



4 November 2009

News Release 0910-03

ASX ANNOUNCEMENT

Update on Kestanelik High Grade Epithermal Gold Project 1,000 Metre Drilling Program Planned

Highlights

- Operating licenses have now been received for the Kestanelik high grade epithermal gold project and Title to the licenses has been transferred to Chesser's Turkish subsidiary.
- Drill permit applications to be finalized by the 10th of November, with permits expected 3-4 weeks following submission of applications
- Planned program of 1,000 metres of drilling in approximately 15 holes, aimed at testing the subsurface extent of existing high grade gold intersections in surface chip channels and shallow drillholes.
- Historical chip channel sampling returned **4.5 metres at 31.48 g/t gold** and **6.1 metres at 20.23 g/t gold** from the K3 vein, **7.7 metres at 23.4 g/t gold** from the K2 vein and **8 metres at 10.75 g/t gold** from the K1 vein.

Chesser Resources Limited (ASX:CHZ) is pleased to provide an update on project permitting and planning for the Kestanelik high grade epithermal gold project in Turkey.

"We are excited to finally begin work on the Kestanelik project, which has a number of excellent drill-ready targets for high grade epithermal gold mineralization," said Dr Rick Valenta, Managing Director of Chesser Resources Ltd. "We are now in a position where we can make concrete plans to begin drilling at Kestanelik in the 4th quarter of 2009. Our first phase of work is aimed at drilling to confirm the existence of bonanza-grade near-surface epithermal gold mineralization, as well as tracing the veins out under cover using geophysics."

After the receipt of operating licenses for the Kestanelik project, the licenses have now been transferred into the name of Chesser Arama ve Madencilik - Chesser's Turkish subsidiary. The completion of these tasks allows the company to submit drill permit applications for the 1000 metre drill program planned for the 4th quarter of 2009.

The company plans to drill approximately 15 holes, focusing on areas where historical surface chip channel sampling and shallow drilling have returned high gold grades over significant intervals. Sites for proposed drilling include:

- The K3 vein, which is exposed over a strike length of 520 metres, where drilling is planned to test for extensions under existing chip channel samples of **4.5 metres at 31.48 g/t Au**, **6.1 metres at 20.23 g/t Au**, **6.5 metres at 8.68 g/t Au** and **6 metres at 6.56 g/t Au** and existing historical drill intersections of **8 metres at 6.08 g/t Au (drillhole SS-05)** and **5.6 metres at 10.20 g/t Au (drillhole SS-06)** ;
- The K2 vein, which is exposed over a strike length of 100 metres, where drilling is planned to test for extensions under a chip channel sample of **7.7 metres at 23.4 g/t Au**; and
- The K1 vein, which is exposed over a strike length of 235 metres, where drilling is planned to test for extensions under a chip channel sample of **8 metres at 10.75 g/t Au**, and an existing drill intersection of **8.5 metres at 3.47 g/t Au (drillhole SS-08)** including **3 metres at 6.64g/t Au**.

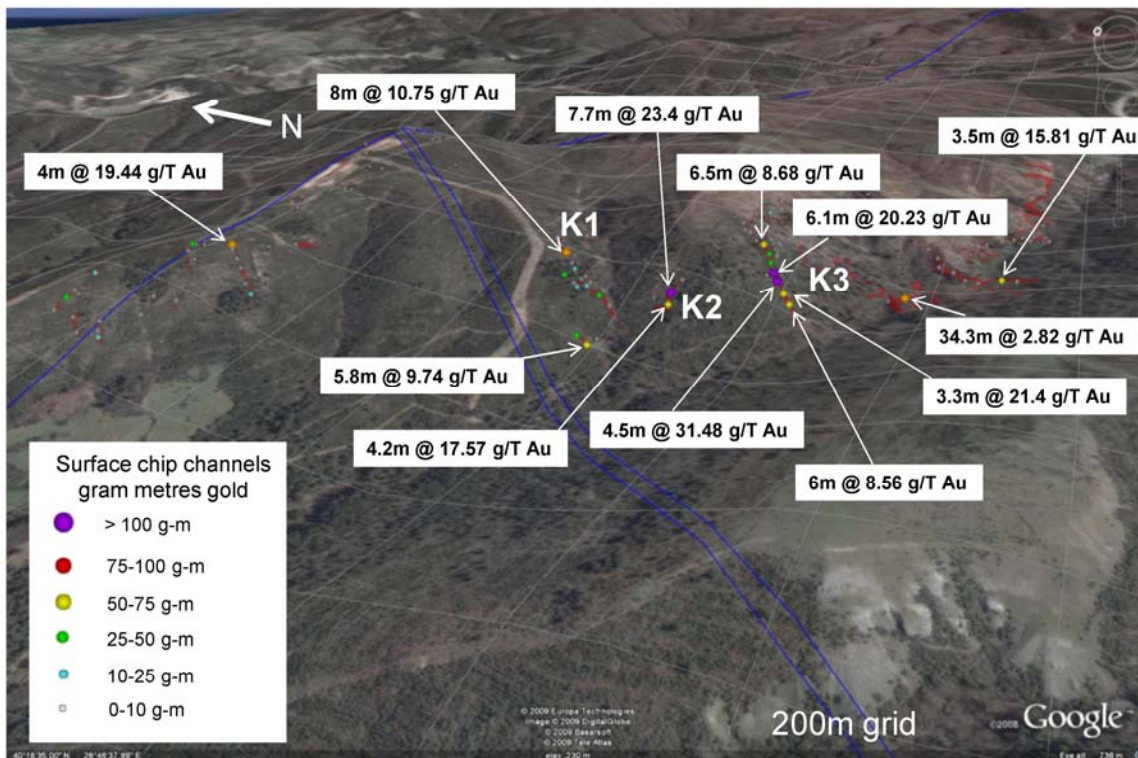


Figure 1. Chip channel results and vein locations at the Kestanelik project. Oblique view looking northwest.

A program of IP Resistivity surveying will be carried out concurrently with the drilling, with the aim of defining the position of covered extensions of the proposed vein system. This will provide further constraints for the larger drill program planned to begin in the 1st quarter of 2010.

Chesser Resources Ltd is an ASX-listed Exploration company with a focus on the acquisition and exploration of discovery-stage gold projects. The company is committed to advancing its existing portfolio while continuing to seek new advanced opportunities.

CHESSER RESOURCES LTD

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The exploration data and results contained in this report are based on information reviewed by Dr Rick Valenta, a Fellow 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.

DRILL_HOLE	NORTH	EAST	AZIMUTH	DIP	DEPTH
SS-05	4461870	481735	155	-30	8.00
SS-06	4461830	481660	150	-30	6.40
SS-08	4462127	481587	135	-30	10.60

Table 1. Location details of drillholes referred to in this announcement