



For Immediate Release: NR 10-17

**EXETER UPGRADES CASPICHE MINERAL RESOURCE TO:  
MEASURED AND INDICATED - 21.3 MILLION OUNCES GOLD + 5.3 BILLION POUNDS COPPER  
INFERRED - 5.1 MILLION OUNCES GOLD + 1.4 BILLION POUNDS COPPER**

Vancouver, B.C., September 13, 2010 - Exeter Resource Corporation (NYSE-AMEX:XRA, TSX:XRC, Frankfurt:EXB - "Exeter" or the "Company") is pleased to provide an updated National Instrument 43-101 compliant mineral resource estimate for its Caspiche Project. The updated **measured and indicated mineral resource estimate has increased in tonnage by 68% and in contained metal by 50%** from the previous mineral resource estimate announced 6<sup>th</sup> April, 2010. Following the additional 20 kilometres of drilling, **80% of the total resource now falls into the measured or indicated categories.**

The new **measured and indicated mineral resource** comprises 1,316Mt (million metric tons) at a grade of 0.50 g/t gold (grams per metric ton) and 1.14 g/t silver, including 1,217 Mt at a grade of 0.20% copper. This equates to measured and indicated resources of **21.3M(million) ounces of gold, 48.4M ounces of silver and 5.3G(billion) pounds of copper (a total of 35.9M gold equivalent ounces\*\*).**

In addition to the indicated mineral resource, an updated inferred mineral resource of 458Mt at a grade of 0.35 g/t gold and 0.98 g/t silver, including 449Mt at a grade of 0.15% copper. This equates to in-situ inferred resources of **5.1M ounces of gold, 14.5M ounces of silver and 1.4G pounds of copper (a total of 9.0M gold equivalent ounces\*\*).**

"Readers are cautioned that the resource estimates in Table 1 and Table 2 are on the same deposit and are therefore not additive. The most appropriate development scenario will be determined in future studies."

**TABLE 1 Mineral Resource Estimate for Large Open Pit Mining Scenario**

Category	Material*	Million Metric Tonnes (Mt)	Gold (g/t)	Gold (Million Ounces)	Copper (%)	Copper (Billion Pounds)	Silver (g/t)	Silver (Million Ounces)	**Gold Equivalent (g/t)	**Gold Equivalent (Million Ounces)
Measured + Indicated	OXIDE	99	0.44	1.4	0.01	0.0	1.69	5.4	0.44	1.4
Measured + Indicated	SULPHIDE	1,217	0.51	19.9	0.20	5.3	1.10	43.0	0.88	34.5
<b>TOTAL MEASURED + INDICATED</b>		<b>1,316</b>	<b>0.50</b>	<b>21.3</b>	<b>0.18</b>	<b>5.3</b>	<b>1.14</b>	<b>48.4</b>	<b>0.85</b>	<b>35.9</b>
Inferred	OXIDE	9	0.28	0.1	0.01	0.0	1.64	0.5	0.29	0.1
Inferred	SULPHIDE	449	0.35	5.0	0.15	1.4	0.97	14.0	0.62	9.0
<b>TOTAL INFERRED</b>		<b>458</b>	<b>0.35</b>	<b>5.1</b>	<b>0.14</b>	<b>1.4</b>	<b>0.98</b>	<b>14.5</b>	<b>0.61</b>	<b>9.1</b>

\*Oxide resources are reported above a marginal cutoff of 0.2 g/t gold-equivalence, sulphide resources are reported above a marginal cutoff of 0.3 g/t gold-equivalence.

**TABLE 2 Scenario to highlight the central higher grade deposit core  
Mineral Resource Estimate for the Oxide Resource, using open pit mining methods  
Mineral Resource Estimate for the Central Higher Grade Zone using underground block cave mining methods**

Category	Material*	Million Metric Tonnes (Mt)	Gold (g/t)	Gold (Million Ounces)	Copper (%)	Copper (Billion Pounds)	Silver (g/t)	Silver (Million Ounces)	**Gold Equivalent (g/t)	**Gold Equivalent (Million Ounces)
Measured + Indicated	OXIDE	71	0.50	1.1	0.01	0.0	1.69	3.8	0.50	1.1
Measured + Indicated	SULPHIDE	513	0.70	11.6	0.29	3.2	1.26	20.7	1.24	20.4
<b>TOTAL MEASURED + INDICATED</b>		<b>584</b>	<b>0.66</b>	<b>12.7</b>	<b>0.23</b>	<b>3.2</b>	<b>1.34</b>	<b>24.5</b>	<b>1.10</b>	<b>21.5</b>
Inferred	OXIDE	2	0.36	0.0	0.01	0.0	1.87	0.1	0.36	0.0
Inferred	SULPHIDE	60	0.60	1.2	0.28	0.4	1.39	2.7	1.13	2.2
<b>TOTAL INFERRED</b>		<b>62</b>	<b>0.56</b>	<b>1.2</b>	<b>0.23</b>	<b>0.4</b>	<b>1.48</b>	<b>2.8</b>	<b>0.99</b>	<b>2.2</b>

\*Oxide resources are reported above a marginal cutoff of 0.2 g/t gold-equivalence. The underground mineral resource shell is defined assuming a block caving mining method and appropriate mining costs. The block caving mining method does not permit any selectivity during the mining process and all material within the underground resource shell is therefore considered a mineral resource.

AMEC considered various mining scenarios to demonstrate "reasonable prospects for mining" including a single large open pit, the results of which are summarized in Table 1. Table 2 shows a scenario that focuses on the central higher grade core of the deposit. It includes mineral resources for the gold only oxide zone based on open pit mining costs, followed by mineral resources for the central higher grade sulphide core using underground (block cave) mining costs. Engineering consultants NCL Ingenieria y Construccion have been commissioned to undertake conceptual mining and infrastructure studies to determine an optimum mining scenario.

Exeter's Caspiche Project Manager, Justin Tolman, stated "This mineral resource estimate is an important step in the evolution of the project. The new drilling allows us for the first time to report resources at the highest level of confidence - the "measured" category.

"Overall, approximately 80% of the Caspiche deposit has now been converted to the measured and indicated resource categories. Importantly, the estimate confirms the integrity of the higher grade central core of the deposit with 90% of the zone now upgraded to the measured and indicated categories.

"Similarly, over 90% of the oxide resource now falls into the measured and indicated resource categories with nearly 40% categorized as measured.

"The infill drilling has resulted in the total tonnage in the deposit increasing by approximately 20%, the effect of which is partially nullified by the global grade decreasing by nearly 11%. The result is that the contained metal in the deposit shows only modest growth. The additional tonnage came mostly from the edges of the deposit, including over one million ounces of gold (all classified in the inferred category) from the newly discovered MacNeill zone to the west of the porphyry intrusive complex.

"We were fortunate at the completion of the drilling season to have international porphyry expert, Dr. Richard Sillitoe review the Caspiche drill core to assist in the generation of a refined geological model for the new resource estimate. The new model outlined a series of inter-mineral intrusions which are less mineralized than had been previously interpreted. The new model, based on a denser drilling pattern, no longer interprets mineralization to be continuous into the basement rocks.

"The new resource estimate provides an excellent basis for our engineering and conceptual mine design studies. These studies will be integrated into pre-feasibility studies to examine the economics of the project. We are currently reviewing proposals from selected engineering firms to complete a pre-feasibility level study on the project. Two concurrent studies are planned: one to consider the oxide resource alone is scheduled for completion late Q1, 2011, and a larger study on mining both the oxide and sulphide resources is scheduled for mid 2011. These studies may be released initially as a Preliminary Economic Assessment Studies to comply with Canadian reporting standards.

"Caspiche is one of the largest gold deposits in Chile, a country considered one of the most secure for mining investment. The size of the Caspiche resource on a 'gold equivalent' basis demonstrates the significant contribution of copper to the resource. While primarily a gold-rich porphyry system, copper contributes approximately 40% of the value of the metal endowment of Caspiche.

"Silver continues to be an important potential by product with 48.4 million ounces and 14.5 million ounces in the indicated and inferred categories respectively. However the impact of silver was not considered in the gold equivalent calculation or in the optimization of the mining shells to define this current mineral resource. We instead chose to focus on the primary value drivers.

"Drilling is scheduled to recommence in October 2010 with the goal of the new program being to convert the entire central high grade core into the measured and indicated categories and to investigate the potential for additional higher grade zones. The program will also better delimit the deposit through step-out drilling. **Metallurgical pilot plant testwork and preliminary engineering design work have commenced, with concurrent investigations into water, power and baseline environmental studies.**"

[\*Click here to view related plan and sections\*](#)

\*\*AMEC chose to report the resource above a Au equivalent cutoff. For this they used prices of US\$950/oz for Au and \$2.30/lb for Cu. The formula used to calculate Au equivalence 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.

### Mineral Resource Estimate Methodology

This updated National Instrument 43-101 ("NI 43-101") compliant mineral resource estimation completed for the Caspiche porphyry follows the previous estimate announced on April 6, 2010.

The Caspiche mineral resource estimate was prepared under the supervision of Mr. Rodrigo Marinho, CPG-AIPG, AMEC Principal Geologist. The mineral resource estimates were prepared under Canadian Institute of Mining Metallurgy and Petroleum (CIM) Definition Standards (2005) and CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (2003). Mr. Marinho is "independent" and a "qualified person" as such terms are defined in NI 43-101.

A total of 55,659 metres ("m") of drilling, including 101 drill holes completed by both Exeter and earlier third parties, was used in the preparation of this mineral resource estimate.

Exeter provided AMEC with solid models, surfaces and density data representing the major lithological, alteration and weathering boundaries. These data were checked, validated and subsequently used to provide the main support for the selection of estimation domains. AMEC estimated gold, total copper and silver mineral resources using Ordinary Kriging ("OK") following extensive exploratory data analysis, variography and capping of outlier values.

To determine prospects of economic extraction the results were tabulated and are reported within several permutations of break-even whittle open pit and/or underground resource shapes. Only mineralized material contained within the mining shells has been reported as mineral resources. Mining and process costs and process recoveries were estimated from benchmark studies of similar projects in Chile.

Table 3 summarizes the mineral resource estimated by AMEC for the Caspiche porphyry as a large open pit optimized against a marginal cutoff. Each block was evaluated to determine if the block could be potentially mined by open pit (using a Lerchs-Grossman optimization using Whittle® version 4). Information from Table 3 was summarized to provide Table 1 above.

**TABLE 3 AMEC Mineral Resource Estimate for Large Open Pit Mining Scenario**

Material	Category	AuEq Cut-off (ppm)	Volume (Mm <sup>3</sup> )	Tonnes (Mt)	Au (g/t)	Cu (%)	Ag (g/t)	AuEq** (g/t)	AuEq** (Moz)
OXIDE	Measured	0.2	16	38	0.50	0.01	1.54	0.50	0.6
OXIDE	Indicated	0.2	26	60	0.40	0.01	1.79	0.40	0.8
OXIDE	Measured+Indicated	0.2	42	99	0.44	0.01	1.69	0.44	1.4
OXIDE	Inferred	0.2	4	9	0.28	0.01	1.64	0.29	0.1
SULPHIDE	Measured	0.3	104	254	0.53	0.22	1.13	0.94	7.7
SULPHIDE	Indicated	0.3	392	963	0.50	0.19	1.09	0.87	26.8
SULPHIDE	Measured+Indicated	0.3	495	1,217	0.51	0.20	1.10	0.88	34.5
SULPHIDE	Inferred	0.3	183	449	0.35	0.15	0.97	0.62	9.0
ALL	Measured	Combined	120	292	0.53	0.19	1.18	0.88	8.30
ALL	Indicated	Combined	418	1,024	0.50	0.18	1.13	0.84	27.6
ALL	Measured+Indicated	Combined	537	1,316	0.50	0.18	1.14	0.85	35.9
ALL	Inferred	Combined	187	458	0.35	0.14	0.98	0.61	9.0

**TABLE 4 AMEC Mineral Resource Estimate for Oxide only Open Pit and Block Cave Extraction Scenario for Sulphide Mineralization.**

OPEN PIT OXIDE AND BLOCK CAVE EXTRACTION FOR SULPHIDE									
Material	Category	AuEq Cut-off	Volume	Tonnes	Au	Cu	Ag	AuEq**	AuEq**
		(ppm)	(Mm <sup>3</sup> )	(Mt)	(g/t)	(%)	(g/t)	(g/t)	(Moz)
OXIDE	Measured	0.2	13	30	0.55	0.01	1.48	0.56	0.5
OXIDE	Indicated	0.2	18	41	0.45	0.01	1.84	0.46	0.6
OXIDE	Measured+Indicated	0.2	30	71	0.50	0.01	1.69	0.50	1.1
OXIDE	Inferred	0.2	1	2	0.36	0.01	1.87	0.36	0.0
SULPHIDE	Measured	NA**	54	132	0.70	0.29	1.21	1.23	5.3
SULPHIDE	Indicated	NA**	153	380	0.70	0.29	1.28	1.24	15.1
SULPHIDE	Measured+Indicated	NA**	207	513	0.70	0.29	1.26	1.24	20.4
SULPHIDE	Inferred	NA**	24	60	0.60	0.28	1.39	1.13	2.2
ALL	Measured	NA**	66	162	0.67	0.23	1.26	1.11	5.8
ALL	Indicated	NA**	171	421	0.66	0.23	1.38	1.10	15.8
SULPHIDE	Measured+Indicated	NA**	237	584	0.66	0.23	1.34	1.10	21.5
ALL	Inferred	NA**	25	62	0.56	0.23	1.48	0.99	2.2

Table 4 is a scenario prepared by AMEC that considers an optimization of an open pit for the oxide material only and then using its in-house floating stope program to optimize a block caving option underneath the pit surface. This block cave is designed to target higher grade resources that occur in the center of the deposit, using contour polygons with a cut-off of 0.9 g/t AuEq\*\*. This contouring is not a grade shell or cut-off that ignores all blocks below the threshold used. Instead as the block caving mining method does not permit any selectivity during the mining process all material within the underground mineral resource shell is considered a resource. Table two presented above was summarized from this information. The cut-off was calculated based on gold equivalent values using gold and copper only and was determined independently for oxide and sulphide material.

Exeter's 2009/2010 drilling campaign added thousands of metres of new information, confirming mineralization and grade continuity. In October 2009, AMEC did a drill hole spacing study for the Caspiche property that determined the grid spacing required to convert mineral resources to the Measured and Indicated Mineral Resource categories.

Following this work, a mathematical script was written to classify the mineral resource into measured, indicated and inferred categories based on the results of the drill hole spacing study and drilling to date. This was further refined by a manual smoothing pass that removed isolated blocks or pools of blocks of one category within a different one. AMEC designed polygons by benches every 6 m to control this. In AMEC's opinion, the geological data and economic parameters are suitable for calculating Measured, Indicated and Inferred Mineral Resources.

The block model consists of regular blocks (25 m x 25 m x 15 m). The estimation plan for gold is the same for oxide and sulphide domains. The estimation plan for all elements includes restricted searches for high grade values and a multi pass approach. The estimation plan for copper includes a hard boundary between the oxide and sulphide boundary. Inter domain boundaries and sample sharing were determined based on geological relationships, contact profiles and statistical analysis.

AMEC validated the Caspiche model using summary statistics checking for global estimation bias, drift analysis, and visual inspection. AMEC also generated a nearest neighbour (NN) model to validate the OK model. Grade variation between estimates for both methods was considered acceptable.

Technical reports summarizing past work programs at Caspiche are also available on SEDAR and the Company's website.

Justin Tolman, Exeter's Caspiche Project Manager and a "qualified person" within the definition of that term in NI 43-101, has 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 exploration and development of the Caspiche project in Chile. The Company has C\$37 million in its treasury.

**The Caspiche gold-copper discovery** is situated in the Maricunga gold district of Chile, between the Refugio mine (Kinross Gold Corp.) and the giant Cerro Casale gold deposit (Barrick Gold Corp. and Kinross Gold Corp.). Drilling to expand and upgrade the existing resource is expected to commence during October 2010.

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

## **EXETER RESOURCE CORPORATION**

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