

# \$6M PRIVATE PLACEMENT & APPOINTMENT OF NON-EXECUTIVE CHAIRMAN

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## HIGHLIGHTS

- Mr. Mark Connelly appointed as Non-Executive Chairman of the Company, effective immediately.
- Firm commitments received for a strongly supported share placement to raise gross proceeds of \$6.0 million to fund large-scale drilling at the Diamba Sud high-grade gold discovery in Senegal, West Africa.

**Chesser Resources Limited** ("Chesser" or "the Company"; ASX:CHZ) is pleased to announce both the appointment of a new Non-Executive Chairman of the Company and a strongly supported \$6.0 million capital raising.

### Non-Executive Chairman

Mr. Mark Connelly is a seasoned executive with an impressive track record in African gold exploration and development, including the US\$570 million merger of Papillon Resources with B2 Gold Corp in 2014 and the US\$600 million merger of Adamus Resources with Endeavour Mining in 2011. More recently Mark was the Chairman of ASX listed West African Resources through the development, construction and commissioning of the Sanbrado mine in Burkina Faso, West Africa's newest gold producer. Mark is currently Non-Executive Chairman at Oklo Resources.

Mark is expected to bring extensive industry knowledge, leadership and corporate relationships that will greatly benefit Chesser as it progresses its exciting Diamba Sud gold discovery.

Mark is a member of the Australian Institute of Company Directors (MAICD), a member of the Australian Institute of Management (AIMM) and a member of the Society of Mining, Metallurgy and Exploration (SME).

With this appointment, Mr. Simon O'Loughlin will move to a Non-Executive Director role and continue his involvement with the Company. Mr. Stephen Kelly will resign as an Executive Director of the Company but remain as Company Secretary and Chief Financial Officer.

### Share Placement

The Company is pleased to announce it has received firm commitments from institutional and sophisticated investors for a placement of 75 million fully paid ordinary shares at an issue price of \$0.08 per share to raise \$6.0 million ("Placement"). The funds raised will be used to undertake large-scale drilling programs at its flagship Diamba Sud Gold Project in Senegal, West Africa.

Strong demand for the Placement was received from existing shareholders and a number of new institutions. The Placement was managed by Taylor Collison and Canaccord Genuity (Australia) Limited as Joint Lead Managers, with Bridge Street Capital Partners acting as Corporate Advisor.

The key terms of the Placement are as follows:

- The issue of up to 75 million new fully paid ordinary shares in the Company at an issue price of \$0.08 per share raising approximately \$6 million before costs.
- The Placement will be settled in two tranches as follows:
  - **Tranche 1** – the issue of up to 29,339,068 new fully paid ordinary shares pursuant to the Company’s available placement capacity under ASX Listing Rules 7.1 and 7.1A. The issue of the Tranche 1 shares is expected to occur on or about Monday 20 July 2020.
  - **Tranche 2** – subject to shareholder approval, the issue of up to 45,660,932 fully paid ordinary shares. The Company intends to conduct an Extraordinary General Meeting of Shareholders to approve the Tranche 2 shares on or about 31 August 2020. The issue of the Tranche 2 shares will occur as soon as possible after shareholder approval is obtained.

The Placement was available to investors in Australia who qualified as professional or sophisticated investors under the requirements of Chapter 6D of the Corporations Act 2001 (Cth) and sophisticated and professional investors in other select jurisdictions.

**Mr. Connelly commented;** *“Chesser is in an exciting phase of exploring the high-grade discovery at its Diamba Sud project within a belt that hosts world-class assets, including Fekola, which I know intimately. Joining a team that has quickly made a discovery and is advancing it towards development is an exciting opportunity to be involved with.”*

**Managing Director Mike Brown said;** *“Mark joining the Board is a timely and welcome addition, with his leadership skills, industry knowledge, extensive connections and impeccable development track record a great asset to the Company as we seek to expand the discovery and move towards development.*

*Additionally, we’d like to welcome new institutions and shareholders to the Company as part of the Placement, and acknowledge the strong support received from existing institutions and shareholders. The Placement will enable us to significantly advance the Area A discovery and the new prospective trends encountered in recent drilling, as well as continue to test additional compelling targets. Planning for further drilling shall commence when final results from the recently completed Phase 4 drill program are received.”*

This release was authorised by the Board of Directors of Chesser Resources Limited.

**-END-**

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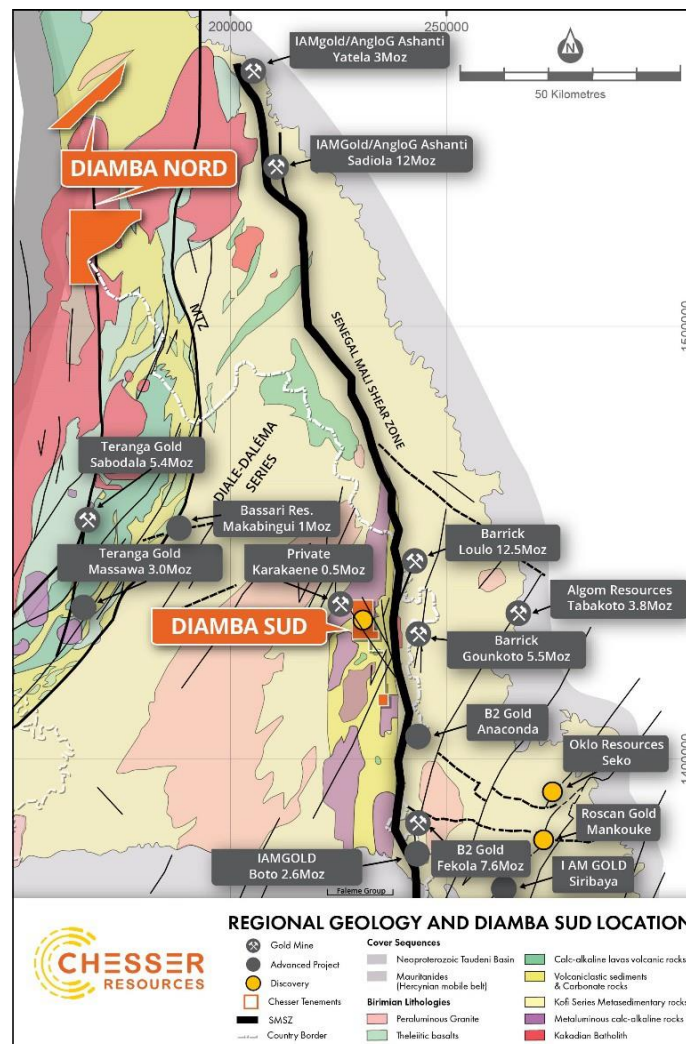
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## ABOUT CHESSER RESOURCES

Chesser Resources is an ASX listed gold exploration company with projects located in Senegal, West Africa. Chesser has announced a high-grade gold discovery at its Northern Arc target on its flagship Diamba Sud project. The Company currently holds ~300km<sup>2</sup> of highly prospective ground in this underexplored world-class gold region. The Company has a corporate office located in Brisbane, Australia and a corporate and technical team based in Dakar, Senegal.

Diamba Sud is the Company's flagship project, covering 53.2km<sup>2</sup> over the gold-bearing Kedougou-Kenieba Inlier, Diamba Sud consists of two blocks referred to as DS1 in the north and DS2 in the south.

The Project is located ~2km to the west of the Senegal Mali Shear Zone (SMSZ), a major regional structure and host to numerous multimillion-ounce gold deposits including; B2Gold's 7.6Moz Fekola mine, Barrick's 18Moz Loulo-Goukoto complex and AngloGold Ashanti/IAMGold's Sadiola and Yatela mines. DS1 lies 7km to the west of the 5.5Moz Goukoto mine and to the immediate east of the privately owned 0.5Moz Karakaene mine.



**Figure 1: 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.**