10 November 2020

ASX Announcement

# CHESSER RECEIVES EXCELLENT METALLURGICAL RESULTS FROM DIAMBA SUD

**Chesser Resources Limited** ("Chesser" or "the Company"; ASX:CHZ) is pleased to announce excellent results from preliminary bottle roll metallurgical test work from Area A at its flagship Diamba Sud Gold Project in Senegal.

## HIGHLIGHTS

- Bottle roll test work was undertaken by ALS Metallurgy on ten sulphide mineralisation fresh rock samples collected from Area A drilling.
- Results highlight straightforward, non-refractory metallurgical characteristics, with a likely processing route incorporating a simple, industry standard cyanide leach circuit.
- 48-hour direct cyanide leach **average gold recovery of 96%:**
    - **99%** for high-grade mineralisation in sedimentary breccia (3 samples),
    - **97%** for medium grade mineralisation in sedimentary breccia (3 samples),
    - **95%** for low grade mineralisation in sedimentary breccia (2 samples),
    - **98%** for medium grade mineralisation in granodiorite (1 sample)
    - **86%** recovery for medium grade carbonate hosted mineralisation (1 sample).
- Mineralisation is clean, with very low presence of toxic elements such as arsenic and mercury and low levels of base metals, indicating a pyrite dominated sulphide phase.
- Encouraging leach kinetics with an average recovery within 12 hours of 99% of total recovered gold during the 48-hour period.
- Low to moderate consumption of cyanide and lime, which points to favourable impact on costs.
- Further test work to be undertaken at completion of the current 20,000m drill program, to include samples from Area D and to test recoveries using coarser grind size and reduced residence times, which are major variables impacting processing capital and operating costs.

"These preliminary metallurgical results are extremely encouraging and are a significant step in de-risking Chesser's high-grade gold discovery at Diamba Sud. Clean, non-refractory mineralisation with very high gold recoveries from direct cyanidation highlights the potential for a simple, industry standard gold processing flow sheet. These samples from Area A are sulphide mineralisation in fresh rock, which is near surface, and based on current drilling are representative of rock type and mineralisation intersected to date. Further metallurgical test work is planned upon completion of the current drill program and will include Area D as well as advancing potential optimisations such as grind size and residence times. With drilling advancing on the 20,000m drill program at Diamba Sud we look forward to updating the market with results when they are received." **commented Mike Brown, Managing Director and CEO of Chesser Resources.**

The Company is pleased to report results from staged metallurgical studies being undertaken on its Diamba Sud Gold Project, with initial bottle roll test work undertaken by ALS Metallurgy in Perth, Western Australia under the supervision of Lycopodium Minerals.

A total of ten samples were collected from Area A drilling (Table 3) based on grade and host rock lithology for sulphide mineralisation. Representative composites were made from RC and DD samples for the three major mineralised lithologies (sedimentary breccia, carbonate and granodiorite) based on grade (low, medium and high-grade) where available. Initial bottle roll testing is the industry standard first step to determine gold recoveries from cyanide leaching. All samples were fresh rock.

Samples were assayed for multiple elements, duplicate gold assay and screen fire assay, then ground to 75microns (P80) and subjected to cyanide leaching via bottle roll testing over 12, 24 and 48-hour periods, with lime and cyanide consumption measured.

Results from the bottle roll testing show very high recoveries from all samples, with low to moderate cyanide and lime consumption (Table 1). Average leach recovery was 96.2%. The high-grade samples returned the highest total recoveries (98.0% - 99.4%). The lowest recovery was returned from the medium grade carbonate sample. The leach residue of this sample and the low-grade sedimentary breccia is being subjected to residue testing to determine the nature of the gold that was not extractable. The high recoveries show that the gold is likely to be recoverable via a simple cyanide leach process flow sheet, with no indications of refractory gold.

***Table 1: Bottle roll direct cyanidation results from sulphide composites from Area A.***

| Composite | Grind Size P80 | Gold | | | | Consumption | |
|---|---|---|---|---|---|---|---|
| | | Head Assay | Calc. Feed | Leach Recovery | Residue | NaCN | Lime |
| | *(µm)* | *(g/t)* | *(g/t)* | *(%)* | *(g/t)* | *(kg/t)* | *(kg/t)* |
| HGBR01 | 75µm | 12.0 / 10.9 | 13.39 | **98.7** | 0.17 | 0.22 | 0.60 |
| HGBR02 | 75µm | 9.88 / 8.99 | 7.10 | **99.4** | 0.05 | 0.24 | 0.63 |
| HGBR03 | 75µm | 12.1 / 12.6 | 11.68 | **98.0** | 0.23 | 0.18 | 0.79 |
| MGBR04 | 75µm | 2.18 / 2.91 | 3.12 | **97.4** | 0.08 | 0.15 | 0.72 |
| MGBR05 | 75µm | 2.65 / 3.83 | 2.87 | **97.2** | 0.08 | 0.18 | 0.86 |
| MGBR06 | 75µm | 2.32 / 2.26 | 2.23 | **97.8** | 0.05 | 0.15 | 0.57 |
| LGBR07 | 75µm | 1.01 / 0.83 | 0.96 | **96.9** | 0.03 | 0.18 | 0.36 |
| LGBR08* | 75µm | 0.88 / 1.20 | 1.09 | **92.6** | 0.08 | 0.18 | 0.61 |
| MGGR09 | 75µm | 4.75 / 2.54 | 2.16 | **97.7** | 0.05 | 0.15 | 0.94 |
| MGCA10* | 75µm | 2.92 / 2.34 | 2.33 | **86.3** | 0.32 | 0.15 | 0.37 |
| **Average** | | | | **96.2** | | | |

* Sample leach residue is being tested to determine nature of gold not extracted in the leach process.

Leach residence time results over 3 periods (12, 24 and 48 hours) exhibited rapid kinetics, with an average of 99% of total recovered gold achieved within a 12-hour period (Table 2). Future metallurgical testing will look at the impact of grind size and residence times for optimisation of potential plant design.

***Table 2: 48-Hr direct cyanidation time leach test - oxygen sparge***

| | Total Gold Extraction *(%)* | | | |
|---|---|---|---|---|
| **Sample** | **12 hr** | **24 hr** | **48 hr** | **12hr/48hr** |
| **HGBR01** | 97.99 | 97.77 | 98.73 | 99% |
| **HGBR02** | 98.71 | 99.58 | 99.37 | 99% |
| **HGBR03** | 96.43 | 96.05 | 98.03 | 98% |
| **MGBR04** | 95.13 | 95.13 | 97.43 | 98% |
| **MGBR05** | 98.28 | 96.20 | 97.22 | 100% |
| **MGBR06** | 97.77 | 97.11 | 97.76 | 100% |
| **LGBR07** | 96.13 | 96.13 | 96.88 | 99% |
| **LGBR08** | 94.70 | 92.64 | 92.64 | 100% |
| **MGGR09** | 95.02 | 94.33 | 97.69 | 97% |
| **MGCA10** | 84.37 | 85.02 | 86.27 | 98% |
| **Average** | **95.45** | **95.00** | **96.20** | **99%** |

Multi-element assaying of the 10 samples returned below detection limit for arsenic, low copper and mercury, with generally low organic carbon content also reported (Table 4). These results are significant for the following reasons;

a. Indicative of low potential for preg-robbing elements in the mineralisation; and
b. Mineralisation is very clean in terms other metals, and in particular, potentially toxic ones.

Tables 1-2 show the summary results of the cyanidation leaching and Table 3 and Figure 1 the location of the drill holes from which the samples were composited.

***Table 3: Source, gold head grade and type of composite.***

| Composite | Holes | Description | Oxidation state | Average Head Grade *(Au g/t)* |
|---|---|---|---|---|
| **HGBR01** | DSR092, DSR093 | High-grade sedimentary breccia | Fresh rock | 11.45 |
| **HGBR02** | DSD008 | High-grade sedimentary breccia | Fresh rock | 9.44 |
| **HGBR03** | DSR135 | High-grade sedimentary breccia | Fresh rock | 12.35 |
| **MGBR04** | DSR090, DSR092 | Medium-grade sedimentary breccia | Fresh rock | 2.55 |
| **MGBR05** | DSR127, DSR138 | Medium-grade sedimentary breccia | Fresh rock | 3.24 |
| **MGBR06** | DSR144 | Medium-grade sedimentary breccia | Fresh rock | 2.29 |
| **LGBR07** | DSR110, DSR 124, DSR126, DSD004 | Low-grade sedimentary breccia | Fresh rock | 0.92 |
| **LGBR08** | DSR089 | Low-grade sedimentary breccia | Fresh rock | 1.04 |
| **MGGR09** | DSR112 | Medium-grade granodiorite | Fresh rock | 3.65 |
| **MGCA10** | DSD013 | Medium-grade carbonate | Fresh rock | 2.63 |

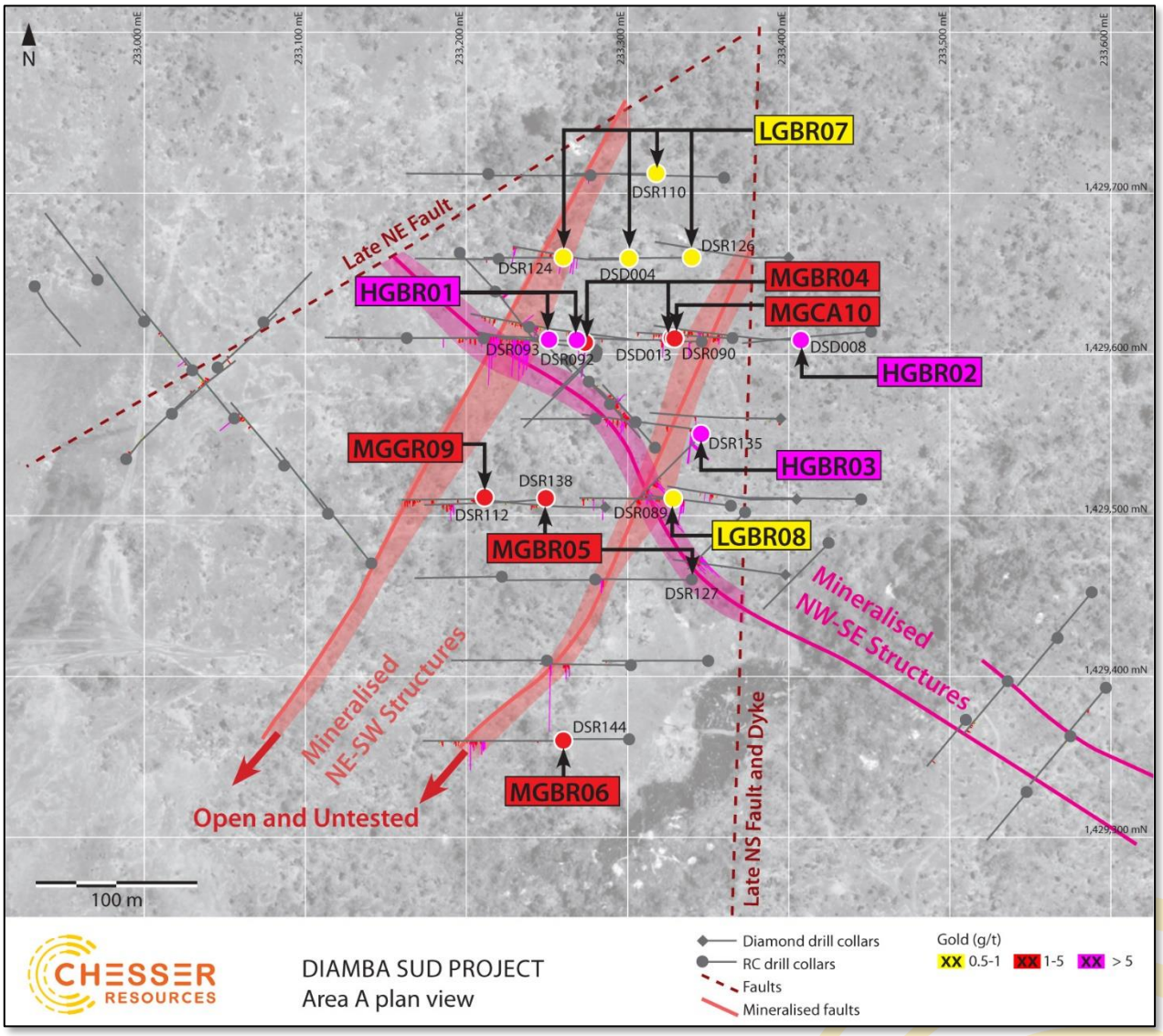


***Figure 1: Location of drilling and sample composites at Area A for preliminary bottle roll testing[1].***

[1] Refer to ASX announcements dated 25 March 2019, 10 April 2019, 6 May 2019, 14 of May 2019, 26 August 2019, 3 September 2019, 21 January 2020, 2 March 2020, 21 July 2020, 28 July 2020 and 13 August 2020. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

***Table 4: Multi-element assay results of composites.***

| | HGBR01 | HGBR02 | HGBR03 | MGBR04 | MGBR05 | MGBR06 | LGBR07 | LGBR08 | MGGR09 | MGCA10 |
|---|---|---|---|---|---|---|---|---|---|---|
| Ag(ppm) | <2 | <2 | <2 | <2 | <2 | <2 | <2 | <2 | <2 | <2 |
| Al(%) | 5.64 | 5.88 | 4.60 | 6.40 | 5.72 | 5.96 | 5.92 | 6.88 | 8.16 | 2.44 |
| As(ppm) | <10 | <10 | <10 | <10 | <10 | <10 | <10 | <10 | <10 | 10 |
| Ba(ppm) | 45 | 70 | 75 | 35 | 105 | 35 | 65 | 945 | 50 | 35 |
| Be(ppm) | <5 | <5 | <5 | <5 | <5 | <5 | <5 | <5 | <5 | <5 |
| Bi(ppm) | <10 | <10 | <10 | <10 | <10 | <10 | <10 | <10 | <10 | <10 |
| C(%) | 5.10 | 4.47 | 6.87 | 4.41 | 4.23 | 4.83 | 3.75 | 3.00 | 0.72 | 9.6 |
| C org(%) | 0.06 | <0.03 | 0.15 | 0.06 | 0.12 | 0.09 | 0.09 | 0.06 | 0.09 | <0.03 |
| Ca(%) | 8.3 | 7.3 | 10.9 | 7.2 | 7.0 | 8.0 | 6.2 | 5.1 | 1.3 | 16.3 |
| Cd(ppm) | <5 | <5 | <5 | <5 | <5 | <5 | <5 | <5 | <5 | <5 |
| Co(ppm) | 145 | 110 | 150 | 110 | 40 | 55 | 50 | 45 | 50 | 90 |
| Cr(ppm) | 50 | 70 | 40 | 50 | 70 | 50 | 50 | 100 | 30 | 40 |
| Cu(ppm) | 6 | 4 | 26 | 58 | 4 | 2 | 4 | 10 | 6 | 10 |
| Fe(%) | 1.90 | 1.46 | 2.64 | 1.8 | 1.92 | 1.48 | 1.56 | 2.46 | 1.82 | 3.62 |
| Hg(ppm) | <0.1 | <0.1 | 0.1 | <0.1 | <0.1 | <0.1 | <0.1 | 0.1 | <0.1 | <0.1 |
| K(%) | 3.57 | 1.97 | 2.39 | 2.34 | 2.9 | 2.14 | 1.25 | 2.25 | 0.34 | 0.31 |
| Li(ppm) | <5 | <5 | <5 | <5 | <5 | <5 | <5 | 20 | <5 | <5 |
| Mg(%) | 4.40 | 3.88 | 5.88 | 3.96 | 3.88 | 4.24 | 3.36 | 4.44 | 0.72 | 8.12 |
| Mn(ppm) | 300 | 200 | 400 | 200 | 300 | 300 | 300 | 400 | 100 | 800 |
| Mo(ppm) | 20 | 25 | 15 | 15 | 15 | 25 | 10 | 20 | 5 | 10 |
| Na(%) | 2.43 | 3.66 | 2.3 | 3.62 | 2.62 | 3.59 | 3.64 | 3.59 | 5.22 | 1.81 |
| Ni(ppm) | 35 | 30 | 45 | 35 | 30 | 25 | 35 | 45 | 35 | 70 |
| P(ppm) | 800 | 800 | 700 | 800 | 700 | 800 | 1100 | 900 | 800 | 600 |
| Pb(ppm) | 65 | 55 | 50 | 70 | 55 | 60 | 75 | 80 | 80 | 70 |
| S(%) | 0.96 | 0.60 | 0.84 | 0.78 | 0.14 | 0.28 | 0.18 | 0.26 | 0.40 | 0.74 |
| S2-(%) | 0.70 | 0.40 | 0.72 | 0.68 | 0.08 | 0.22 | 0.12 | 0.20 | 0.34 | 0.54 |
| Sb(ppm) | <0.1 | 0.10 | <0.1 | <0.1 | <0.1 | <0.1 | 0.1 | <0.1 | <0.1 | 0.2 |
| SiO2(%) | 39.6 | 47.0 | 31.8 | 44.8 | 47.4 | 45.2 | 50.2 | 47.8 | 67.2 | 16.6 |
| Sr(ppm) | 42 | 44 | 66 | 48 | 40 | 46 | 54 | 66 | 66 | 72 |
| Te(ppm) | 11.0 | 2.4 | 5.4 | 5.2 | 2.8 | 2.8 | 0.8 | 1.2 | 2.0 | 0.8 |
| Ti(ppm) | 2400 | 2600 | 2000 | 2800 | 2800 | 2600 | 2800 | 4200 | 3400 | 1200 |
| V(ppm) | 36 | 24 | 38 | 52 | 58 | 34 | 76 | 76 | 48 | 38 |
| Y(ppm) | <100 | <100 | <100 | <100 | <100 | <100 | <100 | <100 | <100 | <100 |
| Zn(ppm) | 10 | 10 | 16 | 10 | 8 | 8 | 14 | 18 | 10 | 16 |

**-END-**

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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$^2$ 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$^2$ 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 Gounkoto mine and to the immediate east of the privately owned 0.5Moz Karakaene mine.

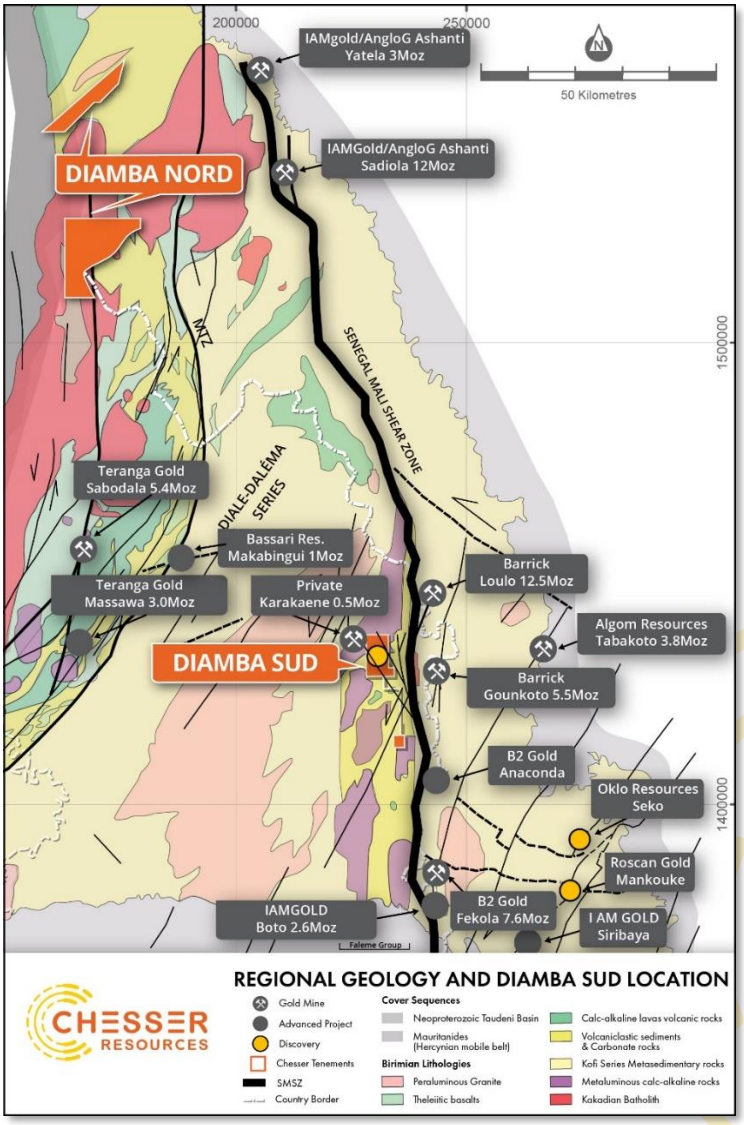


***Figure 2: Schematic regional geology of eastern Senegal, showing the Diamba Sud Project and its proximity to both the SMSZ, and the major gold operations and projects on or adjacent to splays off the SMSZ.***

***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.*

# 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.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *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.* | • The Diamond holes were sampled by HQ & NQ Diamond Core drilling.<br>• Sampling was nominally at 1 m intervals however over contact zones it was reduced to 0.5 m.<br>• Samples were collected from the core trays after they had been transported to the camp at Saraya, marked up, recovery recorded and core split in half by a diamond saw.<br>• All RC holes were sampled RC drill holes were sampled at 2m intervals from 0 to the base of weathering (approximately 40 metres) and thereafter at 1m intervals.<br>• 1 metre samples are preserved for future assay as required.<br>• Samples were collected in situ at the drill site and are split collecting 1 to 3 kg per sample.<br>• Certified reference material and sample duplicates were inserted at regular intervals.<br>• 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).* | • Diamond drilling was carried out by Forage FTE Drilling, using an Atlas Copco CS14 drill rig<br>• Diamond drilling holes had a RC pre-collar drilled to fresh rock, after which the diamond drill set up on the hole and commenced drilling till end of hole.<br>• The core was orientated using an ACT II tool and an EZ Trac survey tool.<br>• Reverse Circulation drilling was carried out by Forage FTE Drilling, using an Atlas Copco T3W drilling rig with an auxiliary booster and International Drilling Company Africa "IDC". All holes were drilled using Schramm RC6 T450, or RC17 T66 rigs. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *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.* | • Diamond core recovery was measured for each run and calculated as a percentage of the drilled interval, in weathered material, core recoveries were generally 80 to 90%, in fresh rock, the core recovery was excellent at 100%.<br>• There has been no assessment of core sample recovery and gold grade relationship.<br>• For RC drilling an initial visual estimate of sample recovery was undertaken at the drill rig for each sample metre collected.<br>• Collected samples were weighed to ensure consistency of sample size and monitor sample recoveries. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • Sample recovery and condition was recorded at the drill site<br>• 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.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • All drill samples were geologically logged by Chesser Resources geologists.<br>• Geological logging used a standardised logging system recording mineral and rock types and their abundance, as well as alteration, silicification and level of weathering.<br>• Geological logging of core is qualitative and descriptive in nature.<br>• For RC holes 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 sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Diamond core was cut in half, one half retained as a reference and the other sent for assay.<br>• Sample size assessment was not conducted but used sampling size typical for WAfrica gold deposits.<br>• For RC 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.<br>• Two-metre composite samples were collected from and submitted for analysis, between 0-40 metres downhole. From 40 metres to EOH 1metres samples were submitted for analysis.<br>• Duplicates were taken to evaluate representativeness<br>• Further sample preparation was undertaken at the SGS laboratories by SGS laboratory staff<br>• 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.<br>• The crushed sample was split and 1.5kg sample was collected using a single stage riffle splitter<br>• The 1.5kg split samples were pulverised in a an LM2 to 95% passing 200 meshes<br>• Barren sand wash was required at the start of each batch and between samples<br>• Sample pulps are retained at the SGS laboratory under secure ''chain of custody'' procedure for possible future analysis.<br>• 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* | • 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. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *total.*<br>• *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.*<br>• *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.* | • The fire assay method used has an upper limit of 100g/t.<br>• Fire assay is considered a "total" assay technique.<br>• No field non assay analysis instruments were used in the analyses reported.<br>• 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.<br>• 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.<br>• 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.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *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.<br>• All digital data is verified and validated before loading into the drill hole database.<br>• No twinning of holes was undertaken in this program which is early stage exploration in nature.<br>• Reported drill results were compiled by the company's geologists, verified by the Company's exploration manager.<br>• No adjustments to assay data were made. |
| ***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.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • Drill hole collars were located using GPS averaging.<br>• Accuracy of the averaging of the GPS < +/- 2m and is considered appropriate for this level of early exploration<br>• The grid system is UTM Zone 29N |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *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.*<br>• *Whether sample compositing has been applied.* | • Diamond and RC holes were located on an irregularly spaced pattern with between 20 and 50m between various collars along the line.<br>• 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.*<br>• *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. The diamond drilling is being orientated and the company is collecting data, including structure type, orientation, and any timing observations. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sample security*** | • *The measures taken to ensure sample security.* | • The diamond core is transported in core boxes to the Saraya camp where it is stored in a secure compound.<br>• Diamond and RC samples were collected and taken to the SGS laboratory in Mali under secure ''chain of custody'' procedure by SGS Mali staff.<br>• Sample pulps remain at the SGS laboratory for three months before being returned to Saraya camp under secure ''chain of custody''<br>• 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.*<br>• *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.<br>• 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.<br>• Exploration consisted of a government backed regional aeromagnetic survey, gridding, soil sampling and minor auger and exploration drilling.<br>• IAMGold 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.<br>• This style of mineralisation can occur as veins or disseminations in altered (often silicified) host rock or as pervasive alteration over a broad zone.<br>• Deposits are often found in close proximity to linear geological structures (faults & shears) often associated with deep-seated structures.<br>• 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:*<br>  ○ *easting and northing of the drill hole collar*<br>  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>  ○ *dip and azimuth of the hole*<br>  ○ *down hole length and interception depth*<br>  ○ *drill hole length.*<br>• *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.* | • Completed drill holes are summarised in Table 1 and within the main body of the announcement<br>• Drill collar elevation is defined as height above sea level in metres (RL)<br>• Diamond and RC holes were drilled at an angle deemed appropriate to the local structure as understood at the time of drilling.<br>• 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.*<br>• *Where aggregate intercepts incorporate short* | • 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 0.35 g/t Au, with maximum of 2m of internal dilution. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *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.*<br>• *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.<br>• 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.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *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.<br>• Mineralisation geometry is not accurately known as the exact orientation and extent of known mineralised structures are not yet determined.<br>• 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 1. |
| ***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, with holes that have been completed to date reported herein. Assays have not been received.<br>• Upon receipt of assays results will be reported. |
| ***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).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • The current program is ongoing, with an expected total of approximately 2500m of RC and 2000m of diamond. No immediate further work is planned until results from all the drilling have been received. |