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News Release 0910-04

ASX ANNOUNCEMENT

Update on Kestanelik High Grade Epithermal Gold Project Drill permits received and drilling to begin early February

Highlights

- Permits have now been received for all proposed drill sites for the planned drill program at Kestanelik comprising 1200 metres of reverse circulation drilling in 17 holes
- Drill rig now expected to arrive in the first week of February
- Geophysical survey now under way, with encouraging initial results

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 very pleased to have received our drill permits for the Kestanelik project,” said Dr Rick Valenta, Managing Director of Chesser Resources Ltd. “The unexpected delay in arrival of the drill rig due to a prior contract is a frustration, but we have been given a strong assurance from the contractor that the drill rig will be on site to commence drilling in the first week of February”.

The company plans to drill approximately 17 holes as part of the first phase program, 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 **4.5metres at 31.48 g/t Au**, **6.1metres at 29.23 g/t Au** and **6 metres at 8.56 g/t Au** and an existing historical drill intersection of **5.6 metres at 10.20 g/t Au**;
- 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 **8.5metres at 3.47 g/t Au** including **3metres at 6.64g/t Au**.
- The KARAKOVAN- W vein, which is exposed for approximately 200m along a NNE-SSW trend where drilling is planned to test for the extensions under a chip channel sample of **4 metres at 19.44 g/t Au** and a historic drill intersection of **4 metres at 14.58g/t Au**.

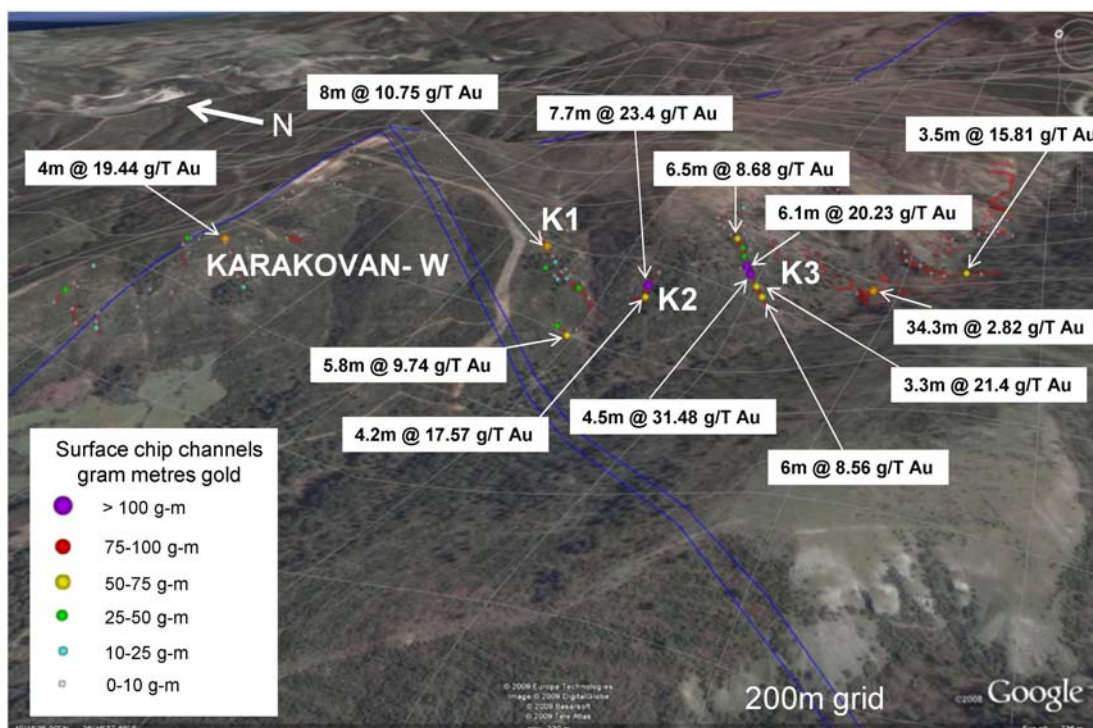


Figure 1. Oblique view of Kestanelik project looking to the northeast, with vein locations and gram-metre surface chip channel sampling results.

A program of Gradient Array IP Resistivity surveying has commenced on the Kestanelik property, with the aim of defining the position of covered extensions of the proposed vein system. The preliminary results of this work have been encouraging, with indications that the vein systems do continue under cover. The geophysics will provide further constraints for the larger drill program planned to begin in the second 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
ŞC-07	4462560	481609	360	-65	127.10
ŞC-08	4462565	481708	360	-65	111.90
ŞC-09	4462507	481863	350	-75	117.65
ŞC-10	4462538	481368	320	-50	139.90
ŞC-11	4462537	481368	320	-80	117.65
ŞC-13	4462595	481507	360	-60	74.30
ŞC-14	4462573	481608	360	-50	69.80
ŞC-15	4462590	481705	360	-45	42.80
ŞC-16	4462593	481706	360	-70	74.30
ŞC-17	4462685	481987	340	-50	72.80
ŞS-01	4462618	481300	312	-40	7.50
ŞS-02	4462577	481333	305	-40	4.20
ŞS-03	4462540	481301	300	-30	12.20
ŞS-04	4462493	481263	300	-30	9.20
ŞS-05	4461870	481735	155	-30	8.00
ŞS-06	4461830	481660	150	-30	6.40
ŞS-07	4461845	481747	355	-40	56.40
ŞS-08	4462127	481587	135	-30	10.60
ŞS-09	4461659	481737	125	-45	23.40
ŞS-10	4462002	481419	115	-60	18.30
ŞS-11	4462009	481402	130	75	15.30
ŞS-12	4462004	481402	180	60	40.40
ŞS-13	4462004	481402	180	45	49.30
ŞS-14	4461978	481990	180	55	32.30
ŞS-15	4461978	481988	180	45	42.30
ŞS-16	4461959	481988	180	70	54.50
ŞS-17	4462606	481305	310	65	23.60
ŞS-18	4462607	481305	310	60	35.60
ŞS-19	4462586	481264	310	60	33.30
ŞS-20	4462658	481116	360	60	42.30

Table 1. Existing drillhole locations for the Kestanelik project

Table 2 (following page). Summary results for existing drillholes

HOLE NAME	TYPE	DEPTH	FROM	TO	INTERVAL	Au g/t
§S-01	RCH	7.50	0.00	7.50	7.5	2.48
§S-02	RCH	4.00	0.00	4.00	4	14.58
§S-03	RCH	12.20	0.00	7.20	7.2	1.29
§S-04	RCH	9.20	0.00	3.20	3.2	1.83
§S-05	RCH	8.00	0.00	8.00	8	6.08
incl			0.00	3.00	3	12.83
§S-06	RCH	6.40	0.80	6.40	5.6	10.20
§S-07	RCH	50.40	16.40	20.40	4	0.17
§S-08	RCH	10.50	0.00	8.50	8.5	3.47
§S-09	RCH	23.40	0.00	10.40	10.4	0.65
incl			7.40	10.40	3	1.26
And			18.40	22.40	4	1.39
§S-10	RCH	18.30	0.00	18.30	18.3	0.90
incl			0.00	4.30	4.3	2.48
§S-11	RCH	15.30	0.00	13.30	13.3	1.21
incl			0.00	4.30	4.3	2.90
§S-12	RCH	39.40	28.40	39.40	11.4	1.20
incl			28.40	33.40	5	2.09
§S-13	RCH	49.30	21.30	39.30	18	2.87
incl			21.30	27.30	6	5.85
§S-14	RCH	32.15	3.15	11.15	8	0.65
§S-15	RCH	42.30	21.30	31.30	10	0.25
§S-16	RCH	54.50	43.50	51.50	8	0.84
incl			47.50	51.50	4	1.15
§S-17	RCH	23.60	0.00	23.60	23.6	2.33
incl			10.60	23.60	13	3.79
incl			10.60	14.60	4	5.18
incl			19.60	23.60	4	5.79
§S-18	RCH	35.60	8.60	24.60	16	2.14
incl			8.60	11.60	3	2.34
incl			18.60	24.60	6	3.85
§S-19	RCH	33.30	5.30	15.30	10	1.13
§S-20	RCH	42.30	3.30	25.30	22	1.09
incl			10.30	16.30	6	2.38
§C-07	DH	99.23	33.50	38.40	4.9	2.17
And			46.10	51.20	3.65	0.70
And			76.00	83.70	7.7	0.93
§C-08	DH	92.04	63.90	67.15	3.25	0.42
And			74.98	83.00	8.02	0.50
§C-09	DH	117.65	73.15	80.46	7.31	0.24
And			96.95	103.00	6.05	0.26
§C-10	DH	139.59	17.05	22.25	5.2	0.53
And			34.13	41.14	7.01	0.92
incl			34.13	38.10	3.97	1.27
And			55.80	66.40	10.6	0.83
incl			63.05	66.40	3.35	2.03
§C-11	DH	90.20	17.67	22.55	4.88	3.00
And			47.54	50.59	3.05	1.95
§C-13	DH	62.30	5.00	28.90	23.4	0.56
incl			5.00	9.50	4.5	1.13
§C-14	DH	63.80	24.80	33.80	9	0.99
And			44.30	52.20	9.9	1.66
§C-16	DH	74.80	48.80	67.80	19	1.07
incl			48.80	55.80	7	1.68
§C-17	DH	68.40	3.80	11.50	7.7	0.45