ERDENE ANNOUNCES Q3 2026 RESULTS

Press Release
Halifax, Nova Scotia
2026.11.04

Q3 2026 Highlights:

- Produced and sold 11,853 ounces gold for US$51M in gross revenues at the Bayan Khundii Gold Mine co-owned with Mongolia Mining Corporation
- Recorded net income of $9.6 million for the three months ended September 30, 2026
- Launched 16,500 metre drill program to test gold, copper and molybdenum targets across the Khundii Minerals District
- Subsequent to quarter end, delivered preliminary economic assessment for Zuun Mod molybdenum-copper porphyry project outlining large-scale, long-life operation

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 and nine months ended September 30, 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 Q3 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.

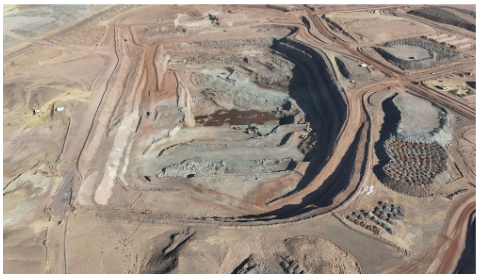
Peter Akerley, Erdene’s President and CEO stated, “Gold production in Q3 was slightly ahead of the second quarter as operating performance continued to improve, with plant throughput up 6% and gold recoveries remaining at 96%. Strong cash flows allowed EM to repay US$30 million of project debt during the period. During the quarter, the pit was expanded to reach the higher-grade Striker and Midfield zones, which should support further improvements in grade and production during the fourth quarter.”

Mr. Akerley continued, “In mid-October we delivered the Preliminary Economic Assessment (“PEA”) for Zuun Mod, one of Asia’s largest undeveloped molybdenum deposits. The study defined a large-scale, long-life project with strong economics at current metals prices. A 4,500 metre drill program is underway to confirm and expand the near-surface resources that drive the early years of the mine plan and a deep 3D geophysical survey is being conducted to identify molybdenum and copper targets beyond current resources.”

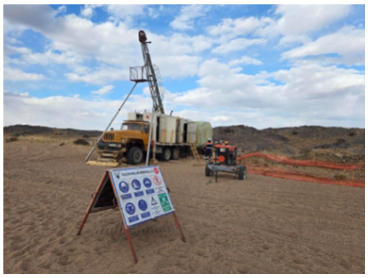
Mr. Akerley concluded, “Concurrently, EM launched a 12,000 metre gold exploration program during the quarter that will run through to year end. Two rigs are testing targets designed to grow resources at Bayan Khundii, Dark Horse and Altan Arrow. Many of these targets were refined during recent expert site visits as part of the Canada-Mongolia GeoSymposium and field evaluations.”

Q3 2026 Highlights and Significant Subsequent Events:









Bayan Khundii Gold Mine – 50% Economic Interest

- Produced and sold 11,853 ounces gold and 3,046 ounces silver in Q3 2026
  - EM realized weighted average prices of US$4,313/oz and US$56/oz, respectively, generating total revenue of US$51 million (C$71 million)
  - Total cost of sales of US$23 million (C$32 million) or US$1,942/oz
  - Cash costs and all in sustaining costs of US$1,742/oz and US$1,848/oz, respectively
- Processed 164 thousand tonnes of ore averaging 1,788 tonnes per day
  - Quarterly average feed grade of 2.3 g/t gold
- Mined 415 thousand tonnes of ore averaging 1.25 g/t gold
  - Total material movement of 4 million tonnes during quarter
  - Twelve-month rolling lost time injury frequency rate of 1.4 per million person-hours, with zero reportable environmental incidents in the quarter
- Repaid US$30 million of project debt during the third quarter

  EM had US$19 million cash on hand at quarter end and US$93 million of debt outstanding

Exploration & Development

- Launched a 16,500 metre drill program and a deep geophysical survey across the Khundii Minerals District (“KMD”)

  - Bayan Khundii – West Striker – 9,000 metres to test high-grade zones and expand resources west of the Bayan Khundii pit
  - Dark Horse – Altan Arrow – 3,000 metres to define and expand oxide gold resources in support of a potential heap leach development and to test shallow targets next to the main structures
  - Zuun Mod – 2,600 metres of infill drilling of near-surface mineralization within the ZM deposit seeking to improve grade and enhance value in the early years of the PEA mine plan
  - Zuun Mod periphery and Khuvyn Khar copper zone – 1,900 metres of step-out drilling around the ZM deposit and testing copper targets
  - Quantec Geoscience Geophysical Survey – Khuvyn Khar license – 100 line-kilometres covering the ZM deposit and copper targets to generate targets for deeper drilling with results expected in Q1 2027
- Announced results of the Zuun Mod Preliminary Economic Assessment ("PEA")
  - Base Case after-tax Net Present Value of US$745 million (NPV8%) and 16.1% Internal Rate of Return ("IRR"), based on long-term prices of US$25.00/lb molybdenum and US$5.00/lb copper
  - After-tax NPV8% of US$2.0 billion and 27.8% IRR at spot prices of US$33.00/lb molybdenum and US$6.50/lb copper
  - 34-year mine life, with estimated recovered metal of 672 million pounds (305 kt) of molybdenum and 947 million pounds (430 kt) of copper
  - Upfront capital costs of US$687 million
  - All-in sustaining cost ("AISC") of US$13.89/lb molybdenum (net of copper by-product credits)

    Strong interest in long-term offtake from Asian customers, given the project's location approximately 280 km from the railhead on the Mongolia–China border
- Progressed heap leach amenability testing on composites from Dark Horse and Bayan Khundii
  - Preliminary results show potential to heap leach process lower grade oxide and transitional material
- Convened Canada-Mongolia GeoSymposium with the support of the Embassy of Canada to Mongolia
  - Hosted economic geologists responsible for several world-class discoveries in Mongolia and internationally generating new exploration targets

Corporate

- Recorded net income of $9,558 for the three months ended September 30, 2026, compared to net loss of $2,749 for the three months ended September 30, 2025
  - Income from investment in associate, representing the Company's joint venture interest in EM, totaled $10,593 for the three months ended September 30, 2026, compared to a loss of $1,347 for the three months ended September 30, 2025,

due to a full period of production from Bayan Khundii, while the prior year quarter included only one month of production

- Exploration and evaluation expenses totaled $530 for the three months ended September 30, 2026, compared to $579 for the three months ended September 30, 2025, as costs associated with the geologic expert site visits and an increase in share based compensation in the current quarter were more than offset by lower salaries as the prior year period included an accrual for first gold bonus and increased recoveries under the management services agreement with EM
- Corporate and administrative expenses totaled $688 for the three months ended September 30, 2026, compared to $865 for three months ended September 30, 2025, with the change compared to the prior year quarter primarily due to reduced share-based compensation costs due to the timing of grants

- Continued purchases under the Company's Normal Course Issuer Bid
  - Repurchased and cancelled 130,300 shares during quarter at an average price of $5.57 per share

Results Conference Call / Webcast

Management will host a webcast and conference call to discuss these results and current business initiatives on Thursday, November 5, 2026, at 9:00 AM Eastern Time. To listen and view the live webcast, click : HERE

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

If you want to listen to only the audio without the accompanying presentation, 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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