



# Chesser Resources Limited

ABN 14 118 619 042

## Interim Financial Report

For the half-year ended 31 December 2020

## Directors' report

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The directors of Chesser Resources Limited (the "Company" or "Chesser") submit herewith the half-year financial report of the Company and the entities it controlled for the half-year ended 31 December 2020 (collectively "Group"). To comply with the provisions of the Corporations Act 2001, the directors report as follows.

### Directors

The following persons were directors of Chesser Resources Limited during the half-year under review and up to the date of this report, unless otherwise stated:

- Mr. Mark Connelly, Non-Executive Chairman (appointed 10 July 2020)
- Mr. Simon O'Loughlin, Non-Executive Director
- Mr. Simon Taylor, Non-Executive Director
- Mr. Robert Greenslade, Non-Executive Director
- Mr. Stephen Kelly, Executive Director (resigned 10 July 2020)
- Mr. Michael Brown, Managing Director (resigned 1 February 2021)

### Company secretary

Mr. Stephen Kelly was the Company Secretary during the whole of the half-year under review and up to the date of this report.

### RESULTS

The net loss of the economic entity for the half year ended 31 December 2020 was \$1,023,611 (2019: \$589,576).

No dividends were paid or declared by the company during the half-year.

### REVIEW OF OPERATIONS

The following is a summary of the activities of Chesser during the period 1 July 2020 to 31 December 2020. It is recommended that this half-yearly report be read in conjunction with the 30 June 2020 Annual Report and any public announcements made by the Company during the period.

### EXPLORATION OVERVIEW

#### DIAMBA SUD PROJECT

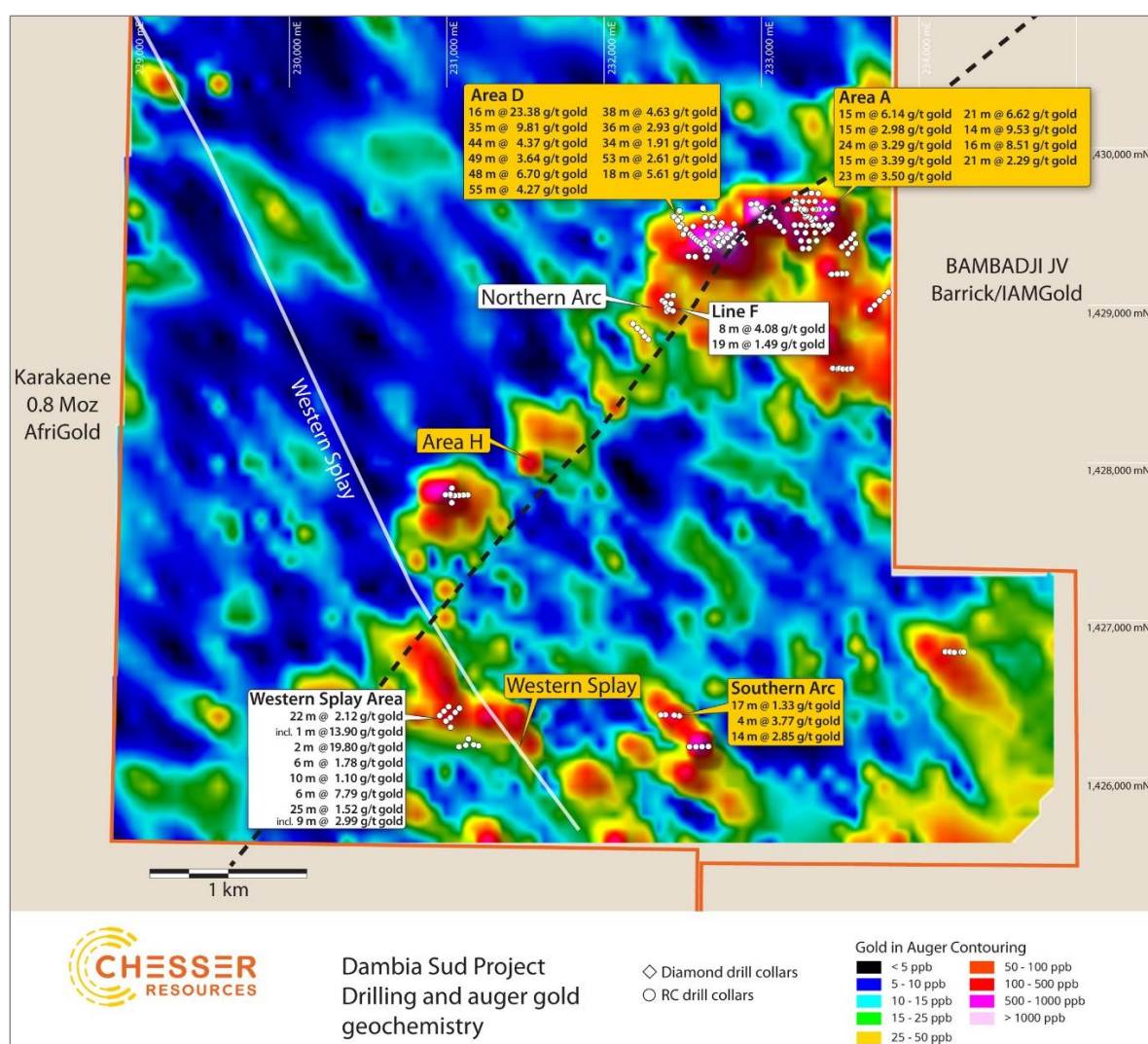
During the half-year, the Company confirmed a high-grade gold discovery at the Diamba Sud project and reported multiple high grade gold results from drilling at the Area D and Area A discoveries and the Western Splay prospect.

Diamond drilling at Area A enhanced the Company's understanding of the mineralisation and deposit style and the Company now believes it has potentially discovered a major hydrothermal system that is analogous to the styles observed in other deposits along the Senegal-Mali Shear Zone (SMSZ) such as Goukoto-Loulo, Fekola and Sadiola.

Exploration activity at the Diamba Sud Project during the half-year included the following:

- (a) Completion of the Phase 4 Reverse Circulation ("RC") drilling program that was commenced in the 2020 financial year;
- (b) Initial metallurgical testwork; and
- (c) Commencement of the Phase 5 RC and Diamond Drilling Program.

## Directors' report



**Figure 1: Diamba Sud Gold Project showing location of drilling, select highlights of drilling results, auger geochemical anomalies map and target areas for the Phase 5 drill program (yellow areas).<sup>1</sup>**

### Phase 4 and Phase 5 Drilling Campaigns

The Company completed the Phase 4 RC drill program, designed to test prospective targets identified at Diamba Sud including; extensions of the high-grade structure identified at Area A, a potential northwest trending mineralised control at Area D and following up on historical drilling at Western Splay area.

The Phase 5 RC and diamond drilling campaign (totalling 20,000m) commenced in Area D in October 2020 to follow-up the significant shallow oxide mineralisation intersected on the "Discovery Traverse" during the Phase 4 drilling campaign and reported by the Company on the 28th of July 2020. Based on inferred structural controls trending northwest and northeast holes were drilled on an east-west azimuth to intersect both these trends. To 31 December 2020, a total of 13 diamond holes for 3049m and 54 RC holes for 7723m had been drilled, sampled, and reported from Area D.

The Company reported multiple high-grade gold results from drilling at Area D and Area A and the Western Splay prospect which are summarised below.

<sup>1</sup> Refer to ASX announcements on 3 April 2017, 25 March 2019, 10 April 2019, 6 May 2019, 14 May 2019, 26 August 2019, 3 September 2019, 21 January 2020, 21 March 2020, 17 June 2020, 21 July 2020, 28 July 2020, 24 November 2020 and 16 December 2020 for details of previously released exploration results for the Diamba Sud project. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

## Directors' report

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### Area D:

Drilling at Area D intercepted widespread intervals of thick, shallow, high-grade oxide mineralisation, significantly extending zones from previous drilling in multiple directions. Mineralisation remains open to the northwest and northeast.

The drilling identified two very encouraging targets; a shallow high-grade, apparently flat lying oxide zone, and underlying fresh rock sulphide mineralisation in breccias and stockworks. These appear associated with northwest and northeast trending structures, which are likely to also factor in the orientation of the oxide zones.

The mineralisation remains open to the north, northeast and to northwest in the central area, with planning for follow up drilling to test these areas underway.

Phase 4 drilling intersected thick, shallow, high-grade oxide mineralisation across a 200m wide zone in five adjacent holes including:

- **48m at 6.70 g/t gold** from 24m, including
  - **10m at 25.14 g/t gold** from 62m
- **55m at 4.27 g/t gold** from 16m
- **38m at 4.63 g/t gold** from 8m, including
  - **18m at 7.04 g/t gold** from 28m, including
  - **4m at 18.30 g/t gold** from 30m
- **36m at 2.93 g/t gold** from 6m, including
  - **10m at 6.13 g/t gold** from 16m
- **34m at 1.91 g/t gold** from 16m

Phase 5 drilling returned further thick high-grade results in Area D, including;

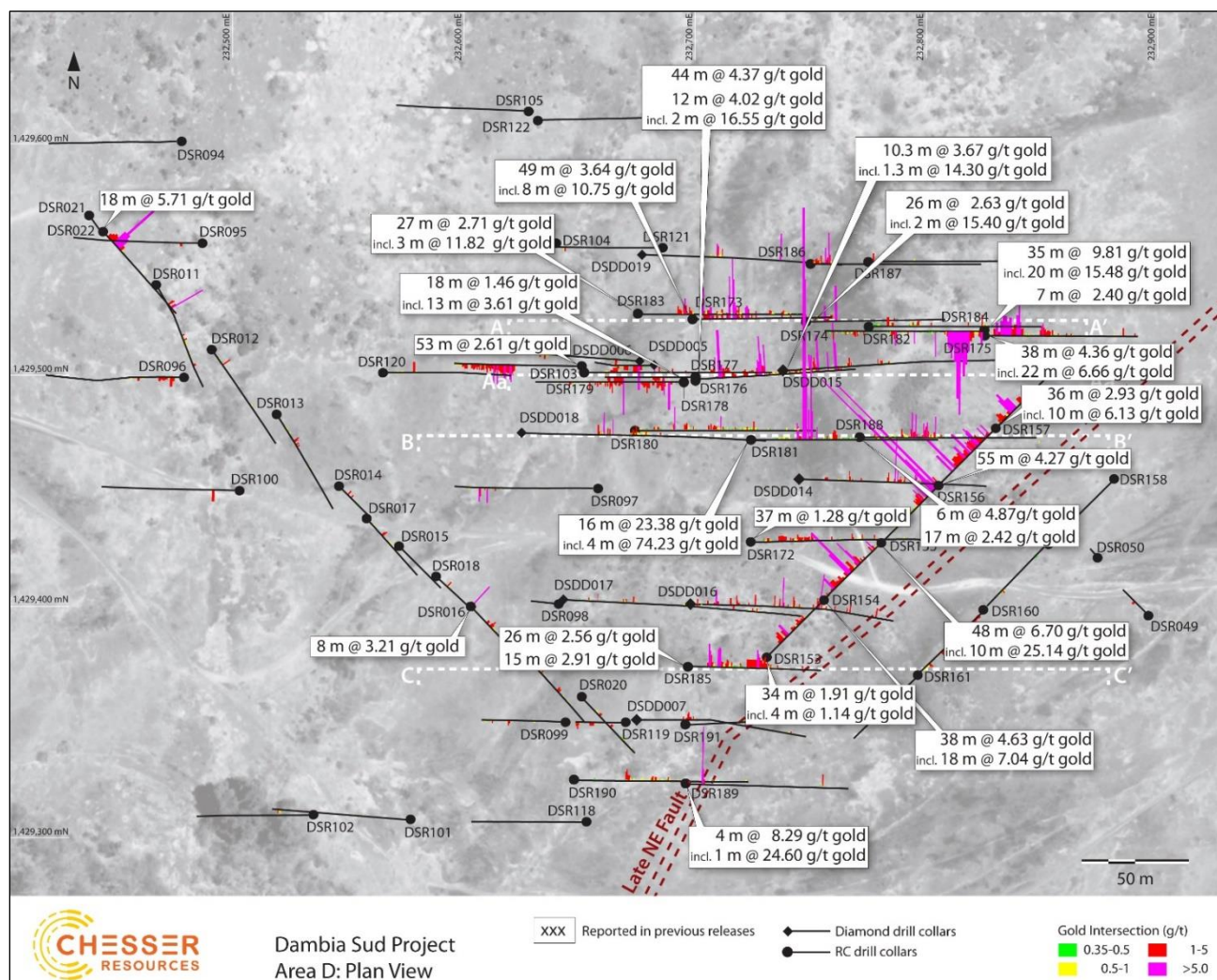
- **16m at 23.38 g/t gold** from 40m, including
  - **4m at 74.23 g/t gold** from 45m
- **35m at 9.81 g/t gold** from 2m, including
  - **20m at 15.48 g/t gold** from 14m
- **44m at 4.37 g/t gold** from 18m, including
  - **4m at 13.29 g/t gold** from 20m
  - **4m at 9.96 g/t gold** from 54m, and
  - **1m at 13.30 g/t gold** from 60m
- **49m at 3.64 g/t gold** from 10m, including
  - **8m at 10.75 g/t gold** from 34m
- **38m at 4.36 g/t gold** from 2m, including
  - **22m at 6.66 g/t gold** from 10m,
- **27m at 2.71 g/t gold** from 34m, including
  - **3m at 11.82 g/t gold** from 54m
- **26m at 2.56 g/t gold** from 17m
- **17m at 2.42 g/t gold** from 54m

Deeper drilling returned sulphide mineralisation from structural zones and hydrothermal breccias in fresh rock which are likely feeder zones to overlying oxide mineralisation. Results included;

- **15m at 2.91 g/t gold** from 60m

## Directors' report

- 6.25m at 2.77 g/t gold from 67.75m
- 7m at 2.40 g/t gold from 82m
- 15m at 1.33 g/t gold from 67m
- 6.6m at 2.20 g/t gold from 65m
- 10m at 1.51 g/t gold from 65m
- 17.9m at 2.36 g/t gold from 82.3m, including
  - 0.95m at 19.40 g/t gold from 89.35m



**Figure 2: Area D plan view showing drilling locations with select significant results.<sup>2</sup>**

### Area A:

Phase 4 drilling extended high-grade gold mineralisation on the southeast trending structure, results included:

- 15m at 6.14 g/t gold from 77m, including
  - 6m at 9.44 g/t gold from 79m

<sup>2</sup> Refer to ASX announcements on 25 March 2019, 10 April 2019, 6 May 2019, 14 May 2019, 26 August 2019, 3 September 2019, 21 January 2020, 21 March 2020, 17 June 2020, 28 July 2020, 24 November 2020 and 16 December 2020 for drilling results. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

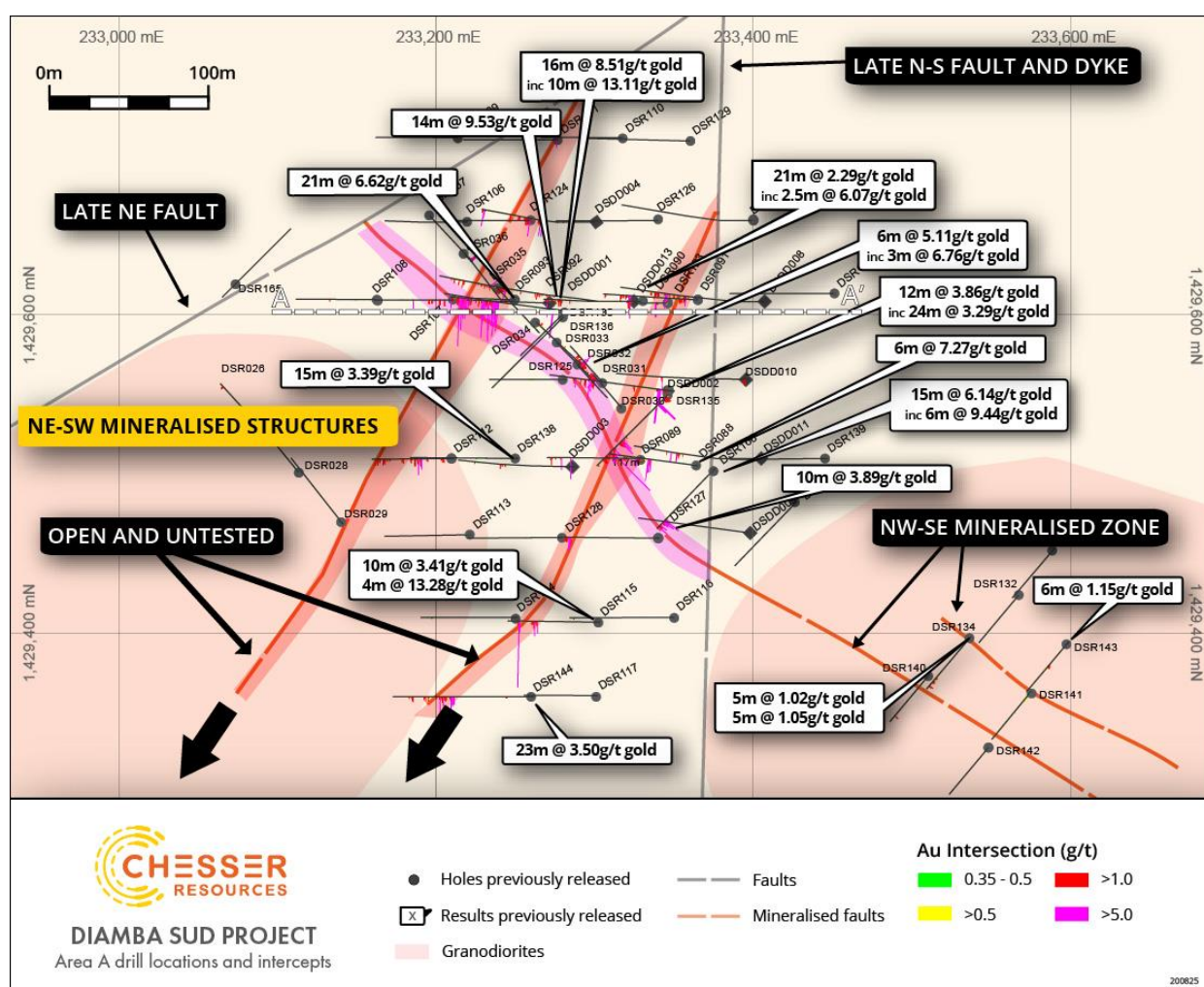


## Directors' report

The drilling defined a conjugate set of mineralised structures trending NE-SW and NW-SE with elevated gold grades where the two intersect, allowing the mineralisation to spread out within receptive lithologies. Structures of this type often play a significant role in mineralisation trends, as seen at Barrick's 18Moz Loulo-Gounkoto complex ~7-12 km away.

A step-out drill traverse across the extension of the southeast confirmed a 750m mineralised target area extending from Area A toward Barrick's tenements. Assays up to 2.09g/t gold in narrow zones reported, as well as broader low-grade zones.

Phase 5 drilling in Area A commenced after 31 December 2020.



**Figure 3: Area A plan view showing drilling locations and results. Conjugate NE-SW and NW-SE trending faults are shown to control mineralisation. A north-south trending fault/dyke runs down the eastern side of Area A. The post mineralisation fault in the northwest trends to Area D<sup>3</sup>.**

### Western Splay Area:

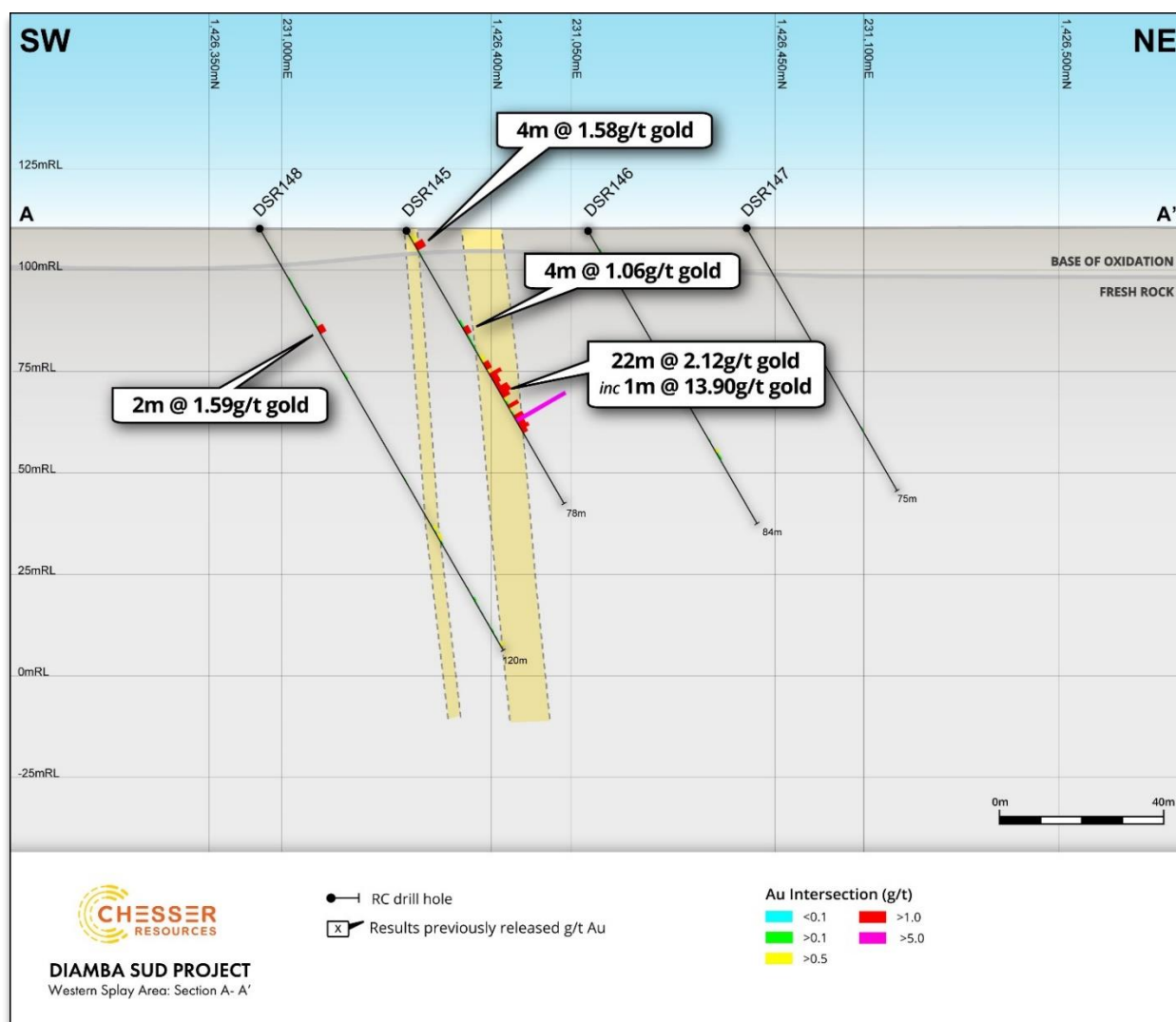
Results from the Phase 4 drilling on the Western Splay target area intersected a mineralised structure, previously intersected 200m to the southeast in historic drilling by the previous owner of the property. Drilling identified a subvertical brecciated structure with mineralisation associated with quartz-carbonate-pyrite infill and strong albite alteration. Host rocks are highly altered granitic rocks juxtaposed with brecciated carbonate units. The true width of the main mineralised structure is approximately 11m.

<sup>3</sup> Refer to ASX announcements 25 March 2019, 10 April 2019, 6 May 2019, 14 May 2019, 26 August 2019, 3 September 2019, 21 January 2020, 21 March 2020, 17 June 2020, 21 July 2020 and 28 July 2020 for details of previously released exploration results for the Diamba Sud project. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

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The Western Splay area is a highly prospective target due to the occurrence of a major northwest southeast striking structure and associated sub-parallel structures running through the property. Splay structures off the Senegal-Mali-Shear-Zone (SMSZ) are important potential hosts for Tier 1 gold deposits as seen in the region.

Importantly, the structure identified by the drilling appears to be a sub-parallel structure to the Western Splay (Figure 4), which is yet to be tested by any drilling, providing a very exciting prospect for further exploration.



**Figure 4: Western Splay section A-A' looking northwest, showing approximately 11m true width main mineralised zone with narrow footwall structure. Mineralisation is hosted in brecciated carbonates, with quartz and pyrite infill and strong albite-hematite alteration.**

The results highlight the extensive exploration upside at the Western Splay area, with the potential for 500m of strike length open in both directions from this sub-parallel structure.

### Metallurgical test work

Initial bottle roll test work on ten fresh sulphide mineralised samples collected from Area A drilling returned high recoveries with no refractory metallurgical characteristics which would suggest that the ore would be amenable to standard cyanide leach recovery.

The 48-hour direct cyanide leach test work returned average gold recoveries of 96%.

## Directors' report

The mineralised samples were 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.

**Table 1: Bottle roll direct cyanidation results from sulphide composites from Area A.<sup>4</sup>**

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

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

### DIAMBA NORD PROJECT

Due to the Company's focus on the Diamba Sud Project during the half-year, no work was undertaken on the Diamba Nord project.

### CORPORATE

The following significant events occurred during the half-year:

- On 10 July 2020, the Company entered into contractual commitments to issue 75,000,000 fully paid ordinary shares at an issue price of \$0.08 to raise up to \$6 million before costs. The capital raising was settled in two tranches as follows:
  - Tranche 1 comprising the issue of 29,339,068 fully paid ordinary shares settled on 17 July 2020.
  - Tranche 2 comprising the issue of 45,660,932 fully paid ordinary shares settled on 8 September 2020.
- On 10 July 2020, Mr Mark Connelly was appointed Non-Executive Chairman of the Company.
- On 12 July 2020, 23,809,524 A Class Performance Shares expired without vesting.
- On 17 July 2020, the Company issued 21,000,000 unlisted options at an issue price of \$0.08 and an expiry date of 16 July 2021.
- On 1 September 2020, the Company issued 2,000,000 unlisted options with an exercise price of \$0.08 and an expiry date of 30 November 2023 to Taylor Collison as consideration for corporate advisory and lead manager services.
- On 8 December 2020, the Company issued 37,921,238 fully paid ordinary shares at an issue price of \$0.21 to raise up to \$8 million before costs.

<sup>4</sup> Refer to ASX announcements on 10 November 2020 for results of metallurgical testing. The Company is not aware of any new information or data that materially affects the information contained in those announcements.



## Directors' report

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- On 8 December 2020, the Company issued 8.9 million zero exercise price options (ZEPOs) with an expiry date of 7 December 2025 to Directors and Related Parties under the Employee Incentive Plan. The ZEPOs were issued pursuant to shareholder approvals received at the Company's annual general meeting held on 30 November 2020.
- On 8 December 2020, the Company issued 1,026,685 salary sacrifice rights with an expiry date of 7 December 2025 as consideration for cash remuneration sacrificed by Directors and management in the period 1 April 2020 to 30 September 2020.
- During the half-year, the Company received \$794,333 in cash proceeds from the exercise of 9,288,323 options.
- 1,586,884 options with an expiry date of 31 December 2020 expired without being exercised.

### SIGNIFICANT CHANGES

There have been no changes in the state of affairs of the economic entity that occurred during the half-year under review not otherwise disclosed in this report.

### IMPACT OF COVID-19

The outbreak of the COVID-19 pandemic in early 2020 and the subsequent travel and trade restrictions imposed by the governments of numerous countries including Australia have caused disruption to businesses and economic activity. The Board and Management of the Group have considered the impact of the COVID-19 pandemic on the Group's operations and financial performance and have determined that the Group has not been materially impacted by the COVID-19 pandemic at this stage.

The Group received a \$16,206 cash boost grant from the Australian government during the half-year as part of the Australian government's economic response to the COVID-19.

### EVENTS SUBSEQUENT TO BALANCE DATE

Except as noted below, no matter or circumstance has arisen since the end of the half-year that has significantly affected, or may significantly affect the Group's operations, the result of those operations or the Group's state of affairs:

- Mr. Andrew Grove was appointed Chief Executive Office of the Group effective 1 February 2021. Mr. Grove has over 30 years technical, commercial, and financial experience in global resources including 14 years with Macquarie Bank's Mining Finance and Risk Management Group. Mr Grove has significant operational experience gained across all phases of resources projects such as the Sunrise Gold Dam project in Western Australia and has substantial African gold mining experience including his most recent role as Group General Manager Business Development and Investor Relations at Perseus Mining Limited. Mr Grove has a Bachelor of Engineering (Mineral Exploration and Mining Geology) and a Masters Degree in Mineral and Energy Economics. Following Mr Grove's appointment, Mr Michael Brown resigned as the Company's Managing Director effective 1 February 2021 and will continue in an advisory role to assist with an orderly transition to Mr Grove.
- On 21 January 2021, the Company issued 5.4 million zero exercise price options to key management personnel under the Employee Incentive Plan.
- On 21 January 2021, the Company issued 200,000 unlisted options at an issue price of \$0.24 and an expiry date of 19 August 2024.
- On 21 January 2021, the Company issued 200,000 unlisted options at an issue price of \$0.35 and an expiry date of 19 August 2024.
- On 21 January 2021, the Company issued 200,000 unlisted options at an issue price of \$0.45 and an expiry date of 19 August 2024.

## Directors' report

- In the period from 1 January 2021 to the date of this report, the Company has received \$127,479 cash proceeds from the exercise of 1,274,793 options, \$14,979 in application monies was received prior to 31 December 2020.

### SCHEDULE OF MINING TENEMENTS

As of 31 December 2020, the Company had interests in the following tenements:

TENEMENT	LOCATION	INTEREST
Diamba Sud	Senegal	100%
Diamba Nord	Senegal	100%

### HALF-YEAR ENDED 31 DECEMBER 2020 ASX ANNOUNCEMENTS

This half-yearly financial report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

- |  |                  |
|--|------------------|
| • \$6M Private Placement & Appointment of Chairman           | 10 July 2020     |
| • Drilling hits new area of mineralization at Diamba Sud     | 21 July 2020     |
| • Spectacular results from Diamba Sud include 48m @ 6.70 g/t | 28 July 2020     |
| • Further high-grade gold intersected at Diamba Sud          | 13 August 2020   |
| • Chesser bolsters in-country team with key appointment      | 8 September 2020 |
| • 20,000 metre drilling campaign commences at Diamba Sud     | 13 October 2020  |
| • Excellent metallurgical results received from Diamba Sud   | 10 November 2020 |
| • Chesser extends high-grade discovery at Diamba Sud         | 24 November 2020 |
| • Chesser completes \$8M private placement                   | 30 November 2020 |
| • High grade gold including 16m at 23.28g/t at Diamba Sud    | 16 December 2020 |

In addition, this half-yearly financial report includes results reported subsequent to 31 December 2020 for drill holes completed prior to 31 December 2020 as follows:

- |   |                 |
|---|-----------------|
| • Chesser hits further high-grade mineralization at Area A    | 3 February 2021 |
| • Drilling confirms high-grade gold near surface and at depth | 2 March 2021    |

These announcements are available for viewing on the Company's website [chesserresources.com.au](http://chesserresources.com.au). Chesser confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

### AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to this report.



Mark Connelly  
Non-Executive Chairman  
Perth, 11 March 2021

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The Directors  
Chesser Resources Ltd  
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100 Edward Street  
BRISBANE QLD 4000

### Auditor's Independence Declaration

In relation to the independent auditor's review for the half-year ended 31 December 2020, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Chesser Resources Limited and the entities it controlled during the period.



PITCHER PARTNERS



JASON EVANS  
Partner

Brisbane, Queensland  
11 March 2021

Brisbane Sydney Newcastle Melbourne Adelaide Perth

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## Independent Auditor's Review Report to the Members of Chesser Resources Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Chesser Resources Limited (the Company) and its controlled entities (the Group) which comprises the condensed consolidated statement of financial position as at 31 December 2020, the condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Chesser Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Chesser Resources Limited financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

#### Responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



PITCHER PARTNERS



JASON EVANS  
Partner

Brisbane, Queensland  
11 March 2021



**Condensed consolidated statement of profit or loss**

		<i>For the half-year ended 31 December</i>	
	<i>Notes</i>	<i>2020</i>	<i>2019</i>
		<i>\$</i>	<i>\$</i>
Revenue and other income	3	17,139	962
Remuneration		(355,145)	(243,800)
Travel expenses		-	(52,515)
General and administrative expenses		(38,194)	(46,195)
Share registry and exchange listing fees		(101,189)	(31,891)
Depreciation expense	5	(45,311)	(31,584)
Professional fees		(65,281)	(31,417)
Auditors' remuneration		(25,742)	(26,000)
Project assessment expenses		-	(5,498)
Share based payments expense	9	(158,646)	(4,342)
Finance charges		(2,731)	(3,587)
Foreign exchange loss		(178,994)	-
Other expenses		(69,517)	(113,709)
<b>Loss before income tax expense from continuing operations</b>		<b>(1,023,611)</b>	<b>(589,576)</b>
Taxation		-	-
<b>Loss for the half-year from continuing operations</b>		<b>(1,023,611)</b>	<b>(589,576)</b>
Loss attributable to Owners of Chesser Resources Limited		<u>(1,023,611)</u>	<u>(589,576)</u>
Basic and diluted loss per share (cents per share)	4	<u>(0.26)</u>	<u>(0.22)</u>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

## Condensed consolidated statement of comprehensive income

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	<i>For the half-year ended 31 December</i>	
	<i>2020</i>	<i>2019</i>
	<i>\$</i>	<i>\$</i>
Loss for the half-year from continuing operations	(1,023,611)	(589,576)
Other comprehensive income	-	-
Total comprehensive loss for the half-year	<u>(1,023,611)</u>	<u>(589,576)</u>
Comprehensive loss attributable to the owners of Chesser Resources Limited	<u><u>(1,023,611)</u></u>	<u><u>(589,576)</u></u>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

## Condensed consolidated statement of financial position

		31 December	30 June
	Notes	2020 \$	2020 \$
<b>Current assets</b>			
Cash and cash equivalents		12,853,922	1,278,609
Trade and other receivables		114,277	80,819
Prepayments		151,844	51,869
<b>Total current assets</b>		<b>13,120,043</b>	<b>1,411,297</b>
<b>Non-current assets</b>			
Property, plant, and equipment	5	268,646	195,076
Exploration and evaluation expenditure	6	8,558,495	6,596,618
<b>Total non-current assets</b>		<b>8,827,141</b>	<b>6,791,694</b>
<b>Total assets</b>		<b>21,947,184</b>	<b>8,202,991</b>
<b>Current liabilities</b>			
Trade and other payables	7	1,181,126	513,996
<b>Total current liabilities</b>		<b>1,181,126</b>	<b>513,996</b>
<b>Total liabilities</b>		<b>1,181,126</b>	<b>513,996</b>
<b>Net assets</b>		<b>20,766,058</b>	<b>7,688,995</b>
<b>Equity</b>			
Issued capital	8	27,826,807	14,244,737
Reserves	9	2,616,777	2,098,173
Accumulated losses		(9,677,526)	(8,653,915)
<b>Total equity</b>		<b>20,766,058</b>	<b>7,688,995</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

## Condensed consolidated statement of changes in equity

2020	Issued Capital	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$	\$
Balance as of 1 July 2020	14,244,737	2,098,173	(8,653,915)	7,688,995
Loss for the half-year	-	-	(1,023,611)	(1,023,611)
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss for the half-year</b>	-	-	(1,023,611)	(1,023,611)
<b>Transactions with owners in their capacity as owners:</b>				
Issue of equity securities	14,772,772	-	-	14,772,772
Costs of issuing equity securities	(1,190,702)	-	-	(1,190,702)
Share based payments	-	518,604	-	518,604
<b>Total transactions with owners in their capacity as owners</b>	13,582,070	518,604	-	14,100,674
<b>Balance as of 31 December 2020</b>	<b>27,826,807</b>	<b>2,616,777</b>	<b>(9,677,526)</b>	<b>20,766,058</b>

2019	Issued Capital	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$	\$
Balance as of 1 July 2019	10,636,305	2,053,981	(7,518,232)	5,172,054
Loss for the half-year	-	-	(589,576)	(589,576)
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss for the half-year</b>	-	-	(589,576)	(589,576)
<b>Total transactions with owners in their capacity as owners</b>				
Issue of equity securities	2,194,565	-	-	2,194,565
Costs of issuing equity securities	(145,162)	-	-	(145,162)
Share based payments	-	16,342	-	16,342
	2,049,403	16,342	-	2,065,745
<b>Balance as of 31 December 2019</b>	<b>12,685,708</b>	<b>2,070,323</b>	<b>(8,107,808)</b>	<b>6,648,223</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

## Condensed consolidated statement of cash flows

	<i>For the half-year ended 31 December</i>	
	<i>2020 \$</i>	<i>2019 \$</i>
<b>Cash flow from operating activities</b>		
Interest received	933	695
Other income	16,206	-
Interest paid	(2,732)	(3,587)
Payments to suppliers and employees	(680,551)	(602,920)
<b>Net cash flows used in operating activities</b>	<b>(666,144)</b>	<b>(605,812)</b>
<b>Cash flow from investing activities</b>		
Payments for property, plant, and equipment	(118,881)	(76,048)
Payments for exploration and evaluation expenditure	(1,333,218)	(1,029,952)
<b>Net cash used in investing activities</b>	<b>(1,452,099)</b>	<b>(1,106,000)</b>
<b>Cash flow from financing activities</b>		
Proceeds from share issue	13,963,460	1,925,438
Proceeds from exercise of options	809,312	155,701
Costs of issuing equity securities	(878,869)	(19,736)
<b>Net cash provided by financing activities</b>	<b>13,893,903</b>	<b>2,061,403</b>
<b>Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents on 1 July	1,278,609	1,243,371
Net increase / (decrease) in cash and cash equivalents	11,775,660	349,591
Effects of exchange rate changes on cash and cash equivalents	(200,347)	-
<b>Cash and cash equivalents on 31 December</b>	<b>12,853,922</b>	<b>1,592,962</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements*



## Notes to the financial statements

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### 1. Basis of preparation of half-year report

#### *(a) Basis of preparation*

This condensed consolidated interim financial report for the half-year ended 31 December 2020 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by Chesser Resources Limited during the interim reporting half-year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting half-year except for the adoption of new and amended standards as set out below.

In the reporting period, the Group has adopted all the new and revised accounting standards and Interpretations that are relevant to its operations and effective for the current financial year. The adoption of these new and revised accounting standards and interpretations did not have any material effect on the financial results or financial position of the Group or the Company for the reporting period.

### 2. Segment information

The Group has identified its operating segments based on the internal reports that were reviewed and used by the Managing Director (chief operating decision maker or CODM) in assessing performance and determining the allocation of resources during the half-year.

The Group is managed primarily on a geographic basis, that is, the location of the respective areas of interest. Operating segments are therefore determined on the same basis.

The CODM assesses the performance of the operating segments based on a measure of gross expenditure that includes both expenditure that is capitalised in these financial statements and expenditure that is expensed in the statement of profit or loss in these financial statements. The measurement of gross expenditure does not include the impairment of exploration expenditure or non-cash items such as depreciation expense and share based payments expense. Interest revenue is allocated to the Corporate segment.

All operating segments are in the exploration and development phase and did not generate any revenue in the current or prior half-year.

Assets, liabilities, and cash flows are not allocated to segments in the internal reports that are prepared for the CODM.

## Notes to the financial statements

### 2. Segment information (continued)

#### Activity by segment

##### *Senegal Projects*

The Senegal Projects, which consist of two exploration projects, are located adjacent and to the west of the Senegal Mali Shear Zone in the Kédougou Inlier. The projects are: Diamba Sud and Diamba Nord.

##### *Corporate*

Expenditure incurred that is not directly allocated to other segments is reported as corporate costs in the internal reports prepared for the chief operating decision maker.

The following tables present revenue and loss information for the Group's operating segments for the half-year ended 31 December 2020 and 2019, respectively.

#### (i) Segment performance

	Diamba Sud	Diamba Nord	Corporate	Total
	\$	\$	\$	\$
<b>Half-year 31 December 2020</b>				
Total segment revenue	-	-	17,139	<b>17,139</b>
Segment expenditure	(1,942,284)	(19,593)	(657,799)	<b>(2,619,676)</b>
Segment result	<b>(1,942,284)</b>	<b>(19,593)</b>	<b>(640,660)</b>	<b>(2,602,537)</b>

#### Reconciliation of segment result to Group loss before tax

• Capitalised expenditure	1,961,877
• Depreciation expense	(45,311)
• Share based payments expense	(158,646)
• Foreign exchange losses	(178,994)

Net loss before tax	<b><u>(1,023,611)</u></b>
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	Diamba Sud	Diamba Nord	Corporate	Total
	\$	\$	\$	\$
<b>Half-year 31 December 2019</b>				
Total segment revenue	-	-	695	<b>695</b>
Segment expenditure	(1,280,181)	(15,780)	(554,612)	<b>(1,850,573)</b>
Segment result	<b>(1,280,181)</b>	<b>(15,780)</b>	<b>(553,917)</b>	<b>(1,849,878)</b>

#### Reconciliation of segment result to Group loss before tax

• Capitalised expenditure	1,295,961
• Depreciation expense	(31,584)
• Share based payments expense	(4,342)
• Foreign exchange gains	267

Net loss before tax	<b><u>(589,576)</u></b>
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## Notes to the financial statements

### 2. Segment information (continued)

#### (ii) Segment assets

The following tables present assets and liabilities information for the Group's operating segments for as of 31 December 2020 and 30 June 2020, respectively. The table shows assets by geographical segment.

	Senegal \$	Australia \$	Total \$
<b>31 December 2020</b>			
Segment assets	<u>9,217,675</u>	<u>12,729,509</u>	<u>21,947,184</u>
<b>30 June 2020</b>			
Segment assets	<u>7,092,527</u>	<u>1,110,464</u>	<u>8,202,991</u>

#### (iii) Segment liabilities

	Senegal \$	Australia \$	Total \$
<b>31 December 2020</b>			
Segment liabilities	<u>892,173</u>	<u>288,953</u>	<u>1,181,126</u>
<b>30 June 2020</b>			
Segment liabilities	<u>310,831</u>	<u>203,165</u>	<u>513,996</u>

	<i>For the half-year ended</i> <b>31 December</b>	
	<b>2020</b> \$	<b>2019</b> \$
<b>3. Revenue and other income</b>		
Interest income	933	695
Government grants	16,206	-
Net foreign exchange gains	<u>-</u>	<u>267</u>
	<u>17,139</u>	<u>962</u>

#### *Government grants*

Government grant revenue is recognized at fair value when there is a reasonable assurance that the grant will be received.

### 4. Loss per share

The following reflects the operating loss after tax and number of shares used in the calculation of the basic and diluted earnings/(loss) per share.

Basic and diluted loss per share (cents per share)	<u>(0.26)</u>	<u>(0.22)</u>
Loss attributable to Owners of Chesser Resources Limited	<u>(1,023,611)</u>	<u>(589,576)</u>

## Notes to the financial statements

### 4. Loss per share (continued)

	<i>For the half-year ended 31 December</i>	
	<i>2020</i>	<i>2019</i>
	\$	\$
Weighted average number of ordinary shares used in the calculation of basic loss per share	<u>391,736,249</u>	<u>266,617,525</u>

Options and other potential equity securities on issue at the end of the period have not been included in the determination of diluted earnings per share as the Group has incurred a loss for the period and they are therefore not dilutive in nature.

### 5. Property, plant, and equipment

	<i>31 December</i>	<i>30 June</i>
	<i>2020</i>	<i>2020</i>
	\$	\$
Property, plant, and equipment at written down value	<u>268,646</u>	<u>195,076</u>

Movements in property, plant and equipment during the half-year are summarised as follows:

	Field Equipment	Motor Vehicles	Office Equipment	TOTAL
Carrying value at beginning of period	31,345	127,979	35,752	195,076
Additions	53,419	30,322	35,140	118,881
Depreciation	(7,927)	(24,482)	(12,902)	(45,311)
Carrying value at end of period	<u>76,837</u>	<u>133,819</u>	<u>57,990</u>	<u>268,646</u>

### 6. Exploration and evaluation expenditure

	<i>31 December</i>	<i>30 June</i>
	<i>2020</i>	<i>2020</i>
	\$	\$
At cost	<u>8,558,495</u>	<u>6,596,618</u>

Movements in exploration and evaluation expenditure during the half-year is summarized as follows:

Carrying amount at beginning of period	6,596,618	3,979,825
Exploration expenditure during the period	<u>1,961,877</u>	<u>2,616,793</u>
Carrying amount at end of period	<u>8,558,495</u>	<u>6,596,618</u>

The ultimate recoupment of capitalised exploration and development expenditure is dependent on the successful development and commercial exploitation, or alternatively sale, of the respective areas of interest.

## Notes to the financial statements

7. Trade and other payables	31 December 2020 \$	30 June 2020 \$
Trade creditors and other payables	823,542	311,326
Accrued expenses	357,584	202,670
	<b>1,181,126</b>	<b>513,996</b>

### 8. Issued capital

Ordinary shares – fully paid	<b>27,826,807</b>	<b>14,224,737</b>
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Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

#### (a) Movements in ordinary shares

	31 December 2020 \$		30 June 2020 \$	
	No.	\$	No.	\$
Balance at beginning of period	327,356,271	14,244,737	248,780,181	10,636,305
Shares issued pursuant to Private Placements	112,921,238	13,963,460	74,090,628	3,605,438
Shares issued pursuant to exercise of options and rights	9,288,323	794,333	2,595,024	155,702
Shares issued as partial payment for capital raising costs	-	-	1,890,438	113,426
Funds received on exercise of options for which shares were issued after the end of the half-year <sup>^</sup>	-	14,979	-	-
Capital raising costs	-	(1,190,702)	-	(266,134)
Balance at end of period	<b>449,565,832</b>	<b>27,826,807</b>	<b>327,356,271</b>	<b>14,244,737</b>

<sup>^</sup> Funds were received prior to 31 December 2020 for 149,793 options with an exercise price of \$0.10 per share. The shares were issued on 21 January 2021.

#### (b) Share options and rights

Share options and rights do not provide the holder with any voting rights, any entitlement to dividends or any entitlement to the proceeds on liquidation in the event of a winding up.

Refer note 9 for further details regarding the accounting treatment of options and rights issued during the half-year.



## Notes to the financial statements

### 8. Issued capital (continued)

On 31 December 2020, the following options and rights over ordinary shares in the Company were on issue:

	Options with a \$0.10 exercise price expiring 31 December 2020	Options with a \$0.05 exercise price expiring 31 December 2021	Options with a \$0.05 exercise price expiring 31 December 2022	Options with a \$0.12 exercise price expiring 30 November 2021	Options with a \$0.08 exercise price expiring 16 July 2021	Options with a \$0.08 exercise price expiring 30 November 2023	Salary Sacrifice Rights expiring 7 December 2025	Zero Exercise Price Options expiring 7 December 2025	TOTAL Number
On issue on 1 July	4,300,000	7,500,000	1,500,000	2,000,000	-	-	-	-	15,300,000
Options and rights granted	-	-	-	-	21,000,000 <sup>#</sup>	2,000,000	1,026,685	8,900,000	32,926,685
Options and rights exercised	(2,713,116) <sup>^</sup>	-	-	-	(6,725,000)	-	-	-	(9,438,116)
Options and rights lapsed	(1,586,884)	-	-	-	-	-	-	-	(1,586,884)
On issue on 31 December	-	7,500,000	1,500,000	2,000,000	14,275,000	2,000,000	1,026,685	8,900,000	37,201,685

The options and rights do not provide the holder with any voting rights, any entitlement to dividends or any entitlement to the proceeds on liquidation in the event of a winding up.

<sup>#</sup> On 17 July 2020, the Company issued 21,000,000 options with an exercise price of \$0.08 and an expiry of 16 July 2021 to participants in a private placement of the Company's shares that was completed on 6 April 2020.

<sup>^</sup> Funds were received prior to 31 December 2020 for 149,793 options with an exercise price of \$0.10 per share. The shares were issued on 21 January 2021.

## Notes to the financial statements

### 8. Issued capital (continued)

On 30 June 2020, the following options for ordinary shares in the Company were on issue:

	Options with a \$0.06 exercise price expiring 31 Dec 2019	Options with a \$0.10 exercise price expiring 31 Dec 2020	Options with a \$0.05 exercise price expiring 30 Nov 2021	Options with a \$0.05 exercise price expiring 31 Dec 2022	Options with a \$0.12 exercise price expiring 30 Nov 2021	Total options on issue
On issue on 1 July 2019	4,300,000	4,300,000	7,500,000	1,500,000	-	17,600,000
Options exercised	(2,595,024)	-	-	-	-	(2,595,024)
Options lapsed	(1,704,976)	-	-	-	-	(1,704,976)
Options issued as consideration for capital raising fees	-	-	-	-	2,000,000	2,000,000
On issue on 30 June 2020	-	4,300,000	7,500,000	1,500,000	2,000,000	15,300,000

The options do not provide the holder with any voting rights, any entitlement to dividends or any entitlement to the proceeds on liquidation in the event of a winding up.

## Notes to the financial statements

9. Reserves	31 December 2020 \$	30 June 2020 \$
Share based payments reserve	<u>2,616,777</u>	<u>2,098,173</u>

### Movements:

#### Share based payments reserve

Balance on 1 July 2020	2,098,173
Options issued	518,604
Options lapsed	-
Balance on 31 December 2020	<u><u>2,616,777</u></u>

### Nature and purpose of reserves

#### Share based payments reserve

The Share based payment reserve is used to record the fair value of share-based payments made by the Company.

The following share-based payment transactions were recognised during the year:

	31 December 2020 \$
Share based payments expense for prior options issued	11,672
Options issued to third-party vendors (i)	284,000
Options issued to directors (ii)	26,090
Options issued to key management and other personnel (iii) – (iv)	92,908
Salary Sacrifice Rights issued (v)	<u>103,934</u>
Total share-based payments for the year	518,604
Share based payments recognised as capital raising costs	(284,000)
Salary Sacrifice Rights issued to settle remuneration accrued in the prior financial year	(62,075)
Salary Sacrifice Rights recognised as exploration expenditure	<u>(13,883)</u>
<b>Share-based payments expense for the financial year</b>	<u><b>158,646</b></u>

- (i) On 1 September 2020, the Company's shareholders approved the issue of 2,000,000 options to the brokers as partial consideration for services provided to the Company in relation to the April 2020 share placement. The options were issued with an exercise price of \$0.08 and an expiry date of 30 November 2023. The options vested immediately.

The value of the services received has been estimated by reference to the fair value of the options granted as the fair value of the services received cannot be reliably estimated. The fair value of the options at grant date has been used to determine the estimated using the Black Scholes valuation model, considering the terms and conditions upon which the options were granted. The following assumptions were used:

Exercise price	\$0.08
Expected volatility	90%
Risk-free interest rate	0.27%
Expected life of share options (days)	1,185
Grant date share price	\$0.19
Fair value per option	\$0.14

## Notes to the financial statements

### 9. Reserves (continued)

(ii) On 30 November 2020, shareholders approved the issue of 2,900,000 unlisted zero exercise price options to Directors under the Employee Incentive Plan with an expiry date of 7 December 2025 subject to the following vesting conditions:

- 966,668 of the incentive options to be issued shall be exercisable at zero price each on or before 7 December 2025, vesting on 8 December 2021
- 966,668 of the incentive options to be issued shall be exercisable at zero price each on or before 7 December 2025, vesting on 8 December 2022.
- 966,664 of the incentive options to be issued shall be exercisable at zero price each on or before 7 December 2025, vesting on 8 December 2023.

The fair value of the options at grant date has been estimated using the Black Scholes valuation model, considering the terms and conditions upon which the options were granted. The following assumptions were used:

Exercise price	\$0.00
Expected volatility	96%
Risk-free interest rate	0.30%
Expected life of share options (days)	1,833
Grant date share price	\$0.21
Fair value per option	\$0.21

(iii) During the period, the Company granted 11,400,000 zero exercise price options expiring 7 December 2025 to Directors and key management personnel under the Employee Incentive Plan subject to the following vesting conditions:

- Tranche A - the Company achieving JORC Resource of 500,000 ounces Au at an average grade of not less than 2g/t
- Tranche B - the Company achieving JORC Resource of 750,000 ounces Au at an average grade of not less than 2g/t
- Tranche C - the Company achieving JORC Resource of 1,000,000 ounces Au at an average grade of not less than 2g/t

The fair value of the options at grant date has been estimated using the Black Scholes valuation model, considering the terms and conditions upon which the options were granted. The following assumptions were used:

	Grant date - 30 November 2020			Grant date - 16 December 2020		
	Tranche A	Tranche B	Tranche c	Tranche A	Tranche B	Tranche C
Number of Options	2,000,000	2,000,000	2,000,000	1,800,001	1,800,000	1,799,999
Expiry date	7 Dec 2025	7 Dec 2025	7 Dec 2025	7 Dec 2025	7 Dec 2025	7 Dec 2025
Estimated vesting date	31 December 2021	30 June 2022	31 December 2022	31 December 2021	30 June 2022	31 December 2022
Estimated probability that options will vest	100%	90%	75%	100%	90%	75%
Exercise price	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expected volatility	96%	96%	96%	96%	96%	96%
Risk-free interest rate	0.30%	0.30%	0.30%	0.37%	0.37%	0.37%
Grant date share price	\$0.21	\$0.21	\$0.21	\$0.22	\$0.22	\$0.22
Fair value per option	\$0.21	\$0.21	\$0.21	\$0.22	\$0.22	\$0.22

The 5,400,000 options granted on 16 December 2020 were issued on 20 January 2021.

## Notes to the financial statements

### 9. Reserves (continued)

- (iv) On 1 November 2020, the Company approved the grant of 600,000 unlisted options, in three tranches of 200,000 options, to key management personnel under the Employee Incentive Plan with an expiry date of 19 August 2024. The options were issued on 21 January 2021.

The fair value of the options at grant date has been estimated using the Black Scholes valuation model, considering the terms and conditions upon which the options were granted. The following assumptions were used:

	Tranche A	Tranche B	Tranche C
Exercise price	\$0.24	\$0.35	\$0.45
Expected volatility	96%	96%	96%
Risk-free interest rate	0.13%	0.13%	0.13%
Expected life of share options (days)	1,387	1,387	1,387
Grant date share price	\$0.23	\$0.23	\$0.23
Fair value per option	\$0.15	\$0.13	\$0.12
Vesting date	19 August 2021	19 August 2022	19 August 2023

- (v) On 8 December 2020, the Company issued 1,026,685 unlisted Salary Sacrifice Rights to directors and key management personnel in lieu of foregone cash remuneration, totaling \$103,934, during the June 2020 and September 2020 quarters. The Salary Sacrifice Rights were issued under the Employee Incentive Plan with an exercise price of \$nil and an expiry date of 7 December 2025.

The number of rights issued was based on the volume weighted average price during the June 2020 and September 2020 quarters.

	Volume weighted average price	No. of Salary Sacrifice Rights	Fair value
June 2020 quarter	\$0.085	895,185	\$75,958
September 2020 quarter	\$0.213	131,500	\$27,976
		1,026,685	\$103,934

### 10. Commitments and Contingent liabilities

#### (a) Tenement expenditure commitments

Commitments for minimum exploration expenditure required to retain tenure on the Group's exploration tenements are:

	31 December 2020 \$	30 June 2020 \$
Later than one year but less than five years	1,109,207	1,160,597
	<b>1,109,207</b>	<b>1,160,597</b>



## Notes to the financial statements

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### 10. Commitments and Contingent liabilities (continued)

#### (b) Contingent liabilities

Pursuant to the terms of the agreement for the acquisition of the Senegal exploration tenements, the Group issued the following performance shares:

- 23,809,524 Class A performance shares, expiring 12 July 2020
- 23,809,524 Class B performance shares, expiring 12 July 2021

The Class A performance shares expired on 12 July 2020 without vesting.

The Class B performance shares will convert into fully paid ordinary shares on the following conditions:

- Upon certification by an independent Competent Person of a total JORC Mineral Resource of 1.0Moz Au with an average grade of at least 2.0g/t gold in relation to the Projects

### 11. Events occurring after the reporting half-year

Except as noted below, no matter or circumstance has arisen since the end of the half-year that has significantly affected, or may significantly affect the Group's operations, the result of those operations or the Group's state of affairs:

- Effective 1 February 2021, the Company appointed Mr. Andrew Grove as Chief Executive Officer of the Company. Mr. Grove has over 30 years technical, commercial, and financial experience in global resources including 14 years with Macquarie Bank's Mining Finance and Risk Management Group. Mr Grove has significant operational experience gained across all phases of resources projects such as the Sunrise Gold Dam project in Western Australia and has substantial African gold mining experience including his most recent role as Group General Manager Business Development and Investor Relations at Perseus Mining Limited. Following Mr Grove's appointment, Mr Michael Brown resigned as the Company's Managing Director and will continue in an advisory role to assist with an orderly transition to Mr Grove.
- On 21 January 2021, the Company issued the following securities under the Company's Employee Incentive Plan:
  - (i) 5.4 million zero exercise price options to key management personnel under the Employee Incentive Plan.
  - (ii) 200,000 unlisted options at an issue price of \$0.24 and an expiry date of 19 August 2024.
  - (iii) 200,000 unlisted options at an issue price of \$0.35 and an expiry date of 19 August 2024.
  - (iv) 200,000 unlisted options at an issue price of \$0.45 and an expiry date of 19 August 2024.
- In the period from 1 January 2021 to the date of this report, the Company has received \$127,479 in cash proceeds on the exercise of 1,274,793 options, \$14,979 in application monies was received prior to 31 December 2020.

CHESSER RESOURCES LTD

DIRECTORS' DECLARATION

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In the directors' opinion:

- (a) the attached financial statements and notes are in accordance with the Corporations Act 2001, including:
  - (i) complying with Australian Accounting Standards AASB 134: Interim Financial Reporting; and
  - (ii) giving a true and fair view of the Group's financial position as of 31 December 2020 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.



Mark Connolly  
**Managing Director**  
Brisbane, 11 March 2021