

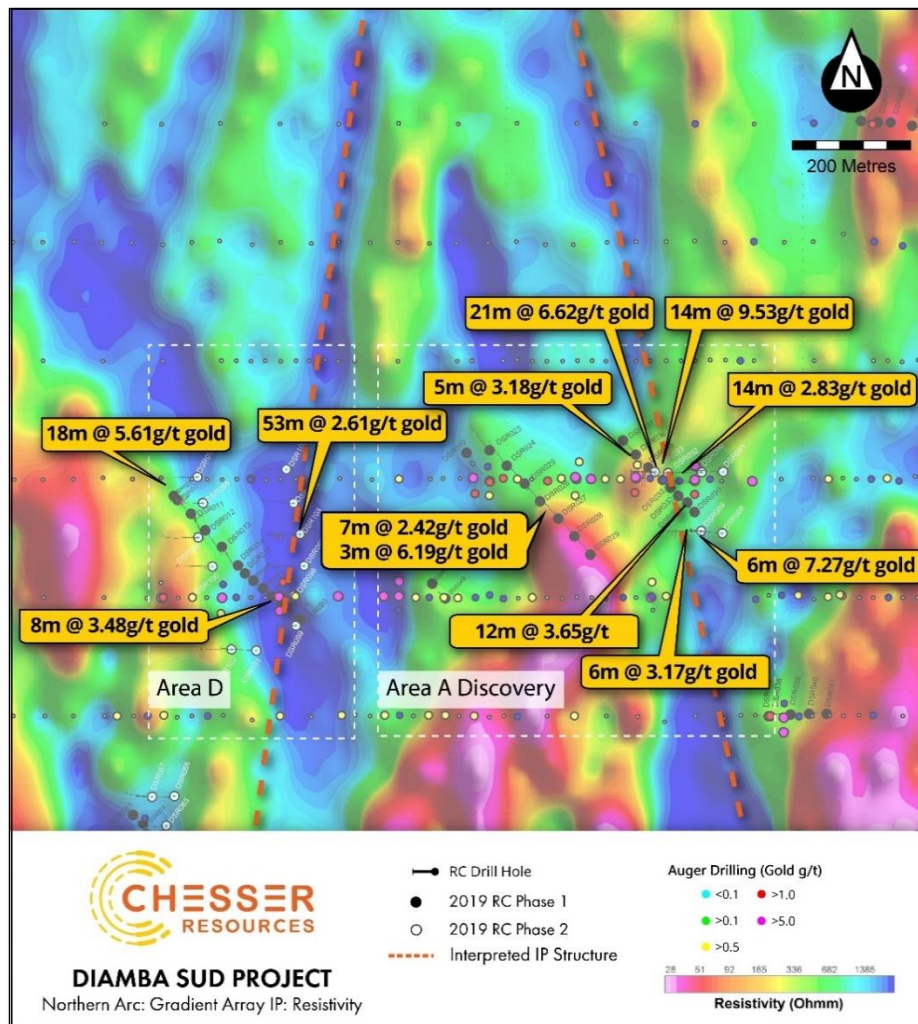
# CHESSER COMMENCES DRILLING AT DIAMBA SUD DISCOVERY

## HIGHLIGHTS

- Reverse circulation (RC) and diamond drilling (DD) program at Diamba Sud has commenced.
- Scope of works is for at least 2,000m of DD and 2,500m of RC drilling to be completed before year-end.
- First assay results expected by late December.
- The program will focus on the Area A and adjoining Area D targets, aiming to confirm the controls and potential extensions to the previously reported high-grade intersections.
- 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.
- Chesser presented at the recent Precious Metals conference in Zurich and the 121 Mining Investment conference in London during November.
- Chesser is fully funded for all planned activities.

*"We are delighted to have recommenced drilling at our Northern Arc discovery so early in the field season. The diamond drilling will assist us in improving our understanding of the controls to this high-grade gold system with the exploratory RC drilling designed to test possible extensions of the overall footprint. By late November we will have attended two major mining conferences in Europe and the UK to grow investor awareness of Chesser in this traditionally Africa-centric marketplace. We look forward to sharing regular progress updates as we embark on this potentially transformational period for the Company."* - **commented Mike Brown, Managing Director and CEO of Chesser Resources.**

**Chesser Resources Limited** ("Chesser" or "the Company"; ASX:CHZ) is pleased to announce that it has commenced DD and RC drilling at Area A and Area D within the Northern Arc discovery area (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 resistivity<sup>1</sup>.**

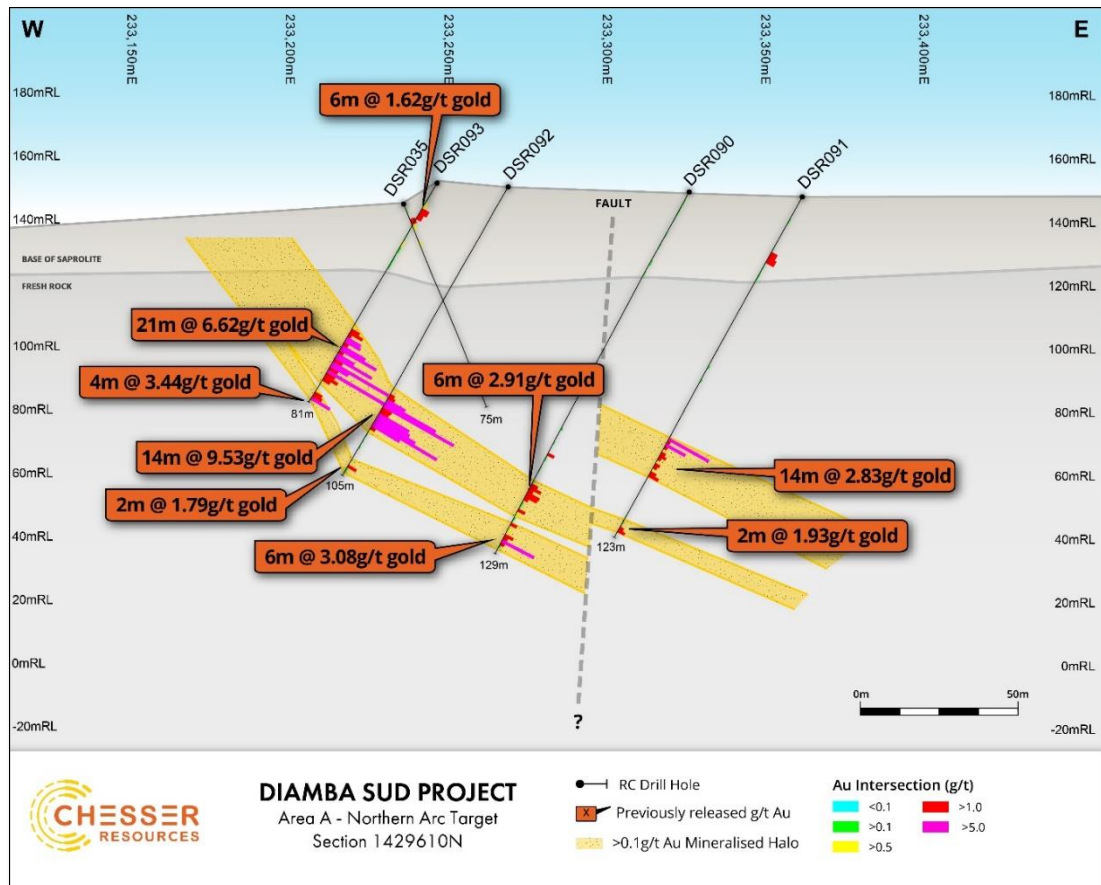
## NORTHERN ARC DISCOVERY

### Area A

Wide-spaced RC drilling completed in previous drilling programs by Chesser encountered significant gold mineralisation associated with interpreted east-dipping zones at Area A within the Northern Arc discovery (Figure 3). Significant intersections included **21m at 6.62g/t gold** from 53m and **4m at 3.44g/t gold** from 76m in hole DSR093, which was abandoned at 81m due to technical issues associated with excessive water and clay (Figure 2).

<sup>1</sup> 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 that announcement.

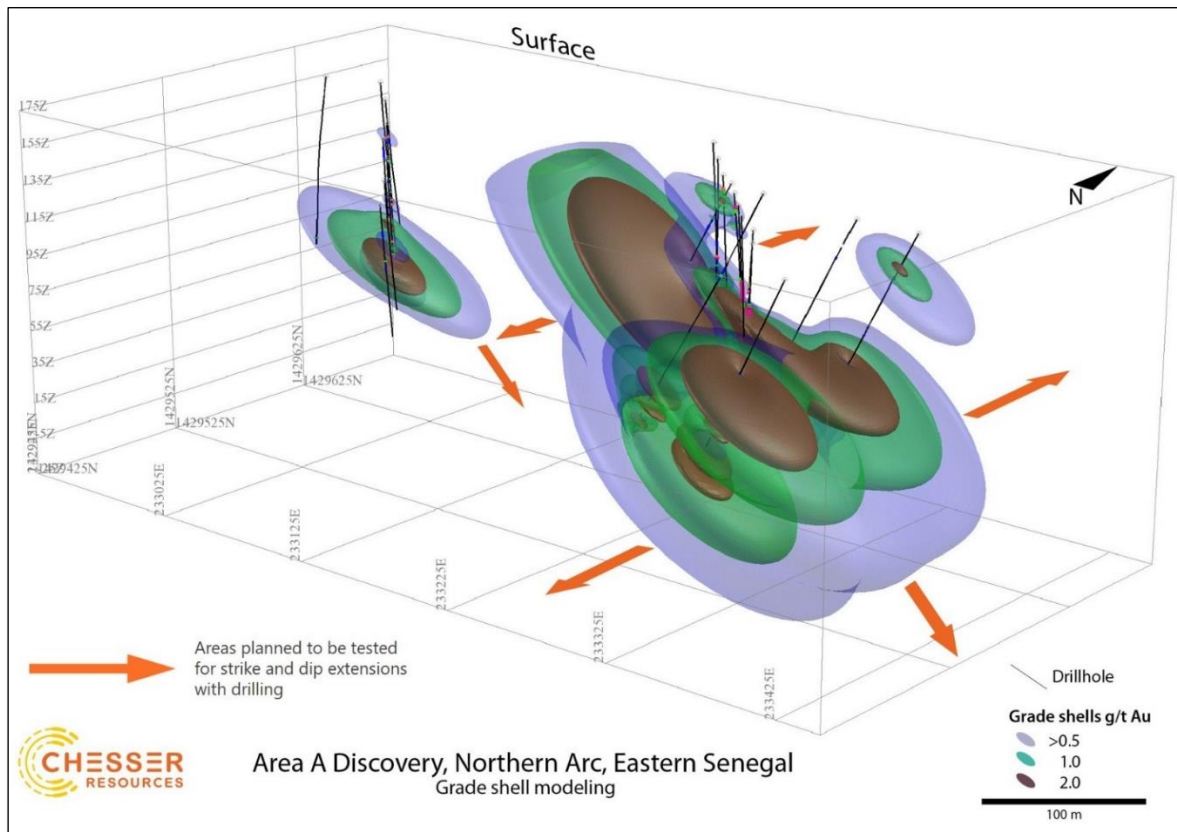
Hole DSR092, which was drilled immediately below this intersection, encountered **14m at 9.53g/t gold**. The gold appears related to pyrite within weakly brecciated and fractured rocks, typically felsic intrusives, with marked potassic alteration (consistent with observations from the Phase 1 drilling).



**Figure 2: Northern Arc Target: Section 1429610N looking north, showing significant drill intersections reported and interpretation of mineralised zones, based on a 0.1g/t gold lower cut-off (solid line shows saprolite-fresh rock interface).**

The induced polarisation (IP) geophysical survey and auger geochemical results indicate that the discovery may be more extensive, both along strike and at depth, where it is untested.

DD and RC drilling is planned to test these mineralised zones for potential repetitions and continuity along strike and down dip to down-hole depths ranging from 100m to 175m.



**Figure 3: Grade shell modelling of Area A discovery, showing interpreted east-dipping mineralised zones and untested strike and depth extensions.**

## Area D

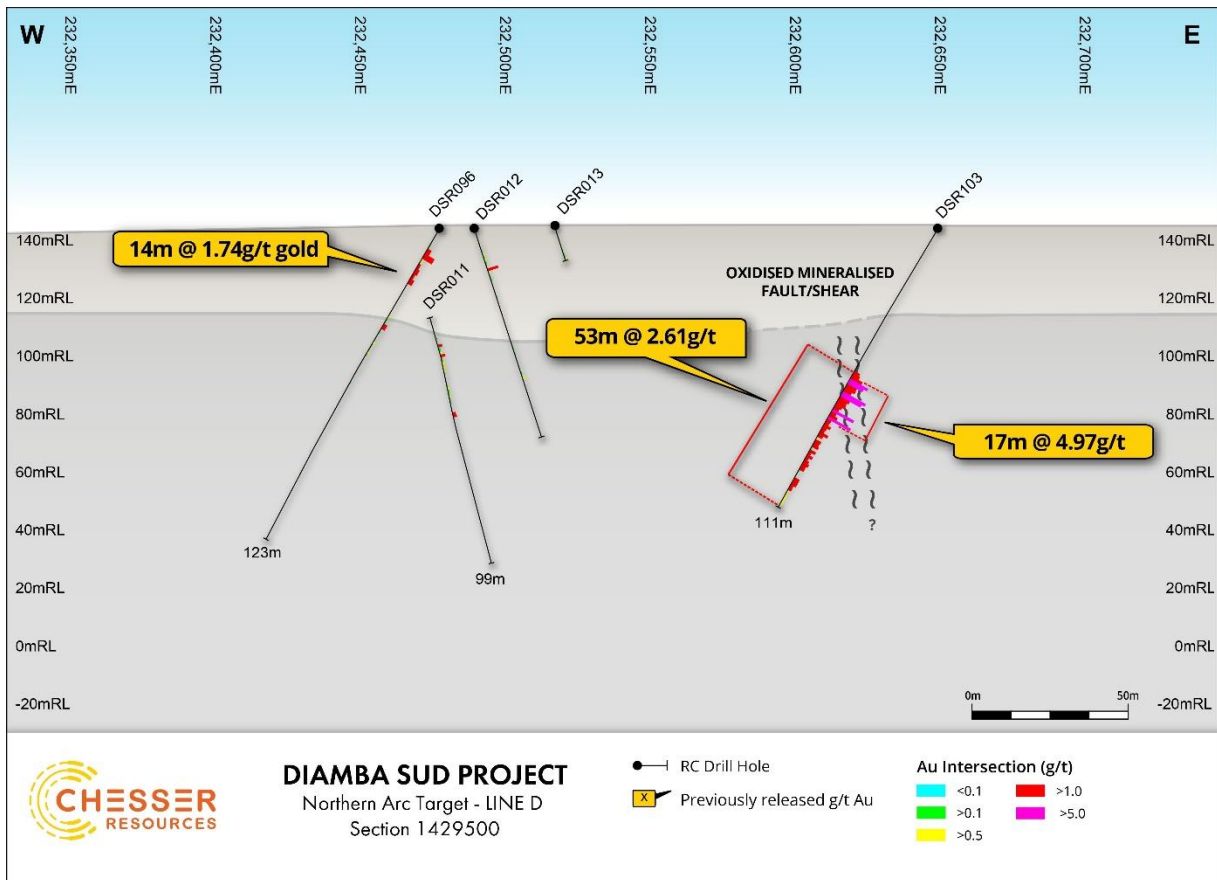
Drilling at Area D will focus on confirming the significant gold intersections recently reported from an interpreted NNE-trending mineralised fault; including **8m at 3.48g/t gold** from 34m<sup>2</sup> and **53m at 2.61g/t** from 57m, including **17m at 4.97g/t gold** from 59m<sup>3</sup> (Figure 4). The IP survey suggests this fault structure is related to a prominent resistivity low (Figure 1), which will be targeted in the planned drilling program.

## Conferences

Chesser Resources has presented at the recent Zurich Precious Metals Summit and the 121 Mining Investors Conference in London.

<sup>2</sup> 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.

<sup>3</sup> 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



**Figure 4: Area D section, showing mineralised fault structure and selected significant intersections.**

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For Further information, please contact:

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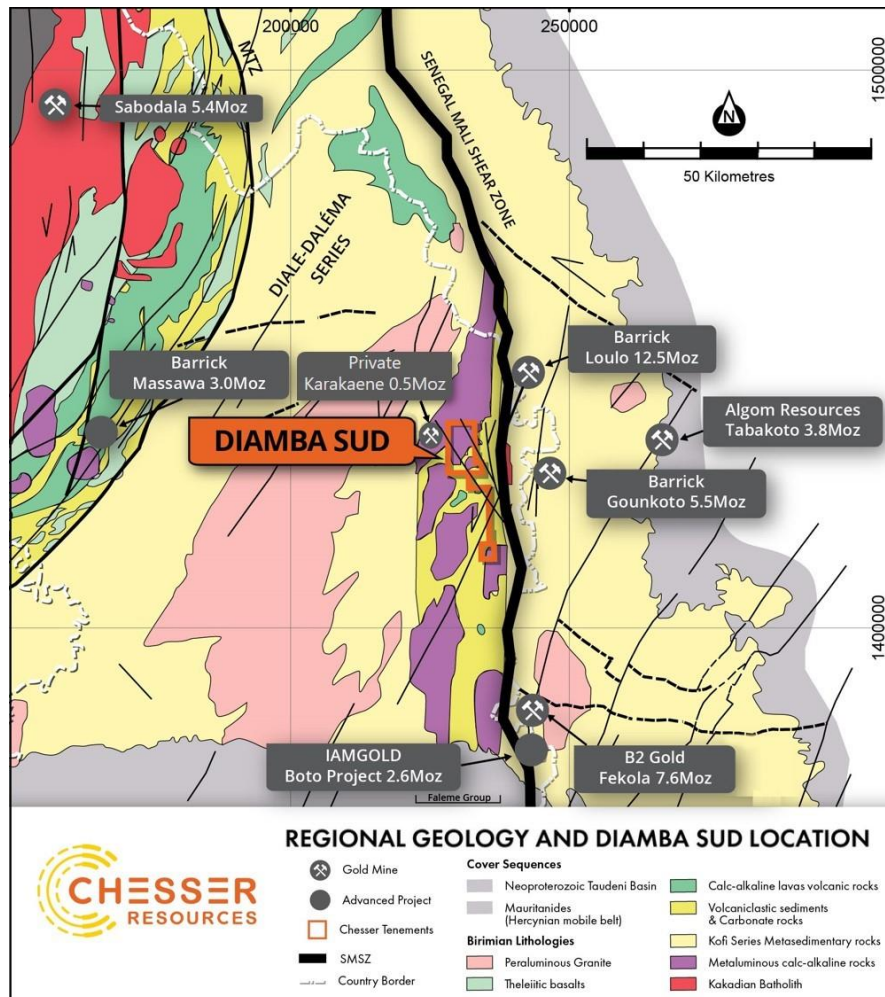
## ABOUT CHESSER RESOURCES

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 ~300km<sup>2</sup> 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 53.2km<sup>2</sup> 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 multimillion-ounce gold deposits including; B2Gold's 7.6Moz Fekola mine, Barrick's 18Moz Loulo-Gounkoto complex and AngloGold Ashanti/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 Karakaene mine.



**Figure 5: 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, seeks, 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.*