ANCHOR RESOURCES LIMITED
ABN 49 122 751 419
Suite 505, 35 Lime St, NSW 2000 Australia
Phone: +61 2 9279 1231 Fax: +61 2 9279 2727
www.anchorresources.com.au

ASX/MEDIA RELEASE

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Anchor proceeds to scoping study

***Anchor Resources Ltd (ASX code: AHR)* is pleased to announce that following its recent successful resource expansion drilling program, a scoping study is to be undertaken to assess the development potential of the Wild Cattle Creek antimony deposit in northeastern New South Wales.**

The immediate work program will focus on:

- 3D modeling of the deposit with new data
- Updating the JORC compliant resource estimate
- Additional metallurgical testwork
- Scoping study to provide key economic parameters

Managing Director, Trevor Woolfe, commented ***"Significant encouragement from the latest round of drilling at Wild Cattle Creek has led us to propose a scoping study for the second half of 2010. While the prime focus of the study will be the robust core of breccia-hosted antimony mineralisation, we will also evaluate data indicating potential economic upside from peripheral "stringer" mineralisation that incorporates tungsten and gold as well as antimony."***

1. Wild Cattle Creek latest drill program - summary

The drilling program completed at Wild Cattle Creek in early 2010 focused on expansion of the resource estimated in November 2009, both down dip and along strike. In addition, some areas previously drilled in the 1960s and 1990s were targeted to provide greater confidence in historic drill analyses, as well as quantifying gold (Au) and tungsten (WO_3), which was discovered in the 2009 Anchor campaign.

Assays from all holes have now been received. Following is a summary of the recently completed program.

10WDD11 - intersected a significant width of high grade stibnite (antimony) mineralisation, with peripheral lower grade stibnite and wolframite (tungsten). Individual tungsten results were up to 0.84% WO_3, while gold grades were up to 0.56g/t. The best result from this hole was **18.7m at 4.5% antimony (Sb), including 5.2m at 9.8% Sb.**

10WDD12 - also intersected a significant width of stibnite mineralisation, before cutting through 1.6 metres of old underground workings. The best result from this second hole was **14.1m at 2.31% Sb, including 4.7m at 4.73% Sb and 0.51g/t Au.**

The objective of these first two holes was to test two critical high grade sections of the resource that were dependent on results from holes drilled and assayed back in the 1960s that had reported poor core recovery. Using modern methods, the two 2010 holes both resulted in excellent core recovery, wider mineralised zones and higher grades than the original drilling. This test provides an important uplift in confidence that the results from the old drillholes are a sound representation of the deposit and may even underestimate the antimony content.

10WRD13 - was affected by adverse directional issues and hence did not test the proposed target area. Despite this, it still intersected the main breccia zone and resulted in an interval of **3.0m at 2.38% Sb and 0.94g/t Au**.

10WDD14 - tested an area where the deposit is interpreted to "pinch" at depth along the "keel" of the westerly plunging host structure (Figure 1). Not surprisingly, the result from this hole was narrow, but returned an excellent antimony grade - **1.0m at 8.22% Sb** - while confirming the continuity of the mineralised structure below the previous resource envelope.

10WRD15 - intersected the widest zone of anomalous antimony mineralisation to date: **51.2m at 1.69% Sb** (representing approximately 22m true width). This zone consists of a high grade stibnite breccia core – **5.5m at 4.80% Sb** - surrounded by consistent lower grade peripheral stringer type mineralisation, both uphole and downhole. The high grade core also contains gold credits (5.5m at 0.44g/t Au). Peripheral tungsten mineralisation immediately adjacent, both uphole and downhole, was also recorded - **2.8m at 0.32% WO_3** and **7.7m at 0.61% WO_3**.

10WRD16 (Anchor's deepest hole to date) – was drilled to test the extensions of the zone in 10WRD15, almost 150m deeper. However, before reaching the main structure a 1.4 metre zone of massive, high grade, coarse grained stibnite was intersected. In addition to the contained antimony, this zone also returned excellent tungsten grades – **1.4m at 17.1% Sb and 2.2% WO_3**. This interval represents the discovery of a new high grade Sb/W zone.

Following completion of hole 10WRD16, a short secondary "wedge" hole was drilled to test continuity and orientation of this new high grade antimony/tungsten zone. Wedge hole 10WRD16W intersected the high grade target zone, returning further exciting results – **2.0m at 14.5% Sb and 1.1% WO_3**. The orientation of the new high grade zone is interpreted to be sub-parallel to the main zone however this will be determined by follow up drilling. This new zone lies approximately 35 metres to the north of the main breccia and remains open at depth and along strike.

At depth, hole 10WRD16 successfully encountered the main breccia zone approximately 300m below surface. The structure has shown that it can pinch and swell both along

strike and down dip. At this position antimony values were low, while the zone was characterised by elevated gold values of 4.2m at 0.9 g/t Au. This intersection confirms the continuity of the main antimony breccia at depth, and also reaffirms our theoretical deposit model in which the antimony rich zone has a shallow westerly dip (Figure 1) and pinches out in the lower "keel" position.

10WRD17 - targeted the main breccia zone higher in the system where grade thickness contouring indicated low grade antimony mineralisation (Figure 1). However, the zone returned very encouraging results of **8m at 2.75% Sb**, with a higher grade core of **3m at 6.14% Sb**. Individual tungsten results were up to **0.60% WO_3** in the peripheral stringer zone in this position.

10WRD18 and 10WRD19 were also targeting the lower "keel" position of the plunging mineralised structure to better define the extremities of the zone. As we have come to expect from the geological model, the breccia in this position tends to become narrower, arsenopyrite is more prominent, stibnite levels decrease, but gold is still a feature. For example hole 10WRD19 intersected **2.55m of 1.61% Sb and 1.28 g/t Au**. Hole 10WRD18 was located below the 2009 resource outline and hence was lacking stibnite but reported anomalous gold.

10WRD20 – intersected the breccia zone down plunge to the west of the deposit with **3.1m at 1.15% Sb** along with anomalous gold, proving once again the 'pinch-and-swell' nature of this very productive antimony mineralised system.

The Wild Cattle Creek mineralisation remains open down plunge to the west. With the success of the recent drill program, Anchor is assessing the logistics and planning for follow up drilling, details of which will be dependent on outcomes from the proposed scoping study. In addition, further regional exploration will be undertaken to investigate the high prospectivity for similar style deposits.

The best results from the 2010 program are compiled in Table 1. Details of the drillhole locations are presented in Table 2.

2. 3-D Modelling and Resource Estimation

The results from the latest drilling program provide justification for a re-appraisal of the **JORC compliant resource** contained in the Wild Cattle Creek deposit. A number of holes have successfully expanded the known mineralisation, while further confidence in results from old holes has been provided by recent drill checking.

Previous resource modelling, including Anchor's latest estimate in November 2009, focused primarily on the main core breccia zone hosting antimony mineralisation, however the discovery of tungsten, lower grade antimony and gold in the peripheral "stringer" zone immediately adjacent to the main zone also merits incorporation into the model.

While internal geological interpretation and modelling has commenced, Anchor is in the latter stages of finalising a reputable consultancy that will undertake the independent, JORC compliant, 3-D modelling and resource estimation for the Wild Cattle Creek deposit. The new resource estimate is expected to be available by the end of the third quarter 2010.

3. Scoping study

Following recent drilling success at Wild Cattle Creek, Anchor has commenced planning and selection of consultants for a scoping study based on possible development of the Wild Cattle Creek deposit. The study is designed to evaluate all facets of the geology, mining and process options, and provide indicative capital and operating cost structures. It will also incorporate a review of historical metallurgical testwork with new testing aimed at assessing a broader range of economic products.

Anchor is currently finalising proposals from reputable specialist consultants to undertake the scoping study. While elements of this work will commence in conjunction with the modeling and resource estimation, the bulk of the scoping study will follow completion of the resource upgrade and results of metallurgical testing.

Anchor anticipates the scoping study will be completed during the fourth quarter of 2010.

Background

Anchor holds 100% of the Bielsdown Project (EL 6388), located 40km west of Coffs Harbour, which includes the old Wild Cattle Creek antimony mine and Jezebel prospect. First production from the mine was in the late 1800s, with mining and exploration undertaken intermittently since that time. Historically, exploration drilling has been carried out in three phases, during the 1960s and mid 1990s, followed by Anchor's first campaign in 2009.

Following its 2009 drill campaign, Anchor upgraded the JORC compliant resource estimate for the Wild Cattle Creek antimony deposit (refer to ASX announcement dated 23 November 2009).

Antimony market and price

The antimony price surged to record levels over recent months as traders reported a shortage of available material from the largest producing country - China. Prices leapt from around US$6,400/t in January 2010 to US$9,500/t in May, with more recent reports of prices stabilising around US$8,400/t, equivalent to ~US$3.80/lb.

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European Commission report – In mid June, an expert group chaired by the European Commission released results of a study indicating that the European Union is facing a shortage of 14 critical raw materials needed for mobile phones and emerging technologies such as solar panels and synthetic fuels.

Antimony was highlighted as one of these critically undersupplied commodities. Specifically it states that the emerging technologies that are driving demand for antimony are the use of antimony tin oxide (application in LCD displays and photovoltaic cells) and micro-capacitors.

The study indicated that a key factor behind the shortages was a concentration of production sources. For example in the case of antimony, over 90% is produced from China, which also has the capacity to regulate supply to the remainder of the world. In addition the supply risk is compounded by low substitutability and low recycling rates.

Other commodities facing critical shortage in the report include tungsten, rare earths, indium, tantalum and cobalt.

What is antimony?
Stibnite (Sb_2S_3) is the main ore mineral of the element antimony (Sb). Antimony ores are beneficiated and processed into antimony metal or oxide. Antimony mine production is concentrated very heavily in China (91% of world output in 2008 - USGS). Antimony is primarily used as an enhancer of flame retardants, in production of PET plastics or a hardening and strengthening agent for lead and zinc alloys. These alloys are used in lead storage batteries, solder, sheet and pipe metal, bearings, castings, ammunition and pewter, particularly for use in wet-cell batteries.

For further information, contact Trevor Woolfe (Managing Director) at Anchor Resources Limited in Sydney on **02 9279 1231**.

Yours sincerely
ANCHOR RESOURCES LIMITED

Trevor Woolfe - Managing Director

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Drillhole	From (m)	To (m)	Interval	Antimony (Sb %)	Tungsten ($W0_3$ %)	Gold (Au g/t)	Comments
10WDD11	39.5	58.2	**18.7m**	**4.46**	0.10	0.10	Previously announced
(incl.)	44.6	48.5	3.9m	3.88	0.24	-	" "
	51.4	56.6	5.2m	9.83	-	0.21	" "
and	58.2	64.5	6.3m	0.31	0.18	-	" "
10WDD12	36.3	50.4	**14.1m**	**2.31**	-	0.22	" "
(incl.)	44.2	48.9	4.7m	4.73	-	0.52	" "
10WRD13	105.0	106.0	1.0m	1.03	-	0.20	" "
10WDD14	165.0	168.0	3.0m	2.38	-	0.94	" "
	202.4	203.4	**1.0m**	**8.22**	-	0.19	" "
10WRD15	154.8	206.0	**51.2m**	**1.69**	**-**	**-**	" "
(incl.)	174.6	192.6	18.0m	3.27	**-**	0.29	" "
(incl.)	182.5	188.0	**5.5m**	**4.80**	**-**	0.44	" "
and	189.6	197.3	7.7m	-	0.61	-	" "
10WRD16	133.3	137.7	4.4m	5.83	0.78	**-**	" "
(incl.)	134.3	135.7	**1.4m**	**17.07**	**2.23**	**-**	" "
	348.8	353.0	4.2m	-	-	0.89	" "
10WRD16W	133.5	135.5	**2.0m**	**14.45**	**1.06**	**-**	" "
10WRD17	106	114	**8m**	**2.75**	**-**	**-**	" "
(incl.)	106	110	4m	0.86	0.31	**-**	" "
and	111	114	**3m**	**6.14**	**-**	**0.60**	" "
10WRD18	**154.1**	**158.8**	**4.7m**	**-**	**-**	**0.21**	**New Results**
10WRD19	**169.3**	**171.85**	**2.55m**	**1.61**	**-**	**1.28**	**New Results**
10WRD20	**216.3**	**219.4**	**3.1m**	**1.15**		**0.31**	**New Results**
	226.9	**234.0**	**7.1m**	**-**	**-**	**0.49**	**New Results**
	238.0	**241.0**	**3.0m**	**-**	**0.12**	**-**	**New Results**

Table 1 Results received from latest Wild Cattle Creek drill program

Half core sampling was on a metre by metre basis, or to geological boundaries as applicable. RC sampling was on a metre by metre basis and split via a three tier splitter on site. Samples were analysed at the ALS Chemex laboratory in Brisbane for a suite of multi-elements including Sb, Au and W. Au was analysed by fire assay/AAS (Au-AA24) while multi-element analyses were done by aqua regia digest (ME-ICP), with subsequent XRF (ME-XRF15b) analysis of higher grade antimony and tungsten results.

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		MGA (WGS84)				
Hole	**Prospect**	**Easting**	**Northing**	**Dip**	**Azimuth**	**Depth (m)**
10WDD11	**WCC**	473,018	6,656,197	-55	180	75.0 EOH
10WDD12	**WCC**	472,917	6,656,164	-60	0	68.8 EOH
10WRD13	**WCC**	472,892	6,656,275	-75	180	182.6 EOH
10WDD14	**WCC**	472,896	6,656,274	-75	174	234.3 EOH
10WRD15	**WCC**	472,783	6,656,311	-60	190	240.0 EOH
10WRD16	**WCC**	472,784	6,656,315	-70	190	377.1 EOH
10WRD16W	**WCC**	472,784	6,656,315	-66.4	192.6	148.7 EOH[#]
10WRD17	**WCC**	472,829	6,656,283	-53	172	144.0 EOH
10WRD18	**WCC**	472,964	6,656,111	-60	0	170.1 EOH
10WRD19	**WCC**	472,898	6,656,100	-60	0	195.0 EOH
10WRD20	**WCC**	472,785	6,656,313	-60	208	267.0 EOH

[#] 10WRD16W – wedge hole commenced at 88.5m down hole 10WRD16

Table 2 Wild Cattle Creek – 2010 drillhole details

Declaration and JORC Compliance: *The information in this report relating to Exploration Results is based on information compiled by Trevor Woolfe BSc(Hons), MAusIMM. Mr Woolfe is Managing Director and consultant to Anchor Resources Limited. Mr Woolfe has sufficient experience relevant to the assessment of this style of mineralisation to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code". Mr Woolfe consents to the inclusion of the information in the report in the form and context in which it appears.*

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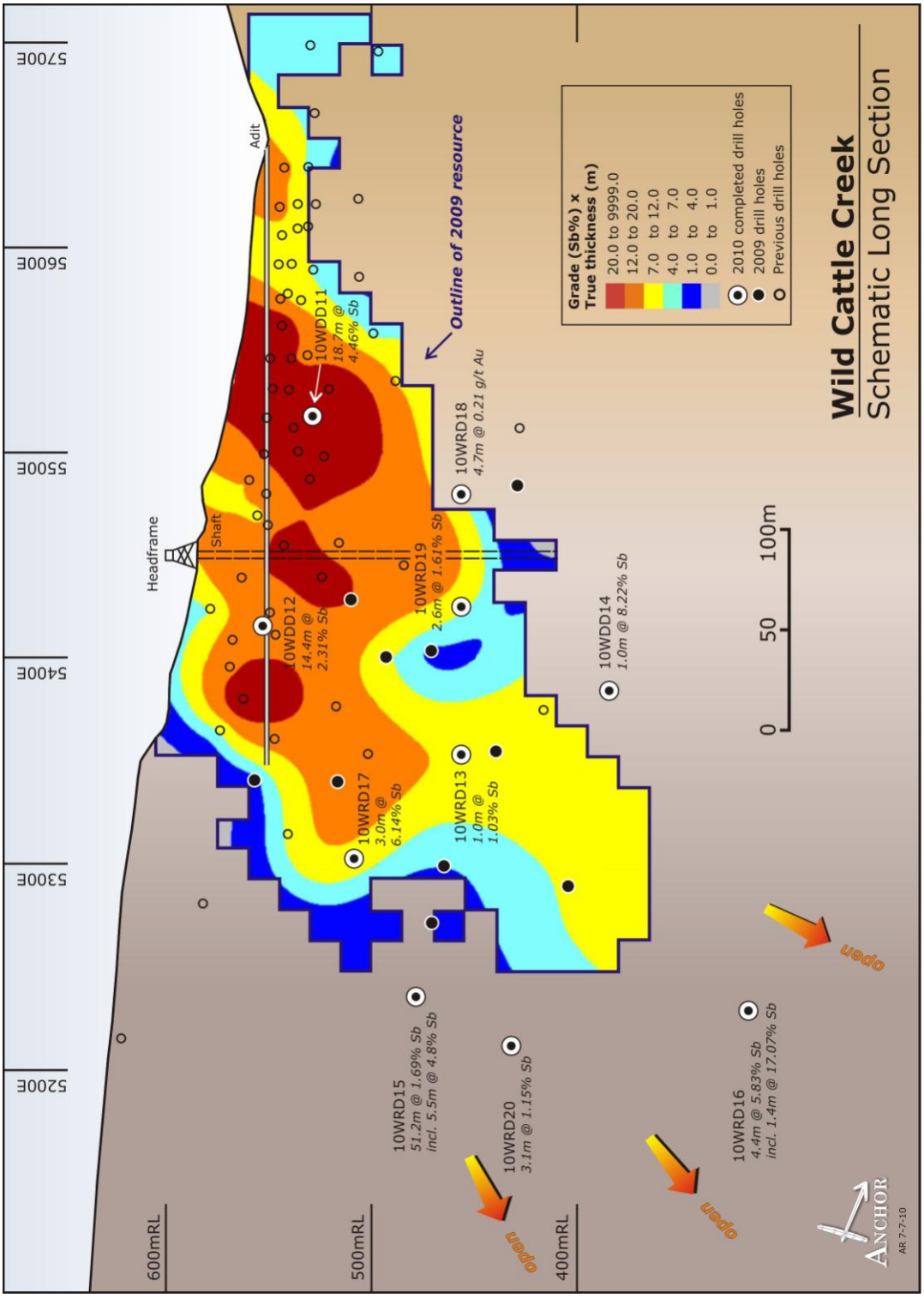

Figure 1