

ASX Announcement & Media Release

30 October 2015

Quarterly Activities Report Quarter Ended 30 September 2015

DIRECTORS

Gabriel Radzynski
Non Executive Chairman

Simon O'Loughlin
Non-Executive Director

Simon Taylor
Non-Executive Director

Stephen Kelly
Executive Director and Company Secretary

SHARE INFORMATION

ASX Code: CHZ

Issued Capital:

119,333,598 Fully Paid Shares

7,100,000 Unlisted Options

CONTACT INFORMATION

Registered Office:
96 Stephens Road
South Brisbane QLD 4101

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Chesser Resources Limited:
ACN: 118 619 042

Highlights

- Proposed Equal Access Buy Back approved by Shareholders on 4 September 2015
- Equal Access Buy Back completed and payment made to participating Shareholders on 15 October 2015
- Farm-in Agreement for the Kurnapli Nickel Gold Project executed on 15 October 2015.
- In October 2015, the Company recommenced a strategic review of the available investment opportunities taking into consideration the Company's post buy back cash reserves of approximately \$4.25 million.

Proposed Equal Access Buy-Back

On 4 September 2015, the Company's Shareholders approved the implementation of the 3.43 cent per share Equal Access Buy Back (EABB).

The EABB closed on 6 October 2015 with acceptances received from shareholders for 101,673,563 shares.

On 15 October 2015 the Company made payments totalling \$3,487,403 to Shareholders to complete the Equal Access Buy Back process.

Future Strategy

Following completion of the Equal Access Buy Back on 15 October 2015, the Company recommenced a strategic review of the options and investment opportunities available to the Company. The strategic review will take into consideration the Company's post buy back cash reserves of approximately \$4.25 million.

On 15 October 2015, the Company announced that it had executed a Binding Agreement Letter (Agreement) with Mithril Resources Ltd (ASX: MTH) to earn up to an 80% interest in two tenements EL28/2506 and PL28/1271 located at Kurnalpi (approximately 60 kilometres north east of Kalgoorlie, WA - Figure 1).

The Kurnalpi Project tenements are both wholly-owned by Mithril and cover Archaen ultramafic / mafic sequences which are prospective for both nickel sulphide and lode gold mineralisation.

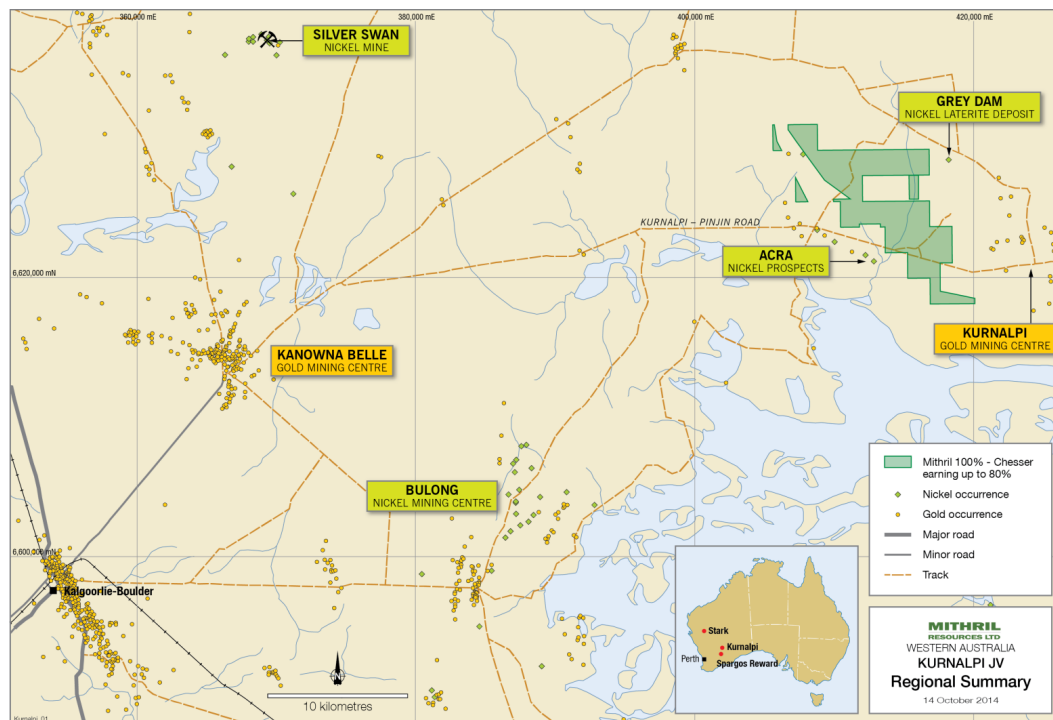


Figure 1: Kurnalpi Project Location Plan

The terms of the farm-in agreement are as follows:

- Chesser will reimburse Mithril its tenement acquisition costs amounting to \$17,389 within 7 days of the Agreement becoming effective.
- Chesser can earn an initial 51% interest in EL28/2506 and PL28/1271 by completing expenditure of \$150,000 over 2 years.
- Chesser can elect to earn an additional 29% interest through further expenditure of \$100,000 over a further 2 years (in total 80% by spending \$250,000 over 4 years).
- Once Chesser has earned its 80% interest, Mithril has the right to contribute on a pro rata basis or dilute as per industry standard formula. If Mithril's interest dilutes below 10% it will be deemed to have withdrawn and will be entitled to receive a 1.5% Net Smelter Royalty on all minerals.
- Chesser is required to keep the tenements in good standing at all times and can withdraw from the Agreement with 30 days' notice provided the tenements are in good standing.

SCHEDULE OF MINING TENEMENTS

As at 30 September 2015, the Company did not have an interest in any mining tenements.

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

Stephen Kelly, Company Secretary

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Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Chesser Resources Limited

ABN

ACN 118 619 042

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	-	-)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(152)	(152)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	9	9
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net Operating Cash Flows	(143)	(143)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(143)	(143)

		Current quarter \$A'000	Year to date \$A'000
1.13	Total operating and investing cash flows (brought forward)	(143)	(143)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Return of capital to shareholders	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(143)	(143)
1.20	Cash at beginning of quarter/year to date	7,888	7,888
1.21	Exchange rate adjustments to item 1.20	67	67
1.22	Cash at end of quarter	7,812	7,812

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	48
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL
1.25	Explanation necessary for an understanding of the transactions	
	Payment of Director's fees to Non-Executive Directors and salaries and contracting fees paid to the Executive Director who is also the Company's Company Secretary and Chief Financial Officer.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	NIL
3.2 Credit standby arrangements	NIL	NIL

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	17
4.2 Development	-
4.3 Production	-
4.4 Administration	3,553
Total	3,570

Notes:

1. Administration outflows includes \$3,487,403 paid to Shareholders pursuant to the Equal Access Buy Back

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	7,812	7,888
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details) – restricted cash	-	-
Total: cash at end of quarter (item 1.22)	7,812	7,888

Changes in interests in mining tenements

		Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	NIL	NIL		
		NIL	NIL		
6.2	Interests in mining tenements acquired or increased	NIL	NIL		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.


		Total number	Number quoted	Issue price per security	Amount paid up per security) (cents)
7.1	Preference securities (description)	NIL	NIL	NIL	NIL
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	NIL	NIL	NIL	NIL

		Total number	Number quoted	Issue price per security	Amount paid up per security) (cents)
7.3	+Ordinary securities	221,007,161	221,007,161		Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	NIL NIL	NIL NIL	NIL NIL	NIL NIL
7.5	+Convertible debt securities (description)	NIL	NIL	NIL	NIL

		Total number	Number quoted	Issue price per security	Amount paid up per security) (cents)
7.6	Changes during quarter	NIL	NIL	NIL	NIL
	(a) Increases through issues	NIL	NIL	NIL	NIL
	(b) Decreases through securities matured, converted				
7.7	Options (<i>description and conversion factor</i>)			<i>Exercise price</i>	<i>Expiry date</i>
		500,000		\$0.35	13/12/2016
		1,000,000		\$0.40	13/12/2016
		1,500,000		\$0.45	13/12/2016
		1,000,000		\$0.50	13/12/2016
		1,000,000		\$0.55	13/12/2016
		1,000,000		\$0.60	13/12/2016
		200,000		\$0.20	31/01/2017
		200,000		\$0.25	31/01/2017
		200,000		\$0.30	31/01/2017
		500,000		\$0.11	31/12/2016
7.8	Issued during quarter			<i>Exercise price</i>	<i>Expiry date</i>
7.9	Exercised during quarter	NIL	NIL	NIL	NIL
7.10	Expired during quarter	NIL		<i>Exercise price</i> NIL	<i>Expiry date</i>
7.11	Debentures (<i>totals only</i>)	NIL	NIL		
7.12	Unsecured notes (<i>totals only</i>)	NIL	NIL		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
Secretary

Date: 30 October 2015

Print name: Stephen Kelly