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 2018

*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. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

The contact person for the Sponsor is Ms Lam Siew Hwa, Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

Background

The Company is engaged in the business of exploration, mining and production of gold for sale in Malaysia and semi-processed gold concentrated ore for export. On 21 August 2017, the Company completed acquisition of 100% equity of GGTM Sdn. Bhd. (formerly known as GGT Manufacturing Sdn. Bhd.) ("**GGTM**"), which is in the business of exploration, mining, quarry extraction, processing and sale of granite products and dimension stone granite by issuance of 712,172,414 new shares ("**VSA**") and GGTM became a wholly-owned subsidiary of the Company.

Business combination arising from transfers of interest in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose, comparatives financial results of the Group for the financial year ended 31 December 2017 ("**FY2017**") and 6 months ended 31 December 2017 ("**2H2017**") are accounted for as if the VSA was completed on 1 January 2017.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR RESULTS

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 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Unaudited)	Increase/ (Decrease) %	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)	Increase/ (Decrease) %
Revenue	1,813	6,328	(71.35)	1,879	24,185	(92.23)
Other income	16	91	(82.42)	85	201	(57.71)
Raw materials and consumables used	(558)	(65)	758.46	(594)	(170)	249.41
Changes in inventories	224	257	(12.84)	271	59	359.32
Contractors expenses	(361)	(3,732)	(90.33)	(393)	(15,289)	(97.43)
Royalty fees	(16)	(50)	(68.00)	(9)	(680)	(98.68)
Depreciation and amortisation expenses	(1,622)	(1,004)	61.55	(2,655)	(1,978)	34.23
Employee benefits expenses	(3,053)	(2,769)	10.26	(5,973)	(6,624)	(9.83)
Operating lease expenses	(298)	(35)	751.43	(442)	(300)	47.33
Other expenses	(2,885)	(5,581)	(48.31)	(3,876)	(12,889)	(69.93)
Finance costs	(2,382)	(1,492)	59.65	(3,950)	(4,199)	(5.93)
Fair value loss on derivative financial instruments	-	(1,471)	n.m	-	(1,471)	n.m
Loss before income tax	(9,122)	(9,523)	(4.21)	(15,657)	(19,155)	(18.26)
Income tax expense	182	(382)	(147.64)	182	(382)	(147.64)
Loss for the financial period/year	(8,940)	(9,905)	(9.74)	(15,475)	(19,537)	(20.79)
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss:						
Currency exchange differences arising on translating foreign operation	(49)	40	(222.50)	(12)	40	(130.00)
Income tax relating to items that may be subsequently reclassified	-	-	n.m	-	-	n.m
Other comprehensive income for the financial period/year, net of tax	(49)	40	(222.50)	(12)	40	(130.00)
Total comprehensive income for the financial year	(8,989)	(9,865)	(8.88)	(15,487)	(19,497)	(20.57)
Net loss attributable to owners of the parent	(8,940)	(9,905)	(9.74)	(15,475)	(19,537)	(20.79)
Total comprehensive income attributable to owners of the parent	(8,989)	(9,865)	(8.88)	(15,487)	(19,497)	(20.57)
Loss per share						
- Basic (in sen)	(0.86)	(0.97)	(11.34)	(1.49)	(1.91)	(21.99)
- Diluted (in sen)	(0.86)	(0.97)	(11.34)	(1.49)	(1.91)	(21.99)

n.m - not meaningful

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

	Group					
	Six Months Ended			Twelve Months Ended		
	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Unaudited)	Increase/ (Decrease) %	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)	Increase/ (Decrease) %
Loss for the period / year is stated at after (charging) / crediting the following:						
Other income	16	91	(82.42)	85	201	(57.71)
Depreciation and amortisation expenses	(1,622)	(1,004)	61.55	(2,655)	(1,978)	34.23
Share-based payment expenses	(212)	-	n.m	(212)	(212)	0.00
Reversal of share-based payment expenses	-	103	n.m	-	103	n.m
Operating lease expenses	(298)	(35)	751.43	(442)	(300)	47.33
Foreign exchange (loss) / gain, net	(472)	287	(264.46)	(194)	355	(154.65)
Fair value loss on derivative financial instrument	-	(1,471)	n.m	-	(1,471)	n.m
Impairment in property, plant and equipment	-	(258)	n.m	-	(258)	n.m
Impairment in exploration and evaluation asset	-	(50)	n.m	-	(50)	n.m
Finance costs	(2,382)	(1,492)	59.65	(3,950)	(4,199)	(5.93)
Plant and equipment written off	(2)	-	n.m	(2)	-	n.m
Legal and professional fees	(626)	(2,574)	(75.68)	(1,033)	(5,471)	(81.12)
Allowance for impairment loss on receivables, net	(62)	-	n.m	(62)	-	n.m
Allowance for stock obsolescence	-	(68)	n.m	-	(68)	n.m
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 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)
ASSETS				
Non-current assets				
Property, plant and equipment	17,467	16,766	5	3
Mine properties	15,204	15,833	-	-
Investment in subsidiaries	-	-	171,757	171,757
Prepayments	23	53	-	-
	32,694	**32,652**	**171,762**	**171,760**
Current assets				
Inventories	1,314	584	-	-
Income tax recoverable	450	105	-	-
Trade and other receivables	7,095	5,555	-	-
Prepayments	189	182	107	102
Amount due from a subsidiary	-	-	12,730	9,922
Fixed deposits and bank balances	7,153	7,817	5,038	1,611
	16,201	**14,243**	**17,875**	**11,635**
Total assets	**48,895**	**46,895**	**189,637**	**183,395**
EQUITY AND LIABILITIES				
Equity				
Share capital	248,600	247,780	248,600	247,780
Merger reserve	(102,649)	(102,649)	-	-
Share-based payment reserve	-	-	-	-
Currency translation reserve	28	40	-	-
Accumulated losses	(134,371)	(118,896)	(86,230)	(79,112)
Total equity	**11,608**	**26,275**	**162,370**	**168,668**
LIABILITIES				
Current liabilities				
Trade and other payables	9,987	4,436	3,565	440
Amount due to a subsidiary	-	-	5,601	5,927
Finance lease payables	319	80	-	-
Borrowings	21,573	8,360	13,657	8,360
Total current liabilities	**31,879**	**12,876**	**22,823**	**14,727**
Non-current liabilities				
Finance lease payables	964	250	-	-
Borrowings	4,444	7,494	4,444	-
Total non-current liabilities	**5,408**	**7,744**	**4,444**	**-**
Total liabilities	**37,287**	**20,620**	**27,267**	**14,727**
Total equity and liabilities	**48,895**	**46,895**	**189,637**	**183,395**

(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 2018		As at 31 December 2017	
Secured RM'000 (Unaudited)	Unsecured RM'000 (Unaudited)	Secured RM'000 (Audited)	Unsecured RM'000 (Audited)
13,976	7,916	8,440	-

Amount repayable after one year

As at 31 December 2018		As at 31 December 2017	
Secured RM'000 (Unaudited)	Unsecured RM'000 (Unaudited)	Secured RM'000 (Audited)	Unsecured RM'000 (Audited)
964	4,444	250	7,494

Details of any collateral

The Group's secured borrowings as at 31 December 2018 comprised guaranteed non-convertible bonds and finance lease liabilities. The guaranteed non-convertible bonds due in April 2019 with an aggregate principal amount of S$3,310,000 and S$1,500,000, respectively are guaranteed by our 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 RM1,570,252 as at 31 December 2018 (31 December 2017: RM394,266).

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 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)
Operating activities				
Loss before income tax	(9,122)	(9,523)	(15,657)	(19,155)
Adjustments for:				
Amortisation of mine properties	557	75	629	309
Depreciation of property, plant and equipment	1,065	929	2,026	1,669
Share-based payment expenses	212	-	212	212
Reversal of share-based payment expenses	-	(103)	-	(103)
Interest expenses	2,382	1,492	3,950	4,199
Interest income	(17)	(84)	(47)	(188)
Plant and equipment written off	2	-	2	-
Allowance for stock obsolescence	-	68	-	68
Allowance for impairment loss on receivables, net	62	-	62	-
Inventories written off	30	-	30	-
Impairment in property, plant and equipment	-	258	-	258
Impairment in exploration and evaluation assets	-	50	-	50
Fair value loss on derivative financial instrument	-	1,471	-	1,471
Unrealised exchange difference	458	(582)	194	(834)
Operating cash flows before working capital changes	(4,371)	(5,949)	(8,599)	(12,044)
Working capital changes:				
Inventories	(254)	(260)	(760)	(134)
Trade and other receivables	(252)	1,043	(1,595)	(2,421)
Prepayments	131	195	24	1
Trade and other payables	50	(2,728)	2,369	(4,165)
Cash used in operations	(4,696)	(7,699)	(8,561)	(18,763)
Income tax paid	-	(487)	(163)	(487)
Net cash used in operating activities	**(4,696)**	**(8,186)**	**(8,724)**	**(19,250)**
Investing activities				
Additions to mine properties	-	(180)	-	(700)
Interest received	17	84	47	188
Purchase of property, plant and equipment	(811)	(793)	(1,544)	(1,237)
Net cash used in investing activities	**(794)**	**(889)**	**(1,497)**	**(1,749)**
Financing activities				
Decrease in fixed deposits pledged	-	100	-	100
Interest paid	(1,308)	(237)	(2,602)	(251)
Proceeds from issuance of new ordinary shares	820	-	820	-
Share application money pending allotment	3,036	-	3,036	-
Repayment of finance lease obligations	(161)	(37)	(303)	(73)
Proceeds from issuance of guaranteed bond	-	-	4,088	7,403
Proceeds from issuance of non-guaranteed bond	4,515		4,515	
Proceeds from issuance of exchangeable bond	-	6,059	-	6,059
Proceeds from issuance of redeemable convertible preference shares	-	-	-	3,355
Rebate of transaction costs	-	745	-	745
Net cash from financing activities	**6,902**	**6,630**	**9,554**	**17,338**

	Group			
	Six Months Ended		Twelve Months Ended	
	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Unaudited)	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)
Net change in cash and cash equivalents	1,412	(2,445)	(667)	(3,661)
Exchange difference on cash and cash equivalents	31	(100)	3	(168)
Cash and cash equivalents at beginning of financial period/year	5,710	10,362	7,817	11,646
Cash and cash equivalents at end of financial period/year	**7,153**	**7,817**	**7,153**	**7,817**

Cash and cash equivalents comprised of:

	Group	
	12 Months Ended	
	31 December 2018 RM'000 (Unaudited)	31 December 2017 RM'000 (Audited)
Fixed deposit[1]	300	4,060
Cash and bank balances	6,853	3,757
Cash and cash equivalents as per statements of financial position / consolidated statement of cash flows[2][3]	7,153	7,817

Notes:

(1) The effective interest rate of fixed deposit was 0.05% to 3.90% (2H2017: 0.05% to 3.90%) per annum during FY2018 and with maturity of 6 months (2H2017: 12 months). The Group's fixed deposit is readily convertible to cash at minimal cost.

(2) Inclusive of trust deposit of RM1.40 million as at 31 December 2018 placed with a Malaysian law-firm pursuant to the memorandum of understanding ("**MOU**") with Mohd Sukri Bin Ismail dated 9 April 2018.

(3) Inclusive of trust deposit of RM1.25 million as at 31 December 2017 placed with a Malaysian law-firm pursuant to the mining agreement with Great Aims Resources Sdn. Bhd. ("**GAR**") dated 18 May 2017. The said trust deposit has been fully refunded to the Group as at 31 December 2018.

Reconciliation of liabilities arising from financing activities:

					Non-cash changes			
	1 January 2018	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 2018
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Finance lease payables	330	-	(303)	-	1,184	72	-	1,283
Guaranteed bonds	8,360(1)	4,427(2)	(2,099)	(339)	-	3,168	140	13,657
Non-guaranteed bonds	-	4,534(3)	(204)	(19)	-	115	18	4,444
Exchangeable bonds	7,494	-	(299)	-	-	595	126	7,916

Notes:

(1) The Company had on 3 April 2018 issued an aggregate principal amount of S$3,310,000 guaranteed non-convertible bonds to exchange the guaranteed non-convertible bonds in the aggregate principal amount of S$2,875,000 issued by the Company pursuant to a subscription agreement dated 29 March 2017. For details, please refer to the Company's announcement dated 29 March 2018.

(2) The Company had on 3 April 2018 issued an aggregate principal amount of S$1,500,000 guaranteed non-convertible bonds. For details, please refer to the Company's announcement dated 29 March 2018.

(3) The Company had on 25 September 2018 issued an aggregate principal amount of S$1,500,000 non-convertible bonds. For details, please refer to the Company's announcement dated 21 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	Share capital RM'000	Merger reserve RM'000	Share-based payment reserve RM'000	Translation reserve RM'000	Accumulated losses RM'000	Total equity RM'000
(Unaudited)						
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)
Transactions with owners:						
Issuance of new ordinary shares pursuant to exercise of warrants	820	-	-	-	-	820
Total transactions with owners	820	-	-	-	-	820
Balance at 31 December 2018	**248,600**	**(102,649)**	**-**	**28**	**(134,371)**	**11,608**
(Audited)						
Balance at 1 January 2017	106,342	15,645	694	-	(99,359)	23,322
Loss for the financial year	-	-	-	-	(19,537)	(19,537)
Other comprehensive income for the financial year:						
Foreign currency translation differences	-	-	-	40	-	40
Total comprehensive income for the financial year	-	-	-	40	(19,537)	(19,497)
Transactions with owners:						
Issuance of new ordinary shares pursuant to acquisition exercise	138,800	-	-	-	-	138,800
Deemed distribution to owners	(250)	(118,294)	-	-	-	(118,544)
Issuance of new ordinary shares	2,255	-	-	-	-	2,255
Share-based compensation expense	633	-	(694)	-	-	(61)
Total transactions with owners	141,438	(118,294)	(694)	-	-	22,450
Balance at 31 December 2017	**247,780**	**(102,649)**	**-**	**40**	**(118,896)**	**26,275**

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	Share-based payment reserve RM'000	Accumulated losses RM'000	Total equity RM'000
(Unaudited)				
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 pursuant to exercise of warrants	820	-	-	820
Total transactions with owners	820	-	-	820
Balance at 31 December 2018	**248,600**	**-**	**(86,230)**	**162,370**
(Audited)				
Balance at 1 January 2017	106,092	694	(48,938)	57,848
Loss for the financial year	-	-	(30,174)	(30,174)
Total comprehensive income for the financial year	-	-	(30,174)	(30,174)
Contributions by owners:				
Issuance of new ordinary shares	141,688	-	-	141,688
Share-based compensation expense	-	(694)	-	(694)
Total transactions with owners	141,688	(694)	-	140,994
Balance at 31 December 2017	**247,780**	**-**	**(79,112)**	**168,668**

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, 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 2018	**1,038,448,355**	**79,851**	**247,780**
Issuance of warrants shares(1)	8,500,000	272	820
As at 31 December 2018	**1,046,948,355**	**80,123**(2)	**248,600**

Notes:

(1) On 7 September 2018, the Company issued 8,500,000 new ordinary shares at an issue price of S$0.032 per share pursuant to the exercise of warrants and the resultant issued and paid-up share capital of the Company increased to S$80,122,255 (RM248,599,830) comprising 1,046,948,355 ordinary shares.
(2) Rounding adjustment.

Subsequent to 31 December 2018, the Company had on 17 January 2019 issued 43,478,261 new ordinary shares in a placement exercise to Ms Gao Jingxian. For more information, please refer to the Company's announcement dated 12 December 2018 and 17 January 2019.

As at 31 December 2018, the Company has the following outstanding convertibles:

(a) Exchangeable bonds ("**EB**") in an aggregate principal amount of S$2.0 million maturing on 25 August 2019 issued by a wholly-owned subsidiary of the Company, Angka Marketing Pte. Ltd. The EB can be converted into new fully paid shares of the Company at an exchange price equals to 90.0% of the volume weighted average price ("**VWAP**") of the Company's shares traded on the SGX-ST for the five (5) days prior to (i) the date of conversion; or (ii) the date of the subscription agreement of 29 March 2017 (whichever is lower), and

(b) 128,500,000 free unlisted warrants expiring on 3 May 2020, which can be converted into 128,500,000 new fully paid shares of the Company.

The Company did not have any treasury shares and subsidiary holdings as at 31 December 2018 and 31 December 2017.

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 2018 (Unaudited)	Company As at 31 December 2017 (Audited)
Total number of issued shares	1,046,948,355	1,038,448,355
Treasury shares	-	-
Total number of issued shares, excluding treasury shares	1,046,948,355	1,038,448,355

The Company does not have any treasury shares as at 31 December 2018 and 31 December 2017.

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 did 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.

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 2017.

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.

On 29 December 2017, Accounting Standards Council Singapore has issued Singapore Financial Reporting Standards (International) (SFRS(I)s), Singapore's equivalent of the

International Financial Reporting Standards (IFRSs). Singapore-incorporated companies that have issued, or are in the process of issuing, equity or debt instruments for trading in a public market in Singapore are required to apply SFRS(I)s for annual periods beginning on or after 1 January 2018.

In adopting the new framework, the Group will be required to apply the specific transition requirements in SFRS(I) 1 First-time Adoption of International Financial Reporting Standards, and new SFRS(I)s, amendments to and interpretations of SFRS(I) that are effective from the same date.

The Group adopted these new/revised standards that are relevant to its operations and are effective in the current financial periods beginning on or after 1 January 2018. The adoption of these new or revised standards, where relevant, has no material financial impact on the Group's accounting policies or the financial statements for the current financial period reported on.

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 2018 (Unaudited)	31 December 2017 (Audited)	31 December 2018 (Unaudited)	31 December 2017 (Audited)
Loss attributable to owners of the Group (RM'000)	(8,940)	(9,905)	(15,475)	(19,537)
Weighted average number of ordinary shares	1,043,760,855	1,025,077,540(1)	1,041,126,437	1,023,884,861(1)
Basic loss per ordinary share:				
- RM cents	(0.86)	(0.97)	(1.49)	(1.91)
- S$ cents(3)	(0.28)	(0.32)	(0.49)	(0.63)
Adjusted weighted average number of ordinary shares	1,043,760,855	1,025,077,540(1)	1,041,126,437	1,023,884,861(1)
Diluted loss per ordinary share(2):				
- RM cents	(0.86)	(0.97)	(1.49)	(1.91)
- S$ cents(3)	(0.28)	(0.32)	(0.49)	(0.63)

Notes:

(1) Based on the weighted average number of ordinary shares of the Company in issue during 2H2017 and FY2017, on the assumption that the issuance of consideration share for the VSA had occurred as at 1 January 2017.

(2) The group was in a loss-making position for 2H2017, FY2017, 2H2018 and FY2018. 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:RM3.0355 for 2H2018 and FY2018 and S$1:RM3.0293 for 2H2017 and FY2017, 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 period reported on; and
(b) immediate preceding financial year

	Group		Company	
	31 December 2018 (Unaudited)	31 December 2017 (Audited)	31 December 2018 (Unaudited)	31 December 2017 (Audited)
Net asset value (RM'000)	11,608	26,275	162,370	168,668
Number of Shares at the end of the period	1,046,948,355	1,038,448,355	1,046,948,355	1,038,448,355
Net asset value per share:				
- RM sen	1.11	2.53	15.51	16.24
- S$ sen(2)	0.37	0.84	5.11	5.36

Notes:
(1) Net asset value represents total assets less total liabilities.
(2) Translated at an exchange rate of S$1:RM3.0355 and S$1:RM3.0293 as at 31 December 2018 and 31 December 2017, 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 2H2018 as compared to 2H2017, and FY2018 as compared to FY2017.

Revenue

The Group recorded revenue of RM1.81 million in 2H2018 as compared to revenue of RM6.33 million in 2H2017 (representing a decrease by 71.35%) mainly due to absence of contribution from interior fit-out project as the interior fit-out project has been completed in December 2017, offset with increase in sale of gold concentrated ore of RM1.80 million.

The Group's revenue decreased by RM22.31 million to RM1.88 million in FY2018 as compared to RM24.19 million in FY2017. This was mainly due to absence of contribution from interior fit-out project.

Other Income

Other income comprised interest income on fixed deposit and administrative fee. The Group recorded other income of RM0.02 million and RM0.09 million in 2H2018 and FY2018 respectively, as compared to RM0.09 million and RM0.20 million in 2H2017 and FY2017 respectively. The decrease was mainly due to the decrease in fixed deposit placed.

Operating expenses

Operating expenses comprised 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.

Total operating expenses decreased by RM3.52 million to RM10.95 million in 2H2018 from RM14.47 million (24.33%) in 2H2017 and decreased by RM24.45 million to RM17.62 million (58.12%) in FY2018 from RM42.07 million in FY2017. The changes in total operating expenses were mainly due to the following: -

- Increase in raw materials and consumables used by RM0.49 million (758.46%) in 2H2018 as compared to 2H2017. Raw materials and consumables used increased by RM0.42 million (249.41%) in FY2018 as compared to FY2017.

  Total raw materials and consumables used in 2H2018 and FY2018 amounted to RM0.56 million and RM0.59 million, respectively as compared to RM0.07 million and RM0.17 million in 2H2017 and FY2017, respectively. The higher costs incurred was due to increase in activities for both gold mine and granite quarry mine.

- The Group recorded positive changes in inventories in 2H2018 and FY2018 amounted to RM0.22 million and RM0.27 million, respectively. The positive changes arise from higher closing balance as compared to the opening balance during the period under review.

  The positive changes in inventories of RM0.22 million for 2H2018 (31 December 2018 vs 30 June 2018) is due to the increase in inventories of gold concentrated ore, which was delivered to customer in January 2019.

  The positive changes in inventories of RM0.27 million for FY2018 (31 December 2018 vs 31 December 2017) is due to increase in inventories of gold concentrated ore, which was all delivered to customer in January 2019.

- Contractor expenses decreased by RM3.37 million (90.33%) in 2H2018 as compared to 2H2017 and decreased by RM14.90 million (97.43%) in FY2018 as compared to FY2017.

  Total contractor expenses incurred in 2H2018 and FY2018 amounted to RM0.36 million and RM0.39 million, respectively as compared to RM3.73 million and RM15.29 million in 2H2017 and FY2017, respectively. The lower costs incurred in 2H2018 and FY2018 was mainly due to cessation of contractor expenses relating to an interior fit-out project completed in FY2017. RM6.14 million and RM21.64 million of revenue (represents 23.2% and 81.7% of the works) in 2H2017 and FY2017, respectively for the interior fit-out project with a corresponding contractor expenses of approximately RM3.75 million and RM14.31 million was recognised in 2H2017 and FY2017, respectively.

- Decrease in royalty fee expenses by RM0.03 million (68%) in 2H2018 as compared to 2H2017. Royalty fee expenses decreased by RM0.67 million (98.68%) in FY2018 as compared to FY2017.

  Total royalty fee expenses incurred in 2H2018 and FY2018 amounted to RM0.02 million and RM0.01 million, respectively as compared to RM0.05 million and RM0.68 million in 2H2017 and FY2017, respectively. The lower royalty fees incurred is mainly due to the offset of minimum monthly contribution of RM80,000 received from GAR since August 2017.

- Depreciation and amortisation expenses increased by RM0.62 million (61.55%) in 2H2018 as compared to 2H2017 and increased by RM0.68 million (34.23%) in

FY2018 as compared to FY2017.

Depreciation and amortisation expenses incurred in 2H2018 and FY2018 amounted to RM1.62 million and RM2.66 million, respectively as compared to RM1.00 million and RM1.98 million in 2H2017 and FY2017, respectively. The higher depreciation expenses was due to additional fixed assets acquired as well as higher amortisation expenses of mine properties resulting from increased production of gold concentrated ore.

- Decrease in other expenses by RM2.69 million (48.31%) for 2H2018 as compared to 2H2017 and a decrease of RM9.01 million (69.93%) for FY2018 as compared to FY2017.

  Total others expenses incurred in 2H2018 and FY2018 amounted to RM2.89 million and RM3.88 million, respectively as compared to RM5.58 million and RM12.89 million in 2H2017 and FY2017, respectively. The decrease in other expenses in FY2018 as compared to FY2017 was mainly due to the (i) absence of one-off VSA expenses of RM4.50 million incurred in FY2017, (ii) decrease in interior fit-out project expenses of RM4.03 million, (iii) absence of impairment in property, plant and equipment of RM0.26 million incurred in FY2017 and (iv) absence of impairment in exploration and evaluation asset of RM0.05 million incurred in FY2017.

- Increase in finance costs by RM0.89 million (59.65%) in 2H2018 as compared to 2H2017. However, finance costs decreased by RM0.25 million (5.93%) in FY2018 as compared to FY2017.

  Total finance costs incurred in 2H2018 and FY2018 amounted to RM2.38 million and RM3.95 million, respectively as compared to RM1.49 million and RM4.20 million in 2H2017 and FY2017, respectively. The higher costs incurred in 2H2018 was due to additional interest expense for bonds issued in 2H2018. The decrease in FY2018 was due to the absence of interest expense for redeemable convertible preference shares ("**RCPS**") as the RCPS was converted into equity of GGTM on 26 July 2017, and thus no interest was accrued to RCPS holder thereafter.

- In FY2018, there is no fair value loss on derivative instruments. There is a one-off fair value loss on derivative financial instruments of RM1.47 million in FY2017 due to fair value loss on an exchangeable bond issued in FY2017 which can be exchanged to the Company's shares.

The Group incurred net loss of RM8.94 million and RM15.48 million in 2H2018 and FY2018 respectively, as compared to net loss of RM9.91 million and RM19.54 million in 2H2017 and FY2017 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 2018 as compared to 31 December 2017.

Assets

Property, plant and equipment increased by RM0.70 million from RM16.77 million as at 31 December 2017 to RM17.47 million as at 31 December 2018 mainly due to additions of RM2.73 million of property, plant and equipment which was offset by depreciation of RM2.03 million.

Inventories increased by RM0.73 million from RM0.58 million as at 31 December 2017 to RM1.31 million as at 31 December 2018 mainly due to increase of consumables and chemicals of RM0.53 million and gold concentrated ore of RM0.22 million pending to be shipped out in January 2019.

Trade and other receivables increased by RM1.54 million from RM5.56 million as at 31 December 2017 to RM7.10 million as at 31 December 2018 mainly due to (i) increase in amount due from GAR arising from payment on behalf and royalty contribution amounting to RM0.47 million and (ii) billings from interior fit-out project amounting to RM0.98 million.

Equity

As at 31 December 2018, total equity amounted to RM11.61 million, comprising share capital of RM248.60 million, negative merger reserve of RM102.65 million, translation reserve of RM0.03 million and accumulated losses of RM134.37 million.

Total equity decreased by RM14.67 million mainly due losses in FY2018 of RM15.48 million offset by an increase of RM0.82 million in share capital due to the exercise of 8,500,000 warrants.

Liabilities

Total liabilities of the Group increased by RM16.67 million from RM20.62 million as at 31 December 2017 to RM37.29 million as at 31 December 2018. The increase in total liabilities was mainly due to the following:

a. issuance of guaranteed non-convertible bonds of an aggregate principal amount of S$4.81 million. Of the S$4.81 million guaranteed non-convertible bonds, S$3.31 million guarantee bonds were used to exchange for the guaranteed non-convertible bonds in the aggregate principal amount of S$2.875 million issued by the Company pursuant to a subscription agreement dated 29 March 2017;
b. issuance of non-convertible bonds of an aggregate principal amount of S$1.5 million on 25 September 2018 ;
c. net drawdown of finance lease payables amounting to RM0.95 million;
d. increase in trade and other payables of RM5.55 million due to the following:
    i. higher amount due to contract customers for contract works of RM1.78 million in relation to an interior fit-out project as a result of extended time taken for certification of progress billing by the relevant authority before payment could be made;
    ii. higher accrual of royalty fee expenses of RM0.97 million as the Group has yet to receive the finalised charge from the relevant party; and
    iii. RM3.04 million received pertaining to the proposed placement of 43,478,261 new ordinary shares in the capital of the Company. The completion of the placement has taken place on 17 January 2019.

Negative working capital

The Group had net current liabilities of RM15.68 million as at 31 December 2018 as compared to RM1.37 million of net current assets as at 31 December 2017 mainly due to the issuance of guaranteed non-convertible bonds of an aggregate principal amount of S$4.81 million, issuance of non-convertible bonds of an aggregate principal amount of S$1.5 million, and the RM3.04 million received pertaining to the proposed placement.

Notwithstanding, the Board is of the view that the Group is able to operate as a going concern for the next twelve months from the date of this announcement due to the following:

a. There were cash balance of RM7.15 million for the Group as at 31 December 2018 to meet the operational needs of the Group;
b. The twelve-month cash flow forecast prepared by the Management indicates that the Group has adequate funds for its operational needs and to meet its obligations as and

when they fall due for at least 12 months from the date of this announcement after taking into consideration the following:

i) Few fundraising programmes are being explored to support the redemption of bonds and payment of interest expenses;
ii) The processing of tailings materials into gold concentrated ore since June 2018 has shown encouraging production results and it is expected to contribute positively to the operating cash flow of the Group; and
iii) Various strategies to improve profitability and generate positive cash flows from the Group's current business activities.

Cash flows

Net cash used in operating activities

In FY2018, the Group recorded a net cash outflow for operating activities of RM8.72 million. The net operating cash outflow was mainly due to operating losses before working capital changes of RM8.60 million, adjusted for working capital inflow of RM0.04 million and tax payment of RM0.16 million. Working capital inflow is mainly attributable to the increase in trade and other payables of RM2.37 million and offset by increase in trade and other receivables by RM1.60 million.

Net cash used in investing activities

In FY2018, the Group recorded a net cash outflow for investing activities of RM1.50 million, mainly due to the purchase of property, plant and equipment of RM1.54 million.

Net cash generated from financing activities

In FY2018, the Group recorded a net cash inflow from financing activities of RM9.55 million. This mainly comprised proceeds of (i) RM4.09 million for issuance of guaranteed non-convertible bonds, (ii) RM4.52 million for issuance of non-guaranteed non-convertible bond, (iii) RM0.82 million for warrants conversion, (iv) RM3.04 million for proposed placement of 43,478,261 new ordinary shares in the capital of the Company, and offset with interest paid of RM2.60 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 Mine

With the ongoing trade war between US and China, the Company expects some upwards trend in gold prices.

Prospect for core drilling in underground mining
The Group had made further strategic decision to focus on underground mining in order to improve the efficiency and productivity of its gold mining and processing in the Lubuk Mandi

Mine. As part of this new direction in the Group's business strategy, AASB had, on 18 January 2019 entered into a Technical Services Contract ("**TSA**") with GAR, pursuant to which GAR is engaged to carry out core drilling in Lubuk Mandi Gold Mine with main workload of 9,000 meters. The contract period is 12 months and the workload is by 3 stages and each stage is for 3,000 meters.

GAR will be paid at a unit price of US$138/meter (all in cost).

Bukit Chetai Mine

The Company expects increased domestic competition for granite products with the significant cut back in public infrastructure spending post general election in Malaysia.

Processing of dimension stone
The Group has entered into a Co-Operation Agreement between GGTM and Jianning Country Huasheng Stone Co., Ltd. ("**Jianning**") dated 16 January 2019 where Jianning is to undertake all the dimension stone processing at GGTM site and be overall responsible for the preparation, production, safety and relevant management of the plant. Aside of having to bear all costs (whether operation or incidental) incurred in connection with processing of dimension stone, Jianning is to invest in additional plant and machinery for the processing work to achieve annual processing capacity of 2,000 m^3 dimension granite Stone.

Sale of granite aggregates
The Group will continue to sell granite aggregates to SILVI in Brunei as per the contractual agreement for four (4) years. Barring any over stockpile of aggregates at Brunei or any unforeseen circumstances, the Group will strive to supply the 75,000 MT of granite aggregates to SILVI. The sales team is actively marketing the aggregate sales to both local and overseas market.

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 FY2018.

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

Not applicable. No dividend was declared or recommended for FY2017.

(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.

No dividend has been declared or recommended for FY2018 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 FY2018.

14. Use of proceeds

(a) Warrants issued pursuant to the guaranteed non-convertible bonds issued in April 2018

The Company had issued guaranteed non-convertible bonds of an aggregate principal amount of S$4.81 million with 137 million free warrants. Please refer to the Company's announcement dated 29 March 2018. The Company has raised proceeds of S$272,000 arising from the exercise of 8.5 million free warrants on 7 September 2018. 128.5 million free warrants remain outstanding as at 31 December 2018. Please refer to the Company's announcement dated 7 September 2018.

As at the date of this announcement, the status on the use of the proceeds from the exercise of warrants is as follow:

Purpose	Amount allocated S$'000	Amount Utilised S$'000	Balance S$'000
General working capital (1)	272	(272)	-
Total	**272**	**(272)**	**-**

Note:
(1) For general corporate and administrative expenses.

(b) Issuance of 43,478,261 new ordinary shares pursuant to a private placement exercise in January 2019

On 17 January 2019, the Company completed a placement exercise to Ms Gao Jingxian, resulting in the issuance of 43,478,261 new ordinary shares in the capital of the Company and raising gross proceeds of S$1,000,000. Please refer to the Company's announcements dated 12 December 2018 and 17 January 2019 for further details.

As at the date of this announcement, the status on the use of the placement proceeds is as

follow:

Purpose	Amount allocated S$'000	Amount Utilised S$'000	Balance S$'000
General working capital (1)	1,000	(297)	703
Total	**1,000**	**(297)**	**703**

Note:
(1) For general corporate and administrative expenses.

15. 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.

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 – corporate and non-operating subsidiaries;
(2) gold mining – exploration, development, mining and sale of gold; and
(3) granite mining – exploration, mining and production of dimension stone granites for sales as well as architectural stone and interior fit-out.

	Segment Information – Group							
	Twelve Months Ended 31 December 2018 (Unaudited)				Twelve Months Ended 31 December 2017 – (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	**1,828**	**51**	**-**	**1,879**	**721**	**23,464**	**-**	**24,185**
Operating profit / (loss)	(3,815)	(4,061)	(3,878)	(11,754)	(6,477)	658	(9,325)	(15,144)
Interest income	-	47	-	47	9	179	-	188
Interest expenses	(19)	(53)	(3,878)	(3,950)	(22)	(2,535)	(1,642)	(4,199)
Loss before taxation	(3,834)	(4,067)	(7,756)	(15,657)	(6,490)	(1,698)	(10,967)	(19,155)
Taxation	-	182	-	182	-	(382)	-	(382)
Loss after taxation	**(3,834)**	**(3,885)**	**(7,756)**	**(15,475)**	**(6,490)**	**(2,080)**	**(10,967)**	**(19,537)**
Segment assets	**29,469**	**14,243**	**5,183**	**48,895**	**29,871**	**15,279**	**1,745**	**46,895**
Segment liabilities	**3,042**	**4,644**	**29,601**	**37,287**	**1,975**	**2,239**	**16,406**	**20,620**
Other segment information								
Capital expenditure – property, plant and equipment	**1,574**	**1,150**	**5**	**2,729**	**172**	**1,078**	**-**	**1,250**
Capital expenditure – mine properties	**-**	**-**	**-**	**-**	**610**	**90**	**-**	**700**
Depreciation and amortisation	**(2,065)**	**(589)**	**(1)**	**(2,655)**	**(1,524)**	**(453)**	**(1)**	**(1,978)**
Impairment loss in property, plant and equipment	**-**	**-**	**-**	**-**	**(258)**	**-**	**-**	**(258)**
Allowance for impairment loss on receivables, net	**-**	**(62)**	**-**	**(62)**	**-**	**-**	**-**	**-**
Exploration and evaluation assets written off	**-**	**-**	**-**	**-**	**(50)**	**-**	**-**	**(50)**
Fair value loss on derivative financial instrument	**-**	**-**	**-**	**-**	**-**	**-**	**(1,471)**	**(1,471)**

(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:

	2018 RM'000	2017 RM'000	Increase / (Decrease) %
(a) Revenue			
- first half	66	17,857	(99.63)
- second half	1,813	6,328	(71.35)
	1,879	24,185	(92.23)
(b) Loss after tax			
- first half	(6,535)	(9,632)	(32.15)
- second half	(8,940)	(9,905)	(9.74)
	(15,475)	(19,537)	(20.79)

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 FY2018 and FY2017.

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 2018 to 31 December 2018 ("**4Q2018**")), 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	651	335	316	(1)
Royalty	-	62	(62)	
General working capital	4,624	7,494	(2,870)	(2)
Total	**4,509**	**7,891**	**(2,616)**	

(1) The actual payment for property, plant and equipment is higher than the projected payment by RM0.32 million was mainly due to additional capital expenditure for the purpose of processing tailings materials and purchase of one unit of motor vehicle.

(2) Actual payment of general working capital was RM2.87 million lower than the projected amount as the expected payment for interior fit-out project of RM2.27 million has not been made in 4Q2018 as a result of extended time taken for certification of progress billing by the relevant authority before payment could be made and lower expenses for Bukit Chetai Mine granite extraction operations of RM0.53 million due to lower production output.

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 2019 to 31 March 2019 ("**1Q2019**")), 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	167
Payment for mining related infrastructure and equipment	900
Royalty	-
General working capital	5,064
Total	**6,131**

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 1Q2019 as follows: -

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

(2) Additional mining expenditure of RM0.90 million to carry out core drilling in Lubuk Mandi Mine;

(3) General working capital of RM5.06 million which consists of expected payment of (i) RM0.96 million for interior fit-out project, and (ii) the remaining RM4.10 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.

22a. 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;

Lubuk Mandi Mine

In 4Q2018, there was no capitalisation for exploration and evaluation expenditures as there was no exploration and mining development activity being carried out by the Company at Lubuk Mandi Mine.

During October and November 2018, GAR continued to carry out production of gold concentrated ore from processing of tailings materials. A total of 31,921 dry tonnes of tailings

materials were being processed. Total gold concentrated ore produced was approximately 244 tonnes with average of 39 gram of gold per tonne of gold concentrated ore.

The plant was shut down in late November 2018 and in December 2018 due to monsoon rain. Preventive maintenance works were carried out during the shutdown.

The tunnel reached a total length of 220 metres and depth of approximately 93 metres. Sub-tunnels are being constructed to reach the gold lode.

Bukit Chetai Mine

Excavation works continued on Bench 11 at the predominantly TG quarry face. A total of 831 m^3 of rocks were excavated during 4Q2018. The volume of excavated rocks is low due to the monsoon season. Of those excavated, TG constituted about 75% of the total volume whilst SW constituted about 25%. We are still at the weathered rock layers and the quality of the excavated TG and SW rocks is expected to improve as we excavate deeper into the granite deposit.

For the time being, we are concentrating to excavate the rocks at the TG quarry face and have slowed the excavation works at the SW quarry face. We plan to ramp up the excavation works at this quarry face at a later date.

The two (2) multi-blade block-cutters were used to cut the TG and SW blocks into 18mm thick strip-slabs. A total of 1,346 m^2 of strip-slabs were produced in 4Q2018. These strip-slabs were cut into 1,293 m2 of 300x300x18mm tiles for an export order, comprising about 49% of TG tiles and about 51% of SW tiles.

The stamping machine was also used to salvage the granite off-cuts. A total quantity of 1,767 pieces of 100mm hexagonal joggle pavers were produced, comprising of 32% of TG and about 68% of SW tiles.

22b. 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.

Lubuk Mandi Mine and Bukit Chetai Mine

The Company had disclosed an updated summary of reserves and resources for both the Lubuk Mandi Mine and Bukit Chetai Mine as at 31 December 2017 (being the effective date of the Independent Qualified Person's Reports (the "**IQPRs**") in its annual report for the financial year ended 31 December 2017 (the "**AR2017**") to update shareholders on its reserves and resources information. The IQPRs are contained in the AR2017. A soft copy of the AR2017 is available for download on the SGXNET. As at 31 December 2018, the Company has no material updates on the reserves and resources for both the Lubuk Mandi Mine and Bukit Chetai Mine as to those disclosed in the IQPRs.

By Order of the Board
ANCHOR RESOURCES LIMITED

Lim Chiau Woei
Managing Director

Chan Koon Mong
Executive Director

1 March 2019