



ERDENE RESOURCE DEVELOPMENT CORP.

Erdene Announces Significant New Gold Discovery in Southwest Mongolia

Commences Drill Program

For Immediate Release

Halifax, Nova Scotia – September 7, 2011 - Erdene Resource Development Corp. ("Erdene") (TSX:ERD), is pleased to announce results from an expanded surface exploration program, focused on gold and base metal mineralization, at the Company's 100% owned Tsenkher Nomin property in southwest Mongolia. This program has resulted in the discovery of extensive gold mineralization. A drill rig was mobilized to the property and commenced drilling September 5th to determine the extent of the mineralization.

Highlights

- A widely spaced soil survey (400 metres between samples) identified an intense gold-in-soil geochemical anomaly that included two adjacent samples that returned 0.47g/t and 1.4g/t gold
- Initial prospecting in the area of the gold-in-soil anomaly identified a wide zone of intense, parallel epithermal quartz veining over a 160 metre by 100 metre area
- Rock chip samples from these veins returned an average grade of 3.4g/t gold from 20 samples, including one sample that returned 19.2g/t gold and 12.5% lead
- Additional prospecting 400 metres further south resulted in the discovery of gold-bearing epithermal veins over a 160 metre strike length that returned an average grade of 5.2g/t gold from 11 rock chip samples, including one sample that returned 41.3g/t gold and 10.9% lead

Tsenkher Nomin Property

The Tsenkher Nomin property is located in south-western Mongolia discovered, in part, by a regional stream sediment survey that identified a broad polymetallic geochemical anomaly. Previously undocumented old workings, consisting of a series of shallow hand-dug pits, were identified; this area was the focus of the initial exploration program which included geochemical sampling and geophysical surveys (IP and magnetic). This prospect, referred to as Nomin Tal, was the subject of a scout drilling program earlier this year consisting of six drill holes which intersected high grade gold and copper mineralization below the ancient pits, including 0.5 metres of 13.3g/t gold, 3.0% copper and 26g/t silver.

As a result of these encouraging assays, an expanded exploration program was carried out including geological mapping, rock chip sampling and a soil geochemical survey at 400 metre intervals. This expanded exploration program identified a number of significant new discoveries over a large area of the Tsenkher Nomin property including several high grade gold anomalies. The most significant of the new discoveries is a large polymetallic anomaly (gold and lead with lesser zinc and copper) referred to as Altan Nar. The geochemical anomaly at Altan Nar extends over an area approximately 2 kilometres by 3 kilometres. Geochemical results include high grade gold (41.3g/t) from rock chip sampling and wide-spread soil anomalies which include highly anomalous values for gold (up to 1.5g/t) and lead (up to 2.6%).

To view a detailed presentation of the Tsenkher Nomin gold and base metal prospect, please visit the Featured Items section of our website at www.erdene.com.

Altan Nar

The Altan Nar area is located approximately 2.5 kilometres southwest of the Nomin Tal copper-gold prospect. The Altan Nar prospect contains several new polymetallic epithermal discoveries with the two most significant to date referred to as Altan Nar 1 and Altan Nar 2.

Altan Nar 1 contains wide-spread mineralized quartz veins traced over 400 metres along strike and up to 100 metres in width in an area with limited exposure. The area is characterized by widespread massive chalcedony, recrystallized coarse comb, saccharoidal, quartz-carbonate veins and fine comb quartz veinlets. Sphalerite and galena mineralization as well as malachite staining is commonly associated with the quartz veining. A total of 28 rock chip samples were collected from across the Altan Nar 1 prospect with 16 of these samples returning gold values greater than 1g/t with an average of all 28 samples at 2.7g/t gold (range 19.2g/t to 26ppb gold). The Altan Nar 1 samples were also anomalous in silver, lead and zinc. Silver values ranged from less than detection limit (1g/t) to 74g/t (average 11.2g/t); lead values ranged from 205ppm to 12.5% (average 1.02%); and zinc values ranged from 383ppm to 1.59% (average 0.37%). A close-spaced geochemical soil survey (100 metre spacing) has been completed over the Altan Nar 1 area with results pending. Geophysical surveys are currently underway.

Altan Nar 2 is located 400 metres south of Altan Nar 1 and is characterized by polymetallic epithermal quartz veins traced over a 160 metre strike length. Eleven rock chip samples were collected over the 160 metre strike length and all samples returned anomalous gold, silver, lead and zinc values. Gold values ranged from 256ppb to 41.3g/t, with six of the 11 samples returning values greater than 1g/t gold. Silver values ranged from 2g/t to 11g/t (average 9.5g/t). Lead values ranged from 0.4% to 10.9% (average 1.97%), with four of the 11 samples returning values greater than 1% lead. Zinc values ranged from 0.15% to 3.03% (average 1.08%), with five of the 11 samples returning values greater than 1% zinc. Although the mineralization at Altan Nar 2 appears to be associated with narrow quartz veins (less than 1 metre), the area of mineralized quartz veins appears to widen to the north toward Altan Nar 1.

Also of interest are two additional areas (Altan Nar 3 and 4) with anomalous gold, silver, lead and zinc values. Only limited rock chip samples have been taken over these prospects to date.

Altan Nar 3 is located approximately 600 metres east of Altan Nar 1 and 2. A single rock chip sample returned 11.2g/t gold, 8g/t silver and 0.25% lead. This sample is within a zone of anomalous soil geochemistry. Altan Nar 4 is located 1.5 kilometres southeast of Altan Nar 1 and four rock chip samples, along a 700 metre strike length, all returned values greater than 1.3g/t gold (range 1.3g/t to 3.8g/t) and averaged 2.7g/t gold. These four samples also averaged 13g/t silver, 1.5% lead and 0.52% zinc.

Preliminary rock chip sampling and geological mapping over the four Altan Nar prospects has identified highly anomalous gold mineralization over a zone covering approximately 2 kilometres by 1 kilometre. The potential for additional discoveries within the area of the larger soil geochemical anomaly (2 by 3 kilometres) at Altan Nar is considered by management to be high.

Nomin Exploration Plans

The initial 400 metre spaced soil geochemical program has been expanded with closer spaced sampling (200 and 100 metre intervals) along with detailed geological mapping and rock chip sampling, particularly in the areas of soil geochemical anomalies, including the Altan Nar area. In addition, a geophysical program (IP and magnetic) is currently underway. Results are expected to be received throughout September. Drilling commenced on September 5th at Nomin Tal and will continue at Altan Nar by mid-September.

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 have assembled 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 natural resource capitals.

Erdene has a current working capital position of \$4.2 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 97,931,377 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 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.

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Contact information

Erdene Resource Development Corp.

Peter C. Akerley, President and CEO

or

Ken W. MacDonald, Vice President Business Strategy and CFO

Phone: (902) 423-6419

E-mail: info@erdene.com

www.erdene.com

Renmark Financial Communications Inc.

Barbara Komorowski: bkomorowski@renmarkfinancial.com

Dustin Buenaventura: dbuenaventura@renmarkfinancial.com

Phone: (514) 939-3989 or (416) 644-2020

www.renmarkfinancial.com