



**For Immediate Release: NR 09-22**

## **EXETER RESUMES DRILLING AND CONTINUES INFRASTRUCTURE STUDIES AT CASPICHE PROJECT, CHILE**

**Vancouver, B.C., October 20, 2009 - Exeter Resource Corporation (NYSE-AMEX:XRA, TSX-V:XRC, Frankfurt:EXB - "Exeter" or the "Company")** reports that a new 20,000 metre (65,600 feet) drilling program on the Company's Caspiche gold-copper Project has commenced. The purpose of the program is to define further value in the National Instrument 43-101 ("NI 43-101") compliant inferred mineral resource of 19.6 million ounces gold and 4.8 billion pounds copper announced September 14, 2009.

The drilling program has two objectives: firstly to define the outer limits of the deposit, beyond the drill holes completed to date, and secondly, to in-fill drill the higher grade central zone to bring it up to an "indicated resource" category. The first objective is important as the deposit appears to be open to the southwest and to depth. Furthermore, drill hole CSD42 drilled last season, intersected gold mineralization 400 metres ("m") (1,312 feet ("ft")) west of the main zone, indicating the potential for a second porphyry body. Other targets also warrant drilling as possible satellite deposits to the Caspiche Central deposit.

The purpose of the in-fill drilling is to confirm the integrity of the coherent central zone that contains approximately 66 percent of the inferred gold-copper resource in 50 percent of the tonnage. The Company is of the view that this zone of elevated grades will be a key factor in conceptual mine development studies. The infill drilling will also provide substantial material for metallurgical testwork on both oxide and sulphide mineralization.

Two drill rigs are now on site, each with a depth capacity in excess of 1,500 m (4,920 ft). Two additional rigs are contracted to arrive later in October. Drilling results will be released as they become available with the goal being to update the NI43-101 compliant mineral resource estimate in Q3-2010.

Exeter's Chairman, Yale Simpson, said "Our prime objective is to advance the metallurgical, infrastructure and engineering programs that were initiated last season. The closer we can advance such studies to pre-feasibility standards, the higher the level of confidence in the project, hence increased value to our shareholders. Our current budget for the program is \$14 million.

"We are fortunate that there are other projects in the region advancing towards development, or are being considered for expansion. Cost estimating should therefore be considerably easier than several years ago. In addition to building our own expertise, Exeter has contracted well respected engineering and metallurgical groups to perform these studies."

Samples from the 1.6 million ounce gold oxide zone\* were tested earlier this year for their amenability to conventional heap leaching. Initial column leach tests on agglomerated "½" crush size material gave rapid gold recoveries of 77-84%. Six large diameter holes totalling 800 m (2,625 ft) will provide coarser material to investigate crush size - recovery relationships and kinetics for preliminary heap leach design criteria.

Fourteen lengthy intercepts of sulphide mineralization, representative of the additional resource outlined in the NI 43-101 compliant resource estimate announced in September 2009, are being characterised by mineralogical techniques and flotation testwork at G&T Metallurgical Laboratories in Kamloops, Canada. This information is expected to allow the selection of composites for flowsheet development testwork which is planned to start before the end of the year and continue through the first quarter of 2010.

NCL Ingenieria y Construcciones of Santiago has been contracted to perform conceptual mining studies for both oxide and sulphide portions of the deposit. Detailed infrastructure and environmental studies will commence when these studies are complete. Recognizing the critical need for water, the Company has identified probable water sources and is taking steps to secure the appropriate rights.

## Amendment to NI43-101 Compliant Resource Estimate

Validation by Exeter of the recent AMEC International (Chile) S.A. Block Model identified an error in the estimation of silver values. AMEC has acknowledged the error and has re-estimated the silver resource in the deposit. The primary elements of value for gold and copper have been rechecked and have been confirmed to be correct. AMEC will issue a correction to the NI 43-101 compliant technical report associated with this part of the inferred mineral resource estimate (filed on SEDAR on September 23, 2009).

The re-estimated inferred silver resource associated with the project is calculated as 40 million ounces of silver at a grade of 1.12 ppm. This represents a 4% decrease in the contained gold equivalent ounces calculated by Exeter. Tables 1 and 2 below provide updated information relating to the inferred resource estimates announced on September 14, 2009, giving effect to the re-estimated inferred silver resource estimate. The methodology used for the inferred mineral resource estimate is set out in our news release of September 14, 2009 and remains unchanged.

Exeter and AMEC do not consider the decrease in the silver resource to be a material change to the project as AMEC did not include silver in their gold equivalent calculations nor in their marginal cost mining scenarios.

**TABLE 1 Caspiche Inferred Mineral Resource Estimate October 2009.**

Material	AMEC Gold Equivalent Cut-off**	Million metric tons	Gold (g/t)	Gold (million ounces)	Silver (g/t)	Silver (million ounces)	Copper (%)	Copper (billion pounds)	EXETER Gold Equivalent (g/t)***	EXETER Gold Equivalent (million ounces)***
Oxide	0.2	100	0.50	1.6	1.01	3			0.5	1.7
Sulphide	0.3	1,017	0.55	18.0	1.14	37	0.22	4.84	0.94	30.7
<b>Totals</b>		<b>1,117</b>	<b>0.55</b>	<b>19.6</b>	<b>1.12</b>	<b>40</b>			<b>0.90</b>	<b>32.4</b>

**TABLE 2 Caspiche Inferred Mineral Resource Estimate October 2009 – HIGHER CUT-OFF FOR SULPHIDE MATERIAL.**

Material	AMEC Gold Equivalent Cut-off**	Million metric tons	Gold (g/t)	Gold (million ounces)	Silver (g/t)	Silver (million ounces)	Copper (%)	Copper (billion pounds)	EXETER Gold Equivalent (g/t)***	EXETER Gold Equivalent (million ounces)***
Sulphide	0.9	499	0.78	12.5	1.39	22	0.3	3.30	1.31	21.1

Justin Tolman, Exeter's Caspiche Project Manager and Jerry Perkins, Exeter's Vice President of Development, each considered a "qualified person" within the definition of that term in NI 43-101, have supervised the preparation of the technical information contained in this news release.

### About Exeter

Exeter Resource Corporation is a Canadian mineral exploration company focused on the discovery and development of gold and silver properties in South America. The Company has C\$30 million in its treasury.

On the **Caspiche Project** in Chile, Exeter recently announced an inferred mineral resource estimate of 1,117 Mt (million metric tons) at a grade of 0.55 grams per metric ton gold and 1.12 grams per metric ton silver including 1,017 Mt at a grade of 0.22% copper. This equates to in-situ inferred resources of **19.6 million ounces of gold, 40 million ounces of silver and 4.84 billion pounds of copper (a total of 32.4 million gold equivalent ounces)\*\*\***. Drilling to expand and upgrade the resource estimate commenced in October 2009.

On its **Cerro Moro Project** in Argentina, Exeter recently announced an initial inferred mineral resource estimate of 646,000 ounces gold equivalent\*\*\*\* at a grade of 18 g/t gold equivalent\*\*\*\*. Exeter has drilled over 150 infill holes on the Escondida vein structure in order to upgrade the sectors of the inferred resource that might be scheduled for early mining. Drilling to expand the deposit has recently been

initiated and will continue through 2009. Engineering, environmental and infrastructure studies are being advanced ahead of a scoping study in 2010.

No site work is planned on **the Don Sixto gold-silver project** in Argentina over the next quarter. The Company will continue to work with provincial authorities and with representatives of other mining companies, to effect amendment to the 2007 legislation that banned the use of cyanide in mining operations in Mendoza Province.

\*The Oxide portion of the inferred resource associated with the Caspiche deposit is 100 Mt (million metric tons) at a grade of 0.5 grams per metric ton gold with no significant copper component. This equates to in-situ inferred resources of 1.6 million ounces of gold.

\*\*AMEC chose to report the contained inferred resource above a Au equivalent cutoff. For this they used prices of US\$825/oz for Au and \$2.07/lb for Cu. The formula used to calculate Au equivalents is  $Au(g/t) + Cu(\%) * (Cu\ Price\ [\$/lb]/Au\ Price\ [$/oz]) * (Rec\ Cu/Rec\ Au) * 0.06857 * 10000$ . Where Rec = % recovery and 0.06857 = conversion g\*lb/oz. Au and Cu are the block kriged Au and Cu grades. Projected metallurgical recoveries were 75% and 85% for Au and Cu respectively in sulphide material and 50% for Au in the oxide zone. Recoveries are based on benchmarking of similar deposits.

\*\*\*Gold ("Au") equivalence for copper ("Cu") and silver ("Ag") was calculated by Exeter using assumed metal prices of US\$800/ounce ("oz") for Au, US\$12/oz for Ag and US\$2/pound ("lb") for Cu. The formula to calculate Au equivalence for Cu was pounds of Cu multiplied by 2 and divided by 800; Au equivalence for Ag was calculated using the formula oz of Ag multiplied by 12 and divided by 800, and in both cases assumes 100% recovery. Reported grades and metric tons have been rounded (see news release NR 9-19 dated September 14, 2009).

\*\*\*\*Inferred mineral resource estimate of 1,098 Mt containing 371,000 ounces gold at a grade of 10.5 g/t and 19.2 million ounces silver at a grade of 545 g/t for 646,000 ounces gold equivalent at a grade of 18 g/t gold equivalent. Gold equivalent is calculated by dividing the silver assay result by 70, adding it to the gold value and assuming 100% metallurgical recovery (see news release NR 9-14 dated July 8, 2009).

You are invited to visit the Exeter web site at [www.exeterresource.com](http://www.exeterresource.com). To view the video version of this press release along with many others click here "[Watch Video News](#)".

## **EXETER RESOURCE CORPORATION**

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Safe Harbour Statement – This news release contains "forward-looking information" and "forward-looking statements" (together, the "forward-looking statements") within the meaning of applicable securities laws and the United States Private Securities Litigation Reform Act of 1995, including the Company's belief as to the extent and timing of its drilling programs, various studies including engineering, environmental, infrastructure and other studies, and exploration results, budgets for its exploration programs, the potential tonnage, grades and content of deposits, timing, establishment and extent of resources estimates, potential for financing its activities, potential production from and viability of its properties and expected cash reserves. These forward-looking statements are made as of the date of this news release. Users of forward-looking statements are cautioned that actual results may vary from the forward-looking statements contained herein. While the Company has based these forward-looking statements on its expectations about future events as at the date that such statements were prepared, the statements are not a guarantee of the Company's future performance and are subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Such factors and assumptions include, amongst others, the effects of general economic conditions, the price of gold, silver and copper, changing foreign exchange rates and actions by government authorities, uncertainties associated with legal proceedings and negotiations and misjudgements in the course of preparing forward-looking information. In addition, there are also known and unknown risk factors which could cause the Company's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Known risk factors include risks associated with project development; the need for additional financing; operational risks associated with mining and mineral processing; fluctuations in metal prices; title matters; uncertainties and risks related to carrying on business in foreign countries; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters of the Company with certain other projects; the absence of dividends; currency fluctuations; competition; dilution; the volatility of the Company's common share price and volume; tax consequences to U.S. investors; and other risks and uncertainties, including those described in the Company's Annual Information

Form for the financial year ended December 31, 2008, dated March 27, 2009 filed with the Canadian Securities Administrators and available at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company is under no obligation to update or alter any forward-looking statements except as required under applicable securities laws.

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