



For Immediate Release: July 8, 2005

EXETER GRANTS INCENTIVE STOCK OPTIONS

Vancouver, B. C., July 8, 2005 – Exeter Resource Corporation (TSX-V: XRC, Frankfurt: EXB) announces that subject to TSX Venture Exchange approval, it has granted 435,000 stock options to directors, employees and consultants. The options are set for a period of five years and will allow the holder to purchase a share in the Company at a price of \$1.12. Any shares issued on the exercise of these stock options will be subject to a four-month hold period from date of grant.

About Exeter

Exeter is a technically-advanced Canadian exploration company, focused on the discovery of epithermal gold/silver and porphyry copper/gold projects in Argentina and Chile. Exploration for new gold zones under extensive soil cover, and drill testing of new exploration targets has recently commenced at La Cabeza. This exploration is expected to expand the existing resources. Engineering, metallurgical, hydrological, environmental and economic evaluation work is continuing.

In the prospective Patagonia region of Argentina, Exeter has a strategic partnership with Cerro Vanguardia S.A, an AngloGold Ashanti subsidiary. The agreement provides Exeter with an option over 25 epithermal gold-silver properties. Exeter recently completed a second stage program on the Cerro Puntudo Project following encouraging results released in February. Results are awaited.

In Patagonian Chile, Exeter has a strategic agreement with Rio Tinto Mining and Exploration Limited over epithermal gold prospects in an 800 square kilometer area. Prospecting of epithermal gold targets is currently underway.

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

EXETER RESOURCE CORPORATION

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Cautionary Note to U.S. Investors – The United States Securities and Exchange Commission (“SEC”) permits mining companies in their filings with the SEC to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms in this news release, such as “inferred resource”, that the SEC guidelines strictly prohibit us from including in our filing with the SEC. U.S. investors are urged to consider closely the disclosure contained in our Form 20-F Registration Statement, File No. 000-51016. You can review and obtain copies of our filings from the SEC’s website at <http://www.sec.gov/edgar.shtml>.

Safe Harbour Statement - This news release may contain certain “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995. These statements reflect our current belief and are based upon currently available information. Actual results could differ materially from those described in this news release as a result of numerous factors, some of which are outside of the control of the Exeter.

**THE TSX VENTURE EXCHANGE DOES NOT ACCEPT RESPONSIBILITY
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www.exeterresource.com