ANCHOR RESOURCES LIMITED

(Company Registration No.: 201531549N)

PRESS RELEASE

Business activity rising significantly for Anchor Resources

- **Secured a S$75 million contract to supply 3.6 million tonnes of granite aggregates over four years**
- **Construction of new underground mining facility at Lubuk Mandi Mine progressing well, hard rock production expected to start in December 2018**
- **Exported approximately 74 tonnes of semi-processed gold concentrated ore with average 34 gram / tonne of gold concentrate as at end July 2018**
- **Expecting improvement in performance for second half of 2018 with increasing gold production and further granite contract wins**

Singapore, 15 August 2018 – Anchor Resources Limited ("**Anchor Resources**" or the "**Company**" and, together with its subsidiaries, the "**Group**"), a Malaysian operator of gold mine and dimension stone granite quarry and architectural stone and interior fit-out service provider, is pleased to announce key updates on its respective business segments.

Granite Quarry Business Segment

On 15 August 2018, the Group secured a contract worth S$75 million to supply 3.6 million tonnes of granite aggregates to SIVLI Sdn Bhd ("**SIVLI**") over a four-year period. Established in 1993, SIVLI is a leading engineering, procurement and construction solution provider in Brunei Darussalam ("**Brunei**") with a track record of over 100 projects particularly in the areas of Mechanical & Electrical Engineering, Telecommunication, Civil and Structural works. Notably, SIVLI has been involved in a number of mega projects in Brunei and has expanded its footprint in the ASEAN region.

Mr Lim Chiau Woei, Managing Director of Anchor Resources, commented, **"Brunei's drive for economic diversification and investment in major infrastructure development projects has led to healthy growth in demand for construction raw material. Similarly, we believe the demand for premium and long-lasting building materials such as dimension stone granite as well as granite aggregates is likely to grow in tandem with infrastructure developments in Southeast Asia and we are well positioned to capitalise on these opportunities."**

Gold Mining Business Segment

The Group is the first operator to obtain an underground mining license in Malaysia. The development of decline, shaft facilities and associated infrastructure required for underground mining at the Lubuk Mandi Mine is progressing well. The Group's contractor, Great Aims Resources Sdn Bhd ("**GAR**"), has completed approximately 210 metres of tunnel length with an estimated vertical depth of 90 metres and is now able to access the targeted lode. GAR will now construct a horizontal working and storage area which will take about three months and target to commence hard rock production by December 2018.

Separately, in July 2018, the Group commenced gold production and exported 74 tonnes of semi-processed gold concentrated ore with an average grade of approximately 34 grams of gold per tonne. The Group is the first company in Malaysia to obtain export approvals for semi-processed gold concentrated ore from the Ministry of Natural Resources and Environment of Malaysia (Kementerian umber Asli Dan Alam Sekitar). The Group has secured an offtake agreement with Beijing Fuhaihua Import & Export Corp. Ltd. in January 2018 to supply approximately 300 to 500 tonnes of semi-processed gold concentrated ore per month.

Commenting on the progress of the gold mining business, Mr Lim said, **"We have been steadfast in executing our business strategies and we are glad to achieve such encouraging results. Apart from gold exploration and mining activities, the Group has been working on the current processing plant to enable processing of in-situ mineralisation. We have performed testing and commissioning of upgraded processing plant since 22 June 2018, we are now able to process approximately 22,000 tonnes of tailings materials per month or 12,000 tonnes of hard rock materials per month."**

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About Anchor Resources Limited

Headquartered in Malaysia, Anchor Resources Limited ("**Anchor Resources**" or the "**Company**" and, together with its subsidiaries, the "**Group**") is principally engaged in the business of exploration, mining and production of gold for sale in Malaysia, exploration, mining, quarry extraction, processing and sale of granite products and dimension stone granite, and architectural stone and interior fit-out services.

The Group's gold mine, Lubuk Mandi Mine, is located at the Eastern gold belt in Peninsular Malaysia in the district of Marang, state of Terengganu. Spanning a project area of 221.53 hectares, the mineral assets comprise gold-bearing tailings mineral resources together with in-situ mineral resources. Currently, the Group's tailing reprocessing plant has the capacity to process 1,000 tonnes of tailings material per day. Separately, the Group has engaged Great Aims Resources Sdn Bhd to carry out underground mining works at the Lubuk Mandi Mine. The Group is the first to secure approval from Malaysia's authority in relation to underground mining and the exportation of semi-processed gold concentrated ore. As at 31 December 2017, the Lubuk Mandi Mine had JORC-compliant tailing mineral resources of 1.3 million tonnes at a grade of 0.73 g/t in the Measured, Indicated and Inferred categories for a total of 30,200 ounces and in-situ mineral resources of 1.8 million tonnes at a grade of 1.39 g/t in the Measured, Indicated and Inferred categories for a total of 79,100 ounces.

The Group's granite dimension stone quarries at Bukit Chetai and Bukit Machang are located in the district of Hulu Terengganu, state of Terengganu. The concession expiring on 26 October 2029 granted by Perbadanan Memajukan Iktisad Negeri Terengganu includes a concession area of approximately 300 hectares. The types of dimension stone granite found within the concession area include green microgabbro, white granite and pink granite, which are marketed as "Terengganu Green" ("**TG**"), "Sekayu White" ("**SW**") and "Rosa Tenggo", respectively. Presently, the Group's main focus is on mining and extraction of dimension stone granite at the Bukit Chetai Granite Quarry, where TG and SW granite can be found. As at 31 December 2017, the total estimated dimension stone granite resources and total estimated dimension stone granite reserves at the Bukit Chetai Granite Quarry is 99.06 million cubic metres and 64.39 million cubic metres, respectively.

For more information, please visit http://www.angkaalam.com

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*This press release 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.*

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