

February 2, 2004

EXETER RESOURCE CORP. (XRC-V)^{1,2}



Source: Globeinvestor.com

Rating: **Sector Outperform (Speculative)**

Current Price	\$1.25
52 week range	\$0.22/\$1.25
Shares O/S (M)	16.62
Warrants (M)	7.06
Options (M)	0.82
Shares F/D (M)	24.49
Market Capitalization	\$30.62
Cash (C\$ million estimate)	\$4.50
Per F/D share (C\$)	\$0.18

□ HIGHLIGHTS

Exeter Resource Corporation (XRC-V) recently announced a deal to acquire 100% interest in Cerro Vanguardia S.A. (CVSA) owned 92.5% by AngloGold Ltd. to explore and develop almost 40 properties in 4 project areas within the Patagonia region of southern Argentina. The 4 project areas include: Cerro Moro (13 properties) in northeastern Santa Cruz; Other Santa Cruz (5 properties), Chubut province (14 properties), and Rio Negro province (7 properties). CVSA was one of the first companies to initiate exploration in the Patagonia region in the early 1990s and acquired the majority of the properties as gold targets with geological characteristics analogous to the then recently discovered Cerro Vanguardia epithermal-vein deposit which is now in operation (9.1 Mt of 10 g/t gold).

The most advanced project area in the portfolio is the Cerro Moro project, which contains numerous epithermal-vein occurrences varying from 240 to 1,250 metres in strike and hosted within Jurassic-age felsic volcanic rocks. Most of these vein occurrences are located within a 10- by 2.5-kilometre area, and 11 have undergone reconnaissance drilling with two to three holes each. Significant drill intercepts include 1.9 metres of 15.6 g/t gold and 880 g/t silver from Filon Nini, 10.2 metres of 8.8 g/t gold and 21 g/t silver at Filon Deborah, and 6 metres of 6.2 g/t gold and 96 g/t silver at the Filon Michelle prospects. Exeter believes that the early stage at which these Cerro Moro and the other three projects were acquired gives them significant advantage relative to other junior exploration companies seeking entry into the Patagonia region.

Exeter also has 100% interest in the La Cabeza epithermal-gold project, also in Argentina, which contains an inferred resource of 11.97 Mt grading 1.83 g/t gold, where the Company is planning a 2,500-metre drill program to advance the project to prefeasibility. Exeter has acquired a solid portfolio of projects through the CVSA deal that are backed by La Cabeza, which has the potential to be a low-cost producer. The Company has over \$4 million in cash, sufficient to address its exploration requirements over the next 12 months. With a market capitalization around \$20 million, we see significant upside potential as the Company moves forward on La Cabeza and its recently acquired exploration portfolio. We reiterate our Sector Outperform (Speculative) rating.

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Individuals involved with the preparation of this report have a beneficial interest in the issuer's securities. Haywood Securities has served as financial agent in a private-placement special-warrant financing for the issuer during the preceding 24 months.

Company Website: www.exeterresource.com

Recommendation Structure

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