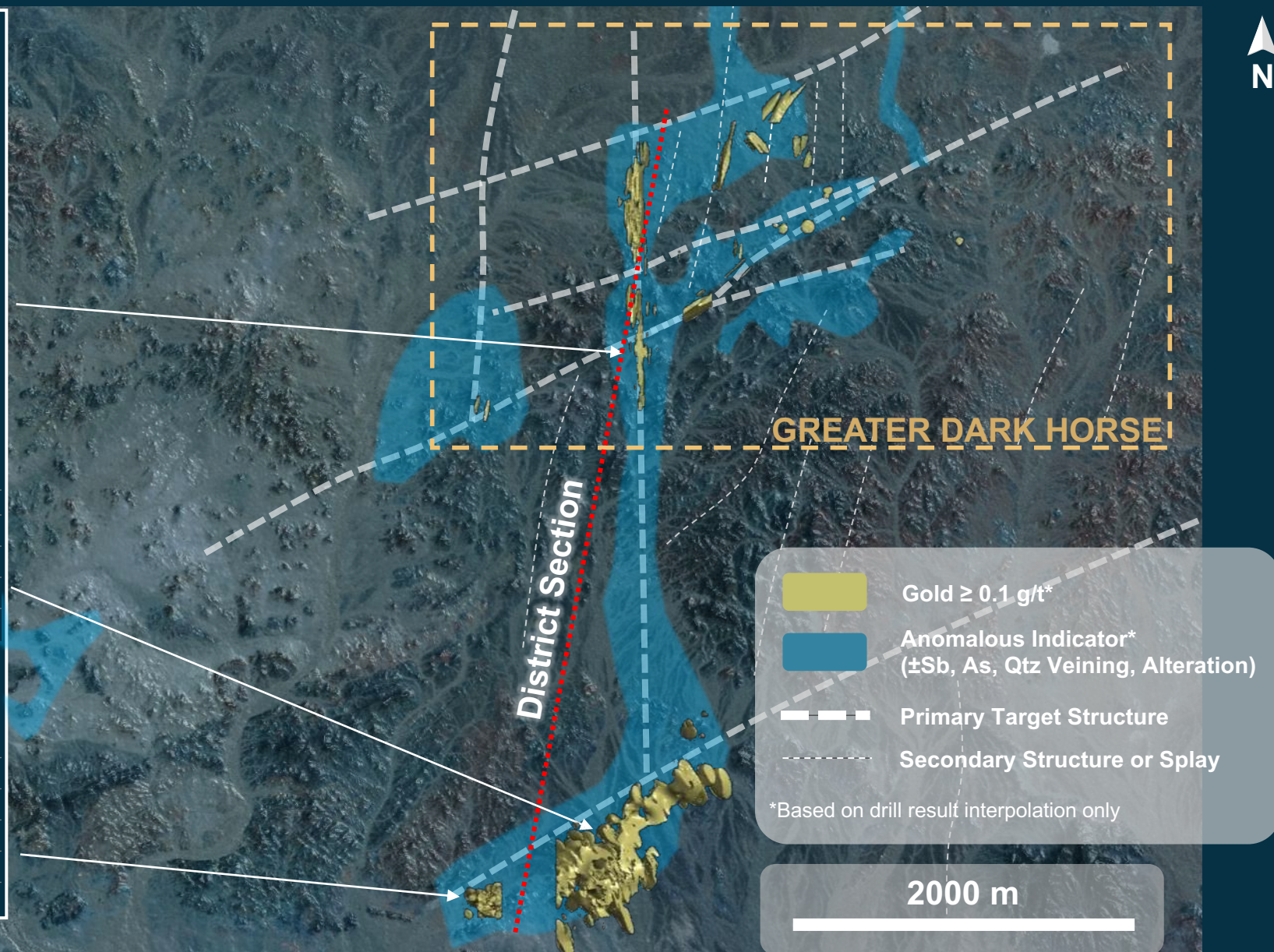
BK DEPOSIT (2018-22)

Drill Hole	From	To	M	Au g/t	G*M
BKD-292	0.9	23	22.1	20	442
BKD-98	39	170.5	131.5	3.86	508
BKD-261	13	125	112	5.9	661
BKD-288	11.5	17	5.5	125.9	692
BKD-231	193	207	14	158.3	2216

ULAAN DEPOSIT (2021-22)

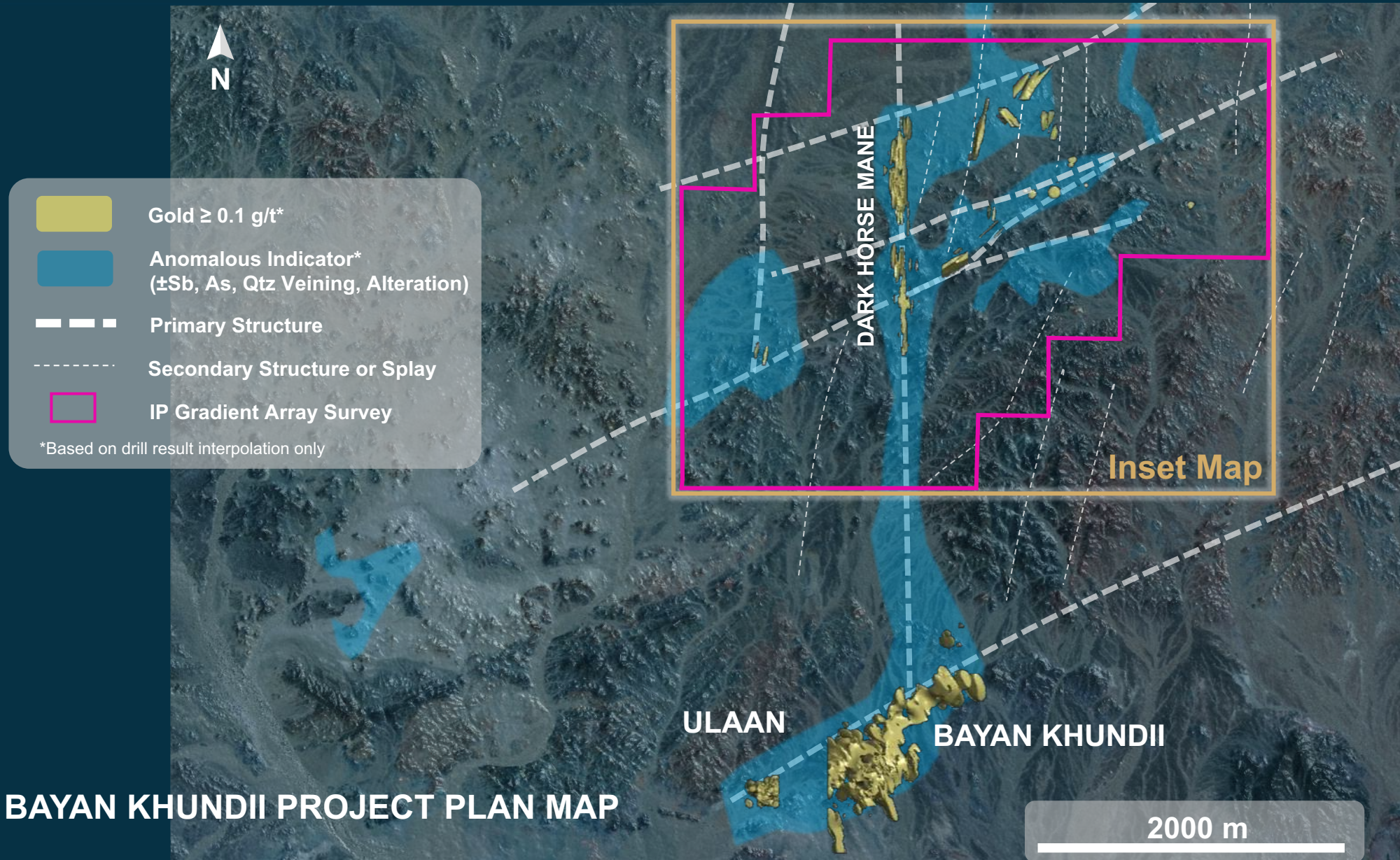
Drill Hole	From	To	M	Au g/t	G*M
UDH-10	99	139	40	3.77	151
UDH-14	192	226	34	5.43	185
UDH-22	85	150	65	3.11	202
UDH-21	115	192	77	3.19	246
UDH-35	187	228	41	8.10	332

G*M=GRAM X METRES



GREATER DARK HORSE PROSPECT – ESTABLISHING MULTIPLE NEAR SURFACE GOLD TARGETS

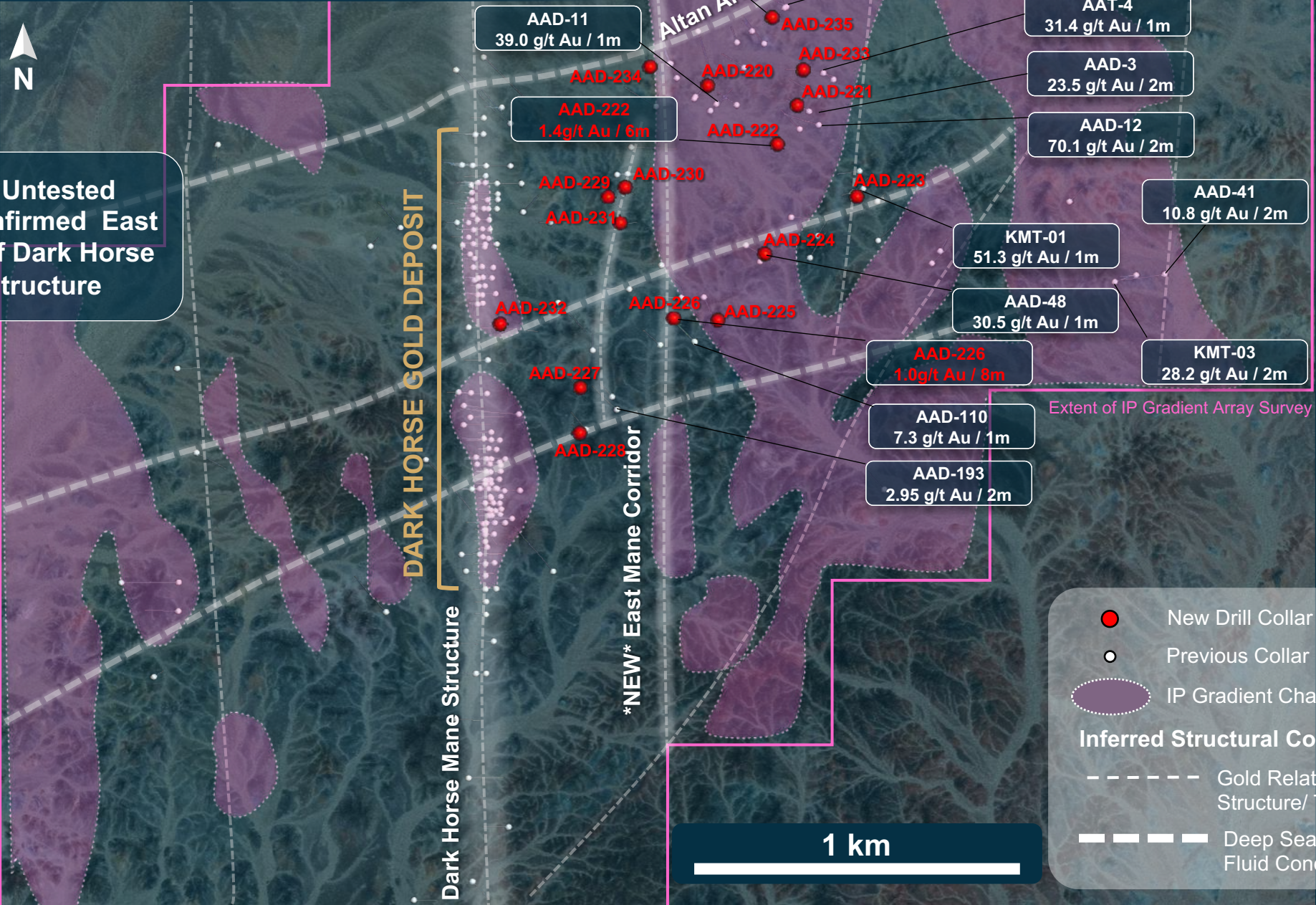
Drill Testing Shallow High-Grade Gold Targets and Geophysical Survey Q2 2023 Exploration Program



GREATER DARK HORSE PROSPECT

Drilling Highlights and Future Targeting Inset Map

Multiple Untested
Targets Confirmed East
and West of Dark Horse
Mane Structure



DARK HORSE GOLD DEPOSIT

Dark Horse Mane Structure

NEW East Mane Corridor

Altan Arrow Fault Zone

Extent of IP Gradient Array Survey

1 km

- New Drill Collar
- Previous Collar
- IP Gradient Chargeability High

Inferred Structural Complex

- Gold Related Dilation Structure/ Trap
- Deep Seated Structure/ Fluid Conduit

BAYAN KHUNDII PROJECT SECTION – STAGED DEVELOPMENT

An Expanding Footprint of High-Grade Gold Deposits



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



BK Economic Pit
CIP Plant

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

Bayan Khundii
Pit

300 m

Bayan Khundii West Resources:
Striker W, Khuren Tsav, Ulaan

-  Gold $\geq 0.1\text{g/t}^*$
-  Anomalous Indicator*
($\pm\text{Sb}$, As, Qtz Veining, Alteration)

*Based on drill result interpolation only

