



chesser
resources limited

Chesser Resources Limited
and controlled entities

ABN 14 118 619 042

annual report

for the year ended
30 June 2008

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Corporate Information

This annual report covers both Chesser Resources Limited (ABN 14 118 619 042) as an individual entity and the consolidated entity comprising Chesser Resources Limited and its subsidiary, Chesser Arama ve Madencilik Limited Sirketi.

DIRECTORS

Mr Stephen Evans, Non-Executive Chairman
Dr Richard Valenta, Managing Director
Mr Simon O'Loughlin, Non-Executive Director
Mr Simon Taylor, Non-Executive Director
Mr Creagh O'Connor, Non-Executive Director

COMPANY SECRETARY

Mr Donald Stephens

REGISTERED OFFICE

C/- HLB Mann Judd (SA) Pty Ltd
82 Fullarton Road
NORWOOD SA 5067

PRINCIPAL PLACE OF BUSINESS

Sehit Ersan cad. No. 4/17
Cankaya Ankara
TURKEY 066680

SHARE REGISTER

Computershare Investor Securities Pty Ltd
Level 5, 115 Grenfell Street
ADELAIDE SA 5000

LEGAL ADVISORS

O'Loughlins Lawyers
Level 2, 99 Frome Street
ADELAIDE SA 5000

BANKERS

National Australia Bank
22 – 28 King William Street
ADELAIDE SA 5000

AUDITORS

MSI Tilley
Chartered Accountants
253 Sturt Street
ADELAIDE SA 5000

Chairman's Letter

Dear Chesser Shareholder,

Chesser Resources Ltd ("Chesser") has now completed its first full year of operation as a company established for the purpose of exploration, development and investment in resource opportunities.

The year has been productive, with intense activity and strong progress as we worked towards our objective of building an advanced gold portfolio.

Early in the year the Company successfully finalised its acquisition of an option to earn up to 70% of the Sisorta gold project in North Central Turkey. Since then, the company has completed one successful diamond drill program over the project and initiated another. The first drill program led to a substantial increase in the size of the known area of gold mineralisation at Sisorta, and the second program has continued to produce encouraging results. These programs mark the start of an ambitious campaign to move the Sisorta project toward definition of a JORC resource, as the first step on the way to feasibility and ultimately to production.

Building on its strong base of projects, the company continued to review acquisition opportunities, with an emphasis on advanced gold projects with potential to move quickly to definition of a large resource. Of the nearly 30 projects reviewed, the company made offers on two projects in addition to Sisorta, and those properties are currently at advanced negotiation stage.

Chesser has also taken advantage of the knowledge and experience of its Turkish-based team by acquiring at low cost a number of high quality earlier stage gold and gold-copper opportunities, which are currently being advanced to drill stage. During the year, the Company also carried out the exploration required to advance its Australian exploration portfolio to a decision point.

As we are all aware, the current global financial uncertainty has had a detrimental effect on the junior exploration market, and Chesser has not escaped these effects. The Company is strongly mindful of the need to control expenditures in the current climate, and to ensure that the maximum amount of funds are employed carrying out effective exploration. At the same time, the current exploration market has also opened up new opportunities, as high quality exploration projects become more plentiful and carry a lower entry cost.

The price of gold has remained strong throughout the year, and the board and management of the company remain convinced that the outlook for gold justifies our continued focus on advanced gold opportunities.

Chesser has assembled a strong exploration portfolio and an experienced and motivated team, and is well-placed to continue adding shareholder value through its stated strategy.

We thank you for your support and look forward to keeping you abreast with our progress over the coming months.

Yours Sincerely



Stephen W.J. Evans
Chairman

Operations Review

The Company made significant progress on its highest priority projects during the year, as well as reaching decision points on all of the properties which made up its original listing portfolio. Having begun the year with a portfolio of early stage projects focused in South Australia, the company formulated a strategy to target advanced gold properties with multi-million ounce potential and a clear path to drilling, resource definition and feasibility studies. Acting on that strategy, Chesser acquired an option on the Sisorta project, a high sulphidation, epithermal gold project with existing high grade oxide drill intersections and potential to expand into a large bulk-tonnage open pitable gold deposit. In doing so, the company also established a presence in Turkey, which forms part of an under-explored and highly gold-endowed region (figures 1, 2).

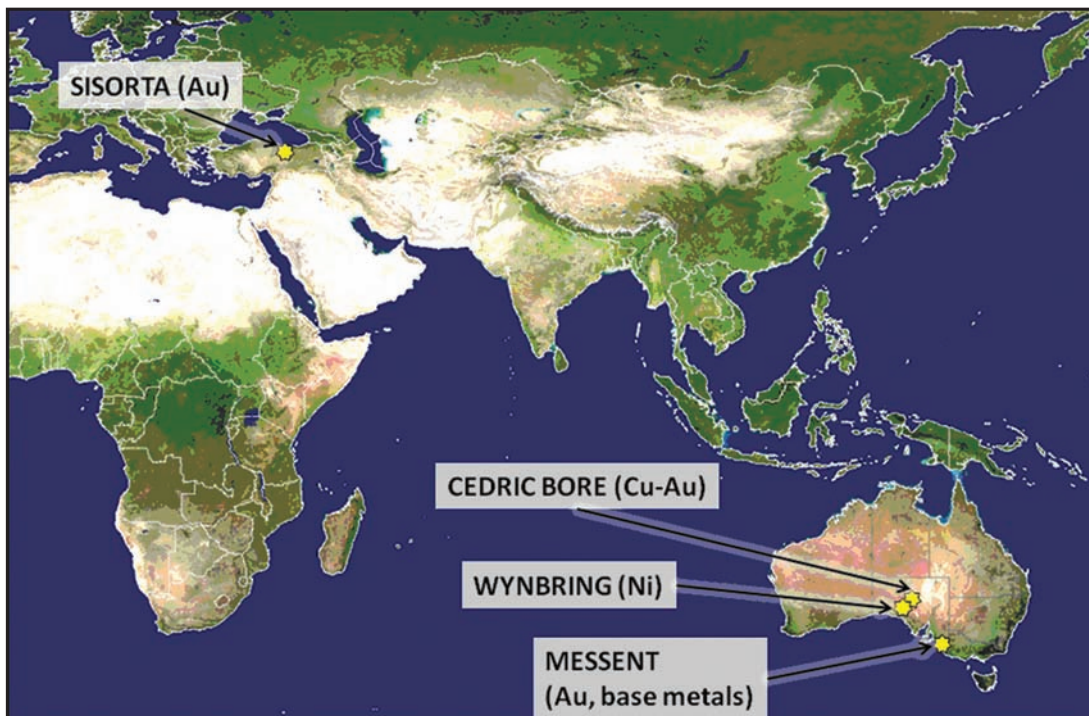


Figure 1. Location map, showing Chesser's Projects

Significant milestones achieved during the year include:

- A drill program was successfully completed in late 2007 at the Sisorta property in north-eastern Turkey, with highlights as follows:
 - New high grade gold zone intersected in silica cap target area 400 metres to west of previously drilled main zone
 - 35.2 metres at 3.60 grams per tonne gold including 10.1 metres at 6.04 grams per tonne gold intersected in oxide material
 - Existing mineralised zone extended with an additional intersection of 34.7 metres at 1.62 grams per tonne gold in oxide material from surface
 - Planning was finalised in early 2008 for a minimum 8000 metre diamond drill program on the Sisorta project. A Geophysical contractor was selected to begin a 24 line, 64 line kilometre Induced Polarisation ground geophysical survey over the Sisorta project and adjacent areas.

- Drilling began on the Sisorta project in May 2008, with three diamond rigs in operation by the end of the quarter. This was the start of a program of at least 8,000 metres, aimed at drill definition of a substantial open pit, leachable and bulk mineable JORC resource by the end of 2008. The drill program is designed to test a 1.6km by 0.5km target zone with established high grade gold drill intersections, strong alteration and gold in rock chip samples and soils.
- Initial results were received for five drillholes prior to year end, with significant gold intersections in four out of five holes, including 9.1 metres at 1.16 g/T Au in Sis-21, 5.6 metres at 1.47 g/T Au in Sis-23, and 19.8 metres at 0.86 g/T Au in Sis-19.
- In addition, Sis-22 produced the best copper intersection to date on the property: 13.5 metres at 2.24% Cu and 0.13g/T Au. Ongoing exploration will also develop and test for bulk tonnage porphyry copper-gold mineralisation which often occurs in association with gold mineralisation of the style occurring at Sisorta.
- A 24 line, 64 line-kilometre Induced Polarisation and Magnetics ground geophysical survey began over the Sisorta project and adjacent areas. The survey will aid in ongoing refinement of the drill program and will help in the identification of targets for bulk-tonnage porphyry copper-gold mineralisation.
- During the year, 15 licenses were acquired in North-eastern Turkey on four separate projects with epithermal gold and porphyry copper-gold potential. Follow-up work on these properties has begun and will continue for the remainder of 2008.
- The company assessed approximately 30 project opportunities, particularly in the gold sector. Of these, one was successfully acquired and two are currently at the advanced negotiation stage.

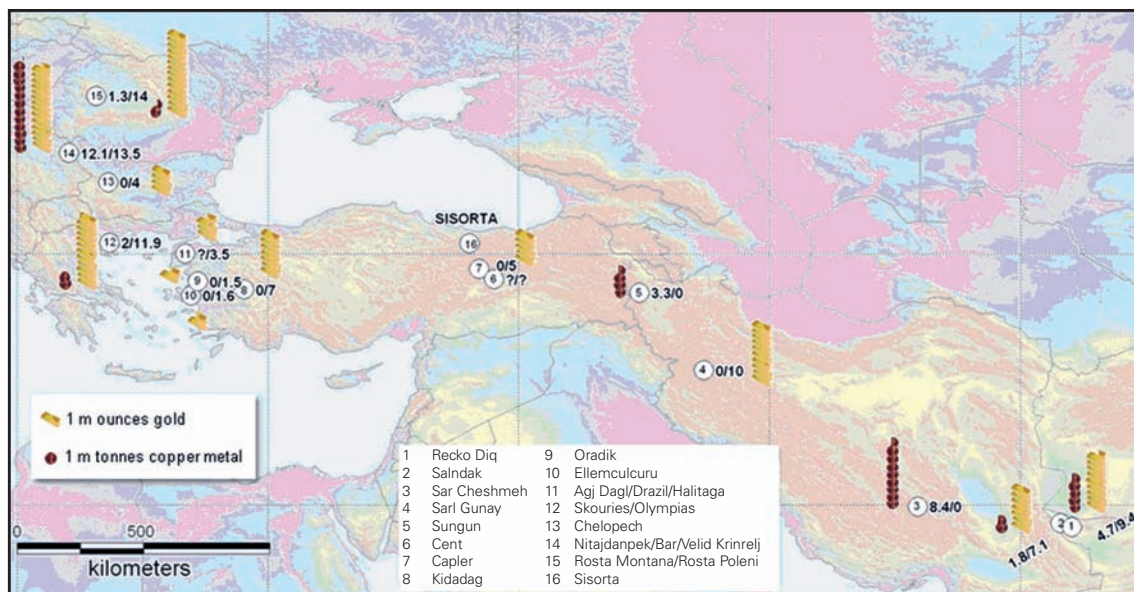


Figure 2. Gold and copper endowment of the Tethyan Porphyry-Epithermal belt

PROJECTS

Sisorta, Turkey – Gold

(Chesser earning up to 70%, Eurasian 100%)

The Company announced on the 27th of August 2007 that it had entered into an option agreement with Eurasian Minerals Ltd (TSX-V:EMX) to earn up to a 70% interest in its Sisorta Property in North-Central Turkey.

The Sisorta property is a volcanic-hosted, high sulphidation epithermal project, in which pre-2007 drilling had demonstrated the existence of a significant body of near-surface oxide gold mineralisation with surface chip-channel sample fire assay grades of up to 14 grams per tonne gold reported by Eurasian Minerals. The project has a large footprint of outcropping mineralisation and anomalous soil geochemistry, only a small portion of which has been drilled.

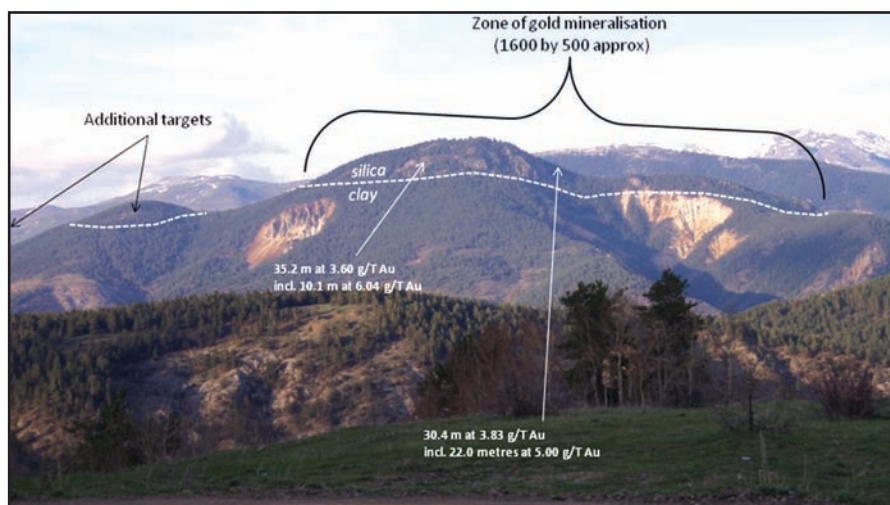


Figure 3. View of the Sisorta project area, looking to the north

Mineralisation on the Sisorta project is associated with a 2500m by 800m northwest-trending topographic high (figure 3). The 22 drillholes carried out prior to 2007 demonstrated the clear existence of a large zone of high grade oxide gold mineralisation which remained open to the northwest and southeast. Significant pre-2007 drill results to date from the project included:

- **30.4 metres at 3.83 grams per tonne gold** from drillhole Sis-5 starting at surface, including **22.0 metres at 5.00 grams per tonne gold**
- **60.5 metres at 1.49 grams per tonne gold** from drillhole ES-9 starting at a depth of 1.3 metres, including **20.0 metres at 3.28 grams per tonne gold**
- **27.9 metres at 3.00 grams per tonne gold from drillhole ES-3 starting from surface, including 20.8 metres at 3.79 grams per tonne gold**
- **52.4 metres at 1.58 grams per tonne gold from drillhole Sis-2 starting from surface, including 19.5 metres at 2.64 grams per tonne gold**

Surface mapping, soils and rockchip sampling have also highlighted the existence of a large (950m by 700m) area of silica alteration with little drilling which contains strong indications in soils and rockchip sampling of a large subhorizontal zone of near-surface oxide gold mineralisation with good potential for additional mineralisation. The large alteration system on the property also contains a number of other significant gold-in-soil anomalies which have not been tested by previous surface mapping and drilling.

The property was discovered and explored by Maden Tetkik ve Arama ("MTA"), Turkey's General Directorate of Mineral Research and Exploration, between 1995 and 1998. The property was subsequently acquired by Eurasian Minerals as part of a competitive auction process concluded in January, 2004.

Significant new drill results from the September 2007 drill program (figure 4) included:

- **35.2 metres at 3.60 grams per tonne gold** from drillhole Sis17 starting at a depth of 113.3 metres, including **10.1 metres at 6.04 grams per tonne gold**
- **34.7 metres at 1.62 grams per tonne gold** from drillhole Sis13 starting at surface,
- **37.7 metres at 0.66 grams per tonne gold** from drillhole Sis16 starting at surface,
- **20.8 metres at 0.6 grams per tonne gold and 0.38 percent copper** from drillhole Sis15 starting at a depth of 30.45 metres

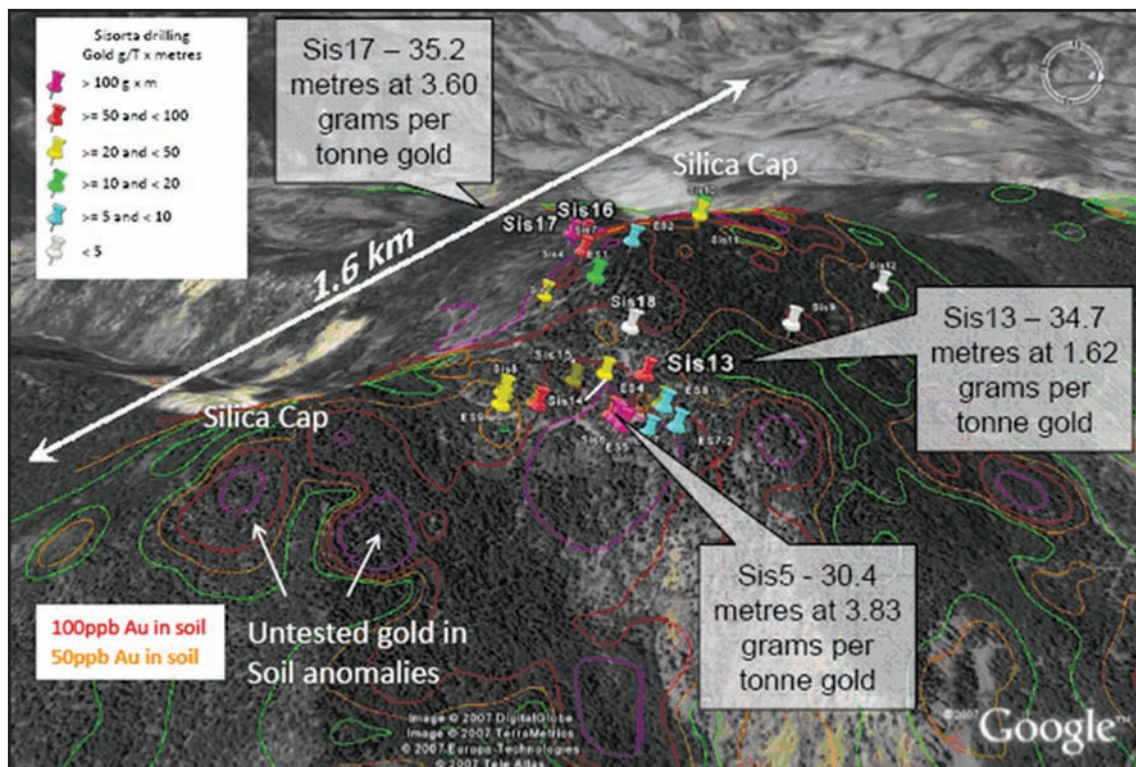


Figure 4. Sisorta project showing pre-2007 drillholes, 2007 drilling results and soil geochemistry

Drillholes Sis16 and Sis17 were designed to test the topographically high silica cap zone to the west of the known zone of mineralisation, where previous soil and chip-channel sampling had returned encouraging gold results. The positive results in those holes, combined with the broad extent of surface soil and rock gold anomalies in this area, showed that there was significant potential to extend the intersected mineralisation to the northwest and southeast. High grade gold mineralisation in hole Sis17 is hosted in siliceous breccia with a silica-hematite matrix. Clasts and matrix within the breccia do not appear to show a preferred orientation which could be used to infer the geometry of the zone.

Drillhole Sis13 tested the northwest extent of the existing high grade zone, while drillholes Sis14 and Sis15 were stepouts to the west from the outcropping high grade zone.

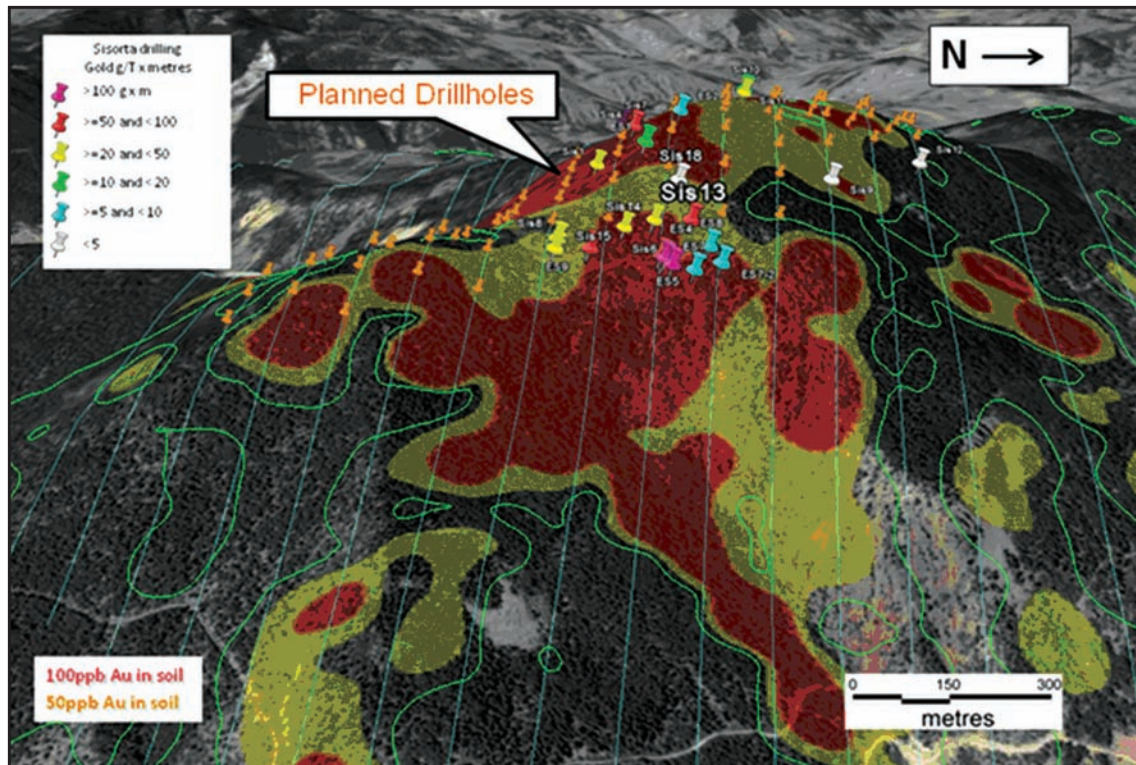


Figure 5. Sisorta project showing existing drillholes, soil geochemistry, and planned drillholes and IP lines (blue) for the 2008 program

The Company commenced its 2008 drill program on the Sisorta project during the third quarter of the 2008 financial year (figures 5, 6). The planned 2008 program comprised a minimum of 8000 metres of diamond drilling and approximately 62 kilometres of dipole-dipole IP.



Figure 6. Selected photos of drilling and road preparation from the Sisorta project

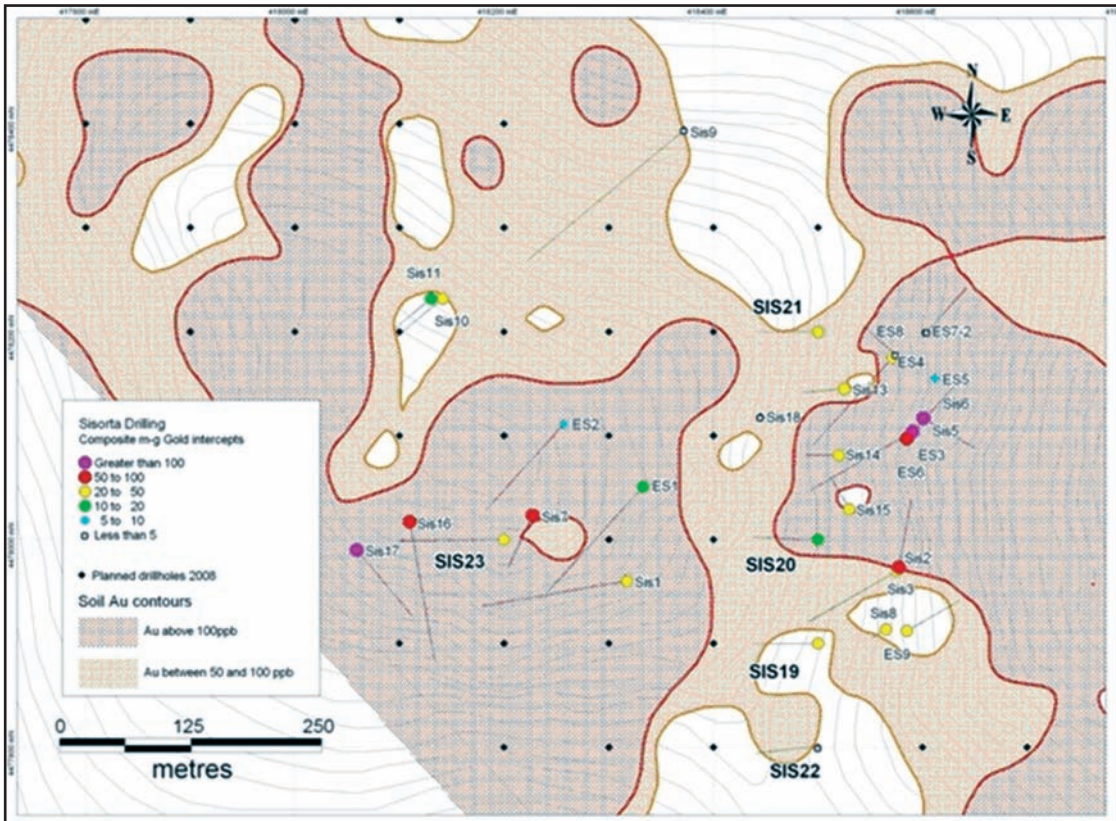


Figure 7. Sisorta project showing all drilling up to the end of June 2008 quarter (drillholes S IS 19 to S IS 23 completed during the June quarter) over topography and contours of soil geochemistry

By the end of the financial year, nine holes were completed for a total of 1314.9 metres, and assays were received for the first five holes (figure 7). A third drill rig arrived at the project near the end of the quarter resulting in an acceleration of core production. The fourth drill rig arrived during the September quarter. Significant new drill results received by year-end are shown in Table 1.

Drillhole	Easting (UTM35)	Northing (UTM35)	Azimuth (degrees)	Dip (degrees)	Total Depth (metres)	From (metres)	To (metres)	Length (metres)	Intercept	
SIS19	418500	4477900	270	60	125					
						Gold intercept in sulphide zone*	41.3	64.5	23.2	0.75 g/t Au
						including*	44.7	64.5	19.8	0.86 g/t Au
						including	58.4	62.0	3.6	1.16 g/t Au
						Gold intercept in sulphide zone	69.0	92.2	23.2	0.42 g/t Au
SIS20	418500	4478000	270	60	125					
						Gold intercept in sulphide zone	17	23.6	6.6	0.54 g/t Au
						Gold intercept in sulphide zone	33.0	44.5	11.5	0.42 g/t Au; 0.29% Cu
						Copper intercept in sulphide zone	102.0	110.4	8.4	0.25% Cu; 0.09 g/t Au
SIS21	418500	4478200	270	60	125					
						Gold intercept in sulphide zone	0	38.3	38.3	0.62 g/t Au
						including	13.9	27.3	13.4	0.95 g/t Au
						including	18.2	27.3	9.1	1.16 g/t Au
						Copper intercept in same zone	8.3	38.3	30	0.57% Cu; 0.64 g/t Au
SIS22	418500	4477800	270	60	113.9					
						Chalcocite-energite zone	85	98.5	13.5	2.24% Cu; 0.13 g/t Au
SIS23	418200	4478000	270	60	197.5					
						Gold intercept in oxide zone	42.1	63	20.9	0.65 g/t Au
						including	42.1	47.7	5.6	1.47 g/t Au

Table 1. Significant gold and copper intercepts from the June quarter
(* a solution cavity was encountered in SIS19 between 47.5 and 51.3 metres)

Additional surface rockchip sampling was carried out during the quarter in areas newly exposed by road construction. Notable results were obtained from a zone approximately 1.3 kilometres to the northwest of the main area of drilling, where three 2 to 3 metre chip channel samples from a zone of siliceous breccia with a haematitic matrix produced assay results between 1.41 and 1.72 grams per tonne Au. The results illustrate the broader potential of the project which has not yet been systematically tested. Drilling of a number of the outlying target zones on the project is scheduled for later in 2008.

Other significant activities during the financial year included completion of all drill roads, initiation of metallurgical pit excavations, and commencement of the property-scale Induced Polarization and Ground Magnetic Survey. Approximately 70% of the survey lines had been completed by the end of the year, with the remainder to be completed soon thereafter.

The drill results indicate that mineralisation continues in between the East and West Zones that have received most drilling to date, but that the depth of oxidation is shallower in those intervening zones. A number of strong copper intercepts reinforce the copper potential of the project in addition to its gold potential. Results from the IP survey will help in targeting deeper holes aimed at pursuing porphyry copper-gold targets within the project area.

Turkey Regional – Gold, Copper-Gold

(100%)

Despite its stated objective of focusing on advanced opportunities, the company also used the advantage of its experienced local base in Turkey to acquire, at low cost, a limited number of earlier stage projects with outstanding potential to move quickly to drill stage. During the year, the company acquired 15 licenses on four separate project areas with potential for epithermal gold and porphyry copper-gold (figure 8). A total of 226 square kilometres were acquired. All the tenements are located in north-eastern Turkey within 150 kilometres of the Sisorta project. Preliminary ground work continues on these tenements.

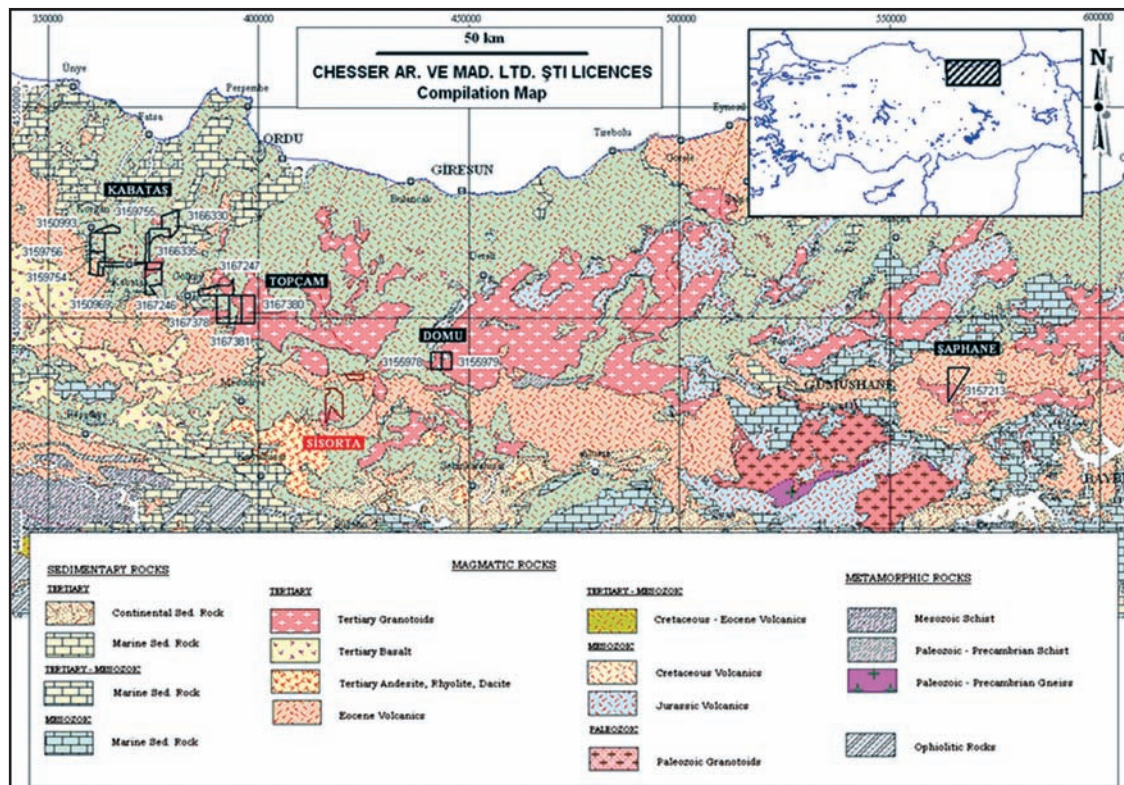


Figure 8. Location map, showing Chesser's Projects in Turkey

The Kabatas licenses (ER3150969, ER3150993, ER3159754, ER3159755, ER3159756, ER3166330, ER3166335 and ER3167246) are located at Ordu, in north-eastern Turkey. The area shows strong potential for porphyry copper-gold mineralisation based on previous company drilling and road-cut exposures of porphyry style quartz-sericite-pyrite stockworks, along with anomalous copper and molybdenum in stream sediments. Reconnaissance sampling in the area returned rock sample values of up to 8.3% copper, 0.28 g/T gold and 188 parts per million molybdenum.

The Topcam licenses (ER3167247, ER3167378, ER3167380, ER3167381) are located in north-eastern Turkey. The geology of the area is characterised by a Jurassic to Pliocene volcanosedimentary sequence which has been intruded by Palaeocene to Eocene intrusives. Anomalous stream sediment data point to a potential for epithermal gold and porphyry copper-gold mineralisation, and a contour soil sampling program in the area produced values of up to 864 parts per billion gold and 719 parts per million copper. The company is in the process of carrying out follow-up geological mapping and additional soil and rock sampling on the property.

The Domu tenement (ER3155978) is located in north-eastern Turkey. In the tenement area, reports of previous exploration describe silicified and pyrite-altered granodiorite intruding a sequence of andesitic volcanics and minor marbles. Copper mineralisation occurs only in highly altered parts of the granodiorite as small veinlets containing pyrite, malachite, azurite and chalcopyrite. Stream sediment, soil and rock sampling have been carried out by the Turkish Mining Bureau (MTA) returned anomalous copper values within the license area. The company is in the process of carrying out follow-up geological mapping and additional soil and rock sampling on the property.

The Saphane tenement (ER3157213) is located in north-eastern Turkey (Map.1). The tenement was acquired based on its similarity to known epithermal occurrences in nearby tenements. The company is in the process of carrying out follow-up geological mapping and additional soil and rock sampling on the property.

Wynbring SA – Copper-Gold – Nickel

(Chesser earning up to 80%, PlatSearch100%)

The Wynbring Project is located approximately 150 kilometres north-northwest of Ceduna covering an area of 1,967 square kilometres. Chesser can earn a 60% interest by completing expenditure of \$1.5 million within four years and a further 20% interest with the completion of a favourable bankable feasibility study and decision to mine.

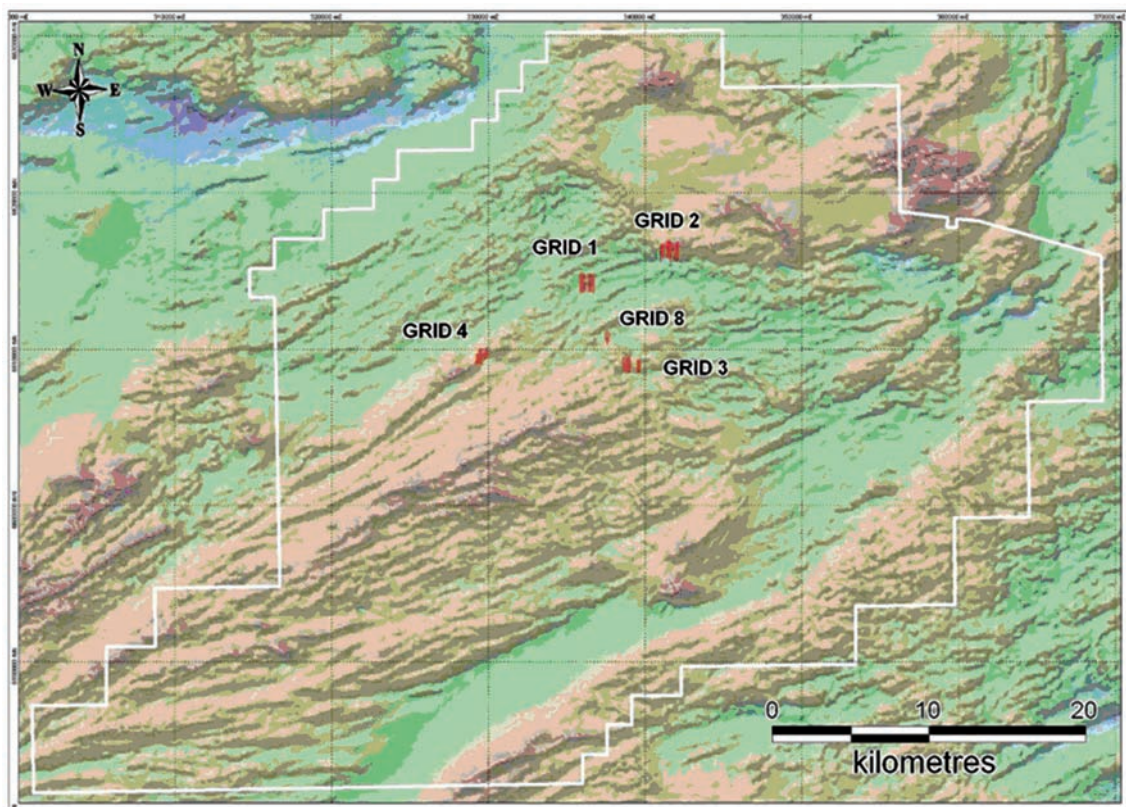


Figure 9. Wynbring project, showing tenement boundary and location of completed Moving Loop EM Coverage (red lines)

The project straddles two major tectonic discontinuities, the Coorabie and Colona Shear Zones within the northern part of the Fowler Domain on the western side of the Gawler Craton.

An extract from a Primary Industries and Resources South Australian (PIRSA) Publication indicates "the Fowler Domain has similarities to the Thompson Nickel Belt of Northern Manitoba in Canada which hosts some of the worlds largest nickel deposits. Seventeen deposits contain a total resource of 89 Mt at 2.5% Ni and 1.03% Cu (Naldrett, 1994)."

The Fowler Domain comprises dense, magnetic, highly deformed, intermediate to ultramafic intrusive rocks overlain by thin Tertiary sands and recent sand dunes. Aeromagnetic surveys show the presence of a high concentration of crustal-scale fractures, faults and shear zones in this area. These structures could have provided pathways for the intrusion of mafic-ultramafic bodies with the potential for nickel sulphides, chromite and platinum.

Previous work in the area included wide-spaced, reconnaissance bedrock drilling by PIRSA identifying a 30 kilometre-long zone of intermediate to ultramafic rocks adjacent to the Colona Shear Zone anomalous in gold, nickel, chromium, platinum and palladium.

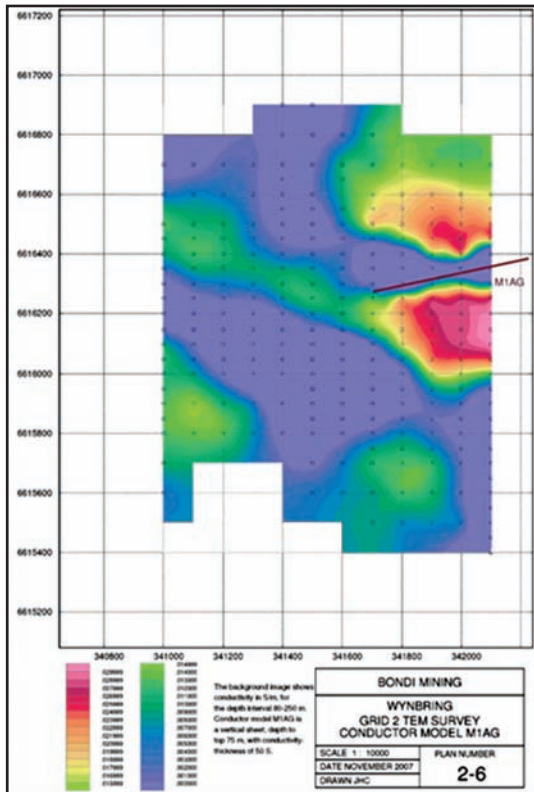


Figure 10. Modelled conductor from Wynbring Grid 2, superimposed on modelled conductivity in the 80-250m depth range

Inco Resources (Australia) Pty Ltd (Inco) completed a large, airborne electromagnetic survey followed by limited ground moving loop electromagnetic (MLEM) surveys over selected areas. A review by Platsearch of the MLEM data shows several anomalies due to sub-surface conductors that require detailed follow-up surveys and drill-testing. MLEM surveys are also planned over several localised magnetic anomalies that are potential IOCG targets.

During the year, the Company completed a Moving Loop Ground EM survey consisting of 41 lines designed to test 5 high priority targets (figure 9). The ground EM survey was planned as a follow-up test for the conductive targets identified by a previous airborne EM survey.

At Grid 2 prospect (figure 10), a conductor was defined close to an area where minor outcrop shows anomalous gold values up to 1.2 g/t. The anomaly, located in the north-eastern part of the grid, suggests the presence of a local, near-vertical conductor. This was interpreted as being about 75m deep. At Grid 1 prospect, the survey identified a zone of interpreted conductive overburden, spatially associated with an area where previous drilling encountered ultramafic rocks and strongly anomalous chromium.

The Company was informed in February that Primary Industries and Resources South Australia (PIRSA) had approved a new round of PACE funding assistance for planned drilling. The funding was to cover half the cost of this drilling to a maximum of \$100,000, to be reimbursed by PIRSA provided the drilling is completed by 30 June 2009.

Despite the somewhat encouraging results of exploration carried out during the financial year, the Wynbring project was judged to be not in keeping with the Company's focus on advanced gold projects. During the June quarter, the Company informed Platsearch of its intention to withdraw from the Wynbring Project.

CEDRIC BORE – Iron Oxide Copper Gold, Gold

(100%)

The Cedric Bore Project is located in the Central Gawler Craton some 80 kilometres north of the Tarcoola gold-field area, and 120 kilometres south west of Prominent Hill and straddles the Adelaide to Darwin railway.

The tenement (EL2911) is prospective for Iron Oxide Copper Gold (IOCG) style deposits similar to Olympic Dam and Prominent Hill, lode style gold deposits and has the potential for roll-front style uranium mineralisation in the Tertiary sediment cover.

Interpretation of the regional magnetic and gravity datasets indicates that the mesoproterozoic basement rocks are prospective for IOCG mineralisation, and that the overlying cover potentially contains a palaeochannel, prospective for uranium. In addition to IOCG style mineralisation, there is potential for structurally controlled Tanami style orogenic lode gold.

Detailed gravity surveys have delineated a number of local gravity features, of varying magnitude that are coincident or adjacent to aeromagnetic anomalies as shown in Figure 3 below. This relationship between magnetite, as indicated in aeromagnetic data, and possibly haematite, as indicated in the gravity data, is similar to what is observed at Prominent Hill; and the more intense geophysical anomalies are considered to be high priority targets for iron-oxide style copper-gold mineralisation.

The recent discovery of the Carrapateena prospect to the southeast of the project area has highlighted the prospectivity of the region; and also the value of detailed interpretation of subtle geophysical anomalies to generate drill targets.

Subsequent to the end of the financial year, the company relinquished the Cedric Bore tenement.

MESSENT

(100%)

The Messent Project is divided into three separate areas and covers 409km² on the Padthaway Ridge area of South Australia.

The area is considered prospective for base-metal mineralisation associated with mafic to ultra mafic intrusives of Cambrian age. Pentlandite, a nickel sulphide mineral, has been recorded in lithologies of similar geophysical response situated along strike of the Messent licence areas.

Exploration in the area has been sparse with limited drill testing of targets undertaken. Previous exploration has targeted porphyry/skarn style copper/gold systems associated with Cambrian to Ordovician intrusives. Limited testing of the mafic intrusives has been conducted to determine their mineral potential.

The regional geology is dominated by Palaeozoic rocks of the Kanmantoo Groups unconformably overlain by Cainozoic sediments. The Kanmantoo Group consists of a package of predominantly siliciclastic sediments and intrusive felsic and mafic volcanic material.

The company withdrew from the Messent tenement late in the financial year.

Project Generation

The Company reviewed a large number of exploration opportunities during the year, concentrating on Turkey, Brazil and Australia. Of the nearly 30 properties reviewed, a small number were judged to be consistent with the Company's stated objectives of acquiring advanced projects with strong potential to contain large multi-million ounce gold resources. The Company successfully negotiated entry to the Sisorta project and, subsequent to year end, was in advanced negotiations on two other high quality opportunities.

Corporate Activities

During the year, Chesser Resources moved its head office to Brisbane. In addition, the company opened a small exploration office in Ankara, Turkey, and hired an experienced and well-respected Turkish Exploration Manager, along with a small Turkey-based exploration staff.



Directors' report

Your directors present their report on the Company and its controlled entities for the financial year ended 30 June 2008.

DIRECTORS

The names and information on directors in office at any time during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Stephen Evans, Non-Executive Chairman
Dr Richard Valenta, Managing Director (Appointed 1 July 2007)
Mr Simon O'Loughlin, Non-Executive Director
Mr Simon Taylor, Non-Executive Director
Mr Creagh O'Connor, Non-Executive Director (Appointed 1 July 2007)

Mr Stephen Evans, BA(Acc), AU FAICD (Non-Executive Chairman)

Stephen Evans is the Managing Director of a leading Adelaide based accounting firm, "RJC Evans & Co" which was established in 1920. Stephen has over 25 years experience in advising small, medium and large corporations in relation to tax, accounting, financial and business related matters. He is a member of the Taxation Institute of Australia, National Institute of Accountants and a Fellow of the Institute of Company Directors. He brings to the Board a wealth of experience in the accounting, financial and taxation fields. Stephen is a non-executive director of WCP Resources Limited, Uranoz Limited, Newport Mining Limited and Innovance Limited. Mr Evans is also a member of the Audit Committee.

Dr Richard Valenta, BSC, PhD, PGeo (ON,NL) MAUSIMM (Managing Director)

Dr Valenta has a wealth of experience in the resources sector having spent the last 25 years employed in various roles in North America, Central America and Australia. Most recently Dr Valenta joined the Board of Bondi Mining Limited and prior to this he played a key role with the highly successful, Canadian based, Fronteer Company, where he was Chief Operating Officer and Vice President Exploration of Fronteer Development Company ("Fronteer") and Chief Geoscientist of Aurora Energy Resources Inc ("Aurora"). During that time the approximate market capitalisations of these companies increased from CDN\$11 million to CDN\$980 million and CDN\$216 million to CDN\$1 billion respectively. This reflected the success of Dr Valenta's team in making significant new discoveries and increasing resources – from no resources to 2.1 million ounces of gold (in the case of Fronteer) and 96 million lbs of uranium (in the case of Aurora).

Over the past 10 years, he has directed exploration expenditure of US\$40 million, resulting in the discovery of resources with a total in-ground value of US\$8 billion. He has carried out successful region selection and project generation on six continents, seeking a range of base metal, gold and uranium target styles and environments. He led the Central American exploration of a major Australian Mining Company (MIM), resulting in two important mineral discoveries. He has developed strong and productive relationships with community and indigenous stakeholders in Canada, Mexico and Australia leading to increased exploration access.

Dr Valenta will also continue in his role as Managing Director of Bondi Mining Limited.

Mr Simon O'Loughlin, BA(Acc) (Non-Executive Director)

Simon O'Loughlin is the founding member of O'Loughlins Lawyers, an Adelaide based, medium sized specialist commercial law firm. For many years he has practiced both in Sydney and Adelaide in the corporate and commercial fields with, in more recent times, a particular focus on the resources sector. He also holds accounting qualifications. He is currently Chairman of Living Cell Technologies Limited, WCP Resources Limited and Bondi Mining Limited and a director of Petratherm Limited, Probiomics Limited and Aura Energy. He has extensive experience and involvement with companies in the small-industrial and resources sectors. He has also been involved in the listing and back-door listing of numerous companies on the ASX and National Stock Exchanges. He is a former Chairman of the Taxation Institute of Australia (SA Division) and Save the Children Fund (SA Division). Mr O'Loughlin is also a member of the Audit Committee.

Mr Simon Taylor, Bsc(Geology), MAIG, GCertAppFin(Finsia) (Non-Executive Director)

Simon Taylor is a geologist with 17 years experience throughout Australia in gold, base metals and nickel having held senior geologist and exploration manager positions for numerous ASX listed resource companies. He has gained considerable experience in exploration, project assessment and joint venture negotiations. He is a founding, non-executive Director of Bondi Mining Limited, Newport Mining Limited and Probiomics Limited and the founding Director of Geeland Pty Ltd; providing consulting services to resource companies and financial corporations as a resource analyst.

Simon's corporate experience includes project appraisals, advice on placements and fund raising. Simon is a member of the Australian Institute of Geologists.

Mr Creagh O'Connor, BEc, LLB, ACA (Non-Executive Director)

Mr O'Connor is a founding Director of specialist resource investment bank, Gryphon Partners Pty Limited ("Gryphon"). Recent advisory assignments undertaken by Gryphon include: Oxiana Limited's A\$11bn merger with Zinifex Limited, Lion Selection Limited's successful defence of the Indophil Resources NL takeover, Oxiana Limited's A\$265 million acquisition of the Golden Grove base and precious metals operation in Western Australia; Oxiana's \$415 million takeover of Agincourt Resources; the initial public offering of (uranium company) Toro Energy Limited; the A\$80 million acquisition of (gold company) Sedimentary Holdings Limited by AuSelect Limited; and Agincourt Resources Limited's US\$80 million acquisition of the Martabe gold project.

Prior to establishing Gryphon, Mr O'Connor was employed by the Normandy Mining Company in a variety of roles including Company General Manager of Business Development for Normandy Mining Limited having joined in 1993. Prior to this, he spent 13 years specialising in corporate finance, advisory roles and providing general financial advice in Australia and Europe.

Mr O'Connor has held numerous directorships of resource companies and was a founding director of Hindmarsh Resources Limited until it was taken over by Canadian Listed Mega Uranium Ltd. He is currently a Non-Executive Director of Bondi Mining Limited.

COMPANY SECRETARY

The following person held the position of Company Secretary at the end of the financial year:

Mr Donald Stephens, BA(Acc), FCA

Donald Stephens is a Chartered Accountant and corporate adviser with over 20 years experience in the accounting industry, including 14 years as a partner of HLB Mann Judd Stephens, a firm of Chartered Accountants. He is a non-executive director of Mithril Resources Ltd and Papyrus Australia Ltd and is company secretary to Minotaur Exploration Ltd, Toro Energy Ltd, Petrathern Ltd, FerrAus Ltd. He holds other company secretarial positions and directorships with private companies and provides corporate advisory services to a wide range of organisations. He is a member of the Company's audit committee.

Mr Stephens was appointed Company Secretary on 2 March 2006.

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

As at the date of this report, the interests of the directors in the shares and options of Chesser Resources Ltd were:

	Number of Ordinary Shares	Number of Options over Ordinary Shares
Mr Stephen Evans	650,000	500,000
Dr Richard Valenta	1,000,000	1,500,000
Mr Simon O'Loughlin	550,000	500,000
Mr Simon Taylor	550,000	500,000
Mr Creagh O'Connor	2,450,000	1,000,000

At the date of this report, Dr Valenta held two shares in the Company's subsidiary Chesser Arama ve Madencilik Limited Sirketi.

The above details include indirect interests pertaining to the above directors.

CORPORATE GOVERNANCE STATEMENT

Introduction

The board of directors is responsible for the corporate governance of Chesser Resources Limited (the Company) and its controlled entities (the Group). The Group operates in accordance with the corporate governance principles as set out by the ASX corporate governance council and required under ASX listing rules.

The Group details below the corporate government practices in place at the end of the financial period, all of which comply with the principles and recommendations of the ASX corporate governance council unless otherwise stated.

Principle 1: Lay solid foundations for management and oversight

Board Responsibilities

The Board are accountable to the Shareholders for the performance of the Group and have overall responsibility for its operations. Day to day management of the Group's affairs and the implementation of the corporate strategy and policy initiatives, are formally delegated by the Board.

The key responsibilities of the board include:

- Approving the strategic direction and related objectives of the Group and monitoring management performance in the achievement of these objectives;
- Adopting budgets and monitoring the financial performance of the Group;
- Reviewing annually the performance of the managing director against the objectives and performance indicators established by the Board;
- Overseeing the establishment and maintenance of adequate internal controls and effective monitoring systems;
- Overseeing the implementation and management of effective safety and environmental performance systems;
- Ensuring all major business risks are identified and effectively managed;
- Ensuring that the Group meets its legal and statutory obligations.

For the purposes of the proper performance of their duties, the Directors are entitled to seek independent professional advice at the Group's expense, unless the Board determines otherwise. The Board schedules meetings on a regular basis and other meetings as and when required.

The Board has not publicly disclosed a statement of matters reserved for the Board, or the Board charter and therefore the Group has not complied with recommendation 1.3 of the Corporate Governance Council. Given the size of the Group, the Board does not consider the formation of a Board charter necessary.

Principle 2: Structure the board to add value

Size and composition of the Board

At the date of this statement, the Board consists of four non-executive directors and one executive director. Directors are expected to bring independent views and judgment to the Board's deliberations.

- Mr Stephen Evans Non-Executive Chairman
- Dr Richard Valenta Managing Director
- Mr Simon Taylor Non-Executive Director
- Mr Simon O'Loughlin Non-Executive Director
- Mr Creagh O'Connor Non-Executive Director

The Board considers this to be an appropriate composition given the size and development of the Group at the present time. The names of Directors including details of their qualification and experience are set out in the Directors' Report of this Financial Report.

Independence

The Board is conscious of the need for independence and ensures that where a conflict of interest may arise, the relevant Director(s) leave the meeting to ensure a full and frank discussion of the matter(s) under consideration by the rest of the Board. Those Directors who have interests in specific transactions, or potential transactions; do not receive Board papers related to those transactions, or potential transactions; do not participate in any part of a Directors' meeting which considers those transactions, or potential transactions; are not involved in the decision making process in respect of those transactions, or potential transactions; and are asked not to discuss those transactions or potential transactions with other Directors.

Messrs Evans, Taylor and O'Loughlin are considered independent directors as they have no other material relationship or association with the Group other than their directorships. Dr Valenta is the Managing Director and Mr O'Connor holds a significant parcel of shares in the Company, therefore they are not considered independent.

Nomination, retirement and appointment of Directors

The Board has not established a nomination committee and therefore the Group has not complied with recommendation 2.4 of the Corporate Governance Council. Given the size of the Group, the Board does not consider a separate committee appropriate. The board takes ultimate responsibility for these matters. The composition/membership of the board is subject to review in a number of ways, as outlined below:

- The Company's constitution provides that at every Annual General Meeting, one third of the directors shall retire from office but may stand for re-election.
- Board composition is also reviewed periodically, either when a vacancy arises or if it is considered that the Board would benefit from the services of a new director, given the existing mix of skills and experience of the board which should match the strategic demands of the Group. Once it has been agreed that a new director is to be appointed, a search would be undertaken, sometimes using the services of external consultants. Nominations are subsequently received and reviewed by the board.

Evaluation of Board performance

The Board continually reviews its performance and identifies ways to improve performance. The Chairman is responsible for reviewing the Board performance on an Annual basis.

Board Committee's

It is the role of the Board to oversee the management of the Consolidated Group and it may establish appropriate committees to assist in this role.

The Board has established an audit committee. At the present time no other committees have been established because of the size of the Company and the involvement of the Board in the operations of the Consolidated Group. The Board takes ultimate responsibility for the operations of the Company including remuneration of Directors and executives and nominations to the Board.

The Board has not publicly disclosed the process for evaluating the performance of the Board, its committees and individual directors. Therefore, the Consolidated Group has not complied with recommendation 2.5 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider disclosure of the performance evaluation necessary at this stage.

Principle 3: Promote ethical and responsible decision making

Code of Conduct

The Board recognises the need for Directors and employees to observe the highest standards of behaviour and business ethics when engaging in corporate activity. The Consolidated Group intends to maintain a reputation for integrity. The Consolidated Group's officers and employees are required to act in accordance with the law and with the highest ethical standards. The Board has adopted a formal code of conduct applying to the Board and all Employees. However, the Consolidated Group has not publicly disclosed the code of conduct and therefore the Consolidated Group has not complied with recommendation 3.1 of the Corporate Governance Council. The board takes ultimate responsibility for these matters and does not consider disclosure of the code of conduct necessary at this stage.

Securities Trading Policy

The Company's constitution permits designated persons to acquire securities in the Company, however Company policy prohibits designated persons from dealing in the Company's securities at any time whilst in possession of price sensitive information and for 24 hours after:

- Any major announcements;
- The release of the Group's quarterly, half yearly and annual financial results to the Australian Securities Exchange; and
- The Annual General Meeting.

Directors must advise the Chairman of the Board before buying or selling securities in the Consolidated Group. All such transactions are reported to the Board. In accordance with the provisions of the Corporations Act and the Listing Rules of the Australian Securities Exchange, the Company advises the ASX of any transaction conducted by Directors in the securities of the Company.

The Company has not established and publicly disclosed a policy concerning trading in the Company's securities by directors, senior executives and employees and therefore has not complied with recommendation 3.2 of the Corporate Governance Council. Given the size and of the Group, the Board does not consider establishment or disclosure of a trading policy to be appropriate. The Board take ultimate responsibility for these matters.

Principle 4: Safeguard integrity in financial reporting

The Group aims to structure management to independently verify and safeguard the integrity of their financial reporting. The structure established by the Group includes:

- Review and consideration of the financial statements by the audit committee;
- A process to ensure the independence and competence of the Group's external auditors.

Audit Committee

The Audit, Risk and Compliance Committee comprises of Messrs Evans and O'Loughlin (Non-Executive Directors) and Mr Donald Stephens the Company Secretary.

The committee's primary responsibilities are to:

- Oversee the existence and maintenance of internal controls and accounting systems;
- Oversee the management of risk within the Group;
- Oversee the financial reporting process;
- Review the annual and half-year financial reports and recommend them for approval by the Board of Directors;
- Nominate external auditors;
- Review the performance of the external auditors and existing audit arrangements; and
- Ensure compliance with laws, regulations and other statutory or professional requirements, and the Group's governance policies.

The committee has not been structured to contain three non-executive directors who are independent directors and therefore the Group has not complied with recommendation 4.2 of the Corporate Governance Council. Given the relative skills and experience of the audit committee, the Board believes the structure and process to be adequate. The Board continues to monitor the composition of the committee and the roles and responsibilities of the members.

Principle 5: Make timely and balanced disclosure

The Group has a policy that all shareholders and investors have equal access to the Group's information. The board ensures that all price sensitive information is disclosed to the ASX in accordance with the continuous disclosure requirements of the Corporation's Act and ASX Listing Rules. The company secretary has primary responsibility for all communications with the ASX and is accountable to the Board through the chair for all governance matters.

The Group has not publicly disclosed a formal disclosure policy and therefore has not complied with recommendation 5.1 of the Corporate Governance Council. Given the size of the Group, the Board does not consider public disclosure to be appropriate. The Board takes ultimate responsibility for these matters.

Principle 6: Respect the rights of shareholders

The Board strives to ensure that Shareholders are provided with sufficient information to assess the performance of the Group and its Directors and to make well-informed investment decisions.

Information is communicated to Shareholders through:

- Annual and half-yearly financial reports and quarterly reports;
- Annual and other general meetings convened for Shareholder review and approval of Board proposals;
- Continuous disclosure of material changes to ASX for open access to the public; and
- The Consolidated Group maintains a website where all ASX announcements, notices and financial reports are published as soon as possible after release to ASX.

The auditor is invited to attend the annual general meeting of Shareholders. The Chairman will permit Shareholders to ask questions about the conduct of the audit and the preparation and content of the audit report.

The Consolidated Group has not established or publicly disclosed a communications policy and therefore has not complied with recommendation 6.1 of the Corporate Governance Council. Given the size of the Consolidated Group, the Board does not consider disclosure of a communications policy to be appropriate. The Board take ultimate responsibility for these matters.

Principle 7: Recognise and manage risk

The Board has identified the significant areas of potential business and legal risk of Chesser Resources Limited and controlled entities. The identification, monitoring and, where appropriate, the reduction of significant risk to the Group is the responsibility of the Board. The Board has also established an Audit Committee which addresses the risk of the Group.

The Board reviews and monitors the parameters under which such risks will be managed. Management accounts are prepared and reviewed at Board meetings. Budgets are prepared and compared against actual results.

The Group has not publicly disclosed a policy for the oversight and management of material business risks and therefore has not complied with recommendation 7.1 of the Corporate Governance Council. The Board takes ultimate responsibility for these matters and does not consider the disclosure of a risk management policy to be appropriate at this stage.

Principle 8: Remunerate fairly and responsibly

The Chairman and the non-executive Directors are entitled to draw Directors fees and receive reimbursement of reasonable expenses for attendance at meetings. The Group is required to disclose in its annual report details of remuneration to Directors. The maximum aggregate annual remuneration which may be paid to non-executive Directors is \$200,000. This amount cannot be increased without the approval of the Group's Shareholders.

The board has not established a remuneration committee and therefore the Group has not complied with recommendation 8.1 and 8.3 respectively of the Corporate Governance Council. Given the size of the Group, the board does not consider a separate committee appropriate. The board takes ultimate responsibility for these matters.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made at the date of this report.

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Group during the financial year were to explore, develop and invest in the resource sector.

OPERATING RESULT

The Consolidated Group's loss after providing for income tax and eliminating minority equity interests amounted to \$1,060,803 (2007: Loss \$50,460).

REVIEW OF OPERATIONS

Operations

The Company continues to assess and acquire new opportunities, while aggressively advancing its current project portfolio in Turkey.

The Company announced on the 31st of October 2007 that it had signed a definitive agreement with Eurasian Minerals Ltd (TSX-V:EMX) to earn up to a 70% interest in its Sisorta Property in North-Central Turkey. At the time of acquisition, 22 drillholes had been completed on the property with a large number of significant gold results. During the December quarter, drilling of six additional holes resulted in the identification of a new high grade zone, as well as extension of existing zones. The company began an 8000 metre diamond drill program on the property on May of 2007, along with a detailed IP geophysical survey and metallurgical test-work. The aim of these activities is to carry out exploration sufficient to define a JORC resource by early 2009.

During the year, the company acquired 15 licenses on four separate project areas with potential for epithermal gold and porphyry copper-gold. A total of 226 square kilometres were acquired. All the tenements are located in northeastern Turkey within 150 kilometres of the Sisorta project. Preliminary ground work continues on these projects.

At Wynbring (earning 60% from Platsearch NL), the company completed a Moving Loop Ground EM survey consisting of 41 lines designed to test 5 high priority targets. The ground EM survey was planned as a follow-up test for the conductive targets identified by a previous airborne EM survey. At Grid 2 prospect, a conductor was defined close to an area where minor outcrop shows anomalous gold values up to 1.2 g/t. The anomaly, located in the northeastern part of the grid, suggests the presence of a local near-vertical conductor. This has been interpreted as being about 75 m deep. At Grid 1 prospect, the survey identified a zone of interpreted conductive overburden spatially associated with an area where previous drilling encountered ultramafic rocks and strongly anomalous chromium. After assessment of the results, the decision was taken to withdraw from the Wynbring project.

The company continued to review open file data for its Cedric Bore and Messent projects. Subsequent to year end, the Cedric Bore and Messent tenements were dropped.

In July 2007, Chesser Resources moved its head office to Level 2, 32 Park Rd, Milton, Qld 4064. During the year, the company also established a Turkish Exploration office in Ankara and appointed an experienced Exploration Manager, who subsequently assembled a strong Turkish-based exploration team.

Financial Position

The net assets of the Consolidated Group have increased by \$214,778 from \$5,766,358 at 30 June 2007 to \$5,981,136 in 2008. This increase is largely resulting from the placement of 5,000,000 ordinary shares at \$0.20 per share raising \$1,000,000 before transaction costs.

The Directors believe the Consolidated Group is in a strong position to expand and grow its current operations.

RISK MANAGEMENT

The Consolidated Group takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Consolidated Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic plan, which encompasses the Consolidated Group's vision, mission and strategy statements, designed to meet stakeholders needs and manage business risk.
- Implementation of Board-approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of performance indicators of both a financial and non financial nature.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year, Chesser Resources Limited established a Turkish subsidiary, Chesser Arama ve Madencilik Limited Sirketi of which the Company owns 99%, and commenced drilling operations in Turkey.

On 31 July 2007, the Company issued a short-form prospectus for 5,000,000 ordinary shares at \$0.20 per share raising \$997,289 after transaction costs.

AFTER BALANCE DATE EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected, or may significantly affect, the operations of the Consolidated Group, the results of those operations, or the state of affairs of the Consolidated Group in future financial years.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

Likely developments, future prospects and business strategies of the operations of the Consolidated Group and the expected results of those operations have not been included in this report as the Directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the Consolidated Group.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Group's operations are subject to significant environmental regulation under both Australian and Turkish legislation in relation to the exploration and future mining and development activities. Exploration Licences and other tenements are issued subject to ongoing compliance with all relevant legislation.

OPTIONS

At the date of this report, unissued ordinary shares of the parent entity under option are as follows:

Grant Date	Expiry Date	Exercise Price	Balance at 1 July 2007	Net Issued/ (Exercised) during Year	Balance at 30 June 2008
28/05/2007	30/06/2011	\$0.25	3,000,000	-	3,000,000
04/04/2007	28/05/2011	\$0.35	2,000,000	-	2,000,000
20/09/2007	19/09/2011	\$0.25	-	1,500,000	1,500,000
20/09/2007	19/09/2011	\$0.30	-	500,000	500,000
20/09/2007	19/09/2011	\$0.35	-	500,000	500,000
22/02/2008	21/02/2013	\$0.40	-	292,500	292,500
			5,000,000	2,792,500	7,792,500

Shares issued as a result of the exercise of options

No shares were issued throughout, or subsequent to, the financial year due to the exercise of options. No person entitled to exercise the options had or has any right by virtue of the options to participate in any other share issue of any other body corporate.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

To the extent permitted by law, the Company has indemnified (fully insured) each director and the secretary of the Company for a premium of \$13,189. The liabilities insured include: costs and expenses that may be incurred in defending civil or criminal proceedings (that may be brought) against the officers in their capacity as officers of the Company or a related body, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers; or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or; to cause detriment to the Company.

REMUNERATION REPORT

This report outlines the nature and amount of remuneration for each key management personnel of Chesser Resources Ltd and for the executives receiving the highest remuneration.

Key management personnel remuneration policy

The Board is responsible for determining remuneration policies applicable to directors and other key management personnel of the Consolidated Group. The broad policy is to ensure that remuneration properly reflects the individuals' duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people with appropriate skills and experience. At the time of determining remuneration consideration is given by the board to the Consolidated Group's financial performance.

Key management personnel remuneration and equity holdings

The Board currently determines the nature and amount of remuneration for key management personnel of the Consolidated Group. The policy is to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Consolidated Group's financial results.

The non-executive directors and other key management personnel receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to key management personnel is expensed as incurred. Key management personnel are also entitled to participate in the company share option scheme. Options are valued using the Black-Scholes methodology.

The Board policy is to remunerate non-executive directors at market rates based on comparable companies for time, commitment and responsibilities. The Board determines payments to non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

Company performance, shareholder wealth and director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. The method applied in achieving this aim, is the issue of options to the majority of directors and executives to encourage the alignment of personal and Shareholders' interests.

The following table shows the gross revenue and net losses for the last two years for the Consolidated Group, as well as the share price at the end of the respective financial years.

	2 March 2006 - 30 June 2007	2008
	\$	\$
Revenue	51,152	342,471
Net Loss	(50,460)	(1,060,803)
Share Price at Year-end	0.34	0.29

Table 1: Key management personnel remuneration for the year ended 30 June 2008 and the period 2 March 2006 to 30 June 2007

Chesser Resources Limited	Short-term benefits	Post Employment	Share-based payments	Total
Directors	Salary & Fees	Superannuation	Options in parent entity ordinary shares	\$
Mr Stephen Evans				
2008	35,000	3,150	-	38,150
2007	5,450	-	16,000	21,450
Dr Richard Valenta ⁱ				
2008	120,000	-	129,500	249,500
2007	-	-	-	-
Mr Simon O'Loughlin ⁱⁱ				
2008	29,166	-	-	29,166
2007	4,542	-	16,000	20,542
Mr Simon Taylor ⁱⁱⁱ				
2008	29,166	-	-	29,166
2007	4,542	-	16,000	20,542
Creagh O'Connor ^{iv}				
2008	18,747	-	91,000	109,747
2007	-	-	-	-
Company Secretary				
Mr Donald Stephens ^v				
2008	-	-	-	-
2007	-	-	-	-
Total				
2008	232,079	3,150	220,500	455,729
2007	14,534	-	48,000	62,534

No remuneration for Directors for the year ended 30 June 2008 or the period 2 March 2006 to 30 June 2007 was performance based.

Interests in Contracts

ⁱ Dr Richard Valenta is the managing director of Proton Geoscience Pty Ltd (Consultant) which has been engaged by the Company from 1 July 2007 to advise the Company in all aspects of the business. The Company will pay a retainer of \$10,000 per month to the Consultant and the engagement may be terminated by either the Company or Consultant by giving to the other not less than 6 months notice.

ⁱⁱ O'Loughlins Lawyers of whom Simon O'Loughlin is a partner received legal fees of \$21,338 during the period in addition to his director's fees.

ⁱⁱⁱ Geeland Pty Ltd, of which Simon Taylor is a director, received \$39,487, for consulting services and reimbursement of expenses provided during the year in addition to his director's fees.

^{iv} Creagh O'Connor is a director of Gryphon Partners Pty Ltd (Consultant) which has been engaged to provide corporate advisory services from 1 July 2007. The Company will pay a retainer of \$2,083 per month to the Consultant and the engagement may be terminated by either the Company or Consultant by giving to the other not less than 1 months notice.

The Company also agrees to indemnify, and keep indemnified, Gryphon Partners Pty Ltd, and any director, officer employee or consultant of Gryphon Partners Pty Ltd.

^v HLB Mann Judd (SA) Pty Ltd has received professional fees for accounting, taxation and secretarial services during the period amounting to \$71,011. Donald Stephens, the company secretary, is a consultant with HLB Mann Judd (SA) Pty Ltd.

Bondi Mining Limited, of which Richard Valenta, Simon O'Loughlin, Simon Taylor and Creagh O'Connor are all directors, received \$212,748 for services and use of office per the mutual Facilities and Services Agreement date 26 May 2008.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Chesser Arama ve Madencilik Limited Sirketi	Short-term benefits	Post Employment	Share-based payments	Total
Executives	Salary & Fees	Superannuation	Options in parent entity ordinary shares	\$
Cem Yuceer				
2008	64,245	-	16,905	81,150
2007	-	-	-	-
Total				
2008	64,245	-	16,905	81,150
2007	-	-	-	-

Employee Contract

Mr Cem Yuceer is the Exploration Manager of the Company's subsidiary Chesser Arama ve Madencilik Limited Sirketi. The employment conditions of Mr Yuceer are formalized in a contract of employment. Mr Yuceer commenced his employment on 21 September 2007 and his base salary, before social security contributions and relevant taxes, is US\$96,000 per annum.

Table 2: Options in parent entity ordinary shares granted as part of remuneration

Options in parent entity ordinary shares are issued to key management personnel as part of their remuneration to attract and retain their services and to provide incentive linked to the performance of the Consolidated Group. The options issued will only be of benefit if the key management personnel perform to a level whereby the value of the Consolidated Group increase sufficiently to warrant exercising the options. It is considered that any additional performance criterion is not warranted. These options were valued using Black-Scholes method (note 1(n)). No options were exercised during or subsequent to year end.

30 June 2008	Grant Date	Grant Number	Exercise Price	Exercise Period		Value per option at grant date	Recognised as remuneration	Total Fair value	% of Remuneration
				Exercised Date	Expiry Date				
Richard Valenta	20/9/2007	500,000	\$ 0.25	20/9/2007	19/9/2011	\$ 0.091	45,500	45,500	18.24%
Richard Valenta	20/9/2007	500,000	\$ 0.30	19/9/2008	19/9/2011	\$ 0.086	43,000	43,000	17.23%
Richard Valenta	20/9/2007	500,000	\$ 0.35	19/9/2009	19/9/2011	\$ 0.082	41,000	41,000	16.43%
Creagh O'Connor	20/9/2007	1,000,000	\$ 0.25	20/9/2007	19/9/2011	\$ 0.091	91,000	91,000	82.92%
Cem Yuceer	22/2/2008	35,000	\$ 0.40	22/2/2008	21/2/2013	\$ 0.161	5,635	5,635	6.94%
Cem Yuceer	22/2/2008	35,000	\$ 0.40	21/2/2009	21/2/2013	\$ 0.161	5,635	5,635	6.94%
Cem Yuceer	22/2/2008	35,000	\$ 0.40	21/2/2010	21/2/2013	\$ 0.161	5,635	5,635	6.94%
		2,605,000							

Table 3: Option holdings of Key Management Personnel in parent entity ordinary shares

30 June 2008	Balance at beginning of year	Granted as remuneration	Balance at end of year	Exercisable at end of year	Not exercisable at end of year
R Valenta	-	1,500,000	1,500,000	500,000	1,000,000
S Evans	500,000	-	500,000	-	500,000
S Taylor	500,000	-	500,000	-	500,000
S O'Loughlin	500,000	-	500,000	-	500,000
C O'Connor	-	1,000,000	1,000,000	1,000,000	-
C Yuceer	-	105,000	105,000	35,000	70,000
Total	1,500,000	2,605,000	4,105,000	1,535,000	2,570,000

2 March 2006 - 30 June 2008	Balance at beginning of period	Granted as remuneration	Balance at end of period	Exercisable at end of period	Not exercisable at end of period
S Evans	-	500,000	500,000	-	500,000
S Taylor	-	500,000	500,000	-	500,000
S O'Loughlin	-	500,000	500,000	-	500,000
Total	-	1,500,000	1,500,000	-	1,500,000

Other than those noted above, no other directors or key management personnel were granted options during the year. The details of the key assumptions employed in valuing the above options are contained in note 12 within the notes to the Consolidated Group's financial statements. The balance at 30 June 2008 is the same as at the date of signing this report.

Table 4: Shareholdings of Key Management Personnel

30 June 2008	Balance at 1 July 07	On Exercise of Options	Net Change Other	Balance 30 June 2008
R Valenta	-	-	1,000,000	1,000,000
S Evans	650,000	-	-	650,000
S Taylor	550,000	-	-	550,000
S O'Loughlin	550,000	-	-	550,000
C O'Connor	550,000	-	1,900,000	2,450,000
C Yuceer	-	-	-	-
Total	2,300,000	-	2,900,000	5,200,000

30 June 2007	Balance at beginning of period	On Exercise of Options	Net Change Other	Balance 30 June 2007
S Evans	-	-	650,000	650,000
S Taylor	-	-	550,000	550,000
S O'Loughlin	-	-	550,000	550,000
C O'Connor	-	-	550,000	550,000
Total	-	-	2,300,000	2,300,000

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year, and the number of meetings attended by each director were as follows:

	Directors' Meetings	Audit
Number of meetings held	5	2

	Number of meetings eligible to attend	Number of meetings attended	Number of meetings eligible to attend	Number of meetings attended
R Valenta	5	5	-	-
S Evans	5	5	2	2
S Taylor	5	5	-	-
S O'Loughlin	5	5	2	2
C O'Connor	5	4	-	-

Audit committee members are:

Directors

Mr Stephen Evans
Mr Simon O'Loughlin

Company Secretary

Mr Donald Stephens

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

MSI Tilley, in its capacity as auditor of the Company, has not provided any non-audit services during or since the end of the financial year to the date of this report. The auditor's remuneration for the year can be found in note 21 to the financial statements.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2008 has been received and can be found on page 32 of the director's report.

This report is made in accordance with a resolution of the board of directors.



Mr Stephen Evans
Non-Executive Chairman
30 September 2008

AUDITOR'S INDEPENDENCE DECLARATION



253 Sturt Street
Adelaide SA 5000

GPO Box 1385
Adelaide SA 5001

Tel (08) 8231 5877
Fax (08) 8231 7381
Web www.msitilley.com.au
Email admin@msitilley.com.au
ABN 62 387 602 611

RAA Building
31-33 Smart Road
Modbury SA 5092

PO Box 795
Modbury SA 5092

Tel (08) 8395 5811
Fax (08) 8395 5822

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF CHESSER RESOURCES LIMITED AND CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008 there have been:

- (i.) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii.) no contraventions of any applicable code of professional conduct in relation to the audit.

MSI TILLEY
Chartered Accountants

DEAN SPENCER
PARTNER

Dated this 29th day of September 2008, at 253 Sturt St, Adelaide, South Australia 5000.



Liability limited by a scheme approved under
Professional Standards Legislation



Income Statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

	Note	Consolidated		Parent	
		2008 \$	2 March 2006 - 30 June 2007 \$	2008 \$	2 March 2006 - 30 June 2007 \$
Revenue	3 (a)	342,471	51,152	333,104	51,152
Write off of exploration assets	3 (d)	(221,184)	-	(221,184)	-
Employee benefits expense	3 (b)	(239,649)	(14,534)	(175,404)	(14,534)
Depreciation expense		(4,110)	-	-	-
Share options expense		(274,623)	(4,340)	(274,623)	(4,340)
Consultants		(188,412)	-	(188,412)	-
Other expenses	3 (c)	(475,346)	(82,738)	(382,693)	(82,738)
(Loss) before income tax		(1,060,853)	(50,460)	(909,212)	(50,460)
Income tax expense	4	-	-	-	-
(Loss) from ordinary activities after income tax expense		(1,060,853)	(50,460)	(909,212)	(50,460)
(Loss) attributable to minority interest		(50)	-	-	-
(Loss) attributable to members of the parent entity		(1,060,803)	(50,460)	(909,212)	(50,460)
Earnings per share:	5	<i>Cents</i>	<i>Cents</i>		
Basic earnings per share		(2.66)	(1.51)		
Diluted earnings per share		(2.66)	(1.51)		

The above income statement should be read in conjunction with the accompanying notes

Balance Sheet

AS AT 30 JUNE 2008

	Note	Consolidated		Parent	
		2008 \$	2007 \$	2008 \$	2007 \$
CURRENT ASSETS					
Cash and cash equivalents	6	2,895,973	5,658,757	2,773,534	5,658,757
Trade and other receivables	7	92,279	63,842	21,281	63,842
Other current assets	8	34,974	64,138	28,872	64,138
TOTAL CURRENT ASSETS		3,023,226	5,786,737	2,823,687	5,786,737
NON-CURRENT ASSETS					
Property, plant and equipment	9	113,555	-	-	-
Financial assets	10	-	-	105,164	-
Trade and other receivables	7	-	-	555,511	-
Exploration and evaluation assets	11	2,985,652	48,799	2,752,607	48,799
TOTAL NON-CURRENT ASSETS		3,099,207	48,799	3,413,282	48,799
TOTAL ASSETS		6,122,433	5,835,536	6,236,969	5,835,536
CURRENT LIABILITIES					
Trade and other payables	13	185,633	69,178	107,911	69,178
TOTAL CURRENT LIABILITIES		185,633	69,178	107,911	69,178
TOTAL LIABILITIES		185,633	69,178	107,911	69,178
NET ASSETS		5,936,800	5,766,358	6,129,058	5,766,358
EQUITY					
Issued capital	14	6,804,523	5,807,234	6,804,523	5,807,234
Accumulated losses		(1,111,263)	(50,460)	(959,672)	(50,460)
Reserves	15	243,540	9,584	284,207	9,584
Parent interests		5,936,800	5,766,358	6,129,058	5,766,358
Minority equity interests		-	-	-	-
TOTAL EQUITY		5,936,800	5,766,358	6,129,058	5,766,358

The above balance sheet should be read in conjunction with the accompanying notes

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

	Note	Consolidated					Parent			
		Share Capital Ordinary \$	Accumulated Losses \$	Share Options Reserves \$	Minority Interest	Total \$	Share Capital Ordinary \$	Accumulated Losses \$	Reserves \$	Total \$
Balance at 2 March 2006		-	-	-	-	-	-	-	-	-
Loss attributable to members of the parent entity		-	(50,460)	-	-	(50,460)	-	-	-	(50,460)
Shares issued		6,276,000	-	-	-	6,276,000	6,276,000	-	-	6,276,000
Transaction costs		(468,766)	-	-	-	(468,766)	(468,766)	-	-	(468,766)
Share options issued	15	-	-	9,584	-	9,584	-	-	9,584	9,584
Balance at 30 June 2007		5,807,234	(50,460)	9,584	-	5,766,358	5,807,234	(50,460)	9,584	5,766,358
Balance at 1 July 2007		5,807,234	(50,460)	9,584	-	5,766,358	5,807,234	(50,460)	9,584	5,766,358
Loss attributable to members of the parent entity		-	(1,060,803)	-	-	(1,060,803)	-	(909,212)	-	(909,212)
Foreign exchange translations	15	-	-	(40,667)	-	(40,667)	-	-	-	-
Shares issued		1,000,000	-	-	-	1,000,000	-	-	-	1,000,000
Transaction costs		(2,711)	-	-	-	(2,711)	(2,711)	-	-	(2,711)
Share options issued	15	-	-	274,623	-	274,623	-	-	274,623	274,623
Contributions of equity by Minority interest holder		-	-	-	50	50	-	-	-	-
Minority interest share of loss		-	-	-	(50)	(50)	-	-	-	-
Balance at 30 June 2008		6,804,523	(1,111,263)	243,540	-	5,936,800	6,804,523	(959,672)	284,207	6,129,058

The above statement of changes in equity should be read in conjunction with the accompanying notes

Cash Flow Statement

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

	Note	Consolidated		Parent	
		2008 \$	2 March 2006 - 30 June 2007 \$	2008 \$	2 March 2006 - 30 June 2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		922	-	720	-
Payments to suppliers and employees		(818,594)	(121,885)	(662,319)	(121,885)
Interest received		364,754	-	364,754	-
NET CASH USED IN OPERATING ACTIVITIES	6	(452,918)	(121,885)	(296,845)	(121,885)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for exploration activities		(3,158,037)	(11,592)	(2,924,992)	(11,592)
Payment for available-for-sale investment		-	-	(105,164)	-
Purchase of property, plant and equipment		(133,457)	-	-	-
Loan to partly-owned subsidiaries		-	-	(555,511)	-
NET CASH USED IN INVESTING ACTIVITIES		(3,291,494)	(11,592)	(3,585,667)	(11,592)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		1,000,000	6,261,000	1,000,000	6,261,000
Transaction costs of share issues		(2,711)	(468,766)	(2,711)	(468,766)
NET CASH PROVIDED BY FINANCING ACTIVITIES		997,289	5,792,234	997,289	5,792,234
Net increase/(decrease) in cash and cash equivalents		(2,747,123)	5,658,757	(2,885,223)	5,658,757
Net foreign exchange differences		(15,661)	-	-	-
Cash at the beginning of financial period		5,658,757	-	5,658,757	-
CASH AT THE END OF FINANCIAL YEAR	6	2,895,973	5,658,757	2,773,534	5,658,757

The above cash flow statement should be read in conjunction with the accompanying notes

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

This financial report includes the consolidated financial statements and notes of Chesser Resources Limited and controlled entities ('Consolidated Group'), and the separate financial statements and notes of Chesser Resources Limited as an individual parent entity ('Parent Entity').

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accrual basis and is based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

All amounts are presented in Australian dollars.

Chesser Resources Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

Chesser Resources Limited was incorporated on 2 March 2006 with the first financial period of the Consolidated Group extending from 2 March 2006 to 30 June 2007. Where appropriate, comparatives reflect this period.

b. Principles of consolidation

A controlled entity is any entity over which Chesser Resources Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 18 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Minority interests, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the group, are shown separately within the Equity section of the consolidated Balance Sheet and in the consolidated Income Statement.

c. Revenue

Interest income

Interest revenue is recognised using the effective interest rate method, which, for floating financial assets, is the rate inherent to the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

d. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs are recognised in income in the period in which they are incurred.

e. Cash and cash equivalents

Cash and cash equivalents include: cash on hand; deposits held at call with banks; other short-term highly liquid investments with original maturities of 3 months or less; and, bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

f. Trade and other receivables

All debtors are recognised in accordance with the recognition principles outlined in note 1(q). Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Consolidated Group will not be able to collect on all amounts due according to the original terms of receivables. The amount of the provision is recognised in the income statement.

g. Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists; the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

h. Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) and Value Added Tax (VAT) except:

- When the GST or VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables, which are stated with the amount of GST/VAT included.

The net amount of GST or VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST and VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST and VAT recoverable from, or payable to, the taxation authority.

i. Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

j. Trade and other payables

Trade and other payables are carried in accordance with the recognition principles outlined in note 1(q). Trade and other payables represent liabilities for goods and services provided to the Consolidated Group prior to the end of the financial year that are unpaid and arise when the Consolidated Group becomes obliged to make future payments in respect of the purchase of these goods and services.

k. Provisions

Provisions are recognised when the Consolidated Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

l. Employee benefits

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date, are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

m. Property, plant and equipment

Plant and equipment

Plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is calculated for all fixed assets on a straight-line basis over the estimated useful life of the assets commencing from the time the assets is held ready for use as follows:

<i>Class of asset</i>	<i>Depreciation rate</i>
Machinery	10 years
Vehicles	5 years
Furniture and fittings	3 – 5 years
Electronic equipment	3 – 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

The carrying values of plant and equipment are reviewed for impairment at each reporting date to ensure carrying amounts are not in excess of the recoverable amount of the assets.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

n. Share-based payment transactions

The Company provides benefits to employees and consultants of the Company in the form of share-based payments, whereby employees or consultants receive option incentives (equity-settled transactions).

There is currently one plan in place to provide these benefits, the Employee Share Option Plan (ESOP) which provides benefits to directors and employees.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The cost is recognised as an expense in the income statement, together with a corresponding increase in the share option reserve, when the options are issued. The fair value is determined using the Black Scholes option-pricing model.

o. Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

p. Earnings per share

Basic earnings per share is calculated as net profit attributable to members, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

q. Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Consolidated Group becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within time-frames established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires; or the asset is transferred to another party whereby the Consolidated Group no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

i. Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking; where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch; or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

iii. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Consolidated Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

iv. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

v. Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Consolidated Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

r. Critical accounting estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances; the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Share-based payment transactions

The Consolidated Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model, with the assumptions detailed in note 12. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

s. New accounting standards and interpretations not yet adopted

Certain new accounting standards, amendments to standards and interpretations have been published that are not mandatory for 30 June 2008 reporting periods. The following standards and amendments are available for early adoption but have not been applied by the Consolidated Group in these financial statements:

AASB 8 Operating Segments (effective from 1 January 2009)

This standard will require the Consolidated Group to adopt the "management approach" to disclosing information about its reportable segments. Generally, the financial information will be reported on the same basis as it is used internally by the chief decision maker for evaluating operating segment performance and deciding how to allocate resources to operating segments. Such information may be prepared using different measures than used in preparing the income statement and balance sheet in which case reconciliations of certain items will be required.

Revised AASB 132 Borrowing Costs and AASB 2007-6 Amendments (effective from 1 January 2009)

The revised AASB 123 is applicable to annual reporting periods commencing on or after 1 January 2009. It has removed the option to expense all borrowing costs and, when adopted, will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset.

The application of these standards for the Consolidated Group is 1 July 2009 and they are not expected to materially affect the amounts recognised in the financial statements.

t. Impairment of assets

At each reporting date, the Consolidated Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

u. Segment Reporting

A business segment is a distinguishable component of the Consolidated Group that is engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different than those of segments operating in other economic environments. The Consolidated Group's primary segment reporting format is geographical segments as the Consolidated Group's risks and rates of return are affected predominantly by differences in the location of the Consolidated Group's operations. The business activities of the entities in the Consolidated Group are predominantly within a single business which is the explorations of mining resources.

v. Leases

Finance leases, which transfer to the Consolidated Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

Operating lease payments, where substantially all the risks and benefits remain with the lessor, are recognised as an expense in the income statement on a straight-line basis over the lease term. Lease incentives are recognised in the income statement as an integral part of the total lease expense.

w. Foreign currency transactions and balances

Functional and Presentation Currency

The functional currency of each of the Consolidated Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, the functional currency of the Consolidated Group is Turkish Lira. The presentational currency is considered to be Australian dollars as the Parent Entity is domiciled in Australia and it is the currency of most relevance to the majority of users this report.

Transaction and balances

Foreign currency transactions are translated into presentation currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise, the exchange difference is recognised in the income statement.

Group Companies

The financial results and position of foreign operations whose functional currency is different from the Consolidated Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Consolidated Group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

The financial statements are compliant with Australian equivalents to IFRS only where all equivalents to IFRS requirements are met (including the translation methods).

The financial report was authorised for issue on 30 September 2008 by the board of directors.

2. SEGMENT INFORMATION

The Consolidated Group's primary segment reporting format is geographical segments as the Consolidated Group's risks and rates of return are affected predominantly by differences in the location of the Consolidated Group's operations. The business activities of the entities in the Consolidated Group are predominantly within a single business which is the exploration of mining resources.

2008	Australia \$	Turkey \$	Consolidated \$
Revenue			
Segment revenue	333,104	9,367	342,471
(Loss) before income tax benefit	(909,212)	(151,641)	(1,060,853)
Income tax expense	-	-	-
Minority interest			50
Net loss after income tax			(1,060,803)
Assets and liabilities			
Segment current assets	2,823,687	199,539	3,023,226
Segment non-current assets	660,675	3,099,207	3,759,882
Elimination of inter-entity assets			(660,675)
Total assets			6,122,433
Segment current liabilities	107,911	77,722	185,633
Total liabilities			185,633
Other segment information			
Acquisition of property, plant and equipment	-	113,555	113,555
Acquisition of exploration assets	-	2,985,652	2,985,652
Write off of exploration assets	221,184	-	221,184
Depreciation and amortisation expense	-	4,110	4,110
			225,294
2 March 2006 - 30 June 2007			
	Australia \$	Turkey \$	Consolidated \$
Revenue			
Segment revenue	51,152	-	51,152
(Loss) before income tax benefit	(50,460)	-	(50,460)
Income tax expense	-	-	-
Minority interest			-
Net loss after income tax			(50,460)
Assets and liabilities			
Segment current assets	5,786,737	-	5,786,737
Segment non-current assets	48,799	-	48,799
Total assets			5,835,536
Segment liabilities	69,178	-	69,178
Total liabilities			69,178

3. REVENUE AND EXPENSES

		Consolidated		Parent	
		2008 \$	2 March 2006 - 30 June 2007 \$	2008 \$	2 March 2006 - 30 June 2007 \$
(a) Revenue					
Interest received or receivable		332,384	51,152	332,384	51,152
Other income		922	-	720	-
Foreign exchange gain		9,165	-	-	-
		342,471	51,152	333,104	51,152
(b) Employees benefits expense					
Wages, salaries, directors fees and other remuneration expenses		239,649	14,534	175,404	14,534
		239,649	14,534	175,404	14,534
(c) Other expenses from ordinary activities					
Professional fees		115,158	29,709	104,288	29,709
Computer expenses		22,421	8,090	22,421	8,090
Insurance costs		14,985	3,639	14,985	3,639
Travel & accommodation		65,091	5,982	57,380	5,982
Auditor's remuneration	21	34,875	5,000	26,125	5,000
Lease payments					
- minimum lease payments- vehicle		9,035	-	-	-
- rental expense for office lease		38,002	-	22,772	-
ASX costs		18,715	5,087	18,715	5,087
Listing costs expensed		-	11,704	-	11,704
Share registry fees		27,706	5,454	27,706	5,454
Other expenses		129,358	8,073	88,301	8,073
		475,346	82,738	382,693	82,738
(d) Write off of exploration assets					
Cedric Bore		25,991	-	25,991	-
Messent		10,710	-	10,710	-
Wynbring JV		184,483	-	184,483	-
		221,184	-	221,184	-

4. INCOMETAX

	2008 \$	2 March 2006 - 30 June 2007 \$	2008 \$	2 March 2006 - 30 June 2007 \$
The components of the tax benefit comprise:				
Current tax	(1,107,355)	(50,742)	(1,030,418)	(50,742)
Deferred tax	(248,275)	(112,504)	(248,275)	(112,504)
	(1,355,630)	(163,246)	(1,278,693)	(163,246)
The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:				
Prima facie tax payable on loss from ordinary activities before income tax at 30%	(318,256)	(15,138)	(272,764)	(15,138)
Add:				
Tax effect of:				
- non-deductible items	82,772	-	82,772	-
- 20% tax rate in Turkey	38,469			
- Accruals	10,500	1,302	10,500	1,302
	(186,515)	(13,836)	(179,492)	(13,836)
Less:				
Tax effect of:				
- establishment costs deducted	(28,289)	(28,126)	(28,289)	(28,126)
- accruals	(5,860)	5,860	(5,860)	5,860
- exploration assets	(881,056)	(14,640)	(811,142)	(14,640)
- establishment costs carried forward	(85,029)	(112,504)	(85,029)	(112,504)
- interest receivable	(5,635)	-	(5,635)	-
- Australian tax losses	(163,246)	-	(163,246)	-
	(1,169,115)	(149,410)	(1,099,201)	(149,410)
Income tax benefit	(1,355,630)	(163,246)	(1,278,693)	(163,246)
Deferred tax asset not brought to account	1,355,630	163,246	1,278,693	163,246
Income tax expense	-	-	-	-

The applicable weighted average effective tax rates is are:

	nil%	nil%	nil%	nil%
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The Group has tax losses arising in the following jurisdictions:

Australia	AUD \$ 3,978,874
Turkey	AUD \$ 384,686

The tax losses arising in Australia of \$3,978,874 are available indefinitely for offset against future taxable profits of the Company in which they arose. Tax losses arising in Turkey of \$384,686 are only available for five years for offset against future taxable profits of the Company in which they arose.

The deferred tax asset will only be obtained if:

- Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- The conditions for deductibility imposed by tax legislation continue to be complied with; and
- No changes in tax legislation adversely affect the Company in realising the benefit.

The deferred tax asset comprises:

- Temporary difference of \$85,029
- Operating tax losses of \$1,270,599

5. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Consolidated	
	2008 \$	2 March 2006 - 30 June 2007 \$
Net loss attributable to ordinary equity holders of the parent	(1,060,803)	(50,460)
Weighted average number of ordinary shares outstanding during the period used in calculating basic earnings per share	39,950,548	3,331,507
Effect of dilution		
Share options	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	39,950,548	3,331,507

In accordance with AASB 133 'Earnings per Share', as potential ordinary shares may only result in a situation where their conversion results in an increase in loss per share or decrease in profit per share from continuing operations, no dilutive effect has been taken into account.

No shares have been issued since balance date.

6. CASH AND CASH EQUIVALENTS

	Consolidated		Parent	
	2008 \$	2007 \$	2008 \$	2007 \$
Cash at bank	742,602	64,027	620,163	64,027
Short-term deposits	2,153,370	5,594,730	2,153,370	5,594,730
	2,895,973	5,658,757	2,773,534	5,658,757

Cash at bank earns interest at floating rates based on daily bank deposit rates. At balance date the effective interest rate was 4.70% (2007: nil%).

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Consolidated Group, and earn interest at the respective short-term deposit rates. At balance date the effective interest rate was 7.85% (2007: 6.31%) with an average maturity of 65 days (2007: 58 days).

	Consolidated		Parent	
	2008 \$	2007 \$	2008 \$	2007 \$
Reconciliation to Cash				
For the purposes of the Cash Flow Statement, cash and cash equivalents comprise the following at 30 June:				
Cash at bank	742,602	64,027	620,163	64,027
Short-term deposits	2,153,370	5,594,730	2,153,370	5,594,730
	2,895,973	5,658,757	2,773,534	5,658,757
Reconciliation of net loss after tax to net cash flows from operations				
Net (loss)	(1,060,853)	(50,460)	(909,212)	(50,460)
<i>Adjustments for non-cash items:</i>				
Depreciation	4,110	-	-	-
Net exchange differences	(9,164)	-	-	-
Share options expensed	274,623	4,340	274,623	4,340
Write off of exploration assets included in investing activities	221,184	-	221,184	-
<i>Changes in assets and liabilities</i>				
(Increase)/decrease in trade and other receivables	2,393	(58,842)	73,391	(58,842)
(Increase)/decrease in prepayments	(3,206)	(64,138)	2,896	(64,138)
(Decrease)/increase in trade and other payables	117,995	47,215	40,273	47,215
Net cash used in operating activities	(452,918)	(121,885)	(296,845)	(121,885)

7. TRADE AND OTHER RECEIVABLES

	Consolidated		Parent	
	2008 \$	2007 \$	2008 \$	2007 \$
CURRENT				
Trade receivables	30,064	5,000	-	5,000
GST and VAT	62,215	58,842	21,281	58,842
	92,279	63,842	21,281	63,842
NON-CURRENT				
Loan to Subsidiary	-	-	555,511	-
	-	-	555,511	-
Total trade and other receivables	92,279	63,842	576,792	63,842

Loans are made between the Company and its subsidiary, loans outstanding between the Company and its controlled entity have no fixed date of repayment and are non-interest bearing.

8. OTHER CURRENT ASSETS

CURRENT				
Prepayments	16,192	12,986	10,090	12,986
Accrued income	18,782	51,152	18,782	51,152
	34,974	64,138	28,872	64,138

9. PROPERTY, PLANT AND EQUIPMENT

Plant and equipment				
Cost				
Opening balance	-	-	-	-
Additions	133,457	-	-	-
	133,457	-	-	-
Accumulated depreciation				
Opening balance	-	-	-	-
Depreciation expense	19,902	-	-	-
	19,902	-	-	-
Total plant and equipment	113,555	-	-	-
Total property, plant and equipment	113,555	-	-	-

10. FINANCIAL ASSETS

	Consolidated		Parent	
	2008 \$	2007 \$	2008 \$	2007 \$
NON-CURRENT				
Available-for-sale financial assets	-	-	105,164	-
	-	-	105,164	-
Available-for-sale financial assets comprise				
Unlisted Investments, at cost				
- shares in controlled entities	-	-	105,164	-
Total available-for-sale financial assets	-	-	105,164	-

The cost to acquire Chesser Arama ve Madencilik Limited Sirketi totalled \$105,164 (2007: \$nil).

Available-for-sale financial assets comprise investments in the ordinary issued capital of Chesser Arama ve Madencilik Limited Sirketi. There are no fixed returns or fixed maturity date attached to these investments.

The fair value of the unlisted available-for-sale financial asset cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. As a result, the unlisted investments are reflected at cost. There is no intention to dispose of any unlisted available-for-sale financial assets existed at 30 June 2008.

11. EXPLORATION AND EVALUATION ASSETS

Balance at beginning of financial year	48,799	-	48,799	-
Capitalised exploration costs- Exploration and evaluation phases	3,158,037	48,799	2,973,791	48,799
Write off of exploration assets	(221,184)	-	(221,184)	-
Total	2,985,652	48,799	2,752,607	48,799

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation, or sale of the respective mining areas.

Capitalised costs of \$3,158,037 (2007: \$11,592) have been included in the cash flows from investing activities in the cash flow statement.

During the financial year, the Company relinquished its interests in three tenements, Cedric Bore (EL 2911), Messent (ELA 279/06) and Wynbring JV (EL 3234). These exploration assets have been written off (note 3(d)).

12. SHARE BASED PAYMENTS

Employee Share Option Plan

The Consolidated Group has established the Chesser Resources Ltd Employee Share Option Plan and a summary of the Rules of the Plan are set out below:

- Eligible participants shall be full time or part time employees of the Company or an Associated Body Corporate.
- Options are granted under the Scheme at the discretion of the board and if permitted by the board, may be issued to an employee's nominee.
- Each option entitles the holder to subscribe for and be allotted one Share. Shares issued pursuant to the exercise of Options will, in all respects, including bonus issues and new issues, rank equally and carry the same rights and entitlements as other Shares on issue. The Options may not be exercised until the Shares have been quoted on ASX throughout the 12 month period immediately preceding that exercise of the Options, without suspension during that period exceeding in total 2 trading days.
- Unless the Directors in their absolute discretion determine otherwise, Options shall lapse upon the earlier of:
 - The expiry of the exercise period;
 - The Option holder ceasing to be within the category of Eligible Participant by reason of dismissal, resignation or termination of employments, office or services for any reason, except the Directors may resolve within 30 days of such dismissal, resignation or termination, that the Options shall lapse on other terms they consider appropriate;
 - The expiry of 1 year after the Option holder ceases to be within the category of Eligible Participant by reason of retirement; and
 - A determination by the Directors that the Option holder has acted fraudulently, dishonestly or in breach of his or her obligations to the Company or an Associated Body Corporate.
- An option may not be transferred or assigned except that a legal personal representative of a holder of an Option who has died or whose estate is liable to be dealt with under laws relating to mental health will be entitled to be registered as the holder of that Option after that production to the Directors of such documents or other evidence as the Directors may reasonably require to establish that entitlement.
- Options will not be quoted on ASX. However, application will be made to ASX for official quotation of the Shares allotted pursuant to the exercise of Options if the Company's shares are listed on ASX at that time.
- Option holders may only participate in new issues of securities by first exercising their options.

The Board may amend the Scheme Rules subject to the requirements of the Australian Securities Exchange listing Rules.

The following options were issued to directors during the financial year:

- A total of 500,000 options issued on 20 September 2007, exercisable any time until 19 September 2011 with a strike price of \$0.25 and a fair value per option at grant date of \$0.091.
- A total of 500,000 options issued on 20 September 2007, with an exercise period between 19 September 2008 to 19 September 2011 with a strike price of \$0.30 and a fair value per options at grant date of \$0.086.

- A total of 500,000 options issued on 20 September 2007, with an exercise period between 19 September 2009 to 19 September 2011 with a strike price of \$0.35 and a fair value per options at grant date of \$0.082.
- A total of 1,000,000 options issued on 20 September 2007, exercisable any time until 19 September 2011 with a strike price of \$0.25 and a fair value per option at grant date of \$0.091.

The options hold no voting or dividend rights and are not transferable. At balance date, no share option has been exercised.

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) and movements in share options issued during the year (including those issues outside of the ESOP plan):

	2008	2008	2 March 2006 - 30 June 2007	2 March 2006 - 30 June 2007
	No.	WAEP	No.	WAEP
Outstanding at the beginning of the year	5,000,000	-	-	-
Granted during the year	2,792,500	0.29	5,000,000	0.29
Outstanding at the end of the year	7,792,500	0.29	5,000,000	0.29
Exercisable at the end of the year	3,597,500	0.31	-	-

The outstanding balance as at 30 June 2008 is represented by:

- A total of 2,000,000 options issued on 4 April 2007, vesting on 4 April 2008 and exercisable any time until 28 May 2011 with a strike price of \$0.35 and a fair value per option at grant date of \$0.011.
- A total of 3,000,000 options issued on 28 May 2007, vesting on 27 May 2009 and exercisable any time until 30 June 2011 with a strike price of \$0.25 and a fair value per option at grant date of \$0.032.
- A total of 500,000 options issued on 20 September 2007, exercisable any time until 19 September 2011 with a strike price of \$0.25 and a fair value per option at grant date of \$0.091.
- A total of 500,000 options issued on 20 September 2007, with an exercise period between 19 September 2008 to 19 September 2011 with a strike price of \$0.30 and a fair value per options at grant date of \$0.086.
- A total of 500,000 options issued on 20 September 2007, with an exercise period between 19 September 2009 to 19 September 2011 with a strike price of \$0.35 and a fair value per options at grant date of \$0.082.
- A total of 1,000,000 options issued on 20 September 2007, exercisable any time until 19 September 2011 with a strike price of \$0.25 and a fair value per option at grant date of \$0.091.
- A total of 97,500 options issued on 22 February 2008, exercisable any time until 21 February 2013 with a strike price of \$0.40 and a fair value per option at grant date of \$0.161.
- A total of 97,500 options issued on 22 February 2008, with an exercise period between 21 February 2009 to 21 February 2013 with a strike price of \$0.40 and a fair value per options at grant date of \$0.161.

- A total of 97,500 options issued on 22 February 2008, with an exercise period between 21 February 2010 to 21 February 2013 with a strike price of \$0.40 and a fair value per options at grant date of \$0.161.

All options granted to Key Management Personnel are ordinary shares in Chesser Resources Limited which confer a right to one ordinary share for every option held.

The weighted average remaining contractual life for the share options outstanding as at 30 June 2008 was 3.11 years (2007: 3.96 years).

The range of exercise prices for options outstanding at the end of the year was \$0.25 - \$0.40 (2007: \$0.25 - \$0.35).

The weighted average fair value of options granted during the year was \$0.0958 (2007: \$0.0236).

The fair value of all share options are measured at the reporting date using the Black-Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted. The following table lists the inputs to the model used for the years ended 30 June 2008 and 30 June 2007.

	2008
Weighted Average Volatility	40.00%
Weighted Average Risk-free interest rate (%)	7.00%
	2007
Weighted Average Volatility	19.00%
Weighted Average Risk-free interest rate (%)	6.00%

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options were incorporated into the measurement of fair value.

13. TRADE AND OTHER PAYABLES

	Consolidated		Parent	
	2008 \$	2007 \$	2008 \$	2007 \$
CURRENT & UNSECURED				
Trade payables*	134,513	48,104	65,541	48,104
Other payables	51,120	21,074	42,370	21,074
	185,633	69,178	107,911	69,178

* Trade payables are non-interest bearing and are normally settled on 30-day terms.

14. ISSUED CAPITAL

	Consolidated		Parent	
	2008 \$	2007 \$	2008 \$	2007 \$
40,750,000 fully paid ordinary shares (2007: 35,250,000)	6,804,523	5,807,234	6,804,523	5,807,234
	6,804,523	5,807,234	6,804,523	5,807,234
	2008		2007	
	Number	\$	Number	\$
a. Ordinary shares				
Balance at 2 March 2006			-	-
Balance at beginning of year	35,250,000	5,807,234	-	-
Seed Capital- Directors, issued on 26 March 2007 at \$0.01 per share.	-	-	600,000	6,000
Seed Capital- Promoters, issued on 5 April 2007 at \$0.01 per share.	-	-	2,000,000	20,000
Seed Capital- PlatSearch, issued on 5 April 2007 at \$0.06 per share.	-	-	500,000	30,000
Seed Capital- Other, issued on 5 April 2007 at \$0.10 per share.	-	-	2,100,000	210,000
Seed Capital- Consideration for Cedric Bore at \$0.20 per share issued on 5 April 2007.	-	-	50,000	10,000
Share issue as per Initial Public Offering dated 7 May 2007 at \$0.20 per share.	-	-	30,000,000	6,000,000
Share issue per Short-form prospectus dated 31 July 2007 at \$0.20 per share.	5,000,000	1,000,000	-	-
Shares issued to Eurasian Minerals Inc per agreement dated 31 October 2007.	500,000	-		
Transaction costs on shares issued	-	(2,711)	-	(468,766)
Balance at end of financial year	40,750,000	6,804,523	35,250,000	5,807,234

Fully paid ordinary shares carry one vote per share and carry the right to dividends (in the event such a dividend was declared). Ordinary shares do not have a par value.

b. Options

- i. For information relating to the Consolidated Group's employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 12 Share-based Payments.
- ii. For information relating to share options issued to key management personnel during the financial year, refer to Note 12 Share-based Payments.

c. Capital management

The Consolidated Group manages its capital to ensure that the Consolidated Group will be able to continue as a going concern while maximising the return to stakeholders.

The Consolidated Group's capital includes ordinary share capital supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Consolidated Group's capital by assessing the Consolidated Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

15. RESERVES

	Consolidated		Parent	
	2008 \$	2007 \$	2008 \$	2007 \$
Share-option reserve (a)	284,207	9,584	284,207	9,584
Foreign currency translation reserve (b)	(40,667)	-	-	-
	243,540	9,584	284,207	9,584
(a) Share-option reserve				
Balance at beginning of financial year	9,584	-	9,584	-
Issue of options during the financial year	274,623	9,584	274,623	9,584
Balance at end of financial year	284,207	9,584	284,207	9,584
(b) Foreign currency translation reserve				
Balance at beginning of financial year	-	-	-	-
Net exchange differences on translation of foreign controlled entities	(40,667)	-	-	-
Balance at end of financial year	(40,667)	-	-	-

Nature and purpose of reserves

Share-option reserve

The share-option reserve records items recognised as expenses on valuation of employee share options and other equity settled transactions.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign controlled subsidiaries.

16. COMMITMENTS FOR EXPENDITURE

LEASE COMMITMENTS

Exploration Leases

a. Sisorta

On the 26 October 2007 the company and Eurasian Minerals Inc signed a Definitive Agreement which provides the company with the potential to earn up to a 70% interest in Eurasian Minerals Inc's Sisorta Property in North Central Turkey. Under the definitive option agreement, the Company issued 500,000 shares and paid \$USD100,000 on signing of the agreement in addition to reimbursing Eurasian Minerals Limited for exploration expenses. To earn 51% of the project, the Company must spend \$USD4 million over three years, with a firm year one commitment of \$USD750,000, the Company will also issue an additional one million shares and pay \$USD100,000 on the first anniversary, and will issue an additional 1.5 million shares and pay \$USD100,000 on the second anniversary. The Company can earn a 70% interest in the project by sole funding an exploration to delivery of a Bankable Feasibility Study over the subsequent five years, with yearly cash payments of \$USD100,000. Once ownership is vested in the project, each partner must contribute or dilute. Should a partner dilute to 10%, their ownership is converted into a 3% NSR, which can be reduced to a 2% NSR through payment of \$USD1,500,000 by the non-diluting partner.

b. Turkish tenements - other

In accordance with Turkish legislation, exploration tenements do not have any ongoing material financial obligations.

17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

At the date of this report, the Group is not aware of any Contingent Asset or Liability that should be disclosed in accordance with AASB 137.

18. CONTROLLED ENTITIES

Name of entity	Country of incorporation	Ownership interest	
		2008 %	2007 %
Parent entity			
Chesser Resources Limited	Australia		
Subsidiaries of Chesser Resources Limited			
Chesser Arama ve Madencilik Limited Sirketi	Turkey	99	-

19. FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Consolidated Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and loans to subsidiaries.

The Consolidated Group does not have any derivative instruments.

i. Treasury Risk Management

The Board analyses financial risk exposure to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board's overall risk management strategy seeks to assist the Consolidated Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

ii. Financial Risk Exposures and Management

The main risks the Consolidated Group is exposed to through its financial instruments are foreign currency risk, liquidity risk and credit risk.

Foreign currency risk

The Consolidate Group is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the Consolidated Group's measurement currency.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors. The Consolidated Group manages liquidity risk by maintaining adequate reserves.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements

The Consolidated Group trades only with recognised, creditworthy third parties.

Receivable balances are monitored on an ongoing basis with the result that the Consolidated Group's exposure to bad debts is not significant.

There are no significant concentrations of credit risk within the Consolidated Group.

Financial Instruments

- i. The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as the Board's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

CONSOLIDATED					
	< 1 year \$	> 1 - < 5 years \$	> 5 years \$	Non-Interest Bearing \$	Total \$
Year ended 30 June 2008					
<i>FINANCIAL ASSETS</i>					
Cash assets (floating rate)	2,895,973	-	-	-	2,895,973
Receivables	-	-	-	92,279	92,279
Weighted average effective interest rate	6.84%	-	-	-	-
Total Financial Assets	2,895,973	-	-	92,279	2,988,252
<i>FINANCIAL LIABILITIES</i>					
Trade and other payables	-	-	-	185,633	185,633
Weighted average effective interest rate	-	-	-	-	-
Total Financial Liabilities	-	-	-	185,633	185,633

PARENT					
	< 1 year \$	> 1 - < 5 years \$	> 5 years \$	Non-Interest Bearing \$	Total \$
Year ended 30 June 2008					
<i>FINANCIAL ASSETS</i>					
Cash assets (floating rate)	2,773,534	-	-	-	2,773,534
Receivables	-	-	-	21,281	21,281
Non-interest loan to subsidiary				555,511	555,511
Weighted average effective interest rate	7.14%	-	-	-	-
Total Financial Assets	2,773,534	-	-	576,792	3,350,326
<i>FINANCIAL LIABILITIES</i>					
Trade and other payables	-	-	-	107,911	107,911
Weighted average effective interest rate	-	-	-	-	-
Total Financial Liabilities	-	-	-	107,911	107,911

CONSOLIDATED					
	< 1 year \$	> 1 - < 5 years \$	> 5 years \$	Non-Interest Bearing \$	Total \$
Year ended 30 June 2007					
<i>FINANCIAL ASSETS</i>					
Cash assets (floating rate)	5,658,757	-	-	-	5,658,757
Receivables	-	-	-	63,842	63,842
Weighted average effective interest rate	6.23%	-	-	-	-
Total Financial Assets	5,658,757	-	-	63,842	5,722,599
<i>FINANCIAL LIABILITIES</i>					
Trade and other payables	-	-	-	69,178	69,178
Weighted average effective interest rate	-	-	-	-	-
Total Financial Liabilities	-	-	-	69,178	69,178

PARENT					
	< 1 year \$	> 1 - < 5 years \$	> 5 years \$	Non-Interest Bearing \$	Total \$
Year ended 30 June 2007					
<i>FINANCIAL ASSETS</i>					
Cash assets (floating rate)	5,658,757	-	-	-	5,658,757
Receivables	-	-	-	63,842	63,842
Weighted average effective interest rate	6.23%	-	-	-	-
Total Financial Assets	5,658,757	-	-	63,842	5,722,599
<i>FINANCIAL LIABILITIES</i>					
Trade and other payables	-	-	-	69,178	69,178
Weighted average effective interest rate	-	-	-	-	-
Total Financial Liabilities	-	-	-	69,178	69,178

ii. *Net Fair Values*

At balance date the fair value of all financial assets and financial liabilities are materially in line with carrying values.

20. RELATED PARTY TRANSACTIONS

Details of key management personnel's interests in shares and options of the Company, their remuneration and related parties can be found on pages 26 to 30 of the Directors' report.

21. AUDITORS REMUNERATION TRANSACTIONS

	Consolidated		Parent	
	2008 \$	2 March 2006 - 30 June 2007 \$	2008 \$	2 March 2006 - 30 June 2007 \$
Remuneration of the auditor for the parent entity for:				
Auditing or reviewing the financial report	26,125	5,000	26,125	5,000
Remuneration of other auditors of the subsidiaries for:				
Auditing or reviewing the financial report of the subsidiaries	8,750	-	-	-
	34,875	5,000	26,125	5,000

22. COMPANY DETAILS

The registered office of the Company is:

C/- HLB Mann Judd (SA) Pty Ltd
82 Fullarton Road
NORWOOD SA 5067

The principal place of business is:

Sehit Ersan cad. No. 4/17
Cankaya Ankara
TURKEY 066680

Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 33 to 62, and the remuneration disclosures contained in pages 26 to 30 of the Directors' Report, are in accordance with the Corporations Act 2001; and
 - a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - b) give a true and fair view of the financial position as at 30 June 2008 and of the performance for the year ended on that date of the company and Consolidated Group;
2. The managing director and company secretary have each declared:
 - a) the financial records of the company for the financial period have been properly maintained in accordance with section 286 of the Corporations Act 2001; and
 - b) the financial statements, and the notes for the financial period comply with the accounting standards; and
 - c) the financial statements and notes for the financial period given a true and fair view;
3. In the Directors' opinion 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 the Board of Directors

On behalf of the Board



Mr Stephen Evans
Non-Executive Chairman
30 September 2008

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHESSER RESOURCES LIMITED



253 Sturt Street
Adelaide SA 5000

GPO Box 1385
Adelaide SA 5001

Tel (08) 8231 5877
Fax (08) 8231 7381
Web www.msitilley.com.au
Email admin@msitilley.com.au
ABN 62 387 602 611

RAA Bldg
31-33 Smart Road
Modbury SA 5092

PO Box 795
Modbury SA 5092

Tel (08) 8395 5811
Fax (08) 8395 5822

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHESSER RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Chesser Resources Limited (the company) and Chesser Resources Limited and Controlled Entities (the consolidated entity), which comprises the Balance Sheet as at 30 June 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

The Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ("IFRS") ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001 and provided the directors of Chesser Resources Limited with our independence declaration as required by the Corporations Act 2001 on 29th September 2008.



Liability limited by a scheme approved under
Professional Standards Legislation





CHARTERED ACCOUNTANTS

Auditor's Opinion

In our opinion:

- i. the financial report of Chesser Resources Limited and Chesser Resources Limited and Controlled Entities is in accordance with the Corporations Act 2001 including:
 - (a) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2008 and of their performance for the year ended on that date; and
 - (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;and
- ii. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 26 to 30 of the directors' report for the year ended 30 June 2008.

The directors of the company are responsible for preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporation Act 2001.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion on the Remuneration Report

In our opinion the Remuneration Report of Chesser Resources Limited and Chesser Resources Limited and Controlled Entities for the year ended 30 June 2008 complies with section 300A of the Corporations Act 2001.

MSI TILLEY
Chartered Accountants

DEAN SPENCER
PARTNER

Dated this 30th day of September 2008, at 253 Sturt St, Adelaide, South Australia 5000.

ASX Additional Information

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 30 September 2008.

Use of cash and cash equivalents

The Company has used all cash and cash equivalents for the purpose of carrying out its stated business objectives.

Distribution of equity securities

Ordinary share capital

- 40,750,000 fully paid ordinary shares are held by 582 individual shareholders. Of these fully paid ordinary shares, 2,670,000 are escrowed until 28 May 2009.

All issued ordinary shares carry one vote per share.

Options

- 7,792,500 unlisted options are held by 13 individual option holders.

The number of shareholders, by size of holding, in each class are:

	Fully paid ordinary shares	Unquoted Options
1 - 1,000	5	-
1,001 - 5,000	36	-
5,001 - 10,000	106	-
10,001 - 100,000	368	4
100,001 and over	67	9
	582	13
Holding less than a marketable parcel	25	

Holders of unquoted options with an interest greater than 20% of class

	Unquoted Options	
	Number	Percentage
Taycol Nominees Pty Ltd	2,000,000	25.67%
	2,000,000	25.67%

Twenty largest holders of quoted equity securities

	Fully Paid Ordinary Shares	
	Number	Percentage
AWJ Family Pty Ltd <A W Johnson Family A/C>	2,074,440	5.09%
Gryphon Partners Pty Ltd	2,000,000	4.91%
Taycol Nominees Pty Ltd	1,900,000	4.66%
Dr Richard Karel Valenta & Mr Rosemary Anne Gall <Wattle Circle S/F A/C>	1,000,000	2.45%
Greenslade Holdings Pty Ltd	767,975	1.88%
Calama Holdings Pty Ltd <Mambat Super Fund A/C>	700,000	1.72%
Foresight Pty Ltd	570,000	1.40%
PlatSearch NL	500,000	1.23%
Mr Robert James Pullar & Mrs Rebecca Anne Pullar <Robert Pullar /Fund A/C>	500,000	1.23%
Mr Gregory Pentland Martyr <Martyr Super Fund A/C>	450,000	1.10%
ANZ Nominees Limited <Cash Income A/C>	446,852	1.10%
Equity Trustees Limited <ACF Lowell Resources Fund>	420,000	1.03%
Mr John Darroch	407,000	1.00%
Mr Creagh O'Connor & Mrs Patricia O'Connor <O'Connor Family A/C>	350,000	0.86%
Swiss Partners Pty Ltd	350,000	0.86%
Dunrootin Pty Ltd <Greenhill Super Fund A/C>	340,000	0.83%
Dorica Nominees Pty Ltd	300,000	0.74%
Jacana Glen Pty Ltd <Jacana Glen A/C>	300,000	0.74%
Ngeringa Holdings Pty Ltd <Ngeringa Family A/C>	300,000	0.74%
Symington Pty Ltd	300,000	0.74%
	13,976,267	34.30%

Chesser Tenements - 100%														
No	LOCATION (or potential project)	OWNER	ACCESS NO	COMMODITY	LICENSES			TENDER	TENURE COSTS			OBLIGATORY		
					ACQUISITION DATE	VALID UNTIL	AREA (ha)		TENDER COST	TENURE DEPOSIT (US\$)	ANNUAL TENURE FEE (US\$)	ANNUAL TENURE FEE DUE DATE	ANNUAL ROYALTY (US\$)	ANNUAL ROYALTY DUE DATE
1	KABATAS	Chesser Arama ve Madencilik	3159754	Au-Cu	22/01/2008	22/01/2013	1474.38	NA/ upon application	1503.18	352.00	31/01/2009	NA	NA	
2	KABATAS	Chesser Arama ve Madencilik	3159755	Au-Cu	22/01/2008	22/01/2013	579.86	NA/ upon application	591.19	352.00	31/01/2009	NA	NA	
3	KABATAS	Chesser Arama ve Madencilik	3159756	Au-Cu	22/01/2008	22/01/2013	1539.83	NA/ upon application	1569.92	352.00	31/01/2009	NA	NA	
4	KABATAS	Chesser Arama ve Madencilik	3166335	Au-Cu	14/02/2008	14/02/2013	1559.03	NA/ upon application	2066.34	352.00	31/01/2009	NA	NA	
5	KABATAS	Chesser Arama ve Madencilik	3166330	Au-Cu	14/02/2008	14/02/2013	1698.84	NA/ upon application	1732.03	352.00	31/01/2009	NA	NA	
6	TOPCAM	Chesser Arama ve Madencilik	3167247	Au-Cu	27/02/2008	27/02/2013	1850.40	NA/ upon application	1886.55	352.00	31/01/2009	NA	NA	
7	KABATAS	Chesser Arama ve Madencilik	3167246	Au-Cu	27/02/2008	27/02/2013	1961.66	NA/ upon application	1999.98	352.00	31/01/2009	NA	NA	
8	TOPCAM	Chesser Arama ve Madencilik	3167380	Au-Cu	28/02/2008	28/02/2013	1953.03	NA/ upon application	2588.55	352.00	31/01/2009	NA	NA	
9	TOPCAM	Chesser Arama ve Madencilik	3167381	Au-Cu	28/02/2008	28/02/2013	1953.90	NA/ upon application	1992.08	352.00	31/01/2009	NA	NA	
10	TOPCAM	Chesser Arama ve Madencilik	3167378	Au-Cu	4/03/2008	4/03/2013	1953.75	NA/ upon application	2589.50	352.00	31/01/2009	NA	NA	
11	DOMU	Chesser Arama ve Madencilik	3155978	Au-Cu	26/03/2008	26/03/2013	1072.02	7884.62	1096.77	352.00	31/01/2009	NA	NA	
12	DOMU	Chesser Arama ve Madencilik	3155979	Au-Cu	26/03/2008	26/03/2013	1065.38	7884.62	141700	352.00	31/01/2009	NA	NA	
13	SAPHANE	Chesser Arama ve Madencilik	3157213	Au-Cu	26/03/2008	26/03/2013	2000.00	7130.77	2046.15	352.00	31/01/2009	NA	NA	
14	KABATAS	Chesser Arama ve Madencilik	3150993	Au-Cu	16/04/2008	16/04/2013	833.30	2776.92	1108.30	352.00	31/01/2009	NA	NA	
15	KABATAS	Chesser Arama ve Madencilik	3150969	Au-Cu	16/04/2008	16/04/2013	1100.01	1707.69	1125.46	352.00	31/01/2009	NA	NA	

Sisorta Tenement - Chesser earning up to 70%

No	LOCATION (or potential project)	OWNER	ACCESS NO	COMMODITY	LICENSES			TENDER	TENURE COSTS			OBLIGATORY		
					ACQUISITION DATE	VALID UNTIL	AREA (ha)		TENDER COST	TENURE DEPOSIT (US\$)	ANNUAL TENURE FEE (US\$)	ANNUAL TENURE FEE DUE DATE	ANNUAL ROYALTY (US\$)	ANNUAL ROYALTY DUE DATE
1	SISORTA	EBX Madencilik Limited Sirketi	2199971	Au-Cu	26/02/2004	22/02/2009	2667.42	NA/ paid by EBX	NA/ paid by EBX	352.00	31/01/2009	NA	NA	



INTENTIONALLY BLANK



chesser
resources limited

Chesser Resources Limited
and controlled entities

ABN 14 118 619 042