

ASX Announcement & Media Release

26 August 2011



chesser
resources limited

ASX Code: CHZ

Company Information

Capital Structure	Aug 2011
Shares on Issue	126.9 M
Options (unlisted)	5.3 M
Fully Diluted	132.2 M
Market Cap.	\$80 M
Cash	\$11 M
Debt	Nil
Enterprise Value	\$69 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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New High Grade Gold Vein Zone discovered at Kestanelik

First hole intersects 5.4 metres at 15.7 g/t gold

- Assays received for first two drill holes of new 30,000 metre drill program
- Drillhole KED-44 intersects a new vein zone that returns:
 - **5.4 metres at 15.7 g/t gold and 7.3 g/t silver** from 68.6 metres, including **2.8 metres at 28.7 g/t gold and 13.4 g/t silver.**
 - KED-44 was abandoned prior to reaching the K1 vein target
- Assays are awaited for further drillholes which have intersected the new vein zone and the K1 vein
- 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 the first drill results from the current 30,000 metre drill program being carried out at the Kestanelik project.

The Company has received results for the first two holes of the program. KED-44 was a diamond drillhole designed to test a step-out of the high grade intersection encountered on the K1 vein. The hole had to be abandoned due to loss of circulation prior to reaching the K1 vein target, but did intersect a previously undetected vein zone with distinctive epithermal textures. A similar zone has been intersected in KED-45 (assays pending), a steeper hole drilled from the same location.

“The Kestanelik project continues to provide us with pleasant surprises,” said Dr Rick Valenta, Managing Director of Chesser Resources. “This new vein has no obvious outcrop expression, although it is associated with a weak gradient array resistivity anomaly. The fact that it has been intersected in two drillholes gives us confidence that it could develop into another significant high grade zone. The discovery of this new zone so early in the current program gives us additional confidence that Kestanelik could develop into a sizeable high grade gold resource.”

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

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DRILL_HOLE	EAST	NORTH	RL	AZIMUTH	DIP	Depth
KED-43	481803.63	4462632.98	401.527	0	-90	40
KED-44	481712.11	4461960.26	350.406	323	-45	104.30

Table 1. Drill location data for drillholes reported in this announcement.