



ERDENE RESOURCE DEVELOPMENT CORP.

Erdene's Zuun Mod Results Continue to Enhance Potential of Copper and Molybdenum Porphyry Complex in Mongolia

Drill Results Include 118 metres of 0.11% Molybdenum and 0.10% Copper

For Immediate Release

Halifax, Nova Scotia – February 17, 2011 - Erdene Resource Development Corp. ("Erdene") (TSX:ERD) is pleased to provide the complete results from the 2010 drill program at its Zuun Mod molybdenum and copper project in southwestern Mongolia.

"The recent drilling program at Zuun Mod has been a tremendous success," said Peter Akerley, President and CEO. "We have accomplished our main goal of expanding the higher-grade zones within this very large [molybdenum-copper](#) deposit and have discovered a significant new zone of [porphyry copper](#) mineralization situated over 2 kilometres from the main deposit. As a result, we are now planning an expanded drilling program to further define these exciting new results."

Highlights:

- Higher grade molybdenum and copper zones expanded within the Racetrack deposits
- New higher grade molybdenum and copper zones discovered at depth
- A significant new copper zone, Khuvyn Khar, discovered 2.2 kilometres northwest of the main Racetrack deposits
- Recent results enhance potential for further mineral resource expansion and discovery
- Major drilling program planning underway

Zuun Mod 2010 Drill Program

The 2010 drilling program at Zuun Mod consisted of 16 holes including eight deepened holes and eight new holes for a total of 4,802 metres. Thirteen of these holes, eight deepened holes and five new holes, were drilled within the area of the deposit to a depth of 500 metres. The remaining three new holes were drilled to test identified geophysical targets well outside of the existing resource area but within the large Zuun Mod porphyry complex. A table providing a complete summary of results and a map showing the location of the current drilling program are available on the Erdene website homepage under Featured Items at www.erdene.com.

One of the goals of the 2010 drilling program was to test the deposit at depths between 350 and 500 metres as several previously drilled deep-holes (up to 852 metres) demonstrated that the molybdenum and copper mineralization at Zuun Mod continues at depth. The 13 holes drilled

within the deposit area all contained mineralized zones with grades of molybdenum and copper consistent with or superior to the deposit average.

Included in these mineralized zones was a newly identified high-grade zone intersected in hole ZMD-51. This hole intersected 118 metres (362 to 480 metres) of 0.106% Mo and 0.098% Cu. Overall, ZMD-51 averaged 0.061% Mo and 0.072% Cu over the 432-metre mineralized section (68 to 500 metres). The high-grade zone in ZMD-51 can be correlated with higher-grade zones in surrounding new and previously drilled holes. A map illustrating the new zone of higher grade molybdenum-copper mineralization can be viewed on the Erdene website homepage under Featured Items at www.erdene.com. These results continue to demonstrate good potential to discover additional high-grade zones within the Zuun Mod deposit. This will be one of the goals of an expanded drilling program expected to commence early in the second quarter at Zuun Mod.

These results will now be incorporated in a new resource estimate. It is anticipated the new data will result in an increased level of confidence in resource classification at depths between 350 and 500 metres. Resources at these depths are, for the most part, currently classified as Inferred resources. In addition, the new zone of higher grade molybdenum and copper identified at depth in the South Racetrack in the vicinity of hole ZMD-51 has the potential to have an impact on the overall deposit grade and ultimate pit design.

The recently completed Zuun Mod drill program within the resource area further defined the mineralization in key areas expected to be initially developed for mining. The data from this drill program is now being used to define a more extensive pre-feasibility level drill program designed to upgrade Inferred resources to Measured and Indicated resource categories.

The Zuun Mod deposit currently contains a National Instrument 43-101 compliant resource of 215 million pounds ("Mlbs") of molybdenum in the Measured and Indicated ("M&I") category grading 0.054% Mo, consisting of 46 million pounds ("Mlbs") of molybdenum in the Measured category grading 0.056% Mo and 169 Mlbs in the Indicated category, grading 0.054% Mo, and a further 208Mlbs in the Inferred category grading 0.051% Mo with slightly higher copper grades in all categories, making it one of the largest undeveloped molybdenum-copper deposits in the Asia region. Within this envelope of 0.05% Mo mineralization (0.04% Mo cut-off grade ("cog")), are higher grade zones averaging approximately 0.07% Mo (0.06% Mo cog) totaling 69Mlbs of molybdenum in the M&I category and 44Mlbs of molybdenum in the Inferred category with similar copper grades.

New Copper Discovery at Khuvyn Khar (see February 1, 2011 press release)

The Khuvyn Khar copper prospect is located 2.2 kilometres northwest of the main molybdenum-copper deposit and was identified through drill hole ZMD-121 which intersected 34 metres of 1.3% copper from 308 to 342 metres testing a geophysical target. This drill hole is located within a two square kilometre area that exhibits intense alteration and copper geochemical anomalies on surface and in previous intersections from limited drilling in the vicinity. The mineralized section of ZMD-121 is associated with a high chargeability, low resistivity IP geophysical signature which extends beyond the area of the drill hole. In addition, there are a number of similar targets in the vicinity of this hole. This area will be tested through additional exploration drilling expected to start early in the second quarter.

Zuun Mod Property

The Zuun Mod molybdenum-copper deposit and the Khuvyn Khar copper prospect are situated within a large area of porphyry related mineralization and alteration measuring 12 kilometres in circumference. This annular feature is defined by a series of intrusive bodies surrounding a core of altered andesite. Limited drilling has taken place outside the area of the currently defined Zuun Mod molybdenum-copper deposit which is situated in an area known as the South Corridor, a 3.2 kilometre long, 800 metre wide mineralized zone.

Erdene controls the Zuun Mod property through a single exploration license totaling 30,650 hectares located in Bayankhongor Province in Mongolia, approximately 950 kilometers southwest of Ulaanbaatar and 215 kilometers from railhead on the Mongolia-China border at Ceke. The railhead is located 20 kilometers south of the Nariin Sukhait and Ovoot Tolgoi coal mines.

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 projects are focused on high-growth commodities. These projects include a 25% interest in Xstrata's eastern Canadian Donkin [Coking Coal](#) Project, a 100% interest in the large tonnage Zuun Mod Molybdenum and Copper project in Mongolia, a royalty interest in a developing construction material project in the United States as well as a 60% equity interest in TSX-V listed Advanced Primary Minerals. Erdene has a current working capital position of approximately \$7.6 million, including that of its controlled subsidiary Advanced Primary Minerals Corp., with 90,118,377 common shares issued and outstanding and a fully diluted position of 93,731,377 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

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