



# West Africa's Newest Gold Discovery in Senegal's Golden Corridor

Corporate Presentation October 2019



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## References to ASX Market Announcements

This Presentation contains information, including exploration results, extracted from the following ASX market announcements reported in accordance with the JORC Code (2012):

- i. Diamba Sud exploration results reported on pages 3, 6, 8, 9, 10 and 18 of this presentation were reported in ASX Announcements dated 22 February 2018, 28 May 2018 and 27 August 2018.
- ii. Diamba Sud historical RC drilling results reported on page 3, 6, 7 and 12 of this presentation were reported in an ASX Announcement dated 3 April 2017.
- iii. Diamba Sud RC drilling results reported on pages 3, 6, 7, 8, 9, 10, 11, 13, 14, 21, 22, 23, 24 and 25 of this presentation were reported in an ASX Announcement dated 25 March 2019, 10 April 2019, 6 May 2019, 14 of May 2019, 26 August 2019 and 3 September 2019.
- iv. Capital raise referred to on page 4 was reported in an ASX Announcement dated 12 September 2019.

The Company is not aware of any new information or data that materially affects the information contained in the referenced ASX market announcements.

## Competent Person's Statement

The information in this presentation that relates to Exploration Results is based on information compiled by geologists employed by Boya SAU (a wholly owned subsidiary of Chesser Resources) and reviewed by Mr Michael Brown, who is a member of the Australian Institute of Geoscientists (MAIG). Mr Brown is the Managing Director of Chesser Resources Limited. Mr Brown is considered to have sufficient experience deemed relevant to the style of mineralisation and type of deposit under consideration, and to the activity that 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" (the 2012 JORC Code). Mr Brown consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

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# New Gold Discovery at Flagship Diamba Sud Project

## Area A Discovery

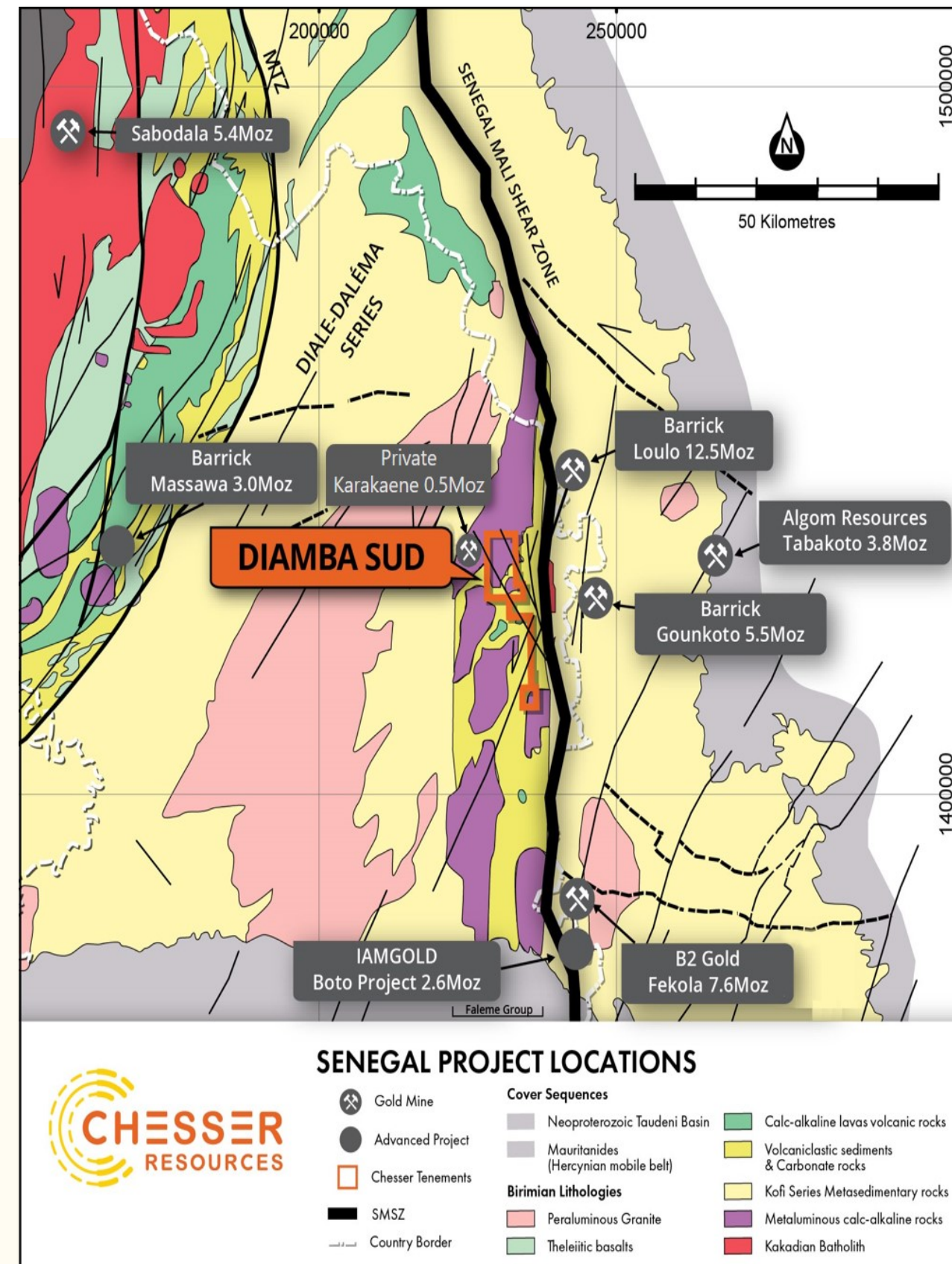
- Shallow high-grade zones recently intersected;
  - 21m at 6.62g/t gold
  - 14m at 9.53g/t gold
- Associated with granodiorite intrusive;
  - Apparent similarities to Barrick's 3Moz at 4g/t gold Massawa Project located 50km to west

## Drilling to recommence in late October targeting:

- Area A Discovery;
  - open in all directions
- Area D:
  - 53m at 2.61g/t gold recently intersected associated with mineralised fault zone
- Western Flank target:
  - hosts splay off Senegal-Mali Shear Zone ("SMSZ")

Geological setting of Diamba Sud comparable to other world-class gold deposits along the prolific SMSZ

Chesser is fully funded to advance the planned drilling program commencing in late October





# Experienced Management And Board

## CAPITAL STRUCTURE

280.3m

OUTSTANDING SHARES

A\$19.6M

MARKET CAP  
at A\$0.07/Share

~A\$17.2M

ENTERPRISE VALUE

~A\$2.4M\*

CASH BALANCE  
as at Sept 2019

A\$0

DEBT

TOP 20 SHAREHOLDERS: 43%

## MANAGEMENT

### MICHAEL (MIKE) BROWN

Managing Director & CEO

Former CEO and geologist with over 25 years' experience, working in exploration and mining in Australia, Indonesia, Chile and Argentina, with Rio Tinto, CRA, Homestake and Phelps Dodge. He has had executive roles at Kinross Gold, Pacific Hydro, Argentex Mining and Austral Gold. He has worked in West Africa with Kinross Gold. He has a MBA, a BSc(Hons-Geo) and BA.

### GARETH O'DONOVAN

Exploration Manager

Former founder, Chairman and CEO of SRK Exploration. 10+ years working in various regions in Africa (including Senegal) with Anglo American Gold and junior explorers and is a fluent French speaker. He has a MSc (Expl. Geology) and a BSc(Geo).

### STEPHEN KELLY

Executive Director, CFO & Company Secretary

Qualified Australian Chartered Accountant with more than 25 years' experience.

## BOARD

### SIMON O'LOUGHLIN

Non-Executive Chairman

Mr O'Loughlin is the founding member of O'Loughlins Lawyers and a Non-Executive Director of Petratherm Limited, BOD Limited and Oklo Resources. He is a former Chairman of the Taxation Institute of Australia (SA Division) and Save the Children Fund (SA Division).

### SIMON TAYLOR

Non-Executive Director

Mr Taylor is a geologist with over 25 years' experience throughout Australia and overseas having held Senior Geologist and Exploration Manager positions for numerous ASX listed resource companies. Managing Director of Oklo Resources and Non-Executive Director of Bod Australia.



# Flagship Diamba Sud Project

Previous auger drilling by Chesser outlined a series of extensive gold anomalies

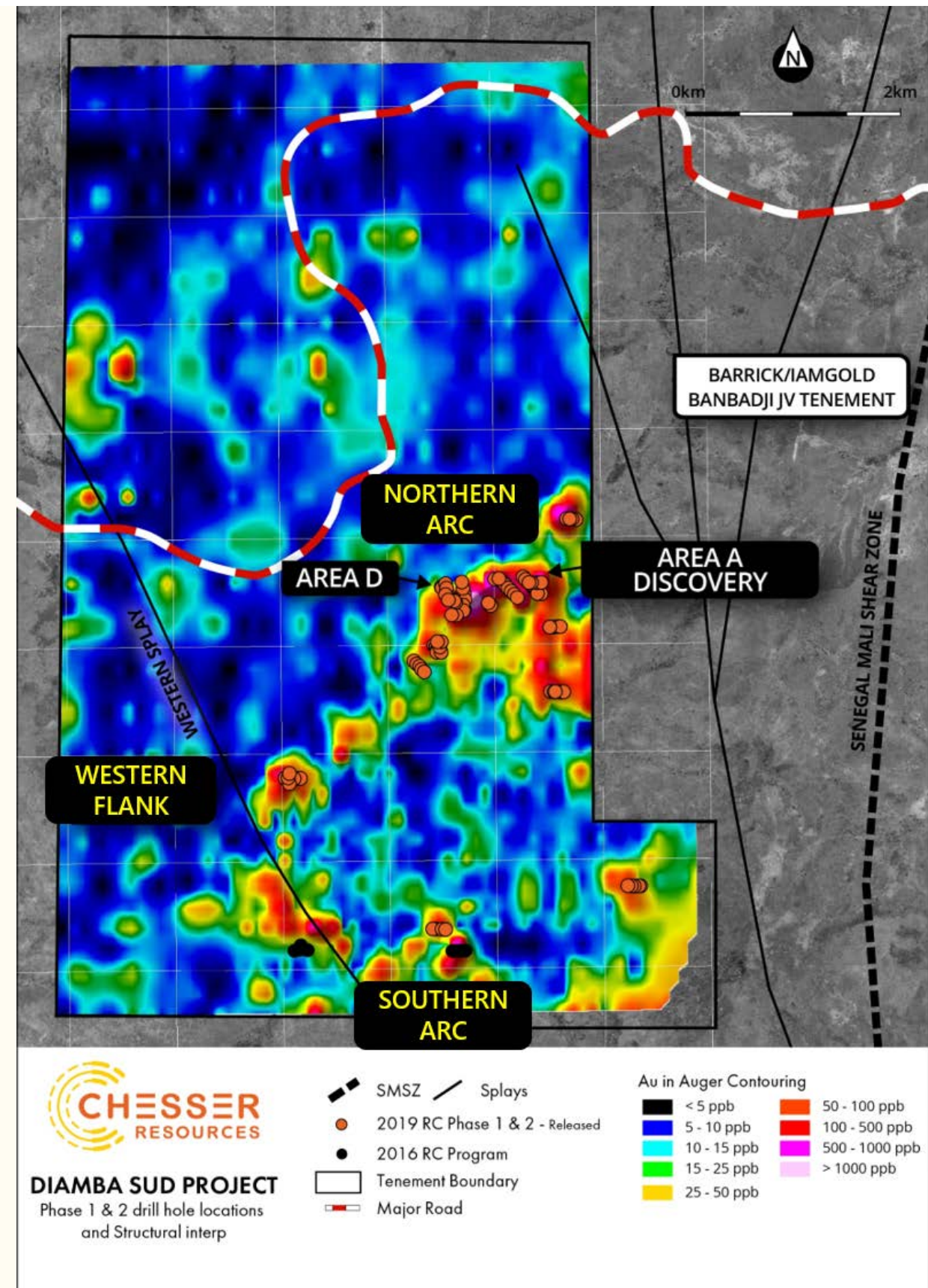
Initial wide-spaced auger program with subsequent infill;

- Identified a large ring-like gold geochemical anomaly
- Circular area roughly correlates to granitoid contact
- First pass reconnaissance drilling intersected high-grade gold at 3 of the 4 priority targets;
  - Northern Arc, Western Flank and Southern Arc targets

Follow-up drilling at Northern Arc and Western Flank targets intersected;

- Shallow high-grade gold in fresh rock at Area A
- High-grade gold associated with north-striking structure at Area D
- Encouraging intersections from Area F

Forthcoming drilling program to focus on Area A discovery and adjoining Area D target





# AREA A Discovery: Northern Arc

Drilling is wide spaced (two 100m spaced lines), limited (8 RC holes) and shallow.

**Hole DSR093:** 21m at 6.62g/t gold from 53m, incl. 1m at 30.60g/t gold from 69m and 4m at 3.44g/t gold from 76m

**Hole DRS092:** 14m at 9.53g/t gold from 75m, incl. 2m at 21.85g/t gold from 78m and 2m at 13.15g/t gold from 83m

**Hole DRS90:** 6m at 2.91g/t gold from 104m; and 6m at 3.08g/t gold from 120m

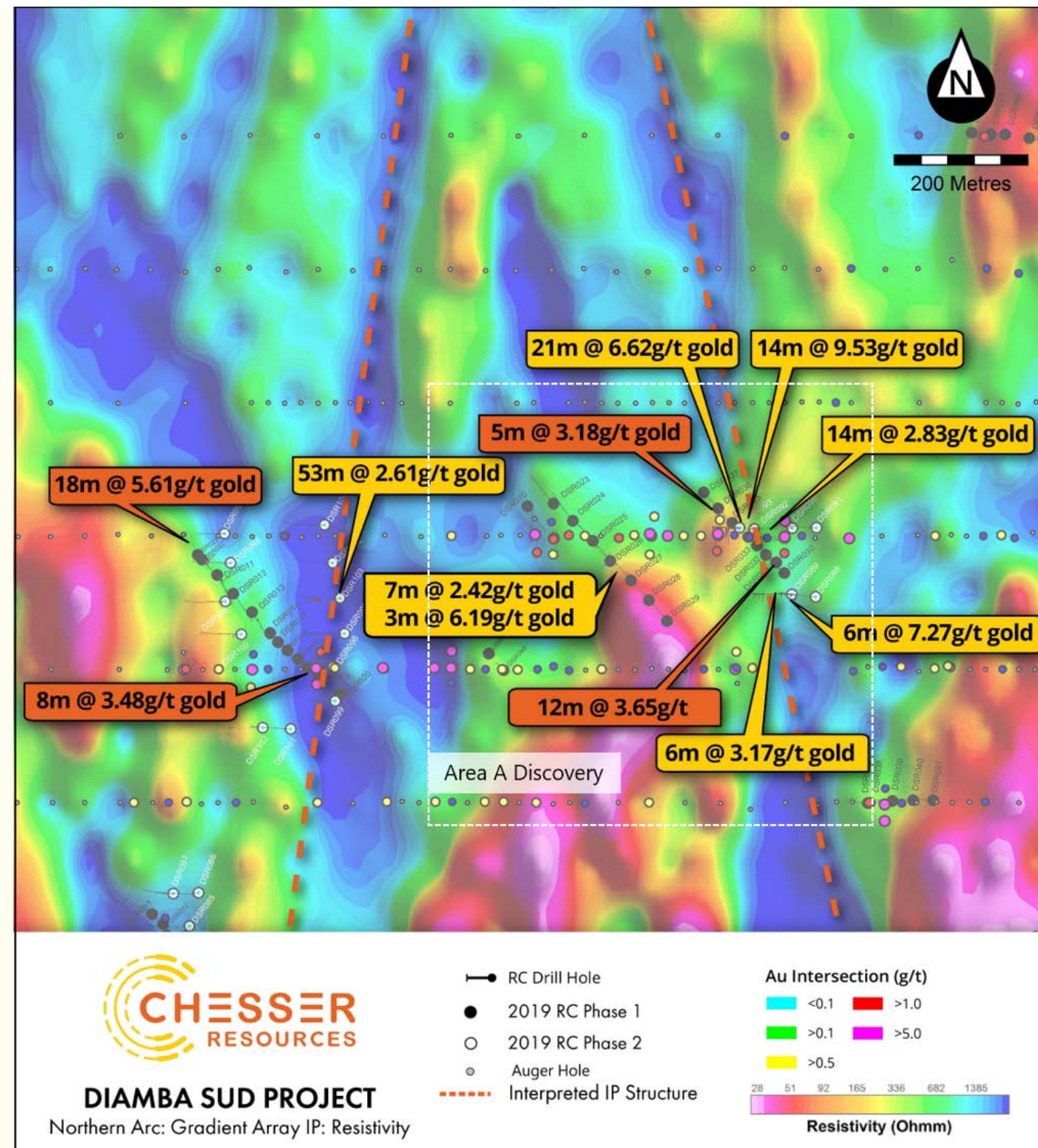
**Hole DRS91:** 4m at 2.46g/t gold from 20m; and 14m at 2.83g/t gold from 87m

- Target model is pressure shadow related mineralisation within, and associated with, northern contact of granodiorite.

## Pressure Shadow Analogies:

- Massawa (Barrick), Senegal. M&I= 3.0Moz at 4.0g/t gold
- Granny Smith (Goldfields), W. Australia. MI=5.9Moz at 5.7g/t

Geochemical anomalies from auger drilling indicate possible extensive footprint, with IP showing a northerly trending structure.





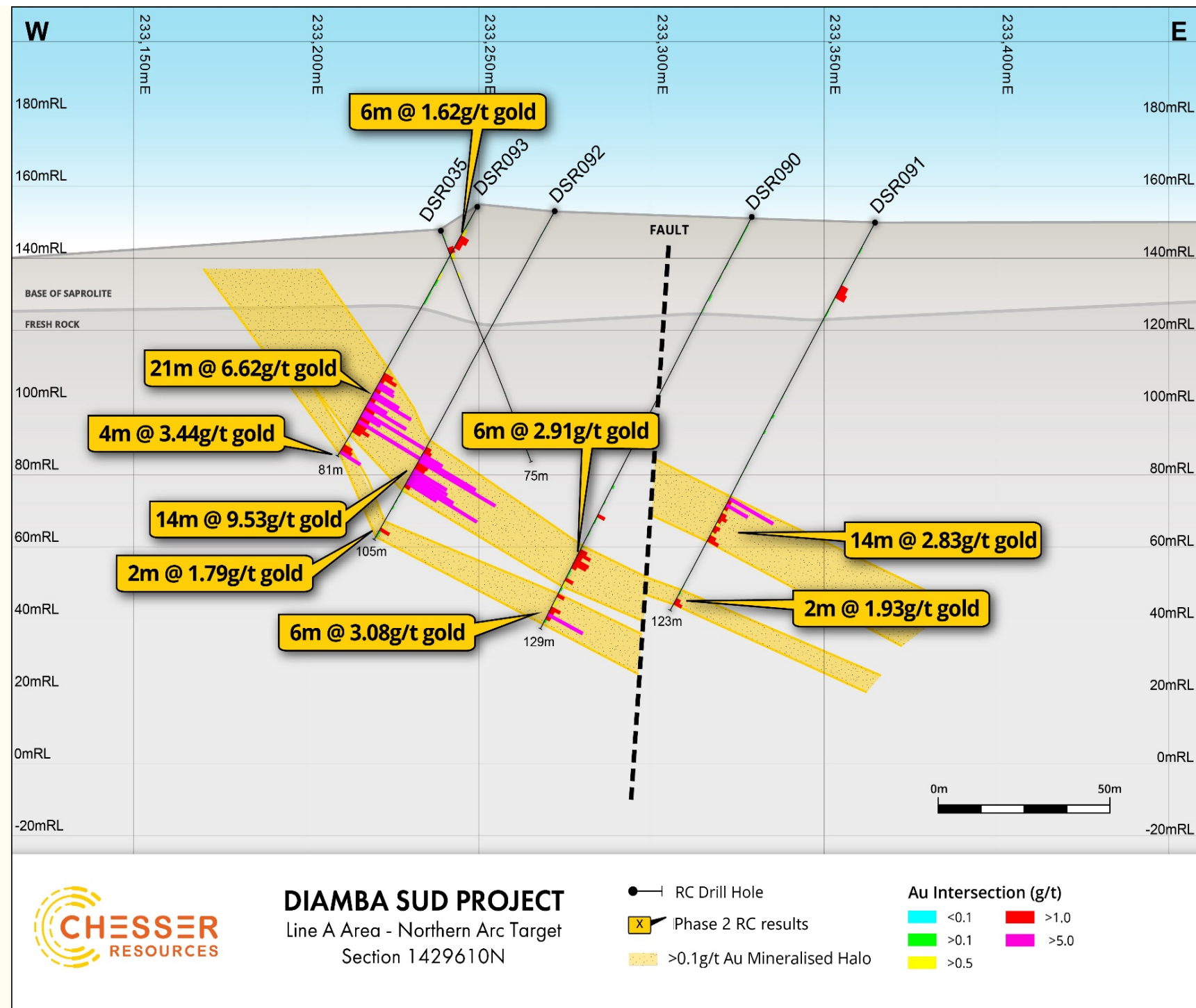
# AREA A Discovery

Shallow high-grade gold zones intersected in fresh rock

## Technical indications of a large system

- Fractured and brecciated shallow dipping mineralised zones, within broad  $>0.1\text{g/t}$  gold envelopes.
- Zones occur in proximity and within a granodioritic intrusive contact with felsic volcanics and carbonates.
- Pyrite is only visible sulphide, associated with strong potassic alteration  $\pm$  silica
- Geophysics supports extensive system potential (see Appendix)

Mineralised zones show strike and down-dip continuity, establishing a high-grade gold discovery.





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Open in all directions, with diamond and RC drilling planned to commence in October to test strike and dip extensions and repetitions at depth.



## AREA D - Northern Arc: Enticing Signs

## Drilling identified two prospective targets:

- Fault hosted mineralisation intersected in DSR103 and DSR018
- High-grade oxide at DSR022

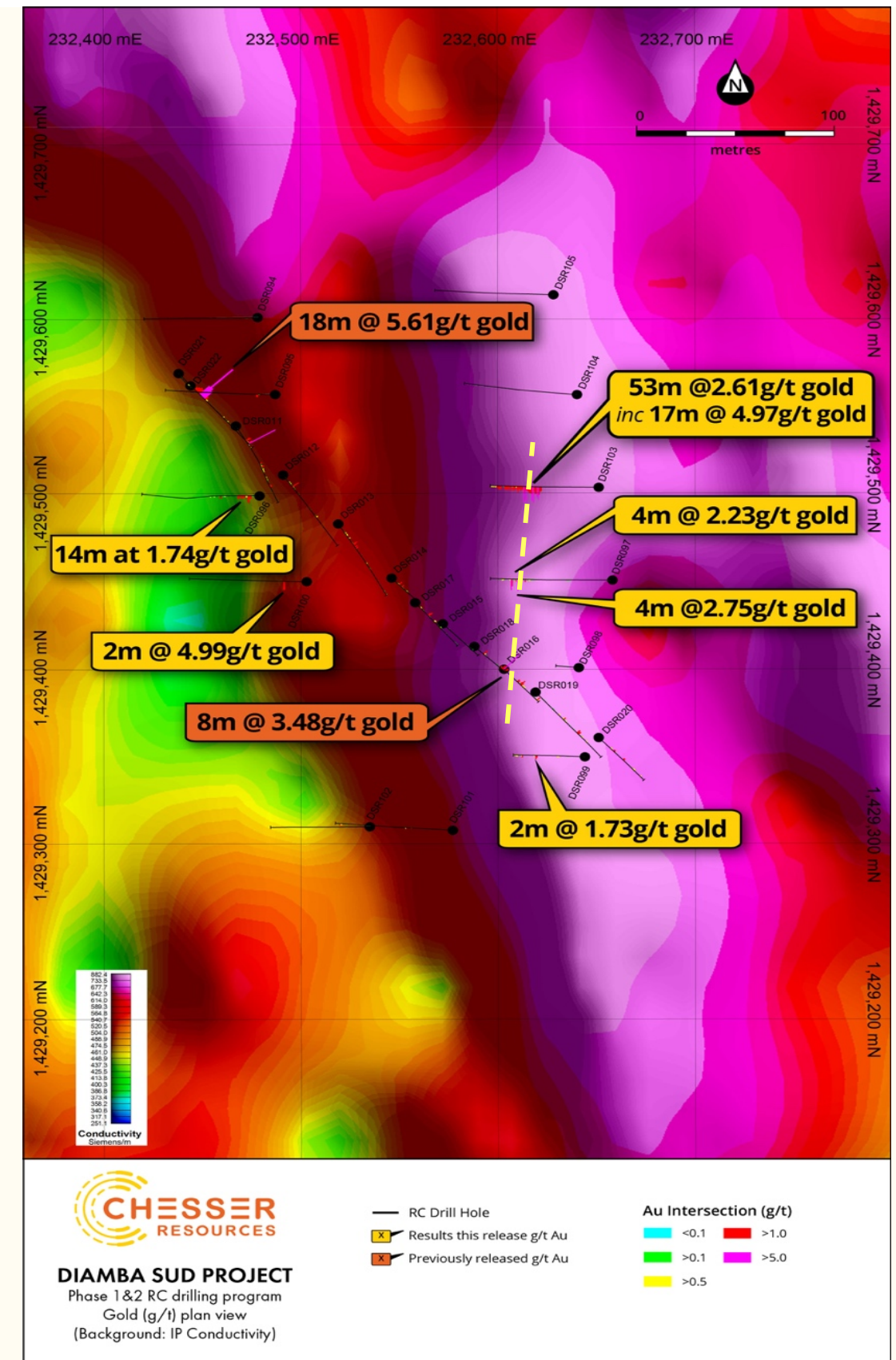
## Fault Hosted zone:

- Corresponds to conductivity anomaly in IP, defining a N-S feature
- DSR103 intersected wide oxidized mineralised shear with extensive fresh rock mineralisation to bottom of hole:
  - **53m at 2.61g/t gold** from 57m, including **17m at 4.97g/t gold** from 59m.
- Potential high-grade shoot within fault zone.
- DSR018, 100m to the south, appears to have intersected same structure near top of the fresh rock interface.
  - **8m at 3.48g/t gold** from 34m
- Holes adjacent to DRS018 did not reach fresh rock, showing deeper weathering consistent with presence of a major structure.

## Oxide Zone:

- Drilling has identified a shallow oxide horizon, centered around DSR022 (18m at 5.61g/t gold from 6m), which requires more drilling.

Follow-up drilling is being planned to test strike and dip extents, and depth, with diamond drilling and RC.



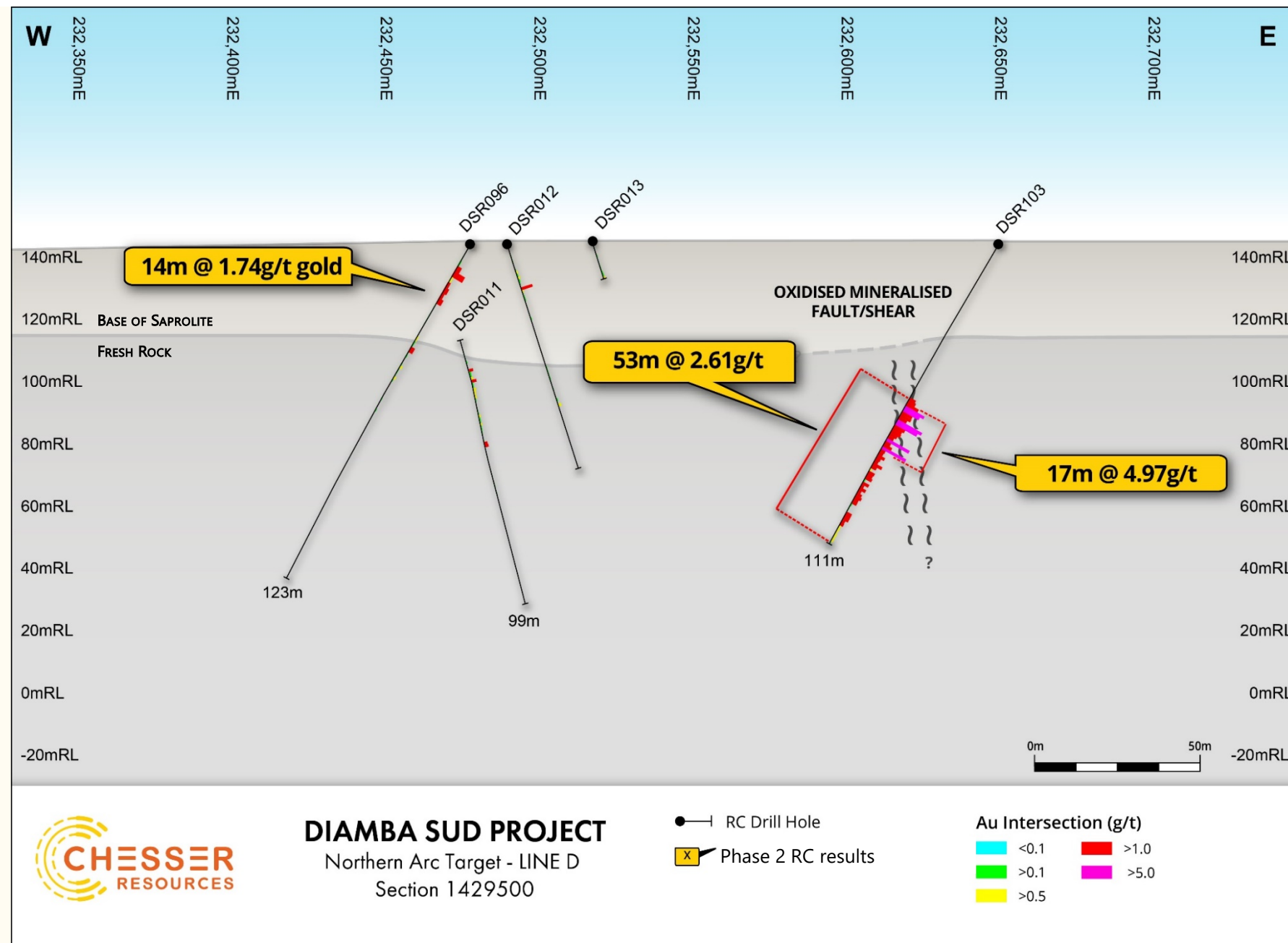


# AREA D: Mineralised Fault Identified

DSR103 intersected wide oxidized mineralised fault with extensive fresh rock mineralisation to bottom of hole:

- 53m at 2.61g/t gold from 57m, including 17m at 4.97g/t gold from 59m.
- Fault zone from 55-66m, oxidized, with localized oxidation of wall rock.
- Mineralised zone extends beyond high grade in fresh rock to 110m.

Elevated potassium in XRF indicates significant alteration system.



Correlation with IP resistivity anomaly (structure) aligning with mineralised intersected at Southern Arc target, approximately 3km to the south.

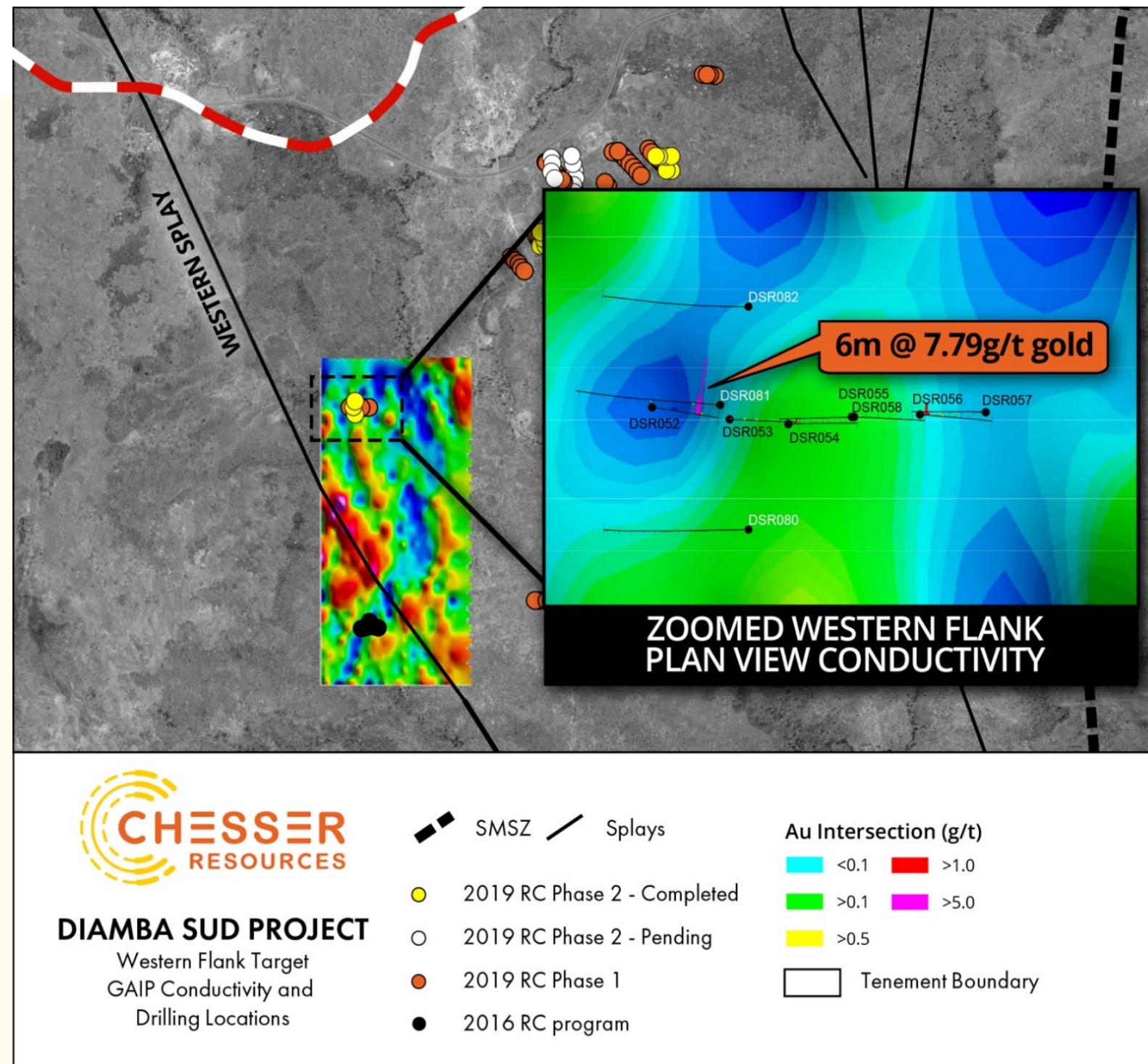


# Western Flank Target

Potential 5km strike length with subparallel structures

- Gradient Array IP (GAIP) survey indicates the presence of a probable structure
- Correlates to regional aeromagnetic feature.
  - Major northwest-trending splay structure.
- All major gold deposits along the SMSZ either on or adjacent to splays extending from the SMSZ.
  - Western Splay is untested by any drilling,

Western Splay and subparallel structures are priority targets for future drilling.





# Southern Arc Target

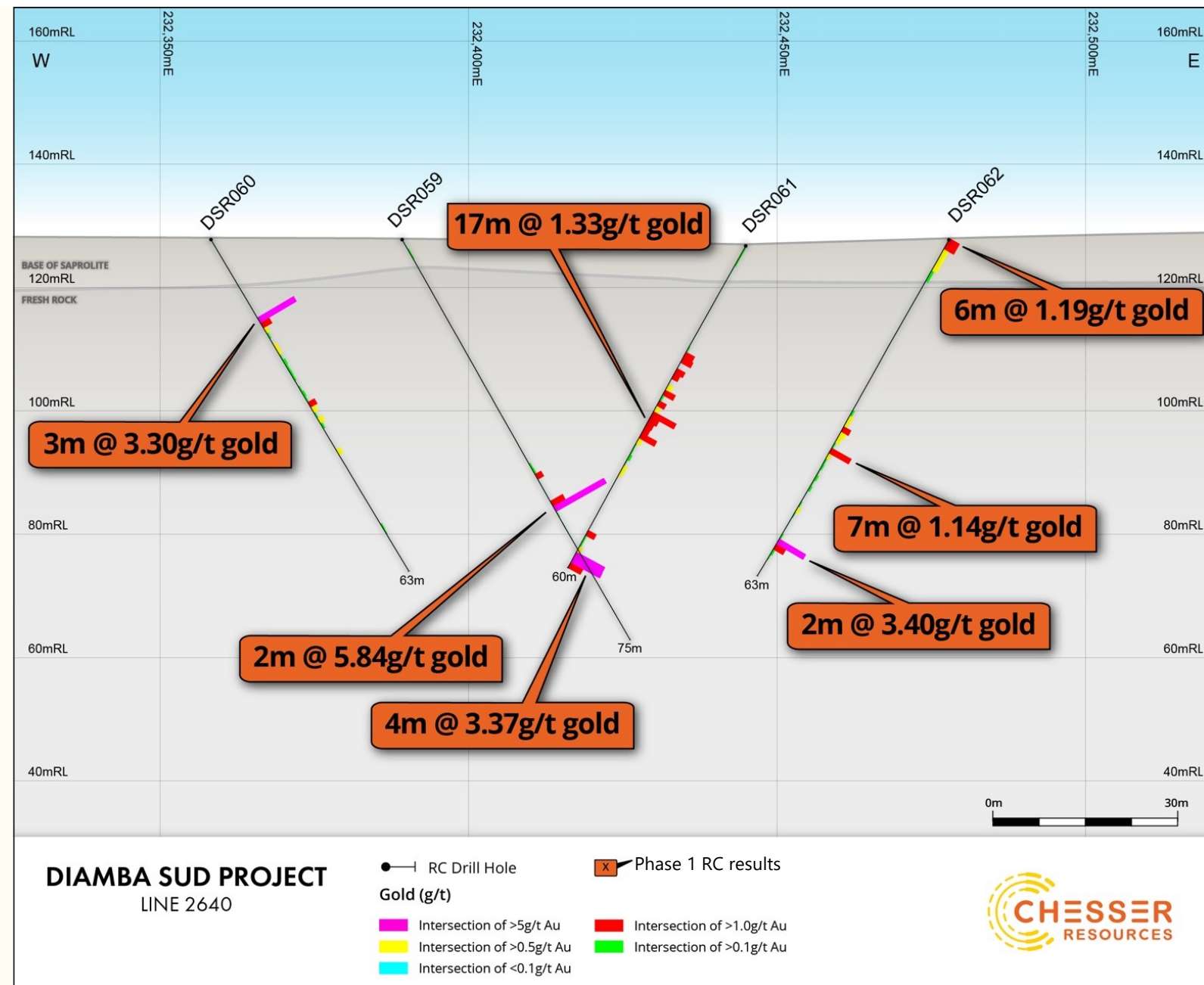
Large broad gold geochemical anomaly with multiple drill intersections

Significant hits in fresh rock include;

- 4m at 3.37g/t gold
- 3m at 3.30g/t gold
- 2m at 5.84g/t gold
- 2m at 3.40g/t gold
- 17m at 1.13g/t gold
- 7m at 1.14g/t gold

Historic RC drill line approx. 200m to the southeast intersected 14m at 2.84g/t gold, including 4m at 4.43g/t gold, with other lower grade intersections.

These drill lines lie over a cluster of highly anomalous gold in auger geochemical anomalies, with mineralisation open in all directions.



Appears to correlate with IP resistivity anomaly (structure) that aligns with Area D high-grade mineralised fault, approximately 3km to the north.



# Next Steps: Advancing the Discovery Story

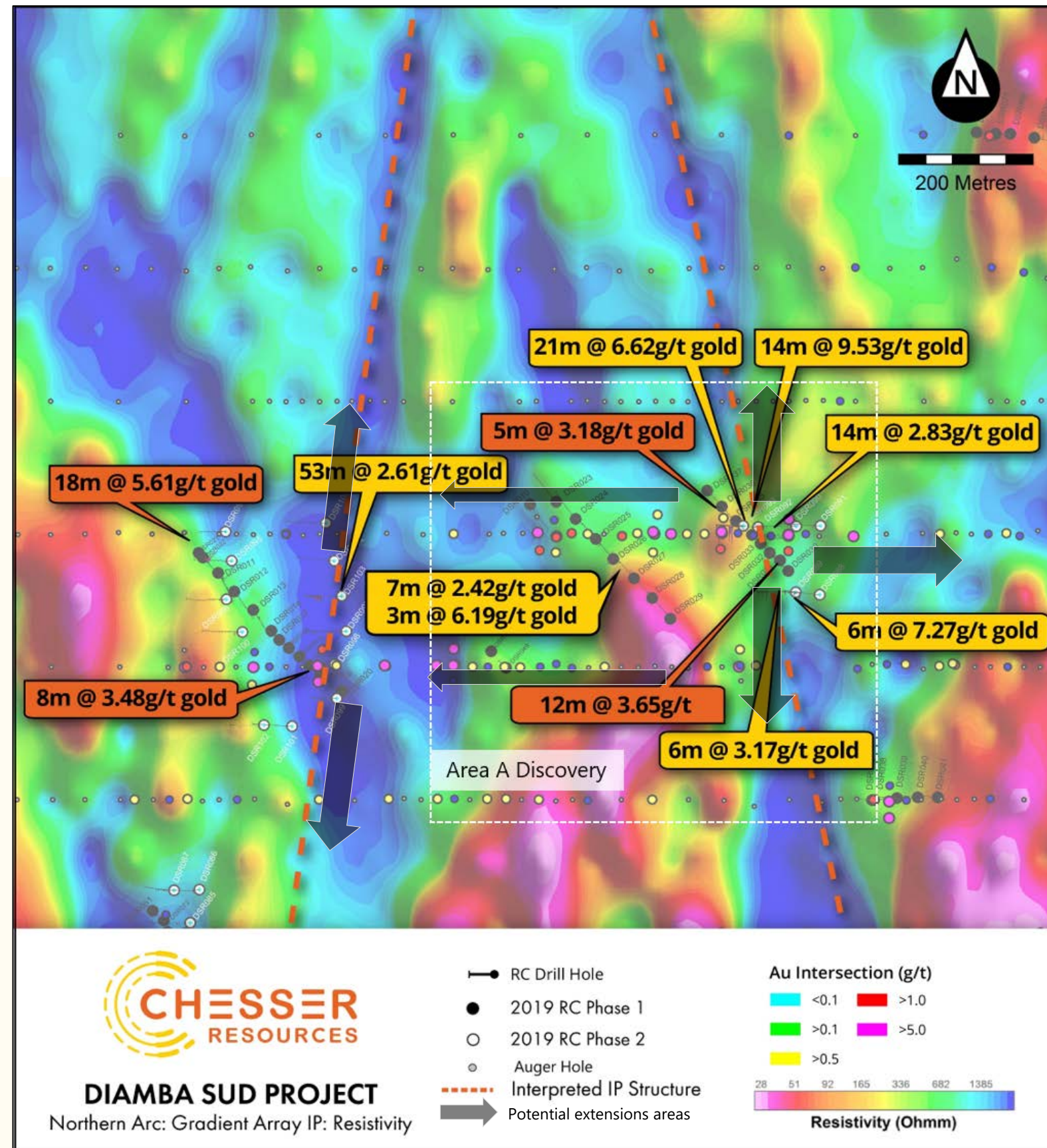
## Diamond Drilling (2000m)

- A DD program is being planned for commencement as early as late October, subject to wet season finishing.
- Nominal ~125-175m length, testing Area A and D high grade continuity and geological model

## RC drilling

- Strike and dip extension drilling at Area A.
- Confirm strike extension and orientation of mineralised fault at Area D
- Test geophysical anomalies similar to Area A fingerprint with coincident geochemical anomalies between Area A and D areas
- Test Western Splay (subsequently)
- Follow-up Southern Arc (subsequently)

*Significant news flow from November to January with drilling results.*





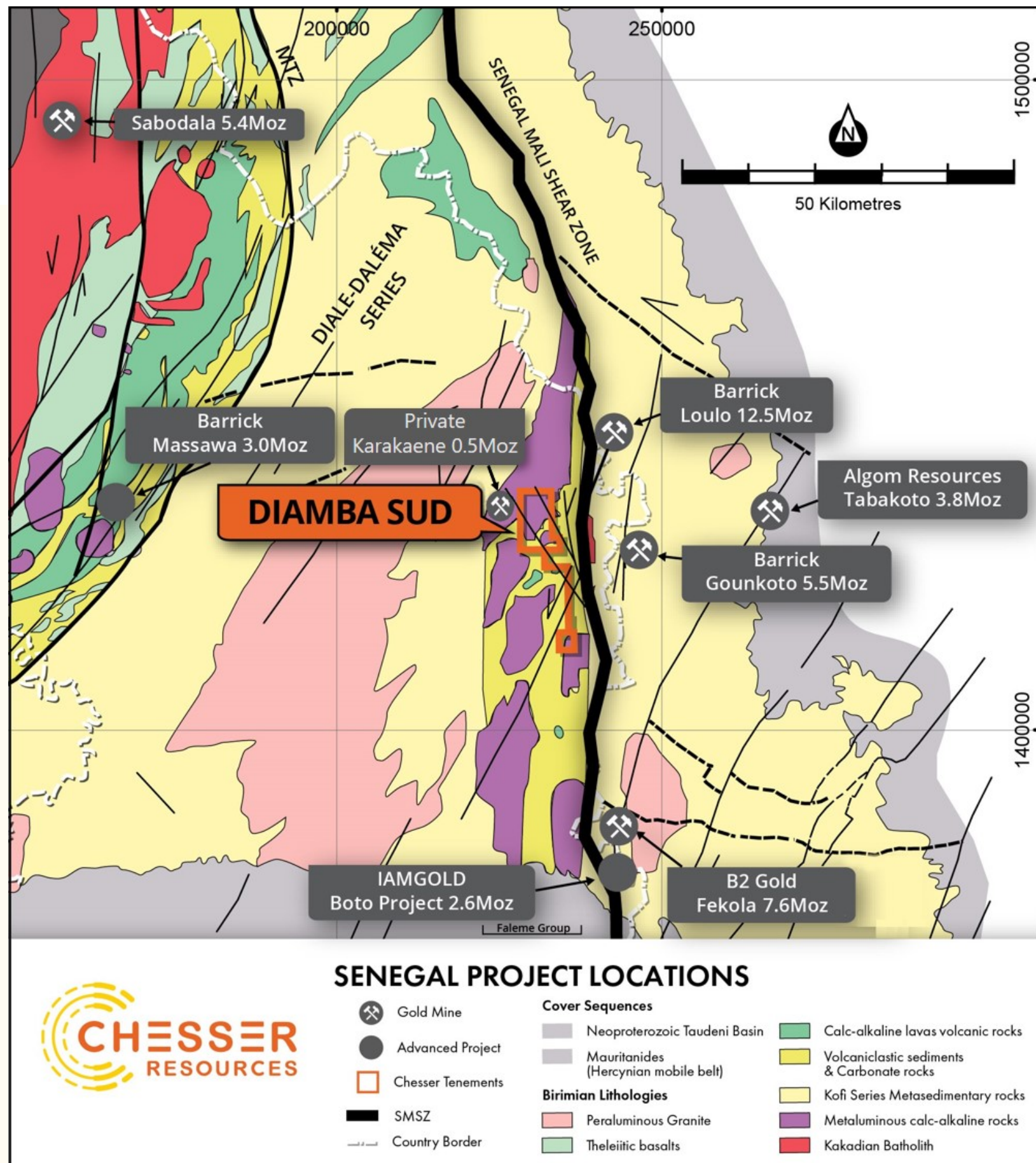
# PROLIFIC MULTI MILLION OUNCE GOLD REGION

SMSZ multimillion-ounce deposit characteristics:

- Adjacent to SMSZ, hosted on a splay off it.
- Dominant N and NE structural control on mineralisation.
- Hosted by pyrite with strong alteration envelope

**DIAMBA SUD: Nearology and characteristics:**

- 2km to west of SMSZ
- Overlies 2 splays off the SMSZ
- Northerly trend
- High grade gold in pyrite with strong K alteration





# EXPLORING FOR GOLD ELEPHANTS

**Prolific Underexplored Orogenic Gold Belt in West Africa** hosting multimillion-ounce gold deposits (+45Moz).

**Stable And Democratic Mining Friendly Country** with increased corporate activity.

**One early stage high-grade discovery within the Northern Arc Target**, follow-up drill targets for next campaign (imminent).

## KEY FOCUS: DIAMBA SUD

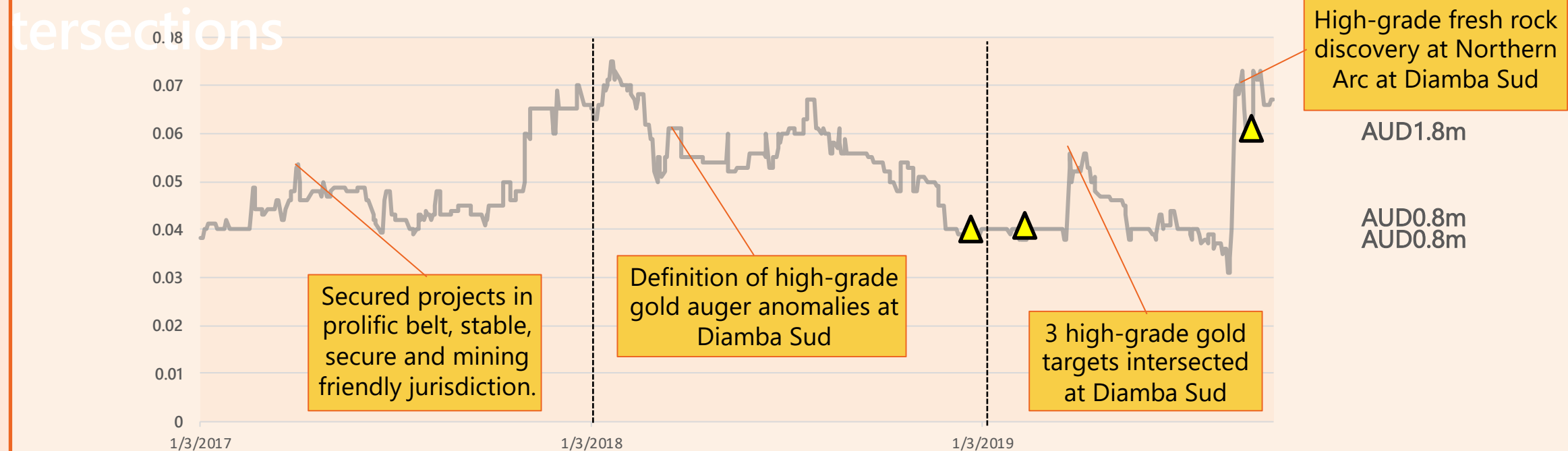
- Expand Area A mineralisation, open in all directions.
- Test Area D fault along strike and potential high-grade shoots.
- Close proximity to sealed road and other operations.





# Path To Discovery: *Focused Use Of Funds In High Value Activities; Limit Dilution And Deliver Growth Through Discovery*

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Acquired 5 projects in Senegal.  
Completed initial wide spaced auger at Diamba Sud and other projects.

Completed infill program at Diamba Sud.  
Completed auger programs at Garabourea, Woye and most of Diamba Nord, soil geochem at Youboubou.  
Dropped Woye and Garabourea properties.  
Appointed new CEO & Expl. Manager

Completed initial 4700m RC program at 4 targets at DS.  
Completed follow-up 2800m RC program at Northern Arc and Western Flank.  
Completed GAIP and dipole-dipole IP survey at DS  
*Commence Phase 3 drilling at Northern Arc: October start*





[www.chesserresources.com.au](http://www.chesserresources.com.au)

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# Strategic Land Holdings

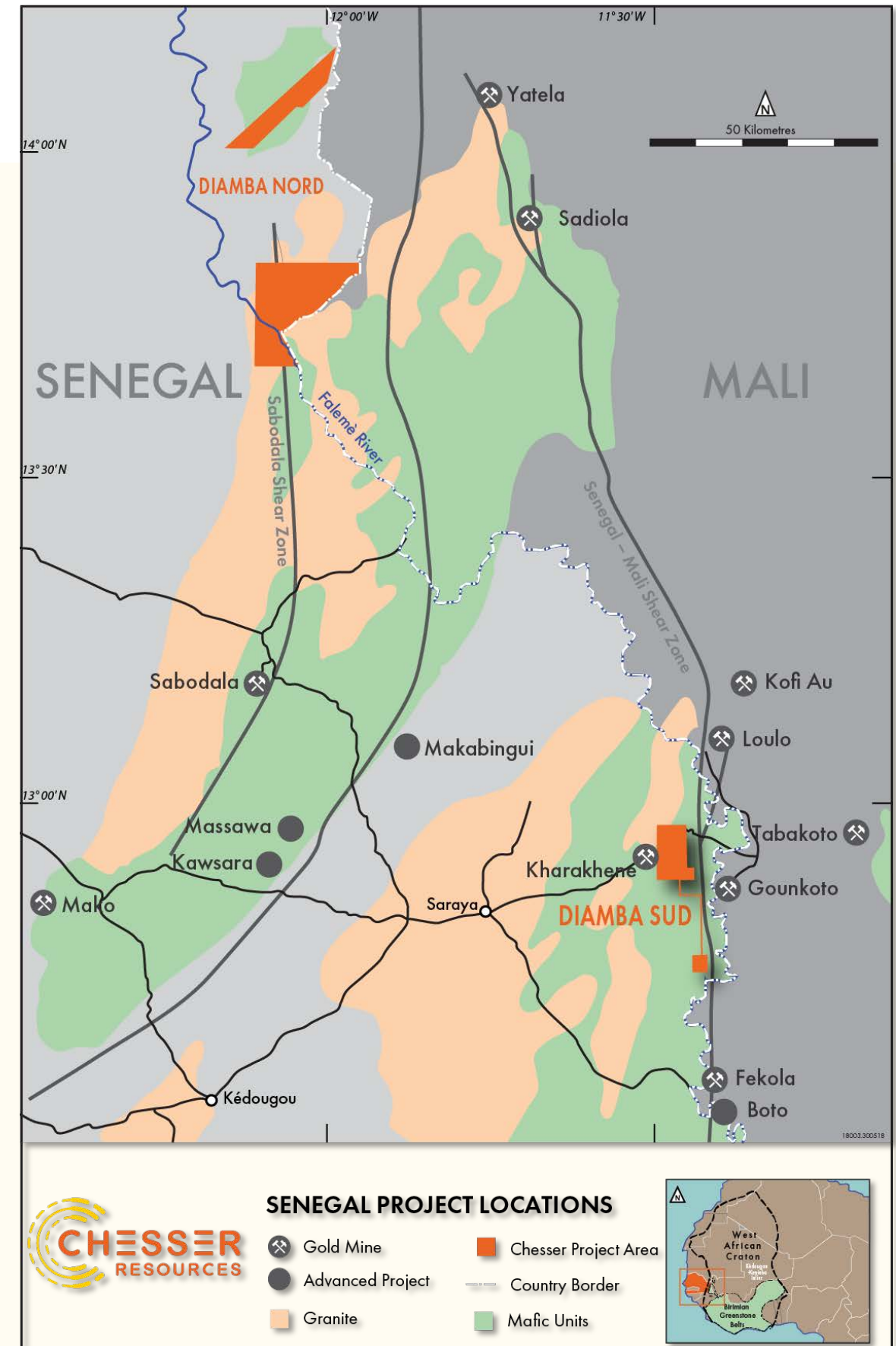
## Diamba Sud: *Discovery*

- Adjacent to the SMSZ.
- Close proximity to operating mines and advanced gold projects in Senegal.
- Nearby operating mines in Mali all owned by Major gold producers.
- Paved access.
- In fourth year of potential 11-year exploration lease.

## Diamba Nord:

- Located on western Birimian greenstone belt, hosting Sabodala (Teranga Gold) and Mako (Resolute Mining) gold mines
- On strike to Sabodala mine in an unexplored belt
- In fourth year of potential 11-year exploration lease.

- Approximately 300km<sup>2</sup> of exploration leases.
- Chesser is actively seeking additional strategic high potential properties in Senegal.





# APPENDIX:

## Board and Management Bios

### **SIMON O'LOUGHLIN**

#### **Non-executive Chairman**

Mr O'Loughlin is the founder of O'Loughlins Lawyers, an Adelaide based specialist commercial law firm. For many years he has practiced both in Sydney and Adelaide, in the corporate and commercial fields, with a particular focus on the resources sector. He is a Non-executive director of Bod Australia Limited, Petrathern Limited and Oklo Resources. In the last 3 years he has been a director of Kibaran Resources, Odin Mining, ARC Exploration, Piedmont Lithium & Oklo Resources.

### **MICHAEL BROWN**

#### **Managing Director & CEO**

Mr Brown is a former CEO and qualified geologist with over 25 years' experience, having worked in exploration and mining in Australia, Indonesia, Chile and Argentina. He has held senior executive roles with Kinross Gold, Austral Gold and Argentex Mining. He has previously worked for Homestake, RioTinto and Phelps Dodge. Mr Brown was most recently a member of the executive team at Austral Gold (ASX: AGD), a junior producer. Prior to that, he was CEO of Argentex Mining, a TSX Listed precious metals explorer acquired by AGD. He was previously an executive director of Argentex Mining and non-executive director of Reservoir Capital.

### **SIMON TAYLOR**

#### **Non-executive Director**

Mr Taylor is a geologist with over 25 years' experience throughout Australia and overseas having held Senior Geologist and Exploration Manager positions for numerous ASX listed resource companies. He is the Managing Director of Oklo Resources and Non-executive director of Bod Australia and ARC Exploration. In the last 3 years he has been a director of TW Holdings, King Solomons Mines & Aguia Resources.

### **STEPHEN KELLY**

#### **Executive Director, CFO & Company Secretary**

Mr Kelly has been Company Secretary and Chief Financial Officer since 2012. He is a qualified Australian Chartered Accountant with more than 25 years' international experience in the areas of external and internal audit, risk management and compliance, treasury and corporate finance.

### **GARETH O'DONOVAN**

#### **Exploration Manager**

Mr O'Donovan has a wealth of experience in West Africa including direct experience in Senegal and regionally on the West African Birimian terranes and is a French speaker.

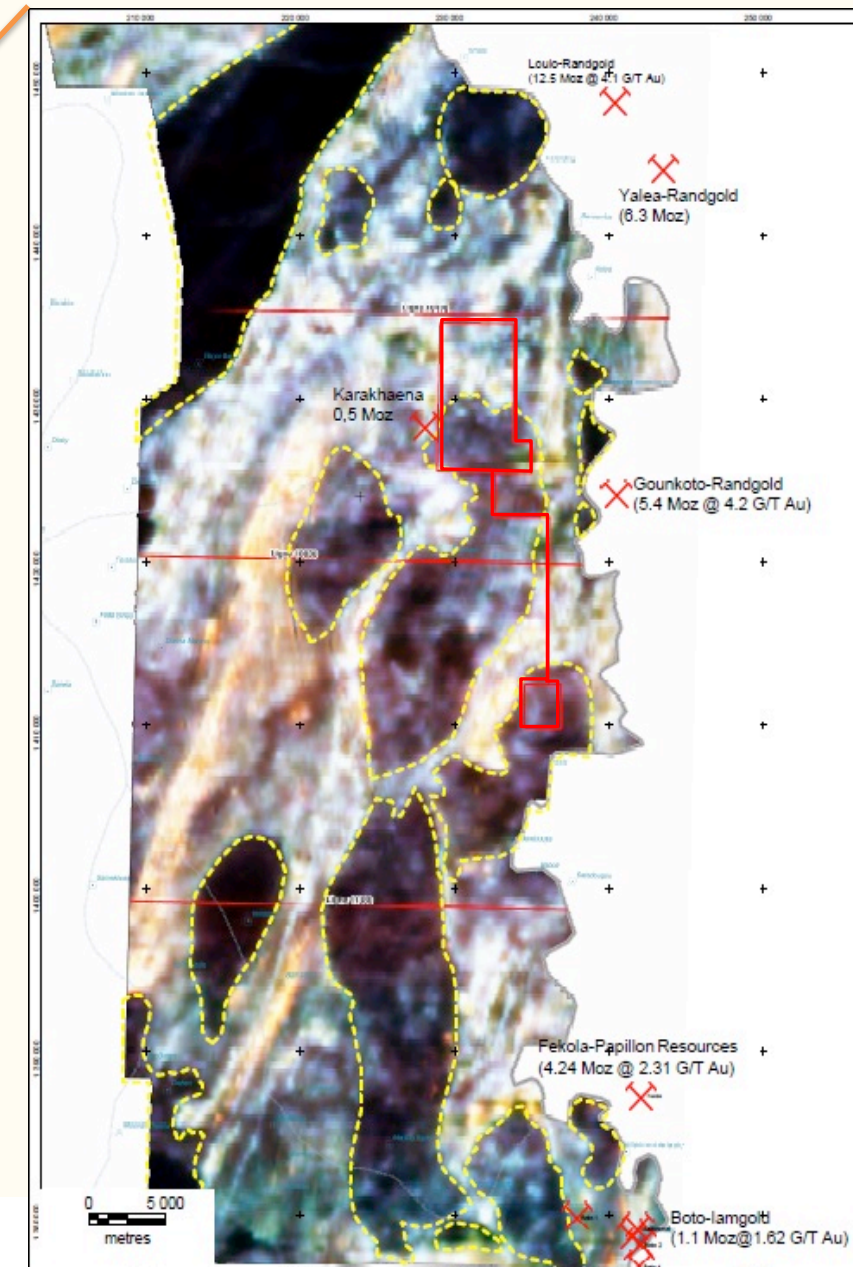
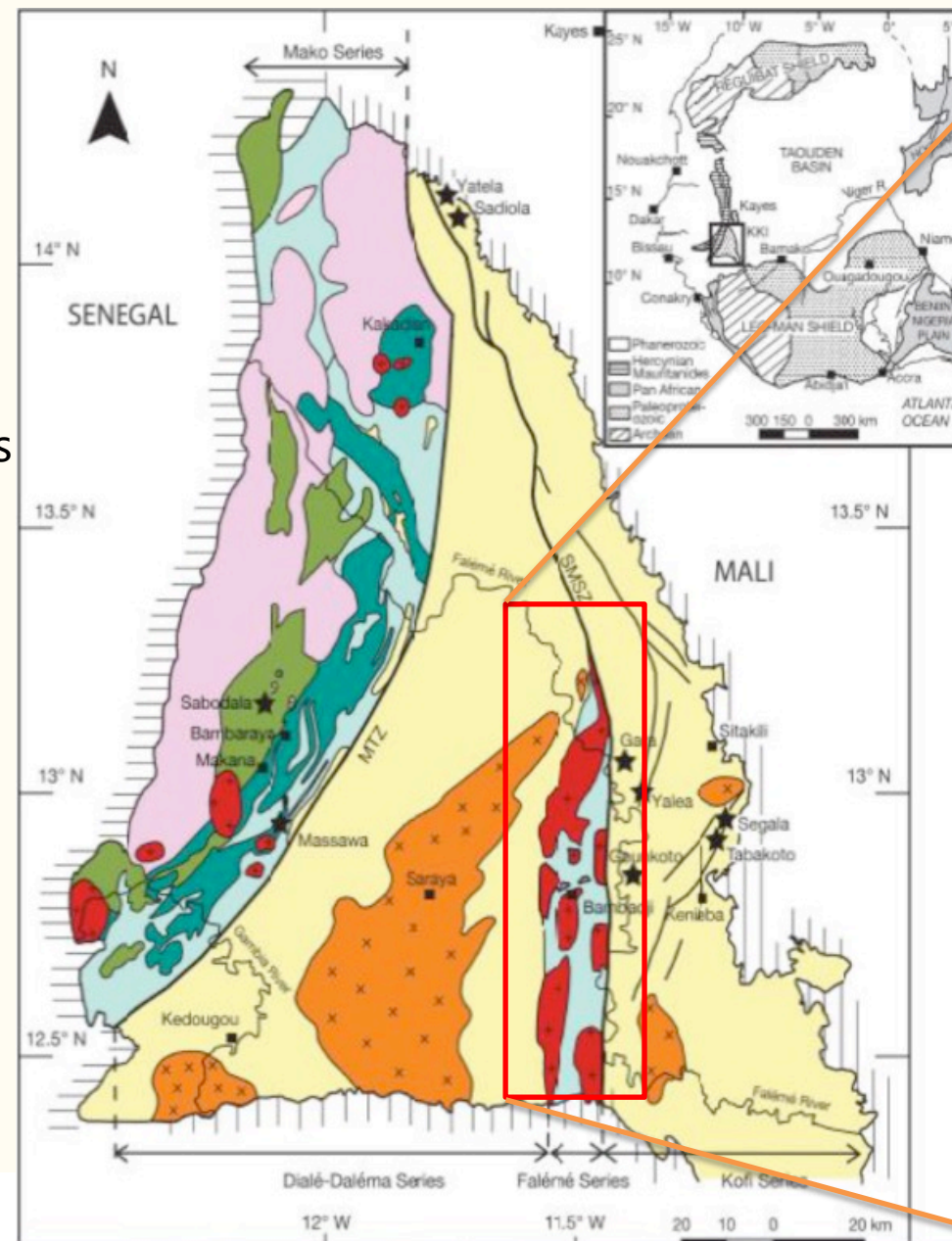
He joined SRK Consulting in 1997 and subsequently founded SRK's exploration consulting business in 2003. Mr O'Donovan was Managing Director of SRK Exploration until 2018 when he was appointed as Chairman. Prior to that he led exploration efforts for a number of junior explorers in West Africa following more than 10 years working in various regions in Africa (including Senegal) with Anglo American Gold.



# APPENDIX:

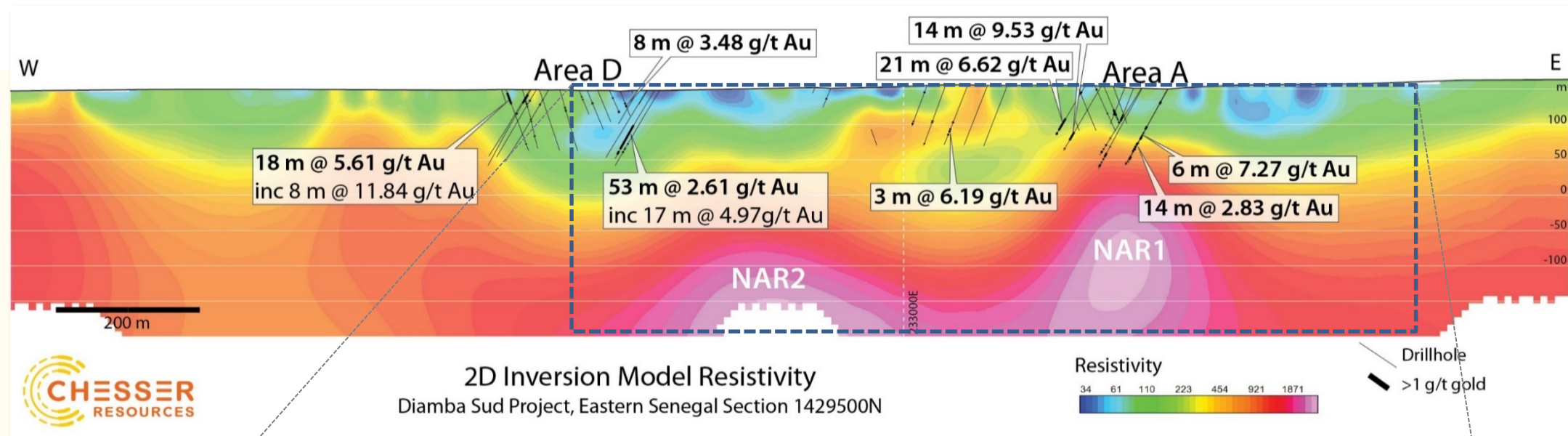
## Diamba Sud Geology

- Consists of a north-south suite of “Faleme” calc-alkaline volcanoclastics and metasedimentary units (lighter areas in EM)
- Intruded by calc-alkaline metaluminous granitoid bodies (darker areas in EM)
- Bounded to east by Senegal Mali Shear Zone (“SMSZ”) and to west by “Diale-Dalema” block, consisting of calc alkaline peraluminous granites and basin metasedimentary rocks
- Goukoto lies on eastern side of SMSZ, within the “Kofi series” of metasedimentary units, and proximal to the SMSZ (5km). Dominant structural controls associated with mineralisation are north and north east striking.

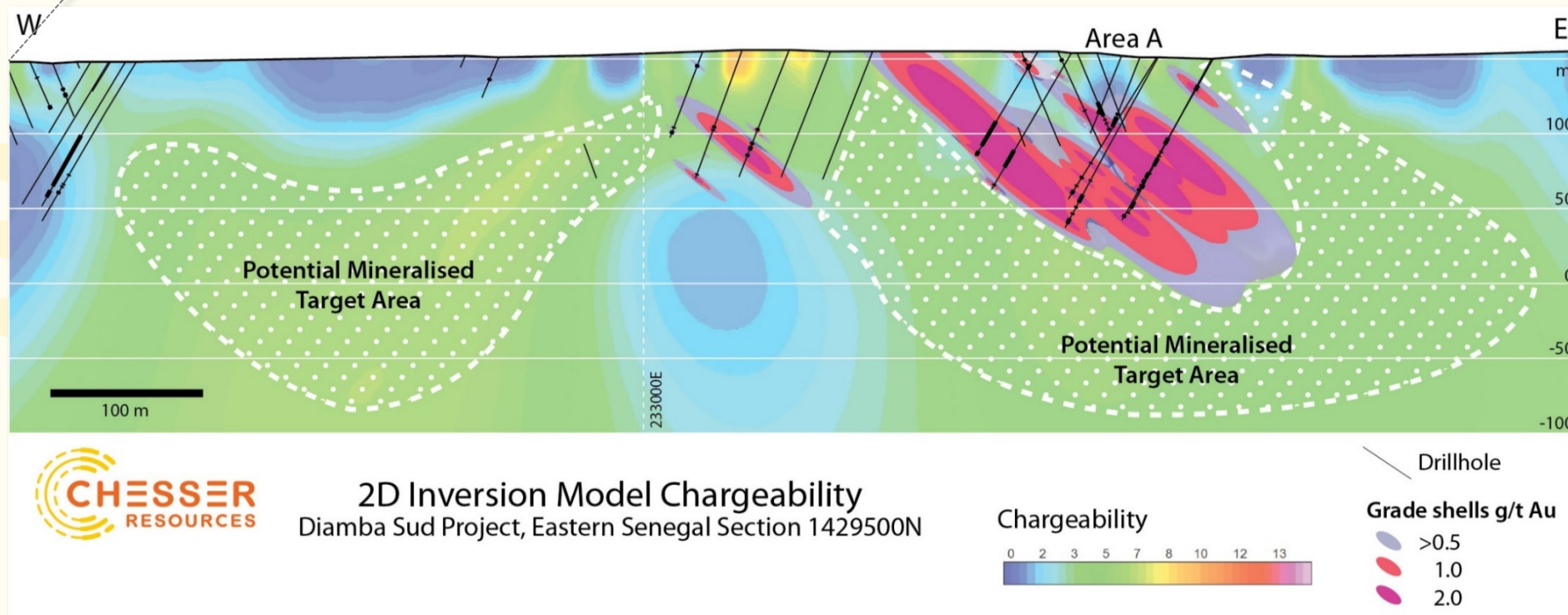




# APPENDIX: Geophysics Supports Extensive System Potential



Resistivity anomalies (NAR1, NAR2) are interpreted granodiorite intrusive of Faleme Group.



**Area A mineralisation coincident with moderate easterly dipping chargeability anomaly.**

- Potential depth extensions.
- Similar coincident chargeability anomaly associated with the NAR2 resistivity high to the west.

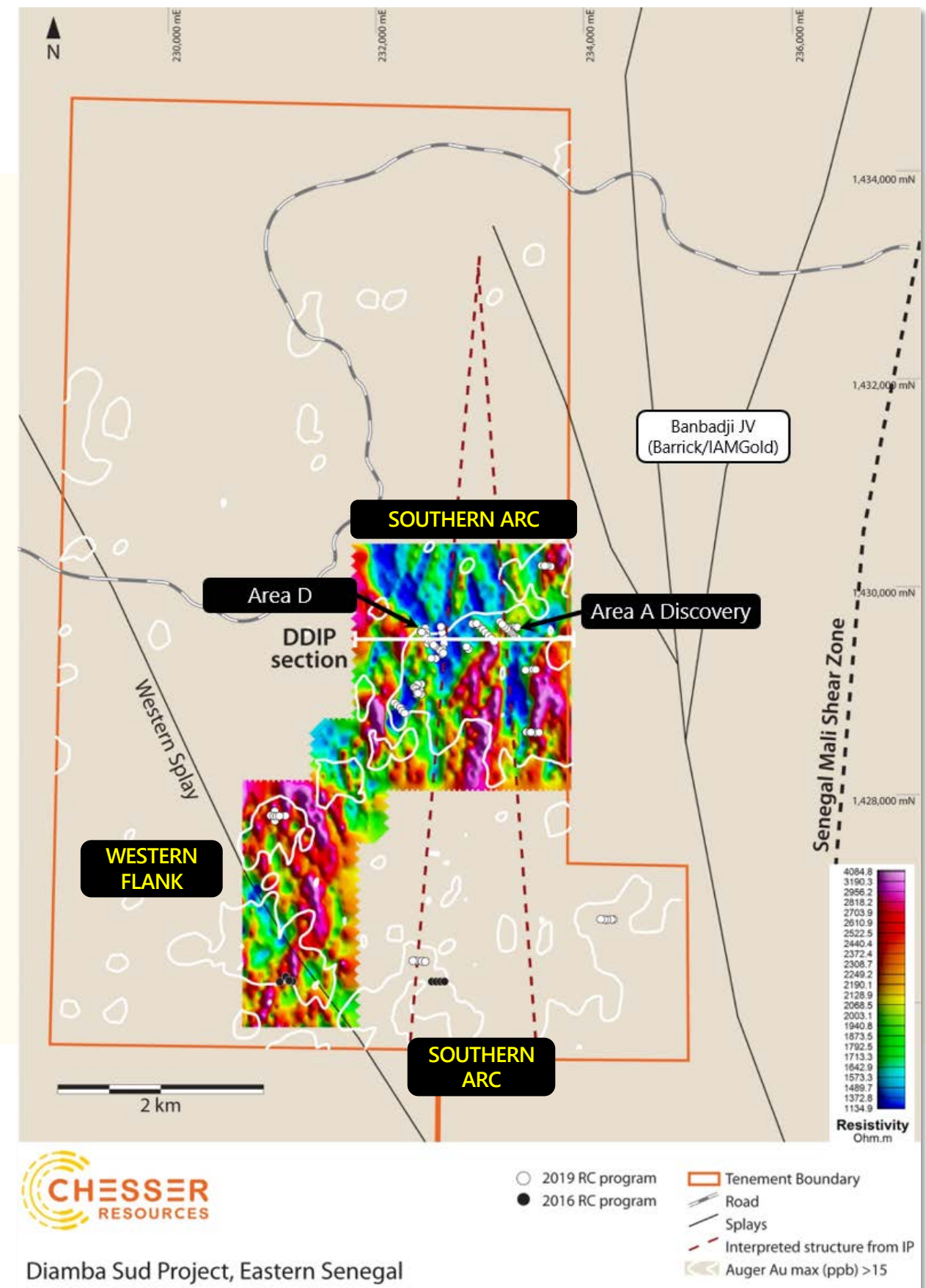


# APPENDIX: Structure from Geophysics

Partial coverage of DS1 by gradient array induced polarisation survey (GAIP)

A number of marked linear low resistivity anomalies were identified.

- Interpreted as major structures
- General northerly trend
- The interpreted Western Splay is parallel to the major regional splays running between Diamba Sud and the SMSZ.
- The western northerly trending interpreted structure runs from Southern Arc drilling through Area D.
- The gold in auger geochemical anomaly that marks the Northern Arc target extends to the south over this structure.



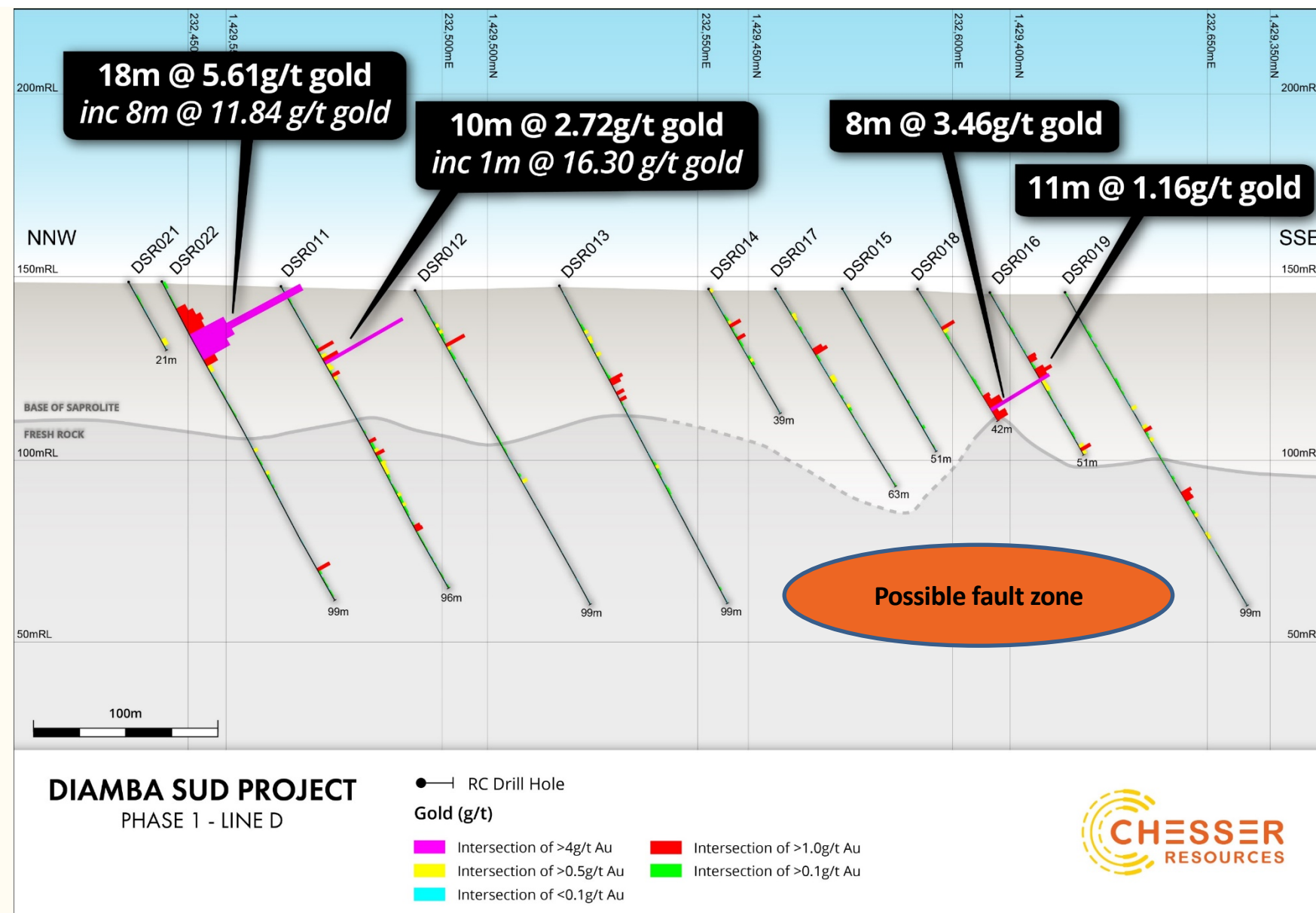


## APPENDIX: AREA D: Multiple oxide intersects

Drilling completed on a SE azimuth to test apparent NE trend of the Northern Arc target and possible northerly trending structures.

Majority of holes hit mineralisation in oxide, with significant hits on the start of the line (NW);

- 18m @ 5.61g/t gold  
*inc 8m @ 11.84 g/t gold*
- Remains open in all directions, with Hole DSR021 being abandoned due to bad ground
- Mineralisation in fresh rock was encountered in hole 18, but hole was abandoned due to excess water
- Narrow high grade intersections within broader lower grade zones of sulphide mineralisation
- Holes 14-18 terminated early. This may be result of proximity to a significant structure



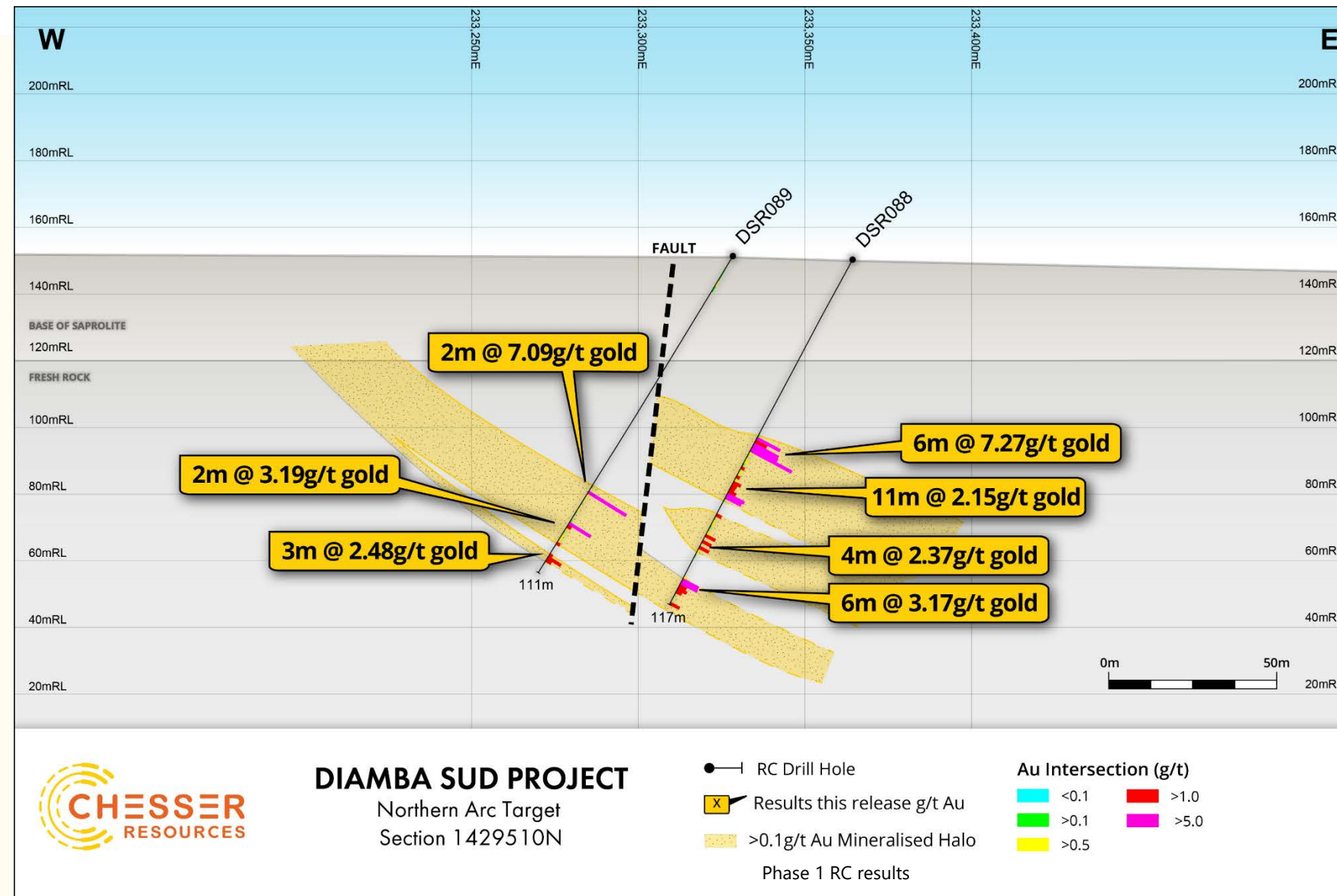


# APPENDIX: Area A - Fresh rock intercepts

Crossed the highest gold returned from auger drilling (21g/t gold).

Drilling was scissored to assist with interpretation of any mineralisation.

- 6 of 8 holes encountered mineralisation in fresh rock. The best intercept was:
  - 12m @ 3.65g/t gold, including 8m @ 4.47g/t gold
- Both holes that encountered mineralisation in fresh rock at the SE end of Line A ended short due to excess water (proximity to structure?)



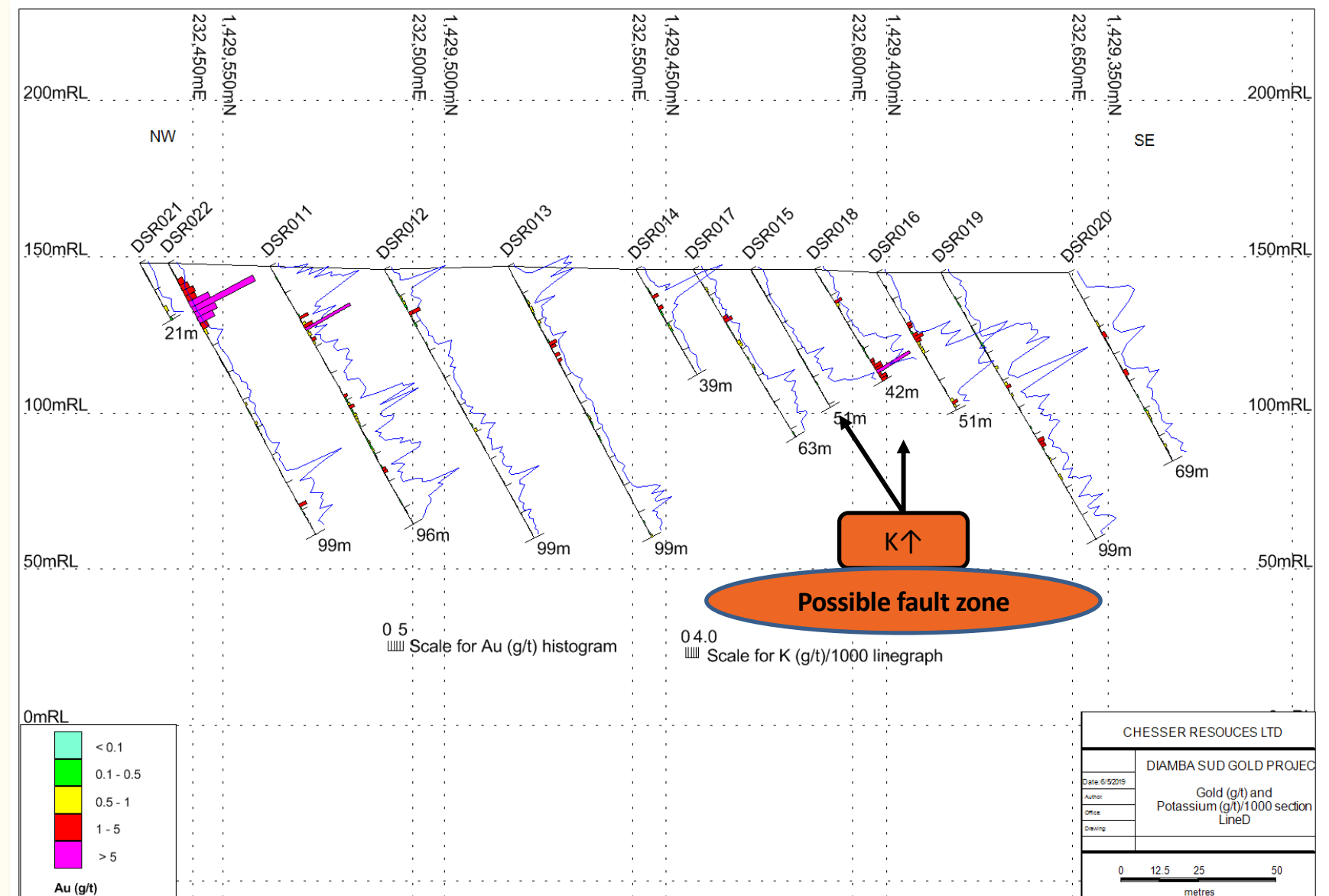


## APPENDIX: Area D

### Alteration - *Indicative of a Plumbing system in Northern Arc area*

Phase 1 drilling has demonstrated there is a strong correlation with potassium (K) with gold mineralisation

- Potassic alteration is seen to be strongly associated with mineralisation in fresh rock intersections, with a more variable correlation in oxide
- Increase in K in holes observed in the fault zone where water ± clay caused early termination of hole
- Observance of K alteration with mineralisation may be indicative of a large plumbing system



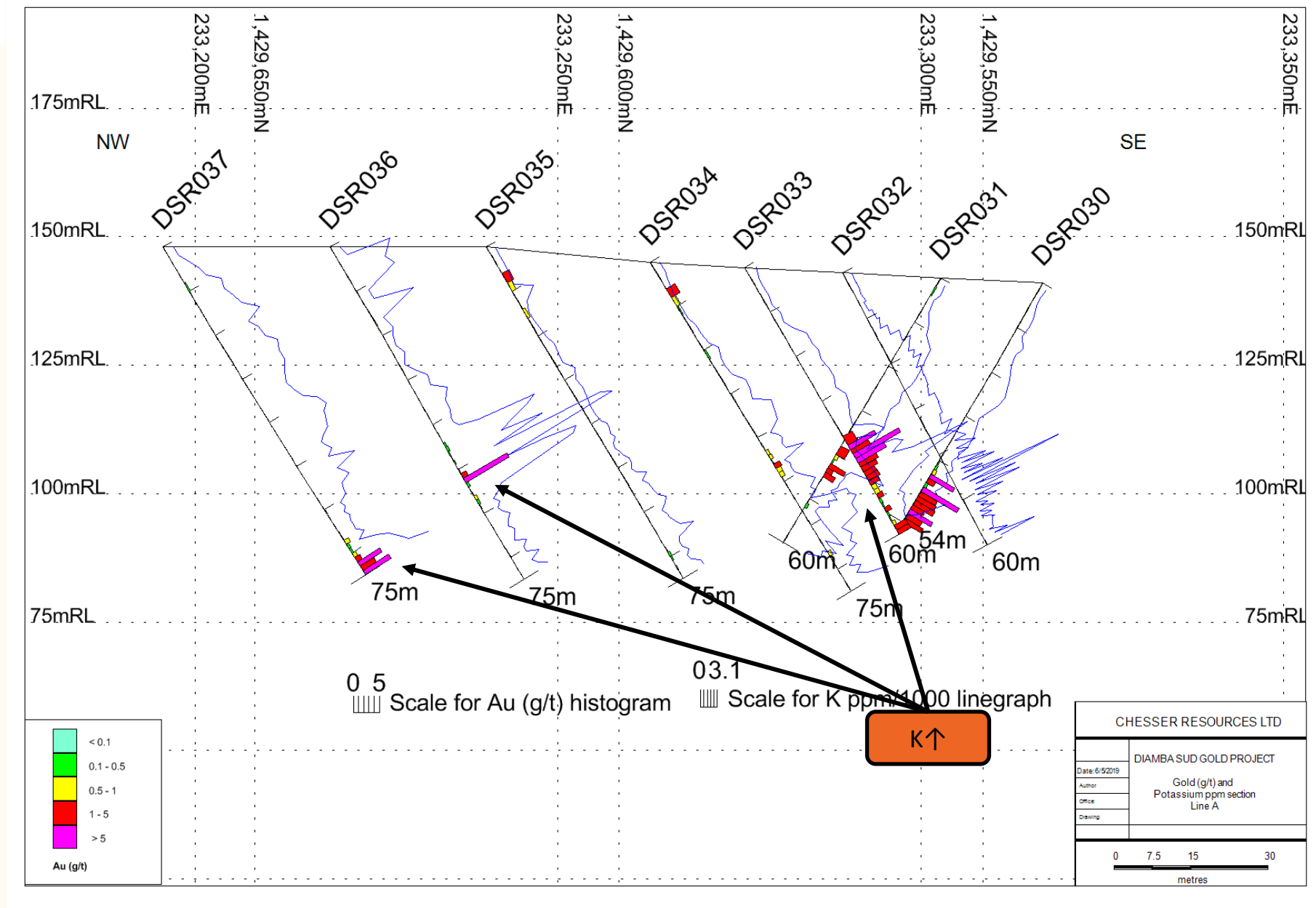


# APPENDIX: Area A

## Alteration - *Indicative of a Plumbing system in Northern Arc area*

Phase 1 drilling has demonstrated there is a strong correlation with potassium (K) with gold mineralisation

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- Observance of K alteration with mineralisation may be indicative of a large plumbing system.







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