

Perspective of Mongolian population centers



RESERVE OF "KHOID BURGED" DEPOSIT, 2020

Based on the results and report of the exploration work carried out in the "Ovoot Khyar" exploration area in 2020, the resource of the "Khoiid Burged" gold deposit was determined as 139.1 million tons of ore with 53.1 tons of gold in cut off grade 0.2 g/t and approved by the Mongolian Mineral Resources Professional Council.

Resource	Cut Off	Ore weight	Average grade	Gold
Indicated	Oxidized ore	5,299,834.84 tons	0.45 g/t	2.41 tons
	Primary ore	51,091,217.92 tons	0.42 g/t	21.42 tons
	Section Total	56.2 million tons		23.83 tons
Inferred	Oxidized ore	5,509,632.0 tons	0.36 g/t	1.99 tons
	Primary ore	77,387,982.08 tons	0.35 g/t	27.32 tons
	Section Total	82.8 million tons		29.31 tons
TOTAL		139.1 MILLION TONS		53.14 TONS

HISTORY OF GEOLOGICAL RESEARCH

The First Period /1960-1985/

This territory of Mongolia is a joint geological survey area with Eastern European countries such as Mongolia-Soviet Union, Czech Republic and Hungary. (Goldenberg and Sanjaadorj, 1977, #2724)

In 1976 and 1977, the Soviet Geological Expedition (led by AE Shabalovsky) conducted geological and geophysical surveys in the copper-bearing areas of the South Gobi and was first identified the porphyry type and tourmaline related gold mineralization. (# 3506)

The Second Period /1991-1994/

The Japan International Cooperation Agency (JICA) (11) conducted a laboratory analysis to a small number of samples based on satellite imagery by field survey.

In 1995-1996, a Canadian-invested company QGX conducted and performed respectively exploration work on 9,000 rock chip samples, 4,000 secondary lithochemical samples, 197km trench excavation, 3,730m diamond drilling and geophysical surveys (240km of magnetic survey and exploration of induced polarization).

The Third Period /2002-2014/

"Uul Saran" LLC performed detailed geological mapping, geophysical surveys (induced polarization, surface magnetic mapping), geochemical primary, secondary sampling studies in Ovoot Khyar area (12).

"Erdenes Silver Resource" LLC /2020-2021/

Carried out core drilling (core sampling, laboratory analysis), geophysical surveys (induced polarization, magnetic mapping), enrichment processing surveys, topographic mapping, historical, archeological, ethnographic, paleontological, hydrogeological and geo ecological surveys at the "Khoiid Burged" gold deposit.

Geographic and infrastructure location of the "Ovoot Khyar" exploration project area (Note: National Development Institute Research, 2015)

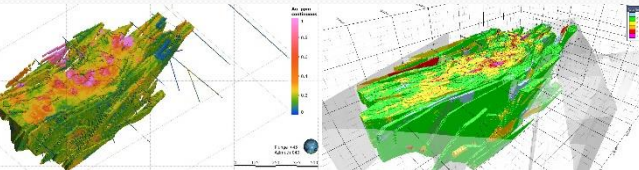
The exploration area

According to the Resolution № 212 of the Government of Mongolia dated June 1, 2020, based on Articles 9.1.3, 9.1.8, 9.1.11 of the "Minerals Law" the Mineral Resources and Petroleum Authority issued an exploration license № XV-21,670 for **22,641.51-hectare** area, named **Ovoot Khyar** on August 27, 2020, to "Erdenes Silver Resource" LLC subsidiary of "Erdenes mongol" LLC.

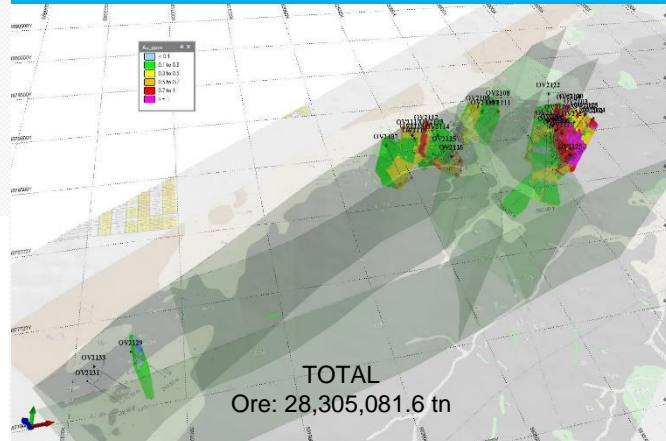
📍 Bilgeh bag of Tsogttsetsii soum, Umnugovi aimag.

- 🌐 490 km south from Ulaanbaatar,
- 120 km north from the "Oyu Tolgoi" gold&copper mine,
- 50 km northeast from center of Tsogttsetsii soum, Umnugovi aimag,
- 10 km west from Kharmagtai gold&copper deposit

The "Khoiid Burged" gold deposit is in **the central part** of the exploration license area.



RESOURCES DISCOVERED IN 2021 IN THE OVOOT KHYAR EXPLORATION FIELD



Au: 0.44 g/t
Zn: 0.154%
Pb: 0.0569

Au: 12,444.16 tn
Zn: 43,648.72 tn
Pb: 15,777.84 tn

