



**ERDENE RESOURCE DEVELOPMENT CORP.**

## **Erdene Commences Drilling on Mongolian Copper-Gold-Silver Projects**

### **Provides Metals Exploration Update**

For Immediate Release

**Halifax, Nova Scotia – June 16th, 2011 - Erdene Resource Development Corp. ("Erdene") (TSX:ERD)** is pleased to announce that drilling commenced on the Nomin copper-gold prospect on June 12<sup>th</sup> and upon completion, drilling is set to continue on the Khuvyn Khar copper-silver prospect.

#### **Nomin Copper-Gold Prospect**

Drilling on the Nomin prospect will initially include 1,500 metres in three to five holes targeting this new copper-gold discovery located in southwestern Mongolia. Drilling will focus on geochemical, structural and geophysical targets in the vicinity of ancient shallow pits from which multiple grab samples returned an average of 2.2% copper and 1.7g/t gold over a strike length of 250 metres and a second similar occurrence, 1.2 kilometres south-southwest of the main occurrence which returned assays of 1.6% copper and 1.15g/t gold. The host rocks are intense quartz magnetite altered granodiorite locally intersected by iron oxide bearing stockwork veins. The mineralization is hosted in Paleozoic felsic volcanics and intrusives within the Southwest Gobi Island Arc Terrane.

#### **Khuvyn Khar Copper-Silver Prospect**

Erdene has completed a preliminary drill program and a deep penetrating (700 metres) induced polarization geophysical survey over the Khuvyn Khar copper discovery in the northern portion of the Zuun Mod license. Six drill holes were completed over a 1.2 kilometre strike length targeting geophysical and geochemical anomalies in the Khuvyn Khar area. The original discovery hole (ZMD-121) is located at the north western end of the target area. Geophysical results have indicated that ZMD-121, which returned 1.34% copper and 9.24g/t silver over 34 metres, intersected a chargeability anomaly which intensifies to the south and at depth. New drilling results confirmed a broad zone of low grade copper mineralization with continuity over the eastern half (600 metres) of the target area which is open to the south. The eastern most hole, ZMD-128, returned multiple zones of greater than 0.2% copper, most significantly 42 metres of 0.21% copper within a broad zone of anomalous copper mineralization from 24 metres to 302 metres grading 0.13% copper. ZMD-127, located between ZMD-121 and ZMD-128, returned a similar thickness of highly anomalous copper from 4 to 302 metres averaging 0.12% copper.

Four of these holes (ZMD-123 to 126) tested chargeability high and magnetic low features within 200 metres of ZMD-121 to a maximum depth of 500 metres. All holes returned anomalous copper (highest value 0.22% Cu over 2 metres) and molybdenum (highest value 0.25% Mo over 2 metres) but did not intersect the higher grade zone discovered in ZMD-121. An interpretation of the drilling results and the new deep geophysics indicates that the copper mineralized zone appears to be structurally controlled in a zone of dacite porphyry in fault contact with granodiorite. Based on this information, it is apparent that the strongest targets lie to the south and at depth. The chalcopyrite mineralization observed as fracture and breccia infill is thought to be associated with late stage mineralizing fluid flow driven by a local porphyry system. The presence of Unidirectional Solidification Textures (UST's) associated with the high grade copper mineralized Quartz-Feldspar intersect may be interpreted as the top of a mineralized porphyry intrusion.

Follow-up drilling at Khuvyn Khar will target the chargeability anomaly to the south of ZMD-121. Drilling is planned to commence on completion of the Nomin drilling program.

#### **Mongolia Regional Exploration Program**

In 2011, the Corporation will continue to expand its detailed program of regional exploration to identify areas, principally in southern Mongolia, with the potential to host porphyry related copper-gold-molybdenum mineralization. Erdene has carried out a two-year, detailed regional evaluation of a large area in south-western Mongolia evaluating the potential for porphyry related copper-gold-molybdenum mineralization. Multiple new targets have been identified to date; these targets are receiving further work.

#### **Mongolia Investor-Analyst Tour**

Erdene's senior executive will be leading a tour of its Mongolia operations from June 17<sup>th</sup> through 20<sup>th</sup> including field visits to the Zuun Mod, Khuvyn Khar and Nomin projects. Ten visitors representing banks and securities firms from Canada, Australia, Mongolia and Hong Kong will be taking part in the visit.

#### **Annual General Meeting**

Erdene will hold its Annual General Meeting in Halifax on Thursday, June 23, 2011 at 5:30pm (Atlantic Time). A live webcast of Peter Akerley's presentation will be available on Erdene's website at: [AGM Webcast](#).

#### **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**

Erdene Resource Development Corp. is a diversified resource company with multiple projects in Mongolia, Canada, and the USA, at various stages of development, from exploration to production; all projects are focused on high-growth commodities. In Mongolia, Erdene's principals have over 14 years of experience in the country's resource sector. A dedicated technical and management team has resulted in the development of a strong portfolio of molybdenum-copper, copper-gold, and coal projects throughout the country. These projects, and our in-country experience, provide the Company with a unique opportunity to participate in this period of unprecedented economic growth in Mongolia. This growth is fuelled by the discovery and development of a number of World-class mineral projects that are transforming the country into one of Asia's mineral resource leaders.

Erdene has a current working capital position of approximately \$5.6 million, including that of its controlled subsidiary Advanced Primary Minerals Corp., with 90,323,377 common shares issued and outstanding and a fully diluted position of 97,841,377 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 subject to change after that date.

**NO REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED THE CONTENTS OF THIS RELEASE**

-- 30 --

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