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EXETER COMPLETES POSITIVE PREFEASIBILITY STUDY FOR ITS CASPICHE OXIDE GOLD DEPOSIT

Vancouver, B.C., June 6, 2011 – Exeter Resource Corporation (NYSE-AMEX:XRA, TSX:XRC, Frankfurt:EXB – “Exeter” or the “Company”) is pleased to announce the Oxide Gold Prefeasibility Study for its Caspiche Project in northern Chile has returned a NPV(5) of US\$329.5 million and net operating costs of US\$524/ounce gold. Average annual production over the five year mine life would be 210,000 ounces gold and 364,000 ounces silver.

The Oxide Gold Prefeasibility Study (“PFS”), completed by Jacobs Engineering (formerly AKER Solutions), is based solely on the near surface oxide portion of the Caspiche deposit and considers that deposit as a standalone mine. The +100 metre thick oxide “blanket” will have to be removed from the very large underlying sulphide project and no residual value is attributed to the mine infrastructure and equipment that could be utilised in developing that larger project.

The combined oxide-sulfide deposit is the subject of a much larger pre-feasibility study currently underway and scheduled for release in Q4-2011.

Highlights of the Oxide Standalone PFS

- NI 43-101 compliant **Proven, and Probable Mineral Reserves for the Caspiche Oxides Project total 1.35 million ounces of gold at an average grade of 0.41 grams per tonne (“g/t”) gold and 5.36 million ounces of silver at an average grade of 1.64 g/t silver** contained within 101.74 million tonnes of ore. The 43-101 report does not include a further Inferred Resource of 50,000 ounces of gold and 300,000 ounces of silver at average grades of 0.26 g/t and 1.51 g/t respectively, contained within 6.21 million tonnes of ore.
- **Average annual production is approximately 210,000 ounces gold and 365,000 ounces silver.**
- Mine life is 5 years.
- Average **cash operating costs are US\$524/ounce gold**, after the silver credit.
- At US\$1,320/ounce gold, using a 5% discount rate, the pre-tax **net present value (“NPV”), including the Anglo royalty is US\$329.5 million**, generating an internal rate of return (“IRR”) of 34.4%, and a payback period of 3.2 years from initial construction.
- Estimated initial capital costs are US\$335.6 million.
- Processing throughput is 62,000 tonnes per day (“tpd”) of ore.
- Average gold recovery is 78%. Average silver recovery is 34%.
- Waste to ore ratio is 0.26:1 over the life of mine.
- Several opportunities to materially improve project economics, including the supply of power from the grid, were not incorporated into the PFS.

Exeter Chairman Yale Simpson states “the purpose of the Oxide PFS was to demonstrate the commercial viability of the Caspiche oxide deposit as a relatively low capital cost, low risk mine producing over 200,000 ounces gold annually. The study assumes a standalone project, quite independent of the development of the large Caspiche sulfide deposit.

“The oxide ore body leaches exceptionally well by industry standards and will be an important cash flow generator, whether it is developed independently to provide cash flow over a five year mine life, or in concert with the development of the main sulfide deposit. Our engineers advised that an increase in the size of the secondary crusher could increase mine throughput (and shorten mine life) at a relatively modest increase in the mine capex.

“On the basis of the economics set out in the PFS report, the Company can now consider mine permitting and development of the oxide project well in advance of the larger scale and more capital intensive sulfide project.”

The PFS examined three options for open pit development, each based on a Heap Leach – Adsorption Desorption Recovery (ADR) method of ore processing.

Option 1: Heap leaching of two stage crushed ore using a conventional jaw and cone crusher circuit for an 8 year project life.

Option 2: Heap leaching of two stage crushed ore using a conventional jaw and cone crusher circuit for a 5 year project life.

Option 3: Heap leaching of two stage crushed ore using a gyratory and cone crusher circuit for a 5 year project life.

Based on the PFS results Option 2 was shown to be the most beneficial to the project. This involves processing 62,000 tonnes per day ore over a five year period.

Mine Description

Mine trucks with run of mine (ROM) ore discharge in a bin ahead of a primary jaw crusher. Where required primary crushed product is further reduced in a secondary crusher circuit then transported to a truck load out bin by a belt conveyor where solid lime is added to control the cyanidation pH. The ore is then trucked to a valley heap leach.

Leaching is accomplished by a cyanide solution, using drippers for the irrigation system. Pregnant leach solution (“PLS”) is stored in a PLS pond then pumped to the ADR plant. The ADR plant consists a counter current carbon in column (CIC) circuit of five (5) columns. Loaded carbon is then transferred to the elution circuit and barren solution is returned to the barren solution pond for pad irrigation.

The loaded carbon is acid washed and desorbed. After acid washing, gold is dissolved from the loaded carbon using a strong caustic cyanide solution. The gold bearing electrolyte is sent to electrowinning where sludge is produced. This gold sludge is filtered and then smelted with bullion doré produced as final product.

The stripped carbon obtained from desorption is reactivated in a rotary kiln every four cycles and returned to the adsorption columns with additional fresh carbon make up as required.

Financial Analysis

The base-case is calculated at a 12 month London Bullion Market monthly average fix of US\$1,320/ounce gold and US\$25.80/ounce silver. The analysis indicates revenues of US\$1,241 million, an NPV (5% discount rate) of US\$329.5 million and an unleveraged IRR of 34.4%.

Other Key Indicators

Ore Production (000's of tonnes)	101,741
Total Material Moved (000's of tonnes)	128,026
Strip Ratio	0.26
Gold Production (000's gross ounces)	1,052
Silver Production (000's gross ounces)	1,822

The tables below outline key sensitivities for the pre-tax NPV and IRR for the Caspiche project.

Indicator	Gold Price US\$/ounce						
	\$1,000	\$1,100	\$1,200	\$1,300	\$1,400	\$1,500	\$1,600
IRR	9.7%	18.0%	25.7%	33.0%	40.0%	46.7%	53.2%
NPV @ 0% (US\$millions)	109	211	313	415	517	619	721
NPV @ 5% (US\$millions)	47	135	223	312	400	488	576
NPV @ 7.5% (US\$millions)	21	103	186	268	350	432	514
Payback – (years from start-up)	3.9	3.2	2.7	2.3	2.0	1.8	1.7

INDICATOR	Overall Gold Recovery - Percent of Baseline (78%)				
	90%	95%	100%	105%	110%
IRR	24.8%	29.7%	34.4%	39.0%	43.5%
NPV @ 5% (US\$millions)	213	271	329	388	446

CAPEX - Percent of Baseline (US\$335.6 million)					
INDICATOR	90%	95%	100%	105%	110%
IRR	40.4%	37.3%	34.4%	31.8%	29.4%
NPV @ 5% (US\$millions)	365	347	329	312	294

OPEX - Percent of Baseline (\$US 5.88/t)					
INDICATOR	90%	95%	100%	105%	110%
IRR	38.6%	36.5%	34.4%	32.3%	30.2%
NPV @ 5% (US\$millions)	381	355	329	304	278

Jerry Perkins, Exeter's Vice President Development and a "qualified person" within the definition of that term in National Instrument ("NI") 43-101, Standards of Disclosure for Mineral Projects, 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 project is situated in the Maricunga gold district, between the Refugio mine (Kinross Gold Corp.) and the 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 has initiated pre-feasibility studies with the aim of demonstrating the commercial viability of this world class discovery. The Company has cash reserves of \$80 million and no debt.

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

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