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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN ON AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

Pursuant to Rule 704(4) of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the board of directors (the "**Board**") of Anchor Resources Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the independent external auditors of the Company, BDO LLP (the "**Auditors**"), have included a Material Uncertainty Related to Going Concern section in their Independent Auditors' Report dated 9 April 2019 (the "**Independent Auditors' Report**") on the audited financial statements of the Group for the financial year ended 31 December 2018 ("**FY2018 Financial Statements**"). The opinion of the Auditors is not modified in respect of this matter.

A copy of the Independent Auditors' Report together with the extract of the relevant note of the FY2018 Financial Statements are attached hereto for the shareholders' information.

Notwithstanding the above and barring any unforeseen circumstances, the Board is of the opinion that the Group will continue as a going concern for the following reasons:

(a) On 17 January 2019, the Company completed a placement exercise, 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 (equivalent to RM3,000,000).

(b) On 8 April 2019, the Company entered into a subscription agreement pursuant to which the subscribers therein have agreed to subscribe for an aggregate of up to 143,790,838 new ordinary shares in the capital of the Company at an issue price of S$0.0153 each for an aggregate cash consideration of S$2,200,000 (equivalent to RM6,600,000).

(c) The Company has entered into a subscription agreement dated 12 March 2019 with Advance Opportunity Fund and Advance Partners Limited as the investment manager of the Subscriber for the issuance of 1% unsecured redeemable equity-linked notes due 2022, with an aggregate principal amount of S$10,000,000 (equivalent to RM30,000,000) in three tranches subject to approval from relevant authorities. Due in 2022, the notes bear interest rate of 1% interest per annum and is payable semi-annually.

(d) The Management continues to evaluate various strategies to improve profitability and generate positive cash flows from the Group's current business activities. These strategies include, *inter alia*, obtaining more projects for the granite mining segment; working with business partners to expand business operations and expedite the plan to achieve the revenue base and simultaneously reducing the operating and capital commitment which include the following:

    (i) the processing of tailings materials into gold concentrated ore since June 2018 which has shown encouraging results in production and it is expected to contribute positively to the Group's operating cash flows;

    (ii) the Group had on 18 January 2019 entered into a Technical Services Agreement with Great Aims Resources Sdn. Bhd. ("**GAR**"), pursuant to which GAR is engaged to carry

out core drilling in the Lubuk Mandi Gold Mine;

(iii) the Group had entered into a Co-Operation Agreement on 16 January 2019 with Jianning Country Huasheng Stone Co., Ltd. where the latter is to undertake all the dimension stone processing and be overall responsible for the preparation, production, safety and relevant management of the plant; and

(iv) 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 SIVLI in Brunei as per the contractual four (4) years agreement. The sales team is actively marketing the aggregate sales to both local and overseas market.

To the best of its knowledge, the Board (i) is of the opinion that sufficient material information has been disclosed for trading of the Company's securities to continue in an orderly manner; and (ii) confirmed that all material disclosures have been provided for trading of the Company's shares to continue.

Shareholders of the Company are advised to read the FY2018 Financial Statements in its annual report of the Company for the financial year ended 31 December 2018, which will be despatched to the shareholders in due course.

By Order of the Board
ANCHOR RESOURCES LIMITED

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

9 April 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 Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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

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

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