



**For Immediate Release: May 23, 2006**

## **EXETER COMMENCES DRILLING ON CERRO PUNTUDO GOLD PROPERTY**

**Vancouver, B. C., May 23, 2006** – Exeter Resource Corporation (TSX-V: XRC, Frankfurt: EXB) has commenced a 1700 metre, twelve-hole, drilling program at the Cerro Puntudo gold project, in Santa Cruz Province, Argentina.

Cerro Puntudo is a low-sulphidation, epithermal gold system that was originally discovered through sampling by Cerro Vanguardia S.A. In 2005, Exeter drilled the property for the first time and discovered economic-tenor gold mineralization.

Highlights of Exeter's 2005 drilling included hole CPRC24, which intersected **20 metres at a grade of 3.6 grams per tonne ("g/t") gold (including 4 metres at a grade of 9.2 g/t gold)**, and hole CPRC27, which intersected **27 metres at a grade of 3.7 g/t gold (including 8 metres at a grade of 9.6 g/t gold)**. To date, the Rico and Quebrada zones, situated two kilometres apart along the favourable Puntudo structure, are considered to have the best economic potential.

### **Current Drill Program**

The current program will consist of 12 reverse circulation drill holes, specifically sited to confirm structurally controlled (down plunge) extensions to the broader gold intersections identified in the earlier programs. Over the past 12 months, Exeter's exploration program has included a detailed ground magnetic survey, using similar geophysical models to those employed at the Cerro Vanguardia mine in Patagonia. The survey was designed to delineate zones of vein thickening and/or structural complexity that constitute bulk tonnage, open pit mining targets in these gold systems.

### **Quality Control and Assurance**

Glen Van Kerkvoort, Exeter's Chief Geologist 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 gold exploration company, focused on the discovery of epithermal gold and silver properties in Argentina and Chile. The current, three-rig, drilling program at its advanced La Cabeza gold project is a key component of project development activities that include engineering, metallurgical, hydrological, and environmental studies.

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 12 epithermal gold-silver properties in Santa Cruz, Rio Negro and Chubut provinces.

In Chile, Exeter is prospecting some 50 gold and silver targets under strategic agreements with Rio Tinto Mining and Exploration Limited.

In the Maricunga district of Chile, Exeter has a strategic agreement with Anglo American Limitada and Mantos Blancos S.A. on epithermal gold properties.

You are invited to visit the Exeter web site at [www.exeterresource.com](http://www.exeterresource.com)

## **EXETER RESOURCE CORPORATION**

**Bryce Roxburgh**  
**President**

**For further information, please contact:**

Bryce Roxburgh, President or Rob Grey, Investor Relations  
Tel: 604.688.9592 Fax: 604.688.9532  
Toll-free: 1-888-688-9592

Suite 301, 700 West Pender Street  
Vancouver, B.C. Canada V6C 1G8  
[exeter@exeterresource.com](mailto:exeter@exeterresource.com)

*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 referring to the current and future size, development, and commercial viability of the La Cabeza gold project. 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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