



23 June 2017

Dear shareholder

NON-RENOUNCEABLE RIGHTS ISSUE – APPENDIX 3B NOTICE

Chesser Resources Limited (**Company**) announced on 22 June 2017 a capital raising by way of one for three pro-rata non-renounceable rights issue that does not require shareholder approval. In accordance with the Listing Rules of the Australian Securities Exchange (**ASX**), the Company is pleased to provide you with the following information about the rights issue.

Each eligible shareholder registered on the Company's register of members at 7.00 pm (Sydney time) on 27 June 2017 (**Record Date**) will be entitled to subscribe for one new fully paid ordinary share in the Company for every three ordinary shares held as at the Record Date at a price of \$0.04 per new share. The issue price of the new shares under the offer represents a discount of 12% to the volume weighted average price of the Company's shares during the 14 trading day period up to and including 21 June 2017.

In addition to being able to apply for new shares under the rights issue, eligible shareholders will also have the opportunity to apply for additional new shares that are not subscribed for under the rights issue.

Please note that the Company's shares will be quoted on an 'ex' basis from 26 June 2017, and therefore any of the Company's shares bought on market on and after this date will not be entitled to participate in the rights issue.

The maximum number of new shares to be issued is 39,777,866 new shares (**New Shares**), which would raise up to \$1,591,115 and would result in total issued shares in the Company of 198,682,893*. It is intended that New Shares issued as a result of entitlements taken up will be quoted on ASX and will rank equally with existing issued ordinary shares of the Company.

Before making a decision whether to subscribe for any of these shares, please carefully read the Offer Booklet when you receive it. The offer opens on 30 June 2017 and closes at 5.00 pm (Melbourne time) on 13 July 2017.

From 22 June 2017, the Offer Booklet will be available to download from ASX's website (at www.asx.com.au), and will subsequently be mailed to eligible shareholders on or around 30 June 2017.

* Comprising 119,333,598 shares currently on issue, 39,777,866 shares issued under the rights issue, 12,500,000 shares issued under the placement announced to ASX on 3 April 2017 and 27,071,429 shares issued to the vendors of Boya Gold Pty Ltd and Erin Mineral Resources Pty Ltd in consideration for the acquisition announced to ASX on 3 April 2017.

The indicative timetable for the rights issue is as follows:

Activity	Date
Announcement of Entitlement Offer and Appendix 3B lodged with ASX	22 June 2017
Offer Booklet lodged with ASX	22 June 2017
Shareholder notice despatched	23 June 2017
Shares traded on an 'ex' Entitlement basis	26 June 2017
Record Date for eligibility to participate in the Entitlement Offer	27 June 2017 at 7.00 pm (Sydney time)
Offer Booklet and Entitlement and Acceptance Form despatched to Shareholders	30 June 2017
Opening Date for the Entitlement Offer	30 June 2017
Last day to extend the Closing Date for the Entitlement Offer	10 July 2017
Closing Date for the Entitlement Offer	13 July 2017 At 5.00 pm (Melbourne time)
Securities quoted on a deferred settlement basis	14 July 2017
Notify ASX under subscriptions	18 July 2017
Issue of New Shares issued under the Entitlement Offer and deferred settlement trading ends	20 July 2017
Normal ASX trading for New Shares commences	21 July 2017

The timetable is indicative only and the Company reserves the right to vary it at any time without prior notice subject to the Listing Rules and the *Corporations Act 2001* (Cth).

The rights issue is conditional upon completion of the Company's acquisition of all of the issued shares in Boya Gold Pty Ltd and Erin Mineral Resources Pty Ltd occurring on or before 13 July 2017 (or such later date agreed by the parties to the acquisition). If completion of the acquisition has not occurred on or before 13 July 2017 (or such later date agreed by the parties to the acquisition), the rights issue will be withdrawn and all application money received will be refunded as soon as practicable. No interest will be paid on any application money received or refunded.

The rights issue is fully underwritten by Taylor Collison Limited.

If you have any queries, please contact the Company Secretary on 0415 719 695 or by email at skelly@chesserresources.com.au

Yours faithfully



Stephen Kelly
Company Secretary