

October 29, 2012

Initial Drill Results Confirm New Gold Mineralized Zones at Erdene's Altan Nar Gold-Silver Project

Multiple Gold Zones Intersected 1.3 kilometres NW of the Discovery Zone

Halifax, Nova Scotia - October 29, 2012 - Erdene Resource Development Corp. ("[Erdene](#)" or "Company") (TSX:ERD), is pleased to announce it has received assay results for the first two holes of a 17 hole reconnaissance drill program that began October 7th at the Company's 100% owned Altan Nar (Golden Sun) gold-silver project in southwest [Mongolia](#).

"This drilling has succeeded in extending the known gold mineralized trend more than a kilometre from our initial discovery, increasing our confidence that Altan Nar represents a very significant new [gold](#) discovery within the prolific Tien Shan gold belt of Central Asia", said Peter Akerley, President and CEO. "With Erdene's corporate restructuring in its final stages, we look forward to being in a position to focus all of our efforts on this exciting new discovery."

Holes TND-45 and TND-46 were drilled to test gold geochemical anomalies and coincident gradient array IP geophysical targets identified over a 5 by 1.5 kilometre area. These holes are located 1.0 and 1.3 kilometres respectively north-west of the initial Discovery Zone ("DZ"), targeting two north trending IP chargeability highs and coincident gold geochemical anomalies that can be traced for over 800 metres and 1,300 metres respectively. Both holes intersected phyllic altered andesite volcanics intruded by mineralized epithermal breccia and veins containing arsenopyrite, pyrite, galena, chalcopyrite and sphalerite. Hole TND-46 intersected multiple gold mineralized zones and the highest grade intervals of gold-silver mineralization to date outside of the DZ.

The following table presents assay results for TND-45 and TND-46:

Hole #	Total Depth (m)	Depth (m)		Width* (m)	Au (g/t)	Ag (g/t)
		From	To			
TND-46	105.5	22	30	8	1.1	3.5
Including		28	30	2	3.6	6.0
And		41	43	2	5.4	20.0
And		58	67	9	4.4	11.6
Including		62	64	2	9.7	24.5
And		98	102	4	1.03	3.0
TND-45	99.5	19	38	19	0.46	2.2

**Note: TND holes were drilled at approximately 45 to 60 degree dip and intersected zones are interpreted to be steeply-dipping to vertical. Additional information is required to determine true widths.*

The current phase of drilling totaling approximately 2,500 metres is comprised of 13 wide-spaced reconnaissance holes and four holes to test the down dip extension of the DZ. Remaining assay results are expected to be received prior to the end of the 4th quarter.

Altan Nar Background

The Altan Nar prospect includes a number of epithermal gold discoveries over a 5 kilometre strike length in southwestern Mongolia. The first reported occurrence of gold mineralization was by Erdene in mid-2011 when initial drilling returned 11 metres of 9.0 g/t gold within broad zones containing up to 50 metres of over 1.0 g/t gold. Drilling to date has identified an area approximately 300 metres by 150 metres, referred to as the DZ, defined by significant gold-silver mineralization associated with epithermal quartz veins and breccias. The DZ is characterized by multiple, shallow (surface to 150 metres depth) mineralized zones greater than 30 metres (apparent thickness) grading more than 1.0 g/t gold. Results at the south end of the DZ included 29 metres averaging 4.3 g/t gold and 24.1 g/t silver from hole TND-19 which was drilled 50 metres below the mineralization intersected in TND-09 that averaged 1.02 g/t gold and 12 g/t silver over 55 metres. Drilling at the northern end of the DZ intersected a broad mineralized zone that included 29 metres of 1.1 g/t gold and higher grade zones including 4 metres of 10.5 g/t gold and 56 g/t silver. The south end of the DZ appears to be structurally displaced but the DZ is open at

depth and to the north. Multiple untested targets with geophysical and geochemical signatures similar to the DZ exist throughout the 5 kilometre trend.

Qualified Person

J.C. (Chris) Cowan, P.Eng. (Ontario) is a Qualified Person as that term is defined in National Instrument 43-101 and has reviewed and approved the technical information contained in this 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, blanks and duplicates.

About Erdene

On October 26th, at the special meetings of the shareholders of each of Erdene and Advanced Primary Minerals Corporation, the shareholders of both companies approved a Plan of Arrangement ("**Arrangement**") to transfer all of Erdene's North American property interests to an amalgamated corporation to be named Morien Resources Corp. ("**Morien**"). Pursuant to the Arrangement, all of Erdene's North American property interests, consisting primarily of its 25% interest in the Donkin Coal Project, will be held by Morien which will trade on the TSX Venture Exchange under the symbol "MOX". Erdene will continue under the same name and trading symbol and will continue to focus on precious and base metal exploration in Mongolia.

Under the Arrangement, the share capital of Erdene will be reorganized and, each existing Erdene share will be exchanged for one-half of one "Erdene New Share" and one-half of one "share of Morien". Although the Arrangement was approved by the shareholders of Erdene and APM, it will not be effective until it is approved by the Supreme Court of Nova Scotia, and final approvals are received from the Toronto Stock Exchange and the TSX Venture Exchange. It is expected these approvals will be finalized within the next ten days. Assuming the Arrangement is concluded as planned, Erdene's 95,802,901 common shares issued and outstanding and fully diluted position of 100,555,901 common shares will be reduced to 47,901,451 issued and outstanding and 50,277,951 fully diluted.

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 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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