

Erdene Appoints Mr. John Budreski to Board of Directors Commences Review of Capital Structure

Halifax, Nova Scotia - January 19, 2012 - Erdene Resource Development Corp. (TSX:ERD) ("[Erdene](#)" or "Company"), is pleased to announce that its board of directors ("Board") has approved the appointment of Mr. John Budreski to the board. In addition, the Board has commenced a review of the capital structure of the Company to explore and evaluate potential alternatives in order to maximize shareholder value.

"We are very pleased to have Mr. Budreski join the Board. John brings a tremendous amount of experience in the resource related banking sector and has focused much of his time on transaction related activities in that sector, which will bring many benefits to the current phase of our company's growth." said Peter Akerley, President and CEO.

Addition to Board of Directors

John Budreski will join as a director effective immediately. He was formerly a Vice Chairman of Cormark Securities Inc. and prior to that, President and CEO of Orion Securities Inc. which was sold to Macquarie Group in 2007. He has over 25 years of broad experience in the resource and resource financing industries. John holds a Bachelor of Engineering from Dalhousie /TUNS University, Halifax, N.S. and an MBA from the University of Calgary, Alberta.

Review of Capital Structure

The Board has commenced a review to explore and evaluate potential alternatives in order to maximize shareholder value. Mr. Budreski will be working with Mr. Akerley and the executive team reviewing various options including a spin-off of the Mongolian assets, sale of subsidiaries, strategic investments, project financing and other corporate and financial transactions. It is anticipated that this process will continue throughout the first quarter and further comment will be made should a specific transaction be approved by the Board.

About Erdene

Erdene Resource Development Corp. is a diversified resource company with multiple projects at various stages of development from exploration to production, all focused on high-growth commodities. Erdene has a current working capital position of \$3.3 million with 95,802,901 common shares issued and outstanding and a fully diluted position of 103,410,901 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 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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