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

Additional Disclosure Required for Mineral, Oil and Gas Companies For First Quarter Ended 31 March 2017

The Board of Directors (the "**Board**") of Anchor Resources Limited (the "**Company**") wishes to provide additional disclosure required for mineral, oil and gas companies pursuant to Rules 705(6) and 705(7) of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") as set out below:

1a. Rule 705(6)(a) of the Catalist Rules

i. Use of funds/cash for the quarter ended 31 March 2017 ("1Q2017"):-

For the previous quarter (financial period from 1 January 2017 to 31 March 2017 ("1**Q2017**"), funds/cash was mainly used for the following activities:-

Purpose	Amount (RM'000) Actual Usage	Amount (RM'000) Projected Usage	Amount (RM'000) Variance	Remarks
Payment for property, plant and equipment	341	162	179	(1)
Payment for mining related infrastructure and equipment	656	500	156	(2)
Royalty	34	381	(347)	(3)
Acquisition expenses	267	-	267	(4)
General working capital	4,089	4,035	54	
Total	**5,387**	**5,078**	**309**	

(1) The actual payment for property, plant and equipment was higher than the projected payment by RM0.18 million due to additional equipment and accessories that were installed to modify the grinding circuit for hard rock processing.

(2) The actual payment for mining related infrastructure and equipment was higher than expected by RM0.16 million mainly due to actual blasting costs exceeding the budget by RM0.07 million and additional costs of RM0.09 million that were incurred for heightening the waste water dam.

(3) The actual royalty payments were lower than the projected amount mainly due to lower gold sales as compared to projection and timing differences between invoices from the relevant

authority and actual sales of gold.

(4) Acquisition expenses incurred in respect of the proposed acquisition of GGT Manufacturing Sdn Bhd ("**Proposed Acquisition**") amounted to RM0.27 million for related professional fees.

ii. Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-

For the next immediate quarter (financial period from 1 April 2017 to 30 June 2017 ("2**Q2017**")), the Group's use of funds/cash for development and production activities are expected to be as follows:-

Purpose	**Amount (RM'000)**
Payment for property, plant and equipment	100
Payment for mining related infrastructure and equipment	310
Royalty	480
Acquisition expenses	1,714
General working capital	3,905
Total	**6,509**

The Group's development and production plans at the Lubuk Mandi Mine for 2Q2017 are as follows: -

a. additional capital expenditure for processing equipment; and

b. dewatering of the main pit to cater for future mining activities.

For further detailed information on the Group's development plan, please refer to the sections entitled "General Information on Our Group – Business Strategies and Future Plans" of the Company's Offer Document.

1b. Rule 705(6)(b) of the Catalist Rules

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the above information provided to be false or misleading in any material aspect.

2a. Rule 705(7)(a) of the Catalist Rules

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration,

development and/or production activity respectively, that fact must be stated;

In 1Q2017, there was no capitalisation for exploration and evaluation expenditures as there was no exploration and mining development activity being carried out by the Company.

However, we had carried out activities related to development of hard rock mining. Continuous improvement of access roads and infrastructure and dewatering activities at the main pit of the Lubuk Mandi Mine to facilitate further mining activities for hard rock productions.

2b. Rule 705(7)(b) of the Catalist Rules

Update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

The Company had disclosed an updated summary of reserves and resources as at 31 December 2016 (being the effective date of the Independent Qualified Person's Report (the "**IQPR**")) in its annual report for the financial year ended 31 December 2016 (the "**AR2016**") to update shareholders on its reserves and resources information. The IQPR is contained in the AR2016. A soft copy of the AR2016 is available for download on the SGXNET. As at 31 March 2017, the Company has no material updates on the IQPR.

By Order of the Board
ANCHOR RESOURCES LIMITED

Lim Chiau Woei
Managing Director

12 May 2017

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*This announcement has been prepared by Anchor Resources Limited (the "**Company**") and its contents have been reviewed by UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement. The Sponsor has also not drawn on any specific technical expertise in its review 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.

The contact persons for the Sponsor are Mr Alvin Soh, Head of Catalist Operations, Senior Vice President and Mr Josh Tan, Vice President, who can be contacted at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.