



For Immediate Release: January 26, 2006

LA CABEZA PRODUCES HIGH GOLD RECOVERIES IN METALLURGICAL TESTWORK

Vancouver, B. C., January 26, 2006 – Exeter Resource Corporation (TSX-V: XRC, Frankfurt: EXB) today announced the latest results of metallurgical testing on its La Cabeza gold project. Results confirm high gold and silver recoveries using a conventional gravity separation circuit and carbon in leach flowsheet.

Yale Simpson, Exeter's chairman said "This program was a comprehensive determination of the metallurgy of the principal ore types at La Cabeza. Testwork confirmed that overall recoveries of 91% of gold and 80% to 85% of silver are realistic for the financial modeling of the La Cabeza mine.

In addition, the mineralization is confirmed to be 'free-milling' and 'clean' - the gold is readily liberated by entirely conventional gravity/leaching circuits. Gravity gold recovery alone averaged 30 percent, but exceeded 50 percent on some samples. Furthermore, the ores are consistently very low in pyrite and base metals, which is particularly positive from an environmental perspective."

Details of Metallurgical Testing

The test programs were carried out at Metcon Pty Ltd of Sydney, Australia (a member of the AMMTEC group), AMMTEC Limited of Perth Western Australia, Outokumpu Technology Pty Ltd of Perth, Western Australia and Knight Piesold Pty Ltd of Perth, Western Australia. The program included optical mineralogy, comminution, flotation, gravity separation, cyanide leaching and tailings characterization testwork.

The testwork was carried out on relatively coarsely ground, 95 micron, material taken from individual mineralized intercepts and composites prepared from diamond drill cores selected from the 2004 drilling program. The head assays of composite samples from each of the main ore zones were as follows:

Assay	Units	Ojo	Luna	Cuello	Bulk
Gold	g/t	9.43	3.13	7.93	5.78
Silver	g/t	6.9	18.3	61.3	25.8
Sulphur	%	0.10	0.16	0.47	0.28
Iron	%	1.50	1.27	1.24	1.26
Arsenic	ppm	4320	105	80	1235
Copper	ppm	38	28	26	27
Lead	ppm	35	32	19	28
Zinc	ppm	78	33	55	52

Specific outcomes from the testwork included:

- Grind size: 95 microns
- Carbon in leach ("CIL") pulp density: 45% solids
- Gravity circuit recovery 30-50%
- CIL gold recovery 93-94% on the bulk composite
- Gold recovery variability on deposit composites: 92.7% to 93.9%
- Gold recovery variability on individual mineralized intercepts: 80% to 97% – average 91%
- Silver recovery variability on individual mineralized intercepts: 80% to 85%
- Reagent consumption (CaO and NaCN) ~ 0.40 kg/tonne of ore

The La Cabeza ores are characterized as hard and abrasive, similar to those of other South American epithermal gold deposits. Leach tailings settling rates were fast and densities approaching 65% solids were achieved from continuous settling tests. Specific settling rates were 0.7 tonnes per square metre per hour.

The Exeter website www.exeterresource.com provides a additional disclosure of test results.

Mr. Jerry (SRJ) Perkins, FAusIMM(CPmet), Exeter's VP Development and Operation 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 precious metal metallurgical and development information contained in this news release.

About Exeter

Exeter is a dynamic, Canadian gold exploration company, focused on the discovery and development of epithermal gold and silver properties in Argentina and Chile. We have a treasury of approximately \$8 million and an additional \$8 million in outstanding "in the money" warrants.

On our advanced, La Cabeza gold project, we have recently announced significant early success from an ongoing, three-rig, drilling program. The program is focused on the discovery of additional gold zones on the property. Concurrent project development activities include metallurgical, hydrological, geotechnical, engineering 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 southern Chile, Exeter has a strategic agreement with Rio Tinto Mining and Exploration Limited over epithermal gold prospects within an 800 square kilometre area. Prospecting of epithermal gold targets is currently underway.

In the Maricunga district of northern Chile, Exeter has a strategic agreement with Anglo American Limitada and Mantos Blancos S.A. on 7 epithermal gold properties.

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

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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 Exeter.

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