

OUR MISSION AS A RESOURCE DEVELOPMENT COMPANY IS TO IDENTIFY AND DEVELOP UNIQUE OPPORTUNITIES THAT CREATE VALUE FOR OUR SHAREHOLDERS

We have identified three strategic commodities with strong, long term market fundamentals that are essential building blocks of the world's economies.

ENERGY | coal
projects in North America and Asia

STEEL | molybdenum
project in Asia

CONSTRUCTION MATERIALS | aggregate
projects in North America

The demand for these commodities is underpinned by the industrialization of large developing countries and their accelerating demand for resources. In the industrialized world massive infrastructure improvement programs anticipated in 2009 and 2010, as part of economic stimulus programs, will result in an increased demand for these commodities. We are focused on advancing projects strategically located relative to markets in China and the U.S.



→ STRONG MARKET FUNDAMENTALS FOR TARGETED COMMODITIES

COAL

- Coal provides 25% of global primary energy needs and generates 40% of the world's electricity
- Energy needs are projected to grow by 55% between 2005 and 2030 with most new electrical generating plants using coal

MOLYBDENUM

- China leads molybdenum consumption growth globally as demand for specialty steel products continues world-wide
- Anticipated deficit in molybdenum supply will require significant new molybdenum production by 2014

AGGREGATE

- Urban sprawl along U.S. eastern seaboard is depleting resources and driving up transportation costs making rail and marine transport options competitive
- U.S. economic stimulus package to include transportation infrastructure programs requiring large volumes of construction aggregate

“Erdene remains focused on creating value by prudently advancing its core commodity projects. Our strong cash position will enable the company to fully fund its projects through to 2011 and guided by a strong management team, remain opportunistic in this time of economic slowdown.”

Peter C. Akerley, President and CEO

➔ **STRATEGIC PARTNERSHIPS WITH INDUSTRY LEADERS**

- Industry leaders Xstrata Coal, KaMin LLC and Ready Mix USA are partnered with Erdene and have extensive experience in their respective sectors: coal, kaolin and construction aggregate
- Partnerships allow the Company to maintain a large portfolio of projects while reducing the financial exposure thereby allowing the Company to focus on advancing their lead projects and develop new opportunities

➔ **WELL CAPITALIZED TO CONTINUE ADVANCING PROJECTS**

- Working capital of \$18 million as at February 2009
- Erdene’s current cash position ensures the company can continue to advance its projects through to 2011

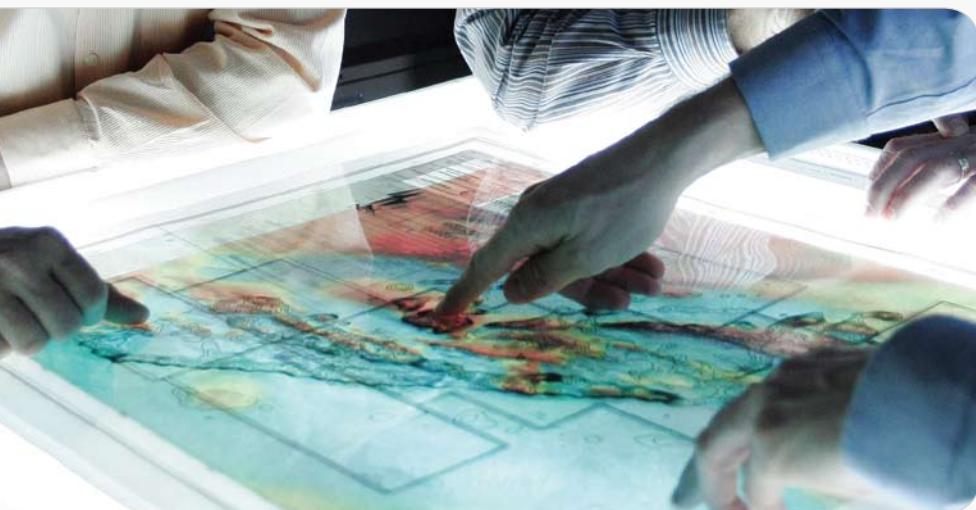
➔ **ADVANCED STAGE PROJECTS WITH SIGNIFICANT UPSIDE POTENTIAL**

DONKIN | Coal

- Partnered with Xstrata Coal (75% Xstrata/25% Erdene)
- Located proximal to infrastructure, coal fired power plants and a marine transport coal loading facility in Nova Scotia, Canada
- A 227Mt Indicated and 254Mt Inferred high volatile “A” bituminous coal resource
- Feasibility study underway on an evaluation and development program utilizing a continuous miner – the program is an interim step in assessing the viability of a large scale longwall mining operation
- Project received environmental approval in December 2008

ZUUN MOD | Molybdenum

- Wholly owned and located within 200 kilometres of China’s border and rail built to access Mongolian mining operations
- Measured and Indicated resource of 98 million tonnes grading 0.062% Mo representing 134 million pounds of contained molybdenum metal (Minarco-MineConsult, July 2009)
- Significant exploration potential for additional copper and molybdenum discoveries
- Revised resource estimate and economic evaluation underway



SENIOR MANAGEMENT

PETER AKERLEY

President and CEO
20 years mining and exploration

KEN MACDONALD

VP Business Strategy & CFO
30 years financial/accounting

CHRIS COWAN

Vice President, Asia
45 years mining and exploration

MARK DAVIES

Vice President, Erdene Materials
25 years construction aggregates

MARKET FACTS (AS AT SEPTEMBER 30, 2009)

Ticker Symbol:	TSX: ERD
Working Capital:	\$15.2 million
Shares Outstanding:	89.2 million
Shares Fully Diluted:	94.7 million
52 Week Range:	\$0.12 - \$0.45



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