

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item One – Name and Address of Company

Erdene Resource Development Corporation
99 Wyse Road
Suite 1480
Dartmouth NS B3A 4S5

Item Two - Date of Material Change

September 12, 2017

Item Three - News Release

The attached news release was issued in Halifax, Nova Scotia on September 12, 2017, via Marketwire.

Item Four - Summary of Material Change

On September 12, 2017, Erdene Resource Development Corporation (TSX: ERD) (“**Erdene**” or the “**Company**”) announced additional assay results from the Company’s on-going 2017 drill program at its 100%-owned Bayan Khundii Gold Project (“**Bayan Khundii**”) in southwest Mongolia.

Item Five - Full Description of Material Change

On September 12, 2017, Erdene announced additional assay results from the Company’s Bayan Khundii drill program.

Sixteen holes (BKD-183 to BKD-198) and one hole extension (BKD-30ext), totalling 3,074 metres, were drilled throughout the Bayan Khundii project area in mid Q3. See Table 1 in the news release attached hereto for highlights of the drill results.

Midfield – Striker Gap Definition

Drilling continues to result in improved confidence and continuity in the area between the Midfield and Striker Zones. Prior to the 2017 season limited drilling had taken place in a 200 metre wide zone separating Striker from Midfield. Hole BKD-194 is the latest in a series of holes confirming strong continuity between these two high-grade zones. This hole returned 22 metres of 3.3 g/t gold within 128 metres of 1.14 g/t gold.

North-Northeast Trending Structure – Potential Controls on Mineralization

A series of mostly shallow holes tested a prospective north-northeast trending area characterized by a sub-vertical intrusive that parallels the trend of the high-grade Bayan Khundii mineralization through the North Midfield area and along the western side of the Northeast Zone (BKD-184, 185, 186 and 192). The syenite intrusive was intersected at relatively shallow depths in three of the holes, between 48 metres and 110 metres depth after intersecting Cretaceous in the top of the holes. However, the most northerly of the

four holes did intersect a thick package of altered Devonian volcanics to the end of the hole at 200 metres. Locally anomalous gold, arsenic and antimony with up to 2 metres of 1.3 g/t gold within zones of intense alteration enhances the potential of this northern extension for future drill testing.

West of Midfield Zone

Three holes tested potential continuity of gold mineralization west of the Midfield Zone (BKD-183, 189 and 190), an area that has received limited drilling to date. Two holes immediately west of Midfield (BKD-189 and 190) intersected deep zones of moderately altered Devonian volcanics with locally anomalous gold (6 metres of 0.4 g/t) but not of the alteration intensity of Striker or Midfield. Hole BKD-183, one of the more northwesterly holes drilled to date, at 250 metres northwest of the Striker Zone, had similar characteristics but did exhibit zones of increased alteration with anomalous gold (7 metres of 0.4 g/t). Interestingly, given this hole is in the direction of the Company's recently acquired Ulaan copper prospect, it did exhibit zones of anomalous copper with up to 0.17% copper over 2 metres.

Potential Northeast of Striker Zone

Two holes were completed to the northeast of the Striker Zone (BKD-187 and 197) testing for continuity in the area of previously completed hole BKD-118. BKD-118 returned 10 metres of 12.8 g/t gold earlier this year. Hole BKD-187, 74 metres northeast of BKD-118, did not intersect significant mineralization however, hole BKD-197, drilled 35 metres down dip of BKD-118, intersected 6 metres of 2.7 g/t gold. One hole (BKD-195) also tested a shallow (50 metres depth) target located 1 kilometre east of Midfield to test a near-surface resistivity anomaly intersecting Cretaceous basalt. Additional drilling will be completed in the area northeast of Striker in Q4-2017.

West of Striker Zone

The western edge of the Striker Zone, between Striker and the newly developing western zone, had limited drilling previously due to poor results in shallow drilling. However, with the results from the Midfield-Striker connection zone indicating deeper mineralization potentially plunging under these shallow holes, two holes were completed to test this theory and were successful. The extension of previously completed hole BKD-30 was extended from its previous 85 metre depth to 163 metre depth and intersected 58 metres of 1.2 g/t gold including 16 metres of 2.8 g/t gold, and BKD-196 also returned 22 metres of 2.4 g/t gold.

New Western Gold Zone

A single hole (BKD-198) was drilled in the under-cover area 130 metres west of the Striker Zone to test the down-dip potential of previously completed hole BKD-32 which returned a broad zone of low-grade mineralization during 2016 drilling (115 metres of 0.4 g/t gold). BKD-198 has confirmed higher grades at depth with 25 metres of 1.4 g/t gold and individual 1 metre samples up to 16 g/t gold.

The Company has completed a total of 19,386 metres in 2017 at Bayan Khundii (102 new drill holes and five extended drill holes), for a total of 30,728 metres (198 drill holes) since the first drill hole in Q4-2015.

Qualified Person and Sample Protocol

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

Erdene's sampling protocol for drill core consisted of collection of samples over 1 metre 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 samples including a commercially prepared standard, blank, and either a field duplicate, consisting of two ¼ core intervals, or a laboratory duplicate. Sample batches were periodically shipped directly to SGS in Ulaanbaatar via Erdene's logistical contractor, Monrud Co. Ltd.

Item Six – Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item Seven - Omitted Information

Not Applicable.

Item Eight - Executive Officer

Peter Akerley, President and CEO (902) 423-6419.

Item Nine – Date of Report

Dated this 14th day of September, 2017 by Peter Akerley, President and CEO



ERDENE RESOURCE DEVELOPMENT CORP.

**Erdene Continues to Define New Zone North of Midfield; Intersects 120 Metres of 1.14 g/t Gold
Including 3 Metres of 33 g/t Gold at Bayan Khundii Gold Project**

Halifax, Nova Scotia – Sept 12, 2017 – Erdene Resource Development Corp. (TSX:ERD) ("Erdene" or "Company") is pleased to announce additional assay results from the Company's on-going 2017 drill program at its 100%-owned Bayan Khundii Gold Project ("Bayan Khundii") in southwest Mongolia.

Highlights

- High-grade zone continues to be defined between Midfield and Striker Zones with 128 metres of 1.14 g/t gold including 22 metres of 3.3 g/t gold (BKD-194)
- North Midfield Zone continuity being established with 120 metres of 1.14 g/t gold including 3 metres of 33 g/t gold (BKD-188)
- Testing for continuity of new zone west of Striker returns 25 metres of 1.4 g/t gold including 3 metres of 7.8 g/t gold (BKD-198)
- Striker Zone continues to provide high-grade mineralization with up to 1 metre of 43 g/t gold within 22 metres of 2.4 g/t gold (BKD-196)
- Hole extension in Striker Zone intersects new zone, with 58 metres of 1.2 g/t gold including 16 metres of 2.8 g/t gold (BKD-30ext)
- Continuity of gold mineralized zone established in most eastern extension, with 6 metres of 2.7 g/t gold (BKD-197)
- On-going Q3/Q4 drill program to include testing of target areas in the broader 2 by 1.8 kilometre Bayan Khundii prospect area, as well as continued definition of recently discovered targets north of Midfield Zone and west of Striker-Midfield Zones with closer-spaced drilling
- Three drill rigs continue to operate, including one rig conducting a hydro-geologic program, with drill results to continue throughout Q3 and Q4 2017

Sixteen holes (BKD-183 to BKD-198) and one hole extension (BKD-30ext), totalling 3,074 metres, were drilled throughout the Bayan Khundii project area in mid Q3 and are included in this update. The following table includes highlights of the drill results with a discussion expanding on those results below.

Table 1. Bayan Khundii drill highlights

Drill Hole	From (m)	To (m)	Interval (m) ⁽¹⁾	Gold (g/t)
BKD-183	129	146	17	0.26
and	165	180	15	0.18
BKD-188	110	230	120	1.14
incl	176	179	3	33.1
BKD-193	100.3	149	48.7	0.71
incl	119	135	16	1.16
and	164	218.6	54.6	0.20
BKD-194	49	177.3	128.3	1.14
incl	88	89	1	11.9
incl	115	137	22	3.33
incl	123.9	125	1.1	43.5

Drill Hole	From (m)	To (m)	Interval (m) ⁽¹⁾	Gold (g/t)
BKD-196	42	84	42	0.39
and	112	134	22	2.36
incl	118	119	1	43.1
BKD-197	130	136	6	2.69
BKD-198	55	60	5	0.35
and	144	169	25	1.37
incl	145	148	3	7.81
incl	147	148	1	16.0
BKD-30ext ⁽²⁾	59	117	58	1.22
incl	87	103	16	2.80
incl	95	96	1	21.9

(1) Reported intervals are not true width. At this time, there is insufficient data with respect to the shape of the mineralized system to calculate true orientations in space. They represent drill intersection widths from holes drilled at a dip of -45 to -65 degrees and oriented to the north-northeast. The Bayan Khundii mineralization is interpreted to be moderately dipping (approximately 40 to 50 degrees to the southwest).

(2) Previously reported, May 24, 2016, 59m to 85m (end of hole), 26m of 0.76 g/t gold.

Discussion of Drill Results

The following is a summary of the areas tested, the objectives for each and a discussion of results:

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Going Forward – Q3-Q4 2017 Drill Program

The Company has completed a total of 19,386 metres in 2017 at Bayan Khundii (102 new drill holes and five extended drill holes), for a total of 30,728 metres (198 drill holes) since the first drill hole in Q4-2015. For the remainder of Q3, and into Q4, the Company's drilling program at Bayan Khundii will be

focused on testing a series of geophysical and geochemical targets within the larger 2 by 1.8 kilometre Bayan Khundii prospect area. Planning for additional drilling is underway and expected to include further delineation of newly discovered high-grade mineralization encountered during the Q2-Q3 2017 exploration program and increasing confidence in the ultra high-grade domains.

In addition to the on-going Bayan Khundii drill program, the Company will complete regional exploration and drilling between Bayan Khundii and its Altan Arrow gold-silver project, located 3.5 kilometres north of Bayan Khundii. The Company also has a follow-up drill program underway at its neighboring Altan Nar gold-polymetallic project, located 16 kilometres northwest of Bayan Khundii. This program includes testing of newly defined geophysical targets and completion of step-out drilling in areas adjacent to its previously reported NI 43-101 mineral resource estimate at Altan Nar (see Erdene news release dated March 31, 2015). Based on upcoming Q3/Q4 2017 drill results, and on drilling completed at Altan Nar in 2015 and 2016, it is anticipated that a revised resource estimate at Altan Nar will be completed in 2018 in addition to a maiden resource estimate for Bayan Khundii.

Background on Bayan Khundii Gold Project

In Q2-2015, Erdene conducted an initial exploration program on the southern portion of the Company's 100%-owned Khundii exploration license in southwest Mongolia where an early rock-chip sampling program revealed multiple very high-grade surface quartz veins that returned up to 4,380 g/t gold. Since that time, drilling has revealed the presence of very high gold grades, with up to 306 g/t gold over 1-metre intervals, within broad mineralized zones, with up to 131 metres of 3.9 g/t gold, including 80 metres of 6.0 g/t gold. In addition to the drilling discussed above, the Company has completed a comprehensive exploration program at Bayan Khundii that has included: geological mapping; soil geochemical surveys; additional surface rock chip sampling; a ground magnetic survey; gradient array and dipole-dipole induced polarization surveys. In addition to this work, a series of detailed follow-up studies have also been completed, predominantly on drill core and minor surface outcrop, including: petrographic and mineralogical analyses; a fluid inclusion study; SEM gold composition analysis; Short-Wave Infra-Red Analysis (SWIR); structural analysis; and overall petrogenetic analysis. Detailed studies indicate the mineralized zones can be characterized as low-sulphidation, quartz-illite-adularia type mineralization that was presumably formed in an extensional environment.

In Q1-2016, the Company concluded preliminary metallurgical test work at Bayan Khundii, indicating that gravity concentration and cyanidation of the gravity tails yield very good overall gold recoveries for both high-grade and low-grade composites, yielding 99% gold recovery from the high-grade composite (24.9 g/t gold) and 92% gold recovery from the low-grade composite (0.7 g/t gold). Additional metallurgical work is underway with completion anticipated in Q3-2017.

The Bayan Khundii license has a 2% net smelter returns royalty ("NSR Royalty") in favour of Sandstorm Gold Ltd. with a buy-back option to reduce the NSR Royalty to 1%.

Qualified Person and Sample Protocol

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About Erdene

Erdene Resource Development Corp. is a Canada-based resource company focused on the acquisition, exploration, and development of base and precious metals in underexplored and highly prospective Mongolia. The Company has four exploration licenses, a mining license, and a recently optioned exploration license, in southwest Mongolia. In addition to the Bayan Khundii and Altan Nar projects, other deposits and prospects within these licenses include: Altan Arrow – an early-stage gold-silver project; Ulaan – a recently acquired (option to earn 100% ownership) copper porphyry and gold epithermal project immediately west of Bayan Khundii and Altan Arrow; Khuvyn Khar – an early-stage, copper-silver porphyry project with multiple drill targets and significant copper intersections; Nomin Tal – a narrow, high grade copper-gold discovery; and Zuun Mod – a large molybdenum-copper porphyry deposit. In addition to the above properties, the Company has an Alliance with Teck Resources Limited on regional copper-gold exploration in the prospective Trans Altai region of southwest Mongolia. For further information on the Company, please visit www.erdene.com. Erdene has 145,963,086 issued and outstanding common shares and a fully diluted position of 156,592,160 common shares.

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 many 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

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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