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

ENTRY INTO SETTLEMENT AGREEMENT WITH PERTAMA CONSTRUCTION

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, Angka Alamjaya Sdn. Bhd. ("**AASB**") has on 17 October 2017 entered into a settlement agreement (the "**Settlement Agreement**") with Pertama Construction ("**Pertama**"), a contractor previously engaged by the Group to provide certain works at the Group's Lubuk Mandi Mine, pursuant to which:

(a) AASB and Pertama had agreed that AASB shall pay to Pertama an amount of RM213,011.12 (Ringgit Malaysia: Two Hundred Thirteen Thousand Eleven and Cents Twelve only) owing from AASB to Pertama (the "**Outstanding Amount**") for work done by Pertama at the Group's Lubuk Mandi Mine, such payment of the Outstanding Amount to be satisfied by way of the allotment and issue of new shares in the Company by 31 December 2017, the number of new shares to be allotted and issued to be determined based on an agreed calculation to be decided by AASB and Pertama at a later date (the "**Share Issuance**"). The rationale of the Share Issuance is to settle the Outstanding Amount whilst preserving cash reserves of the Group; and

(b) AASB and Pertama had further agreed that Pertama shall have no further claim from AASB upon completion of the Share Issuance.

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

By Order of the Board
ANCHOR RESOURCES LIMITED

Lim Chiau Woei
Managing Director

17 October 2017

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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.