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INITIAL DRILLING DISCOVERS MULTIPLE TARGETS ON VERDE SILVER PROPERTY, ARGENTINA

Vancouver, B. C., July 26, 2006 – Exeter Resource Corporation (TSX-V: XRC, Frankfurt: EXB) reports that initial drilling on the Verde Silver Property in Argentina has identified silver mineralization in six epithermal veins and in a broad zone of quartz stockwork mineralization. A total of 2,044 metres of reverse circulation drilling was completed in 42 holes. The Verde property forms part of Exeter's strategic agreement with Cerro Vanguardia S.A, an AngloGold Ashanti subsidiary.

Drill hole VRC-21 in the North Vein Zone provided the best intersection, **intersecting silver mineralization over the entire 52 metre length of the hole at a grade of 67 grams per tonne (“g/t”) silver and 0.075 g/t gold.** The last metre of the drill hole returned 75 g/t silver and 0.076 g/t gold within felsic volcanics. **The best individual vein intercept in the North Vein Zone was from another drill hole, VRC-40, that intersected 4 metres at 219 g/t silver.**

In the South Vein Zone, located 2 kilometres south of the North Vein Zone, six veins were drilled. **The best two veins returned 2 metres grading 310 g/t silver and 7 metres grading 97 g/t silver, respectively.**

The drilling program was preceded by geological mapping, rock chip sampling and detailed ground magnetic surveying. The North Vein Zone comprises a 600 metre long vein and a less well exposed quartz stockwork zone, within a rhyolite flow dome. The South Vein Zone consists of 6 outcropping silver-bearing quartz veins within a one kilometre wide target area. Individual veins trend northerly and can be traced over strike lengths up to 700 metres. **The mineralization observed is of the low sulphidation epithermal silver type, similar to Coeur d'Alene Mining's Martha silver mine located 130 kilometres to the southeast of Verde.**

Additional drilling on the Verde property will further test the quartz stockwork area within the North Vein Zone. It will be preceded by trenching and a detailed ground magnetic survey to define additional structures and strike extensions to known mineralization. A portion of the drilling program will specifically test the silver-mineralized contact between the rhyolite flow dome and felsic volcanics.

Detailed Drilling Results

Significant drill intercepts in the North Vein Zone, calculated using a silver equivalent cut off of 30 g/t, are as follows:

North Vein Zone Significant Drill Intercepts

Drill Hole N°	From	To	Length	Silver	Gold
	(metres)	(metres)	(metres)	(g/t)	(g/t)
VRC-17	23	24	1	170	0.22
VRC-18	5	20	15	40	0.08
VRC-19	2	7	5	40	0.02
	13	14	1	168	0.6
	17	18	1	166	0.1

Drill Hole N°	From	To	Length	Silver	Gold
	(metres)	(metres)	(metres)	(g/t)	(g/t)
VRC-21	3	9	6	153	0.12
	14	20	6	200	0.16
	31	35	4	147	0.14
	43	47	4	39	0.14
	49	52	3	57	0.17
VRC-23	32	38	6	44	0.1
VRC-27	15	18	3	110	0.03
	22	24	2	95	0.6
VRC-40	61	65	4	219	0.2
VRC-41	64	67	3	54	0.08
	70	79	9	48	0.18
	86	89	3	58	0.12
VRC-42	9	12	3	80	0.02
	40	48	8	35	0.05
	65	72	7	83	0.04

Significant drill intercepts in the South Vein Zone, calculated using a silver equivalent cut off of 30 g/t, are as follows:

South Vein Zone Significant Drill Intercepts

Drill Hole N°	From	To	Length	Silver	Gold
	(metres)	(metres)	(metres)	(g/t)	(g/t)
VRC-01	17	21	4	69	0.11
VRC-02	20	24	4	81	0.44
VRC-03	19	29	10	41	0.52
VRC-04	20	27	7	97	0.37
VRC-05	0	1	1	97	0.5
	15	16	1	111	1.11
	20	22	2	45	0.45
VRC-06	18	22	4	89	0.27
VRC-08	41	43	2	310	0.65
VRC-31	68	71	3	70	0.33
VRC-32	0	2	2	76	0.76
VRC-33	38	46	8	94	0.12

Notes: 1: Intercepts are drill intercepts and not necessarily the geological true width.

2: The drilling method was reverse circulation percussion drilling. All holes were dry.

3: To convert 1 g/t to troy ounces/ton the number is multiplied by 0.03.

Drill hole locations may be viewed in the attached link:
<http://www.exeterresource.com/images/gallery/plans/plans14.pdf>

Quality Control and Assurance

Glen Van Kerkvoort, Exeter's Chief Geologist, is a "qualified person" within the definition of that term in National Instrument 43-101, "Standards of Disclosure for Mineral Projects", with

responsibility for the company's exploration activities on the Verde property and the contents of this news release.

About Exeter

Exeter is a technically-advanced, Canadian gold exploration company, focused on the discovery and development of epithermal gold-silver properties in Argentina and Chile. The current, four-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 agreement 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. Drilling results are awaited on the Cerro Puntudo and Cerro Moro epithermal gold-silver properties.

In Chile, Exeter is prospecting some 48 gold-silver and copper targets under a strategic agreement with Rio Tinto Mining and Exploration Limited.

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

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

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