

ASX Announcement & Media Release

3rd December 2010



chesser
resources limited

ASX Code: CHZ

Company Information

Capital Structure	Sept 2010
Shares on Issue	108.3 M
Options (unlisted)	10.1 M
Fully Diluted	118.4 M
Market Cap.	\$106M
Cash	\$7 M
Debt	Nil
Enterprise Value	\$99 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
Gryphon Partners
Geologic Resource Partners
Baker Steel
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).



ABN 14 118 619 042

96 Stephens Road
South Brisbane. Q. 4101
Australia

Telephone +61 7 3844 0613
info@chesserresources.com.au
www.chesserresources.com.au

K3 Vein returns Additional Broad High Grade Gold at Kestanelik Gold Project, Turkey

Diamond drill hole KED-22 intersects a 19 metre-wide zone of high grade gold mineralisation separated by historical underground workings comprising:

- **5.5 metres at 11.0 g/t gold**, then 2.2 metres of underground workings
 - **2.8 metres at 13.4 g/t gold** then 1.4 metres underground workings and
 - **7.1 metres at 8.6 g/t gold**
- Also on the K3 vein a deeper intersection (below KED-22) returns **12 metres at 4.2 g/t gold** including **6.1 metres at 7.7 g/t gold**.
- Drilling has also intersected significant gold values in the K2 vein and in two previously untested scout drill targets.
- Results now received from a further 7 diamond drill holes.
- 59 holes now complete for approximately 6,487 metres of drilling (2,832m RC and 3,655m Diamond) with results now received from 56 holes.

Chesser Resources Limited (**ASX:CHZ**) (**Chesser**) is pleased to announce the receipt of further positive assay results from its Phase 3 drill program (10,000 metre) at the Kestanelik Project, in NW Turkey.

The Company has now received results from a further 7 diamond holes that have further tested the K3 and K2 veins as well as early stage scout geophysical and geochemical targets. .

The standout results have been multiple high-grade gold zones intersected at the K3 vein extending known mineralisation further to the southwest and remaining open along strike.

“We have continued to expand the size of the high grade zone from the K3 vein, this time with a broad and near surface high grade zone in KED-22.” said Rick Valenta, Managing Director of Chesser. “We are continuing to concentrate our efforts on expanding the K3 zone as, significantly, the potentially ore-grade mineralisation is still open in both directions - along strike as well as down dip. The scout drilling on some of our geophysical targets has also been very encouraging as we are continuing to intersect significant widths of gold-bearing vein material. Some additional holes in the Phase 3 drilling program will now be directed towards following-up on some of these very encouraging intercepts.”

Exploration Drilling Program

Diamond drilling has continued to focus on the K3 vein whilst limited drilling has also further tested the K2 veins and previously untested scout targets comprising both geophysical and gold-in-soil geochemical targets.

K3 Vein

On the K3 vein, drilling has continued to add pierce points along the vein. Three additional holes are reported as part of the current release. Of these, KED-22 returned the most significant result, intersecting a 19 metre-wide zone comprising three high grade gold intervals separated by cavities interpreted to be underground workings (see Table 1 for details). Drillholes KED-22 and 23 represent further 50 metre stepouts to the southwest from previous drilling on the K3 vein, and the vein remains open to the southwest, northeast and at depth.

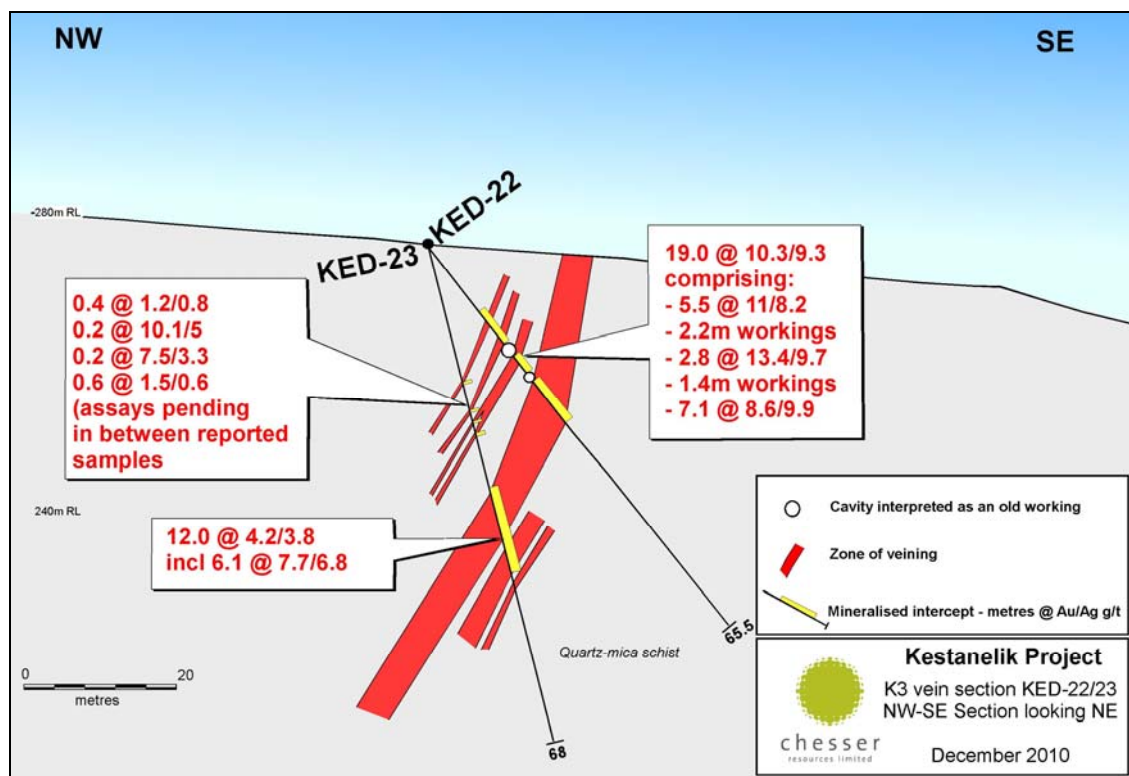


Figure 1. NW-SE Cross section through K3 vein. See Figure 3 for section location. The broader interval displayed for KED-22 assumes that the workings have gold and silver grades equivalent to the average grade of the surrounding assayed interval

K2 Vein

One additional drillhole was completed on the K2 vein. Drillhole KED-25 was drilled approximately 30 metres to the northeast of drillhole KED-04 and intersected 2.3 metres at 2.7 g/t gold from surface as well as 3.4 metres at 2.6 g/t gold from a depth of 30.5 metres. Additional drilling is planned on the K2 vein as part of the current program.

Kara Tepe Drilling

Results were received from one additional deep hole drilled under the Kara Tepe vein to the northeast of the Karakovan zone (Figure 3, grid reference C-1 and D-1). KED-21 returned a 4 metre interval of anomalous gold and silver, and gold: silver ratios and vein textures suggest that it may be necessary to drill deeper on this zone.

Scout RC Drilling

Scout drilling of previously untested geophysical anomalies in holes KED-24 and KED-26 returned significant widths of anomalous gold (see Table 1) associated with epithermal vein intervals. This provides encouragement for continued drilling of these targets.

Significant results for the drillholes using a lower cut off of weighted average 1g/t gold are shown in Table 1 below:

Hole	from	to	width	Au	Ag	Max_Au	m-g	Location ref fig 3	Vein		
KED-20	13.5	21.0	7.5	1.1	0.7	2.4	8.6	C-4	K3		
AND	22.5	31.5	9.0	2.1	1.1	5.9	19.1				
including	27.0	29.2	2.2	4.8	2.4	5.9	10.7				
AND	69.0	70.5	1.5	3.8	1.2	3.8	5.7				
AND	93.7	95.0	1.3	1.1	1.5	1.1	1.4				
KED-21	80.5	84.5	4.0	1.0	1.0	1.3	3.9	D-1	Kara Tepe		
KED-22	11.5	17.0	5.5	11.0	8.2	35.0	60.3	C-4	K3		
including	13.2	17.0	3.8	15.1	11.7	35.0	57.6				
including	15.9	17.0	1.1	35.0	31.1	35.0	38.5				
AND	17.0	19.2	2.2	<i>Intersected workings</i>							
AND	19.2	22.0	2.8	13.4	9.7	27.4	37.5				
including	19.2	20.5	1.3	27.4	19.9	27.4	35.6				
AND	22.0	23.4	1.4	<i>Intersected workings</i>							
AND	23.4	30.5	7.1	8.6	9.9	18.6	61.1				
including	23.5	26.6	3.1	14.7	16.5	18.1	45.4				
KED-23	18.4	18.8	0.4	1.2	0.8	1.2	0.5			C-4	
AND	22.5	22.7	0.2	10.1	5.0	10.1	2.0				
AND	24.0	24.2	0.2	7.5	3.3	7.5	1.5				
AND	25.5	26.1	0.6	1.5	0.6	1.5	0.9				
AND	33.0	45.0	12.0	4.2	3.8	40.7	50.3				
including	34.2	40.3	6.1	7.7	6.8	40.7	47.1				
including	35.1	36.0	0.9	40.7	26.6	40.7	36.6				
KED-24	133.7	138.5	4.8	0.7	0.9	1.5	3.1	C-2	Scout		
KED-25	0.0	2.3	2.3	2.7	1.3	3.2	6.1	C-4	K2		
including	0.0	1.4	1.4	3.2	1.5	3.2	4.4				
AND	30.5	33.9	3.4	2.6	2.3	5.4	8.9				
including	31.5	33.9	2.4	3.3	2.9	5.4	8.0				
including	31.5	32.5	1.0	5.4	4.3	5.4	5.4	C-3	Scout		
KED-26	5.0	6.0	1.0	1.3	0.2	1.3	1.3				
AND	42.0	47.4	5.4	1.2	2.5	3.6	6.6				
AND	49.3	49.9	0.6	1.4	3.9	1.4	0.8				

Table 1. Significant drilling results from the current release for the 2010 Kestanelik drill program. Location reference refers to grid location on Figure 3. Estimated true widths are approximately 70 - 90% of the drilled interval.

As of 1st December 59 holes have now been completed for approximately 6,487 metres of drilling (2,832m RC and 3,655m Diamond) with results now received from 56 holes. The locations of drillholes completed to date are shown in Figure 3.

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.

For further details please contact:

Rick Valenta Tel: (+61 7) 3844 0613
 David Sasson Tel: (+61) (0)411 468 966 (FIRSt)

mail: info@chesserresources.com.au

Or visit our Website at: www.chesserresources.com.au

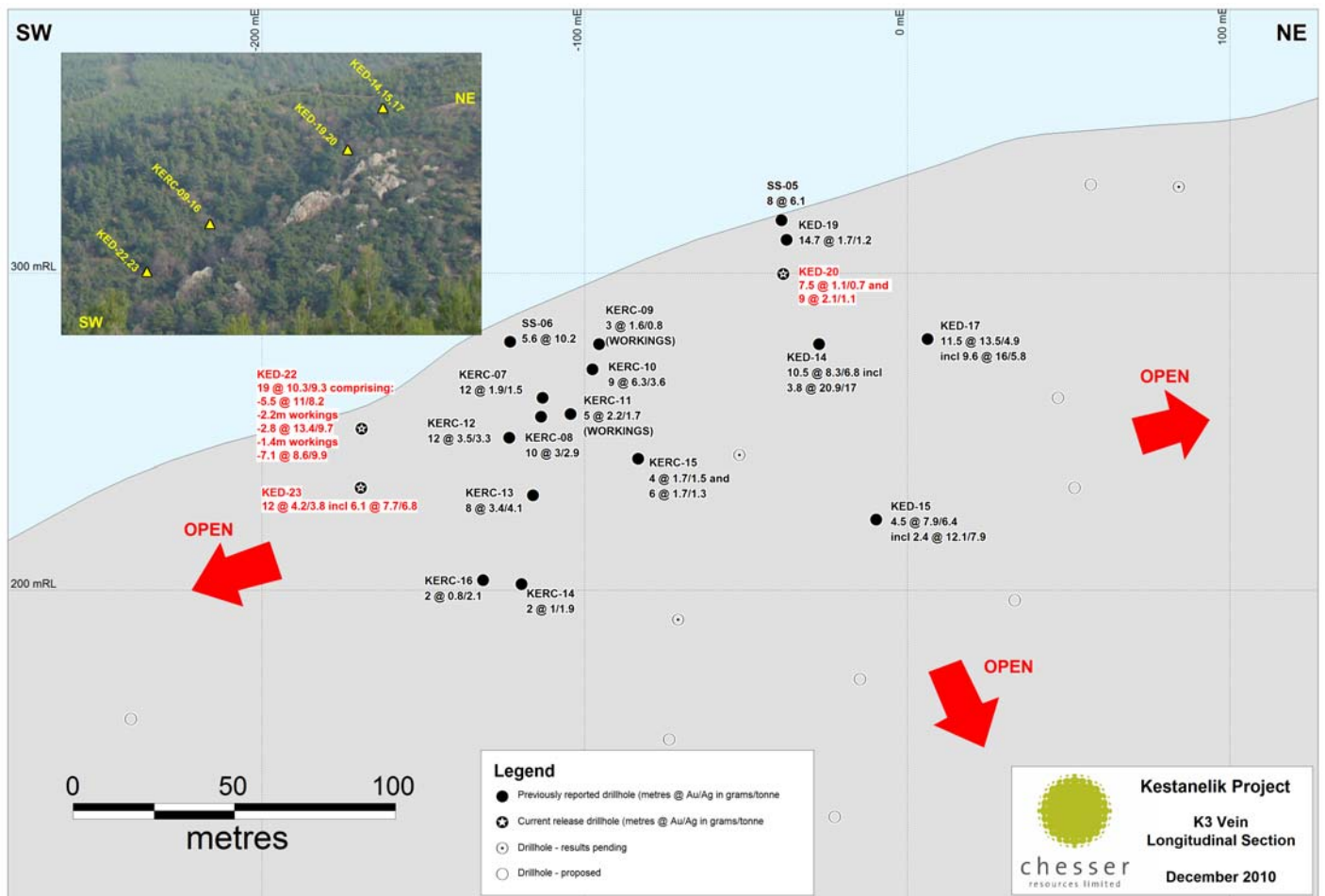


Figure 2. Vertical longitudinal projection along the K3 vein. See Figure 3 for section location. The broader interval displayed for KED-22 assumes that the workings have gold and silver grades equivalent to the average grade of the surrounding assayed interval

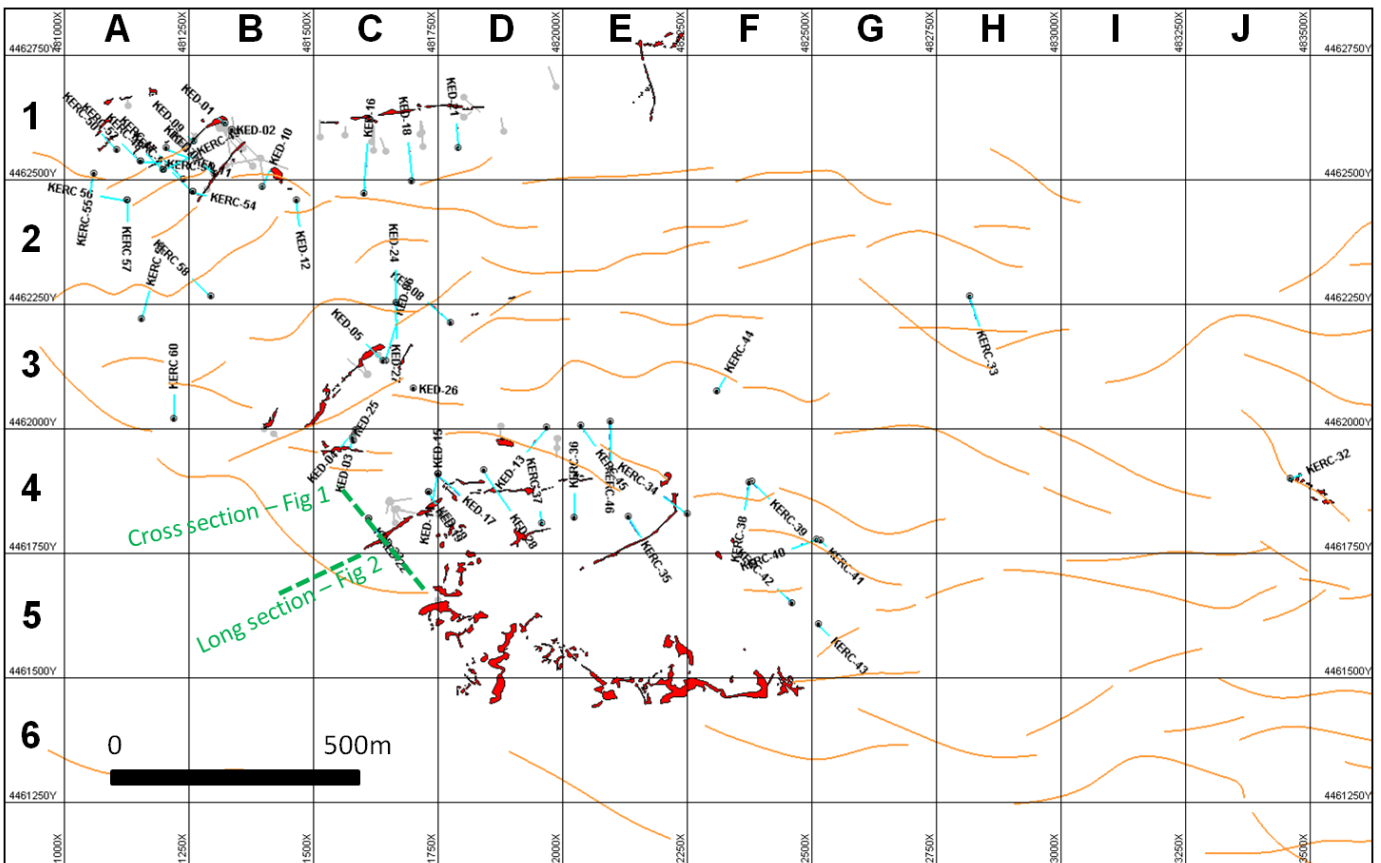


Figure 3. Location map for completed drillholes. Figure 3 also shows locations of sections in Figures 1 and 2.

DRILL_HOLE	EAST	NORTH	RL	AZIMUTH	DIP	Depth
KED-20	481730	4461872	328	150	-73	110
KED-21	481791	4462563	380	360	-60	110.5
KED-22	481610	4461818	267	150	-52	65.5
KED-23	481610	4461818	267	150	-75	68
KED-24	481666	4462252	340	360	-60	149
KED-25	481600	4461997	299	0	-90	114
KED-26	481700	4462080	320	0	-90	164

Table 2. Drill location data for drillholes reported in this announcement.