



ERDENE RESOURCE DEVELOPMENT CORP.

Erdene Provides Project Review and Quarterly Financial Results

Halifax, Nova Scotia – November 16, 2015 - Erdene Resource Development Corp. (TSX:ERD) ("**Erdene**" or "**Company**"), is pleased to provide an update on the Company's principle metals projects in southwest Mongolia in conjunction with its September 30, 2015 third quarter financial results.

Q3 Summary

Altan Nar Gold-Polymetallic Project (100% Erdene)

- Infill drilling at Discovery Zone ("DZ") supported continuity of high-grade mineralized zone with 9 m of 9.2 g/t gold equivalent* ("AuEq") within 50 m of surface (hole TND-92)
 - Infill drilling at Union North ("UN") returned multiple mineralized zones including 8.9 m of 6.2 g/t AuEq within 36 m of surface (hole TND-81)
 - Trenching at UN extended the mineralized zone by approximately 200 m to the east with a step-out trench that returned 28.5 m of 2.5 g/t AuEq (trench ANT-21)
 - Metallurgical testwork at DZ returned high gold recoveries of up to 88% using conventional processing methods
- * For details on gold equivalent calculations, see Altan Nar section below

Bayan Khundii Gold Discovery (100% Erdene)

- New gold discovery made in Q2 2015, located 15 km south of Altan Nar
- Initial surface sampling program revealed visible gold in multiple locations and returned highly anomalous results from multiple samples (20% returning over 3 g/t gold, and up to 4,380 g/t gold)
- First pass trenching program identified four separate zones, 10 to 30 m wide, averaging 2.3 to 2.9 g/t gold (including up to 1 m of 55 g/t gold)
- Maiden drill program commenced November 8, 2015 targeting high-grade extensions of mineralization at depth

Khuvyn Khar Copper Project (Option Agreement with Tian Poh Resources)

- 1000 m drill program completed in Q3
- Program funded by Tian Poh pursuant to option agreement with Erdene
- Drill results included 192 m of 0.10% copper, with multiple zones exceeding 0.20% copper

Teck Resources Limited ("Teck") Alliance

- Regional exploration program, including initial reconnaissance of new exploration licenses, completed in Q3

Mongolia Update

- Mongolia and Rio Tinto reached agreement in Q2 for the \$4+ billion Phase II stage of Oyu Tolgoi's underground development
- National Bank of Canada made a strategic investment in Mongolia's XacBank in Q3, making it the first foreign commercial bank to receive a Canadian bank investment in Mongolia's financial sector

Financials

- Current cash position of approximately \$1 million
- General and administrative costs for the nine months ended Sept 30, 2015 have decreased 14% compared to the same period in 2014

Project Summaries (see project location map)

Altan Nar Gold-Polymetallic Project

Altan Nar hosts a total of 18 mineralized (gold, silver, lead and zinc) target areas that have been identified within a 5.6 by 1.5 km mineralized corridor. Two of the early discoveries, Discovery Zone ("DZ") and Union North ("UN"), are the most advanced targets, hosting wide zones of high-grade, near-surface mineralization, and were the focus of an initial NI 43-101 resource estimate released in Q1 2015 ([click here](#) for March 31, 2015 news release). The remaining 16 targets are either undrilled or scout-drilled and are considered by Erdene to have good potential for hosting additional resources.

During Q3 2015, Erdene completed 738 m of drilling and 224 m of trenching over the DZ-UN mineral resource areas, and completed metallurgical testwork on drill core composites from DZ-UN to evaluate processing options for the production of gold-silver doré on site through gravity and leaching, and/or production of gold and silver in lead-zinc concentrates through flotation. The results of these programs are discussed below. [Click here](#) to view the Company's Q3 2015 news releases for more detailed information.

Infill drilling at DZ achieved the Company's objective of increasing confidence in the near-surface mineralized zones, returning multiple, significant intersections, including hole TND-92 which returned 9 m of 9.2 g/t AuEq* (7.3 g/t Au, 25 g/t Ag, 1.20% Pb, 1.65% Zn) within a 38 m interval of 2.8 g/t AuEq (2.0 g/t Au, 9.6 g/t Ag, 0.37% Pb, 0.77% Zn).

Infill drilling at UN returned multiple, near-surface, high-grade mineralized zones from the central resource area, including hole TND-82 (38 m from surface), which returned 5 m of 10.9 g/t AuEq (7.2 g/t Au, 29.8 g/t Ag, 2.64% Pb, 3.62% Zn) within a 12 m interval of 5.3 g/t AuEq (3.6 g/t Au, 14.4 g/t Ag, 1.15% Pb, 1.76% Zn).

Trenching at UN significantly expanded the deposit's mineralized zone. Trench ANT-41, 200 m east of the current resource boundary, returned 8 m of 4.1 g/t AuEq (3.5 g/t Au, 5.0 g/t Ag, 0.70% Pb, 3.26% Zn) within a 28 m interval of 2.5 g/t AuEq (1.9 g/t Au, 4.3 g/t Ag, 0.78% Pb, 0.35% Zn). The total strike length of UN is currently 600 m and is open to the northeast.

During Q3 the Company completed metallurgical testwork on representative drill core composites from DZ North and Union North deposits. The testwork program was completed by Blue Coast Research Ltd. ("BCR") of Parksville, British Columbia. The testwork results from DZ North returned 88% gold recovery from cyanidation, indicating the gold is free milling and does not contain a significant refractory component. The results also indicated that high-grade gold-lead-silver concentrates (229 g/t gold, 62% lead, 1,029 g/t silver) can be produced with reasonable overall recoveries (75% gold, 74% lead, 64% silver) using conventional lead-zinc differential flotation.

A single cyanidation test and a single cleaner flotation test were both completed on UN drill core composites under similar conditions to those employed for the DZ North testwork. The results of the cyanidation test indicated a gold recovery of 68%. In the flotation test, the gold associated with the UN composite displayed a higher affinity for recovery to the sulphide concentrate (24% gold recovery), and less of an affinity for recovery to the lead concentrate (45% gold recovery) versus the DZ North material, however no optimization work was performed on the UN composite.

Going forward, work at Altan Nar is expected to include additional metallurgical process test work, evaluation of the mining, engineering, transportation, and marketing options, exploration and development related programs, and work required for a mining license application.

** Gold equivalents ("AuEq") at Altan Nar have been used to express the combined value of gold, silver, lead and zinc as a percentage of gold, and are provided in the above intersection calculations for illustrative purposes only. No allowances have been made for recovery losses that may occur should mining eventually result. Calculations use metal prices of US \$1200/oz gold, \$18/oz silver, and \$0.90/lb for lead and zinc.*

Bayan Khundii Gold Discovery

In Q2 2015, Erdene geologists conducted an initial exploration program on the southern portion of the Company's 100% owned Khundii license. This reconnaissance work led to the discovery of the Bayan Khundii ('Rich Valley') gold prospect, located 15 km south of the Company's Altan Nar project. Two separate mineralized zones (Main Zone and Northeast Zone) were identified over a 1.4 km area that remains open in all directions. At the Main Zone, a total of 78 rock chip, grab and channel samples were collected, principally from quartz veins from multiple mineralized areas across the Main Zone, a 550 m by 300 m area, with the majority returning highly anomalous values, and over 20% of the samples returning values in excess of 3.0 g/t gold (up to 4,380 g/t gold).

Following the surface sampling program, a detailed mapping and trenching program was initiated. In total, eleven trenches, totalling 552 m, were completed over the Main Zone. The program was successful in demonstrating wide zones of gold mineralization in the wall rock (30 m of 2.70 g/t gold in trench BKT-01) and high-grade mineralization in narrow veins (1 m of 55.6 g/t gold in trench BKT-06), as well as demonstrating continuity over a wide area. [Click here](#) to read the Company's October 5, 2015 press release announcing the Bayan Khundii discovery and to see maps of the project area.

On November 8, 2015, the Company commenced a maiden drill program at Bayan Khundii that is expected to consist of 12 to 14 diamond drill holes totaling 600 to 700 m. The program is targeting the Main Zone

to test the trench and sampling results at shallow depths. The Company also initiated a magnetic geophysical survey over the larger 1.4 km long Bayan Khundii target area, and gradient array induced polarization and dipole-dipole IP geophysical surveys over portions of the Main Zone. Results of the exploration programs are expected in late Q4 2015 and Q1 2016.

Khuvyn Khar Copper Project

Under an option agreement with ASX-listed Tian Poh Resources Limited (“Tian Poh”) ([click here](#) for July 15, press release), Tian Poh completed a two-hole, 1,000 m diamond drill program in Q3 on Erdene’s 100% owned Khuvyn Khar license in southwest Mongolia. The program was focused on the Company’s Khuvyn Khar copper-silver porphyry prospect where previous drilling by Erdene along the fringe of the main target area returned numerous, wide intercepts of copper mineralization including 278 m of 0.13% copper and high grade zones of up to 34 m of 1.3% copper and 9.24 g/t silver.

The two drill targets in the Q3 program were defined based on coincident geological, geophysical and geochemical parameters. Hole ZMD-129 reached a depth of 450 m and intersected hydrothermal intrusive breccias and several porphyry intrusions in the upper 242 m of the hole, with assay results returning an average of 0.08% copper (“Cu”), including an 8 m interval that averaged 0.13% Cu. Hole ZMD-130 was drilled to a depth of 550 m and intersected andesite with cross-cutting porphyry dykes in the top 192 m, with assays for this interval averaging 0.10% Cu, including a 4 m interval averaging 0.25% Cu. The drilling also encountered elevated gold, up to 0.12 g/t.

Alliance with Teck Resources Limited

The Company continued to be active through its alliance with Teck Resources Limited (“Teck”), Canada’s largest diversified mining company, in assessing regional base and precious metal opportunities in southwest Mongolia’s prolific Tian Shan copper-gold belt. In 2015 the Mongolian mineral license staking system re-opened after a 5-year hiatus with designated areas in the western half of Mongolia available for staking. Since the opening of the licensing system, Erdene has been successful in securing two exploration licenses as part of the Erdene/Teck alliance. The Company completed a regional exploration program in Q3, including initial reconnaissance of its new exploration licenses. Erdene executive and officials from Teck met in Mongolia in Q3 to review the Company’s ongoing regional exploration program. Based on the results from regional exploration to date, the Company and Teck have identified several high-priority areas of interest for follow up work. Teck funds the regional exploration programs through private placements under the Erdene/Teck alliance agreement.

Mongolia Update

Over the last 24 months, Mongolia has taken several steps to demonstrate its commitment toward developing its mineral resource sector, including the introduction of a new Foreign Investment Law, a reduction in the gold royalty rate to 2.5%, and an end to a moratorium on the issuance of new exploration licenses.

More recently, in Q2 2015, the government of Mongolia and Rio Tinto reached agreement for the \$4+ billion Phase Two expansion stage of Oyu Tolgoi's underground development. The expansion is expected to extend the mine's lifespan past 2100 and open up 80% of the available resources, making it the world's third largest Cu-Au mine. Oyu Tolgoi is expected to produce 175,000 to 195,000 tonnes of Cu and 600,000 to 700,000 ounces of Au in concentrates in 2015. The Phase Two financing is expected to be completed in 2016 and is expected to be the largest financing of its kind in the mining industry.

In Q3 2015, the National Bank of Canada made a strategic investment in Mongolia's XacBank, making it the first foreign commercial bank to receive a Canadian equity injection in Mongolia's financial sector.

Financial Results Summary

Erdene's third quarter 2015 financial statements, Management's Discussion and Analysis and Annual Information Form were filed with regulatory authorities on November 13, 2015 and are available on the Company's website [here](#), and on [SEDAR](#).

For the nine months ended September 30, 2015, the Company recorded a net loss of \$1,131,628 or \$0.01 per basic and fully diluted share compared to \$1,884,426 or \$0.03 per share for the same period in 2014.

Exploration expenditures, including capitalized costs, totaled \$1,441,018 for the nine months ended September 30, 2015 compared to \$1,396,387 for the same period in 2014. Expenditures in 2015 have primarily been directed toward Altan Nar, Zuun Mod/Khuvyn Khar and Teck Alliance work.

Corporate and administrative costs were \$536,234 for the nine months ended September 30, 2015 compared to \$624,925 for the same period in 2014, a 14% decrease.

Qualified Person

Michael MacDonald, P.Geo. (Nova Scotia), Director of 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.

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 holds four exploration licenses and a mining license located in southwest Mongolia. These include: Altan Nar – an extensive, high-grade, near-surface, gold-polymetallic project that the Company is aggressively advancing toward a production decision, however the Company has not yet completed a mining study to support the technical feasibility and economic viability of Altan Nar; Bayan Khundii – an early-stage, high-grade gold discovery made in Q3-2015; Khuvyn Khar – an early-stage,

copper-silver porphyry project with multiple drill targets and significant copper intersections; Zuun Mod – a large molybdenum-copper porphyry deposit; and Altan Arrow – an early-stage, high-grade, gold-silver project. In addition to the above properties, the Company has an Alliance with Teck Resources Limited on regional, copper-gold exploration in the prospective Trans Altay region of southwest Mongolia. For further information on the Company, please visit www.erdene.com. Erdene has 105,060,005 issued and outstanding common shares and a fully diluted position of 124,271,495 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 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.

NO REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED THE CONTENTS OF THIS RELEASE

Erdene 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

Website: www.erdene.com

Twitter: <https://twitter.com/ErdeneRes>

Emerging Gold District

Erdene Project Location Map - Southwest Mongolia

