

ASX Announcement & Media Release

23rd March 2011



chesser
resources limited

ASX Code: CHZ

Company Information

Capital Structure	Mar 2011
Shares on Issue	111.2 M
Options (unlisted)	8.1 M
Fully Diluted	119.3 M
Market Cap.	\$94M
Cash	\$5 M
Debt	Nil
Enterprise Value	\$91 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).



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High grade gold at depth on the K3 vein Further shallow high grade gold on K2 vein Kestanelik, Turkey

K3 Vein

- **2.7 metres at 15.1 g/t gold** as part of a broader intercept of **13.2 metres at 3.5 g/t Au** from **166.6 metres** in hole KED-40
- **Drilling extends depth extent of high grade gold mineralisation – deepest high grade intercept to date**
- **Vein remains open at depth**

K2 Vein

- **11 metres at 8.3 g/t Au from surface**, including
- **7 metres at 12.7 g/t Au from 1 metre** in hole KEM-03
- **10.9 metres at 3.76 g/t Au from surface** in hole KED-42

Additional near-surface vein and stockwork gold returned from a number of significant intercepts separate from but adjacent to, previously identified vein zones, including:

- **5.6 metres at 5.9 g/t Au from 3 metres** in hole KED-37
- **17.5 metres at 1.0 g/t Au from 5.5 metres** in hole KED-36
- **Significant widths of veining and stockwork in scout holes, along with gold-bearing intercepts.**

“These results clearly show that good grade mineralisation continues to depth within the veins at Kestanelik, and the geology of the veins suggests that we are still high in the system,” said Rick Valenta, Managing Director of Chesser. “We have the drill permits required to continue drilling our high priority stepouts, and have additional drill rigs reserved for the larger, Phase 4, program scheduled to begin in May. We are already advanced in our planning for this program that will continue to drill extensions on the known veins, test the additional strong near-surface targets which are not yet drilled, and also drill the deeper targets which have been developed by our team. This Project is very exciting, as over 80% of the veins that we have identified so far have received no systematic drilling. We really have barely scratched the surface at Kestanelik,” he added.

Chesser Resources Limited (ASX:CHZ) (Chesser) is pleased to announce the receipt of further positive assay results from its Phase 3 drill program at the Kestanelik Project, in NW Turkey. Results have now been received from a further 7 diamond drill holes and 3 reverse circulation drill holes.

Exploration Drilling Program

Diamond drilling continued to focus on the K2 and K3 veins, whilst RC drilling results are reported from untested scout targets; comprising both geophysical and gold-in-soil geochemical targets.

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

The standout results have been a deep high grade intercept on the K3 vein, high grade intercepts on the K2 vein, and several broader near-surface gold intercepts in stockwork.

K3 Vein

On the K3 vein, seven additional holes have been drilled to test the likely directions of the previously identified high grade shoot. Deeper drilling has successfully extended the depth of high grade mineralisation on the K3 vein, with an intercept of 2.7 metres of 15.09 g/t gold in drillhole KED-40. While a number of deeper holes intercepted vein with lower gold grades, the deeper drillholes are widely spaced and do not close off the interpreted high grade shoot. The veins encountered in the deepest holes (eg KED-41) still display textures typical of high levels of the system, providing encouragement to drill deeper.

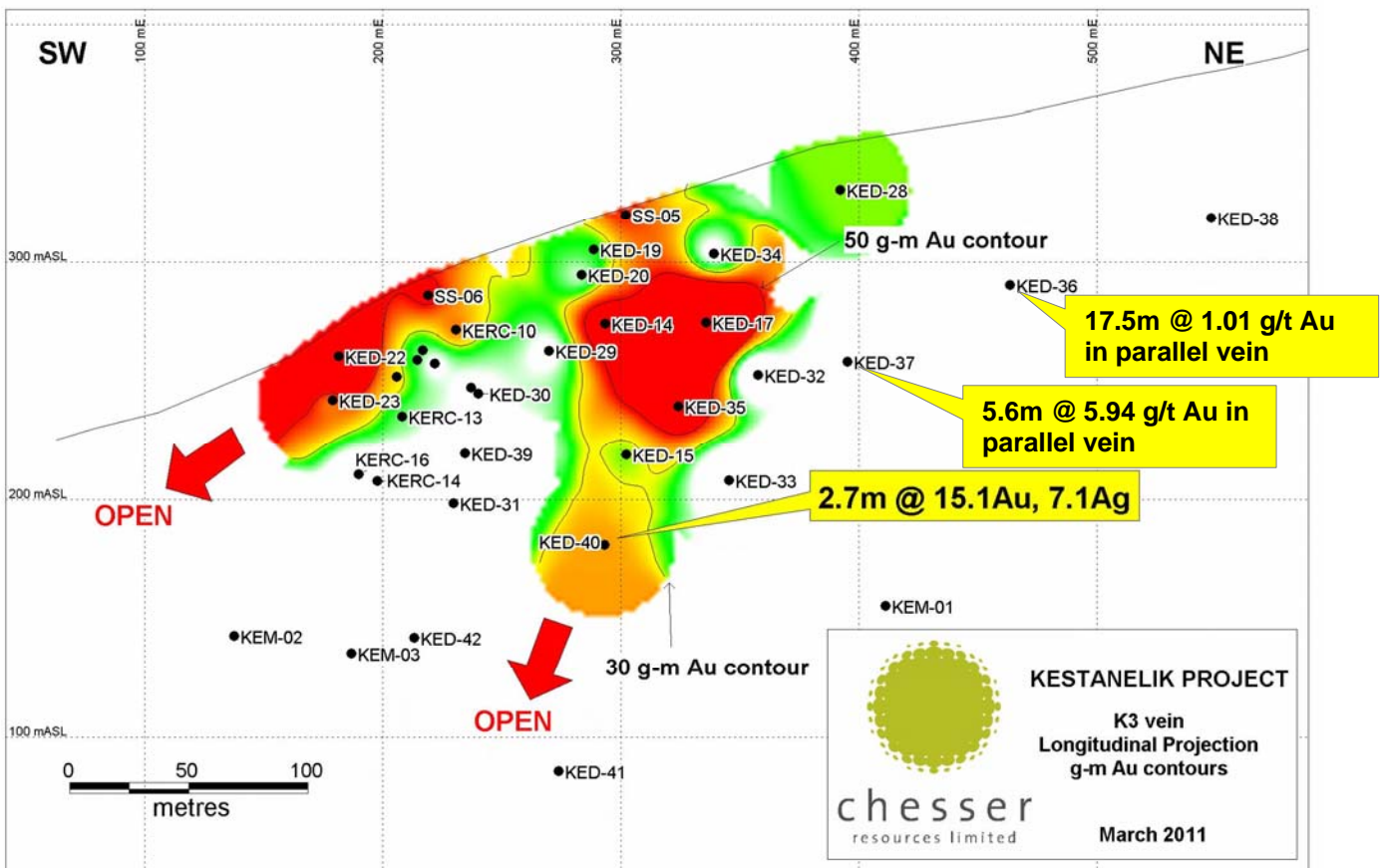


Figure 1. Vertical longitudinal projection along the K3 vein.

Scout RC Drilling

Additional results have been received for scout drillholes, with significant low grade intercepts in holes KERC-72 and KERC-73 (Table 1). Both holes intercepted veining and stockwork in areas where gradient array geophysical surveys had suggested the presence of veining. Of the 28 holes drilled to date on the property, to test for zones of veining interpreted from the Gradient Array and Pole-Dipole IP surveys, twenty-two holes have so far returned significant intercepts of veining and or stockwork.

Significant results for the drillholes, using a lower cut off of weighted average 1g/t gold, are shown in Table 1. The locations of drillholes completed to date are shown in Figure 2.

Karaayi

Preparations are also continuing for a planned drill program on Chesser's Karaayi project, where the company intends to carry out a 2,000 metre drill program in April. The Karaayi property is part of a large mineralised region that includes the Kirazli deposit (1.3 m oz gold) of Alamos Gold. Karaayi is also immediately to the west of the Teck/Fronteer TV Tower JV property, where Fronteer Gold recently announced drill intercepts of 136.2 metres at 4.26 g/t gold; 24.2 metres at 16.33 g/t gold; and 108 metres at 0.91 g/t gold. Chesser has a number of porphyry stockwork and high sulphidation gold targets on the Karaayi property which will be tested as part of this upcoming program. Further details of this planned program will be released shortly.

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.

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Drill No	From (m)	To (m)	Interval (m)	Avg. Au (ppm)	Avg. Ag (ppm)	Max Au (ppm)	m-g	Location ref fig 2	Vein
KED-36	0.00	46.80	46.80	0.58	0.84	2.45	27.3	D-4	K3 - HW
including	5.50	23.00	17.50	1.01	1.38	2.45	17.7		
including	8.50	15.90	7.40	1.50	2.22	2.45	11.1		
including	13.00	14.80	1.80	2.30	2.65	2.45	4.1		
including	19.90	23.00	3.10	1.18	1.18	2.43	3.7		
including	20.75	21.70	0.95	2.43	1.20	2.43	2.3		
including	27.30	29.80	2.50	0.99	1.64	1.44	2.5		
including	28.70	29.80	1.10	1.44	0.80	1.44	1.6		
KED-36	120.70	121.40	0.70	1.25	2.50	1.25	0.9		K3
KED-37	0.00	41.50	41.50	1.08	1.88	9.62	44.8	D-4	K3 - HW
including	1.50	4.50	3.00	1.47	1.20	2.58	4.4		
including	3.00	8.60	5.60	5.94	4.22	9.60	33.3		
including	5.50	14.80	9.30	2.83	2.31	9.62	26.4		
including	6.50	8.60	2.10	8.62	5.73	9.62	18.1		
including	13.70	14.80	1.10	1.14	1.00	1.14	1.3		
including	22.40	23.40	1.00	1.52	0.90	1.52	1.5		
including	37.20	41.50	4.30	1.03	0.93	2.71	4.4		
including	38.30	40.40	2.10	1.71	1.48	2.71	3.6		
KED-38	73.40	74.30	0.90	1.08	2.90	1.08	1.0	D-4	KS
AND	76.10	77.00	0.90	1.38	8.60	1.38	1.2		
AND	78.10	79.10	1.00	1.07	2.70	1.07	1.1		
KED-39	117.00	118.70	1.70	0.98	2.90	0.98	1.7	C-4	K3
AND	136.10	136.60	0.50	1.47	2.30	1.47	0.7		
KED-40	121.20	122.20	1.00	1.20	0.60	1.20	1.2	C-4	K3
AND	160.10	179.80	19.70	2.57	2.15	20.10	50.6		
including	166.60	179.80	13.20	3.47	2.70	20.10	45.7		
including	168.80	170.50	1.70	1.17	3.00	1.17	2.0		
including	173.40	176.10	2.70	15.09	7.07	20.10	40.7		
including	173.40	175.60	2.20	17.27	8.09	20.10	38.0		
KED-41	264.40	266.20	1.80	1.43	0.85	1.50	2.6	C-4	K3-FW
KED-42	0.00	10.90	10.90	3.76	2.81	14.80	41.0	C-4	K2
including	0.00	4.60	4.60	4.06	3.11	8.18	18.7		
including	3.50	4.60	1.10	6.55	4.80	6.55	7.2		
including	5.60	9.40	3.80	5.43	3.59	14.80	20.6		
including	7.60	9.40	1.80	9.22	5.35	14.80	16.6		
AND	17.60	18.10	0.50	12.50	20.90	12.50	6.3		
AND	153.30	155.00	1.70	4.41	2.30	4.41	7.5		
AND	168.60	170.30	1.70	2.06	1.30	2.06	3.5		
KERC-72	7.00	21.00	14.00	0.71	0.64	3.84	9.9	E-3	SCOUT
including	19.00	20.00	1.00	3.84	2.30	3.84	3.8		
AND	100.00	101.00	1.00	2.51	1.90	2.51	2.5		
KEM-03	0.00	11.00	11.00	8.28	4.01	26.50	91.1	C-4	K2
including	1.00	8.00	7.00	12.70	6.03	26.50	88.9		
including	3.00	4.00	1.00	17.80	8.40	17.80	17.8		
including	7.00	8.00	1.00	26.50	9.90	26.50	26.5		
AND	54.00	55.00	1.00	3.01	1.60	3.01	3.0		
KERC-73	56.00	58.00	2.00	1.11	0.90	1.93	2.2	E-3	SCOUT

Table 1. Significant drilling results from the current release for the 2010-2011 Kestanelik drill program. Location reference refers to grid location on Figure 2. Estimated true widths are approximately 70 - 90% of the drilled interval.

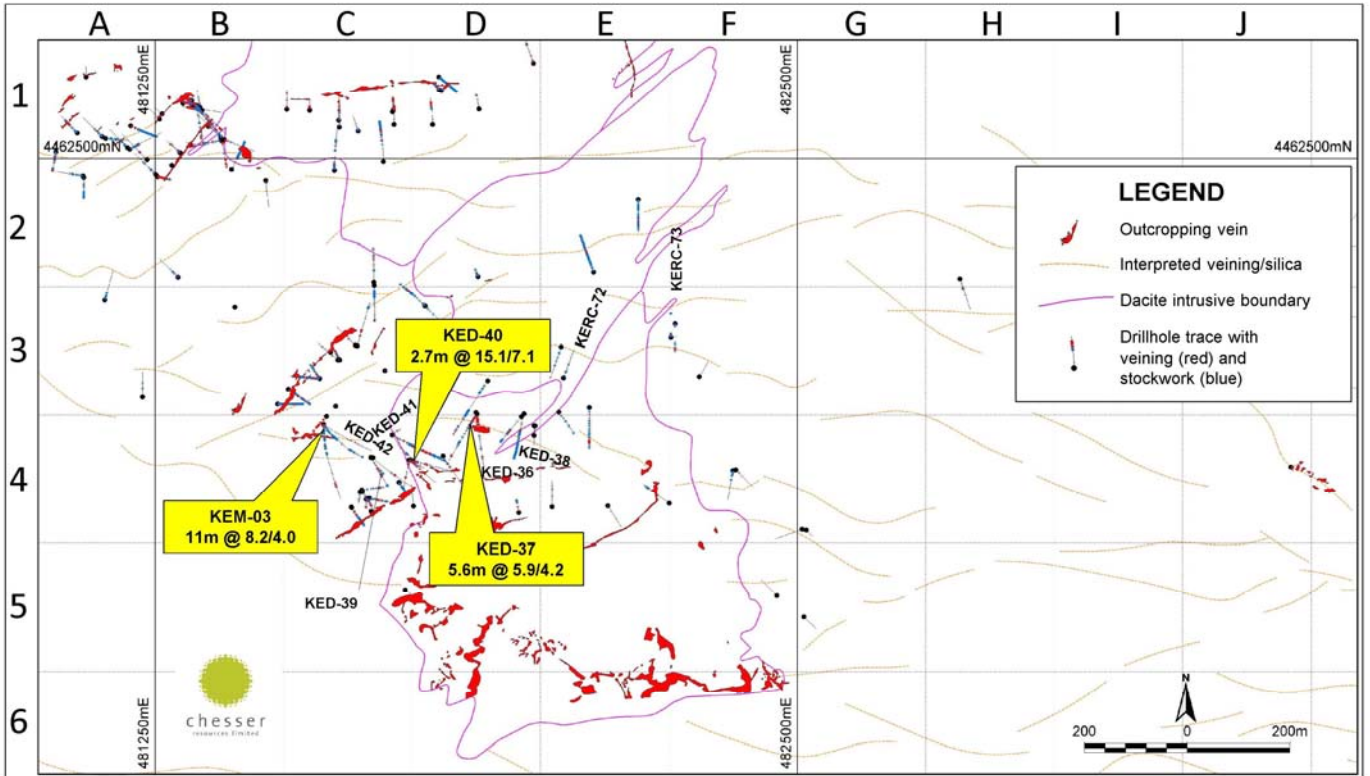


Figure 2. Location map for completed drillholes also shows locations of vertical longitudinal projection in Figure 1.

DRILL_HOLE	EAST	NORTH	RL	AZIMUTH	DIP	Depth
KED-36	481890	4461993	386	175	-45	160
KED-37	481890	4461991	386	215	-50	172
KED-38	481969	4461988	385	195	-65	209
KED-39	481679	4461912	329	150	-75	192
KED-40	481709	4461965	351	150	-75	255
KED-41	481709	4461965	350	0	-90	363
KED-42	481585	4461974	301	125	-65	291
KEM-03	481579	4461981	301	150	-60	259
KERC-72	482254	4462150	388	360	-60	112
KERC-73	482045	4462072	376	20	-60	120

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