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**EXETER CHANNEL SAMPLING AT LA CABEZA EXTENDS TO SURFACE
HIGH GOLD GRADES INTERSECTED IN DRILLING**

Vancouver, B. C., January 12, 2005 – Exeter Resource Corporation (TSX-V: XRC, Frankfurt: EXB) today announced that it has received and compiled results from surface channel sampling at its La Cabeza gold project in Argentina. The channel sampling was undertaken to provide an accurate and representative grade assessment for outcropping mineralisation over zones to be included in the La Cabeza resource calculation. The results confirm that areas of high grade mineralization intersected in drilling extend into outcrop.

Bryce Roxburgh, President and CEO of Exeter, said “The channel sampling program has provided critical, high-quality evidence that areas of high grade gold mineralisation at La Cabeza extend to surface. The channel sample evidence, supported by detailed geological mapping has provided valuable support for resource calculations. Independent experts, Hellman and Schofield, Sydney are expected to provide the La Cabeza resource estimate which should be completed later this quarter.”

The more significant channel sampling results are presented below:

Significant Channel Results - Pre-feasibility Sampling Program

Zone	Channel Number	From (m)	To (m)	Sample Length ¹ (m)	Horizontal Length ² (m)	Gold (g/t)
Ojo	1	0.0	10.0	10.0	10.0	2.3
		36.5	58.0	21.5	20.5	2.7*
	including	42.0	56.0	14.0	13.5	3.6
Ojo	2	15.3	99.7	84.4	78.0	6.0*
Ojo	3	82.2	108.2	26.0	23.5	1.3*
Ojo	4	19.8	39.8	20.0	17.5	3.4
Ojo	4A	4.0	25.0	21.0	18.5	10.5
Ojo	5	8.0	60.0	52.0	47.5	1.3*
Cuello**	1	6.0	11.0	5.9	5.9	12.9
Cuello***	4	16.0	30.0	14.0	13.5	2.4
Luna	0	60.0	72.0	12.0	9.0	1.6*
Luna	1	89.1	109.1	20.0	15.5	1.3*
Luna	2	51.0	77.0	26.0	21.5	2.5*
		including	57.0	67.0	10.0	7.5
	including	121.3	141.3	20.0	16.5	4.5*
		123.3	135.3	12.0	9.5	6.8
Luna	2A	56.0	76.0	20.0	17.0	2.0*
		including	66.0	76.0	10.0	8.5
Luna	3	71.4	108.8	37.4	31.5	3.3*
		including	77.4	103.4	26.0	22.0
Mandibula	2A	4.5	9.2	4.7	4.4	10.7

Mandibula	3	6.0	14.0	8.0	6.5	2.3
Mandibula	5	0.0	29.7	29.7	24.5	2.3*

* Interval calculated at a 0.5 g/t gold cut-off; all others calculated at a 1.0 g/t gold cut-off from uncut gold assays.

** Cuello main zone

*** Cuello east zone

Note 1 - Sample length is the actual length of sample collected, irrespective of topography and mineralisation orientation.

Note 2 - Horizontal length is the horizontal distance over which the sample was collected as determined by accurate survey. The true width of mineralisation may be equal to, less than, or, in some cases, greater than the horizontal length, dependant on the orientation of individual mineralised zones and topography.

On the Ojo zone, six lines of channel samples were completed at 25 metre intervals (approx.). Channel 2 returned a 74 metre channel length at a grade of 6.8 g/t gold. This confirms the continuity of mineralisation intersected in Section 2000N drill holes LCP-27 (18 metres at a grade of 2.1 g/t gold), LCP-106 (7 metres at a grade of 11.1 g/t Au), LCD-28 (13 metres at a grade of 4.3 g/t gold) and LCP-43 (18 metres at a grade of 6.7 g/t gold). Surface mineralisation continues 25 metres to the northwest to Channel 1 (10 metres at a grade of 2.3 g/t gold, 14 metres at a grade of 3.6 g/t gold). The most gold-favourable portions of Channel 3, 25 metres to the southeast, could not be sampled due to overburden.

The central section of Channel 4 (20 metres at a grade of 3.4 g/t gold) and Channel 4A (21 metres at a grade of 10.5 g/t gold) support mineralisation in drill holes LCP-76 (30 metres at a grade of 2.8 g/t gold), LCP-106 (29 metres at a grade of 14.3 g/t gold, including 12 metres at a grade of 27.2 g/t gold), LCD-49A (22 metres at a grade of 32.0 g/t gold (including 5.5 metres at a grade of 121.7 g/t gold) and LCP-33 (42 metres at a grade of 5.0 g/t gold (including 6 metres at a grade of 14.3 g/t gold)).

On the Cuello zone, 41 samples from 4 channels for a total channel length of 79.6 metres were assayed. Channels 1 and 2, spaced approximately 5 metres apart, were cut on a small outcrop over the Cuello main vein. Channel 1 cut 5.9 metres at a grade of 12.9 g/t gold, approximately 20 metres vertically above LCP-17 (8 metres at a grade of 3.2 g/t gold), confirming the continuity to surface of the mineralised vein on this section.

On the Luna zone, 406 samples from 8 channels for a total channel length of 805 metres were assayed. The samples lines were 40 to 70 metres apart. Channel 2A was cut over Section 2100N, intersecting 4 metres at a grade of 3.6 g/t gold and 10 metres at a grade of 4.3 g/t gold. These channel intercepts correlate with LCD-53 drill intercepts of 11.6 metres at a grade of 3.2 g/t gold and 16.2 metres at a grade of 3.7 g/t gold. Channel 3 was cut over Section 2140N with channel intercepts of 37 metres at a grade of 3.3 g/t gold. This intercept correlates with higher grade intercepts in LCD-42 (18 metres at a grade of 8.4 g/t gold, 11 metres at a grade of 4.2g/t gold and 5 metres at a grade of 1.4g/t gold).

On the Mandibula zone, 143 metres of channel were sampled in 5 separate channels for a total of 72 samples. The high grade intercept in Channel 2A (4.4 metres at a grade of 10.7 g/t gold) is inferred to correlate with LCD-3 on Section 2000N (8 metres at a grade of 3.0 g/t gold). Channel 3 was cut directly over part of Section 2000N. The channel intercept of 8 metres at a grade of 2.3 g/t gold correlates with an intersection in LCD-47. Channel 5 was cut directly over part of Section 1900N that was tested by LCP-08 (2 metres at a grade of 5.7 g/t gold and 4 metres at a grade of 2.7 g/t gold, approximately 45 metres below surface). The channel cut a 29.7 metre zone that assayed 2.3 g/t gold. Channel sampling is continuing at Mandibula, as the zone of outcropping mineralization remains open along strike and represents a significant target for increasing the total resource at La Cabeza.

Robert Harley, B.Sc., Exeter's Vice President, Exploration, a qualified person within the definition of that term in NI 43-101 of the Canadian Securities Administrators, has supervised the preparation of the technical information contained in this news release.

About Exeter

Exeter is a Canadian company exploring epithermal gold-silver and porphyry copper-gold projects in Argentina. Exploration at Exeter's most advanced project, La Cabeza, in Mendoza Province, has delineated an inferred resource of 720,000 ounces of gold, comprising 12.0 million tonnes grading 1.8 g/t gold, at a cut-off grade of 0.5 g/t gold. Drilling for a pre-feasibility study of La Cabeza is complete. Engineering, metallurgical, hydrological and environmental work is continuing as part of the pre-feasibility study.

Separately, in the highly-prospective Patagonia region of Argentina, Exeter has a strategic partnership with Cerro Vanguardia S.A, an AngloGold affiliate. The agreement provides Exeter with an option over a large number of epithermal gold-silver properties. Exeter is currently drilling the Cerro Puntudo Project.

You are invited to visit the Exeter web site at www.exeterresource.com.

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