

## Scalable Development Potential for One of the World's Significant Gold Oxide/Gold-Copper Projects

Exeter, credited with three mineral discoveries in the last decade, is considered to be one of the industry's most successful mineral exploration/development companies. Exeter's 100% owned Caspiche gold-copper porphyry deposit is one of the world's significant mineral deposits, hosting measured and indicated oxide and sulphide mineral resources of 1.7 and 37.9 Moz AuEq<sup>2</sup>, respectively.

### Thinking big means starting smaller

The most recent economic studies<sup>A</sup> set out new development options for Caspiche, including a low capex, heap leach gold option to initiate production.

Cash on hand is C\$16M (February 1, 2017).

### Caspiche Gold Oxide/Gold-Copper Project

The Caspiche deposit is in Chile, a country ranked as one of the most favored international jurisdictions for mining investment. The deposit, a relatively new discovery for the prolifically mineralized Maricunga gold-copper district is midway between major deposits owned by Barrick Gold (Cerro Casale) and Kinross Gold (Maricunga Mine).

#### Mineral Resources:

Material	Class	Tonnes Mt	Au g/t	Cu %	Ag g/t	AuEq <sup>1</sup> g/t	AuEq <sup>2</sup> M oz
Oxide	Measured	65.9	0.46	-	1.55	0.46	1.0
Oxide	Indicated	55.6	0.39	-	1.63	0.40	0.7
<b>Total Oxide</b>	<b>M &amp; I</b>	<b>121.5</b>	<b>0.43</b>	-	<b>1.58</b>	<b>0.43</b>	<b>1.7</b>
Sulphide	Measured	554.2	0.58	0.23	1.16	1.02	18.3
Sulphide	Indicated	727.9	0.48	0.18	1.17	0.84	19.6
<b>Total Sulphide</b>	<b>M &amp; I</b>	<b>1,282.1</b>	<b>0.52</b>	<b>0.20</b>	<b>1.17</b>	<b>0.92</b>	<b>37.9</b>
Total M & I		1,403.6	0.51	0.19	1.20	0.88	39.6

-oxide and sulphide materials above cut-offs of 0.18 g/t AuEq<sup>1</sup> and 0.30 g/t AuEq<sup>1</sup>

#### Higher Grade Gold - Copper Zone at 1.50, 1.00 and 0.75 g/t AuEq<sup>3</sup> cutoff

Material	Class	Tonnes Mt	Au g/t	Cu %	Ag g/t	AuEq <sup>3</sup> g/t
<b>Total Sulphide</b>	<b>M &amp; I</b>	<b>177.1</b>	<b>1.05</b>	<b>0.41</b>	<b>1.71</b>	<b>1.83</b>
<b>Total Sulphide</b>	<b>M &amp; I</b>	<b>510.0</b>	<b>0.80</b>	<b>0.33</b>	<b>1.45</b>	<b>1.43</b>
<b>Total Sulphide</b>	<b>M &amp; I</b>	<b>810.2</b>	<b>0.67</b>	<b>0.29</b>	<b>1.35</b>	<b>1.22</b>

-underground operation

#### Economic Study:

The 2014 PEA<sup>A</sup> showed three potential development options:

1. A 30,000 tpd heap leach oxide gold project producing a projected average of 122,000 oz AuEq\* annually over a planned 10 year mine life, including 148,000 oz AuEq\* annually in the first five years.

## Investment Considerations

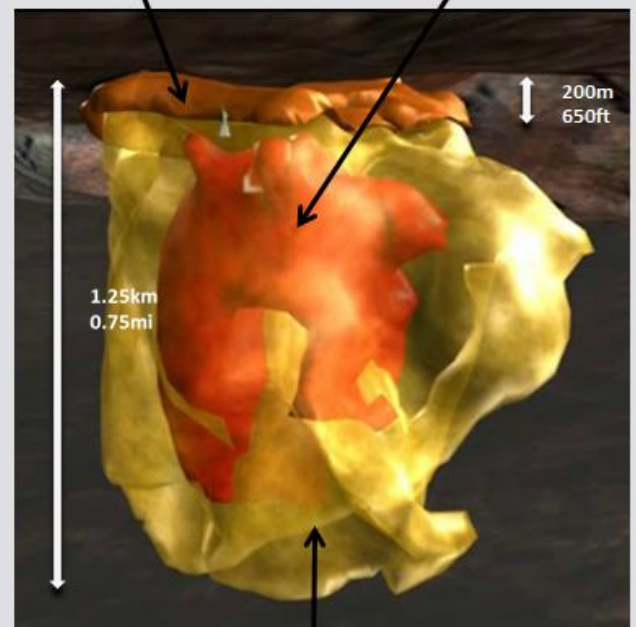
- Experienced Management Team**  
 Exeter has a very experienced management team, with expertise specific to gold-silver and copper exploration and development in this frontier region of the Americas.
- Valuable Mineral Rights**  
 Exeter's Caspiche project is located in northern Chile, a region known to host world class gold and gold-copper deposits. The Company has invested over \$85 million in the discovery and evaluation of this important asset. The size of the Caspiche resource ranks it as one of the gold industry's largest discoveries in recent years.
- A Safe Investment Jurisdiction**  
 Chile is the largest copper producing country in the world and continues to attract strong inflows of exploration and development capital. Tax and royalty rates are favorable for continued foreign investment in the sector.
- Attractive Growth Opportunity**  
 Exeter's strategy is to continue to add value to the Caspiche project through engineering, optimization, water exploration, community consultation, and environmental studies. Such project de-risking is an essential part of value generation.

#### Capital Structure (as of February 1, 2017)

Shares Issued: 88.7M  
Options: 7.3M  
Fully Diluted Shares: 96.0M  
Treasury: C\$16M

#### Oxide Gold Zone

#### Higher Grade Au-Cu Zone



#### Large Lower Grade Au-Cu Zone

Very low strip ratio (0.27:1) and favorable gold recoveries, drive excellent economics.

- Projected average total cash operating costs US\$589/oz AuEq\*. AISC US\$676/oz AuEq\*.
- Pre-tax NPV5% of US\$355M at US\$1,300/oz Au.
- IRR of 34.7%.
- After-tax (27% tax rate) NPV5% of US\$252M, IRR 28.5%.
- Payback period of 3.4 years from initial construction.
- Estimated initial capex US\$210M plus US\$41M in contingencies.
- Required water, 44 litres per second ("L/s").

2. A larger, scalable 60,000 tpd open pit, heap leach oxide gold option followed by expanded open pit mining (27,000 tpd) of the gold copper sulphide zone. Planned mine life is 18 years with projected average annual production of approximately 289,000 oz AuEq\* per year.

3. A scalable 60,000 tpd open pit, heap leach oxide gold operation transitioning to underground sub level open stope mining (27,000 tpd) of the higher grade gold copper sulphide zone. Projected annual average production is 250,000 oz of Au in years 1-3 and 425,000 oz AuEq\* in years 4-13. Over a planned 42 year mine life projected production is 344,000 oz AuEq\* per year.

## Infrastructure

Caspiche has year round road access and is adjacent to an established power corridor. Exeter has recently secured an option on 50 L/s of desalinated water to advance its first phase heap leach gold option. Numerous potential water supply options exist for larger scale options at Caspiche, including groundwater, industrial water and desalination. Exeter's water discovery at the Peñas Blancas (option for 90% interest) has confirmed aggregate flow rates of over 400 L/s. The ultimate, cumulative flow rate potential of the aquifer remains open and the technical characteristics of the aquifer are considered excellent. Exeter has applied to Chilean authorities to acquire water rights at Peñas Blancas. Maximum anticipated water requirements based on the 2014 PEA is 185 L/s, less than half of the flow rate tested at Peñas Blancas.

Exeter has ongoing community consultation and environmental baseline studies.

A. Disclaimer: The economic analysis contained in the 2014 preliminary economic assessment (PEA) is considered preliminary in nature. There is no certainty that the economic forecast outlined in the 2014 PEA will be realized. No inferred mineral resources were used in the PEA. See Exeter's website or Sedar for the news release dated December 19, 2014: Amended NI 43-101 Technical Report on the Caspiche Project, Effective date: April 30, 2014. Wendell Zerby, Exeter's President & CEO and a "qualified person" ("QP") within the definition of that term in National Instrument 43-101, Standards of Disclosure for Mineral Projects, has reviewed and approved the technical information in this corporate update.

The 2014 PEA used prices of: Au US\$1,300 US\$/oz., Ag US\$20/oz. and Cu US\$3/lb.

\* Gold equivalent oz (AuEq) value is based on Au, Ag and Cu revenues (prices and recoveries involved). AuEq oz [troy oz] = [Au g/t \* Rec Au \* tonnes]/31.1 + [Ag g/t \* Rec Ag \* tonnes]/31.1 \* silver price troy oz / gold price troy oz + [(Cu% \* Rec Cu \* tonnes)\*2204] \* copper price lbs/gold price troy oz. Recoveries are adjusted based on metallurgical characteristic of the resource.

$$1 \quad AuEq[g/t] = Au[g/t] + Cu[\%] \cdot \left( \frac{P_{Cu}[\$/lb]}{P_{Au}[\$/oz]} \right) \cdot \left( \frac{R_{Cu}[\%]}{R_{Au}[\%]} \right) \cdot 0.06857[g \cdot lb / oz] \cdot 10,000$$

PAu and PCu are the Au and Cu prices (US\$1,150/oz and US\$2.50/lb, respectively), and RAu and RCu are the Au and Cu projected metallurgical recoveries, 65% and 85%, respectively for sulphide material and 78% for Au oxide material.

$$2 \quad AuEq (M oz) = \text{resource tonnes} * AuEq^1$$

$$3 \quad AuEq[g/t] = Au[g/t] + Cu[\%] \cdot \left( \frac{P_{Cu}[\$/lb]}{P_{Au}[\$/oz]} \right) \cdot \left( \frac{R_{Cu}[\%]}{R_{Au}[\%]} \right) \cdot 0.06857[g \cdot lb / oz] \cdot 10,000 + Ag[g/t] \cdot \left( \frac{P_{Ag}[\$/oz]}{P_{Au}[\$/oz]} \right) \cdot \left( \frac{R_{Ag}[\%]}{R_{Au}[\%]} \right)$$

PAu, PAg and PCu are the gold, silver and copper prices (1,250 US\$/oz, 15US\$/oz. and 2.75 US\$/lb, respectively). RAu and RCu are the Au and Cu projected metallurgical recoveries based on a number of S % thresholds.

## Management

**Wendell Zerby**, Chief Executive Officer, President

**Bryce Roxburgh**, Co- Chairman

**Yale Simpson**, Co- Chairman

**Cecil Bond**, Chief Financial Officer

**Jerry Perkins**, VP Development & Operations

**Matthew Williams**, Exploration Manager, Americas

**Robert Grey**, VP Corporate Communications

## Recent News

Date	Caption
February 1/ 17	Exeter Appoints Mr. Mark E. Smith as Senior Technical Advisor.
January 17/17	Exeter Secures Second Water Source- Outlines Pathway for First Stage Development of Caspiche Oxides.

For additional news and information refer to Exeter's website or Sedar.



Website: [www.exeterresource.com](http://www.exeterresource.com)

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