

CIRCULAR DATED 10 SEPTEMBER 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Anchor Resources Limited (the "Company"). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings ascribed to them in the section entitled "Definitions" of this Circular.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting ("**Notice of EGM**") and the attached proxy form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the attached proxy form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s) which are not deposited with the CDP, you should at once hand this Circular with the Notice of EGM and the attached proxy form immediately to the purchaser or transferee, or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

This Circular has been prepared by 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 ("**Catalist Rules**").

This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

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



Anchor Resources Limited

(Company Registration Number: 201531549N)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE SETTLEMENT OF NON-CONVERTIBLE BONDS WITH AN AGGREGATE PRINCIPAL AMOUNT OF S\$750,000 ISSUED TO MR KOH KAI JOK AND MR TAN BENG KIAT BY WAY OF ISSUANCE OF 68,181,818 NEW SHARES IN THE CAPITAL OF THE COMPANY TO EACH OF MR KOH KAI JOK AND MR TAN BENG KIAT

IMPORTANT DATES AND TIMES:

| | | |
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| Last date and time for lodgement of Proxy Form | : | 23 September 2020 at 10:00 a.m. |
| Last date and time to pre-register online to attend the EGM remotely | : | 22 September 2020 at 10:00 a.m. |
| Date and time of Extraordinary General Meeting | : | 25 September 2020 at 10:00 a.m. |
| Place of Extraordinary General Meeting | : | The EGM will be held by electronic means |

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DEFINITIONS

The following definitions apply throughout in this Circular except where the context otherwise requires or otherwise stated:

- "associate"** : (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more,
- or such other definition as the Catalist Rules may from time to time prescribe
- "Board" or "Directors"** : The board of Directors of the Company as at the Latest Practicable Date
- "Catalist"** : The sponsor-supervised listing platform of the SGX-ST
- "Catalist Rules"** : Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
- "CDP"** : The Central Depository (Pte) Limited
- "Circular"** : This circular to Shareholders dated 10 September 2020
- "Companies Act"** : Companies Act (Chapter 50 of Singapore), as amended, modified or supplemented from time to time
- "Company"** : Anchor Resources Limited
- "Controlling Shareholder"** : A person who:
- (a) holds directly or indirectly 15% or more of the total voting rights in the Company. Notwithstanding, the SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or
 - (b) in fact exercises control over the Company
- "Director"** : A director of the Company
- "EGM"** : The extraordinary general meeting of the Company, to be held at 10:00 a.m. on 25 September 2020 by way of electronic means, the notice of which is set out on pages N-1 to N-4 of this Circular

DEFINITIONS

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| "Extension Fee" | : | The aggregate extension fee of S\$60,000 paid to KKJ and TBK in consideration for the Repayment Extension |
| "FY2019" | : | Financial year ended 31 December 2019 |
| "Granite Dimension Stone Business" | : | The business of exploration, mining, production and processing of granite dimension stone, marble aggregates and related products for sale as well as interior fit-out |
| "Group" | : | The Company and its subsidiaries, collectively |
| "KKJ" | : | Mr. Koh Kai Jok |
| "KKJ Bonds" | : | The non-convertible bonds with a KKJ TBK Principal Amount issued to KKJ |
| "KKJ TBK Bonds" | : | The KKJ Bonds and the TBK Bonds |
| "KKJ TBK Principal Amount" | : | An aggregate principal amount of S\$375,000 owing under each of the KKJ TBK Bonds |
| "KKJ Settlement Deed" | : | The deed of variation and settlement dated 12 July 2020 entered into between the Company and KKJ |
| "KKJ Share Issue" | : | The proposed issuance of such number of Repayment Shares at the Repayment Issue Price to KKJ pursuant to the terms of the KKJ Settlement Deed |
| "Latest Practicable Date" | : | The latest practicable date prior to the issuance of this Circular, being 7 September 2020 |
| "LPS" | : | Consolidated loss per Share |
| "LQN" | : | The listing and quotation notice to be issued by the SGX-ST for the dealing in, listing of and quotation of the Repayment Shares on the Catalist |
| "NAV" | : | Net asset value |
| "New Due Date" | : | 3 October 2020 |
| "Non-Interested Directors" | : | The Directors who are considered to be independent for the purpose of making the recommendations to the Shareholders in respect of the Proposed Settlement, being Dr. Wilson Tay Chuan Hui, Mr. Chan Koon Mong, Ms. Ch'ng Li-Ling, Mr. Gavin Mark McIntyre and Dr. Foo Fatt Kah |
| "Notice of EGM" | : | The notice of the EGM which is set out on pages N-1 to N-4 of this Circular |
| "NTA" | : | Net tangible assets |
| "NTL" | : | Net tangible liabilities |
| "Proposed Settlement" | : | The Proposed Settlement of the KKJ TBK Bonds pursuant to the terms of the Settlement Deeds as referred to in Section 2.2 of this Circular |
| "Repayment and Subscription Agreement" | : | The repayment and subscription agreement dated 11 December 2018 entered into between KKJ, TBK and the Company |

DEFINITIONS

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| "Repayment Date" | : | 3 April 2020 |
| "Repayment Extension" | : | The extension of the Repayment Date by an additional six (6) months, up to the New Due Date |
| "Repayment Issue Price" | : | The issue price per Repayment Share of S\$0.0055 |
| "Repayment Principal Amount" | : | The total outstanding principal amount due and payable to KKJ and TBK as at the Repayment Date in respect of the KKJ TBK Bonds, being the amount of S\$750,000 |
| "Repayment Resolutions" | : | Ordinary Resolution 1 and Ordinary Resolution 2, collectively |
| "Repayment Shares" | : | The 136,363,636 Shares proposed to be issued by the Company to KKJ and TBK pursuant to the Proposed Settlement, and each a "Repayment Share" |
| "Second Advance Interest Amount" | : | The total outstanding interest amount due and payable to KKJ and TBK for the period beginning from 4 October 2019 to 3 April 2020 based on an interest rate of nine per cent (9%) per annum of the Repayment Principal Amount in respect of the KKJ TBK Bonds, being the amount of S\$33,750 |
| "Settled Amounts" | : | The aggregate of (i) the Second Advance Interest Amount; (ii) all interest accrued and payable under the Repayment Principal Amount from the Repayment Date up to the New Due Date accruing at the rate of ten per cent. (10%) per annum; and (iii) the Extension Fee, collectively amounting to S\$131,250 |
| "Settlement Deeds" | : | The KKJ Settlement Deed and the TBK Settlement Deed |
| "SFA" | : | Securities and Futures Act (Chapter 289 of Singapore), as amended, modified or supplemented from time to time |
| "SGX-ST" | : | The Singapore Exchange Securities Trading Limited |
| "Shareholders" | : | Persons (not being Depositors) who are registered as the holders of the Shares in the register of members of the Company and Depositors, who have Shares entered against their names in the Depository Register, except that where the registered holder is CDP, the term "Shareholders" , where the context admits, mean the Depositors whose securities accounts are credited with Shares |
| "Shares" | : | The ordinary shares in the capital of the Company |
| "Sponsor" | : | UOB Kay Hian Private Limited |
| "Substantial Shareholder" | : | A person (including a corporation) who has an interest or interests in one or more voting Shares in the Company, and the votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company |
| "TBK" | : | Mr. Tan Beng Kiat |
| "TBK Bonds" | : | The non-convertible bonds with a KKJ TBK Principal Amount issued to TBK |
| "TBK Settlement Deed" | : | The deed of variation and settlement dated 12 July 2020 entered into between the Company and TBK |

DEFINITIONS

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| "TBK Share Issue" | : | The proposed issuance of such number of Repayment Shares at the Repayment Issue Price to TBK pursuant to the terms of the TBK Settlement Deed |
| "Travel Restrictions" | : | The overseas travel restrictions put in place by the Malaysia Government |
| "Variation Agreements" | : | The two separate variation agreements dated 3 April 2020 entered into between KKJ and the Company, and TBK and the Company, respectively |
| "VWAP" | : | Volume weighted average price |

Currency, Units and Others

| | | |
|--------------|---|--------------------------|
| "%" | : | Percentage or per centum |
| "RM" | : | Malaysia Ringgit |
| "S\$" | : | Singapore dollars |

The terms "**Depositor**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289 of Singapore) ("**SFA**").

The term "**treasury shares**" shall have the meaning ascribed to it in Section 4 of the Companies Act (Chapter 50 of Singapore) ("**Companies Act**").

The terms "**subsidiaries**" shall have the meanings ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA or the Catalist Rules or any statutory or regulatory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA or the Catalist Rules or any modification thereof, as the case may be, unless otherwise provided.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in figures included in this Circular between the amounts listed and their totals are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

ANCHOR RESOURCES LIMITED

(Company Registration Number: 201531549N)
(Incorporated in the Republic of Singapore)

Directors

Dr. Wilson Tay Chuan Hui (Non-Executive Chairman and Lead Independent Director)
Mr. Lim Chiau Woei (Managing Director)
Mr. Chan Koon Mong (Executive Director)
Ms. Ch'ng Li-Ling (Independent Director)
Mr. Gavin Mark McIntyre (Independent Director)
Dr. Foo Fatt Kah (Non-Independent, Non-Executive Director)

Registered Office

80 Robinson Road
#17-02
Singapore 068898

Date: 10 September 2020

To: **The Shareholders of the Company**

Dear Sir/Madam

THE SETTLEMENT OF NON-CONVERTIBLE BONDS WITH AN AGGREGATE PRINCIPAL AMOUNT OF S\$750,000 ISSUED TO MR KOH KAI JOK AND MR TAN BENG KIAT BY WAY OF ISSUANCE OF 68,181,818 NEW SHARES IN THE CAPITAL OF THE COMPANY TO EACH OF MR KOH KAI JOK AND MR TAN BENG KIAT

1. INTRODUCTION

1.1. Extraordinary General Meeting ("EGM")

The board of directors (the "**Board**" or "**Directors**") of the Company, together with its subsidiaries (collectively, the "**Group**"), are convening the EGM to be held at 10:00 a.m. on 25 September 2020 by way of electronic means, to seek the Shareholders' approval for the proposed settlement of the non-convertible bonds with an aggregate principal amount of S\$375,000 ("**KKJ TBK Principal Amount**") issued to each of Mr. Koh Kai Jok ("**KKJ**") ("**KKJ Bonds**") and Mr. Tan Beng Kiat ("**TBK**") ("**TBK Bonds**", and collectively with the KKJ Bonds, the "**KKJ TBK Bonds**"), by way of issuance of up to 68,181,818 new Shares ("**Repayment Shares**") at an issue price of S\$0.0055 per Repayment Share ("**Repayment Issue Price**") to each of KKJ ("**KKJ Share Issue**") and TBK ("**TBK Share Issue**" and collectively with the KKJ Share Issue, the "**Proposed Settlement**").

1.2. Circular to Shareholders

The purpose of this Circular is to provide Shareholders with information relating to the ordinary resolutions set out in the Notice of EGM to ensure that Shareholders will be in a position to make an informed decision in respect of the above proposal at the EGM. The resolutions to be tabled at the EGM are set out in the Notice of EGM on pages N-1 to N-4 of this Circular.

The SGX-ST takes no responsibility for the accuracy of any statements or opinions made in this Circular.

1.3. Proposed Resolutions

The Company intends to table the following resolutions at the EGM for the settlement of the KKJ TBK Bonds:

- (a) Ordinary Resolution 1 relates to the approval of the allotment and issue of up to 68,181,818 Repayment Shares to Mr Koh Kai Jok at the Repayment Issue Price, subject to and otherwise in accordance with the terms of and conditions of the KKJ Settlement Deed for the settlement of the KKJ Bonds; and

LETTER TO SHAREHOLDERS

- (b) Ordinary Resolution 2 relates to the approval of the allotment and issue of up to 68,181,818 Repayment Shares to Mr Tan Beng Kiat at the Repayment Issue Price, subject to and otherwise in accordance with the terms of and conditions of the TBK Settlement Deed for the settlement of the TBK Bonds.

1.4. Legal Adviser

Virtus Law LLP is the legal adviser to the Company as to Singapore law in relation to the Proposed Settlement.

2. THE SETTLEMENT OF THE NON-CONVERTIBLE BONDS WITH AN AGGREGATE PRINCIPAL AMOUNT OF S\$750,000 ISSUED TO MR KOH KAI JOK AND MR TAN BENG KIAT

2.1. Introduction

As disclosed on the Company's announcement on 29 March 2018, KKJ and TBK entered into a subscription agreement with the Company on the same date pursuant to which the Company issued to KKJ and TBK the KKJ TBK Bonds.

On 11 December 2018, the Company announced that KKJ and TBK had entered into a repayment and subscription agreement dated 11 December 2018 with the Company ("**Repayment and Subscription Agreement**") to vary the terms of repayment of the KKJ TBK Bonds.

Pursuant to the Repayment and Subscription Agreement, a total outstanding principal amount of S\$750,000 ("**Repayment Principal Amount**") and total outstanding interest amount of S\$33,750 ("**Second Advance Interest Amount**") for the period beginning from 4 October 2019 to 3 April 2020 based on an interest rate of nine per cent (9%) per annum of the Repayment Principal Amount in respect of the KKJ TBK Bonds was due to KKJ and TBK. The Second Advance Interest Amount was due and payable on 3 October 2019 and the Repayment Principal Amount was due and payable on 3 April 2020 ("**Repayment Date**").

On 5 April 2020, it was announced by the Company that it had entered into two separate variation agreements on 3 April 2020 with KKJ and TBK ("**Variation Agreements**") pursuant to which:

- (a) the Repayment Date was extended by an additional six (6) months, up to 3 October 2020 ("**New Due Date**") ("**Repayment Extension**");
- (b) in consideration for the Repayment Extension, the Company would pay KKJ and TBK an aggregate extension fee of S\$60,000 ("**Extension Fee**"); and
- (c) the Company would be accorded the discretion to settle (I) the Second Advance Interest Amount of S\$33,750; (II) all interest accrued and payable under the Repayment Principal Amount from the Repayment Date up to the New Due Date accruing at the rate of ten per cent. (10%) per annum and amounting to a total of S\$37,500; and (III) the Extension Fee of S\$60,000 (collectively, the "**Settled Amounts**") by way of (i) cash payments to each of KKJ and TBK; and/or (ii) the issuance of new Shares to each of KKJ and TBK at an issue price of S\$0.005 per Share.

As announced on 16 June 2020, the Company had made payment of the Settled Amounts amounting to S\$131,250 in aggregate to KKJ and TBK via the issuance of 26,250,000 Shares to KKJ and TBK.

Please refer to the Company's announcements dated 29 March 2018, 11 December 2018, 5 April 2020 and 16 June 2020 released on SGXNET at <https://www.sgx.com/securities/company-announcements> for more information on the above

2.2. Settlement Deeds

On 12 July 2020, the Company announced that it had on that day further entered into separate deeds of variation and settlement with each of KKJ ("**KKJ Settlement Deed**") and TBK ("**TBK**

LETTER TO SHAREHOLDERS

Settlement Deed", and collectively with the KKJ Settlement Deed, the "**Settlement Deeds**") pursuant to which the Company has been accorded the discretion to settle the Repayment Principal Amount amounting to a total of S\$750,000 by way of (i) cash payments to each of KKJ and TBK; and/or (ii) the issuance of Repayment Shares to each of KKJ and TBK at the Repayment Issue Price.

The Company has the right to make repayment of the Repayment Principal Amount to KKJ and TBK at any time from the date of the Settlement Deeds up to the New Due Date. The Company shall give to each of KKJ and TBK a notice in writing of five (5) days prior to the date of such repayment specifying the issue price of the Shares and the number of Shares to be issued.

The Company intends to utilise its discretion to repay the Repayment Principal Amount by way of issuance of 136,363,636 Repayment Shares in the following proportions:

| Name | Repayment Principal Amount | Number of Repayment Shares |
|--------------|----------------------------|----------------------------|
| KKJ | S\$375,000 | 68,181,818 |
| TBK | S\$375,000 | 68,181,818 |
| TOTAL | S\$750,000 | 136,363,636 |

For the avoidance of doubt, there will be no claw back on the Settled Amounts, including the Extension Fee, that have already been paid to KKJ and TBK, should the Company choose to repay the Repayment Principal Amount before the New Due Date. Upon issuance of the Repayment Shares, all liabilities of the Company in respect of the KKJ TBK Bonds and/or the Repayment Principal Amount shall be extinguished.

Please refer to the Company's announcement dated 12 July 2020 released on SGXNET at <https://www.sgx.com/securities/company-announcements> for more information on the above

Please refer to Section 3 of this Circular for further information on the Proposed Settlement.

Please refer to Appendix A of this Circular for, *inter alia*, the current and expected shareholding interests of KKJ and TBK in the Company before and after the completion of the Proposed Settlement.

2.3. Information relating to KKJ and TBK

KKJ and TBK are both private investors and existing shareholders of the Company. Save for the KKJ TBK Bonds and save for the foregoing, each of KKJ and TBK have no other connections, including business relationships with the Company, its Directors and Substantial Shareholders

3. OVERVIEW OF THE PROPOSED SETTLEMENT

3.1. General Terms of the Repayment Shares

(a) Repayment Shares

Assuming that completion of issuance of all the Repayment Shares takes place to each of KKJ and TBK, an aggregate of 136,363,636 Repayment Shares will be issued. Please refer to Appendix A of this Circular for the shareholding interests of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date and upon completion of the Proposed Settlement.

LETTER TO SHAREHOLDERS

The Repayment Shares represent approximately 10.33% of the existing issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company of 1,319,962,813 Shares as at the Latest Practicable Date and approximately 9.36% of the enlarged share capital (excluding treasury shares and subsidiary holdings) of the Company of 1,456,326,449 Shares following the completion of the Proposed Settlement, assuming that there are no other changes to the number of Shares in issue (excluding treasury shares and subsidiary holdings) of the Company before the completion of the Proposed Settlement.

The Repayment Shares shall be issued free from any and all claims, charges, liens, mortgages, securities, pledges, equities, encumbrances or other interests whatsoever and shall rank *pari passu* with and shall carry all rights similar to the existing Shares except that the Repayment Shares will not rank for any dividends, rights, allotments, or other distributions, the record date for which falls on or before the date of the allotment and issue of the Repayment Shares.

(b) Repayment Issue Price

The Repayment Issue Price of S\$0.0055 per Repayment Share represents a 20.29% discount to the VWAP of S\$0.0069 per Share for trades done on the SGX-ST on 9 July 2020, being the last full market day on which the Shares were traded prior to the date of the Settlement Deeds.

The Repayment Issue Price was commercially agreed between the Company and each of KKJ and TBK after arm's length negotiations taking into account historical trading performance of the Company, prevailing market conditions and future prospects of the Group and based on a ten per cent. (10%) discount to the 30-day VWAP of S\$0.0061 per Share for trades done on the SGX-ST prior to 9 July 2020.

(c) Conditions

Under the Settlement Deeds, the Company is required to ensure that all necessary approvals and consents are obtained in relation to the issue of the Repayment Shares and the listing and quotation of the Repayment Shares on the Catalist including the approval of the Shareholders. Accordingly, the Company's ability to undertake the Proposed Settlement is conditional upon inter alia, the approval of the Shareholders and the receipt of the LQN from the SGX-ST (and such notice not having been withdrawn or revoked on or prior to the completion of the Proposed Settlement) for the dealing in, listing of and quotation for the Repayment Shares on the Catalist.

3.2. SGX-ST Listing and Quotation Notice

The Company has made an application to the SGX-ST through its Sponsor for the dealing in, listing and quotation of the Repayment Shares on the Catalist. The Company will make the necessary announcement upon the receipt of the LQN from the SGX-ST.

4. RATIONALE FOR THE PROPOSED SETTLEMENT

The Board is of the view that the Proposed Settlement are in the best interests of the Company. Due to the current ongoing COVID-19 crisis, the global economic outlook is uncertain. As announced by the Company on 13 May 2020, while the Group's gold mining tailing operations in Lubuk Mandi has resumed, the Group's underground mining operations in Lubuk Mandi and granite mining operations in Bukit Chetai have not yet restarted as workers and contractors from China have not yet been able to return to the work sites due to overseas travel restrictions put in place by the Malaysian Government ("**Travel Restrictions**").

LETTER TO SHAREHOLDERS

Given the current global economic outlook and impact of the Travel Restrictions, in order to conserve cash for its remaining business activities, the Company is of the view that the Proposed Settlement is in the best interests of the Shareholders.

The management of the Company have been working hard together with each of KKJ and TBK to arrive at a negotiated settlement of all amounts due and owing to them under the Repayment and Subscription Agreement. The repayment of the Repayment Principal Amount to KKJ and TBK via the issuance of the Repayment Shares to each of KKJ and TBK represents the full and final settlement of all outstanding amounts owed to KKJ and TBK and will allow the Group to reduce the overall gearing level of the Group.

The Proposed Settlement is also part of a larger debt restructuring exercise to be undertaken by the Company. As announced by the Company on 29 April 2020, the Company had entered into settlement deeds with each of Luminor Pacific Fund 2 Ltd, Mr Gan Huai Shi and Madam Koh Ah Luan for the settlement of certain bonds issued to each of them. As the Company's ability to operate as a going concern is closely linked to these outstanding bonds as well as the KKJ TBK Bonds, the settlement of the KKJ TBK Bonds pursuant to the Proposed Settlement will relieve pressure on existing working capital needs of the Group and enable the settlement of some of the Company's liabilities in the meantime. The Company is working on completing the settlement of the remaining outstanding bonds issued to Luminor Pacific Fund 2 Ltd, Mr Gan Huai Shi and Madam Koh Ah Luan and will make further announcements when there are any material developments.

The Board is of the view that issuing the Repayment Shares to KKJ and TBK at the discounted Repayment Issue Price is in the best interests of the Shareholders as it will result in the full and final settlement of all liabilities of the Company in respect of the KKJ TBK Bonds and/or the Repayment and Subscription Agreement.

As disclosed in the Company's announcement dated 16 June 2020, the Settled Amounts have been paid to KKJ and TBK via the issuance of new Shares. Even if the Company chooses to repay the Repayment Principal Amount prior to the New Due Date, the Board is of the view that no claw back of the Settled Amounts is reasonable as the Company will require time up to the New Due Date to satisfy all of the conditions precedent to the Proposed Settlement, including convening an extraordinary general meeting to obtain the approval of the Shareholders, as well as to apply for and receive the LQN from the SGX-ST for the Proposed Settlement.

The Proposed Settlement will also allow the Company to conserve its cash for its core activities and at the same time help to further align the interests of KKJ and TBK with the interests of the Company.

The Company intends to focus its resources on growing the business of GGTM Sdn. Bhd., its wholly-owned subsidiary principally engaged in the business of exploration, mining, production and processing of granite dimension stone, marble aggregates and related products for sale as well as interior fit-out ("**Granite Dimension Stone Business**"), and in this regard, the Company intends to collaborate with a synergistic partner for this purpose. The Company has been in discussions with several parties in the recent months and will make further announcements when there are any material developments.

5. FINANCIAL EFFECTS OF THE PROPOSED SETTLEMENT

5.1. Bases and assumptions

The financial effects of the Proposed Settlement on (a) the consolidated NTA per Share and (b) the consolidated loss per Share ("**LPS**") of the Group, have been prepared based on the audited consolidated financial statements of the Group for FY2019. The pro forma financial effects of the Proposed Settlement are for illustration only and do not reflect the actual financial effects or the future financial performance and condition of the Group after the Proposed Settlement.

LETTER TO SHAREHOLDERS

The financial effects are based on the following assumptions:

- (a) that the Company issues an aggregate of 136,363,636 Repayment Shares to KKJ and TBK;
- (b) the financial effects of the Proposed Settlement on the share capital and NTA per Share of the Group are computed based on the assumption that:
 - (i) the Proposed Settlement had taken place on 31 December 2019; and
 - (ii) the issuance of an aggregate of 75,680,000 new shares in the Company to KKJ, TBK and Tan Ong Huat, as detailed in the Company's announcement dated 5 April 2020 ("**Extension Share Issue**") had taken place on 31 December 2019;
- (c) the financial effects of the Proposed Settlement on the LPS are computed based on the assumption that:
 - (i) the Proposed Settlement was completed on 1 January 2019; and
 - (ii) the Extension Share Issue was completed on 1 January 2019;
- (d) the expenses incurred in connection with the Proposed Settlement amount to approximately S\$37,000; and
- (e) an exchange rate of S\$1.00 to RM3.00.

5.2. Share Capital

| | Before the Proposed Settlement | After the Proposed Settlement |
|-------------------------------|--------------------------------|-------------------------------|
| Total number of issued Shares | 1,319,962,813 ⁽¹⁾ | 1,456,326,449 |

Note:-

- (1) Assuming that an aggregate of 75,680,000 new shares in the Company have been issued pursuant to the Extension Share Issue.

5.3. NTA

The illustrative financial effects of the Proposed Settlement on the NTA per Share of the Group as at 31 December 2019 are as follows:

| | Before the Proposed Settlement | After the Proposed Settlement |
|---|--------------------------------|-------------------------------|
| NTA ⁽¹⁾ attributable to the owners of the Company (RM'000) | 5,531 | 7,670 |
| Number of Shares | 1,319,962,813 ⁽²⁾ | 1,456,326,449 |
| NTA per Share (Ringgit Malaysia sen) | 0.42 | 0.53 |

Notes:-

- (1) Means total assets less the sum of total liabilities, non-controlling interests and intangible assets.
- (2) Assuming that an aggregate of 75,680,000 new shares in the Company have been issued pursuant to the Extension Share Issue.

LETTER TO SHAREHOLDERS

5.4. LPS

The illustrative financial effects of the Proposed Settlement on the LPS of the Group as at 1 January 2019 are as follows:

| | Before the Proposed Settlement | After the Proposed Settlement |
|---|--------------------------------|-------------------------------|
| Net loss attributable to owners of the Company (RM'000) | 16,606 | 16,717 |
| Weighted average number of Shares | 1,267,474,057 ⁽¹⁾ | 1,403,837,693 |
| Loss per Share (Ringgit Malaysia sen) | 1.31 | 1.19 |

Note:-

- (1) Assuming that an aggregate of 75,680,000 new shares in the Company have been issued pursuant to the Extension Share Issue.

5.5. Net Gearing

The illustrative financial effects of the Proposed Settlement on the gearing ratio of the Group as at 31 December 2019 are as follows:

| | Before the Proposed Settlement ⁽⁴⁾ | After the Proposed Settlement |
|---|---|-------------------------------|
| Total borrowings (RM'000) ⁽¹⁾ | 24,771 | 22,521 |
| Shareholders' funds (RM'000) ⁽²⁾ | 5,531 | 7,670 |
| Net gearing ratio ⁽³⁾ (times) | 4.48 | 2.94 |

Notes:-

- (1) Total borrowings include lease liabilities and borrowings.
- (2) Shareholders' funds refer to the aggregate amount of the Group's share capital and reserves.
- (3) Net gearing ratio is defined as total borrowings divided by shareholders' funds.
- (4) Assuming that an aggregate of 75,680,000 new shares in the Company have been issued pursuant to the Extension Share Issue.

6. DIRECTOR'S CONFIRMATIONS

6.1. Director's Confirmations

As at the Latest Practicable Date, the Directors are of the opinion that, after taking into consideration:

- (a) the Proposed Settlement;
- (b) the fact that the Company has entered into settlement deeds with each of Luminor Pacific Fund 2 Ltd, Mr Gan Huai Shi and Madam Koh Ah Luan for the settlement of certain bonds issued to each of them, as detailed in the Company's announcement dated 29 April 2020;

LETTER TO SHAREHOLDERS

- (c) the fact that the Company is in discussions with Mr Tan Ong Huat in respect of seeking an extension for the repayment of outstanding bonds in the principal amount of S\$1,903,000 issued to Mr Tan Ong Huat, to the extent necessary to retire such outstanding bonds; and
- (d) the undertakings provided by Mr. Lim Chiau Woei, the Managing Director and controlling shareholder of the Company to provide adequate funds to enable the Group to meet its payment obligations as they fall due,

the working capital available to the Group is sufficient to meet its present requirements. Based on the eighteen (18) months cash-flow forecast prepared by the Group's management, the Board is of the view that the Group will be able to continue operating as a going concern.

The Group has had several discussions with potential investors that have shown an interest to participate in the Group's Granite Dimension Stone Business, and to inject their new business(es) into the Group. These discussions involve raising funds to be raised from these prospective investors through a share placement exercise for the purposes of retiring outstanding bonds of S\$1,903,000 issued by the Company and business development purposes. The Group's plans to conduct such prospective share placements and/or enter into new joint ventures have not yet materialised and the Company will make the necessary announcements to update the Shareholders as and when such fund-raising activities have been confirmed.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date are as set out in Appendix A of this Circular.

Save as disclosed herein, none of the Directors or Substantial Shareholders of the Company or their respective associates have any interest, direct or indirect in the Proposed Settlement, other than in their capacity as Director or Shareholder of the Company.

8. NON-INTERESTED DIRECTORS' RECOMMENDATION

8.1. Non-Interested Directors

The Directors who are considered to be independent for the purposes of making the recommendations to the Shareholders in respect of the Proposed Settlement are Dr. Wilson Tay Chuan Hui, Mr. Chan Koon Mong, Ms. Ch'ng Li-Ling, Mr. Gavin Mark McIntyre and Dr. Foo Fatt Kah ("**Non-Interested Directors**")

As Mr. Lim Chiau Woei, the Managing Director and controlling shareholder of the Company, had provided personal guarantees to guarantee the entire amount of the KKJ TBK Bonds payable as a sign of support to the Group, he is not deemed to be independent for the purpose of making a recommendation to the Shareholders in respect of the Proposed Settlement. Accordingly, he has abstained from making any such recommendations to the Shareholders on the Proposed Settlement.

8.2. The Proposed Settlement

Having fully considered, *inter alia*, the terms, the rationale and the benefits of the Proposed Settlement and the financial effects thereof, the Non-Interested Directors are of the opinion that the Proposed Settlement is in the best interests of the Company and accordingly the Non-Interested Directors recommend that the Shareholders vote in favour of the Proposed Settlement at the EGM to be convened.

Shareholders are advised to read this Circular in its entirety, in particular, the terms and conditions, rationale, details and financial effects of the Proposed Settlement, the recommendations of the Non-Interested Directors before giving their approvals pertaining to the Proposed Settlement. Shareholders who may require advice in the context of his specific investment should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser.

LETTER TO SHAREHOLDERS

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be held on 25 September 2020 at 10:00 a.m. by way of electronic means, for the purpose of considering, and if thought fit, passing with or without any modifications, the ordinary resolutions set out in the aforementioned notice.

10. NO PROSPECTUS OR OFFER INFORMATION STATEMENT

The Repayment Shares are offered to KKJ and TBK for subscription by way of a private placement pursuant to an exempted offer under Section 272B of the SFA. Hence, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore or the SGX-ST in connection with the issue of the Repayment Shares.

11. ACTIONS TO BE TAKEN BY SHAREHOLDERS

11.1. No Attendance at EGM

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the EGM in person.

11.2. Alternative Arrangements

Instead, alternative arrangements have been put in place to allow Shareholders who pre-register to participate at the EGM by (a) observing and/or listening to the EGM proceedings via "live" audio-visual webcast or "live" audio-only stream; (b) submitting questions related to the resolution tabled for approval, in advance of the EGM; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM.

Shareholders are to pre-register at <https://streaming.sg/anchor/register> for the "live" audio-visual webcast or "live" audio-only stream of the EGM proceedings by 10:00 a.m. on 22 September 2020. Shareholders who do not pre-register to observe and/or listen to the EGM proceedings by the deadline stated above will not be able to participate at the EGM.

Shareholders may also submit any questions that are related to the resolution tabled for approval via (i) the pre-registration website at <https://streaming.sg/anchor/register>; (ii) in hard copy by sending by post and lodging the same at the Registered Office of the Company at 80 Robinson Road #17-02, Singapore 068898 or (iii) by email to info@anchorresources.com.sg by 10:00 a.m. on 22 September 2020. Shareholders will not be able to ask any questions during the "live" audio-visual webcast or "live" audio-only stream of the EGM proceedings. The Company will endeavour to answer all of the questions which have been submitted by the Shareholders during EGM and will make further announcements detailing the Company's responses to the questions submitted by the Shareholders.

Please refer to the Company's announcement entitled "Important Notice to Shareholders Regarding the Company's Extraordinary General Meeting on 25 September 2020" which has been uploaded together with this Circular and the Notice of EGM on SGXNET on the same day for further details on the alternative arrangements for the EGM as set out above.

12. ABSTENTION FROM VOTING

Mr. Lim Chiau Woei, the Managing Director and controlling shareholder of the Company, had provided personal guarantees to guarantee the KKJ TBK Bonds payable as a sign of support to the Group.

LETTER TO SHAREHOLDERS

Accordingly, Mr. Lim Chiau Woei has abstained from voting on all board resolutions relating to the Proposed Settlement, and will abstain, and has undertaken to ensure that his associates (if any) will abstain from voting on Ordinary Resolution 1 and Ordinary Resolution 2 approving the allotment and issue of Repayment Shares to KKJ and TBK respectively, and will not accept appointments as proxies in relation to the resolution unless specific instructions have been given by Shareholders.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Settlement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe management which may be issued by the relevant authorities, a copy of the following documents will be made available for inspection by Shareholders during normal business hours from 9:00 a.m. to 5:00 p.m. at the Company's registered office at 80 Robinson Road, #17-02, Singapore 068898, for a period of three (3) months from the date of this Circular:

- (a) the KKJ Settlement Deed;
- (b) the TBK Settlement Deed;
- (c) the annual report of the Company for FY2019; and
- (d) the constitution of the Company.

Yours faithfully

For and on behalf of the Board of Directors of
ANCHOR RESOURCES LIMITED

Dr. Wilson Tay Chuan Hui
Non-Executive Chairman and Lead Independent Director

APPENDIX A

Interests of Directors, Substantial Shareholders, KKJ and TBK as at the Latest Practicable Date

| | Number of Shares | | | Total Percentage Interest (%) ⁽¹⁾ |
|--|------------------|----------------------------|-------------|--|
| | Direct | Deemed | Total | |
| Directors | | | | |
| Dr. Wilson Tay Chuan Hui | - | - | - | - |
| Mr. Lim Chiau Woei | 306,263,319 | 115,415,862 ⁽²⁾ | 421,679,181 | 31.95 |
| Mr. Chan Koon Mong | 3,496,625 | 1,597,222 ⁽³⁾ | 5,093,847 | 0.39 |
| Ms. Ch'ng Li-Ling | - | - | - | - |
| Mr. Gavin Mark McIntyre | - | - | - | - |
| Dr. Foo Fatt Kah | - | - | - | - |
| Substantial Shareholders (other than Directors) | | | | |
| Luminor Pacific Fund 1 Ltd | 217,651,724 | - | 217,651,724 | 16.49 |
| WA Consolidated Private Limited | 115,415,862 | - | 115,415,862 | 8.74 |
| Koh Ah Luan | 82,554,886 | - | 82,554,886 | 6.25 |
| Koh Kai Jok | 8,500,000 | - | 8,500,000 | 0.64 |
| Tan Beng Kiat | 95 | - | 95 | 0.00 |

Notes:-

- (1) The percentage of shareholdings is computed based on the present issued and paid up share capital of the Company comprising 1,319,962,813 Shares as at the Latest Practicable Date.
- (2) WA Consolidated Private Limited is a private investment holding company incorporated in Singapore wholly owned by Mr. Lim Chiau Woei. As such, Mr. Lim Chiau Woei is deemed interested in all the shares held by WA Consolidated Private Limited.
- (3) Mr. Chan Koon Mong is deemed interested in 1,597,222 Shares held by his spouse.

Interests of Directors, Substantial Shareholders, KKJ and TBK upon completion of the Proposed Settlement

| | Number of Shares | | | Total Percentage Interest (%) ⁽¹⁾ |
|--|------------------|----------------------------|-------------|--|
| | Direct | Deemed | Total | |
| Directors | | | | |
| Dr. Wilson Tay Chuan Hui | - | - | - | - |
| Mr. Lim Chiau Woei | 306,263,319 | 115,415,862 ⁽²⁾ | 421,679,181 | 28.95 |
| Mr. Chan Koon Mong | 3,496,625 | 1,597,222 ⁽³⁾ | 5,093,847 | 0.35 |
| Ms. Ch'ng Li-Ling | - | - | - | - |
| Mr. Gavin Mark McIntyre | - | - | - | - |
| Dr. Foo Fatt Kah | - | - | - | - |
| Substantial Shareholders (other than Directors) | | | | |
| Luminor Pacific Fund 1 Ltd | 217,651,724 | - | 217,651,724 | 14.95 |
| WA Consolidated Private Limited | 115,415,862 | - | 115,415,862 | 7.93 |
| Koh Ah Luan | 82,554,886 | - | 82,554,886 | 5.67 |
| Koh Kai Jok | 76,681,818 | - | 76,681,818 | 5.27 |
| Tan Beng Kiat | 68,181,913 | - | 68,181,913 | 4.68 |

APPENDIX A

Notes:-

- (1) The percentage of shareholdings is computed based on enlarged the issued and paid up share capital of the Company comprising 1,456,326,449 Shares, assuming that all the Repayment Shares are issued to KKJ and TBK.
- (2) WA Consolidated Private Limited is a private investment holding company incorporated in Singapore wholly owned by Mr. Lim Chiau Woei. As such, Mr. Lim Chiau Woei is deemed interested in all the shares held by WA Consolidated Private Limited.
- (3) Mr. Chan Koon Mong is deemed interested in 1,597,222 Shares held by his spouse.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ANCHOR RESOURCES LIMITED

(Company Registration Number: 201531549N)

(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of Anchor Resources Limited (the "**Company**") will be held by way of electronic means on 25 September 2020 at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following ordinary resolutions, as set out below.

This Notice has been made available on SGXNET and the Company's website and may be accessed at the URL <https://www.angkaalam.com/investor-relations.php>. A printed copy of this Notice will NOT be despatched to Shareholders.

*Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular to the Shareholders of the Company dated 10 September 2020 (the "**Circular**").*

ORDINARY RESOLUTION 1 – APPROVAL OF THE PROPOSED ALLOTMENT AND ISSUE OF 68,181,818 NEW SHARES TO MR KOH KAI JOK AT AN ISSUE PRICE PER NEW SHARE OF S\$0.0055

RESOLVED THAT:-

- (1) Pursuant to Section 161 of the Companies Act and Rule 812(1) of the Catalist Rules, approval be and is hereby given for the creation, allotment and issuance by the Company of up to 68,181,818 Repayment Shares to Mr Koh Kai Jok, at an issue price of S\$0.0055 per Share, subject to and otherwise in accordance with the terms and conditions of the KKJ Settlement Deed.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

Note to Ordinary Resolution 1:

- (1) *Mr. Lim Chiau Woei shall, and shall procure that his associates shall, abstain from voting on this Ordinary Resolution 1 in respect of their respective shareholdings in the Company (if any) and shall not accept nomination as proxies unless specific instructions have been given in the Shareholder Proxy Form(s) by the Shareholder(s) appointing them on how he/she/they wish(es) his/her/their vote(s) to be cast.*

ORDINARY RESOLUTION 2 – APPROVAL OF THE PROPOSED ALLOTMENT AND ISSUE OF 68,181,818 NEW SHARES TO MR TAN BENG KIAT AT AN ISSUE PRICE PER NEW SHARE OF S\$0.0055

RESOLVED THAT:-

- (1) Pursuant to Section 161 of the Companies Act and Rule 812(1) of the Catalist Rules, approval be and is hereby given for the creation, allotment and issuance by the Company of up to 68,181,818 Repayment Shares to Mr Tan Beng Kiat, at an issue price of S\$0.0055 per Share, subject to and otherwise in accordance with the terms and conditions of the TBK Settlement Deed.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

Note to Ordinary Resolution 2:

- (1) *Mr. Lim Chiau Woei shall, and shall procure that his associates shall, abstain from voting on this Ordinary Resolution 2 in respect of their respective shareholdings in the Company (if any) and shall not accept nomination as proxies unless specific instructions have been given in the Shareholder Proxy Form(s) by the Shareholder(s) appointing them on how he/she/they wish(es) his/her/their vote(s) to be cast.*

NOTICE OF EXTRAORDINARY GENERAL MEETING

BY ORDER OF THE BOARD
ANCHOR RESOURCES LTD.

Dr. Wilson Tay Chuan Hui
Non-Executive Chairman and Lead Independent Director
10 September 2020

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM are set out in the Company's announcement dated 10 September 2020 entitled "Important Notice to Shareholders Regarding the Company's Extraordinary General meeting on 25 September 2020" which has been uploaded together with this Notice of EGM on SGXNet on the same day. This announcement may also be accessed at the URL <https://www.angkaalam.com/investor-relations.php>.

In particular, the EGM will be held by way of electronic means and a member will be able to watch the proceedings of the EGM through a "live" webcast via his/her/its mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, a member who wishes to watch the "live" webcast or listen to the "live" audio feed must pre-register by 10:00 a.m. on 22 September 2020, at the URL <https://streaming.sg/anchor/register>. Following authentication of his/her/its status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the EGM by 24 September 2020. Members who have received the email instructions must not forward the email instructions to other persons who are not members or who are not entitled to attend the EGM. This is to avoid any technical disruption or overload to the "live" webcast or "live" audio feed.

Members may also submit questions related to the resolutions to be tabled for approval at the EGM. To do so, all questions must be submitted by 10:00 a.m. on 22 September 2020:

- (a) via the pre-registration website at the URL <https://streaming.sg/anchor/register>;
- (b) in hard copy by sending by post and lodging the same at the Registered Office of the Company at 80 Robinson Road #17-02, Singapore 068898; or
- (c) by email to info@anchorresources.com.sg.

Members will need to identify themselves when posing questions by email or by post by providing the following details:

- (a) the member's full name as it appears on his/her/its CDP/CPF/SRS share records;
- (b) the member's NRIC/Passport/UEN number;
- (c) the member's contact number and email address; and
- (d) the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the EGM as received from members either before or during the EGM.

Please note that members will not be able to ask questions at the EGM "live" during the webcast and the audio feed, and therefore it is important for members to submit their questions in advance of the EGM.

2. A member will not be able to attend the EGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman of the EGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. The accompanying proxy form for the EGM may be accessed at the Company's website at the URL <https://www.angkaalam.com/investor-relations.php> and has also been made available on SGXNet
3. The Chairman of the EGM, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the EGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:
 - (a) if sent by post, be deposited at the Share Registrar's Office, B.A.C.S Private Limited, 8 Robinson Road #03-00, ASO Building, Singapore 048544; or
 - (b) if submitted by email, be received by the Share Registrar's Office at main@zicoholdings.com,

in either case, not less than 48 hours before the time for holding the EGM, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

4. The instrument appointing the Chairman of the EGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a Company, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.

NOTICE OF EXTRAORDINARY GENERAL MEETING

5. In the case of a member whose shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing the Chairman of the EGM as proxy lodged if such member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
6. Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including CPF and SRS investors, and who wish to participate in the EGM (“**Relevant Intermediary Participants**”) by (a) observing and/or listening to the EGM proceedings via the “live” webcast or the “live” audio feed in the manner provided in Note 1 above; (b) submitting questions in advance of the EGM in the manner provided in Note 1 above; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the EGM. CPF or SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10:00 a.m. on 15 September 2020.
- * A Relevant Intermediary is:
- (i) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
 - (iii) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
7. The Circular may be accessed at the Company’s website at the URL <https://www.angkaalam.com/investor-relations.php>, and have also been made available on SGXNet.

Personal Data Protection:

By attending the EGM and/or any adjournment thereof or submitting an instrument appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof or submitting any details of Relevant Intermediary Participants in connection with the EGM, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman as proxy for the EGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof) and the publication of the names and the comments of the members of the EGM, and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the member discloses the personal data of the Relevant Intermediary Participants to the Company (or its agents or service providers), the member has obtained the prior consent of such Relevant Intermediary Participants for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of the Relevant Intermediary Participants for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

PROXY FORM

ANCHOR RESOURCES LIMITED

(Company Registration Number: 201531549N)
(Incorporated in the Republic of Singapore)

PROXY FORM - EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Form)

This form of proxy has been made available on SGXNet and the Company's website and may be accessed at the URL <https://angkaalam.com/investor-relations.php>. A printed copy of this form will NOT be despatched to members.

IMPORTANT:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the Extraordinary General Meeting are set out in the Company's announcement dated 10 September 2020 entitled "Important Notice to Shareholders Regarding the Company's Extraordinary General Meeting on 25 September 2020" which has been uploaded together with the Notice of Extraordinary General Meeting dated 10 September 2020 on SGXNet on the same day. This announcement may also be accessed at the URL <https://www.angkaalam.com/investor-relations.php>.
2. A member will not be able to attend the Extraordinary General Meeting in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the Extraordinary General Meeting, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Extraordinary General Meeting. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF/SRS investors who wish to vote should contact their respective CPF Agent Banks or SRS Operators to submit their votes by 10:00 a.m. on 15 September 2020.

*I/We, _____ (Name), *NRIC/Passport/Company Number

_____ of _____ (Address)

being a member/members of **ANCHOR RESOURCES LIMITED** (the "**Company**"), hereby appoint: the Chairman of the Extraordinary General Meeting ("**EGM**") as my/our proxy to attend, speak and to vote for me/us on my/our behalf at the EGM of the Company to be held by way of electronic means on 25 September 2020 at 10:00 a.m. and at any adjournment thereof.

I/We direct the Chairman of the EGM as my/our proxy to vote for or against the Resolutions, or to abstain from voting on the Resolutions, to be proposed at the EGM as indicated hereunder.

| No. | Ordinary Resolutions | For | Against | No. of votes abstaining |
|-----|--|-----|---------|-------------------------|
| 1. | To approve the KKJ Share Issue (Resolution 1) | | | |
| 2. | To approve the TBK Share Issue (Resolution 2) | | | |

* *If you wish to exercise all your votes "For" or "Against" the relevant resolution or to abstain from voting on the resolution in respect of all your votes, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise some and not all of your votes "For" and/or "Against" the relevant resolution and/or to abstain from voting in respect of the resolution, please indicate the number of shares in the boxes provided.*

Dated this _____ day of _____ 2020

| | |
|-----------------------------|--|
| Total Number of Shares held | |
|-----------------------------|--|

Signature(s) of Member(s)

or Common Seal of Corporate Shareholder

%

PROXY FORM

IMPORTANT (PLEASE READ THE NOTES)

Notes:

1. A member will not be able to attend the EGM in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
2. The Chairman of the EGM, as proxy, need not be a member of the Company.
3. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
4. The instrument appointing a proxy, must:
 - (a) if sent by post, be deposited at the Share Registrar's Office, B.A.C.S. Private Limited, 8 Robinson Road #03-00, ASO Building, Singapore 048544; or
 - (b) if submitted by email, be received by the Share Registrar's Office at main@zicoholdings.com,

in either case, not less than 48 hours before the time for holding the EGM, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

5. If sent by post, the instrument appointing the Chairman of the EGM as proxy of an individual must be under the hand of the appointor or of his/her attorney duly authorised in writing and the instrument appointing the Chairman of the EGM as proxy of a corporation must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

Where an instrument appointing the Chairman of the EGM as proxy is submitted by email, it must be authorised in the following manner:

 - (a) by way of the affixation of an electronic signature by the appointor or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
 - (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.
6. Where an instrument appointing the Chairman of the EGM as proxy is signed or, as the case may be, authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing the Chairman of the EGM as proxy, failing which the instrument may be treated as invalid.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 10 September 2020.