ANCHOR RESOURCES LIMITED

(Company Registration No.: 201531549N)
(Incorporated in the Republic of Singapore on 12 August 2015)

TERMINATION OF BUKIT PANJI CONCESSION AGREEMENT

*All capitalised terms used but not defined herein shall bear the meanings ascribed to them in the Company's Offer Document dated 9 March 2016 (the "**Offer Document**").*

The board of directors (the "**Board**") of Anchor Resources Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Offer Document, in particular, to the section entitled "General Information on our Group – Bukit Panji Property" which set out, *inter alia*, that:

(a) the Bukit Panji concession agreement dated 15 September 2014 (the "**Bukit Panji Concession Agreement**") entered into between the Company's wholly-owned subsidiary, Angka Mining Sdn. Bhd. ("**AMSB**") and Perbadanan Memajukan Iktisad Negeri Terengganu, the State Economic Development Corporation of Terengganu, Malaysia ("**PMINT**"), under which AMSB would be granted the concession rights to the Bukit Panji Property, would take effect from the date as stated on the renewed proprietary mining licence in respect of the Bukit Panji Property ("**AMSB Proprietary Mining Licence**"); and

(b) PMINT was, as at the date of the Offer Document, in the process of obtaining the renewed AMSB Proprietary Mining Licence from the Terengganu State Authority, such renewal being subject to *inter alia*, (i) there being no change in the technical requirements for such renewals under the Enactment 2002 and related regulations, and (ii) there being no change to any current government or state policy with respect to such renewal.

The Company now wishes to inform the shareholders that it has been informed by PMINT that PMINT's application for the renewal of the AMSB Proprietary Mining Licence has been rejected by the Terengganu State Authority. The Company was further informed that PMINT's application had been rejected as certain areas of the land which was the subject of the AMSB Proprietary Licence had, due to a change in state policy, been re-zoned to a palace security zone. In this regard, the Company understands from PMINT that there now stands on such areas a palace.

Accordingly, as the renewed AMSB Proprietary Mining Licence has not been obtained, the Bukit Panji Concession Agreement shall be terminated.

The Board is of the view that the termination of the Bukit Panji Concession Agreement will not have a material financial impact on the Group as minimal capital expenditure was incurred on the Bukit Panji Property and the Group is currently focusing on gold mining and production at the Lubuk Mandi Mine. In addition, no valuation on the Bukit Panji Property was previously done and no mining activities were being carried out at Bukit Panji Property since 2006. The Group had also diversified into the business of mining and quarry extraction of dimension stone granite as well as architectural stone and interior fit-out following the completion of the acquisition of GGT Manufacturing Sdn. Bhd. on 21 August 2017.

The Company wishes to also highlight to the shareholders that the termination of the Bukit Panji Concession Agreement has no impact on its Lubuk Mandi Mine operations.

By Order of the Board
ANCHOR RESOURCES LIMITED

Lim Chiau Woei
Managing Director

7 September 2017

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*This announcement has been prepared by Anchor Resources Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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