



## **ERDENE RESOURCE DEVELOPMENT CORP.**

### **Erdene Receives Mining License for the Zuun Mod Molybdenum-Copper Project in Mongolia**

For Immediate Release

**Halifax, Nova Scotia – May 31, 2011 – Erdene Resource Development Corp. ("Erdene" or the "Company") (TSX:ERD)**, is pleased to announce that it has received a Mining License for the Zuun Mod molybdenum-copper project in Southwest Mongolia from the Government of Mongolia.

"The granting of a mining license at Zuun Mod is an important milestone for the project and our Company", said Peter Akerley, President and CEO. "Our employees and Mongolian consultants have dedicated significant effort to this achievement and the receipt of the license is a testament to their ability to work with the Mongolian regulatory authorities. With the long-term Mining License secured, we now have the ability to advance this wholly owned project more rapidly."

The Zuun Mod Mining License covers an area of 6,041 hectares and contains the South Racetrack and North Racetrack deposits, which hosts all of the Measured and Indicated resources at Zuun Mod. The Mining License also contains the Khuvyn Khar copper prospect. The Mining License is valid for an initial 30-year term with provision to renew the license for two additional 20-year terms.

A revised National Instrument 43-101 compliant resource estimate for the Zuun Mod molybdenum-copper project is expected to be received from the Company's independent technical consultants, Runge Limited (Minarco-MineConsult), in early June. This revised resource estimate was commissioned following recent drilling results which indicated higher molybdenum and copper grades in the South Racetrack deposit, as disclosed in the Company's press release dated February 17, 2011. The Company expects this updated resource report will form the basis for the next stage of development at Zuun Mod.

Approval of an application for a second contiguous Mining License, south of the approved Mining License, is awaiting a decision by the Government of Mongolia on the definition of the boundaries of a water protection area overlapping the license area. This license application covers 358 hectares and contains the Stockwork deposit which hosts 15 percent of the Inferred resource at Zuun Mod. The Company is working closely with the Government of Mongolia to finalize the boundary of the exclusion area so that the water resource is protected and the impact, if any, on the Inferred resource included on this Mining License application is minimized.

Erdene is also pleased to announce that it has retained the services of Renmark Financial Communications Inc. ("Renmark") to enhance its retail Investor Relations activities. Renmark is a Montreal and Toronto based company, and one of the largest retail Investor Relations firms in Canada, with over 12 years of experience in providing consulting and financial communication services primarily to Canadian listed companies in the mining and exploration sector.

### **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 \$6.0 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.

### **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.

## **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. Erdene 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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