

APM Reaches Agreement in Principle with Erdene Resource Development Corp. to Acquire Their North American Assets

HALIFAX, NOVA SCOTIA--(Marketwire - June 28, 2012) - Advanced Primary Minerals Corporation (the "**Corporation**" or "**APM**") (**TSX VENTURE:APD**) announced today that the Corporation has reached agreement in principle with Erdene Resource Development Corp. ("Erdene") whereby Erdene will sell all of its North American property interests, comprised primarily of Erdene's interest in the Donkin Coal Project in Cape Breton, Nova Scotia Canada, to APM for share consideration from APM.

Erdene currently owns approximately 60% of the issued and outstanding shares of the Corporation. By way of a statutory plan of arrangement, Erdene intends to deliver to Erdene shareholders all of its existing APM shares and those to be received on the sale of its North American property assets to APM.

The transaction is subject to signing a definitive agreement and receipt of approvals from the TSX, the TSX-V, the Nova Scotia Supreme Court, the shareholders of Erdene and the minority shareholders of APM, as well as compliance with all other requirements governing related party transactions, including obtaining independent valuations.

On behalf of the Corporation, an independent committee of the board of directors was authorized to negotiate the terms of the proposed transaction with Erdene, including an appropriate structure and share exchange ratio.

Upon the signing of a definitive agreement with Erdene, APM intends to schedule a special meeting to obtain the required shareholder approval. Full details of the proposed transaction will be contained in future news releases and the notice of meeting, management information circular and supporting documents that will be mailed to shareholders in due course.

The proposed transaction will provide the current minority shareholders of APM with exposure to the Donkin Coal Project. Erdene believes that this Project is a world class asset with exceptional upside potential that is currently experiencing a period of low valuation. For further details regarding the Donkin Coal Project, please visit the Featured Item section of the home page of the Erdene website at www.erdene.com.

APM recently announced the sale of its kaolin production assets and associated mining operation, which is on schedule to close on June 29, 2012. After the closing of this transaction, the Corporation will hold as its primary asset, certain real estate in McDuffie County Georgia.

About APM

APM has 26,342,963 shares issued and outstanding and a fully diluted share position of 28,887,629 shares.

For additional information visit APM's website at www.advminerals.com or contact the company via email at info@advminerals.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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