



Silver Elephant’s Mega Coal Subsidiary Prepares for Mongolia Coal Production in Q4 2022

Vancouver, British Columbia, June 20, 2022 – Silver Elephant Mining Corp. (“Silver Elephant” or the “Company”) (TSX:ELEF, OTCQX:SILEF, Frankfurt:1P2N) that its wholly-owned subsidiary, Mega Thermal Coal Corp. (“Mega Coal”), is preparing to commence Mongolia coal production at its Ulaan Ovoo project in Q1 2022.

Mega Coal is commissioning Ulaan Ovoo in collaboration with its Mongolian partner, who owns and operates a mining fleet at Ulaan Ovoo that is able to support 30,000 tonnes per month of coal production at a steady rate. The equipment mine site inventory currently includes: 6 excavators, 13 dump trucks, 4 loaders, 2 screeners, 1 crusher, 1 water truck and 1 fuel truck.

There were limited Ulaan Ovoo coal shipments to China via the Erenhot rail port due to low coal prices in 2021. As a result, the mine operation was curtailed in late 2021. Since then, coal prices have increased whereby Newcastle 5,500 GCV thermal coal quintupled to an all-time high of US\$427 a tonne. Coal prices at Erenhot typically trade at a nominal discount from the Newcastle benchmark.

In addition, Mega Coal’s management team estimates there are approximately 90,000 tonnes of coal stockpiled at the Ulaan Ovoo mine site and the nearby Sukhbaatar rail siding. While the rail congestion to China has caused the sale of coal to be postponed, the situation is expected to ease in Q4 2022.

Plans are underway for Silver Elephant to spin out Mega Coal in late 2022. Refer to the news release dated April 4, 2022.

John Lee, CEO of both Mega Coal and Silver Elephant, states “2022 could be a break-out year for Mega Coal as we are gearing up for Ulaan Ovoo production to take advantage of the unprecedented thermal coal price”.

Qualified Person

The technical contents of this news release have been prepared under the supervision of Danniël Oosterman, VP Exploration. Mr. Oosterman is not independent of the company in that he is employed by it. Mr. Oosterman is a qualified person as defined by the guidelines in NI 43-101.

About Mega Thermal Coal Corp.

Mega Thermal Coal Corp. is a wholly-owned subsidiary of Silver Elephant which owns and operates the following Mongolia thermal coal projects:

Ulaan Ovoo, which contains a measured 174.5 million tonnes and indicated 34.3 million tonnes of thermal coal, with an average GCV of 5,040 kcal/kg (as cited in the technical report by Wardrop Engineering, December 13, 2010, available on SEDAR).

Chandgana Khavtgai, which contains a measured and indicated 1.05 billion tonnes of thermal coal, with an average GCV of 3,636 kcal/kg (as reported by Kravits Geological Services LLC, September 28, 2010, available on SEDAR).

Chandgana Tal, which contains a measured 124.4 million tonnes of thermal coal, with an average GCV of 3,306 kcal/kg (as reported by John T. Boyd Company, February 2014, available on SEDAR).

Further information on Mega Coal can be found at www.megacoal.ca.

About Silver Elephant Mining Corp.

Silver Elephant Mining Corp. is a premier silver mining and exploration company which also owns 100% of Mega Coal and 39% of Battery Metals Royalties Corp.

Further information on Silver Elephant can be found at www.silverelef.com.

SILVER ELEPHANT MINING CORP.

ON BEHALF OF THE BOARD

“John Lee”
Executive Chairman

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These factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. The Company believes that the expectations reflected in the forward-looking statements contained in this news release and the documents incorporated by reference herein are reasonable, but no assurance can be given that these expectations will prove to be correct. In addition, although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, or results not to be as anticipated, estimated, or intended. The Company undertakes no obligation to publicly release any future revisions to forward-looking statements to reflect events or circumstances after the date of this news or to reflect the occurrence of unanticipated events, except as expressly required by law.