



# West Africa's Newest Gold Discovery in Senegal's Golden Corridor

Corporate Presentation May 2020

ASX: CHZ



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## References to ASX Market Announcements

This Presentation contains information, including exploration results, extracted from the following ASX market announcements reported in accordance with the JORC Code (2012):

- i. Diamba Sud exploration results reported on pages 6, 7, 12, and 13 of this presentation were reported in ASX Announcements dated 22 February 2018, 28 May 2018 and 27 August 2018.
- ii. Diamba Sud historical RC drilling results reported on page 12 and 13 of this presentation were reported in an ASX Announcement dated 3 April 2017.
- iii. Diamba Sud RC drilling results reported on pages 3, 8, 9, 10, 11, 12, 13 and 22 of this presentation were reported in an ASX Announcement dated 25 March 2019, 10 April 2019, 6 May 2019, 14 of May 2019, 26 August 2019 and 3 September 2019.
- iv. Diamba Sud geophysical results reported on page 12, 20 and 21 of this presentation were reported in an ASX Announcement dated 14 October 2019.
- v. Diamba Sud exploration results for Phase 3 reported on page 3, 8, 9, 10, 11, 23 and 24 were reported in ASX market announcements dated 21<sup>st</sup> January 2020 and 2<sup>nd</sup> March 2020.
- vi. Reference to Barrick’s targets and area of focus on page 5, 6 and 10 are from Barrick’s 2020 Q1 Report. Source: [www.barrick.com](http://www.barrick.com)

The Company is not aware of any new information or data that materially affects the information contained in the referenced ASX market announcements.

## Competent Person’s Statement

The information in this presentation that relates to Exploration Results is based on information compiled by geologists employed by Boya SAU (a wholly owned subsidiary of Chesser Resources) and reviewed by Mr Michael Brown, who is a member of the Australian Institute of Geoscientists (MAIG). Mr Brown is the Managing Director of Chesser Resources Limited. Mr Brown is considered to have sufficient experience deemed relevant to the style of mineralisation and type of deposit under consideration, and to the activity that 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” (the 2012 JORC Code). Mr Brown consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

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# Investment Highlights



Focus on the new, high-grade Area A gold discovery at Diamba Sud, eastern Senegal.

Alteration style that is analogous to other large systems and Tier 1 operations on the Senegal Mali Shear Zone.

Multiple highly prospective targets at Diamba Sud, ready for further exploration.

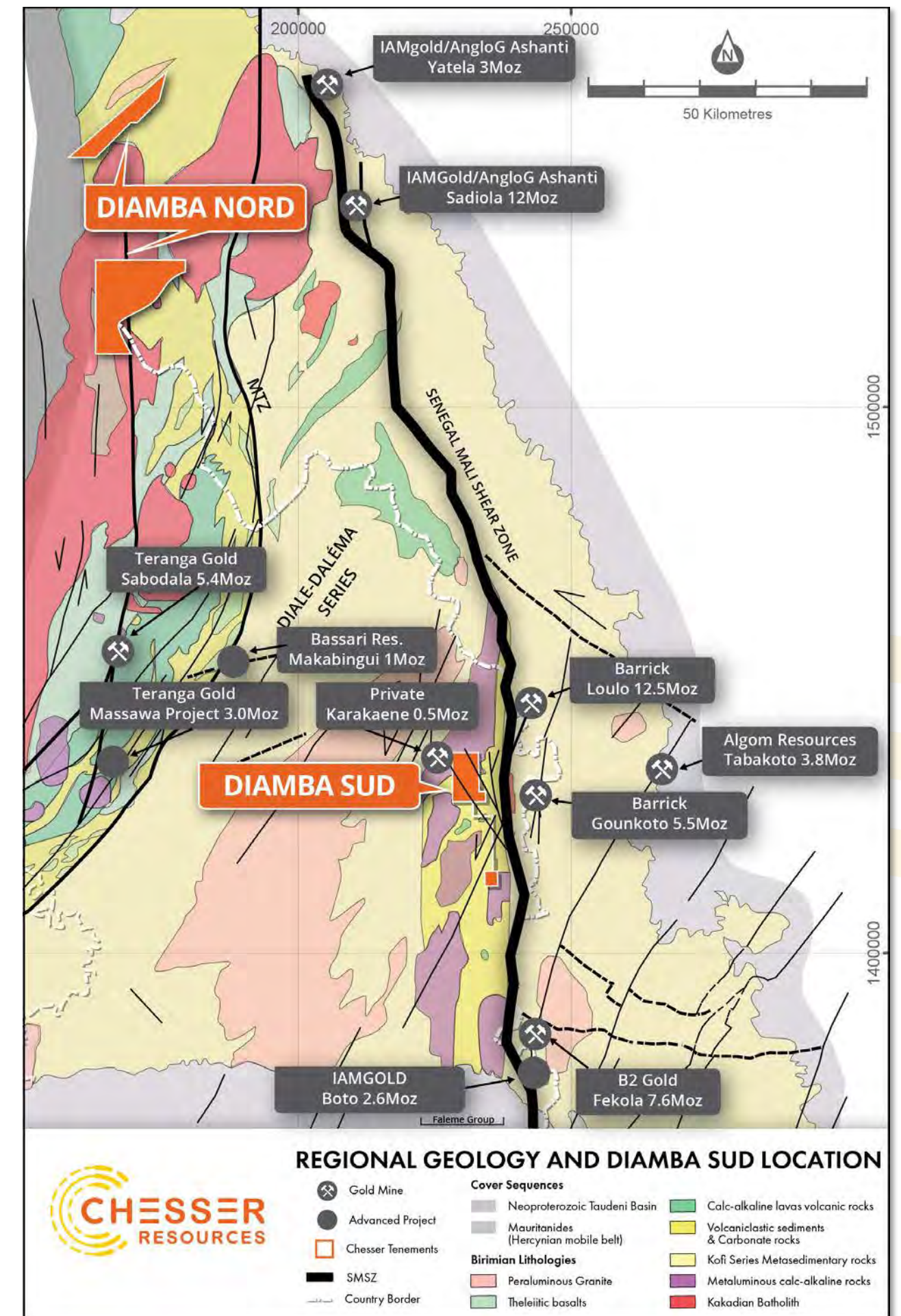
Recently raised \$1.7 million, commenced Diamba Sud Phase 4 drill program.

**Select highlights**  
21m at 6.62 g/t gold  
16m at 8.51 g/t gold

<b>Loulo</b> <i>(Barrick)</i> 12.5 Moz	<b>Goukoto</b> <i>(Barrick)</i> 5.5 Moz	<b>Fekola</b> <i>(B2Gold)</i> 7.6 Moz
<b>Area A</b> Gold discovery	<b>Area D</b> Encouraging prospect	<b>Western Splay</b> Untested prospect
<b>~4,000m Phase 4 drill program</b> commenced in early May		

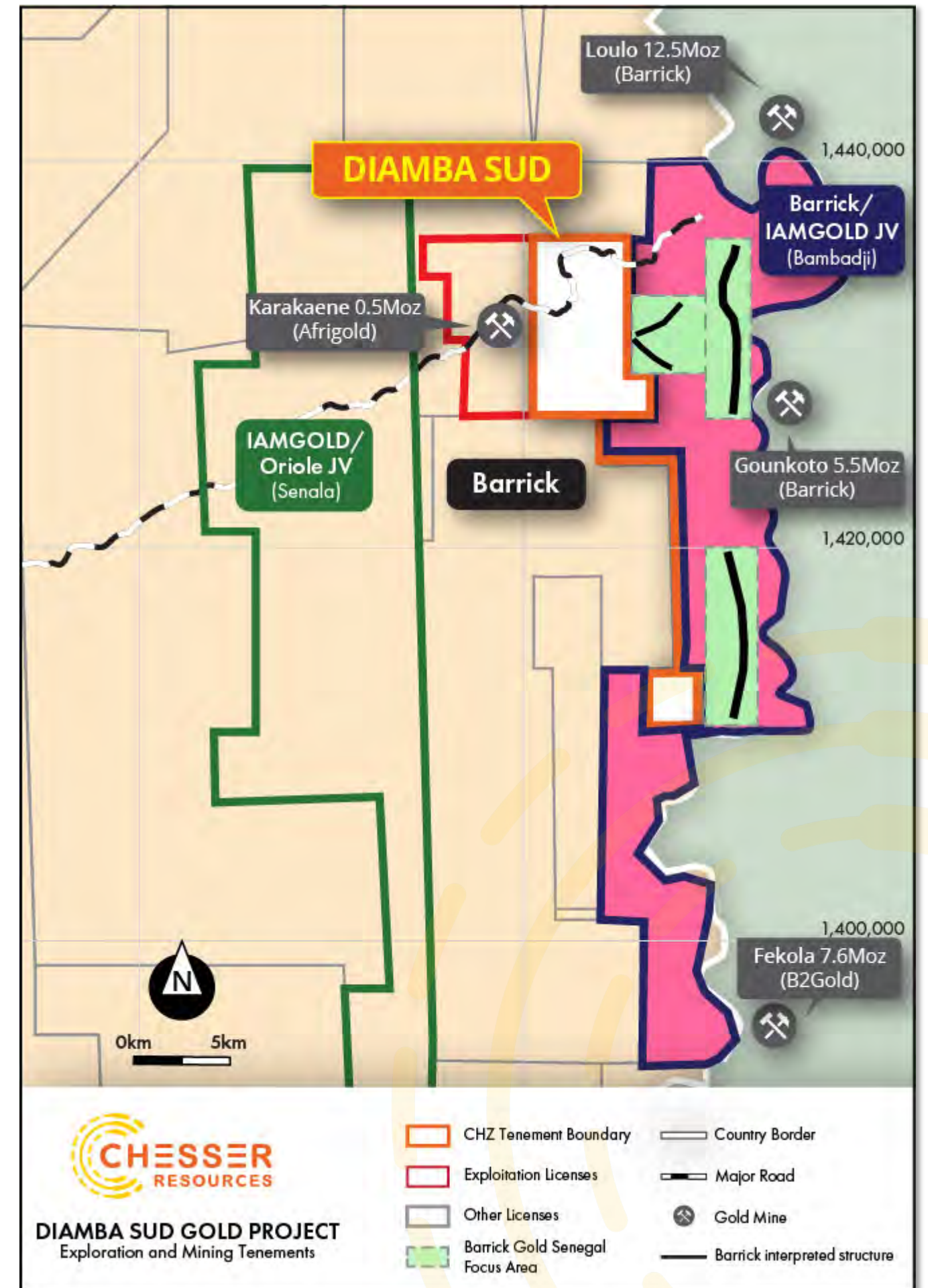
# STRATEGIC LANDHOLDING IN PROLIFIC GOLD BELT

- Strategic landholding of ~300 km<sup>2</sup> within the two major Birimian gold belts in Senegal.
- The prolific Senegal Mali Shear Zone ("SMSZ") Orogenic belt hosts over 45Moz of Tier 1 gold mines.
- Majors are active in immediate vicinity, supporting prospectivity of the underexplored Senegal-side of the SMSZ.
- New discovery at Diamba Sud, 12km south west of Barrick's 12.5moz Loulo mine and 7km west of Barrick's 5.5moz Goukoto mine.
  - High grade, with drilling showing continuity in strike and depth.
- Numerous NW-SE splays detected on Diamba Sud property: a regional association of Tier 1 assets with splay structures within 5km of SMSZ.



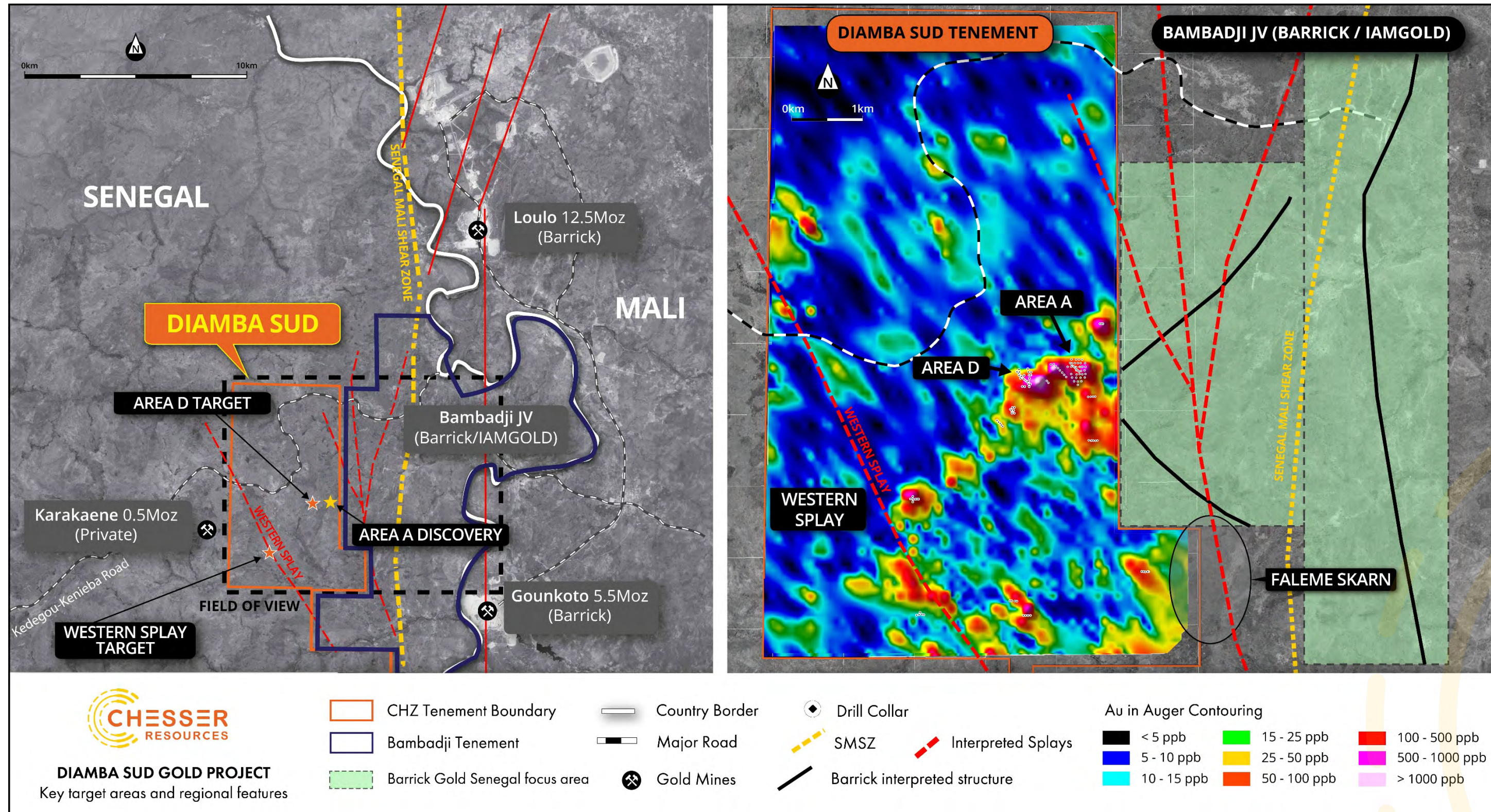
## AGGRESSIVE EXPLORATION OCCURRING ADJACENT TO DIAMBA SUD

- High-grade gold discovery at Diamba Sud, eastern Senegal, is within an area of significant current focus for major gold producers (Barrick and IAMGOLD).
- Diamba-Sud is directly west of the Bambadji JV (Barrick/IAMGOLD), being rapidly advanced by Barrick Gold.
- Barrick have announced numerous anomalies identified and early strong results from drilling at Bambadji.
- Gold geochemical anomaly in auger drilling is open on eastern tenement boundary with Barrick's Bambadji JV, and is likely to extend into it.
- IAMGOLD advancing Senala JV with Oriole Resources.
- Proximity to operations/advanced projects in Senegal;
  - adjacent to Karakaene open pit,
  - 35kms from Bassari Resources 1Moz Makubungi Project (FS),
  - and 50km from IAMGOLD's 2.6Moz permitted Boto Project (FS).



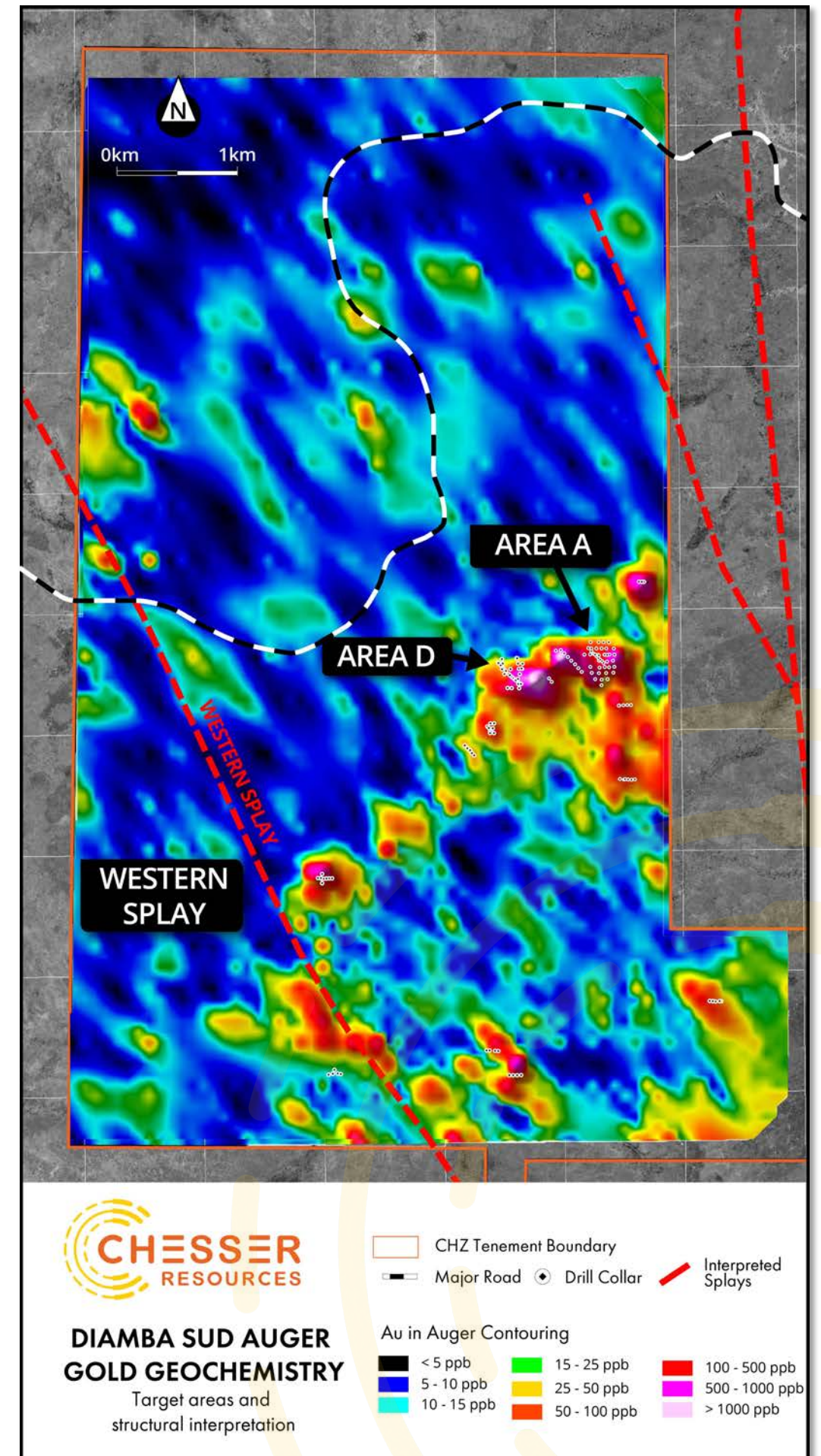
# BAMBADJI JV – ACTIVE EXPLORATION ON CHESSER’S DOORSTEP

Diamba Sud Area A high-grade structure inferred to extend into Bambadji JV



# GOLD DISCOVERY AT THE FLAGSHIP DIAMBA SUD PROJECT

- Acquired in 2017, 100% owned with minimal historical exploration undertaken.
- Large high-grade auger gold geochemical anomaly defined, with numerous southeast-northwest subparallel trends identified.
- Geological setting comparable to other world-class gold deposits along the prolific Senegal-Mali shear zone (SMSZ, >45Moz Au).
- Drilling to date includes auger (25,800m), RC (11,100m) and DDH (2,035m).
- Recent Chesser drill program has identified a large hydrothermal system with two hosts of mineralisation (structural and lithological) at Area A.
- Alteration assemblages & mineralisation very similar to Tier 1 deposits on the eastern side of the SMSZ.



# AREA A: A LARGE HYDROTHERMAL SYSTEM

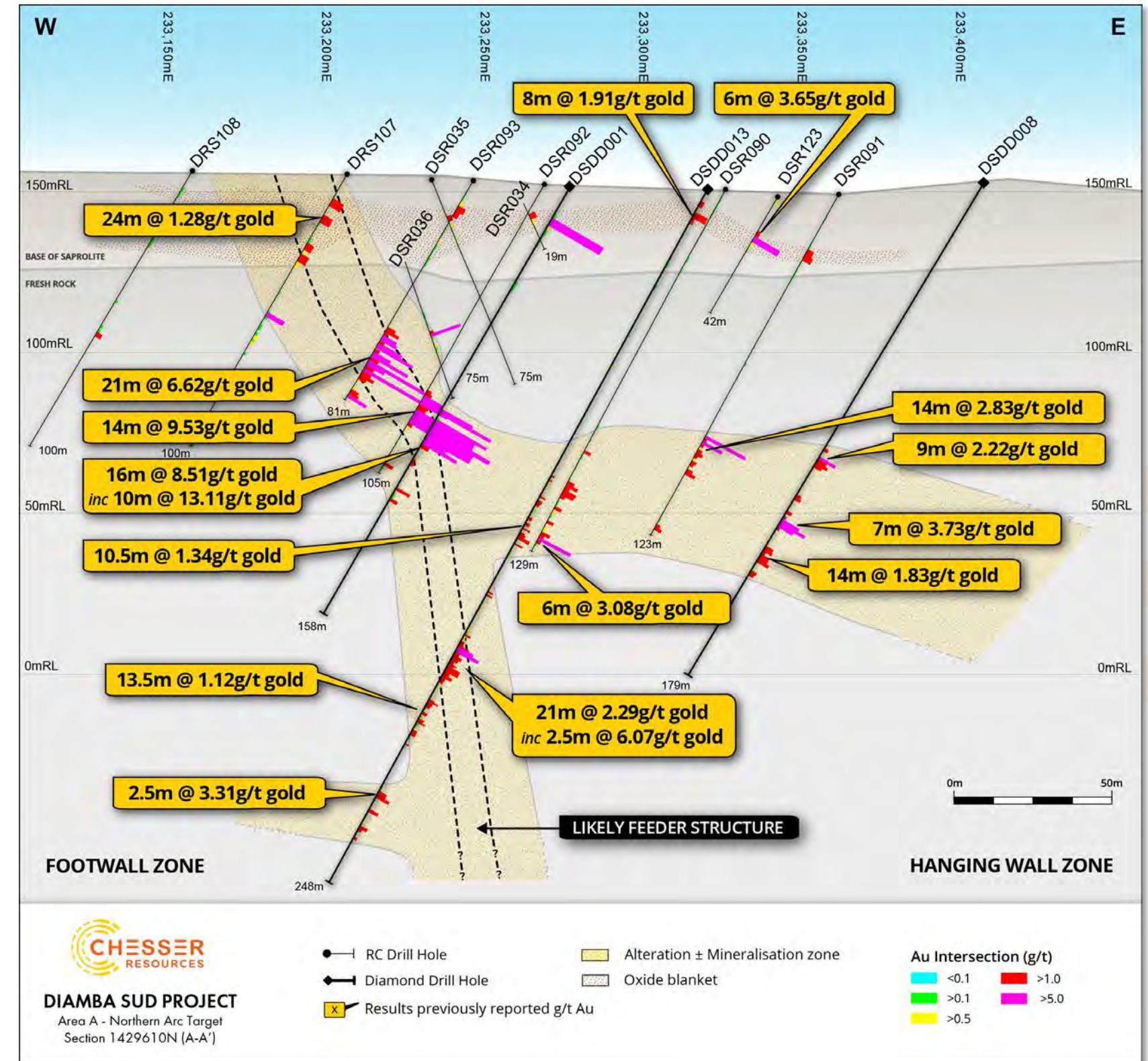
## 1. High-grade mineralisation hosted within a subvertical steeply dipping structure.

- 21m @ 6.62 g/t gold
- 14m @ 9.53 g/t gold
- 16m @ 8.51 g/t gold, incl 10m at 13.11 g/t gold
- Strong albite-carbonate-quartz- pyrite alteration.
- 275m strike length confirmed.
- Open and untested towards Bambadji JV for ~750m.
- Structure is likely conduit (feeder) for mineralising fluids.
- 21m @ 2.29 g/t gold incl 2.5m at 6.07 g/t gold
- 6m @ 5.11 g/t gold incl 3m @ 6.76 g/t gold
- 6m @ 7.27 g/t gold

## 2. Sedimentary unit hosted mineralisation, with significant hydrothermal brecciation.

- Sedimentary breccia and minor carbonates show intense alteration and brecciation.
- Mineralisation commonly in multiple thick zones within brecciated and strongly altered sediment units.

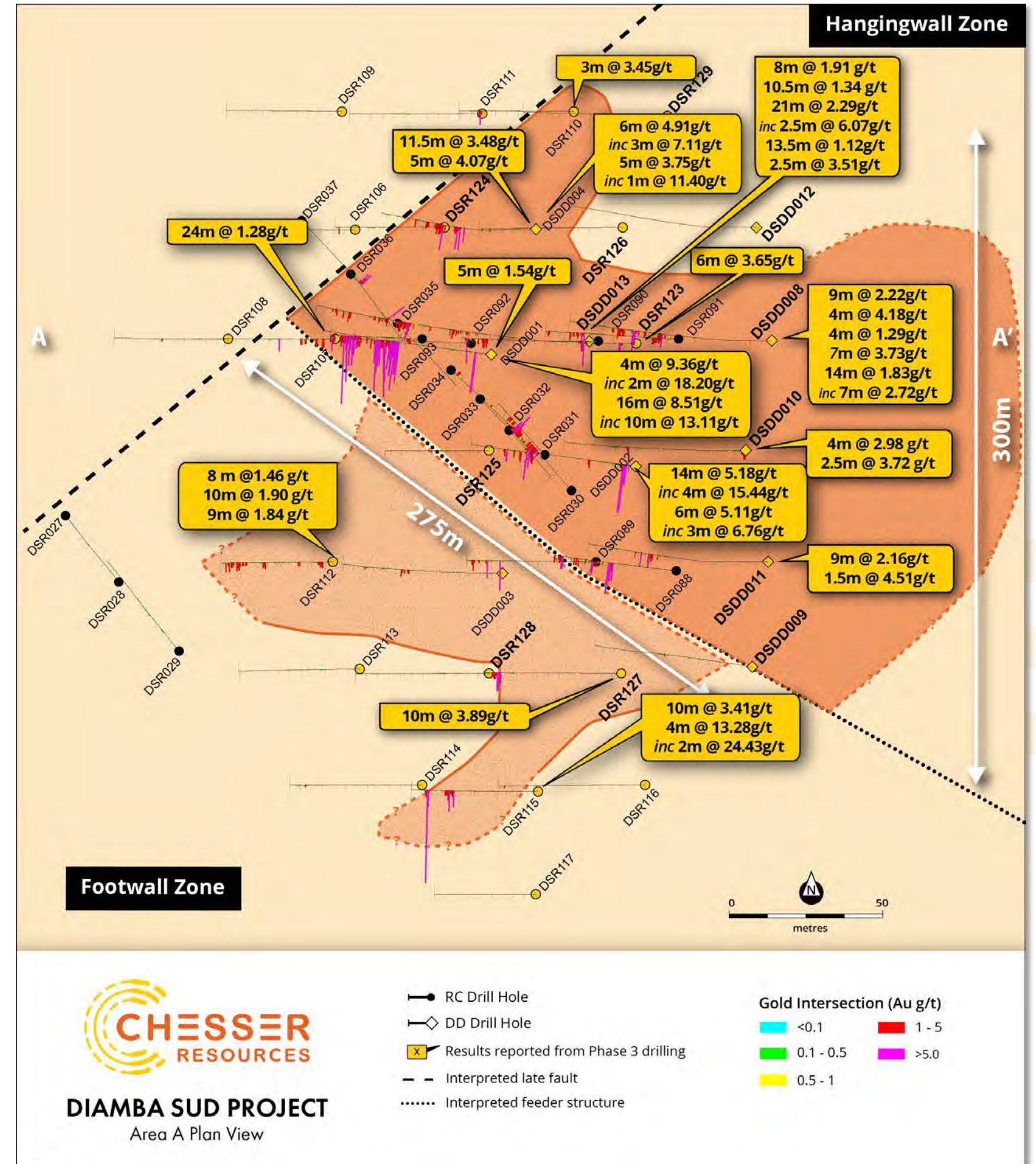
## 3. Same alteration and deposit style seen on the eastern side of the SMSZ.





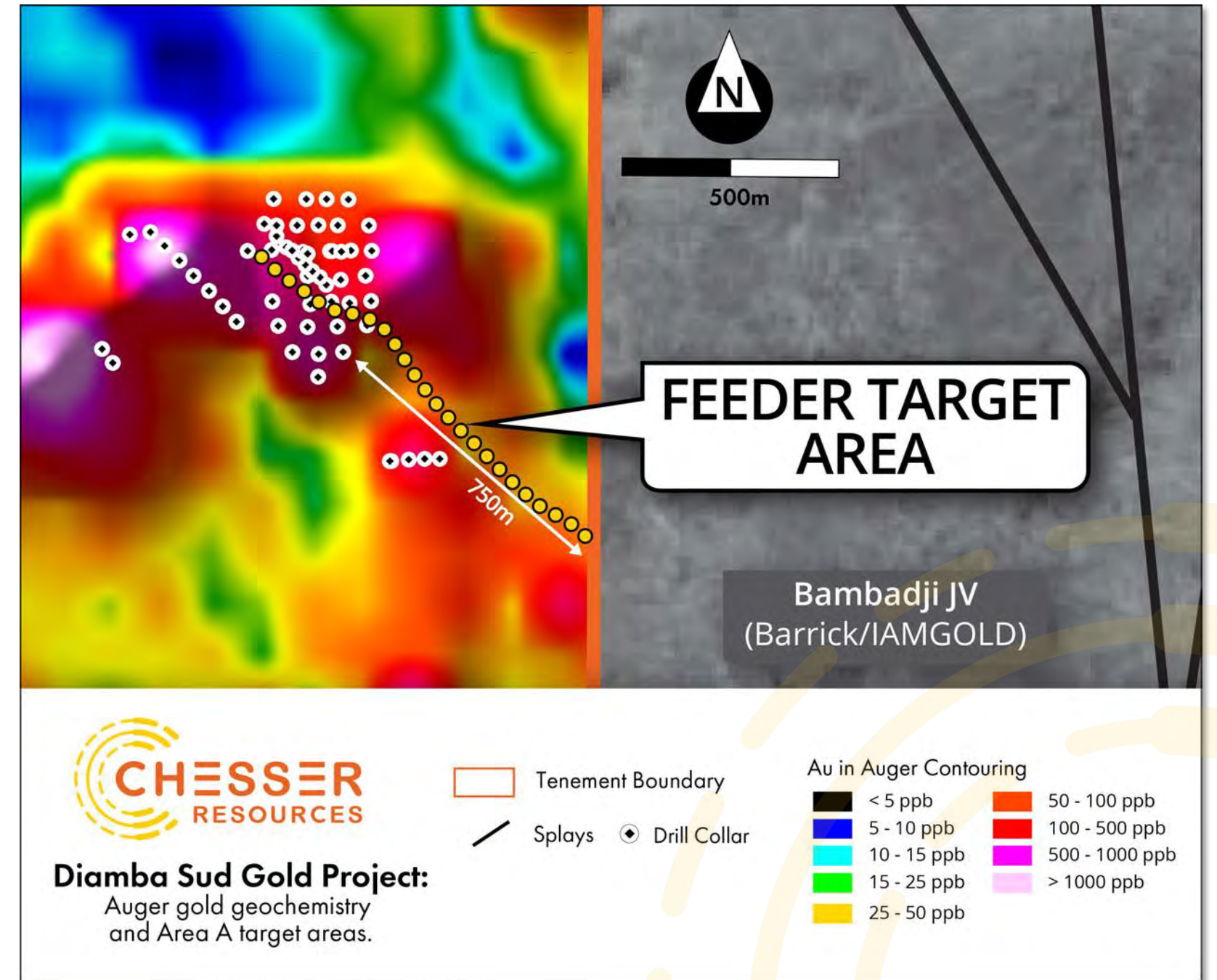
# AREA A: HIGH VOLUME POTENTIAL

- Multiple stacked thick shallow intersections in sedimentary units:
  - High volume potential additional to high-grade structure related mineralization.
- Hanging wall zone: thick moderate-high grade.
  - 6m at 4.91 g/t gold from 70m
  - 11.5m at 3.48 g/t gold from 83m
  - 5m at 4.07 g/t gold from 146m
  - 9m at 2.22 g/t gold from 94m
  - 7m at 3.73 g/t gold from 118m
  - 14m at 1.83 g/t gold from 130m
- Footwall zone: thick moderate-high grade.
  - 10m at 3.41 g/t gold from 78m
  - 4m at 13.28 g/t gold from 103m
  - 10m at 3.89 g/t gold from 114m
  - 6m at 3.17 g/t gold from 107m
- Open and untested in multiple directions.
- Significant expansion potential along strike and laterally to the feeder structure towards the southeast.
- Sedimentary units are host rocks for gold mineralisation in all deposits on the SMSZ.



## AREA A: STRIKE EXTENSION POTENTIAL

- Indications of deep-seated plumbing system hosting high-grade gold.
- Feeder structure hosts highest grades, with only 7 holes drilled into it to date.
- NW-SE strike, parallel to splay system identified in geophysics:
  - Multiple NW-SE trending gold chemical anomalies in auger drilling
  - Critical feature for fluid flow and potential mineralization.
- Feeder structure partially tested along ~275m of a 1km strike to tenement boundary in SE with Bambadji JV
- Barrick have reported a target on the strike continuation of this based on auger and IP work on the Bambadji JV.



# AREA D: ENTICING SIGNS

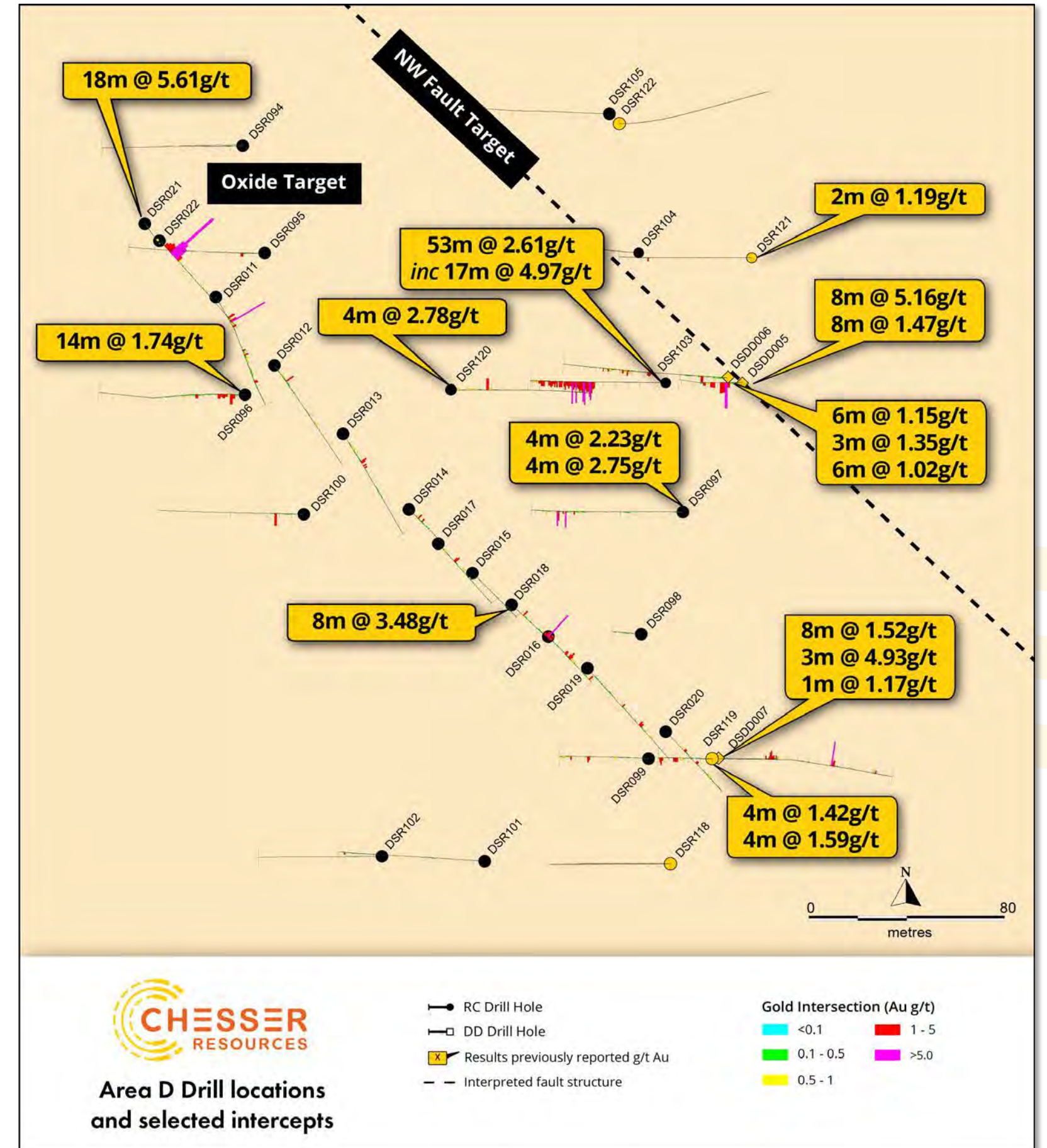
Two prospective targets, a fault hosted zone and a high-grade oxide zone:

## 1. Fault Hosted zone

- Initially targeted a resistivity anomaly in IP, defining a N-S feature DSR103 intersected wide oxidized mineralised shear with extensive fresh rock mineralisation to bottom of hole:
  - 53m at 2.61g/t gold from 57m, including 17m at 4.97g/t gold from 59m.
- Phase 3 drilling confirmed fault orientation as NW-SE, same orientation as seen at Area A.
- Remains untested in both directions, with auger anomaly traceable for over 2km to SE.

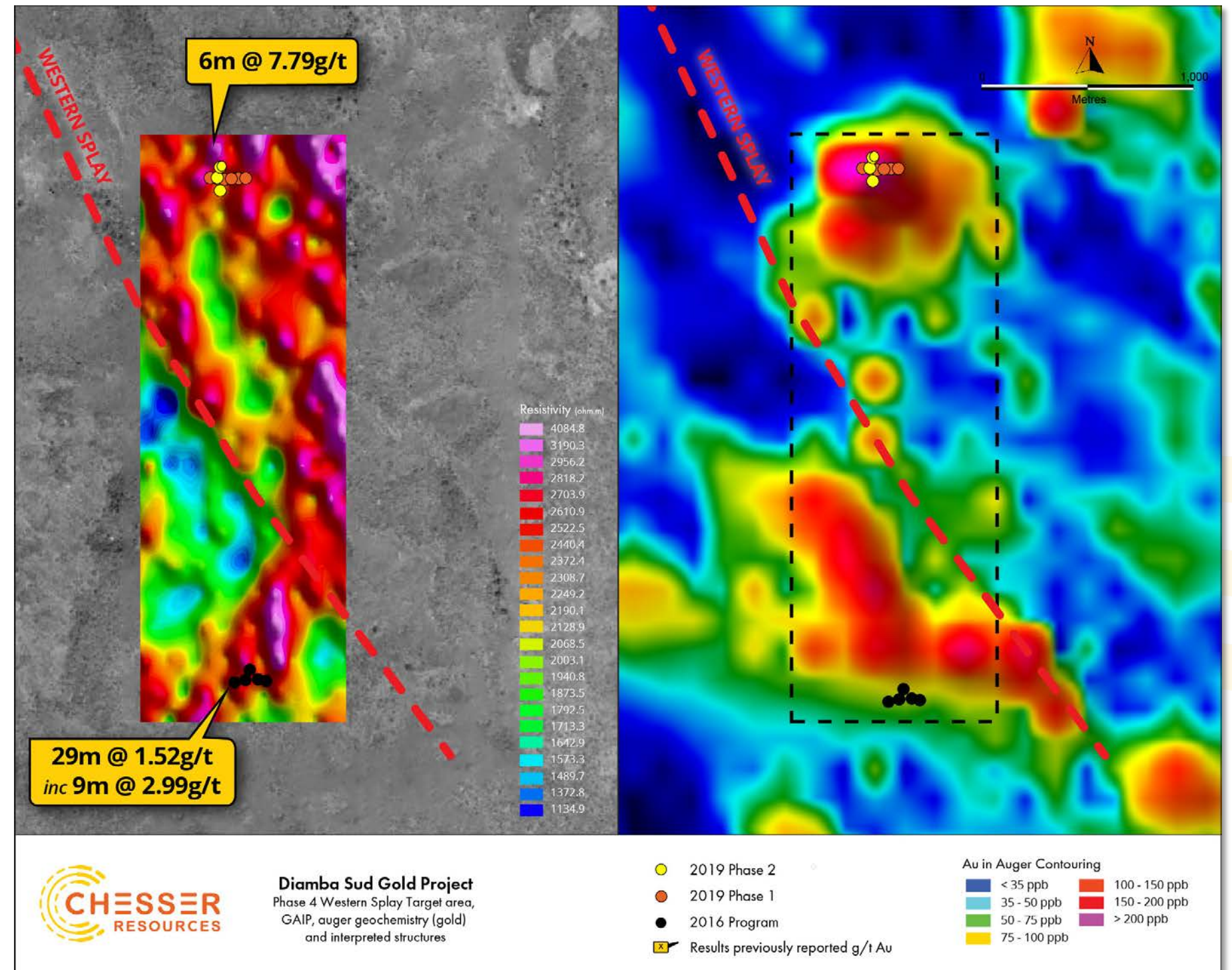
## 2. Oxide Zone

- Drilling has identified a shallow oxide horizon, centered around DSR022 (18m at 5.61g/t gold from 6m), which requires more drilling to define.



# WESTERN SPLAY: HIGHLY PROSPECTIVE TARGET

- Significant coincident geophysical linear anomaly and gold geochemical anomaly.
  - Subparallel structure tested in Phase 2 at Western Flank target:
    - 6m at 7.79 g/t.
  - Previous owner drilled another sub-parallel structure:
    - 29m at 1.52 g/t gold from 29m, including 9m at 2.99 g/t gold from 29m.
- Apparent main structure is untested, with an associated auger gold geochemical anomaly.
- Parallel to Area A feeder structure and fault intersected in Area D, indicating the NW striking structures may have a significant role in control on mineralisation at Diamba Sud.

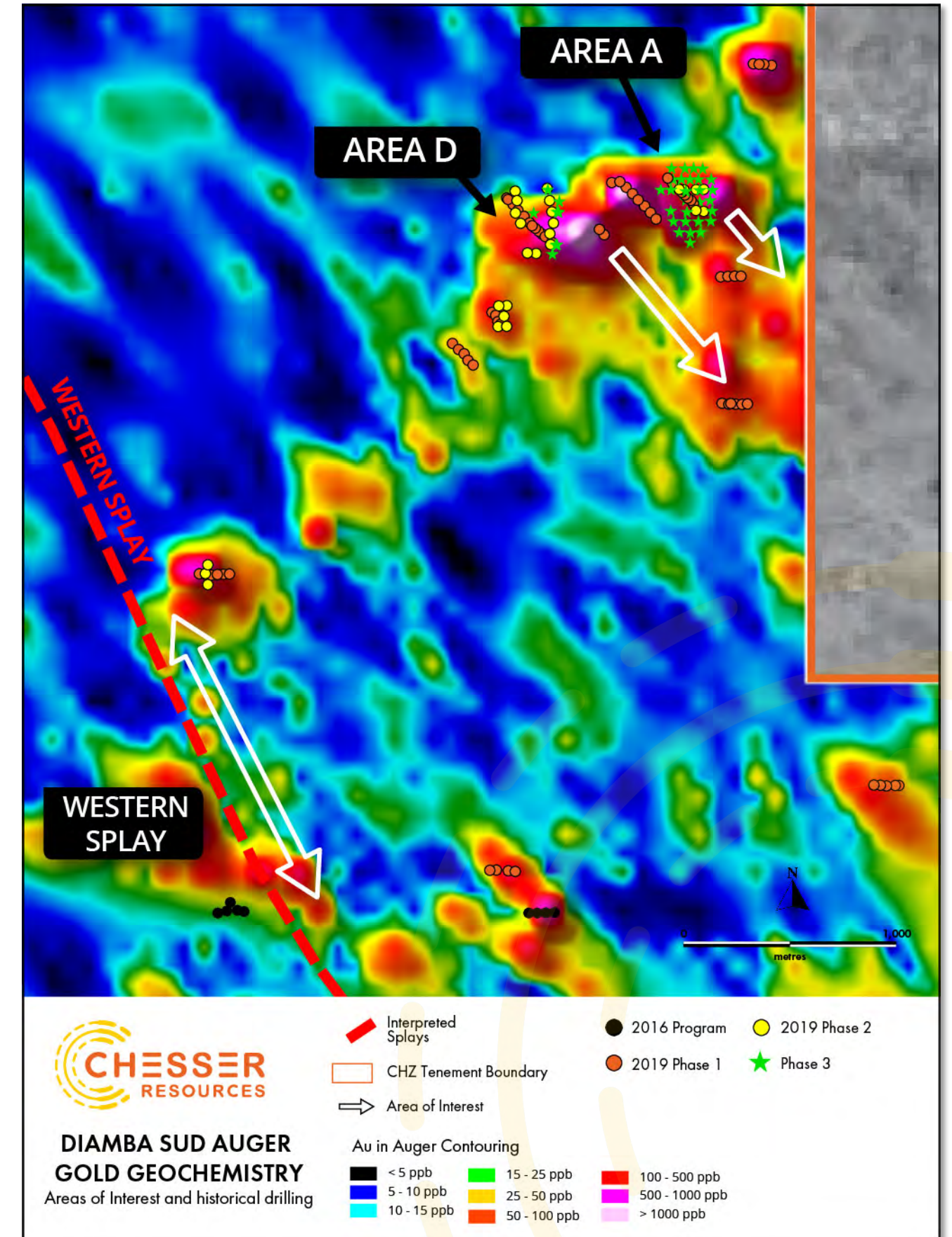


# NEXT STEPS: ADVANCING THE DISCOVERY STORY

## 4000M RC Program commenced in May

- **Area A:** Alteration and mineralisation is open and is untested in multiple directions;
  - Feeder structure:
    - 1km strike length to SE, tested partially in a 275m section.
  - Sedimentary units:
    - NE (Hanging wall).
    - East (Hanging wall).
    - South East (Hanging wall).
    - SW (Footwall).
- **Area D:** Mineralised Fault structure, with extensive auger trend to SE
- **Test Western Splay:** undrilled, artisanal hard rock mining, geochemical and geophysical anomaly on a NW-SE trend

Completion expected before the onset of the wet season in mid-July; expected first results in June.



# EXPERIENCED MANAGEMENT AND BOARD

## MANAGEMENT

### **MICHAEL (MIKE) BROWN** Managing Director & CEO

Geologist with over 25 years' experience working in exploration and mining in Australia, Indonesia, Chile and Argentina, with Rio Tinto, CRA, Homestake and Phelps Dodge. Former CEO and has had executive roles at Kinross Gold, Pacific Hydro, Argentex Mining and Austral Gold. He has worked in West Africa with Kinross Gold. Holds an MBA, a BSc(Hons-Geo) and BA and MAIG.

### **GARETH O'DONOVAN** Exploration Manager

Founder, Chairman and CEO of SRK Exploration, 30+ years of exploration and mining experience on 4 continents, including projects in Senegal with Anglo American and junior explorers. He is a fluent French speaker and has a MSc (Expl geology) and a BA (Hons-Geo).

### **STEPHEN KELLY** Executive Director, CFO & Company Secretary

Qualified Australian Chartered Accountant with more than 25 years' experience in the areas of external and internal audit, risk management and compliance, treasury and corporate finance across a range of industry sectors including mining, infrastructure, property development and banking and finance.

## BOARD

### **SIMON O'LOUGHLIN** Non-Executive Chairman

Mr O'Loughlin is the founding member of O'Loughlins Lawyers and a Non-Executive Director of Petratherm Limited, BOD Limited and Oklo Resources. He is a former Chairman of the Taxation Institute of Australia (SA Division) and Save the Children Fund (SA Division).

### **SIMON TAYLOR** Non-Executive Director

Mr Taylor is a geologist with over 25 years' experience throughout Australia and overseas having held Senior Geologist and Exploration Manager positions for numerous ASX listed resource companies. Managing Director of Oklo Resources.

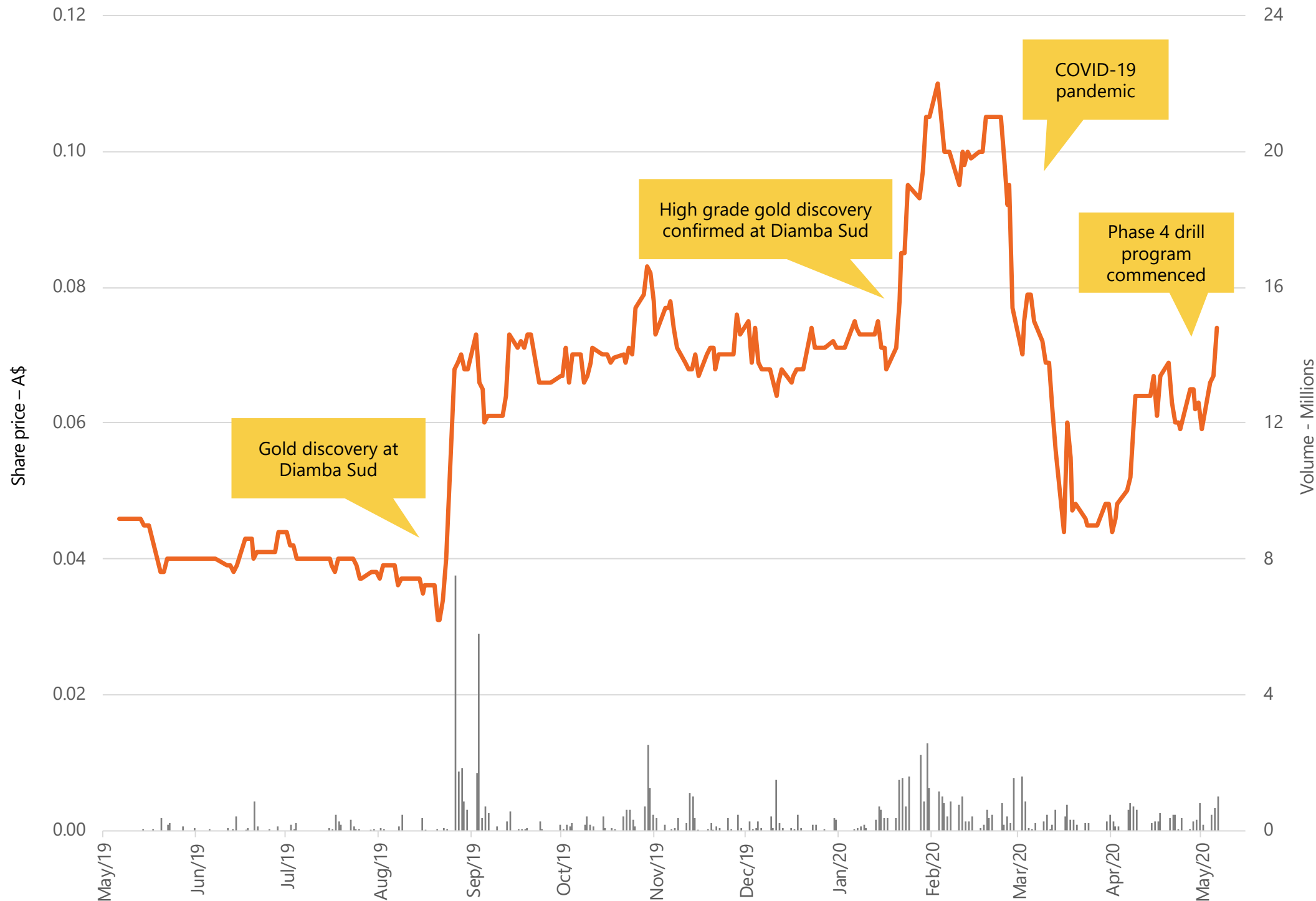
### **ROB GREENSLADE** Non-Executive Director

Mr Greenslade is an experienced investment banking professional with over 30 years' experience in mergers and acquisitions, capital raisings and strategic advisory predominately in the resource industry. He was a Managing Director at Standard & Chartered Bank and Head of Australia, Mining and Metals Division. Previously he held various senior roles at Normandy Mining Limited, including Head of Corporate Development.

# MARKET INFORMATION

*Significant value accretion since the discovery of Diamba Sud*

Share price performance: *previous 12 months*



**A\$25.2M**

**UNDILUTED MARKET CAP**  
at A\$0.077/Share

**~A\$2.1M**

**CASH BALANCE**  
at April 20

**327,356,271**  
**SHARES ON ISSUE**

**47,619,048**  
**PERFORMANCE SHARES<sup>1</sup>**

**38,300,000**  
**UNLISTED OPTIONS<sup>2</sup>**  
(\$0.05 TO \$0.12)

## INSTITUTIONAL SHAREHOLDERS

Commodity Discovery Fund

Lowell Resources Funds Management

Equity Management Associates

BPM Capital

**~37% TOP 20 SHAREHOLDERS**

1. 23,809,524 converting upon a JORC resource of 0.5Moz gold of at least 2.0g/t gold, expiry 12/7/2020; 23,809,524 converting upon a JORC resource of 1.0Moz gold of at least 2.0g/t gold, expiry 12/7/2021  
2. 23,000,000 of this total remain subject to shareholder approval

# SENEGAL – COUNTRY OVERVIEW

- Stable democracy of ~16 million people - French colony prior to independence in 1960.
- Rapidly growing economy with real GDP growth above 6% on average since 2015<sup>1</sup>.
- Significant investment in the natural resources sector through the development of oil and gas and mineral resources.
- Current mining code introduced 2016 by President Macky Sall; a geological engineer who previously served as the Senegalese Minister for Mines and Energy.

## INTERNATIONAL ORGANISATIONS ACTIVE IN SENEGAL

COMPANY	MARKET CAP. (US\$B) <sup>2</sup>	INDUSTRY
Barrick Gold	48.1	Mining - gold
B2Gold	5.6	Mining – gold
IAMGOLD	1.7	Mining – gold
Teranga Gold	1.3	Mining – gold
Eramet	0.8	Mining – mineral sands
Resolute Mining	0.7	Mining – gold
BP	78.8	Oil & gas
Woodside	13.4	Oil & gas
Cairn Energy	0.8	Oil & gas
FAR	0.1	Oil & gas

1. African Development Bank Group 2. Market capitalization and USD exchange rate as at 8 May 2020.



## EXPLORING FOR GOLD ELEPHANTS

Prolific underexplored orogenic gold belt in West Africa hosting multimillion-ounce gold deposits (>45Moz).

High-grade discovery with similar characteristics to Tier 1 mines on the SMSZ, open in many directions.

Stable and democratic mining friendly country with increased corporate activity.

### KEY FOCUS: DIAMBA SUD

- Expand Area A mineralisation;
  - Untested feeder structure to SE, and
  - Open altered sedimentary units proximal to feeder structure.
- Test new fault orientation at Area D.
- Test high potential Western Splay.
- Phase 4 drill program underway.





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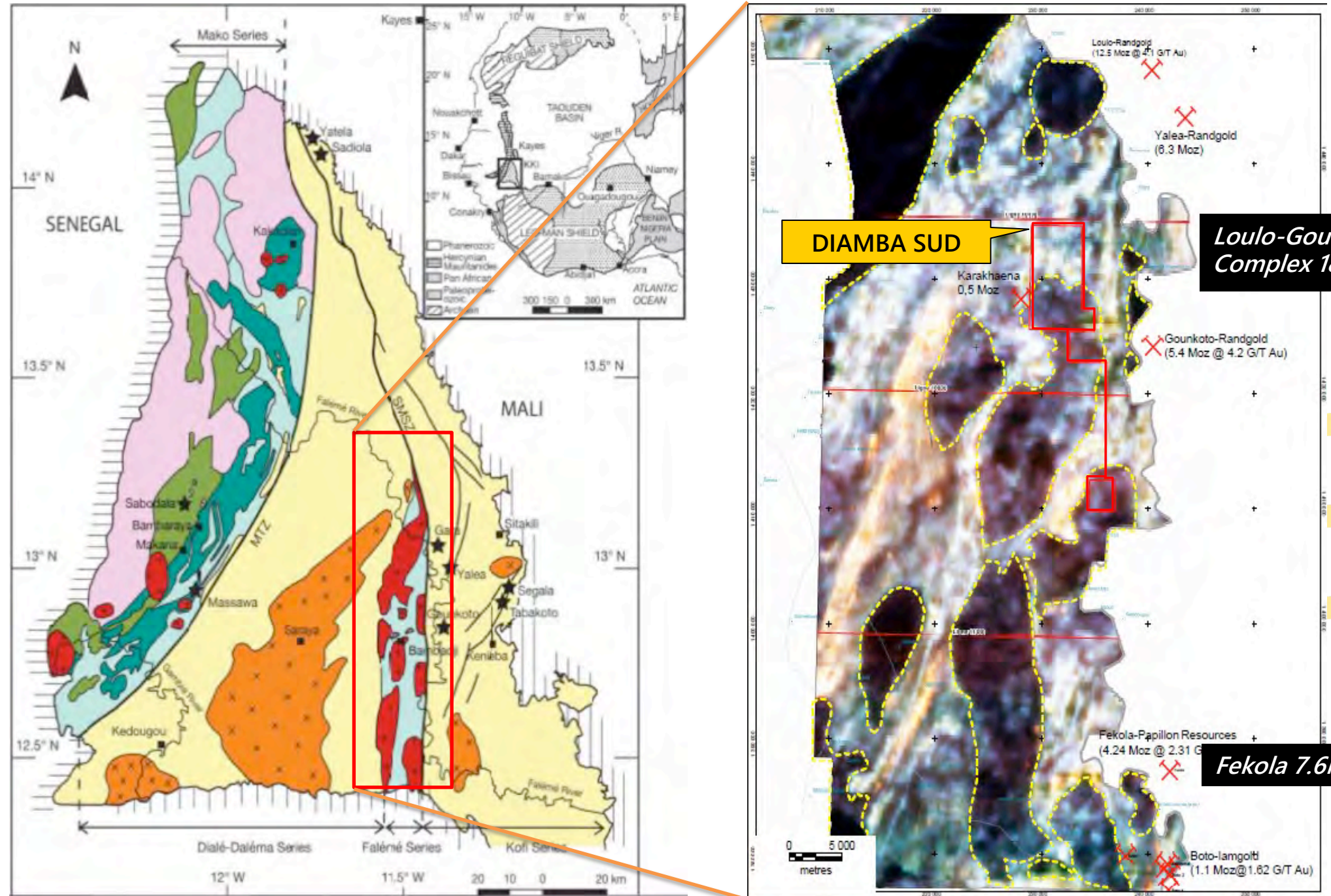
CONTACT

Mike Brown [mikeb@chesserresources.com.au](mailto:mikeb@chesserresources.com.au)



# DIAMBA SUD GEOLOGY

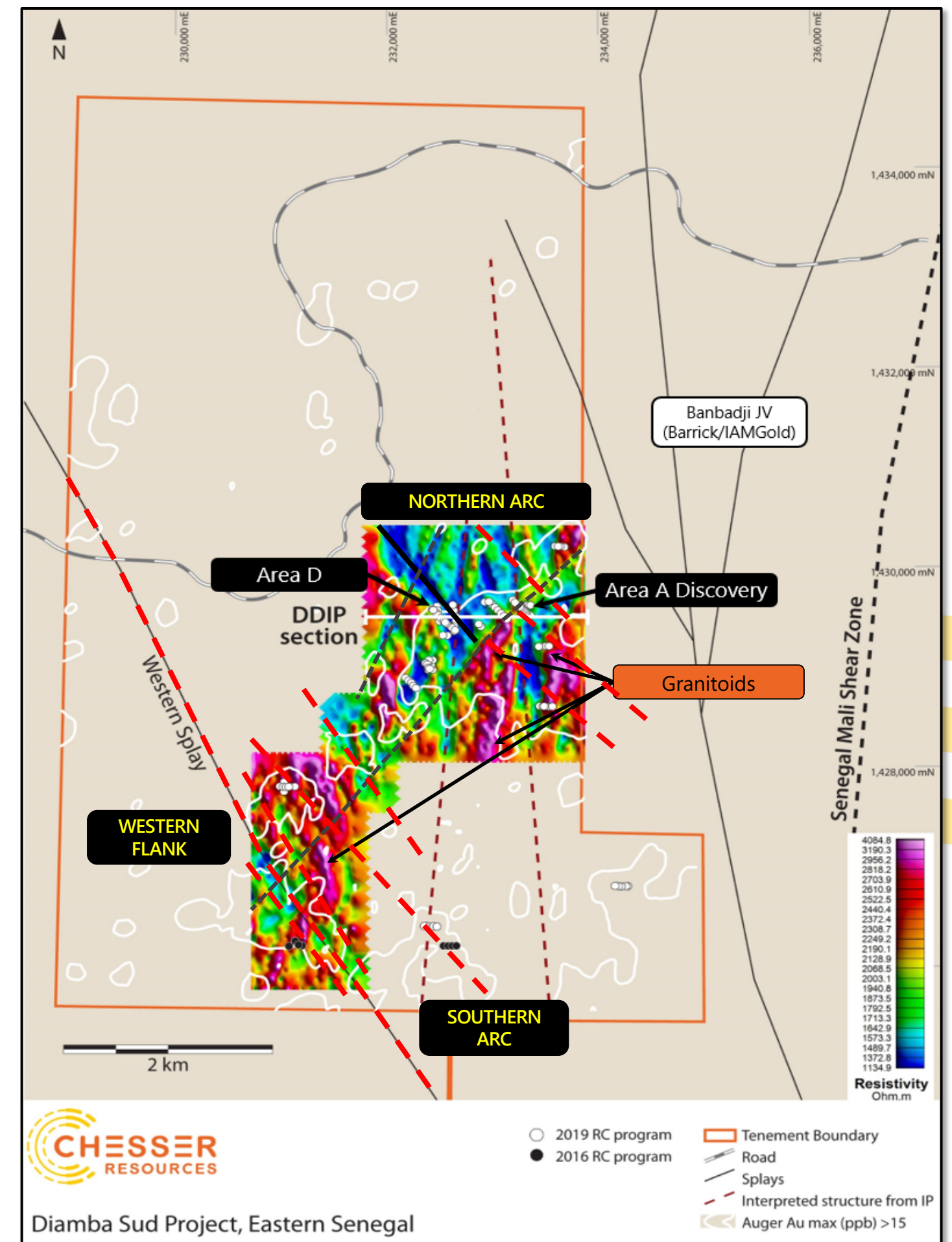
- Consists of a north-south suite of “Faleme” calc-alkaline volcanoclastics and metasedimentary units (lighter areas in EM).
- Intruded by calc-alkaline metaluminous granitoid bodies (darker areas in EM).
- Bounded to east by Senegal Mali Shear Zone (“SMSZ”) and to west by “Diale-Dalema” block, consisting of calc alkaline peraluminous granites and basin metasedimentary rocks .
- Drilling is indicating a strong NW-SE correlation with mineralisation.
- Goukoto lies on eastern side of SMSZ, within the “Kofi series” of metasedimentary units, and proximal to the SMSZ (5km). Dominant structural controls associated with mineralisation are north and north east striking.



Airborne TEMPEST Survey (EM) resistivity plot

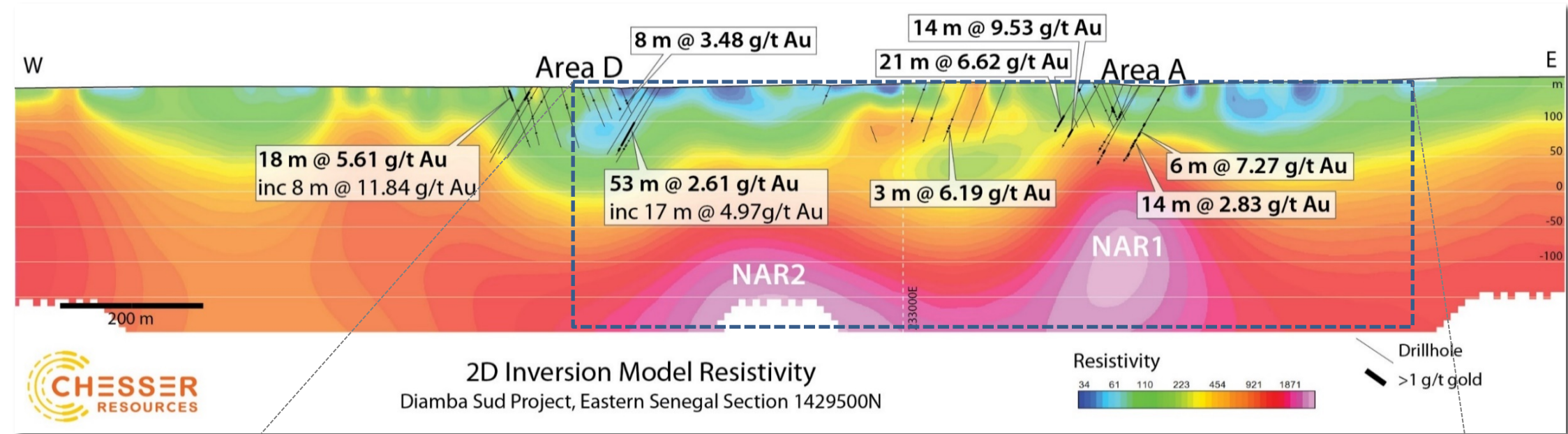
# STRUCTURE FROM GEOPHYSICS

- Partial coverage of DS1 by gradient array induced polarisation survey (GAIP). A number of marked linear low resistivity anomalies were identified, interpreted as major structures.
- 3 main trends identified:
  - NW-SE: dominant- control on mineralisation (red).
  - N-S: identifiable in IP, so far not identified in drilling (rust).
  - NE: Appears as latest and cross cutting (grey).
- NE trending structure through Area A marks northern edge of granitoid contact (resistivity high).
- The interpreted Western Splay is parallel to the major regional splays running between Diamba Sud and the SMSZ.
- NW structure encountered in Area D aligns with IP anomaly, parallel to the Western Splay.
- The gold in auger geochemical anomaly that marks the Northern Arc target extends to the southeast over both the NW-SE structures.

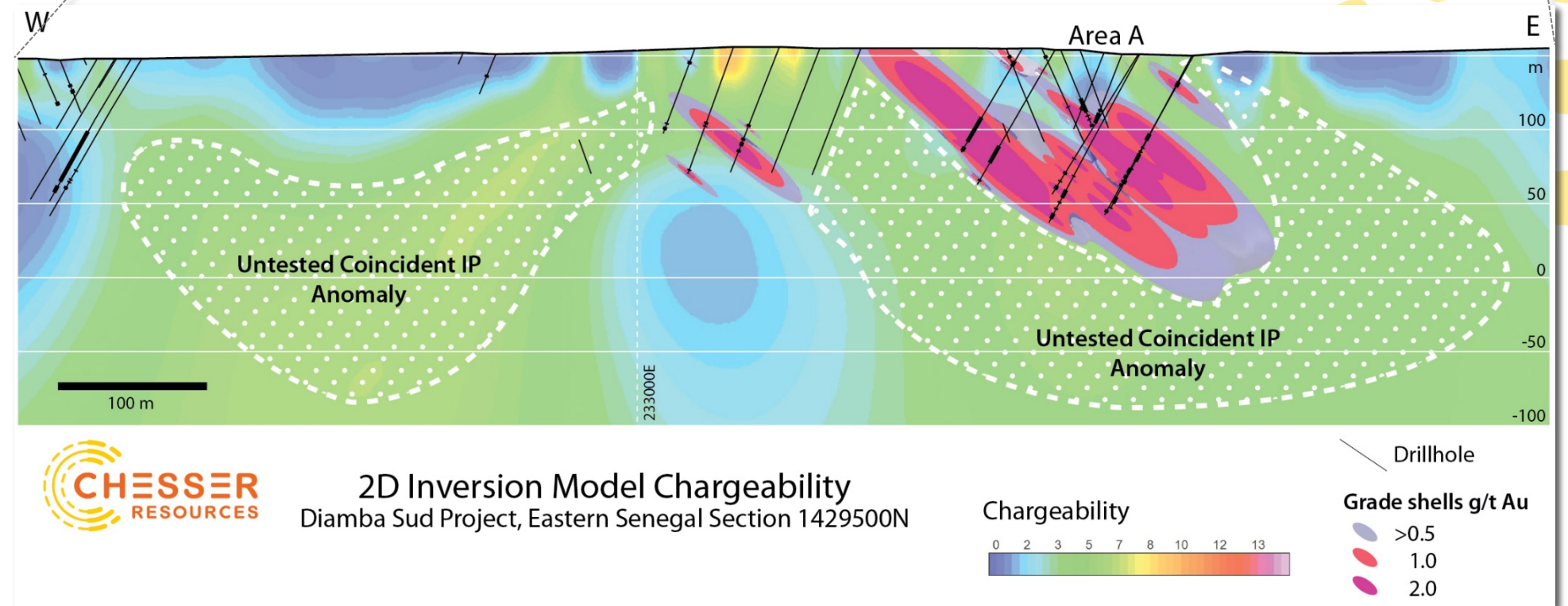


# GEOPHYSICS SUPPORTS EXTENSIVE SYSTEM POTENTIAL

- Resistivity anomalies (NAR1, NAR2) are interpreted granodiorite intrusive of Faleme Group.

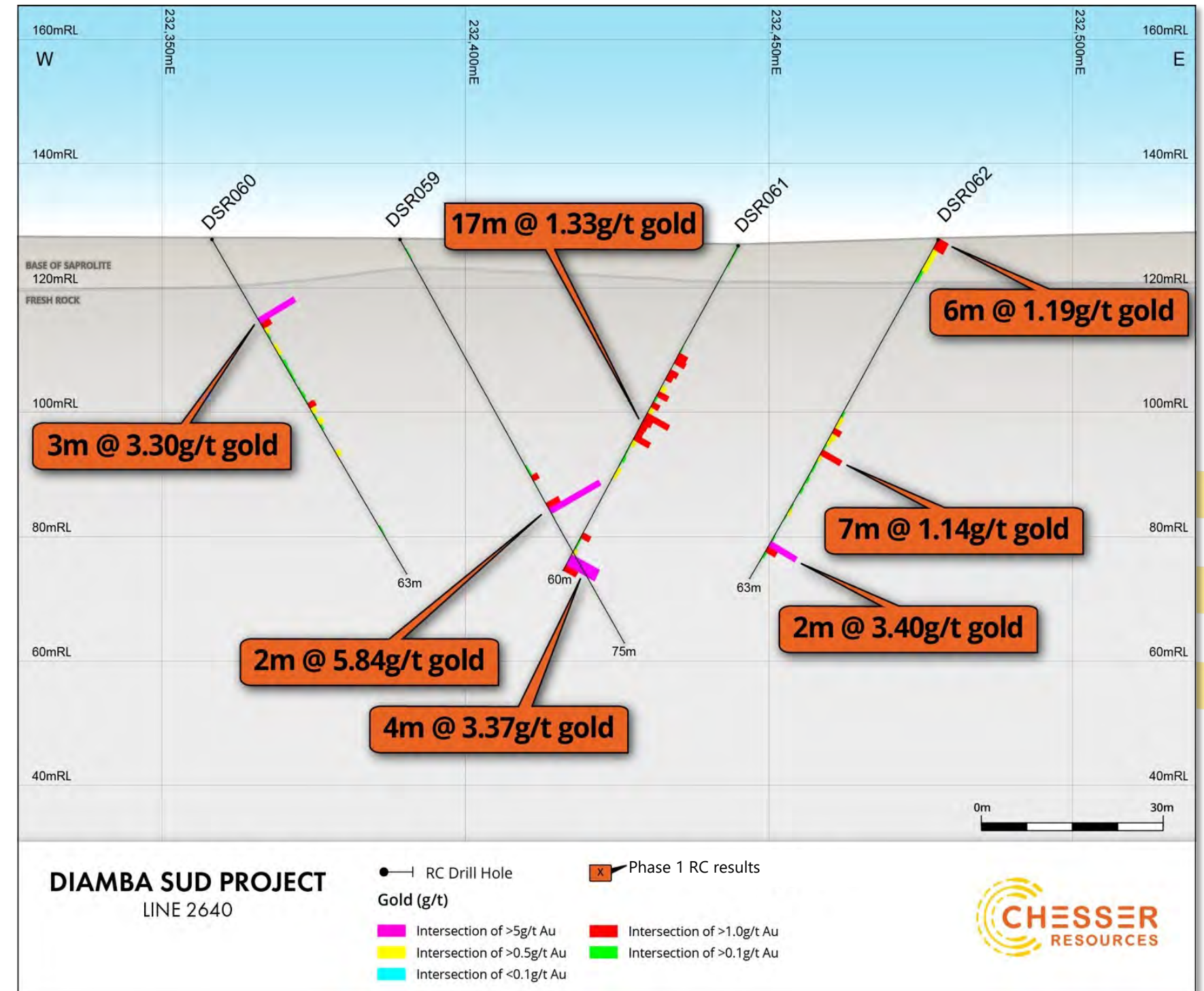


- Area A mineralisation coincident with moderate easterly dipping chargeability anomaly.
  - Potential depth extensions (to be tested).
  - Similar coincident chargeability anomaly associated with the NAR2 resistivity high to the west (to be tested).



# SOUTHERN ARC TARGET

- Large broad gold geochemical anomaly with multiple drill intersections
- Significant hits in fresh rock include;
  - 4m at 3.37g/t gold
  - 3m at 3.30g/t gold
  - 2m at 5.84g/t gold
  - 2m at 3.40g/t gold
  - 17m at 1.13g/t gold
  - 7m at 1.14g/t gold
- Historic RC drill line approx. 200m to the southeast intersected 14m at 2.84g/t gold, including 4m at 4.43g/t gold, with other lower grade intersections.
- These drill lines lie over a cluster of highly anomalous gold in auger geochemical anomalies, with mineralisation open in all directions.
- Lies on a NW-SE trend with drilling at Western Flank to NW and Boya drilling (above) to the southeast and may be on the same structure.

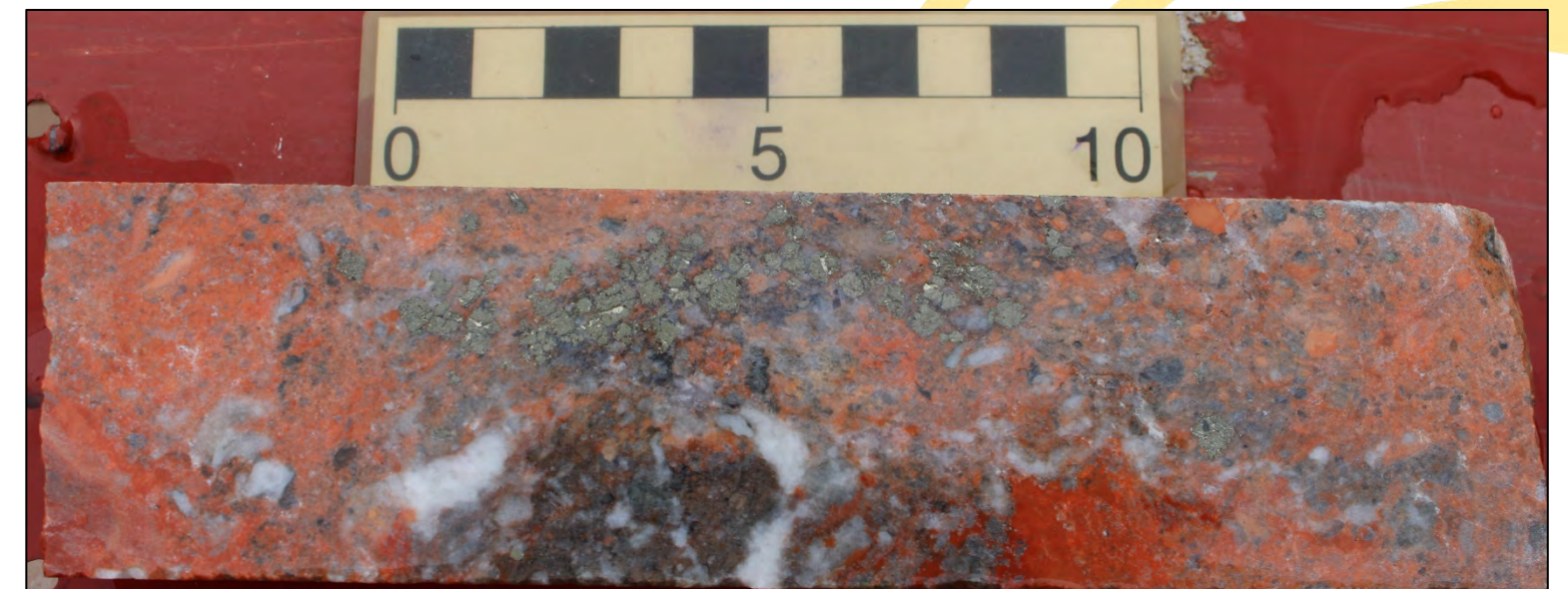


# CORE PHOTOS: FEEDER STRUCTURE

- Part of feeder structure mineralisation
- Intense albite-carbonate-quartz pyrite alteration in a strongly brecciated sedimentary breccia, with a carbonate-quartz matrix.



- Part of feeder structure mineralisation. Intense albite-carbonate-quartz pyrite alteration in a strongly brecciated sedimentary breccia, with a carbonate-quartz matrix.
- Pyrite is mainly coarse agglomerations in 'qtz-pyrite' foliations or disseminated coarse agglomerations
- DSDD001: 94.05-94.1m (12.47 g/t gold)
- Intense albite-carbonate-quartz pyrite alteration in a strongly brecciated sedimentary breccia, with a carbonate-quartz matrix. Minor felsic intrusive present.
- Pyrite is mainly coarse agglomerations in 'qtz-pyrite' foliations or disseminated coarse agglomerations



# CORE PHOTOS: SEDIMENTARY STYLE

- Sedimentary breccia: intense albite-carbonate-quartz. Strong hydrothermal brecciation, with grey quartz-carbonate ± pyrite matrix.
- Grade based on % coarse pyrite present
- Sedimentary breccia:
  - 121.6-122m 6.53 g/t gold
- Strong hydrothermal brecciation, intense albite-carbonate-quartz of clasts, with grey quartz-carbonate ± pyrite matrix.
- Grade appears based on % coarse pyrite

