

ASX Announcement & Media Release

28 September 2011



chesser
resources limited

ASX Code: CHZ

Company Information

| | |
|--------------------|----------|
| Capital Structure | Sep 2011 |
| Shares on Issue | 128.9 M |
| Options (unlisted) | 2.8 M |
| Fully Diluted | 131.7 M |
| Market Cap. | \$65 M |
| Cash | \$10 M |
| Debt | Nil |
| Enterprise Value | \$55 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

Drilling continues to expand mineralised zones at Kestanelik

- Assays now received for first eight drill holes of 30,000 metre drilling program
- Drillhole KED-45 has demonstrated the continuity to depth of the new zone intersected in KED-44, with a broad zone of gold-bearing veining and stockwork.
- Shallow RC drilling on the Meydan zone has intersected anomalous gold in two of the first three holes at shallow depths. Deeper diamond drilling now under way.
- Stepout drilling on the K3 vein has continued to extend the known gold shoots, including:
 - 11.5 metres at 2.7 g/t gold and 2.9 g/t silver from 164.0 metres, including **3.6 metres at 5.3 g/t gold and 7.3 g/t silver** from 169.0 metres in KED-46
- Newly obtained multi-element soil geochemical data has increased the extent of the Meydan zone and highlighted the strong gold anomalism in the eastern part of the exposed area, where there is currently very little drilling.
- The drill program is now well under way and regular release of results expected to be reported for the rest of the year

Exploration Drilling Program

Chesser Resources Limited (“Chesser”, ASX:CHZ) is pleased to announce additional drill results from the current 30,000 metre drill program being carried out at the Kestanelik project.

The Company has now received results for the first eight holes of the program. Additional results are reported from stepouts on the K1 vein and on the new high grade vein intersection reported in August 2011, as well as from the K3 vein and the Meydan zone.

“We are continuing to make good progress on the current drill program,” said Dr Rick Valenta, Managing Director of Chesser Resources. “Our first attempts to drill the Meydan zone have been challenged by drilling conditions, but drilling is now under way to test the zone more effectively with diamond drill holes. We are also happy to have received additional encouraging intersections from the K2 and K3 veins. We are still at the early stages of testing a large number of exciting targets on the property, and we are sufficiently encouraged that we expect to increase the number of rigs drilling on the property to five as quickly as we can.”

Drilling Results

K 1 vein

Additional results were received from drilling aimed at stepping out on KERC-66 (75m @ 2.3g/t Au from 18 metres, including 5m @ 26.5g/t Au at 68 metres), the previously announced high-grade intersection on the K1 vein. KED-45 was drilled under KED-44 (Figure 1) and returned a broad zone of anomalous gold running 52.4 metres at 0.8 g/t Au gold and 0.6 g/t silver from a depth of 92.6 metres, including 13.2 metres at 1.4 g/t gold and 0.6 g/t silver from 109.3 metres. The hole continued to test an interpreted step-out on the K1 vein, but the intersected zone of veining and stockwork returned relatively low gold and silver values. Additional drilling will be carried out in this area to test additional northeast, southwest and down-dip targets on both the K1 vein and the new vein intersected in KED-44 & KED-45.

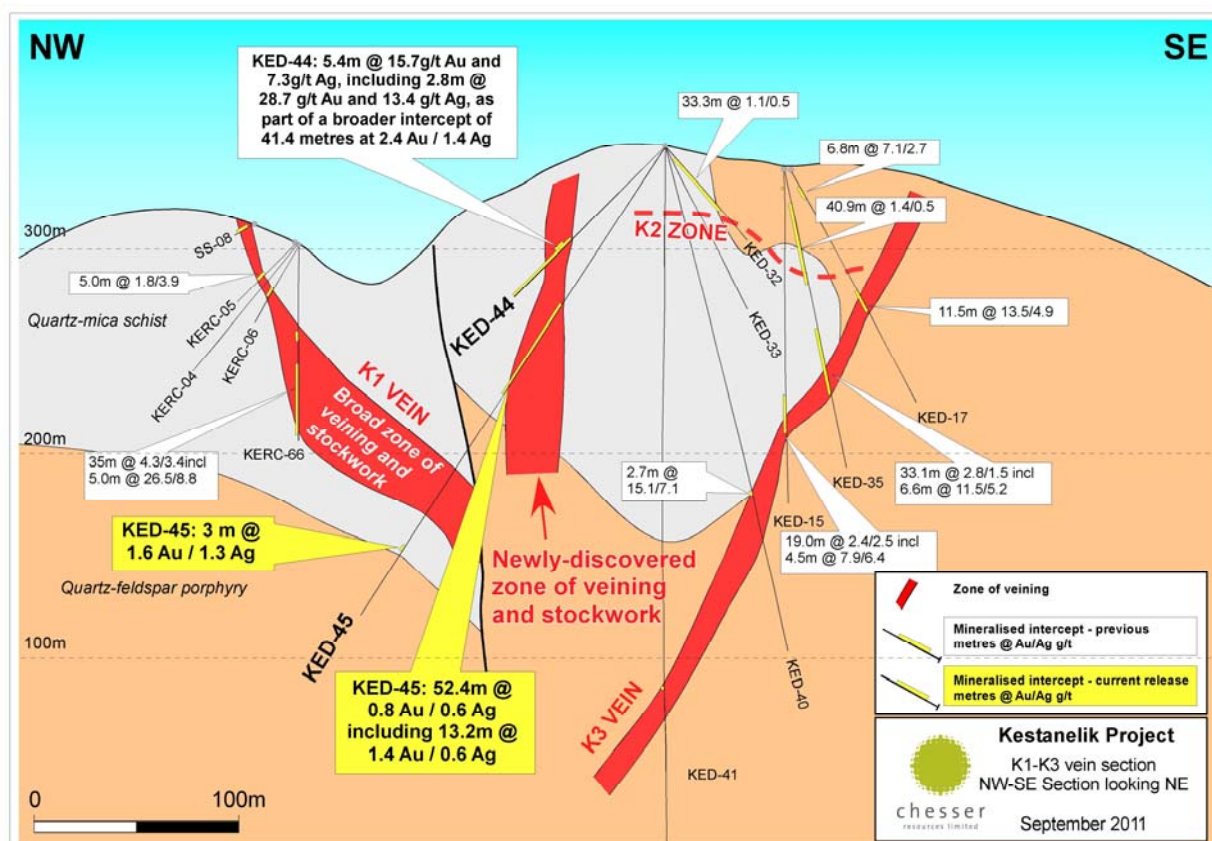


Figure 1. NW-SE section through the K1, K2 and K3 zones, showing the location of the newly discovered vein zone in KED-44. Section runs from C-3 (left) to E-6 (right) in Figure 3.

K3 Vein

Three additional holes were drilled in order to provide additional tests of the K3 vein, and additional drilling is planned to test more directly the interpreted shoot continuations in Figure 2. Results have been received from two holes, and the gold intercept in KED-46 of 11.5 metres at 2.7 g/t gold and 2.9 g/t silver from 164.0 metres, including 3.6 metres at 5.3 g/t gold and 7.3 g/t silver from 169.0 metres, provides encouragement for the continuation of the western mineralised shoot on the K3 vein.

Meydan Zone

Initial drill results were also received from reverse circulation holes on the Meydan zone. Of the eight drillholes attempted, five had to be abandoned prior to reaching their target depths due to excess groundwater pressure, poor recovery, or intersection of cavities. Assay results have been received so far from three drillholes, and two of these holes (KERC-75 and 76) have returned anomalous gold results associated with silicification and stockwork veining. Two attempted drillholes in the area of good surface high grade values (KERC-81 and KERC-81A) had to be abandoned prior to reaching target. The area is currently being re-tested with diamond drilling.

Multi-Element Soil Survey

Results have now also been received for a detailed multi-element soil survey over the main target area of Kestanelik. The survey has extended the anomalous target area for the Meydan zone by an additional 500 metres (Figure 3, H-7 to J-8), as well as highlighting strong gold anomalism on the eastern side of the quartz feldspar porphyry intrusive (Figure 3, G-7 to G-1), where very little drilling has taken place to date. The more detailed soil data have also highlighted additional areas of anomalous gold in the poorly-outcropping area further to the east.

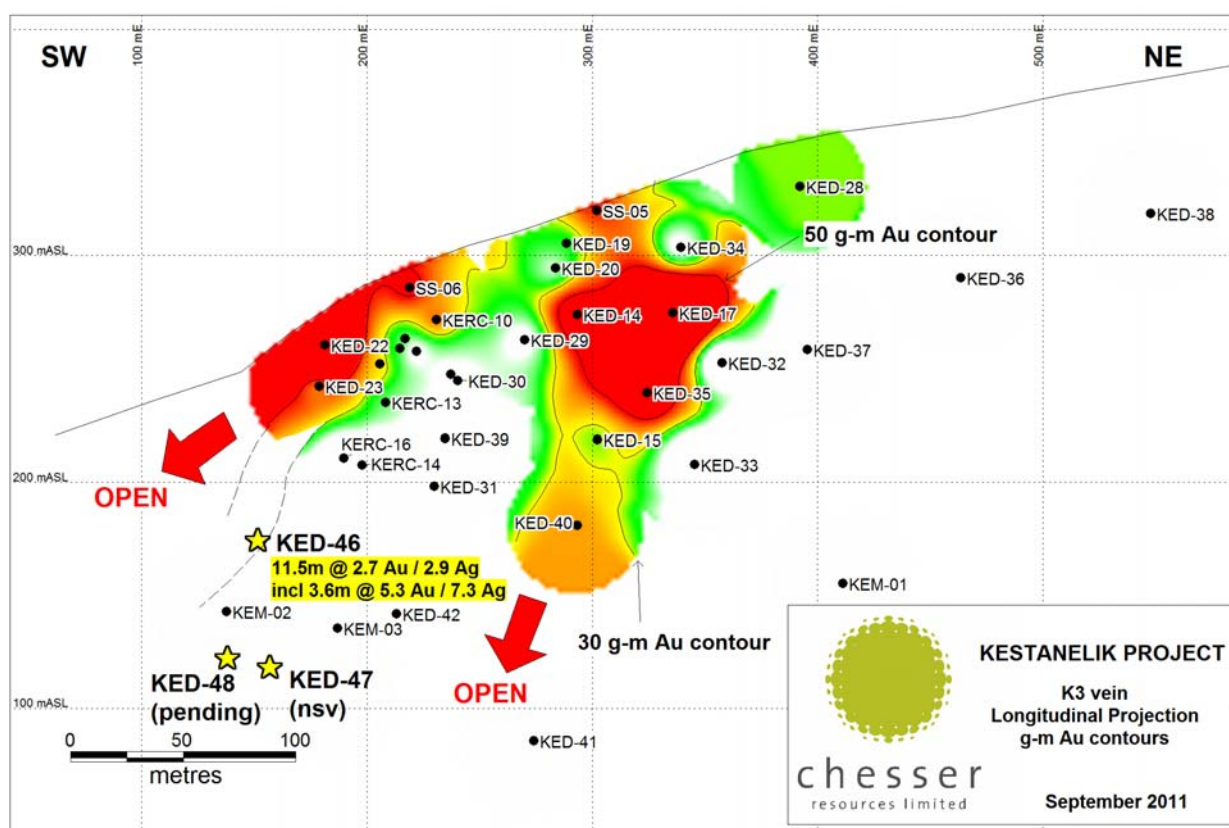


Figure 2. Updated longitudinal projection from the K3 vein, showing the new intercepts obtained in holes KED-46, KED-47 and KED-48. Section runs from C-6 (left) to E-5 (right) in Figure 3.

Drilling program

A program of 30,000 metres of RC and diamond drilling is under way on the seventy-seven quartz veins, which are known to extend over a twenty-two kilometre strike length, on the Kestanelik property. Drilling will expand the known zones of mineralisation that have been

identified on the six veins that have received meaningful drilling to date, including the higher-grade mineralised shoots identified on the K3 vein. A further twenty-seven quartz veins, which have a strike length of more than nine kilometers, are known to contain gold mineralisation, but as yet have had no drilling on them. Initial drill testing on these veins, which represent forty one percent of the identified strike length of veins on the property, will be carried out as part of the current program. An initial scout drill program will also test the remaining forty-three veins which to date have received no follow-up exploration work.

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 Company's flagship project, Kestanelik, 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

For further details please contact:

Rick Valenta Tel: (+61 7) 3844 0613

mail: info@chesserresources.com.au

David Sasson Tel: (+61) (0)411 468 966 (FIRSt)

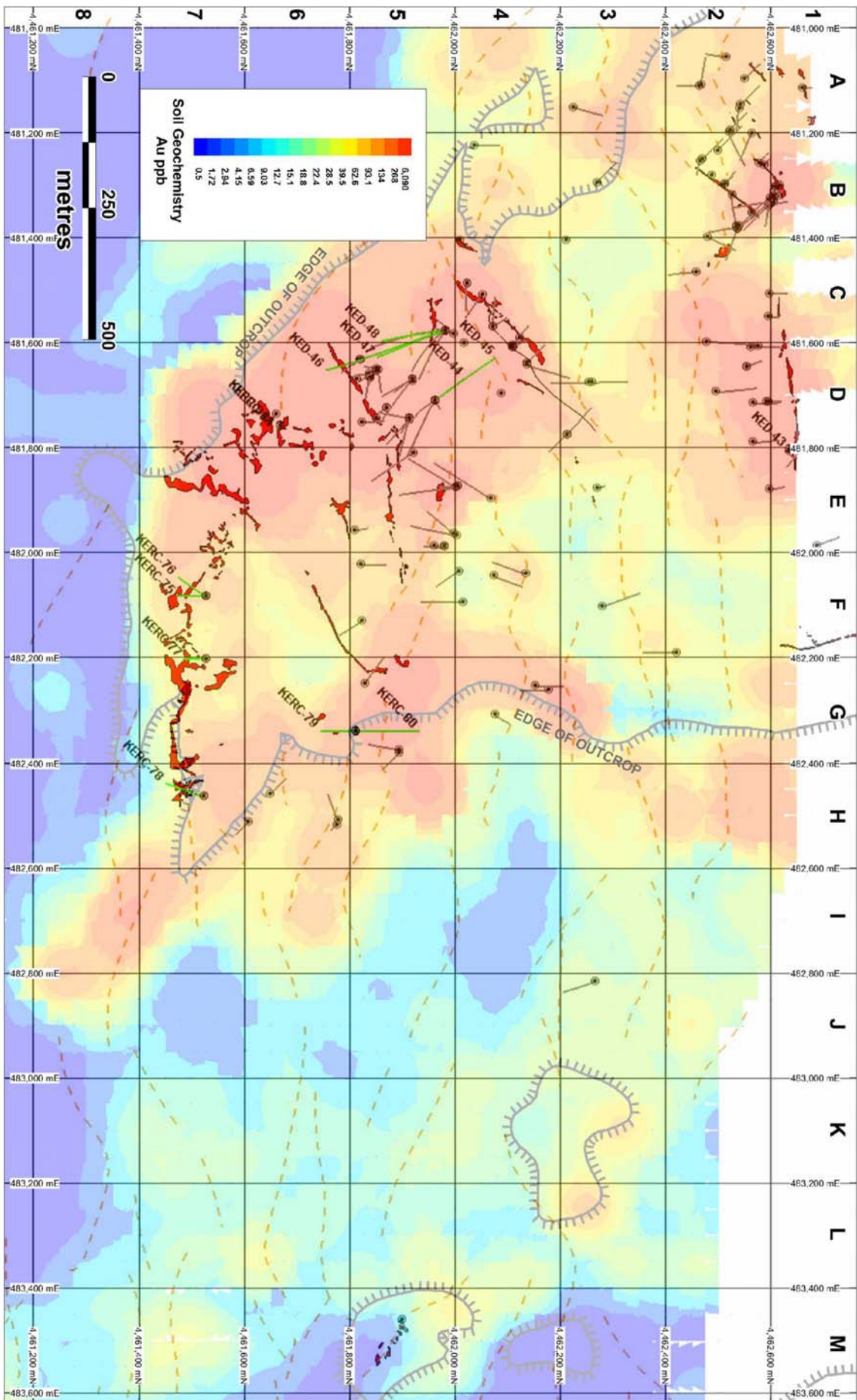


Figure 3. Map of Kestanelik area showing previous drillholes (grey) and current drillholes (green), superimposed over contours of gold in soils derived from the recently completed detailed soils geochemical survey. North is to the right of the diagram.

| 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-43 | 6.00 | 23.00 | 17.00 | 1.0 | 1.5 | 3.3 | 16.8 | D-1 | Karatepe | |
| <i>INCLUDING</i> | 18.50 | 21.50 | 3.00 | 2.6 | 3.3 | 3.3 | 7.9 | | Karatepe | |
| <i>INCLUDING</i> | 18.50 | 20.00 | 1.50 | 3.3 | 5.4 | 3.3 | 4.9 | | Karatepe | |
| AND | 44.00 | 47.00 | 3.00 | 0.5 | 0.3 | 0.7 | 1.6 | | Karatepe | |
| KED-44 | 64.60 | 106.00 | 41.40 | 2.4 | 1.4 | 49.7 | 101.0 | D-5 | Unnamed | |
| <i>INCLUDING</i> | 64.60 | 66.60 | 2.00 | 1.1 | 0.7 | 1.1 | 2.3 | | Unnamed | |
| <i>INCLUDING</i> | 68.60 | 74.00 | 5.40 | 15.7 | 7.3 | 49.7 | 84.7 | | Unnamed | |
| KED-45 | 92.60 | 145.00 | 52.40 | 0.8 | 0.6 | 3.2 | 39.4 | D-5 | Unnamed | |
| <i>INCLUDING</i> | 109.30 | 122.50 | 13.20 | 1.4 | 0.6 | 3.2 | 18.7 | | Unnamed | |
| <i>INCLUDING</i> | 120.20 | 122.50 | 2.30 | 2.3 | 1.1 | 3.2 | 5.3 | | Unnamed | |
| <i>INCLUDING</i> | 120.20 | 121.50 | 1.30 | 3.2 | 1.5 | 3.2 | 4.1 | | Unnamed | |
| AND | 233.20 | 236.20 | 3.00 | 1.6 | 1.3 | 1.9 | 4.7 | | K1 | |
| KED-46 | 26.10 | 38.00 | 11.90 | 2.0 | 2.3 | 5.2 | 24.3 | | C-5 | K2 |
| <i>INCLUDING</i> | 27.50 | 33.50 | 6.00 | 3.4 | 3.9 | 5.2 | 20.3 | K2 | | |
| AND | 61.00 | 62.50 | 1.50 | 1.9 | 4.8 | 1.9 | 2.9 | Unnamed | | |
| AND | 94.00 | 95.50 | 1.50 | 2.1 | 4.8 | 2.1 | 3.1 | Unnamed | | |
| AND | 125.50 | 127.00 | 1.50 | 0.5 | 7.5 | 0.5 | 0.8 | Unnamed | | |
| AND | 164.00 | 175.50 | 11.50 | 2.7 | 2.9 | 9.0 | 31.3 | K3 | | |
| <i>INCLUDING</i> | 166.00 | 167.50 | 1.50 | 4.8 | 1.9 | 4.8 | 7.3 | K3 | | |
| <i>INCLUDING</i> | 169.00 | 172.60 | 3.60 | 5.3 | 7.3 | 9.0 | 19.2 | K3 | | |
| AND | 318.80 | 319.80 | 1.00 | 1.1 | 3.8 | 1.1 | 1.1 | Unnamed | | |
| KED-47 | 0.00 | 8.50 | 8.50 | 2.5 | 1.4 | 6.0 | 21.4 | C-5 | K2 | |
| <i>INCLUDING</i> | 4.50 | 7.00 | 2.50 | 4.0 | 1.9 | 6.0 | 9.9 | | K2 | |
| KED-48 | Results Pending | | | | | | | | C-5 | |
| KERC-75 | 10.00 | 11.00 | 1.00 | 0.7 | 0.3 | 0.7 | 0.7 | F-7 | Meydan | |
| KERC-75 | 52.00 | 60.00 | 8.00 | 0.9 | 0.8 | 1.8 | 7.2 | | Meydan | |
| KERC-76 | 3.00 | 5.00 | 2.00 | 0.8 | 1.6 | 0.5 | 1.6 | F-7 | Meydan | |
| KERC-76 | 16.00 | 21.00 | 5.00 | 0.8 | 1.2 | 1.3 | 4.2 | | Meydan | |
| <i>INCLUDING</i> | 18.00 | 21.00 | 3.00 | 1.2 | 1.4 | 1.3 | 3.5 | | Meydan | |
| KERC-76 | 44.00 | 46.00 | 2.00 | 0.9 | 0.8 | 1.0 | 1.8 | | Meydan | |
| KERC-76 | 61.00 | 63.00 | 2.00 | 0.9 | 0.2 | 1.2 | 1.7 | | Meydan | |
| KERC-77 | No significant results | | | | | | | | G-7 | Meydan |

Table 1. Composite results for drillholes received so far in the current program.

* previously announced drillhole

| DRILLHOLE | EAST | NORTH | RL | AZIMUTH | DIP | Depth |
|-----------|--------|---------|-----|---------|-----|-------|
| KED-43 | 481804 | 4462633 | 402 | 0 | -90 | 40.0 |
| KED-44 | 481712 | 4461960 | 350 | 323 | -45 | 104.3 |
| KED-45 | 481712 | 4461960 | 350 | 323 | -57 | 273.5 |
| KED-46 | 481579 | 4461981 | 301 | 165 | -45 | 365.0 |
| KED-47 | 481579 | 4461981 | 301 | 165 | -60 | 305.0 |
| KED-48 | 481579 | 4461981 | 301 | 180 | -55 | 244.5 |
| KERC-75 | 482083 | 4461526 | 297 | 180 | -65 | 128.0 |
| KERC-76 | 482083 | 4461526 | 297 | 215 | -60 | 127.0 |
| KERC-77 | 482203 | 4461526 | 301 | 180 | -70 | 118.0 |
| KERC-78 | 482464 | 4461522 | 371 | 200 | -60 | 153.0 |
| KERC-79 | 482339 | 4461810 | 359 | 180 | -55 | 115.0 |
| KERC-80 | 482339 | 4461810 | 359 | 0 | -50 | 192.0 |
| KERC-81 | 481758 | 4461667 | 245 | 130 | -70 | 26.0 |
| KERC-81A | 481758 | 4461667 | 245 | 130 | -70 | 23.0 |

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