



ERDENE RESOURCE DEVELOPMENT CORP.

Erdene Intersects 61 Metres of 4.2 g/t Gold at Striker Zone and 15 Metres of 9.2 g/t Gold in Step-Out Hole, 250 Metres West of Striker at Bayan Khundii Gold Project

Halifax, Nova Scotia – Dec 6, 2017 – Erdene Resource Development Corp. (TSX:ERD) ("Erdene" or "Company") is pleased to announce additional assay results from the Company's on-going 2017 exploration program at its 100%-owned Bayan Khundii Gold Project ("Bayan Khundii") in southwest Mongolia.

"Our Bayan Khundii drilling program continues to support the presence of multiple, near-surface, very high-grade zones outside of the main Midfield and Striker Zones," commented Peter Akerley, Erdene's President and CEO. "Results reported today include many intervals with ounce to multi-ounce gold intersections, including some in areas not previously identified as high-grade such as North of Midfield, West of Striker and near-surface between Midfield and Striker. Additionally, closer spaced drilling within the Striker and the Striker-Midfield areas continues to deliver excellent results, confirming strong continuity of these very high-grade gold domains. This, coupled with recently completed Q4 drilling results at our neighboring Altan Nar project, and recent high-grade sampling results north of Bayan Khundii, display the tremendous upside potential of this new district."

Highlights (see attached plan maps for reference)

- Drilling between the Striker and Midfield Zones returns 23 metres of 6.7 g/t gold, including 1 metre of 139 g/t gold, beginning at 41 metres vertical depth (hole BKD-222).
- Step-out drilling 250 metres west of the Striker Zone returns best intersection to date in this area with 15 metres of 9.2 g/t gold, including 1 metre of 116 g/t gold (hole BKD-220).
- Striker Zone drilling returns 61 metres of 4.2 g/t gold, with multiple high-grade intervals including 1 metre of 111 g/t gold (hole BKD-227).
- Drilling 225 metres north of the Midfield Zone returns 93 metres of 1.5 g/t gold (BKD-228).
- Additional Bayan Khundii drill results anticipated in January 2018.
- Regional mapping and rock chip sampling identifies new high-grade gold prospects north of Bayan Khundii.

Summary

Ten holes (BKD-219 to BKD-228), totalling 1,666 metres, were completed at the Bayan Khundii project in November and are included in this update. Three holes were completed west of the Striker Zone (BKD-219 to BKD-221), one hole between the Striker and Midfield Zones (BKD-222), four shallow holes in the Gold Hill Zone (BKD-223 to BKD-226), one hole in the Striker Zone (BKD-227) and one hole to the north of the Midfield Zone (BKD-228). Table 1 below includes drill result highlights of these ten holes, followed by a description of results. For reference see the attached plan maps (links provided below).

Table 1. Bayan Khundii drill highlights

Drill Hole	From (m)	To (m)	Interval (m) ⁽¹⁾	Gold (g/t)
West of Striker Zone				
BKD-219	103	123	20	1.87
incl	104	105	1	10.40
incl	121	122	1	15.70
BKD-220	131	165	34	4.20
incl	131	146	15	9.22
incl	139	142	3	44.00
incl	141	142	1	116.00
and	182	184	2	4.86
and	220	221	1	10.40
BKD-221	121	152	31	1.13
incl	139	140	1	20.80
Striker – Midfield Connection				
BKD-222	41	81	40	3.99
incl	41	64	23	6.68
incl	42	43	1	139.00
and	156	205	49	0.84
Gold Hill West Zone				
BKD-223	49	75	26	0.52
BKD-225	57	67	10	0.77
BKD-226	10	25	15	0.75
Striker Zone				
BKD-227	5	26	21	0.81
and	54	115	61	4.22
incl	54	56	2	19.60
incl	67	75	8	14.90
incl	68	69	1	111.00
incl	87	88	1	39.90
incl	111	112	1	19.50
North of Midfield Zone				
BKD-228	93.2	186	92.8	1.51
incl	94	142	48	2.36
incl	94	95	1	15.60
incl	102	105	3	8.16
incl	121	122	1	14.10

(1) Reported intervals are not true width. At this time, there is insufficient data with respect to the shape of the mineralized system to calculate true orientations in space. They represent drill intersection widths from holes drilled at a dip of -45 to -85 degrees and oriented to the north-northeast. The Bayan Khundii mineralization is interpreted to be moderately dipping (approximately 40 to 50 degrees to the southwest).

Two plan maps have been attached for reference:

Discussion of Drill Results

West of Striker Zone

Erdene has completed a total of 27 holes in the area west of the Striker Zone at 20 to 80 metres spacing, over a 375 by 250 metre area. The depth of drilling has ranged from 97 to 340 metres vertical depth, with an average of 223 metres. Of the 27 holes, 26 have intersected anomalous gold mineralization, with 13 returning high-grade intervals of greater than 10 g/t gold. Today's results are for three holes (BKD-219 to 221) including the highest-grade intersection to date within this zone, 116 g/t gold over 1-metre within 15 metres averaging 9.2 g/t gold in hole BKD-220, 250 metres west of the Striker zone, further establishing the potential that exists at West Striker to identify additional significant high-grade zones.

Striker-Midfield Connection

Recent drilling has been successful in demonstrating the continuity of the Midfield Zone down dip, vertically below the surface exposure of Striker, however this drilling has also begun to define a new near-surface, high-grade zone between Striker and Midfield. Hole BKD-222 intersected 23 metres of 6.7 g/t gold with individual samples (1 metre) up to 139 g/t gold within 50 metres of surface. Two earlier holes, north and south of this intersection (BKD-153 and BKD-86), returned individual samples of 94.8 g/t gold and 31.4 g/t gold, respectively, within wider mineralized intervals, again within 50 metres of surface. Prior to the 2017 exploration season, limited drilling had taken place in a 200-metre wide zone separating Striker from Midfield.

West of Gold Hill Zone

The objective of recent drilling west of the Gold Hill Zone was to target potential near-surface, high-grade mineralization along the western extension of Gold Hill. Previous drilling and trenching had outlined a shallow zone, exposed locally at surface. Four shallow holes, BKD-223 to 226, tested this area with three of the holes intersecting zones of anomalous gold (10 to 26 metres of greater than 0.5 g/t gold) but no significant high-grade material.

Striker Zone

While all 51 holes within the Striker Zone have intersected anomalous gold, approximately 70% have returned intervals of greater than 10 g/t gold, and up to 306 g/t gold (1 metre). Given the very high-grade nature of mineralization at Bayan Khundii certain areas will be of disproportionate importance to the ultimate mineral resource estimate in terms of the overall volume of gold in the deposit. Therefore, Erdene's independent technical consultant has recommended more detailed drilling locally to provide accurate levels of influence and control for eventual domain definition and any proposed capping of gold grades in advance of the Company's 2018 maiden mineral resource estimate. As such, a single hole was completed in the Striker Zone, BKD-227, located along the southern, down-dip portion of the Striker Zone. The hole returned four high-grade intervals (1 metre) of between 19 g/t and 111 g/t gold, within a broader interval of 61 metres

averaging 4.2 g/t gold, supporting continuity of the very high-grade zone intersected in adjacent holes. Anomalous gold mineralization is observed throughout the hole.

North of Midfield Zone

A single hole (BKD-228) was completed 225 metres north of the Midfield Zone to test continuity of a new area of high-grade mineralization discovered in mid-2017. This hole intersected a 28 metre interval that averaged 3.1 g/t gold and included four, 1-metre intervals with gold values greater than 10 g/t. These zones are within a broad 93 metre wide zone that averaged 1.5 g/t gold. Similar to the drilling being completed at the Striker Zone, the objective of drilling at Midfield is to complete higher definition drilling within the high-grade domains in advance of the Company's 2018 maiden mineral resource estimate.

Regional District Exploration – New High-Grade Gold Northeast of Bayan Khundii

In addition to drilling at Bayan Khundii, the Company has completed significant exploration work during Q4 within the larger developing gold district, including the evaluation of targets within the Bayan Khundii license, with particular focus on the Altan Arrow and Khundii North target areas and also on the Ulaan and Altan Nar license areas. At Altan Arrow, 3.5 kilometres north of Bayan Khundii, detailed soil and rock chip sampling has returned highly anomalous gold, up to 27 g/t in rock chip, in an area south of the main structure. Surface sampling has also confirmed the high-grade nature of a newly discovered area at the Khundii North target area, 3.2 kilometres northeast of Bayan Khundii, where Q4 rock chip sampling returned up to 22 g/t gold from a quartz hematite breccia stockwork zone containing a similar alteration signature to Bayan Khundii.

Q4-2017 Drill Program

Since the beginning of the year, the Company has completed a total of 24,376 metres in 132 new drill holes and 10 extended drill holes at Bayan Khundii. Since the first drill hole in Q4-2015, the Company has drilled a total of 36,751 metres in 228 drill holes. Additional Q4 drilling for Bayan Khundii, consisting of approximately 1,300 metres, is focused on further defining boundaries and increasing confidence through a series of holes in the Striker, Midfield and the areas north of Midfield.

In addition to the drilling at Bayan Khundii, the Company has also completed a three-hole, 450 metre drill program at the Altan Nar deposit as part of the Q4 drilling program. Holes were oriented to test lateral and down-dip extensions of gold-polymetallic mineralization within both the Discovery and Maggie Zones.

A three-hole, 450 metre drill program was also completed within the central portion of the Khundii license as part of the Q4 drill program. Drilling included two holes designed to test coincident soil geochemical and geophysical targets, and one hole was oriented to test a potential down-dip extension of high-grade gold mineralization encountered in the 2016 reconnaissance drilling program at the Altan Arrow target area.

Additional drill results are anticipated in January 2018.

2018 Resource Estimate

During Q1-2018 the Company's technical team will assess the 2017 drill and exploration programs and determine what additional drilling may be required prior to an independent resource evaluation. Timing of the eventual resource studies for both Bayan Khundii and Altan Nar will be influenced by that determination, however, it is anticipated that the studies will be completed between Q2 and Q3 2018.

Background on Bayan Khundii Gold Project

In Q2-2015, Erdene conducted an initial exploration program on the southern portion of the Company's 100%-owned Khundii exploration license in southwest Mongolia where an early rock-chip sampling program revealed multiple very high-grade surface quartz veins that returned up to 4,380 g/t gold. Since that time, drilling has revealed the presence of very high gold grades, with up to 306 g/t gold over 1-metre intervals, within broad mineralized zones, with up to 131 metres of 3.9 g/t gold, including 80 metres of 6.0 g/t gold. In addition to the drilling discussed above, the Company has completed a comprehensive exploration program at Bayan Khundii that has included: geological mapping; soil geochemical surveys; additional surface rock chip sampling; a ground magnetic survey; gradient array and dipole-dipole induced polarization surveys. In addition to this work, a series of detailed follow-up studies have also been completed, predominantly on drill core and surface outcrop, including: petrographic and mineralogical analyses; a fluid inclusion study; SEM gold composition analysis; Short-Wave Infra-Red Analysis (SWIR); structural analysis; and overall petrogenetic analysis. Detailed studies indicate the mineralized zones can be characterized as low-sulphidation, quartz-illite-adularia type mineralization.

In Q1-2016 and Q3-2017, the Company completed metallurgical test work on Bayan Khundii master composites that indicated gravity concentration and cyanidation of the gravity tails yield very good overall gold recoveries, with 91% to 99% gold recovery on a range of gold grades from 0.7 g/t to 25.9 g/t gold.

The Bayan Khundii license has a 2% net smelter returns royalty ("NSR Royalty") in favour of Sandstorm Gold Ltd. with a buy-back option to reduce the NSR Royalty to 1%.

Qualified Person and Sample Protocol

Michael MacDonald, P.Geo. (Nova Scotia), Vice President Exploration for Erdene, is the 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 and blanks.

Erdene's sampling protocol for drill core consisted of collection of samples over 1 metre or 2 metre intervals (depending on the lithology and style of mineralization) over the entire length of the drill hole, excluding minor post-mineral lithologies and un-mineralized granitoids. Sample intervals were based on meterage, not geological controls or mineralization. All drill core was cut in half with a diamond saw, with half of the core placed in sample bags and the remaining half securely retained in core boxes at Erdene's Bayan Khundii exploration camp. All samples were organized into batches of 30 samples including a commercially prepared standard, blank, and either a field duplicate, consisting of two ¼ core intervals, or a laboratory duplicate.

Sample batches were periodically shipped directly to SGS in Ulaanbaatar via Erdene's logistical contractor, Monrud Co. Ltd.

About Erdene

Erdene Resource Development Corp. is a Canada-based resource company focused on the acquisition, exploration, and development of base and precious metals in underexplored and highly prospective Mongolia. The Company has interests in five exploration licenses and a mining license in southwest Mongolia. In addition to the Bayan Khundii and Altan Nar projects, other deposits and prospects within these licenses include: Khuvyn Khar – an early-stage, copper-silver porphyry project with multiple drill targets and significant copper intersections; Nomin Tal – a narrow, high grade copper-gold discovery; Zuun Mod – a large molybdenum-copper porphyry deposit; Altan Arrow – an early-stage gold-silver project; and Ulaan – a copper-gold porphyry prospect. In addition to the above properties, the Company has an Alliance with Teck Resources Limited on regional copper-gold exploration in the prospective Trans Altai region of southwest Mongolia. For further information on the Company, please visit www.erdene.com. Erdene has 145,963,086 issued and outstanding common shares and a fully diluted position of 156,592,160 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 many 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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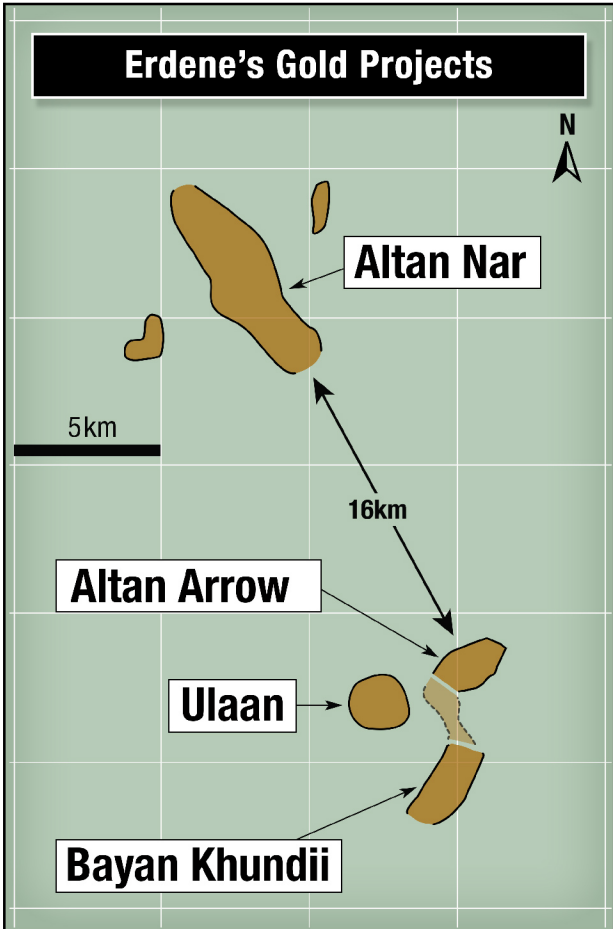
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Bayan Khundii Plan Map With Geology and Drill Holes

