

ERDENE ANNOUNCES Q1 2026 RESULTS

Press Release
Halifax, Nova Scotia
2026.05.06

Highlights:

- Produced and sold 8,527 ounces gold at an average price of US\$4,872/oz for US\$42M in gross project revenues
- Achieved commercial production at Bayan Khundii, operating at 94% of target throughput and recovering 96% of gold in Q1 2026
- Advanced preliminary economic assessment for Zuun Mod molybdenum-copper porphyry project expected in Q3 2026
- Commenced maiden drill program at Tereg Uul near Oyu Tolgoi

Erdene Resource Development Corp. (TSX:ERD; MSE:ERDN; OTCQX: ERDCF) ("Erdene" or the "Company") is pleased to announce operating and financial results for the three months ended March 31, 2026, and to provide an update on the Bayan Khundii Gold Mine ("BK"), operated by Erdene Mongol LLC ("EM"), the Company's joint venture with Mongolian Mining Corporation ("MMC"). This release should be read in conjunction with the Company's Q1 2026 Financial Statements, MD&A, and Annual Information Form, available on the Company's website and SEDAR+. All dollars are thousands of Canadian dollars, unless otherwise noted.

Peter Akerley, Erdene's President and CEO stated, "During the first quarter of 2026 the Bayan Khundii gold mine achieved commercial production, realizing average plant throughput of over 90% of nameplate capacity. Gold recovery during the quarter averaged over 96%, exceeding projections in the most recent feasibility study. The average grade processed by Bayan Khundii ramped up steadily throughout the quarter."

Mr. Akerley continued, "With a 20% increase in sales compared to the first quarter of operations, Bayan Khundii has produced 15,961 ounces of gold to date."

Mr. Akerley concluded, "With the proceeds from the financing completed during the quarter, Erdene is strongly positioned to advance our wholly-owned precious and base metal projects in the Khundii and Oyu Tolgoi districts. Technical work is underway on the Zuun Mod preliminary economic assessment, expected to be released in Q3 2026 with geophysics and drilling scheduled for later in 2026 to test the copper potential of the Khuvyn Khar project. Additionally, drilling has commenced at Tereg Uul, testing targets along trend from the Oyu Tolgoi copper-gold system."

Q1 2026 Highlights and Significant Subsequent Events:



Bayan Khundii Gold Mine – 50% Economic Interest

- Produced and sold 8,527 ounces gold and 3,135 ounces silver in Q1 2026
 - Represents a 20% increase over Q4 2025
 - EM realized weighted average prices of US\$4,872/oz and US\$80/oz, respectively, generating total revenue of US\$42 million (C\$57 million)
- Achieved commercial production operating at 94% of target throughput rate in Q1 2026
 - Processed 151 thousand tonnes of ore, averaging 1,675 tonnes per day
 - Gold recoveries of 96% were superior to the forecast average of 93%
 - Quarterly average feed grade of 1.9 g/t gold, supported by March monthly average of 2.7 g/t gold
- Reported results of over 5,000 metres of drilling at Dark Horse and Altan Arrow testing mine resource expansion
 - Expanded high-grade gold mineralization in Dark Horse South with near surface intersections including 9 g/t gold over 19 metres and 28.7 g/t gold over 3 metres

- Intersected multiple zones of gold mineralization within transition to primary material at Dark Horse North, including 43 metres of 1.9 g/t gold that are potentially suitable for heap leaching
- Returned near surface intersections, including a meter of 16.2 g/t gold within a wider interval of 16 metres averaging 1.4 g/t gold, beginning 6 metres from surface, as well as silver intersections of up to 124 g/t over two metres at Altan Arrow
- Delivered on community development and local stakeholder programs
 - Over 40% of site personnel are residents of Bayankhongor province and 15% of direct EM employees are female, as at the end of the quarter
 - Engaged local contractors on mine site services and environmental stewardship programs

Exploration & Development

- Announced results from 18 holes drilled at the Zuun Mod Mo-Cu deposit
 - Drilling returned multiple intersections of ore-grade mineralization in areas modelled as waste
 - ZMD-98, extended to 450 metres depth, intersected near continuous Mo and Cu mineralization over 374 metres, averaging 0.066% MoEq
- Progressed Zuun Mod Preliminary Economic Assessment ("PEA"), planned for completion in mid-2026
 - Recent drill results are being incorporated into an updated resource model
 - Metallurgical test work is underway to develop a conceptual process flow sheet
- Completed planning for 2026 field exploration season
 - Engaged consultants to carry out geophysics to generate copper porphyry targets on the Khuvyn Khar license
 - Analyzed Tereg Uul geophysical and geochemical data to select targets for drill testing in Q2 2026

Corporate

- Closed a bought deal private placement for gross proceeds of \$28,747 in February 2026
 - Issued 3,230,000 common shares at a price of \$8.90 per common share
- Recorded net income of \$4,764 for the three months ended March 31, 2026, compared to net loss of \$4,501 for the three months ended March 31, 2025
 - Exploration and evaluation expenses totaled \$891 for the three months ended March 31, 2026, compared to \$974 for the three months ended March 31, 2025, with the quarter over quarter decrease primarily due to an increase in expenditures reimbursed by the associate in the current period
 - Corporate and administrative expenses totaled \$1,444 for the three months ended March 31, 2026, compared to \$1,501 for three months ended March 31, 2025, with the change compared to the prior year quarter primarily due to a reduction in non-

cash share-based compensation costs partially offset by increased investor relations, professional fees and regulatory costs

- Income from investment in associate, representing the Company’s joint venture interest in the income of EM, totaled \$6,963 for the three months ended March 31, 2026, compared to a loss of \$2,084 for the three months ended March 31, 2025, due to production from Bayan Khundii in the current period, while the mine was under construction during the prior year quarter

Results Conference Call

Management will host a webcast and conference call to discuss these results and current business initiatives on Thursday, May 7, 2026, at 9:00 AM Eastern Time. The webcast will be accessible at the following link: [HERE](#)

A replay of the webcast will be available at the same link for one year after the event.

The dial-in numbers for the conference call are as follows:

- North America (toll free): 1-800-717-1738
- Overseas or local (Toronto): 1-289-514-5100

Qualified Person

Jon Lyons, FAusIMM, Chief Development Officer for Erdene, is the Qualified Person as that term is defined in National Instrument 43-101 and oversees the Bayan Khundii Mine operations for the Corporation and has reviewed and approved the technical information related to the BK Mine contained in this news release.

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 oversees the Corporation’s exploration programs and has reviewed and approved the technical information related to exploration contained in this news release.

About Erdene

Erdene Resource Development Corp. is a Canada-based resource company producing gold at the high-grade, low-cost Bayan Khundii Gold Mine in underexplored and highly prospective Mongolia. The Company has interests in a portfolio of precious and base metal projects near the Bayan Khundii Gold Mine in the Khundii Minerals District, which provides a robust organic growth pipeline. Erdene Resource Development Corp. is listed on the Toronto (“ERD”) and the Mongolian stock (“ERDN”) exchanges and OTCQX Market (“ERDCF”). 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 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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