

31st July 2007

June 2007 Quarterly Report

Highlights

- The company successfully listed on the ASX on 29th May 2007 after raising \$6 million.
- Chesser holds three properties covering a total of 2,603 square kilometres in western, central and south-eastern South Australia considered prospective primarily for gold, copper, uranium and nickel sulphide deposits.
- The company has commenced assessing more project opportunities particularly in the gold sector.

Appointment of Managing Director

- Dr Richard Valenta and Mr Creagh O'Connor have agreed to join the Company as Managing Director and Non-Executive Director respectively commencing on 1st July 2007.

Wynbring Project SA

Copper, Gold, Nickel

- The company has received approval from the The Primary Industries and Resources South Australia (PIRSA) for its lodged DEF (Declaration of Environmental Factors) that allows field work to commence.
- An initial program of moving loop EM and air-core drilling will be conducted as soon as practicable.

The Directors of Chesser Resources Limited ("Chesser") (ASX Code: CHZ) are pleased to release its first quarterly report since successfully listing on the ASX on 29th May 2007.

Projects

Wynbring SA

(Chesser earning up to 80%, PlatSearch100%)

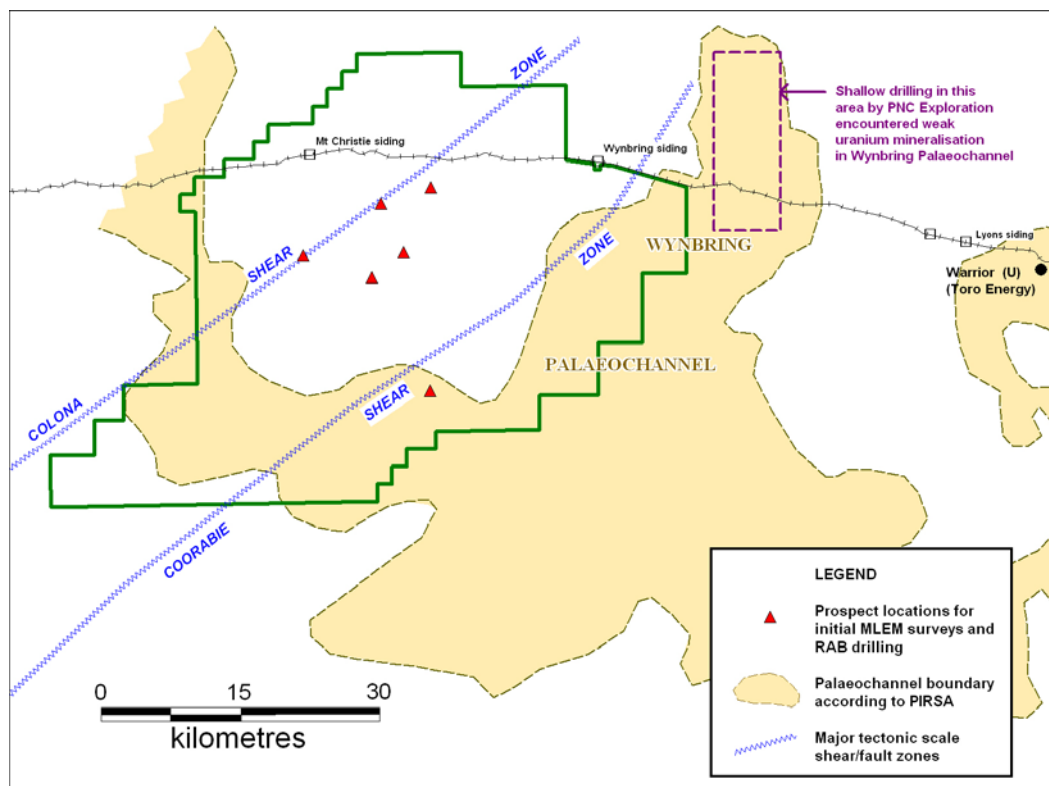
Copper- Gold – Nickel

During the quarter the Company received approval from The Primary Industries and Resources South Australia (PIRSA) for its lodged DEF (Declaration of Environmental Factors) application that now allows field work to commence.

The Joint Venture partners have agreed on an initial work programme of detailed moving loop EM using 100 metre loops on selected prospects and detailed rotary air blast (RAB) and reverse circulation (RC) drilling of the above target zones. Air-core and RAB drilling across selected parts of the Wynbring shear zone will also be completed.

Chesser has secured funding for the planned drilling program from PIRSA through the Plan for Accelerating Exploration (PACE) assistance scheme. Funding is approved for 50% of the cost of the drilling program to a maximum of \$75,000.

The company will advise when a geophysical contractor has been secured, targets generated and when drilling is scheduled to commence.



Cedric Bore SA
(Chesser100%)

Copper-Gold-Uranium

Cedric Bore has the potential for Olympic Dam or Prominent Hill style IOCG deposits, orogenic lode gold deposits and paleochannel hosted roll-front uranium deposits in the Tertiary sediment cover.

The company is completing the compilation and interpretation of ground gravity, magnetic data and geochemistry.

Messent SA
(Chesser100%)

Copper-Gold-Uranium

Messent has potential for base and precious metal deposits and covers 408 square kilometres of basement volcanic and intrusive rocks of Cambrian age believed to represent a continuation of the mineralised Mt Read Volcanic belt in Tasmania, which contain significant VHMS style base metal deposits.

Appointment of Managing Director and Non-Executive Director

Dr Richard Valenta and Mr Creagh O'Connor have agreed to join the Company as Managing Director and Non-Executive Director respectively commencing 1st July 2007.

The Directors welcome the involvement of Dr Valenta and Mr O'Connor who intend to use their vast experience, contacts and relationships within the resources industry to source value adding resource projects for Chesser with a particular focus on gold opportunities.

Dr Valenta has a wealth of experience in the resources sector having spent the last 25 years employed in various roles in North America, Central America and Australia. Most recently Dr Valenta joined the Board of Bondi Mining Limited and prior to this he played a key role with the highly successful, Canadian based, Fronteer Group, where he was Chief Operating Officer and Vice President Exploration of Fronteer Development Group ("Fronteer") and Chief Geoscientist of Aurora Energy Resources Inc ("Aurora"). During that time the approximate market capitalisations of these companies increased from CDN\$11 million to CDN\$980 million and CDN\$216 million to CDN\$1 billion respectively. This reflected the success of Dr Valenta's team in making significant new discoveries and increasing resources – from no resources to 2.1 million ounces of gold (in the case of Fronteer) and 96 million lbs of uranium (in the case of Aurora).

Over the past 10 years, he has directed exploration expenditure of US\$40 million, resulting in the discovery of resources with a total in-ground value of US\$8 billion. He has carried out successful region selection and project generation on six continents, seeking a range of base metal, gold and uranium target styles and environments. He led the Central American exploration of a major Australian Mining Company (MIM), resulting in two important mineral discoveries. He has developed strong and productive relationships with community and indigenous stakeholders in Canada, Mexico and Australia leading to increased exploration access.



Mr O'Connor is a founding Director of a boutique investment bank, Gryphon Partners Pty Limited ("Gryphon"), specialising in resource and energy transactions. Recent advisory assignments undertaken by Gryphon include: Oxiana Limited's A\$265 million acquisition of the Golden Grove base and precious metals operation in Western Australia; the initial public offering of (uranium company) Toro Energy Limited; the A\$80 million acquisition of (gold company) Sedimentary Holdings Limited by AuSelect Limited; and Agincourt Resources Limited's US\$80 million acquisition of the Martabe gold project.

Prior to establishing Gryphon, Mr O'Connor was employed by the Normandy Mining Group in a variety of roles including Managing Director of Australian Magnesium Corporation Limited and Group General Manager of Business Development for Normandy Mining Limited having joined in 1993. Prior to this, he spent 13 years specialising in corporate finance, advisory roles and providing general financial advice in Australia and Europe. This included working with companies such as Bain & Company Inc., Morgan Grenfell & Co. Limited and Price Waterhouse Limited.

Mr O'Connor has held numerous directorships of resource companies and was a founding director of Hindmarsh Resources Limited until it was recently taken over by Canadian Listed Mega Uranium Ltd. He is currently a Non-Executive Director of recently listed Bondi Mining Limited.

As detailed in the ASX release dated 14th June 2007 to facilitate a share placement and an issue of options to Dr Valenta and Mr O'Connor a shareholder meeting will be held as soon as practicable seeking shareholder approval for the share and option proposals

The Directors welcome the involvement of Dr Valenta and Mr O'Connor with Chesser.

All queries to be directed to
Dr Richard Valenta 0448 110765 or
Simon Taylor 0409 367 460

The exploration data and results contained in this report are based on information compiled by Mr Simon Taylor, a member of the Australian Institute of Mining and Metallurgy. He is a non executive director of the Company and has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Taylor has consented to the inclusion in this release of the matters based on his information in the form and context in which it appears.