ANCHOR RESOURCES LIMITED
(Company Registration Number 201531549N)
(Incorporated in the Republic of Singapore)

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(1) UPDATES REGARDING THE PROPOSED ACQUISITION OF GGT MANUFACTURING SDN. BHD. AS A VERY SUBSTANTIAL ACQUISITION AND AN INTERESTED PERSON TRANSACTION;

(2) PROPOSED ISSUE OF EXCHANGEABLE BONDS WITH AN AGGREGATE PRINCIPAL AMOUNT OF S$2,000,000 DUE 2019 TO BE ISSUED TO LUMINOR PACIFIC FUND 2 LTD.; AND

(3) PROPOSED ISSUE OF GUARANTEED NON-CONVERTIBLE BONDS WITH AN AGGREGATE PRINCIPAL AMOUNT OF S$2,875,000 DUE 2018 TO BE ISSUED BY THE COMPANY TO MR TAN ONG HUAT

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*Unless otherwise defined, capitalised terms used herein shall bear the meanings ascribed to them in the Company's announcement dated 27 June 2016 ("**Announcement**").*

1. INTRODUCTION

The Board of Directors of Anchor Resources Limited ("**Company**") refers to the Company's Announcement relating to, *inter alia*, the proposed acquisition of all the shares in the capital of GGT Manufacturing Sdn. Bhd. from Mr Lim Chiau Woei (Managing Director of the Company, "**Lim**"), Mdm Koh Ah Luan ("**Koh**") and Luminor Pacific Fund 1 Ltd. ("**Luminor 1**") (collectively "**Vendors**"). The Company and the Vendors had on 29 March 2017 entered into a supplemental agreement to the SPA ("**Supplemental Agreement**"), further details of which are set out in paragraph 2 below.

The Board further wishes to announce that the Company had on 29 March 2017 entered into the following agreements:

(a) an exchangeable bonds subscription agreement ("**EB Subscription Agreement**") with Luminor Pacific 2 Fund Ltd. ("**Luminor 2**"), details of which are set out in paragraph 3 below; and

(b) a guaranteed non-convertible bonds subscription agreement ("**GB Subscription Agreement**") with Mr Tan Ong Huat as subscriber ("**GB Subscriber**") and Lim as guarantor, details of which are set out in paragraph 4 below.

2. UPDATES REGARDING THE PROPOSED ACQUISITION

2.1 Internal Restructuring of the Target

The Company understands from the Target that it has taken steps in connection with its Internal Restructuring, and as at the date of this announcement, the share capital of the Target comprises 250,000 ordinary shares and 20,531 preference shares. The ordinary shares are held by Lim (180,796 ordinary shares), Koh (30,133 ordinary shares) and Luminor 1 (39,071 ordinary shares), whereas the preference shares are held by Luminor 1. Upon completion of the Internal Restructuring, the share capital of the Target will comprise ordinary shares only with the Vendors holding such number of Sale Shares as indicated in paragraph 2.3(c) below.

2.2 Independent Business Valuation

Jones Lang LaSalle Corporate Appraisal and Advisory Limited has been engaged by the Company to prepare, *inter alia*, an independent business valuation report on the Target, and have determined that the Equity Valuation of the Target is **S$108,700,000**.

2.3 Supplemental Agreement

The Company and the Vendors have entered into the Supplemental Agreement, and have agreed to the following:

(a) the Consideration shall be adjusted to **S$103,265,000**, being 95% of the Equity Valuation;

(b) the Issue Price for each Consideration Share shall be **S$0.145**, being 115% of the VWAP Price, being the volume weighted average price of the Shares traded on the Catalist for the six calendar months' period from the initial commencement of trading of the Shares on the Catalist to 17 September 2016; and

(c) the Consideration shall be satisfied in full by the allotment and issue of an aggregate of **712,172,414** Consideration Shares to the Vendors in the following proportion, and no cash payment shall be made:

Name of Vendor	Number of Sale Shares	Sale Shares as a percentage of share capital of the Target post Internal Restructuring (%)	Number of Consideration Shares
Lim	180,796	60.0	427,303,448
Luminor 1	90,398	30.0	213,651,724
Koh	30,133	10.0	71,217,242
Total	**301,327**	**100.0**	**712,172,414**

Please refer to the **Appendix** to this announcement for the shareholding table of the Company upon Acquisition Completion.

2.4 Relative Figures under Chapter 10 of the Catalist Rules

Pursuant to the Supplemental Agreement, the relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule 1006	Bases	Relative Figure
(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value.	Not applicable. This basis is not applicable to an acquisition of assets.
(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profit	Not applicable, as the Target had a net loss of S$180,023 (based on the exchange rate of S$1:RM3.0395) in FY2015, whereas the Group recorded a net loss of S$14,532,324 (based on the aforementioned exchange rate) in FY2015.

Rule 1006	Bases	Relative Figure
(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares	The market capitalisation of the Company is S$33,534,000, based on the closing Share price of 10.8 cents on 28 March 2017. Based on the Consideration of S$103,265,000, the relative figure is 307.94%.
(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Based on 712,172,414 Consideration Shares and the 310,500,000 issued Shares as at the date of this announcement, the relative figure is 229.36%.
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such asset.	Not applicable. This is not a disposal of mineral, oil or gas assets by a mineral, oil and gas company.

Having regard to the above, as stated in the Announcement, as the relative figures computed based on Rules 1006(c) and (d) exceed 100% and the Proposed Acquisition will not result in a change in control of the Company (since Lim will remain the controlling Shareholder of the Company), the Proposed Acquisition would result in a "very substantial acquisition" under Rule 1010 of the Catalist Rules.

3. PROPOSED EB ISSUE

Pursuant to the EB Subscription Agreement, Luminor 2 has agreed to subscribe for exchangeable bonds due 2019 of an aggregate principal amount of S$2,000,000 ("**EB**") to be issued by a wholly-owned subsidiary of the Company ("**Subsidiary**"), which are convertible into new fully paid ordinary shares in the capital of the Company ("**Exchange Shares**") on the terms and subject to the conditions of the EB Subscription Agreement ("**Proposed EB Issue**").

3.1 Salient Terms of the Proposed EB Issue

The salient terms of the Proposed EB Issue are summarised below:

Principal Amount	:	S$2,000,000.
Issue Price		100% of the principal amount of the EB.
Exchange Price	:	The price at which each Exchange Share shall be issued upon exchange ("**Exchange Price**") shall be equal to 90.0% of the volume weighted average price ("**VWAP**") of the Shares traded on the SGX-ST for the five (5) days prior to: (i) the date Luminor 2 exercises its right to exchange the EB ("**Exchange Right**"); or the (ii) the date of the EB Subscription Agreement (whichever is lower), provided that such price being not more than a 10.0% discount to the VWAP for trades done on the Shares on the SGX-ST on the date of the EB Subscription Agreement (or if trading is not available for a full market day, the VWAP for trades done on the preceding market day up to the date of the EB Subscription Agreement), subject to adjustment in accordance with the terms and conditions of the EB ("**EB T&C**").

Maturity Date	:	On the second anniversary from the date on which the EB are issued ("**EB Issue Date**") ("**EB Maturity Date**").
Exchange Period		Luminor 2 may exercise its Exchange Right at any time from the EB Issue Date to the EB Maturity Date.
Interest	:	**5.0%** per annum, payable every six months in arrears.
Form and Denomination	:	The EB will be issued in registered form in the denomination of S$100,000 or integral multiples thereof, without coupons attached
Guarantee	:	The Company will irrevocably and unconditionally guarantee the proper and punctual payment by the Subsidiary of all amounts which are to be paid by the Subsidiary to the Purchaser under the EB Subscription Agreement and/or the EB ("**EB Guarantee**").
Status of the EB	:	The EB will constitute direct, unsubordinated, unconditional and unsecured obligations of the Subsidiary. The Bonds shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Subsidiary under the EB shall, save for such exceptions as may be provided by applicable laws, at all times rank senior to all of the Subsidiary's other present and future unsecured and unsubordinated obligations.
Status of the Exchange Shares	:	The Exchange Shares to be issued by the Company will be valid, fully-paid, free from any encumbrance and rank *pari passu* in all respects with the Shares in issue on the relevant date of issue.
Right of Participation	:	During the term of the EB, Luminor 2 has the right to participate in any new issuance of shares in the Subsidiary, on the same terms and conditions as those offered to potential subscribers.
Right of Pre-Emption	:	During the term of the Bonds, Luminor 2 has the right of first refusal to acquire any shares in the Subsidiary proposed to be transferred by the Company, on the same terms and conditions as those offered to potential transferees.
Exchange Price Adjustments	:	The Exchange Price shall be subject to adjustments in relation to, *inter alia*, Share consolidation, subdivision or reclassification of Shares, capitalisation of profits or reserves, dividends, rights issues of Shares, options or other securities, issues at less than current market price of the Shares, modification of rights of conversion and other offers to the Shareholders. The Exchange Price shall not be adjusted as a result of any issue of options or awards granted and/or Shares issued pursuant to exercise of options or awards granted under any of the share schemes of the Company or its subsidiaries.
Redemption or Exchange on Maturity	:	Unless previously converted, Luminor 2 may elect on the EB Maturity Date either to (i) redeem all outstanding EBs; or (ii) exchange all the outstanding EB. If Luminor 2 elects to redeem all outstanding EBs on the EB Maturity Date, within seven business days of the EB Maturity Date, the Subsidiary shall pay to Luminor 2 an amount equivalent to (i) the principal amount of the outstanding EB held by it; plus (ii) a premium that would generate for Luminor 2 a **15.0%** per annum

cumulative return from the EB Issue Date to the EB Maturity Date. Solely for illustrative purposes, assuming that EB with a principal amount of S$2,000,000 are redeemed at maturity, the aggregate amount of S$2,645,000 will be paid to Luminor 2 upon redemption.

Transfer : The EB are non-transferable.

Undertakings : As long as the Bonds remain outstanding, the Subsidiary and the Company will:

(a) maintain its corporate existence under the laws of their respective country of jurisdiction and obtain the Purchaser's prior written consent before taking any action to dispose of any interest in the Company's subsidiaries;

(b) ensure that each Group company complies with all applicable laws and regulations in its respective country of jurisdiction;

(c) ensure that each Group company maintains the licences, consents, permits and authorisations necessary for it to conduct its respective businesses;

(d) notify the Purchaser in writing as soon as reasonably practicable if any of the Group companies becomes subject to any litigation action, or if it adopts significant plans for reorganisation or amalgamation; and

(e) notify the Purchaser as soon as reasonably practicable of any actual or prospective change in its financial, operations and business affairs which in its reasonable opinion will result in a material adverse effect.

As long as the Bonds remain outstanding, the Subsidiary and the Company will not do any of the following without the prior written consent of the Purchaser (such consent not to be unreasonably withheld):

(a) distribute dividends of the Company and/or the Subsidiary;

(b) assume any debt that is incurred not in the ordinary course of the business of the Group; and

(c) take any action that would in its reasonable opinion cause an event of default to occur.

Events of Default : Upon the occurrence of any event of default specified in the EB T&C, Luminor 2 will be entitled to exercise its right to redeem the EB, at a price equal to (i) the outstanding principal amount plus (ii) a premium that would generate for Luminor 2 a **20.0%** per annum cumulative return from the EB Issue Date to the date notice of default is given by Luminor 2.

3.2 Conditions Precedent

The Proposed EB Issue is conditional upon, *inter alia*:

(a) Acquisition Completion in relation to the Proposed Acquisition;

(b) the execution of the EB Guarantee by the Company;

(c) Luminor 2 having completed its due diligence exercise on the Company and the results of the same being satisfactory to it;

(d) all the representations and warranties of each party being accurate and correct and not misleading in all respects at; and (ii) each party having performed all of its undertakings or obligations required to be performed by it on or before the closing of the Proposed EB Issue; and

(e) the approval of Shareholders of the Company for the issue and allotment of the Exchange Shares, the approval of the SGX-ST for the listing and quotation of the Exchange Shares on the SGX-ST and all other consents, approvals and authorisations having been obtained by the Company and the same continuing to be in full force and effect.

If any of the conditions to the EB Subscription Agreement is not satisfied on or waived before the date falling six months from the date of the EB Subscription Agreement, the Proposed EB Issue will not proceed.

3.3 Information on Luminor 2

Luminor 2 is a company incorporated in Singapore, which is part of the Luminor Capital Group, a private equity group headquartered in Singapore, and is a related company to Luminor 1, one of the Vendors under the Proposed Acquisition. Luminor 2 is approved under the Singapore Global Investor Programme administered by Contact Singapore. As at the date of this announcement, none of the Luminor group of companies (including Luminor 1 and Luminor 2) holds any Shares or is considered a person restricted under Rule 812 of the Catalist Rules. Luminor 2 is purchasing the Bonds for investment purposes and for their own benefit and not in trust or as a nominee.

Shareholders should note that assuming Acquisition Completion, Luminor 1 will be issued 213,651,724 Consideration Shares, representing approximately 20.89% of the enlarged number of 1,022,672,414 Shares in the Company (following the Acquisition Completion).

The Proposed EB Issue is made pursuant to the exemption under Section 275 of the Securities and Futures Act, Chapter 289 of Singapore ("**SFA**"). As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed EB Issue.

3.4 Exchange Shares

As mentioned above, subject to adjustments, the Exchange Price will be an amount equal to 90.0% of the VWAP of the Shares traded on the SGX-ST for the five (5) days prior to: (i) the date Luminor 2 exercises its Exchange Right; or (ii) the date of the EB Subscription Agreement (whichever is lower), provided that such price being not more than a 10.0% discount to the VWAP for trades done on the Shares on the SGX-ST on the date of the EB Subscription Agreement (or if trading is not available for a full market day, the VWAP for trades done on the preceding market day up to the date of the EB Subscription Agreement). Therefore, at this juncture, the Company is unable to ascertain the maximum number of Exchange Shares which may be issued pursuant to the Proposed EB Issue.

Solely for illustrative purposes, based on the VWAP of Shares traded on the SGX-ST for the five-day period prior to 28 March 2017, the Exchange Price will be S$0.0935 ("**Illustrative Exchange Price**") and a maximum of 21,390,374 Exchange Shares may be issued in relation to the Principal Amount under the Proposed EB Issue.

The Company will be seeking specific Shareholders' approval in relation to the Proposed EB Issue and allotment and issue of Exchange Shares. A circular in connection with the Proposed Acquisition containing further details on the Proposed EB Issue will be despatched to Shareholders in due course.

Assuming all the EB are converted into Exchange Shares following the Acquisition Completion, and based on the Illustrative Exchange Price, the 21,390,374 Exchange Shares will represent approximately 2.05% of the enlarged issued and paid up share capital of the Company comprising 1,044,062,788 Shares (taking into account the (i) issue of an aggregate of 712,172,414 Consideration Shares to the Vendors pursuant to the Acquisition Completion and (ii) issue of 21,390,374 Exchange Shares to Luminor 2 pursuant to the Proposed EB Issue) ("**Enlarged Share Capital**").

Please refer to the **Appendix** to this announcement for the shareholding table of the Company upon Acquisition Completion and completion of the Proposed EB Issue.

3.5 Rationale and Use of Proceeds

The Proposed EB Issue is intended to raise additional funding to strengthen the financial position of the Group and to advance the enlarged Group's strategic plans after the Acquisition Completion.

Assuming issue of the EB, the estimated net proceeds from the Proposed EB Issue, after deducting estimated professional and related expenses of approximately S$50,000 incurred in connection with the Proposed EB Issue, will be approximately S$1,950,000 ("**EB Net Proceeds**"). The EB Net Proceeds are intended to be utilised for general working capital of the enlarged Group after the Acquisition Completion.

Pending the deployment of the EB Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company shall announce the use of the EB Net Proceeds as and when such funds are materially disbursed and whether such a use is in accordance with the stated use of the EB Net Proceeds in this announcement, and where there is any material deviation from the stated use of the EB Net Proceeds, the Company shall announce the reasons for such deviation. The Company shall also provide a status report on the use of the EB Net Proceeds in its annual report.

3.6 Additional Listing Application

An application to the SGX-ST will be made by the Company through its sponsor for the listing of and quotation for the Exchange Shares and any excess shares to be issued arising from the adjustment of the Exchange Shares based on the terms of the EB Subscription Agreement, on the Catalist. The Company will make the necessary announcement in due course upon receipt of the listing and quotation notice from the SGX-ST.

4. PROPOSED GB ISSUE

Pursuant to the GB Subscription Agreement, the Company has agreed to issue and the GB Subscriber has agreed to subscribe for guaranteed non-convertible bonds due 2018 of an aggregate principal amount of S$2,875,000 ("**GB**") on the terms and subject to the conditions of the GB Subscription Agreement ("**Proposed GB Issue**", and together with the Proposed EB Issue, "**Bonds Issuances**").

4.1 Salient Terms of the Proposed GB Issue

The salient terms of the Proposed GB Issue are summarised below:

Principal Amount	:	S$2,875,000.
Subscription Price	:	86.96% of the principal amount of the GB, being S$2,500,100.

Maturity Date	:	On the first anniversary from the date the GB are issued ("**GB Issue Date**") ("**GB Maturity Date**"), which may be extended for a period of three months ("**Extension Period**") at the sole discretion of the Company ("**Extension**").
Interest	:	**5.0%** per annum, payable quarterly in arrears. In the event of Extension, the GB will bear interest at the rate of **12.0%** per annum of the principal amount outstanding of the GB for the duration of the Extension Period. Interest for the duration of the Extension Period calculated up to but excluding the new GB Maturity Date shall be payable on the first day of the Extension Period.
Form and Denomination	:	The GB will be issued in registered form in the denomination of S$5,000 or integral multiples thereof.
Status of the GB	:	The GB will constitute direct, unsubordinated and unconditional obligations of the Company. The GB shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Company under the GB shall, save for such exceptions as may be provided by applicable laws, at all times rank (i) in priority to loans to the Company by its directors and/or shareholders, if any; and (ii) at least equally with all of the Company's present and future direct, unsubordinated and unconditional obligations, other than subordinated obligations and priorities created by law.
Guarantee	:	Lim will irrevocably and unconditionally guarantee the proper and punctual payment by the Company of all amounts which are to be paid by the Company to the bondholders under the GB Subscription Agreement and/or the GB ("**Guaranteed Amount**") ("**GB Guarantee**").
Redemption on Maturity	:	Unless previously redeemed, purchased and cancelled or extended, the Company will to redeem all outstanding GB on the GB Maturity Date at 100.0% of its principal amount, together with all accrued but unpaid interest thereon.
Extension	:	The Company is entitled, at its sole discretion, to extend the GB Maturity Period, once, by a period of three months subsequent to the initial GB Maturity Period.
Transfer	:	The GB are non-transferable, save in the event of succession arising from the death of a natural person.
Events of Default	:	Upon the occurrence of any event of default specified in the terms and conditions of the GB, the bondholders will be entitled to redemption save that the Company may challenge the validity and/or reasonableness of the event of default.

4.2 Conditions Precedent

The Proposed GB Issue is conditional upon, *inter alia*:

(a) the allotment, issue and subscription of the GB not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the GB Subscription Agreement;

(b) the deposit of S$2,500,100 (being the aggregate GB Subscription Price) by the GB Subscriber with Wong Tan & Molly Lim LLC (as escrow agent appointed for purposes of the GB Subscription Agreement) ("**Escrow Agent**");

(c) the execution of the escrow agreement between the Company, the GB Subscriber and the Escrow Agent ("**Escrow Agreement**");

(d) the execution of the GB Guarantee by Lim; and

(e) the representations and warranties of the Company under the GB Subscription Agreement being true, accurate and correct in all material respects, with reference to the then existing circumstances and the Company having performed in all material respects all of its obligations under the GB Subscription Agreement to be performed on or before the closing of the Proposed GB Issue.

If any of the conditions to the GB Subscription Agreement is not satisfied on or before 30 April 2017 (or such later date as may be agreed between the parties in writing), the Proposed GB Issue will not proceed.

4.3 Information on the GB Subscriber

The GB Subscriber is a private investor. As at the date of this announcement, the GB Subscriber does not hold any Shares and is not considered a person restricted under Rule 812 of the Catalist Rules. The GB Subscriber is subscribing for the GB for investment purposes and for his own benefit and not in trust or as a nominee.

The Proposed GB Issue is made pursuant to the exemption under Section 275 of the SFA. As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed GB Issue.

4.4 Introducer

The GB Subscriber was introduced to the Company by Mr Koh Kok Leong ("**Introducer**"), for which the Company will pay the Introducer a fee of S$125,000 in cash, subject to the Company receiving the proceeds from the Proposed GB Issue. The Introducer is an entrepreneur involved in the construction business, and is a personal acquaintance of Mr Chan Koon Mong, a director of the Company.

4.5 Rationale and Use of Proceeds

The Proposed GB Issue is intended to raise additional funding to strengthen the financial position of the Group and to advance the Group's strategic plans, including but not limited to the Proposed Acquisition.

Assuming issue of the GB, the estimated net proceeds from the GB Subscription Price, after deducting estimated professional and related expenses (including the Introducer fees) of approximately S$170,000 incurred in connection with the Proposed GB Issue, will be approximately S$2,330,100 ("**GB Net Proceeds**"). The GB Net Proceeds will be utilised for (i) the general working capital of the Group; and (ii) the professional expenses relating to the Proposed Acquisition.

Pending the deployment of the GB Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, used for investment in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

4.6 Proposed GB Issue as an Interested Person Transaction

The Proposed GB Issue (together with the GB Guarantee, which forms part of the Proposed GB Issue) constitutes an interested person transaction under Chapter 9 of the Catalist Rules, as follows:

(a) An "interested person transaction" is a transaction between an entity at risk and an interested person pursuant to Rule 904(5) of the Catalist Rules.

(b) As the Company is an "issuer" on the Catalist, the Company is an "entity at risk" pursuant to Rule 904(2) of the Catalist Rules.

(c) As Lim (as guarantor under the GB Guarantee) is the Managing Director of the Group and a controlling Shareholder, he is an "interested person" under Rule 904(4)(a) of the Catalist Rules.

(d) As the Proposed GB Issue involves the issuance of securities, it is a "transaction" under Rule 904(6)(b) of the Catalist Rules.

As no interest is payable by the Company to Lim in connection with the GB Guarantee, for the purposes of Chapter 9 of the Catalist Rules, the value of the GB Guarantee is nil and the Company is not required to obtain the approval of the Shareholders for the entry into the Proposed GB Issue and/or the GB Guarantee.

Lim has abstained and will abstain from voting on all board resolutions relating to the Proposed GB Issue.

Save as disclosed and previously announced, between 1 January 2017 and the date of this announcement, no interested person transactions (excluding transactions with a value of less than S$100,000) has been entered into by the Group whether with Lim, his associates or otherwise.

4.7 Audit Committee's Statement

The Audit Committee of the Company has reviewed the terms of the GB Guarantee and is of the view that the provision of the guarantee, while not on normal commercial terms, is not prejudicial to the interests of the Company and its minority shareholders.

5. DIRECTORS' OPINION

The Directors are of the opinion that, barring any unforeseen circumstances:

(a) after taking into account the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements; and

(b) after taking into account the present bank facilities and net proceeds of the Bonds Issuances, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Bonds Issuances will enable the enlarged Group to improve its financial position by increasing the cash available for general corporate requirements.

6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION AND THE BONDS ISSUANCES

As at the date of this announcement, the share capital of the Company is S$30,101,319, comprising 310,500,000 Shares. Upon Acquisition Completion and issue of the EB, and

assuming full conversion of the EB into Exchange Shares based on the Illustrative Exchange Price, the Enlarged Share Capital will be approximately S$37,810,852, comprising 1,044,062,788 Shares.

Based on the unaudited financial statements of the Group for the financial year ended 31 December 2016 ("**FY2016**"), the financial effects of the Proposed Acquisition and the Bonds Issuances on the Group are set out as follows:

(a) the net asset value per Share of the Group as at 31 December 2016, assuming the Acquisition Completion, the Bonds Issuances and full conversion of the EB into Exchange Shares based on the Illustrative Exchange Price had been effected on 31 December 2016, would decrease from 2.96 cents to 1.44 cents; and

(b) the loss per Share of the Group for FY2016, assuming Acquisition Completion, the Bonds Issuances and full conversion of the EB into Exchange Shares based on the Illustrative Exchange Price had been effected on 1 January 2016, would have decrease from 2.96 cents to 1.02 cents.

The above computations are purely for illustrative purposes only and do not reflect the actual financial results and position of the Group after issue of the EB and the GB, and have assumed that the Acquisition Completion has taken place.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed herein, none of the Directors or substantial Shareholders has any interest, direct or indirect, in the Bonds Issuances (other than their direct or indirect shareholdings in the Company).

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Bonds Issuances and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Supplemental Agreement, EB Subscription Agreement and GB Subscription Agreement, Escrow Agreement and GB Guarantee will be made available during normal business hours at the registered office of the Company for a period of three months commencing from the date of this announcement.

10. FURTHER ANNOUNCEMENTS

The Company will make further announcement(s) to update Shareholders as and when appropriate.

In the meantime, Shareholders should exercise caution when trading in the Shares as the Proposed Acquisition and the Bonds Issuances are subject to certain conditions and there is no certainty or assurance as at the date of this announcement that they will complete. Where

in doubt as to the action they should take, Shareholders should consult their financial, tax, legal or other professional advisers.

By Order of the Board

Dr Wilson Tay Chuan Hui
Lead Independent Director and Non-Executive Chairman
29 March 2017

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*Anchor Resources Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 18 March 2016. The initial public offering of the Company was sponsored by UOB Kay Hian Private Limited (the "**Sponsor**").*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently 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 contact person for the Sponsor is Mr Alvin Soh, Head of Catalist Operations, Senior Vice President and Mr Josh Tan, Vice President, who can be contacted at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

APPENDIX

SHAREHOLDING TABLE OF THE COMPANY UPON ACQUISITION COMPLETION AND ISSUANCE OF THE EXCHANGE SHARES

The interests of the Directors, Substantial Shareholders and the Vendors are set out in the table below:

	As at the date of this announcement				Immediately after the Acquisition Completion				Immediately after the Acquisition Completion and issuance of the Exchange Shares			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares	% (1)	No. of Shares	% (1)	No. of Shares	% (1)	No. of Shares	% (1)	No. of Shares	% (1)	No. of Shares	% (1)
Directors												
Dr Wilson Tay Chuan Hui	-	-	-	-	-	-	-	-	-	-	-	-
Lim (2)	26,383,856	8.50	43,146,023	13.90	453,687,304	44.36	43,146,023	4.22	453,687,304	43.45	43,146,023	4.13
Chan Koon Mong (3)	-	-	1,597,222	0.51	-	-	1,597,222	0.16	-	-	1,597,222	0.15
William Law Phooi Wong (4)	13,168,334	4.24	43,146,023	13.90	13,168,334	1.29	43,146,023	4.22	13,168,334	1.26	43,146,023	4.13
Ch'ng Li-Ling	-	-	-	-	-	-	-	-	-	-	-	-
Gavin Mark McIntyre	-	-	-	-	-	-	-	-	-	-	-	-
Substantial Shareholders (other than Directors) (including Vendors)												
JHW Minerals & Resources Pte. Ltd.	43,146,023	13.90	-	-	43,146,023	4.22	-	-	43,146,023	4.13	-	-
GBM Resources Limited	35,221,236	11.34	-	-	35,221,236	3.44	-	-	35,221,236	3.37	-	-
Koh	11,337,644	3.65	-	-	82,554,885	8.07	-	-	82,554,885	7.91	-	-
Luminor 1	-	-	-	-	213,651,724	20.89	-	-	213,651,724	20.46	-	-
Luminor 2	-	-	-	-	-	-	-	-	21,390,374	2.05	-	-
Other Shareholders												
Public (5)	181,242,907	58.37	-	-	181,242,907	17.72	-	-	181,242,907	17.36	-	-
Total	**310,500,000**	**100.00**			**1,022,672,414**	**100.00**			**1,044,062,788**	**100.00**		

Notes:

(1) Percentage shareholding as at the date of this announcement is calculated based on 310,500,000 Shares, assuming no new Shares are issued by the Company.

Percentage shareholding immediately after the Acquisition Completion is calculated based on the enlarged issued share capital of the Company comprising 1,022,672,414 Shares, assuming that all 712,172,414 Consideration Shares are allotted and issued and assuming no other new Shares are issued by the Company between the date of this announcement and the Acquisition Completion.

Percentage shareholding immediately after the issue of Exchange Shares is calculated based on the enlarged issued share capital of the Company comprising 1,044,062,788 Shares, assuming that all 712,172,414 Consideration Shares are allotted and issued, all the EB are exchanged and 21,390,374 Exchange Shares are allotted, and assuming no other new Shares are issued by the Company between the date of this announcement and the issue of such Exchange Shares.

(2) Lim owns 45.5% of the shares in JHW, and accordingly, is deemed to have an interest in the 43,146,023 Shares held by JHW Minerals & Resources Pte. Ltd. ("**JHW**").

(3) Chan Koon Mong is deemed to have an interest in the 1,597,222 Shares held by his spouse, Wong Lee Chin.

(4) William Law Phooi Wong owns 40.5% of the shares in JHW, and accordingly, is deemed to have an interest in the 43,146,023 Shares held by JHW.

(5) Based on 181,242,907 Shares held by the public as at the date of this announcement.