

13 May 2011

 **NORTON ROSE**

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Dear Sirs

Takeover bid by Sunstar Capital Pty Ltd for Anchor Resources Limited – Seventh Supplementary Bidder's Statement

We act for Sunstar Capital Pty Ltd ACN 147 934 852 (**Sunstar Capital**) in relation to its off-market takeover bid for all of the ordinary shares in Anchor Resources Limited ACN 122 751 419 (**Anchor**) (**Offer**).

In accordance with section 647(3)(b) of the *Corporations Act 2001* (Cth), we enclose a seventh supplementary bidder's statement dated 13 May 2011 in relation to the Offer (**Seventh Supplementary Bidder's Statement**).

A copy of the Seventh Supplementary Bidder's Statement was lodged with the Australian Securities and Investments Commission and sent to Anchor today.

Yours faithfully



Robert Sultan
Partner
Norton Rose Australia
Contact: Chris Mitchell

APAC-#10096403-v1

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中国山东金顺达集团有限公司

CHINA SHANDONG JINSHUNDA GROUP CO.,LTD.

13 May 2011

Dear Anchor shareholder

In light of Sunstar Capital's off-market takeover bid for Anchor Resources having attracted overwhelming support from Anchor shareholders, Sunstar Capital would like to provide an update on its future intentions in respect of Anchor and strongly encourages Anchor shareholders with a medium to long term investment horizon to remain as investors in Anchor by retaining their Anchor shares.

Sunstar Capital intends to undertake the following actions with the objective of assisting Anchor shareholders who retain their Anchor shares to enhance and realise the value of their investment in Anchor:

- Increasing Anchor's antimony reserves and accelerating progress towards commercial production of antimony by injecting into Anchor additional antimony projects. In this regard, Sunstar Capital has recently entered into a Memorandum of Understanding with the owners of 3 separate antimony projects in Queensland. These projects comprise two exploration licences and one mining lease.
- Subject to receipt of all necessary regulatory and corporate approvals, Sunstar Capital plans to add these projects to Anchor's existing portfolio. If the necessary approvals are obtained, Anchor will acquire an initial 20% interest in all 3 projects and be provided with a right within 2 years to acquire the remaining 80%. Sunstar Capital believes that, subject to the inclusion of the 3 new projects into Anchor's existing portfolio, Anchor should prioritize the project containing the mining lease and expects to bring this advanced project into commercial production within approximately 2 years.
- Strengthening Anchor's tie with the world's major antimony producers in China by forging a strategic alliance with a view to securing offtake commitments and technical support. Through China Shandong Jinshunda Group's far reaching network in the mining industry in China, Sunstar Capital has recently scheduled meetings with large Chinese antimony producers in June 2011, with a view to attracting offtake commitments and technical support, and possibly equity investment.
- Diversifying Anchor's capital structure by introducing local and international investors and expanding Anchor's retail and institutional shareholder base. Sunstar Capital believes that this will contribute to the liquidity of Anchor stock and provide Anchor with access to additional funding to support the development of its projects. With such additional funding in place, Anchor should be in a position to be able to undertake exploration activities on multiple projects and continue to accelerate the development of its prospects and associated infrastructure.

Sunstar Capital encourages shareholders with a medium to long term investment horizon to consider all the above information, and to read the Bidder's and Target's Statements and all supplementary statements and ASX announcements, before deciding whether to remain as investors in Anchor.

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Yours sincerely,



Jiayi Yu
Director, Sunstar Capital Pty Ltd

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Seventh Supplementary Bidder's Statement

**in relation to the Offer by Sunstar Capital Pty Ltd ACN 147 934 852 to purchase all of
your ordinary shares in Anchor Resources Limited ACN 122 751 419**



This is an important document that requires your immediate attention.

**If you are in any doubt as to how to deal with this document, you should consult your
financial or other professional adviser as soon as possible.**

Legal Adviser

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1. Introduction

This document is a supplementary bidder's statement given pursuant to Division 4 of Part 6.5 of the *Corporations Act 2001* (Cth) (**Corporations Act**), in compliance with the requirements of section 643 of the *Corporations Act*, by Sunstar Capital Pty Ltd ACN 147 934 852 (**Sunstar Capital**) in relation to its off-market takeover offer to acquire all of the ordinary shares in Anchor Resources Limited ACN 122 751 419 (**Anchor**) (**Offer**).

It is the seventh supplementary bidder's statement (**Seventh Supplementary Bidder's Statement**) issued by Sunstar Capital to the bidder's statement dated 28 January 2011 issued by Sunstar Capital (**Original Bidder's Statement**). This Seventh Supplementary Bidder's Statement supplements and is to be read together with the Original Bidder's Statement, the first supplementary bidder's statement dated 14 February 2011, the second supplementary bidder's statement dated 24 February 2011, the third supplementary bidder's statement dated 18 March 2011, the fourth supplementary bidder's statement dated 19 April 2011, the fifth supplementary bidder's statement dated 28 April 2011 and the sixth supplementary bidder's statement dated 9 May 2011. This document prevails in the event of any inconsistency with those documents.

Important Notices

A copy of this Seventh Supplementary Bidder's Statement was lodged with the Australian Securities and Investments Commission (**ASIC**) on 13 May 2011. Neither ASIC nor its officers takes any responsibility for the contents of this Seventh Supplementary Bidder's Statement.

Defined terms and interpretation

Unless the context otherwise requires, capitalised terms in this Seventh Supplementary Bidder's Statement have the same meaning given to them in section 9 of the Original Bidder's Statement. The rules of interpretation set out in section 9.2 of the Original Bidder's Statement also apply to this Seventh Supplementary Bidder's Statement, unless the context otherwise requires.

2. Letter to Anchor shareholders

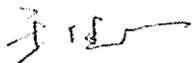
Attached is a letter to Anchor shareholders from Sunstar Capital, which forms part of this Seventh Supplementary Bidder's Statement.

3. Approval of Seventh Supplementary Bidder's Statement

This Seventh Supplementary Bidder's Statement has been approved by a resolution passed by the directors of Sunstar Capital.

Dated: 13 May 2011

Signed for and on behalf of **Sunstar Capital Pty Ltd**



Jiayi Yu
Director

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