



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

ANNOUNCEMENT PURSUANT TO RULE 704(4) OF THE CATALIST RULES IN RELATION TO THE AUDITED FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

Pursuant to Rule 704(4) of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “SGX-ST”), the board of directors (the “Board”) of Anchor Resources Limited (the “Company” and together with its subsidiaries, the “Group”) wishes to announce that the independent external auditors of the Company, BDO LLP (the “Auditors”), have included a Material Uncertainty Related to Going Concern section in their Independent Auditors’ Report dated 11 June 2020 (the “Independent Auditors’ Report”) on the audited financial statements of the Group for the financial year ended 31 December 2019 (“FY2019 Financial Statements”). ***The opinion of the Auditors is not modified in respect of this matter.***

A copy of the Independent Auditors’ Report together with the extract of the relevant note of the FY2019 Financial Statements, are attached hereto for the shareholders’ information. Notwithstanding the above comments from the Auditors, the Board is of the opinion that the Group will continue as a going concern barring any unforeseen circumstances for the following reasons:

- (a) The holders of the Group’s Non-Guaranteed Bond I, Non-Guaranteed Bond II and Exchangeable Bond had entered into a deed of settlement by way of issuance of up to 249,200,000 new shares in the capital of the Company and disposal of Angka Alamjaya Sdn. Bhd. (“AASB”), which is the subsidiary involved in the gold mining segment of the Group; please refer to the Company’s announcement on 29 April 2020. The disposal of AASB will allow the Group to dispose of its capital-intensive and loss-making gold mining business. The Company has also received a refundable deposit of S\$645,000 (equivalent to RM1,935,000) from the proposed disposal of AASB. An extraordinary general meeting will be convened to seek the approval of the shareholders of the Company for the proposed settlement.
- (b) The maturity date of the Group’s Guaranteed Bonds II and III has been further extended to 3 October 2020, please refer to the Company’s announcement on 5 April 2020. The Company is looking to raise additional funds to retire the entire amounts of Guaranteed Bonds II and III.
- (c) The Group plans to raise additional funds of RM10 million by assigning its concession at Bukit Machang, Terengganu, held by GGTM Sdn. Bhd. A Heads of Agreement has been signed, as announced on 5 June 2020, and this transaction is subject to the finalization and signing of a Definitive Agreement.
- (d) Resumption of business activities in the Group’s main markets in South East Asia, in particular Malaysia, following the onset of Covid19 and the lockdowns imposed by the Malaysian government.
- (e) Continued support from Mr. Lim Chiau Woei, a controlling shareholder, who has undertaken to provide adequate funds to enable the Group to meet its payment obligations as they fall due.

Management continues to evaluate various strategies to improve profitability and generate positive cash flows from the Group's current business activities. These strategies include, *inter alia*, raising funds and/or working with new and current business partners to expand business operations.

To the best of its knowledge, the Board (i) is of the opinion that sufficient material information has been disclosed for trading of the Company's securities to continue in an orderly manner; and (ii) confirmed that all material disclosures have been provided for trading of the Company's shares to continue.

Shareholders of the Company are advised to read the FY2019 Financial Statements in its annual report of the Company for the financial year ended 31 December 2019, which will be published in SGXNet on 12 June 2020. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

By Order of the Board

Dr Wilson Tay Chuan Hui
Lead Independent Director and Non-Executive Chairman
11 June 2020

*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 Catalyst.*

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.

The contact person for the Sponsor is Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.