



27 August 2007

## ASX ANNOUNCEMENT

### **Chesser Resources Signs Option Agreement to Earn 70% of Advanced Bulk-Tonnage Gold Property in Turkey**

#### **Highlights**

- 22 drillholes to date on property, 17 with significant gold intersections
- Best intersection to date 30.4 metres at 3.83 grams per tonne gold
- Large footprint alteration and soil gold anomaly, with only small portion drilled
- Drilling currently under way on property

**Chesser Resources Limited (ASX:CHZ) is pleased to announce that it has taken a significant step forward in its strategy to develop a high quality portfolio of advanced gold projects with strong existing mineralisation and clear bulk-tonnage potential.**

The Company has entered into an option agreement with Eurasian Minerals Ltd (TSX-V:EMX) to earn up to a 70% interest in its Sisorta Property in North-Central Turkey.

The Sisorta property is a volcanic-hosted high sulphidation epithermal project, in which drilling to date has demonstrated the existence of a significant body of near-surface oxide gold mineralisation with surface chip-channel sample fire assay grades of up to 14 grams per tonne gold reported by Eurasian Minerals. The project has a large footprint of outcropping mineralisation and anomalous soil geochemistry, only a small portion of which has been drilled.

Mineralisation on the Sisorta project is associated with a 2500m by 800m northwest-trending topographic high. The 22 drillholes carried out to date have shown the clear existence of a large zone of high grade oxide gold mineralisation which remains open to the northwest and southeast. Significant drill results to date from the project include:

- **30.4 metres at 3.83 grams per tonne gold** from drillhole Sis-5 starting at surface, including **22.0 metres at 5.00 grams per tonne gold**
- **60.5 metres at 1.49 grams per tonne gold** from drillhole ES-9 starting at a depth of 1.3 metres, including **20.0 metres at 3.28 grams per tonne gold**
- **27.9 metres at 3.00 grams per tonne gold from drillhole ES-3 starting from surface, including 20.8 metres at 3.79 grams per tonne gold**
- **52.4 metres at 1.58 grams per tonne gold from drillhole Sis-2 starting from surface, including 19.5 metres at 2.64 grams per tonne gold**

Surface mapping, soils and rockchip sampling have also highlighted the existence of a large (950m by 700m) area of silica alteration with little drilling which contains strong indications in soils and rockchip sampling of a large subhorizontal zone of near-surface oxide gold

mineralisation with good potential for additional mineralisation. The large alteration system on the property also contains a number of other significant gold-in-soil anomalies which have not been tested by previous surface mapping and drilling.

A drill program is currently under way on the project, and under the option agreement Chesser Resources will take over as project operator once the formal agreement is signed. Chesser has also agreed to reimburse Eurasian Minerals for all drill program costs incurred from the date of signing of the option agreement.

“Chesser’s strategy is to acquire gold opportunities which have known mineralisation with desirable style and grade; are ready for rapid advancement though drilling; and show clear large bulk-tonnage potential,” said Dr Rick Valenta, Chesser’s Managing Director. “The Sisorta Project fits all these criteria, and the project is well-placed to advance rapidly to a potentially significant resource”.

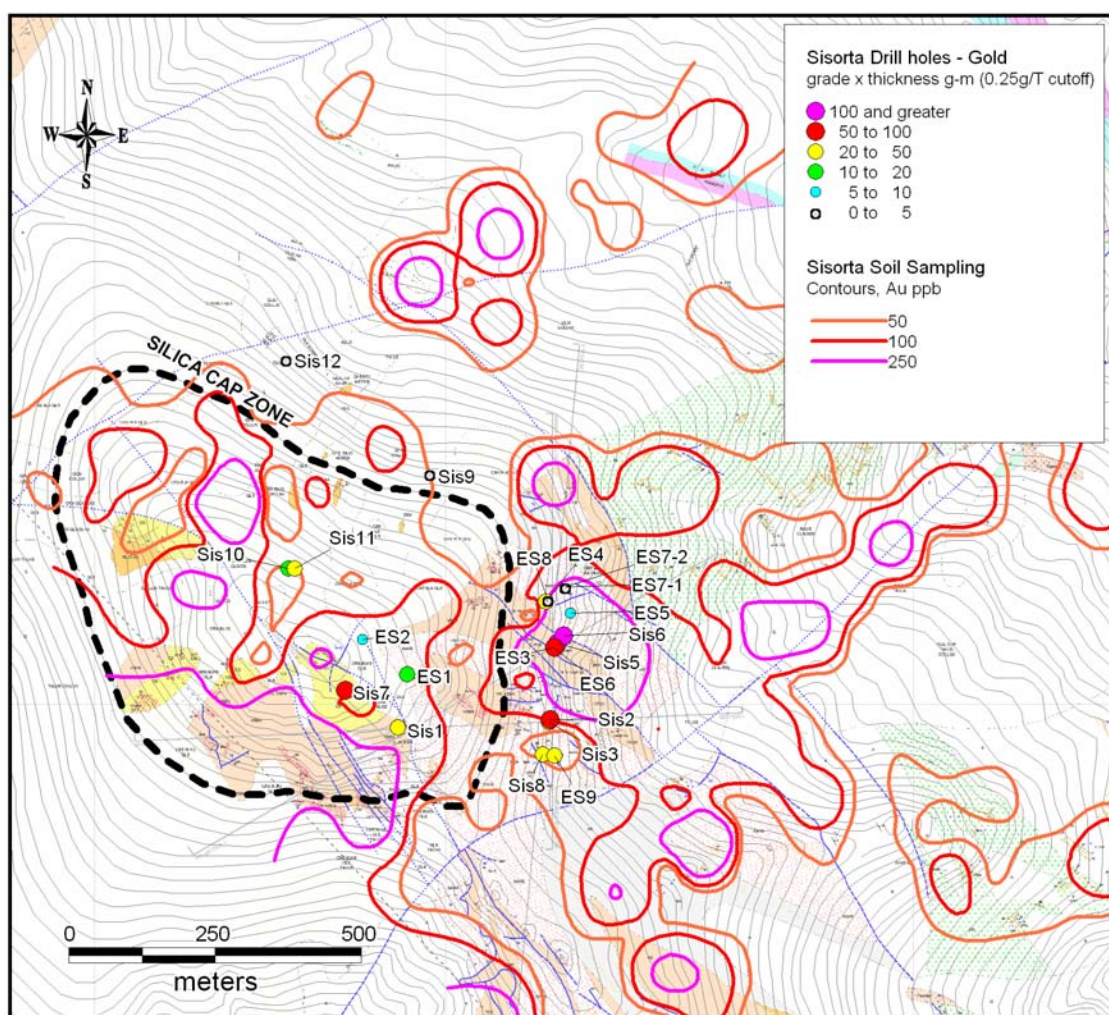


Figure 1. Drill holes and contours of soil sampling results from Sisorta, superimposed on geology and topography. Grade-thickness values are calculated based on the aggregate grade-thickness product of all intersections above a 0.25 gram per tonne gold cutoff in each hole. Soil contours are derived from a regular grid of soil samples with an average spacing of 70 metres

The property was discovered and explored by Maden Tetkik ve Arama ("MTA"), Turkey's General Directorate of Mineral Research and Exploration, between 1995 and 1998. The property was subsequently acquired by Eurasian Minerals as part of a competitive auction process concluded in January, 2004.

Previous drill results include:

HoleID	From	To	Interval (m)	Gold(g/t)	Easting	Northing	Elevation	Az/Dip	Total Depth
Sis-1	0.0	54.5	<b>54.5</b>	<b>0.47</b>	418317	4477960	2125	260/50	219.0
Sis-2	0.0	52.4	<b>52.4</b>	<b>1.58</b>	418578	4477973	1986	10/50	101.8
Including	10.2	29.7	<b>19.5</b>	<b>2.64</b>					
Sis-3	0.0	36.1	<b>36.1</b>	<b>1.14</b>	418576	4477970	1986	240/45	139.3
Sis-4	24.0	66.6	<b>39.4</b>	<b>0.73</b>	418227	4478023	2185	205/50	66.6
Including	24.0	31.9	<b>7.9</b>	<b>1.41</b>					
Sis-5	0.0	30.4	<b>30.4</b>	<b>3.83</b>	418590	4478104	1986	240/45	159.5
Including	0.0	22.0	<b>22.0</b>	<b>5.00</b>					
Sis-6	0.0	23.6	<b>23.6</b>	<b>2.06</b>	418601	4478117	1988	120/65	135.3
Including	0.0	12.2	<b>12.2</b>	<b>3.55</b>					
Sis-6	34.1	76.1	<b>42.0</b>	<b>0.76</b>					
Including	57.2	68.3	<b>11.1</b>	<b>1.53</b>					
Sis-6	85.4	118.7	<b>33.3</b>	<b>0.65</b>					
Sis-7	21.6	99.4	<b>76.9</b>	<b>0.78</b>	418227	4478023	2185	205/60	111.3
Including	82.3	90.3	<b>8.0</b>	<b>1.43</b>					
Sis-8	1.2	25.7	<b>24.5</b>	<b>0.94</b>	418565	4477913	1995	240/60	32.4
Including	5.7	13.2	<b>7.5</b>	<b>1.65</b>					
Sis-9	No significant intervals				418372	4478394	2025	230/45	277.8
Sis-10	2.6	36.3	<b>33.7</b>	<b>0.47</b>	418130	4478232	2158	230/43	60.8
Sis-11	0.0	10.1	<b>10.1</b>	<b>0.34</b>	418141	4478232	2159	230/55	99.7
	17.1	41.1	<b>24.0</b>	<b>0.48</b>					
	56.6	64.6	<b>8.0</b>	<b>0.49</b>					
Sis-12	No significant intervals				418125	4478588	1989	230/45	81.8
ES-1	No significant intervals				418333	4478051	2150	222/60	276.4
ES-2	No significant intervals				418257	4478111	2175	222/60	224.3
ES-3	0.0	27.9	<b>27.9</b>	<b>3.00</b>	418585	4478097	1987	42/60	155.2
Including	0.0	20.8	<b>20.8</b>	<b>3.79</b>					
ES-3	36.9	44.7	<b>7.9</b>	<b>0.39</b>					
ES-4	4.4	49.1	<b>44.7</b>	<b>1.14</b>	418571	4478175	2012	222/60	227.0
Including	4.4	13.9	<b>9.5</b>	<b>2.02</b>					
ES-5	1.0	15.5	<b>14.5</b>	<b>0.63</b>	418612	4478155	1981	0/90	88.9
ES-6	0.0	26.4	<b>26.4</b>	<b>1.77</b>	418584	4478096	1987	42/80	102.1
Including	0.0	12.7	<b>12.7</b>	<b>3.27</b>					
ES-7/1	No significant intervals				418603	4478200	1988	0/90	90.7
ES-7/2	0.8	14.3	<b>13.5</b>	<b>0.32</b>	418604	4478200	1987	42/60	115.0
ES-8	0.0	15.2	<b>15.2</b>	<b>0.92</b>	418574	4478178	2009	312/55	74.7
ES-9	1.3	61.8	<b>60.5</b>	<b>1.49</b>	418585	4477912	1988	60/60	115.1
Including	1.3	21.3	<b>20.0</b>	<b>3.28</b>					

Table 1. Selected drill results from Sisorta. Composites reported are based on a cutoff of 0.25 grams per tonne gold and a minimum intersection of 5 metres.

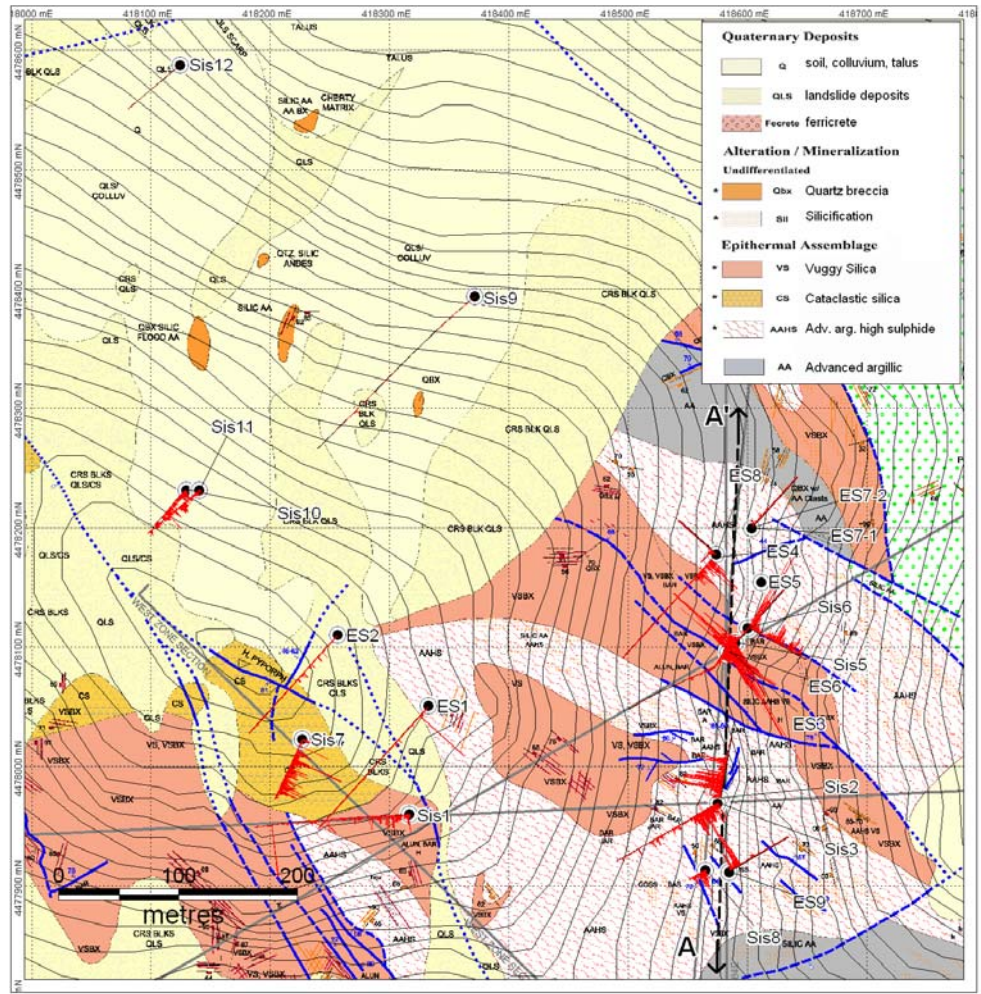


Figure 2. Plan view path plot of drill holes over geology, with histograms indicating gold grade. Histogram scale – 1 gram per tonne gold is equal to 10 metres at scale of diagram. The line A-A' refers to the location of the cross section shown in figure 3.

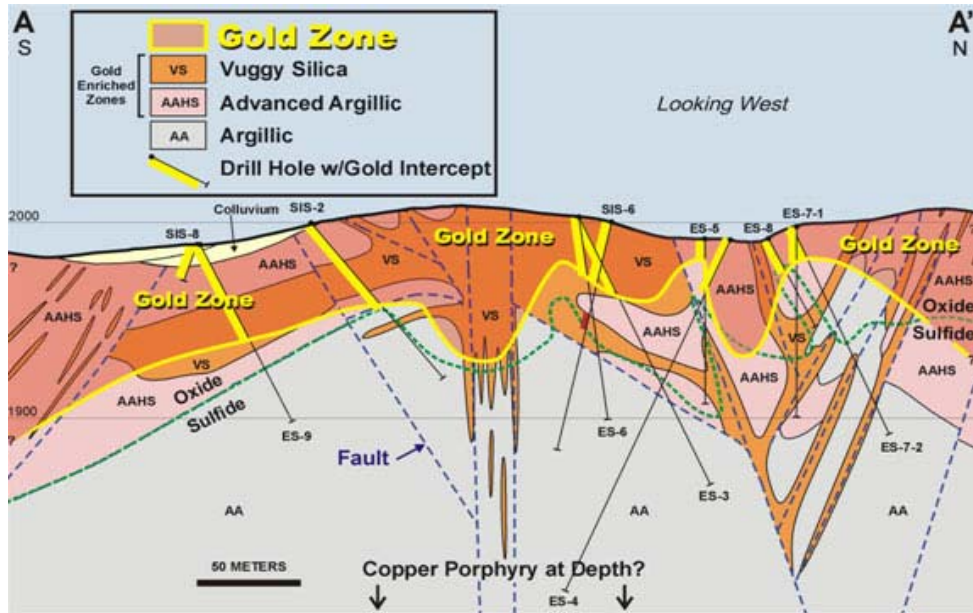


Figure 3. Cross section through high grade gold zone as interpreted by Eurasian Minerals.

Chesser Resources has entered into a 35 day due diligence period during which it has the exclusive option to negotiate a definitive option agreement for the Sisorta property. Under the proposed option agreement, Chesser Resources must issue 500,000 shares and pay \$USD100,000 on signing of the definitive agreement. To earn 51% of the project, Chesser Resources must spend \$USD4 million over three years, with a firm year one commitment of \$USD750,000. Chesser Resources will also issue an additional 1 million shares and pay \$USD100,000 on the first anniversary, and will issue an additional 1.5 million shares and pay \$USD100,000 on the second anniversary. Chesser Resources can earn a 70% interest in the project by sole funding an exploration to delivery of a Bankable Feasibility Study over the subsequent 5 years, with yearly cash payments of \$USD100,000. Once ownership is vested in the project, each partner must contribute or dilute. Should a partner dilute to 10%, their ownership is converted into a 3% NSR, which can be reduced to a 2% NSR through payment of \$USD 1,500,000 by the non-diluting partner.

Chesser Resources Ltd is an ASX-listed Exploration company with a portfolio of gold, copper and nickel properties in South Australia. The company is committed to advancing its existing portfolio while continuing to seek new advanced opportunities.

## CHESSER RESOURCES LTD

All queries to be directed to Dr Rick Valenta on (07) 3369 4000 or 0448 110 765.

*The exploration data and results contained in this report are based on information reviewed by Dr Rick Valenta, a member of the Australian Institute of Mining and Metallurgy. He is Managing 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). Dr Valenta has consented to the inclusion in this release of the matters based on his information in the form and context in which it appears.*

*Sample results reported for holes drilled by Eurasian Minerals (holes Sis-1 to Sis-12) were reported by Eurasian to have been analysed as follows: "The samples were submitted to the ISO 9002 certified ALS Chemex laboratories in Izmir, Turkey for sample preparation and Vancouver, Canada for assay analysis: gold was analyzed by fire assay with an AAS or ICP finish. As standard procedure, the Company (Eurasian) conducts routine QA/QC analysis on all assay results, including the systematic utilization of certified reference materials, blanks, field duplicates, and umpire laboratory check assays." Sample results reported for MTA Holes (ES 1 to ES-9) are based on re-analysis by Eurasian of MTA samples pulps, which were treated as follows: "As part of the Company's (Eurasian's) technical due diligence assessment, drill sample pulps were acquired from MTA and submitted to ALS Chemex for re-analysis by one assay ton fire assay to determine a "total" gold content. A total of 907 out of 1,142 original MTA sample pulps (79.4%) were located and re-assayed (no pulps were recovered for holes ES-5 or ES-7/1). Of these 907 samples, 97 samples that originally reported greater than or equal to 0.30 g/t gold had an average grade of 1.410 g/t gold as reported by atomic absorption analysis. The Company's (Eurasian's) fire assay re-analysis yielded an average grade of 1.822 g/t gold, representing a 29.2 percent increase in the mean grade for significant gold intervals with available pulp material." Composites reported are based on a cutoff of 0.25 grams per tonne gold and a minimum intersection of 5 metres.*