



**For Immediate Release: NR 10-21**

## **EXETER INITIATES PRE-FEASIBILITY STUDIES AT CASPICHE**

**Vancouver, B.C., November 22, 2010 - Exeter Resource Corporation (NYSE-AMEX:XRA, TSX:XRC, Frankfurt:EXB - "Exeter" or the "Company")** has engaged **Aker Solutions** of Santiago, Chile, an internationally recognised engineering group, to carry out two pre-feasibility studies for its Caspiche gold-copper project in Chile. **The first study which will consider a stand-alone "oxide gold" project to mine the upper part of the deposit is scheduled to be available in early Q2-2011. The second study, to be run concurrently with the oxide study, will consider mining both the oxide and sulphide deposits. That study is scheduled to be available in Q3-2011.**

The decision to proceed to the pre-feasibility study stage (PFS) follows Exeter's September 2010 resource update, which reported that 80% of the total Caspiche resource fell within the Measured and Indicated (M&I) resource categories. Specifically, the update reported M&I\* resources of 21.3M (million) ounces of gold, 48.4M ounces of silver and 5.3B (billion) pounds of copper. This resource is based on 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 1,217Mt at a grade of 0.20% copper. In addition to the M&I mineral resources, Exeter reported an Inferred\* mineral resource of 5.1M ounces of gold, 14.5M ounces of silver and 1.4B pounds of copper, based on 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.

Yale Simpson, Exeter's Executive Chairman said, "The commencement of the PFS process is clearly a milestone for Exeter as we transition from the high risk "discovery stage" of exploration into project development. We are very pleased therefore to secure and appoint Aker Solutions for the Caspiche pre-feasibility studies.

"Aker has an excellent track record, having recently completed a number of pre-feasibility and feasibility studies, including the basic engineering for Pan Pacific Copper's (now Nippon-Mitsui) +\$2 billion Caserones copper project south of Caspiche. Aker is also the construction management contractor for Kinross Gold's Maricunga Mine expansion project, located immediately north of the Caspiche site. Aker's familiarity with local operating conditions was an important factor in selecting the firm for the two studies.

"Interestingly, we see two mining scenarios for Caspiche, a smaller oxide gold mine that we could potentially develop quickly to generate cash flow, or a much larger, and longer term "total project" to realise the ultimate value of the deposit. The oxide gold study will examine the economics of a stand-alone project to develop the shallow gold "blanket" that over lies the sulphide deposit. This upper, gold-only deposit is potentially exploitable by open pit mining combined with conventional heap leaching. Importantly, the waste to ore ratio is anticipated to be less than 0.3:1, with much of the waste being available for heap leach pad construction. The advantage of an oxide gold mine is the expected modest capital requirement for such a project and the compatibility of a project at this scale to fit within existing local infrastructure.

"The PFS for the total deposit involves +20,000 man-hours of engineering. It will examine three mining options. The first option is a "super pit" to a depth of up to 1,000 metres, mining both the oxide and sulphide zones entirely by open pit methods. The second option is an open pit mine to develop only the oxide deposit, followed by underground mining (block caving) of the central higher grade section of the sulphide deposit. The third option is a hybrid operation

to open pit mine the oxide deposit and the upper part of the sulphide deposit, followed by underground mining of the lower sulphide zone.”

Exeter’s Vice President – Development Mr. Jerry Perkins commented, “Exeter is pleased to have appointed Mr. John Wells as the in-house study leader for the PFS studies. John is a senior engineer with an excellent reputation for the successful implementation of large scale mining projects in South America.

“The PFS studies will benefit significantly from the relatively advanced mine planning and metallurgical studies already completed by consultants NCL Ingenieria, McLelland Laboratories, G&T Metallurgical Services, SNC Lavelin and SGS Mineral Services, Lakefield (“SGS”).”

### **Current Metallurgical Program**

To facilitate ongoing testwork on sulphide material, the Company recently shipped 12 tons of representative drill core to SGS Lakefield Laboratories in Canada for pilot plant testing which is now underway. This program will use the process flowsheet developed at G & T and SGS to provide detailed process criteria for engineering design. The large concentrate sample being produced will be sufficient for a testwork program to confirm both reductive roasting and/or HPOX as alternatives for concentrate treatment.

Column leach testwork at McClelland Laboratories on 11 oxide composites is well advanced with preliminary results providing encouraging leaching kinetics. It is anticipated that the flow of results will allow the Company to provide results on the testwork by year end.

### **Current Drilling Program**

Drilling resumed at Caspiche in late October. Two drill rigs are on site drilling part of a planned 10,000 metre program. The objectives of the program are as follows:

- To complete the conversion of higher grade mineralization within the current Inferred resource to the M&I resource categories.
- To perform additional metallurgical and geotechnical drilling in support of the proposed mining options being considered in the PFS.
- To test regional targets within the Exeter property that could possibly represent additional Caspiche style gold-copper porphyries.

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, with a treasury of \$90 million, is a Canadian mineral exploration company focused on the exploration and development of the Caspiche project in Chile.

Exeter has the rights to 100% of the Caspiche project which is situated in the Maricunga gold district, between the Refugio mine (Kinross Gold Corp.) and the giant Cerro Casale gold deposit (Barrick Gold Corp. and Kinross Gold Corp.). The discovery represents one of the largest mineral discoveries made in Chile in recent years. Exeter recently initiated pre-feasibility studies with the aim of demonstrating the commercial viability of this world class discovery.

The measured and indicated\* mineral resource at Caspiche equates to a total of **35.9M gold equivalent ounces\*\*** plus an inferred\* mineral resource which equates to **9.0M gold equivalent ounces\*\***.

\*\*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 3 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. See news release NR10-17 dated September 13, 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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