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

Additional Disclosure Required for Mineral, Oil and Gas Companies For Third Quarter Ended 30 September 2019

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

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

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

For the quarter financial period from 1 July 2019 to 30 September 2019 ("3Q2019"), 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	100	151	(51)	(1)
Royalty	60	210	(150)	(2)
General working capital	2,967	4,021	(1,054)	(3)
Total	**3,127**	**4,382**	**(1,255)**	

(1) The actual payment for property, plant and equipment is lower than projected payment by RM0.05 million was mainly due to finalization and reconciliation of outstanding amount.

(2) Actual payment of royalty is lower than projected by RM0.15 million was due to partial payment of royalty fee paid, while the discussion with Perbadanan Memajukan Iktisad Negeri Terengganu ("PMINT") regarding repayment arrangement for royalty and contract is still on-going.

(3) Actual payment of general working capital was RM1.05 million lower than the projected amount mainly due to directors' remuneration were accrued for the current quarter.

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 October 2019 to 31 December 2019 ("**4Q2019**"), the Group's use of funds/cash for development and production activities are expected to be as follows:-

Purpose	**Amount (RM'000)**	**Remarks**
Payment for property, plant and equipment	121	(1)
Royalty	210	(2)
General working capital	4,975	(3)
Total	**5,305**	

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 4Q2019 are as follows: -

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

(2) Royalty expenditure of RM0.21 million as agreed with PMINT.

(3) General working capital of RM4.98 million which consists of expected payment of (i) RM2.76 million for repayment of bond principal and interest, and (ii) the remaining of RM2.22 million for general corporate and administrative expenses.

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

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

2. Rule 705(7) of the Catalist Rules

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

Lubuk Mandi Gold Mine

During 3Q2019, a total of 39,218 dry tonnes of tailings materials were being processed. Total gold concentrated ore produced was approximately 275 tonnes with average of 42.1 gram of gold per tonne of gold concentrated ore. Production was low in September 2019 due to plant scheduled maintenance, repairs and reengineering on the production flow of tailing and hardrock.

While as of year-to-date, a total of 120,727 dry tonnes of tailings materials were being processed. Total gold concentrated ore produced was approximately 1,094 tonnes with average of 37.1 gram of gold per tonne of gold concentrated ore.

With reference to the Technical Services Agreement between the Company's wholly-owned subsidiary, Angka Alamjaya Sdn. Bhd. ("AASB") and Great Aims Resources Sdn. Bhd. ("GAR") on 18 January 2019, the trial core drilling process in hardrock mining was completed in August 2019.

GAR continued to carry out the excavation and repair works towards the targeted lode in 3Q2019. GAR encountered some weak veins towards the targeted lode and reinforcement works were carried out for safety reason. As such, this has slowed down the excavation works towards the targeted lode in 3Q2019. Our Company is reviewing the efficiency of GAR on the progress of operations.

Bukit Chetai Granite Mine

The Big Blank Material Levelling machine was used to trim the Sekayu White ("SW") blocks. A total of 32 of SW blocks were trimmed to produce SW strip-slabs. The two (2) multi-blade block-cutters were used to cut the SW blocks into 20mm thick strip-slabs. A total of 1,689 m^2 of strip-slabs were produced in 3Q2019.

During 3Q2019, Jianning County Huasheng Stone Co. Ltd. ("Jianning") has repaired the Big Blank Material Levelling Machine for trimming of blocks and operated the factory together with the existing machineries in the factory to increase the productivity in 3Q2019.

By Order of the Board
ANCHOR RESOURCES LIMITED

Lim Chiau Woei
Managing Director

14 November 2019

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*This announcement has been prepared by Anchor Resources Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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 and the SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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