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NEWS RELEASE

Corporate Update

August 3, 2018 - Vancouver, British Columbia, Canada: Further to its news releases of January 6, 2017, May 23, 2017, June 7, 2017, and June 19, 2017, Oriental Non-Ferrous Resources Development Inc. (the "**Company**" or "**ONRD**") is pleased to update the progress of the acquisition of the Khaldun iron-zinc mine located in Govi-Ugtaal, Middle Govi (Dundgovi) province, Mongolia.

Management of the Company initially discussed the possibility of acquiring the mineral mining license to an iron and zinc mine known as the Khaldun iron (zinc) mine located in Govi-Ugtaal Sum, Middle Govi (Dundgovi) province, Mongolia, in November 2016. During the course of due diligence performed by the Company, a "Resources Development and Utilization Plan for Khaldun Iron (Zinc) Mine, Govi-Ugtaal Sum, Middle Govi (Dundgovi) Province, Mongolia" was prepared by Shandong Lianchuang Architectural Design Co., Ltd. in December 2016. The Company began the process of outlining the steps by which a business combination may be effected with MBGL, the owners of 100% of the issued and outstanding capital of Maple Mining Development Co. Ltd. ("Maple Mining"), which in turn owns mineral mining license number MV-017118 over the Khaldun iron (zinc) mine. Following further discussions, GSGL entered into a non-binding letter of intent on January 6, 2017 with MBGL, a private corporation registered under the laws of the British Virgin Islands and the sole shareholder of Maple Mining. Pursuant to the letter of intent, GSGL would acquire 100% of the issued and outstanding capital stock of MBGL for a deemed purchase price of $20,000,000, payable by the issuance of a promissory note from GSGL that would be guaranteed by the Company and convertible into 25,000,000 common shares of the Company at a deemed price of $0.80 per share. The Company, GSGL and MBGL subsequently entered into a definitive acquisition agreement and Amalgamation Agreement on February 7, 2017. As part of its due diligence process, the Company commissioned a Legal Due Diligence Report on Maple Mining Development Co., Ltd. and its Mining License dated May 4, 2017 and prepared by ELB Partners, Attorneys-at-Law, of Ulaanbaatar, Mongolia.

The Company obtained shareholder approval to the Amalgamation Agreement at the annual general and special meeting of shareholders held on June 6, 2017 and subsequently filed a technical report on the Khaldun iron (zinc) mine bearing an effective date of May 8, 2017, entitled "Technical Report on the Khaldun Iron (Zinc) Property, Govi-Ugtaal Sum, Middle Govi (Dundgovi) Province, Mongolia" and prepared in compliance with National Instrument 43-101 Standards of Disclosure for Mineral Projects by Yungang Wu, P.Geo., a qualified person for the purposes of National Instrument 43-101. The Board of Directors subsequently determined not to proceed with the amalgamation, and instead propose to replace the Amalgamation Agreement with a share purchase agreement whereby GSGL will acquire 95% of the issued and outstanding common shares of MBGL in consideration for the issuance and delivery of convertible debentures of the Company, which debentures are convertible into common shares of the Company at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures, subject to applicable escrow and holdbacks as outlined in the share purchase agreement.

The MBGL acquisition will be effected pursuant to the share purchase agreement, a copy of which has been filed by the Company under its profile on SEDAR at www.sedar.com. The share purchase agreement contains covenants, representations and warranties of and from each of the Company, GSGL, and MBGL and various conditions precedent with respect to each party to the share purchase agreement. The following is a summary of certain material provisions of the share purchase agreement and is not comprehensive but is qualified in its entirety by reference to the full text of the share purchase agreement.

On the terms and subject to the conditions set forth in the share purchase agreement, at the effective time, GSGL will acquire 95% of the issued and outstanding common shares of MBGL from the MBGL shareholders.

The Company's obligation to issue the convertible debentures is conditional upon a number of conditions precedent including the following:

1. there shall not be any claim that shall, at closing, be pending against any of the parties before any governmental authority and no law, regulation or policy shall have been proposed, enacted or applied: (i) making illegal or seeking to restrain, prohibit or obtain damages or other relief in connection with the consummation of the transactions contemplated by the share purchase agreement; (ii) prohibiting or materially limiting the ownership or operation by the Company or GSGL of a material portion of the business or assets of MBGL or requiring the Company or GSGL to dispose of or hold separately any such portion of any MBGL shares or MBGL assets, as applicable; or (iii) making the consummation of the transactions contemplated by the share purchase agreement materially more costly to the Company and GSGL or materially reducing the value of the MBGL shares;

2. all required approvals shall have been obtained on terms acceptable to the selling MBGL shareholders and the Company and GSGL, acting reasonably, at or prior to the closing time;

3. the shares to be issued or made issuable upon the conversion of the debentures in accordance with the share purchase agreement and the transactions contemplated thereby shall have been conditionally approved for listing upon the Canadian Securities Exchange subject only to conditions which may reasonably be expected to be satisfied within the 10 business days following the closing date; and

4. the parties will enter into a voluntary escrow agreement with respect to the shares of the Company issuable upon the conversion of the debentures.

As a result of the acquisition of 95% of the issued and outstanding shares of MBGL, the Company will issue convertible debentures representing an aggregate purchase price of $19,000,000, which debentures will be convertible into common shares of the Company at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures.

The share purchase transaction has been reviewed and approved by the Board of Directors of the Company. The purchase price was determined by the Board of Directors to be a reasonable valuation in light of various alternatives available to the Company and the valuation amount was confirmed by due diligence performed by the Company. As part of its due diligence process, the Company commissioned a Legal Due Diligence Report on Maple Mining Development Co., Ltd. and its Mining License dated May 4, 2017 and prepared by ELB Partners, Attorneys-at-Law, of Ulaanbaatar, Mongolia. As defined in the *Securities Act* (British Columbia), the share purchase transaction would not result in a change in the control of the Company since the Company would continue to have the same control persons as it did before the transaction and no new control persons would be created as a result of the transaction. After the closing of the share purchase transaction, the composition of the board of directors of the Company will remain the same. The share purchase transaction may also be subject to acceptance by the Canadian Securities Exchange and other regulatory approvals.

Risks Associated with the Share Purchase Transaction

In evaluating the share purchase transaction, the shareholders of the Company should carefully consider the following risk factors relating to the share purchase transaction. The following risk factors are not a definitive list of all risk factors associated with the share purchase transaction. Additional risks and uncertainties, including those currently unknown or considered immaterial by the Company, may also adversely affect the Company’s common shares and/or the business of the Company following the share purchase transaction. If any of the risk factors materialize, the predictions based on them may need to be re-evaluated. The risks associated with the share purchase transaction include, without limitation:

Closing conditions outside the control of the Company, GSGL or MBGL may prevent the completion of the share purchase transaction.

There are a number of conditions to the acquisition which are outside the control of the Company, GSGL or MBGL including, but not limited to, receipt of shareholder approvals, the ability of the Company to satisfy the requirements of the Canadian Securities Exchange, and any other required third party or regulatory approvals. If for any reason the conditions to the acquisition are not satisfied or waived and the acquisition is not completed, the market price of the Company’s common shares may be adversely affected.

The Company may fail to realize anticipated benefits of the acquisition.

In the event the share purchase transaction is completed, the intended reasons for the acquisition and the anticipated benefits may not materialize or be realized. Achieving the benefits of acquisitions depends in part on successful integration of the two companies in a timely and efficient manner. Such integration may require substantial management effort, time, and resources; may divert management's focus from other strategic opportunities and operational matters; and ultimately the Company and GSGL may fail to realize the anticipated benefits of the acquisition.

Actual revenue and cost synergies, if achieved at all, may not be achieved at the levels expected and may take longer than anticipated. If these challenges are not adequately addressed, the Company may be unable to realize the anticipated benefits of the share purchase transaction. An inability to realize the full extent of, or any of, the anticipated benefits of the share purchase transaction could have an adverse effect on the Company's business and results of operations, which may affect the value of the Company's common shares.

Failure to complete the share purchase transaction could negatively impact the market price of the Company's common shares and future business and financial results.

If the share purchase transaction is not completed for any reason, the Company's ongoing business and financial results may be adversely affected. In addition, if the share purchase transaction is not completed, the price of the Company's common shares may decline to the extent that the current market price of the Company's common shares reflect a market assumption that the share purchase transaction will be completed and that the related benefits will be realized, or as a result of the market's perceptions that the share purchase transaction was not consummated due to an adverse change in the Company's business or financial condition.

Whether or not the share purchase transaction is completed, the pending transaction could adversely affect the Company's operations because matters relating to the share purchase transaction require substantial commitments of time and resources by management of the Company that could otherwise have been devoted to other opportunities that may have been beneficial to the Company.

The Company cannot guarantee when, or whether, the share purchase transaction will be completed, that there will not be a delay in the completion of the share purchase transaction or that all or any of the anticipated benefits of the share purchase transaction will be obtained. If the share purchase transaction is not completed or is delayed, the Company may experience the risks discussed above which may adversely affect the Company's business, financial results and share price.

The dilutive effect on the Company's shareholders arising from the share purchase transaction will impact share value.

With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power. Pursuant to the share purchase transaction, former MBGL shareholders will receive common shares of the Company upon the conversion of convertible debentures at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures, which will be dilutive to shareholders of the Company.

The common shares of the Company to be issued in connection with the share purchase transaction may have a market value different than expected.

A significant number of the Company's common shares will be issued and will become available for trading in the public market. The increase in the number of common shares may lead to sales of such common shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, the Company's common shares.

The share purchase agreement may be terminated by the Company, GSGL or MBGL in certain circumstances.

The Company, GSGL and MBGL each have the right to terminate the share purchase agreement in certain circumstances. Accordingly, there is no certainty that the share purchase agreement will not be terminated by the Company, GSGL or MBGL before the completion of the share purchase transaction. For example, each party has the right to terminate the share purchase agreement if the other party is in material breach of the share purchase agreement. It is possible that one or more circumstances may arise which would give either party the right to terminate the share purchase agreement, in which case the share purchase transaction would not proceed.

The ability of the Company to develop and operate the business post-acquisition may be impaired.

The ability to operate the business is subject to many risks and uncertainties. These include the ability of the Company and its management to direct the business of the Company, to focus on the business of MBGL, and to satisfy the requirements for ongoing capital for the combined business, the Company will be required to obtain adequate financing. If equity financing is required, such financings could result in significant additional dilution to existing shareholders.

On behalf of:
ORIENTAL NON-FERROUS RESOURCES DEVELOPMENT INC.

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This release includes certain statements that may be deemed to be "forward-looking statements". All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration and development activities and events or developments that the Company expects, are forward-looking statements. Although management believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploration and development successes, continued availability of capital and financing, and general economic, market or business conditions. Please see the Company’s public filings at www.sedar.com for further information.