

Note to editors: There are four maps associated with this press release.

[Erdene Resource Development Corp.](#) (TSX:ERD) ("Erdene" or "Company"), is pleased to announce the commencement of its 2017 drill program at the Company's wholly-owned Bayan Khundii Gold Project ("Bayan Khundii") in southwest Mongolia. The program will consist of approximately 20,000 m of diamond drilling at Bayan Khundii and an additional 4,000 m on its neighboring Altan Nar and Altan Arrow gold projects.

Two Longyear 44 drill rigs will be operating. The first commenced drilling today and will focus on delineation and expansion of the gold mineralized zones within the known Bayan Khundii target areas: Gold Hill, Striker, and the recently announced discovery at Midfield. On January 10, the Company announced the discovery of the Midfield Zone under younger cover with results including 41 m of 5.2 g/t gold and 72 m of 4.0 g/t gold. The second drill rig, expected to be operational on May 1, will test multiple exploration targets throughout the larger, 1.8 km by 1 km Bayan Khundii trend, as well as the new high-grade target discovered at the Altan Nar Gold-Polymetallic Project (3,000 m), located 16 km northwest of Bayan Khundii, and the Altan Arrow Gold-Silver Project (1,000 m), located 3.5 km north of Bayan Khundii. For reference, two maps and two cross-sections have been included with this news release.

Reporting of drill results will commence by late May and continue at regular intervals through late Q3. A follow-up drill program will be implemented in Q4, based on a review of the Q2/Q3 Phase I results. Erdene's 2017 exploration program will also include additional metallurgical testing as well as hydrogeological, environmental, geotechnical and preliminary economic studies related to the Bayan Khundii and Altan Nar projects.

The following sections outline the objectives for Erdene's drill programs at its Bayan Khundii, Altan Nar and Altan Arrow projects.

#### Bayan Khundii Gold Project

The 20,000 m drill program at Bayan Khundii has two objectives. The first is to increase confidence in areas with established resource potential within the Striker, Gold Hill, and Midfield zones and to simultaneously expand the perimeter of these zones. The second objective is to test new areas within the larger 1.8 km by 1 km trend in order to establish additional extensions or identify new mineralized zones, which require definition drilling.

#### Striker Zone Drilling

Drilling within the Striker Zone in 2016 continued to define high-grade gold zones (up to 65 m of 6.3 g/t gold in hole BKD-77) with good continuity, and extended the boundaries of the gold system, which remains open in all directions. The 2017 drill program at Striker has three objectives: 1) complete in-fill drilling where hole spacing exceeds 40 m; 2) drill-test deeper targets in the range of 200-300 m depth (average vertical drill depth to date of 91 m and 30% of holes within Striker have ended in mineralization); and 3) test for lateral extensions to the south of Striker (Gold Hill Zone) and to the west of Striker. Drilling at the Gold Hill Zone has been limited thus far, but has included up to 17 m of 1.2 g/t gold, from surface (BKD-06). Drilling to the west of Striker has also returned very encouraging results to date, including hole BKD-59 located 230 m west of Striker, which returned 31 m of 1.0 g/t gold at 121 m depth and 2 m of 7.4 g/t gold at 216 m depth.

#### Midfield Zone Drilling

Drilling in late 2016 at the Midfield Zone, a step-out target located 170 m north of the Striker Zone, under younger post-mineralization cover, returned some of the highest grades (BKD-92: 2 m of 112.8 g/t gold, starting at 119 m) and longest mineralized intervals (BKD-90: 149 m of 2.1 g/t gold, starting at 23 m depth) intersected to date at Bayan Khundii. Nine holes have been completed at Midfield, at 40 m drill hole spacing. Several high-grade extension targets located to the west, north, and east will be drill-tested in 2017. The down-dip extension to the south and west of Midfield also remains open and will be drill-tested.

#### Reconnaissance Drilling

The second drill rig will focus on testing multiple exploration targets throughout the larger 1.8 km by 1 km Bayan Khundii trend. Post-mineralization sedimentary units and basalt overlie approximately 80% of the Bayan Khundii target area averaging approximately 40 m in thickness, with two outcropping prospect areas interpreted as erosional 'windows' through the younger cover. The full extent of the alteration and mineralization is unknown, although there are several indications that Bayan Khundii's epithermal system may be more widespread than the Striker-Midfield-Gold Hill zones, and it may continue out under the post-mineralization cover, as demonstrated by the Midfield Zone results.

Previous, shallow drilling in the Northeast prospect area, located 700 m to the northeast of Striker, returned wide zones of strongly

altered volcanics (similar to Striker) and up to 2.3 g/t gold over 2 m. In addition, two rock chip samples that were collected 500 m further to the northeast (NE Extension prospect) returned gold assay values of 6.9 g/t and 0.4 g/t gold. The 2017 drill program will follow up on these encouraging results.

The combined gradient array and dipole-dipole induced polarization (IP) geophysical survey data suggest the alteration (illite-quartz) within the Striker Zone is located at the apex of a broad resistivity (IP geophysical survey) anomaly. This anomaly extends to the north of Midfield and east under the younger cover at relatively shallow depths. In Q2 2017, Erdene commissioned an independent geophysical consultant who confirmed existing targets and identified new targets that will be tested in 2017, including previously unrecognized northwest-trending linear features under cover to the northeast and east of the Striker Zone following the same trend as the structures hosting the high-grade gold zones in Striker and Midfield.

#### Altan Nar Gold-Polymetallic Project

The Company plans to complete approximately 3,000 m of diamond drilling at its Altan Nar gold-polymetallic project ("Altan Nar") between Q2 and Q3 2017. A key objective will be establishing the continuity and extent of a new high-grade zone identified at the Discovery Zone ("DZ") in Q4 2016. Drill hole TND-101, designed to test a structural intersection in central DZ, returned a very high-grade intersection of 14 m of 55.6 g/t gold, 131 g/t silver, 0.73% copper and 5.6% combined lead-zinc. This zone was within a consistently mineralized zone from surface to 170 m and included 110 m of 9.3 g/t gold, 32 g/t silver, and 1.4% combined lead-zinc. TND-101 was an exploratory hole drilled perpendicular to a cross-cutting feature observed in geophysical surveys, but at a low, oblique angle to the mineralized DZ trend with true width of the zone unknown but assumed to be in the range of 25 m to 35 m.

The program will also continue to delineate and expand the DZ and Union North deposits as well as testing other areas within the remaining 16 targets along the 5.6 km long Altan Nar gold mineralized trend. A high-resolution magnetic survey and a deep Induced Polarization survey will be completed to assist the Company in exploring areas along the 5.6 km Altan Nar trend where zones of structural dilation, or offset, similar to TND-101, may have provided a favorable setting for the concentration of base and precious metal-rich solutions over wider intervals.

#### Altan Arrow Gold-Silver Project

In Q4 2016, the Company completed a maiden drill program at the Altan Arrow gold-silver project, located within the same licence but 3.5 km north of the Bayan Khundii project. The program consisting of 590 m in seven holes at an average hole spacing of 200 m, completed to an average vertical depth of 58 m. Drill results confirmed the presence of high-grade gold and silver veins, and broad structurally-controlled lower-grade zones with similar style to the Company's Bayan Khundii gold project.

The objective of the 2017 program is to identify high-grade gold-silver zones with continuity that can be the focus of future definition drill programs. The Company will complete approximately 1,000 m of exploratory drilling at its, focusing on the areas of encouraging results from the 2016 exploration program.

#### 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 consists of collection of samples over 1 m or 2 m 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 20 samples including a commercially prepared standard and blank. Sample batches were periodically shipped directly to SGS in Ulaanbaatar via Erdene's logistical contractor, Monrud Co. Ltd.

#### About Erdene

[Erdene Resource Development Corp.](http://www.erdene.com) is a Canada-based resource company focused on the acquisition, exploration, and development of precious and base metal prospects in underexplored and highly prospective southwest Mongolia. Exploration success has led to the discovery, definition and ongoing development of several 100%-owned prospects and deposits. These include the Company's flagship and newly discovered, high-grade, near-surface Bayan Khundii gold project; the 5.6 km long Altan Nar gold-polymetallic mineralized trend that is host to 18 targets; the Altan Arrow gold-silver project; and the Zuun Mod molybdenum-copper deposit. For further information on the Company, please visit [www.erdene.com](http://www.erdene.com). Erdene has a working capital position of approximately \$13.3 million, 145,540,586 issued and outstanding common shares and a fully diluted position of 156,592,160 common shares, after giving effect to the Private Placement.

## 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

To view the maps associated with this press release, please visit the following links:

[http://media3.marketwire.com/docs/1091804\\_Map1.jpeg](http://media3.marketwire.com/docs/1091804_Map1.jpeg)

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