

CHESSER SIGNS DRILLING CONTRACT TO ADVANCE DIAMBA SUD DISCOVERY

HIGHLIGHTS

- Following a tender process Chesser's Senegal subsidiary has executed a drilling contract with FORAGE FTE Senegal.
- Scope of works is for at least 2,000m of diamond (DD) and 2,500m of reverse circulation (RC) drilling.
- The drilling contract has been submitted to the Ministry of Mines for approval, which has a maximum notification period of 21 days, after which drilling can proceed.
- The program is expected to be completed before the year-end, with first assay results expected by late November.
- The program will focus on the Area A discovery and adjoining Area D target, aiming to confirm the controls and potential extensions to the high-grade intersections previously reported.
- The Area A discovery appears to have similarities with the intrusive-related mineralisation at Barrick's Massawa project (3Moz at 4g/t gold) located 50km to the west of Diamba Sud.

"We are delighted to be advancing the next phase of drilling so early in the field season at Diamba Sud. The thick, high-grade intersections encountered to date remain open in all directions and we are aiming to confirm the controls and potential extensions to this mineralisation in this next phase of drilling. First assay results are expected in 4 to 5 weeks following the commencement of drilling, and we are looking forward to a subsequent steady flow of results from our exciting discovery in this world-class gold region alongside the prolific Senegal Mali Shear Zone." - **commented Mike Brown, Managing Director and CEO of Chesser Resources.**

Chesser Resources Limited ("Chesser" or "the Company"; ASX:CHZ) is pleased to announce it has entered into a contract with FORAGE FTE Senegal for DD and RC drilling planned over the Northern Arc Area A discovery and Area D target within the Diamba Sud Project, located in eastern Senegal (Figure 1).

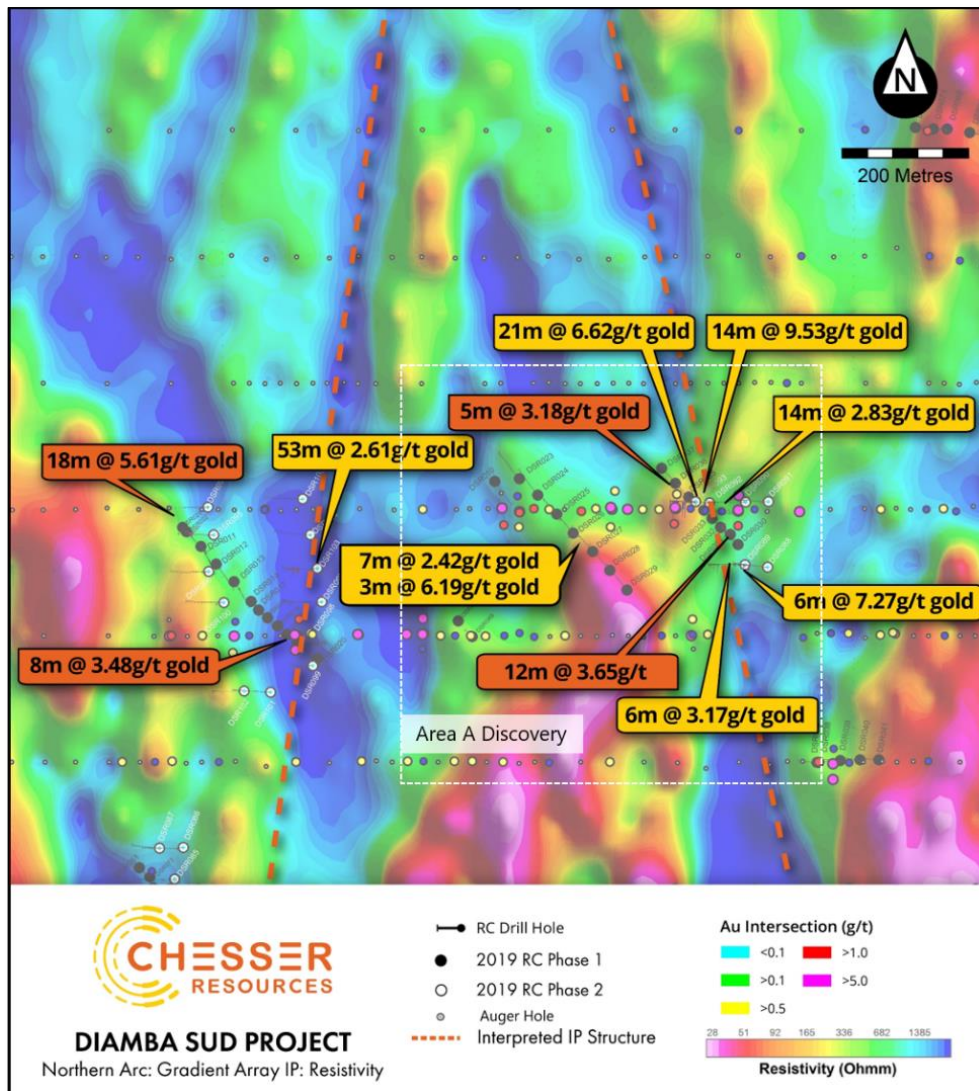


Figure 1: Northern Arc discovery showing location of previous drilling, selected significant intersections, gold geochemistry from auger drilling and interpreted structures over IP resistivity¹.

NORTHERN ARC DISCOVERY

Area A

Wide-spaced RC drilling completed in previous drilling programs encountered significant gold mineralisation associated with interpreted east-dipping zones at Area A within the Northern Arc Target (Figure 2). The induced polarisation (IP) geophysical survey and auger geochemical results indicate that the blind discovery may be more extensive, both along strike and at depth.

The DD drilling is planned to test the mineralised zones for potential repetitions and continuity along strike and down dip to down-hole depths ranging from 125m to 175m.

¹ Refer to ASX announcements 22 February 2018, 28 May 2018 and 27 August 2018 and 25 March 2019 for details of exploration results for the Diamba Sud auger drilling program. Refer 25 March 2019, 10 April 2019, 6 May 2019 and 14 May 2019 ASX announcements for details of the 2019 RC Phase 1 drill results, 26 August 2019 and 3 September 2019 ASX announcements for Phase 2 results. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

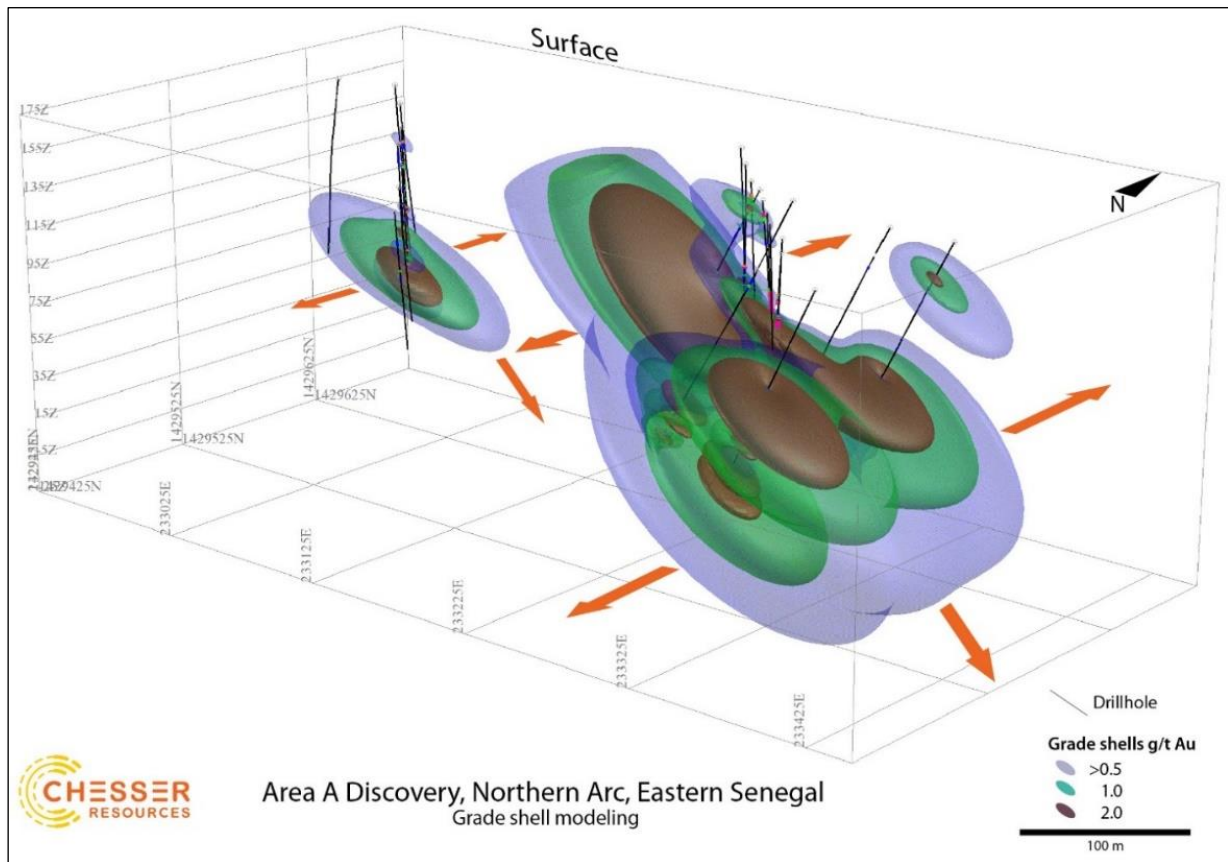


Figure 2: Grade shell modelling of Area A discovery, showing interpreted east-dipping mineralised zones and strike and depth potential.

Area D

Drilling at the Area D target will focus on confirming the significant gold mineralisation previously reported from a mineralised fault intersected from drilling ; including **8m at 3.48g/t gold** from 34m² and **53m at 2.61g/t** from 57m, including **17m at 4.97g/t gold** from 59m³. The IP survey suggests this interpreted fault structure is related to a prominent NNE-trending resistivity low (Figure 1), which will be targeted in the planned drilling.

NEXT STEPS

On the earlier of approval of the drilling contract by the Ministry of Mines or 21 days from the date of submission of the contract, the drilling program will commence. Both programs are expected to be completed by the end of the year.

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² Refer to ASX announcement 25 March 2019. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

³ Refer to ASX announcement 3 Sept 2019. The Company is not aware of any new information or data that materially affects the information contained in that announcement

For Further information, please contact:

Mike Brown, Managing Director

Mikeb@chesserresources.com.au

Mobile: +1 778 822 4345

ABOUT CHESSER RESOURCES

Chesser Resources is an ASX listed exploration company with gold projects located in Senegal, West Africa. Chesser has announced a high-grade gold discovery at its Northern Arc target on its flagship Diamba Sud project. The Company currently holds ~300km² of highly prospective ground in this underexplored world-class gold region. The Company has a corporate office located in Brisbane, Australia and a corporate and technical team based in Dakar, Senegal.

Diamba Sud is the Company's flagship project, covering 53.2km² over the gold-bearing Kedougou-Kenieba Inlier, Diamba Sud consists of two blocks referred to as DS1 in the north and DS2 in the south.

The Project is located ~2km to the west of the Senegal Mali Shear Zone (SMSZ), a major regional structure and host to numerous multi-million ounce gold deposits including; B2Gold's 7.6Moz Fekola mine, Barrick's 18Moz Loulo-Goukoto complex and IAMGold's Sadiola and Yatela mines. DS1 lies 7km to the west of the 5.5Moz Goukoto mine and to the immediate east of the privately owned 0.5Moz Kharekene mine.

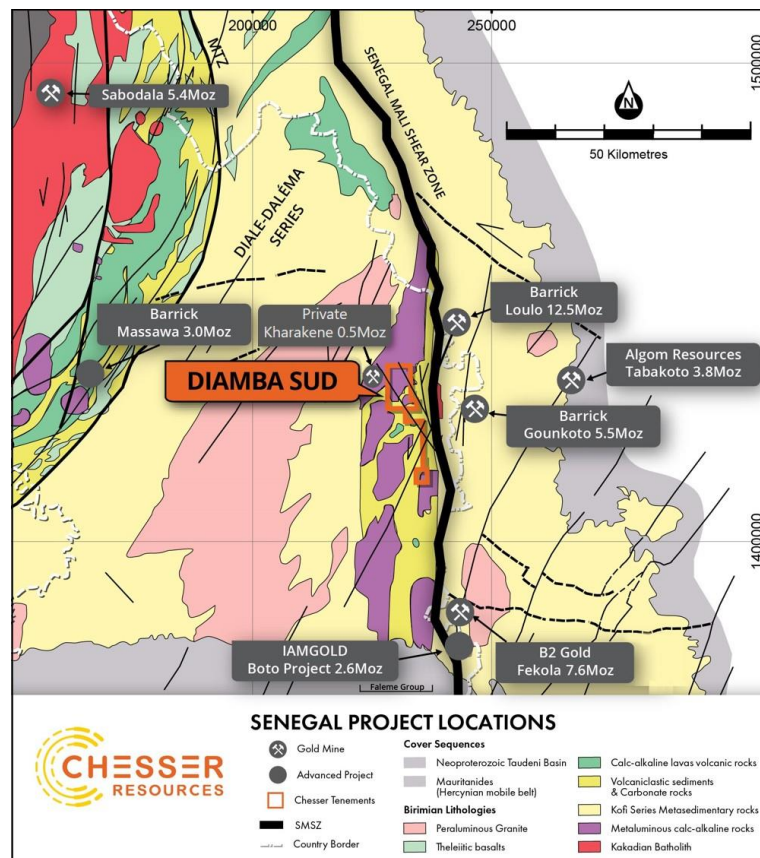


Figure 3: Schematic regional geology of eastern Senegal, showing the Diamba Sud Project and its proximity to both the SMSZ, and the major gold operations and projects on or adjacent to splays off the SMSZ.

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 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.