



ERDENE RESOURCE DEVELOPMENT CORP.

Erdene Provides Project Updates and Third Quarter Financial Results

For Immediate Release

Halifax, Nova Scotia – November 17, 2010 – Erdene Resource Development Corp. (“Erdene” or “Company”) (TSX:ERD) today provided an update on its principal projects in conjunction with the release of its third quarter 2010 financial results.

2010 Third Quarter Highlights

- Pre-feasibility level transportation and marketing studies were ongoing in the third quarter as Xstrata Coal continues to advance the Donkin Coal Project; the pre-feasibility study on development of the project based on sales into the coking coal market, is expected to be finalized within the fourth quarter, 2010.
- Work continued to advance the Zuun Mod Molybdenum Project in Mongolia with a 4,000-metre resource delineation and exploration drilling program announced to test molybdenum and copper targets; pre-feasibility level studies continue.
- Throughout the quarter, exploration programs, including geophysical surveys and drilling, were carried out over new coal and metals targets identified in south-western Mongolia.
- During the quarter, Advanced Primary Minerals Corporation (“APM”) closed a \$1 million private placement financing; Erdene participated with a \$350,000 investment and conversion of \$379,101 in existing debt to APM shares to hold 59.7% of APM’s issued and outstanding shares.
- Aggregates USA Inc. continued with mine development including site preparation and acquisition of processing equipment for the Sparta Quarry (Granite Hill) Aggregate Project in Georgia, USA; commercial production is expected to start late in 2011.
- Erdene's third quarter expenditures were directed toward the advancement of the Company's primary projects; ending the quarter with \$10.5 million in cash and cash equivalents.

Project Updates and Summaries

Donkin Coal Project

In February 2010, Xstrata Coal indicated that they intend to develop the Donkin Coal Project based on sales into the coking coal market. The revised Donkin Coal Project plan is expected to utilize four continuous miners added incrementally over the first three years of production. In addition, a coal wash plant will be built on site and it is proposed that coal will be shipped from the mine site using a barge to ship system or by rail to Sydney Harbour. Under the revised development plan, the Donkin Coal Project is projected to produce approximately 2.75 million tonnes per annum of washed, export-grade coking coal at full production, pending receipt of all approvals.

Mining consulting firm, Marston (Missouri), has been engaged to evaluate and prepare a NI 43-101 Technical Report based on a pre-feasibility study on the Donkin Export Coking Coal Project. Marston is an international, full-service, mine consulting firm headquartered in St. Louis, Missouri with extensive experience in open pit and underground coal mines. During the third quarter, most of the information for completion of the pre-feasibility study was delivered to Marston for incorporation into the NI 43-101 Technical Report with the exception of the marketing report and transportation study. The Marston NI 43-101 Technical Report is expected to be released before the end of the year.

Erdene has a 25% interest in the Donkin Coal Project, located on Cape Breton Island, Nova Scotia with joint-venture partner and project manager Xstrata Coal Canada ("Xstrata Coal"). The deposit is strategically located proximal to deep water with ready access to some of the world's major shipping routes. The resource includes 227 million metric tonnes ("Mt") of Indicated and 254Mt of Inferred high volatile-A bituminous (12,000-14,000 Btu) coal. The processed Donkin coal also has many excellent coking coal properties including low ash, medium sulphur, low phosphorus, high CSN (crucible swell number) and fluidity.

Zuun Mod Molybdenum Project

In early November, subsequent to the end of the third quarter, the Company announced plans for a 4,000 metre drilling program focused on two target areas on the Zuun Mod property. The first target is within the area of the Zuun Mod molybdenum-copper deposit. This drilling program is designed to provide more detailed information on an area expected to be initially developed for mining and to expand resources in the higher grade zones in the North Racetrack deposit area. Drilling will include additional holes in an area where previous drilling intersected 412 metres averaging 0.061% Mo and 0.067% Cu beginning at 38 metres. Two high-grade zones within this hole include a 66 metre intercept grading 0.10% Mo and 0.10% Cu beginning at 212 metres and a second 58 metre intercept starting at 338 metres that returned 0.12% Mo and 0.08% Cu. This hole remains open at depth and to the southeast and is untested for approximately 300 metre to the west.

The second target area on the Zuun Mod property is the Khuvyn Khar copper prospect located 2.5 kilometres northwest of the Zuun Mod deposit. The Khuvyn Khar copper target measures approximately 2 kilometres in diameter and is defined by coincident geophysical and copper geochemical anomalies within a zone of moderate to intense porphyry copper-molybdenum related

alteration. Previous drilling along the periphery of the newly defined chargeability anomalies has identified significant copper mineralization. Three of the four holes in the area intercepted low-grade copper values (0.1% to 0.2% Cu) associated with intense potassic alteration over intervals of 20 to 172 metres. One drill hole intersected a 12 metre interval that returned 0.30% Cu, 0.02% Mo and 2.2g/t Ag, coincident with the edge of the targeted chargeability anomaly. The Khuvyn Khar prospect remains untested below 250 metres depth and for over 1 kilometre north of this hole and approximately 2 kilometres to the southwest where the chargeability anomaly intensifies.

In addition to the drilling program, other work on the Zuun Mod molybdenum-copper deposit is underway including engineering studies, hydro-geologic drilling to identify the source for process water and a CSAMT (Controlled Source Audio-frequency Magnetotelluric) geophysical survey designed to test for resistive bodies under pediment in the Zuun Mod area. The Company's independent technical consultant, Minarco Mineconsult (Runge), is currently conducting a Stage II pit optimization study to assess various mine scheduling scenarios for a range of production profiles and molybdenum revenue rates. This study is expected to be completed in mid-December and will provide high level production scheduling, a review of operating and capital costs, and economic modeling.

Zuun Mod is a porphyry molybdenum-copper deposit containing 215 million pounds (“Mlbs”) of molybdenum in the Measured and Indicated category, grading 0.054% Mo, and a further 208Mlbs in the Inferred category grading 0.051% Mo, making it one of the largest undeveloped molybdenum-copper deposits in the Asia region. Erdene controls the Zuun Mod deposit through a single exploration license totaling 49,538 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.

Nomin Copper-Gold Project

During the third quarter, the Company announced early stage copper-gold results for the Nomin project in south-western Mongolia. The Nomin prospect is a new discovery; however, previously undocumented ancient workings (shallow pits) have been found on the property. Samples from these pits returned an average of 2.2% copper and 1.7g/t gold from several samples taken over a strike length of 250 metres. A sample from a second similar occurrence, 1.2 kilometres south-southwest of the main occurrence, returned assays of 1.6% copper and 1.15g/t gold. Further prospecting in the area has identified additional mineralized occurrences 4 kilometres to the SSW and 7 kilometres to the SW. Magnetic and induced polarization (IP) dipole-dipole surveys have been completed over the area of the initial mineral occurrences and are currently being reviewed.

Erdene is in the process of assessing large areas of Mongolia for their potential to host porphyry related mineral deposits including the area to the west and northwest of Zuun Mod porphyry deposit where field evaluation of prospective areas is ongoing. The 2010 metals exploration program has focused on evaluating newly acquired exploration licenses, follow-up of anomalous results from the 2009 regional exploration program and expansion of the regional porphyry evaluation program.

Regional Coal Exploration Program

The coal exploration program is focused on evaluating the potential of several large basins (Zarman and Nomin) in south-western Mongolia to host coal deposits. Work to date has identified coal bearing lithologies outcropping discontinuously over a strike length of 60 kilometres along the northern edge of the Zarman basin. During the third quarter, exploration field work included completion of geophysical surveys (magnetic and seismic), and a nine hole, 2,339 metre, reconnaissance drilling program. Data from this work is under review with results pending.

Sparta Kaolin Project (Advanced Primary Minerals Corporation)

Early in the third quarter, Erdene announced the acquisition of additional shares in APM which completed a \$1 million private placement (\$350,000 investment by Erdene) and debt settlement transaction (\$379,101) to hold 15,717,748 (59.7%) of APM's issued and outstanding shares.

Advanced Primary Minerals operates a newly commissioned primary kaolin processing plant in Dearing, Georgia producing performance filler, glazing and coating products for the ceramics, plastics and refractory industries as well as other specialty industrial applications. APM plans to immediately begin a capital expansion program at its plant in Dearing, Georgia with the installation of new product silos, bagging and classification equipment to accommodate increased sales and new product lines. In addition, work will commence soon on a feasibility program to evaluate a number of expansion options and to determine the optimal plan for permitting and development of the Corporation's 330 acre, high quality primary kaolin resource located in McDuffie County within eight miles of the Dearing plant.

Sparta Quarry (Granite Hill) Project

Aggregates USA (Sparta), LLC ("AUSA") holds a mining lease agreement with the Company on the Sparta Quarry Aggregate Project. During the second quarter, AUSA announced a production decision and has made the Sparta Quarry Project one of its top priority new developments. Mine development is now well advanced with commercial production forecast to commence late in 2011.

During the third quarter, the Sparta Quarry site-clearing was completed on a 47 acre portion of the property where the start-up quarry and processing plant will be located. The contract for the stripping of overburden in the area of the pit was awarded; this work started in mid-August. The Georgia Department of Transportation approved the construction of the railway underpass on Highway 16 to link the property to the existing rail-line. This work will start shortly and is expected to be completed by mid-2011. Phase I plant equipment, including primary and secondary crushers, has been ordered and is scheduled to be delivered to the site before the end of the year to begin crushing for road construction and rail bed needs.

The Company's Sparta Quarry Project is a former producing granite aggregate quarry in central Georgia. The Company, through its subsidiary ERD Aggregate Corp, owns the 342-acre property, which holds a resource in excess of 120 million tons and is situated on an existing rail line. The Company leases the property to AUSA. Under the terms of the mining lease, the Company has granted an exclusive right to AUSA to mine, process, and sell aggregate from the Sparta Quarry

property. As operator, AUSA is responsible for 100% of all capital and operating costs for the project. The sale of all aggregate from the property is subject to an industry competitive royalty payable to the Company.

2010 Third Quarter Financial Results Summary

Erdene's September 30, 2010 financial statements and Management's Discussion and Analysis were filed with regulatory authorities on November 12, 2010 and are available on the Company's website at www.erdene.com and on SEDAR at www.sedar.com. These statements are provided on a consolidated basis incorporating its controlled subsidiary, APM.

For the three months ended September 30, 2010, exploration and operating expenses, net of joint venture partner contributions of \$533,039, amounted to \$625,365 compared to \$1,037,854, in the third quarter of 2009, net of partner contributions of \$297,054. Including capitalized exploration costs and excluding write-offs, exploration expenses were \$1,091,005 for the third quarter of 2010 compared to \$1,215,699 for the same period in 2009.

Erdene's third quarter expenditures were directed toward the advancement of the Company's primary projects: Donkin Coal Project, Zuun Mod Molybdenum Project, metal exploration in Mongolia and industrial mineral projects.

Administrative expenses totalled \$452,403 for the third quarter of 2010, compared to \$437,481 in the third quarter of 2009.

The Company recorded a net loss of \$362,771, or \$0.00 per share, in the third quarter of 2010 compared to net loss of \$1,239,158, or \$0.01 per share, for the same period in 2009.

At September 30, 2010, Erdene had \$10.5 million of cash and cash equivalents on hand, on a consolidated basis, compared with approximately \$13.8 million at December 31, 2009.

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.

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 working capital position of approximately \$9.1 million, including that of its controlled subsidiary APM, with 89,230,877 common shares issued and outstanding and a fully diluted position of 93,734,877 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. Discussion of the various factors that may affect future results is contained in Erdene's Annual Information Form dated March 29, 2010, which is available at www.sedar.com. 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 and Erdene does not assume the obligation to revise or update these forward-looking statements after the date hereof AIF, or to revise them to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

Contact information

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](mailto:info@erdene.com)

www.erdene.com