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

RESPONSE TO SGX QUERIES

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1. The board of directors (the "**Board**" or "**Directors**") of Anchor Resources Limited (the "**Company**", and together with its subsidiaries, the "**Group**") has received the following queries from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in relation to the various cessation announcements made by the Company on 4 January 2021 and wishes to provide its response as follows:-

2. **SGX-ST's queries:**

Q1. What are the plans and directions of the Company moving forward following the completion of the debt restructuring?

Reply by Company:

As disclosed in the Company's circular to shareholders dated 11 December 2020 ("**Circular**"), upon completion of the debt restructuring, the Company will continue to focus its efforts on developing the remaining business of the Group of exploration, mining, production and processing of granite dimension stone, marble aggregates and related products for sale as well as interior fit-out as carried out by GGTM Sdn. Bhd. ("**GGTM**") under the supervision of Mr Lim Chiau Woei, the Managing Director of the Company ("**Granite Dimension Stone Business**").

In addition, as disclosed in the Company's announcement dated 30 December 2020 in relation to, inter alia, the proposed settlement of the Company's outstanding loan of S$3,500,000 owed to various lenders, conditional upon completion of the proposed settlement, Mr. Lim Beng Chew will be appointed as a director of the Board. His appointment will bring a fresh perspective to the Board based on his own background and expertise. The current Board understands that at that point the newly constituted board intends to undertake a strategic review of investment and divestment opportunities with a view to improve the Group's financial position, unlock shareholder value and at the same time streamline its activities and businesses. This may potentially involve diversifying the Company's business into new business segments, so as to provide additional revenue streams for the Group and building a stronger income base for future growth.

The Management of the Company, in consultation with the Board and together with Mr. Lim Beng Chew, will focus on developing and growing the business of the Group, and the Company will make such necessary announcements to update the Shareholders on any future steps that the Group intends to embark on.

Q2. Who will be leading the Company in the execution of abovementioned plans?

Reply by Company:

Mr Lim Chiau Woei, the Managing Director of the Company, will continue in his role as Managing Director and spearhead the Granite Dimension Stone Business.

The new Board, in consultation with the Management of the Company, will discuss and appoint one of the Directors to spearhead the Group's foray into new businesses beyond the mining business segment.

Q3. Please confirm that the Company continues to have a minimum of 3 members in its AC.

Reply by Company:

Please refer to the Company's announcement dated 6 January 2021 on the reconstitution of the Board ("**Reconstitution Announcement**"). As per the Reconstitution Announcement, the Company confirms that there are a minimum of 3 members in its Audit Committee of the Board, which comprises Mr. Gavin Mark McIntyre (Chairman), Ms. Lee Kim Lian, Juliana, and Mr. Chua Ser Miang.

By Order of the Board

Mr Lim Chiau Woei
Managing Director
6 January 2021

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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.*

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 correctness of any of the statements or opinions made, or reports contained in this announcement.

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