



## **ERDENE RESOURCE DEVELOPMENT CORP.**

### **Erdene Provides Update on Metals Projects; Drilling Commences at Altan Nar Gold-Polymetallic Project**

**Halifax, Nova Scotia August 13, 2015 – Erdene Resource Development Corp. (TSX:ERD) ("Erdene" or "Company")** is pleased to provide an update on the Company's principal metals projects in Mongolia, including the Company's flagship Altan Nar gold-polymetallic project where a definition and expansion drill program has commenced.

#### **Highlights**

Altan Nar (Gold-Silver-Lead-Zinc) – 100% Erdene

- Drilling commenced August 7, 2015
- Drill results anticipated in Q3/Q4
- Metallurgical test program on-going with results anticipated in Q3

Regional Exploration (Copper-Gold) – Alliance with Teck Resources

- Initial reconnaissance of new licences completed in Q3
- Regional exploration program completed in Q3

Khuvyn Khar (Copper-Silver) – Option Agreement with Tian Poh Resources

- 1,000 metre drill program expected to commence in Q3
- Program funded by Tian Poh pursuant to option agreement with Erdene
- Drill results anticipated in Q4

Altan Arrow (Gold-Silver) – 100% Erdene

- Recent exploration by Erdene confirmed the presence of high-grade gold veins and potential for broader mineralized zones
- Detailed mapping and soil/rock chip sampling program commenced in Q3

#### **Q2 Financials**

- Erdene successfully completed two private placements in Q2 and ended the quarter with over \$1 million in working capital
- General and administrative costs for the six months ended June 30, 2015 have decreased 19% compared to the same period in 2014

## **Altan Nar Gold (+Silver-Lead-Zinc) Project (100% Erdene)**

On March 31, 2015, Erdene announced an initial NI 43-101 mineral resource estimate for Discovery Zone (“DZ”) and Union North (“UN”), the two most advanced of the 18 target areas identified along the 5.6 km long Altan Nar mineralized corridor ([click here](#) for press release). The mineral resource consists of 147,000 ounces (“oz”) gold equivalent (“AuEq”) averaging 2.5 g/t AuEq in the Indicated category, and 102,000 oz AuEq averaging 2.1 g/t AuEq in the Inferred category, at a 1.0 g/t AuEq cut-off, within 1.8 million tonnes (“Mt”) Indicated and 1.5 Mt Inferred, respectively. Gold equivalent calculations assume metal prices of US \$1,200/oz gold, US \$18/oz silver, and US \$0.90/lb for lead and zinc. The mineralized zones are orientated at close to 45 degree dip at UN and range from vertical to sub-vertical at DZ, with little to no overburden cover, and with widths in the range of a few metres up to 50 m, with approximately 90% of the mineral resource identified to date within 150 m of surface.

A diamond drilling program commenced at Altan Nar on August 7, 2015. The focus of the drill program will be in-fill drilling at UN and DZ to increase confidence in the high-grade, near-surface zones, as well as testing several new targets outside of the initial resource area to provide future growth potential. UN and the northern portion of DZ (“DZN”) are the most advanced targets in regards to initial development with wide zones of high-grade mineralization, well established in trenching and drilling. This drilling program has been designed to provide higher confidence in the initial pit location and design. Trenching at UN has provided some of the highest grade mineralization to date including 19 m of 8.9 g/t gold, 66 g/t silver, 7.7% lead and 2.5% zinc. The evaluation of remaining target areas will assist the Company in determining the highest priority areas for defining additional near-surface resources within the 18 target areas at Altan Nar. Results of the drill program are anticipated between late Q3 and Q4 of 2015. The total drilling is expected to be approximately 1,500 m.

### Altan Nar Metallurgical Testing Program

Erdene is considering various options for the development of the Altan Nar mineral resource and from a processing perspective, exploring the production and export of precious and base metal rich concentrates and/or Carbon in Leach (“CIL”) gold recovery on whole ore or concentrate. The Company’s focus is on initial development of DZN and/or the UN portions of the mineral resource which have the highest volume and highest grades respectively. Representative composites of drill core from each zone have been delivered to Blue Coast Research Ltd. (“BCR”) of Parksville, BC, which was selected to complete this initial testwork program, referred to as the “Altan Nar Amenability Metallurgical Testwork Program” (“Program”). This Program includes preliminary level flotation testwork that is focussing on the suitability of flotation to produce separate lead, zinc and sulfide (arsenopyrite/pyrite) concentrates to determine where the precious metals are concentrated, and then tailoring the process to enhance those recoveries. Amongst other process testwork, a key element of the Program will be the CIL testing on the whole material and selected flotation streams, which will provide flexibility in considering future process development options. BCR specializes in flowsheet development, from conceptual through prefeasibility to full feasibility level studies as well as in-plant consulting services supporting the start-up and optimization of production plants. Their metallurgists have significant experience with polymetallic base and precious metal concentrates globally.

## **Regional Metals Exploration – Teck Alliance**

The Company continues 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 emerging 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. This regional exploration program is funded through private placements by Teck under the Erdene/Teck alliance agreement. Erdene executive and officials from Teck are meeting in Mongolia in mid-August, 2015 to review the Company’s regional exploration program.

## **Khuvyn Khar Copper-Silver Porphyry Project**

Under an amended option agreement with Tian Poh Resources Limited (“Tian Poh”), announced on July 15, 2015 ([click here](#) for press release), Tian Poh must complete a minimum of 1,000 m drilling on Erdene’s Khuvyn Khar license by October 30, 2015. The drilling program is expected to commence in Q3 2015, and will focus on the Company’s Khuvyn Khar copper-silver porphyry prospect. Data collected from Erdene’s 2014 exploration program at Khuvyn Khar, which included 1,532 m of trenching, provided further definition and confidence in the modelling of new, partially buried, high priority copper porphyry drill targets. The priority target area is located in the northern portion of an annular feature, 12 km in circumference which hosts, on the western side, the Company’s 3 km long Zuun Mod molybdenum-copper porphyry deposit. Multiple porphyry centres occur throughout the trend with the drill target characterized by a 1 km x 800 m anomaly including gold, silver and copper anomalism in soil and rock, chargeability high, resistivity and gravity low features, and potassic and phyllic alteration of porphyry intrusives. Previous drilling in the fringe of the target area has returned numerous, wide intercepts of copper mineralization including 278 m of 0.13% copper and high grades zones up to 34 m of 1.3% copper and 9.24 g/t silver.

## **Altan Arrow Gold-Silver Project**

The Altan Arrow project is located approximately 15 km southeast of the Company’s Altan Nar project. Erdene commenced a follow-up exploration program at its 100%-owned Altan Arrow gold prospect in July 2015 stemming from encouraging results from previous work. This recent work has led to a new gold discovery named Bayan Khundii (“Rich Valley”) located in the southern portion of the licence where numerous gold-bearing veins have been identified. Results are pending from the initial sampling of this target. Previous exploration in the northern portion of the Altan Arrow licence confirmed the presence of high-grade gold within epithermal quartz veins and the potential for broader mineralized zones. Erdene geologists identified an approximately 1 km square area of anomalous gold-silver mineralization in quartz veins that returned up to 57 g/t gold in hand samples and 1 m of 31.4 g/t gold and 6 m of 4.5 g/t gold in trenching.

Exploration work will include expansion of exploration to cover the entire licence area with geologic mapping, an expanded soil and rock chip sample survey, and if results warrant, a trenching and/or drilling program will be considered in late Q3. Exploration results are expected between Q3 and Q4.

## **Second Quarter Financial Summary**

Erdene's June 30, 2015 financial statements and MD&A were filed with regulatory authorities on August 12, 2015 and are available on the Company's [website](#) and on [SEDAR](#).

For the six months ended June 30, 2015, the net loss was \$738,614 or \$0.01 per basic and fully diluted share compared to \$1,349,341 or \$0.02 per share for the same period in 2014.

Exploration expenditures, including capitalized costs, totaled \$780,465 for the six months ended June 30, 2015 compared to \$981,503 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 \$396,336 for the six months ended June 30, 2015 compared to \$491,114 for the same period in 2014. Management has reduced overhead costs to the lowest level since going public in 2004.

Management was successful in closing two private placements in the second quarter, improving the Company's working capital position to over \$1 million at June 30, 2015.

## **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 licences and two mining licences located in Southwestern Mongolia. These include: Altan Nar – an extensive, high grade, near surface, gold-polymetallic project that the Company is aggressively advancing toward a production decision; Khuvyn Khar – an early-stage, copper-silver porphyry project with multiple drill targets and significant copper intersections; Zuun Mod – a world-class 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](http://www.erdene.com). Erdene has 97,277,377 issued and outstanding common shares and a fully diluted position of 113,899,988 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.

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