



ANCHOR RESOURCES LIMITED

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

BUSINESS UPDATE – APPROVAL OF OPERATIONAL MINING SCHEME FOR THE UNDERGROUND MINING AT LUBUK MANDI MINE

The board of directors (the “**Board**”) of Anchor Resources Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 1 August 2017 and 18 May 2017 in relation to, *inter alia*, the Mining Agreement entered into between the Company’s wholly-owned subsidiary, Angka Alamjaya Sdn. Bhd. (“**AASB**”) and Great Aims Resources Sdn Bhd (“**GAR**”) on 18 May 2017, pursuant to which GAR will be carrying out gold mineral mining works at the Group’s Lubuk Mandi Mine in Terengganu, Malaysia (the “**Previous Announcements**”).

Unless otherwise defined, all capitalised terms used herein shall bear the meanings ascribed to them in the Previous Announcements.

Further to the Previous Announcements, the Board wishes to update the shareholders of the Company (the “**Shareholders**”) that the Malaysia Minerals and Geoscience Department has on 12 October 2017 given its approval for the operational mining scheme in relation to the underground mining and development works to be carried out at the Lubuk Mandi Mine (the “**Operational Mining Scheme**”). The approval for the Operational Mining Scheme shall be effective from 12 October 2017 until 31 October 2019. Accordingly, pursuant to the approval for the Operational Mining Scheme, GAR will be commencing underground gold mineral mining works at the Lubuk Mandi Mine pursuant to the scope of the Mining Agreement and in accordance with the Operational Mining Scheme.

GAR formally took over the mining operations at the Lubuk Mandi Mine on 1 August 2017, and has built a winching control room and tunnel entrance, as well as brought in relevant equipment since then. Additionally, GAR is expected to commence trial runs of the mining works from mid-November 2017 with machinery capable of producing 20 to 25 parts per million of gold concentrate.



Photo: Underground excavators at the Lubuk Mandi Mine



Photo: Tunnel entrance at the Lubuk Mandi Mine



Photo: Winching control system

The Company will keep Shareholders updated as and when there are material developments.

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

Lim Chiau Woei
Managing Director

16 October 2017

*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.

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