

31<sup>st</sup> January 2008

## December 2007 Quarterly Report

### Highlights

- **A drill program was successfully completed at the Sisorta property in northeastern Turkey, with highlights as follows:**
  - New high grade gold zone intersected in silica cap target area 400 metres to west of previously drilled main zone.
  - **35.2 metres at 3.60 grams per tonne gold including 10.1 metres at 6.04 grams per tonne gold** intersected in oxide material
  - Existing mineralised zone extended with an additional intersection of 34.7 metres at 1.62 grams per tonne gold in oxide material from surface
- **The company has reached an arrangement guaranteeing four diamond drill rigs for the 2008 drill season and intends to drill a minimum of 8000 metres on the main Sisorta mineralised area, beginning in April of 2008. This program is designed to test an area sufficient to define a substantial JORC resource by the end of 2008.**
- **Positive results received from a ground moving loop electromagnetic survey on the Wynbring tenement in South Australia.**
- **The company has continued to assess more project opportunities, particularly in the gold sector.**

Chesser Resources Limited ("Chesser") (ASX Code: CHZ) is pleased to report on its activities for the quarter ended December 31, 2007. The company has made significant advances in its strategy to develop a portfolio of advanced gold exploration projects, as well as advancing exploration on its existing projects.

### Projects

#### **Sisorta, Turkey**

*(Chesser earning up to 70%, Eurasian 100%)*

**Gold**

The Company announced on the 31<sup>st</sup> of October that it had signed a definitive agreement with Eurasian Minerals Ltd (TSX-V:EMX) to earn up to a 70% interest in its Sisorta Property in North-Central Turkey.

The Sisorta property is a volcanic-hosted high sulphidation epithermal project, in which drilling to date has demonstrated the existence of a significant body of near-surface oxide gold mineralisation with surface chip-channel sample fire assay grades of up to 14 grams per tonne

gold reported by Eurasian Minerals. The project has a large footprint of outcropping mineralisation and anomalous soil geochemistry, only a small portion of which has been drilled.

Mineralisation on the Sisorta project is associated with a 2500m by 800m northwest-trending topographic high. The 28 drillholes carried out to date have shown the clear existence of a large zone of high grade oxide gold mineralisation which remains open to the northwest and southeast. Significant new drill results from the quarter include:

- **35.2 metres at 3.60 grams per tonne gold** from drillhole Sis17 starting at a depth of 113.3 metres, including **10.1 metres at 6.04 grams per tonne gold**
- **34.7 metres at 1.62 grams per tonne gold** from drillhole Sis13 starting at surface,
- **37.7 metres at 0.66 grams per tonne gold** from drillhole Sis16 starting at surface,
- **20.8 metres at 0.6 grams per tonne gold and 0.38 percent copper** from drillhole Sis15 starting at a depth of 30.45 metres

Drillholes Sis16 and Sis17 were designed to test the topographically high silica cap zone to the west of the known zone of mineralisation, where previous soil and chip-channel sampling had returned encouraging gold results. The positive results in those holes, combined with the broad extent of surface soil and rock gold anomalies in this area, show that there is significant potential to extend the intersected mineralisation to the northwest and southeast. High grade gold mineralisation in hole Sis17 is hosted in siliceous breccia with a silica-hematite matrix. Clasts and matrix within the breccia do not appear to show a preferred orientation which could be used to infer the geometry of the zone.

Drillhole Sis13 tested the northwest extent of the existing high grade zone, while drillholes Sis14 and Sis15 were stepouts to the west from the outcropping high grade zone.

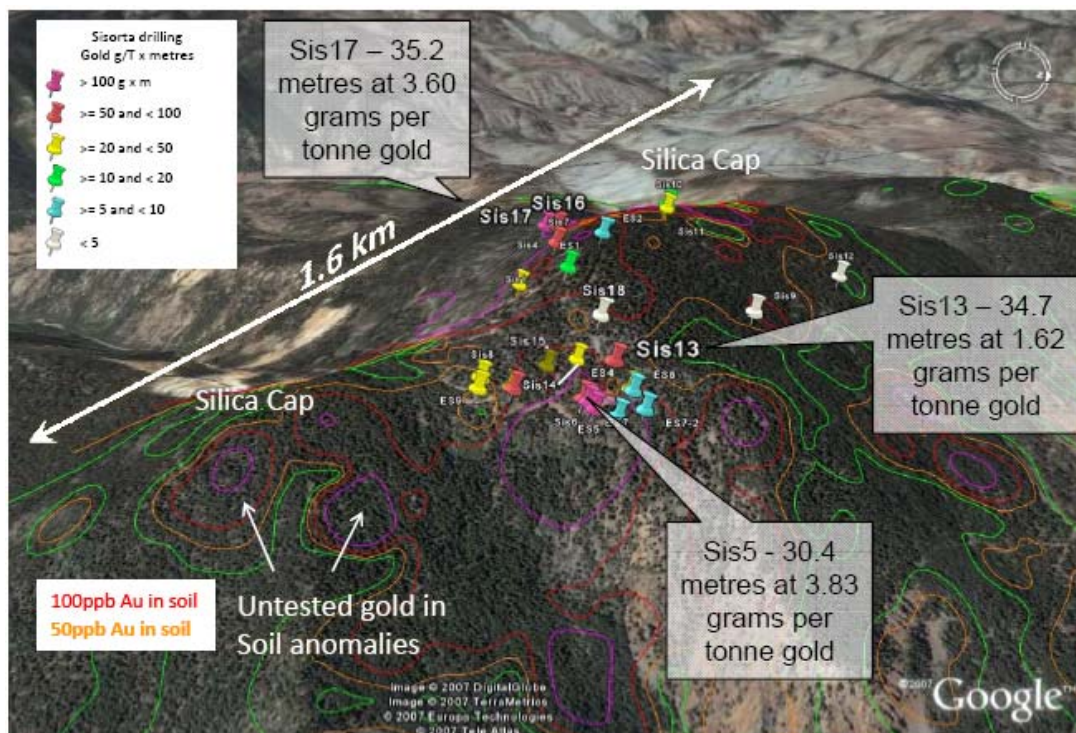


Figure 1. Sisorta project showing existing drillholes, significant new drilling results and soil geochemistry.

## Drilling Program 2008

The planned 2008 program comprises a minimum of 8000 metres of diamond drilling and approximately 62 kilometres of dipole-dipole IP. The **drill program is designed to test an area sufficient to define a substantial JORC resource by the end of 2008**. The Turkish drill company Ortadogu Sondaj has agreed to reserve four diamond drill rigs for the 2008 drill program in exchange for payment of a \$USD150,000 deposit, and drilling is currently scheduled to commence in April.

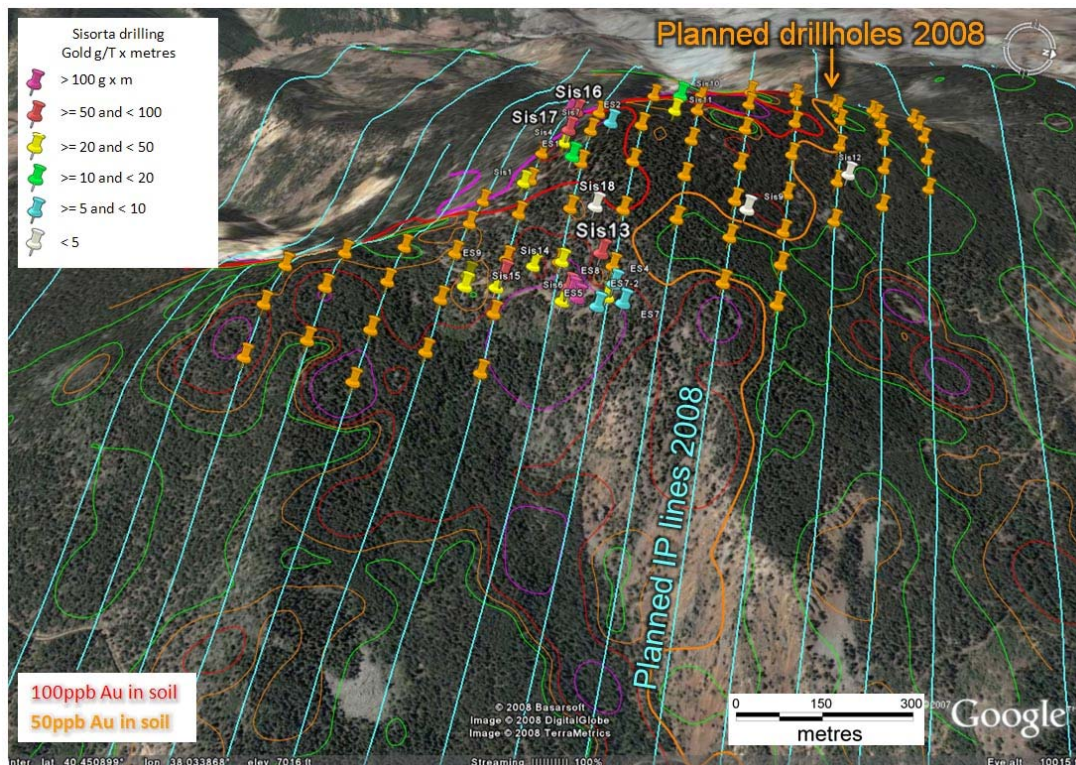


Figure 2. Sisorta project showing existing drillholes and soil geochemistry, along with planned 2008 drillholes (orange) and planned IP lines (blue)

"We are very pleased with the first drilling results from the Sisorta Project and have subsequently been successful in confirming four diamond drill rigs to continue drilling as soon as the winter snow clears," said Dr Richard Valenta, Managing Director of Chesser Resources. "We look forward to a sustained drilling program throughout 2008 with the goal of proving up a substantial JORC compliant resource in early January 2009."

## Wynbring SA

(Chesser earning up to 80%, PlatSearch100%)

## Copper- Gold – Nickel

During the quarter the Company completed a Moving Loop Ground EM survey consisting of 41 lines designed to test 5 high priority targets. The ground EM survey was planned as a followup test for the conductive targets identified by a previous airborne EM survey.

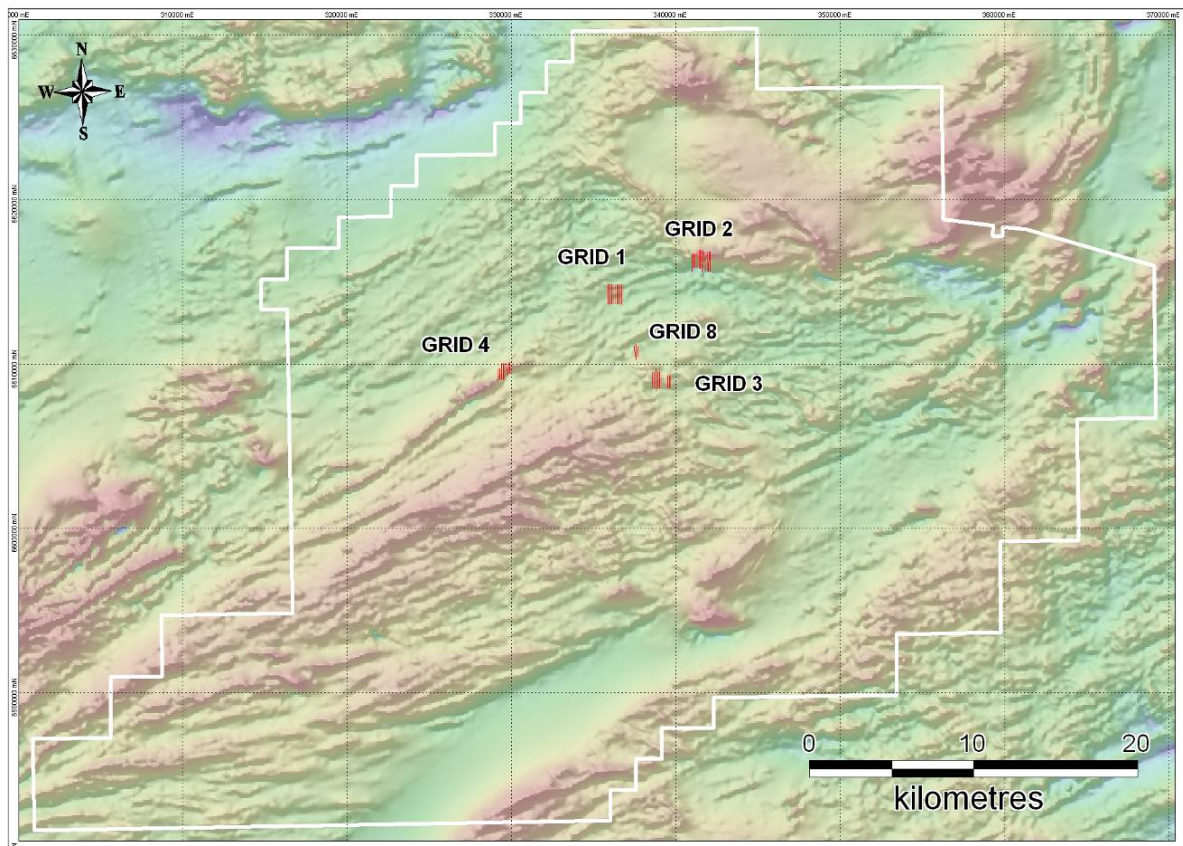


Figure 3. Wynbring project, showing tenement boundary and location of completed Moving Loop EM coverage (red lines)

At Grid 2 prospect, a conductor has been defined close to an area where minor outcrop shows anomalous gold values up to 1.2 g/t. The anomaly, located in the northeastern part of the grid, suggests the presence of a local near-vertical conductor. This has been interpreted as being about 75 m deep

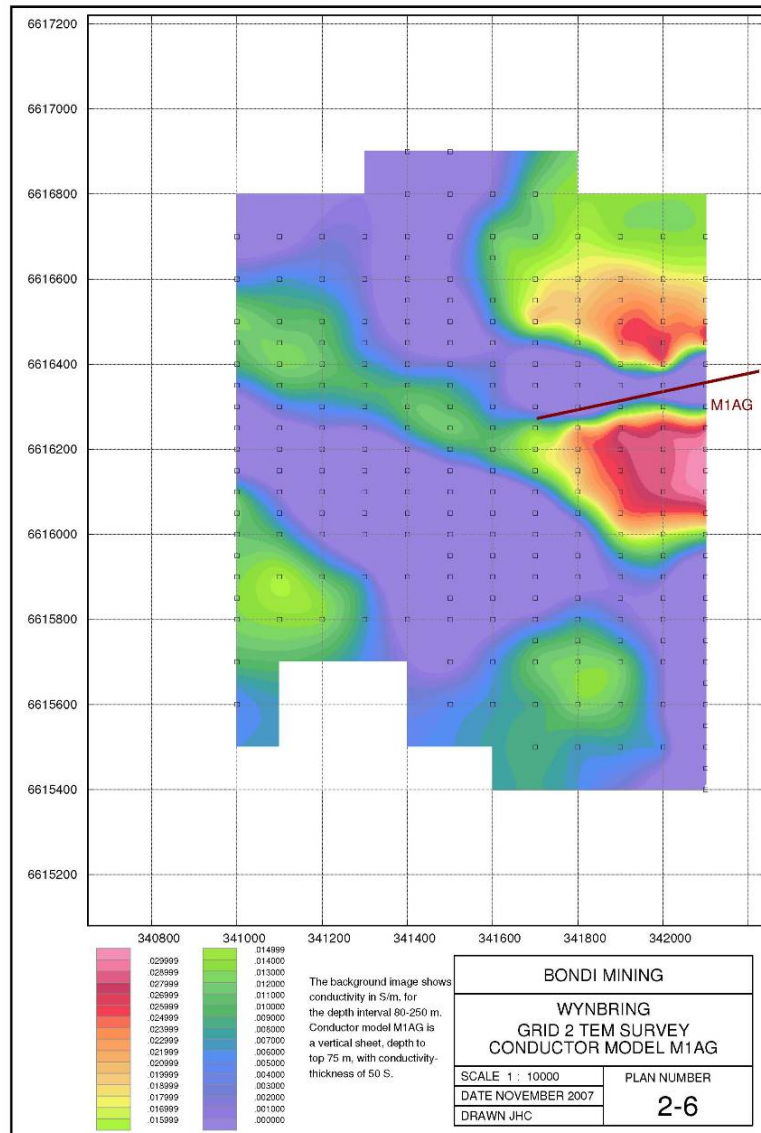


Figure 4. Modelled conductor from Wynbring Grid 2, superimposed on modelled conductivity in the 80-250m depth range

At Grid 1 prospect, the survey identified a zone of interpreted conductive overburden spatially associated with an area where previous drilling encountered ultramafic rocks and strongly anomalous chromium.

Plans are currently being formulated for the 2008 Wynbring exploration program.



**Cedric Bore SA**  
(Chesser 100%)

**Copper-Gold-Uranium**

Cedric Bore has the potential for Olympic Dam or Prominent Hill style IOCG deposits, orogenic lode gold deposits and paleochannel hosted roll-front uranium deposits in the Tertiary sediment cover.

The company is continuing to advance the compilation and interpretation of ground gravity, magnetic data and geochemistry.

**Messent SA**  
(Chesser100%)

**Copper-Gold-Uranium**

Messent has potential for base and precious metal deposits and covers 408 square kilometres of basement volcanic and intrusive rocks of Cambrian age believed to represent a continuation of the mineralised Mt Read Volcanic belt in Tasmania, which contain significant VHMS style base metal deposits. Compilation work continued during the quarter.

All queries to be directed to  
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*The exploration data and results contained in this report are based on information compiled by Dr Rick Valenta, a fellow of the Australian Institute of Mining and Metallurgy. He is a non executive 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.*