



ERDENE RESOURCE DEVELOPMENT CORP.

Erdene Provides Altan Nar Exploration Update

Union North Trench Extends Zone by 100m with 12m of 3.7 g/t Gold

Halifax, Nova Scotia October 2nd, 2014 - Erdene Resource Development Corp. (TSX:ERD) ("**Erdene**" or "**Company**"), is pleased to report further significant gold, silver and base metal results from a trenching program completed in the third quarter at the Company's 100%-owned Altan Nar gold-polymetallic project in southwest **Mongolia**. The results have extended known zones of mineralization and confirmed mineralization within previously untested target areas. In combination with previous drill and trench results, the recently completed exploration program has further established the base for the implementation of an initial resource drilling program at the Discovery Zone and Union North, the two most advanced and promising of 18 identified target areas at Altan Nar. The drill program is expected to commence later this month.

Q3 2014 Exploration Highlights

- Union North trenching returned multiple mineralized zones highlighted by a 12 m wide zone of 3.7 g/t gold, extending Union North 100 m south
- Junction, a previously untested target area, located 600 m east of the Discovery Zone, returned multiple high-grade rock chip samples, including 11 g/t gold, and returned a base metal rich trench that included 4 m of 3.7% zinc, 1.2% lead, and 16 g/t silver within a broad 26 m zone of 0.8% zinc
- The early-stage Maggie target continues to demonstrate continuity of mineralization with step-out trenches along trend returning 8 m of 2.0 g/t gold equivalent to the northeast and 5 m of 1.2 g/t gold equivalent to the southwest

Altan Nar Project Highlights

- Altan Nar represents a new, very large, gold-base metal epithermal discovery in the Tian Shan Belt of southern Mongolia
- Eighteen individual targets, ranging from hundreds of metres in length to over a kilometre, exhibit gold, silver and base metal mineralization at surface
- Two advanced target areas, the Discovery Zone and Union North, are now at the stage for near-surface resource definition;
 - The Discovery Zone has been traced over 450 m and remains open with multiple parallel gold-polymetallic zones coming to surface with up to 17.7 g/t gold over 5 m, within 19 m of 5.8 g/t gold, 37 g/t silver and 2.6% combined lead and zinc

- The Union North target area, 1.3 km northwest of the Discovery Zone, has been traced over 300 m, remains open in all directions, and hosts multiple gold-polymetallic intersections including up to 12 m of 4.0 g/t gold, 10 g/t silver and 2.5% combined lead and zinc in shallow drilling and extending to surface

Q3 Program Summary

Following completion in the second quarter of detailed surface mapping along with close spaced geochemical and geophysical surveys, 10 trenches, totaling 1,050 m, were excavated in the third quarter. These trenches were primarily designed to test new target areas but also tested extensions of previously identified mineralized zones. This included a trench testing the southern extension of Union North where it intersects with two other target areas; Union South and Riverside. New areas tested included targets in the far eastern (Junction) and northwestern (North Bow) portions of the Altan Nar mineralized corridor.

Included for reference is a map of the Altan Nar trend showing the location of drill holes and trenches, and the orientation of the 18 mineralized zones.

Union North Results

A 150 m long trench (ANT-37) tested a geophysical anomaly located 170 m southeast of the main Union North target and returned multiple mineralized zones. The geophysical anomaly in this area is largely covered by recent sediments that cannot be tested through trenching. However, trench ANT-37, positioned over the eastern-most portion of the geophysical anomaly where soil geochemistry returned high gold and base metal values, uncovered multiple zones of alteration and mineralization averaging greater than 1 g/t gold equivalent over a combined length of 22 m, with one section returning 12 m of 3.7 g/t gold.

Trench ANT-12, completed in 2013 and located 250 m west of ANT-37, intersected 5 m of 1 g/t gold. In total, a 350 m wide zone has been identified to date with at least five parallel to sub-parallel mineralized zones. The central portion of this wide zone is underlain by an intense chargeability anomaly which remains untested by drilling. Approximately 200 m north of this area is the core of the Union North target where drilling in second quarter 2014 intersected 24 m of 2.1 g/t gold, including 12 m of 4 g/t gold, 10 g/t silver and 2.5% combined lead and zinc.

Junction Results

An 82 m long trench (ANT-39) was positioned over a new target area, referred to as Junction, located 600 m east of the Discovery Zone. The Junction target is characterized by anomalous rock (up to 11.2 g/t gold) and soil geochemistry within a 350 m by 450 m area overlying a large gradient IP chargeability anomaly. Trench ANT-39 tested the northeast portion of this target area and intersected a broad zone of base metal mineralization that included 4 m of 3.7% zinc, 1.2% lead, 16 g/t silver, and 0.1 g/t gold, within a 26 m interval of 0.8% zinc and 0.5% lead. This target has not been drill tested.

Other Targets

Of the 10 trenches in the third quarter program, totaling 1,050 m, all returned zones of alteration and precious and base metal mineralization with the exception of one trench testing an overburden-covered target area at South Bow. In the North Bow area, broad zones of mineralization were uncovered with four zones totaling 34 m of 0.4 g/t gold equivalent while approximately 300 m to the south, a second trench returned 10 m of 0.75 g/t gold equivalent. At the Maggie target, two new trenches tested northeast and southwest of a previous trench and drill hole, established a 120 m strike length that remains open. Results included 8 m of 2 g/t gold equivalent to the northeast and 5 m of 1.2 g/t gold equivalent to the southwest. In the central portion of the Discovery Zone a trench testing a narrow portion of the target returned 4 m of 0.4 g/t gold equivalent and 13 m of 0.6 g/t gold equivalent. In central Union South a trench returned a narrow zone of 2.3 m of 1.5 g/t gold equivalent while a surface rock sample from this area returned 3.2 g/t gold, 55 g/t silver, 9.9% lead and 1.2% zinc indicating the high-grade potential of the zone.

Altan Nar Project Summary and Exploration Plan

Drilling carried out in the second quarter of 2014 returned high-grade, near surface intersections from both the Discovery Zone and Union North, the two most advanced target areas within the 5.5 km trend at Altan Nar, now host to 18 target areas. At the Discovery Zone, multiple, thick gold-polymetallic intersections returned results ranging up to 17.7 g/t gold over 5 m, within 19 m of 5.8 g/t gold, 37 g/t silver and 2.6% combined lead and zinc, within 60 m of surface. At Union North, 1.3 km northwest of the Discovery Zone, multiple, near surface gold-polymetallic zones have been intersected, including 14 m of 3.9 g/t gold equivalent, and 40 m south of that hole, 12 m of 5.3 g/t gold equivalent. Drilling within these two target areas has established both vertical and lateral continuity of mineralization.

The primary objective of the fourth quarter program is to carry out delineation drilling designed to establish an initial, independently verified, near surface, open pit mineable resource at both the Discovery Zone and Union North. Approximately 900 m of drilling is planned for the Discovery Zone and 800 m for Union North. The secondary objective is to increase confidence in the remaining 16 priority target areas within the Altan Nar trend with approximately 1,300 m of drilling from 10 planned drill holes chosen, in part, based on the results of the third quarter trenching program.

Gold Equivalents

Gold equivalents are provided to the reader for guidance in assessing the total metal content in the reported intersection. However, it should be noted that until processing test work is finalized, recoveries of each of these metals is unknown and no recovery factor has been used in the gold equivalent calculations. Prices used for calculating gold equivalent include: US \$1,200/ounce gold, \$18/ounce silver, \$0.80/pound zinc and \$0.80/pound lead.

Qualified Person

J.C. (Chris) Cowan, P.Eng. (Ontario), VP Asia for Erdene, 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 Canada-based resource company focused on the acquisition, exploration, and development of base and precious metals in underexplored and highly prospective Mongolia. For further information on the Company, please visit www.erdene.com. Erdene has 76,547,756 issued and outstanding common shares and, a fully diluted position of 89,085,551 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

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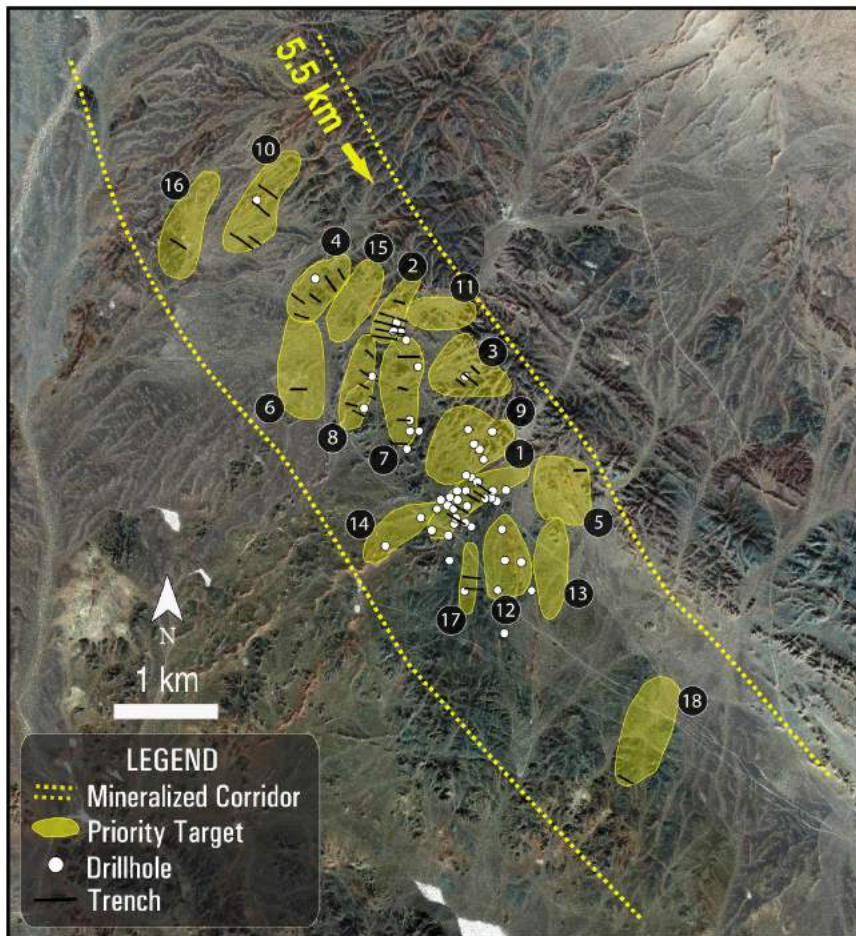
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Altan Nar Mineralized Trend: Multiple, Large, Gold & Base Metal Targets



Priority Targets

- 1 Discovery Zone;** most advanced target; 450m strike, open; high-grade zones of > 3 g/t gold up to 35 m wide, including 32m @ 3.6g/t gold
- 2 Union North;** 1.2km NW of DZ; high-grade, near surface mineralization over 250m strike length; 19m @ 8.9g/t gold in trench; 24m @ 2.1g/t gold in drill
- 3 Maggie;** 500m² target with high-grade trenching results; coincident chargeability high
- 4 Northbow;** intense phyllic alteration and breccia zone over 400m strike; most intense gold-molybdenum anomaly at Altan Nar
- 5 Junction;** intense, widespread gold-lead-zinc soil anomalism; rock samples up to 11 g/t gold; drill results include 4m @ 3.7% zinc; coincident geophysical targets
- 6 Southbow;** most intense chargeability anomaly at Altan Nar; 600m long buried target; not drill tested
- 7 Union South;** 600x200m target area, located 300m south of Union North; trenching includes 10m @ 4.5 g/t gold, 9 g/t, silver, and 2.2% lead

Other Priority Targets: Riverside (8), CVG (9), Northfield (10), Union East (11), Southcentral (12), Southgate (13), DZ Southwest (14), Northbow East (15), Northwest (16), True North (17), and Far South (18)