

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Dec. 17, 2015) - [Exeter Resource Corp.](#) (NYSE MKT:XRA)(TSX:XRC)(FRANKFURT:EXB) ("Exeter" or the "Company") is pleased to provide the following corporate update.

With a treasury of \$23 million, Exeter is in an enviable position in this very challenging down cycle for mineral resource companies. As a result of the downturn in commodity prices, Exeter's share price has been severely discounted and does not reflect the value of the Caspiche property, a rare and unique asset. The new, lower capex, scalable mine development options for Caspiche, identified in the Preliminary Economic Assessment ("PEA")^A released in 2014, offer viable alternatives for potential development. Engineering studies for Caspiche have been sufficiently advanced that upon improved market conditions, new studies that could lead to a production decision can be fast tracked.

Given the depth of this market downturn and the possibility of a protracted recovery timeline, Exeter has postponed advancing further detailed engineering studies at Caspiche. Furthermore, the Company has initiated measures to preserve its' capital. Corporate expense reductions have been implemented, including reducing personnel and applying salary reductions for those retained.

Outlook

Over the course of the next year, the Company will continue to optimize Caspiche development options and importantly investigate infrastructure alternatives that could enhance project economics. The intention is to continue the process of de-risking the project such that it stands out, as one of the few projects that can be advanced rapidly for future development when market conditions improve.

A secondary focus for Exeter is to actively review corporate opportunities with the possibility of acquiring assets that will provide additional value for shareholders. In particular, the Company is focusing on securing assets/projects in the America's.

The Exeter team has a track record of success having discovered three significant mineral deposits in the last decade. The Company remains committed to prudently managing its capital, while seeking to maximize shareholder value in this challenging market environment.

Caspiche

Caspiche represents one of the largest mineral discoveries made in Chile in recent years. The unique characteristics of the deposit, with its surface oxide gold zone and higher grade gold-copper core, offer future mining opportunities that range from modest scale oxide heap leach gold production, to larger scale open pit/underground mining of the underlying gold-copper zone. These characteristics were assessed in the 2014 PEA which reviewed three development alternatives, all of which require significantly less capital than earlier studies.

The fact that Caspiche is scalable opens the potential for operational cash flow to provide expansion capital as mining transitions from the shallow oxide gold zone to development of the Caspiche gold-copper deposit.

A link to our 3D video of the Caspiche deposit follows below:

<http://exeterresource.com/>

The 2014 PEA 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. A 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.

Mineral Resources:

Material	Class	Tonnes Mt	Au g/t	Cu %	Ag g/t	AuEq ¹ g/t	AuEq ² 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
Total Oxide	M & I	121.5	0.43	-	1.58	0.43	1.7
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
Total Sulphide	M & I	1,282.1	0.52	0.20	1.17	0.92	37.9
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 AuEq¹ and 0.30 g/t AuEq¹

Higher Grade Gold - Copper Zone at 1.50, 1.00 and 0.75 g/t AuEq³ cutoff

Material	Class	Tonnes Mt	Au g/t	Cu %	Ag g/t	AuEq ³ g/t	AuEq ² M oz
Total Sulphide	M & I	177.1	1.05	0.41	1.71	1.83	10.4
Total Sulphide	M & I	510.0	0.80	0.33	1.45	1.43	23.5
Total Sulphide	M & I	810.2	0.67	0.29	1.35	1.22	31.8

-underground operation

Infrastructure

The Caspiche project is accessible by a well maintained all-weather road from the mining centre of Copiapó. The property is situated between the undeveloped Cerro Casale gold-copper project 12 km to the south, and the operating Maricunga Gold Mine, 15 km to the north.

Power

An existing electrical power corridor starts from the Cardones substation south of Copiapó and passes within 12 km of Caspiche. Current excess capacity at Cardones is adequate for any of the expected power requirements envisioned in the 2014 PEA.

The Chilean Environmental Assessment Service (SEA) has recently approved a 753 km expansion of the southern SIC power grid from Polpaico to Cardones. The expansion includes a 500kV double circuit with a design capacity of 1,700 MVA per circuit. Initial construction is scheduled to start in early 2016 and the line is expected to be operational in 2017. A 580 km, 500kV double circuit Transmisora Eléctrica del Norte (TEN) power grid will connect Mejillones in the Antofagasta region in northern Chile through to Cardones.

New contracts for both conventional and renewable energy operations (solar photovoltaic parks, wind, Hydro) have been, or are in the process of being awarded. This new power initiative in Chile is expected to improve the overall capacity of the grid power and also significantly reduce power costs throughout the country. According to Chile's National Energy Commission (CNE), the unification of the grids should reduce energy prices for wholesale industrial consumers, by between US\$9/MWh and US\$17/MWh.

Water

Exeter continues to pursue a diverse strategy to secure water sources for Caspiche. Numerous potential water supply options exist for Caspiche, including groundwater, industrial water and desalination. Testing of Exeter's recent water discovery at the Peñas Blancas (option for 90% interest) aquifer 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. Maximum anticipated water requirements based on the 2014 PEA is 185 L/s, less than half of the flow rate tested at Peñas Blancas.

The water exploration phase at Peñas Blancas is complete and Exeter has initiated applications to now acquire water rights. The timeline for this approval process is not defined by the Chilean water authorities. To maintain a diverse strategy to secure water, Exeter has additional water exploration applications in the area of Caspiche in process with anticipated approval in 2016.

In addition, the Company is pursuing potential infrastructure sharing associations with other stakeholders in the region for both water and power. Alternative water sources, including desalination or industrial water options under consideration could have the benefits of minimal timelines for approval, and from infrastructure sharing associations with other stakeholders in the region. The anticipated reduction in power costs would positively impact an Industrial or desalination option for water.

Environment

Exeter has completed a number of environmental campaigns to generate suitable baseline studies to support a future Environmental Impact Study. Community consultation and environmental baseline work programs are ongoing.

If you have any questions regarding Exeter, or would like a complete presentation forwarded to you, please contact Mr. Rob Grey, VP Corporate Communications at Toll-free: 1.888.688.9592 or by email at rgrey@exeterresource.com.

About Exeter

[Exeter Resource Corp.](#) 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 Maricunga 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.

On December 19, 2014, Exeter announced the filing of an Amended NI 43-101 Technical Report on the Caspiche Project ("2014 PEA"). See the Exeter web site or Sedar for the details regarding the 2014 PEA. The 2014 PEA was initiated with the aim of indicating the development optionality of this world class discovery. In June 2015 Exeter announced the completion of a water exploration program at Penas Blancas where it has completed six, large diameter; water bore holes with an aggregate flow rate exceeding 400 L/s. The securing of water required for potential project development is a corporate priority.

The Company currently has cash reserves of C\$23 million and no debt.

A. Disclaimer: The economic analysis contained in the 2014 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 Zerb, 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). $AuEq\ oz\ [troy\ oz] = [Au\ g/t \times Rec\ Au \times tonnes]/31.1 + [Ag\ g/t \times Rec\ Ag \times tonnes]/31.1 \times silver\ price\ troy\ oz / gold\ price\ troy\ oz + [(Cu\ \% \times Rec\ Cu \times tonnes) \times 2204] \times copper\ price\ lbs / gold\ price\ troy\ oz$. Recoveries are adjusted based on metallurgical characteristic of the resource.

1 To view image click here: <http://media3.marketwire.com/docs/1037215a.png>

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 $AuEq\ (M\ oz) = resource\ tonnes \times AuEq^1$

3 To view image click here: <http://media3.marketwire.com/docs/1037215b.png>

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.

EXETER RESOURCE CORPORATION

Wendell Zerb, P. Geol, President and CEO

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 in relation to the Company's belief as to the potential significance of water discovered, the potential to establish new opportunities for the advancement of Caspiche, results from preliminary economic assessment including estimated annual production rates, capital and production costs, water and power requirements and metallurgical recoveries, expected taxation rates, potential for securing water rights and adequate water and potential approval of water extraction, potential for reduced power costs, potential to acquire new projects and expected cash reserves. These forward-looking statements are made as of the date of this news release. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the future circumstances, outcomes or results anticipated in or implied by such forward-looking statements will occur or that plans, intentions or expectations upon which the forward-looking statements are based will occur. 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 that such future events will

occur and are subject to risks, uncertainties, assumptions and other factors which could cause events or outcomes to differ materially from those expressed or implied by such forward-looking statements. Such factors and assumptions include, among 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 negotiations and misjudgments in the course of preparing forward-looking information. In addition, there are 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; including risks associated with the failure to satisfy the requirements of the Company's agreement with Anglo American on its Caspiche project which could result in loss of title; the need for additional financing; operational risks associated with mining and mineral processing; risks associated with metallurgical recoveries, risks associated with operating in areas subject to drought conditions and scarcity of available water sources, power availability and changes in legislation affecting the use of those resources; fluctuations in metal prices; title matters; uncertainty and risks associated with the legal challenge to the easement secured from the Chilean government; 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 herein and in the Company's Annual Information Form for the financial year ended December 31, 2014 dated March 30, 2015 filed with the Canadian Securities Administrators and available at 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.

Cautionary Note to United States Investors - The information contained herein and incorporated by reference herein has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. In particular, the term "resource" does not equate to the term "reserve". The Securities Exchange Commission's (the "SEC") disclosure standards normally do not permit the inclusion of information concerning "measured mineral resources", "indicated mineral resources" or "inferred mineral resources" or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves" by U.S. standards, unless such information is required to be disclosed by the law of the Company's jurisdiction of incorporation or of a jurisdiction in which its securities are traded. U.S. investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. Disclosure of "contained ounces" is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in place tonnage and grade without reference to unit measures.

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