ANCHOR RESOURCES LIMITED

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

Unaudited Financial Statement Announcement
For Full Year Ended 31 December 2019

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 relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes 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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PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENT

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	Six Months Ended			Twelve Months Ended		
	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	Increase/ (Decrease) %	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)	Increase/ (Decrease) %
Revenue	2,743	1,813	51.30	4,698	1,879	150.03
Other income	488	496	(1.61)	978	1,045	(6.41)
Raw materials and consumables used	(302)	(558)	(45.88)	(631)	(594)	6.23
Changes in inventories	(781)	224	n.m	(296)	271	n.m
Contractors expenses	(611)	(361)	69.25	(1,115)	(393)	183.72
Royalty fees	(280)	(496)	(43.55)	(777)	(969)	(19.81)
Depreciation and amortisation expenses	(1,426)	(1,622)	(12.08)	(2,792)	(2,655)	5.16
Employee benefits expenses	(2,406)	(3,053)	(21.19)	(5,103)	(5,973)	(14.57)
Operating lease expenses	43	(298)	n.m	(51)	(330)	(84.55)
Other expenses	(2,979)	(2,885)	3.26	(5,619)	(3,926)	43.12
Loss allowance on third party trade receivables	(1,239)	-	n.m	(1,239)	(62)	1,898.39
Finance costs	(1,778)	(2,382)	(25.36)	(3,871)	(3,950)	(2.00)
Loss before income tax	(8,528)	(9,122)	(6.51)	(15,818)	(15,657)	1.03
Income tax credit	-	182	n.m	-	182	n.m
Loss for the financial period/year	(8,528)	(8,940)	(4.61)	(15,818)	(15,475)	2.22
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss:						
Currency exchange differences arising on translating foreign operation	13	(49)	n.m	(6)	(12)	(50.00)
Other comprehensive income for the financial period/year, net of tax	13	(49)	n.m	(6)	(12)	(50.00)
Total comprehensive income for the financial year	(8,515)	(8,989)	(5.27)	(15,824)	(15,487)	2.18
Net loss attributable to owners of the parent	(8,528)	(8,940)	(4.61)	(15,818)	(15,475)	2.22
Total comprehensive income attributable to owners of the parent	(8,515)	(8,989)	(5.27)	(15,824)	(15,487)	2.18
Loss per share						
- Basic (in sen)	(0.69)	(0.86)	(19.77)	(1.33)	(1.49)	(10.74)
- Diluted (in sen)	(0.69)	(0.86)	(19.77)	(1.33)	(1.49)	(10.74)

n.m - not meaningful

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

	Group					
	Six Months Ended			Twelve Months Ended		
	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	Increase/ (Decrease) %	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)	Increase/ (Decrease) %
Loss for the period / year is stated at after (charging) / crediting the following:						
Other income	488	16	2,950.00	498	85	485.88
Depreciation and amortisation expenses	(1,426)	(1,622)	(12.08)	(2,792)	(2,655)	5.16
Operating lease expenses	43	(298)	n.m	(51)	(330)	(84.55)
Foreign exchange (loss) / gain, net	83	(472)	n.m	(108)	(194)	(44.33)
Finance costs	(1,778)	(2,382)	(25.36)	(3,871)	(3,950)	(2.00)
Plant and equipment written off	(2)	(2)	-	(2)	(2)	-
Legal and professional fees	(551)	(626)	(11.98)	(1,281)	(1,033)	24.01
Loss allowance on third party trade receivables, net	(1,239)	(62)	1,898.39	(1,239)	(62)	1,898.39
Inventories written off	-	(30)	n.m	-	(30)	n.m

n.m - not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)
ASSETS				
Non-current assets				
Property, plant and equipment	15,981	17,467	4	5
Mine properties	14,964	15,204	-	-
Investment in subsidiaries	-	-	120,914	171,757
Prepayments	-	23	-	-
	30,945	**32,694**	**120,918**	**171,762**
Current assets				
Inventories	651	1,314	-	-
Income tax recoverable	-	450	-	-
Trade and other receivables	7,400	7,095	-	-
Prepayments	152	189	9	107
Amount due from a subsidiary	-	-	15,664	12,730
Fixed deposits and bank balances	1,735	7,153	2	5,038
	9,938	**16,201**	**15,675**	**17,875**
Total assets	**40,883**	**48,895**	**136,593**	**189,637**
EQUITY AND LIABILITIES				
Equity				
Share capital	257,987	248,600	257,987	248,600
Merger reserve	(102,649)	(102,649)	-	-
Currency translation reserve	22	28	-	-
Accumulated losses	(150,192)	(134,371)	(143,743)	(86,230)
Total equity	**5,168**	**11,608**	**114,244**	**162,370**
LIABILITIES				
Current liabilities				
Trade and other payables	10,893	9,987	2,125	3,565
Amount due to a subsidiary	-	-	5,290	5,601
Lease liabilities	485	319	-	-
Borrowings	18,858	21,573	10,476	13,657
Total current liabilities	**30,236**	**31,879**	**17,891**	**22,823**
Non-current liabilities				
Lease liabilities	1,021	964	-	-
Borrowings	4,458	4,444	4,458	4,444
Total non-current liabilities	**5,479**	**5,408**	**4,458**	**4,444**
Total liabilities	**35,715**	**37,287**	**22,349**	**27,267**
Total equity and liabilities	**40,883**	**48,895**	**136,593**	**189,637**

(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 December 2019		As at 31 December 2018	
Secured RM'000 (Unaudited)	Unsecured RM'000 (Unaudited)	Secured RM'000 (Audited)	Unsecured RM'000 (Audited)
7,992	11,351	13,976	7,916

Amount repayable after one year

As at 31 December 2019		As at 31 December 2018	
Secured RM'000 (Unaudited)	Unsecured RM'000 (Unaudited)	Secured RM'000 (Audited)	Unsecured RM'000 (Audited)
749	4,730	5,408	-

Details of any collateral

The Group's secured borrowings as at 31 December 2019 comprised guaranteed non-convertible bonds and finance lease liabilities. The guaranteed non-convertible bonds due in April 2020 with an aggregate principal amount of S$1,903,000 and S$750,000, respectively are guaranteed by the Managing Director, Mr. Lim Chiau Woei. Finance lease liabilities, which are secured on certain of the Group's motor vehicles and plant and machinery has a net carrying amount of RM1,424,295 as at 31 December 2019 (31 December 2018: RM1,570,252).

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	Six Months Ended		Twelve Months Ended	
	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)
Operating activities				
Loss before income tax	(8,528)	(9,122)	(15,818)	(15,657)
Adjustments for:				
Amortisation of mine properties	277	557	465	629
Depreciation of property, plant and equipment	1,149	1,065	2,327	2,026
Share-based payment expenses	-	212	-	-
Interest expenses	1,778	2,382	3,871	3,950
Interest income	(4)	(17)	(9)	(47)
Plant and equipment written off	2	2	2	2
Allowance for impairment loss on receivables, net	1,239	62	1,239	62
Inventories written off	-	30	-	30
Unrealised foreign exchange difference	(532)	458	(338)	194
Operating cash flows before working capital changes	(4,619)	(4,371)	(8,261)	(8,811)
Working capital changes:				
Inventories	726	(254)	662	(760)
Trade and other receivables	3,150	(252)	(1,533)	(1,595)
Prepayments	47	131	59	23
Trade and other payables	1,769	50	1,123	2,582
Cash used in operations	1,073	(4,696)	(7,950)	(8,561)
Income tax paid	-	-	-	(163)
Income tax refunded	-	-	450	-
Net cash used in operating activities	**1,073**	**(4,696)**	**(7,500)**	**(8,724)**
Investing activities				
Additions to mine properties	(224)	-	(224)	-
Interest received	4	17	9	47
Purchase of property, plant and equipment	(40)	(811)	(159)	(1,544)
Net cash used in investing activities	**(260)**	**(794)**	**(374)**	**(1,497)**
Financing activities				
Interest paid	(958)	(1,308)	(1,807)	(2,602)
Proceeds from issuance of new ordinary shares	-	820	9,387	820
Repayment of bonds	-	-	(7,345)	-
Share application money pending allotment	-	3,036	-	3,036
Repayment of finance lease obligations	(295)	(161)	(577)	(303)
Proceeds from issuance of guaranteed bond	-	-	-	4,088
Proceeds from issuance of non-guaranteed bond	-	4,515	-	4,515
Proceeds from issuance of secured bond	-	-	2,668	-
Net cash from financing activities	**(1,253)**	**6,902**	**2,326**	**9,554**

	Group			
	Six Months Ended		Twelve Months Ended	
	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)
Net change in cash and cash equivalents	(440)	1,412	(5,548)	(667)
Exchange difference on cash and cash equivalents	154	31	130	3
Cash and cash equivalents at beginning of financial period/year	2,021	5,710	7,153	7,817
Cash and cash equivalents at end of financial period/year	**1,735**	**7,153**	**1,735**	**7,153**

Cash and cash equivalents comprised of:

	Group	
	12 Months Ended	
	31 December 2019 RM'000 (Unaudited)	31 December 2018 RM'000 (Audited)
Fixed deposit (1)	313	300
Cash and bank balances	1,422	6,853
Cash and cash equivalents as per statements of financial position / consolidated statement of cash flows (2)	1,735	7,153

Notes:

(1) The effective interest rate of fixed deposit was 0.05% to 3.90% (2H2018: 0.05% to 3.90%) per annum during FY2019 and with maturity of 1 months (2H2018: 6 months). The Group's fixed deposit is readily convertible to cash at minimal cost.

(2) Inclusive of trust deposit of RM1.30 million as at 31 December 2019 (2H2018: RM1.40 million) placed with a Malaysian law-firm pursuant to the memorandum of understanding ("**MOU**") with Mohd Sukri Bin Ismail dated 9 April 2018. The term of the MOU was further extended to 8 April 2020.

Reconciliation of liabilities arising from financing activities:

					Non-cash changes			
	1 January 2019	Proceeds from issuance	Principal and interest repayment	Transaction costs paid	Additions of property, plant and equipment under finance leases	Interest expense	Foreign exchange movement	31 December 2019
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Lease liabilities	1,755	-	(577)	-	215	113	-	1,506
Guaranteed bonds	13,657[1,2]	-	(8,228) [1,2]	(61)	-	2,261	18	7,647
Non-guaranteed bonds	4,444[5]	2,750 [3]	(620)	(21)	-	742	(8)	7,287
Exchangeable bonds	7,916 [4]	-	(304)	-	-	755	15	8,382

Notes:

(1) The Company had on 3 April 2018 issued a guaranteed non-convertible bond ("**GB1**") in the aggregate principal amount of S$3,310,000. On 3 April 2019 the Company exchanged 50% of the principal amount of the GB1 (i.e. S$1,655,000) with an issue of S$1,903,000 in aggregate principal amount of 10% guaranteed non-convertible bonds due in April 2020. For details, please refer to the Company's announcement dated 3 April 2019. The remaining 50% of the principal amount of GB1 (i.e. S$1,650,000) was repaid in May 2019.

(2) A guaranteed non-convertible bond ("**GB2**") in the aggregate principal amount of S$1,500,000 subscription agreement between the Company, the guarantor and subscriber dated 29 March 2018 was due on 3 April 2019. The Company exchanged 50% of the principal amount of the GB2 (i.e. S$750,000) with an issue of S$750,000 in aggregate principal amount of 20% guaranteed non-convertible bonds due on year 2020.

The Company had on 3 May 2019 repaid principal sum amount of S$762,500 guaranteed non-convertible bonds. For details, please refer to the Company's announcement dated 3 May2019.

(3) On 25 June 2019, the Company issued an aggregate principal amount of S$1,000,000 non-guaranteed non-convertible bonds ("**NGB3**") which was repayable in 6 months' period.

The Company had extended the maturity date of NGB3 with accrued interest for six months to 25 June 2020. For details, please refer to the Company's announcement dated 23 December 2019.

(4) An exchangeable bond **("EB1")** in the aggregate principal amount of S$2,645,000 was due on 25 August 2019. The Company and the subscriber are in discussion to finalise the terms for an extension in which the Company will commit to give the subscriber the final payment no later than 30 June 2020. For details, please refer to the Company's announcements dated 26 August 2019 and 25 November 2019.

(5) An existing non-guaranteed non-convertible bonds in the aggregate principal amount of S$1,500,000 **("NGB4")** will due on 20 September 2021. For details, please refer to the Company's announcement dated 21 September 2018 and 25 September 2018.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group (Unaudited)	Share capital RM'000	Merger reserve RM'000	Translation reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance at 1 January 2019	248,600	(102,649)	28	(134,371)	11,608
Adjustment for SFRS(I)16 Leases	-	-	-	(3)	(3)
	248,600	(102,649)	28	(134,374)	11,605
Loss for the financial year	-	-	-	(15,818)	(15,818)
Other comprehensive income for the financial year:					
Foreign currency translation differences	-	-	(6)	-	(6)
Total comprehensive income for the financial year	-	-	(6)	(15,818)	(15,824)
Contribution by with owners of the parent:					
Issuance of new ordinary shares	9,387	-	-	-	9,387
Total transactions with owners	9,387	-	-	-	9,387
Balance at 31 December 2019	**257,987**	**(102,649)**	**22**	**(150,192)**	**5,168**

Group (Audited)	Share capital RM'000	Merger reserve RM'000	Translation reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance at 1 January 2018	247,780	(102,649)	40	(118,896)	26,275
Loss for the financial year	-	-	-	(15,475)	(15,475)
Other comprehensive income for the financial year:					
Foreign currency translation differences	-	-	(12)	-	(12)
Total comprehensive income for the financial year	-	-	(12)	(15,475)	(15,487)
Contribution by with owners of the parent:					
Issuance of new ordinary shares	820	-	-	-	820
Total transactions with owners	820	-	-	-	820
Balance at 31 December 2018	**248,600**	**(102,649)**	**28**	**(134,371)**	**11,608**

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Company	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
(Unaudited)			
Balance at 1 January 2019	248,600	(86,230)	162,370
Loss for the financial year	-	(57,513)	(57,513)
Total comprehensive income for the financial year	-	(57,513)	(57,513)
Contributions by owners:			
Issuance of new ordinary shares	9,387	-	9,387
Total transactions with owners	9,387	-	9,387
Balance at 31 December 2019	**257,987**	**(143,743)**	**114,244**

Company	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
(Audited)			
Balance at 1 January 2018	247,780	(79,112)	168,668
Loss for the financial year	-	(7,118)	(7,118)
Total comprehensive income for the financial year	-	(7,118)	(7,118)
Contributions by owners:			
Issuance of new ordinary shares	820	-	820
Total transactions with owners	820	-	820
Balance at 31 December 2018	**248,600**	**(86,230)**	**162,370**

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of shares	Share capital (S$'000)	Share capital (RM'000)
As at 30 June 2019	1,244,282,813	83,213	257,987
As at 31 December 2019	1,244,282,813	83,213	257,987

As at 31 December 2019, the Company has 128,500,000 free unlisted warrants, expiring on 3 May 2020 can be converted into 128,500,000 new fully paid shares of the Company. Further, the Company has an option to convert into 32,608,694 new ordinary shares of the Company expiring on 3 April 2020.

As at 31 December 2018, the Company has 128,500,000 free unlisted warrants, which can be converted into 128,500,000 new fully paid shares of the Company.

The Company does not have any treasury shares and subsidiary holdings as at 31 December 2019 and 31 December 2018.

1(d)(iii) To show the number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Company As at 31 December 2019 (Unaudited)	Company As at 31 December 2018 (Audited)
Total number of issued shares	1,244,282,813	1,046,948,355
Treasury shares	-	-
Total number of issued shares, excluding treasury shares	1,244,282,813	1,046,948,355

The Company does not have any treasury shares as at 31 December 2019 and 31 December 2018.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company does not have any treasury shares during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings

as at the end of the current financial period reported on.

Not applicable. The Company does not have any subsidiary holdings during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-
(a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.
This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable as the audit opinion in the Auditors Report for the Company's latest financial statements for financial year ended 31 December 2018 is an unqualified opinion with an emphasis of matter on material uncertainty related to going concern.

4. Whether the same accounting policies and methods of computation as in the Issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period reported on as compared with those in the Company's most recently audited financial statements for the financial year ended 31 December 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") and amendments and interpretations of SFRS(I)s that are relevant to its operations and effective from 1 January 2019.

The adoption of these pronouncements did not have any significant impact on the financial performance or position of the Group except the following:

SFRS(I) 16 – Leases

Before the adoption of SFRS(I) 16, commitments under operating leases for future periods were not recognised by the Group as liabilities. Operating lease rental expenses were recognised in the consolidated income statements over the lease period on a straight-line basis.

On adoption of SFRS(I) 16, the Group recognised the full lease liabilities in relation to leases which had previously been classified as “operating leases” if they met certain criteria set out in SFRS(I) 16.

These liabilities were measured at the present value of the remaining lease payments, discounted using the Group’s incremental borrowing rate. The difference between the present value and the total remaining lease payments represents the cost of financing.

Such finance cost will be charged to the consolidated income statement in the period in which it is incurred using the effective interest method.

The associated right-of-use assets were measured either as if SFRS(I) 16 had been applied from lease commencement using incremental borrowing rate at date of initial application or equals to the initial measurement of lease liability adjusted by the amount of any previously recognised prepaid or accrued lease payments relating to the lease. These associated right-of-use assets were recognised in the consolidated statement of financial position.

Depreciation is charged on a straight-line basis over the shorter of the asset’s useful life and the lease term.

Cash payments for the settlement of lease liabilities were reported as cash flows from financing activities. The total net cash flows of the Group are unaffected.

The impact of adoption of SFRS(I) 16 Leases shown as below table,

	Before SFRS(I) 16	After SFRS(I) 16
Income Statement		
Lease Expenses	(153,930)	-
Depreciation of Right of Use Assets	-	(138,434)
Finance Cost of Right of Use Liabilities	-	(24,727)
	(153,930)	(163,161)
Statement of Financial Position		
Assets		
Right of Use Assets	-	399,351
Liabilities		
Right of Use Liabilities	-	(411,707)
Statement of Cash Flows		
Loss before income tax	(153,930)	(163,161)
Operating activities		
Depreciation of Right of Use Assets	-	138,434
Interest expenses	-	24,727
Financing activities		
Repayment of lease obligations	-	(153,930)
	(153,930)	(153,930)

6. Loss per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group			
	Six months Ended		Twelve Months Ended	
	31 December 2019 (Unaudited)	31 December 2018 (Audited)	31 December 2019 (Unaudited)	31 December 2018 (Audited)
Loss attributable to owners of the Group (RM'000)	(8,528)	(8,940)	(15,818)	(15,475)
Weighted average number of ordinary shares	1,244,282,813	1,043,760,855	1,191,794,057	1,041,126,437
Basic loss per ordinary share:				
- RM cents	(0.69)	(0.86)	(1.33)	(1.49)
- S$ cents[3]	(0.23)	(0.28)	(0.44)	(0.49)
Adjusted weighted average number of ordinary shares	1,244,282,813	1,043,760,855	1,191,794,057	1,041,126,437
Diluted loss per ordinary share[2]:				
- RM cents	(0.69)	(0.86)	(1.33)	(1.49)
- S$ cents[3]	(0.23)	(0.28)	(0.44)	(0.49)

Notes:

(1) Based on the weighted average number of ordinary shares of the Company in issue during 2H2019 and FY2019.

(2) The group was in a loss-making position for 2H2018, FY2018, 2H2019 and FY2019. As such, the potential ordinary shares to be converted arising from outstanding convertibles as at 31 December were anti-dilutive (i.e. decrease the loss per share which is not meaningful).

(3) Translated at an exchange rate S$1:RM3.0412 for 2H2019 and FY2019 and S$1:RM3.0355 for 2H2018 and FY2018, respectively.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the
(a) current financial period reported on; and
(b) immediate preceding financial year

	Group		Company	
	31 December 2019 (Unaudited)	31 December 2018 (Audited)	31 December 2019 (Unaudited)	31 December 2018 (Audited)
Net asset value (RM'000)	5,168	11,608	114,244	162,370
Number of Shares at the end of the period	1,244,282,813	1,046,948,355	1,244,282,813	1,046,948,355
Net asset value per share:				
- RM sen	0.42	1.11	9.18	15.51
- S$ sen (2)	0.14	0.37	3.02	5.11

Notes:
(1) Net asset value represents total assets less total liabilities.
(2) Translated at an exchange rate of S$1:RM3.0412 and S$1:RM3.0355 as at 31 December 2019 and 31 December 2018, respectively.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss: -

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors;

The following review of the Group's performance is in relation to 2H2019 as compared to 2H2018, and FY2019 as compared to FY2018.

Revenue

Group's revenue increased by RM0.93 million (51.30%) in 2H2019 as compared to 2H2018 and by RM2.82 million (150.03%) in FY2019 as compared to FY2018.

The increase of Group's revenue in 2H2019 and FY2019 was mainly due to increase in sales of semi processed gold concentrated ore to China with approximately 1,169 tonnes in FY2019 as compared to 564 tonnes in FY2018 and sales of granite dimension stone to new customer in Indonesia.

Other Income

Other income comprised interest income on fixed deposit, administrative fee and minimum monthly contribution by Great Aims Resources Sdn Bhd ("**GAR**"). The Group recorded other income of RM0.49 million and RM0.98 million in 2H2019 and FY2019 respectively, as compared to RM0.50 million and RM1.05 million in 2H2018 and FY2018 respectively. The decrease was mainly due to the reduced in interest income as result of decrease in fixed deposit placed.

Operating expenses

Operating expenses comprised mainly raw materials and consumables used, changes in inventories, contractors' expenses, royalty fees, depreciation and amortisation expenses, employee benefits expenses, operating lease expenses, other expenses and finance costs.

The changes in total operating expenses were mainly due to the following: -

- Decrease in raw materials and consumables used by RM0.26 million (45.88%) in 2H2019 as compared to 2H2018. The decreased in raw materials and consumables used in 2H2019 as compared to 2H2018 was due to continuously improvement on the usage efficiency.

  Raw materials and consumables used increased by RM0.04 million (6.23%) in FY2019 as compared to FY2018. The higher costs incurred was due to increase in activities for gold mine.

- The Group recorded changes in inventories in 2H2019 and FY2019 amounted to RM0.78 million and RM0.30 million, respectively. The changes arise from lower closing balance as compared to the opening balance during the period under review.

  The changes in inventories of RM0.78 million for 2H2019 (31 December 2019 vs 30 June 2019) is due to the decrease in inventories of semi processed gold concentrated ore as all gold concentrated ore were delivered to customer in December 2019.

  The changes in inventories of RM0.30 million for FY2019 (31 December 2019 vs 31 December 2018) is due to the inventories of gold concentrated ore for FY2018, were all delivered to customer in January 2019.

- Contractor expenses increased by RM0.25 million (69.25%) in 2H2019 as compared to 2H2018 and increased by RM0.72 million (183.72%) in FY2019 as compared to FY2018.

  The higher costs incurred in 2H2019 and FY2019 was mainly due to increase in the gold mining tailing process by GAR and processing of granite dimension stone by Jianning County Huasheng Stone Co., Ltd **("Jianning"**).

- Decrease in royalty fee expenses by RM0.22 million (43.55%) in 2H2019 as compared to 2H2018. Royalty fee expenses decreased by RM0.19 million (19.81%) in FY2019 as compared to FY2018.

  The lower royalty fees incurred is mainly due to reversal of overprovision of royalty expenses during the year.

  Depreciation and amortisation expenses decreased by RM0.20 million (12.08%) in 2H2019 as compared to 2H2018 and increased by RM0.14 million (5.16%) in FY2019 as compared to FY2018. The decrease in depreciation and amortisation expenses in 2H2019 as compared to 2H2018 due to some fixed assets were fully depreciated in FY2019.

  The higher depreciation expenses were due to additional fixed assets acquired and adoption of SFRS(I) 16 Leases.

- Decrease in employee benefits expenses by RM0.65 million (21.19%) in 2H2019 as

compared to 2H2018 and by RM0.87 million (14.57%) in FY2019 as compared to FY2018.

The decrease in employee benefit expenses mainly due to lower headcount arising from the outsourcing of mining operations at Lubuk Mandi Mine to GAR and processing of granite dimension stone to Jianning.

- Decrease in operating lease expenses by RM0.34 million (114.43%) in 2H2019 as compared to 2H2018 and by RM0.28 million (86.99%) due to reclassification of office rental expenses to depreciation and finance cost in accordance with SFRS(I) 16 Leases which was effective from 1 January 2019.

- Increase in other expenses by RM0.09 million (3.26%) for 2H2019 as compared to 2H2018 and an increase of RM1.69 million (43.12%) for FY2019 as compared to FY2018.

  The increase in other expenses in FY2019 as compared to FY2018 were mainly due to the (i) increase of utilities usage of RM0.58 million which result from increase in production activities, (ii) increase in freight and transportation expenses of RM0.11 million for granite dimension stone sales, (iii) increase in professional fee of RM0.25 million due to new issuance of shares and (iv) project expenses of RM0.98 million.

- Increase in loss allowance on third party trade receivables by RM1.24 million for 2H2019 as compared to 2H2018 and an increase of RM1.18 million (1,898.39%) for FY2019 as compared to FY2018.

  The increase in loss allowance on third party trade receivables due to the provision of impairment loss for the amount due by customers which owing more than one year.

- Decrease in finance costs by RM0.60 million (25.36%) in 2H2019 as compared to 2H2018 and by RM0.08 million (2.00%) in FY2019 as compared to FY2018.

  The decrease in finance costs was due to partial redemption of bonds (GB1 and GB2) in FY2019.

The Group incurred net loss of RM8.53 million and RM15.82 million in 2H2019 and FY2019 respectively, as compared to net loss of RM8.94 million and RM15.48 million in 2H2018 and FY2018 respectively.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The following review of the Group's financial position is in relation to 31 December 2019 as compared to 31 December 2018.

Assets

Property, plant and equipment decreased by RM1.49 million from RM17.47 million as at 31 December 2018 to RM15.98 million as at 31 December 2019 mainly due to depreciation of RM2.33 million which was offset with addition of RM0.37 million of property, plant and equipment and recognition of Right of Use of assets of RM0.47 million according to new accounting standard with effect from 1 January 2019.

Mine properties decreased by RM0.24 million from RM15.20 million as at 31 December 2018 to RM 14.96 million as at 31 December 2019 mainly due to amortisation of RM0.46 million and offset with capitalisation of RM0.22 million of mine property's expenses incurred.

Inventories decreased by RM0.66 million from RM1.31 million as at 31 December 2018 to RM0.65 million as at 31 December 2019 mainly due to inventories of gold concentrated ore was shipped out to customer in December 2019. The remaining inventories are mainly direct materials for gold mining tailing process and blocks/processed granite dimension stones.

Trade and other receivables increased by RM0.30 million from RM7.10 million as at 31 December 2018 to RM7.40 million as at 31 December 2019 mainly due to advance payments to GAR for hardrock process and purchase of raw materials for gold mining tailing process of RM2.50 million, offset with provision for loss allowance of RM1.24 million, expenses being charged out from deposit of RM0.66 million and collection from GGTM customers of RM0.30 million.

Equity

As at 31 December 2019, total equity amounted to RM5.17 million, comprising share capital of RM257.99 million, negative merger reserve of RM102.65 million, translation reserve of RM0.02 million and accumulated losses of RM150.19 million.

Total equity decreased by RM6.44 million mainly due to losses in FY2019 of RM15.82 million and reduce in currency translation reserve of RM0.01 million offsets by an increase of RM9.39 million in share capital due to the issuance of new ordinary shares.

Liabilities

Total liabilities of the Group decreased by RM1.57 million from RM37.29 million as at 31 December 2018 to RM35.72 million as at 31 December 2019. The decrease in total liabilities was mainly due to the following:

a. repayment of two guaranteed non-convertible bonds (GB1 and GB2) of an aggregate principal amount of S$2,405,000.

b. Issuance of an aggregate principal amount of S$1,000,000 guaranteed non-convertible bonds ("**NGB3**") on 25 June 2019 which was repayable in 6 months' period. The Company extended the maturity date of NGB3 to 25 June 2020 with accrued interest of 20.00 per cent per annum. For details, please refer to the Company's announcement dated 23 December 2019.

c. Addition of lease payables amounting to RM0.22 million due to purchase of assets via lease arrangement;

d. Increase in trade and other payables of RM0.91 million mainly due to (i) Increase in royalty payable due to repayment arrangement of royalty has yet to finalized of RM0.84 million for both gold mine and granite dimension stone, (ii) directors fees and remuneration payable of RM1.19 million, (iii) higher amount due to contract customers for contract works of RM1.29 million in relation to an interior fit-out project Certificate 12 and (iv) professional fees payable, partially offset by the amount due to share application money of RM3.04 million received in December 2018 for issuance of 43,478,261 new ordinary shares in capital of the company which was completed on 17 January 2019.

Negative working capital

Notwithstanding that the Group had negative working capital of RM20.30 million as at 31 December 2019, the Board is of the view that the Group is able to continue operate as a going concern after considering the following basis / assumptions:

i) The Board has reviewed the forecast prepared by management for the next 12 months. Based on the following key assumptions contained in the forecast, operating cash flow contributions from both the gold mining and granite business are expected to improve, stemming from various management strategies to be implemented to improve the processing of tailing materials into gold concentrate ore, and the expected commencement of hardrock production in July 2020. The key assumptions in the forecast are:

   (a) AASB being offered a financing facility to procure and build a second processing line for tailings in Lubuk Mandi and being able, among others, to finalise a first draw down by May 2020;

   (b) AASB completing the building of the second processing line for tailings such that AASB will be able to sell, and collect sales proceeds, commencing July 2020;

   (c) Continuing support from the bondholders, with the possibility of certain outstanding bonds being redeemed in full by way of a conversion into ordinary shares of the Company;

   (d) The timely receipt of various trade receivables; and

   (e) The ability of the AASB's contractors to extract, and process, hardrock tailings such that AASB will be able to sell, and collect sales proceeds, commencing July 2020.

   The Board received (1) the assurance from management that the above assumptions are achievable within the stipulated timeframes, and (2) the Group's Chief Financial Officer's confirmation that the projections were prepared on a reasonable and realistic basis.

ii) A significant portion of the negative working capital consists of bonds which are due or coming due and there are continuing discussions with the bondholders. Management is optimistic on the positive outcome from these discussions. The Company is also contemplating various equity fund raising options for the repayment of the bonds and to improve the working capital position of the Group.

iii) Continued support from one of our controlling shareholders Mr Lim Chiau Woei, who has undertaken to provide adequate funds to enable our Group to meet its payment obligations as they fall due.

Given the uncertainty of the global economic situation stemming from the on-going Covid 19 outbreak which may impact the demand and operations of the Group, the Board will monitor the continued validity of the above basis / assumptions and will provide updates to shareholders as and when there are material developments which may affect its view.

Cash flows

Net cash used in operating activities

In FY2019, the Group recorded a net cash outflow for operating activities of RM7.50 million. The net operating cash outflow was mainly due to operating losses before working capital changes of RM8.26 million, adjusted for working capital inflow of RM0.31 million and tax refund of RM0.45 million. Working capital inflow is mainly attributable to the increase in trade

and other payables of RM1.12 million and decrease of inventories of RM0.66 million offsets by increase in trade and other receivables by RM1.53 million.

Net cash used in investing activities

In FY2019, the Group recorded a net cash outflow for investing activities of RM0.37 million, mainly due to the purchase of property, plant and equipment of RM0.16 million and addition of mine properties of RM0.22 million.

Net cash generated from financing activities

In FY2019, the Group recorded a net cash inflow from financing activities of RM2.33 million. This mainly comprised proceeds of (i) RM9.39 million for issuance of new ordinary shares, (ii) RM2.67 million for issuance of non-guaranteed non-convertible bond, which is offset with repayment of bonds interest and principal of RM9.15 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Lubuk Mandi Gold Mine
According to World Gold Council, gold price has risen by 18.43% in US dollar from USD1,279.00 per ounce as at 31 December 2018 to USD1,514.75 per ounce as at 31 December 2019.

Gold price is expecting to reach even higher in the next 12 months based on the continued trade war tension, Middle East conflict and the recent COVID-19 outbreak.

Trade war tension between USA and China has been the primary driver of gold's price aggressive incline. Despite the signing of Phase 1 trade deal between USA and China on 15 January 2020, the discussion between both parties to finalise the long-term trade deal of Phase 2 will be an even challenging process. Spreading of a new virus in Wuhan, China in January 2020, the Middle East conflict where a top Iranian General was killed and tense relationship between USA and Iran also encourage investors to flee from risky assets and boost demand for gold and other safe haven assets. Expected interest rate cuts by Federal Reserves, USA in year 2020 also will result in higher demand of gold. Several analysts from BNP Paribas and Goldman Sachs predicted that the gold price will climb above $1,600 per ounce in year 2020.

AASB is planning to increase the tailings production by adding a second line of tailings processing plant to double the output of semi processed gold concentrated ore. With the expected underground hard rock production and addition of tailing production in other sites, AASB is expecting to generate a better revenue for the next 12 months.

AASB is also planning to expand its tailing business to Kelantan after received an approval-in-principle from the Kelantan State Land Authority, the Land and Mineral Director Office ("PTG") on the joint venture proposal between the Company and PTG for retreatment of tailings / rock materials / waste or mine residue to produce gold concentrate ore by using

flotation cell method without using any dangerous chemicals in Kelantan, Malaysia.

Bukit Chetai Granite Mine
GGTM Sdn Bhd ("**GGTM**") is positioning itself to participate in supplying the granite dimension stone to the revived Bandar Malaysia project, of which share sale agreement was signed between CREC Sdn. Bhd., Iskandar Waterfront Holding Sdn. Bhd and Ministry of Finance on 17 December 2019. The expected gross development value (GDV) of this project is about RM140 billion.

The East Coast Rail Link ("**ECRL**") project which was relaunched on 24 July 2019 has confirmed that the station at Pengkalan Berangan, Terengganu, Malaysia is still in the pipeline. The quarry site of Mohd Sukri Bin Ismail ("**Sukri**") is the nearest to the station, and this increase the chances of supplying aggregate products to the said station with the collaboration between GGTM and Sukri.

The Brunei's Pulau Muara Besar Refinery project is further delayed to June 2020. The timeline to supply the quarry aggregates to Brunei's Pulau Muara Besar Refinery as per the contractual agreement for four (4) years will be mutually agreed upon after SIVLI Sdn Bhd resume discussion with GGTM.

Cost Cutting Measure
As part of the Group's cost cutting measures to improve the cash flow, the Board has approved a reduction of 40% in Directors' remuneration (consisting both salaries and fees), retrospectively from 1 January 2020. A saving of RM840,000 is derived from the cost cutting measure, representing 16.41% of the Group's FY2019 employee benefits.

11. Dividend

If a decision regarding dividend has been made: -

(a) Whether an interim (final) dividend has been declared (recommended); and

No dividend has been declared or recommended for FY2019.

(b) Amount per share (cents) and previous corresponding period (cents).

Not applicable. No dividend was declared or recommended for FY2019 and FY2018.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for FY2019 as the Group currently does not have profits available for the declaration of a dividend.

13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPTs.

The Group did not enter into any IPT above S$100,000 during FY2019.

14. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720(1) of the Catalist Listing Manual.

15. Disclosure of Acquisition (including incorporations) and sale of shares under Catalist Rule 706A.

Not applicable. The Company did not acquire and dispose shares in any companies during the period reported on.

16. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year.

The Group has three reportable segments which are: -

(1) corporate and others – investment holding company as well as business and management consulting services;
(2) gold mining – exploration, mining and production of gold; and
(3) granite business – exploration, mining quarry extraction, processing and sales of granites products and dimension stone granites as well as architectural stone and interior fit-out.

	Segment Information – Group							
	Twelve Months Ended 31 December 2019 (Unaudited)				Twelve Months Ended 31 December 2018 – (Audited)			
	Gold mining RM'000	Granite business RM'000	Corporate & others [1] RM'000	Total RM'000	Gold Mining RM'000	Granite business RM'000	Corporate & others [1] RM'000	Total RM'000
Revenue	**4,453**	**245**	**-**	**4,698**	**1,828**	**51**	**-**	**1,879**
Operating loss	(3,493)	(4,781)	(3,682)	(11,956)	(3,815)	(4,061)	(3,878)	(11,754)
Interest income	-	9	-	9	-	47	-	47
Interest expenses	(44)	(68)	(3,759)	(3,871)	(19)	(53)	(3,878)	(3,950)
Loss before taxation	(3,537)	(4,840)	(7,441)	(15,818)	(3,834)	(4,067)	(7,756)	(15,657)
Taxation	-	-	-	-	-	182	-	182
Loss after taxation	**(3,537)**	**(4,840)**	**(7,441)**	**(15,818)**	**(3,834)**	**(3,885)**	**(7,756)**	**(15,475)**
Segment assets	**29,233**	**11,606**	**44**	**40,883**	**29,469**	**14,243**	**5,183**	**48,895**
Segment liabilities	**4,032**	**6,227**	**25,455**	**35,714**	**3,042**	**4,644**	**29,601**	**37,287**
Other segment information								
Capital expenditure – property, plant and equipment	**368**	**5**	**-**	**374**	**1,574**	**1,150**	**5**	**2,729**
Capital expenditure – mine properties	**224**	**-**	**-**	**224**	**-**	**-**	**-**	**-**
Depreciation and amortisation	**(2,112)**	**(679)**	**(1)**	**(2,792)**	**(2,065)**	**(589)**	**(1)**	**(2,655)**
Loss allowance for trade on receivables, net	**(660)**	**(579)**	**-**	**(1,239)**	**-**	**(62)**	**-**	**(62)**

(1) Corporate and others segment is a non-operating segment

17. In the review of performance, the factors lending to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to Section 8 of this Announcement.

18. A breakdown of revenue and profit after tax as follows:

	2019 RM'000	2018 RM'000	Increase / (Decrease) %
(a) Revenue			
- first half	1,955	66	2,862.12
- second half	2,743	1,813	51.30
	4,698	1,879	150.03
(b) Loss after tax			
- first half	(7,290)	(6,535)	11.55
- second half	(8,528)	(8,940)	(4.61)
	(15,818)	(15,475)	2.22

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

No dividend was declared by the Company in FY2019 and FY2018.

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10) of Catalist Listing Manual, the Company hereby confirms that as at the date of this announcement, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries, is a relative of a director or chief executive officer or substantial shareholder of the Company.

21. Additional Disclosure Required for Mineral, Oil and Gas companies

21a. Rule 705(6)(a) of the Catalist Listing Manual

i. Use of funds/cash for the current reporting quarter: -

For the quarter (financial period from 1 October 2019 to 31 December 2019 ("**4Q2019**")), 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	106	121	(15)	(1)
Royalty	-	210	(210)	(2)
General working capital	1,786	4,975	(3,189)	(3)
Total	**1,892**	**5,306**	**(3,414)**	

(1) The actual payment for property, plant and equipment is lower than projected payment by RM0.01 million was due to some planned acquisition of assets not materialize.

(2) Actual payment of royalty is lower than projected by RM0.21 million as repayment arrangement for royalty has yet to be finalized.

(3) Actual payment for general working capital was RM3.2 million lower than projected amount mainly due to extension of bond repayment of RM2.3 million to June 2020 and accrual of director fees and remuneration.

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 January 2020 to 31 March 2020 ("**1Q2020**")), 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	106
Royalty	210
General working capital	2,890
Total	**3,206**

The above projected use of funds/cash relates to the Group's development and production plans at the Lubuk Mandi Mine and Bukit Chetai Mine, as well as the interior fit-out business of GGTM for 1Q2020 as follows: -

(1) Additional capital expenditure for mining and quarrying activities at Lubuk Mandi Mine, Bukit Chetai Mine and HQ office;

(2) Royalty expenditure of RM0.21 million.

(3) General working capital of RM2.89 million which consists of expected payment of (i) RM0.21 million for repayment of bond interest, and (ii) the remaining RM2.68 million for general corporate and administrative expenses.

21b. 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.

22. Rule 705(7) 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;

Lubuk Mandi Gold Mine

There was some core drilling done at Lubuk Mandi Gold Mine at the underground tunnel hardrock. During 4Q2019, a total of 10,252 dry tonnes of tailings materials were being processed. Total gold concentrated ore produced was approximately 75 tonnes with average of 34.6 gram of gold per tonne of gold concentrated ore. Production was low in 4Q2019 due to monsoon season and scheduled maintenance on the tailings processing plant.

As of year-to-date, a total of 130,979 dry tonnes of tailings materials were being processed. Total gold concentrated ore produced was approximately 1,169 tonnes with an average of 37.0 gram of gold per tonnes of gold concentrate ore.

GAR continue to carry out the excavation and repair works towards the targeted lode of UG1. The tunnelling works penetrated the weak veins towards UG1 and the rate of excavation increased due to the stable condition heading towards UG1. Thin quartz veins at UG1 ranging from 1cm-4m can be identified and sampling works were carried out. Due to the thin quartz veins, GAR decided to conduct further core drilling tests at UG1 section to locate the mineable ore. GAR is finding a very challenging situation to propose a viable mining plan to AASB.

Bukit Chetai Granite Mine

The Bukit Chetai Mine did not produced block, tiles and joggle pavers in 4Q2019 due to monsoon season and scheduled maintenance of machineries.

As of year-to-date, a total of 94.75 cubic metres of blocks were produced, comprises 15.40 cubic metres of Terengganu Green ("TG") and 79.4 cubic metres of Sekayu White ("SW"). Total production of tiles was 3,215.90 metre square, comprises 512.40 metre square of TG and 2,703.50 metre square of SW. Total production of joggle pavers was 4,200 pieces, comprises 3,000 pieces of TG and 1,200 pieces of SW.

By Order of the Board
ANCHOR RESOURCES LIMITED

Lim Chiau Woei
Managing Director

Chan Koon Mong
Executive Director

28 February 2020