



For Immediate Release: Tuesday, June 1, 2004

EXETER COMMENCES DRILLING CERRO MORO PROJECT, ARGENTINA

Vancouver, B. C., May – Exeter Resource Corporation (TSX-V: XRC, Frankfurt: EXB) (“Exeter”) today announced that it has commenced drilling on its Cerro Moro epithermal gold project in Santa Cruz province, Patagonia, Argentina. Cerro Moro is the most advanced of four major project areas recently acquired through an option agreement with Cerro Vanguardia SA (“CVSA”), owned by AngloGold/Fomicruz (see news dated March 30, 2004).

The 2,000 metre reverse circulation percussion drilling program will test six target areas including the Deborah, Escondida, Nini, Esperanza, and Moro vein systems, and the Lomo Mosquito Norte replacement target. With one exception, the veins were each previously tested by CVSA with two or three widely spaced drill holes.

At Lomo Mosquito Norte, an apparently flat-lying mineralized zone was tested with two drill holes 540 metres apart.

Exeter’s drilling will be focussed around the better results from previous drill holes on the following targets:

Cerro Moro Project - Drill Results

Prospect name	Drill Hole	Intercept (m)	Gold g/t	Silver g/t
Filon Deborah	DDH-16	10.2	8.8	21
Filon Escondida	DDH-10	1.6	25.0	1,107
Filon Nini	DDH-8	1.9	15.6	880
Filon Esperanza	DDH-11	3.8	5.5	649
Filon Moro	DDH-5	1.0	7.5	500
Lomo Mosquito Norte	ARC-11	16.0	2.3	--

The new drilling program will close up the drill hole spacings to evaluate the continuity of mineralization around the known targets.

Robert Harley, B.Sc., Exeter's Vice President, Exploration, a “qualified person” within the definition of that term in NI 43-101 of the Canadian Securities Administrators, has supervised the preparation of the technical information contained in this news release, and will supervise the drilling program.

*Exeter Resource Corporation
News Release – June 1, 2004*

About Exeter

Exeter is a Canadian company exploring epithermal gold and copper-gold porphyry projects in Argentina. A \$1.1 million pre-feasibility study on the La Cabeza deposit is underway, with 2,462 metres of the drilling program now completed.

Exeter's rights to the Patagonian gold-silver projects were acquired in December 2003, in a landmark agreement with CVSA. Separate from the Cerro Moro drilling, detailed mapping and sampling has commenced on the Cerro Puntudo gold discovery and the Rio Negro properties, both part of the CVSA acquisition.

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

EXETER RESOURCE CORPORATION

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