



Erdene Resource Development Corp.

ENERGY

METALS

INDUSTRIAL MINERALS

**2010 Annual General Meeting
Halifax, N.S.
5:30 pm Thursday June 23rd**

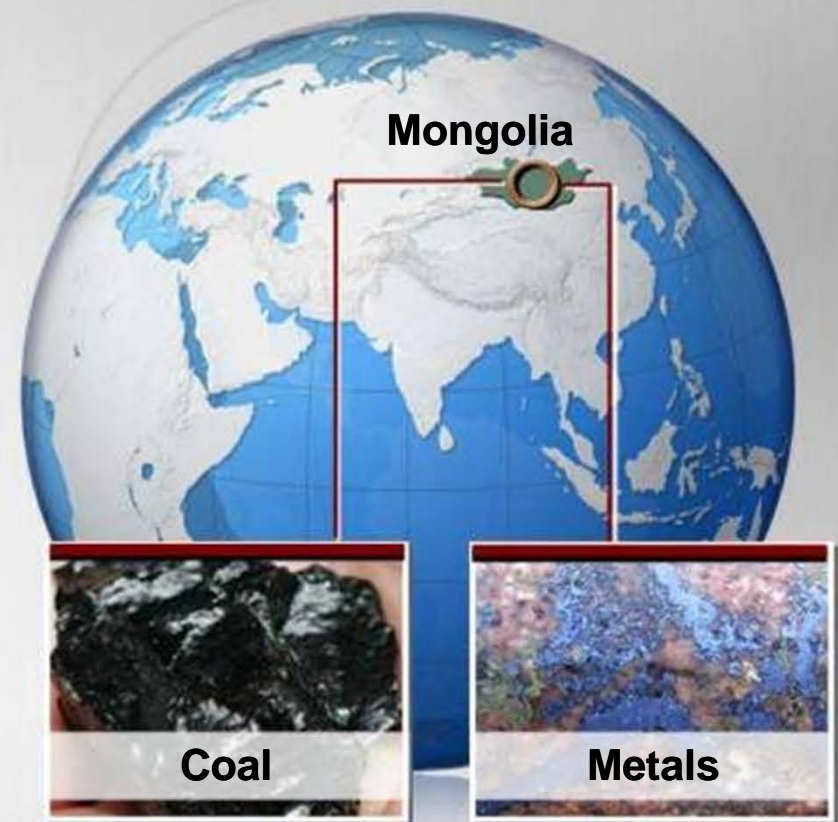
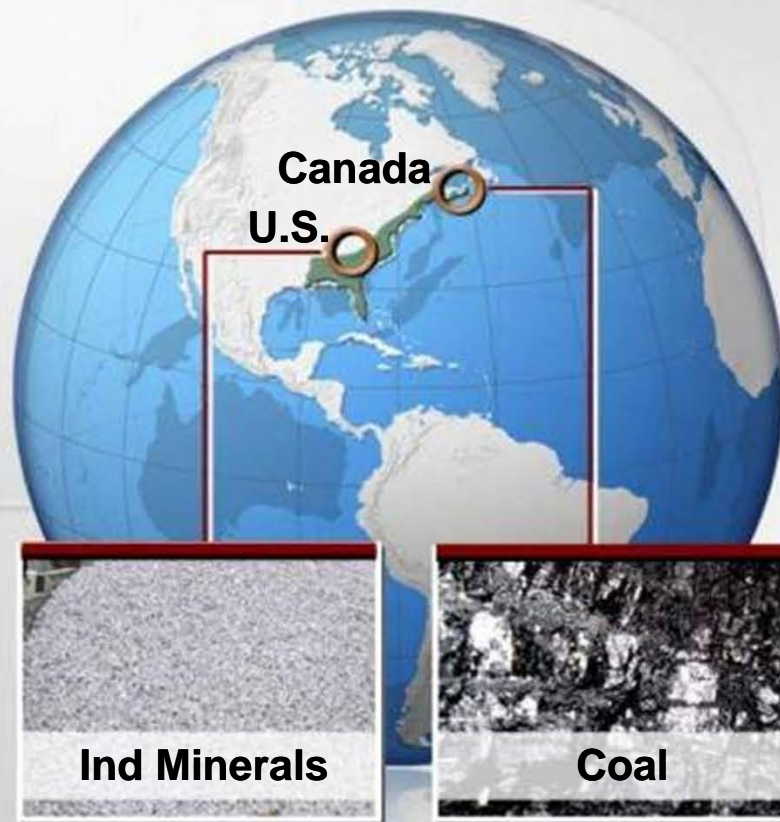
FORWARD-LOOKING STATEMENTS



Certain information regarding **Erdene** ("the Company") 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 the Company 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. The Company cautions that actual performance will be affected by a number of factors, many of which are beyond the Company's control, and that future events and results may vary substantially from what the Company 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 Company's 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 subject to change after that date.

COMMODITY & GEOGRAPHIC FOCUS



**DIVERSE MID-TIER RESOURCE EXPLORATION
& DEVELOPMENT COMPANY**

MARKET FACTS (As of June 20th, 2011)



Capital Structure

Trading Info	TSX: ERD
Shares Outstanding	90.3 M
Shares Fully Diluted	97.8 M
Working Capital	CDN ~\$5.3 M
52 Week High/Low	CDN \$0.26 / \$1.84
Market Cap	CDN ~\$88 M ⁽¹⁾
Website	www.erdene.com

⁽¹⁾ @ \$0.98 share price

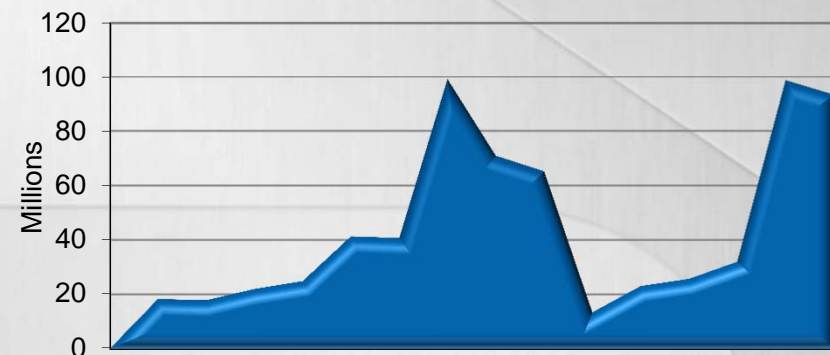
Share Performance (since May 10)



Major Shareholders

Directors & Management	12.0%
AGF	7.5
Xstrata	6.0
Dynamic Funds	6.0
Pinetree Capital	5.0
Asia Lion	4.0
	41%

Market Capitalization Since IPO (03/04)



INVESTMENT HIGHLIGHTS



- **Donkin Project (25% ERD / 75% Xstrata)**

Prefeasibility pending on 2.75Mt/annum coking coal project located near a deep water port in eastern Canada



- **Zuun Mod Molybdenum-Copper Project**

Advancing very large molybdenum-copper deposit located on Chinese-Mongolia border; New copper discovery 2011



- **Royalties-Equity**

Holds royalties in a construction aggregate project now being developed in the U.S. and a large thermal coal project (Xanadu) in Mongolia as well as controlling interest in TSX-V listed industrial mineral producer, APD



- **Exploration**

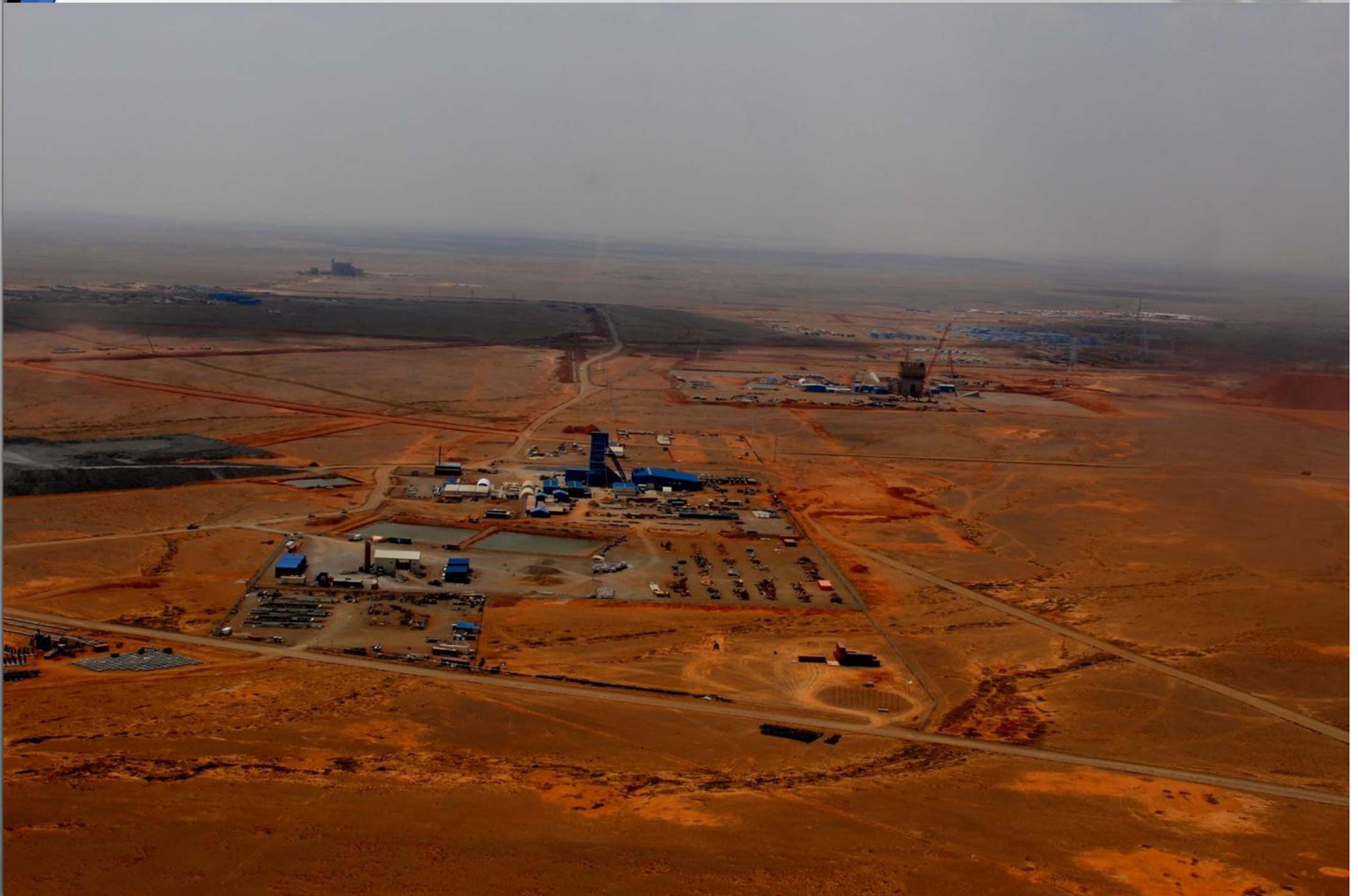
Carrying out metal and coal exploration in Mongolia, the latter in an alliance with Xstrata and aggregate project development in Eastern Canada



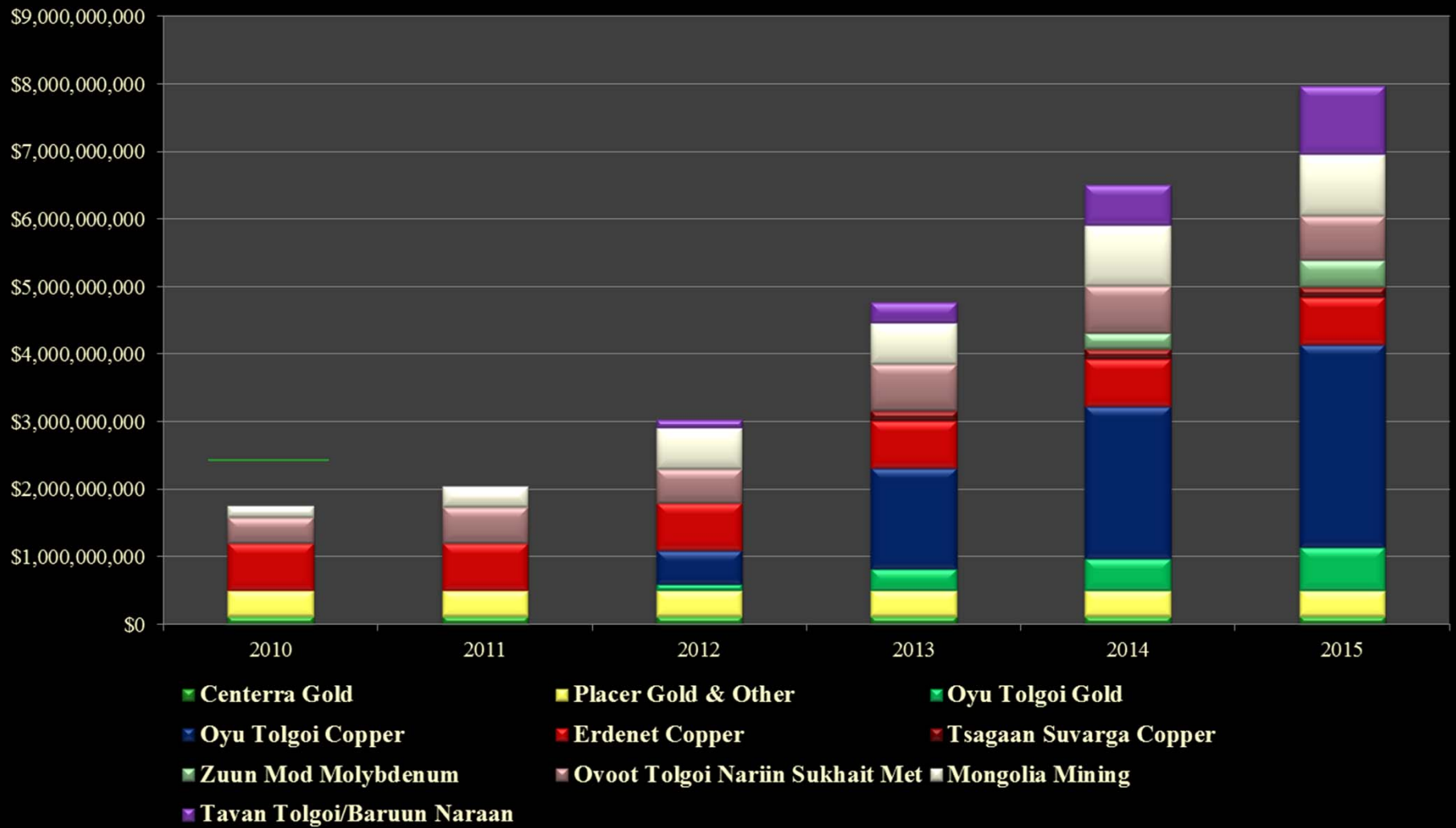
Oyu Tolgoi Copper - Gold Complex



Oyu Tolgoi Copper - Gold Complex



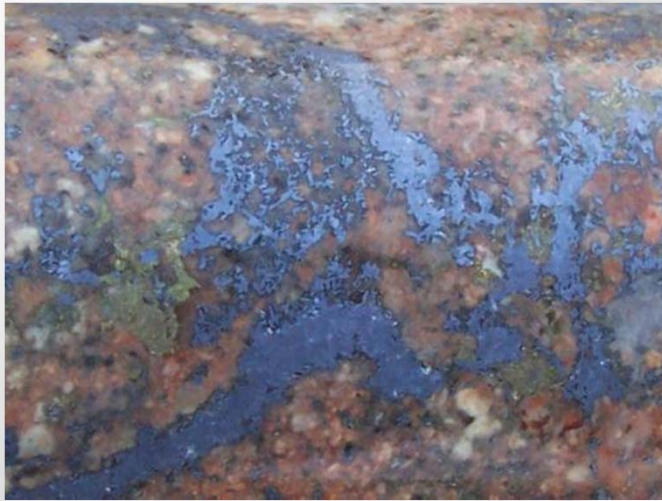
Mongolia Mining Export Revenues Growth - Top Ten Developments



Au - \$1000/oz, Cu - \$2.50/lb, Mo - \$20/lb, Met Coal \$60/tonne

ZUUN MOD MO-CU PROJECT

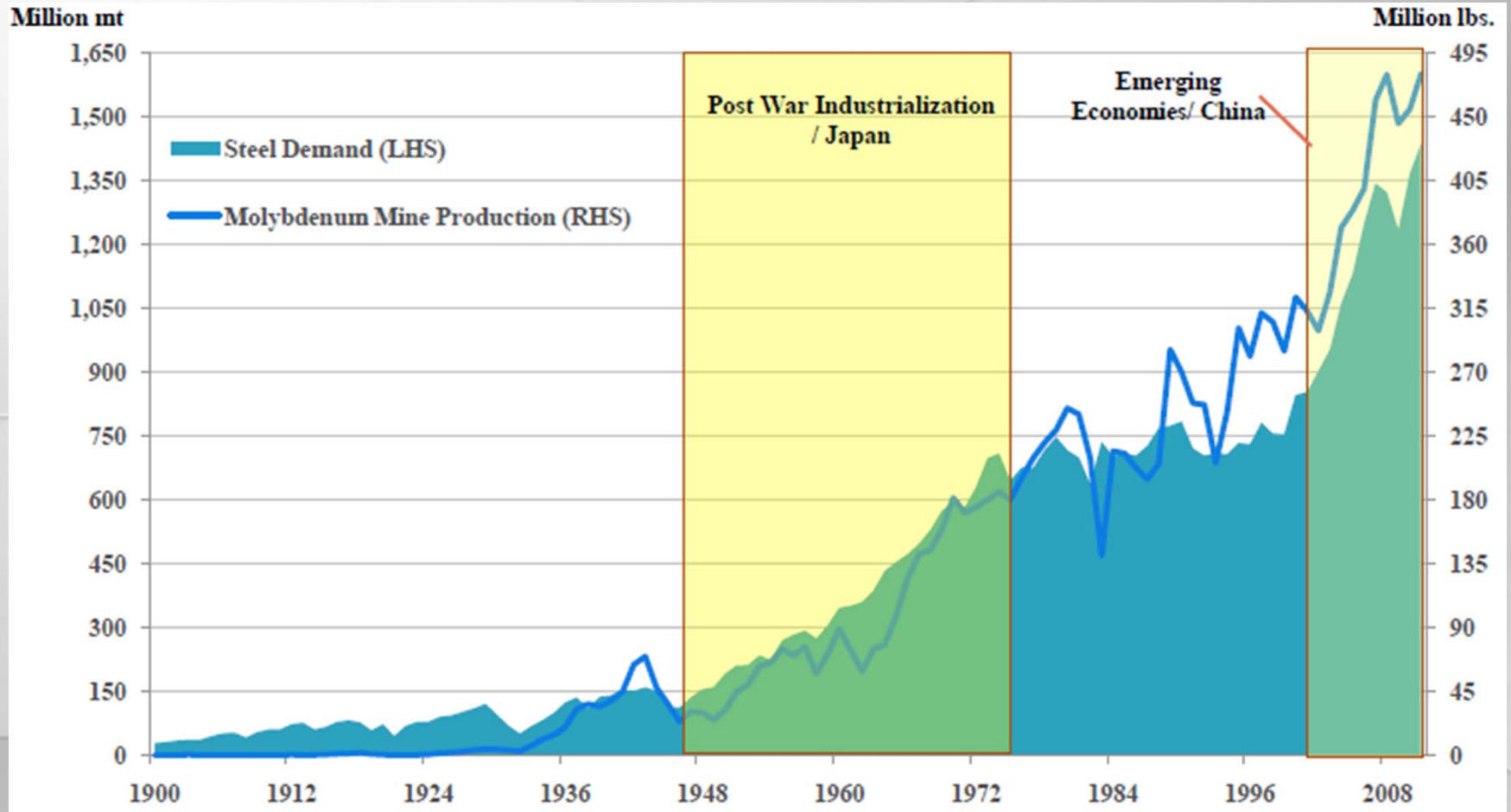
Molybdenum and Copper Highlights



- Located on **China** border
- **Large** Mo-Cu resource
- **New** copper discovery
- Access to **lower capex** plant and equipment
- **Growing** local infrastructure and skilled labour force

ZUUN MOD MO-CU PROJECT

Molybdenum Supply & Demand

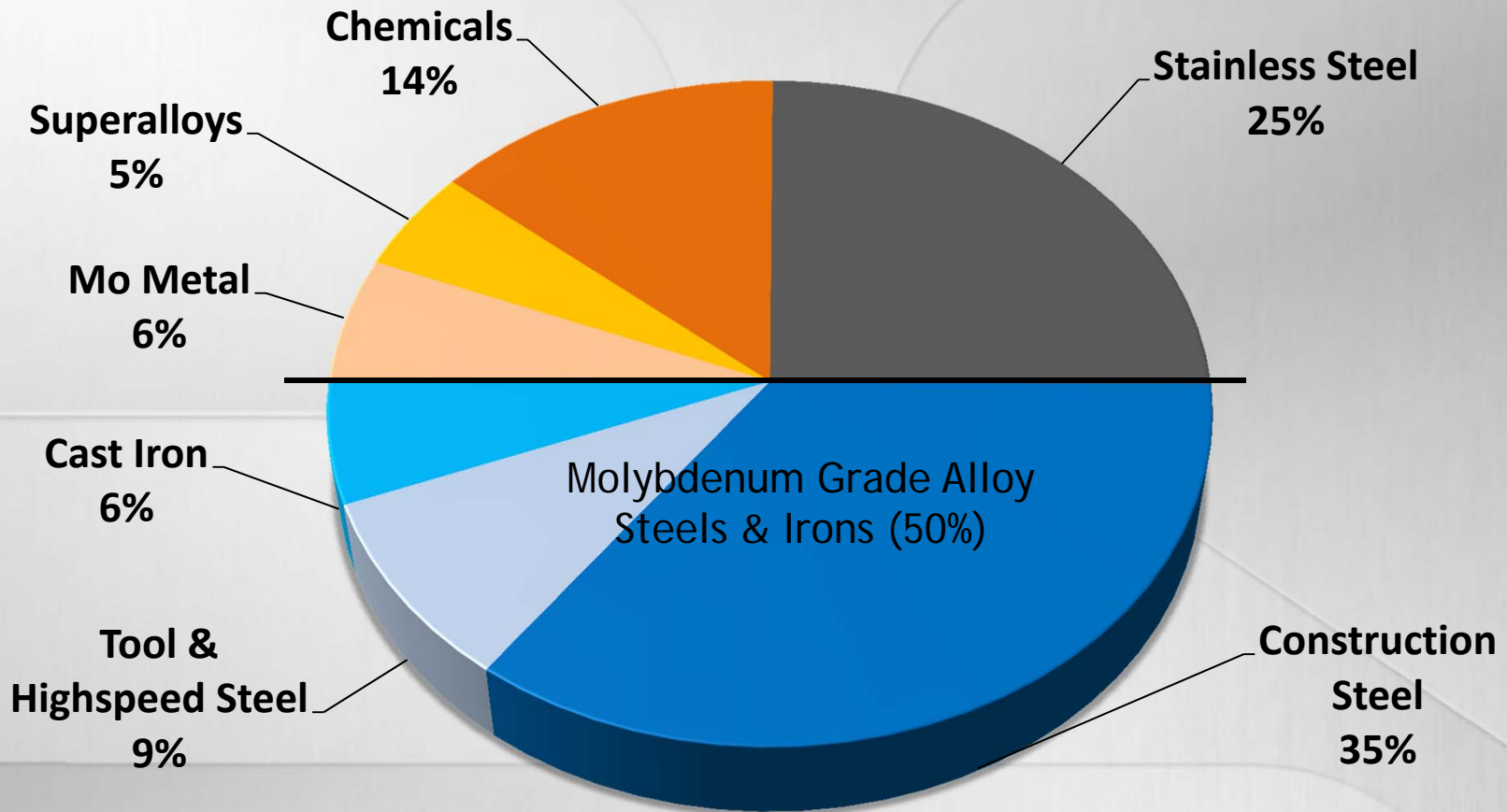


Source: CRU Group

ZUUN MOD MO-CU PROJECT

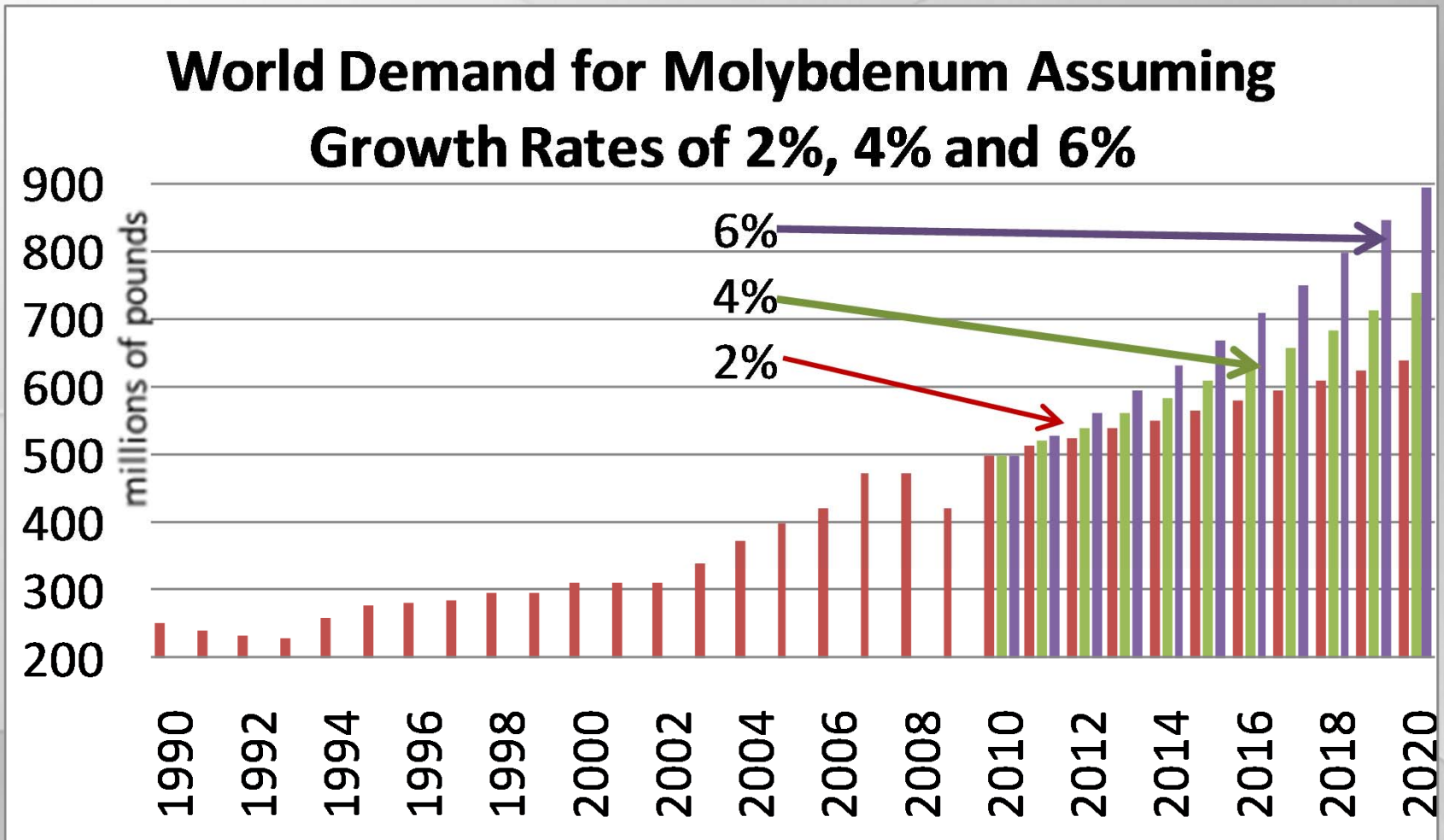


Molybdenum uses led by stainless steel



ZUUN MOD MO-CU PROJECT

Global Molybdenum Demand



ZUUN MOD MO-CU PROJECT

China's Role in the Moly Market



- Ceased as major new importer of moly in 2008
- Acted as swing supplier to work market in 2009 - 2010
- 2009 Hanlong formed, seeks overseas moly investments
- Greatest growth in moly usage came from China in 2010
 - Consumption was up from 119 M lbs in 2009 to 148 M lbs in 2010.
- China declared moly a "national mining resource"
- Now the largest consumer of moly in the world

ZUUN MOD MO-CU PROJECT



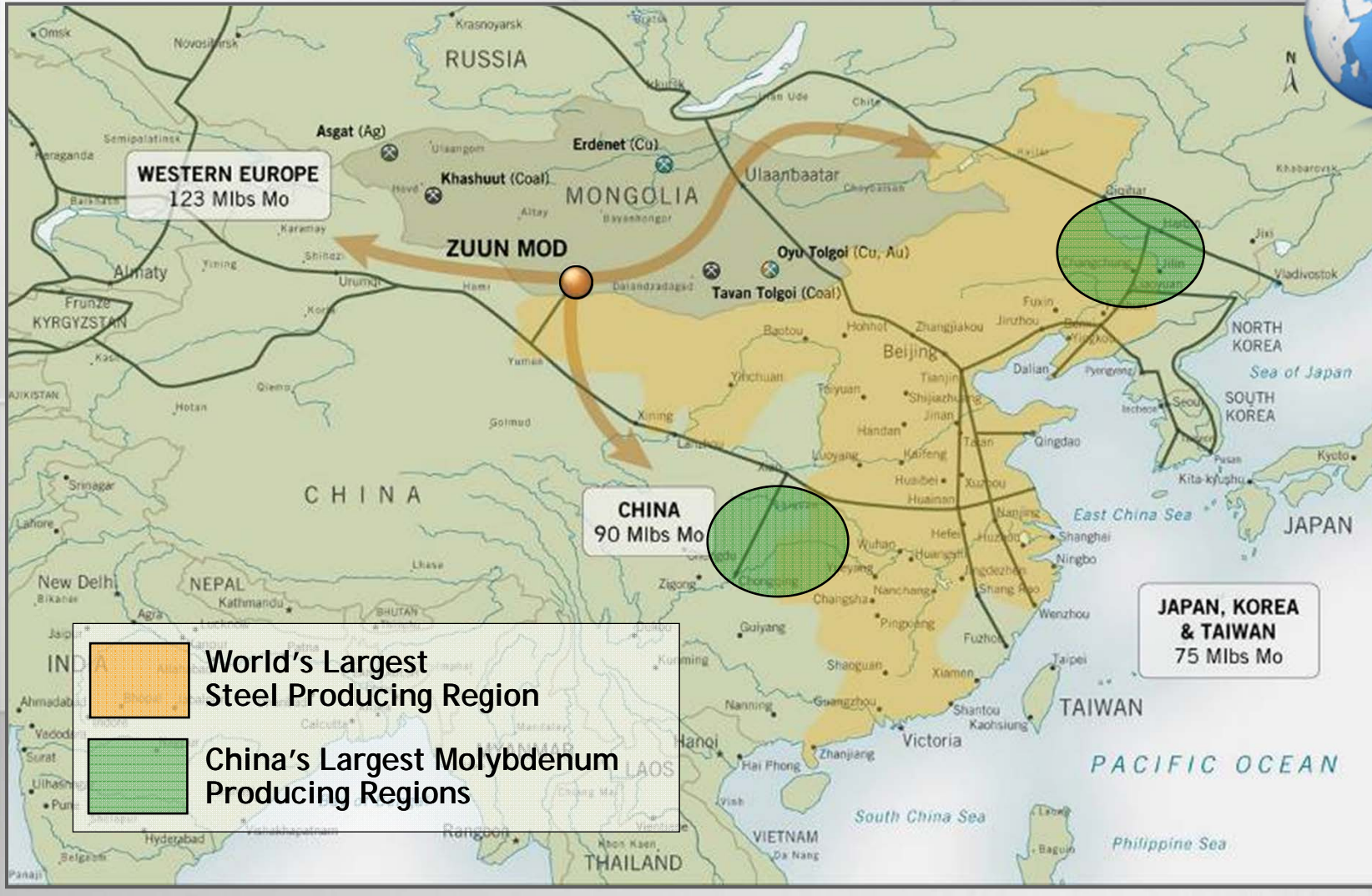
Drummed Molybdcic Oxide, Spot Price (\$/lb Mo)



Source: Bloomberg metal Bulletin (April 27, 2011)

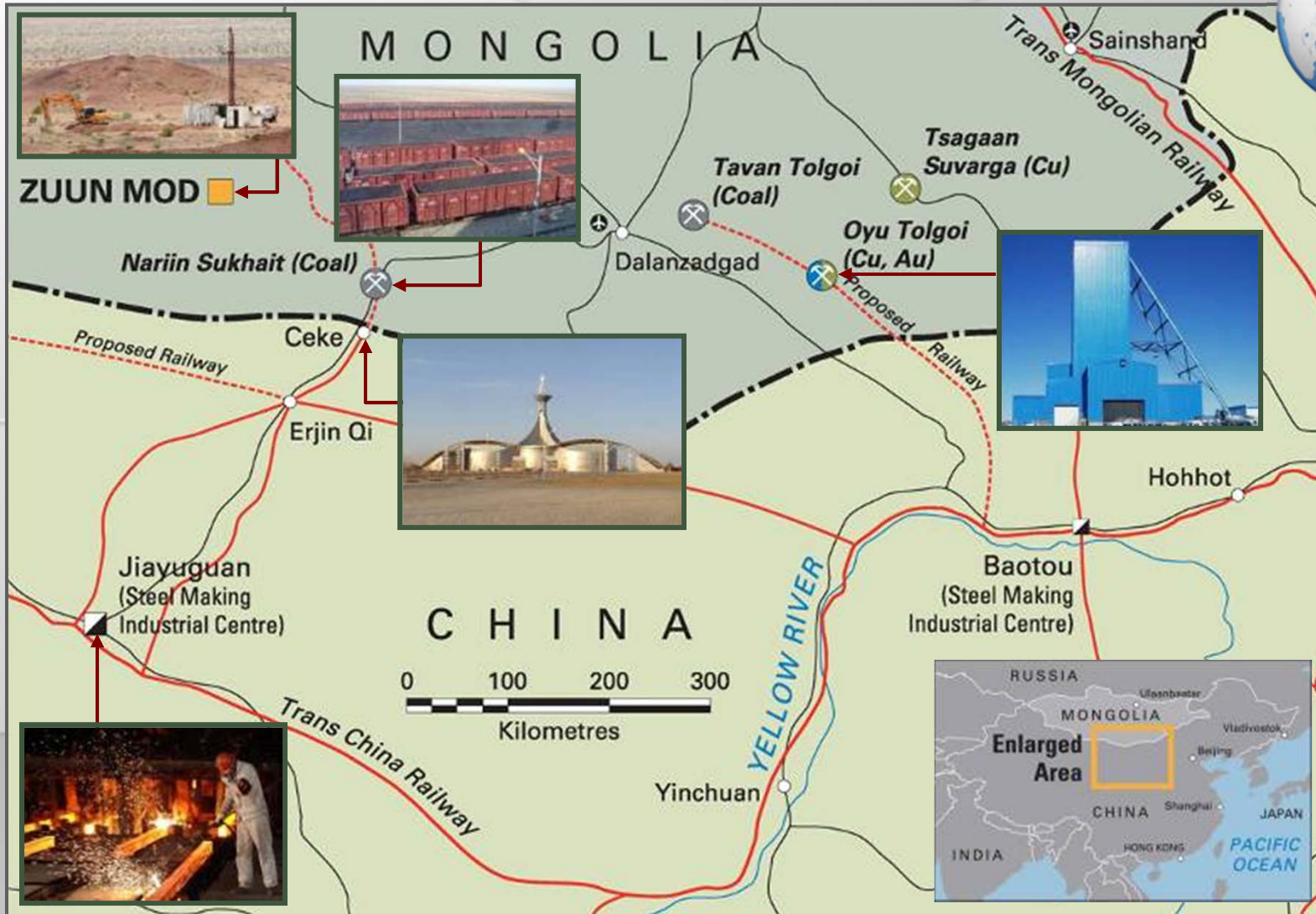
ZUUN MOD MO-CU PROJECT

Regional Moly & Steel Industry



ZUUN MOD MO-CU PROJECT

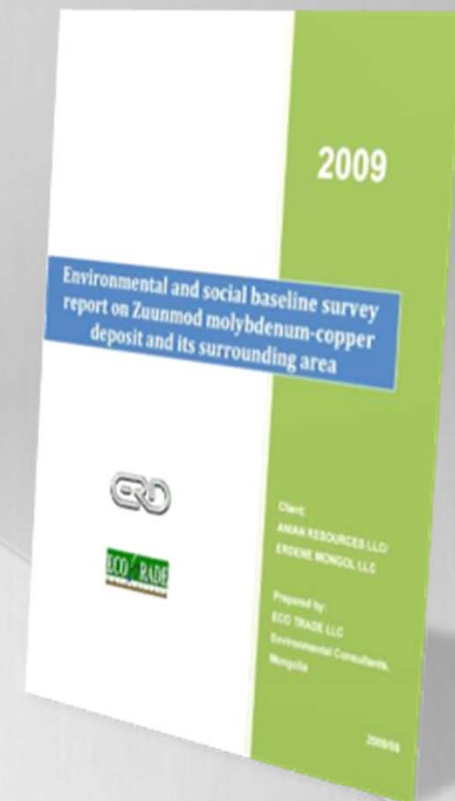
Infrastructure Building



ZUUN MOD MO-CU PROJECT

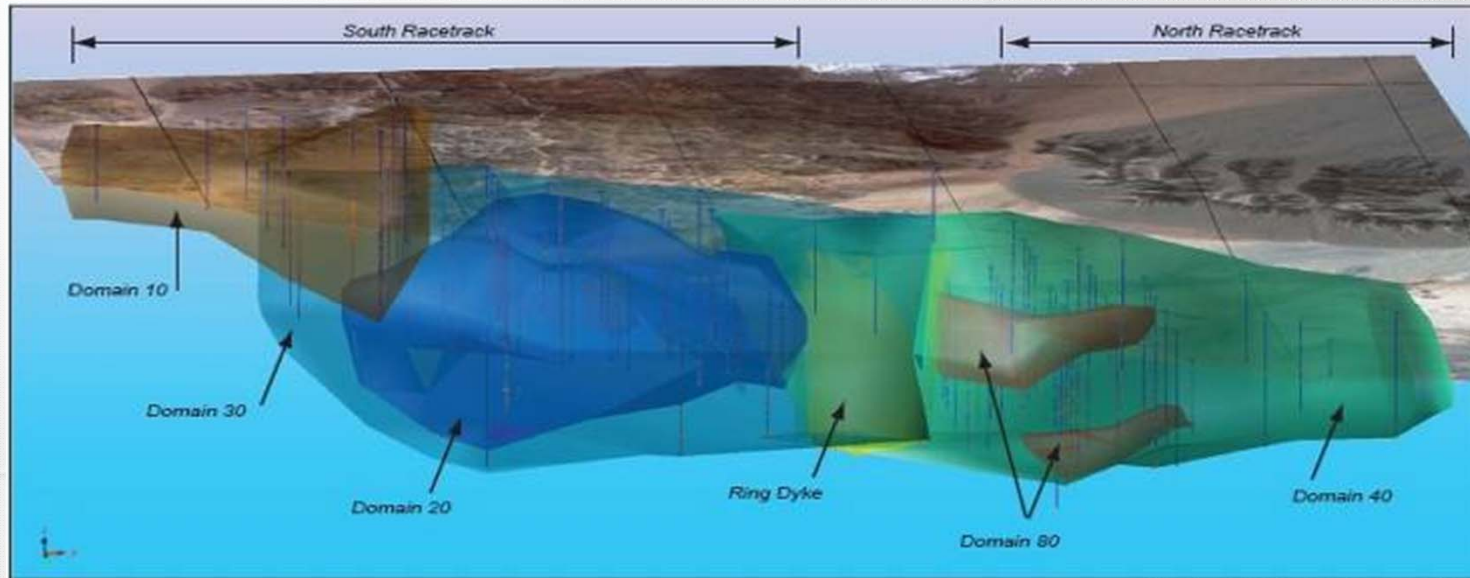


- ▶ Resource Approved and Registered August 2010
- ▶ Submission included:
 - ▶ Preliminary hydro-geological study
 - ▶ Environmental assessment report
 - ▶ Geological report
 - ▶ Mongolian compliant resource estimate
 - ▶ Mongolian compliant pre-feasibility study
- ▶ Work conducted by team of Mongolian consultants led by AMC and Ecotrade
- ▶ Experts appointed by Mineral Council have completed review
- ▶ **Mining Licence Granted June 2011**



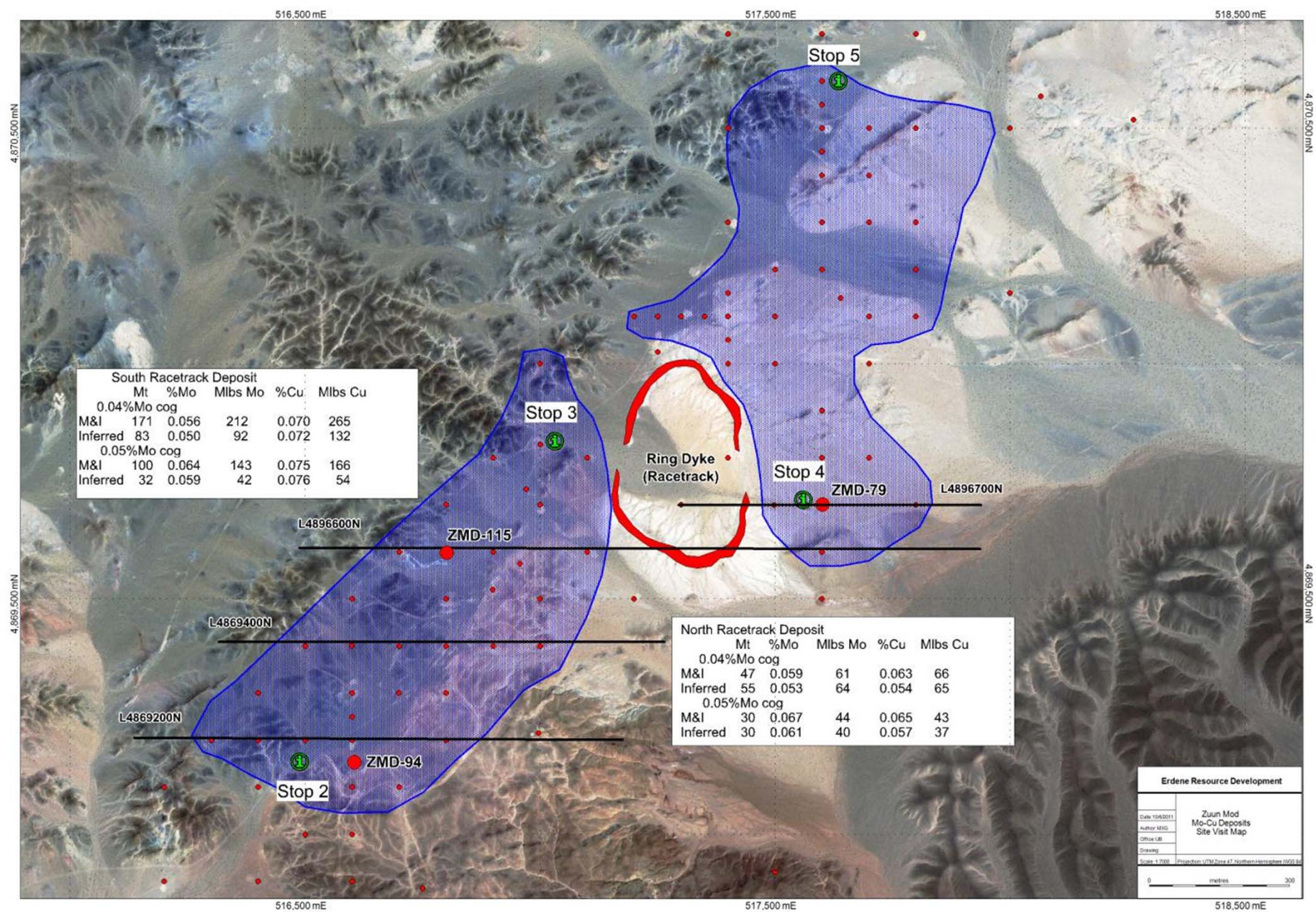
ZUUN MOD MO-CU PROJECT

June 2011 NI 43-101 Resource Estimate



Resource Wireframes >200PPM Mo

Cut-off Grade Mo%	Resource Category	Resources Mt	Cu%	Mo%	Contained Mo/Cu Metal Mlbs
0.04%	Total Measured & Indicated	218	0.069	0.057	274/331
0.04%	Total Inferred	168	0.065	0.052	192/241



South Racetrack Deposit					
	Mt	%Mo	Mlbs Mo	%Cu	Mlbs Cu
0.04%Mo cog					
M&I	171	0.056	212	0.070	265
Inferred	83	0.050	92	0.072	132
0.05%Mo cog					
M&I	100	0.064	143	0.075	166
Inferred	32	0.059	42	0.076	54

North Racetrack Deposit					
	Mt	%Mo	Mlbs Mo	%Cu	Mlbs Cu
0.04%Mo cog					
M&I	47	0.059	61	0.063	66
Inferred	55	0.053	64	0.054	65
0.05%Mo cog					
M&I	30	0.067	44	0.065	43
Inferred	30	0.061	40	0.057	37

Erdene Resource Development	
Date: 10/2011	Zuun Mod
Author: M&I	Mo-Cu Deposits
Office: US	Site Visit Map
Scale: 1:2000	Projection: UTM Zone 47 (Southern Hemisphere) WGS 84

June 2011 Zuun Mod Resource



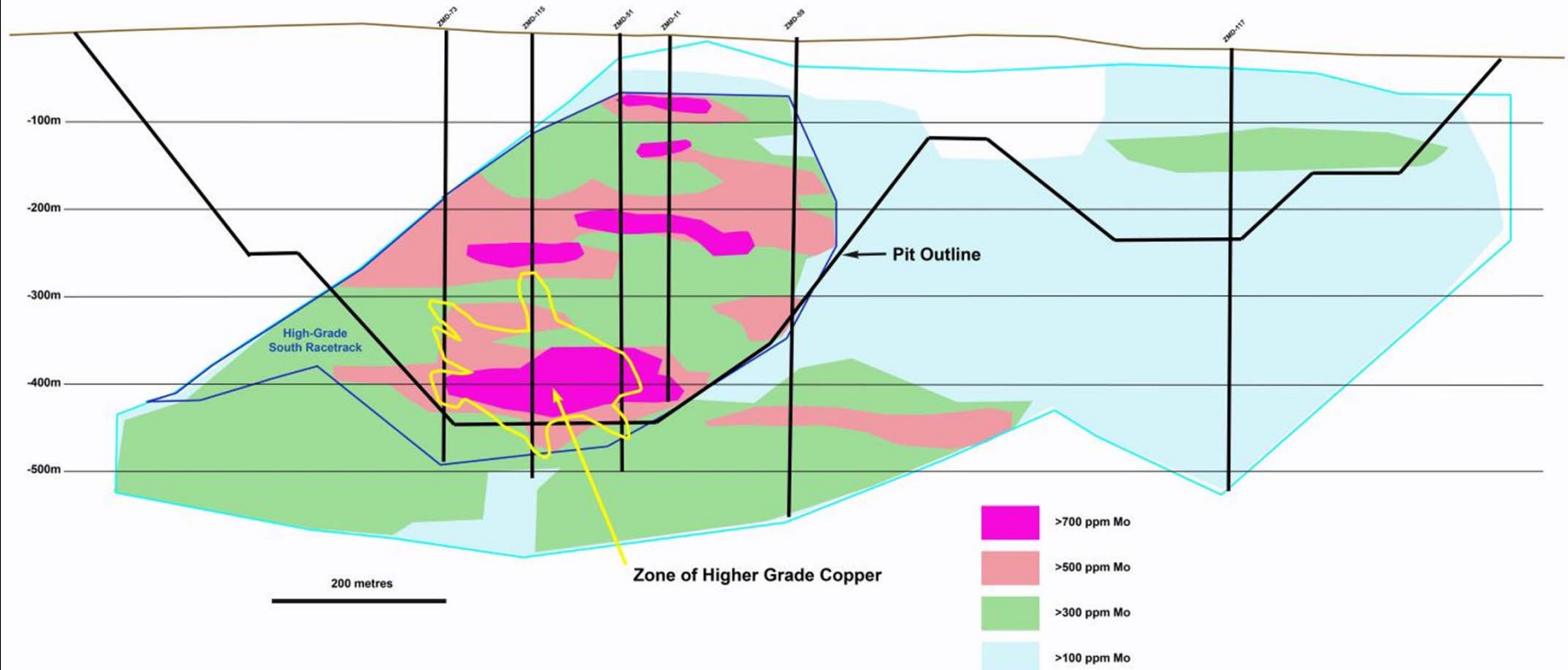
Cut-off	Resource	Resources		Contained		Contained
Grade	Category	Mt	Mo %	Mo Metal	Cu %	Cu Metal
Mo%				Mlbs		Mlbs
0.03%	Measured	55	0.050	61.1	0.060	73
	Indicated	260	0.050	287	0.065	373.6
	M&I	315	0.050	348.1	0.064	446.6
	Inferred	335	0.043	318.8	0.061	454.6
0.04%	Measured	40	0.056	49.5	0.064	57
	Indicated	178	0.057	224	0.070	273.7
	M&I	218	0.057	273.5	0.069	330.7
	Inferred	168	0.052	191.8	0.065	240.5
0.05%	Measured	25	0.063	34.5	0.068	37.5
	Indicated	105	0.066	152.5	0.074	171
	M&I	130	0.065	187	0.073	208.5
	Inferred	78	0.060	103.4	0.067	115.5

Section Through North Portion of South Racetrack Deposit



Zuun Mod Molybdenum Copper Deposit

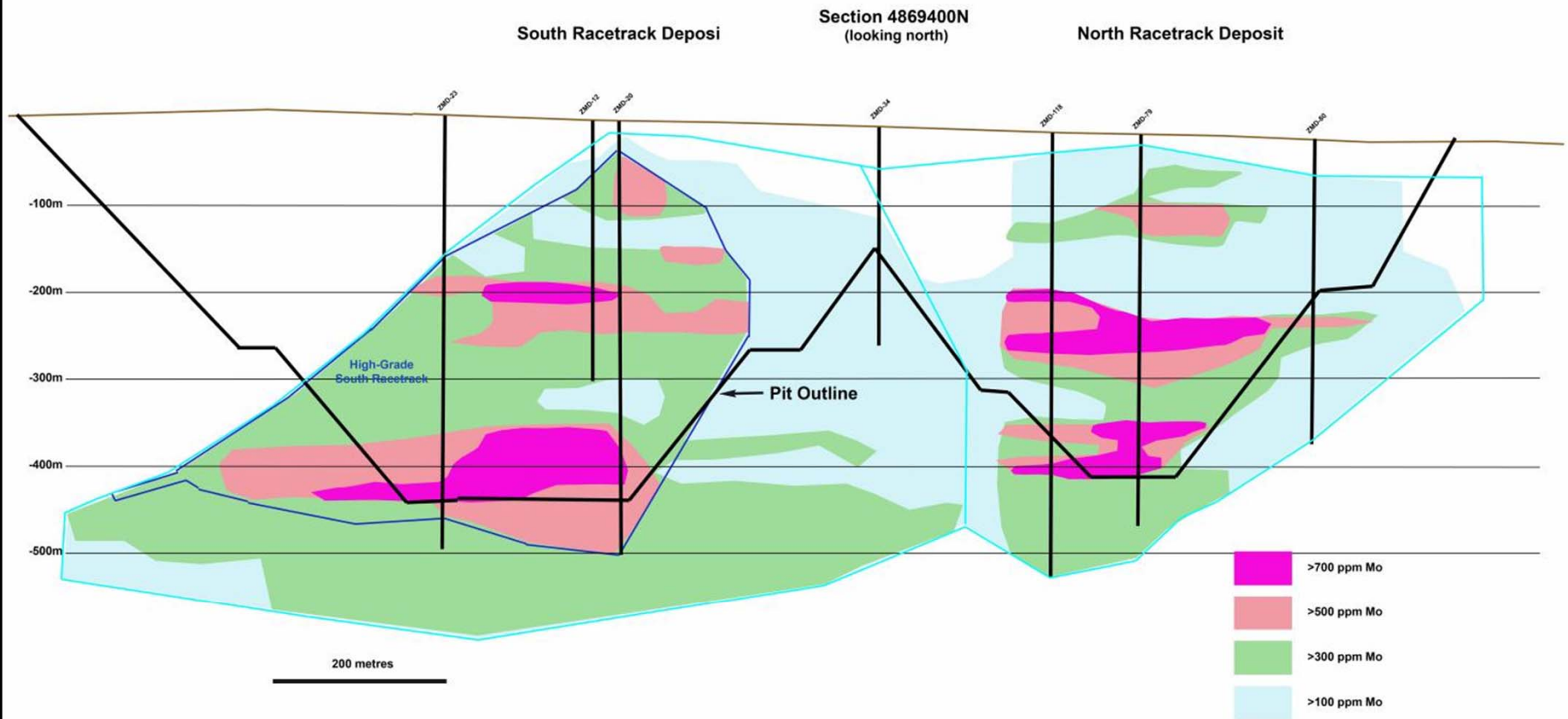
South Racetrack Deposit
Section 4869400N
(looking north)

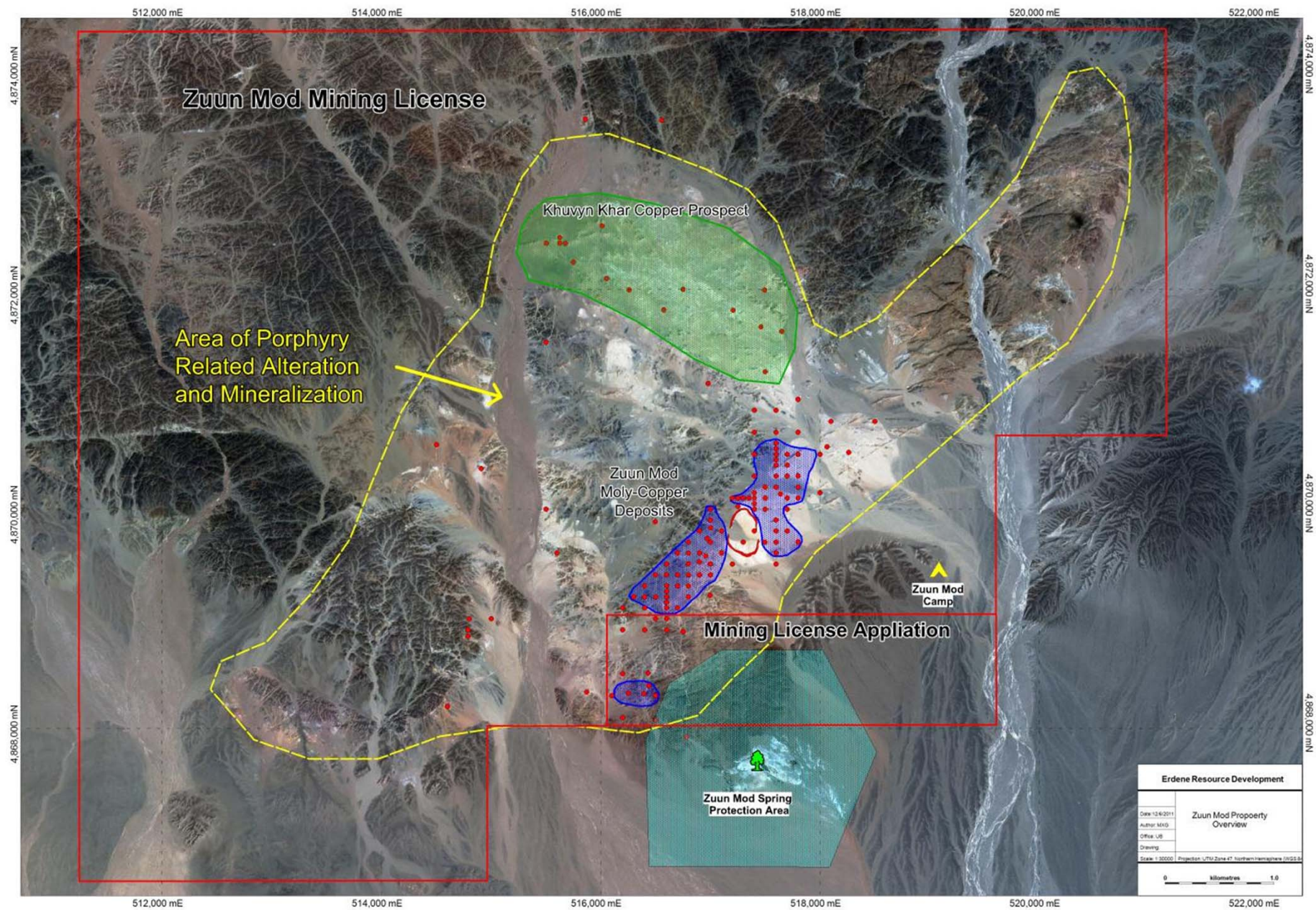


Section Through North Portion of South Racetrack Deposit and Southern portion of North Racetrack Deposit



Zuun Mod Molybdenum Copper Deposit





Preliminary Assessment Study

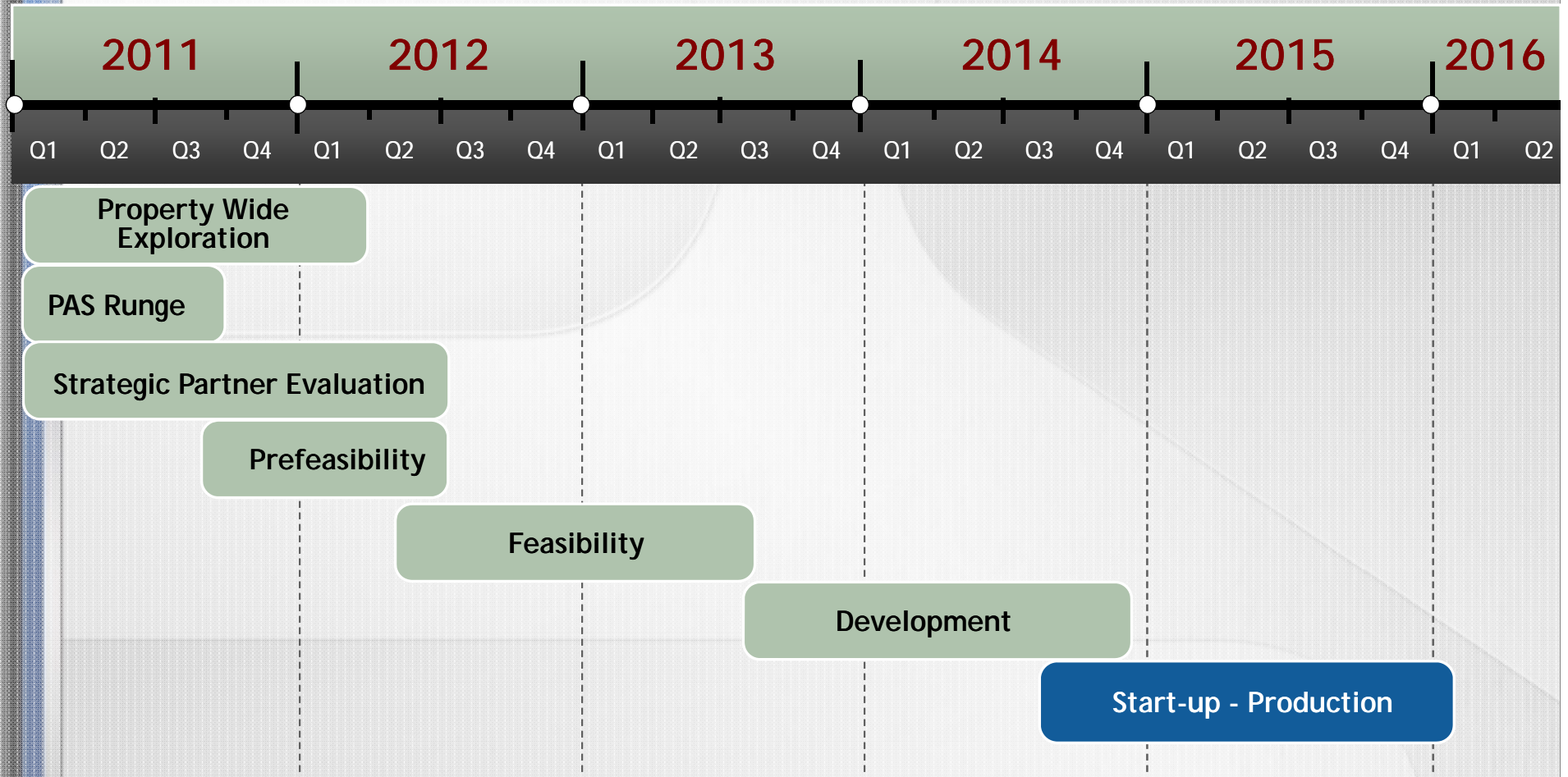


- ▶ Pending Preliminary Assessment Study (PAS)
 - Minarco MineConsult (Runge)
- ▶ Advancement pending pit optimization and economic evaluation study
- ▶ Components of PAS reviewed to date:
 - ▶ Infrastructure
 - ▶ Mining
 - ▶ Environment / Community Relations
 - ▶ Geotechnical / Hydro-geological
 - ▶ Metallurgy
 - ▶ Processing (Mo and Cu concentrates)
 - ▶ Marketing

ZUUN MOD MO-CU PROJECT



Timeline

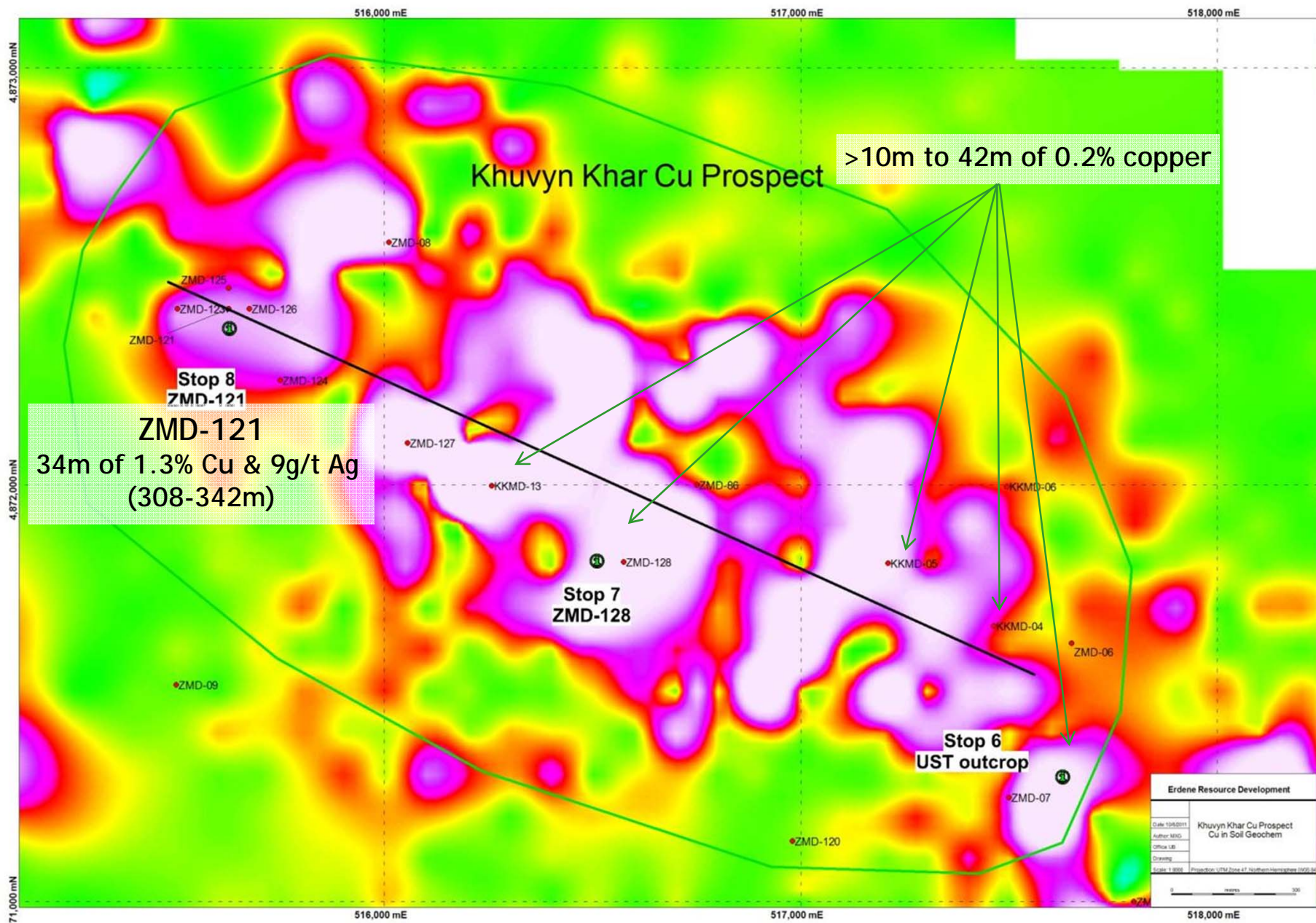


ZUUN MOD SUMMARY



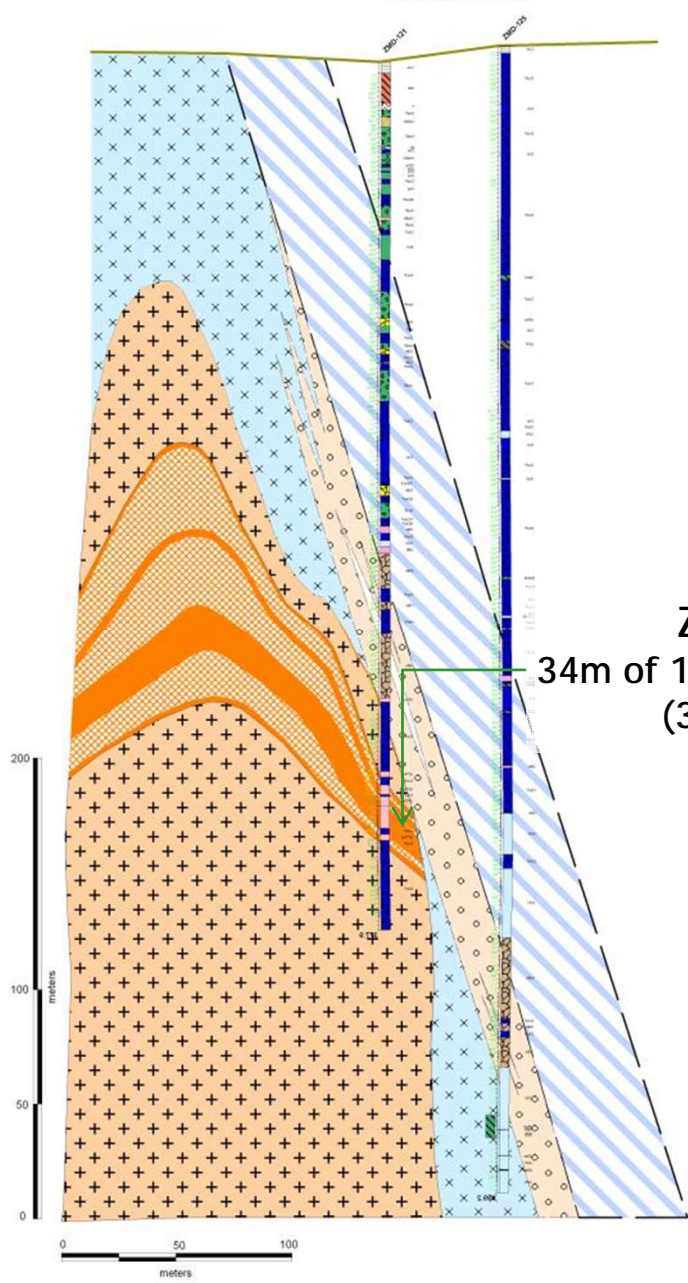
- ▶ Strong steel demand expected to drive moly demand and price
- ▶ One of the largest molybdenum deposits in Asia
- ▶ On the doorstep of the world's largest steel producing region
- ▶ Secured Mining licence
- ▶ Established >400 Mlbs of molybdenum resource





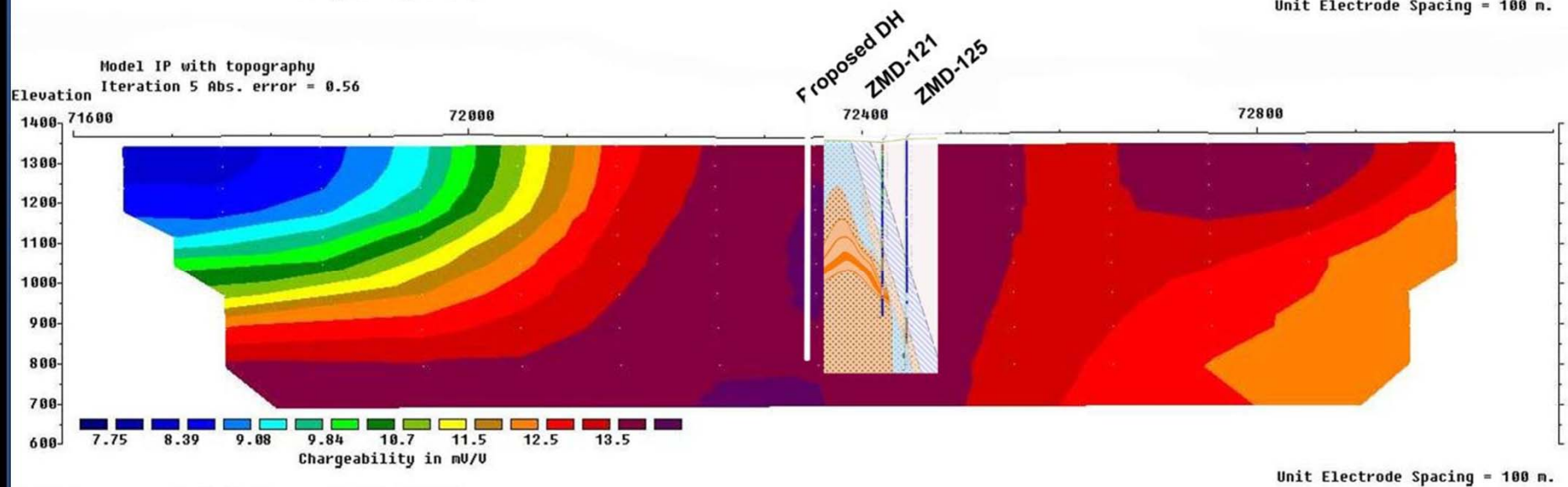
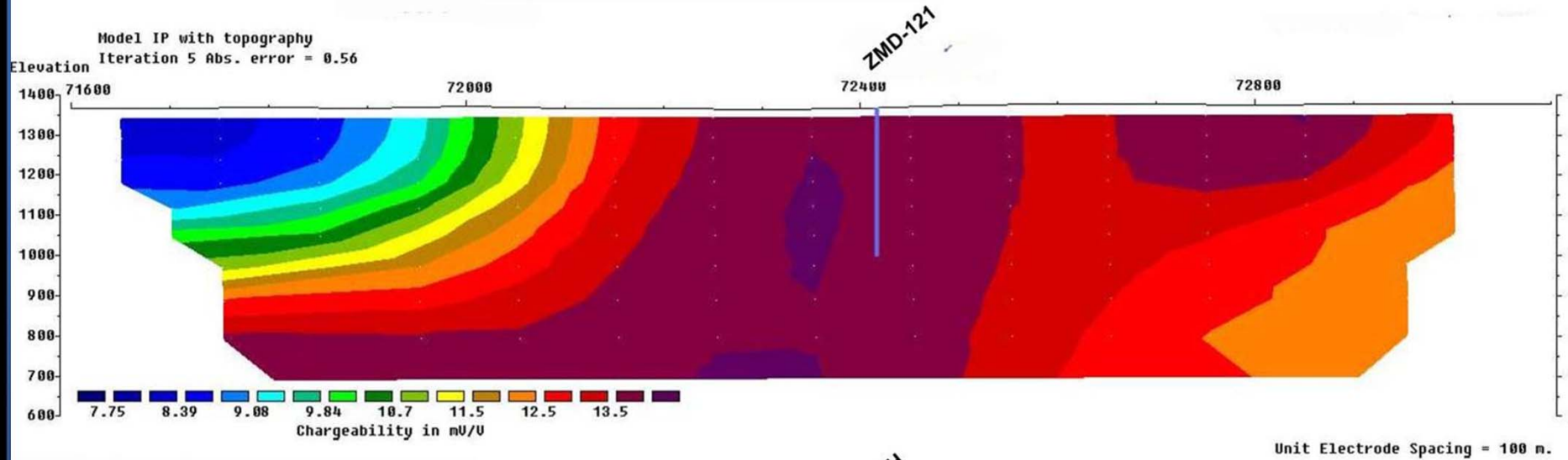


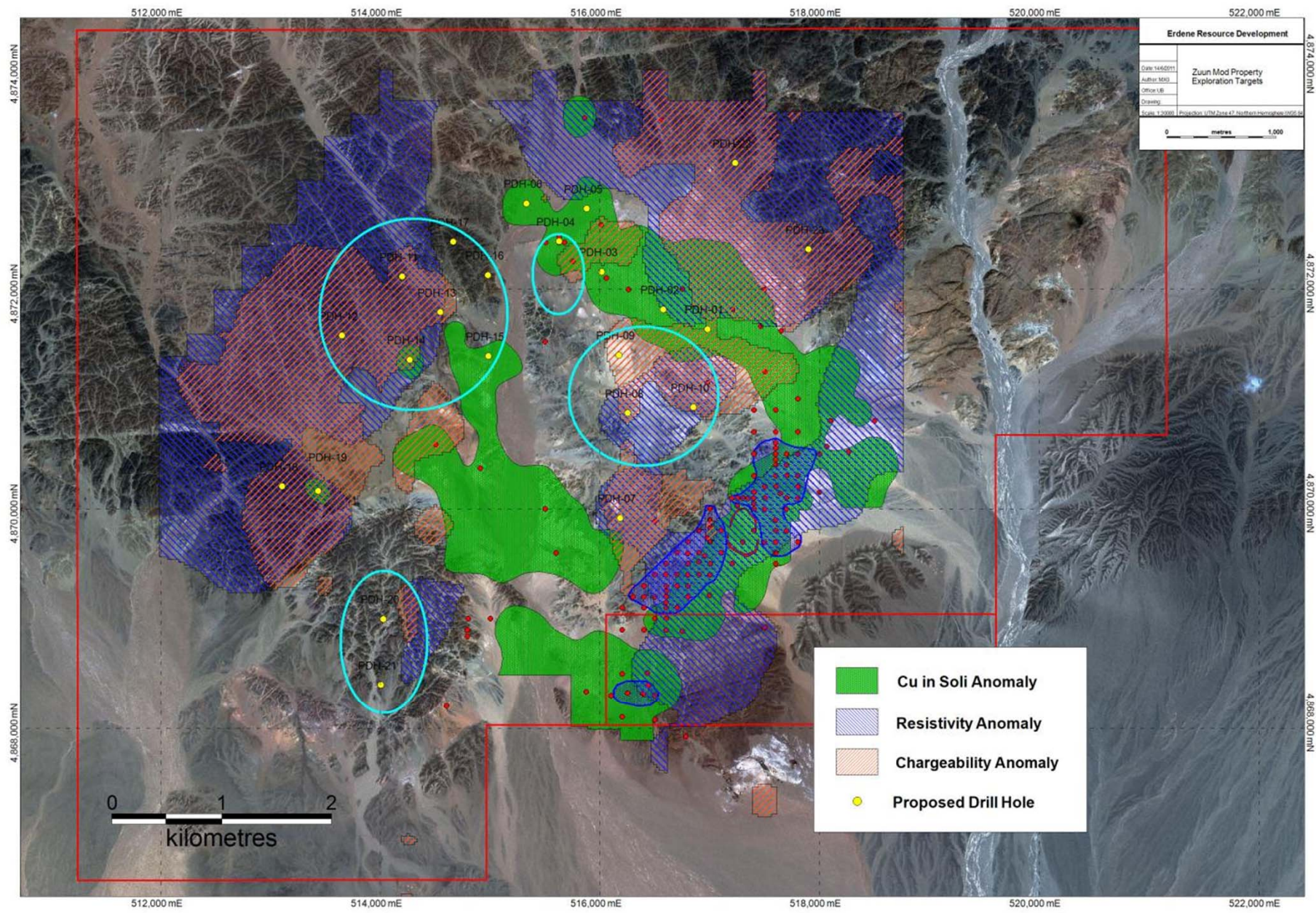
Khuviin Khar Cross Section
Looking West (270°)



ZMD-121
34m of 1.3% Cu & 9g/t Ag
(308-342m)

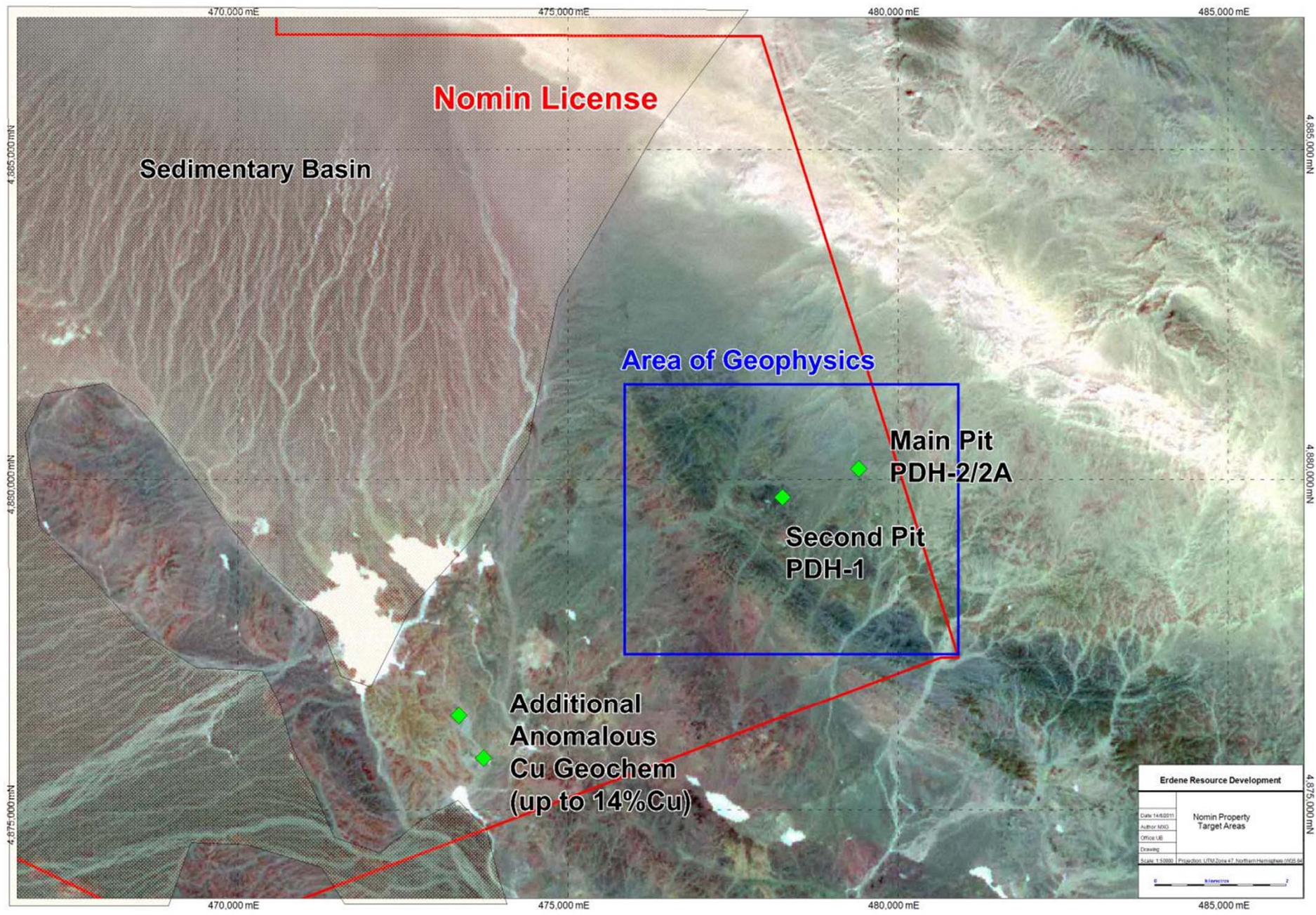
Khuvyn Khar Pole Pole IP Survey: Line 1 Chargeability; Depth 600m







Nomin Copper Gold Project



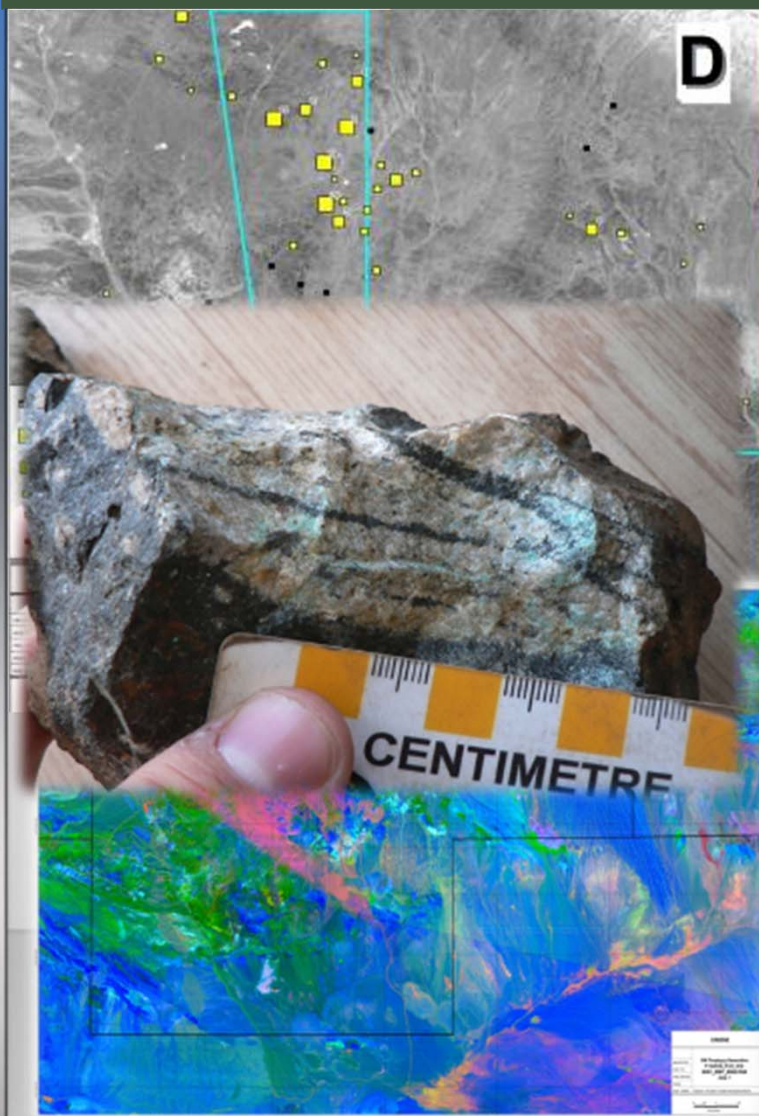
Nomin Drilling - Analyst Tour June 2011



Nomin Drill Core - June 2011



MONGOLIA METALS – 100% ERD



Target:

World Class Copper-Gold-Molybdenum Porphyry Deposits

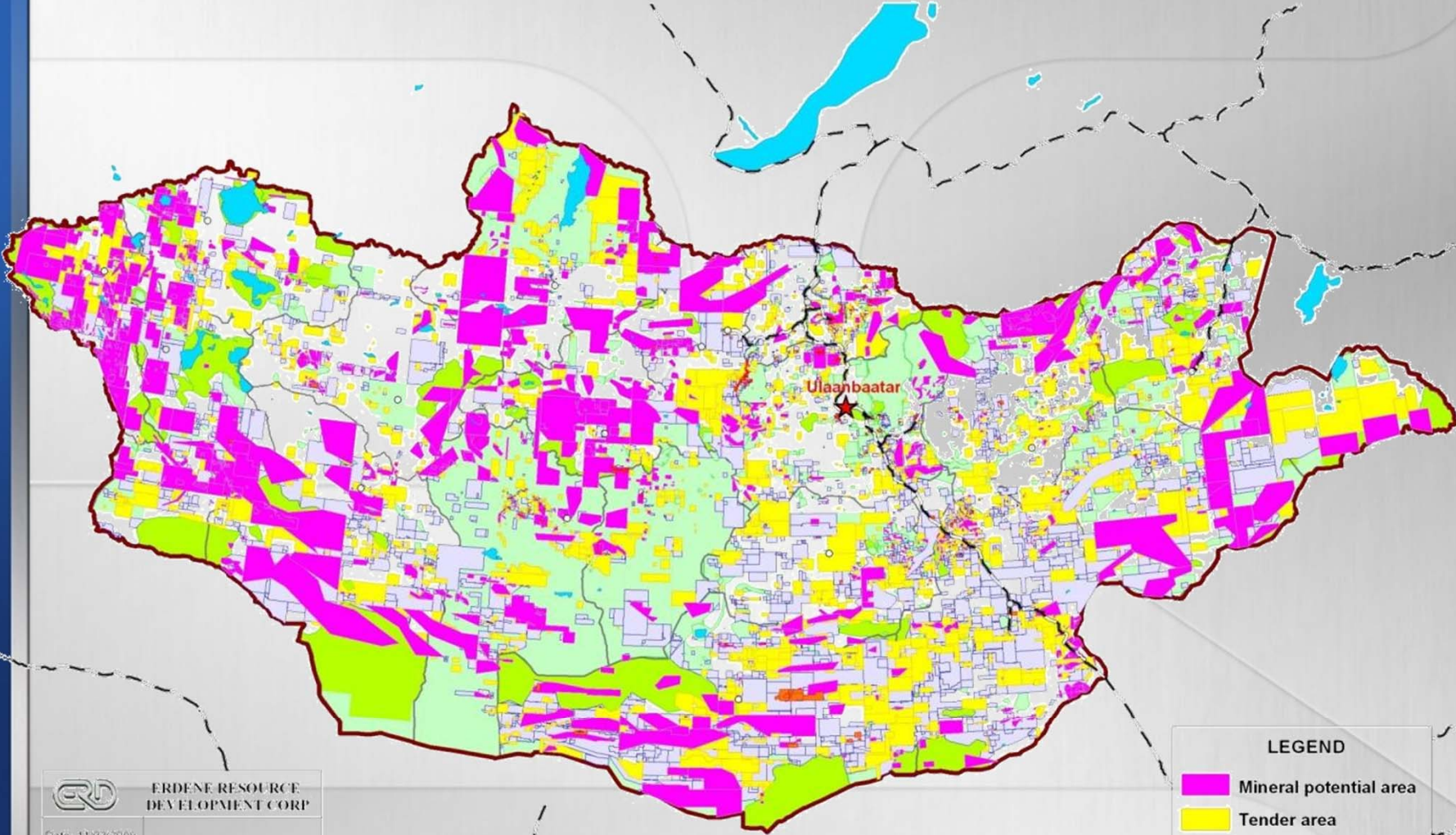
Exploration Programs:


Multi-million dollar program in South Gobi exploring for porphyry copper, gold, moly systems over 5 years, >\$1M in regional Exploration 2009 and 2011

2010 Program:

Exploration underway on new copper-gold discovery at Nomin; additional acquisitions planned

Land Status



 ERDENE RESOURCE DEVELOPMENT CORP


Date: 11/03/2009

Office: UB

Scale: 1:8,500,000

**MONGOLIA
LAND STATUS
MAP**

60 0 60 120 km



LEGEND

-  Mineral potential area
-  Tender area
-  Exploration licenses
-  Mining licenses
-  Special needs area
-  State protect area

MONGOLIA COAL XSTRATA ALLIANCE

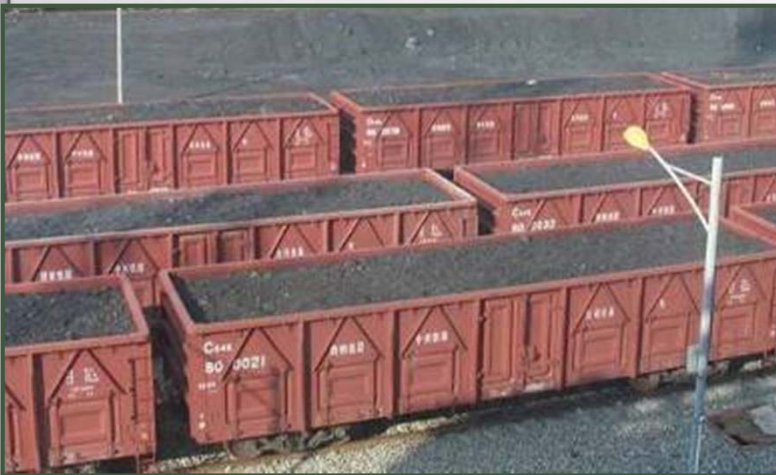


PRIORITY TARGETS:

High Quality Thermal & Coking
(open pit, <5:1, 200Mt+, >5800 kcal/kg GAR)

XSTRATA TERMS:

- Option to earn up to 75% of any coal opportunity in Mongolia
- Must fund all work through to completion of feasibility study



2010-11 Program:

\$1.6M field program to explore newly acquired 400,000 ha Zarman basin completed in 2010; acquisition due diligence continues

Tavan Tolgoi Region Coal Trucks



Tavan Tolgoi Region Coal Developments



Coal Deposits and Rail Developments

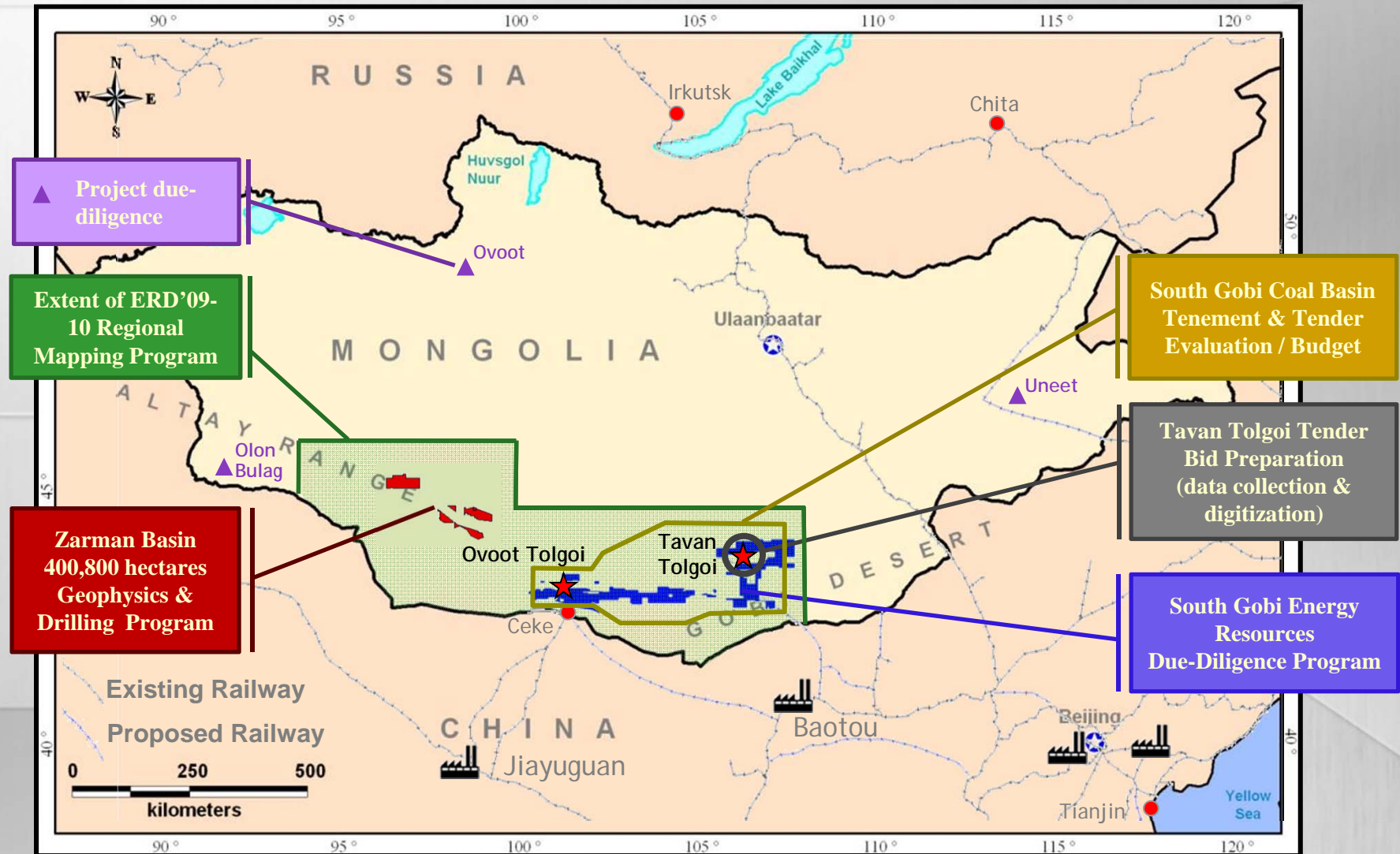


Erdene Coal Overview

Extent of Exploration



ERDENE'S 2009-11 COAL ACTIVITY



INDUSTRIAL MINERALS

Kaolin



Interests:

Majority ownership of TSX-V listed Advanced Primary Minerals

Commodity:

Kaolin used for paper coating and ceramics

Objectives:

Develop company into North America's leading specialty kaolin producer

APM CORPORATION

Overview

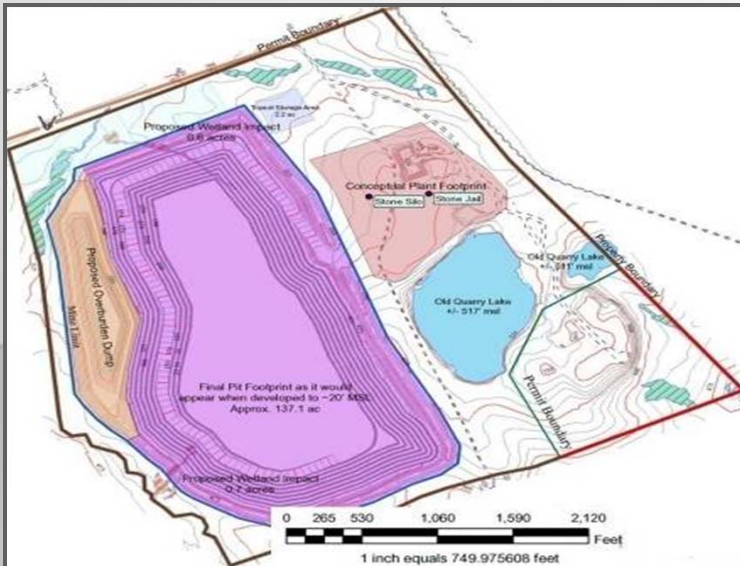


- ▶ TSX Venture listing (TSXV:APD)
- ▶ ERD controls ~ 60% of issued common shares (opportunity to increase to 66%)
- ▶ GOAL - Become North America's leading specialized primary kaolin producer
- ▶ 22.9 million tons of premium quality NI 43-101 compliant primary kaolin resource
- ▶ Current market cap ~\$5M



INDUSTRIAL MINERALS

Aggregate



Interests:

- Royalty arrangement with Aggregates USA, spending \$28M to develop site
- East Coast and Caribbean Evaluations

COMMODITY:

- Crushed stone for construction uses targeting eastern U.S. predominantly Florida Market

Objectives:

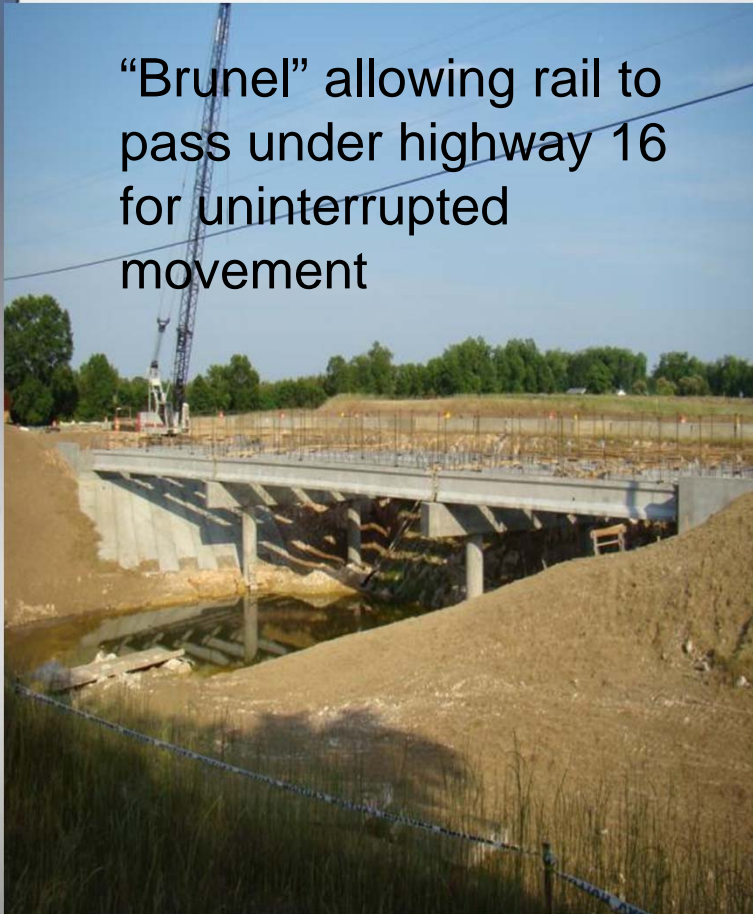
- At full production receive royalty stream of US\$1M to US\$2M annually for >30 years
- Identify, permit and develop strategic east coast and Caribbean sites

Plant Construction



Construction of a new aggregate processing plant and railroad tunnel are nearing completion; in all the lessee is spending approximately \$28 million improving the site. Production has started for on-site needs and sales will commence by end of 2011.

“Brunel” allowing rail to pass under highway 16 for uninterrupted movement



~700 tph primary jaw crushing plant

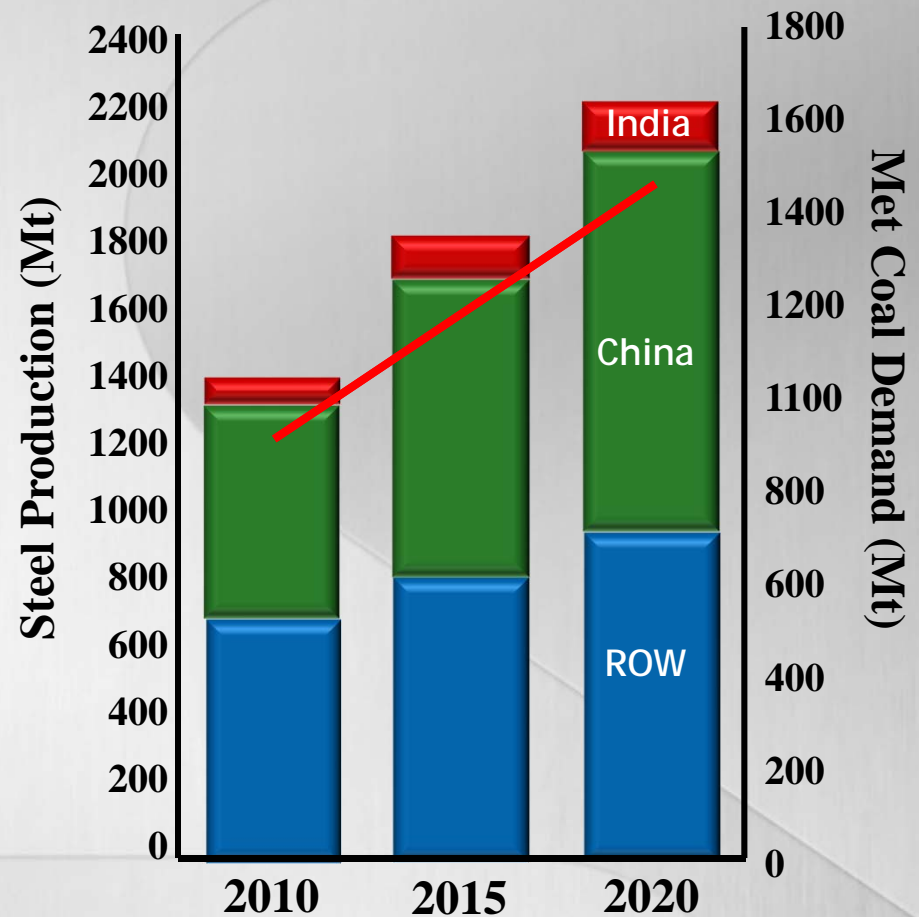


GLOBAL COAL DEMAND

Met Coal Use Forecast to Rise ~ 550 Mt by 2020



- Global steel demand is expected to double by 2025
- The three major growth markets for metallurgical coal are expected to be Brazil, India, and China, with imports to be 12%, 13%, and 6% per annum, respectively
- Trends highlight a large shortage of high quality coking coal



Source: Reuters, Erdene Research



- ▶ **US coal exports reach a 20 year high**, as shipments climbed to an annual rate of 96Mt in 1Q-2011 (23-May, Spence & Young Ltd).
- ▶ **China's demand for coking coal is expected to increase by 180 Mt by 2015**. Added, coking coal output from Shanxi (main coking coal production base in PRC) will only gain 80 Mt, leaving a demand shortfall of 100 Mt. It's estimated that China consumed 540 Mt coking coal in 2010; of that, 380 Mt was produced in PRC (340 Mt from Shanxi). (27-May)
- ▶ **India may triple coking coal imports within 5 years** to meet surging demand from steelmakers (ANZ, 30-May). Although India's steel output is currently 1/10th that of PRC, ANZ believes India will be the largest export market for coking coal. Purchases may rise to 90 Mt by 2015, from 30 Mt in 2010.

DONKIN COAL PROJECT

25% Erdene / 75% Xstrata Coal (Manager)



- Large – Long Life Resource
- High Quality (Coking & Thermal)
- Proximal to Deep Water
- Exclusive Port Access
- Significant Infrastructure
- Low Operating & Transportation Costs
- Experienced Workforce

DONKIN COAL PROJECT

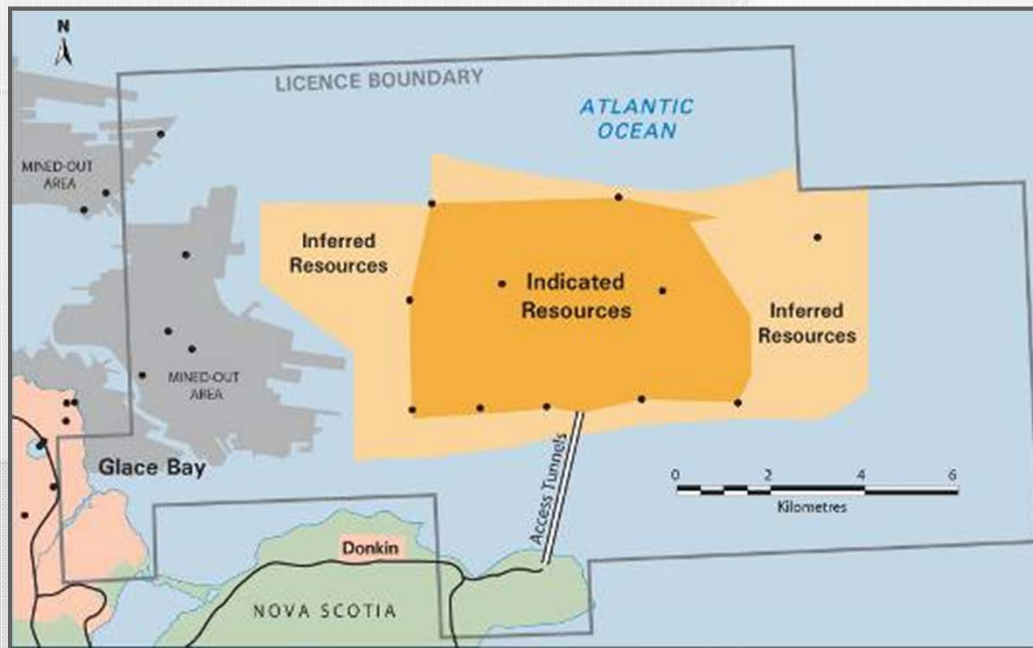
Resources & Coal Quality



Harbour Seam - Processed

High volatile-A bituminous, medium sulphur, very low ash, high CSN & fluidity

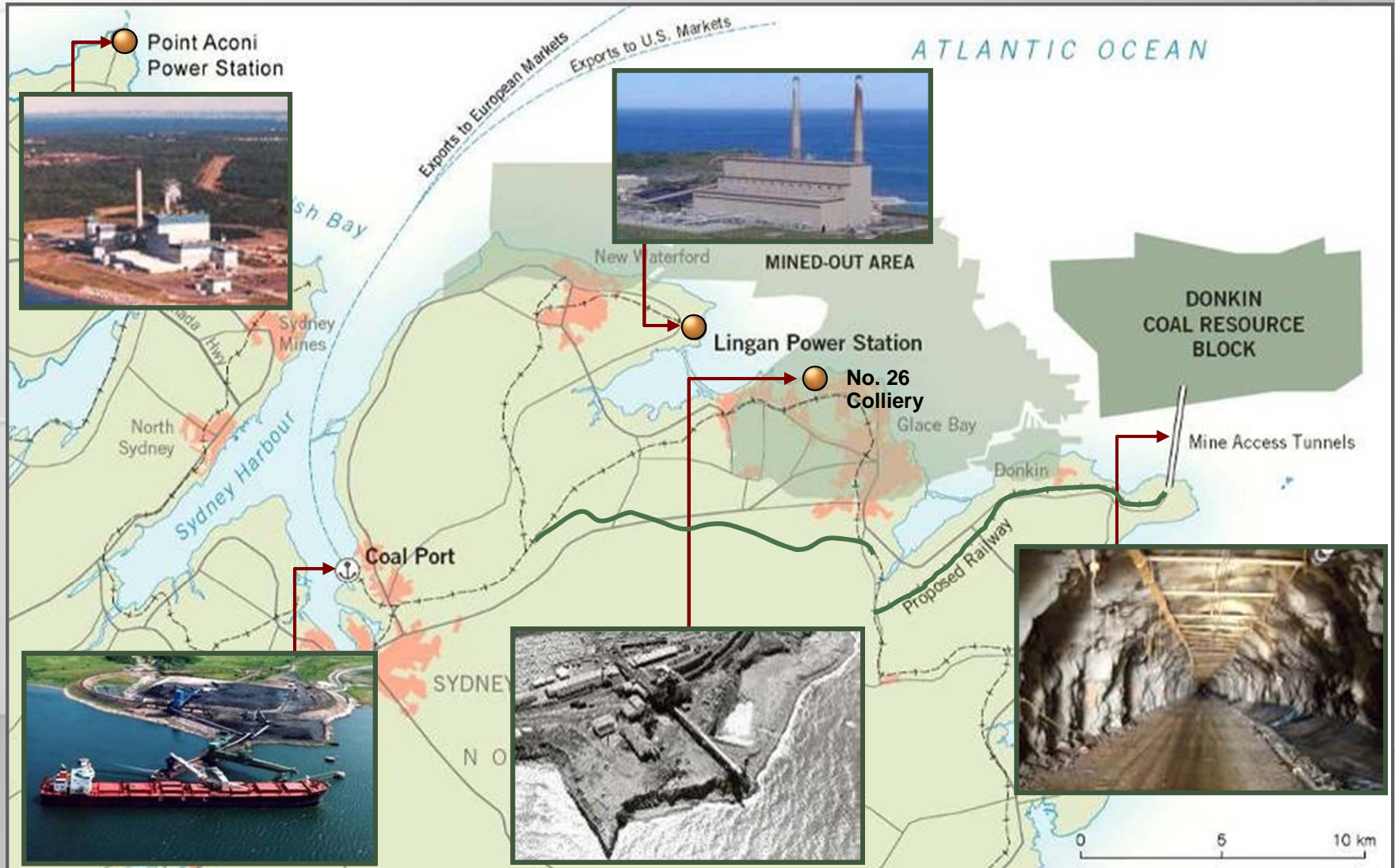
Product: Semi-soft to semi-hard



Seam Name	Indicated (Mt)	Inferred (Mt)
Lloyd Cove	53	82
Hub	73	57
Harbour	101	115
Total	227	254

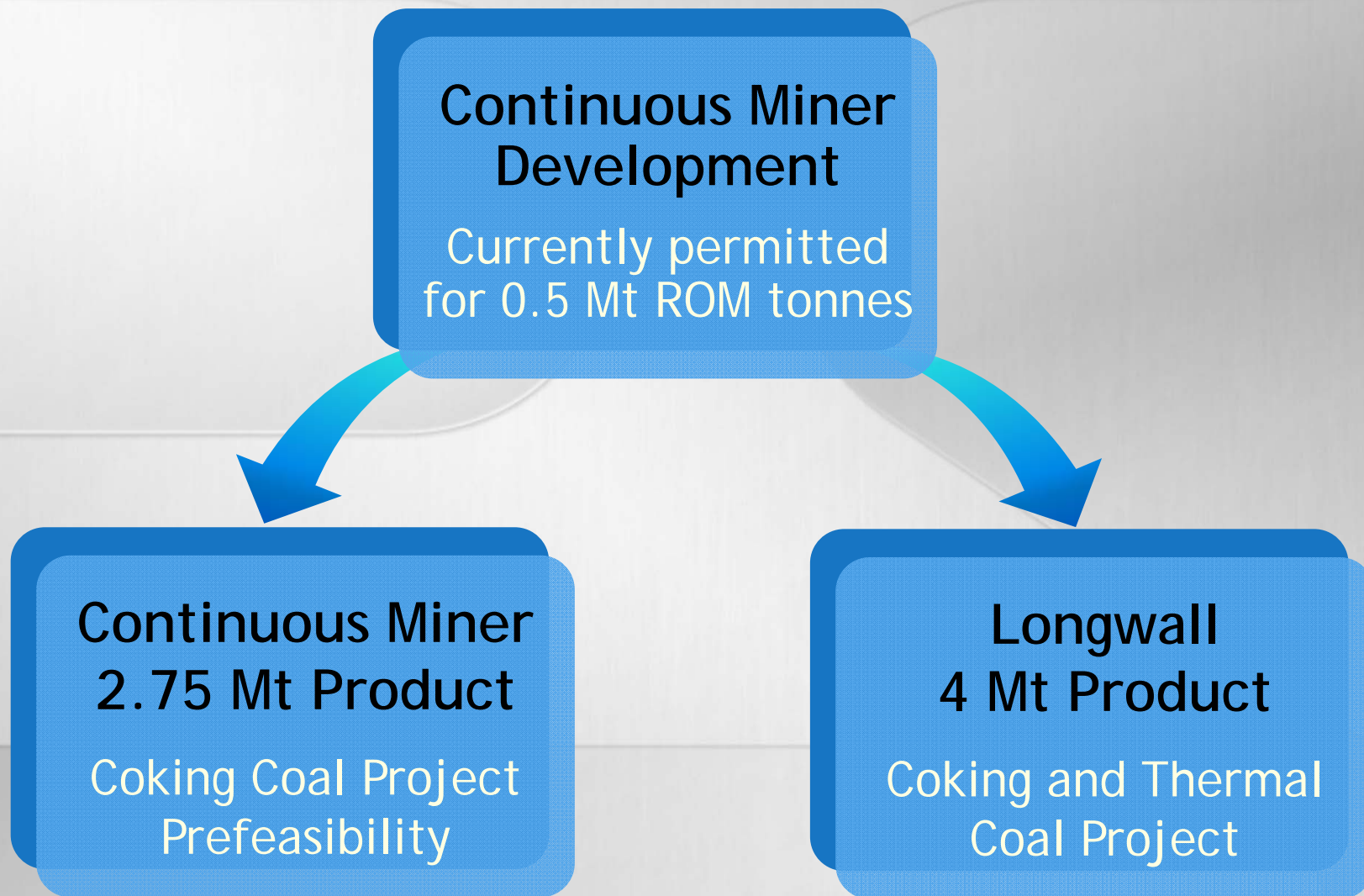
DONKIN COAL PROJECT

30 km From Deep Water Port



DONKIN COAL PROJECT

Development Options



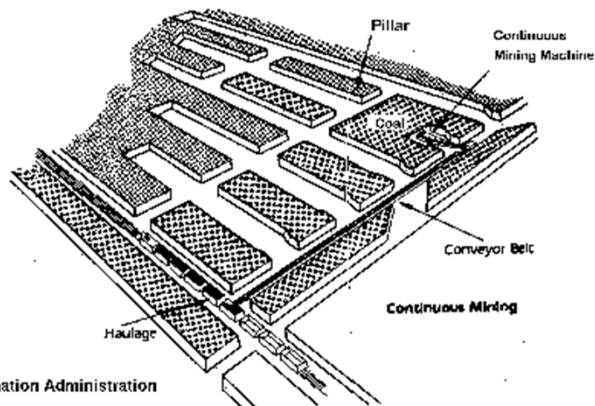
Mining Methods



Continuous Miner - Room and Pillar



Room-and-pillar

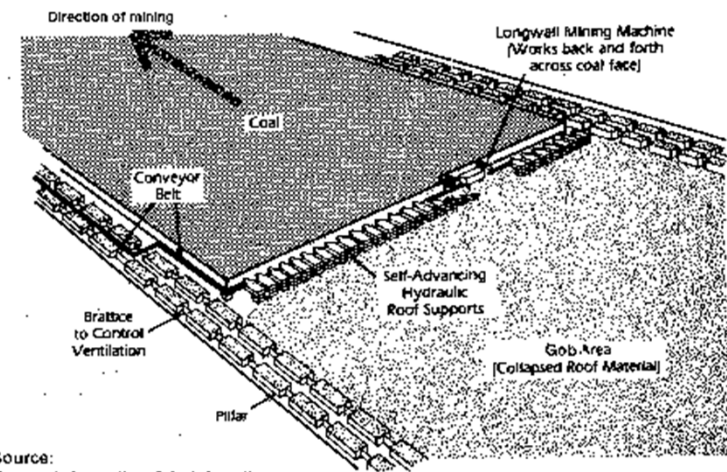


Source:
Energy Information Administration

Longwall



Longwall



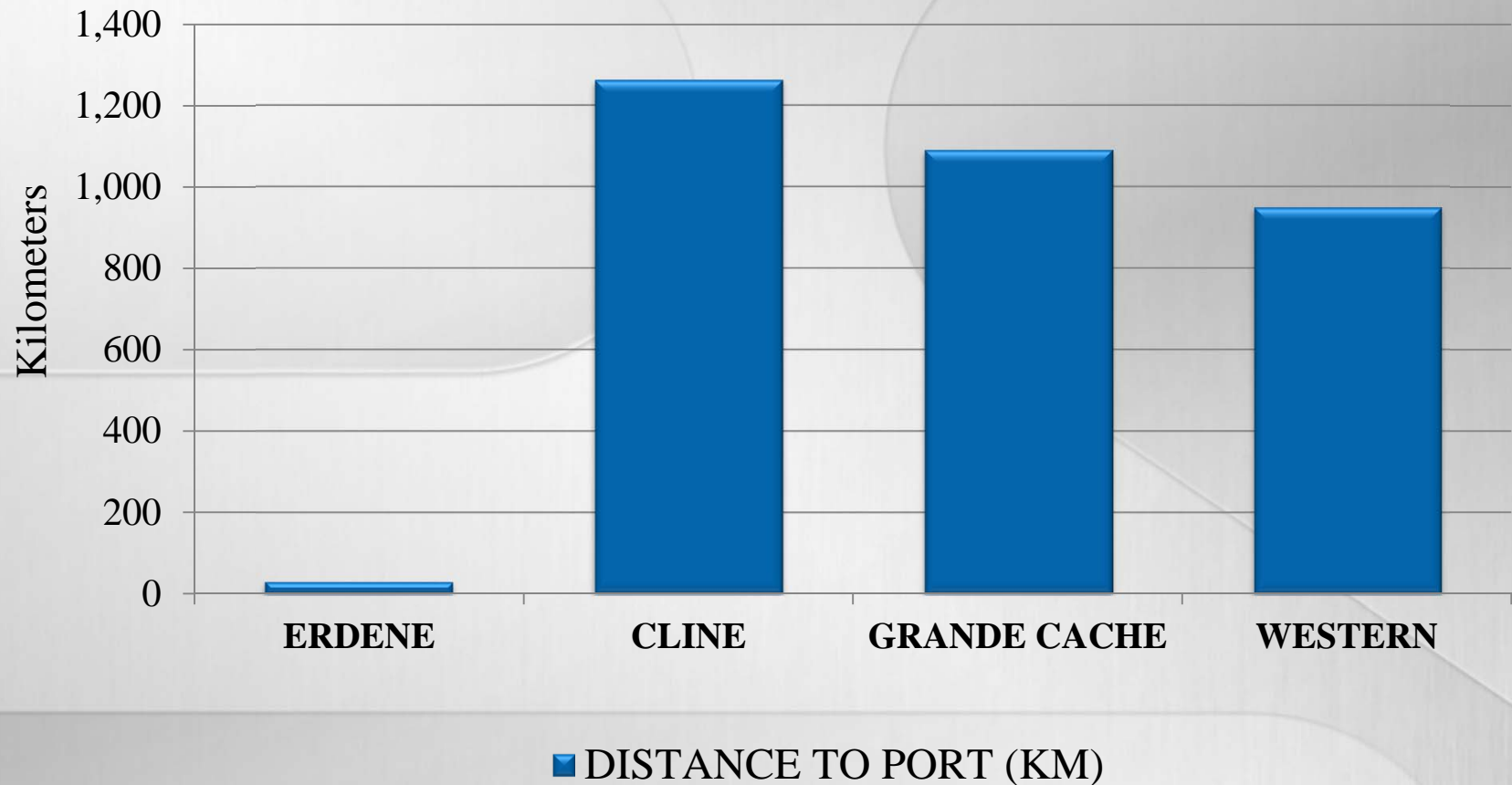
Source:
Energy Information Administration

Donkin Transportation Plans



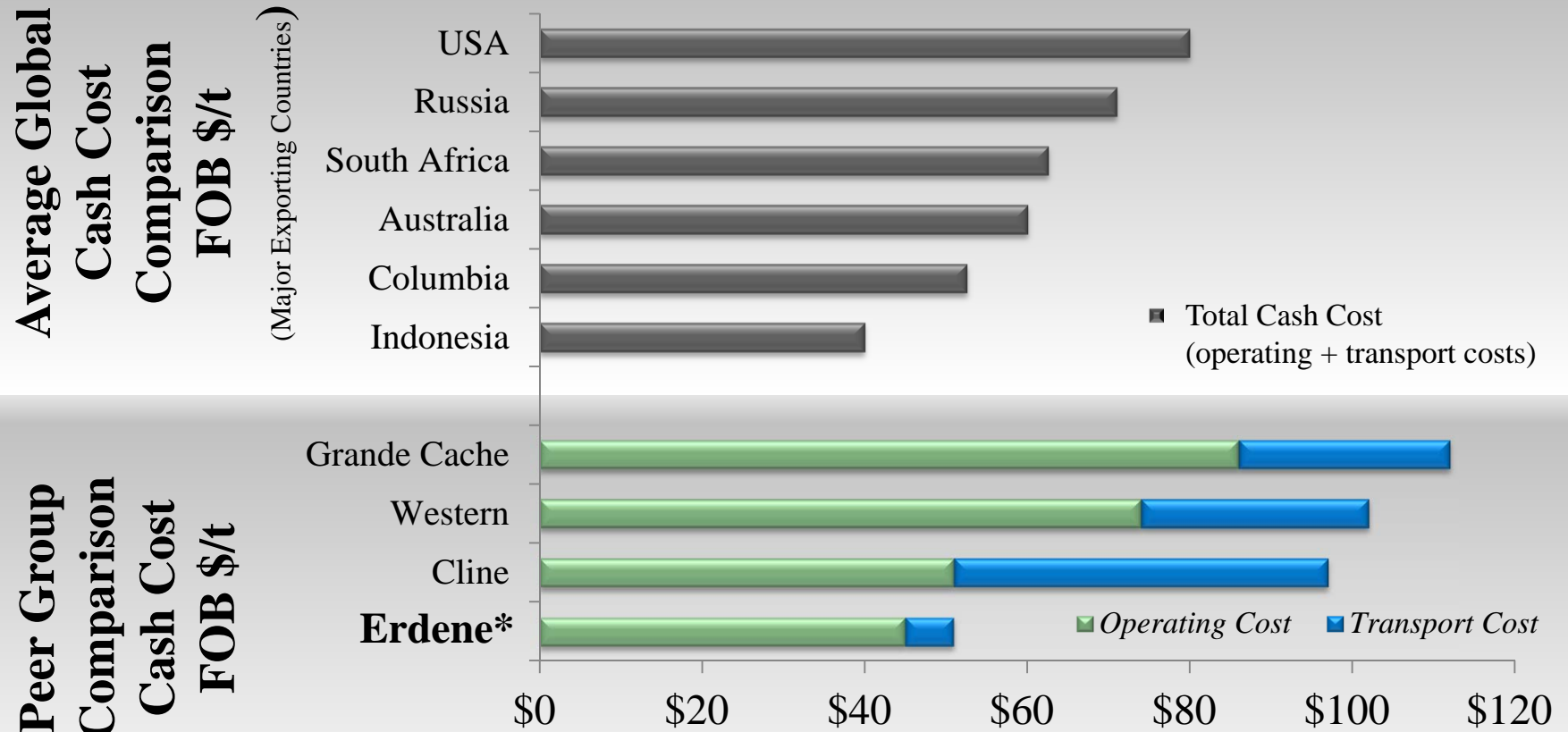
DONKIN COAL PROJECT

Distance to Port Comparables



DONKIN COAL PROJECT

Cash Cost Comparisons (\$USD)



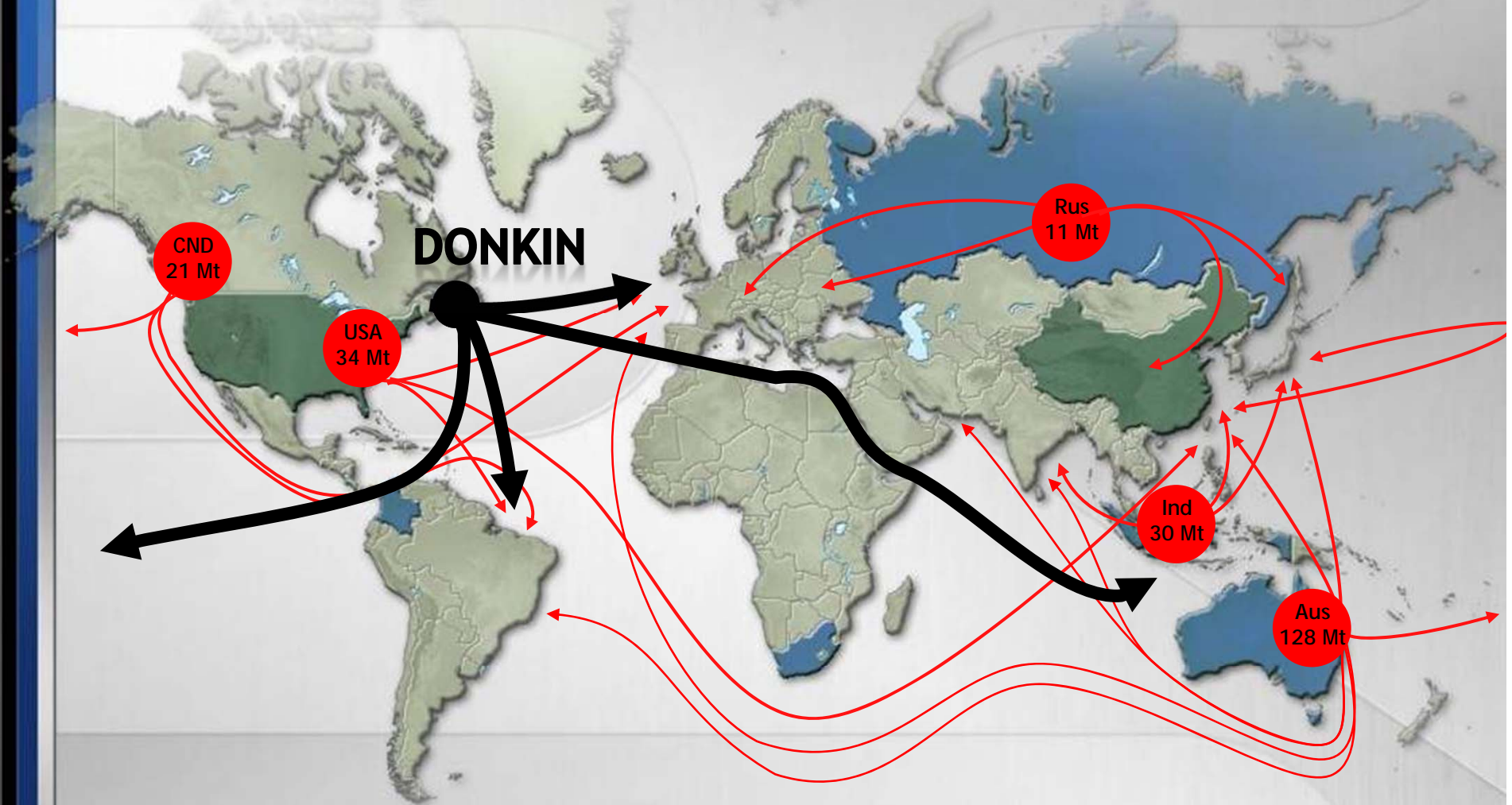
* assumes Norwest 2007 opex inflated 5% annually, 30% increase for CM vs. longwall and 30% increase as study was +/- 30%

Sources: Reuters, ERD internal research

GLOBAL COAL SUPPLY



Major Global Metallurgical Coal Trade Routes

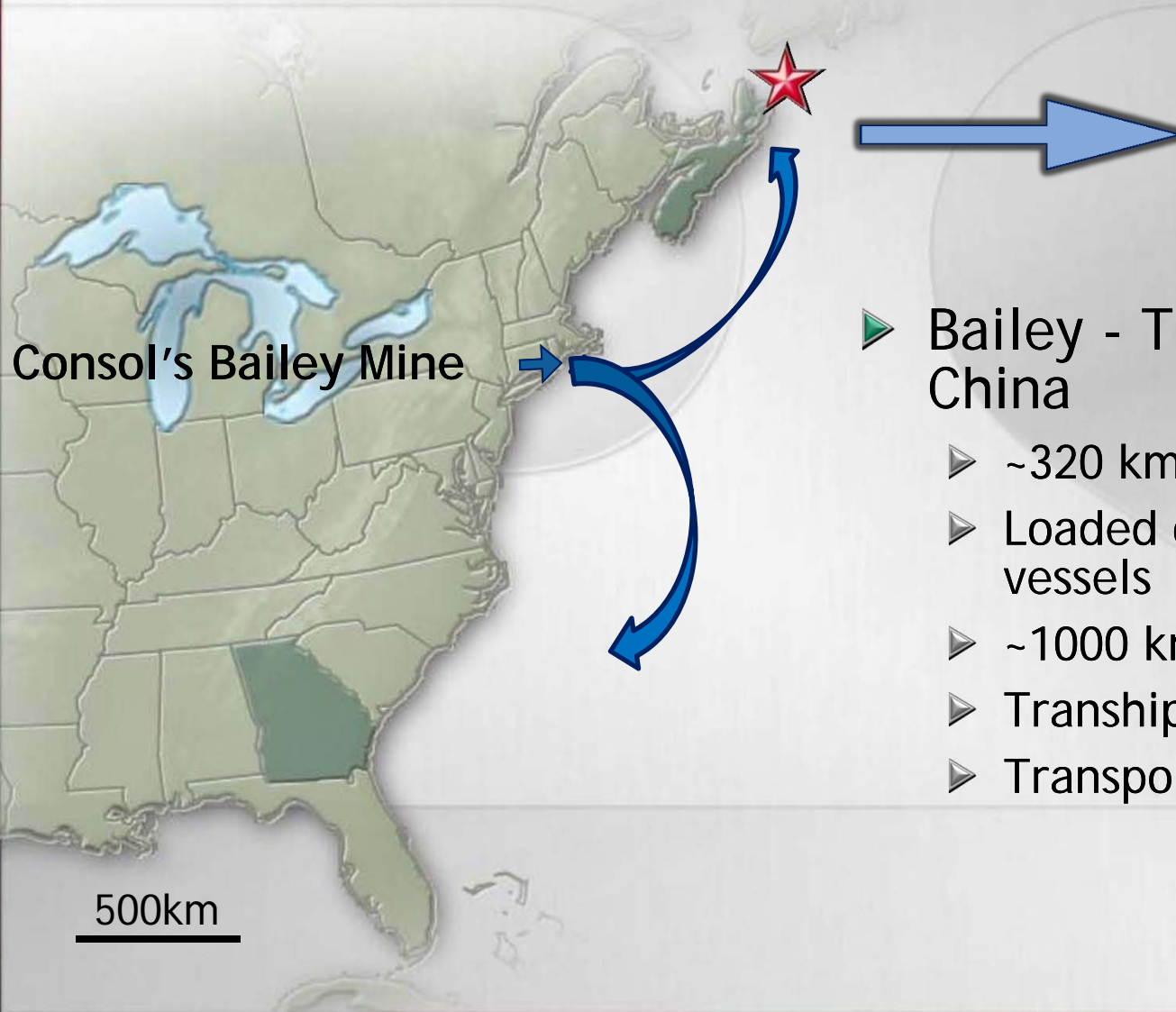


Sources: Hatch, Macquarie, World Coal Markets, IEA

Donkin Project - Marine Transport Advantage



Eastern North America Coking Coal Export
Consol's/Xcoal's Bailey Comparison



- ▶ Bailey - Transport to China
 - ▶ ~320 km rail to Baltimore
 - ▶ Loaded on transshipment vessels
 - ▶ ~1000 km to Canso NS
 - ▶ Transshipment to Cape size
 - ▶ Transported to China

Coal Quality Comparison



	ERD: TSX	Cline	DEVCO	Stockton	Gloucester	Consol	Grande Cache	Western
ANALYSES	Donkin	New Elk	BJ 2004	NZ	Duralie	Bailey	Smoky River	Wolverine
CV (BTU/lb)	13,500	13,800		14,600				14,200
VM % (daf)	37-40	33-40	34	32	35	37	18	23
ASH % (adb)	3.50	9.30	3	3.5	10	7	7	7.5
SULPHUR % (adb)	2.5 to 3.0	0.50	2	1.8	2.3	1.7	0.5	0.55
FLUIDITY	10,000-25,000	29,400	28,000	500	20,000	15,000		
FSI (CSN)	8.5	8	8	9	8	7.5	6.5	7
REFLECTANCE (RVMAX%)	0.88	0.88	0.95	1.15	0.8	0.83	1.59	1.37
MAX DILATION	115	175	230	135	200	170		60
PHOSPHORUS (P2O5%)	0.13	3.4	0.5	0.68		0.52		0.05
PRODUCT % YIELD*								67

DONKIN COAL PROJECT

Going Forward - Assuming Project Approvals
Granted and Sales Contracts Secured



2011

- Pre-feasibility report delivered
- Feasibility/Initial Development



2012 / 13

- Complete Feasibility and Permitting
- Continuous Miner ROM sales



2014-onward

- Full Production;
2.75 to 4 Mtpy



DONKIN UPDATE



- ▶ Prefeasibility being completed by Xstrata Coal and Marston
 - ▶ Erdene received the Marston report in draft form June 3rd
 - ▶ Marston received all comments on their draft report from Xstrata last week and are in the final stages of issuing the report.
 - ▶ At a public meeting in Donkin June 16th Xstrata announced the intent to file the draft Federal and Provincial EA documents with the authorities this week and have scheduled a meeting with Federal and Provincial officials under the One Window process for June 28th

Financial



- ▶ Since IPO ERD has raised ~\$55 million
- ▶ Since IPO at \$0.85, all funds raised at \$1.00 per share or greater
- ▶ No funds raised since 2008; no dilution at low price
- ▶ ~55% of expenditures invested in Zuun Mod and Donkin projects.
- ▶ ~ \$2.7 million per year expenditure over a nine-year period, aside from the two core projects
- ▶ In 2010, your Company was the best performing Atlantic Canadian stock with a return of 343%.

Erdene Projects and Resources



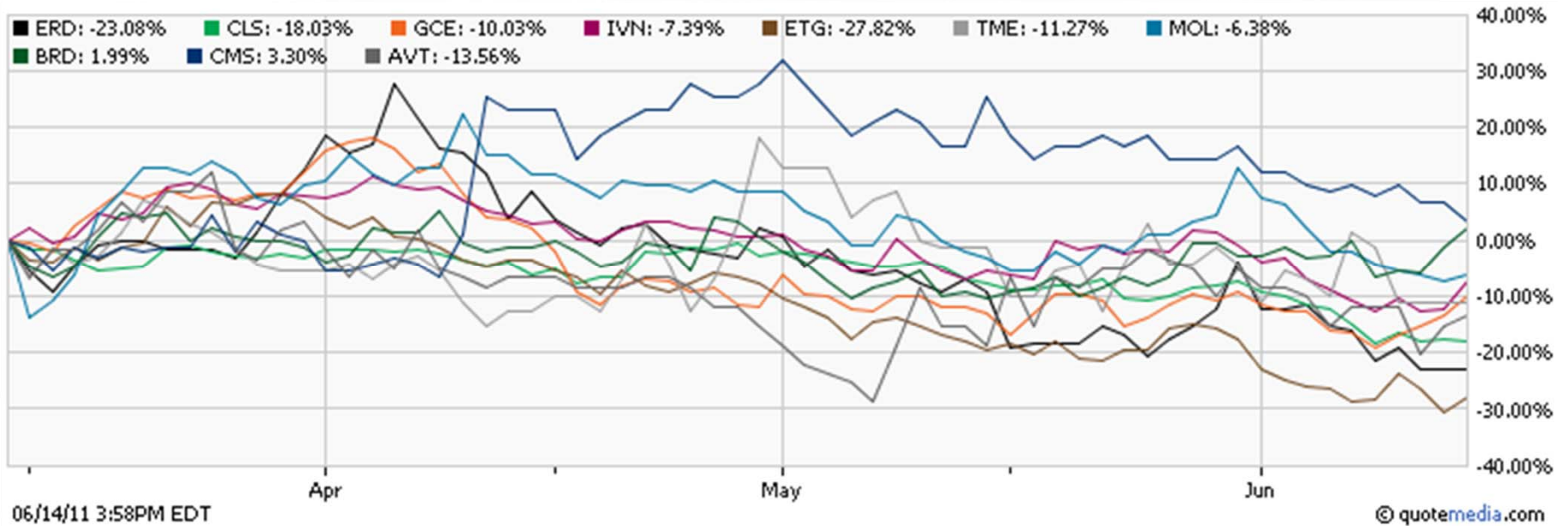
Region	Project	M&I Resource (Mt)	Inferred Resource (Mt)	Quality	Ownership	Operator
Nova Scotia, Canada	Donkin Coal Project	227	254	Semi-hard coking	25% participating	Xstrata
Georgia, USA	Sparta Aggregate Quarry	N/A	99-112	Class A	7.5% of sales royalty	US Aggregate
Georgia, USA	APM - Kaolin	16.1	1.3	Premium	60% equity interest	APM
Bayanhonkhor, Mongolia	Zuun Mod Mo-Cu	180	185	0.05% Mo/ 0.06% Cu	100% (Al-Fayed Royalty)	ERD
Bayanhonkhor, Mongolia	Altan Arrow Au-Cu	NA	NA	NA	100%	ERD
Bayanhonkhor, Mongolia	Nomin Au-Cu	NA	NA	NA	100%	ERD
Bayanhonkhor, Mongolia	Zarman Coal	NA	NA	NA	Xstrata has right to earn 75%	ERD
Bayanhonkhor, Mongolia	Nomin Coal	NA	NA	NA	Xstrata has right to earn 75%	ERD
Trans-Altai & South Gobi, Mongolia	Metallurgical Coal Generative Exploration	NA	NA	NA	Xstrata has right to earn 75%	ERD
Khentii, Mongolia	Galshar Coal	NA	NA	NA	Royalty	Xanadu
Sukhbaatar, Mongolia	Thermal Coal Generative Exploration	NA	NA	NA	Xstrata has right to earn 75%	ERD

~ \$2.7 million per year expenditure over a nine-year period, aside from the two core projects

ERD Performance - 24 Months vs Peers



ERD Performance - 3 Months vs Peers



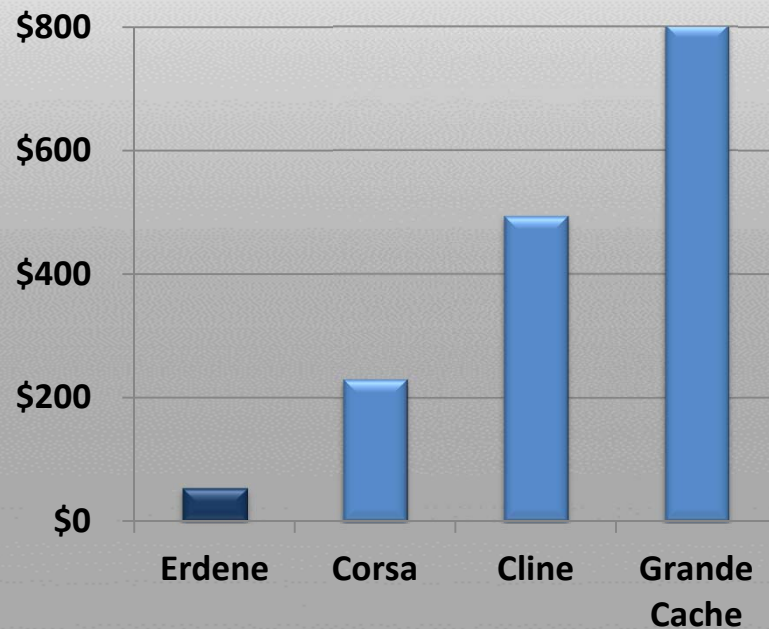
Market Cap Peer Group Comparison For Donkin and Zuun Mod



(assumes 50% of current market cap; 01-June, 2011)

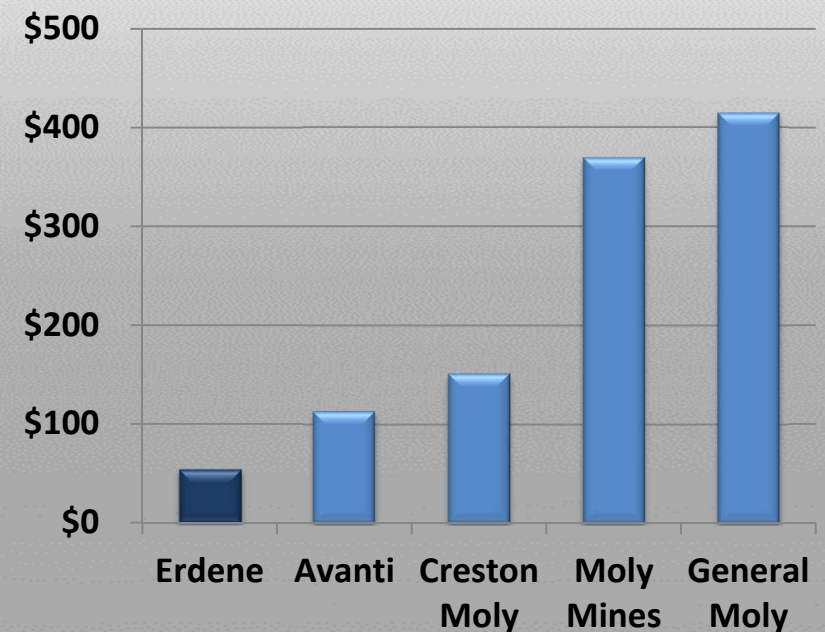
Donkin

< 2 Mt/y coking coal producer



Zuun Mod

> 15 Mlbs/y primary Moly producer



Erdene's Future - Metals



▶ Zuun Mod

- ▶ 2011- advance through PAS and commence prefeasibility
- ▶ Mid-2012 - prefeasibility complete
- ▶ Market factors will determine level to which ERD advances or seeks partner

▶ Mongolian Metals

- ▶ Maintain strong exploration team and program advancing targets and concepts
- ▶ Focussed on southern Mongolia porphyry (IOCG) copper-gold-molybdenum opportunities



Erdene's Future - Coal



▶ Donkin

- ▶ Tier 1 asset with the potential for >4M tonne/annum of saleable high quality coking and thermal coal with significant transportation advantage
- ▶ Will be dedicating all efforts to move the project towards production

▶ Mongolia Coal

- ▶ Together with Xstrata we will continue to seek out tier 1 coal(>200M tonnes) opportunities in Mongolia



Erdene's Future - Industrial Minerals



▶ Construction Aggregate

- ▶ Granite Hill: Royalty Flow begins in early 2012, ~\$250,000 grows with market. On full production expected to range from \$1M to \$2M annually for >30 years.

▶ APD-Kaolin:

- ▶ Growing industrial mineral business with 77% increase in revenues in 1st qtr 2011.



Erdene's Future - Corporate



- ▶ Erdene has two distinct business interests
 - ▶ North American eastern seaboard bulk commodity projects led by the Donkin Coal Project
 - ▶ Mongolia exploration, primarily base and precious metals led by the Zuun Mod copper-molybdenum project
- ▶ Potential Restructuring
 - ▶ Erdene's board is evaluating whether recognizing maximum value in these two distinct assets and business units could be better achieved in separate public entities.



ERD



Sustaining
GROWTH



Maintaining
STABILITY

VALUE CREATION

