



ERDENE RESOURCE DEVELOPMENT CORP.

Erdene Provides Donkin Coal Project Update

Xstrata Recommends Shift in Focus from Thermal to Coking Coal Export Markets

Halifax, Nova Scotia - February 11, 2010 - Erdene Resource Development Corp. ("Erdene") (TSX:ERD), is pleased to comment on the announcement made yesterday by Xstrata Coal with regard to the Donkin Coal Project. Xstrata has indicated that they will now be developing the project based on sales into the coking coal market. The revised Donkin Coal Project is expected to produce approximately 2.75 million tonnes per annum of washed export grade coking coal at full production, pending the receipt of all approvals. Xstrata is also looking to obtain expressions of interest from potential strategic partners to contribute to the project. The Donkin Coal Project is a joint venture between Xstrata Coal Donkin Limited, a subsidiary of Xstrata plc, (75%) and Erdene (25%). Located in Cape Breton, Nova Scotia, proximal to deep water, adjacent to some of the worlds major shipping routes, the setting is ideal for seaborne shipping.

"Erdene is very pleased to hear of Xstrata's commitment to the Donkin project particularly their confidence in a shift into the coking coal market," said Peter Akerley, President and CEO of Erdene. "This decision is undoubtedly of significant interest and value to our investors but in addition to our responsibility to our investors, our goal is to be a significant partner in bringing a safe and efficient mining industry back to Cape Breton which has almost unrivalled coal resources on deep water and the people to make this a certainty."

Market

Washed coking coal from the Cape Breton coal fields has historically been sold to the steel industry in Europe and North America. Demand for coking coal is expected to rise with the recovery in the steel market particularly in regards to China, India and other Pan-Asian countries. Additionally, Western world steel production is on the rise. U.S. steel utilization rates have increased to approximately 65% from recent 45% lows, and European steel mill production is also strengthening.

Donkin Coal Project Background

Located in Eastern Canada, the high energy Donkin coal resource includes 227 million metric tonnes ("Mt") of Indicated and 254Mt of Inferred high volatile-A bituminous (12,000-14,000 Btu), high sulphur, and medium ash coal. The project is located within 35 kilometres of a coal-fired electrical generating plant and a deep-water coal terminal facility. The relatively short shipping distances by water to the United States east coast, Europe and Asia places Donkin in an ideal position to enter the expanding export coal markets.

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 \$13.3 million, including that of its controlled subsidiary APM, with 89,230,877 common shares issued and outstanding and a fully diluted position of 93,254,877 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. 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 CONTENT OF THIS RELEASE

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