

ASX Announcement & Media Release

22 October 2014



SALE OF KESTANELIK UPDATE

- **Strong vote in favour of the transaction by Chesser shareholders**
- **Turkish Competition Board approval requirements have been satisfied**
- **Closing expected to occur on 23 October 2014**
- **Shareholders to vote on Return of Capital at the AGM on 20 November 2014**
- **Payment of Return of Capital anticipated to occur on 12 December 2014**

Chesser Resources Limited (**ASX:CHZ**) is pleased to update shareholders on the agreement for the sale of the Kestanelik Project to Nurol Holdings A.S.

On 13 October 2014, Chesser announced that the Company's shareholders demonstrated their strong support for the transaction with more than 98% of proxies received being cast in favour of the proposal to sell the project.

On 21 October 2014 Nurol received written notification from the Turkish Competition Board (TCB) that the TCB has no objection to the transaction. This means that the condition precedent relating to TCB approval has been satisfied.

The remaining conditions precedent are to be satisfied or waived at the time of Closing and are not subject to any regulatory approvals. Chesser can confirm that at the time of making this announcement it is not aware of any matter that would result in the remaining conditions precedent not being satisfied or able to be waived by Chesser.

"We are encouraged by the solid progress made toward closing of the sale of Kestanelik," said Dr Rick Valenta, Managing director of Chesser. "We are looking forward to making a significant return to shareholders, and using the retained funds to source new projects which will create additional value for the Company's shareholders."

As described in the Notice of Annual General Meeting, the Directors intend to make a capital return of up to \$A0.15 per share to shareholders. The indicative timetable for the Closing of the sale of Kestanelik and the Return of Capital is:

| Event | Date |
|---|--|
| Closing date for sale of Kestanelik | Thursday, 23 November 2014 (Ankara time) |
| Annual General Meeting of Shareholders to Approve Return of Capital | 11:00 am (Brisbane time) Thursday, 20 November 2014 |
| Payment of Return of Capital to shareholders | Friday, 12 December 2014 |

- All dates and times are indicative only. The Company reserves the right to vary these dates and times. The Company will make an announcement to ASX of any changes if they occur.

About Chesser Resources Limited



Chesser is an Australian-based ASX-listed exploration company (ASX: CHZ), exploring for gold and base metals in Turkey. The Company is currently conducting an aggressive, but focused, exploration program on its Kestanelik epithermal gold project. The Company's flagship project, Kestanelik, is situated in western Turkey, some 10 kilometres southeast of the Dardanelles, and enjoys good access together with excellent infrastructure. It hosts low sulphidation epithermal quartz veining with identified high-grade gold mineralisation and bonanza grades. Kestanelik has an indicated resource of 236,000 ounces of gold at a grade of 2.74 g/t Au, and total resource of 746,000 ounces of gold at 1.86 g/t Au, 60% of which lies within 50 metres of the surface at an average grade of 2.25 g/t Au. The Company has declared a 303,000 oz gold resource (91,000 oz Indicated and 212,000 oz Inferred) on its Sisorta project in north-eastern Turkey. The Board and management of Chesser, backed by the Company's major shareholders, are committed to unlocking value from this highly prospective portfolio of projects and the Company is committed to advancing its existing portfolio while continuing to seek new advanced opportunities.

| Company Directors & Management | | Company Information | Top Shareholders |
|--------------------------------|-----------------------------|---|--------------------|
| Rob Reynolds | Chairman | ABN: 14 118 619 042 Address: 96 Stephens Road South Brisbane Qld 4101 Australia Telephone: +61 7 3844 0613 Contact: info@chesserresources.com.au Chesser Website: www.chesserresources.com.au | Management |
| Rick Valenta | Managing Director | | Macquarie MEC |
| Simon O'Loughlin | Non-Executive Director | | Acorn Capital |
| Simon Taylor | Non-Executive Director | | Institutions – 30% |
| Peter Lester | Non-Executive Director | | |
| Morrice Cordiner | Non-Executive Director | | Top 40 ≈ 62% |
| Stephen Kelly | CFO/Company Secretary | | |
| Nigel Ricketts | Project Director Kestanelik | | |
| Cem Yuceer | Exploration Manager | | |
| | | | |

The exploration data and results contained in this report are based on information reviewed by Dr Rick Valenta, a Fellow of the Australian Institute of Mining and Metallurgy. He is Managing Director of the Company and has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Dr Valenta has consented to the inclusion in this release of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Kestanelik in-situ Mineral Resources is based on information compiled by Mr. Ian Taylor of Mining Associates Ltd. Mr. Taylor is the competent person for the Kestanelik resource estimate and takes overall responsibility for it. He is a of the Australian Institute of Geoscientists and a Chartered Professional of the Australasian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity 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' (JORC Code). Mr. Taylor consents to the inclusion of such information in this Report in the form and context in which it appears.

The information in this report that relates to Sisorta in-situ Mineral Resources is based on information compiled by Mr. Gary Giroux of Giroux Consultants Ltd. Mr. Giroux is the competent person for the Sisorta resource estimate and takes overall responsibility for it. He is a Member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia (a "Recognised Overseas Professional Organisation" under the JORC code) and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a "Competent Person" as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code) and has the appropriate relevant qualifications, experience and independence to qualify as a "Qualified Person" under National Instrument 43-101 - "Standards of Disclosure for Mineral Projects" (NI 43-101). Mr. Giroux consents to the inclusion of such information in this Report in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Further information is available at: www.chesserresources.com.au or by calling:

Rick Valenta, Managing Director
Stephen Kelly, Company Secretary

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