



## ANCHOR RESOURCES LIMITED

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

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### CHANGE IN AND UPDATE ON USE OF PROCEEDS FROM THE (I) INITIAL PUBLIC OFFERING AND (II) PLACEMENT

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The board of directors (the “**Board**”) of Anchor Resources Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to:

- (a) the Company’s initial public offering, pursuant to which, net proceeds of approximately S\$4.6 million were raised (the “**IPO Net Proceeds**”); and
- (b) the placement of 30,770,000 new ordinary shares at S\$0.104 each in the issued and paid-up share capital of the Company completed on 22 July 2016, pursuant to which, net proceeds of approximately S\$3.2 million were raised (the “**Placement Net Proceeds**”),

and wishes to announce the change in and an update on the use of the IPO Net Proceeds and the Placement Net Proceeds.

**(a) IPO Net Proceeds**

The Board has carefully deliberated on the feasibility of funds allocated for (i) further exploration at the Lubuk Mandi Mine and the Bukit Panji Property, and (ii) expansion of the Group’s gold processing capacity, taking into consideration the Group’s cash flow and the exploration and development plans for the Lubuk Mandi Mine and the Bukit Panji Property . The Company wishes to announce that it has re-allocated (i) S\$0.2 million originally allocated for the further exploration at the Lubuk Mandi Mine and the Bukit Panji Property, and (ii) S\$0.5 million originally allocated for expansion of the Group’s gold processing capacity, to general working capital requirements for general corporate and administrative expenses, and development of the Lubuk Mandi Mine and the Bukit Panji Property and investment in mining-related infrastructure and equipment.

The following table summarises the change in and update on the use of the IPO Net Proceeds as at the date of this announcement:

<b>Purpose</b>	<b>Amount allocated S\$’000</b>	<b>Amount after Re-allocation S\$’000</b>	<b>Amount Utilised S\$’000</b>	<b>Amount Unutilised S\$’000</b>
Further exploration at the Lubuk Mandi Mine and the Bukit Panji Property	500	300	-	300
Development of the Lubuk Mandi Mine and the Bukit Panji Property and investment in mining-related infrastructure and equipment	500	800	530	270
Expansion of our gold processing capacity	2,100	1,600	1,394	206
Expansion of our business and operations	300	300	300	-

General working capital <sup>(1)</sup>	1,200	1,600	1,200	400
Listing expenses	2,600	2,600	2,600	-
Total	7,200	7,200	6,024	1,176

**Note:**

(1) For general corporate and administrative expenses.

**(b) Placement Net Proceeds**

The Board has carefully deliberated on the feasibility of funds allocated for acquisition expenses, taking into consideration the Group's cash flow and development plans for the Lubuk Mandi Mine. The Company wishes to announce that it has re-allocated S\$1.113 million of the Placement Net Proceeds originally allocated for acquisition expenses to general working capital requirements for general corporate and administrative expenses as well as the development expenses for the Lubuk Mandi Mine.

The following table summarises the change in and update on the use of the Placement Net Proceeds as at the date of this announcement:

<b>Purpose</b>	<b>Amount allocated S\$'000</b>	<b>Amount after Re-allocation S\$'000</b>	<b>Amount Utilised S\$'000</b>	<b>Amount Unutilised S\$'000</b>
Acquisition expenses	1,500	387	387	-
General working capital <sup>(1)</sup>	1,500	2,613	2,536	77
Fund raising expenses	200	200	200	-
Total	3,200	3,200	3,123	77

**Note:**

(1) For general corporate and administrative expenses as well as the development expenses for the Lubuk Mandi Mine.

The Board is of the view that the re-allocation of the IPO Net Proceeds and the Placement Net Proceeds is in the best interests of the Company and its shareholders as this will help to strengthen the Group's working capital position amidst the current challenging economic environment.

The Company will make periodic announcements via SGXNet on the utilisation of the re-allocated IPO Net Proceeds and the re-allocated Placement Net Proceeds as and when they are materially disbursed.

**By Order of the Board  
ANCHOR RESOURCES LIMITED**

Lim Chiau Woei  
Managing Director

1 March 2017

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*Anchor Resources Limited (the "**Company**") and together with its subsidiaries, the "**Group**") 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. 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 persons for the Sponsor are 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.*