25th March 2019

ASX Announcement

FIRST PASS DRILLING AT DIAMBA SUD DELIVERS HIGH-GRADE GOLD MINERALISATION

HIGHLIGHTS

- High-grade gold intercepts received from initial results of first pass reverse circulation (RC) drilling at Chesser's flagship Diamba Sud Project, located in Senegal.
- Phase 1 drilling program progressing well with 51 holes for 3,485 metres completed of planned 5,000m program with assays now received from first 12 holes. Significant shallow gold intersections from oxide material include:
    - **18m at 5.61g/t gold** from 6m, including **8m at 11.84 g/t gold** from 14m,
    - **10m at 2.72 g/t gold** from 19m, including **1m at 16.30g/t gold** from 23m,
    - **8m at 3.48 g/t gold** from 34m,
    - **11m at 1.16g/t gold** from 19m.
- Results received from the first traverse drilled across the Northern Arc target, testing a 2.5km-long by up to 500m-wide saprolite-hosted auger geochemical gold anomaly.
- Phase 1 of the drilling program is expected to be completed end of Q1 2019, with results to be reported as assays are received.

"We are excited that first pass drilling has successfully intersected shallow, high-grade gold mineralisation at such an early stage in the drilling campaign. To intersect 18 metres at 5.61 g/t gold in oxide from 6 metres is extremely encouraging and demonstrates the highly prospective nature of the project. The Phase 1 drilling program continues at Diamba Sud, systematically testing priority targets. In the coming months, the Company looks forward to steady stream of news flow as we continue to announce results as they become available."- **said Mike Brown, Managing Director and CEO of Chesser Resources**

Chesser Resources Limited ("Chesser" or "the Company"; ASX:CHZ) is pleased to announce first assay results from Phase 1 of its planned 5,000m RC drilling program at its flagship Diamba Sud Project, located in eastern Senegal (Figure 1).

Covering 53.2km^2 over the gold-bearing Kedougou-Kenieba Inlier, Diamba Sud consists of two blocks, DS1 and DS2.

Diamba Sud is located ~2km's to the west of the Senegal Mali Shear zone (SMSZ), a major regional structure. The SMSZ is host to numerous multi-million-ounce gold deposits, including; B2Gold's 7.1Moz Fekola, Barrick's 18Moz Loulo-Gounkoto complex and IAMGold's Sadiola and Yatela mines. DS1 is 7km to the west of the 5.5Moz Gounkoto mine.

The Company currently holds ~400km^2 of highly prospective ground in this underexplored world-class gold region.

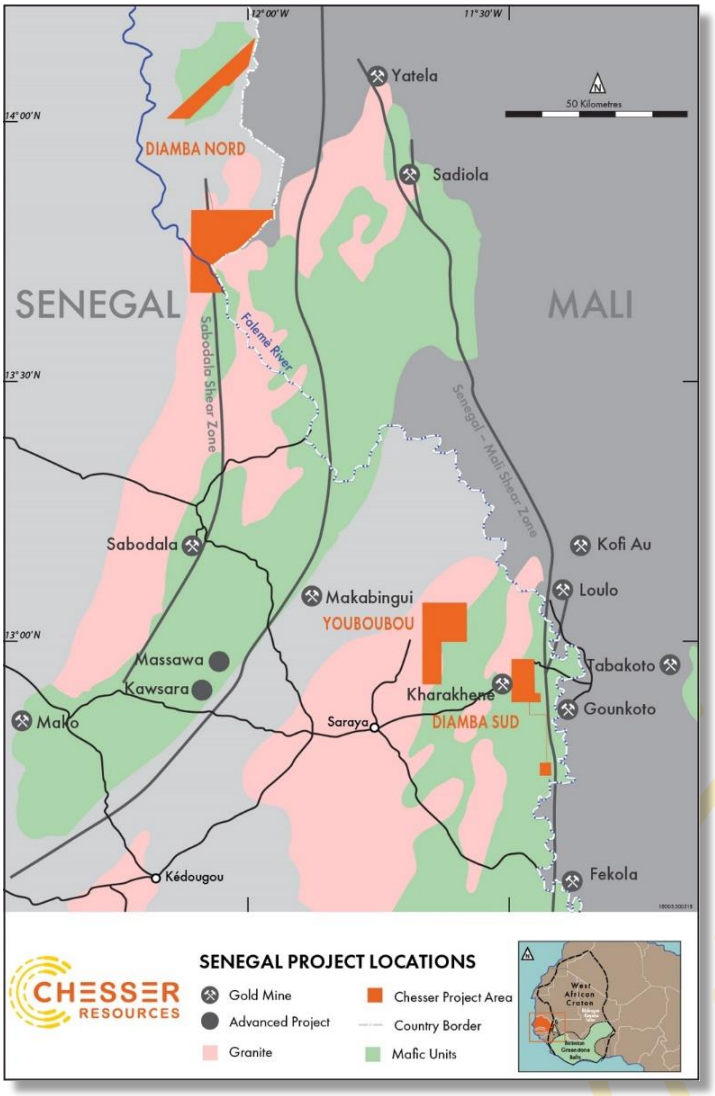

Figure 1: Location of Chesser's projects in eastern Senegal

DIAMBA SUD - PHASE 1 DRILLING PROGRAM

Drilling at Diamba Sud began in late January 2019 with a total of 51 holes for 3,485m (planned 5,000m) completed to date.

The Phase 1 drilling program is testing the high-grade saprolite-hosted gold anomalies in the northern part of a broad ring structure (Figure 2) to better understand the style, nature and potential host of the mineralisation.

The northern block of Diamba Sud (DS1) hosts a broad 4.5km by 4km ring-like gold in auger geochemical anomaly which is interpreted as containing at least three principal trends, which are the priority targets for phase 1. This is interpreted by the Company to represent potential controls on mineralisation from a combination of structural control and the contact of a buried granitoid.

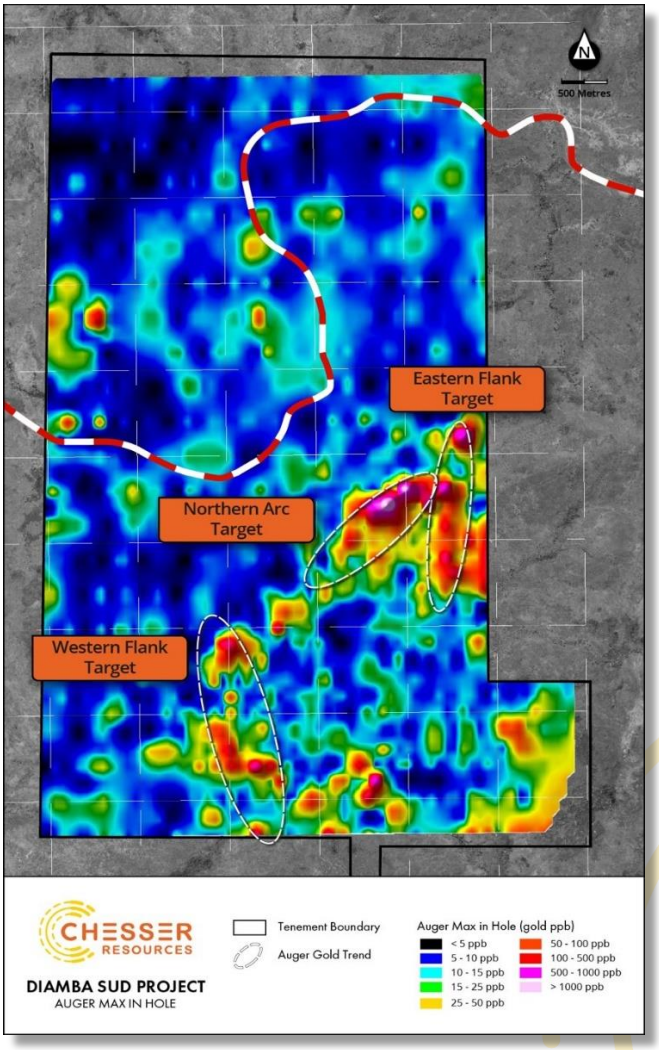

Figure 2 - Diamba Sud Project, showing location of priority targets for Phase 1 drilling over maximum gold in saprolite values.[1]

[1] Refer to ASX announcements 22 February 2018, 28 May 2018 and 27 August 2018 for details of exploration results for the Diamba Sud Project reported in Figures 2 and 3. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

DIAMBA SUD - DRILLING RESULTS (DETAILED)

This announcement summarises results from the first 12 holes with results from 39 holes drilled to date still pending. A summary of significant results from the first 12 holes are presented in Table 1. A summary of drill hole locations is provided in Table 2, with drill hole locations shown in Figures 3-5.

The results reported are from the first traverse (Figures 3, 4) across the NE trending 2.5km by 1km **Northern Arc** target marking the northern part of the ring-like anomaly, possibly related to the contact of an inferred granitoid intrusive and country rocks. Holes were drilled on a SE azimuth, close to perpendicular to the inferred trend.

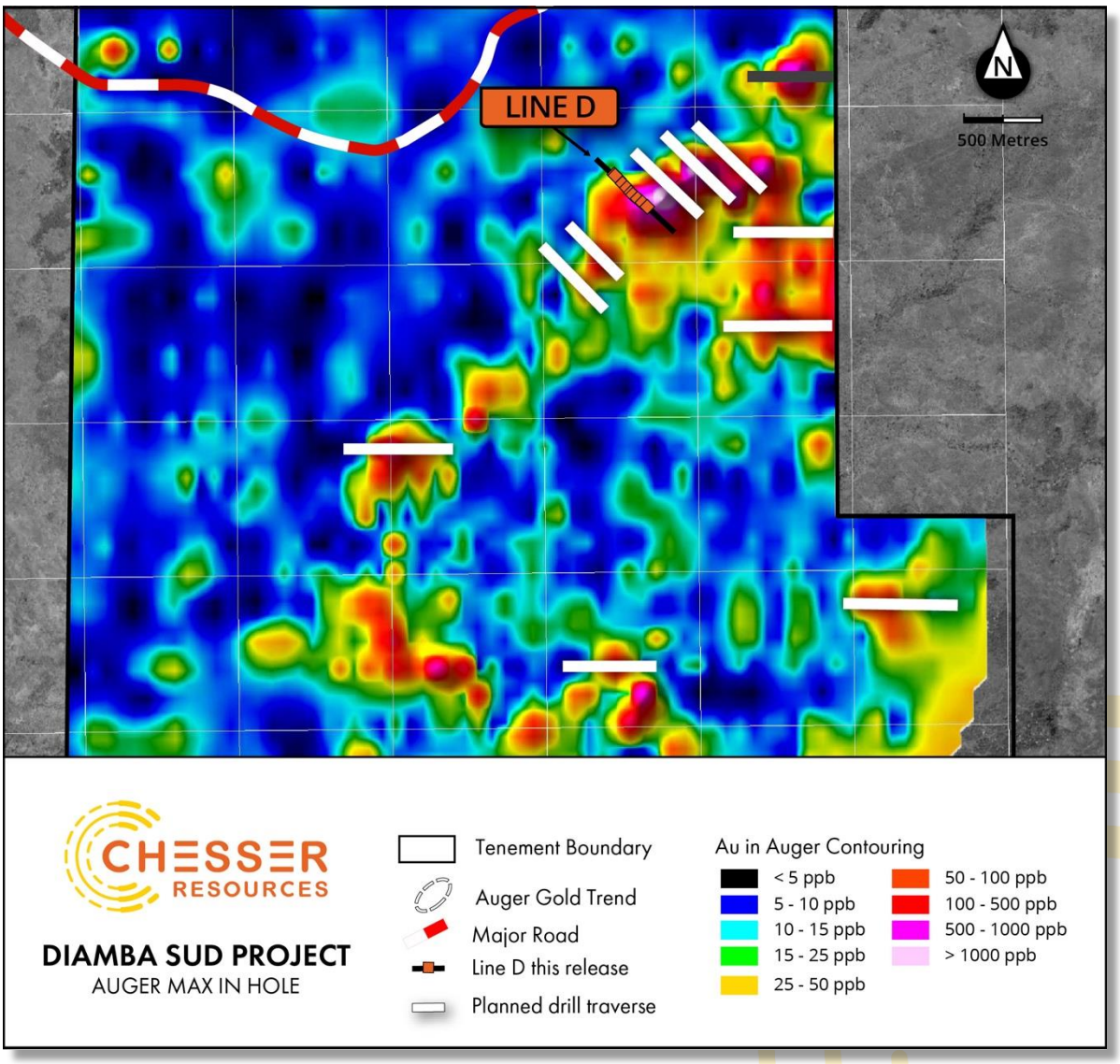

Figure 3: Location of RC holes and planned traverses for Phase 1 drilling program.

TABLE 1: SUMMARY OF SIGNIFICANT MINERALISED INTERSECTIONS FROM DIAMBA SUD

Hole ID	From	To	Interval (m)	Gold (g/t)
DSR011	19	29	**10**	**2.72**
Including	23	24	**1**	**16.3**
	48	49	**1**	**1.28**
	51	52	**1**	**1.21**
	75	77	**2**	**1.25**
DSR012	16	18	**2**	**2.19**
DSR013	28	35	**7**	**1.59**
DSR014	10	11	**1**	**2.15**
	14	15	**1**	**1.57**
DSR016	19	30	**11**	**1.16**
	47	50	**3**	**1.11**
DSR017	18	20	**2**	**2.21**
DSR018	12	14	**2**	**1.8**
	34	42	**8**	**3.48***
DSR019	41	43	**2**	**1.18**
	62	64	**2**	**1.68**
DSR020	22	24	**2**	**1.00**
	36	38	**2**	**1.18**
DSR022	6	24	**18**	**5.61**
Including	14	22	**8**	**11.84**
Including	16	18	**2**	**22.1**

*Intervals are reporting using a threshold of 1 g/t or greater average over the interval and selects all material greater than 0.5 g/t. No interpretation can be made regarding true widths of the interval. *hole ended in mineralisation.*

The most significant gold intercepts come from saprolitic material at very shallow levels, although there were numerous narrow intersections of reasonable gold grades intersected within bedrock and several wide zones of low-grade mineralisation (see figure 5). As such, other than the reported presence of oxide gold mineralisation, very little geological information can be inferred at this early stage. Hole DSRC021 was abandoned due to bad ground at 21m, as such any extension of mineralisation encountered in DSRC22 remains untested.

Notably, holes DSRC014-18 were stopped short due to bad ground conditions (excessive clay and water), which may coincide with the presence of a structure.

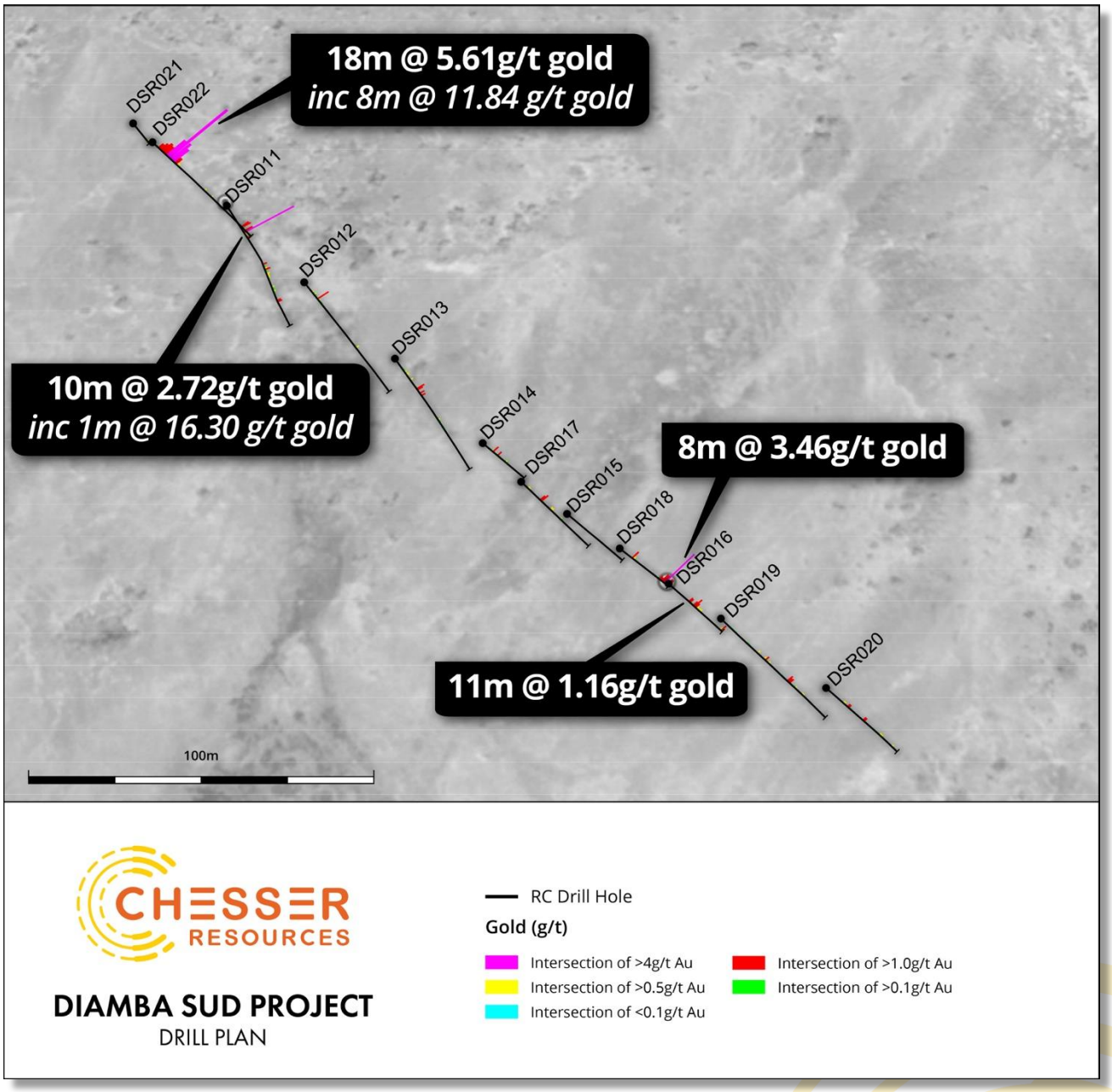

Figure 4: Diamba Sud Phase 1 drill plan with RC collars and results.

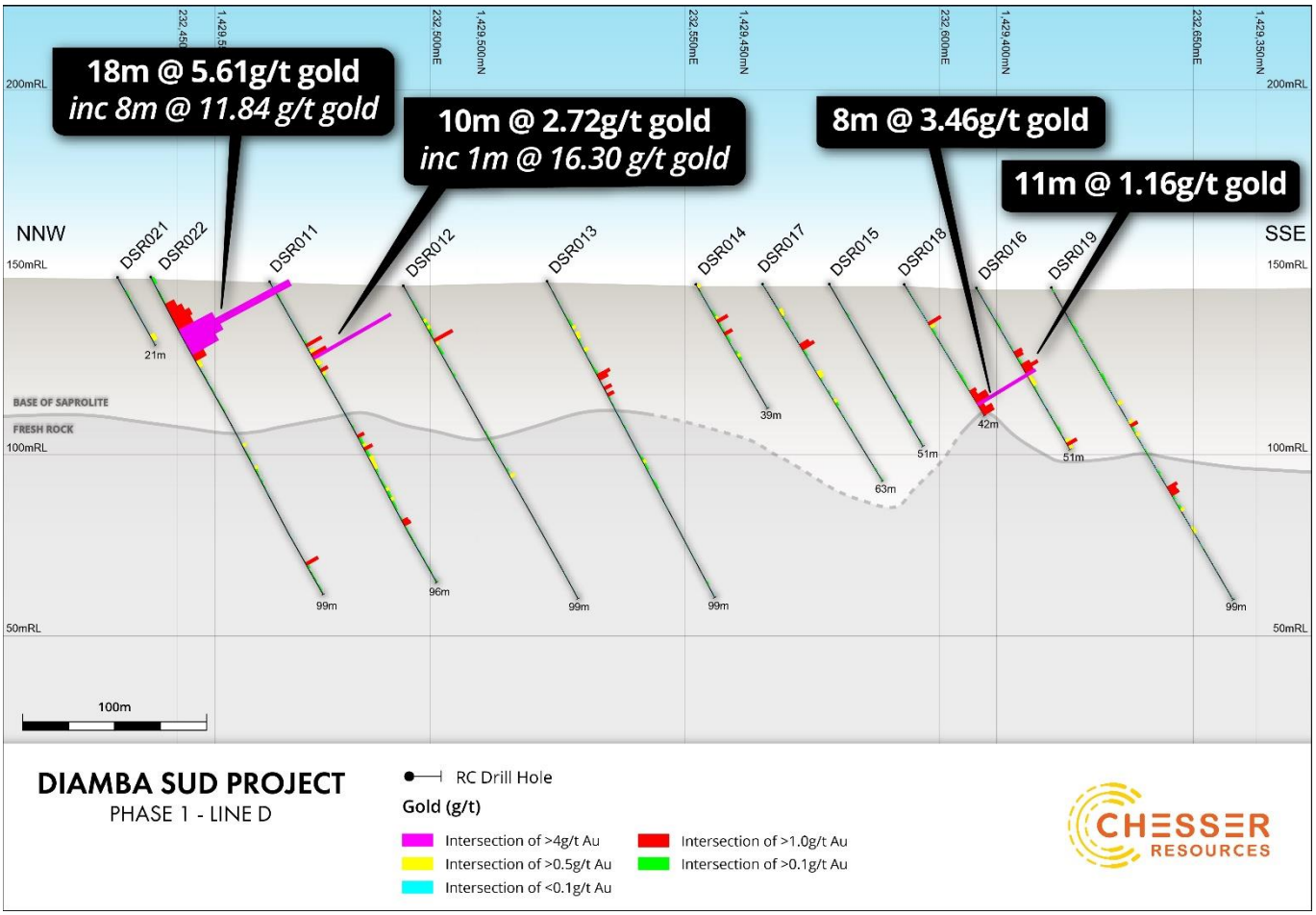

Figure 5: Section of Line D RC Drilling looking to northeast, showing significant intercepts. Solid/dashed line shows saprolite boundary.

DRILLING PROGRESS - NEXT STEPS

Drilling continues to make good progress along strike of the Northern Arc target as well as the Eastern and Western Flank targets, with results to be announced when available. Following interpretation of all the results from the Phase 1 program, a follow-up phase of RC drilling is expected (Phase 2) comprising approximately 5,000m, vectoring down on numerous targets.

EXPLORATION - DIAMBA SUD NORTH (DS1)

The high-grade auger anomalies at DS1 were not identified by soil sampling and shallow aircore drilling, testing the top of the saprolite. Due to the transported cover, these methods did not detect the current anomaly.

Historic RC drilling[2] in the southern portion of the anomaly (Figure 6) returned best intercepts:

- **32m at 1.29 g/t gold** from 29m, including **9m at 2.99 g/t gold** from 29m
- **14m at 2.85g/t gold** from 2m, including **4m at 4.43 g/t gold** from 5m

Diamba Sud remains both highly-prospective and largely underexplored, especially in the stronger northern portion of the anomaly which has yet to be tested by deeper drilling. There are numerous additional anomalies on DS1 that require follow up exploration.

Transported cover in the northern portion of the ring structure appears to be responsible for the lack of artisanal workings.

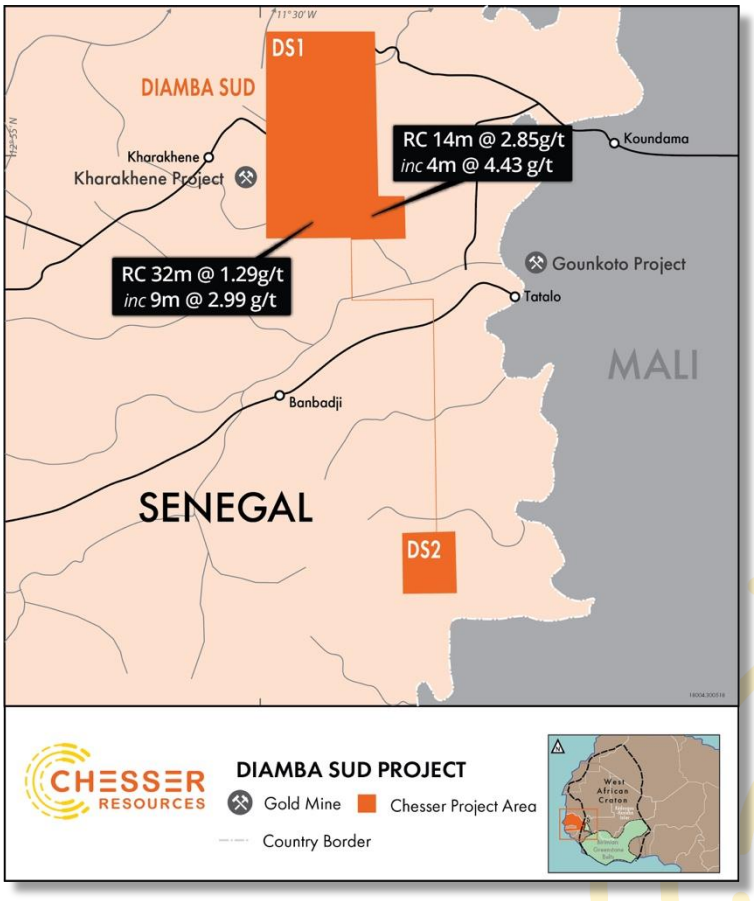

Figure 6 - Regional setting of Diamba Sud tenement, showing highlights of historical RC drilling.

-END-

[2] Refer ASX announcement dated 3 April 2017. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

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ABOUT DIAMBA SUD

Diamba Sud comprises two blocks joined by a narrow strip, located near the Mali-Senegal shear zone and proximal to numerous existing gold mines and deposits. The northern segment of Diamba Sud (termed DS-1) immediately adjoins an open pit gold mine (Kharakhene) operated by Afrigold to the west.

Soil geochemistry, rock chip sampling and limited aircore and reverse circulation drilling were undertaken in Diamba Sud by previous tenement holders prior to Chesser's involvement. Significantly, IAMGOLD has recently increased the resource at its nearby Boto project to 2.6Moz. Boto is interpreted to sit in the same western corridor of the Senegal-Mali shear zone that Diamba Sud tenement covers.

Competent Person's Declaration

The information in this report that relates to the Diamba Sud and Diamba Nord exploration results, Mineral Resources and Exploration Targets is based on information compiled by Mr Gareth O'Donovan, Ba Hons, MSc, FGS FIOM3, CEng, who is employed as Exploration Manager for Chesser Resources Ltd. Mr O'Donovan has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr O'Donovan consents to the inclusion in the announcement of the matters based on his information in the form and context that the information appears.

Forward looking statements

Statements relating to the estimated or expected future production, operating results, cash flows and costs and financial condition of Chesser Resources Limited's planned work at the Company's projects and the expected results of such work are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: expects, plans, anticipates, forecasts, believes, intends, estimates, projects, assumes, potential and similar expressions. Forward-looking statements also include reference to events or conditions that will, would, may, could or should occur. Information concerning exploration results and mineral reserve and resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when and if a project is actually developed.

These forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable at the time they are made, are inherently subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation: uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms; changes in planned work resulting from logistical, technical or other factors; the possibility that results of work will not fulfil projections/expectations and realize the perceived potential of the Company's projects; uncertainties involved in the interpretation of drilling results and other tests and the estimation of gold reserves and resources; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of environmental issues at the Company's projects; the possibility of cost overruns or unanticipated expenses in work programs; the need to obtain permits and comply with environmental laws and regulations and other government requirements; fluctuations in the price of gold and other risks and uncertainties.

ATTACHMENT 1

TABLE 2: LOCATION OF RC DRILLING REPORTED

Hole ID	Drill type	Easting	Northing	RL (m)	Dip	Azimuth	Depth (m)
DSR011	RC	232467	1429539	147	60	270	96
DSR012	RC	232491	1429511	146	60	270	99
DSR013	RC	232519	1429483	147	60	270	99
DSR014	RC	232546	1429452	146	60	270	39
DSR015	RC	232572	1429426	146	60	270	51
DSR016	RC	232603	1429400	145	60	270	51
DSR017	RC	232558	1429438	146	60	270	63
DSR018	RC	232588	1429413	146	60	270	42
DSR019	RC	232619	1429387	145	60	270	99
DSR020	RC	232651	1429361	145	60	270	69
DSR021	RC	232438	1429569	148	60	270	21
DSR022	RC	232444	1429562	148	60	270	98

ATTACHMENT 2

JORC Code, 2012 Edition – Table 1 (Diamba Sud)

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling, measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• RC drill holes DSR010 – DSR019 were routinely sampled at 1m intervals downhole. From DSR020 onwards drill holes were sampled at 2m intervals from o to 40 metres and thereafter at 1m intervals. • 1 metre samples are preserved for future assay as required. • Samples were collected in situ at the drill site and are split collecting 1 to 3 kg per sample. • Certified reference material and sample duplicates were inserted at regular intervals. • All samples were submitted to internationally accredited SGS Laboratories in Bamako Mali for 50g Fire Assay gold analysis
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse Circulation drilling was carried out by Minerex Drilling. DSR010 was drilled using a KL600 rig, all other holes were drilled using a UDR 650 rig
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• An initial visual estimate of sample recovery was undertaken at the drill rig for each sample metre collected. • Collected samples were weighed to ensure consistency of sample size and monitor sample recoveries. • Sample recovery and condition was recorded at the drill site • No systematic sampling issues, recovery issues or bias was picked up and it is therefore considered that both sample recovery and quality is adequate for the drilling technique employed.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill samples were geologically logged by Chesser Resources geologists. • Geological logging used a standardised logging system recording mineral and rock types and their abundance, as well as alteration, silicification and level of weathering. • A small representative sample was retained in a plastic chip tray for each drill metre for future reference and logging checks.
Sub-sampling techniques and	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube*	• All samples were split at the drill rig utilizing a 3-tier riffle splitter with no sample compositing being undertaken of the 1 metre samples.

Criteria	JORC Code explanation	Commentary
sample preparation	*sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Prior to hole number DSR020 1 metres samples were submitted for analysis. From hole number DSR020 two-metre composite samples were collected from fand submitted or analysis, between 0-40 metres downhole. From 40 metres to EOH 1metres samples were submitted for analysis. • Duplicates were taken to evaluate representativeness • Further sample preparation was undertaken at the SGS laboratories by SGS laboratory staff • At the laboratory, samples were weighed, dried and crushed to 75% <2mm (jaw crusher), pulverized and split to 85 %< 75 um. Gold is assayed by fire assay (50g charge) with an AAS Finish. • The crushed sample was split and 1.5kg sample was collected using a single stage riffle splitter • The 1.5kg split samples were pulverised in a an LM2 to 95% passing 200 meshes • Barren sand wash was required at the start of each batch and between samples • Sample pulps are retained at the SGS laboratory under secure "chain of custody" procedure for possible future analysis. • Sample sizes and laboratory preparation techniques are considered to be appropriate for this early stage exploration and the commodity being targeted.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Analysis for gold is undertaken at SGS Mali by 50g Fire Assay with an AAS finish to a lower detection limit of 0.01ppm Au. • The fire assay method used has an upper limit of 100g/t. • Fire assay is considered a “total” assay technique. • No field non assay analysis instruments were used in the analyses reported. • A review of certified reference material and sample blanks inserted by the Company indicated no significant analytical bias or preparation errors in the reported analyses. • Results of analyses for field sample duplicates are consistent with the style of mineralisation evaluated and considered to be representative of the geological zones which were sampled. • Internal laboratory QAQC checks are reported by the laboratory and a review of the QAQC reports suggests the laboratory is performing within acceptable limits
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All drill hole data is paper logged at the drill site and then digitally entered by Company geologists at the site office. • All digital data is verified and validated before loading into the drillhole database. • No twinning of holes was undertaken in this program which is early stage exploration in nature. • Reported drill results were compiled by the company’s geologists, verified by the Company’s exploration manager. • No adjustments to assay data were made.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole collars were located using GPS averaging. • Accuracy of the averaging of the GPS < +/- 2m and is considered appropriate for this level of early exploration • The grid system is UTM Zone 29N
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• RC holes were located on an irregularly spaced pattern with between 20 and 50m between various collars along the line. • Drilling reported in this program is of an early exploration nature has not been used to estimate any mineral resources or reserves.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Exploration is at an early stage and, as such, knowledge on exact location of mineralisation and its relation to lithological and structural boundaries is not accurately known. However, the current drill hole orientation is considered appropriate for the program to reasonably assess the prospectivity of known structures interpreted from other data sources.
Sample security	• *The measures taken to ensure sample security.*	• RC samples were collected and taken to the SGS laboratory in Mali under secure "chain of custody" procedure by SGS Mali staff. • Sample pulps remain at the SGS laboratory under secure "chain of custody" • The RC samples remaining were removed from the site and stored at the company's field camp in Saraya.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• There has been no external audit or review of the Company's sampling techniques or data at this early exploration stage.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The results reported in this report are all contained within The Diamba Sud permit which is held 100% by Boya S.A., a wholly owned subsidiary of Chesser Resources. • The Diamba Sud permit is in good standing, with an expiry date of 08/6/2021.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The area that is presently covered by the Diamba Sud was explored intermittently by several companies prior to 2015. • Exploration consisted of a government backed regional aeromagnetic survey, gridding, soil sampling and minor auger and exploration drilling. • IAM Gold undertook minor RAB and Auger drilling at the project (Bembala Prospect) during 2012. The results of which are not known by Chesser Resources Ltd
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The deposit style targeted for exploration is orogenic lode gold. • This style of mineralisation can occur as veins or disseminations in altered (often silicified) host rock or as pervasive alteration over a broad zone. • Deposits are often found in close proximity to linear geological structures (faults & shears) often associated with deep-seated structures. • Lateritic weathering is common within the project area. The depth to fresh rock is variable and may extend up to 50m below surface.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *drill hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Reported results are summarised in Table 1 and within the main body of the announcement
		• Drill collar elevation is defined as height above sea level in metres (RL)
		• RC holes were drilled at an angle deemed appropriate to the local structure as understood at the time of drilling.
		• Down hole length of the hole is the distance from the surface to the end of the hole, as measured along the drill trace

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Intervals are reported using a threshold where the interval has a 1.00 g/t Au average or greater over the sample interval and selects all material greater than 0.50 g/t Au.

Criteria	JORC Code explanation	Commentary
	• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No grade top cut off has been applied to full results presented in Attachment 1. • No metal equivalent reporting is used or applied
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The results reported in this announcement are considered to be of an early stage in the exploration of the project. • Mineralisation geometry is not accurately known as the exact orientation and extent of known mineralised structures are not yet determined. • Mineralisation results are reported as "downhole" widths as true widths are not yet known
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Drill hole location plans are provided in Figure 3
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The drilling programme is ongoing, but all drill holes completed with assay results as of the reported date have been included herein -refer Table 2. • No completed surveyed holes are omitted for which complete results have been received.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other exploration data that is considered meaningful and material has been omitted from this report
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further RC and possible diamond drilling is planned to follow up the results reported in this announcement.