

For Immediate Release: August 24, 2005

**EXETER OUTLINES SIGNIFICANT GOLD IN SURFACE CHANNELS
ON NEW ZONES AT LA CABEZA**

Vancouver, B. C., August 24, 2005 – Exeter Resource Corporation (TSX-V: XRC, Frankfurt: EXB) announces that it has received and compiled results from sawn surface channel sampling at Cuello East zone, and continuous rock chip sampling over the Mercedes and Labio South zones at its La Cabeza gold project, in Mendoza Province, Argentina.

Results are significant as they will allow possible “lay back” of the planned Cuello open pit to include the East Cuello zone, and also provide excellent new drill targets for the current drilling program on these new extensions and sub-parallel veins from the known Labio deposits. It is noted that mineralization in these new zones is not included in the existing La Cabeza gold resources.

The channel and rock chip sampling provide an accurate and representative grade assessment for outcropping mineralisation. Significant results are shown in the table below:

Significant Channel/Continuous Rock Chip Results

Zone	Channel (C) Rock Chip (R/C)	From	To	Sample Length (m)	Gold (g/t)
Cuello East	C3	2	8	6	1.7
	and	22	24	2	1.2
Cuello East	C4	34	36	2	2.8
	and	50	64	14	2.4
Cuello East	C 5	6	8	2	1.4
	and	22	24	2	1.7
	and	26	32	6	2.2
Cuello East	C 6	12	18	6	30.3
Cuello East	C 7	4	8	4	1.9
		14	18	4	6.4
Mercedes	R/C 0	0	6	6	9.4
Mercedes	R/C 1	12	22	10	2.4
Mercedes	R/C 2	24	29	5	5.9
Mercedes	R/C 3	0	4	4	1.5
	and	6	22	16	1.7
Mercedes	R/C 4	2	10	8	3.2
	and	12	18	6	1.1
	and	20	22	2	1.2
	and	23	25	2	3.2
Mercedes	R/C 5	14	22	8	1.6
Mercedes	R/C 6	4	8	4	1.4
Mercedes	R/C 7	0	8	8	1.2
	and	10	18	8	2.3
Mercedes	R/C 8	2	8	6	1.9
	and	10	14	4	1.9
Labio South	R/C 12	4	9	5	3.0
	and	17	19	2	1.5
Labio South	R/C 13	8	18	10	9.1
	and	26	30	4	1.1
Labio South	R/C 14	2	8	6	22.0
	and	22	28	6	2.2
Labio South	R/C 15	4	6	2	1.7
	and	26.4	28.4	2	1.0
	and	30.7	34.7	4	1.0
Labio South	R/C 16	0	4	4	1.8

Note: Sample length is actual length of sample collected, irrespective of topography or orientation of mineralisation.

The channels at Cuello East are sawn on 25 metre spacings and commence at drill hole LCP 143 (located at the northern end of the deposit) which intersected 9 metres of 5.5 g/t gold between 8 and 17 metres, and 3 metres of 2.3 g/t gold between 29 and 32 metres (see news release dated May 9, 2005).

Continuous rock chip sampling over the Mercedes and Labio South zones were located typically on sections 25 metres apart. Mercedes is a new discovery, and the Labio South zone represents extensions and sub-parallel veins to those previously known and sampled.

All three zones will be drill tested in the current three rig exploration drilling program recently commenced at La Cabeza.

Qualified Person

Matthew Williams, Exeter's Exploration Manager and a "qualified person" within the definition of that term in National Instrument 43-101, *Standards of Disclosure for Mineral Projects*, has supervised the preparation of the technical information contained in this news release.

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.

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.

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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 Exeter.

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