ANCHOR RESOURCES LIMITED

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

ENTRY INTO MEMORANDUM OF UNDERSTANDING WITH MOHD SUKRI BIN ISMAIL

The board of directors (the "**Board**") of Anchor Resources Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, GGTM Sdn Bhd ("**GGTM**") has on 9 April 2018, entered into a memorandum of understanding (the "**MOU**") with Mohd Sukri Bin Ismail ("**Sukri**").

Sukri is a quarry licence holder for the two quarry leases: (a) HS(D) 1664 PT G 3222 Mukim Penghulu Diman, Daerah Hulu Terengganu, Negeri Terengganu with an area measuring approximately 25,060 square metres (b) HS(D) 1560 PT 11097 Mukim Penghulu Diman, Daerah Hulu Terengganu, Negeri Terengganu with an area measuring approximately 121,530 square metres (the "**Quarry Leases**"). GGTM has a concession from Perbadanan Memajukan Iktisad Negeri Terengganu for the extraction of granite aggregates and dimension blocks from two large granite quarries, the 258-acre Bukit Chetai quarry and the 484-acre Bukit Machang quarry.

Pursuant to the MOU, GGTM and Sukri are desirous of combining their respective resources in order to tender for the East Coast Rail Line ("**ECRL**") project and any other projects to be jointly identified with (the "**Projects**"), together as an unincorporated joint venture (the "**Consortium**"). The railway for the ECRL project will run along a 600.3 km route, and the ECRL project is estimated to require approximately 250,000 metres square of granite tiles for the construction of stations. In addition, 4.3 million tonnes of granite aggregates, ballasts and crusher run will be required for the construction of rail track covering Pengkalan Berangan Station, Kuala Terrengannu Station, and Duggun Station. Those stations are within 50km from both quarries of GGTM and Sukri with the nearest being about 15km from the quarries. Due to such strategic location, the proposed Consortium is intended to meet the demands for the supply of such granite aggregates for the ECRL and also granite stones for the stations.

The objectives of the Consortium include, *inter alia*, (a) to provide exclusive usage of the Quarry Leases together with the necessary approvals to the Consortium, (b) to prepare (or finalise) and present the proposal in the name of the Consortium to the relevant and competent authorities for approval, (c) to procure the financing for carrying out of the Projects and (d) to undertake the planning, implementation and execution of the Projects. The parties intend to enter into definitive joint venture agreement(s) and set up an unincorporated joint venture for the purpose of each Project after the proposal is accepted and/or awarded by the relevant governing authority for the Project(s). The Consortium will create the synergistic impact required to unlock the value of quarry assets for both parties. For the avoidance of doubt, the parties intend for the MOU to be exclusive.

The formation of the Consortium will be funded through internal resources and external borrowings and is not expected to have any material impact on the net tangible assets and earnings per share of the Company and the Group for the current financial year ending 31 December 2018.

None of the directors or the controlling shareholders of the Company has any direct or indirect interest in the MOU, save through their shareholding interests in the Company.

The Company will make further announcement(s) in relation to the MOU as and when there are any material developments on the same.

By Order of the Board
ANCHOR RESOURCES LIMITED

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

10 April 2018

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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 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 contact persons for the Sponsor are Mr Alvin Soh, Head of Catalist Operations, Senior Vice President, and Mr Josh Tan, Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.