



ASX ANNOUNCEMENT

DATE: 17th January 2012

Anchor Resources Limited

ASX Code: AHR

ABN 49 122 751 419

Anchor Resources Limited is an Australian company listed on the Australian Securities Exchange. It is exploring for copper, gold, antimony and other metals in eastern Australia. The Company's most advanced project is on the Dorrigo Plateau in north eastern NSW where it has established resources of antimony, gold and tungsten at the Bielsdown Project

Key Projects

Bielsdown	Antimony, gold & tungsten
Blicks	Gold
Birdwood	Copper & molybdenum

Directors

Mr Ian Price	Managing Director
Mr Jianguang Wang	Chairman
Mr Steven Yu	Executive Director
Mr Vaughan Webber	Director

Address

Suite 2114, Tower 2
201 Sussex St
Sydney 2000
NSW

Investor & Media Enquiries

Ian Price
Managing Director
+61 438 937 644
ian.price@anchorresources.com.au

Quarterly Report – December 2011

Report to shareholders for the three months ended

31 December 2011

HIGHLIGHTS

CORPORATE

Mr Jianguang Wang, Mr Ian Price, Mt Steven Jaiyi Yu and Mr Vaughan Webber were all re-elected as directors at the Company's Annual General Meeting.

OPERATIONS

Two deep diamond drill holes were completed at the Tyringham East and West anomalies at the Blicks gold prospect in NSW. Assay results will be reported when they are received.

A single 750 m deep diamond drill hole in NSW has been planned to test the copper anomaly at the Birdwood copper prospect in NSW. Drilling will commence when regulatory approvals are obtained.

A technical review of the Aspiring project in far north Queensland was completed and a helicopter supported reconnaissance program was carried out in December to examine a number of recorded mineralisation areas and a number of magnetic anomalies.

CORPORATE

Mr Haolin Wang resigned as a Director on 28 October 2011 for family reasons.

The Company held its Annual General Meeting on 18 November 2011 and Mr Ian Price, Mr Jianguang Wang, Mr Steven Jiayi Yu and Mr Vaughan Webber, who all retired in accordance with the Company's Constitution, were re-elected as Directors.

The meeting approved the Company's Employee Share Option Plan and the issue of options to Directors.

OPERATIONS

Blicks EL 6465, NSW – Anchor 100%

The first diamond core hole, TDD001, was completed at a depth of 464.8m and tested the Tyringham west soil gold geochemical anomaly. The hole intersected quartz veined and sulphide mineralized meta-siltstone throughout its entire length. The hole has been subject to various investigations, including structural measurements, lithological logging, bulk density measurements, magnetic susceptibility measurements, photography (dry and wet), RQD measurements, core recovery measurements and sampling for assay. The entire hole was cut and sampled in nominal 1m intervals. The last batch of samples from this hole was despatched to the assay laboratory in early January 2012.

The second diamond core hole, TDD002, in the two-hole drilling program, was collared at the Tyringham East soil gold geochemical anomaly on 14 October 2011. TDD002 was collared at -60° towards 079°mN and planned to twin an old RC percussion hole, TRC05, which intersected 119m averaging 0.23g/t Au then drilled beyond its terminal depth. TDD002 intersected metasiltstone from the collar to 7.95m where it passed into granodiorite. The granodiorite contains fine disseminated sulphide (both pyrite and pyrrhotite) and a number of different styles of vein-types. The hole was completed at a depth of 476.8m. The interpreted granodiorite-metasiltstone contact was intersected at a depth of 417.2m. Diamond core drilling at the Tyringham gold prospect was completed on 17 November 2011.

Assay results are pending.

Birdwood EL 6459, NSW – Anchor 100%

Anchor plans to drill a single diamond core hole up to 750 m deep, when regulatory approvals are obtained, to test a soil copper geochemical anomaly identified in the late 1960's.

Pickands Mather International (PMI) explored part of EL 6459 (Birdwood) between 1968 and 1971 and identified an extensive soil copper geochemical anomaly in the headwaters of Maugham's Creek at Birdwood. This copper geochemical anomaly is defined by the +100ppm Cu contour and extended over the full 5.5km long NW-SE trending PMI grid, and was not closed off at either end. The copper anomaly was essentially constrained on NE-SW cross lines up to 3km long. This soil anomaly at +100ppm Cu covers an area of around 15km². There is a stronger copper anomaly within the +100ppm Cu contour that is defined by the +800ppm Cu contour with peak values up to 2,200ppm Cu in an area referred to as Birdwood North. Spotty anomalous Mo values ranging up to 120ppm Mo are coincident with the peak copper anomaly.

PMI drilled 2 vertical diamond core holes at Birdwood North. Copper values in both holes consistently assayed 100-500ppm over the full length of the holes with hole B-101 intersecting 30.48m (100 foot) averaging 0.11% Cu, including 10m at 0.30% Cu and 2.5g/t Ag. The best molybdenum intersection in

hole B-101 was 1.52m averaging 0.10% Mo. A similar intersection of 30.38m (100 foot) averaged 0.12% Cu, including 10m at 0.20% Cu and 3.3g/t Ag. In addition two 3.05m intersections of +100ppm Mo is reported from hole B-102. Pyrrhotite, chalcopyrite and molybdenite were logged in both drill holes. PMI drilled a total of nine diamond core holes (total 2,339m) partially testing the extensive Birdwood soil copper geochemical anomaly. All holes, except the last hole, were vertical. Most holes intersected anomalous copper values, with a best intersection of 16m @ 0.60% Cu and 3.6g/t Ag from hole B-103, including 12.8m averaging 0.79% Cu, 9ppm Mo and 4.9g/t Ag.

The Birdwood copper-molybdenum mineralised system is considered to be under explored and prospective for porphyry copper-molybdenum style mineralisation. Brisbane-based geological and geophysical consultant, GeoDiscovery Group, has been commissioned to undertake a detailed interpretation of the Anchor-acquired magnetic and radiometric survey data flown in 2007. This work is planned for early 2012.

Bielsdown EL 6388, NSW – Anchor 100%

Anchor plans to drill up to ten additional diamond drill holes to test for additional antimony resources in the down plunge position of the known mineralisation. The timing of that drilling program is subject to completing a land access agreement and obtaining regulatory approvals.

In January 2012 the Department of Trade & Investment Resources & Energy notified Anchor that some aspects of the rehabilitation of drill sites used by the Company in its 2009 and 2010 drilling programs had not been satisfactorily carried out. This directive was contained in a Notice under Section 240 of the Mining Act 1992. Anchor was also served with a Penalty Infringement Notice of \$2,500.

Further work to complete the rehabilitation to the required standard has to be undertaken. Anchor is disappointed that the remediation work carried out in the past by the previous management was not to the standards demanded by the current board and will carry out the additional work as soon as practicable.

Anchor has engaged environmental consultants, Coffey Geotechnics Pty Ltd, to prepare a site-specific rehabilitation plan to be approved in consultation with the landowner and the Department. Coffey will also be engaged to supervise the work.

Thunderbolts EL 7184 & Munga EL 7185, NSW – Anchor 100%

No exploration activity to report.

Greenvale East EPM 14646, Qld – Anchor 100%

No activity to report.

Aspiring EPM 14752, Qld – Anchor 100%

A technical review of EPM 14752 Aspiring, located in the Chillagoe district of the Hodgkinson Basin in FNQ, was carried out. This tenement is in its sixth year of tenure and exploration activities carried out to date by Anchor were involved with identifying volcanic-related Uranium (U) - Molybdenum (Mo) – Fluorine (F) style mineralization.

The review resulted in a revised understanding of a regional metallogenic zonation from west to east across the late Carboniferous granites and the early Permian volcanics. In the west, Gold (Au) – Silver (Ag) is associated with the granites where multiple intrusions occur, this passes into a central granite-related Cu-Mo-Tungsten (W) zone whilst to the east a U-F association is recognized in the volcanics. Skarns and porphyries are suggested by these associations and geological history within the Hodgkinson Province.

An examination of the aeromagnetic data set has shown a number of circular reverse-polarized magnetic lows within EPM 14752 Aspiring that closely resemble the magnetic signatures recognized over the Mungana and Red Dome gold-copper deposits. These have not been investigated by modern exploration and some magnetic anomalies are proximal to vein-style historic workings suggesting a leakage of mineralization away from the aeromagnetic anomaly.

An application for additional ground surrounding EPM 14752 (Aspiring) to cover extensions to known mineralization and other magnetic anomalies has been lodged and amounts to an additional 47 additional sub-blocks.

A helicopter supported reconnaissance visit to high priority magnetic anomalies, historic mineral occurrences and anomalous rock chip geochemical sample sites, reported by previous explorers, was completed from 4-9 December 2011. A total of 49 samples, including 3 standards, were collected and submitted to ALS in Townsville for gold and multi-element analysis. Results will be reported when available.



Ian L Price
Managing Director
Anchor Resources Limited

Declaration and JORC Compliance:

The information in this report relating to Exploration Results is based on information compiled by Graeme Rabone MAppSc, FAIG. Mr Rabone is Exploration Manager and a fulltime employee of Anchor Resources Limited. He has sufficient experience relevant to the assessment of the relevant styles of mineralization to qualify as a Competent Person as defined by in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the JORC Code". Mr Rabone consents to the inclusion of the information in the report in the form and context in which it appears.

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