

ASX Code: CHZ

Company Information

Capital Structure	Sept 2010
Shares on Issue	108.3 M
Options (unlisted)	<u>10.1 M</u>
Fully Diluted	118.4 M
Market Cap.	\$41M
Cash	\$8.6 M
Debt	Nil
Enterprise Value	\$32.8 M

Company Directors & Management

Stephen Evans	Chairman
Rick Valenta	Managing Director
Simon O'Loughlin	Non-Exec Director
Simon Taylor	Non-Exec Director
Creagh O'Connor	Non-Exec Director
Kerry Angel	Company Secretary
Cem Yuceer	Exploration Manager

Top Shareholders

- Management
 - Geologic Resource Partners
 - Baker Steel
 - Gryphon Partners
- Top 40 ≈ 52%

Company Highlights

Chesser is an Australian-based exploration company, exploring for gold and base metals in Turkey. The Kestanelik epithermal gold project, 10 km from the Dardanelles in NW Turkey, has high-grade gold mineralisation. Karaayi is being explored for a porphyry-style gold-copper mineralisation. Sisorta in NE Turkey has 303Koz Au resource (91Koz Indicated & 212K oz Inferred).



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CHZ1011-03

Drilling Resumes at Kestanelik 10,000 metre Program Targeting High-Grade Epithermal Veins

- An extensive 10,000 metre drill program has commenced.
- Drilling program will initially test previously undrilled targets with strong surface sampling results (K2 vein: 7.7m @ 23.4 g/t Au) and also step-outs from previous high-grade drill intercepts.

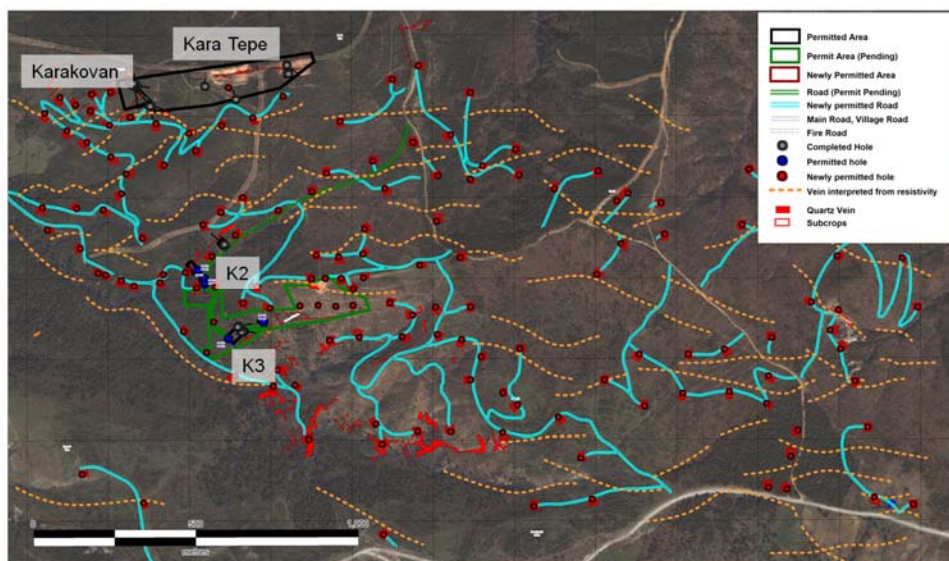
Exploration Drilling Program

Chesser Resources Limited (ASX:CHZ) (Chesser) is pleased to announce that drilling has commenced at the Kestanelik property in NW Turkey.

The current program will initially focus on step-outs from existing high-grade intersections on the Karakovan and K3 veins, as well drill testing of previously untested areas of strong surface gold results such as the K2 vein.

Initially, drilling will be mainly focused on the first 100 metres below surface, except in areas such as Kara Tepe, where existing drill results and vein textures suggest that good grades are likely to be at greater depths (up to 200 metres). Follow-up drilling of strong results in other areas may also extend to depths of 200 metres or more.

Drilling will also take place on new veins detected from the geophysics, once they have been prioritised through surface follow-up and geochemical sampling. Chesser is using two drill rigs for the program, which is anticipated to consist of approximately 80 holes of mixed Reverse Circulation and Diamond drilling. The program is anticipated to last at least until the end of October 2010.



Plan showing location of veins, drill sites and access tracks, Kestanelik.

“This is an exciting program as previous drilling has shown the presence of high-grade gold over widths and depths sufficient to support both open-cut and underground mining at Kestanelik” said Rick Valenta, Managing Director of Chesser. He added “We know that the high-grade gold continues to depths of at least 50 metres and that we are at the top of the precious-metals-zone of a low-sulphidation epithermal gold system so we are confident that there is good potential for the system to continue at depth. We also know from the more than 21km of veins in the system that Kestanelik is a large, mostly untested system, which is capable of hosting a major gold deposit. We are excited that now we have the necessary government permits, the drill rigs, the technical team and the funding, we can set about really testing the Kestanelik property over the next few months. The Kestanelik property has the real potential to be a ‘Company maker’.”

About Chesser Resources Limited

Chesser is an Australian-based ASX-listed exploration company (ASX: CHZ), exploring for gold and base metals in Turkey. The Company is currently conducting an aggressive, but focused, exploration program on its Kestanelik epithermal gold project. The Kestanelik property is situated in western Turkey, some 10 kilometres southeast of the Dardanelles, and enjoys good access together with excellent infrastructure. It hosts low sulphidation epithermal quartz veining with identified high-grade gold mineralisation and bonanza grades. The Company is also pursuing exploration programs at the Karaayi property on a porphyry-style stockwork system prospective for gold-copper mineralisation and has declared a 303,000 oz gold resource (91,000 oz Indicated and 212,000 oz Inferred) on its Sisorta project in north-eastern Turkey. The Board and management of Chesser, backed by the Company’s major shareholders, are committed to unlocking value from this highly prospective portfolio of projects and the Company is committed to advancing its existing portfolio while continuing to seek new advanced opportunities.

Further information is available at: www.chesserresources.com.au

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. It should be noted that the abovementioned exploration results are preliminary.

The information in this report that relates to in-situ Mineral Resources is based on information compiled by Mr. Gary Giroux of Giroux Consultants Ltd. Mr. Giroux is the competent person for the Sisorta resource estimate and takes overall responsibility for it. He is a Member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia (a "Recognised Overseas Professional Organisation" under the JORC code) and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a "Competent Person" as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code) and has the appropriate relevant qualifications, experience and independence to qualify as a "Qualified Person" under National Instrument 43-101 - "Standards of Disclosure for Mineral Projects" (NI 43-101). Mr. Giroux consents to the inclusion of such information in this Report in the form and context in which it appears.

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