

Erdene Announces Drilling Program for Altan Nar Gold-Silver Project

Halifax, Nova Scotia - March 5, 2012 - Erdene Resource Development Corp. ("Erdene") (TSX:ERD) is pleased to announce that a review and interpretation of the Altan Nar drilling results has been completed and the next phase of the drilling program designed. Drilling is expected to be underway by the first week of April.

Altan Nar Highlights

- Near surface, low sulphidation gold-silver discovery in Q3/Q4 2011
- Multiple gold targets throughout 3 kilometre by 2 kilometre area
- Discovery Zone demonstrates increasing grade at depth with:
 - 55 metres of 1.02 g/t gold and 12 g/t silver within 60 metres of surface
 - 29 metres of 4.3 g/t gold and 24.1 g/t silver at 110 metres depth
- Discovery Zone traced over 300 metres to the northeast:
 - Multiple intersections greater than 1 g/t gold, ranging up to 23 metres in thickness, were returned within a 125 metre wide zone of gold-silver-polymetallic mineralization that is open along strike and at depth
- Anomalous gold-silver bearing mineralized zones intersected in 15 of 24 holes
- Next phase of drilling to commence in April 2012

Altan Nar Exploration Plans 2012

Erdene discovered the Altan Nar gold-silver prospect in 2011 during a regional exploration program on its tenement blocks, covering approximately 200,000 hectares in southwestern Mongolia. Following the discovery of mineralized epithermal-style quartz veins at Altan Nar, an extensive program of ground geophysics (magnetics and induced polarization), mapping, prospecting and soil geochemistry identified numerous gold targets throughout a large area (2 kilometre by 3 kilometre) with anomalous lead and zinc in soil.

Scout drilling in the second half of 2011 confirmed the presence of near-surface gold-silver mineralization ('Discovery Zone') over a strike length of 300 metres, with widths up to 125 metres. A wide intersection of steeply-dipping mineralization (55 metres at 1.02 g/t gold and 12 g/t silver) was encountered in an angled drill hole (TND-09; 45 degree). A subsequent hole (TND-19), drilled 50 metres below TND-09, intersected 29 metres of 4.3 g/t gold and 24.1 g/t silver at an approximate depth of 110 metres, thus confirming higher grades for both gold and silver mineralization at depth. The Discovery Zone remains open along strike and at depth.

Scout drilling was also conducted in Q4 2011 outside the Discovery Zone, over a 1.1 kilometre by 0.9 kilometre area to test other gold-silver targets within the larger 2 kilometre by 3 kilometre target area. Significant gold mineralization (i.e. greater than 0.5 g/t gold over one or more metres) was encountered in eight of 17 holes throughout the target area. Additional drilling is planned for 2012 to test these zones and other gold-silver targets once additional detailed geochemical and geophysical surveys are completed. The geochemical and geophysical surveys will commence once ground conditions permit.

Further drilling through a phased drill program is planned for Q2 2012. The initial focus will be on delineating grade and vertical extent of the Discovery Zone mineralization followed by regional target testing. As results from the phase one drill program provide confidence, the program will shift into defining the dimensions of the Discovery Zone and additional areas being further advanced through the regional target testing.

The drill program will be carried out in three phases:

1. Follow-up drilling in Discovery Zone - Designed to test vertical continuity of gold-bearing zones within the Discovery Zone to a depth of 300 metres; approximately 2500 metres
2. Regional scout drilling of additional gold targets - A series of shallow holes designed to test continuity of gold-bearing zones identified outside the Discovery Zone and initial testing of additional surface targets; approximately 2000 metres
3. Delineation drilling in Discovery Zone - Approximately 50 metre spaced infill drilling (vertically and laterally) within the Discovery Zone; approximately 5500 metres

Prospectors and Developers Association of Canada (PDAC) Convention

Erdene's senior management and technical team will be in attendance at the PDAC 2012 International Convention, Trade Show and Investors Exchange - Mining Investment Show, March 4 to 7, Metro Toronto Conventions Centre - South Building. Investors are encouraged to drop by our booth (#2112) for an update of the Company's projects, including Altan Nar.

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 at various stages of development from exploration to production, all focused on high-growth commodities. Erdene has a current cash position of \$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 subject to change after that date.

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

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